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of America

PROCEEDINGS AND DEBATES OF THE 107th CONGRESS, SECOND SESSION

HOUSE OF REPRESENTATIVES—*Wednesday, January 23, 2002*

The House met at noon.

The SPEAKER. This being the day fixed by Public Law 107–98 of the 107th Congress, enacted pursuant to the 20th Amendment to the Constitution for the meeting of the 2nd session of the 107th Congress, the House will be in order.

The prayer will be offered by the Chaplain.

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

"Sing a new song to the Lord, sing to the Lord, all the Earth. Sing to the Lord and bless His name, proclaim His power day after day."

Lord, may this new session of the 107th Congress give You praise from its beginning and be to Your glory in the end.

With new vigor and genuine orchestration, may the Members of the House of Representatives lift their voices in the anthem of freedom and justice while they, with all America, grow in virtue day after day.

Be with these Members, Lord, as they come together to accomplish the work of Your people with hearts attuned to the movement of Your spirit. May their voices in unison be heard around the Earth.

As they work toward a just society through the enactment of law, fill them with compassion and care for all who are suffering from oppression or loss. In them, let Your spirit find creative expression that will lift the hearts of those who yearn to hear the melodious promise of security and peace. Peace is Your gift, now and forever.

Amen.

CALL OF THE HOUSE

The SPEAKER. The Clerk will utilize the electronic system to ascertain the presence of a quorum.

Members will record their presence by electronic device.

The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 1]

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Barcia
Barrett
Bartlett
Bass
Bentsen
Bereuter
Berkley
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
Delahunt
DeLauro
DeMint
Deutsch
Diaz-Balart
Dingell
Doggett
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Ganske
Gekas
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Herger
Hill
Hilliard
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Horn
Hostettler
Hoyer
Hulshof
Hunter
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Mica
Millender-McDonald
Miller, Dan
Miller, George
Miller, Jeff
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ose
Otter
Owens
Oxley
Pastor
Paul
Pelosi
Pence
Peterson (MN)
Petri
Phelps
Pitts
Platts
Pombo
Price (NC)
Putnam
Rahall
Ramstad
Regula
Rehberg
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Ross
Rothman
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Souder
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walden
Walsh
Wamp
Watson (CA)
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (FL)

☐ 1228

The SPEAKER. On this rollcall, 347 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

PERSONAL EXPLANATION

Ms. SOLIS. Mr. Speaker, during rollcall vote No. 1 on quorum call I was unavoidably detained. Had I been present, I would have voted "present."

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Utah (Mr. HANSEN) come forward and lead the House in the Pledge of Allegiance.

Mr. HANSEN led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Ms. Wanda Evans, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monohan, one of its clerks, announced that the Senate has passed with amendment in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 1892. An act to amend the Immigration and Nationality Act to provide for the acceptance of an affidavit of support from another eligible sponsor if the original sponsor has died and the Attorney General has determined for humanitarian reasons that the original sponsor's classification petition should not be revoked.

H.R. 2215. An act to authorize appropriations for the Department of Justice for fiscal year 2002, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 2215) "An Act to authorize appropriations for the Department of Justice for fiscal year 2002, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LEAHY, Mr. KENNEDY, and Mr. HATCH, to be the conferees on the part of the Senate.

The message also announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 3448. An act to improve the ability of the United States to prevent, prepare for, and respond to bioterrorism and other public health emergencies.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 3448) "An Act to improve the ability of the United States to prevent, prepare for, and respond to bioterrorism and other public health emergencies," and requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. DODD, Mr. HARKIN, Ms. MIKULSKI, Mr. JEFFORDS, Mr. GREGG, Mr. FRIST, Mr. ENZI, and Mr. HUTCHINSON, be the conferees on the part of the Senate.

The message also announced that the Senate has passed with amendments in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

H. Con. Res. 211. Concurrent resolution commending Daw Aung San Suu Kyi on the 10th anniversary of her receiving the Nobel Peace Prize and expressing the sense of the Congress with respect to the Government of Burma.

The message also announced that the Senate has passed bills, a joint resolution and concurrent resolutions of the following titles in which the concurrence of the House is requested:

S. 392. An act to grant a Federal charter to Korean War Veterans Association, Incorporated, and for other purposes.

S. 990. An act to amend the Pittman-Robertson Wildlife Restoration Act to improve the provisions relating to wildlife conservation and restoration programs, and for other purposes.

S. 1099. An act to increase the criminal penalties for assaulting or threatening Federal judges, their family members, and other public servants, and for other purposes.

S. 1214. An act to amend the Merchant Marine Act, 1936, to establish a program to ensure greater security for United States seaports, and for other purposes.

S. 1400. An act to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to extend the deadline for aliens to present a border crossing card that contains a biometric identifier matching the appropriate biometric characteristic of the alien.

S. 1608. An act to establish a program to provide grants to drinking water and wastewater facilities to meet immediate security needs.

S. 1622. An act to extend the period of availability of unemployment assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in the case of victims of the terrorist attacks of September 11, 2001.

S. 1637. An act to waive certain limitations in the case of use of the emergency fund authorized by section 125 of title 23, United States Code, to pay the costs of projects in response to the attack on the World Trade Center in New York City that occurred on September 11, 2001.

S. 1803. An act to authorize appropriations under the Arms Export Control Act and the Foreign Assistance Act of 1961 for security assistance for fiscal years 2002 and 2003, and for other purposes.

S. 1834. An act for the relief of retired Sergeant First Class James D. Benoit and Wan Sook Benoit.

S. 1858. An act to permit the closed circuit televising of the criminal trial of Zacarias Moussaoui for the victims of September 11th.

S. 1864. An act to amend the Public Health Service Act to establish a Nurse Corps and recruitment and retention strategies to address the nursing shortage, and for other purposes.

S. 1888. An act to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code.

S.J. Res. 12. Joint resolution granting the consent of Congress to the International Emergency Management Assistance Memorandum of Understanding.

S. Con. Res. 90. Concurrent resolution expressing the sense of Congress regarding the efforts of people of the United States of Korean ancestry to reunite with their family members in North Korea.

S. Con. Res. 92. Concurrent resolution recognizing Radio Free Europe/Radio Liberty's success in promoting democracy and its continuing contribution to United States national interests.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON TODAY

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on today.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

COMMITTEE TO NOTIFY THE PRESIDENT

Mr. ARMEY. Mr. Speaker, I offer a privileged resolution (H. Res. 331) providing for a committee to notify the President of the assembly of the Congress, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 331

Resolved, That a committee of two Members be appointed by the Speaker on the part of the House of Representatives to join with a committee on the part of the Senate to notify the President of the United States that a quorum of each House has assembled and Congress is ready to receive any communication that he may be pleased to make.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT AS MEMBERS OF COMMITTEE TO NOTIFY THE PRESIDENT, PURSUANT TO HOUSE RESOLUTION 331

The SPEAKER. The Chair appoints as members of the committee on the part of the House to join a committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled, and that Congress is ready to receive any communication that he may be pleased to make, the gentleman from Texas (Mr. ARMEY) and the gentleman from Missouri (Mr. GEPHARDT).

□ 1230

NOTIFICATION OF THE SENATE

Mr. ARMEY. Mr. Speaker, I offer a privileged resolution (H. Res. 332) to inform the Senate that a quorum of the House has assembled, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 332

Resolved, That the Clerk of the House inform the Senate that a quorum of the House is present and that the House is ready to proceed with business.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DAILY HOUR OF MEETING

Mr. ARMEY. Mr. Speaker, I offer a privileged resolution (H. Res. 333) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 333

Resolved, That unless otherwise ordered, before Monday, May 13, 2002, the hour of daily meeting of the House shall be 2 p.m. on Mondays; 11 a.m. on Tuesdays; and 10 a.m. on all other days of the week; and from Monday, May 13, 2002, until the end of the second session, the hour of daily meeting of the House shall be noon on Mondays; 10 a.m. on Tuesdays, Wednesdays, and Thurdays; and 9 a.m. on all other days of the week.

The resolution was agreed to.

A motion to reconsider was laid on the table.

JOINT SESSION OF THE CONGRESS—STATE OF THE UNION MESSAGE

Mr. ARMEY. Mr. Speaker, I offer a privileged concurrent resolution (H. Con. Res. 299) and ask for its immediate consideration.

The SPEAKER. The Clerk will report the concurrent resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 299

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Tuesday, January 29, 2002, at 9 p.m., for the purpose of receiving such communication as the President of the United States shall be pleased to make to them.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

MAKING IN ORDER MORNING HOUR DEBATES

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that on legislative days of Monday and Tuesday during the second session of the 107th Congress, the House shall convene 90 minutes earlier than the time otherwise established by order of the House solely for the purpose of conducting "morning hour debate," except that on Tuesdays after May 13, 2002 the House shall convene for that purpose 1 hour earlier than the time otherwise established by order of the House;

The time for morning hour debate shall be limited to 30 minutes allocated to each party, except that on Tuesdays after May 13, 2002, the time shall be limited to 25 minutes allocated to each party and may not continue beyond 10 minutes before the hour appointed for the resumption of the session of the House; and the form of proceedings to morning hour debate shall be as follows: The prayer by the Chaplain, the approval of the Journal, and the Pledge of Allegiance to the Flag shall be postponed until resumption of the session of the House; initial and subsequent recognitions for debate shall alternate between the parties; recognition shall be conferred by the Speaker only pursuant to lists submitted by the majority leader and minority leader; no Member may address the House for longer than 5 minutes, except the majority leader, the minority leader, or the minority whip; and following morning hour debate, the Chair shall declare a recess pursuant to clause 12 of rule I until the time appointed for the resumption of the session of the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

GRANTING MEMBERS OF THE HOUSE PRIVILEGE TO EXTEND REMARKS AND INCLUDE EXTRANEOUS MATERIAL IN THE CONGRESSIONAL RECORD FOR THE SECOND SESSION OF THE 107TH CONGRESS

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that, for the second session of the 107th Congress, all Members be permitted to extend their remarks and to include extraneous material within the permitted limit in that section of the RECORD entitled "Extension of Remarks."

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

MAKING IN ORDER MOTIONS TO SUSPEND THE RULES ON TODAY

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to entertain motions to suspend the rules relating to the following measures on the legislative day of Wednesday, January 23, 2002: H.R. 700, H.R. 2234, H. Res. 330.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to clause 4 of rule I, the Speaker signed the following enrolled bills and joint resolutions on Friday, December 21, 2001:

H.R. 1, to close the achievement gap with accountability, flexibility, and choice, so that no child is left behind;

H.R. 2873, to extend and amend the program entitled Promoting Safe and Stable Families under title IV–B, subpart 2 of the Social Security Act, and to provide new authority to support programs for mentoring children of incarcerated parents; to amend the Foster Care Independent Living Program under title IV–E of that act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes;

House Joint Resolution 79, making further continuing appropriations for the fiscal year 2002, and for other purposes;

House Joint Resolution 80, appointing the day for the convening of the second session of the 107th Congress.

And Speaker pro tempore GILCHREST signed the following enrolled bills on Thursday, January 3, 2002:

H.R. 1088, to amend the Securities Exchange Act of 1934 to reduce fees collected by the Securities and Exchange Commission, and for other purposes;

H.R. 2277, to provide for work authorization for nonimmigrant spouses of treaty traders and treaty investors;

H.R. 2278, to provide for work authorization for nonimmigrant spouses of intracompany transferees, and to reduce the period of time during which certain intracompany transferees have to be continuously employed before applying for admission to the United States;

H.R. 2336, to extend for 4 years, through December 31, 2005, the authority to redact financial disclosure statements of judicial employees and judicial officers;

H.R. 2506, making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes;

H.R. 2751, to authorize the President to award a Gold Medal on behalf of the Congress to General Henry H. Shelton and to provide for the production of bronze duplicates of such medal for sale to the public;

H.R. 2869, to provide certain relief for small businesses from liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and to amend such act to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes;

H.R. 2884, to amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States, and for other purposes;

H.R. 3030, to extend the basic pilot program for employment eligibility verification, and for other purposes;

H.R. 3061, making appropriations for the Department of Labor, Health and Human Services, and Education, and Related Agencies for the fiscal year ending September 30, 2002, and for other purposes;

H.R. 3248, to designate the facility of the United States Postal Service located at 65 North Main Street in Cranbury, New Jersey, as the "Todd Beamer Post Office Building";

H.R. 3334, to designate the Richard J. Guadagno Headquarters and Visitors

Center at Humboldt Bay National Wildlife Refuge, California;

H.R. 3338, making appropriations for the Department of Defense for the fiscal year ending September 30, 2002, and for other purposes;

H.R. 3346, to amend the Internal Revenue Code of 1986 to simplify the reporting requirements relating to higher education tuition and related expenses;

H.R. 3348, to designate the National Foreign Affairs Training Center as the George P. Shultz National Foreign Affairs Training Center;

H.R. 3392, to name the National Cemetery in Saratoga, New York, as the Gerald B.H. Solomon Saratoga National Cemetery, and for other purposes;

H.R. 3447, to amend title 38, United States Code, to enhance the authority of the Secretary of Veterans' Affairs to recruit and retain qualified nurses for the Veterans Health Administration, to provide an additional basis for establishing the inability of veterans to defray expenses of necessary medical care, to enhance certain health care programs of the Department of Veterans' Affairs, and for other purposes.

APPOINTMENT AS MEMBER TO THE PERMANENT SELECT COMMITTEE ON INTELLIGENCE

The SPEAKER. Pursuant to clause 11 of rule X, clause 11 of rule I, and the order of the House of Thursday, December 20, 2001, authorizing appointments and waiving clause 11(a)(1) of rule X, the Speaker on Tuesday, January 22, 2002, appointed the following Member of the House to the Permanent Select Committee on Intelligence:

Mr. EVERETT of Alabama.

COMMUNICATION FROM HON. RICHARD A. GEPHARDT, DEMOCRATIC LEADER

The SPEAKER. The Chair lays before the House the appointment made by the minority leader during the same sine die adjournment pursuant to the order of the House on Thursday, December 20, 2001.

House of Representatives,
Office of the Democratic Leader,
Washington, DC, January 4, 2002.

Hon. J. Dennis Hastert,
Speaker of the House, House of Representatives,
Washington, DC.

Dear Mr. Speaker: Pursuant to section 955(b)(1)(B) of Public Law 105–83, I hereby appoint the following Member to the National Council on the Arts:

Ms. Betty McCollum, MN

Yours Very Truly,
Richard A. Gephardt.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

Office of the Clerk,
House of Representatives,
Washington, DC, December 21, 2001.

Hon. J. Dennis Hastert,
The Speaker, House of Representatives,
Washington, DC.

Dear Mr. Speaker: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on December 20, 2001 at 7:30 p.m.

That the Senate agreed to conference report H.R. 2506.

That the Senate passed without amendment H.J. Res. 79.

That the Senate passed without amendment H.J. Res. 80.

With best wishes, I am
Sincerely,
Jeff Trandahl,
Clerk of the House.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

Office of the Clerk,
House of Representatives,
Washington, DC, December 21, 2001.

Hon. J. Dennis Hastert,
The Speaker, House of Representatives,
Washington, DC.

Dear Mr. Speaker: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on December 20, 2001 at 12:04 p.m.

That the Senate passed without amendment H.R. 2277.

That the Senate passed without amendment H.R. 2278.

That the Senate passed without amendment H.R. 2751.

That the Senate passed without amendment H.R. 2869.

That the Senate passed without amendment H.R. 3030.

That the Senate passed without amendment H.R. 3248.

That the Senate passed without amendment H.R. 3334.

That the Senate passed without amendment H.R. 3346.

That the Senate passed without amendment H.R. 3392.

That the Senate passed without amendment H.R. 3447.

That the Senate passed without amendment H.R. 3348.

That the Senate passed without amendment H. Con. Res. 292.

With best wishes, I am
Sincerely,
Jeff Trandahl,
Clerk of the House.

PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO THE RISK OF NUCLEAR PROLIFERATION CREATED BY THE ACCUMULATION OF WEAPONS-USABLE FISSILE MATERIAL IN THE TERRITORY OF THE RUSSIAN FEDERATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–174)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to the risk of nuclear proliferation created by the accumulation of weapons-usable fissile material in the territory of the Russian Federation that was declared in Executive Order 13159 of June 21, 2000.

George W. Bush.
The White House, *January 23, 2002.*

ANNIVERSARY OF ROE V. WADE

(Mr. LINDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LINDER. Mr. Speaker, on yesterday over 100,000 Americans representing nearly every State in the Nation marched in opposition to one of our Nation's most notorious and, I think, tragic Supreme Court rulings, the decisions to legalize abortion in the United States.

Twenty-nine years ago yesterday the U.S. Supreme Court ruled seven to two that the U.S. Constitution affords a woman the right to obtain an abortion. But what was not known at the time was that the case of Roe v. Wade would only add another fissure in the societal fabric.

In addition yesterday to voicing his admiration for those who seek to protect the right to life, President Bush proclaimed last Sunday to be National Sanctity of Life Day. I too support the efforts of these Americans, and I am grateful that America may follow President Bush's leadership as he works to mend this fissure by truly recognizing this noble cause and valuing the culture of life.

What we have learned from the events of September 11 is that life, every life is sacred. Now, more than ever, we must reaffirm our commitment to the sanctity of life. And I am hopeful that life, our most sacred of gifts, can be preserved and protected for all humans, born and unborn.

AMERICANS NEED ECONOMIC STIMULUS PACKAGE

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, we are in a recession. People are losing their jobs and their retirement savings. The Congress needs to do something about it.

The House has passed an economic stimulus package, not once, but twice, in order to accommodate critics. It is common knowledge that the economic stimulus package we passed in December has enough support to become law. It has enough votes to pass not just in the House but in both Chambers of Congress.

Mr. Speaker, we in the House have done our part. We have passed a good bill, a bill that will help the unemployed, the underemployed, and those who would create jobs in the first place. We have shown that we care. We have done more than just talk.

Now the bill is out of our hands. I understand that it is against House rules to comment on the other body's inaction, so I will not. But I will say that the American people need this economic stimulus. I will say that the media reports that the stimulus has the votes to pass into law, and people are waiting for a vote.

A BALANCED FEDERAL BUDGET

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, in this past year and future year of war and politics and recession, I rise today to urge my colleagues to respond to that higher calling of Members of the United States House of Representatives under the Constitution of the United States and commit ourselves on this first day of this second session of the 107th Congress to be a Congress that balances the Federal budget.

The headlines, Mr. Speaker, are filled with an American corporation which through either mismanagement or criminality has done a disservice to millions of middle-class shareholders and to thousands of its employees, even some from my own family who live in Texas.

It is fundamentally a failure of that corporation to manage its budget. Let us not likewise fail in this Congress to give the American people, even in these recessionary times, a balanced Federal budget. Let us begin this day to live out that proverb that if you owe debts, pay debts. And let us live out our commitment in this Republican-dominated Congress to provide a balanced Federal budget for the American people.

TREATMENT OF DETAINEES

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, now comes the usual liberal cadre of bleeding hearts in America lead by the former Attorney General, Ramsey Clark, saying we are mistreating the prisoners in Guantanamo Bay.

I just returned from Quetta, Pakistan. Quetta is an interesting city, population around 200,000; and yet, it has been swelled by refugees from Afghanistan by 500,000 people, kids who are illiterate; kids who do not have any opportunity to have education; people who do not have work; 7 percent who have running water. And yet these victims of wars because of the Taliban and these wicked criminals who are in Guantanamo Bay must suffer.

What about the victims in America, those who lost loved ones and the families, who had their first bitter Christmas alone this year? What about them?

What does Attorney General Clark think in the morning? His passion goes out to the prisoners in Guantanamo Bay, yet never a thought about all the refugees, over 3 million refugees in Iran and Pakistan, out of Afghanistan, never a thought about the victims in the United States of America.

What is more important? Getting the headline one more time and showing the world what you are all about. Well, I am glad most of America has common sense and are wisely ignoring such allegations as the unfair treatment of prisoners. We have better things to do. We have a war to fight. We have to move on.

ASSISTING RETIREES AND UNEMPLOYED WORKERS

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I represent the 18th Congressional District in Texas, Houston, Texas, where we have found an enormous corporate and human tragedy. But the human tragedy is what I speak to today, the greatest tragedy, and that we in Congress have to fix the problem. We must help the retirees and employees who have been so negatively impacted by this debacle.

So I hope as we proceed in these hearings, we lay upon the minds and hearts of our fellow colleagues in this Congress, help the retirees across the Nation who have lost millions of dollars, let us put these unemployed workers and their families back on their feet.

Mr. Speaker, I intend to file legislation today to make sure that we prioritize our responsibilities, helping the retirees and helping the unemployed workers. I tell you that those in Texas are crying out for help and I hope that we will help them.

□ 1245

REMEMBERING JACK SHEA

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, it saddens me to report to the House the tragic loss of a great patriot, a wonderful American, who on the eve of the Olympics was killed. I am referring to Jack Shea, a 91-year-old individual who was the first American to win two gold medals in the Olympics in 1928. His son was in the Olympics in 1964, and his grandson Jimmy Shea is poised to participate for the first time in an Olympic event, which I personally participated in when our late departed colleague Mr. Solomon took me to Lake Placid; that is, the skeleton run, and we were going to have the opportunity for the first time ever to have third generation Americans participate in the Olympics.

We just got the news yesterday that Mr. Shea was killed in a horrible accident, and so I would like to at this moment extend my condolences to all of the family members and the friends of the Sheas and all of those participating in our very important team, and I know that his grandfather would want me to wish Jimmy Shea well as he prepares with his skeleton sled that is painted with the red, white and blue colors to have great success in Salt Lake City.

EXPRESSING SUPPORT FOR SOLDIERS TRANSPORTING DETAINEES TO GUANTANAMO, CUBA

(Mr. ISSA asked and was given permission to address the House for 1 minute.)

Mr. ISSA. Mr. Speaker, I rise today in support of our fighting men and women who have done so valiant and done so well in Afghanistan and in support of the measures that they have taken to secure and safely transport the detainees from Afghanistan, a cold and inhospitable climate and one in which medical support is not properly available, to Guantanamo, Cuba.

Additionally, I pledge to ensure that the safety of our men and women is maintained and the safety of the detainees by personally going to Cuba, by looking and seeing the conditions under which they are held to ensure that they are humanitarian, but as a military veteran to also ensure that the precautions are taken so that never again will either a detainee or our men and women guarding those detainees be killed because of the kind of uprisings that have occurred not once but twice in the region.

Mr. Speaker, I believe that this body should commit itself to understanding that problem and supporting our fighting men and women and their ability to maintain the safety of the detainees and themselves.

CONSIDERING MEMBER AS FIRST SPONSOR OF H.R. 548

Mr. JEFF MILLER of Florida. Mr. Speaker, I ask unanimous consent that

I might hereafter be considered as first sponsor of H.R. 548, a bill originally introduced by the gentleman from Florida, Mr. SCARBOROUGH, for the purposes of adding cosponsors and requesting reprints pursuant to clause 7 of rule XII.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentleman from Florida?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Such record votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

ASIAN ELEPHANT CONSERVATION REAUTHORIZATION ACT OF 2001

Mr. GILCHREST. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 700) to reauthorize the Asian Elephant Conservation Act of 1997.

The Clerk read as follows:

Senate amendment:

Page 4, strike out all after line 12 down to and including line 19 and insert:

(b) TECHNICAL CORRECTIONS.—

(1) The matter under the heading "MULTINATIONAL SPECIES CONSERVATION FUND" in title I of the Department of the Interior and Related Agencies Appropriations Act, 1999 (16 U.S.C. 4246; 112 Stat. 2681–237), is amended—

(A) by striking "section 5304 of" and all that follows through "section 6 of the Asian Elephant Conservation Act of 1997" and inserting "section 5 of the Rhinoceros and Tiger Conservation Act of 1994 (16 U.S.C. 5304), part I of the African Elephant Conservation Act (16 U.S.C. 4211 et seq.), and section 5 of the Asian Elephant Conservation Act of 1997 (16 U.S.C. 4264)";

(B) by striking "16 U.S.C. 4224" and inserting "section 2204 of the African Elephant Conservation Act (16 U.S.C. 4224)";

(C) by striking "16 U.S.C. 4225" and inserting "section 2205 of the African Elephant Conservation Act (16 U.S.C. 4225)"; and

(D) by striking "16 U.S.C. 4211" and inserting "section 2101 of the African Elephant Conservation Act (16 U.S.C. 4211)".

(2) Effective on the day after the date of enactment of the African Elephant Conservation Reauthorization Act of 2001 (107th Congress)—

(A) section 2104(a) of the African Elephant Conservation Act is amended by striking "this Act" and inserting "this title"; and

(B) section 2306(b) of the African Elephant Conservation Act (16 U.S.C. 4245(b)) is amended by striking "this Act" each place it appears and inserting "this title".

SEC. 6. AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL FISH AND WILDLIFE FOUNDATION.

Section 10(a)(1) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709(a)(1)) is amended—

(1) by striking "2003" and inserting "2005"; and

(2) in subparagraph (A), by striking "$20,000,000" and inserting "$25,000,000".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Maryland (Mr. Gilchrest) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from Maryland (Mr. GILCHREST).

Mr. GILCHREST. Mr. Speaker, I yield myself such time as I may consume.

This legislation was introduced by our distinguished colleague the gentleman from New Jersey (Mr. SAXTON) and it was overwhelmingly approved by the House on June 12. This measure will extend the Asian Elephant Conservation Act at its existing authorization level.

Since its enactment in 1997, Congress has appropriated $2.9 million to fund 46 conservation projects in 12 range countries. These funds, which are the only continuous source of money for the Asian elephants, have had a dramatic, positive impact on the ongoing international struggle to save this flagship species from extinction.

While many Americans were thrilled by the recent birth of an Asian elephant at the National Zoo, it is essential that natural habitat be preserved and protected for these animals. This is a fundamental goal of H.R. 700 because the battle to save the irreplaceable species is far from won.

During consideration in the other body, a number of technical corrections were made to the Multinational Species Conservation Fund. We have reviewed those modifications and support them.

Furthermore, the other body extended the authorization for the National Fish and Wildlife Foundation for 2 years and corrected a mistake made last year in their authorization levels. The National Fish and Wildlife Foundation was created by Congress in 1984 to conserve fish, wildlife and plants and the habitats on which they depend.

In nearly 20 years, the Foundation has funded over 5,000 projects which have restored nearly 20 million acres of habitat, and over 11,000 miles of streams and waterways have been enhanced. In addition, the Foundation has been extremely successful in leveraging limited public dollars with corporate, private and other nonprofit funds. By any objective standard, the foundation has done an effective job of promoting healthy populations of fish, wildlife and plants.

I support these improvements and I urge an aye vote on H.R. 700 so that we can send this important legislation to the President for his signature, and I urge an aye vote on this legislation.

Mr. Speaker, I reserve the balance of my time.

REPORT OF COMMITTEE TO NOTIFY PRESIDENT

Mr. ARMEY. Mr. Speaker, your committee on the part of the House to join a like committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled and is ready to receive any communication that he may be pleased to make has performed that duty.

The President asked us to report that he will be pleased to deliver his message at 9 p.m. on Tuesday, January 29, 2002, to a joint session of the two Houses.

Mr. GEPHARDT. Mr. Speaker, I second the thoughts of the majority leader, and both Democrats and Republicans will welcome the President here on Tuesday night for the State of the Union.

The SPEAKER pro tempore. The Chair thanks the committee.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I might consume.

I rise in support, Mr. Speaker, of H.R. 700, a bill to reauthorize the Asian Elephant Conservation Act.

I would also like to recognize and applaud the bill's sponsor, the gentleman from New Jersey (Mr. SAXTON), for his continued leadership in protecting these magnificent, yet imperiled animals.

Unlike African elephants, the steep decline in the population of Asian elephants was not widely known until 1997. Sadly, we have learned that this population, at one time flourishing, is now fragmented into ever-shrinking remnant populations scattered across 13 countries throughout Southern and Southeast Asia.

Fortunately, the Asian Elephant Conservation Act has helped range states the address the multiple threats which have contributed to the decline of this keystone species in the wild.

Grants initiated under the Asian Elephant Conservation Program have provided valuable financial assistance to impoverished areas.

These funds have supported a wide assortment of projects within range states, including conservation, planning, scientific research, education and community outreach, as well as antipoaching and law enforcement activities.

Progress on the ground is being made. That is why this legislation is fully supported by the administration and by many international conservation organizations, including the World Wildlife Fund and the Wildlife Conservation Society.

Mr. Speaker, H.R. 700 is virtually the same legislation that the House passed earlier this year by the lopsided vote of 401 to 15. The other technical amendments made by the other body to H.R. 700 are noncontroversial, and I urge my colleagues to support this legislation to reauthorize this important wildlife program.

Mr. Speaker, I reserve the balance of my time.

Mr. GILCHREST. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. SAXTON), the author of the legislation.

Mr. SAXTON. Mr. Speaker, I thank the gentleman from Maryland (Mr. GILCHREST) for yielding me the time.

Mr. Speaker, during the years that I have been involved in this issue, from time to time folks come to me and say why are you concerned about the situation involving the Asian elephants. I just wanted to take a few minutes this morning to explain why that is and how we got to where we are with this program that has been quite successful.

Mr. Speaker, in 1997 I introduced this bill because I became startled to learn that there were less than 40,000 Asian elephants living in the wild. Furthermore, nearly 50 percent of those elephants were living in various national parks in India, while the remaining animals were scattered in fragmented populations in 12 other countries in South and Southeast Asia.

Mr. Speaker, it occurred to me that with the rapid decline in the population of this species, it is not without reason that one could conclude that they would actually some day, in the not too distant future, become extinct unless something was done by the variety of people who care about issues involving wildlife.

The primary reason for this serious decline in population is the loss of essential habitat. That should be no surprise to anyone. It is no secret that elephants and man are in direct competition for the same resources. In most cases, it was the elephants who lost.

In addition, Asian elephants are poached for their bones, hide, meat and teeth and are still captured for domestication, and conflicts between elephants and people are escalating at an alarming rate.

Furthermore, it was clear that millions of Americans were not aware of the plight of Asian elephants and, in addition, range countries lacked the financial resources to help conserve this flagship species.

Without an international effort, the future of the Asian elephant was in serious jeopardy, and in response to this problem, along with a number of other Members, we proposed the establishment of the Asian Elephant Conservation Fund. The concept was modeled after the highly successful African Elephant Conservation Fund.

The fundamental goal of this legislation was to obtain a small amount of Federal assistance for on-the-ground conservation projects. Fortunately, this important legislation was overwhelmingly approved by both bodies and was finally signed into law in 1997.

Under the provisions of this act, $25 million could be set aside for the Asian elephant conservation funds until September 30, 2002. In fact, some $2.9 million in Federal funds have been allocated and these moneys have been matched by an additional $1.1 million in private donations.

These funds have been used to underwrite 46 conservation projects in 12 range countries to help benefit the Asian elephant population. While the early indication is that the worldwide population of Asian elephants has stopped its precipitous decline, it is unrealistic to believe that $3 million can save the species from extinction.

We have been successful but we are not finished. Nevertheless, this law has sent a powerful message to the international community that we must not allow this flagship species to disappear from the wild.

□ 1300

The United States must continue to play its crucial leadership role. So I am pleased to have introduced this reauthorization and am hopeful that it will again pass the House of Representatives and be signed into law by the President.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume, and I would like to once again commend the gentleman from New Jersey (Mr. SAXTON) for his passion on this issue and his leadership at the committee.

Mr. Speaker, I yield back the balance of my time.

Mr. GILCHREST. Mr. Speaker, I yield myself such time as I may consume to also compliment the gentleman from New Jersey (Mr. SAXTON) for his effort on this issue, and the staff, and all those who helped push this bill through. I urge my colleagues to vote "aye" on this legislation.

Mr. PUTNAM. Mr. Speaker, I rise today to support the Asian Elephant Conservation Act, H.R. 700. This important measure will help protect the future of the Asian elephant by supporting and providing resources to conservation programs around the world.

The Center for Elephant Conservation, located in my congressional district in Polk County, Florida, is dedicated to the conservation, breeding, and scientific study of Asian elephants. The Center for Elephant Conservation, sponsored through private funding from Ringiing Brothers, is a global focal point for the worldwide study of the Asian elephant. Knowledge developed at the conservation center is shared with veterinary scientists dedicated to the preservation of the Asian elephant around the world.

With fewer than 50,000 Asian elephants left internationally, the animal has been placed on the Endangered Species Act. The captive breeding program at the Elephant Conservation Center, however, is one of the most successful in the world, with over 12 elephant births in the last decade and is dedicated to the care and husbandry of elephants.

The Asian Elephant Conservation Reauthorization Act would enable critical conservation efforts to continue to protect endangered species for future generations. Since 1997 when the bill was first authorized, over 27 conservation grants, matched in private funding, have been designated in nine different countries for the protection of the Asian elephant.

The Act, which extends authorization to 2007, will continue to help preserve the future of the Asian elephant by supporting programs for the promotion of elephant conservation, resettlement of elephants, education on population dynamics and feeding patterns and other important elephant conservation programs.

Please join me in support of the Asian Elephant Conservation Reauthorization Act and help to preserve the future of the Asian elephant.

Mr. GILCHREST. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Maryland (Mr. GILCHREST) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 700.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mrs. CHRISTENSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

TUMACACORI NATIONAL HISTORICAL PARK BOUNDARY REVISION ACT OF 2001

Mr. GILCHREST. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2234) to revise the boundary of the Tumacacori National Historical Park in the State of Arizona, as amended.

The Clerk read as follows:

H.R. 2234

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Tumacacori National Historical Park Boundary Revision Act of 2001".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds the following:

(1) Tumacacori Mission in southern Arizona was declared a National Monument in 1908 in recognition of its great historical significance as "one of the oldest mission ruins in the southwest".

(2) In establishing Tumacacori National Historical Park in 1990 to include the Tumacacori Mission and the ruins of the mission of Los Santos Angeles de Guevavi and the Kino visita and rancheria of Calabazas, Congress recognized the importance of these sites "to protect and interpret, for the education and benefit of the public, sites in the State of Arizona associated with the early Spanish missionaries and explorers of the 17th and 18th centuries".

(3) Tumacacori National Historical Park plays a major role in interpreting the Spanish colonial heritage of the United States.

(b) PURPOSES.—The purposes of this Act are—

(1) to protect and interpret the resources associated with the Tumacacori Mission by revising the boundary of Tumacacori National Historical Park to include approximately 310 acres of land adjacent to the park; and

(2) to enhance the visitor experience at Tumacacori by developing access to these associated mission resources.

SEC. 3. BOUNDARY REVISION, TUMACACORI NATIONAL HISTORICAL PARK, ARIZONA.

Section 1(b) of Public Law 101–344 (16 U.S.C. 410ss(b)) is amended—

(1) by inserting after the first sentence the following new sentence: "The park shall also consist of approximately 310 acres of land adjacent to the original Tumacacori unit of the park and generally depicted on the map entitled 'Tumacacori National Historical Park, Arizona Proposed Boundary Revision 2001', numbered 310/80,044, and dated July 2001."; and

(2) in the last sentence—

(A) by striking "The map" and inserting "The maps"; and

(B) by striking "the offices" and inserting "the appropriate offices".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Maryland (Mr. GILCHREST) and the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN) each will control 20 minutes.

The Chair recognizes the gentleman from Maryland (Mr. GILCHREST).

Mr. GILCHREST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2234, introduced by the gentleman from Arizona (Mr. PASTOR), would authorize the expansion of the boundary of the Tumacacori National Historical Park to include 310 acres of adjacent land. These lands were originally part of a chain of missions established by the Spanish from north-central Sonora, Mexico, to San Xavier del Bac near present-day Tucson. In 1908, President Theodore Roosevelt set aside 9 acres immediately around the church and declared it a national monument. Since that time, boundaries have been changed to include other significant missions, and in 1990 the monument was declared a National Historical Park.

The park's general management plan identifies the need to acquire these additional lands, which were all a part of the original mission. The expansion would allow the Park Service to replant the orchard and add a program with livestock and farming, while enhancing the development of the Juan Bautista de Anza National Historic Trail. The current landowners of the property are willing sellers and are supportive of this legislation.

Mr. Speaker, this legislation is supported by both the majority and the minority as well as the administration, and I urge my colleagues to support the bill.

Mr. Speaker, I reserve the balance of my time.

Mrs. CHRISTENSEN. Mr. Speaker, I yield myself such time as I may consume.

The Tumacacori Mission was declared a national monument in 1908, making it one of the first monuments declared in the United States. The site contains the ruins of the original mission church, which dates from the 17th century, as well as a limekiln and cemetery. Over time, the monument was expanded; and in 1990, the area was established as a National Historical Park.

However, certain features of the compound, including an irrigation ditch and orchard, lie on private lands adjacent to the park. H.R. 2234 revises the boundary of the park to include an additional 310 acres which were originally part of the mission. The land is divided into two parcels and both landowners support the park expansion. It is our understanding this expansion will allow the National Park Service to move park facilities away from historic buildings and allow the park to recreate the mission and orchard as they once appeared.

Tumacacori serves as a cultural and historical touchstone for a variety of different peoples, including Native American, Spanish, Mexican, and European cultures. Expansion of this site will allow improved interpretation and preservation of this valuable area. We commend our colleague, the gentleman from Arizona (Mr. PASTOR), for his work on this legislation and support the passage of H.R. 2234.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona (Mr. PASTOR).

Mr. PASTOR. Mr. Speaker, I thank the gentlewoman from the Virgin Islands for yielding me this time.

As my good friend, the gentleman from Maryland (Mr. GILCHREST) and the ranking member of the subcommittee, has explained, there is a lot of history in the Tumacacori National Park; and what we are attempting to do is to extend the boundaries to approximately 310 acres. The reason we want to do this is that the park's general management plan calls for the acquisition of additional lands. We want to ensure that the support facilities, which are greatly needed, can be built on the site but will not detract from the historical mission.

Also, we want to create a living museum, a living park; and so by acquiring the land, we will restore orchards that were utilized during the time that the Spanish were coming to this mission. There are two large properties now bordering the park. A 90-acre ranch lies to the south and east and this ranch contains the remains of the historic orchard and other mission-related cultivated lands. To the north and east, 220 acres of undeveloped land contain the remains of the mission fields and sites that now have many artifacts.

The expansion of the park's boundary would allow the Park Service to further enhance the visitor's experience at Tumacacori by the replanted orchard and by adding a living history program. We also want to develop the Juan Bautista de Anza National Historic Trail that now exists on private land between Tumacacori and the town of Tubac.

In this last appropriation bill, in the Department of the Interior appropriations, which was signed by the President recently, included was $1 million to construct administration and maintenance facilities at this park, removing these functions from the viewed historical areas. This is an important first step taken by this Congress toward preserving the history of this monumental place and these beautiful times. I ask the House to now take the next step by increasing the boundaries of the park.

Mr. Speaker, I would like to take a few minutes to pay tribute to the chairman of the committee, the gentleman from Utah (Mr. HANSEN). He has assisted the people of Arizona in the many years that he has been chairman in the increase of monuments and increase of parks, and so I want to thank him for his support and his friendship.

Mr. GILCHREST. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona (Mr. KOLBE).

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding me this time; and I do rise in support of H.R. 2234, the Tumacacori National Historical Park Boundary Revision Act of 2001. And in doing so, I want to pay special tribute to my colleague, the gentleman from Arizona (Mr. PASTOR), whose idea and whose vision has brought this about and which I believe is making a very significant improvement to this important historical park.

As has already been mentioned by earlier speakers, the legislation revises the boundary of this historical park, the Tumacacori National Historical Park, in southeastern Arizona, to include approximately 310 acres of land which are now adjacent to the park. The park includes three mission sites that were established by Jesuit Father Kino on the then-northern frontier of New Spain. And of course this area has a fascinating history of its relationship with Spain and the Jesuit missions.

Father Kino established this mission in 1690, and the priests maintained a presence at the mission for over 150 years. However, when financial aid from Spain ceased with the Mexican independence in 1821, all native Spaniards were expelled from Mexico and Tumacacori's last resident Spanish priest was forced to leave. But the Mexican priests continued to maintain it, even as Apache raids increased. Then, in 1848, when the soldiers left the nearby town of Tubac, the residents of Tumacacori followed.

A few years later, in 1853, Tubac and Tumacacori became part of the United States with the Gadsden Purchase that added it to the territory of New Mexico and Arizona. It was September 15, 1908, when President Theodore Roosevelt proclaimed this as a national monument and it was redesignated as a park in 1990.

Tumacacori is just a few miles from the ranch where I grew up. People then and people now go to this historic park to tour the mission park and to go back and visit the late 17th and early 18th centuries. I remember as a schoolchild many visits to this wonderful place and the sense of history and culture that it brings to all of us that live there and to, I think, all the people of the United States.

Today, we are recognizing the importance of this historic site both for what it was in the 17th century and what it will continue to be in the 21st century. I am very pleased to support this legislation and urge its adoption.

Mrs. CHRISTENSEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GILCHREST. Mr. Speaker, I yield myself such time as I may consume to highly compliment the gentleman from Arizona (Mr. PASTOR) and the gentleman from Arizona (Mr. KOLBE) for their dedication to this legislation and for an informed statement about the history of this area.

I know it must be beautiful to both gentlemen, and I am sure that they are very happy it is going to be protected.

Mr. RAHALL. Mr. Speaker, I would like to take this opportunity to commend our colleague, Representative PASTOR, for his work on this important legislation.

Given that we are still a comparatively young nation, the list of sites in the United States dating from the 17th century is a short one. We must be certain to provide those few we have with the protection they deserve. This legislation achieves this important goal.

Furthermore, few sites in America speak to the history of such a broad array of peoples. This area is rich in Native American, Spanish, Mexican and European culture. Such rich and diverse history must be preserved and H.R. 2234 will do just that.

Representative PASTOR has described to me the annual fiesta held at the old mission attended by hundreds of people representing each of the cultures which value this site. I am very pleased that, thanks to Representative PASTOR's diligence, this year's fiesta may take place on an expanded site that more accurately represents the way this historic area once looked.

We thank our Republican colleagues for their assistance in moving this legislation, commend Representative PASTOR for his hard work and urge our colleagues to support H.R. 2234.

Mr. GILCHREST. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time and urge an "aye" vote on the legislation.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. GILCHREST) that the House suspend the rules and pass the bill, H.R. 2234, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mrs. CHRISTENSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. GILCHREST. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material in the RECORD on the two bills just considered, H.R. 700 and H.R. 2234.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

EXPRESSING SENSE OF HOUSE OF REPRESENTATIVES REGARDING BENEFITS OF MENTORING

Mr. CASTLE. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 330) expressing the sense of the House of Representatives regarding the benefits of mentoring.

The Clerk read as follows:

H. RES. 330

Whereas the future course of the United States depends on its children and youth;

Whereas educated, confident, and nurtured children will make our Nation stronger;

Whereas research has shown that mentoring measurably affects young people by increasing school attendance, improving rates of secondary school graduation and college attendance, decreasing involvement with drugs and alcohol, and decreasing violent behavior;

Whereas considerable numbers of our Nation's children face difficult circumstances: 1 out of 4 children lives with only 1 parent; 1 out of 10 children is born to teenaged parents; 1 out of 5 children lives in poverty; and 1 out of 10 children will not finish secondary school;

Whereas mentoring is a proven, effective strategy to combat such circumstances by matching a caring, responsible adult with a child to provide guidance, stability, and direction to the child and to build the child's confidence;

Whereas it is estimated that more than 16,000,000 children in the United States need or want a mentor but mentoring programs nationwide serve at most 750,000 of such children;

Whereas a coalition of mentoring organizations have designated January as National Mentoring Month;

Whereas the establishment of a National Mentoring Month would emphasize the importance of mentoring and recognize with praise and gratitude the many individuals in the United States who are involved with mentoring; and

Whereas the establishment of a National Mentoring Month would encourage more individuals to volunteer as mentors, to the benefit of our Nation's children: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that mentoring relationships can benefit America's youth and result in improved school attendance and academic achievement.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Delaware (Mr. CASTLE) and the gentlewoman from California (Mrs. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Delaware (Mr. CASTLE).

GENERAL LEAVE

Mr. CASTLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H. Res. 330.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Delaware?

There was no objection.

Mr. CASTLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H. Res. 330, the legislation recognizing the importance of mentoring. The resolution, introduced by the gentleman from Nebraska (Mr. OSBORNE), reminds us all of the important role that caring adults play in the lives of our Nation's youth; and I thank the gentleman for his work in Congress as well as his work with his own mentoring organization, TeamMates of Nebraska, on this important issue.

Today's teens cope with major physical changes, emotional ups and downs, peer pressures, and a changing identity; but they are also confronted by a more complex and impersonal society where drugs and alcohol are easily available and tragedies such as AIDS and violence strike too close to home. In this time of growth and uncertainty, our children need positive role models or mentors in their lives.

Simply, a mentor is an adult who, along with parents, provide young people with support, counsel, and friendship. Most importantly, mentors are people who care. And for many people, that makes all the difference.

According to recent research, children with mentors are 46 percent less likely to begin using illegal drugs, 52 percent less likely to skip school, and 33 percent less likely to get into fights. In addition, children of mentors reported greater confidence in their performance at school and better relationships with their families.

□ 1315

Despite these positive outcomes, too many children who need a mentor do not have one. In my State of Delaware alone, an estimated 10,000 young people could benefit from a positive, supportive relationship with an adult; but only 7,000 are currently served.

Nationally, more than 16 million children need a mentor, but current programs reach only 750,000. It is, therefore, appropriate that this January, the inaugural National Mentoring Month, we encourage caring adults to reach out to the children and youth in their communities. In Delaware, everyone from the Governor and the Delaware Mentoring Council to local businesses will be working hard to recruit 1,000 new mentors. It is my hope that other States will rise to the challenge to connect each of our Nation's children with caring adults.

As part of that effort, I want to recognize the many businesses, churches, and community groups that partner with our schools to provide mentors to children in need as well as the informal mentoring relationships that exist between teachers, coaches, and neighbors. I also want to recognize those who lend their expertise or contribute financially to mentoring organizations. Their support is as important as volunteering to become a mentor.

The events of September 11, as tragic as they were, taught us about charity, heroism, and our own capacity to care about others. As we pause to recall the teacher, neighbor, or coach who made a positive impression on our lives, I hope we will return the favor by becoming a mentor to a child in need. Together we can guide our Nation's youth into adulthood, helping them reach their fullest potential. I cannot imagine a greater gift.

Mr. Speaker, I thank the gentleman for his resolution, and I urge an "aye" vote.

Mr. Speaker, I reserve the balance of my time.

Mrs. DAVIS of California. Mr. Speaker, I yield myself such time as I may consume.

Mrs. DAVIS of California. Mr. Speaker, I thank the gentleman from Delaware (Mr. CASTLE) for this opportunity to join him in support of National Mentoring Month. Hundreds of thousands of children each year have an opportunity to grow into stronger young people and adults because of the caring attention of an older person. This relationship can move a child's life in important directions; but we need not just hundreds of thousands, but millions, of volunteers to address the lives of those young people who would benefit from this personal attention.

The gentleman from Delaware (Mr. CASTLE) expressed the dimensions of the need. It is our hope that National Mentoring Month will focus many more people on this opportunity. I would like to take a few minutes to share my own experiences with a variety of mentoring programs. As a school board member in San Diego, we approved programs which encouraged older students to act as mentors to younger ones. For example, a fifth grade student might meet regularly with a first grader to read with her. Eighth grade students might write stories in their creative writing class and present them to third graders. These can be quality learning experiences for each pair of young people.

There are programs like Rolling Readers that coordinate regular pairing of children and volunteer adults to coach reading skills. These volunteers may be retired or working, but can be flexible in their hours; and I am proud that one of my staff members, Carla Meyers, has been a lunchtime volunteer, meeting once a week, to read with a student in a Capitol Hill elementary school.

In San Diego we have an award winning school, the Monarch School, which brings homeless children who often have not been in school into an educational setting. The Downtown Rotary Club recruits its members on one-on-one mentors to spend regular time with these needy young people, often in after-school hours.

Coming from San Diego with its large military population, I took the opportunity to sponsor an amendment to the Juvenile Justice Bill to encourage one-on-one mentoring programs for at-risk juveniles with the Department of Defense personnel. There are several military mentoring programs which are making a real difference. For example, the Department of Military Affairs and the Florida National Guard, in conjunction with the State of Florida, has designed a program called About Face, which brings low-income, at-risk kids into National Guard armory facilities to increase their functional life skills, to improve their basic skills, teach computer literacy, and help them with their homework. More importantly, they teach kids that someone cares about them and their future.

Personally, I had the wonderful opportunity to be the first executive director of the Aaron Price Fellows program. I developed an educational enrichment program focused on civic responsibility with a group of 40 young people of diverse ethnic and economic backgrounds drawn from several local high schools each year. Each student was involved in the program for 3 years, and what they learned from one another and the people with whom they met throughout the city gave them lifelong learning skills. One of the favorite trips for each class was coming to Washington, D.C., where the students saw for themselves this political process.

Did it make a difference in students lives? As they continued to keep in touch with me, I see young people, many of whom came from lower-economic circumstances, whose aspirations and educational achievement have led them to become teachers and bankers, social workers, international relief workers and even a town mayor.

I am honored to have two former fellows working on my staff. Jennette Lawrence is a valued legislative assistant here. Todd Gloria, a field representative in the district, earned a Truman Fellowship to go to graduate school, but wanted first to be part of our political process. After being an intern in my office and then graduating from UCSD, Arzo Mansury chose to work resettling new Afghan refugees, people from her birth country, and now hopes to be part of the rehabilitation process of that country.

The stories are legion, but I would like to close with the memory of a very special young man, Willie Jones. Living in a low-income area punctuated by gangs and drugs, Willie became a model citizen, a fine student, and a neighborhood leader in urging others to leave gangs. Unfortunately, as he prepared to leave for a 4-year scholarship at Cornell, where he would study to be a doctor, Willie was gunned down in a drive-by shooting.

Rather than focus on his death, I like to think that my mentoring helped Willie become the outstanding young man that he was; and in his own short years, his mentoring had led other young people to stronger adult lives.

When I meet successful adults from challenging backgrounds and ask them what made the difference in their lives, it is always an adult, usually not a family member, who saw something special in them and mentored them. Everyone can be that life-changing influence in a young person's future.

Mr. Speaker, I reserve the balance of my time.

Mr. CASTLE. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. BOEHNER).

Mr. BOEHNER. Mr. Speaker, I thank my colleagues for bringing this resolution to the floor today.

We all know that far too many children in our society do not have strong role models at home. Parents are too busy; or in many neighborhoods, parents may not even exist. What we have found around the country is that mentoring really does work. It provides a role model for many of these children that they do not see on a day-to-day basis in their own lives. I congratulate the gentleman from Nebraska (Mr. OSBORNE), the coach, as we call him, for bringing this resolution to the floor and keeping our attention focused on mentoring. As the chairman of the Committee on Education and the Workforce, the gentleman from Nebraska (Mr. OSBORNE) has not let a week go in the last year when he did not talk to me about the need to promote mentoring.

Mr. Speaker, H.R. 1, which we passed last December and the President signed into law several weeks ago, contains a significant amount of funding for a new mentoring program to provide seed money to generate more mentors around the country. During the signing of the bill, the President himself talked about the need for mentoring, and suggested to people if they really wanted to do something and help young people in need, go to a school and become a mentor.

I think that action and the action we are taking today will help bring this to more people's attention. It will help children. But as important as it is for us to help children, I also think that mentors themselves get an awful lot out of mentoring. I think the gentlewoman from San Diego just demonstrated to us what it meant her to be a mentor to this young man.

I have people in my district who are mentors. And I remember one specifically, Mr. Richard Scott from Sidney, Ohio, a retired construction company executive. He and his wife are mentors in an elementary school in Sidney, and the richness they get out of helping young people is something that enriches their lives by reaching out to help others.

Mr. Speaker, let me congratulate all those today who are mentoring around the country, and let us encourage more of our fellow citizens to take an hour a week or two hours a week and go to a local school and help one young person in America get a better life.

Mrs. DAVIS of California. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. Mr. Speaker, I rise in support of the resolution and urge my fellow citizens to join the mentoring program near where they live. Several years ago when I was a State senator in Sacramento, we had a hearing at which Father Greg Boyle testified. Father Boyle works with at-risk youth in Los Angeles, and he was asked if he could point to any one thing that distinguished those young people from at-risk backgrounds that led to their success, that was a cause for their high achievement; and he said that they all had two common characteristics: they got a job, and they had a mentor. They had the dignity, the discipline, the hope that comes from work; and they had a mentor, someone who cared whether they succeeded or failed. It might have been a member of the clergy, a parent, a grandparent, a probation officer or a teacher, but someone who cared about what happened to that child's life. Those words had such an air of truth about them, I have kept them with me to this day.

Mr. Speaker, 15 years ago I became a mentor. I walked into the Big Brothers of Greater Los Angeles; and I was matched with a young man, then 7 years old, David McMillan. It was one of the best days of my life when I became a Big Brother. We started out going to the beach, the movies, roller skating and going to the park, or reading or talking with each other. He would give me criticism of my music taste, and I would accept it. We would spend time just catching up on each other's lives; and we have become in a very short space of time, family to each other, and we have shared in each other's successes and failures and trials and tribulations. It has been one of the best additions to my life.

So while I cannot speak from the point of view of a mentee, I can speak from the point of view of a mentor about how it enriches the life of the mentor.

David is doing phenomenally well. He graduated from Yale University and is now a graduate student at USC where he is an aspiring film maker. I am frequently asked whether, but for my influence in David's life, do I think he would have gone on to Yale University. And after much reflection, I have to say no. I think he would have gone on to Harvard University, which is, of course, the cruelest thing one can say to a Yalie. So if David is watching, I got him again. But this has more than a grain of truth in it. David is an exceptional young man, and he comes from an exceptional family.

David would have done well under any circumstance; but there are many, many young people who really need the benefit of a mentor, need the benefit of someone in their lives to help them gain direction, gain a sense of self-worth, a sense of purpose, and most important of all, a sense of being loved by someone else.

I hope this resolution today will encourage more Americans to become mentors to make a contribution. Much of what we do, whether in Congress or in our private jobs or in teaching or in any profession, we hope makes a positive difference in lives; but the result is often intangible and unknown. I encourage my colleagues to become a mentor because the results are very tangible, seen every day in the face of the young person mentored.

Mr. Speaker, I thank the gentleman from Nebraska (Mr. OSBORNE) and the gentlewoman from California (Mrs. DAVIS) for being our Democratic floor manager.

□ 1330

Mrs. DAVIS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank the gentlewoman from California for yielding me this time.

Mr. Speaker, I rise in strong support of this resolution. I want to take the time to salute the many youth organizations and groups, and not just youth organizations and groups but adult organizations and groups; and salute all of the mentors, people who are making a difference in the lives of our children, our young people.

This is a time to salute groups such as the Boys & Girls Clubs, Big Brothers and Big Sisters and groups and organizations like the 100 Black Men of America for their commitment and dedication to mentoring by ensuring that all children and young people have valuable skills. This sense of caring, this sense of sharing, this sense of giving of ourselves to help others, sometimes as a mentor, as some have stated much earlier, you learn more and you probably receive more than you actually give. It is part of the American tradition that we participate in a sense of caring and sharing, for our young people, for our children to have a relationship with adults, to have safe places to go after school hours.

There are so many organizations and so many groups all across America that are doing tremendous, unbelievable things to help mold and shape our young people, which is so necessary during this time in our history.

Mentoring not only gives children a head start but also meets the serious public responsibility of protecting our young people, showing our young people a different way, a better way, a more excellent way. So many children and so many young people in so many troubled communities need someone to hold their hand, to show them the way, to show them the light. These mentoring relationships benefit American children, and in so many instances it improves the larger community and creates a greater sense of community, a greater sense of family, a greater sense of what I like to call one house, that we all are in the same house, that we all are in this thing together.

I think in a city like Atlanta, my city, and in other places where you have mentors working, it improves school attendance, academic achievement, encourages young people not just to watch television but to read a book, to go out and help someone, to provide some service.

I urge all of my colleagues to support this very important resolution. It means so much. It will send a strong message that will urge other Americans to give a little time, to share a little time, to give of yourself. That is what life is all about, helping others, especially those that have been sort of left out and do not have the benefits of maybe a wonderful, loving family, maybe do not have the benefit of a good head start. I think mentoring helps people to catch up, helps those that have been left out and left behind.

I urge my colleagues to support this very important resolution. I thank my friends on both sides of the aisle for bringing this resolution before us.

Mr. CASTLE. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Maryland (Mr. GILCHREST).

Mr. GILCHREST. Mr. Speaker, I thank the gentleman from Delaware for yielding me this time, and I want to thank the gentleman from Nebraska (Mr. OSBORNE) for offering this legislation, this resolution, to us this afternoon and to all those people who this afternoon have participated in this discussion and expressed their feelings on the concept of mentoring and the benefit that is the result.

A number of us in here, I am sure, have done some type of mentoring throughout our adult years and have found that specific relationships between adults and children are generally, especially in the context of mentoring, long lasting, they provide friendship between the mentor and the child that is being mentored, they provide an avenue, an opportunity for the child to understand what is beyond the next curve, what are the opportunities that are out there, what are the fears that I have for the future or my present circumstance. Mentoring is an extraordinary opportunity to do a number of very positive things.

A number of years ago, shortly after I got out of the service and I was in my early twenties, and I thought I was quite old when I was in my early twenties, myself, some of my brothers and some friends who had recently come back from Vietnam or were starting college got together with a lawyer and a minister to create a Boy Scout troop for designated legally, judicially designated juvenile delinquents. We had 20 young teenagers in that troop. Ten were white and 10 were black. None of us had a college education, but we understood the relationship between young people and responsible adults to open an avenue of opportunity. We stayed with those teenagers for about a year; then we all went off to college or we got married or we went someplace else.

Mr. Speaker, those teenagers are now in their forties. They are not young adults. They are middle-aged adults. Whenever we run into them periodically, they still talk about the first time that they caught a fish, the first time they built a campfire, the first time they went on a long hike, the first time they actually sat with an adult and read a book. The idea of mentoring is a long-term idea; and the positive benefits to the child, the teenager, the young adult and the adult that is involved is rather enormous.

Mr. Speaker, I will close with this statement: there are many Americans that have extraordinary talents. Those talents are in music, they are in art, they are in math, they are in the sciences, they are just in being a human; and each one of those adults that has a specific talent is unique. That unique person can give that young child a perspective on the wonders of our country and the world, opportunities that can be unmatched.

Mr. CASTLE. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. KELLER).

Mr. KELLER. Mr. Speaker, I thank the gentleman for yielding me this time. I rise today as a supporter and original cosponsor of Coach OSBORNE's mentoring resolution, which honors National Mentoring Month and recognizes the benefits of mentoring.

I would like to tell my colleagues a little bit about my background and why mentoring is important for education. Before getting elected to Congress, I had the happy privilege of serving as the volunteer chairman of the Orlando/Orange County Compact Program, which is the largest mentoring program for public schools in the State of Florida. I also had the opportunity to serve as a mentor myself to two students at Boone High School in Orlando. I learned firsthand how important that is to education, particularly as it relates to preventing children from dropping out of high school.

In the State of Florida, we had a big problem. Only 53 percent of our children were graduating from high school, worst in the country. In Orlando, my hometown, we decided to do something about it in 1988 by creating the Orlando/Orange County Compact Program, which is a mentoring program that matches up students at risk of dropping out of high school with business people from the local community, sort of like a Big Brothers/Big Sisters, program where they meet 1 hour a week. The results of mentoring proved to be dramatic. Over the past 10 years, 98 percent of the students in the Compact program graduated from high school, the number-one graduation rate in the United States. From worst to first.

Let me just give one example why this was successful. There is a young man named Lennard who is an African American student at Jones High School, an inner city school in downtown Orlando. He was struggling in school, making Ds and Fs, skipping school, had been arrested for selling drugs. He was going to drop out. He agreed to have a mentor on one condition. He said, "Just don't give me a white guy." Naturally we matched him up with a white mentor, an AT&T executive named Paul Hurling. He worked with him every week. They became friends. To make a long story short, by the end of his high school career, Lennard went on to become Orange County Student of the Year. He won two tickets to an Orlando Magic basketball game through a school raffle. He called up his mentor and said, "I'm so excited, I won two front row tickets." His mentor replied, "That's great. Why don't you invite your best friend." Lennard replied, "That's why I called you." Mentoring literally makes a difference in people's lives.

I commend Coach OSBORNE for bringing forth this resolution. I urge all my colleagues to support it. I know in Florida, Governor Jeb Bush has just announced this week a mentoring initiative throughout the entire State that is going to result in 115,000 people having mentors. I think Congress is appropriately recognizing the importance of National Mentoring Month. I urge my colleagues to vote "yes" on this important resolution.

Mr. CASTLE. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Georgia (Mr. ISAKSON), a member of the Committee on Education and the Workforce, who had so much to do with H.R. 1 last year.

Mr. ISAKSON. Mr. Speaker, I thank the gentleman from Delaware for yielding me this time.

I rise really to praise the gentleman from Nebraska (Mr. OSBORNE). This is a man who has written a resolution that is a reflection of the life that he has lived, by being a mentor to hundreds of young athletes, being a father figure for those that did not have them, being a person who demonstrated the difference in right and wrong. This House is fortunate to have the gentleman from Nebraska (Mr. OSBORNE), and we will be fortunate today to unanimously pass this resolution.

In John Kennedy's inauguration, there was a poem by Robert Frost read which ended, "Two roads diverged in a yellow wood and I took the one less traveled by and that made all the difference."

For many of America's youngsters, what makes all the difference in the road less traveled by is a positive mentor to show them the light, show them the way, and show them the direction. I praise the author, the gentleman from Nebraska (Mr. OSBORNE). I am pleased to give my support to this important resolution.

Mr. CASTLE. Mr. Speaker, I yield the balance of my time to the gentleman from Nebraska (Mr. OSBORNE), the distinguished sponsor of the resolution. I think the gentleman from Georgia (Mr. ISAKSON) said it wonderfully well. The gentleman from Nebraska (Mr. OSBORNE) came obviously to Congress with a very distinguished background, recognized by most people in this country for what he had done in his own form of mentoring, which was coaching; but he had a strong bent for mentoring which we heard about early and often since he has been here. He has become the conscience of the House of Representatives with respect to the subject of mentoring. He is clearly one of, if not the national leader on the whole subject of mentoring in this country. We are delighted that he was able to get here. He did have some transportation problems and has just made it.

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from Nebraska (Mr. OSBORNE) is recognized for 7 minutes.

Mr. OSBORNE. Mr. Speaker, I appreciate the kind comments of the gentleman and rise in strong support of this resolution.

Over the last 36 years of my life, I was involved in coaching and dealt with young people on a daily basis. I guess some of the observations I had were not all positive. We saw some tremendous changes in our culture, in our young people, over those 36 years. Some of those changes had to do with family. I think many people can intuitively understand those things that I am talking about. In the early 1960s, we saw very few people that we were recruiting dealing with living without both of their biological parents. Today, that number is almost 50 percent, so there is a huge number have had some dysfunction in their families.

We went from a 5 percent out-of-wedlock birthrate in 1960 to 33 percent today. Currently, we have 18 million fatherless children in our country. I guess I saw firsthand that when your father is not around and many times does not even care to stay around long enough to see what you look like, it leaves a hole in your life. Usually, you are spending the rest of your life somehow trying to fill that gap, and sometimes it is with all the wrong things. There has been a tremendous amount of change in our family structure.

We have also seen some significant changes in the culture. We currently are the most violent country in the world for children in regard to homicide and suicide. Second place is not even very close. We have also seen some significant increases in drugs and alcohol. And, of course, all of these things have been very harmful to our children.

I guess from my standpoint, the greatest threat to our country today is not terrorism, it is not the economy, it is not Social Security, it is not Medicare. Rather, it is what is happening to our young people, because if our young people are not in good shape, do not have the character, do not have the background to hold this country together, we will go the way of many other civilizations.

□ 1345

So, we cannot pass a law that is going to solve these problems, unfortunately, but we can provide a mentor. A mentor is an adult who cares, who affirms, who supports and provides a vision for young people. So many young people really do not have an idea of what they could be or what they could accomplish, and that is where a mentor oftentimes comes in.

Mentoring works. Studies, many studies, have shown these particular data: A mentoring program will reduce absenteeism from school by more than 50 percent, produces significantly better grades, higher graduation rates. In addition, mentoring reduces drug abuse by nearly 50 percent and also significant reductions in alcohol abuse and also reduces smoking. It also results in a significant reduction in teen pregnancy and promiscuous behavior. It results in improved self-esteem, personal hygiene and interpersonal relationships. Finally, a good mentoring program reduces fighting, antisocial behavior and criminal behavior by significant degrees.

Currently in the United States we are mentoring roughly 500,000 young people, and it is estimated by school authorities and people who work with young people we have approximately 20 million young people who are desperately in need of a mentor. So we feel that this initiative is a step in the right direction.

It is only a start. It can provide some significant data as to what works, what is the best way to mentor, and we plan to have at least some mentoring programs in every State in the Union that will give us the data that we need to follow this valuable exercise.

Mr. Speaker, I want to thank my colleagues on the Committee on Education and the Workforce for their support, and urge adoption of this measure.

Mr. Speaker, I rise in strong support of this resolution, which recognizes the benefits of mentoring and the thoughtful investments in mentoring programs that have been made across the country. I have spoken of the benefits of mentoring many times on this floor and I am pleased that the House is now considering this resolution.

On Monday of this week, I was in Omaha, NE, with Governor Mike Johanns who signed a proclamation naming January as Mentoring Month in Nebraska. Other States have held big kickoff events in January to commemorate National Mentoring Month:

Minnesota held a kick-off event at the State Capitol building on January 3 that included sports figures, political leaders, youth, and media.

Delaware held an event announcing their commitment to recruit 1,000 new mentors for Delaware children.

Ohio had a televised Outstanding Mentor Awards event that included State representatives, television personalities, and representatives from the schools and volunteer commission as presenters and judges.

Boston had a roundtable on "Who mentored you" followed by a "Mentoring Evening with the Boston Celtics."

There are dozens of other events, including mentor recruitment fairs, training events, fun events for mentors and the children they mentor going on all around the country. In addition, last week, President Bush signed a proclamation naming January National Mentoring Month. In addition, a postage stamp promoting mentoring is now available through the United States Postal Service.

So far, 29 States have officially created formal State mentoring partnerships, which are bipartisan collaborative efforts of public and private sector leaders to increase the number of young people with mentors, increase resources dedicated to mentoring, ensure quality standards, and expand mentor programming. Altogether, in the year 2000, state mentoring partnerships:

Recruited over 66,000 mentors;

Trained nearly 25,000 mentors;

Provided technical assistance to over 3,300 organizations;

Responded to nearly 15,000 inquiries;

Leveraged over $11 million in new resources for mentoring; and

Partnered with over 2,800 program providers.

Two really excellent examples of States with a strong commitment to mentoring are California and Florida.

In California, an executive order of Governor Pete Wilson launched the Governor's Mentoring Partnership in 1995. The initial $10 million investment made by the State has grown to $23.4 million per year, to invest in grants to quality local mentoring programs. Further, the initial goal of 250,000 young people in quality mentoring relationships has grown to 1 million. In addition, California's initiative allows release-time policy for State employees of 40 hours per year. Twenty-nine local mentoring partnerships have been created throughout the State and $800,000 is available per year for technical assistance. Finally, to survive into the future, a private sector foundation developed to secure private dollars for the initiative.

In Florida, Governor Jeb Bush launched the Governor's Mentoring Initiative in 1999. It has a statewide goal to recruit 200,000 mentors. Governor Bush signed an executive order allowing all executive officer staff 1 paid hour of administrative leave, and the Florida Cabinet passed an administrative order allowing State employees 1 paid hour of administrative leave (as a result 1,800 mentored in May). The State of Florida has committed over $12 million in direct support of mentoring initiative through the legislature and a 13 percent increase to public schools of tutoring and mentoring. Florida has also created a Corporate Honor Role with over 60 businesses that support mentoring programs.

I am pleased that Congress has made the commitment to support mentoring through authorization and appropriations for the Mentoring for Success Program, which is authorized at $17.5 million for fiscal year 2002. This tiny investment can reap huge dividends. Mentoring can make such a difference in the lives of young people who need the support of a strong role model in their lives. I hope that thousands of children can benefit from mentors thanks to the strong support offered for mentoring programs at the Federal, State, and local levels. Every child deserves a chance to succeed, and, for many, mentoring can make the difference. Please support this resolution to commend the hard work of so many making a difference in the lives of our Nation's young people.

Mrs. DAVIS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it has been a pleasure to be here today and to speak in support of the National Mentoring Month. I want to thank my colleague the gentleman from Nebraska (Mr. OSBORNE) for his distinguished career in working with young people. We really appreciate that. The gentleman has been a great role model.

In closing, as we remember Martin Luther King, Jr. this week, I recall that he said, "Everyone can be a drum major for peace." Paraphrasing him, everyone can be a drum major for mentoring.

Mr. Speaker, I yield back the balance of my time.

Mr. CASTLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in final closing, I would like to thank the gentlewoman from California (Mrs. DAVIS) and also thank obviously the gentleman from Nebraska (Mr. OSBORNE), but also all the other speakers who spoke here today.

All these individuals spoke of incidents from their own lives or incidents in their lives and incidents they knew about in which young people were helped by mentoring. I think any reasoning person who has seen mentoring in action knows what a valuable substitute it can be sometimes for what is missing in somebody's life to help them. For that reason, I would hope we would all unanimously embrace this legislation before us.

Mr. BEREUTER. Mr. Speaker, as a cosponsor of the resolution, this Member wishes to add his strong support for H. Res. 330, which expresses the sense of the House of Representatives that a National Mentoring Month should be established. In addition to raising awareness, a key goal of the effort is to encourage more individuals to become mentors.

This Member would like to commend the distinguished gentleman from Ohio (Mr. BOEHNER), the chairman of the House Committee on Education and the Workforce, and the distinguished gentleman from California (Mr. MILLER), the ranking member of the House Committee on Education and the Workforce for bringing this important resolution to the House floor today. This Member would also like to commend the distinguished gentleman from Nebraska (Mr. OSBORNE) for sponsoring H. Res. 330 and for his personal interest in establishing mentoring relationships nationwide.

Many children throughout the United States face difficult situations—and when matched with a caring and responsible adult, positive results ensue. Research has shown that mentoring benefits young people in a positive manner by increasing school attendance, improving rates of secondary school graduation and college attendance, decreasing involvement with drugs and alcohol, and reducing violent behavior.

Mr. Speaker, in closing, this Member urges his colleagues to support H. Res. 330.

Mr. DAVIS of Illinois. Mr. Speaker, I rise to comment on the positive attributes of mentoring. In the days of yesteryear, it was believed one needed a toga to be mentor, whereas the protégés would sit at the feet of the wise one and learned the mysteries of life. In our modern world, we have a more accurate definition of contemporary trends in mentoring. Mentoring is known as the most frequent and effective method of transmitting knowledge and wisdom in society; virtually everyone has experienced it.

In an educational setting, mentoring has proven to be beneficial to all parties, be it, new teachers learning from veteran professors or students developing their perception of the world at large. Considerable studies have indicated a lesser attrition rate among new teachers whose induction program included mentoring. In 1998, a National Association of State Boards of Education survey found that among new special education teachers who continued to teach for a second year, 20 percent noted that they stayed because of the mentoring support they had received.

It is worth mentioning that both mentors and protégés responded favorably to the mentoring process. The experienced teachers were enthusiastic because they believed that mentoring allowed them to help others improve themselves, receive respect and obtain fresh ideas and energy from the new teachers. The protégés, on the other hand, demonstrated more complete planning, more effective classroom instruction, and more target goal setting.

Other studies on the same subject demonstrated the influence mentoring can have on younger students. It gives them a head start to a successful life. In a 1995 Impact Study by Big Brothers/Big Sisters of America, we now know that 53 percent of these students were less likely to skip school; 46 percent were less likely to begin using illegal drugs; and 37 percent less likely to skip a class.

The Quantum Opportunity Program funded by the Ford Foundation showed that high school students from families receiving public assistance who had a mentor were more likely than others to graduate from high school and enroll in college. They also had fewer arrests.

Mr. Speaker, mentoring is truly a valuable tool at the disposal of anyone who is willing to assist those in need. Many successful people started this way. I hope this tool will be used more readily across the Nation.

Ms. MILLENDER-MCDONALD. Mr. Speaker, I rise today to address the importance of mentoring. In today's society, our children face many challenges and they need every bit of help that we can provide for them. Mentors can provide that extra help for our children. Matching a caring, responsible individual with a young person is a proven strategy that improves the life of that person. A mentor's guidance helps to build up their confidence, enthusiasm, and trust. Studies have shown the positive impacts of mentoring, including increasing attendance at school, improving rates of high-school graduation and college attendance, and decreasing involvement with drugs and violent behaviors. Research has shown that the positive impacts go both ways, and that many mentors report having learned from their experience.

But mentors are in short supply; 16 million young people are estimated to need mentors, and there simply are not enough to go around. January has been designated as "National Mentoring Month". We need to use this time to raise awareness of mentoring on a national level and to empower and energize the programs that provide mentoring programs in our local communities. The youth of America need positive direction and mentoring is a great way to do this.

Mr. GEORGE MILLER of California. Mr. Speaker, I want to first and foremost thank my colleague from Nebraska, TOM OSBORNE, for bringing this resolution to the floor. He is the author of the mentoring program recently signed into law by the President as part of the No Child Left Behind Act and he is also a cosponsor of my bill, the Younger Americans Act, which would make youth development programs such as mentoring, a national priority.

Mr. Speaker, consider the following:

Twenty-Two percent of violent crime victims in the United States are juveniles and children under age 12 make up approximately one fourth of all juvenile victims known to police. My State of California ranks 48th among the 50 States and the District of Columbia for the percentage of youth detained in the California Youth Authority (CYA), county camps, juvenile halls, and private institutions.

Nationally, we know that alcohol and drug use among youth remains a serious public health concern. In California, we are finding that while self-reported teen drug use declined in the mid-eighties through the early nineties, we are now experiencing a strong rebound. And, children are using more dangerous drugs such as heroin and methamphetamines.

We also know that the need for adult-supervised environments in the after school hours is significant. About half of all California children ages 5 to 14 have both parents or a single parent working at least 30 hours per week.

These numbers describe just some of the problems our children face. For too long however, we have focused on providing remedies to these problems that only address the negative behaviors instead of looking at ways that promote the positive and healthy development of our youth.

This resolution takes us in this new direction where the focus is placed squarely on what children need to grow into healthy, safe, and well-educated adults. Making sure that all children have access to a caring and responsible adult relationship through quality mentoring programs is critical to this effort.

There is an overwhelming body of research to demonstrate the benefits of programs that guide youth development in a positive manner. According to a report released by Public/Private Ventures, a child's involvement in a mentoring relationship with a caring and responsible adult can reduce their participation in alcohol and drugs and increase attendance in school. We also know that students with adult supervision during after-school hours have better work habits, better relationships with their peers and better emotional adjustment.

California has long recognized the need for mentoring programs and since 1995 over 340,000 children have benefited from programs that match youth with caring and responsible adult mentors through the California Mentoring Initiative.

Volunteers in Probation and Families First Inc., represent just two examples of outstanding programs in the Initiative that offer quality mentoring relationships to youth in my district.

I want to applaud Mr. OSBORNE for bringing this resolution to the floor and I look forward to working with him to expand the number of mentoring programs across the country. I also invite him and the 72 cosponsors of the Younger Americans Act to work with me on getting that bill passed. Only then will we have a national youth development policy that assures all children and youth have access to the educational, health, and economic resources they need to realize their full potential.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise this afternoon in support of H. Res. 330, which expresses the sense of this body regarding the benefits of mentoring.

Mentoring is a proven strategy that dramatically improves the lives of young people by matching a caring, responsible individual with them.

A mentor's guidance helps a young person build confidence, enthusiasm, and trust. Studies have shown that mentoring has a definitive impact on young people by increasing attendance at school, improving rates of high-school graduation and college attendance, and decreasing involvement with drugs and violent behaviors. Mentoring opens young people's eyes to a brighter future.

Research further indicates that mentors also benefit: One study found that 75 percent of the mentors surveyed reported that their mentoring experience had a "very positive" effect on their lives. And 83 percent indicated that they learned or gained personally from their mentoring experience.

The biggest challenge facing mentoring, however, is that mentors are in short supply. It is estimated that only 5 percent of the 16 million young people who need or want mentors have them. There are simply not enough mentors to go around.

Mentoring can occur in various forms. An adult can regularly contribute one lunch hour a week to help a student strengthen reading skills. A young person and her mentor can hang around once a week and play basketball, go to a museum, or visit a historical site. Any amount of consistent, quality time together will make a difference in the lives of young people.

On January 18, President Bush proclaimed January 2002 as National Mentoring Month and encouraged Americans to serve as role models for our country's youth and to volunteer as mentors. Governors, Mayors, and other government officials around the country have also passed similar proclamations for their own communities.

As a concerned citizen and Chair of the Congressional Children's Caucus, I urge my colleagues to support this legislation and to continue our hard work to ensure that children have hope for a bright future.

Mrs. MEEK of Florida. Mr. Speaker, I rise in strong support of this important resolution recognizing the benefits of mentoring, and I also want to commend Congressman OSBORNE for his hard work and initiative on this issue.

Mr. Speaker, Webster's dictionary defines "mentor" as "a trusted friend or advisor." A mentor offers a child, or youth, support, encouragement, and academic assistance.

Young people in America currently face overwhelming obstacles. Nearly one-half of all children grow up without one biological parent or in difficult home environments.

Others struggle socially, academically, or emotionally. Often, the lack of a strong role model in a child's life creates a vacuum that the child seeks to fill with drugs, alcohol, violence, or sex.

There is solid evidence that well-run mentoring programs can change a young person's life, reduce drug and alcohol use and improve academic achievement.

Research has shown that mentoring reduces absenteeism from school and drug and alcohol abuse by nearly 50 percent, and also substantially reduces teen pregnancy violence.

Through mentoring, young people gain increased self-esteem and motivation to succeed.

Mentors do not parent. A mentor provides stable, responsible guidance to enable a child or youth to make good, positive decisions.

We should recognize all mentors including younger mentors involved in peer mentoring. It is important to encourage not only adults to become mentors, but also older youth.

When the mentor is an older student not too far in age from the mentee, this transforming relationship affects both young people.

All of us have heard the expression that "it is better to give than to receive;' the mentoring relationship offers the opportunity to two people to enter into this life-changing experience of giving and receiving.

Mr. Speaker, we have both the ability and the responsibility to give all of our children a chance to succeed. Mentoring provides this chance. I urge my colleagues to vote in favor of this resolution.

Mr. GILMAN. Mr. Speaker, I rise today in support of the resolution introduced by the gentleman from Nebraska, Mr. OSBORNE. This resolution coincides with the President designating January, National Mentoring month and I am pleased to lend my support to this important issue.

The future course of the United States depends on its children and youth. Educated, confident, and nurtured children will make our Nation stronger. Research has shown that mentoring measurably affects young people by increasing school attendance, improving rates of secondary school graduation and college attendance, decreasing involvement with drugs and alcohol, and decreasing violent behavior. Considerable numbers of our Nation's children face difficult circumstances: 1 out of 4 children lives with only 1 parent; 1 out of 10 children is born to teenaged parents; 1 out of 5 children lives in poverty; and 1 out of 10 children will not finish secondary school.

Mentoring is a proven, effective strategy to combat such circumstances by matching a caring, responsible adult with a child to provide guidance, stability, and direction to the child and to build the child's confidence. It is estimated that more than 16,000,000 children in the United States need or want a mentor but mentoring programs nationwide serve at most 750,000 of such children.

Many children throughout the United States face difficult circumstances in their lives and when matched with a caring and responsible adult, positive results ensue. The effects of mentoring include the improvement of school attendance and academic achievement, decreased substance abuse, and reduced violent behavior.

Accordingly, I urge my colleagues to support this resolution to help create more awareness for the positive benefits of mentoring programs in our Nation.

Mr. BILIRAKIS. Mr. Speaker, I rise in strong support of H. Res. 330.

I have always believed that mentors and volunteers play an important role in encouraging our nation's youth to excel in academics and in life. Caring relationships with adults can nurture and empower a child to succeed in areas which otherwise may threaten a child's ability to overcome obstacles.

Mentors and volunteers bridge an important gap between a child's home life and school. We all agree that parental involvement in a child's education is critical to ensuring that student's academic achievement and confidence, but unfortunately, not every child has a parent that is actively involved in his or her life.

Having adult mentors and volunteers present in the schools signals their concern and love for our nation's youth. I am proud to salute the thousands of mentors and volunteers in my congressional district.

The numbers of adults committed to serving our children are astounding—26,005 mentors and volunteers contributed 1,092,957 hours in Pinellas County Schools in 2001. An additional 31,653 mentors and volunteers spent 1,280,898 hours in Hillsborough County Schools, and 13,000 adults contributed over 300,000 hours in Pasco County Schools.

Mr. Speaker, we should do all that we can to encourage mentoring relationships between adults and our nation's youth. The benefits of mentoring relationships are numerous—mentors provide positive role models for children in a world that desperately needs them. This resolution recognizes the importance of mentoring, and I am glad that my colleague has brought our attention to this issue today.

Mr. FORBES. Mr. Speaker, as an original cosponsor of H. Res. 330, I rise in strong support of this resolution to honor the community service we know as mentoring.

This time-tested method of helping children—particularly at-risk children—to grow and learn benefits all. As the parents of our, my wife and I have been fully engaged as role models and mentors for our own children. There is nothing more fulfilling for us than to work with them to shape their futures and open their minds and hearts to all the possibilities that lay before them. But far too many children do not have this opportunity. One in four children has only one parent, who may not have the time to spend with her son or daughter. One in ten children is born to teenaged parents, who themselves need guidance. These children need a helping hand to come from outside the home.

As we celebrate National Mentoring Month, we should honor the commitment of the men and women who spend time with these kids and help to give them hope for tomorrow. Working one child at a time, they make a real difference in their communities. They keep children off of the streets and out of trouble. They keep drug dealers from finding buyers. They keep gang recruiters from finding new members.

We should also give thanks to those organizations that connect these men and women to the children who need them. Some of these groups are big names we all know and respect, like America's Promise and Big Brothers, Big Sisters and Partnership for a Drug-Free America. Others spring up in communities all across America. They may be a church group or a women's club. Whether the group is large or small, the outcome is the same—children who can smile at their futures again.

I urge all my colleagues to support the mentors in their communities and to support this resolution.

Mr. CASTLE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Delaware (Mr. CASTLE) that the House suspend the rules and agree to the resolution, H. Res. 330.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has concluded on all motions to suspend the rules.

Pursuant to the provisions of clause 8, rule XX, the Chair will now put the question on motions to suspend the rules on which further proceedings were postponed earlier today.

Votes will be taken in the following order:

Concurring in the Senate amendment to H.R. 700, by the yeas and nays; and

H.R. 2234, by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

ASIAN ELEPHANT CONSERVATION REAUTHORIZATION ACT OF 2001

The SPEAKER pro tempore. The pending business is the question of suspending the rules and concurring in the Senate Amendment to H.R. 700.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. GILCHREST) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 700, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 349, nays 23, not voting 62, as follows:

[Roll No. 2]

YEAS—349

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Barcia
Barrett
Bartlett
Bass
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Calvert
Camp
Cannon
Capito
Capps
Capuano
Cardin
Carson (IN)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Deal
DeFazio
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dingell
Doggett
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Ganske
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hefley
Hill
Hilliard
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Horn
Hoyer
Hulshof
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
King (NY)
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, George
Miller, Jeff
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Rahall
Ramstad
Rangel
Regula
Rehberg
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Rush
Ryan (WI)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Schrock
Scott
Serrano
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walden
Walsh
Wamp
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NAYS—23

Akin
Cantor
Coble
Collins
Culberson
Davis, Jo Ann
Flake
Goode
Goodlatte
Hayworth
Herger
Hostettler
Hunter
Kerns
Paul
Pence
Royce
Ryun (KS)
Schaffer
Sensenbrenner
Shadegg
Stump
Toomey

NOT VOTING—62

Ballenger
Barr
Barton
Becerra
Berman
Blagojevich
Blumenauer
Bonilla
Bonior
Bono
Burton
Callahan
Carson (OK)
Davis, Tom
DeGette
Dicks
Doyle
English
Everett
Gallegly
Gibbons
Gutierrez
Hall (OH)
Hayes
Hilleary
Hinchey
Hinojosa
Hooley
Houghton
Hyde
Inslee
John
Jones (OH)
Kilpatrick
Kind (WI)
Kingston
Largent
Lewis (KY)
Luther
Miller, Gary
Mink
Napolitano
Ortiz
Quinn
Radanovich
Reyes
Riley
Rohrabacher
Roukema
Roybal-Allard
Sessions
Slaughter
Solis
Thomas
Thurman
Traficant
Vitter
Waters
Watkins (OK)
Weldon (FL)
Woolsey
Wu

□ 1414

Messrs. PENCE, RYUN of Kansas, ROYCE, GOODLATTE, SENSENBRENNER, and HUNTER, and Mrs. JO ANN DAVIS of Virginia changed their vote from "yea" to "nay."

Mr. SKELTON changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Ms. SOLIS. Mr. Speaker, during rollcall vote No. 2 on Jan. 23, 2002, I was unavoidably detained. Had I been present, I would have voted "yea."

□ 1415

MINORITY WHIP

Mr. GEPHARDT. Mr. Speaker, as leader of the Democratic Caucus, I have been directed to report to the House that the Democratic Members have selected as their minority whip the gentlewoman from California, the Honorable NANCY PELOSI.

As a matter of information to the Members of the House, it is my understanding that this is the highest position to which a woman has been elected in the history of the House of Representatives.

TUMACACORI NATIONAL HISTORICAL PARK BOUNDARY REVISION ACT OF 2001

The SPEAKER pro tempore (Mr. SIMPSON). The pending business is the question of suspending the rules and passing the bill, H.R. 2234, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Maryland (Mr. GILCHREST) that the House suspend the rules and pass the bill, H.R. 2234, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 356, nays 14, not voting 64, as follows:

[Roll No. 3]

YEAS—356

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Barcia
Barrett
Bartlett
Bass
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Calvert
Camp
Cannon
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Deal
DeFazio
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dingell
Doggett
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Fossella
Frank
Frelinghuysen
Frost
Ganske
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hill
Hilliard
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Horn
Hoyer
Hulshof
Hunter
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
King (NY)
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, George
Miller, Jeff
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Rahall
Ramstad
Rangel
Regula
Rehberg
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Ros-Lehtinen
Ross
Rothman
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Schrock
Scott
Serrano
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stark
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walden
Walsh
Wamp
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NAYS—14

Coble
Goode
Goodlatte
Herger
Hostettler
Jones (NC)
Kerns
Kingston
Paul
Royce
Schaffer
Sensenbrenner
Smith (MI)
Stearns

NOT VOTING—64

Ballenger
Barr
Barton
Becerra
Berman
Blagojevich
Blumenauer
Bonilla
Bonior
Bono
Burton
Callahan
Cantor
Davis, Tom
DeGette
Dicks
Doyle
English
Everett
Ford
Gallegly
Gibbons
Gutierrez
Hayes
Hilleary
Hinchey
Hinojosa
Hooley
Houghton
Hyde
Inslee
John
Jones (OH)
Kilpatrick
Kind (WI)
Largent
Lewis (KY)
Luther
Manzullo
Miller, Gary
Mink
Myrick
Napolitano
Ortiz
Quinn
Radanovich
Reyes
Riley
Rohrabacher
Roukema
Roybal-Allard
Sessions
Slaughter
Solis
Tauzin
Thomas
Thurman
Traficant
Vitter
Waters
Watkins (OK)
Weldon (FL)
Woolsey
Wu

□ 1426

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. CANTOR. Mr. Speaker, due to complications with my voting card I was recorded as not voting in rollcall No. 3 on January 23, 2002. I ask that the RECORD reflect that I would have voted "yea" in this vote.

Ms. SOLIS. Mr. Speaker, during rollcall vote No. 3 on January 23, 2002 I was unavoidably detained. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

Mr. LEWIS of Kentucky. Mr. Speaker, due to official business in my congressional district, I missed rollcall votes No. 2 and No. 3. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, I was unable to be present for rollcall vote No. 2 and No. 3. Had I been present, I would have voted "yea" on rollcall vote No. 2 and No. 3.

PERSONAL EXPLANATION

Mr. RILEY. Mr. Speaker, I was unavoidably detained for rollcall No. 1, Call of the House Quorum. Had I been present I would have voted "present."

I was also unavoidably detained for rollcall No. 2, H.R. 700, the Asian Elephant Conservation Reauthorization Act of 2001 (Concur in Senate Amendment). Had I been present I would have voted "yea."

I was also unavoidably detained for rollcall No. 3, H.R. 2234, the Tumacacori National Historical Park Boundary Revision Act of 2001. Had I been present I would have voted "yea."

PERSONAL EXPLANATION

Mr. KIND. Mr. Speaker, today, January 23, due to family considerations, I unfortunately was not able to vote on three rollcall votes.

Had I been present, I would have voted "present" on rollcall No. 1.

I also would have voted "yea" on rollcall No. 2—reauthorizing a conservation program for Asian elephants and "yea" on rollcall No. 3—expanding the Tumacacori National Historic Park in Arizona.

PERSONAL EXPLANATION

Ms. KILPATRICK. Mr. Speaker, I was unavoidably detained for some of the legislative business scheduled for today, Wednesday, January 23. Had I been present, I would have voted "yea" on rollcall No. 2, H.R. 700, the Asian Elephant Conservation Reauthorization Act and rollcall No. 3, H.R. 2234, the Tumacacori National Historical Park Boundary Revision Act.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF S. 1762, ESTABLISHING FIXED INTEREST RATES FOR STUDENT AND PARENT BORROWERS

Ms. PRYCE of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 107-354) on the resolution (H. Res. 334) providing for consideration of the bill (S. 1762) to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes, which was referred to the House Calendar and ordered to be printed.

LETTER TO THE PRESIDENT

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include therein extraneous material.)

Mr. SMITH of Michigan. Mr. Speaker, I wrote an open letter to the President which I would review at this time.

"I urge you to submit a budget in February that recognizes and addresses the rapid increases in deficit spending. The need to raise the debt ceiling within the next few weeks and the new CBO projections showing budget deficits in 2002 and 2003 underline the challenges we face.

"While the weak economy has played a substantial part, overspending is the primary cause of the current problem. When the last budget limitation agreement was reached in 1997, the Congressional Budget Office projected Federal revenues of $1.408 trillion for 2002 for a balanced budget. The actual figure was $1.893 trillion, or 41 percent more than was projected."

So revenues are higher than expected.

"Unfortunately, spending grew even more—to $2.003 trillion—enormously beyond the 1998 projections.

"We need to take a more serious" role and I would insert the letter in the RECORD.

HOUSE OF REPRESENTATIVES,
Washington, DC, January 22, 2002.

HON. GEORGE W. BUSH,
President of the United States, The White House, Washington, DC.

DEAR MR. PRESIDENT: I urge you to submit a budget in February that recognizes and addresses the rapid increase in deficit spending. The need to raise the debt ceiling within the next few weeks and new CBO projections showing budget deficits in FY 2002 and FY 2003 underline the challenges we face.

While the weak economy has played a substantial part, overspending is the primary cause of the current problem. When the last budget limitation agreement was reached in 1997, the Congressional Budget Office projected federal revenues of $1.408 trillion for FY 2002 for a balanced budget. The actual figure was $1.983 trillion, or 41% more than was projected. Unfortunately, spending grew even more—to $2.003 trillion—enormously beyond our 1998 projections.

We need to take a more serious look at how we can prioritize spending in the FY 2003 budget, and make hard choices about which programs can be trimmed or eliminated. If we do not make decisions to restrain spending now, I am concerned that projected deficits will continue to grow to the great detriment of future generations of Americans.

I respectfully suggest that your leadership is necessary if we are to prioritize spending and thus limit deficit spending.

NICK SMITH,
Member of Congress.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

PROTECTING THE HEALTH OF OUR TROOPS IN AFGHANISTAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, today I rise to recognize our Nation's heroic men and women who are serving our country, our citizens, in the war on terrorism.

Following the unspeakable acts of terror on September 11 of last year, the President admonished our Nation to prepare for a long struggle, a military and moral struggle, against terrorism. On Monday, I witnessed the departure of 25 young men and women reservists of the 388th U.S. Army Reserve unit in my hometown of Hays, Kansas. I watched the sacrifices of these families, of the young children who grabbed their dad's and mom's legs and the tears that are shed for moms and dads and friends and family and neighbors. These loved ones of our community have answered the call to duty, and America's war on terrorism has come home.

As we now look at the deployment of thousands of United States military forces in combat and in Afghanistan and elsewhere, we should remember and learn from those who have served us in the past. We have to do the right thing by these soldiers, sailors, airmen and Marines, with proper preparation and readiness before they are deployed. I want to try to assure our families, those in Kansas and elsewhere, that we are doing the right thing to ensure the safe return and a healthy life for our servicemen and women.

Tomorrow morning, the Committee on Veterans' Affairs Subcommittee on Health will conduct a hearing to examine preventive procedures in place to protect health care of servicemen and women who have been deployed to Afghanistan. As chairman of this subcommittee, I will ask whether or not the lessons we learned and should have learned from our troop deployments in the Persian Gulf War have been integrated into current deployment procedures of the Departments of Defense and Veterans' Affairs.

Has sufficient priority been given to matters of health protection, prevention and monitoring of our troops?

Are our troops in Afghanistan deployed with the proper equipment, protective clothing, detection equipment, gas masks to fight a war in which chemical and biological weapons might be used?

Are our troops prepared to detect reliably the presence of chemical and biological weapons?

Are our troops trained to conduct effective military operations in an environment where chemicals or biological weapons may be used?

We will review and hear testimony from the current Department of VA and Defense, and we will hear how we have benefited from the knowledge and gained information from past mistakes.

□ 1430

The hearing will ask current and former officials of DOD and VA to review the roles they played in the Gulf War and how policy was formulated to deal with the known risks, as well as to discuss some of the problems later uncovered that were not anticipated in the immediacy of the deployment itself. We will be privileged to have two former United States Senators who conducted reviews and investigations on the Gulf War veterans. We will also hear from advocates of veterans from the Gulf War, who will provide recommendations to ensure the health of today's troops.

As a subcommittee with jurisdiction over the VA health care system, and as a Member of Congress with a strong interest in and support of our military, we want this hearing to serve as a public record of our concerns about those being deployed in harm's way on foreign shores today. We must take steps necessary to ensure that these veterans have a healthy life when they return home.

I hope tomorrow's hearing will be informative for everyone and will lead us to better solutions for the concerns that arose after Desert Storm, Somalia, Kosovo, Bosnia, and other recent military operations.

The active duty and reservists, some 70,180 that have been called to serve in this war on terrorism, whether in Central Asia or elsewhere, will be veterans of the future. It is our responsibility as Members of Congress to help ensure that troop health is maintained and that our veterans return with the greatest possibility of leading a normal healthy life.

HOMELAND SECURITY

The SPEAKER pro tempore (Mr. ISSA). Under a previous order of the House, the gentleman from Missouri (Mr. SKELTON) is recognized for 5 minutes.

Mr. SKELTON. Mr. Speaker, several years ago, I became aware of the threat that terrorism posed to American security and began to learn more about our

Nation's preparedness. In the aftermath of September 11 last year, I gain not even the smallest amount of pleasure by saying "I told you so."

In late 1996, after several attacks on U.S. citizens and military personnel, I called government investigators into my office to request a study on America's ability to defend against terrorists. This was the start of what became a 5-year, 15-report series assessing our Nation's ability to combat terrorism. The first report by the General Accounting Office, or GAO, examined the Defense Department's ability to protect U.S. forces overseas and concluded that uniform security standards were needed to assure the safety of Americans around the world. Imagine my disappointment when a follow-up study dated this past July stated considerable risk remained and significant security and procedural problems persist.

In other reports issued during this period, GAO further cited additional shortcomings in our Nation's ability to combat terrorism. It called for better coordination and management, for better planning and training, for an increase in the number of real-world exercises, and for elimination of duplicative programs. GAO also repeatedly called for the implementation of a comprehensive threat-and-risk-assessment process to better quantify the danger. Finally, and above all, it called for the President to design and implement a comprehensive national strategy to combat terrorism at home and abroad.

In response to these recommendations, I drafted legislative language to begin the regular disclosure of overall spending levels on combating terrorism programs. In March of last year, I introduced the Homeland Security Strategy Act of 2001 to address many of these concerns and warn of an impending threat. What I said then is still true today: we have no well-publicized, widely understood, comprehensive, government-wide strategy concerning the role of the United States Government in homeland security crisis and consequence management.

On a positive note, the President did take up my recommendation to designate a single person to be responsible for and to report on homeland security. A few other positive developments have occurred in recent months too. For example, Congress passed and the President has signed the USA PATRIOT Act to enhance the government's ability to collect intelligence about potential terrorist activities. Regrettably, these steps were taken only after the loss of life on September 11.

Meanwhile, our sons and daughters in uniform have achieved unprecedented success abroad in this struggle against terrorism. Through their sacrifice and selfless service we have destroyed al Qaeda's grip on Afghanistan, driven the Taliban from power, and disrupted al Qaeda's global operations.

Despite the existence of a most challenging foe, we have achieved success while putting less than 3,000 military personnel on the ground and in harm's way. We have achieved success by utilizing special tactics and sophisticated technology. B-2 bombers, for example, flying from Whiteman Air Force Base, Missouri have placed precision ordnance on target with pinpoint accuracy. Army Special Forces personnel have often guided carrier- launched F-14 and F-18 strike aircraft on bombing runs. And Marines have worked alongside Army personnel in an unparalleled manner, supporting one another while clearing caves and bunkers throughout the mountain areas of the Afghan countryside. We have every reason to be proud of these accomplishments.

Yet, success notwithstanding, much still needs to be done. For starters, Osama bin Laden, Mullah Muhammed Omar, and other Taliban leaders and their associates remain at large and may be on one of any of the continents of the globe.

Nevertheless, to completely realize a successful fight against terrorism at home and abroad, several important and necessary improvements must be pursued. First, we must upgrade our intelligence, law enforcement, first responder, and military capabilities to effectively match the present and future threat.

Second, we must reorganize and coordinate our approach to homeland security at the Federal, State and local levels.

Third, we must improve the coordination of our law enforcement, intelligence, diplomatic, and military efforts.

The attacks of September 11 could have been avoided. Yet as I look toward the days ahead, I gain both strength and a sense of optimism in recalling the words of Thomas Paine, who wrote: "Those who expect to reap the blessings of liberty must undergo the fatigues of supporting it." Over time, we have shouldered the burden and met the challenges of our calling. We have done this because we had to; and with patience, persistence and faith, I am confident we will continue on this path. Our best days still lie ahead.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 234

Mr. DELAHUNT. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 234.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EMPLOYEE AND RETIREE RESTORATION ASSISTANCE ACT OF 2002

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise today to call upon my colleagues to use the power vested in them as the highest lawmaking body of this Nation to be problem solvers, resolvers of a crisis, and that is the financial crisis that is taking place in Houston, Texas, with the company called Enron and the enormous impact that it is having on both retirees and employees located around this Nation. I believe we can do it.

I think it is important that where the facts point, we will follow, and that we will not ignore the truth. But we must also be reminded that every time this Nation has faced a tragedy, the Federal Government has been there with strength and creativity and solutions. We can do no less now in responding to a crisis that may have both long-range and far-reaching impact.

Today, I will file the Employee and Retiree Restoration and Assistance Act of 2002, which will prioritize restoring and assisting both the retirees and the laid-off employees of this company, because people have to be our number-one priority. I think Congress has to put as its number-one priority in this debacle to be able to make whole those innocent families who have been impacted. We have heard the stories, particularly from the retirees losing $2 million, $1 million, $700,000, $800,000, $200,000, $8,000; and we have been able to describe this as nothing smaller than a great tragedy.

I believe this Congress has the ability to do several things, and I would call upon them to do so. Cap the amount of company stock that individual employees can put in their retirement funds. That can be done immediately. Pass the Employee and Retirees Restoration and Assistance Act of 2002 to prioritize those individuals as being the first ones to receive reimbursement if and when individuals were found to have perpetrated inappropriate behavior or illegal behavior. Put the employees first.

Then, we should also find a way that the Federal courts can establish a fund in the New York bankruptcy proceeding so that laid-off Enron employees may be able to travel to New York from Houston to be able to watch the bankruptcy proceedings that they had originally asked to be held in Houston, Texas. This is allowed because we have done so under the Federal Judiciary when indigent petitioners are not able to travel long distances. In the alternative, we should try to provide home-based viewing of this particular proceeding for these employees who have been so hurt.

I just wish to make my colleagues aware of one story in the crisis, that of Janice Farmer, who spent 16 years in the natural gas industry, starting as

Florida Gas Transmission, which later became a part of Enron, and who worked in the right-of-way department and also at the training center where people were trained to handle natural gas safety.

Janice retired from the Enron Corporation with nearly $700,000 in Enron stock. This was her life savings. This was to be set aside for her and her grandchildren. She was proud to invest, and she lost her money.

This is just one of the many victims who have suffered because of the losses they have experienced. What I have been asked by those who live in Houston and elsewhere is that we do something for people first. This is where I believe this Congress can show itself well and proud, if the first act we do, the first legislative initiative that we pass will prioritize the needs of those Americans.

We have come through some very troubling times in the last year. Many of us have faced natural disasters, such as Tropical Storm Allison in Texas. Certainly nothing can compare itself to the September 11 tragedy. But America rose to the occasion, and our young men and women continue to fight for our freedom and justice and equality in places far away. And as I close, Mr. Speaker, we now have another national tragedy, an American tragedy, one that I do not equate to September 11; but I simply say that this Congress has the ability to solve these problems if we work hard and we prioritize and stay focused on helping the people who have been hurt most.

Mr. Speaker, I ask that we pass immediately the Employees and Retirees Restoration Assistance Act of 2002.

ENRON DEBACLE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes.

Mr. GEORGE MILLER of California. Mr. Speaker, the Congress and the public have been struggling with the issues surrounding the Enron debacle, the meltdown of this company and its impact on employees and on pension plans of people who were locked into their plans and could not escape at the time that insiders within the company were selling stock.

A whole range of reasons have been given as to why this was the rule; but in point of fact, a corporation simply made a decision that workers were going to be treated differently than management; that while the management could sell stock at any time, somehow the employee who chose to sell his or her stock would disrupt the market. The fact is probably that management sold much more stock than the employees hold, and it never disrupted the market. The reason for the disruption of the market around Enron is different than the sale of those stocks.

Today, we learned that Kmart employees suffer from the same handicap. While Kmart has been heading toward Chapter 11 bankruptcy for the last month or so, we find out that Kmart again has a provision very much like Enron, and that is that employees cannot sell their stock. In Enron, you could not sell the stock until you were 50. At Kmart, you could not sell it until you were 55. But if you chose to sell it, you would have to pay a very substantial, a very substantial penalty for the withdrawal of the employee contributions. This is even for vested individuals.

□ 1445

In spite of that, thousands of individuals are cashing in. They are paying a penalty when they sell their stock. Management is not paying a penalty when they sell their stock.

It is clear that we need for vested employees in a pension plan to have complete control over their assets. The idea of management contributing corporate stock is not a bad idea. The idea of corporations matching is not a bad idea. But for the vested employees, the bad idea is that they cannot control their holdings.

Mr. Speaker, I have introduced legislation that will provide employee control over their assets of their pension plans once they are vested. It is important that this happen. As we see again today with the Kmart employees, had they had control over their plans, if they were not required to pay a penalty, they could have exercised the independent judgment that so many people say retirees must be able to exercise. One of the reasons we say we want Americans to have 401(k) plans, the supporters do, as opposed to Social Security, is they can exercise their judgment. But if these plans are prohibited, if pension plans are out of the control of workers, and they have no way of knowing what is happening within the corporation, then they really do not have the exercise of power over the assets that have been put away for them.

In the situation of Enron, not only do we have a corporation engaging in fraud and inside dealing, but the entity that was supposed to certify it to employees and other investors was engaging in the same fraud, the deceptions and the criminal behavior, I believe. So where does the employee go? Yet those employees were trapped in that pension system.

The same is true in Kmart. Kmart looks more like a classic bankruptcy case. They made a series of bad business judgments, lost market share, their competitors outfoxed them, and now they are having trouble and seeking protection of the bankruptcy courts. Yet they locked their employees in, or at least locked them in where the employee would have to consider, because once the employee in Kmart exercised their judgment to sell the stock that was contributed by the employer, they would pay a very hefty penalty, and then they would be prohibited from having any further contributions by the employer. That is not a system which puts value on the ability of the employee in a vested plan to make these decisions.

Mr. Speaker, it is also reported today that Sears requires their employees to hold on to their stock, although apparently not 100 percent of the stock, but to hold on to the stock. We see now that they are impacted in the same way in terms of their ability. What we are talking about here is the ability of individuals to rescue their retirement. As we saw in Enron, we have seen families and individuals and couples who have had their retirement destroyed by the criminal behavior of Enron and Arthur Andersen. They should not have that retirement destroyed by the bad business decisions of Kmart when they are in a vested plan.

Mr. Speaker, I urge support of our legislation to make sure that Americans have control over their pension plans and they cannot be locked down by their employer.

RATHER BE CALLED CHICKEN THAN MORON

The SPEAKER pro tempore (Mr. ISSA). Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, I want to start off the second session of the 107th Congress on a positive note, and take a moment to remind those listening when anthrax first hit our Capitol, there was a decision made by the gentleman from Illinois (Mr. HASTERT), the Speaker, in conjunction with the gentleman from Missouri (Mr. GEPHARDT), the minority leader, to move our employees out and close the House for a couple of days to see the difficulty that we faced and the problems with anthrax spores in the Capitol. I commend both gentlemen because they were concerned about the safety of the employees and the health and welfare of the people in their charge.

The headlines screamed chicken, and blamed the Speaker of the House for Congress abandoning our responsibilities. I call attention to today's headlines in USA Today, "Anthrax at Senate offices deadlier than first thought." My colleagues may remember that in the other Chamber there was bravado saying we are going to stay and work. We cannot believe the House Members would leave and run for cover. Let me repeat the headline. "Anthrax at Senate offices deadlier than first thought."

Mr. Speaker, let me read from the same paper. Greg Martin, Bethesda

Naval Hospital, took samples from Congressional aides and used them to grow cultures in the lab. He is a medical professional working for the U.S. Government.

> The words "weaponized" and "highly concentrated spores" were still days away from making their way into the headlines. But Greg Martin, a physician in the hospital's medical corps, became so alarmed that morning that he asked for beds to be reserved at Bethesda. He was expecting staffers to become ill from their exposure to anthrax.

Let me read more on why the gentleman from Illinois (Mr. HASTERT) was so concerned for the employees of the Federal Government, the children of American families who work in our Nation's Capitol.

> Nasal swabs from the Daschle aides had been incubating overnight in the laboratory. Not enough hours had passed by usual research standards for cultures to grow. Martin did not expect to see anything out of the ordinary, but he was shocked. "I was horrified to see there was heavy growth on numerous plates. That is when it all hit home that we had an extensive exposure."

Mr. Speaker, the House made the right decision, and I said days later I would rather be called a chicken than a moron for staying and leaving the citizens of this Capitol city exposed to deadly bacteria until we were able to find out whether it was in our offices.

Let me take a moment, though, to commend the senior Senator from Massachusetts for saying to the Press Club, I want to raise taxes. He said what was on the mind of many Democrats, but they were afraid to utter. They went on national talk shows and said, We think the President needs to figure out a solution for the recession. We think the President brought us to a recession, blaming the chief executive of this country for the recession but not offering their own solutions. But the Senator said it clearly. Let us raise taxes. Let us reverse the tax cuts; the same thing. Everyone now agrees.

Mr. Speaker, I have to commend him for his courage. I have to commend him for saying it like it is on the record, for people to compare and contrast the political parties and what their intents are for the future of this debate. American families are struggling. Businesses are struggling. People are frightened. Consumer confidence is down. The last thing we should do is raise taxes in a recession.

John Fitzgerald Kennedy in 1961 decided when the recession looked bleak and our economy was teetering, he boldly suggested tax cuts, remarkably successful in those years. Today, a relative suggests that is not such a smart economic principle. That is great reflection.

I will stick with our course any day of the week. As a member of the Committee on Ways and Means, I salute the gentleman from California (Mr. THOMAS) for addressing the economic needs of this country. We can throw fear into the hearts of citizens and make them scared with talk of gloom and doom. I hope one party stands on this high hill above the city and suggests a way for Americans to have confidence in their country, which we have displayed in our war against terrorism, and give this President the same kind of confidence and backing that he will need to bring us to an economic certainty, to bring us to a time when people feel good about the direction of this country.

ENRON/ANDERSEN SCANDAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. DOGGETT) is recognized for 5 minutes.

Mr. DOGGETT. Mr. Speaker, I hope that we can begin this session of Congress in a spirit of cooperation by tackling some of the very serious domestic problems that face our country. I believe that we can learn from the repeated failures of last year when this Congress was unable to resolve so many important issues, and from the several unproductive congressional sessions over the last several years. We can also learn from a rare and significant bipartisan success, namely the completion of action on the new education law, just before the holidays, where members of both parties working together, developed a bill that offers great promise for improving the quality of American public education.

One of the issues which we should devote our energies now, and we should work together to resolve, are those concerns, such as the use of tax shelters, brought to greater public attention through the Enron/Andersen scandal. Certainly, we should be concerned when we look at the Enron/Andersen scandal with the lawless conduct that allegedly occurred, and there are prosecutors exploring that as I speak. But we here in the Congress need to be equally concerned about conduct by Andersen, Enron, and others that may be lawful but is simply awful in its impact on America.

The Enron/Andersen scandal certainly demonstrates the error of many who have spoken in this House and who have insisted that a tax cut and deregulation elixir is the cure for every ill afflicting America. Certainly Enron got plenty of that elixir. In recent years, they did not bother paying any income taxes whatsoever to support our great country. Rather in reviewing the conduct of Enron and Andersen, we learn much that appears to have been lawful but was awful in its impact on our country.

This scandal is about more than dealing with a lack of oversight, it turns on the deliberate decisions of some policymakers in Washington to overlook loopholes, shortcuts, back doors, exemptions and exceptions that riddle our laws, providing special protection and special opportunities to special interests that lobby here in Washington—to the detriment of blameless employees at Enron, Andersen and other companies, of retirees, of investors, and of those many taxpayers, who work hard to contribute their fair share to our country.

The Enron/Andersen scandal makes the case for long overdue reforms in many areas. One of those is the Abusive Tax Shelter Shutdown Act, which I have been urging Congress over three years to adopt. Too often major corporations use gimmicks similar to these offshore subsidiaries that Enron created as a scheme to avoid paying their fair share of taxes. This tax shelter legislation, which we voted on here on the House floor, suffered the consistent objection of companies like Andersen, who peddle their tax shelters to more than just Enron. There are plenty of other companies engaged in the same general type of abusive tax shelters that aided Enron.

Second, the debate demonstrates the need to reform our campaign finance laws. There is so much focus in the press on what people are doing with their campaign checks from Enron. The attention ought to be on whether anything meaningful will be done to reform the campaign finance system for all contributions. We are now two or three signatures away from a discharge petition forcing the Speaker to bring this issue to the floor for full and fair debate. We ought not to have to force him, this ought to be the first item up for consideration next week in this House.

A third area where prompt reform is definitely required is with reference to retirement security. These blameless folks who lost their retirement savings in their 401(k) plan as a result of being locked in to relying on company stock by Enron management presents a problem that working together we can act on now before others suffer the same fate.

I hope that the leadership of this House and the Administration, both of whom have blocked reforms on campaign finance and abusive tax shelters, that they have learned from this outrageous, still unfolding scandal with Enron and with Andersen. If we approach these problems together learning from the mistakes of some, we can produce good legislation, do it, quickly but carefully, and thereby ensuring that no more similar scandals afflict American families.

□ 1500

QUESTIONING CREDIBILITY OF FEDERAL STUDIES

The SPEAKER pro tempore (Mr. ISSA). Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. McINNIS. Mr. Speaker, I am anxious to be back here with my colleagues. There are a number of different issues that we face in this upcoming year.

One of the issues that I want to talk about this afternoon, and I am going to talk about a number of different things, but one of the things that is very important to me is the credibility of Federal studies. I want to give all of my colleagues on both sides of the aisle a very sad example of evidence that has been planted, planted evidence, just like in a criminal case where a police officer goes into the home of a suspect and plants a bag of marijuana. It is an effort to lie. That is what it is. It is lying about the evidence. That is exactly what has happened.

On a Federal study that was recently undertaken on three separate occasions, we had Federal employees who planted evidence in an effort to alter the result of a study involving an endangered species, the lynx. Let me go into a little more detail on the facts and let my colleagues determine for themselves, is this the way that we ought to run a so-called unbiased, fair study? And you ask the question and you answer the question: Should biologists, who have an agenda, go in and be involved and be allowed to make the decisions or be the ones who handle the evidence when they have obviously a biased agenda as to how that study ought to turn out?

The facts are this. In this country we undertook years ago the Endangered Species Act. It is an important act. It does a lot of important things. But as any act that has been enacted into law, there is always somebody who finds abuse, and there are always serious questions and questions as to whether or not what the intentions of that act really were. Under the Endangered Species Act, we look out there for species, whose species are threatened or they are endangered. As we see those species, we go out and do studies. Or if we think species exist, we go out and we do studies to protect their habitat, to protect the area in which they live; we have actually seen one or two successful programs out of the Endangered Species Act; for example, the bald eagle. The bald eagle, that species and the preservation of that species, was approached with credible science.

Science is an important part of the preservation of these species. The science that is put forward must be credible. It has got to be truthful. You lose credibility regardless on which side of the aisle you are on, regardless of which side of the issue you are on, you lose credibility if you plant evidence. You lose credibility if you lie. You cannot do that. You have got to be truthful. Regardless of what those results of that study come out to be, you must be truthful.

Here is what happened. We had seven people involved. Several of those people were employees of the Federal Government. They were scientists. They were biologists. They were professionals. As chairman of the Subcommittee on Forests and Forest Health, which oversees the responsibility of this and answers to the full Committee on Resources, as chairman of that committee, we depend very heavily upon the assessment and the findings of these biologists. These people are hired as professionals. These people are hired with academic credentials.

Unfortunately, in this case we had some biologists who had a different agenda. We had some scientists who had a different agenda. We had some wildlife State employees who had a different agenda. They were so driven by their agenda that they felt it was necessary to plant evidence. What evidence did they plant? One of the endangered species which we are looking very carefully at, we are determining whether it should be listed as endangered and what areas it should be listed as endangered, is the lynx. It looks very much like your household cat, bigger, more like a bobcat. In fact, the species is related to the bobcat, the lynx and the bobcat.

What happened was these scientists and these biologists, these are your employees, they work for us, for the Federal Government. They work for the people of this Nation. They do our work, to go out and determine what are the facts—just the facts, ma'am—what are the facts. These biologists were assigned to undertake a lynx study in two forests to determine whether or not there was any kind of proof of the habitat of lynx in these particular areas. This is very controversial, because if lynx were found to exist in these areas, very severe conditions are placed upon these forests. Very severe conditions, restrictions on use. For example, if you had a ski area, my district in Colorado has all the ski areas in Colorado. If you had a lynx found on a ski area, you could shut the ski area down. You could shut down all the timber industry. You could shut down bike riders, mountain bikers. You could shut down people on the river. You could virtually shut the entire thing down for hundreds, maybe thousands, maybe hundreds of thousands of square miles.

So finding the evidence of these things is a very critical element in our assessment to determine whether or not these severe restrictions should be put into place.

What do these biologists do? What do these Federal Government employees who have a fiduciary relationship to the people for whom they work, which are the people of the United States of America, what do they do? They go out, they secure some lynx hair and they plant lynx hair in different spots in the forests. Then they go out and, oh, they discovered the lynx hair that they planted and they submit that to the lab for the lab to determine whether or not it is lynx hair. They planted the evidence. That is exactly what they did. Their full intent was for that study to conclude that lynx existed in these forests, and therefore the natural consequence of that finding was that restrictions would be placed on these forests.

How did we find out about this? How did we find out about the lynx? The way we found out about it, we had a whistleblower. It is not because these biologists came forward and said, look, as they are now saying, all we really wanted to do was test the laboratory. Let me ask you, how credible would you find a police officer who planted evidence in a suspect's house and later on in the courtroom said, "Well, the only reason I planted evidence was to see whether the crime lab could determine that I planted it and that the suspect really didn't have that bag of marijuana. That is why I did that." How credible would you find that?

How credible do we find these biologists' story that the whole reason they planted this lynx hair in the forests was to test the laboratory? In fact, their lies, their planting of evidence, has hurt the credibility and endangers the fundamental honesty of the National Lynx Survey. I have had people that are very active environmentalists that are on fire about this. It hurts their cause. It hurts everybody's cause to have Federal employees go in and plant evidence. It is like a bad cop. Who suffers the most from bad cops? Sure, the suspect, but good cops. Good cops suffer when they have got a bad cop. Good biologists suffer when you have got a bad biologist, biologists who will plant information with the full intent to provide misleading information, to sway the conclusion of a supposedly verifiable study. This is very, very damaging, what has occurred.

I note that my good colleague from the State of Arizona, a very active member on the committee, very involved in this revelation that has come up as a result of a whistleblower, by the way, not the biologists coming and telling us, telling the lab, oh, by the way, we were just testing the lab. As a result of somebody who was leaving the government, retired, on the day of their retirement they could not live with it anymore, they revealed to the Forest Service, hey, you know what, we kind of cheated a little, we planted lynx hair out there in the forest so that the laboratory would say that there was evidence of lynx habitat.

By the way, do you know what the Forest Service did? If you were a cop, you would be in jail, by the way. What the Forest Service did was simply take these biologists off that particular study, will not give the names of these biologists, and gave them counseling, counseling for this kind of an offense that undermines the entire credibility of the National Survey.

Back to my colleague from Arizona, I appreciate the fact that he has joined me today and I intend to yield him time to further discuss what the ramifications of planted evidence on the National Lynx Survey are.

With that, Mr. Speaker, I yield to the gentleman from Arizona such time as he may consume.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Colorado who has taken a leading role in this, and this should be of concern to every American, for what has been perpetrated on the American people can accurately be called biofraud.

People of good will can disagree on land use policy. People of good will can have different approaches to conservation and the environment. But always and forever, Mr. Speaker, the standard should be sound science.

I want to thank my colleague from Colorado for leading our subcommittee and as we serve together on the Committee on Resources, I look forward to hearings, but I think it only fair to put on notice those who would coddle a criminal element. This is not misguided behavior simply cured by counseling. This is not something that should remain confidential. Indeed, if there is another lament I have, it is a curious concern that some in government do not believe they are accountable to constitutional officers who are sent here to do the people's business.

Mr. Speaker, I would put those people with those misguided notions on notice today that I will work with my subcommittee chairman and I will work with the chairman of the full committee and I will work with this full House, if need be, if there are those who continue to stonewall the truth, I believe, quite reasonably, quite rationally, that we should bring people in under oath to the committee and if they continue to stonewall, this Congress should hold those people in contempt. I say that not in a reflex of rage but in a calm, sober-minded fashion, because if we allow this kind of abuse to continue in our system, even as we lament what happens in stories of high finance, to pension funds, even as we attempt with the various committees of jurisdiction in this Congress to get to the bottom of business and accounting corruption, so too does this Congress have a responsibility to the American people, for their quality of life, for the true ascertainment of the biological integrity of the flora and fauna in our various national forests and the people of Colorado and Arizona and all of our States who love the land and make a living off the land as true stewards and true conservationists. This crime of biofraud should not go unnoticed, should not go unpunished.

I salute my colleague from Colorado because he understands with his background in law enforcement and the law and with a good dose of western, and let me enlarge that, American common sense and Yankee ingenuity, that we need to get to the bottom of this on behalf of all the American people, put a stop to biofraud, again amplify and adopt a notion of sound science and its application when it comes to something as crucial and as precious as our environment.

□ 1515

I appreciate the presumption of innocence for those who it is believed have committed a crime, but, again, I would reiterate to this House, to cover this up in some sort of victimology and saying there, there, counseling is fine, is in itself misfeasance and malfeasance of the stewardship of the land and the basic trust this government and its citizens deserve.

Mr. McINNIS. Mr. Speaker, I thank the gentleman from Arizona. I might add that I, too, agree with the gentleman about presumption of innocence in regards to whether or not a crime has taken place.

But I should note that there is no presumption of innocence because these parties have made an admission of guilt as far as misdoing in the responsibilities and the fiduciary duties of their job, as the gentleman knows.

This is not an allegation we are making from the House floor about some biologists at the Forest Service. I know on the House floor allegations are made or that we want to investigate here or we want to investigate there. The facts are clear: These employees planted evidence. They have admitted to planting evidence.

The whistleblower is how we first found out about it. The Forest Service has disciplined, unfortunately, just by simply counseling. Any other job in America they would have been fired, and, frankly, I think criminal charges would have been filed by the local district attorney. But in this particular case the Forest Service counseled them and then kept it quiet. We only broke this loose about a month ago.

Mr. HAYWORTH. I appreciate the gentleman's knowledge, and we should note that investigators continue to work on this case.

Let me just ask, are the perpetrators still in the employ of the Forest Service, receiving salaries from tax dollars, to the gentleman's knowledge?

Mr. McINNIS. Reclaiming my time from the gentleman from Arizona, the answer to that is yes, they remain as employees of the Federal Government, in good standing, by the way, I might add. Number two, the Forest Service, to this point in time we have not been able to secure from them information as to what other studies these particular biologists have been involved in.

Because of the fact of the deeds that these biologists have committed, the admitted deeds of planting evidence in hopes of having a conclusion reached that lynx existed in these particular forests, because of the seriousness of these charges, it is my opinion that we should look at any work that these people have done to see whether or not they have also planted evidence in those cases.

As the gentleman from Arizona will recall, a few months ago in the City of Los Angeles they had a bad cop and he planted or fabricated evidence in many, many cases. They had to reopen every case that cop ever had his fingerprints on to see whether in fact, and, unfortunately, they found out he had, to find out if in fact that officer had altered evidence in those cases.

That is exactly what needs to happen here. But, unfortunately, the Forest Service thought it was appropriate just to counsel these employees, pat them on the back and tell them that they were bad boys and bad girls and they should behave more properly in the future and let it go at that.

Had we not found out about it, frankly, I am afraid we would see that alteration or planting of evidence would then be seen as somewhat of an acceptable practice with very little punishment by the controlling agency.

Mr. HAYWORTH. If the gentleman would yield further for a question, we have had a chance to discuss this off the House floor, but to make it a part of the record here today, in this House Chamber, Mr. Speaker, I would ask my colleague from Colorado, how he would characterize the response of the Forest Service? Has it been forthcoming, has it been begrudging, have we seen the type of attitude of how dare we question their disciplinary procedures?

How would the gentleman characterize the ambiance or the governmental philosophy of the response of those at the Forest Service?

Mr. McINNIS. At this point in time, reclaiming my time from the gentleman from Arizona, I should say the Forest Service, or the Department of Interior, or the Division of Wildlife in the State of Washington, none of these agencies were forthcoming in advising the United States Congress, more specifically the committees that have direct responsibility over these issues, advising us that in fact false evidence had been planted in a very critical study and it altered or could have altered the results of that study. So that information was not provided. We dug that information out.

However, once the information was located or provided to us, then I can tell you the new head of the Department of Agriculture, Ann Veneman, the head of the National Forest Service and the Secretary of Interior have been very cooperative.

To the extent they have not yet given us those names, I am going to get those names and I am going to release them to the public. I think the public has a right to know the bad cop. In Los Angeles they put that name out real quickly, because they wanted people who dealt with this cop to know they had a bad cop. We need to know this here, too.

But to this point in time, they have been cooperative, the heads of the agencies. We have not, in my opinion, found that same form of cooperation at lower levels. In other words, we are finding a great deal of resistance obviously by the biologists themselves. They know they are in a lot of hot water and so on.

So, yes, we have had cooperation. We have a number of investigators in the field and we hope in our subcommittee hearing which is coming up to pull out further cooperation if it is not forthcoming.

Mr. HAYWORTH. I thank my friend for the time. I would simply say I look forward to joining my colleague from Colorado for those subcommittee hearings.

But I also think it is important for purposes of full disclosure to the American people, it is interesting, political scientists put a word on what my friend describes, where you may have a philosophical and cultural change at the top, but those at the different levels of bureaucracy are somewhat reluctant to help deal with these policy solutions or even feel that they are accountable for helping in that regard. The political scientists call it bureaucratic inertia.

Mr. Speaker, I would say to my colleagues today on the floor, let us take away that value-neutral title. Anyone who withholds information, as far as I am concerned, is complicit in a crime and part of a coverup, and it is the duty of our subcommittee and the full committee and this entire House in legitimate government oversight to work with my colleague from Colorado.

I would simply say, Mr. Speaker, to any employee who believes they have a higher calling than sound science or accountability to the taxpayers of this country and the citizens of this Nation and duly elected constitutional officers, they should go on notice: Their days are numbered and we will get to the bottom of this on behalf of all the American people, because the people have the right to know.

Mr. McINNIS. I thank the gentleman from Arizona. I might point out to my colleagues here, what we are talking about has implications for millions of people. When you close down a forest in the West, remember that in the West we have huge quantities of public lands. In the East you have very little public land. In fact, in many of your States your public lands are the lands where the county courthouse sits. Oh, we have the Shenandoah Park and the Florida Everglades, but for the most part in the East you have no public lands.

In the West we are totally and completely dependent upon public lands. All of our power, our highways, our lifestyle, our recreation, our farms, our ranches, our water, everything is fully dependent upon the Federal lands.

There are ways that you can shut us off. There are ways that you can shut down human existence in the West. One of them is through these endangered species. There has been a much higher priority given to endangered species, as you know, than human species on a number of occasions. In some cases I think there is some justification for that.

But under these circumstances, what has happened is if you found evidence of a lynx, and in fact that endangered species never existed in that particular area, or the habitat is not in existence, but because of planted evidence, because Federal employees lied, hundreds of thousands of people who depend on the public lands or thousands and thousands of people who have private lands that are impacted by the endangered species, and remember, endangered species regulations do not just apply to public lands, they apply to private lands, their lives could be affected in a very negative fashion, a loss of huge value of their holdings or their lifestyles or their work.

So the ramifications of planting this evidence are just as serious as if a cop came into the gentleman from Arizona's office and planted a bag of cocaine and then turned you in. You can imagine the public outcry for your resignation because they found cocaine in your office. The ramifications are huge. And it is same thing here. The ramifications of this false and planted information are devastating if deployed in the way that these biologists intended.

Mr. HAYWORTH. If my friend would yield, I want to thank him for putting the proper perspective on this, Mr. Speaker, because from time to time there are those who will portray any instance of wrongdoing as being somehow an issue decided because of the person's naiveté or confusion and that there would be no harm.

My colleague from Colorado points out quite correctly that while public land is important in all of our 50 States, public land is such a fact of life west of the Mississippi, and particularly in the Southwest, where in my Congressional district, the Sixth Congressional District of Arizona, we have some counties that the land mass is 95 percent government-controlled. Indeed, one county, Gila County, Arizona, less than 3 percent of the land is private land.

And this is not some esoteric imagining. This is a reality for the people of the West who, time and again, have proven to be good stewards of the land, who, because of a unique circumstance in applying for statehood, had to confer to the Federal Government over half of their lands as a dowry, if you will, or as a condition for statehood.

It sets up a different dynamic than we see here on the eastern seaboard. It sets up a dynamic with which many Americans in major cities in the East or the Midwest may not be familiar, indeed, a dynamic that some in fact in western major cities may not be familiar with.

But this has a direct harm on American citizens, particularly in the rural West, and it is not a noble and misguided action.

Indeed, we see that in the newspapers today with the arrival of the American Taliban, John Walker Lindh, and the spin that somehow a young person meant well, but they were naive, ignoring the fact that young Americans younger than John Walker Lindh put on the uniform of this country to defend this country, and yet in the popular culture with the defeatist notions blaming America first, you get this incredible spin, and, quite frankly, this deviant public psychology that will explain away any and all crimes.

Mr. Speaker, my colleague from Colorado and I and other members of this subcommittee will get to the bottom of these crimes that have been committed against the American people. And, no, this was not a naive misjudgment deserving of counseling, any more than the actions of the so-called American Taliban are things to be excused. They are both crimes against this country. And how horrible it is that the perpetrators of this crime were ostensibly working on behalf of the American people and to this day are paid with the hard-earned tax money of the American citizens.

We will make it clear that sound science must be restored and a new sense of ethics must come to our pursuit of conservation and our preservation of our environment. In that way, people of good will, even though there may be disagreements on public policy, can at least work from sound scientific data, and in the public arena and in this Chamber and in the give and take of community control can come up with sound solutions, rather than having the misguided folks who believe the ends absolutely justify the means, who would even take criminal action to appeal to their misguided notion of what the greater good might be.

It has been said, Mr. Speaker, we are a nation of laws and not of men, but men must faithfully execute the laws of this country. And in their wisdom our founders gave this branch of government, the legislative branch, legitimate oversight of those executive agencies who from time to time might forget their scope and mission, might engage in misfeasance and malfeasance.

With my colleague from Colorado at the helm our subcommittee, I have every confidence that we will get to the bottom of this, and it will make a difference on behalf of the American people. I yield back to my friend.

Mr. McINNIS. I thank the gentleman from Arizona. The gentleman is correct. These biologists lied. There is no way around it. These were Federal employees who lied. They have admitted to their lie. They planted evidence.

The purpose for which they planted this evidence was to alter the National Lynx Survey. They wanted to alter it in such a way, in my opinion, that they wanted to show the existence of an endangered species in a forest, which in fact no previous evidence has been found that that possibly endangered species had habitat in that area. That is the whole intent.

Now, what they are saying today is they just wanted to test the laboratory. You can imagine, to my colleague from Arizona, if you put a gun in your belt and walked through the metal detector at the airport and then explain to the officers that captured you, I just wanted to test your metal detector, that is why I walked through with a gun. Or a cop who plants evidence who says I just wanted to test the laboratory, the crime lab, to see if they could find that I planted the evidence and not the poor suspect who could face years in prison, point number one.

☐ 1530

The second point I would make with the gentleman is, the gentleman speaks of the national media. Can we imagine what the national media would be doing with this story if, in fact, the facts were reserved. If, in fact, somebody had gone in and actually taken a live lynx or taken evidence out of the forest so that it appeared that no endangered species existed in that area, to me, that would be completely intolerable. But it would be on the front page of, certainly, The New York Times and certainly The Washington Post and certainly the Miami Herald and all of the papers in Massachusetts and Connecticut.

This story is being brushed aside in some camps. It is our responsibility. I say to my colleague from the State of Arizona, under the subcommittee of which I am chair and of which the gentleman is an active member, it is our responsibility, regardless of the Robin Hood mystique that may be placed by some media outlets on these individuals, it is our responsibility to make it known that Federal biologists have a fiduciary responsibility, which has been violated through their lies, which they have admitted to, through their planting of evidence, which they have admitted to, and have them answer to the consequences of their actions.

I yield to the gentleman.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman. As we were hearing a recitation of different analogies and actual events, whether it be the Los Angeles cop gone bad, or a variety of other stories, I thought about the conduct of those who have come in this institution before; and when my colleague and I were still in private life, I can remember reading as an American citizen of the Abscam investigation and, indeed, a Member of this House, who was caught red-handed on videotape pocketing proceeds, ill-gotten gains, held a press conference and said, I was just conducting my own investigation. As absurd as that denial was then, it is equally absurd to have these bio-frauds claiming the same thing and, worse still, the management of the agency saying, well, you need some counseling. You can continue to work here in good standing, but you need some counseling.

No. What needs to happen is that the rule of law must be maintained and the sacred trust of those who would work on behalf of the taxpayers must be restored. I salute my colleague for taking the lead on this. I pledge to him and, Mr. Speaker, to this House, and to those I represent, that we will find out what has transpired and we will make the changes necessary.

Mr. McINNIS. Mr. Speaker, I would point out to the gentleman, we have heard a lot of discussion about the Enron Corporation and a lot of attention has been paid to the Enron Corporation, and the shredding, not only at Enron, but Arthur Andersen, the shredding of evidence. They are there destroying evidence. In this particular case which, by the way, could impact hundreds of thousands of people, evidence was not shredded, it was created, falsely created and then planted as to affect the result of the study.

So I appreciate the gentleman. What I intend to do here is read for the RECORD, unless the gentleman has any further comments, I would like to read for the RECORD a letter issued by the chairman of the whole committee and myself as chairman of the Subcommittee on Forest and Forest Health, a letter sent to the Secretary of the Department of Agriculture and to the Secretary of the Interior.

"Dear Secretaries:

"We are alarmed and outraged by the findings of a recent Forest Service investigation regarding the lynx recovery survey, which concluded that hair samples from Canadian lynx had been illicitly "planted" on three known occasions by officials in the U.S. Forest Service, the U.S. Fish and Wildlife Service, and the Washington State Department of Fish and Wildlife. While we commend the Forest Service and the Fish and Wildlife Service for investigating the matter and bringing it to Congress's attention, we believe the investigation's findings raise other fundamental issues and questions that have not yet been satisfactorily answered. Notably, it calls into question the very credibility and the integrity of broader lynx surveys. Given the extraordinary impact that the lynx recovery program will have on the management of national forests throughout the West and around the Nation, the Forest Service and the Fish and Wildlife Service should immediately resolve these outstanding issues.

"First, we believe that simply reassigning culpable individuals is a grossly inadequate punishment, given the magnitude of this offense. While the investigation may, in fact, be correct in concluding that these incidents do not rise to the level of criminality, a finding we reserve judgment on until we have the opportunity to thoroughly review the facts and the relevant laws, these offenses minimally amount to professional malfeasance of the highest order. Whatever the reason, these individuals appear and have admitted to knowingly and willfully planted false evidence that, if unexposed, would have had immense implications on any number of management decisions. Even if not criminal, again, an issue we reserve judgment on, this unethical behavior runs afoul of even the most lackadaisical standard of professional conduct. As such, we believe these individuals should be terminated immediately if their guilt is verifiable. We have every confidence that if a Federal employee buried or otherwise concealed legitimate evidence pointing to the existence of a lynx on a national forest, their termination would be swift and sure. This incident should be treated no differently. Federal land managers simply cannot be allowed to obstruct a process of this size and this consequence with relative impunity.

"Second, we believe the nature of these improprieties dictates an immediate and a thorough review of all of the data acquired during the course of the lynx survey. A December 13 Forest Service memo to Congress detailing this incident asserts that survey coordinators feel the integrity of the overall lynx sampling effort is being maintained. But the memo offers nothing to support those findings. Has the Forest Service attempted to independently verify the scientific authenticity of previously identified lynx samples found in other regions? Can the Forest Service and the Fish and Wildlife Service say with any level of certainty that any other lynx samples were not planted in a similar manner? If the answer to either of these questions is no, how can the Forest Service and Fish and Wildlife Service guarantee Congress and the public that the national lynx recovery effort is grounded in science rather than in the fraudulent behavior of some unscrupulous field officers.

"Ultimately, the credibility of the lynx survey is now hanging by a thread. The Forest Service and the Fish and Wildlife Service have an obligation to demonstrate the propriety of other samples before it uses the lynx survey to make sweeping land management decisions.

"As your internal audit of this situation moves forward, we intend to ask the General Accounting Office to conduct its own parallel probe of these incidents. In addition, at this time we are planning on holding oversight hearings before the Forests and Forest Health Subcommittee early next year," that is this year, "to ensure that this unfortunate occurrence is satisfactorily remedied."

The reason I read this into the RECORD is, one, I wanted the letter submitted for the RECORD, as the gentleman from Arizona mentions, but I also want to point out that this notes several of the points that the gentleman has brought up. The gentleman has stated, I think in explicit terms, exactly what the concern is we have here, and that is, we have to depend on credibility. We cannot risk having scientists who make these kinds of decisions planting the evidence. It is not right. It is a lie. It ought to face the consequences.

Mr. Speaker, I will include for the RECORD at this time the aforementioned letter.

DECEMBER 17, 2001.

ANN M. VENEMAN,
Secretary, Department Agriculture, Washington, DC.
GALE A. NORTON,
Secretary, Department of Interior, Washington, DC.

DEAR SECRETARY VENEMAN AND SECRETARY NORTON: We were alarmed and outraged by the findings of a recent Forest Service investigation regarding the lynx recovery survey, which concluded that hair samples from Canadian lynx had been illicitly "planted" on three known occasions by officials in the Forest Service, the U.S. Fish and Wildlife Service and the Washington State Department of Fish and Wildlife. While we commend the Forest Service and the Fish and Wildlife Service for investigating the matter and bringing it to Congress' attention, we believe the investigation's findings raise other elemental issues and questions that have not yet been satisfactorily answered. Notably, it calls into question the very credibility and integrity of the broader Canada lynx survey. Given the extraordinary impact that the lynx recovery program will have on the management of national forests throughout the West and around the nation, the Forest Service and the Fish and Wildlife Service should immediately resolve these outstanding matters.

First, we believe that simply reassigning culpable individuals is a grossly inadequate punishment given the magnitude of this offense. While the investigation may in fact be correct in concluding that these incidents do not rise to the level of criminality—a finding we reserve judgment on until we have the opportunity to more thoroughly review the facts and relevant laws—these offenses minimally amount to professional malfeasance of the highest order. Whatever the reason, these individuals appear to have knowingly and willfully planted false evidence that, if unexposed, would have had immense implications on any number of management decisions. Even if not criminal—again, an issue we reserve judgment on—this unethical behavior runs afoul of even the most lackadaisical standard of professional conduct. As such, we believe these individuals should be terminated immediately if their guilt is verifiable. We have every confidence that if a federal employee buried or otherwise concealed legitimate evidence pointing to the existence of a lynx on a national forest, their termination would be swift and sure. This incident should be treated no differently. Federal land managers simply cannot be allowed to obstruct a process of this side and consequence with relative impunity.

Second, we believe the nature of these improprieties dictates an immediate and thorough review of all the data acquired during the course of the lynx survey. A December 13 Forest Service memo to Congress detaining this incident asserts that "survey coordinators feel the integrity of the overall lynx sampling effort is being maintained," but the memo offers nothing to support these "feelings." Has the Forest Service attempted to independently verify the scientific authenticity of previously identified lynx samples found in other Regions? Can the Forest Service and the Fish and Wildlife Service say with any level of certainty that other lynx samples were not "planted" in a similarly surreptitious manner? If the answer to either of these questions is no, how can the Forest Service and the Fish and Wildlife Service guarantee Congress and the public that the national lynx recover effort is grounded in science, rather than in the fraudulent behavior of unscrupulous field offers.

Ultimately, the credibility of the lynx survey is now hanging by a thread. The Forest Service and the Fish and Wildlife Service have an obligation to demonstrate the propriety of other samples before it uses the lynx survey to make sweeping land management decisions.

As your internal audit of this situation moves forward, we intend to ask the General Accounting Office to conduct its own parallel probe of these incidents. In addition, at this time we are planning on holding oversight hearings before the Forests and Forest Health Subcommittee early next year to ensure that this unfortunate occurrence is satisfactorily remedied.

Sincerely,

SCOTT McINNIS,
Chairman, Subcommittee on Forests and Forest Health, Committee on Resources.
JIM HANSEN,
Chairman, Committee on Resources.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. ISSA). The Chair would caution all persons in the gallery to refrain from all conversations. The acoustics in the chamber are such that these carry and make it impossible to hear those speaking. Would all persons in the gallery please refrain from further conversation.

Mr. McINNIS. Mr. Speaker, I am going to move to another subject, but I will be happy to yield to the gentleman if he wants to conclude.

Mr. HAYWORTH. Mr. Speaker, I thank the gentleman from Colorado. I appreciate the encyclopedic nature of the letter to the Forest Service. I would just reiterate, it is a question of sound science; but even more basic than that, it is a question of trust. We will work at the subcommittee level, at the full committee level, and, indeed, in this House of Representatives to ensure that the American people can trust those who are in the service of this government to rely on sound science and to understand their fiduciary role to the American people and to our public lands.

Mr. McINNIS. Mr. Speaker, I appreciate the gentleman from Arizona. I would also say to the gentleman that there are a couple of other subjects here I intend to discuss, and I would invite the gentleman to participate as well, because I know the gentleman from Arizona has some very strong feelings.

First of all, let me tell my colleagues that in the last few days, I cannot believe what I have been reading, but I have been reading in world press and national press and even local press about some question of the treatment of our prisoners, the al Qaeda prisoners that we are now holding in Cuba. I cannot believe this. These are people whose entire cause is to destroy our society; and frankly, they did a pretty good job of it. Four or 5,000 people, they murdered them. That is what it was. In cold blood, regardless of their nationalities, regardless of their faith, regardless of whether they were military or nonmilitary; we all know what I am talking about on September 11. These people declared war against the United States of America.

And now, as prisoners in Cuba, I can assure my colleagues that, one, they have better clothing than they have ever had. They have all been provided with their religious book, the Koran, so that they can study that if they wish. They are being fed better than they were being fed in probably years. They are receiving better health care than they have ever received in their home countries that they came from.

This is how we treat our prisoners. We are giving these people treatment that I would say if it were in reverse, first of all, they said very clearly what they were going to do with American prisoners. At the very beginning, the leaders of the Taliban said that they looked forward to a fight with America because they wanted to capture some young American soldiers and they were going to skin them alive. Skin them alive and ship the corpses back to us. That is what they were going to do with their prisoners. Now, the International Red Cross, which plays holier than thou, which, by the way, ought to clean up their own books, in my opinion, thinks that they have some kind of overriding legal jurisdiction to condemn the United States in the treatment of these prisoners in Cuba.

These people are nasty people. Of course we do not allow them to sit down with their fellow prisoners and communicate. Of course we have them in handcuffs and shackles. Of course we put them in orange outfits so that if they were to escape, they are much more easily identified. Of course we do not put them in Nikes so that they cannot. It is like any other prisoners, we put them in sandals or, in some cases barefoot, so that if they were to attempt an escape, they cannot move very far.

I am astounded at the political spin that is being put on by some of these media outlets that somehow the United States has shirked its responsibility to these prisoners and to these detainees. As we know, they are not prisoners of war, because we know what the International Red Cross would like us to do, and that is to declare that these detainees in Cuba are declared prisoners of war. Because once they are declared prisoners of war under the Geneva Convention, all they have to tell us is their name, rank, and serial number or whatever identification. That is it. They do not have to tell us about any upcoming terrorist attacks. And as we can see now, with Johnny Walker, the gentleman who, well, excuse me, I mistakenly referred to Mr. Walker as a gentleman. He is a war criminal, in my opinion.

But the fact is, we now see some of the national media starting to put a spin, and some of the liberal organizations putting a spin on this that this Johnny Walker should have been advised in the battlefield, right after they killed that American CIA agent, that young man with a family, by the way, right after they killed him, that when they captured this Johnny Walker, they should have advised him that he had the right to see an attorney, that he needs to know anything he says could be used against him in a court of law. They wanted Miranda rights on the battlefield. That is where this political spin is going.

We have every right to question those detainees in Cuba to determine where the next terrorist attack is coming from. As the gentleman knows, just this morning it was revealed to the American people that one of the detainees has advised us that the embassy in Yemen has been targeted for an attack on the embassy, and they have now evacuated the embassy. We would not get that information if it were up to the International Red Cross. I am astounded by the behavior of the International Red Cross. I yield to the gentleman from Arizona to add to this.

Mr. HAYWORTH. Mr. Speaker, I appreciate the gentleman yielding, because we need to make comments on this, especially the notion that we would designate these illegal combatants, to whom we refer now as detainees, as prisoners of war. Understand an even more diabolical implication, if they were regarded as prisoners of war. That would mean eventual repatriation to their various nations. Our Commander in Chief stood at this podium in the well of this House, in the wake of the attacks of September 11 and made clear to us, this is a new kind of war.

□ 1545

Yes, there are categories which we can recognize in terms of international law. There are illegal combatants involved in this war, as my colleague, the gentleman from Colorado (Mr. McINNIS), pointed out, as was brought home to us with crystal clarity on September 11. Law-abiding citizens going about their daily activities were wantonly and brutally attacked at the cost of at least 3,000 American lives in New York, civilian personnel. With the cost of combined military and civilian personnel in the hundreds here, within 5 miles of this location at the Pentagon.

For the left wing media, I should also note for fairness, I received an e-mail from a British couple. I jokingly call them my British cousins because they take an interest in our constitutional Republic, and they come to visit quite often. They e-mailed my office today saying, Congressman, do not believe the prattle of the leftist press and the British tabloids. John Bull, the British citizenry, is with you. And how sad it is that the whole notion of the media culture has turned from keeping a journal, a chronicle of events to a realm of advocacy where opinions, no matter how aberrant, no matter how ultimately harmful are entertained and given quarter as if they have intellectual integrity.

Let me say this, Mr. Speaker, to those who would champion the rights of the butchers who oppose this country, the detainees who have told their guards when they have a chance they will kill more Americans, the detainees who have attempted to bite and with whatever weapons they have, their own hands, their own guile, try to harm American citizens, let me ask those who would champion in misguided notion their rights as if they were American citizens, how do you explain it to the orphans of September 11?

I mentioned earlier an attack occurred in close proximity to this citadel of freedom, this Capitol dome, at the Pentagon on that same horrible date.

I have heard stories of elementary children who lost their fathers, who today are affected with conditions that will follow them the rest of their lives. And as our Secretary of Defense has pointed out, as my colleague from Colorado has pointed out, we are treating these detainees who have vowed death to America, we have treated them more humanely than they would ever consider treating us. They have given them balanced meals. We have taken care of hygienic needs, and yes we have even entitled them to worship and assembly, which in some free nations where Americans now find themselves, in terms of military personnel, their right to freely worship according to the dictates of their own conscience is prohibited. And let me make it very clear, Mr. Speaker, to that group of misguided miscreants so enveloped in a doctrine of defeatism that they once again would blame America first, do you not remember what transpired on September 11?

Let me put it in some perspective for you. For the first time in modern history, for the first time in 200 years, our Nation was attacked by a foreign power within the continental United States resulting in the death of innocents in an act of war. And this new type of war does not need the culture of victimology or the plaintive plea, why do they hate us, or all the other pop psychology and social, pathological causation reasons that those in the parlors or in the opinion journals should state.

We have a right to civil defense. We have a right to national survival, and those who are enemies of this Nation will pay a price. And, if necessary, if public opinion in Europe goes so awry, if the culture has changed so greatly on behalf of some of our so-called allies, then, Mr. Speaker, I am absolutely certain the American Nation is willing to go it alone.

And to those who think that we are somehow to blame, perhaps they should pay a visit to some of the terrorist states, see what freedom of worship, what freedom of assembly, what freedom of speech they would enjoy in those environments and then report back to the United States if they survive.

Mr. McINNIS. Mr. Speaker, I thank the gentleman.

Mr. Speaker, I want to wrap this up very quickly by saying to the gentleman from Arizona (Mr. HAYWORTH), your points are very valid.

The United States will do it alone if it is necessary. But the reason the United States will not have to do it alone is because our friends and our neighbors and our acquaintances in Europe know that these acts of terrorism could be committed against them as well.

The International Red Cross is completely naive about the realities of what they are trying to do and the spin they are trying to put this thing on. I say I am gravely disappointed in the International Red Cross which, frankly, at times in the past has enjoyed a good reputation. The National Red Cross has had their reputation tarnished with their Victims Fund, as the gentleman from Arizona (Mr. HAYWORTH) knows. Now we have the International Red Cross trying to put on a spin.

I want to move quickly and I would be happy to yield the gentleman a few minutes. We have about 9 minutes remaining. I would like to talk about this upcoming session. I noted that the previous speaker spoke about bipartisanship on the education bill. I was proud of that.

We got a good bill out of here. We used bipartisanship. But there are some issues of which there are fundamental differences; and the fact that we cannot reach bipartisan support on some of these issues reflects the fundamental belief that some of us have. The fundamental belief of which I am speaking, which we are going to address here in the next few weeks, is the Democratic Party desire to raise taxes in this recession and the Republican desire to cut the taxes. Not raise taxes in this situation.

One of the leading speakers for the Democratic Party said just last week that the death tax, a tax which has no rational basis in our taxing system, the death tax was only put into our system to punish people who had been successful in our society, to punish the families, the Rockefellers and the Fords back around the turn of the last century; that is why this thing was placed into effect. Now, as you know, if you own a truck, a dump truck, a pickup and a bulldozer you are now in the death tax range. The leading Democratic spokesman said we should continue the death tax and we should immediately increase taxes by not allowing the people the tax cuts they have been promised in a recessionary period.

As the gentleman from Florida (Mr. FOLEY) said earlier on on this very House floor, he made the statement that President Kennedy, in the recession that President Kennedy faced, said this is not the time to raise taxes. This is time to put money in the pockets of consumers, the people that earn it. It is not our money. We take it from our citizens. We bring it here, and the citizens much more effectively spend that money.

This is a policy disagreement. Do not let people sugar coat it by telling you we ought to be bipartisan; we ought to agree to raise your taxes, America. Or maybe sugar coat it and not call it a tax raise. But really, we will not give you the tax reductions you deserved.

In other words, it is going to Safeway with a coupon that says you get 25 cents off Cheerios, and when you get there, Safeway says, well, we will not honor the coupon anymore. So we did not really raise the price of Cheerios by 25 cents, but we will not honor the coupon we just gave you. That is not what Safeway does. Safeway is a good store, but you get the point.

I will yield the balance of my time, which is probably about 4½ minutes or so, for the gentleman to make comments about this tax issue.

Mr. HAYWORTH. Mr. Speaker, I thank my colleague from Colorado.

I know, Mr. Speaker, that I am honored to join my colleague not only in membership on the Committee on Resources but also on the Committee on Ways and Means, the committee with jurisdiction over the tax code, the committee that shepherded through the tax relief plan that our President asked for and the American people received earlier this year, and then worked hard, not once, but twice, to deliver an economic security package that, sadly, in the other Chamber has yet to see the light of day. And I appreciate my colleague commenting on it.

I think this is important, too, because it seems that some leaders on the other side, regardless of Chamber, have a problem not so much with the Republican Party but with members of their own party. We have heard of many Democrats joining with us in a bipartisan fashion regardless of their economic philosophy, whether they adhere to the notion of John Maynard Keynes or whether they join us in the supply-side notion that at a time of economic downturn taxes must be reduced. Why? Because the economy needs to grow and people need more of their own money to save, spend, and invest. And the American people, Mr. Speaker, have gotten wise to the tired old argument that tax relief only benefits the rich.

Indeed, if you look more closely, the top 1 percent of income earners in the United States shoulder 36 percent of the tax burden. The top 5 percent take over 70 percent of the collective tax burden. The fact is, as our friend from Florida pointed out earlier today, as a Democratic chief executive, the late President Kennedy said, a rising tide lifts all boats.

Economic opportunity is important for all the American people. And so I am encouraged, Mr. Speaker, in the fact that the President of the United States has come and insisted on trying to change the tone in Washington. It resulted in a bipartisan education bill. Some people remain tone deaf when it comes to the question of taxation. But I take heart from the fact that those who have seen to oppose us and whose inaction lead unneccessarily, I believe, to holiday season of suffering, and how is this for irony? The very people who some on this Hill claim to champion suffered at their hands because of inaction on an economic security package brought to this floor not once, but twice, a compromise worked out with interests of the other party. And yet, hope springs eternal, and we will come back again.

But the American people understand, as my colleague, the gentleman from Colorado (Mr. MCINNIS), understands, as Members of both Houses, from both parties understand, the key to economic vitality is growth, and that growth is expressed by people having their own money to save, spend and invest, making their own decisions to fuel the economic engine so vital to not only our economic security but also to our national security.

Mr. Speaker, with that I yield back to my friend, the gentleman from Colorado.

Mr. MCINNIS. Mr. Speaker, I think it is important to note and repeat again, this is not the time to raise taxes. And I urge those members of the Democratic Party who are active in the party leadership structure to counsel those members of the party not to raise taxes. This hurts all American people in a recessionary period. This is not the time for the Democrats to raise taxes on the American people. We are in a recession. Those dollars need to stay in the pockets of our citizens.

REMEMBERING PAUL FANNIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona (Mr. HAYWORTH) is recognized for 5 minutes.

Mr. HAYWORTH. Mr. Speaker, I rise this afternoon to pay tribute to a great American and great Arizonan. It is my sad duty, Mr. Speaker, to report to the House of Representatives that former United States Senator and former Arizona Governor Paul Fannin passed away during our district work period and holiday recess. We laid him to rest in Arizona last week.

Mr. Speaker, Paul Fannin, a native of Arizona, a success in business, chose to move from the arena of business to elected office in the year of my birth, 1958. Sworn in as Governor in 1959, he served 3 terms; and then upon ascension of our favorite son, Barry M. Goldwater, to the nomination of his party for President of the United States, Paul Fannin ran and was elected to the United States Senate.

In our history of Arizona only two have served our State both as Governor and United States Senator. Paul Fannin's place in history is assured. And yet when people think of Arizona and think of Goldwater and Udall and John Rhodes, they would be wise to add the name of Paul Fannin to the pantheon of political giants from our State.

□ 1600

It was Paul Fannin in the late 1950s, before it was politically correct to understand the role of international cooperation and cross border cooperation and to reach out to the Mexican State of Sonora for the Sonora Arizona conference, which is now more than 40 years old, not in a diminution of sovereignty for either State or their respective Nations, but for the Nation, that people can understand and coexist and prosper through trade and cooperation. And, indeed, during his time as governor, that may remain as Paul Fannin's greatest contribution to the State of Arizona.

As United States Senator, coming here to Washington, it was the tenacity of Paul Fannin, working with, at that time, the Senate President pro tempore Carl Hayden and Barry Goldwater and John Rhodes and Mo Udall to bring the Central Arizona Project from the drawing board to life, the reality that water is necessary to make the desert bloom would be there, for jobs and for quality of life. Paul Fannin worked tirelessly to see that that was done.

Senator Fannin also worked tirelessly on behalf of the first Americans. So often the first Americans, our American Indians, become the forgotten Americans. Paul Fannin worked to maintain their sovereignty, to maintain their treaty rights. In fact, Paul Fannin worked in a bipartisan way for the late Senator Robert F. Kennedy of New York. Indeed, stories recount how Senator Kennedy would come in unannounced into the back of Paul Fannin's suite of offices and work on Native American issues.

His is a living legacy for the State of Arizona and for this Nation; and though we say good-bye to him at age 94, we will not forget his contributions to our way of life, and encompassing all of that was Paul Fannin the person.

As a private citizen, I had the privilege of being involved in Rotary International and being in the same club, Phoenix 100, as Paul Fannin. And upon our first meeting I said, sir, please help me with the protocol. I am confused. How should I properly address you? Should I call you Senator? Should I call you Governor? He answered, oh, JD, just call me Paul. In an endeavor where many of us have an excessive dose of self-esteem, where the people's business can often take a back seat to headlines and photo opportunities and press conferences, the living legacy of Paul Fannin is that of a humble public servant; and though we bid him farewell at age 94, his contributions to this country and to the State of Arizona will last forever.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BECERRA (at the request of Mr. GEPHARDT) for today and the balance of the week on account of official business.

Mr. DICKS (at the request of Mr. GEPHARDT) for today on account of official business in the district.

Mr. DOYLE (at the request of Mr. GEPHARDT) for today and January 24 on account of a death in the family.

Ms. HOOLEY of Oregon (at the request of Mr. GEPHARDT) for today and January 24 on account of personal reasons.

Mr. KIND (at the request of Mr. GEPHARDT) for today and January 24 on account of family matters.

Mrs. NAPOLITANO (at the request of Mr. GEPHARDT) for today and January 24 on account of illness.

Mr. ORTIZ (at the request of Mr. GEPHARDT) for today and the balance of the week on account of important business for the district.

Ms. SOLIS (at the request of Mr. GEPHARDT) for today and January 24 on account of official business in the district.

Ms. WATERS (at the request of Mr. GEPHARDT) for today on account of official business.

Mrs. MINK of Hawaii (at the request of Mr. GEPHARDT) for today on account of en route from the district.

Mr. LUTHER (at the request of Mr. GEPHARDT) for today after 12:30 p.m. and the balance of the week on account of family matters.

Mr. BALLENGER (at the request of Mr. ARMEY) for today on account of meeting with constituents on economic development matters in the 10th district of North Carolina.

Mr. BURTON of Indiana (at the request of Mr. ARMEY) for today and the balance of the week on account of illness in the family.

Mr. ENGLISH (at the request of Mr. ARMEY) for today on account of attending a funeral.

Mr. EVERETT (at the request of Mr. ARMEY) for today and the balance of the week on account of official business in the district.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. JACKSON-LEE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. SKELTON, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. DOGGETT, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

(The following Members (at the request of Mr. AKIN) to revise and extend their remarks and include extraneous material:)

Mr. MORAN of Kansas, for 5 minutes, today and January 29.

Mr. SHIMKUS, for 5 minutes, January 24.

Mr. WOLF, for 5 minutes, January 24.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. FOLEY, for 5 minutes, today.

Mr. HAYWORTH, for 5 minutes, today.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 392. An act to grant a Federal charter to Korean War Veterans Association, Incorporated, and for other purposes; to the Committee on the Judiciary.

S. 990. An act to amend the Pittman-Robertson Wildlife Restoration Act to improve the provisions relating to wildlife conservation and restoration programs, and for other purposes; to the Committee on Resources.

S. 1099. An act to increase the criminal penalties for assaulting or threatening Federal judges, their family members, and other public servants, and for other purposes; to the Committee on the Judiciary.

S. 1400. An act to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to extend the deadline for aliens to present a border crossing card that contains a biometric identifier matching the appropriate biometric characteristic of the alien; to the Committee on the Judiciary.

S. 1622. An act to extend the period of availability of unemployment assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in the case of victims of the terrorist attacks of September 11, 2001; to the Committee on Transportation and Infrastructure.

S. 1637. An act to waive certain limitations in the case of use of the emergency fund authorized by section 125 of title 23, United States Code, to pay the costs of projects in response to the attack on the World Trade Center in New York City that occurred on September 11, 2001; to the Committee on Transportation and Infrastructure.

S. 1803. An act to authorize appropriations under the Arms Export Control Act and the Foreign Assistance Act of 1961 for security assistance for fiscal years 2002 and 2003, and for other purposes; to the Committee on International Relations.

S. 1834. An act for the relief of retired Sergeant First Class James D. Benoit and Wan Sook Benoit; to the Committee on the Judiciary.

S. 1858. An act to permit the closed circuit televising of the criminal trial of Zacarias Moussaoui for the victims of September 11th; to the Committee on the Judiciary.

S. 1864. An act to amend the Public Health Service Act to establish a Nurse Corps and recruitment and retention strategies to address the nursing shortage, and for other purposes; to the Committee on Energy and Commerce.

S. 1888. An act to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled bills and joint resolutions of the House of the following titles. Pursuant to clause 4 of rule 1, the Speaker signed the following on Friday, December 21, 2001:

H.R. 1. To close the achievement gap with accountability, flexibility, and choice, so that no child is left behind.

H.R. 2873. To extend and amend the program entitled promoting safe and stable families under title IV–B, subpart 2 of the Social Security Act, and to provide new authority to support programs for mentoring children of incarcerated parents; to amend the Foster Care Independent Living Program under title IV–E of that act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes.

H.J. Res. 79. Making further continuation appropriations for the fiscal year 2002, and for other purposes.

H.J. Res. 80. Appointing the day for the convening of the Second Session of the One Hundred Seventh Congress.

And Speaker Pro Tempore GILCHREST signed the following enrolled bills on Thursday, January 3, 2002:

H.R. 1088. To amend the Securities Exchange Act of 1934 to reduce fees collected by the Securities and Exchange Commission, and for other purposes.

H.R. 2277. To provide for work authorization for nonimmigrant spouses of treaty traders and treaty investors.

H.R. 2278. To provide for work authorization for nonimmigrant spouses of intracompany transferees, and to reduce the period of time during which certain intracompany transferees have to be continuously employed before applying for admission to the United States.

H.R. 2336. To extend for 4 years, through December 31, 2005, the authority to redact financial disclosure statements of judicial employees and judicial officers.

H.R. 2506. Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 2751. To authorize the President to award a gold medal on behalf of the Congress to General Henry H. Shelton and to provide for the production of Bronze duplicates of such medal for sale to the public.

H.R. 2869. To provide certain relief for small businesses from liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and to amend such act to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State Response programs, and for other purposes.

H.R. 2884. To amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States, and for other purposes.

H.R. 3030. To extend the basic pilot program for employment eligibility verification, and for other purposes.

H.R. 3061. Making appropriations for the Department of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 3248. To designate the facility of the United States Postal Service located at 65 North Main Street in Cranbury, New Jersey, as the "Todd Beamer Post Office Building".

H.R. 3334. To designate the Richard J. Guadagno Headquarters and Visitors Center at Humboldt Bay National Wildlife Refuge, California.

H.R. 3338. Making appropriations for the Department of Defense for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 3346. To amend the Internal Revenue Code of 1986 to simplify the reporting requirements relating to higher education tuition and related expenses.

H.R. 3348. To designate the National Foreign Affairs Training Center as the George P. Shultz National Foreign Affairs Training Center.

H.R. 3392. To name the National Cemetery in Saratoga, New York, as the Gerald B.H. Solomon Saratoga National Cemetery, and for other purposes.

H.R. 3447. To amend title 38, United States Code, to enhance the authority of the Secretary of Veterans Affairs to recruit and retain qualified nurses for the Veterans Health Administration, to provide an additional basis for establishing the inability of veterans to defray expenses of necessary medical care, to enhance certain health care programs of the Department of Veterans Affairs, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House, reports that on December 21, 2001 he presented to the President of the United States, for his approval, the following bills.

H.J. Res. 79. Making further continuing appropriations for the fiscal year 2002, and for other purposes.

H.J. Res. 80. Appointing the day for the reconvening of the second session of the One Hundred Seventh Congress.

Jeff Trandahl, Clerk of the House, reports that on December 27, 2001 he presented to the President of the United States, for his approval, the following bills.

H.R. 643. To reauthorize the African Elephant Conservation Act.

H.R. 645. To reauthorize the Rhinoceros and Tiger Conservation Act of 1994.

H.R. 2199. To amend the National Capital Revitalization and Self-Government Improvement Act of 1997 to permit any Federal law enforcement agency to enter into a cooperative agreement with the Metropolitan Police Department of the District of Columbia to assist the Department in carrying out crime prevention and law enforcement activities in the District of Columbia if deemed appropriate by the Chief of the Department and the United States Attorney for the District of Columbia, and for other purposes.

H.R. 2657. To amend title 11, District of Columbia Code, to redesignate the Family Division of the Superior Court of the District of Columbia as the Family Court of the Superior Court, to recruit and retain trained and experienced judges to serve in the Family Court, to promote consistency and efficiency in the assignment of judges to the Family Court and in the consideration of actions and proceedings in the Family Court, and for other purposes.

Jeff Trandahl, Clerk of the House, reports that on January 4, 2002 he presented to the President of the United States, for his approval, the following bills.

H.R. 1. To close the achievement gap with accountability, flexibility, and choice, so that no child is left behind.

H.R. 1088. To amend the Securities Exchange Act of 1934 to reduce fees collected by the Securities and Exchange Commission, and for other purposes.

H.R. 2277. To provide for work authorization for nonimmigrant spouses of treaty traders and treaty investors.

H.R. 2278. To provide for work authorization for nonimmigrant spouses of intracompany transferees, and to reduce the period of time during which certain intracompany transferees have to be continuously employed before applying for admission to the United States.

H.R. 2336. To extend for 4 years, through December 31, 2005, the authority to redact financial disclosure statements of judicial employees and judicial officers.

H.R. 2506. Making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 2751. To authorize the President to award a gold medal on behalf of the Congress to General Henry H. Shelton and to provide for the production of bronze duplicates of such medal for sale to the public.

H.R. 3030. To extend the basic pilot program for employment eligibility verification, and for other purposes.

H.R. 3061. Making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 3248. To designate the facility of the United States Postal Service located at 65 North Main Street in Cranbury, New Jersey, as the "Todd Beamer Post Office Building".

H.R. 3334. To designate the Richard J. Guadagno Headquarters and Visitors Center at Humboldt Bay National Wildlife Refuge, California.

H.R. 3346. To amend the Internal Revenue Code of 1986 to simplify the reporting requirements relating to higher education tuition and related expenses.

H.R. 3348. To designate the National Foreign Affairs Training Center as the George P. Shultz National Foreign Affairs Training Center.

Jeff Trandahl, Clerk of the House, reports that on January 7, 2002 he presented to the President of the United States, for his approval, the following bills.

H.R. 2869. To provide certain relief for small businesses from liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and to amend such Act to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

H.R. 3338. Making appropriations for the Department of Defense for the fiscal year ending September 30, 2002, and for other purposes.

Jeff Trandahl, Clerk of the House reports that on January 11, 2002 he presented to the President of the United States, for his approval, the following bills.

H.R. 2873. To extend and amend the program entitled Promoting Safe and Stable Families under title IV–B, subpart 2 of the Social Security Act, and to provide new authority to support programs for mentoring children of incarcerated parents; to amend the Foster Care Independent Living program under title IV–E of that Act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes.

H.R. 2884. To amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States, and for other purposes.

H.R. 3447. To amend title 38, United States Code, to enhance the authority of the Secretary of Veterans Affairs to recruit and retain qualified nurses for the Veterans Health Administration, to provide an additional basis for establishing the inability of veterans to defray expenses of necessary medical care, to enhance certain health care programs of the Department of Veterans Affairs, and for other purposes.

Jeff Trandahl, Clerk of the House reports that on January 18, 2002 he presented to the President of the United States, for his approval, the following bills.

H.R. 3392. To name the national cemetery in Saratoga, New York, as the Gerald B.H. Solomon Saratoga National Cemetery, and for other purposes.

ADJOURNMENT

Mr. HAYWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 4 minutes p.m.), the House adjourned until tomorrow, Thursday, January 24, 2002, at 10 a.m.

NOTICE OF PROPOSED RULEMAKING

U.S. CONGRESS,
OFFICE OF COMPLIANCE,
Washington, DC, January 3, 2002.

Hon. DENNIS HASTERT,
Speaker, House of Representatives, Capitol Building, Washington, DC.

Hon. ROBERT C. BYRD,
President Pro Tempore, U.S. Senate, Capitol Building, Washington, DC.

GENTLEMEN: Pursuant to Section 304(b)(1) of the Congressional Accountability Act of 1995 ("CAA") (2 U.S.C. 1384(b)(1),) on November 14, 2001 I forwarded to your offices a Notice of Proposed Rulemaking ("NPR") for substantive regulations to implement section 4(c)(4) of the Veterans Employment Opportunities Act of 1998 ("VEOA"), Pub. L. 105–339, 112 Stat. 3186, codified at 2 U.S.C. 1316(a), as applied to covered employees of the House of Representatives, the Senate, and certain Congressional instrumentalities. This NPR was published in the Congressional Record on December 6, 2001 at pages S12539–S12551.

The NPR also provided, in accordance with section 304(b)(2) of the CAA (2 U.S.C. 1384(b)(2), a 30 day period in which interested parties may submit to this Office written comments on the proposed substantive regulations. Thus, the comment period is currently scheduled to end on January 5, 2002.

The Office of Compliance has received requests to extend the comment period, and has determined that there is good cause for granting an extension. Therefore, the time for submitting written comments to the NPR will be extended to the close of business on February 6, 2002. Such written comments (an original and 10 copies) are to be submitted to the Chair of the Board of Directors, Office of Compliance, Room LA–200, John Adams Building, 100 Second Street, S.E., Washington, D.C. 20540–1999.

In order to provide adequate notice to the public, the Board respectfully requests that this Notice of Extension of Time be published in the Congressional Record immediately upon the reconvening of the Second Session of the 107th Congress on January 23, 2002.

Sincerely,

SUSAN S. ROBFOGEL,
Chair, Board of Directors.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5038. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Clethodim; Pesticide Tolerances for Emergency Exemptions [OPP–301202; FRL–6817–1] (RIN: 2070–AB78) received December 28, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5039. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Indian Meal Moth Granulosis Virus; Exemption from the Requirement of a Tolerance [OPP–301193; FRL–6812–5] (RIN: 2070–AB78) received January 2, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5040. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Ethalfluralin; Pesticide Tolerance [OPP–301208; FRL–6818–6] (RIN 2070–AB78) received January 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5041. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Imazamox; Pesticide Tolerance [OPP–301205; FRL–6817–9] (RIN: 2070–AB78) received December 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5042. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Pymetrozine; Pesticide Tolerance [OPP–301180; FRL–6804–1] (RIN: 2070–AB78) received December 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5043. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Halosulfuron-methyl; Pesticide Tolerances for Emergency Exemptions [OPP–301197; FRL–6818–1] (RIN: 2070–AB78) received December 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5044. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Pesticide Chemicals Not Requiring a Tolerance or an Exemption from a Tolerance; Rhodamine B; Revocation of Unlimited Tolerance; Rhodamine B; Revocation of Unlimited Tolerance Exemption [OPP–301026A; FRL–6813–6] (RIN: 2070–AB78) received December 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5045. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Halosulfuron-methyl; Pesticide Tolerance [OPP–301200; FRL–6816–8] (RIN: 2070–AB78) received December 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5046. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Fenbuconazole; Pesticide Tolerance [OPP–3011 99; FRL–6816–4] (RIN: 2070–AB78) received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5047. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting Agency's final rule—Imidacloprid; Reestablishment of Tolerance for Emergency Exemptions [OPP–301204; FRL–6817–6] (RIN: 2070–AB78) received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5048. A letter from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting the Administration's final rule—Loan Policies and Operations; Definitions; Loan Purchases and Sales (RIN: 3052–AB93) received January 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5049. A letter from the Architect of the Capitol, transmitting the report of expenditures of appropriations during the period April 1, 2001 through September 30, 2001, pursuant to 40 U.S.C. 162b; to the Committee on Appropriations.

5050. A letter from the Chief, Programs and Legislation Division, Department of Defense, transmitting notification that the Superintendent of the Air Force Academy, Colorado, has conducted a cost comparison to reduce the cost of the Communication function, pursuant to 10 U.S.C. 2461; to the Committee on Armed Services.

5051. A letter from the Chief, Programs and Legislation Division, Department of Defense, transmitting notification that the Commander of Air Reserve Personnel Center, Denver, Colorado, has conducted a cost comparison to reduce the cost of their Personnel Services function, pursuant to 10 U.S.C. 2461; to the Committee on Armed Services.

5052. A letter from the Deputy Secretary, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General Ronald C. Marcotte, United States Air Force, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

5053. A letter from the Deputy Secretary, Department of Defense, transmitting the semiannual report of the Inspector General and classified annex for the period ending September 30, 2001, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Armed Services.

5054. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the Department's final rule—Home Mortgage Disclosure [Regulation C; Docket No. R–1119] received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5055. A letter from the Director, Financial Crimes Enforcement Network, Department of Treasury, transmitting the Department's final rule—Amendment to the Bank Secrecy Act Regulations—Requirement that Nonfinancial Trades or Businesses Report Certain Currency Transactions (RIN: 1506–AA25) received January 2, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5056. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Australia, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

5057. A letter from the Vice Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Thailand, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Financial Services.

5058. A letter from the Deputy Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Options Disclosure Document (RIN: 3235–AH31) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5059. A letter from the Deputy Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Disclosure of Equity Compensation Plan Information [Release Nos. 33–8048, 34–45189; File No.

S7-04-01] (RIN: 3235-AI01) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5060. A letter from the Deputy Secretary, Securities and Exchange Commission, transmitting the Commission's final rule—Commission Guidance on the Scope of Section 28(e) of the Exchange Act [Release No. 34-45194] received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5061. A letter from the Director, Office of Management and Budget, transmitting appropriations reports, as required by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended; to the Committee on the Budget.

5062. A letter from the Director, Office of Management and Budget, transmitting a report on the Cost Estimate For Pay-As-You-Go Calculations; to the Committee on the Budget.

5063. A letter from the Secretary, Department of Health and Human Services, transmitting a report regarding Infertility and Sexually Transmitted Diseases; to the Committee on Energy and Commerce.

5064. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Implementation Plans; Inspection and Maintenance Program and Fuel Requirements: Alaska [AK-21-1709-a; FRL-7123-2] received January 2, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5065. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Interim Final Determination that State has Corrected the Deficiency [CA 252-0312c; FRL-7118-3] received January 2, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5066. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the California State Implementation Plan, Mojave Desert Air Quality Management District. [CA 252-312a; FRL-7118-1] received December 28, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5067. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities and Pollutants; States of Alabama, Georgia, Kentucky, and South Carolina [R4-200212(a), FRL-7124-7] received December 28, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5068. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Section 112(I) Authority for Hazardous Air Pollutants; State of Virginia; Department of Environmental Quality [VA001-1000; FRL-7126-8] received January 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5069. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Amendments to the Corrective Action Management Unit Rule [FRL-7124-3] (RIN: 2050-AE77) received December 28, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5070. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—National Primary Drinking Water Regulations: Long Term 1 Enhanced Surface Water Treatment Rule [WH-FRL-7124-2] (RIN: 2040-AD18) received January 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5071. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Regulation of Fuels and Fuel Additives: Modifications to Standards and Requirements for Reformulated and Conventional Gasoline [FRL-7122-5] (RIN: 2060-A676) received December 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5072. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Corrections to the California State Implementation Plan [CA 053-REC; FRL-7122-8] received December 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5073. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities and Pollutants: Negative Declarations; Municipal Waste Combustion; Arizona; California; Hawaii; Nevada [AZ, CA, HI, NV-066-MSWa; FRL-7122-9] received December 24, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5074. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; New Jersey; Motor Vehicle Inspection and Maintenance Program [Region 2 Docket No. NJ49-235 FRL-7127-8] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5075. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval of the Clean Air Act, Section 112(1), Delegation of Authority to the Idaho Department of Environmental Quality [FRL-7126-3] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5076. A communication from the President of the United States, transmitting a six month periodic report on the national emergency. with respect to the Western Balkans that was declared in Executive Order 13219 of June 26, 2001, pursuant to 50 U.S.C. 1641(c) and 50 U.S.C. 1703(c); (H. Doc. No. 107-160); to the Committee on International Relations and ordered to be printed.

5077. A communication from the President of the United States, transmitting a six month periodic report on the national emergency with respect to Libya that was declared in Executive Order 12543 of January 7, 1986, pursuant to 50 U.S.C. 1641(c) and 50 U.S.C. 1703(c); (H. Doc. No. 107-161); to the Committee on International Relations and ordered to be printed.

5078. A communication from the President of the United States, transmitting notification that the Libya emergency is to continue in effect beyond January 7, 2002, pursuant to 50 U.S.C. 1622(d); (H. Doc. No. 107-162); to the Committee on International Relations and ordered to be printed.

5079. A communication from the President of the United States, transmitting a six month periodic report on the national emergency with respect to the Taliban that was declared in Executive Order 13129 of July 4, 1999, pursuant to 50 U.S.C. 1641(c) and 50 U.S.C. 1703(c); (H. Doc. No. 107-163); to the Committee on International Relations and ordered to be printed.

5080. A communication from the President of the United States, transmitting notification that the Sierra Leone and Liberia emergency is to continue in effect beyond January 18, 2002, pursuant to 50 U.S.C. 1622(d); (H. Doc. No. 107-165); to the Committee on International Relations and ordered to be printed.

5081. A communication from the President of the United States, transmitting six month periodic report on the national emergency with respect to Sierra Leone and Liberia that was declared in Executive Order 13194, of January 18, 2001 and expanded in scope in Executive Order 13213, of May 22, 2001, pursuant to 50 U.S.C. 1641(c) and 50 U.S.C. 1703(c); (H. Doc. No. 107-166); to the Committee on International Relations and ordered to be printed.

5082. A communication from the President of the United States, transmitting notification stating that the emergency declared with respect to foreign terrorists who threaten to disrupt the Middle East peace process is to continue in effect beyond January 23, 2002, pursuant to 50 U.S.C. 1622(d); (H. Doc. No. 107-167); to the Committee on International Relations and ordered to be printed.

5083. A communication from the President of the United States, transmitting a six month periodic report on the national emergency, declared in Executive Order 12947 of January 23, 1995, with respect to terrorists who threaten to disrupt the Middle East peace process, pursuant to 50 U.S.C. 1641(c)and 50 U.S.C. 1703(c); (H. Doc. No. 107-168); to the Committee on International Relations and ordered to be printed.

5084. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Navy's Proposed Letter(s) of Offer and Acceptance (LOA) to the United Arab Emirates for defense articles and services (Transmittal No. 02-07), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

5085. A letter from the Director, International Cooperation, Department of Defense, transmitting notification of intent to sign Amendment Three to the Joint Fighter (JSF) Engineering and Manufacturing Development (EMD) (now known as System Development and Demonstration (SDD)) Framework Memorandum of Understanding between the United States and the United Kingdom, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

5086. A letter from the Director, International Cooperation, Department of Defense, transmitting certification for a technology demonstration and system prototype projects (TDSP) project arrangement (PA) with Norway for SKJOLD experimentation, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

5087. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Turkey (Transmittal No. DTC 141-01), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5088. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to the United Kingdom (Transmittal No. DTC 156-01), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5089. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold under a contract to Taiwan (Transmittal No. DTC 127-01), pursuant to 22 U.S.C. 2776(c) and 22 U.S.C. 2776(d); to the Committee on International Relations.

5090. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

5091. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that effective December 2, 2001 a 25% danger pay allowance has been designated for Afghanistan, pursuant to 5 U.S.C. 5928; to the Committee on International Relations.

5092. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting text of agreements in which the American Institute in Taiwan is a party between January 1, 2000 and December 31, 2000, pursuant to 22 U.S.C. 3311(a); to the Committee on International Relations.

5093. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

5094. A communication from the President of the United States, transmitting a supplemental report, consistent with the War Powers Resolution, to help ensure that the Congress is kept fully informed on continued U.S. contributions in support of peacekeeping efforts in the former Yugoslavia; (H. Doc. No. 107-172); to the Committee on International Relations and ordered to be printed.

5095. A letter from the Commission On International Religious Freedom, transmitting the Commission's Fiscal Year 2001 Financial Report; to the Committee on International Relations.

5096. A letter from the Assistant Secretary For Export Administration, Department of Commerce, transmitting the Department's final rule—Implementation of the Wassenaar Arrangement List of Dual-Use Items: Revisions to Categories 1, 2, 3, 4, 5, 6, 7 and 9 of the Commerce Control List and Revisions to Reporting Requirements [Docket No. 011026261-1261-01] (RIN: 0694-AC44) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

5097. A letter from the Director, OPM, President's Pay Agent, transmitting a report justifying the reasons for the extension of locality-based comparability payments to categories of positions that are in more than one executive agency, pursuant to 5 U.S.C. 5304(h)(2)(C); to the Committee on Government Reform.

5098. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report entitled, "Year 2001 Commercial Activities Inventory"; to the Committee on Government Reform.

5099. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-224, "Special Signs Amendment Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5100. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-202, "Greater Southeast Community Hospital Corporation and Hadley Memorial Hospital Tax Abatement Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5101. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-203, "Procurement Practices Negotiated Pricing Amendment Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5102. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-204, "Mechanic's Lien Amendment Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5103. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-205, "Health Care and Community Residence Facility, Hospice and Home Care Licensure Penalties Temporary Amendment Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5104. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-206, "Protections from Predatory Lending and Mortgage Foreclosure Improvements Temporary Amendment Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5105. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-207, "Procurement Practices Small Purchase Temporary Amendment Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5106. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-208, "Noise Control Temporary Amendment Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5107. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-209, "Taxicab Driver Security Revolving Fund Temporary Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5108. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-210, "Washington Convention Center Authority Oversight and Management Continuity Temporary Amendment Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5109. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-212, "Homestead and Senior Citizen Real Property Tax Temporary Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5110. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-211, "Residential Permit Parking Area Temporary Amendment Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5111. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-222, "Innocence Protection Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5112. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-223, "Child and Family Services Agency Licensure Exemption of Certain Court Personnel Amendment Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5113. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-213, "Make a Difference Temporary Amendment Act of 2001" received January 23, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5114. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued or released in November 2001, pursuant to 31 U.S.C. 719(h); to the Committee on Government Reform.

5115. A letter from the Executive Secretary and Chief of Staff, Agency for International Development, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5116. A letter from the Federal Co-Chairman, Appalachian Regional Commission, transmitting the semiannual report on the activities of the Office of Inspector General for the period April 1 through September 30, 2001, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5117. A letter from the Chair, Architectural and Transportation Barriers Compliance Board, transmitting the report in compliance with the Inspector General Act and the Federal Managers' Financial Integrity Act, pursuant to 5 app. and 31 U.S.C. 3512(c)(3); to the Committee on Government Reform.

5118. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Addition to the Procurement List—received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5119. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5120. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5121. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5122. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5123. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5124. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform

Act of 1998; to the Committee on Government Reform.

5125. A letter from the White House Liaison, Department of Education, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5126. A letter from the Attorney/Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5127. A letter from the Assistant Secretary for Administration, Department of Transportation, transmitting copies of the inventories of commercial positions in the Department of Transportation; to the Committee on Government Reform.

5128. A letter from the Chairman and CEO, Farm Credit Administration, transmitting the semiannual report prepared by the Office of Inspector General for the period of April 1, 2001, through September 30, 2001, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 8G(h)(2); to the Committee on Government Reform.

5129. A letter from the Executive Director, Federal Retirement Thrift Investment Board, transmitting the Board's report under the Inspector General Act of 1978, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5130. A letter from the Deputy Associate Administrator, Office of Acquisition Policy, General Services Administration, transmitting the Administration's final rule—Federal Acquisition Regulation; Discussion Requirements [FAC 2001–02; FAR Case 1999–022; Item V] (RIN: 9000–AI68) received December 19, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5131. A letter from the Deputy Archivist, National Archives and Records Administration, transmitting the Administration's final rule—Privacy Act; Implementation (RIN: 3095–AA99) received January 2, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5132. A letter from the General Counsel, Office of Management and Budget, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5133. A letter from the Director, Office of Personnel Management, transmitting the FY 2001 report pursuant to the Federal Managers' Financial Integrity Act, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform.

5134. A letter from the Chairman, Securities and Exchange Commission, transmitting a report on the management controls of the Commission for the fiscal year ending September 30, 2001, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform.

5135. A letter from the Administrator, Small Business Administration, transmitting the semiannual report of the Office of Inspector General for the period April 1 to September 30, 2001, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5136. A letter from the Commissioner, Social Security Administration, transmitting the Fiscal Year 2001 Performance and Accountability Report; to the Committee on Government Reform.

5137. A letter from the Clerk, U.S. House of Representatives, transmitting a list of reports pursuant to clause 2, Rule II of the Rules of the House of Representatives, pursuant to Rule II, clause 2(b), of the Rules of the House; (H. Doc. No. 107–173); to the Committee on House Administration and ordered to be printed.

5138. A letter from the Public Printer, Government Printing Office, transmitting a copy of the third Biennial Report to Congress on the Status of GPO Access, an online information service of the Government Printing Office, pursuant to Public Law 103–40, section 3 (107 Stat. 113); to the Committee on House Administration.

5139. A communication from the President of the United States, transmitting an Agreement between the Government of the United States of America and the Government of the Republic of Lithuania extending the Agreement of November 12, 1992, Concerning Fisheries Off the Coasts of the United States, with annex, as extended (the 1992 Agreement). The present Agreement, which was effected by an exchange of notes at Vilnius on May 18, 2001, and Washington on December 26, 2001, extends the 1992 Agreement to December 31, 2004, pursuant to 16 U.S.C. 1823(a); (H. Doc. No. 107–170); to the Committee on Resources and ordered to be printed.

5140. A letter from the Acting Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants: Reclassification of Scutellaria montana (Large-Flowered Skullcap) from Endangered to Threatened (RIN: 1018–AG07) received January 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5141. A letter from the Director, Fish and Wildlife Services, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Manatee Protection Areas in Florida (RIN: 1018–AH80) received January 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5142. A letter from the Acting Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting a report entitled, "Outer Continental Shelf, Eastern Gulf of Mexico, Oil and Gas Lease Sale 181" required by section section 8(a)(8)(43 U.S.C. 1337 (a)(8)) of the Outer Continental Shelf Lands Act; to the Committee on Resources.

5143. A letter from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting the Department's final rule—Relief or Reduction in Royalty Rates—Deep Water Royalty Relief for OCS Oil and Gas Leases Issued after 2000 (RIN: 1010–AC71) received January 14, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5144. A letter from the Assistant Attorney General, Department of Justice, transmitting the Department's final rule—September 11th Victim Compensation Fund of 2001 [CIV 104P; AG Order No. 2541–2001] (RIN: 1105–AA79) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5145. A letter from the Chairperson, United States Commission on Civil Rights, transmitting the Commission's two reports entitled, "Voting Irregularities in Florida During the 2000 Presidential Election and Election Reform: An Analysis of Proposals and the Commission's Recommendations for Improving America's Election System," pursuant to 42 U.S.C. 1975a(c); to the Committee on the Judiciary.

5146. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule Amendment to Class E Airspace; Ankeny, IA [Airspace Docket No. 01–ACE–71] received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5147. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Class E Airspace, Springhill, LA. [Airspace Docket No. 2001–ASW–14] received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5148. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—IFR Altitudes; Miscellaneous Amendments [Docket No. 30278; Amdt. No. 432] received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5149. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Modification of Restricted Area R–6312 Cotulla; TX [Docket No. FAA–2001–8683; Airspace Docket No. 01–ASW–2] (RIN: 2120–AA66) received January 4; 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5150. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737–600, –700, and –800 Series Airplanes [Docket No. 99–NM–62–AD; Amendment 39–12490; AD 2001–22–11] (RIN: 2120–AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5151. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747 Series Airplanes [Docket No. 2001–NM–02–AD; Amendment 39–12514; AD 2001–23–15] (RIN: 2120–AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5152. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB SF340A and SAAB 340B Series Airplanes [Docket No. 2001–NM–91–AD; Amendment 39–12511; AD 2001–23–12] (RIN: 2120–AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5153. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747 Series Airplanes [Docket No. 2000–NM–350–AD; Amendment 39–12512; AD 2001–23–13] (RIN: 2120–AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5154. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; SOCATA—Groupe Aerospatiale Models TB 9, TB 10, TB 20, TB 21, and TB 200 Airplanes [Docket No. 2001–CE–01–AD; Amendment 39–12501; AD 2001–23–04] (RIN: 2120–AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5155. A letter from the Trial Attorney, FRA, Department of Transportation, transmitting the Department's final rule—Annual Adjustment of Monetary Threshold for Reporting Rail Equipment Accidents/Incidents—Calendar Year 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5156. A letter from the Attorney, RSPA, Department of Transportation, transmitting the Department's final rule—Controlling Corrosion on Hazardous Liquid and Carbon Dioxide Pipelines [Docket No. RSPA-97-2762; Amdt. 195-73] (RIN: 2137-AD24) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5157. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce Corporation (Formerly Allison Engine Company) 250-C20 Series Turboshaft and 250-B17 Series Turboshaft and 250-B17 Series Turboprop Engines [Docket No. 2001-NE-38-AD; Amendment 39-12529; AD 2001-24-12] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5158. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model CL-600-2B19 Series Airplanes [Docket No. 2000-NM-68-AD; Amendment 39-12488; AD 2001-22-09] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5159. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bell Helicopter Textron, Inc. Model 206A, 206B, 206A-1, 206B-1, 206L, and 206L-1 Helicopters [Docket No. 81-ASW-27; Amendment 39-12555; AD 81-18-01 R1] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5160. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Cirrus Design Corporation Models SR20 and SR22 Airplanes [Docket No. 2001-CE-46-AD; Amendment 39-12556; AD 2001-25-03] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5161. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Agusta S.p.A. Model A119 Helicopters [Docket No. 2001-SW-55-AD; Amendment 39-12552; AD 2001-22-51] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5162. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce Corporation (Formerly Allison Engine Company) 250-C20 Series Turboshaft and 250-B17 Series Turboprop Engines [Docket No. 2001-NE-38-AD; Amendment 39-12529; AD 2001-24-12] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5163. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F.28 Mark 0100 Series Airplanes [Docket No. 2001-NM-327-AD; Amendment 39-12527; AD 2001-24-10] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5164. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; GARMIN International GNS 430 Units [Docket No. 99-CE-87-AD; Amendment 39-12516; AD 2001-23-17] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5165. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Honeywell International Inc. TFE731-2, -3, and -4 Series Turbofan Engines [Docket No. 2000-NE-53-AD; Amendment 39-12506; AD 2001-23-09] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5166. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Aircraft Company Beech Models 1900, 1900C (C-12J), and 1900D Airplanes [Docket No. 2001-CE-04-AD; Amendment 39-12495; AD 2001-22-16] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5167. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model MD-90-30 Series Airplanes [Docket No. 2001-NM-171-AD; Amendment 39-12469; AD 2001-20-20] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5168. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC-8-33, -43, -51, -52, -53, and -55 Series Airplanes; Model DC-8F-54, and -55 Series Airplanes; and Model DC-8-61, -61F, -62, -62F, -63, -63F, -71, -71F, 72, -72F, -73, and -73F Series Airplanes [Docket No. 2001-NM-345-AD; Amendment 39-12553; AD 2001-25-01] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5169. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC-9-81, -9-82, -9-83, and -9-87 Series Airplanes; Model MD-88 Airplanes; and Model MD-90-30 Series Airplanes [Docket No. 2000-NM-260-AD; Amendment 39-12496; AD 2001-22-17] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5170. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737-600, -700, and -800 Series Airplanes [Docket No. 2001-NM-20-AD; Amendment 39-12498; AD 2001-23-01] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5171. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737 Series Airplanes [Docket No. 2000-NM-146-AD; Amendment 39-12458; AD 2001-20-10] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5172. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce, plc Models Tay 650-15 and 651-54 Turbofan Engines [Docket No. 98-ANE-68-AD; Amendment 39-12497; AD 2001-22-18] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5173. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Hartzell Propeller Inc. ()HC-()2Y()-() Propellers [Docket No. 89-ANE-44-AD; Amendment 39-12505; AD 2001-23-08] (RIN: 2120-AA64) receivedJanuary 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5174. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce plc RB211 Turbofan Engines [Docket No. 2000-NE-62-AD; Amendment 39-12499; AD 2001-23-02] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5175. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; SOCATA—Groupe AEROSPATIALE Model TBM 700 Airplanes [Docket No. 2001-CE-11-AD; Amendment 39-12503; AD 2001-23-06] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5176. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pilatus Aircraft Ltd. Models PC-12 and PC-12/45 Airplanes [Docket No. 2001-CE-24-AD; Amendment 39-12494; AD 2001-22-15] (RIN: 2120-AA64) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5177. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Cessna Aircraft Company Models 172N, 172P, R172K, 172RG, F172N, F172P, FR172J, and FR172K Airplanes [Docket No. 2000-CE-26-AD; Amendment 39-12500; AD 2001-23-03] (RIN: 2120-AA64) January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5178. A letter from the Chief Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—SAFETY AND SECURITY ZONES: High Interest Vessel Transits, Narragansett Bay, Providence River, and Taunton River, Rhode Island [CGD01-01-188] (RIN: 2115-AA97) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5179. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule—Security Considerations in the Design of the Flightdeck on Transport Category Airplanes [Docket No. FAA-2001-11032; Amendment No. 25-106 and 121-288] (RIN: 2120-AH53) received January 14, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5180. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Safe

Disposition of Life-Limited Aircraft Parts [Docket No. FAA-2000-8017; Amendment No. 43-38 and 45-23] (RIN: 2120-AH11) received January 14, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5181. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Flightcrew Compartment Access and Door Designs [Docket No. FAA-2001-10770; SFAR 92-3] (RIN: 2120-AH55) received January 14, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5182. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Regulated Navigation Area; Chesapeake Bay Entrance and Hampton Roads, VA and Adjacent Waters [CGD05-01-080] (RIN: 2115-AE84) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5183. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operating Regulation; Lake Pontchartrain, LA [CGD08-01-044] received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5184. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Back River, ME. [CGD01-01-144] (RIN: 2115-AE47) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5185. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Hackensack River, NJ [CGD01-01-212] received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5186. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulation; Mississippi River, Iowa and Illinois [CGD08-01-041] (RIN: 2115-AE47) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5187. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Special Local Regulations: Cingular Wireless Winterfest Boat Parade, Broward County, Fort Lauderdale, Florida [CGD07-01-120] (RIN: 2115-AE46) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5188. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Mianus River, CT [CGD01-01-213] received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5189. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Security Zone: Maine Yankee Nuclear Power Plant, Wiscasset, Maine [CGD01-01-206] (RIN: 2115-AA97) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5190. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Security Zones; Tampa Bay, Florida [COTP TAMPA-01-139] (RIN: 2115-AA97) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5191. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone; Gulf Intracoastal Waterway Port Isabel, Texas [COTP Corpus Christi 01-002] (RIN: 2115 AA97) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5192. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety and Security Zones; Liquid Natural Gas Carrier Transits and Anchorage Operations, Boston, Marine Inspection Zone and Captain of the Port Zone [CGD01-01-214] (RIN: 2115-AA97) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5193. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Coal Mining Point Source Category; Amendments to Effluent Limitations Guidelines and New Source Performance Standards [FRL-7125-4] (RIN: 2040-AD24) received December 28, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5194. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Request for Proposals for an Improved Atmospheric Nitrogen Deposition Data Set for the Chesapeake Bay Program [FRL-7129-4] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5195. A communication from the President of the United States, transmitting a report on U.S. aeronautics and space activities during 2000, pursuant to 42 U.S.C. 2476; to the Committee on Science.

5196. A letter from the Director, Office of Regulations Management, Department of Veterans' Affairs, transmitting the Department's final rule—Per Diem for Adult Day Health Care of Veterans in State Homes (RIN: 2900-AJ74) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5197. A letter from the Director, Office of Regulations Management, Department of Veterans' Affairs, transmitting the Department's final rule—Filipino Veterans' Benefits Improvements (RIN: 2900-AK65) received January 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5198. A letter from the Secretary, Department of Veterans' Affairs, transmitting a draft bill to enhance veterans' programs and the ability of the Department of Veterans' Affairs to administer them; to the Committee on Veterans' Affairs.

5199. A letter from the Director, National Legislative Commission, American Legion, transmitting the proceedings of the 83rd annual National Convention of the American Legion, held in San Antonio, Texas from August 28, 29, and 30, 2001 as well as a report on the Organization's activities for the year preceding the Convention, pursuant to 36 U.S.C. 49; (H. Doc. No. 107-164); to the Committee on Veterans' Affairs and ordered to be printed.

5200. A communication from the President of the United States, transmitting an updated report concerning the emigration laws and policies of Armenia, Azerbaijan, Kazakhstan, Moldova, the Russian Federation, Tajikistan, Turkmenistan, Ukraine and Uzbekistan, pursuant to 19 U.S.C. 2432(b); (H. Doc. No. 107-169); to the Committee on Ways and Means and ordered to be printed.

5201. A letter from the Deputy Director, Congressional Budget Office, transmitting CBO's final sequestration report for Fiscal Year 2002, pursuant to 2 U.S.C. section 904(b); (H. Doc. No. 107-171); to the Committee on the Whole House on the State of the Union and ordered to be printed.

5202. A letter from the Director, Congressional Budget Office, transmitting a report on "Unauthorized Appropriations and Expiring Authorizations" by the Congressional Budget Office, pursuant to 2 U.S.C. 602(f)(3); jointly to the Committees on the Budget and Appropriations.

5203. A letter from the Chair of the Board, Office of Compliance, transmitting notice of proposed rulemaking for substantive regulations to implement section 4(c)(4) of the Veterans Employment Opportunities Act of 1998, Pub. L. 105-339, 112 Stat. 3186, codified at 2 U.S.C. 1316(a), as applied to covered employees of the House of Representatives, the Senate and certain Congressional instrumentalities, pursuant to Section 304(b)(1) of the Congressional Accountability Act of 1995; jointly to the Committees on Education and the Workforce and House Administration.

5204. A letter from the Chairman, National Transportation Safety Board, transmitting a copy of the Board's letter regarding the initial determination of our fiscal year 2003 budget request, pursuant to 49 U.S.C. 1113; jointly to the Committees on Transportation and Infrastructure and Appropriations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Ms. PRYCE (of Ohio): Committee on Rules. House Resolution 334. Resolution providing for consideration of the bill (S. 1762) to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes. (Rept. 107-35). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. TOM DAVIS of Virginia (for himself, Mr. MORAN of Virginia, Mrs. JO ANN DAVIS of Virginia, and Mr. WOLF):

H.R. 3611. A bill to permit the closed circuit televising of the criminal trial of Zacarias Moussaoui for the victims of September 11th; to the Committee on the Judiciary.

By Mr. DAVIS of Illinois (for himself and Mr. SHIMKUS):

H.R. 3612. A bill to amend title XIX of the Social Security Act to provide individuals with disabilities and older Americans with equal access to community-based attendant services and supports, and for other purposes; to the Committee on Energy and Commerce.

By Mr. GUTIERREZ:

H.R. 3613. A bill to redesignate the facility of the United States Postal Service located at 1859 South Ashland Avenue in Chicago, Illinois, as the "Cesar Chavez Post Office"; to the Committee on Government Reform.

By Mr. HOLT (for himself, Mr. ROTHMAN, and Mr. PASCRELL):

H.R. 3614. A bill to repeal the provision of the September 11th Victim Compensation Fund of 2001 that requires the reduction of a claimant's compensation by the amount of any collateral source compensation payments the claimant is entitled to receive, and for other purposes; to the Committee on the Judiciary.

By Mr. ISRAEL:

H.R. 3615. A bill to amend the Public Health Service Act to direct the Secrtary of Health and Human Services to make grants to designated eligible entities to train school nurses as "first responders" in the event of a biological or chemical attack on the Nation; to the Committee on Energy and Commerce.

By Mr. KUCINICH:

H.R. 3616. A bill to preserve the cooperative, peaceful uses of space for the benefit of all humankind by prohibiting the basing of weapons in space and the use of weapons to destroy or damage objects in space that are in orbit, and for other purposes; to the Committee on Science, and in addition to the Committees on Armed Services, and International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MARKEY:

H.R. 3617. A bill to withdraw certain benefits of the Private Securities Litigation Reform Act from auditors that perform non-audit functions, and for other purposes; to the Committee on Financial Services.

By Mr. MCINTYRE (for himself, Mr. SHOWS, Mr. BURR of North Carolina, Mr. HILLIARD, Mr. JEFFERSON, Mr. GOODE, Ms. MCKINNEY, and Mr. TOWNS):

H.R. 3618. A bill to provide a framework for coordinating Federal, State, and local efforts to meet the special needs of the SouthEast Crescent Region; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MCNULTY:

H.R. 3619. A bill to convert certain temporary judgeships to permanent judgeships, extend a judgeship, and for other purposes; to the Committee on the Judiciary.

By Mr. JEFF MILLER of Florida:

H.R. 3620. A bill to amend title 10, United States Code, to repeal the four-year requirement for the time following retirement from active duty during which a retired member of the Armed Forces must have received a disability rating in order to be eligible for the special disability compensation provided under section 1413 of that title; to the Committee on Armed Services.

By Mr. VITTER:

H.R. 3621. A bill to improve the security of seaports and the marine environment to promote public safety and commerce; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ARMEY:

H. Con. Res. 299. Concurrent resolution providing for a joint session of Congress to receive a message from the President on the state of the Union; considered and agreed to.

By Ms. JACKSON-LEE of Texas:

H. Con. Res. 300. Concurrent resolution expressing the sense of Congress regarding the economic collapse of Enron Corporation; to the Committee on Education and the Workforce.

By Mr. WATTS of Oklahoma:

H. Con. Res. 301. Concurrent resolution expressing the sense of Congress regarding American Gold Star Mothers, Incorporated, Blue Star Mothers of America, Incorporated, the service flag, and the service lapel button; to the Committee on Armed Services.

By Mr. OSBORNE (for himself, Mr. BOEHNER, Mr. GEORGE MILLER of California, Ms. MCCOLLUM, Mrs. ROUKEMA, Mr. MCKEON, Mr. KELLER, Mr. FORD, Mrs. DAVIS of California, Mr. BEREUTER, Mrs. MORELLA, Mrs. MEEK of Florida, Mr. FATTAH, Mrs. WILSON of New Mexico, Mr. ROGERS of Michigan, Mr. SCHIFF, Mr. WILSON of South Carolina, Mr. CASTLE, Mr. FLETCHER, Ms. CARSON of Indiana, and Mr. FORBES):

H. Res. 330. A resolution expressing the sense of the House of Representatives regarding the benefits of mentoring; to the Committee on Education and the Workforce. considered and agreed to.

By Mr. ARMEY:

H. Res. 331. A resolution authorizing the Speaker to appoint a committee to notify the President of the assembly of the Congress; considered and agreed to.

By Mr. ARMEY:

H. Res. 332. A resolution to inform the Senate that a quorum of the House has assembled; considered and agreed to.

By Mr. ARMEY:

H. Res. 333. A resolution providing for the hour of meeting of the House; considered and agreed to.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 17: Mr. ETHERIDGE.

H.R. 31: Mr. CALVERT.

H.R. 65: Mr. WILSON of South Carolina.

H.R. 69: Mr. BARR of Georgia.

H.R. 77: Mr. BARR of Georgia.

H.R. 79: Mr. BARR of Georgia.

H.R. 103: Mr. FLAKE.

H.R. 159: Mr. WILSON of South Carolina.

H.R. 179: Mr. WILSON of South Carolina.

H.R. 190: Mr. COX and Mr. KERNS.

H.R. 236: Mr. KNOLLENBERG.

H.R. 265: Ms. WATERS.

H.R. 285: Mr. OWENS.

H.R. 303: Mr. WILSON of South Carolina.

H.R. 612: Mr. BOSWELL and Mr. FORBES.

H.R. 638: Mrs. DAVIS of California and Mr. HONDA.

H.R. 746: Mr. KIRK.

H.R. 758: Mr. OWENS.

H.R. 782: Ms. CARSON of Indiana.

H.R. 817: Mr. LAHOOD.

H.R. 914: Mr. FLAKE.

H.R. 951: Mr. HONDA, Mr. BLAGOJEVICH, and Ms. WATSON.

H.R. 952: Mr. INSLEE.

H.R. 959: Mr. BECERRA.

H.R. 997: Mr. BONIOR.

H.R. 1073: Mr. EHRLICH.

H.R. 1089: Mr. FORBES and Mrs. MINK of Hawaii.

H.R. 1090: Mr. SAWYER, Mr. FATTAH, and Mr. BLUNT.

H.R. 1136: Mr. GORDON.

H.R. 1177: Mr. LIPINSKI.

H.R. 1202: Mr. CAPUANO, Mrs. LOWEY, Mr. VITTER, and Mr. WILSON of South Carolina.

H.R. 1213: Mr. GILLMOR.

H.R. 1214: Mr. WU and Ms. HOOLEY of Oregon.

H.R. 1247: Mr. FRANK.

H.R. 1293: Mr. DEAL of Georgia.

H.R. 1296: Mr. DEFAZIO and Mr. TIAHRT.

H.R. 1307: Ms. CARSON of Indiana and Mr. LIPINSKI.

H.R. 1360: Mr. ROTHMAN and Mr. STRICKLAND.

H.R. 1368: Mr. PICKERING.

H.R. 1462: Ms. DEGETTE.

H.R. 1475: Mr. DEFAZIO and Mr. PHELPS.

H.R. 1487: Mr. GOODLATTE and Mr. HALL of Ohio.

H.R. 1556: Mr. AKIN.

H.R. 1582: Mr. LANTOS.

H.R. 1596: Mr. GONZALEZ, Mr. FORBES, and Mrs. MORELLA.

H.R. 1601: Mr. ROGERS of Michigan.

H.R. 1605: Mr. DAVIS of Florida.

H.R. 1609: Mr. BLAGOJEVICH.

H.R. 1645: Mr. FRANK.

H.R. 1683: Ms. RIVERS.

H.R. 1754: Mr. KERNS.

H.R. 1796: Mr. SNYDER.

H.R. 1798: Mr. MOORE.

H.R. 1803: Mrs. CAPITO.

H.R. 1809: Mr. OWENS.

H.R. 1819: Mr. LANTOS.

H.R. 1904: Mr. BROWN of Ohio and Mr. KILDEE.

H.R. 1961: Ms. RIVERS.

H.R. 2036: Mr. THOMPSON of California, Mr. COYNE, and Ms. HOOLEY of Oregon.

H.R. 2073: Mr. TANNER and Mr. FORBES.

H.R. 2088: Mr. NUSSLE.

H.R. 2117: Mr. LANGEVIN and Mr. WEXLER.

H.R. 2125: Mr. QUINN, Mr. BENTSEN, Mr. ETHERIDGE, Mrs. CAPPS, Mr. CLAY, Mr. WAMP, and Mr. JOHNSON of Illinois.

H.R. 2230: Mr. HILLIARD, Mr. LEACH, and Mr. SENSENBRENNER.

H.R. 2235: Mr. CRAMER, Mr. KIRK, and Mr. SIMPSON.

H.R. 2322: Mr. BOUCHER.

H.R. 2349: Mr. ABERCROMBIE, Mrs. THURMAN, Mr. ORTIZ, Mr. TOM DAVIS of Virginia, Mr. LYNCH, Mr. BOUCHER, Mr. MENENDEZ, Mr. UDALL of New Mexico, Mr. CLEMENT, Mr. BOSWELL, Mr. WEXLER, Mr. FALEOMAVAEGA, and Ms. WATSON.

H.R. 2355: Mr. LATOURETTE.

H.R. 2377: Ms. WATERS.

H.R. 2412: Mr. ISRAEL.

H.R. 2558: Mr. SCHAFFER.

H.R. 2623: Mr. CRENSHAW, Mr. NEAL of Massachusetts, and Mr. WEXLER.

H.R. 2629: Mr. COSTELLO, Mr. KILDEE, Mr. FILNER, Mr. FLETCHER, Mrs. CAPPS, Mr. POMEROY, Mr. PETERSON of Minnesota, Mr. MORAN of Virginia, Mr. KING, and Mr. LUCAS of Kentucky.

H.R. 2702: Mr. LUTHER.

H.R. 2723: Mr. STUPAK, Mr. DOYLE, Ms. SOLIS, Mr. MARKEY, Mr. ANDREWS, Ms. ESHOO, and Mr. TIERNEY.

H.R. 2753: Mrs. EMERSON and Mr. TOOMEY.

H.R. 2800: Mr. CANTOR.

H.R. 2808: Mr. PETRI.

H.R. 2908: Ms. SOLIS and Mr. ANDREWS.

H.R. 2957: Mr. WILSON of South Carolina.

H.R. 2968: Mr. TOM DAVIS of Virginia, Mr. WELDON of Florida, and Mr. LATOURETTE.

H.R. 2988: Mr. CASTLE.

H.R. 3014: Mr. QUINN, Mr. HILL, and Mr. WELDON of Pennsylvania.

H.R. 3041: Mr. GILMAN.

H.R. 3058: Mr. CROWLEY.

H.R. 3068: Mr. FALEOMAVAEGA and Mr. LUCAS of Kentucky.

H.R. 3070: Ms. CARSON of Indiana.

H.R. 3131: Mr. BALDACCI, Mr. CALLAHAN, and Mr. MCGOVERN.

H.R. 3175: Mr. FATTAH and Mr. ROTHMAN.

H.R. 3186: Mr. QUINN and Mr. HALL of Ohio.

H.R. 3332: Mr. GILMAN, Mr. ROSS, Mr. SAWYER, Mr. RANGEL, Mr. LEVIN, Mr. LANGEVIN, Mr. WAMP, Mr. KENNEDY of Rhode Island, Ms. HOOLEY of Oregon, Mr. ISRAEL, Mr. VITTER, Mr. WILSON of South Carolina, and Mr. FROST.

H.R. 3333: Mr. GIBBONS.

H.R. 3337: Mrs. MALONEY of New York, Ms. ROS-LEHTINEN, Mr. SANDERS, Mr. DAVIS of Illinois, Mr. FALEOMAVAEGA, Mr. MORAN of Virginia, Mr. ENGLISH, and Mr. COSTELLO.

H.R. 3341: Mr. OLVER.

H.R. 3342: Mr. GEORGE MILLER of California, Mr. NADLER, Ms. WATERS, Mr. CASTLE, and Mrs. MINK of Hawaii.

H.R. 3360: Mr. PETERSON of Minnesota, Mr. GOSS, Mr. HASTINGS of Florida, Mr. ROSS, Ms. CARSON of Indiana, Mr. LUCAS of Kentucky, Mr. THOMPSON of Mississippi, Mr. PASCRELL, and Mr. TIAHRT.

H.R. 3377: Mr. STUMP.

H.R. 3388: Mr. NORWOOD.

H.R. 3389: Mr. SERRANO and Mr. FARR of California.

H.R. 3390: Mr. WAMP.

H.R. 3408: Mr. FALEOMAVAEGA.

H.R. 3414: Mr. SMITH of New Jersey and Mr. LEVIN.

H.R. 3415: Ms. KAPTUR.

H.R. 3424: Mrs. CAPPS, Mrs. NAPOLITANO, Mr. SCHIFF, Mr. SANDERS, Mr. KNOLLENBERG, Mr. BARR of Georgia, Ms. JACKSON-LEE of Texas, Mr. HERGER, Ms. BERKLEY, Mr. BRADY of Texas, Mr. ISRAEL, Mr. KILDEE, Mr. WILSON of South Carolina, and Mr. PALLONE.

H.R. 3430: Mr. PLATTS.

H.R. 3432: Mr. VITTER, Mr. BAKER, and Mr. ISAKSON.

H.R. 3443: Mr. ENGLISH, Mr. MCINNIS, and Ms. HARMAN.

H.R. 3460: Mr. PASCRELL.

H.R. 3461: Ms. NORTON and Mr. RODRIGUEZ.

H.R. 3464: Mr. WELDON of Pennsylvania and Ms. SCHAKOWSKY.

H.R. 3468: Mrs. TAUSCHER and Mr. FROST.

H.R. 3494: Ms. WATERS, Mr. GEORGE MILLER of California, Ms. HARMAN, and Ms. DELAURO.

H.R. 3498: Mr. PICKERING.

H.R. 3522: Mr. THORNBERRY.

H.R. 3524: Ms. ESHOO, Mr. PAYNE, Mrs. MINK of Hawaii, Mr. SANDERS, and Mr. FALEOMAVAEGA.

H.R. 3544: Mr. KILDEE.

H.R. 3550: Mr. WILSON of South Carolina.

H. Con. Res. 104: Mr. WILSON of South Carolina.

H. Con. Res. 116: Mr. WILSON of South Carolina.

H. Con. Res. 164: Mr. FRELINGHUYSEN.

H. Con. Res. 181: Mr. SAXTON.

H. Con. Res. 199: Mr. BARRETT.

H. Con. Res. 249: Mr. CANTOR.

H. Con. Res. 269: Mr. LOBIONDO.

H. Con. Res. 284: Mr. KERNS.

H. Con. Res. 290: Mrs. MINK of Hawaii and Mrs. JONES of Ohio.

H. Con. Res. 298: Mr. FROST and Ms. ROS-LEHTINEN.

H. Res. 259: Mr. TURNER.

H. Res. 295: Mr. CUMMINGS and Mr. OWENS.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2345: Mr. DELAHUNT.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

47. The SPEAKER presented a petition of the City Council, Coconut Creek, Florida, relative to Resolution No. 2001-165 petitioning the United States Congress to express the City's condolences to the families of the victims of the September 11th tragedy, support of the City of New York in its rebuilding efforts, and confidence in the Administration and the Government of the United States in its war on terrorism; which was referred jointly to the Committees on the Judiciary and Government Reform.

SENATE—*Wednesday, January 23, 2002*

The 23d day of January being the day prescribed by H. Con. Res. 295 for the meeting of the second session of the 107th Congress, the Senate assembled in its Chamber at the Capitol at 12 noon and was called to order by the President pro tempore (Mr. BYRD).

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Eternal God, You have divided our lives into years so that with each new year, we can relinquish our past fears. You open Your forgiving heart and give us a fresh start. Our times are in Your hands; shape our destiny as You have planned.

Today, as we begin a new session of this 107th Congress, we commit our lives to You anew. Grant us expectation for what You will enable us to do for Your glory, enthusiasm for the privilege of serving here in the Senate, and excitement over the progress we can make if we trust You. Forgive any ho-hum, somnolent sameness. Awaken us to a fresh realization of Your presence and power. Grant the Senators and all of us who work with them, the conviction that no problem is too big for You to solve, no disagreement too great for You to dissolve, and no crisis too complicated for You to resolve. Lead on, Sovereign Lord, we are one Nation, under You! And You are the God of Abraham, Isaac, and Jacob, and of the Lord Jesus Christ. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

STARTING THE SECOND SESSION OF THE 107TH CONGRESS

Mr. DASCHLE. Mr. President, the start of a new session of Congress is always a hopeful time, and this session is no exception. These are days of great and important challenges for our Nation and for our world, which means we have the opportunity to do great and important work. It is an honor to be part of this Congress and to be able to work with so many fine men and women, Republicans and Democrats. I am going to have more to say this afternoon about the legislative agenda for the year. For now, let me welcome back my colleagues to this second session of Congress. Let me welcome our staffs and all of those who are associated with making this Senate work as it does each and every day.

This is only the second time I have had the privilege of opening a session of Congress. The first time was a year ago during my first 17-day term as majority leader. In my remarks that day, I mentioned the Brumidi corridor, the incredible frescoes that line the walls on the first floor of this building. They were painted more than 125 years ago by an Italian immigrant named Constantino Brumidi. Some people refer to him as "America's Michelangelo"—with good reason. He spent 25 years of his life painting the walls and the great dome of this Capitol. It was a labor of love for his adopted country. Over the years, Brumidi's magnificent paintings were covered over by layers of paint and varnish. For the last several years, art conservators have been painstakingly scraping away those layers to reveal the original works of art underneath.

I have often thought of that process as a good metaphor for the Senate. Over the years, a layer of partisanship has sometimes settled over the Senate. Even with that disadvantage, it has remained the greatest legislative body in the history of the world and one in which I am very proud to serve. But it is when we are able to transcend the layers of partisanship, as we did last year in response to the attacks on our Nation, that the real beauty and genius of this institution are revealed.

Very often, as I leave work at the end of the day, I walk down the Brumidi corridors on my way out the door. I take a quick look to see the progress the conservators have made. I remember one evening particularly well. It was late October. For much of the time since September 11, and since the anthrax letter was opened in my office, work on the corridors had stopped. But that evening, the conservators were back at work making progress. Their work, it seemed to me, was an act of faith that 125 years from now, and long after that, this building will still be standing; people will still come from all over America and all over the world to see the miracle of democracy in action.

Mo Udall wrote a book called "Too Funny to be President" about his years in the Congress. He dedicated it to the 3,000 Members of Congress, living and dead, with whom he served for nearly three decades. As we begin this new session of Congress, let us remember that we are part of a continuum of all who have come before us and all who will come after us, and let us pledge to work in a way that will honor them all.

With that, I wish my colleagues well. I welcome them back. I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll to ascertain the presence of a quorum.

The assistant legislative clerk proceeded to call the roll, and the following Senators entered the Chamber and answered to their names:

[Quorum No. 1]

Byrd
Campbell
Daschle
Feinstein
Inouye
McCain
Reid
Thomas
Thurmond

The PRESIDENT pro tempore. A quorum is not present. The clerk will repeat the names of the absentee Senators.

The majority leader.

Mr. DASCHLE. Mr. President, I move to instruct the Sergeant at Arms to request the presence of absent Senators. I ask for the yeas and nays.

The PRESIDENT pro tempore. Is there a sufficient second?

There appears to be a sufficient second. The yeas and nays are ordered.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from Connecticut (Mr. LIEBERMAN), and the Senator from Georgia (Mr. MILLER) are necessarily absent.

Mr. NICKLES. I announce that the Senator from Alaska (Mr. MURKOWSKI), the Senator from Alabama (Mr. SESSIONS), and the Senator from Alabama (Mr. SHELBY) are necessarily absent.

The result was announced—yeas 88, nays 6, as follows:

[Rollcall Vote No. 1 Leg.]

YEAS—88

Allard
Baucus
Bayh
Bennett
Biden
Bingaman
Boxer
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan

Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lincoln
Lott
Lugar
McConnell
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—6

Allen
Bond
Breaux
Gregg
Inhofe
McCain

NOT VOTING—6

Akaka
Lieberman
Miller
Murkowski
Sessions
Shelby

The motion was agreed to.

The PRESIDENT pro tempore. A quorum is present.

RECESS

The PRESIDENT pro tempore. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will now stand in recess until the hour of 2:15 p.m. today.

Thereupon, the Senate, at 12:49 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the President pro tempore.

The PRESIDENT pro tempore. The Senator from Delaware.

MORNING BUSINESS

Mr. CARPER. Mr. President, I ask unanimous consent that there be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CARPER. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CARPER). Without objection, it is so ordered.

The majority leader.

TAKING OF OFFICIAL SENATE PHOTOGRAPH

Mr. DASCHLE. Mr. President, if everybody will take their seats, we can quickly take the picture.

(The VICE PRESIDENT assumed the chair.)

(Thereupon, the official Senate photograph was taken.)

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CARPER). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Iowa is recognized in morning business for 10 minutes.

TRADE PROMOTION AUTHORITY

Mr. GRASSLEY. Mr. President, after the holiday season it is good to be back to do the people's business in the Senate. We have a lot of unfinished business, and we need to do some of this unfinished business right now.

I think the American people are looking for the bipartisanship of the post-September 11 environment to continue. I think they are hopeful that a lot of very important legislation will pass, and I hope they are in a position of helping all of us reject political posturing and dueling with press statements. The American people really want results. I guess one would say they want action, not words.

Yet we adjourned before the holidays before we could take steps necessary to aid our economy. We did not pass an economic stimulus bill, and we did not pass Trade Promotion Authority. We must do better. We need to pass both of these because they are very central to stimulating the economy, which we always think of being short term, but with the President's authority to negotiate trade agreements, we can have a long-term revival of the economy.

I emphasize trade by often quoting President Clinton, who said one-third of the jobs created during his administration were created by trade, which means trade is very important to the betterment of our economy. Generally, trade-related jobs are very good, higher paying jobs.

So we did not pass a stimulus package and we did not pass trade promotion authority, although there was bipartisan support for both. There was overwhelming bipartisan support for trade promotion authority, as that bill was reported out of our Finance Committee 18 to 3. So since we did not pass these, I believe we need to do better.

Last week, President Bush was in Louisiana where he called upon the Senate to pass Trade Promotion Authority as a necessary part of our economic recovery. He also spoke on this issue near my State of Iowa, across the river in Illinois, in what we call the Quad Cities of our State. He was in Moline, IL, to promote trade promotion authority legislation and economic development legislation.

President Bush said, as President Clinton has said, that trade is very much a jobs issue. He said if we trade more, there are more jobs available for hard-working Americans. He is as right as President Clinton was right on this very issue.

Trade is essential to our economy. The United States exported over $780 billion in goods and services to more than 200 foreign markets last year. Exports provide more than one-fourth of all economic growth in America. Trade is a very important part of our economy generally over a long period of time, at least for the last 50 years. In the case of the post-September 11 recession, it is very important to our long-term economic recovery.

Of course, President Bush knows that trade is an important part of our economic recovery, and that is why he called upon the Senate of the United States to put our political parties aside and focus on what is best for the United States of America and the American people.

As I said, we did act on this issue in the Finance Committee before the holidays. We came together in a bipartisan way and, in a vote of 18 to 3, voted out trade promotion authority. The key to the strong bipartisan vote can be found in one word, and that one word is "compromise."

Let me be clear. The trade promotion authority bill that passed the Senate Finance Committee is a good bill. It deserves our support. In negotiating that bill with the chairman of the committee, my friend Senator BAUCUS, we included some items I may not like, but that is the essence of compromise. Neither one of us got everything we wanted, but we put aside our differences to do what is right for the American people. We came together, Democrat and Republican, and passed a good bill out of the Finance Committee that will help create jobs in America. Trade-related jobs, as everybody knows, pay 15 percent above our national average.

For that compromise, I commend Senator BAUCUS. Now we need to do the same thing in the full Senate. We need to do it, and hopefully do it very quickly. The reason for doing it very quickly is that starting, I believe the date is February 7, there are negotiations following on the new round that was agreed to by the 142 nations of the World Trade Organization last November in Doha, Qatar, a new round, and the negotiations would start next month.

We can start those negotiations without passing this bill, but the President will never be credible in these negotiations with the other 142 nations unless the President has this trade promotion authority. So we need to do this, and hopefully not have the partisan bickering we have had on some legislation, so we can get it done very soon.

Trade promotion authority to the President is not only key to our economic recovery but is also a very important tool which helps us help other nations in the world, especially poorer countries, and maybe was best said by President Kennedy 40 years ago when he said trade, not aid, is the leadership the United States ought to take in the way of helping other nations.

We have been giving aid since then, but the long-term benefit is helping another country to help itself, and the ability for them to sell their goods to us and for us in turn to sell our goods to them is very good. It not only is good economically, but I think it brings about a closeness of people around the world, of different societies, of different nations, so we have a greater prospect for peace. That should not be forgotten as well. Although we always talk about this in economic terms, we ought to think in terms of other things it does as well.

So it helps us help poorer countries in a way that helps them to help themselves. It creates jobs. It helps lift people out of poverty. Poverty is our enemy. Poverty leads people in the wrong path, towards war, political instability, religious fanaticism.

Following World War II, we stabilized Europe through the Marshall Plan and economic development. We won the cold war through our economic strength. Now we are fighting the war on terrorism. We need to keep up strong international economic leadership and bring more nations of the world into democracy and prosperity.

The President's political leadership, as our chief diplomat, does that. He does that through his leadership as our Commander in Chief. Also, the President can do this as our chief trade negotiator and know that he not only wants political leadership in the United States, he wants the United States to give economic leadership and do it in a way to help other countries help themselves and have long-term economic recovery. Trade helps America do all these things, and trade promotion authority for President Bush is the key. There is really no reason to wait.

The bill has strong bipartisan support. It will pass the Senate by a strong margin. That is why I urge today, as I have in several speeches over the last month, that our distinguished majority leader put trade promotion authority on the floor for a vote in February. There is no reason to wait on trade promotion authority. There is no need to waste time in giving the President the authority he needs to open new markets and create new jobs for the American people.

By passing trade promotion authority early this year, the Senate will help the President spur economic growth and continue our world economic leadership, as well as military and political leadership. We will create new jobs.

In this time of war on terrorism, it seems when a lot of people are pleading, and probably rightly so, that a lot of fanaticism comes when poverty is present, we will help fight terrorism by bringing more nations into democracy and prosperity.

It is time to get the job done. The American people expect no less.

I yield the floor.

The PRESIDING OFFICER (Mr. MILLER). The Senator from Oregon, Mr. SMITH.

Mr. SMITH of Oregon. I ask unanimous consent to speak for 5 minutes in morning business.

The PRESIDING OFFICER. The Senator has up to 10 minutes under the order.

THE UNINSURED

Mr. SMITH of Oregon. Mr. President, we all come back having experienced different things and having heard different messages in our States. But as the Budget Committee took up its duties this morning and began hearing economic reports, it was clear to me on the committee that there is overwhelming bipartisan support for winning the war abroad and for better homeland defense here. Then differences begin to emerge as to how best to strengthen America's economic security. Clearly, the economic stimulus package is a priority for many, and certainly for the State of Oregon which I am privileged to represent. When we list all of those priorities, we wonder what is left to help with the other priorities this Nation has.

I rise to speak of a priority I have, that I began working on in the last session of this Congress, with my colleague, RON WYDEN, the issue of the burgeoning ranks of the uninsured. I rise to talk about that subject.

I stand to say that health insurance is something about which we should all be concerned. Living without health insurance can result in bankruptcy, unnecessary delays in treatment, and, in some tragic circumstances, even death itself. We need to be concerned about it, not just because we all may at some point in our lives become uninsured. We need to be concerned about the uninsured because it is a moral outrage that so many Americans have no health coverage even as they live and work in the wealthiest nation on Earth.

We have heard the statistics: Over 40 million Americans do not have health insurance. We have heard the number so many times that it seems to have lost its impact, in this place at least. Let's look at the number more closely: 40 million Americans is one in six people in our country who do not qualify for Medicare. That number includes citizens from every conceivable walk of life: children, pregnant women, parents, single adults, full-time workers, self-employed individuals, and students. The 40 million people include those who have lost their jobs as the economy has worsened. It includes people who have worked hard for small companies that cannot afford to offer health benefits to employees. It includes people who work for companies that offer health benefits, but who cannot afford their share of the premium. Most Americans would be surprised to know more than 80 percent of all uninsured children and adults live in families who have at least one adult working.

This week the country celebrated the life and work of Dr. Martin Luther King, Jr. More than 30 years after his death, it seems incredible that the racial disparity in health care is still so evident. More than any other group, the people who are living without health insurance in the United States are Hispanic and African American. Thirty-two percent of all Hispanics in this country had no health insurance coverage last year; the number is even worse for low-income Hispanics, 43 percent of whom live without insurance. This situation should no longer be tolerated.

As the Senate convenes for the second session of the 107th Congress, there has never been a better time to address the issues of the uninsured. Americans are losing their jobs as the recession continues, without the benefit of any economic stimulus legislation from this Congress.

In addition, the brief era of stability in health insurance premiums seem to have ended. In 2001, the average cost of employer-sponsored health insurance coverage rose 11 percent. Those who work in small firms saw increases substantially higher than that.

There can be no doubt what will happen this year. It has already begun. Through no fault of their own, many employers will have to raise copayments and premiums, while reducing benefits, if they are able to continue to offer insurance to their employees at all. The bottom line is that more people than ever will lose their health insurance.

These numbers are truly startling. But behind every one of those, every single case of those 40 million people, there is an American face and a human story.

As I travel around Oregon visiting community health centers, I meet more and more people who live without health insurance. I hear their stories. There are many ways we can help shrink that gap between the insured and the uninsured. We should pursue that goal with the policy we begin formulating in the Budget Committee.

While the stories of all of the people I meet are different, they are, in most cases, quite tragic, and the circumstances that have brought them to these places are often similar. The loss of a job. An increase in insurance premiums. A serious illness. These are unavoidable circumstances that could happen to any American.

While I understand the looming budget deficit this year will make new initiatives difficult, the current economic climate is all the more reason to focus attention and resources on covering the uninsured this year. In the immortal word of Dr. Martin Luther King, Jr.: "The time is always right to do what is right."

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGENDA FOR THE SECOND SESSION OF THE 107TH CONGRESS

Mr. DASCHLE. Mr. President, I came to this Chamber just as we opened the session to welcome back our colleagues and staff and all of those who are so much a part of this great institution. I reiterate that welcome again this afternoon. I am sure we all hope this new year and this new session will be constructive and productive.

Much has happened in the weeks since we adjourned. In the war on terrorism, President Bush and his national security team continue to do a superb job. And our men and women in uniform continue to inspire us with their heroism and their success.

Closer to home, workers in New York continue to clear away the wreckage at ground zero. At the Pentagon, rebuilding is already underway.

In Princeton, NJ, a tiny 15-day-old baby girl—the daughter of Scott and Lisa Beamer—is living proof that the spirit of the heroes of United flight 93 will never die.

And just yesterday—more than 3 months after the largest bioterrorism attack in our Nation's history forced it shut—the Hart Senate Office Building finally reopened.

Those are all reasons to be hopeful about this new year. But there are also reasons to be concerned. In all, there are now more than 8.3 million Americans who want to work but do not have jobs. The collapse of Enron has cost thousands of Enron employees their jobs—and their retirement savings. Tens of thousands of other Americans who have invested part of their retirement savings in pension funds have also been hurt by Enron's implosion.

In South Dakota and all across America, people are working hard to raise their children, pay their bills, and maybe, if they are lucky, to put something away for the future. Our job this year is to help them, by strengthening our national security, our economic security, and the security of our democratic institutions.

As we begin this new session, we face two significant challenges. The first is fiscal. Last year, the Congressional Budget Office estimated the Federal Government would run a $5.6 trillion surplus over the next decade. This morning the CBO released new reports showing that $4 trillion of the projected surplus has disappeared in the space of just 7 months.

Instead of surpluses every year from now until 2011, current projections indicate that even if you include the Social Security and Medicare surpluses, the Government will run deficits at least in the years 2002 and 2003. And it will be forced to use $1.2 trillion in Social Security and Medicare trust funds over the next decade to pay for other essential Government programs. That is before we add one penny for the Medicare prescription drug benefit or strengthen our military or increase our investments in homeland security, education, or other critical priorities. It is also before we add one penny for an economic recovery package.

The second challenge we face is ideological. There are some who predict we will accomplish little this year because of our genuine differences in philosophy on many issues and because this session is so short and the stakes in the November elections are so high. But we do not have to accept that prediction. Important issues do not have to be insoluble. The new education bill we passed last year is proof of that.

Six days from today President Bush will deliver his first State of the Union Address. Six days after that, he will send the Congress his budget proposal. Democrats will give the President's proposals very careful and respectful consideration. He deserves every aspect of respect and care that we can give his budget.

Today I would like to say a few words about what we see as our priorities for the coming year. And I might say that we look forward to working with the President and with our Republican colleagues to find principled compromises on each of them.

The first thing we need to do is finish our work from last year. We should start by passing an economic recovery plan that will create jobs and get America's economy moving in the right direction again.

Both the Democratic and Republican economic recovery plans are more than 75 percent tax cuts.

Over the holidays, the Congressional Budget Office analyzed all of the major economic recovery proposals and indicated that the least helpful would be repealing the corporate alternative minimum tax and speeding up the income tax rate reductions passed last summer.

Earlier this month, in an effort to get the negotiations moving again, I proposed two new business tax cuts for every company in America that creates new jobs or invests in new equipment and technology. But today, I offer another proposal for breaking the impasse.

There are four ideas that appear in every major economic plan—Democratic and Republican. The first is to extend unemployment benefits by 13 weeks. Republicans and Democrats have suggested that.

The second is to provide tax rebates for workers who did not get a rebate the first time. Again, both Republicans and Democrats have offered that.

The third is to provide bonus depreciation to encourage business investment. Again, both groups have proposed that.

And finally, the fourth is to provide fiscal relief for States to help them avoid cutting critical services—especially health care—or raising taxes during the recession.

I hope we can at least take up these four measures immediately. If there are others for which there can be agreement—perhaps New York assistance, perhaps the extenders, perhaps other issues—where we can find common ground, I would like to be able to do that. I hope we can do it this week.

I have begun talking with Senator LOTT, and he has been extremely responsive in his desire to try to find a way to move this legislation along. I commend him and thank him for that.

Later on this afternoon we will offer a unanimous consent request that will accommodate Senators' wishes to offer amendments but also, I hope, Senators' desires to get something done. So I am hopeful we can accomplish that this week.

I might add, we have a very limited period of time. We have a couple of days this week. And because of agreed-to schedules, we only have a couple of days next week. And then we have just 2 weeks after that before the Founders' Day recess. In that period of time it would be my hope we could do the economic recovery, the election reform, the farm bill, and an energy bill as well.

That is a lot to do, but if we can make every day count—beginning with this one—I think we can do it. I am hopeful Republicans and Democrats can work together to ensure that happens.

As I said, we also need to finish the farm bill. We do not need another year or another month to know we have to build on what has been done already.

Since the Freedom to Farm bill was passed in 1996, farm income has dropped 25 percent. USDA now warns that unless we pass a new farm bill or more emergency assistance quickly, farm income could drop another 20 percent this year alone.

The farm bill is economic recovery for rural America. So we ask that we can work together again on this legislation. Let's work to pass it immediately. Let's go to conference. Let's resolve our differences. And let's get this legislation on the President's desk.

As I noted, the President shares the view that Republicans and Democrats have advocated with regard to energy. We need a national energy plan. The administration has proposed a plan which relies a good deal on adding to production. Their view is that we drill on certain sensitive lands on which I personally have some objection. The House-passed version of that plan would add $34 billion in tax relief for energy companies.

What Democrats would do is have a balance between the need for new production and what we ought to do with conservation and with alternative energy development. Let's reduce America's dependence on not just foreign oil but on oil, period. That ought to be part of the debate we have on energy.

There is a lot of work to be done in a very short period of time. I hope we can do all of that in the time we have allotted for these very important bills.

We also need to pass terrorism reinsurance. Efforts to solve this complex problem last year were impeded by some who sought to use this issue to push other extraneous issues. This year we will need to work together to assess the real needs of the marketplace and provide real solutions—the sooner, the better.

Our second responsibility is to continue to lay the foundation for long-term economic growth. An essential part of that foundation is expanded trade. Last month, the Finance Committee passed a bill that gives the President expanded trade promotion authority and addresses important labor and environmental issues related to trade. The committee also passed a bill to expand trade adjustment assistance, including assistance for farmers who are displaced by global trade.

Early this year we will bring to the Senate floor a fast-track bill that includes both of these essential components, and I hope we will pass it with broad bipartisan support.

Expanded trade was a key factor in the economic boom of the 1990s. Other key factors were fiscal discipline and increased productivity made possible by advances in technology. To keep America's technological edge, we should take final action on the Export Administration Act this year. We should expand broadband Internet access and work to make it universal, the same as telephone service, this year. We should find a way to make R&D tax credits permanent this year, and we should build on the bipartisan success of our new education bill passed last year by expanding opportunities to go to college or attend a training program and by working toward full funding of the Individuals with Disabilities Act so that children with disabilities can develop their skills to the fullest potential. After all, the minds of our young people are our best hope for long-term economic growth.

Our third responsibility is to increase families' economic security. We should raise the minimum wage $1.50 an hour over 2 years so people who work full time don't have to live in poverty. In 1996, we changed welfare programs to say if you are able-bodied, you should work. Since then we have seen dramatic decreases in the State caseloads and increases in the number of people moving from welfare to work. For too many families, however, moving off welfare has not meant moving out of poverty. We need to strengthen welfare reform this year and make sure people who move from welfare to work have access to affordable child care, transportation, and health care so they can actually make a better life for themselves and their children.

We need to expand affordable health coverage to uninsured Americans. We need to pass a real, enforceable Patients' Bill of Rights. Insurers should not be able to deny medical care once you get sick, and certainly they should not be able to deny care or coverage based on the results of genetic tests that indicate you might get sick someday.

President Bush says he opposes genetic discrimination. We hope to work with him this year to prohibit both employers and insurers from using genetic test results as a basis for discrimination and to prevent disclosure of genetic information to banks, employers, and anyone else who has no legitimate need for information.

The collapse of Enron has left thousands of former Enron employees suddenly fearful of growing old in poverty. For every Enron worker, there are tens of thousands of workers in other companies who worry that they could share the same fate. We have a responsibility to look at everything from Federal rules governing 401(k) pension plans to corporate disclosure requirements under securities laws, to accounting reforms and whether the accounting industry's self-regulatory system is sufficient.

We need to learn what happened and then work together to prevent it from ever happening again. We must also work together this year to protect, not privatize, America's public retirement system, Social Security, and Medicare, and to add real prescription drug coverage to Medicare. Half measures such as voluntary discount cards that just push the costs off on pharmacists and provide little savings to seniors are simply not adequate.

Our fourth responsibility is to strengthen homeland security. On September 11 and when the anthrax letter was opened in my office, we saw how devastating it can be when terrorists are able to slip through the holes in our homeland security. We need to work in a bipartisan manner to close those holes as quickly as possible.

We were puzzled during the debate on economic recovery when some insisted that strengthening our homeland defense was not an emergency. We are pleased by new reports that indicate the administration has now decided to devote real attention and resources to homeland security, and we will certainly work with them to do so.

Our fifth responsibility is to strengthen the security of our basic democratic rights and institutions. That includes the right of every American to vote and have that vote count. A year ago, we had just come through the most difficult Presidential election in our lifetimes. Since then, Senators DODD, MCCONNELL, BOND, SCHUMER, and TORRICELLI have come up with a bipartisan plan to strengthen our election system. I intend to bring their bill up as soon as possible. The American people are asking—fairly, I believe—whether our campaign system is part of the reason Enron was able to do what it did. Whether that is true or not, the mere suspicion that it might be true is damaging to our democracy.

House supporters need only three more signatures on a discharge petition to bring the Shays-Meehan bill to the floor. I expect they will get those votes and pass a good, comprehensive campaign finance reform bill this year. We must change the system now.

One of the heroes who defied the hijackers on flight 93 was Mark Bingman, a gay man. His courage may have helped save this very building. This year we should have the courage to pass ENDA, the Employment Non-Discrimination Act, and prohibit employers from discriminating on the basis of sexual orientation. We must also pass the bipartisan bill expanding the Federal hate crimes law to include gender, sexual orientation, and disability, and to provide greater protections against crimes motivated by racial and religious bias.

Scott Beamer will always be remembered for those final brave words: "Let's roll." His new daughter Morgan, born just 15 days ago, is probably the best known of the babies born to fathers who died in the September 11 terrorist attacks. But she is not the only one. So far there are 17 such babies, including a pair of twins. By summer there will be 40 more babies born to fathers who died in the September 11 attacks. Every day in America, 11,000 babies are born.

Last year was one of the saddest in our Nation's life. As we begin this new session, with its new challenges and new opportunities, let us remember those who died on September 11. But let us also remember the children they left behind, some of whom they never even had the chance to see or hold. Let us also remember the other children who are depending on us to pass on to them an America that is filled with as much hope, freedom, and possibility as the Nation we inherited from our own parents.

Let us resolve together to find a way to meet the most important of all of our responsibilities. I am confident that we can.

I look forward to working with our Republican leader, as I have always done at the outset of a new session of Congress. This year is certainly one of those years again.

I thank my colleagues and yield the floor.

The PRESIDING OFFICER. The Republican leader.

WORKING TOGETHER FOR AMERICAN SECURITY

Mr. LOTT. Mr. President, I want to thank Senator DASCHLE for his opening statement. I see a lot in his remarks that should give us encouragement and hope that we can come together and achieve things that need to be done this year in the Congress for the American people. Regardless of party, regardless of past difficulties, we should try to find a way to work together.

There's a common word between what Senator DASCHLE said and what I will be saying, if you look at what we have in our remarks and the thrust of those remarks. That word is "security." We need to pay close attention this year more than ever to that issue, that word. We need strong national security. We need to make sure that our men and women have the tools, the weapons, whatever they need to deal with the threat of terrorism and with threatened democracy wherever we may find it in the world. We also need to have personal security for our people here at home.

Last year brought so many startling things to our attention. Never before had we been attacked here at home like we were last year. And so, this year working on homeland security, working on personal security, we have to find a way to protect American people. Surely that's one of the obligations that we have as a Congress, to at least be safe and secure here at home.

The only way we can look after our national security and personal security is to have economic security. We've got to make sure that America is strong, that our economy is growing, that jobs are being created, that Americans have the opportunity to get a job, a good paying job, and to keep that job. And when they have a problem, on a temporary basis, that there's something there for them, that there will be unemployment compensation. But we don't want them just to have a check for tomorrow. We want a job for the future. Both of them are important. But we've got to look at economic security this year. We've got to take some actions in the Congress, by restraint, perhaps, by encouragement in other ways, so that we can have a stimulus to the economy, so there is some commonality in the themes of what's been said here today.

I think we've gotten off to a good start this morning. The President called the bipartisan, bicameral congressional leadership to the White house, and we met for 35 minutes, started right on time, ended right on time. He talked to us about what's happening around the world, our threats abroad and at home and what we needed to do with the economy. He listened to us. He extended a hand of cooperation. I believe that this President has changed the tone in Washington. He has tried to work with the Congress. We have produced a bipartisan vote, House and Senate, for major tax reform and tax relief for the American people last year. We did come together on the most fundamental education reform in 35 years. A lot of people thought the Thursday before we got the conference agreement it couldn't happen, but it did happen. And we came together—Republicans, Democrats, Liberals, Conservatives, President Bush. We got an agreement the America people liked.

I think that President Bush is going to be persistent in calling on us to do our work, to work through the procedure, the process. But to do our work, to produce the things we need for our country.

Last year we had a tremendous period of cooperation and bipartisanship. And then we kind of lost it there at the end. Maybe—maybe we were tired. The issues were different. Maybe we got to thinking about politics again. We kind of lost our ability to come together on an economic stimulus package. We didn't produce an energy bill. We didn't do trade. We didn't do agriculture. And we left a lot of nominations on the calendar. That was last year.

Now let's do it. Let's get this job done. And each one of those—those issues—were mentioned by Senator DASCHLE in his remarks, today.

Right now we're working to see if we can come up with some substance and a process and a procedure so that we can, in fact, consider and hopefully get a result on the economic security package, and we're working on what the substance might be and what the procedures may be. Right now we're working in a bipartisan way with three Senators, MCCONNELL, DODD, BOND, and others—Senator DODD as chairman of the Rules Committee. They've come together on election reform.

Now, is it perfect? Would we all like it just like it is? Not necessarily. Will some amendments be offered? Surely. But there's a case where when it looked like it was going to be a partisan shootout, they've come together. And so this afternoon we're working to see if we can identify amendments and come up with a procedure to do this bill, perhaps in short order. Boy, wouldn't that stun people? The House has acted. Let's act in the Senate. Let's do it in a bipartisan way.

So, I'm encouraged. It is a new year. We have a window of opportunity. The President is doing his part. We're working to see if we can move some of these things that have stalled out. We should do that, and I will do all I can to try to encourage that and foster that. It'll take, again, working together and a little trust here and there, but there is a period here when we can accomplish, I think, a good deal for the country.

As we look back on last year and the horrors of September, we've been doing a lot. We've come together. I think we've changed. We changed for a while last year. Could we build on that attitude this year?

You know, the American people's attitude toward the Congress in terms of a favorable rating went up to the highest its ever been. Why was that?

It's because the American people saw us working together and doing what ought to be done. Rising above party. Now, over the last couple of months, those numbers have started coming back down. I would like to drive them back up. When you talk pure politics I've been on both sides. I've been in the majority and the minority. I've been in situations where we gained seats, held our own, lost seats. But I've figured out something. When we do our work, when we produce results, if you're in a leadership position, it pays positive dividends. People like it when they see us doing what we ought to be doing.

So we should look at the courage and the sacrifice of those who gave their lives last year, the families that have endured a terrible time here over the past four months—the courage of the firefighters, the policemen, the calm of Mayor Giuliani. Now there's a guy who rose above politics. I saw people cheering for him, chanting his name when they could have been chanting Senator DASCHLE'S and mine. No, they were chanting Giuliani when we went to see Ground Zero. He rose to the occasion. When we look at the loyal support from overseas, the leadership of the President, when we look at how we did come together, then I think we can and should be able to learn from that and rise above just the normal things we get into here.

Our soldiers are fighting overseas right now. They're fighting for freedom. They're counting on us to give them the help they need. It would help if we could show this is a different time and a different place and we all learn something from September.

Next Tuesday, President Bush is going to deliver his State of the Union

Address. I think the Congress will be wanting to hear what his agenda is, will listen very carefully to it. I believe he'll call for the country and the American people to come together and support him and follow him. Yes, there's a legislative process and this very morning he said, I think we need a stimulus package. I understand the Senate has got a unique set of rules. You've got to deal with the process. You deal with the process but let's get this job done. He'll give us an agenda, and I believe the American people and the majority of the Senate of both parties, a large number in the Senate, will support what he wants to do in economic security, energy security, national security. I do think that we need to pay attention to the economy. There are signs that, well, yes, maybe it's improving but we're not quite sure exactly if it's improving enough. We see States struggling with their budgets.

We had a recession coming on going back to last March. It was clearly exacerbated by September 11. Are there some things we could do to at least sort of fill the interim here to help those who are unemployed but also to give incentive to small businessmen and women to create some more jobs, to have the economy grow?

We may not need it, but what if we do? What if we say let's wait and see and we wake up 6 months, 9 months, a year from now and say oh, my goodness this recession is not ending like it should? We can give some incentives that would be positive. I think we ought to try and find a way to do it. There are going to be people who try and find a way to do nothing. We can have gridlock. I don't want that. I think we ought to find a way to get a result to produce an economic stimulus package that is stimulative, not one that raises taxes, not one that's just more spending but one that actually will contribute to the creation of jobs.

So I think that's something we should focus on here in the next few days. And I'm willing to work with Senator DASCHLE and see if we can do that.

As a part of our economic security, we need a trade bill. I can understand that there will be features of the trade debate that need to be discussed. There will be amendments. But we passed a bill out of the Finance Committee 6 weeks ago or so on a large bipartisan vote. I voted for it. Senator DASCHLE voted for it. Let's get it up. Let's get it passed. Let's get to the President the authority he needs to expand the opportunity for trade. I think it will help our farmers. I think it will help out small businessmen and women. I think it will help our neighbors.

When I look to Central and South America, I see millions upon millions of people that could benefit from the trade, the products, the commodities that we could provide them. Let's pursue that. That would help our farmers. We need a farm bill, no question about it.

I was very unhappy with the way we ended on the farm bill. Maybe we had to do that. Maybe we had to wring out the politics a little bit so we can then really produce a farm bill. I would call upon Senator HARKIN and the leaders on both sides of the aisle to see if we can find a way to improve the bill that's pending, get a bipartisan bill, but get it into conference and get something that hopefully won't take too long, that hopefully will not hurt agriculture in the future, that the President can sign so that our men and women in the businesses and all the people who depend on agriculture—including the consumer—some certainty as what they could expect. Again it won't be perfect but just the knowledge that it's coming and what they'll be able to do would be very positive.

I've been complaining about the energy situation for years. I really don't understand why in America we can't have a national energy policy. I don't understand why we are dependent for 59.6 percent of our energy needs on foreign oil.

Some people say, oh, you guys, all you want is just more opportunity to drill. That's not so. I do think we could get more oil of our own. I'm from an area where there's a lot of natural gas—clean—and I think it can be made accessible to the American people if we can get it out of the ground or from under the gulf or wherever it may be and develop a transmission or grid system to get it where it needs to be. I think we need to use coal.

I think we ought to pursue clean coal technology. I think we ought to promote conservation, encourage alternative fuels. I don't think we ought to believe that we're really going to conserve ourselves out of the need for energy. We're going to need it. And even though there may be tremendous opportunities technologically for the future and we should pursue those, I don't think that we're going to be able to produce 20 percent or 25 percent of our energy needs from alternative fuels or things that we don't now have for years. Let's be realistic but let's do it.

We went through the fiasco in the late 1970s of gas lines. We passed legislation. We tried to use alternative and find alternative fuels. A lot of them didn't work out. I was willing to try some of them. As I recall, coal gasification was one. I don't know if that ever quite worked. Maybe we've learned more since then and we can go into that area. But let's just do it. The day is coming when our energy needs are going to be a huge problem. It's going to be a national security problem, an economic problem. If just one oil producing country had a problem and cut us off, 25 percent of the world's oil needs would disappear. I don't like that. I'm looking for alternatives.

We've got a lot of products in Mississippi we could use, maybe in a different way like wood chips. We've got derivatives from cotton products. If there's some way we can burn that or convert it as a form of power, we ought to try it. I think we should go forward.

Senator DASCHLE has committed to me and to the American people that we're going to go to this bill in early February, and we should not let it be taken down by a filibuster one side or the other. Let's get it done. We'll find a way to do it, I believe.

Nothing will be more important this year than what we do in national security defense. The President is going to ask for increased funds. I think he's going to be in a mood to introduce reform of our defense capabilities. I think that's needed. We need to continue to have multinational support.

When I look at the support we have gotten from countries all around the world—Britain, Australia, Italy, Germany, New Zealand, Russia, Canada, Turkey, Jordan, Poland, Japan, and countries we never before could have counted as allies. Look at what has happened with Russia. Who would have believed a year ago we would be doing the things we're doing with Russia today. Very few people.

But we still have a lot of challenges there. And we see opportunities with other countries. Is there some hope in some of those countries that have harbored terrorists but now are saying maybe we don't want to do that anymore. The President has been willing to step up and say mutual assured destruction is a relic of the past. Europeans say, oh, my goodness, he can't say that. What will the Russians say. They say we don't agree but we understand. We will work with America. America is not our enemy anymore. That's an incredible development.

So I think this is going to be an area that's going to take a lot of time and thought from all of us. And there will be nothing more important.

I think we should build on what we did in education. We haven't yet succeeded in reaching a situation where we'll leave no child behind. We need to go back and look at other education reform.

I think the Disabilities and Education Act will require reforming. I think the system is being abused by many people who should not be on the program and therefore is taking away from others who do need additional help. We can work through that.

I call on Senator DASCHLE and the Democrats to work with us on these nominations. This President is entitled to his nominees unless there's a huge problem. We've got nominees on the calendar here that got held up for a variety of reasons. We had Senators who were concerned about certain bills, so they objected to moving nominations. But we don't have an Ambassador to the Philippines. We have a nominee on the calendar. It's been reported out of the committee. We've got troops going into the Philippines. We don't have an Ambassador.

The position of the person who is in charge of nuclear safety is empty, yet the nominee is on the calendar. There's 50 such nominations on the Senate calendar. Let's try again. Let's move those nominees, particularly for the President's administration. It is his administration. Surely Assistant Secretary, Solicitor's General, Inspector's General, Ambassadors should be confirmed. And the judges, I'm not going to go through the litany here.

The fact is we've got a lot of people who are not being treated fairly. I don't understand why Miguel Estrada has not been moved. He's an immigrant from Honduras. He's well educated and is an outstanding attorney but hasn't even had a hearing. We ought to move not only the district judges but the circuit judges. Let's move judicial nominees if there are not problems. Let's pick up the speed. I know the President would appreciate that. The President deserves that. We can do better.

There will be those we want to fight over. We'll have a vote on them. We'll have a debate on them, but let's at least do it. My impression is we have about 50 on the calendar and about a hundred in committees—150 judges and administration officials. I think we need to go back and take a deep breath and get that job done.

From my discussions with this President, I can tell you: He is as determined to pull this country out of this economic recession as he has been to put an end to the terrorist threat.

It was 100 years ago that President Teddy Roosevelt uttered that quip we all remember: "Speak softly and carry a big stick."

One thing I have found out about President Bush is that he does speak softly, but he carries a heavy agenda because the needs of our country are great and the expectations of the American people are great. But our opportunities for accomplishment are great, too. And frankly, our chances as a government institution are great at showing the American people how men and women of good will can meet halfway and then when they disagree, take a fair vote to see whose argument will prevail, complete their work on that matter, and move on to the next priority. That's all we on the Republican side of the aisle can ask.

Let's begin today. Let's get some agreements on how we'll proceed on these to important bills. Let's continue next week when we hear the President's State of the Union Address. Let's see how much we can do in the next 3 months. I believe that American people want that. And I know they would appreciate it. Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Connecticut.

ELECTION REFORM

Mr. DODD. Mr. President, I commend both leaders for their comments about the proposed agenda. While I certainly am not in a position to comment on the merits or demerits of the various proposals that have been suggested, there is one item in which the distinguished Senator from Kentucky and I are particularly interested. We are grateful to the majority leader and the Republican leader for making specific reference to the election reform proposal the Senator from Kentucky, Mr. McCONNELL, Senator BOND, Senator SCHUMER, Senator TORRICELLI, Senator DURBIN, and others have worked on to bring legislation to the point where we think we have a good product to present to our colleagues, to the Congress as a whole, ultimately to the President for his signature, and, more importantly, to the American people in response to a situation that did not merely occur in one State, in one election, but as we all know now for a number of years a slow deteriorating process of our election system to such a degree that it was crying out reform.

While we have not solved every single problem, we think we have set up a mechanism for the first time to deal with election issues for the foreseeable future, under a proposal offered by my colleague from Kentucky, a permanent commission, which I think is an excellent suggestion. We deal with some fraud issues that Senator BOND thinks are very important if we are going to have an election reform issue. While we may not have dealt with every issue, we think we have taken a major step in addressing some of the concerns he has raised.

For those of us who are interested in the disabled in this country, those who were denied an opportunity to vote who had a right to vote—many studies indicate that happened in far more cases than any of us would like to admit—we think we have put together a pretty good package for which we are very proud. That is not to suggest we have dotted every "i" and crossed every "t" and thought about every possible reform or improvement, but we think we have about as good a product as could be presented to a body such as this for their consideration.

I do not know what the agenda will be of the leadership, but I think, for myself and Senator McCONNELL, we are prepared to go forward when they would like us to go. Whenever that is appropriate, we are ready to present a proposal we think will enjoy very broad-based support, not only in this Chamber but throughout the country, including the National Association of Secretaries of State and others who have worked with us, and various other organizations around the country that are deeply interested in the election process.

I see my friend from Kentucky, to whom I would be happy to yield, but I say first when the bell rings and the leadership decides it is appropriate, these two Members and others who joined us and are prepared to present a proposal that we hope will enjoy the kind of support for which we think it is deserving.

I yield to my friend from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I echo the remarks of my good friend from Connecticut. Election reform had the potential of being an intensely partisan issue. While we know that may still develop, let me say we have had all of those discussions over the last 6 months in our negotiating process, and we have now come together with the hope we will be able to go forward in a totally bipartisan way to improve the election system in this country.

As the Senator from Connecticut, who has provided outstanding leadership on this issue, has indicated, we have dealt with the fraud issue, which is important to a lot of people on this side of the aisle. No one has been a more forceful advocate for removing barriers for the disabled to exercise the franchise. Senator DODD carried that ball very effectively in our negotiations.

I thought we needed a permanent repository for this kind of expertise, so we set up a commission with Presidential appointees equally divided between Republicans and Democrats. It would be the one place in America that States and localities could go for objective advice, not somebody knocking on the door trying to sell them a particular system but objective advice about the best way to meet their particular election needs.

We did not wipe out any particular election system in America. We did not mandate the use of any particular election system. We did provide some real money that would be dispensed on a matching fund basis by this Presidential commission to those who were interested in upgrading their system.

I think we have come forward with a good bill, and I thank my friend from Connecticut for his leadership on this subject. I have been happy to join with him on it. If and when we do go to this—and we think it will be early in the session—we would encourage people to offer amendments that are related to the subject. We think this is a bill that needs to move along, not be bogged down in extraneous matters unrelated to the subject.

Again, I thank the Senator from Connecticut. I look forward to working with him. We are ready to go whenever the leaders decide this is the subject matter before us.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

THE INVESTOR CONFIDENCE PROTECTION ACT OF 2002

Mr. DODD. Mr. President, I anticipate the arrival of my colleague from New Jersey, Senator CORZINE, at any moment because we would like to at least put our colleagues on notice today of our intention to introduce legislation to strengthen the independence and objectively of corporate audits in this country.

I have the fortunate job of being the chairman of the Securities Subcommittee of the Banking Committee of the Senate. I have held that position for a number of years, both as chairman and as the ranking Democrat during Republican majorities in this Chamber, and have worked very closely with a number of my colleagues on a variety of issues affecting the securities industry, the confidence in our markets.

Obviously, the events we have heard about over the last number of days involving the Enron Corporation and Arthur Andersen's accounting firm and other questions have raised some issues that Senator CORZINE and I think need addressing. They have been discussed in the past. We have never codified some of these issues, but they have been the subject of extensive debate and discussion as how best to proceed.

We do not have the specific bill yet to put before the Senate today. We will in the coming few days, possibly as early as next week or the week after. We will lay out what we think is a framework for how, at least from the perspective of investor confidence, the accounting industry particularly needs to deal with the issue of consultive services and auditing services that they provide.

Our financial markets are the most vibrant in the world. That is stated over and over again. It cannot be stated often enough because it is true. There is a very simple reason for that continued success and that is because investors have confidence when they take their hard-earned money and in America they invest it in the public companies of this Nation. The world comes to the United States to invest because they know they will receive, very simply, a fair and honest deal. It is that simple.

There may be other factors and certainly we know that around the world there may be potentially a better return on one's investment in Asian markets and European markets or elsewhere, but the world comes to the United States because they know, while there may not be the opportunity to maybe make as much on their investment as may be offered elsewhere, that in this country if one comes here, our system is fair. Our system is fair and just, and that is one of the great attractions to domestic investors as well as foreign investors.

We can point to the depth of liquidity in this country, the degree of efficiencies in our markets, but ultimately the investing public, both internationally and domestically, invests in our markets and our companies because they believe the public information about these companies is true and it is accurate.

The accounting profession has played an incredibly important role in attaining and ensuring this investor confidence, and they deserve great credit, in my view, for the tremendous job they have done historically. The seal of approval that our accounting firms provide is a franchise of which we should be immensely proud in this country, and I think most of us are.

However, that franchise is in danger of losing the investing public's trust. Once lost, that trust would be difficult, if not impossible, to recover, at least in the short term.

In recent years, there have been a series of very high-profile accounting failures. The Enron failure may be the most prominent case, but it is certainly not an isolated incident. Indeed, it is only the latest, perhaps the most publicized, incident in a troubling series of incidents calling into question the integrity of corporate audits. More financial restatements on corporate earnings have been filed in the past 3 years than in the previous 10 years combined. These restatements have in most instances dramatically downgraded the financial health of the companies in question.

The collapse of Enron, specifically the seemingly massive failure of auditors to recognize and act on the myriad of financial reporting irregularities, focuses our attention on a central question: Are reforms needed to preserve and strengthen the integrity of the audit process? I have come to the conclusion that they are.

The accounting profession is undergoing tremendous change. Accounting firms no longer simply provide audit services. In response to our dynamic economy, they have adapted to become full-service financial consulting companies. I strongly support the diversification that is occurring in the accounting industry. In many cases, this development of expanding their services has allowed them to provide far better audits than they did in the past. However, these changes must not come, in my view, at the expense of these accounting firms' Federal mandate to provide objective and independent financial reporting. Conflict of interest, even the perception of conflict, undermines the confidence of the investing public.

I do not believe the Enron collapse was caused solely by the lack of auditor independence. That would be a terribly naive conclusion to draw. Many facts are yet to be uncovered. However, it is well known that the company's auditor received greater compensation for the nonaudit services it provided to Enron than for the audit services it provided. No one could fail to be troubled by the simple fact that there was compensation of $27 million for consulting services and $25 million for auditing services. No one can say it does not raise questions about the objectivity of the audit process.

No one, I believe, can seriously argue that when all the questions have been raised, we should not do everything possible to strengthen the independence and objectivity of financial audits. That is what we rely on.

There is an inherent conflict. The auditor's compensation is paid for by the very company being audited. We cannot change that. The only way I suppose would be to establish some Government agency or huge division within the Securities and Exchange Commission that would conduct the Government audits of public companies. I don't know that anyone suggests that. I am not suggesting we ought to change the present system of having these accounting firms conduct these audits.

The problem is, if that same company is not only providing the audit but also providing a variety of other services, there is the perception, at the least, of a problem. I use the analogy of hiring a construction firm to build your house while the contractor is also the building inspector. One may end up with a great house, but there are some inherent concerns for the homeowner about whether or not the construction would be done as well, as soundly, and met all the requirements.

I do not believe the fact that the Enron Corporation hired Arthur Andersen to be its consultant and auditor necessarily caused this entire problem, but the fact is when a firm is doing both those functions for the same company, the investor confidence so critical to the success of our markets comes in question.

For those reasons, Senator CORZINE of New Jersey and I plan to introduce legislation in the coming days to implement four critical reforms to the auditing process.

First, it restricts auditors from offering nonaudit service to audit clients. Accounting firms could continue to provide audit and nonaudit services to clients, but they could not offer both services to the same client. I don't think that is an outrageous suggestion. I am not suggesting they ought not provide consulting services. It strengthens the audit process. If one client is providing those two services to the same client, there is at least a perception of a serious problem. I suggest that Enron's problem is not an isolated case; it is more widespread.

Again, accounting firms continue to provide audit and nonaudit services. They cannot offer both. This restriction builds upon the important work in this area performed by former SEC Chairman Arthur Levitt and former SEC chief accountant Lynn Turner, who should be commended for their tireless efforts. The SEC's current auditor independence rule has helped but, in my view, is inadequate to ensure full auditor independence.

Second, we propose a prohibition on any accounting firm providing an audit for a company whose comptroller or chief financial officer has worked for such accounting firm in the previous 2 years. This will help reduce the potential for conflict of interest that may arise when accountants become senior executives at companies they audited.

Third, we strengthen the independence of the standard-setting body for the accounting profession, the Financial Accounting Standards Board. The FASB is acknowledged around the world as the best accounting standard setter. But the FASB often comes under tremendous pressure from a variety of sources to adopt standards that could cloud rather than clarify a company's health from the point of view of investors.

A few years ago a suggestion was made that Congress would legislate certain accounting practices that the FASB would have to sanction. I did not necessarily disagree with some who were raising the issue about various accounting procedures or practices. The idea that Congress would get in the business of legislating, by margins of 51-to-49 votes in this body, is a frightening prospect—that we would so politicize the Financial Accounting Standards Board. I can only thank those who may have agreed as I did, or at least partially agreed with some who made the suggestion, that we did not allow that to happen. Certainly FASB needs to remain independent and not subjected to the kind of political pressures suggested some time ago.

Our legislation also improves the independence and effectiveness of FASB by securing a steady funding source and encouraging greater timeliness of actions. One problem is they are very slow. They cannot keep up with what is going on in the real economy. FASB needs to act expeditiously in response to issues.

Lastly, our legislation improves the ability of the SEC to improve audit quality by doubling the size of the SEC accounting staff. Presently, the accounting staff is 20 to 25 people, the size of a congressional office, for oversight over all of the accounting firms and the audits that occur in the country. I am not suggesting just more personnel will necessarily solve the problem, but by increasing the size of that staff, and then having more random audits of the audits done, the prospect has its own obvious benefit to this potential problem. SEC accountants would help the agency do a better job of ensuring that audits meet the high standards of independence and objectivity that have been a hallmark of the American accounting profession.

In closing, I have spoken about the reforms with a number of knowledgeable people over the last several days, including those in the accounting profession. They have said privately these reforms go a long way to strengthening audits and the confidence of the American public. I look forward to working with Chairman SARBANES, who has already announced good hearings on the broader issue we are dealing with, and with the former SEC Commissioners, and has invited the chief accountants of the SEC to talk to our committee in a formal hearing setting. That will be tremendously helpful in examining what may be the best way to proceed. What we want to do after we lay down a bill is invite these people to respond before the committees conducting hearings on the subject matter.

I see my friend and colleague from New Jersey who brings a wealth of experience to this subject matter. In his previous life he worked for many years in the financial services sector. He is recognized in this Chamber and elsewhere for the tremendous amount of knowledge he acquired over the years in this area. I am pleased to be joining with him in this piece of legislation.

Before I turn to my friend from New Jersey, my friend from Missouri is here. He is a knowledge builder as to this subject matter as well. As on most subjects, he has very strong feelings. I will not lure him into that at this particular moment because I want to hear his comments, if I may indulge my friend from New Jersey for a moment. Senator BOND and Senator MCCONNELL and I have worked, for almost a year, putting together an election reform bill. Senator MCCONNELL was here a few minutes ago talking about where things are and our willingness to come to the floor for our leadership, who asked us to do so. I again say publicly how much I appreciate the tremendous effort of my friend from Missouri. He is a great debater and tough negotiator, but when he gives his hand and shakes, it is a done deal.

I ask unanimous consent to yield to my friend from Missouri.

The PRESIDING OFFICER (Mr. NELSON of Florida). The time of the Senator from Connecticut has expired; he cannot yield. However, the Chair recognizes the Senator from Missouri.

ELECTION REFORM

Mr. BOND. Mr. President, I thank my colleague from Connecticut for attempting to be a floor manager, and I apologize to my colleague from New Jersey.

I make a brief statement joining with my good friend from Connecticut and my friend from Kentucky in commending to this body the election reform bill. It was not just hours but weeks, and perhaps months, we worked on this. His dedication to getting a good election reform bill through means we will have something good with which to work. There should be a lot of interest in this body because every single Member got here through the process of politics. This measure, that will be brought up, we hope very shortly, should ensure that everybody in America is treated fairly in the election process. And that has no greater champion than my friend from Connecticut.

As he indicated, I was interested in assuring that we prevent fraud. For those who may not have read it, I commend to them an article by George Will in the Washington Post today headlined, "A Long Election Day in Missouri." He outlines the case far better than I would on the floor. I just ask my colleagues to read it and see why part of the election reform proposal goes to combating fraud.

As Mr. Will points out, our Secretary of State, Matt Blunt, reviewed a small sample of ballots.

> . . . among 1,384 ballots illegally cast [in St. Louis] were 62 by felons, 79 by people registered at vacant lots, 68 by people who voted twice and 14 [votes] cast in the name of dead people.

The only thing we missed out on in that go-around was in the past we have had dogs registered in St. Louis. As far as we could tell, no dogs voted in the last election.

I had an opportunity to address a leadership group in St. Louis—a very large group of people—during the recess. I told them the purpose of the Dodd-McConnell bill was to make sure that every American citizen, and, frankly, for Missourians, every Missouri citizen, who was a human adult American citizen entitled to vote had an opportunity to vote—once. I think everybody in St. Louis understands that. I think everybody around the country will.

We are going to have a very interesting discussion when we get onto this bill. We have spent a lot of time crafting it. I do not doubt that people will have new ideas they will bring to the floor. It should be a very interesting debate, but it is something that goes to the heart, the very heart of our form of government.

Everybody who is a U.S. citizen who is duly registered and entitled to vote in his or her State ought to have the opportunity to vote, but only to vote once. If we can pass this bill and combine it with the bill the House has passed, I hope we will see a much improved voting system in the United States for the 2002 election.

I thank my colleague from Connecticut. I look forward to working with him and I, again with my apologies to my friend from New Jersey, yield the floor. We look forward to getting on with it, to pursue the vitally needed election reform.

The PRESIDING OFFICER. The Senator from New Jersey.

ACCOUNTING REFORM

Mr. CORZINE. Mr. President, I very much appreciate the opportunity to work with Senator DODD on something that I think is vital to the American public, vital to the functioning of our financial markets and the health of the economy generally. Just as electoral reform is important, and I congratulate yourself and the Senator from Missouri and others who are leading us in that fight, I hope we can get the same kind of bipartisan focus on something that I think will make a difference to the functioning of our economy and our financial markets and the protection of investors that we are suggesting in the bill we are introducing today.

It is also unique on this side of the table to work with Senator DODD. I remember, as a former businessperson, testifying in Congress. Senator DODD always asked the toughest, meanest questions of folks with ideas they wanted to suggest. He was always spot-on with regard to their strengths and weaknesses. It is a great honor to work with him in the effort to protect American investors by strengthening the regulation of our accounting profession.

The dramatic and sudden collapse of the Enron Corporation has shined a spotlight on the critical importance of auditors, the accounting function, in the operation of our economy. Enron's collapse has left thousands without a job and, maybe more important for many, without a chance for a meaningful retirement program that we worked so hard and long to provide.

It has been an economic disaster for pensioners, individual investors, and even institutional investors who relied upon the accounting statements, earnings statements, balance sheets, and analyses that flowed from that. Frankly, a lot of people think this came right out of the blue. A year ago this was the company with the seventh largest revenue in the country. Today it is bankrupt. It did catch people by surprise.

Now it appears that for years Enron engaged in a variety of questionable and certainly gray accounting practices—not the most transparent to the world—to hide debt and inflate its earnings so they would have the ability to position their stock at a higher value over time. We all took the hook. Yet Enron's auditors blessed these arrangements and raised no serious red flags for investors, even though they had some questions in their own minds. It is now obvious those individual auditors failed, and I think failed miserably, in making some judgments about what should have been published at the time.

Unfortunately, the failure of the auditors in the Enron case is not unique. We have seen several examples, highly public examples, of questionable accounting practices leading to serious problems in the statements of financial condition of companies across the country over the last few years. There has been a failure to blow the whistle when that should have occurred. In fact, we have seen a regular pattern that has developed of earnings restatements by some of the finest companies and corporations in America.

That in and of itself gives cause for concern, since people make judgments about what it is they are going to do in the investment world based on their interpretation of balance sheets and income statements that are presented at a given point in time. That is how they make future judgments. Clearly, some of those judgments in history were wrong because the restatement of earnings indicates there were differences in fact.

I think we need to be much more careful in this whole process. There is a whole series of detailed issues that I think need to be addressed—maybe not by Congress but in a much more fast-footed FASB, or Financial Accounting Standard Board, than we have had.

Based on my experience in the real world—or the financial world; I don't know whether that's the real world—I can point to several possible explanations for these accounting failures. One is the serious increase in the complexity of these financial arrangements generally. The issue of derivatives and off-balance-sheet financing and the matter of notional amounts versus revenue standards—all of those things are very complicated in and of themselves. But there is an inadequacy, I believe, in our existing accounting structure to really scrutinize these and get to the nub of how they are reported on a timely basis.

Another problem is accounting firms increasingly are facing extreme pressures to find other sources of revenue, which often means generating new forms of revenue from the same businesses they audit. This, obviously, can create conflicts in reality and certainly in appearance. And I think they undermine the independence required of auditors as we go forward.

Another problem is that our regulatory structure, in my view, has been inadequate. It has relied far too heavily on self-regulation by the industry. That is a little bit like, what? Having the fox watch the hen house. Certainly I think it deals with an appearance issue that the public has a right to have us ventilate as we go through this debate. I think we need to do something about it.

Another problem is the integrity of the process for setting accounting standards. I talked about this before and whether that process has been compromised or certainly complicated by the nature of how that process takes place. In some cases, as I heard Senator DODD talk about, the fault may lie right here in this body, in the Congress. Certainly there is the appearance of political pressure getting wrapped up in how FASB, the Financial Accounting Standards Board, sets its rules.

These are true professionals who work very hard to try to get to setting down rules that will work in the accounting world. But these are complicated issues. And then sometimes people enter in from the political process and stop it, halt it, and we have not seen the kind of progress for the kind and nature of complexity that has developed in the financial world.

The bill Senator DODD and I are proposing is a significant first step towards addressing the problems I have outlined in the accounting profession. It includes tough new provisions to ensure the independence of auditors and restrict their ability to provide nonaudit services that inevitably create conflicts of interest. Whether that comes when you are working with the company or you separate it, I think we have some real reasons for debate on that. But I think we will work very hard to make sure people have confidence that we are auditors and we are working on functioning with a given company to present the data in a way that works a lot more like what the former SEC Chairman, Arthur Levitt, would suggest.

Also, our bill strengthens the Securities and Exchange Commission to put them in a better position to deal with the accounting industry on a real-time basis. I heard Senator DODD talk about 20 or 25 accountants for the largest economy in the history of the world. A 10-trillion-dollar account economy, and we have 25 accountants sitting over in a building across the street trying to figure out whether we are reporting accurately for all these companies. Just on the surface of it, it does not meet the standard of common sense.

We propose to double the size of the SEC's accounting staff. I think we need to seriously review what resources are necessary to deal with these problems so the public can have confidence with regard to what is going on in our accounting statements across the country.

In addition, the bill would help close the revolving door between auditors and their clients which also creates real conflicts of interest. We have set up rules in other parts of our economy for people who work in a particular area. An example is, if a person works in the Energy Department, they cannot go to work for an energy company an hour and a half after they leave their job.

I think it raises serious issues involving conflicts of interest when people go through a revolving door format going from being auditors to auditees. I think we need to look at those issues to make sure we have confidence that the chief financial officers, and others who have worked with the accounting firms, are truly being challenged independently by the accounting function. It is important.

As a former CEO, it was good to know that people could come in and say: You have these kinds of problems you need to check out. That is where the independent auditor performs an enormous service, aside from the financial statements. When that gets compromised because people are so close to one another, I think you run risks of setting up dangerous precedents on how decisions are taken within the audit function.

Finally, our bill would strengthen the independence of the Financial Accounting Standards Board—I have talked about this; so has Senator DODD—which sets the accounting standards. We would do this by establishing a steady funding source and demanding greater timeliness of action by the FASB. This is truly one of the issues that needs to be addressed.

We need to get on with a lot of the specific issues that have been addressed and have been tied up in knots for literally years and decades inside the Financial Accounting Standards Board. I think we can make a big difference in the functioning of our accounting system if we make sure we provide the resources to allow them to do their job appropriately.

I believe these proposals will go a long way toward strengthening the accounting profession and protecting the integrity of the markets and protecting, ultimately, the investors and the retirees who are dependent on the information they derive from these accounting statements.

It is absolutely essential we have this debate, this discussion, and that we are intent on making sure we get to a secure system and that this not be a political issue. This is about making sure our financial markets work effectively.

I look forward to working with my senior colleague from Connecticut who has done such an outstanding job on a whole host of these issues. We are working to gain the public's trust. One way to do that is to make sure independent auditors are exactly that—independent.

I think we need to respond. I hope we can do that quickly. We need to do it thoughtfully because we do not want to cause more problems than we fix. It is one of those things where making sure it is done right is very important because we are tinkering with the fundamentals of our economy. But we need to have good accounting statements to make sure people can make decisions on their investments in a way that is sensible and true to the facts as they stand.

I appreciate very much this opportunity to work with Senator DODD.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. REID). Without objection, it is so ordered.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent to speak for up to 5 minutes.

The PRESIDING OFFICER. The Senator from Florida may proceed.

CONGRESSIONAL DELEGATION TO CENTRAL ASIA

Mr. NELSON of Florida. Mr. President, over the recess I had the privilege of going to the other side of planet Earth in the area of central Asia with 8 other of our colleagues. The delegation was led by the Senator from Connecticut, Mr. LIEBERMAN, and the Senator from Arizona, Mr. MCCAIN. In 7 days, we visited the heads of government of 6 nations. And what was a delightful surprise to our delegation was the fact that each one of the leaders of those countries wanted to express appreciation to the United States for us being involved in their countries to help rid them of terrorists.

They implored us, after this initial thrust of military success, not to turn on our heels and walk away. Indeed, if you look back in history, the United States made a mistake a little over a decade ago. We were involved, in the 1980s, in Afghanistan—albeit clandestine—as we were helping the Afghans try to repel and expel the Soviet Union, which was trying to take over Afghanistan. And when the Soviet Union was whipped and tucked its tail between its legs and left, then the United States left also. That created a political vacuum—a vacuum that begs to be filled by political leaders, and that is the vacuum that was filled by the terrorists—ultimately, the very repressive Taliban regime.

So let's take a lesson from history and let's not repeat it. Let's listen to those leaders who said they don't necessarily want us to be there in the long run in a military situation, but they want our help in advising them technically, agriculturally, about communication, and indeed in Afghanistan about stabilizing the country, about setting up a national government, about setting up a national army so they can protect themselves from these outside forces and from these insidious forces that well up within, which was the terrorist organizations.

It was quite illuminating. We met with the Prime Minister of Turkey, the President of Uzbekistan, and the President of Turkmenistan.

We then flew into Bagram airfield with lights out in the middle of the night for security reasons. Those young pilots were using night vision equipment, and I am telling you, Mr. President, they greased that plane on to that runway with no runway lights, no airplane lights, and lights out on everything because of snipers, mortar, and rocket fire.

The descent was rapid, and the pilot did evasive maneuvers with the plane. The first instruction given to us before we stepped off the plane was: Do not dare step off the concrete tarmac because of the known and the unknown landmines.

The sergeant who escorted me through the darkness told me about his buddy who had his foot blown off just 2 days before traversing a footpath that the sergeant who escorted me had traversed many times before and had escaped the lethal explosion of a landmine that ultimately caught his buddy and caused the amputation of his foot.

We had the opportunity to meet with the interim Government of Afghanistan, with Chairman Hamid Karzai and his cabinet. What was very distinct—not only their enthusiasm, their absolute intent on making a success of a new kind of government that was not a repressive one—was the fact that, for the first time, the cabinet had a new minister: A minister of women's affairs, a prominent Afghan woman. As we met with that cabinet, they shared that message about being involved.

Chairman Karzai gave us an example of how for the long run he needed our help. He explained to us he was so appreciative of the humanitarian assistance and that it looked as if, for this winter, most of the starvation had been avoided but for the long run they needed agricultural assistance. They needed the rains to come because without that, the farmers were not going to be able to grow crops in the spring, and they were going to return to growing poppies and, thus, in the drug trade and, thus, all the more ripe for exploitation by the terrorists we are trying to get rid of in that part of the world.

All of our Senators would be so proud of what we saw on the faces of those young men and women in the uniform of our country at Bagram airfield in the dead of night. They were absolutely resolute in being able to successfully fulfill their mission. They had tasted success. They knew their cause was just, and they were absolutely intent on seeing it through to a successful conclusion.

Whether we met young Americans in uniform in the neighboring countries, such as Uzbekistan to the north or Pakistan to the south, whether we met Americans in the diplomatic service or in the humanitarian component of our assistance, whether we met those young men and women in full-combat, cold-weather gear at the Bagram airfield right outside of Kabul, Afghanistan, or whether we met our marines at the airfield on the coast of Pakistan on the Arabian Sea, or whether we met our sailors and our pilots out on the aircraft carrier, the *Theodore Roosevelt*, off the Pakistani coast, they all had that conviction of expression on their faces: Absolutely intent on persevering and succeeding, knowing their cause is just.

We spent a good hour with the President of Pakistan. It has been said many times that President Musharraf, well before September 11, offered leadership by recognizing that he had a problem with terrorism in his own country. In early June, well before September 11, he had met with religious leaders and said: We are going to have to start dampening down the religious extremism. In his country, there are 3,000 of these madrasahs, which are religious extremist schools.

The President of Pakistan recognized he had a problem because where poverty exists and fathers and mothers cannot support their children, these children get shipped off to these religious schools where they provide the basic necessities for them but in the process train them in the ways of terrorism and extremism and teach them a doctrine that is not taught in the Koran.

The President of Pakistan saw well ahead of September 11 that he was going to have a problem. He started laying the groundwork so that when the awful events of September 11 came and he knew he was going to have to make a choice—was he going to fight with a coalition of nations led by the United States to rid that part of the world of terrorism, including the terrorists in his country, or was he going to stay with the longstanding policy where the Government of Pakistan had even recognized officially, diplomatically, the Taliban Government, and was he going to break relations with them and cast his lot with the nations of the world that were trying to get rid of the terrorists—he did just that.

Of course, at the time my colleagues and I were there, we had another reason to be concerned about that part of the world because two armies were amassing on either side of the Kashmir border, two armies of nuclear nations which pretend awful things for the peace of this world should they get into a hot war, not even to speak of how it would drain Pakistan's energies and military activities away from helping the coalition of nations try to get the Taliban, the al-Qaida, and the terrorist leaders as they attempt to flee into Pakistan.

We went up to the Khyber Pass and met with the commanding general who was commanding about 33,000 troops all in that sector of the Afghan-Pakistan border where we are concerned that al-Qaida are trying to flee.

The general assured us that with all of their troops on the border, plus all of their friendships and lines of communication they have built with the native Pakistanis in all of those villages, they will know when one of those terrorists comes across.

At the time we were there, which was about 2 weeks ago, they had already captured in excess of 200 al-Qaida. We went on to Muscat, Oman, and met with the Sultan of Oman. Again, it is a different kind of government in that region of the world and yet one that is very necessary in helping us as we knit and keep together this fragile coalition of nations, most of them being Muslim, as we fight terrorism in that part of the world.

I believe the leaders in Central Asia now recognize terrorist activity is one of the greatest threats to the stability of their countries, and I believe they are now much more enthused in supporting the coalition efforts because of the extraordinary success we have had.

I will conclude with this: The commander in chief of the Central Command I have the pleasure of having reside in my State, General Franks. He is stationed at MacDill Air Force Base where not only the Central Command is located but also the Special Operations Command. We have another commander in chief on the same base.

I think the military success of this war effort thus far is illustrated by the photograph we saw on the front pages of so many of our newspapers, which was the Special Operations troop, American, on horseback, riding with other Afghan troops on horseback. The difference was the U.S. Special Operations person was calling in pinpoint airstrikes from his vantage point traversing the terrain on horseback. It is a combination of low tech and high tech. It is a commitment of very specialized troops, few in number, but backed up by the superiority of the skies, the precision of the weapons, and the instant communication between the low-tech troop on horseback, or on the ground, with the high-tech arsenal represented by the skies and by the pinpoint accuracy of the weapons.

So the terrorist is in a compound, suddenly there is an explosion, and he flees and all of a sudden sighs relief that he escaped, and then whammo, the second precision pinpoint-accurate weapon hits. Talk about demoralizing the enemy.

Why have we had success? Because of the combination of that and, in conclusion, because of the absolute determination of our men and women in uniform. That is what made me so proud for all of us, what made all of us in our nine-senator delegation so appreciative that we could express to those troops whom we saw the appreciation of the American people for their dedication and for their success.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DAYTON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida.

BOWL GAME WAGERS SUCCESSFUL FOR FLORIDA

Mr. NELSON of Florida. Mr. President, as long as we have a lull, on a much lighter note I note for my colleagues some of the conversations I had prior to the Christmas recess and prior to all the bowl games. It so happened Florida had three college teams in bowl games, and so in trying to be a good Senator representing my State of Florida, I went to the respective Senators from the States with the other three teams.

Given the fact that the Gator Bowl in Jacksonville was being waged between Florida State University and Virginia Tech, I naturally went to Senator WARNER and Senator ALLEN and suggested we have a friendly wager on the game. What Senator ALLEN and I agreed to was we would wager a crate of Florida oranges and a bushel of Virginia peanuts.

I am one who absolutely loves peanuts, and I am going to thoroughly enjoy those Virginia peanuts that are going to be presented to me by Senator ALLEN next week. We will have an appropriate ceremony and may even have the president of Florida State University present for this solemn occasion.

Then I went to the other NELSON in the Senate, our fellow freshman, BEN NELSON of Nebraska, and suggested that something as monumental as the national championship being played in the Rose Bowl in Pasadena was certainly worth us determining we would put something of specialty of our State on the line, backing up our boast that our team was going to be the national champion: The University of Miami versus Nebraska, the Hurricanes versus the Cornhuskers. So we determined in a friendly conclusion it would be a crate of Florida oranges versus a box of Omaha steaks. I am already stoking up my grill.

For the third bowl game of a Florida college team, the Orange Bowl in Miami pitting the University of Florida Gators against the Maryland Terrapins, I searched and searched for Senator MIKULSKI, and I could not find her in the remaining hours of the session. I finally found Senator SARBANES. I explained what I had done in the other bowl game and what was on the line in Miami in the Orange Bowl. Senator SARBANES chose not to engage in a friendly wager, of which I have just had the occasion today to remind him. He suggested he was wise beyond his years in not taking up my challenge.

Early in our tenure one day I overheard the other NELSON in the Senate speaking to a group, in a voice sufficiently loud that he knew I could overhear his statement. I will sum up the conversation in this spirit of levity. Senator BEN NELSON said to them, within my hearing: Oh, you must understand, I am the NELSON in the Senate who comes from the State with "the" football team.

I sauntered over and I said: That's right, BEN, you come from Nebraska, with the great Nebraska Cornhuskers, which I have great respect for, one of the finest football programs in the Nation. But, BEN, you must explain to your folks that I am the NELSON in the Senate who comes from the State with six professional football teams: the Dolphins, the Bucks, the Jaguars, the Gators, the Hurricanes, and the Seminoles.

I think that has now been amply demonstrated by the bowl games we just witnessed.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. I inquire of the Presiding Officer, are we in morning business?

The PRESIDING OFFICER. The Senator is correct.

Mr. GRASSLEY. I will speak for a few minutes.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

BUDGET COMMITTEE HEARING

Mr. GRASSLEY. Mr. President, today, with the announcement that the Federal Government is facing near-term budget deficits, as opposed to long-term budget deficits, for the next 2 or 3 years, but not for the next 10 years, we will hear a lot of talk from the critics about the need to postpone or repeal last year's bipartisan tax cut. The critics say we should revisit the tax cut for two reasons. First, they claim the tax cut is responsible for a return of budget deficits; second, the critics claim the tax cut will jeopardize our long-term economic growth. I will consider each of these claims.

According to the CBO projections, the tax cut is responsible for less than 15 percent of the reduction in this year's surplus and less than 40 percent of the reduction in the surpluses for the 10 years we project ahead. The slowdown in our economy and the additional spending enacted last year are responsible for most of the deterioration in our budget outlay. The second criticism is that the tax cut will reduce the surplus, thereby exerting upward pressure on interest rates and reduce future economic growth.

A recent study by the congressional Joint Economic Committee concludes there is no evidence to support the criticism that interest rates rise because there is budget surplus or that there is a relationship.

According to the Joint Economic Committee:

> Empirical studies on interest rates have uniformly failed to find any statistical significant relationship between interest rates and the budget balance of the U.S. government.

This result is likely due to the fact that the deficits we have seen in the past were not large enough to affect the interest rates given the overall size of our financial markets which would also include the global financial markets.

If the tax cut is not responsible for the rising deficits and higher interest rates, then why do the critics still complain? Maybe they have not read the studies to which I have referred.

Based on the studies, I asked critics the legitimate question, What is there to complain about? One reason I believe they want to delay repeal of the tax cuts is because they have a desire to spend the money, which, in the end, actually, then, if you spend it, because you increase taxes, you still do not have any less deficit.

Some critics have already announced they have plans to spend the money by raising taxes, or delaying the tax cuts, as they call it. As other spending plans become public, it will become obvious their cries for fiscal discipline are nothing more than crocodile tears.

In addition to the critics who want to spend the tax cut, there are also critics who insist we cannot afford the tax cut because our long-term budget projections show Federal spending will exceed revenue by 25 percent within the next 50 years. To argue, as they do, that we cannot afford a modest tax cut today because we will need a huge tax increase in future years ignores the obvious: Congress cannot provide more government than the taxpayers are willing to pay for. Through our country's history, the Federal Government has never taken more than one-fifth of our Nation's income in taxes. That includes even in wartime. If we are not willing to pay 25 percent more for government, if we are not willing to do that now, why should we be willing to put ourselves into a spending policy where we expect our children and grandchildren to have higher taxes so they can pay for programs we instituted at a time when we were not willing to put taxes higher than they have ever been in the history of our country? Our challenge today is to get beyond the rhetoric and make affordable government once again.

In addition to this point, as we prepare for the next budget season, I participated today in the Budget Committee review of the CBO report. Once again we are having this issue brought up about the tax cut being responsible for the budget deficits, as opposed to the war on terrorism, as opposed to the recession that is a result of the war on terrorism, and some technical budget adjustments that are made annually.

In regard to the accusation that the tax cuts proposed by President Bush in the last election, and then in turn enacted by Congress—and in turn when it was enacted, it was enacted as a bipartisan tax relief package because several members of the Democratic Party voted for it—in regard to that being the cause of the deficit, as is the insinuation on the part of those people who make that argument, I made the point this morning, and I would like to repeat the point I made in the Budget Committee to the Members of the entire Senate, that if you look at the $1.3 billion tax cut the bipartisan Members of this body voted for and the President signed on June 7, and you say that is the cause of the deficit, you have to also look at the fact that there was an alternative called the Daschle-Carnahan amendment that was offered that was $1.265 trillion, just 6-percent less than what the President signed.

That amendment got 48 votes. It lost, but almost every member of the Democratic Party voted for that amendment.

So whether you look at $1.3 billion that passed by a bipartisan majority, and a pretty overwhelming majority, or whether you look at the Daschle-Carnahan amendment, we have all but two or three Members of this Senate who voted for tax cuts of at least $1.265 trillion or the 6-percent higher figure that was finally adopted of $1.3 trillion. Either way, just considering that 6-percent differential, you are going to end up with about the same budget deficit situation, short term or long term, under a policy either way that was backed by all but about two or three Members of this body last spring.

So my point is this: It is wrong for Democratic leaders to blame the bipartisan tax cut that the President signed on June 7 for the deficit situation without taking credit themselves for backing such a tax policy that was only 6-percent less than what the President had already proposed.

So I don't think we have a bad situation because of the reduction of taxes.

We have a bad situation because of the war on terrorism, the economic recession caused by the war on terrorism, because of technical adjustments in the budget, and because of the additional appropriations we had to have for the military and for the domestic war on terrorism.

That is where it is. But if you want to blame taxes, there are 97 or 98 of us in this body who have to share that blame, not just the 48 Republicans and 12 Democrats who voted for the bill the President signed.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWNBACK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BROWNBACK. Mr. President, I ask unanimous consent to speak as in morning business for up to 5 minutes.

The PRESIDING OFFICER. The Senate is in morning business. The Senator from Kansas is recognized.

NOMINATION OF UNITED STATES AMBASSADOR TO THE PHILIPPINES

Mr. BROWNBACK. Mr. President, I rise to bring to the attention of the Senate a situation on which we need to take some action. Presently in the Philippines there are two Kansans being held hostage by a group of terrorists called the Abu Sayf group. It has links to al-Qaida and bin Laden. They got their start through al-Qaida and bin Laden and now are operating in the Philippines.

They have taken a number of people hostage over a period of 8 months. A number of these individuals have been released. One has been beheaded, a Californian. The two who are Kansans and a Filipino remain hostage. This matter was discussed on the TV show, "48 Hours," Monday night of this week.

They are in a desperate situation; Martin and Gracia Burnham are the two Kansans. They are missionaries. Their parents are missionaries in the Philippines. They have taken up that calling as well. They were there and taken hostage and have been held by this group now for 8 months.

The Senate has before us, nominated to be the United States Ambassador to the Philippines, Ambassador-designate Ricciardone. He is qualified and knowledgeable. He was cleared through the Senate Foreign Relations Committee. He is the appropriate and right person for this job. He remains stalled in this body, unfortunately, at this point in time.

I take this opportunity to ask my colleagues if there is a way that we could get this nomination cleared. I know there are a number of difficult and nettlesome issues in front of the Senate, and sometimes things are associated one with the other. But if possible, if we could free this nomination to move it forward so the United States would have an ambassador to the Philippines to negotiate and to see to the safe release of these two hostages, it would be important to America, important to the Philippines, and to the overall world effort.

The United States is involved in some delicate issues with the Philippines at the present time. I will not speak about that. The current issue I am concerned about is not only the work the United States is doing with the Philippines—the Philippine military has taken on this exercise to free the Burnhams; they have been aggressively pursuing the terrorist group for some period of time—but we need a leader from the United States. We need our ambassador to the Philippines in this delicate situation.

If the Presiding Officer or other Members of the Senate could have seen "48 Hours," they would have seen Gracia Burnham pleading: Will somebody please show us mercy. Will somebody please notice that we are here and help us out. She said that morning she awakened with chest pains. They are living in the jungle, being moved daily and on the run. It is a difficult, horrible situation. They need our key representative in that country.

I ask other Members of the Senate to please consider and see fit to moving forward on this nomination that has cleared unanimously the Senate Foreign Relations Committee—a professional, highly qualified for this position, which would mean so much for our efforts in the Philippines to date. If my colleagues could see to that, this would be an important addition to the international portfolio of ambassadors.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. CLINTON. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. STABENOW). Without objection, it is so ordered.

The Senator from New York.

NEW YORK'S GROUND ZERO CLEANUP: AHEAD OF SCHEDULE AND UNDER BUDGET

Mrs. CLINTON. Madam President, along with my colleague Senator SCHUMER, and Congressman NADLER in the House, I reaffirm the commitment of this Congress and this Nation to the rebuilding of New York.

One hundred thirty-five days after the worst attacks in history on U.S. soil, I ask my colleagues to join me in a pledge to fulfill our promise to all Americans to make New York—our financial, our cultural, and media heart—whole again.

The World Trade Center attacks claimed the lives of close to 3,000 of our fellow citizens, as well as those who had come from other countries to America seeking a better life. The emotional toll has been staggering. I have met with countless family members who lost mothers and fathers, sisters and brothers, husbands and wives, daughters and sons. While there is nothing we can say or do that will bring these loved ones back to their families, the outpouring of compassion and kindness from all over the Nation has brought comfort to many.

Along with this heartfelt sympathy, I believe we have an obligation to help not only those who lost their loved ones but also help those who lost their livelihoods rebuild their lives and reclaim their futures.

New Yorkers were comforted when the President and leaders from the House and the Senate came to ground zero and stood in the House and Senate promising to make New York whole again. Their determination in the face of what seemed at the time great odds reinforced the workers who labored day after day, night after night, at ground zero. Despite the many obstacles, the recovery effort has moved forward faster than anyone could have predicted.

Some months ago, I told my colleagues our best estimate was that with 24-hour-day shifts, we would perhaps have to take an entire year to clear the site to be ready to rebuild. I am very proud of the construction workers who have been working day in and day out, often at great personal sacrifice and risk, as well as the contractors who have worked with the city, to the end that we now believe this cleanup effort will be completed 4 months ahead of schedule and billions of dollars under budget.

That does not in any way take away from the fact that the financial toll has been enormous. In fact, the terrorist attacks are estimated to cost New York City and its businesses over $100 billion in financial losses over the next 2 years. Lower Manhattan's business district has been decimated. Nearly 25 million square feet of office space, 20 percent of all of downtown New York's office space, was damaged or destroyed by the attacks, leaving 850 businesses and over 125,000 workers physically displaced.

The effects of these attacks have also been staggering on New York's workforce. New York City's unemployment rate spiked to 7.4 percent in December, nearly a 3-year high, from 6.9 percent in November. The September 11 attacks ruined our small businesses, destroying and severely impacting nearly 15,000 of them. Businesses that were thriving on September 10, employing people, building a positive future for themselves, were destroyed, and they remain out of business 4½ months later. We are expected to lose nearly 150,000 jobs, and that is an unsustainable loss.

The number of private sector jobs sank 3 percent last year, more than twice the national rate. We are struggling to make sure the aid that was voted for at the end of last year gets out as quickly as possible, and especially gets into the hands of these small businesses that are desperate for some kind of assistance.

We also face a big job in cleaning up, repairing, and rebuilding the infrastructure. The attacks left 42 percent of Lower Manhattan's subway system unusable. That translates into significant disruptions in the daily commutes of 335,000 passengers who ride to Lower Manhattan every day.

We are going to be getting some positive plans adopted soon, we hope, that will show what needs to be done to repair this infrastructure. I know this body will be there to help.

I have been especially concerned about the air quality at and near ground zero. Many of our rescue workers, firefighters, police officers, construction workers, residents, and others have been complaining of respiratory problems. Some call them the World Trade Center cough or the 9-11 cough. It is a significant health problem.

I have visited with physicians who are treating the firefighters and the construction workers. They are concerned because a lot of people are really encountering severe respiratory problems and developing asthma. We have many families and residents who still are afraid to move back into their homes, leaving large parts of Lower Manhattan uninhabited, leaving buildings that were once prime real estate nearly empty.

I am pleased the Clean Air, Wetlands and Climate Change Subcommittee of the Environment and Public Works Committee has honored my request and will hold a hearing in New York City on these issues in a few weeks. We really do not know the effects of the exposure on those who have been most directly involved in the work at ground zero and others who are within the vicinity, but we owe it to them to find answers. We have to make sure we know what the health risks are for the children who are being asked to move back into the elementary schools that were vacated near ground zero. I am hopeful this hearing will get to the bottom of some of these issues.

We also have to be sure our workforce is not forgotten. So many of them need some extra unemployment insurance. So many are about to lose their health insurance.

I went to a hearing last week that was held with hundreds and hundreds of people. We had testimony from representatives of various groups, and the biggest concern among the workers who had worked in the World Trade Center or at a neighboring business was that their health insurance policies were about to run out and they did not know where to turn.

We have been discussing what should be done on a recovery package for the Nation, but I know from firsthand experience we really must focus attention on New York's needs in terms of unemployment insurance, disaster unemployment assistance, and the extension of health care benefits in order to give some help to those people who, through no fault of their own, were left unemployed directly because of the attacks.

Similarly, we have to continue to support both the public and the private sector in meeting the needs that come out of 9-11.

I thank Chairman BAUCUS and ranking member Senator GRASSLEY for their help to Senator SCHUMER and myself as we have tried to draft policies that will make a direct impact on the financial burdens being shouldered by the public and private sector. We need tax incentives. We need bonding authority. We need advanced refunding authority. All of that has been worked through the Finance Committee. A similar proposal has passed the House. I am hopeful we will be able to get something along those lines through the Congress and to the President very soon, either standing alone or as part of a larger economic recovery proposal.

One issue that is now more pressing than when we left a month ago is the impact on States across the Nation of the economic slowdown and of 9-11. We are seeing increases in unemployment in many parts of the country. We see many people lose their health insurance. We expect to see millions more added to the Medicaid roles. It has been predicted that the number of children on Medicaid could increase as much as 11.3 percent. At a time when State budgets are already reeling from reduced revenues, when States—unlike the Federal Government—have to run a balanced budget, they cannot spend more than they take in. They may not have the resources needed to address these increasing health needs.

That is why I hope, in a bipartisan manner, we can provide some relief to States. They are desperate for it. Whether Republican or Democratic Governor, we are hearing they need help. They need help not only to meet health needs but also law enforcement and homeland security needs. If we do not provide direct assistance to cities and counties, they are going to be running in the red, with the overtime they are now paying and with the additional responsibilities imposed on police, firefighters, and emergency workers.

We have our work cut out for us. I am confident that under the leadership in this body and in the House and with the support of the administration we can meet the needs of New York and we can assure the people who were so directly devastated by these attacks that we stand with them.

Earlier today I was privileged to be at the White House. It was a nostalgic return visit for me, sitting in the East Room, surrounded by my colleagues from New York, New Jersey, and Virginia, all of whom had gathered to witness the President signing the Victims Tax Relief Act, something I fought very hard for because it was a tangible way of providing assistance to those who were directly impacted with the loss of a loved one on 9-11. I am proud we included Oklahoma City victims and victims of the anthrax attacks because we need to demonstrate America is united not only in our war against terrorism but on behalf of the victims of terrorism. I was very proud when the President signed that bill, surrounded by so many of the families from New York and New Jersey with whom I have met, as well as other families from around the country who lost a loved one on one of the planes in the Pentagon attack or in the fields of Pennsylvania.

It was a very reassuring moment to see how all levels of government were supporting those who woke up on September 11—on a beautiful autumn day for flying, for going to work, for minding one's own business—and ended a day having lost a relative, a friend, knowing their lives would never be the same.

I strongly hope Congress will pass this resolution and reaffirm our commitment to New York by continuing to provide the much needed Federal assistance that New Yorkers require to recover from these horrific attacks that were, as we know so well, attacks on America.

I appreciate this opportunity to take a few minutes to set the stage and remind everyone that, although we face future challenges with the continuing war on terrorism to make sure national security is as strong as we can make it, to ensure we are doing everything possible to enhance our homeland security and that we take necessary steps to assure economic security in the face of the economic downturn and the attacks on 9-11, that we also remain united behind the needs of New York.

It is an honor to represent New York. It is often a challenge to convey the needs I see every day. I try to do my best to speak for those who will never stand in this Chamber but who are living every day with the consequences of those horrific attacks. It is such an honor to represent such brave and courageous Americans as I do in New York. I look forward to the continuing help I have received with such graciousness from my colleagues to make sure that New Yorkers know America stands with us.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. CARNAHAN). Without objection, it is so ordered.

HOPE FOR CHILDREN ACT

Mr. DASCHLE. Madam President, I move to proceed to H.R. 622, and I ask unanimous consent that the pending farm bill not be displaced by the adoption of this motion.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the motion.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 2698

(Purpose: To provide incentives for an economic recovery, and for other purposes)

Mr. DASCHLE. Madam President, I have an amendment at the desk and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Dakota [Mr. DASCHLE], for himself and Mr. BAUCUS, proposes an amendment numbered 2698.

Mr. DASCHLE. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DASCHLE. Madam President, I express my appreciation to the distinguished Republican leader for this ongoing effort to try to get to this point. This is not what he would have subscribed to; this is not what I would have subscribed to necessarily.

Basically what this does is provide us with an opportunity to move forward on an economic stimulus package. It is open to amendment. But what I have done with the amendment I have just offered to the bill, H.R. 622, which is the adoption tax credit bill that had been on the calendar, is simply provide an opportunity now for us to move forward.

The amendment I have just offered is comprised of the four components I have been talking about on the floor and off the floor. The amendment includes, first, the bonus depreciation legislation, the tax rebate, the unemployment legislation, and the so-called FMAP, the resources provided to the States to help them offset the cost of Medicaid.

Those four components are components in various forms, of course, that have been supported by Republicans and Democrats. It is the right of any Senator now to offer an amendment, whether it is the complete substitute that some might prefer or targeted amendments dealing with these four components or something else.

My hope is, however, at some point in the not too distant future we can complete our work on this and go to conference so we can ultimately complete our work on a bill that enjoys both House and Senate support and hopefully the support of the President as well.

That is, in essence, what we have done today. I appreciate the help and the cooperative effort that has been made by a number of our colleagues, not the least of whom is the Republican leader. I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. LOTT. Madam President, I believe Senator DASCHLE has appropriately described the procedure that is being employed in this situation. It is highly appropriate we begin this new year by trying to work through the amendments and the process that can get us to an economic security package.

I do think the economy needs some stimulus. I do think we need additional unemployment compensation. I think we need to look at ways to give incentives to small businessmen and women to create jobs so we have growth in the economy, so we are not just trying to help our people make sure they have something to live on this week but so they can get and have a good paying job in the future.

We could debate about when we should have done it and how we should do it, but the fact is we should do this. We have talked back and forth during the past 24 hours about the best way to proceed. I obviously thought the best way to proceed was to call up the House-passed bipartisan bill, have it open for amendment and debate and see how it moved and to get a vote on that; but we could not come to agreement to get that done.

We also looked at coming up with this so-called common approach with the four components and limiting amendments. Part of the problem was the fourth item, the Federal assistance to the States. The way it was going to be introduced was not in the bipartisan House-passed package so it was thought this was not a common approach provision by our people.

There also was some resistance, I think in both conferences, to say we can only have two or three amendments. I believe by having an opportunity to offer amendments on both sides after a reasonable period of time Members are going to make a decision. We need to go ahead and get this done and get it to conference or, if we cannot come to agreement on something, it deserves to go forward. It is going to be difficult because at this point procedurally 60 votes are required for amendments or substitutes. We will have a full debate. We will have a chance to offer amendments, and I think it is necessary and appropriate that we try to get a stimulus package done.

So after a lot of discussion back and forth, this is the best procedure we could propose. We did not require a vote on the motion to proceed to the bill that was being used to call up this procedure, and we are not filibustering it. We want it resolved. I think this could get it resolved, but it is going to be tough. It is going to take some give and take on both sides. We have to try to come up with something that will enjoy bipartisan support to get 60 votes. We will see if we can get that done. It is certainly worth the effort.

I yield the floor.

Mr. DASCHLE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that the Senate now proceed to a period for morning business, with Senators permitted to speak for up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

CREATING A NEW BUREAU OF INDIAN TRUST ASSET MANAGEMENT

Mr. DASCHLE. Madam President, it has long been recognized that the Department of the Interior's Indian trust fund accounting and management systems have struggled with the challenge of meeting the Government's trust responsibility to Native Americans. Shortly before the Christmas break, to her credit, the Secretary of the Interior acknowledged this fact and proposed reorganizing the way the Department handles its trust asset management responsibilities.

The Secretary has proposed creating a new Bureau of Indian Trust Asset

Management to manage Indian trusts. It is now the job of the Department, Congress, and the tribes to assess how this plan would work in practice.

Tribal leaders in South Dakota have emphasized to me their concern that any BIA reorganization plan that has not been thoroughly discussed with the Native American community nationwide could hold potentially adverse consequences for tribal members. The leaders of the nine tribes in my State, for example, ask how such a proposal would address the underlying issues of trust fund management in light of the pending Cobell vs. Norton class action suit; how it would impact funding for other programs upon which tribes depend; and how it would affect the self-governance of tribes.

These are legitimate questions, and tribal leaders and their members deserve satisfactory answers prior to the implementation of any reorganization plan. I hope that a more concerted effort will be made, by the Department and Congress, to involve tribal leaders fully in the decision-making process on the BIA reorganization effort. Certainly no significant organizational changes within the BIA should be made without adequate consultation with tribal leaders across the country. The essence of the Federal Government's trust relationship with the tribes requires no less.

TRIBUTE TO MAJOR JEFFREY W. PRICHARD, U.S. AIR FORCE

Mr. LOTT. Madam President, I would like to take this opportunity to recognize and say farewell to an outstanding Air Force officer, Major Jeff "JoBu" Prichard, upon his departure from my staff. Major Prichard was selected as an Air Force Fellow to work in my office during the First Session of the 107th Congress due to his outstanding professional reputation and superior knowledge of Defense issues, the United States Air Force requirements process, and the military presence in my home State. He has been a valued team member and it is a privilege for me to recognize his many outstanding achievements and the superior service he has provided the United States Senate, the Air Force, and our Nation.

Major Prichard, a native of the State of Mississippi, graduated from the University of Southern Mississippi and was commissioned a Second Lieutenant through the Reserve Officer Training Corps, ROTC. Since then, Major Prichard has spent the majority of his career patrolling the world's skies as an Air Force fighter pilot. Following flight training, he began his service flying the F-15C "Eagle" in the 67th Fighter Squadron, 18th Tactical Fighter Wing in Okinawa, Japan. During this tour, Major Prichard was selected as a member of the 18th Wing team that won the 1992 Worldwide William Tell Air-to-Air Weapons Competition and he out flew all competitors to win the coveted "Topgun" Trophy. After his tour in Japan, he reported to the 60th Fighter Squadron in Ft. Walton Beach, FL, where he deployed in support of Operation UPHOLD DEMOCRACY in Haiti and Operation SOUTHERN WATCH where he led 34 combat missions patrolling the skies over Iraq enforcing the no-fly zone. Also during this tour, Major Prichard attended the Air Force's Weapons School at Nellis AFB, NV,, and in September 1996 was handpicked to return as an instructor. In 1999, Major Prichard left the cockpit to serve on the staff of the Secretary of the Air Force in Washington, DC, as the Air-to-Air Missile Program Manager and then was selected to serve as a Military Legislative Fellow during the 1st session of the 107th Congress.

Major Prichard quickly became a valued member of my staff sharing his proven operational experience and insightful knowledge on a number of Department of Defense issues, including defense health care, operational beddown of C-17 and C-130J aircraft, various weapons systems, military construction, and university research programs. Specifically, Jeff was instrumental in helping the Air Force craft a C-130J Roadmap for future beddown of operational assets that took into account Congressional concerns. He helped me articulate a successful case for adding funding for additional maintenance training simulators and military construction projects that will help ensure the successful beddown in Jackson, MS of the first ever C-17 aircraft assigned to the National Guard. He helped craft new legislation that will ensure the financial viability of our Armed Forces Retirement Homes and the quality of life for the residents well into the 21st century. He also provided extremely valuable inputs in helping to craft legislation that established the future site of the Air Force Memorial while preserving as much acreage as possible for the Arlington National Cemetery. Major Prichard's coordination with the staffs of the Senate Armed Services Committee and the Senate Appropriations Defense Subcommittee led to over $28 million in additional military construction funding for Mississippi's military bases and yielded over $100 million in research, development, test, and evaluation funds for universities in Mississippi.

Major Prichard is married to the former Wendy Lynn Hurlbert of Minneapolis, MN. They have three children, 10-year-old daughter Sydney, 8-year-old son Jeffrey Jr., and 5-year-old daughter Hailey. Among Major Prichard's many awards and decorations are the Meritorious Service Medal, Air Medal, Aerial Achievement Medal, Air Force Commendation Medal, and Air Force Achievement Medal.

Major Prichard will return to the Air Force at Langley AFB, Virginia, where he will once again control the skies in the F-15C. I have appreciated greatly Major Jeff Prichard's contributions to my team and I will miss him. On behalf of my colleagues on both sides of the aisle, I wish Major Prichard and his family "Good Hunting and Godspeed."

TRIBUTE TO COMMANDER MICHAEL LIPSKI, U.S. NAVY

Mr. LOTT. Madam President, I would like to take this opportunity to recognize and say farewell to an outstanding Naval Officer, Commander Michael Lipski, upon his departure from my staff. Commander Lipski was selected to work as a Navy Fellow in my office during the First Session of the 107th Congress due to his outstanding professional reputation and superior knowledge of Defense programs, industry, and the military construction requirements process. It is a privilege for me to recognize a fellow Mississippian for the devotion to duty, exceptional performance, and outstanding professionalism he has provided to the United States Senate, the Department of Defense, and our great Nation.

Commander Lipski entered the University of Mississippi in 1979 and was commissioned as an Ensign upon graduation in 1984. After his completion of the Navy's Surface Warfare Officer School in 1985, he served as Auxiliaries Officer and Main Propulsion Assistant on USS *Oliver Hazard Perry*, FFG-7, where he earned his qualification as a Surface Warfare Officer. In 1988, Commander Lipski became an Assistant Professor of Naval Science at Florida A&M University where he instructed Midshipmen in ship systems engineering, weapon systems theory, shipboard operations and navigation. While at Florida A&M, he also earned his Craftmaster qualification and served as the Officer-in-Charge of the Naval Sail Training Vessel *Dolphin*, NSY-29. In December 1989, Commander Lipski was designated a Civil Engineer Corps Officer and served on the staff of the Officer-in-Charge of Construction, Mariana Islands as an Assistant Resident Officer-in-Charge of Construction. After leaving Guam in 1992, he was assigned to Naval Computer and Telecommunications Station, Cutler, ME, as the Public Works Officer and Officer-in-Charge of Naval Facilities and Engineering Command Contracts. After a follow-on assignment to the Naval Postgraduate School, where he earned a Masters degree in Financial Management, Commander Lipski served as the Public Works Officer at the Naval Mobile Construction Battalion Center in Gulfport, MS. While in Gulfport, he superbly managed over $60 million in military construction projects. He also wrote a Master Plan for Seabee Base Gulfport that led to over $100 million in quality of life and mission support military construction projects that have greatly improved the operational capability and morale of the Seabees and their families stationed in Gulfport. Prior to joining my staff in January 2001, Commander Lipski served with distinction for two years on the staff of the Chief of Naval Operations ensuring that our sailors and their families had top-notch bachelor quarters and family housing to live in.

Commander Lipski quickly became a valued member of my staff where he led several legislative initiatives that enormously benefitted the Department of Defense, the Navy, and the State of Mississippi. He worked hard to ensure that the Defense authorization and appropriations bills for fiscal year 2002 included legislative provisions and specific programs aimed at modernizing and recapitalizing our military and improving the quality of life of our service members and their families. Specifically, he did a great deal of research and analysis that led to a complete rewrite of the statutes governing the management and oversight of the Armed Forces Retirement Homes. This new legislation will ensure the financial viability of our Armed Forces Retirement Homes and quality care for the residents well into the 21st century. Commander Lipski also articulated a successful case for adding $28 million in military construction projects for Mississippi's military bases. Commander Lipski's strong leadership, hard work, and vision led to congressional actions that will ensure our military is properly equipped and trained to meet head-on the challenges it will face in the future.

Commander Lipski is married to the former Jill Daria Wiltzius of Spooner, WI. He is the son of John and Eleanor Lipski of Long Beach, MS. Mike is a registered Professional Engineer in the State of Mississippi, a member of the Navy Acquisition Professional Community, and a member of the Society of American Military Engineers. His many awards and decorations include the Meritorious Service Medal, Navy Commendation Medal, Navy Achievement Medal and numerous other service awards.

Throughout his career, Commander Lipski has served the United States Navy and our Nation with excellence and distinction. He will be sorely missed on Capitol Hill but his return to the Naval Service will benefit Naval Air Station Jacksonville, the Navy's commands in the southeastern United States, and our great Nation. On behalf of my colleagues on both sides of the aisle, I wish Mike and Jill "fair winds and following seas."

DR. MARTIN LUTHER KING, JR.

Mr. DURBIN. Madam President, today I rise to pay tribute to a great man, Dr. Martin Luther King, Jr. Dr. King was born on January 15, 1929. As a nation, we have celebrated his life and accomplishments every third Monday in January since 1986. However, in my home State of Illinois, we have been celebrating this great man for almost 30 years, since 1973.

Late in 1955, Montgomery, AL, civil rights activist Rosa Parks refused to obey the city's rules mandating segregation on buses. Five days later, Dr. King was elected by his supporters to be president of the Montgomery Improvement Association. As president, he participated in the bus boycott that eventually led to the Supreme Court declaring Montgomery's segregation laws unconstitutional. As Dr. King gained national prominence he was repeatedly attacked for his beliefs and because of the color of his skin. Sadly, violent acts against Americans of different beliefs, ethnic groups, and hues continue to plague our nation today.

Building on the success of the Montgomery boycott movement, Dr. King and other southern African-American ministers founded the Southern Christian Leadership Conference. With his colleagues, Dr. King promoted the goal of voting rights when he spoke at the Lincoln Memorial during the 1957 Prayer Pilgrimage for Freedom.

Dr. King also guided mass demonstrations in Birmingham, AL, with others in the Student Nonviolent Coordinating Committee. The protests caught headlines around the world, as clashes between protesters and police turned violent. Despite police dogs and fire hoses, Dr. King persevered, leading to the decision by President Kennedy to submit broad civil rights legislation to Congress, and eventually to the Civil Rights Act of 1964.

Despite becoming Time magazine's Man of the Year in 1964, Dr. King continued to face many challenges to his nonviolent tactics. While attempting to assist a garbage workers' strike in Memphis on April 4, 1968, Dr. King was assassinated. The world changed for many on that day. Many thought that Dr. King's message of tolerance, equality, and love for our fellow men and women would die with his death. It did not. Rather, Dr. King's message and legacy continue to spread.

In the wake of the attacks on the World Trade Center and the Pentagon on September 11, many have found it difficult to adhere to Dr. King's message:

As we searched for understanding, many mistook symbols of religious tenets, such as beards and turbans, for symbols of distrust and terror. Arab Americans and Sikh Americans have been harassed, threatened, and assaulted because of the physical and religious similarities they share with the terrorists who took the lives of thousands of Americans four months ago. The passage of a resolution condemning hate crimes against Sikh Americans, which I sponsored and worked to include in the antiterrorism bill, underscores Congress's commitment to prevent any such acts of bigotry and violence.

A Human Rights Watch report revealed that over 1,100 individuals have been detained as part of the Justice Department's terrorism investigation after the September 11 attacks. Scores of detainees are still in custody today, some having been detained for over two months with no explanation to family members or friends. We need to be careful. History has taught us that in times of war, our government has sometimes acted in haste and in error. We can point to incident after incident where the Executive Branch implemented measures that in hindsight went too far and infringed on our civil liberties. Let us make sure that history does not repeat itself as the Justice Department continues its investigation of the terror attacks of September 11.

In celebrating Dr. King's birthday, we continue to learn from his words. I am proud to say our nation is a melting pot of different ethnic groups, and together we form the strongest nation in the world. In his famous "I Have a Dream" speech, Dr. King said, "Let us not wallow in the valley of despair. I say to you today, my friends, that even though we face the difficulties of today and tomorrow, I still have a dream. It is a dream deeply rooted in the American dream. I have a dream that one day this nation will rise up and live out the meaning of its creed: We hold these truths to be self-evident, that all men are created equal."

Let us not forget the truths Dr. King taught us. We must join together to celebrate his triumphs, and live out his words, that all men and women, having been created equal, will be treated with equal dignity and respect.

Mrs. CARNAHAN. Madam President, earlier this month I had the opportunity to visit our troops in Afghanistan who are on the front lines in the global war to conquer terrorism. I also spoke with new Afghani leaders, who desire a far different future for their people. While visiting with them, I was reminded of a quote from Martin Luther King Jr.'s letter from Birmingham city jail: "Injustice anywhere is a threat to justice everywhere. We are caught in an inescapable network of mutuality tied in a single garment of destiny. Whatever affects one directly affects all indirectly."

The life of Dr. King always reminds me of the power of one; the possibility that each of us has for righting wrong, no matter who we are or where we are. When Dr. King began his work, he was not a prominent political figure. He did not have great financial resources at his command. He was a simple Baptist preacher.

He was walking in the footsteps of those who had gone before him. People like Sojourner Truth who embodied the power of one. She was not famous in any way; she was a humble slave woman with a commanding presence and a heart-wrenching story.

There was Harriet Beecher Stowe, writer of "Uncle Tom's Cabin." She was not a social philosopher or a theologian; she was a housewife with seven children.

Rosa Parks was not a revolutionary; she was a woman who was tired after a day's work and wanted to sit down on a bus.

None of these people began with great wealth, fame, or political power. Yet they harnessed the inner strength to challenge traditional thinking and to change the course of our Nation, not with guns and hatred, but with nonviolence and love.

This past year we saw the heroism of average working Americans—firefighters, police officers, emergency medical personnel, postal workers and members of the armed forces. We learned again that each of us owes a debt to freedom.

Dr. King reminded us that "the arc of the universe is long, but it ends in justice." For more than 200 years, Americans like Sojourner Truth, Harriet Beecher Stowe, Rosa Parks and Dr. King himself have pushed and prodded our Nation toward greater equality. Now in this century, it is up to us to continue that long journey. We cannot be bystanders to history. We all have some Martin Luther King in us. His work is now our work, and there is much to be done.

ECONOMIC STIMULUS

Mr. KYL. Madam President, the Senate has failed to follow the House of Representatives in passing compromise, bipartisan legislation to help stimulate our economy and provide temporary assistance to displaced workers. While the Bush administration and the House compromised, some would say too much, in their effort to act responsibly and find the middle ground, opponents of this legislation were tireless in their efforts to undermine its passage. I applaud the House, the Bush administration, and the Senate Republican leadership, including Senator GRASSLEY, for their effort to provide the Senate with an opportunity to pass an economic stimulus package.

Sadly, the majority leader refused even to allow a simple vote on this legislation. Why? Was it because he knew that this compromise would pass the Senate? If the economy continues to falter, there can be no question where the blame lies.

Voting on the economic stimulus package would have provided an excellent opportunity for members to put aside their partisan objectives, and come together in the best interests of the American people. The economic data are compelling. The terrorist attacks have thrown an already struggling economy into a tailspin, and the dismal economic reports released for the months of October and November, detailing the rise in unemployment and the decline in manufacturing activity, confirmed these worst fears; that we are in the midst of a recession.

As many economists, including Federal Reserve Chairman Alan Greenspan, have correctly noted, this is an "investment" recession, meaning that the slowdown is caused by a contraction of business investment, with resultant job loss and economic dislocation. Yet the majority leader fought against proposals that would have provided incentives for investment, and innovation. He and his supporters incomprehensibly denied the unarguable truism that meaningful economic stimulus emanates from the private sector, from businesses both large and small. An objective observer would likely note that, having already passed legislation that provides for $40 billion in emergency spending for disaster relief, and $15 billion in additional spending for an emergency airline package to deal with the temporary shut-down of air travel, it made sense for Congress to balance this spending, and any further spending, with tax relief targeted towards stimulating economic activity in the private sector.

The majority leader argued instead that spending would be more beneficial. But it should already be obvious that the perils of unrestrained spending are real. Congress has already spent all of the Social Security surplus, and our Federal budget is now in a deficit position. Consequently, additional Federal spending will require the Federal Government to issue new debt in order to finance new spending. This new debt will mean that the government, in addition to maintaining post-World War II record high levels of income tax burdens of Americans, must again borrow from the American public to finance its operations. This renewed Federal borrowing may cause interest rates to rise, which in turn would slow down our economic recovery. In short, Congress must be extremely skeptical about any new spending, especially when it results in deficit spending.

The real point, however, is that we cannot spend our way out of a recession. Everyone agrees that some additional spending is needed to assist the hundreds of thousands of workers both directly, and indirectly affected in the aftermath of September 11. But should the goal be to provide these workers with unemployment checks? Or should it be to provide them with paychecks? Clearly, people would prefer to work, not collect unemployment benefits. And creating jobs starts with spurring investment so that entrepreneurs are able to form and grow businesses, which in turn, will be able to employ workers.

Nearly 2 months ago, President Bush proposed a package that promised to both provide additional spending to support those workers who lost their jobs and, at the same time, enact fundamental tax relief measures to promote investment and ensure that those same workers would be able to find work again in the near future. In the effort to avoid a partisan debate at this critical time, he included several recommendations from the Senate majority in his bipartisan proposal. It was a balanced and responsible combination of tax relief and temporary spending.

Prior to September 11, our economy was beginning to show signs of a possible turnaround. The bipartisan tax relief package passed by Congress, and signed into law by President Bush on June 7 was just starting to make its way through the economy. However, any progress on the road to recovery has all but been lost due to the terrorist attacks. In fact, the general economic situation has worsened substantially. That is why the Senate would have passed the President's proposal.

First, it would have accelerated all of the marginal income-tax rate cuts that became law this summer, but are now delayed until 2004 and 2006. The proposed plan would have them take effect on January 1, 2002, and would have applied to rates at every level of income. Considering that roughly one-third of personal tax filers are actually small businesses, I believe that it is essential that the 40 percent top marginal tax rate come down immediately to 33 percent to help unincorporated small firms retain and create more jobs. Entrepreneurs and the customers they serve are the life-blood of our economic system. More money in their hands means more money moving through the entire economy.

In an effort to encourage investment, the President's original plan also incorporated a 30 percent depreciation bonus for the purchase of any new capital assets. This would enable companies to get much-needed equipment and other resources that might not otherwise have been affordable.

Furthermore, his original plan included a full repeal of the corporate alternative minimum tax, AMT, a thoroughly regressive, tortuously complicated, and utterly unfair tax that literally imposes a heavier burden on companies when their income falls. On November 6, the Treasury Department released data showing that, in 1998, some 30,226 companies paid higher taxes due to the corporate AMT than they would otherwise have paid. Thus, during an economic downturn like the one we are currently experiencing, as companies are currently seeing their sales and profits dip, their tax burden is actually increased.

The President's original plan advocated a prospective repeal of the corporate AMT, unlike other proposals that are retroactive. Repeal would have immediately freed up monies for investment and employee retention. What's more, elimination of this administrative nightmare would dramatically lessen the tax code's current drag on the economy. It's really quite simple; repeal of the corporate AMT yields immediate short-term relief at a time when the economy needs it most.

Lastly, in a bipartisan effort, the President reached across the aisle and embraced a Democratic proposal that would provide rebates of up to $300 for workers who filed income-tax returns but did not have an income-tax liability.

Senate Republicans embraced the President's reasonable and responsible approach. We urged the majority leader to quickly act upon his plan and the first economic stimulus package that the House passed.

Personally, I strongly supported the President's plan; however, I believed it could have been strengthened by a couple of key provisions. First, I believe it is absolutely crucial that we make the provisions of the tax law signed on June 7 permanent, especially with respect to repeal of the estate tax. The importance of permanence cannot be understated. It is critical to the financial planning of families and businesses, all of whom must make important decisions based on what they expect will be the tax laws in the future. Assuring taxpayers that the tax relief they now have will still be there 10 years down the line provides a level of economic certainty in these less-than-certain times, helping to bolster consumer confidence and encourage investment.

Second, if we are to prevent thousands of bankruptcies, hundreds of thousands of lost jobs, and many other indirect consequences to the rest of the economy, we need to specifically help our struggling travel and tourism industry. Accordingly, I introduced legislation that I had hoped would be included in the economic stimulus package. My bill, entitled the Travel America Now Act of 2001, would provide a $500 tax credit per person, and $1,000 for a couple filing jointly, for personal expenses for travel originating within the United States. This includes travel by airplane, ship, train, car, and bus, hotel and motel accommodations, and rental cars, but not meals. As first drafted, the credit would have been effective from the date of enactment until December 31, 2001. The most important effect of such legislation is that it would get America moving and doing business again. Millions of small businesses would have benefited.

I believed that the President's plan could be improved by these two proposals, but I supported the President's plan because I wanted to help enact legislation to help our economy get back on track.

Unfortunately, most members of the Senate majority were less interested in compromising. In November, they crafted a partisan bill in the dead of night that was a special interest grab bag of new spending items, enhanced entitlement programs, and expanded bureaucracy. Its meager $20 billion business investment proposal, and the $14 billion consumer spending proposal would have done very little to stimulate consumer activity, and even less to stimulate investment.

The bill increased spending and reduced revenues by $67 billion in fiscal year 2002, and $53 billion through 2011. However, two items made the real cost much more expensive than the advertised price tag might have suggested. First, the majority leader insisted on amending this partisan bill with an additional $15 billion of new spending, which would have included a veritable collage of new projects, from tunnels for Amtrak, ferries for New Jersey and New York, agriculture research, to highway repairs. Second, the unemployment provisions contained in this partisan bill included some $19 billion in accelerated Reed Act payments. The result: taxpayers would have seen a significant increase in their tax burden, approximately $14 billion, over the next 10 years.

The bill was rammed through the Finance Committee on a strict, partisan vote. When it became clear that this partisan legislation could not pass on the Senate floor, the majority leader chose to stop the consideration of an economic stimulus package and move to low-priority legislation. The House had acted, as had the President, but in the Senate, the majority leader continued to block consideration of an economic stimulus package.

He brought up a big spending railroad retirement bill and then a pork-laden farm bill, both of which could have waited until next year. For several weeks, the Bush administration, the majority in the House, and the minority in the Senate negotiated with the majority leader's deputies in an effort to craft a bill he would be willing to bring to the Senate floor for a vote. These deputies erected various roadblocks to disrupt these negotiations. Then the majority leader, himself, unilaterally raised the bar to agreement by insisting on a compromise package that would be acceptable to two-thirds of the Democrats in the Senate. Despite these deliberately constructed obstructions to compromise, advocates of an economic stimulus package continued to work hard to construct a compromise that would be acceptable to a majority of the House and Senate.

The administration made significant compromises, especially related to greatly expanded health insurance benefits to the recently unemployed through an individual tax credit for health insurance. The majority leader once again raised the bar and insisted that these benefits be provided to employers for the benefit of all workers who are unemployed. Under his proposal, even those workers who chose to retire early would be entitled to this new expansive health care program. Additionally, he refused to empower these displaced workers with individual tax credits, but insisted on burdening businesses with a new government mandate.

With three days left until the holiday weekend, the administration, the House, and a majority in the Senate agreed on a bipartisan compromise on economic stimulus and aid to dislocated workers. The House then passed this legislation. Despite the fact that a majority in the Senate was committed to voting for it, the majority leader still refused to allow this compromise legislation to come to the Senate floor. So the 2001 session ended without Senate action on the most important issue facing the country.

Contained within this legislation is $60 billion of investment stimulus—just the sort of assistance that Chairman Greenspan had urged us to enact. Under the bipartisan stimulus package, the current 27 percent rate would drop to 25 percent in 2002. This provision accelerates the bipartisan decision the Senate made last summer to reduce individual tax rates. Under last summer's tax cut bill, the 27 percent rate would have fallen to 26 percent in 2004 and 25 percent in 2006. This cut benefits married couples with taxable income between $45,200 and $109,250; singles with taxable income between $27,050 and $65,550; heads of household with taxable income between $36,250 and $93,650. Acceleration of the 27 percent rate reduction would yield $17.9 billion of tax relief in 2002 for over 36 million taxpayers, or one-third of all income taxpayers.

The bipartisan stimulus package provides 30 percent bonus depreciation for three years. Property eligible for the 30 percent bonus depreciation includes property depreciated over 20 years or less, water utility property, computer software, etc. Property which takes longer than three years to construct will qualify for bonus depreciation on a pro-rata basis, if the property is placed in service before 2007. The portion eligible for bonus depreciation would be the costs incurred within the three-year bonus depreciation window. This provision would encourage accelerating long-term construction activity into the next three years.

Additional investment stimulus included in this legislation is an extension of net operating loss carrybacks for two years, corporate alternative minimum tax relief, and an increase of the small business expensing amount to $35,000. All of which would help stimulate economic activity in our country.

The House-passed bipartisan stimulus package would also provide checks to low-income Americans in order to stimulate consumer spending. The legislation also would extend popular expiring tax provisions, provide targeted incentives to help with the New York City reconstruction, and exempt the victims of terrorist attacks from federal taxes. Finally, the bill would provide nearly $20 billion of aid to dislocated workers in the form of greatly expanded unemployment payments and health benefits.

This proposal was a compromise. It is not the legislation that I would have written. But this legislation was a carefully crafted bipartisan, bicameral compromise that the President would have signed. It passed the House. It had the support of a majority of the Senate. But it died because the majority leader was unwilling to let the majority act.

So the economy will not be helped. Unemployed workers will not be helped. Small businesses will not be helped. Taxpayers will not be helped. Workers hoping to save their jobs will not be helped. All because of one man. Remember that next year.

THE AMERICAN SMALL BUSINESS EMERGENCY RELIEF AND RECOVERY ACT OF 2001

Mr. KERRY. Madam President, I rise today to speak on the behalf of thousands of small business owners across this country who are still struggling to keep their businesses open in the aftermath of the terrorist attacks. They're having a tremendously tough time paying their bills and making payroll, and they need access to affordable loans so that they have sufficient working capital as they adjust to the market or until business returns to normal.

Senator BOND and I put forth a comprehensive bill in the last session, shortly after terrorist attacks, that addressed not only disaster assistance and the worsening credit crunch that has compounded the financial problems of small businesses, but also the need for business counseling and protection in recovering lost revenue from frozen federal contracting jobs. I am talking specifically about S. 1499, the American Small Business Emergency Relief and Recovery Act of 2001.

For the sake of small business owners and their employees, I wish I could say that I was here to speak about implementation of this legislation. But I cannot. S. 1499, was blocked by the Administration and a few Republican Senators. So here I am, at the beginning of another session, a new year, and four months after the bill was introduced, talking about the Senate acting on emergency legislation as small businesses wait for us to do something to help them. I really do not know how anyone in this body could stand to go home after Congress adjourned and explain to their constituents how we could provide billions in loans and grants to airlines, but we could not provide a modicum of that assistance to small businesses.

Republicans holding the bill in the Senate tell me and the press that they blocked the bill and still have holds on the bill because the Administration has problems with it. The Administration says they have problems with the bill because they do not believe there is a credit crunch making it harder and more expensive for small businesses to get loans. They do not believe we need to provide incentives to stimulate borrowing or to encourage banks to make loans to small businesses.

How can there be no credit crunch when survey results by the Federal Reserve reveal that as many as 51 percent of banks have reduced lending to small businesses? How can there be no credit crunch when established giants like the airlines could not get loans in the post-September 11th economy?

Please tell me how the Administration's priority is an economic stimulus package, but the Administration wants us to drop the stimulus provisions in S. 1499? What better way to stimulate the economy than through business investment and job creation? What is homeland security without economic security? They want us to drop the protection for small businesses doing business with the Federal Government. And they want us to drop incentives making the Small Business Administration's loans more affordable for borrowers and lenders.

Senator BOND and I asked them to meet us halfway, and they said no. We asked them to give us alternative language, and they didn't give us any. We spent more than 20 hours negotiating on this bill and it appears as if the Administration never had any intention of finding common ground. It appears as if it was an exercise in delay.

Let me describe briefly where I disagree with the Administration about how to help small businesses battling bankruptcy and employee layoffs triggered by the terrorist attacks and economic downturn. The Administration believes that all assistance should be delivered through the SBA's disaster loans, which are administered through only four regional offices. From talking to small businesses and SBA lenders, Senator BOND and I have concluded that small businesses would be better served through a combination of disaster loans and government guaranteed loans. Government guaranteed loans are almost five times cheaper than what the Administration has proposed, have less risk for the taxpayer, and can reach more small business owners because they are delivered through more than 5,000 private sector lenders who know their communities and have experience making SBA guaranteed loans. Our proposal combines public and private sector approaches to ensure small businesses nationwide receive the maximum amount of assistance.

The economy was fizzling before September 11th, and small businesses were already feeling the pain. To stay financially healthy, they were doing their part by cutting back on spending, investing and hiring, and the Federal Reserve was cutting interest rates in an attempt to keep inflation in check. After September 11th, small business owners across this country put on black arm bands. The plug was pulled on their business. It didn't matter what state they were in; they weren't immune to the ripple effect of grounded transportation, closed financial markets, a volatile economy, and lay-offs announced by the tens of thousands. Let's start this session off right by passing S. 1499. Let's demonstrate that we understand the significance of small businesses to the American economy and that we will help them like we have helped other industries.

LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Enhancement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred November 21, 1995 in West Hollywood, CA. A male transvestite was beaten by several men yelling anti-gay epithets. The assailants, Agaron Guylbkyan, 21, Harutun Pagaryan, 18, and Vahagn Arutyunyan, 19, were charged with civil rights violations in connection with the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

DEFENSE APPROPRIATIONS BILL

Mr. KYL. Madam President. I rise today to give my qualified support to the Defense Appropriations bill. I voted for this bill because the men and women who are, at this very moment, defending our honor and protecting our freedoms from the most horrific assault ever perpetrated against this Nation need critical items funded in the bill. I qualify that support because there are numerous programs and pork projects that will not support the critical needs of our soldiers, sailors, airmen, and Marines.

Even worse, there are projects that I believe are necessary to our national defense which have been severely under-cut to meet the top line numbers while these less than mandatory projects have been added and given millions, if not billions, of dollars. I agree with my colleague from Arizona that, once again, the Appropriations Committee has run roughshod over the legislative process, circumventing the authorization process and the will of the Senate at the last minute of the last day of the session.

Obviously, we must fund our current military campaign and our other defense needs; so I will support this bill to provide necessary funding. I only hope we will be able to make more efficient and effective use of taxpayer dollars for our national security needs in the future.

ADDITIONAL STATEMENTS

TRIBUTE TO CHIP NOBLE

• Mr. DEWINE. Mr. President, today I recognize the great achievements of Sam "Chip" Noble III. Chip is a third generation harness racer, one of the most successful the sport has ever seen. A native resident of Xenia, OH, Chip Noble has raced to 3,293 victories and three North American Driving Championships.

Chip learned how to race through the tutelage of his father, getting his start at the Lebanon Raceway. In a normal year, Chip drives in about 500 to 1,000 races. The percentage crown winner in 1978, 1981, and 1983, Chip has earned over $17.6 million for the owners of the horses he drives.

This past summer, Chip Noble competed in the World Driving Championships as the representative of the United States. He was one of ten drivers world-wide who competed in this prestigious event, which is believed to be the world's oldest international harness racing tournament. Proudly displaying the colors of our country, Chip drove to four heat victories, the most individual victories amassed during the competition, and finished fourth overall.

I congratulate Chip Noble on his tremendous performance in the World Driving Championship and for his wonderful career in harness racing. He is a true ambassador of the sport, and I wish him the best of luck in the future.•

TRIBUTE TO RANDIE BLAUTH AND ADRIENNE THOMAS

• Mr. TORRICELLI. Mr. President, I rise today to recognize Ms. Randie Blauth and Ms. Adrienne Thomas for their 25 years of service to the Glen Ridge School System.

For the past 25 years, these outstanding educators have taught many grade levels and a countless number of students have benefitted from their instruction. As members of the Glen Ridge community, Ms. Blauth and Ms. Thomas have demonstrated an extraordinarily high level of commitment and selflessness to which we should all strive to achieve.

However, the impact of their service reaches far beyond the classroom. Both Ms. Blauth and Ms. Thomas have dedicated themselves to creating a supportive and productive environment for the youth of Glen Ridge. They have helped to shape the minds and encourage the spirit of these young individuals during a crucial stage of development in their lives.

Ms. Blauth's and Ms. Thomas' accomplishments, throughout their years of service, reflect only a small portion of the many contributions they have made to the people of Glen Ridge. Their efforts have touched the lives of their students as well as those throughout their community.

They are an example of the professionalism that we look for in our educators, and the type of citizens that we hope to find in our neighborhoods, which is why their dedication is to be recognized and commended.•

TRIBUTE TO COLONEL BENJAMIN L. CASSIDY, USMC

• Mr. WARNER. Mr. President, today I recognize Colonel Benjamin L. Cassidy, United States Marine Corps, on the occasion of his retirement from active duty. During his twenty-eight years with the Corps, Colonel Cassidy served our nation with distinction and aplomb.

After having graduated from Brown University in 1975, Colonel Cassidy was commissioned aboard the U.S.S. Constitution in Boston Harbor. Upon completion of The Basic School in 1975, he was transferred to Camp Lejeune, NC where he served as the Battalion Logistics Officer, Executive Officer, and Platoon Commander, 2nd Battalion, 2nd Marines, 2nd Marine Division.

In 1978, Colonel Cassidy was assigned to 3rd Reconnaissance Battalion, 3rd Marine Division in Okinawa, Japan where he served as Company Commander and Platoon Commander. He was transferred to Fort Benning, GA in 1980 where he attended the Infantry Officers Advanced Course. Upon graduation, he accepted orders to Recruiting Station, Hartford, CT and served as the Recruiting Station Executive Officer from 1981 to 1984.

From 1984 to 1987, he served with the 1st Battalion, 8th Marine Regiment, 2nd Marine Division, Camp Lejeune, NC as the Battalion Operations Officer and Company Commander. In 1987, he attended the Marine Corps Command and Staff College at Quantico, VA and was later assigned as an Instructor.

From 1989 to 1991, Colonel Cassidy served as the Marine Corps' Exchange Officer to the Brazilian Marine Corps, Rio De Janeiro, Brazil. From 1991 through 1993, he served with the Bureau of International Narcotics Matters, U.S. Department of State, Washington, D.C. During this time, he also earned a Masters in National Security Studies at Georgetown University.

He next served as Battalion Inspector-Instructor and Marine Corps Advisor, 4th Reconnaissance Battalion, 4th Marine Division, San Antonio, TX. In 1995, he served as Marine Corps Liaison and student at the Chilean Naval War College, Valparaiso, Chile.

Many of you know Ben personally, as he has served for almost 4 years as the Director of the Marine Corps' Senate Liaison Office. During Colonel Cassidy's tenure here at the United States Senate, he planned and led numerous congressional delegations on fact-finding trips around the world. He coordinated these delegations flawlessly and with meticulous attention to detail. In addition, he has overseen the resolution of hundreds of congressional inquiries that have been submitted to the Marine Corps for clarification and assistance. Colonel Cassidy has also worked to ensure that members of the Senate have a better understanding of the requirements and capabilities of the Navy/Marine Corps Team.

We in the Senate have benefitted from Colonel Cassidy's dedication, sense of duty and outstanding work ethic, and I have made certain that we continue to benefit by hiring him as my Defense and Foreign Affairs Legislative Assistant. I wish Colonel Cassidy, his wonderful wife Kathleen, and their children Alanna, Ben, and Caroline, fair winds and following seas as he begins this new chapter of his life.•

TRIBUTE TO MAJOR GENERAL JOHN D. HAVENS

• Mrs. CARNAHAN. Mr. President, I am honored today to pay tribute to the outgoing Adjutant General of the Missouri National Guard, Major General John D. Havens.

Governor Carnahan appointed him to this post on March 6, 1997. For the next 4 years, General Havens was responsible for leading 10,000 Missouri Army and Air National Guard personnel as well as the State Emergency Management Agency and Civil Air Patrol.

Under his stewardship, the State's Guard was always ready for action; ready to respond to disasters both in Missouri and elsewhere when duty called. In addition, the Missouri Guard was ready to aid in our country's national defense. General Havens has been in command of our Missouri Guard men and women as they performed missions in defense of freedom throughout the world. His troops have graced the sky or put boots on the ground of 18 States and 26 countries.

General Havens created several ground-breaking programs as well. He was instrumental in establishing Missouri's Show-Me ChalleNGe Program for our State's youth. His Guardsmen created an educational program that instilled discipline and motivation in teenagers who had dropped out of school. To this day, the valuable program continues to enhance the responsibility and self-esteem of Missouri's "at-risk" youth.

General Havens fostered a culture of success by growing an organization that emphasizes skill, talent, and dedication, and values diversity. This philosophy enabled him to improve recruitment in both rural and urban areas, as demonstrated by our impressive retention rates under General Havens' administration. Missourians are proud to be associated with our Guard. For his action, the NAACP presented the General with its prestigious 2001 Roy Wilkins Renown Service Award honoring his concern for the diversity, health, strength, comfort and accomplishments of the Guard's men and women.

Throughout his military career, General Havens earned several other awards, including the Legion of Merit, the Meritorious Service Medal, the Army Commendation Medal, the Armed Forces Reserve Medal, the Army Reserve Component Achievement Medal, and the National Defense Service Medal.

But more important than any of these awards, was the honor and respect he enjoys from the men and women who served under him. General Havens is truly a people's general, and he will be missed.

In the past, I had the opportunity to work with Guard members first hand as they helped Missourians cope with natural disasters. I saw the deep commitment and compassion General Havens had instilled in them. I will also never forget the tremendous kindness shown by General Havens and members of the Guard during my husband's funeral.

General Havens' career reflects the ideal of service represented by General George Washington when he said, "When we assumed the Soldier, we did not lay aside the Citizen." Throughout his career of service to our State and to this Nation, he truly epitomized the concept of Citizen Soldier.

General Havens has served our Nation and our State honorably. I wish him all the best in retirement. He will be remembered as a patriot, a leader, a Missourian, an American, and a friend.●

TRIBUTE TO THE CITY OF AKRON

● Mr. DEWINE. Mr. President, today I pay tribute to the citizens of Akron, OH, for their selfless actions following the September 11 terrorist attacks. Specifically, the Akron Beacon Journal, the City's largest daily newspaper, launched a campaign to collect donations to purchase a fire truck for New York City.

As we all know too well, on September 11, terrorists attacked our great Nation in a way many of us thought unimaginable. While these acts were, indeed, horrific, instead of leaving us frozen and helpless, so many Americans have banded together and acted in ways that exemplify why this country of ours is so great. The citizens of Akron are a perfect example of this.

After deliberating about what could be done to help the people of New York City, the executives of the Akron Beacon Journal came up with an answer: a fund to purchase a new fire truck for the city of New York.

On September 16, the Akron Beacon Journal opened the fund with a donation of $25,000 and then asked the citizens of Akron to donate, as well. The people of Akron answered this call, and responded in a resounding way. Immediately, money began pouring in for the fund.

A month later, over $1.3 million had been raised with donations from almost 50,000 individuals and companies and organizations. With this money, the City of Akron was able to purchase a 95-foot ladder fire truck, as well as two EMS vehicles and three police cars.

I am proud of the people of Akron. And, I thank them for their extraordinary gift. This donated equipment has done more than just help New York City rebuild some of what was lost. it has reminded us all of the amazing things we can accomplish when we pull together. Their gift was one from the heart and I thank each and every one who helped make this possible.●

HONORING DR. MOISES SIMPSER

● Mr. GRAHAM. Mr. President, today I pay tribute to a fine humanitarian and Floridian, Dr. Moises Simpser. Throughout his career as a pediatric pulmonologist, Dr. Simpser has worked for the well-being of all sick children; particularly those that are technology dependent and otherwise referred to as "fragile children." Dr. Simpser's goal has been an admirable one—to achieve the best medical care for all children of all economic strata and backgrounds.

Since his arrival in Florida in 1984, Dr. Simpser has been an unyielding advocate for the young patient. As Dr. Simpser's patients are technology dependent, they were only cared for in Intensive Care Units of hospitals, where they became virtual prisoners in the unit. He fought diligently for the State of Florida to cover the cost of homecare for a ventilator dependent child. Through this program, even the youngest of children on ventilators were sent home for care in their familiar and familial environments. However, even at home, the children increasingly became isolated within their own four walls. To help free these children, Dr. Simpser developed and founded the first Ventilator Assisted Children's Center Camp or VACC Camp.

VACC Camp is a place where both families and technology dependent children can be in an environment that allows these fragile children to do everyday activities that were once unavailable to them. These include activities such as swimming, boating, sailing, visiting malls, and many others. These children, always ventilator dependent and usually wheelchair bound and afflicted with additional diseases, are able to enjoy the wonders of Florida's nature and outdoors at no cost to their families.

VACC Camp has allowed both abled and disabled children to come together for a life broadening experience by providing an incentive for abled children to participate. Dr. Simpser has worked with Florida's Miami-Dade County school system to create a 100 percent volunteer staff, with the school board furnishing high school students with service credits for their volunteer efforts. This remarkable camp, now in its 16th year, earned Dr. Simpser the prestigious 1998 Governors Community Service Award from the College of Chest Physicians.

In addition to his development of VACC Camp, Dr. Simpser has established a pediatric asthma center for underprivileged children. He received a combined grant which allowed him to demonstrate that providing quality medical care to this population can reduce emergency room visits and hospitalizations in these children by 70 percent.

He has also established a Cystic Fibrosis Center in South Florida, the first such center to be associated with the National Cystic Fibrosis Foundation. The Cystic Fibrosis Foundation honored him as the recipient of the first Lucent Technologies Humanitarian of the Year Award.

Dr. Simpser's altruism and dedication to quality health care for children regardless of race, gender, and economic status are a positive statement for doctors across America. Dr. Simpser has been honored and should be admired for the good he does every day, for his persistence in always improving the delivery of quality healthcare, and for his vision to meet the needs of severely debilitated children. I am indeed proud to acknowledge the work of Dr. Moises Simpser.●

TRIBUTE TO LOU "THE TOE" GROZA AND ERIC TURNER

• Mr. DEWINE. Mr. President, today I honor two titans of the gridiron—Lou "The Toe" Groza and Eric Turner. These men both played football for the Cleveland Browns. And, sadly, both have passed away, leaving enormous voids not only in the lives of their families and friends, but also in the hearts of the millions of fans who admired them.

I'd like to spend a few minutes telling my colleagues about these two men. Both on and off the field, Lou Groza was a model sportsman and citizen. In the 1940s, Lou Groza had no time for football because he was serving his country as a medic in Okinawa. Upon his return from the war, Groza joined Paul Brown's Cleveland team and capped the 1950 season with a NFL championship field goal against the Los Angeles Rams. That championship was the first of 12 in which Groza would compete. Throughout his 21-year career, the longest serving Brown player, Groza was selected for the Pro-Bowl nine different times.

During his football career, he totaled an incredible 1,608 points, appeared in 13 pro-football championship games, was a six-time All-NFL offensive tackle, and was the last member of the Browns inaugural team to retire. Groza's outstanding service to the Browns, and to football, was rewarded in 1974 with his induction into the Hall of Fame.

Lou Groza, who dearly loved his hometown of Berea, OH, and the Browns, was a man who really seemed larger than life. He was nothing sort of a sports legend. When Lou retired in 1967, it marked not only the end of his football career, but the end of a glorious era in Browns' history.

Lou Groza's football achievements speak for themselves, but it was what Groza did off the field that fellow Clevelanders remember him for most. After retiring from the Browns, Groza became a partner in a successful insurance company. He was constantly giving back to the Cleveland community through charitable organizations, such as the "Taste of the NFL," which has raised millions for the hungry. Groza always had the time to sign an autograph and often was overheard saying: "I'm no better than the fans who rooted for me all those years."

In speaking of a man who cared so much of his community and his team, we should not forget another Brown star recently passed away. That man is Eric Turner. He was a safety, who was drafted second overall, the first defensive player to be picked that high since 1956. Although he only played a few years in Cleveland before the team was moved to Baltimore, Eric made it known that his heart would never leave the Browns of their wonderful fans. Eric was an active participant in the United Way, a devoted father, and a mentor to his teammates. His warm personality and generosity are truly missed.

Lou Groza and Eric Turner had a love for football and for those around them. They gave to their team, to their families, and to their communities. I think it is only fitting that we give a little back to them by honoring them today and by keeping them and their families in our prayers.

I feel honored today to stand before this body and pay my respects to these two fine men. They both displayed courage on the playing field, as well as in their own personal battles. Each man fought their failing health. Each man fought the good fight.

Tennis great, Arthur Ashe, whose own life ended all too soon, once said something that I think helps describe the kind of people, the kinds of heroes, that Lou Groza and Eric Turner were when they were alive and how they will be remembered in their deaths. Ashe said:

> True heroism is remarkably sober, very undramatic. It is not the urge to surpass all others at whatever cost, but the urge to serve others at whatever cost.

Today, we honor them as for their virtue and their strength of character. We honor them as true victors.•

TRIBUTE TO NICHOLAS E. FINZER

• Mrs. LINCOLN. Mr. President, today I pay tribute to Mr. Nicholas Finzer, an Arkansas native who this month will end a long career in public service as an employee of the U.S. Forest Service.

A 1963 graduate of the University of Arkansas, Nick joined the Forest Service in Montana before leaving to serve his country in Vietnam. Nick later returned to the Forest Service, working in forest and timber management and as a forest ranger in Idaho, Montana, Arkansas, North Carolina, and Texas, before returning to Arkansas for good in 1984.

That is when Nick began his tenure as Lands and Minerals Staff Officer on the Ouachita National Forest. One of his top priorities in this position was acquiring new lands in order to accomodate the public's interest to expand the forest. In nearly two decades service in the Ouachita National Forest, Nick always took a pro-active approach to acquiring new lands for the Forest Service, either through exchanges or purchases.

In 1996, Nick oversaw the exchange of over 180,000 acres from Weyerhauser Company for nearly 48,000 acres of government property. This transaction took in land over two States, Arkansas and Oklahoma, and required Congressional legislation to complete. At the time, it was the largest land exchange in the history of the Forest Service. Nick's colleagues attribute the success of this massive exchange to his wisdom, expertise, and perseverance.

Nick also spearheaded efforts to develop new programs in the Forest Service. He recognized the potential of the Ouachita Mountains as a part of the Forest Service's geological program. Some people may not realize it, but the Ouachita Mountains are home to a series of world-class quartz crystal deposits, many of which are located in the Ouachita National Forest. These deposits have attracted both commercial activity, mineral collectors, and tourists, and Nick should be saluted for recognizing the possibilities of these minerals. Years ago, he sat down with my predecessor, Senator Dale Bumpers, and convinced him of the significance of mineral resources in our Nation's forests, particularly the importance of managing these resources. With Nick's help, Senator Bumpers focused on a number of important land and mineral issues that were important to the Ouachita National Forest, to the benefit of all Arkansans.

Nick Finzer's farsighted approach to forest management has brought great benefits to Arkansas and to the United States. His efforts have helped to preserve and improve the Ouachita National Forest for us and our children. For that and many other accomplishments, we owe Nick a tremendous debt of gratitude, and I am honored to pay tribute to him.•

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a withdrawal and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO THE RISK OF NUCLEAR PROLIFERATION CREATED BY THE ACCUMULATION OF WEAPONS—USABLE FISSILE MATERIAL IN THE TERRITORY OF THE RUSSIAN FEDERATION—MESSAGE FROM THE PRESIDENT—PM 63

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to the risk of nuclear proliferation created by the accumulation of weapons-usable fissile material in the territory of the Russian Federation that was declared in Executive Order 13159 of June 21, 2000.

GEORGE W. BUSH.
THE WHITE HOUSE, *January 23, 2002*.

MESSAGES FROM THE HOUSE

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of January 3, 2001, the Secretary of the Senate, on December 21, 2001, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills and joint resolutions:

H.R. 1. An act to close the achievement gap with accountability, flexibility, and choice, so that no child is left behind.

H.R. 2873. An act to extend and amend the program entitled Promoting Safe and Stable Families under title IV–B, subpart 2 of the Social Security Act, and to provide new authority to support programs for mentoring children of incarcerated parents; to amend the Foster Care Independent Living program under title IV–E of that Act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes.

H.J. Res. 79. A joint resolution making further continuing appropriations for the fiscal year 2002, and for other purposes.

H.J. Res. 80. A joint resolution appointing the day for the convening of the second session of the One Hundred Seventh Congress.

Under the authority of the order of the Senate of January 3, 2001, the enrolled bills and joint resolutions were signed by the President pro tempore (Mr. BYRD) on December 21, 2001.

ENROLLED BILLS SIGNED

Under the authority of the order of the Senate of January 3, 2001, the Secretary of the Senate, on January 3, 2002, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills:

H.R. 1088. An act to amend the Securities Exchange Act of 1934 to reduce fees collected by the Securities and Exchange Commission, and for other purposes.

H.R. 2277. An act to provide for work authorization for nonimmigrant spouses of treaty traders and treaty investors.

H.R. 2278. An act to provide for work authorization for nonimmigrant spouses of intracompany transferees, and to reduce the period of time during which certain intracompany transferees have to be continuously employed before applying for admission to the United States.

H.R. 2336. An act to extend for 4 years, through December 31, 2005, the authority to redact financial disclosure statements of judicial employees and judicial officers.

H.R. 2506. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 2751. An act to authorize the President to award a gold medal on behalf of the Congress to General Henry H. Shelton and to provide for the production of bronze duplicates of such medal for sale to the public.

H.R. 2869. An act to provide certain relief for small businesses from liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and to amend such Act to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

H.R. 2884. An act to amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States, and for other purposes.

H.R. 3030. An act to extend the basic pilot program for employment eligibility verification, and for other purposes.

H.R. 3061. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 3248. An act to designate the facility of the United States Postal Service located at 65 North Main Street in Cranbury, New Jersey, as the "Todd Beamer Post Office Building."

H.R. 3334. An act to designate the Richard J. Guadagno Headquarters and Visitors Center at Humboldt Bay National Wildlife Refuge, California.

H.R. 3338. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 3346. An act to amend the Internal Revenue Code of 1986 to simplify the reporting requirements relating to higher education tuition and related expenses.

H.R. 3348. An act to designate the National Foreign Affairs Training Center as the George P. Shultz National Foreign Affairs Training Center.

H.R. 3392. An act to name the national cemetery in Saratoga, New York, as the Gerald B.H. Solomon Saratoga National Cemetery, and for other purposes.

H.R. 3447. An act to amend title 38, United States Code, to enhance the authority of the Secretary of Veterans Affairs to recruit and retain qualified nurses for the Veterans Health Administration, to provide an additional basis for establishing the inability of veterans to defray expenses of necessary medical care, to enhance certain health care programs of the Department of Veterans Affairs, and for other purposes.

S. 1202. An act to amend the Ethics in Government Act of 1978 (5 U.S.C. App.) to extend the authorization of appropriations for the Office of Government Ethics through fiscal year 2006.

S. 1714. An act to provide for the installation of a plaque to honor Dr. James Harvey Early in the Williamsburg, Kentucky Post Office Building.

S. 1741. An act to amend title XIX of the Social Security Act to clarify that Indian women with breast or cervical cancer who are eligible for health services provided under a medical care program of the Indian Health Service or of a tribal organization are included in the optional medicaid eligibility category of breast or cervical cancer patients added by the Breast and Cervical Prevention and Treatment Act of 2000.

S. 1789. An act to amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children.

S. 1793. An act to provide the Secretary of Education with specific waiver authority to respond to conditions in the national emergency declared by the President on September 14, 2001.

Under the authority of the order of the Senate of January 3, 2001, the enrolled bills were signed by the President pro tempore (Mr. BYRD) on January 3, 2002.

At 2:49 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following resolution:

H. Res. 332. A resolution informing the Senate that a quorum of the House is present and that the House is ready to proceed with business.

The message also announced that the House has passed the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 299. Concurrent resolution providing for a joint session of Congress to receive a message from the President on the state of the Union.

The message further announced that the House has agreed to the amendment of the Senate to the amendment of the House to the amendments of the Senate to the bill (H.R. 2884) to amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States on September 11, 2001.

The message also announced that the House has agreed to the amendments of the Senate to the bill (H.R. 2336) to make permanent the authority to redact financial disclosure statements of judicial employees and judicial officers.

The message further announced that the House has agreed to the amendment of the Senate to the bill (H.R. 700) to reauthorize the Asian Elephant Conservation Act of 1997.

MEASURES PLACED ON THE CALENDAR

The following bills were read the second time, and placed on the calendar:

H.R. 400. An act to authorize the Secretary of the Interior to establish the Ronald Reagan Boyhood Home National Historic Site, and for other purposes.

H.R. 1432. An act to designate the facility of the United States Postal Service located at 3698 Inner Perimeter Road in Valdosta, Georgia, as the "Major Lyn McIntosh Post Office Building."

H.R. 2362. An act to establish the Benjamin Franklin Tercentenary Commission.

H.R. 2742. An act to authorize the construction of a Native American Cultural Center and Museum in Oklahoma City, Oklahoma.

H.R. 3343. An act to amend title X of the Energy Policy Act of 1992, and for other purposes.

H.R. 3441. An act to amend title 49, United States Code, to realign the policy responsibility in the Department of Transportation, and for other purposes.

H.R. 3487. An act to amend the Public Health Service Act with respect to health professions programs regarding the field of nursing.

H.R. 3504. An act to amend the Public Health Service Act with respect to qualified organ procurement organizations.

H.R. 3529. An act to provide tax incentives for economic recovery and assistance to displaced workers.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on January 3, 2002, she had presented to the President of the United States the following enrolled bills:

S. 1202. An act to amend the Ethics in Government Act of 1978 (5 U.S.C. App.) to extend the authorization of appropriations for the Office of Government Ethics through fiscal year 2006.

S. 1714. An act to provide for the installation of a plaque to honor Dr. James Harvey Early in the Williamsburg, Kentucky Post Office Building.

S. 1741. An act to amend title XIX of the Social Security Act to clarify that Indian women with breast or cervical cancer who are eligible for health service provided under a medical care program of the Indian Health Service or of a tribal organization are included in the optional medicaid eligibility category of breast or cervical cancer patients added by the Breast and Cervical Prevention and Treatment Act of 2000.

S. 1789. An act to amend the Federal Food, Drug and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children.

S. 1793. An act to provide the Secretary of Education with specific waiver authority to respond to conditions in the national emergency declared by the President on September 14, 2001.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–4986. A communication from the Director of the Policy Directives and Instructions Branch, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Adjustment of Certain Fees of the Immigration Examinations Fee Account" (RIN1115–AF61) received on December 20, 2001; to the Committee on the Judiciary.

EC–4987. A communication from the Chief of the Regulations Branch, United States Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Passenger and Crew Manifests Required for Passenger Flights in Foreign Air Transportation to the United States" (RIN1515–AC99) received on January 4, 2002; to the Committee on Finance.

EC–4988. A communication from the Assistant Attorney General, Civil Division, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "September 11th Victim Compensation Fund of 2001" (RIN1105–AA79) received on January 4, 2002; to the Committee on the Judiciary.

EC–4989. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC–4990. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on proposed obligations for weapons destruction and non-proliferation in the former Soviet Union; to the Committee on Armed Services.

EC–4991. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, a report on the delay of the annual report on the current and future military power of the People's Republic of China; to the Committee on Armed Services.

EC–4992. A communication from the Secretary of the Air Force, transmitting, pursuant to law, a report relative to a Program Acquisition Unit Cost breach; to the Committee on Armed Services.

EC–4993. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a report concerning a cost comparison to reduce the cost of Personnel Services function; to the Committee on Armed Services.

EC–4994. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a report concerning a cost comparison to reduce the cost of the Communication function; to the Committee on Armed Services.

EC–4995. A communication from the General Counsel, Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the report of a vacancy and a nomination for the position of Deputy Director, Office of Management and Budget, received on January 4, 2002; to the Committee on Governmental Affairs.

EC–4996. A communication from the Deputy Archivist of the United States, National Archives and Records Administration, transmitting, pursuant to law, the report of a rule entitled "Privacy Act" (RIN3095–AA99) received on January 4, 2002; to the Committee on Governmental Affairs.

EC–4997. A communication from the General Counsel of the General Accounting Office, transmitting, pursuant to law, a report relative to a bid of protest in 2000; to the Committee on Governmental Affairs.

EC–4998. A communication from the Assistant Secretary for Administration, Department of Transportation, transmitting, pursuant to law, a report of the inventories of commercial positions in the Department of Transportation; to the Committee on Governmental Affairs.

EC–4999. A communication from the Director of the Office of Regulations Management, Veterans Benefits Administration, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled "Filipino Veterans' Benefits Improvements" (RIN2900–AK65) received on January 9, 2001; to the Committee on Veterans' Affairs.

EC–5000. A communication from the Director of the Office of Regulations Management, Veterans Health Administration, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled "Per Diem for Adult Day Health Care of Veterans in State Homes" (RIN2900–AJ74) received on January 9, 2002; to the Committee on Veterans' Affairs.

EC–5001. A communication from the Acting General Counsel, Federal Energy Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled "Electronic Filing of FERC Form 423" (RM00–1–000) received on January 4, 2002; to the Committee on Energy and Natural Resources.

EC–5002. A communication from the Assistant General Counsel for Regulatory Law, Office of Energy Efficiency and Renewable Energy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Energy Conservation Program for Consumer Products: Test Procedures for Dishwashers" (RIN1904–AB04) received on January 11, 2002; to the Committee on Energy and Natural Resources.

EC–5003. A communication from the Assistant General Counsel for Regulatory Law, Office of Inspector General, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Cooperation with the Office of Inspector General" (DOE 221.2) received on January 11, 2002; to the Committee on Energy and Natural Resources.

EC–5004. A communication from the Assistant General Counsel for Regulatory Law, Office of Environmental Management, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Transition Implementation Guide" (DOE G 430.1–5) received on January 11, 2002; to the Committee on Energy and Natural Resources.

EC–5005. A communication from the Assistant General Counsel for Regulatory Law, Office of Departmental Representative, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Interface with the Defense Nuclear Facilities Safety Board" (DOE M 140.1–1B) received on January 11, 2002; to the Committee on Energy and Natural Resources.

EC–5006. A communication from the Assistant General Counsel for Regulatory Law, Office of Inspector General, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Reporting Fraud, Waste and Abuse to the Office of Inspector General" (DOE O 221.1) received on January 11, 2001; to the Committee on Energy and Natural Resources.

EC–5007. A communication from the President of the United States, transmitting, pursuant to law, a Periodic Report on the National Emergency with Respect to the Taliban in Afghanistan; to the Committee on Banking, Housing, and Urban Affairs.

EC–5008. A communication from the President of the United States, transmitting, pursuant to law, a Periodic Report on the National Emergency with Respect to the Western Balkans; to the Committee on Banking, Housing, and Urban Affairs.

EC–5009. A communication from the President of the United States, transmitting, a report relative to the continuation of the Libya Emergency beyond January 7, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–5010. A communication from the President of the United States, transmitting, pursuant to law, a Periodic Report on the National Emergency with Respect to Libya; to the Committee on Banking, Housing, and Urban Affairs.

EC–5011. A communication from the Director of the Financial Crimes Enforcement Network, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Amendment to the Bank Secrecy Act Regulations—Requirement the Nonfinancial Trades or Businesses Report Certain Currency Transactions" (RIN1506–AA25) received on January 4, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–5012. A communication from the Assistant to the Federal Reserve Board, transmitting, pursuant to law, the report of a rule entitled "Home Mortgage Disclosure (Regulation C); Annual Adjustment to Asset-Size Exemption Threshold for Depository Institutions" received on January 4, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–5013. A communication from the Deputy Secretary of the Division of Market Regulation, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Commission Guidance on the Scope of Section 28(e) of the Exchange Act" (15 U.S.C. 78bb(e)) received on January 4, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–5014. A communication from the Deputy Secretary of the Division of Corporation Finance, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Disclosure of Equity Compensation Plan Information" (RIN3235–AI01) received on January 4, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–5015. A communication from the Vice Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to transactions involving U.S. exports to Thailand; to the Committee on Banking, Housing, and Urban Affairs.

EC–5016. A communication from the Trial Attorney of the Federal Railroad Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Annual Adjustment of Monetary Threshold for Reporting Rail Equipment Accidents/Incidents" (RIN2130–AB30) received on January 4, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5017. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report entitled "TREAD Follow-Up Report"; to the Committee on Commerce, Science, and Transportation.

EC–5018. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: SOCATA Groupe Aerospatiale Models TB 9, 10, 20, 21, and 200 Airplanes" ((RIN2120–AA64)(2002–0001)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5019. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 Series Airplanes" ((RIN2120–AA64)(2002–0002)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5020. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: SAAB Model SF340A and 340B Series Airplanes" ((RIN2120–AA64)(22202–0003)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5021. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing 747 Series Airplanes" ((RIN2120–AA64)(2002–0004)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5022. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737–600, –700, and –800 Series Airplanes" ((RIN2120–AA64)(2001–0590)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5023. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737 Airplanes" ((RIN2120–AA64)(2001–0591)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5024. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model MD 90–30 Series Airplanes" ((RIN2120–AA64)(2001–0592)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5025. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: GARMIN International GNS 430 Units" ((RIN2120–AA64)(2001–0593)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5026. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Rolls Royce Corporation 250–C20 Series Turboshaft and 250–B17 Series Turboprop Engines" ((RIN2120–AA64)(2001–0594)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5027. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Agusta SpA Model A119 Helicopters" ((RIN2120–AA64)(2001–0595)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5028. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Cirrus Design Corp Models SR20 and SR22 Airplanes" ((RIN2120–AA64)(2001–0596)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5029. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bell Helicopter Textron, Inc. Model 206A, B, A–1, B–1, L, and L–1 Helicopters" ((RIN2120–AA64)(2001–0597)) received on January 9 , 2002; to the Committee on Commerce, Science, and Transportation.

EC–5030. A communication from the Program Analyst of the Federal Aviation Administration, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model CL–600–2B19 Series Airplanes; Correction" ((RIN2120–AA64)(2001–0598)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5031. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Rolls Royce 250–C20 Turboshaft and 250 B17 Turboprop Engines; Correction" ((RIN2120–AA64)(2001–0599)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5032. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Rolls Royce, plc Models Tay 650–15 and 651–54 Turbofan Engines" ((RIN2120–AA64)(2001–0601)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5033. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Hartzell Propeller Inc. ()HC–()2Y()–() Propellers" ((RIN2120–AA64)(2001–0602)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5034. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Rolls Royce RB211 Turbofan Engines" ((RIN2120–AA64)(2001–0603)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5035. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: SOCATA Groupe Aerospatiale Model TBM 700 Airplanes" ((RIN2120–AA64)(2001–0604)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5036. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Pilatus Aircraft Ltd. Models PC12 and PC45" ((RIN2120–AA64)(2001–0605)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5037. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Cessna Aircraft Company Model 172N, P, R172k, RG, F172N, P, J, and K Airplanes" ((RIN2120–AA64)(2001–0606)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5038. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Fokker Model F28 Mark 0100 Series Airplanes" ((RIN2120–AA64)(2001–0607)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5039. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 8–33, –43, –51, –52, –53, and –55 Series Airplanes; Model DC

8F 54 and 55 Series Airplanes; and Model DC 8-61, -61F, -63, -63F, -71, -71F, -72, -72F, -73, and -73F Series Airplanes" ((RIN2120-AA64)(2001-0608)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5040. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Raytheon Aircraft Company Beech Models 1900, 1900C (C-12J), and 1900D Airplanes" ((RIN 2120-AA64) (2001-0609)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5041. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Models DC-9, 81, 82, 83, and 87 Series Airplanes; Model MD 88 Airplanes and Model MD-90 30 Series Airplanes" ((RIN 2120-AA64) (2001-0610)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5042. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737-600, 700, and 800 Series Airplanes" ((RIN 2120-AA64) (2001-0611)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5043. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Honeywell International Inc. TFE 731-1, -2, -3, and -4 Turbofan Engines" ((RIN 2120-AA64) (2001-0612)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5044. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Modification of Restricted Area R 6312 Cotulla, TX" ((RIN 2120-AA64) (2001-0176)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5045. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Springhill, IA" ((RIN 2120-AA64) (2001-0177)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5046. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "IFR Altitudes; Miscellaneous Amendments (19)" ((RIN 2120-AA63) (2001-0007)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5047. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace; Ankeny, IA" ((RIN 2120-AA66) (2002-0001)) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5048. A communication from the Attorney, Research and Special Programs Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Pipeline Safety: Controlling Corrosion on Hazardous Liquid and Carbon Dioxide Pipelines" (RIN 2137-AD24) received on January 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5049. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Imazamox; Pesticide Tolerance" (FRL 6817-9) received on January 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5050. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Pymetrozine; Pesticide Tolerance" (FRL 6804-1) received on January 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5051. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Halosulfuron-methyl; Pesticide Tolerances for Emergency Exemptions" (FRL 6816-1) received on January 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5052. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Halosulfuron-methyl; Pesticide Tolerance" received on January 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5053. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Pesticide Chemicals Not Requiring a Tolerance or and Exemption from a Tolerance; Rhodamine B; Revocation of Unlimited Tolerance Exemption" (FRL 6813-6) received on January 4, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5054. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, the report of a rule entitled "Indian Meal Moth Granulosis Virus; Exemption from the Requirement of a Tolerance" (FRL 6812-5); to the Committee on Agriculture, Nutrition, and Forestry.

EC-5055. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Clethodim; Pesticide Tolerances for Emergency Exemptions" (FRL 6817-1) received on January 4 , 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5056. A communication from the Board of Governors of the Federal Reserve System, Department of the Treasury, Commodity Futures Trading Commission, Securities and Exchange Commission, transmitting jointly, pursuant to law, the Joint Report on Retail Swaps for 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5057. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Ethalfluralin; Pesticide Tolerance" (FRL 6818-6) received on January 9, 2001; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5058. A communication from the Chairman and Chief Executive Officer, Farms Credit Administration, transmitting, pursuant to law, the report of a rule entitled "Loan Policies and Operations; Definitions; Loan Purchases and Sales" (RIN 3052-AB93) received on January 9, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5059. A communication from the President of the United States, transmitting, pursuant to law, a report relative to the antinarcotics campaign in Columbia; to the Committee on Appropriations.

EC-5060. A communication from the Secretary of Defense, transmitting, pursuant to law, a report relative to the nuclear posture of the United States, and a report on sustainment and modernization of U.S. strategic nuclear forces; to the Committee on Armed Services.

EC-5061. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report relative to a cost estimate for pay-as-you-go calculations on the Air Transportation Safety and System Stabilization Act; to the Committee on the Budget.

EC-5062. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a list of appropriation reports; to the Committee on the Budget.

EC-5063. A communication from the Railroad Retirement Board, transmitting, pursuant to law, a report relative to the Program Fraud Civil Remedies Act for Fiscal Year 2001; to the Committee on Governmental Affairs.

EC-5064. A communication from the President of the United States, transmitting, pursuant to provision in PL 94-256, 16 USC 1823, a report relative to extending the Agreement of November 12, 1992 between the United States of America and the Government of the Republic of Lithuania to December 31, 2004; referred jointly, pursuant to the order of January 30, 1975 as modified by the order of April 11, 1986; to the Committees on Commerce, Science, and Transportation; and Foreign Relations.

EC-5065. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Fenbuconazole; Pesticide Tolerance" (FRL 6816-4) received on January 16, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5066. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Imidacloprid; Reestablishment of Tolerance for Emergency Exemptions" (FRL 6817-6) received on January 16, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5067. A communication from the President of the United States, transmitting, pursuant to law, a report relative to the continuation of the national emergency with respect to Sierra Leone and Liberia to extend beyond January 18, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-5068. A communication from the President of the United States, transmitting, pursuant to law, the periodic report on the national emergency with respect to Sierra Leone and Liberia; to the Committee on Banking, Housing, and Urban Affairs.

EC-5069. A communication from the Director of the Congressional Budget Office, transmitting, pursuant to law, a report on Unauthorized Appropriations and Expiring

Authorizations; to the Committee on Appropriations.

EC–5070. A communication from the Assistant General Counsel for Regulatory Law, Office of the Chief Information Officer, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Guide to Preventing Computer Software Piracy" (DOE G 205.2–1) received on January 16, 2002; to the Committee on Energy and Natural Resources.

EC–5071. A communication from the Assistant General Counsel for Regulatory Law, Office of Procurement and Assistance Policy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Implementation of Fiscal Year 2002 Legislative Provisions" (AL 2002–02) received on January 16, 2002; to the Committee on Energy and Natural Resources.

EC–5072. A communication from the Assistant General Counsel for Regulatory Law, Office of Procurement and Assistance Policy, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Implementation of Fiscal Year 2002 Legislative Provisions" (FAL 2002–02) received on January 16, 2002; to the Committee on Energy and Natural Resources.

EC–5073. A communication from the Assistant General Counsel for Regulatory Law, Office of the Chief Financial Officer, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Accounting" (DOE O 534.1A) received on January 16, 2002; to the Committee on Energy and Natural Resources.

EC–5074. A communication from the Assistant General Counsel for Regulatory Law, Office of Management Systems, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Use of Facility Contractor Employees for Services to DOE in the Washington, D.C., Area" (DOE O 350.2) received on January 16, 2002; to the Committee on Energy and Natural Resources.

EC–5075. A communication from the Assistant General Counsel for Regulatory Law, Office of the Secretary, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Radioactive Waste Management Manual" (DOE M 435.1–1 Chg. 1) received on January 16, 2002; to the Committee on Energy and Natural Resources.

EC–5076. A communication from the Deputy Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC–5077. A communication from the Deputy Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC–5078. A communication from the Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC–5079. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the Annual Report for the National Security Education Program for 2000; to the Committee on Armed Services.

EC–5080. A communication from the Program Manager of the Pentagon Renovation Program, Office of the Secretary of Defense, transmitting, pursuant to law, a report relative to the Renovation of the Pentagon; to the Committee on Armed Services.

EC–5081. A communication from the Assistant General Counsel for Regulatory Law, Albuquerque Operations Office, Department of Energy, transmitting, pursuant to law, the report of a rule entitled "Control of Nuclear Explosives During Pantex Plant Operations" (AL SD 452.4) received on January 16, 2002; to the Committee on Armed Services.

EC–5082. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Implementation of the National Invasive Species Act of 1996" ((RIN2115–AF55)(2002–0001)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5083. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Liquid Natural Gas Carrier Transits and Anchorage Operations, Boston, Marine Inspection Zone and Captain of the Port Zone" ((RIN2115–AA97)(2001–0002)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5084. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations: High Interest Vessels Transits, Narragansett Bay, Providence River, and Taunton River, Rhode Island" ((RIN2115–AA97)(2002–0003)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5085. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations: Cingular Wireless Winterfest Boat Parade, Broward County, Fort Lauderdale, Florida" ((RIN2115–AE46)(2002–0002)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5086. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations: Maine Yankee Nuclear Power Plant, Wiscasset, Maine" ((RIN2115–AA97)(2002–0006)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5087. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Tampa Bay, Florida" ((RIN2115–AA97)(2002–0005)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5088. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Gulf Intracoastal Waterway Port Isabel, Texas" ((RIN2115–AA97)(2002–0004)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5089. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Mississippi River, Iowa and Illinois" ((RIN2115–AE47)(2002–0004)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5090. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Back River, ME" ((RIN2115–AE47)(2002–0003)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5091. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Hackensack River, NJ" ((RIN2115–AE47)(2002–0002)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5092. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Mianus River, CT" ((RIN2115–AE47)(2002–0001)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5093. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regulated Navigation Area; Chesapeake Bay Entrance and Hampton Roads, VA and Adjacent Water" ((RIN2115–AE84)(2002–0001)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5094. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Lake Pontchartrain, LA" ((RIN2115–AE47)(2002–0005)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5095. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Pollution Prevention for Oceangoing Ships and Certain Vessels in Domestic Service" ((RIN2115–AF56)(2002–0001)) received on January 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5096. A communication from the Senior Legal Advisor to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; (Kailua-Kona, Hawaii)" (MM Doc. No. 00–174) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5097. A communication from the Senior Legal Advisor to the Chief of the Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; (St. Augustine and Neptune Beach, Florida)" (MM Doc. No. 01–101) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5098. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations; Destin, FL" (MM Doc. No. 01–171, RM–10158) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5099. A communication from the Senior Legal Advisor to the Bureau Chief, Mass

Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Ancillary or Supplementary Use of Digital Television Capacity by Noncommercial Licenses" (MM Doc. No. 98-203) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5100. A communication from the Senior Legal Advisor, Wireless Telecommunications, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Revision of Part 22 and Part 90 of the Commission's Rules to Facilitate Future Development of Paging Systems, and Implementation of Section 309(j) of the Communications Act—Competitive Bidding" (WT Doc. No. 96-18) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5101. A communication from the Attorney, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "2000 Biennial Regulatory Review—Comprehensive Review of the Accounting Requirements and ARMIS Reporting Requirements for Incumbent Local Exchange Carriers: Phase 2; Amendments to the Uniform System of Accounts for Interconnection; Jurisdictional Separations Reform and Referral to the Federal-State Joint Board; Local Competition and Broadband Reporting" (FCC 01-305) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5102. A communication from the Deputy Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "In the Matter of Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers; Federal-State Joint Board on Universal Service; Access Charge Reform for Incumbent Local Exchange Carriers Subject to Rate-of-Return Regulation; Prescribing the Authorized Rate of Return for Interstate Services of Local Exchange Carriers" (FCC 01-304) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5103. A communication from the Acting Chief, Policy and Rules Division, Office of Engineering and Technology, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Part 2 of the Commission's Rules to Allocate Spectrum Below 3 GHz for Mobile and Fixed Services to Support the Introduction of New Advanced Wireless Services, Including Third Generation Wireless Service" (FCC 01-256) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5104. A communication from the Acting Chief of the Policy and Rules Division, Office of Engineering and Technology, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Authorization and Use of Software Defined Radios" (FCC 01-264) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5105. A communication from the Assistant Bureau Chief, Management, International Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "First Order on Reconstruction in the Matter of Redesignation of the 18 GHz Frequency Band, Blanket Licensing of Satellite Earth Stations in the Ka-Band, and the Allocation of Additional Spectrum for Broadcast Satellite-Service Use" (FCC 01-323) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5106. A communication from the Associate Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "In the Matter of Billed Party Preference for Inter LATA 0+ Calls, Second Order on Reconsideration in CC Docket No. 92-77" (FCC 01-355) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5107. A communication from the Legal Advisor, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Implementation of 911 Act; The Use of N11 Codes and Other Abbreviated Dialing Arrangements" (CC Doc. 92-105) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5108. A communication from the Attorney, Common Carrier Bureau, Federal Communication Commission, transmitting, pursuant to law, the report of a rule entitled "In the Mater of Numbering Resource Optimization; Implementation of the Local Competition Provision of the Telecommunications Act of 1996; Telephone Number Portability, Third Report and Order and Second Order on Reconsideration in CC Docket No. 96-98 and CC Docket No. 99-200" (FCC 01-362) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5109. A communication from the Senior Transportation Analyst, Office of the Secretary of Transportation, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Procedures for Compensation of Air Carriers" ((RIN2105-AD06)(2002-0001)) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5110. A communication from the Assistant Bureau Chief, Management, International Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Report and Order in the Matter of Commission Consideration of Applications Under the Cable Landing License Act" (FCC 01-332) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5111. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Flight Crew Compartment Access and Door Designs" (RIN2120-AH55) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5112. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safe Disposition of Life-Limited Aircraft Parts" (RIN2120-AH11) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5113. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Security Considerations in the Design of the Flightdeck on Transport Category Airplanes" (RIN2120-AH56) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5114. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Olathe, CO and Paonia, CO" (MM Doc. No. 98-188) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5115. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotment, FM Broadcast Stations; Detroit Lakes and Barnesville, Minnesota, and Enderlin, North Dakota" (MM Doc. No. 00-53) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5116. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotment, FM Broadcast Stations; Simpsonville, South Carolina" (MM Doc. No. 01-110) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5117. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Pittsburg, New Hampshire" (MM Doc. No. 01-170) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5118. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Huntsville, La Porte, Nacogdoches and Willis, Texas and Lake Charles, Louisiana" (MM Doc. No. 01-31) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5119. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Mendocino, CA" (MM Doc. No. 01-168) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5120. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Wadley, Georgia" (MM Doc. No. 01-178) received on January 16 , 2002; to the Committee on Commerce, Science, and Transportation.

EC-5121. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotment, FM Broadcast Stations; Moberly, Lee's Summit and Madison, Missouri" (MM Doc. No. 00-129) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5122. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Clinton and Oliver Springs, Tennessee" (MM Doc. No. 001–195) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5123. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Burgin and Science Hill, Kentucky" (MM Doc. No. 00–173) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5124. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations; Boise, IA" (MM Doc. No. 01–85) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5125. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Sykesville, Pennsylvania" (MM Doc. No. 01–176) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5126. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Las Vegas and Pecos, New Mexico" (MM Doc. No. 01–141) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5127. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations; Nogales, Vail and Patagonia, Arizona" (MM Doc. No. 00–31) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5128. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations; Calumet, MI" (MM Doc. No. 01–166) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5129. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Barnwell, South Carolina, and Pembroke, Douglas, Willacooche, Statesboro, Pulaski, East Dublin, Swainsboro and Twin City, Georgia" (MM Doc. No. 00–18) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5130. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.606(b), Table of Allotments; TV Broadcast Stations; International Falls and Chisholm, Minnesota" (MM Doc. No. 01–87) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5131. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations; San Antonio, TX" (MM Doc. No. 00–100) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5132. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations; New Orleans, LA" (MM Doc. No. 01–164) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5133. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Brightwood, Madras, Prineville and Bend, Oregon" (MM Doc. No. 00–87) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5134. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotment, FM Broadcast Stations; Sabinal, Texas" (MM Doc. No. 01–187) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5135. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; McConnelsville, Ohio" (MM Doc. No. 00–172) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5136. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments; FM Broadcast Stations; Grants, Milan, and Shiprock, New Mexico; Van Wert and Columbus Grove, Ohio; Lebanon and Hamilton, Ohio and Fort Thomas, Kentucky" (MM Doc. Nos. 01–118, –119, –122) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5137. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Arthur, North Dakota" (MM Doc. No. 01–12) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5138. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Soperton, East Dublin and Swainsboro, Georgia" (MM Doc. No. 99–259) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5139. A communication from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled "Review of the Commission's Rules and Policies Affecting the Conversion to Digital Television" (MM Doc. No. 00–39) received on January 16, 2002; to the Committee on Commerce, Science, and Transportation.

NOMINATION DISCHARGED

Pursuant to a unanimous consent agreement of January 5, 2001, the Committee on Governmental Affairs was discharged of the following nomination:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Kenneth M. Donohue, Sr., of Virginia, to be Inspector General, Department of Housing and Urban Development.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mrs. CLINTON (for herself and Mr. Schumer):

S. 1892. A bill to designate the facility of the United States Postal Service located at 375 Carlls Path in Deer Park, New York, as the "Raymond M. Downey Post Office Building"; to the Committee on Governmental Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LEVIN (for himself, Mr. DeWine, Ms. Landrieu, Ms. Stabenow, Mr. Craig, Mrs. Clinton, Mr. Helms, Mr. Voinovich, Mr. Rockefeller, Mr. Grassley, Mr. Baucus, Mr. Chafee, Mr. Crapo, Mr. Inhofe, Mrs. Feinstein, Mr. Hollings, Mr. Lugar, Mr. Hagel, Mrs. Hutchison, Mr. Johnson, Mr. Allen, Mr. McCain, Mr. Nickles, Mr. Burns, Mr. Sessions, Mr. Durbin, Mr. Specter, and Mr. Hutchinson):

S. Res. 199. A resolution honoring the life of Rex David "Dave" Thomas and expressing the deepest condolences of the Senate to his family on his death; considered and agreed to.

By Mr. KENNEDY (for himself and Ms. Mikulski):

S. Res. 200. A resolution expressing the sense of the Senate regarding the national nutrition program for the elderly, on the occasion of the 30th anniversary of its establishment; considered and agreed to.

ADDITIONAL COSPONSORS

S. 201

At the request of Mr. WARNER, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 201, a bill to require that Federal agencies be accountable for violations of antidiscrimination and whistleblower protection laws, and for other purposes.

S. 281

At the request of Mr. HAGEL, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 281, a bill to authorize the design and construction of a temporary education center at the Vietnam Veterans Memorial.

S. 358

At the request of Mr. FRIST, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 358, a bill to amend the Social Security Act to establish a Medicare Prescription Drug and Supplemental Benefit Program and for other purposes.

S. 456

At the request of Ms. SNOWE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 456, a bill to amend title 38, United States Code, to enhance the assurance of efficiency, quality, and patient satisfaction in the furnishing of health care to veterans by the Department of Veterans Affairs, and for other purposes.

S. 732

At the request of Mr. THOMPSON, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 732, a bill to amend the Internal Revenue Code of 1986 to reduce the depreciation recovery period for certain restaurant buildings, and for other purposes.

S. 742

At the request of Mr. GRASSLEY, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 742, a bill to provide for pension reform, and for other purposes.

S. 865

At the request of Mr. MCCONNELL, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 865, a bill to provide small businesses certain protections from litigation excesses and to limit the product liability of nonmanufacturer product sellers.

S. 866

At the request of Mr. REID, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 866, a bill to amend the Public Health Service Act to provide for a national media campaign to reduce and prevent underage drinking in the United States.

S. 906

At the request of Mr. ENZI, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 906, a bill to provide for protection of gun owner privacy and ownership rights, and for other purposes.

S. 1030

At the request of Mr. CONRAD, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1030, a bill to improve health care in rural areas by amending title XVIII of the Social Security Act and the Public Health Service Act, and for other purposes.

S. 1125

At the request of Mr. DORGAN, his name was added as a cosponsor of S. 1125, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1209

At the request of Mr. BINGAMAN, the names of the Senator from Florida (Mr. GRAHAM), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. REID), and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1230

At the request of Mr. FRIST, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 1230, a bill to amend the Public Health Service Act to focus American efforts on HIV/AIDS, tuberculosis, and malaria in developing countries.

S. 1566

At the request of Mr. REID, the names of the Senator from California (Mrs. FEINSTEIN) and the Senator from South Dakota (Mr. DASCHLE) were added as cosponsors of S. 1566, a bill to amend the Internal Revenue code of 1986 to modify and expand the credit for electricity produced from renewable resources and waste products, and for other purposes.

S. 1593

At the request of Mr. JEFFORDS, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1593, a bill to authorize the Administrator of the Environmental Protection Agency to establish a grant program to support research projects on critical infrastructure protection for water supply systems, and for other purposes.

S. 1651

At the request of Mr. DORGAN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1651, a bill to establish the United States Consensus Council to provide for a consensus building process in addressing national public policy issues, and for other purposes.

S. 1655

At the request of Mr. BIDEN, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1655, a bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals.

S. 1738

At the request of Mr. KERRY, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. 1738, a bill to amend title XVIII of the Social Security Act to provide regulatory relief, appeals process reforms, contracting flexibility, and education improvements under the medicare program, and for other purposes.

S. 1749

At the request of Mr. KENNEDY, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1774

At the request of Mr. CORZINE, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 1774, a bill to accord honorary citizenship to the alien victims of September 11, 2001, terrorist attacks against the United States and to provide for the granting of citizenship to the alien spouses and children of certain victims of such attacks.

S. 1839

At the request of Mr. ALLARD, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 1839, a bill to amend the Bank Holding Company Act of 1956, and the Revised Statures of the United States to prohibit financial holding companies and national banks from engaging, directly or indirectly, in real estate brokerage or real estate management activities, and for other purposes.

S. 1867

At the request of Mr. LIEBERMAN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1867, a bill to establish the National Commission on Terrorist Attacks Upon the United States, and for other purposes.

S. RES. 182

At the request of Mrs. FEINSTEIN, the names of the Senator from Minnesota (Mr. WELLSTONE), the Senator from Indiana (Mr. LUGAR), and the Senator from Vermont (Mr. JEFFORDS) were added as cosponsors of S. Res. 182, a resolution expressing the sense of the Senate that the United States should allocate significantly more resources to combat global poverty.

STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. CLINTON (for herself and Mr. SCHUMER):

S. 1892. A bill to designate the facility of the United States Postal Service located at 37 Carl Path in Deer Park, New York, as the "Raymond M. Downey Post Office Building"; to the Committee on Government Affairs.

Mrs. CLINTON. Madam President, I rise today to introduce legislation to pay tribute to a great New Yorker, a beloved leader and noble public servant, Deputy Chief Ray Downey of the New York City Fire Department. The legislation I'm introducing today with my colleague, Senator SCHUMER, would name a post office in Deer Park, New York as the "Raymond M. Downey Post Office Building."

Firs, I want to express my deepest sympathies to his wife, Rosalie, and their five children for their terrible loss.

A hero among heroes, Ray Downey was one of the most decorated members of the Fire Department, awarded five medals for valor and 16 unit citations. His esteemed career spanned nearly 40 years with the New York Fire Department, including service with both ladder and engine companies, as well as rescue squads. A former Marine, Downey joined the New York fire department in 1962, first serving in Brooklyn.

From the Murrah Federal Building in Oklahoma City in 1995 to the 1993 World Trade Center bombing, Chief Downey helped lead the department with his skill and courage. He was considered a leading expert on rescues involving collapsed buildings. For nearly 15 years, he commanded Rescue Company 2 and in August, because of his leadership and skill, he was promoted to Special Operations Command, which dealt with hazardous materials and rescue work. The reach of his work extended beyond New York City. He was a leader of the Urban Search and Rescue Team, which assisted in the Walton Floods response in Upstate New York, as well as the "ice storm" that hit Upstate in 2000 and Hurricane Georges and the Dominican Republic.

Due to his incredible knowledge of how buildings fall down, he has been described as having "rock star" status among firefighters across the country. Congressman Israel, who introduced the companion legislation in the House of Representatives, summed it up well, saying, "He is a national treasure." I could not agree more.

Chief Downey was also a member of a national advisory commission on domestic response to terrorism. Nearly five years ago, he warned that our next war would be fought in an urban area, and, unfortunately, he was right. Early on September 11, at age 63, just like he did a thousand times before, Ray Downey responded to the call for duty. In spite of his age, he joined the heroic and unforgettable effort to save lives in World Trade Center towers. The unmistakable courage and the incalculable sacrifices that he and all the public safety officers who responded that day made for the good of their communities and their country are the kinds of virtues and values that make them real-life heroes.

It has been reported that after September 11, Ray Downey's wife Rosalie, found a manila folder in his brief case filled with letters and praise from his lifetime of service. This modest man, who never boasted of his incredible rescues, had immense pride in his work, and rightly so. He quietly chronicled his service to the city and the manila folder grew thicker.

His life of service will also live on in the hearts and minds of all those whose lives he touched through his bravery and leadership. We will never forget Ray Downey's extraordinary career and I ask you to join us today in supporting this legislation, which will create a lasting tribute to this legendary figure. Ray Downey leaves behind a grateful city, in awe of all he achieved on its behalf.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 199—HONORING THE LIFE OF REX DAVID "DAVE" THOMAS AND EXPRESSING THE DEEPEST CONDOLENCES OF THE SENATE TO HIS FAMILY ON HIS DEATH

Mr. LEVIN (for himself, Mr. DEWINE, Ms. LANDRIEU, Ms. STABENOW, Mr. CRAIG, Mrs. CLINTON, Mr. HELMS, Mr. VOINOVICH, Mr. ROCKEFELLER, Mr. GRASSLEY, Mr. BAUCUS, Mr. CHAFEE, Mr. CRAPO, Mr. INHOFE, Mrs. FEINSTEIN, Mr. HOLLINGS, Mr. LUGAR, Mr. HAGEL, Mrs. HUTCHISON, Mr. JOHNSON, Mr. ALLEN, Mr. MCCAIN, Mr. NICKLES, Mr. BURNS, Mr. SESSIONS, Mr. DURBIN, Mr. SPECTER, and Mr. HUTCHINSON) submitted the following resolution; which was considered and agreed to:

S. RES. 199

Whereas the Senate has learned with great sadness of the death of Dave Thomas from liver cancer at the age of 69 on January 8, 2002;

Whereas Dave Thomas, born in Atlantic City, New Jersey, on July 2, 1932, and adopted shortly thereafter by Rex and Auleva Thomas, of Kalamazoo, Michigan, was a lifelong advocate and activist for the cause of adoption;

Whereas Dave Thomas, in 1979, was awarded the Horatio Alger Award for dedication, individual initiative, and a commitment to excellence, as exemplified by remarkable achievements accomplished through honesty, hard work, self-reliance, and perseverance;

Whereas from 1990 until 2000 Dave Thomas was national spokesman for numerous White House adoption and foster care initiatives;

Whereas Dave Thomas received numerous awards including the Angel in Adoption Award by the Congressional Coalition on Adoption for generating awareness of the thousands of children waiting for permanent homes and loving families;

Whereas Dave Thomas, in 1992, established the Dave Thomas Foundation for Adoption and donated his speaking fees and profits from sales of his books, "Dave's Way, Well Done!" and "Franchising for Dummies", to adoption causes;

Whereas Dave Thomas established the Dave Thomas Foundation for Adoption, to work with national adoption organizations, individuals and public and private agencies to raise awareness about children awaiting adoption and to provide direct support for programs seeking to find permanent homes for children in foster care;

Whereas Dave Thomas established the Dave Thomas Center for Adoption Law to ease and facilitate the adoption process through education, advocacy and research;

Whereas Dave Thomas was a constructive force in shaping corporate health policy to cover adoption expenses and, through his efforts, 75 percent of Fortune 1000 companies now offer adoption benefits to their employees;

Whereas Dave Thomas received the 2001 Social Awareness Award from the United States Postal Service for being instrumental in the use of the Adoption Awareness postage stamp as a vehicle for highlighting cause of adoption;

Whereas Dave Thomas founded Wendy's Old-Fashioned Hamburgers in Columbus, Ohio, on November 15, 1969 and transformed it into one of the most successful food franchises in the country and, in promoting Wendy's, became a national figure representing a friendly face, good food, and a kind sense of humor;

Whereas Dave Thomas, in 1993, 45 years after leaving school, earned his GED certificate and received his high school diploma from Coconut Creek High School in Ft. Lauderdale, Florida, securing him as role model to students of all ages;

Whereas Dave Thomas used his financial success to promote and advance the cause of adoption: Now, therefore, be it

Resolved, That the Senate—

(1) recognizes that America has lost one of its most dedicated and hardest working advocates for adoption, and honors him in his devotion to family, life, and business; and

(2) expresses its deep and heartfelt condolences to the family of Dave Thomas on their loss.

SENATE RESOLUTION 200—EXPRESSING THE SENSE OF THE SENATE REGARDING THE NATIONAL NUTRITION PROGRAM FOR THE ELDERLY, ON THE OCCASION OF THE 30TH ANNIVERSARY OF ITS ESTABLISHMENT

Mr. KENNEDY (for himself and Ms. MIKULSKI) submitted the following resolution; which was considered and agreed to:

S. RES. 200

Whereas on March 22, 1972, President Richard Nixon signed Public Law 92-258, which amended the Older Americans Act of 1965 to establish a national nutrition program for the elderly, commonly referred to as the "Elderly Nutrition Program";

Whereas the Elderly Nutrition Program has been expanded since its inception in 1972 to include 3 distinct components: congregate meals, home delivered meals, and the Nutrition Program for the Elderly in the Department of Agriculture;

Whereas the Elderly Nutrition Program operates in every State and most counties and cities in the United States, providing seniors with guaranteed meals;

Whereas these meals each provide at a minimum 33 percent of the recommended daily allowances of nutrients;

Whereas the Elderly Nutrition Program has provided more than 4,700,000,000 meals;

Whereas the Elderly Nutrition Program is a vital component of a service network, providing a continuum of home- and community-based long-term care for seniors and helping them to avoid premature or unnecessary institutionalization;

Whereas the Elderly Nutrition Program provides a powerful socialization opportunity for millions of seniors to help combat loneliness and isolation;

Whereas a strong national network of nutrition service providers and thousands of dedicated volunteers administer the Elderly Nutrition Program; and

Whereas under the Elderly Nutrition Program, more than 272,000,000 meals are provided each year to older individuals in the greatest economic or social need and to older Native Americans: Now, therefore, be it

Resolved, That on the occasion of the 30th anniversary of the establishment of a national nutrition program for the elderly, commonly referred to as the "Elderly Nutrition Program"—

(1) it is the sense of the Senate that the program, of great importance to the health and well-being of participants, is well-run and continues to achieve its objectives on behalf of the senior citizens it serves; and

(2) the Senate—

(A) expresses appreciation for the daily work of all the individuals, including volunteers, who administer the program at the local level; and

(B) recognizes the importance of the present and future health and well-being of the millions of senior citizens across the Nation, including the maintenance of their independence and dignity.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2698. Mr. DASCHLE (for himself and Mr. BAUCUS) proposed an amendment to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

TEXT OF AMENDMENTS

SA 2698. Mr. DASCHLE (for himself, and Mr. BAUCUS) proposed an amendment to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "Economic Recovery and Assistance for American Workers Act of 2002".

(b) REFERENCES TO INTERNAL REVENUE CODE OF 1986.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; etc.

TITLE I—SUPPLEMENTAL REBATE FOR INDIVIDUAL TAXPAYERS

Sec. 101. Supplemental rebate.

TITLE II—TEMPORARY BUSINESS RELIEF

Sec. 201. Special depreciation allowance for certain property.

TITLE III—ASSISTANCE FOR MEDICAID COVERAGE

Sec. 301. Temporary increases of medicaid FMAP.

TITLE IV—TEMPORARY EXTENDED UNEMPLOYMENT BENEFITS

Sec. 401. Short title.
Sec. 402. Federal-State agreements.
Sec. 403. Temporary extended unemployment compensation account.
Sec. 404. Payments to States having agreements under this title.
Sec. 405. Financing provisions.
Sec. 406. Fraud and overpayments.
Sec. 407. Definitions.
Sec. 408. Applicability.

TITLE V—ADDITIONAL PROVISIONS

Sec. 501. No impact on social security trust funds.
Sec. 502. Emergency designation.

TITLE I—SUPPLEMENTAL REBATE FOR INDIVIDUAL TAXPAYERS

SEC. 101. SUPPLEMENTAL REBATE.

(a) IN GENERAL.—Section 6428 (relating to acceleration of 10 percent income tax rate bracket benefit for 2001) is amended by adding at the end the following new subsection:

"(f) SUPPLEMENTAL REBATE.—

"(1) IN GENERAL.—Each individual who was an eligible individual for such individual's first taxable year beginning in 2000 and who, before October 16, 2001—

"(A) filed a return of tax imposed by subtitle A for such taxable year, or

"(B) filed a return of income tax with the government of American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, or the Virgin Islands of the United States,

shall be treated as having made a payment against the tax imposed by chapter 1 for such first taxable year in an amount equal to the supplemental refund amount for such taxable year.

"(2) SUPPLEMENTAL REFUND AMOUNT.—For purposes of this subsection, the supplemental refund amount is an amount equal to the excess (if any) of—

"(A)(i) $600 in the case of taxpayers to whom section 1(a) applies,

"(ii) $500 in the case of taxpayers to whom section 1(b) applies, and

"(iii) $300 in the case of taxpayers to whom subsections (c) or (d) of section 1 applies, over

"(B) the amount of any advance refund amount paid to the taxpayer under subsection (e).

"(3) TIMING OF PAYMENTS.—In the case of any overpayment attributable to this subsection, the Secretary shall, subject to the provisions of this title, refund or credit such overpayment as rapidly as possible.

"(4) NO INTEREST.—No interest shall be allowed on any overpayment attributable to this subsection.

"(5) SPECIAL RULE FOR CERTAIN NONRESIDENTS.—The determination under subsection (c)(2) as to whether an individual who filed a return of tax described in paragraph (1)(B) is a nonresident alien individual shall, under rules prescribed by the Secretary, be made by reference to the possession or Commonwealth with which the return was filed and not the United States.".

(b) TECHNICAL CORRECTION.—

(1) IN GENERAL.—Subsection (b) of section 6428 is amended to read as follows:

"(b) CREDIT TREATED AS NONREFUNDABLE PERSONAL CREDIT.—For purposes of this title, the credit allowed under this section shall be treated as a credit allowable under subpart A of part IV of subchapter A of chapter 1.".

(2) CONFORMING AMENDMENTS.—

(A) Subsection (d) of section 6428 is amended to read as follows:

"(d) COORDINATION WITH ADVANCE REFUNDS OF CREDIT.—

"(1) IN GENERAL.—The amount of credit which would (but for this paragraph) be allowable under this section shall be reduced (but not below zero) by the aggregate refunds and credits made or allowed to the taxpayer under subsection (e). Any failure to so reduce the credit shall be treated as arising out of a mathematical or clerical error and assessed according to section 6213(b)(1).

"(2) JOINT RETURNS.—In the case of a refund or credit made or allowed under subsection (e) with respect to a joint return, half of such refund or credit shall be treated as having been made or allowed to each individual filing such return.".

(B) Paragraph (2) of section 6428(e) is amended to read as follows:

"(2) ADVANCE REFUND AMOUNT.—For purposes of paragraph (1), the advance refund amount is the amount that would have been allowed as a credit under this section for such first taxable year if—

"(A) this section (other than subsections (b) and (d) and this subsection) had applied to such taxable year, and

"(B) the credit for such taxable year were not allowed to exceed the excess (if any) of—

"(i) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(ii) the sum of the credits allowable under part IV of subchapter A of chapter 1 (other than the credits allowable under subpart C thereof, relating to refundable credits).".

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 6428(d), as amended by subsection (b), is amended by striking "subsection (e)" and inserting "subsections (e) and (f)".

(2) Paragraph (2) of section 6428(d), as amended by subsection (b), is amended by striking "subsection (e)" and inserting "subsection (e) or (f)".

(3) Paragraph (3) of section 6428(e) is amended by striking "December 31, 2001" and inserting "the date of the enactment of the Economic Recovery and Assistance for American Workers Act of 2001".

(d) REPORTING REQUIREMENT.—For purposes of determining the individuals who are eligible for the supplemental rebate under section 6428(f) of the Internal Revenue Code of 1986, the governments of American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, and the Virgin Islands of the United States shall provide, at such time and in such manner as provided by the Secretary of the Treasury, the names, addresses, and taxpayer identifying numbers (within the meaning of section 6109 of the Internal Revenue Code of 1986) of residents who filed returns of income tax with such governments for 2000.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) Technicals.—The amendments made by subsection (b) shall take effect as if included in the amendment made by section 101(b)(1) of the Economic Growth and Tax Relief Reconciliation Act of 2001.

TITLE II—TEMPORARY BUSINESS RELIEF PROVISIONS

SEC. 201. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY.

(a) In General.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

"(k) Special Allowance for Certain Property Acquired After September 10, 2001, and Before September 11, 2002.—

"(1) Additional allowance.—In the case of any qualified property—

"(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

"(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

"(2) Qualified property.—For purposes of this subsection—

"(A) In general.—The term 'qualified property' means property—

"(i)(I) to which this section applies which has an applicable recovery period of 20 years or less or which is water utility property,

"(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

"(III) which is qualified leasehold improvement property, or

"(IV) which is eligible for depreciation under section 167(g),

"(ii) the original use of which commences with the taxpayer after September 10, 2001,

"(iii) which is—

"(I) acquired by the taxpayer after September 10, 2001, and before September 11, 2002, but only if no written binding contract for the acquisition was in effect before September 11, 2001, or

"(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after September 10, 2001, and before September 11, 2002, and

"(iv) which is placed in service by the taxpayer before January 1, 2003.

"(B) Exceptions.—

"(i) Alternative depreciation property.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

"(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

"(II) after application of section 280F(b) (relating to listed property with limited business use).

"(ii) Election out.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

"(C) Special rules.—

"(i) Self-constructed property.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before September 11, 2002.

"(ii) Sale-leasebacks.—For purposes of subparagraph (A)(ii), if property—

"(I) is originally placed in service after September 10, 2001, by a person, and

"(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

"(D) Coordination with section 280F.—For purposes of section 280F—

"(i) Automobiles.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $1,600.

"(ii) Listed property.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

"(3) Qualified leasehold improvement property.—For purposes of this subsection—

"(A) In general.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

"(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

"(I) by the lessee (or any sublessee) of such portion, or

"(II) by the lessor of such portion,

"(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

"(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

"(B) Certain improvements not included.—Such term shall not include any improvement for which the expenditure is attributable to—

"(i) the enlargement of the building,

"(ii) any elevator or escalator,

"(iii) any structural component benefiting a common area, and

"(iv) the internal structural framework of the building.

"(C) Definitions and special rules.—For purposes of this paragraph—

"(i) Binding commitment to lease treated as lease.—A binding commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

"(ii) Related persons.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

"(I) members of an affiliated group (as defined in section 1504), and

"(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.

"(D) Improvements made by lessor.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person. If property ceases to be qualified leasehold improvement property, the remaining basis of such property shall be depreciated under this section over 39 years.".

(b) Allowance Against Alternative Minimum Tax.—

(1) In general.—Section 56(a)(1)(A) (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

"(iii) Additional allowance for certain property acquired after September 10, 2001, and before September 11, 2002.—The deduction under section 168(k) shall be allowed.".

(2) Conforming amendment.—Clause (i) of section 56(a)(1)(A) is amended by striking "clause (ii)" both places it appears and inserting "clauses (ii) and (iii)".

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after September 10, 2001, in taxable years ending after such date.

TITLE III—ASSISTANCE FOR MEDICAID COVERAGE

SEC. 301. TEMPORARY INCREASES OF MEDICAID FMAP.

(a) Permitting Maintenance of Fiscal Year 2001 FMAP For Last 3 Calendar Quarters of Fiscal Year 2002.—Notwithstanding any other provision of law, but subject to subsection (e), if the FMAP determined without regard to this section for a State for fiscal year 2002 is less than the FMAP as so determined for fiscal year 2001, the FMAP for the State for fiscal year 2001 shall be substituted for the State's FMAP for the second, third, and fourth calendar quarters in fiscal year 2002, before the application of this section.

(b) Permitting Maintenance of Fiscal Year 2002 FMAP For First Calendar Quarter of Fiscal Year 2003.—Notwithstanding any other provision of law, but subject to subsection (e), if the FMAP determined without regard to this section for a State for fiscal year 2003 is less than the FMAP as so determined for fiscal year 2002, the FMAP for the State for fiscal year 2002 shall be substituted for the State's FMAP for the first calendar quarter in fiscal year 2003, before the application of this section.

(c) General 1.50 Percentage Points Increase for Calendar Year 2002.—Notwithstanding any other provision of law, but subject to subsections (f) and (g), for each State for the second, third, and fourth calendar quarters in fiscal year 2002 and the first calendar quarter of fiscal year 2003, the FMAP (taking into account the application of subsections (a) and (b)) shall be increased by 1.50 percentage points.

(d) Further Increase for States With High Unemployment Rates for Calendar Year 2002.—

(1) In general.—Notwithstanding any other provision of law, but subject to subsections (f) and (g), the FMAP for a high unemployment State for the second, third, and fourth calendar quarters in fiscal year 2002 and the first calendar quarter in fiscal year 2003 (and any subsequent calendar quarter in calendar year 2002 or the first calendar quarter in fiscal year 2003 regardless of whether the State continues to be a high unemployment State for any such calendar quarter) shall be increased (after the application of subsections (a), (b), and (c)) by 1.50 percentage points.

(2) High unemployment state.—

(A) In general.—For purposes of this subsection, a State is a high unemployment State for a calendar quarter if, for any 3 consecutive months beginning on or after June 2001 and ending with the second month before the beginning of the calendar quarter, the State has an average seasonally adjusted unemployment rate that exceeds the average weighted unemployment rate during such period. Such unemployment rates for such months shall be determined based on publications of the Bureau of Labor Statistics of the Department of Labor.

(B) AVERAGE WEIGHTED UNEMPLOYMENT RATE DEFINED.—For purposes of subparagraph (A), the "average weighted unemployment rate" for a period is—

(i) the sum of the seasonally adjusted number of unemployed civilians in each State and the District of Columbia for the period; divided by

(ii) the sum of the civilian labor force in each State and the District of Columbia for the period.

(e) INCREASE IN CAP ON MEDICAID PAYMENTS TO TERRITORIES.—Notwithstanding any other provision of law, with respect to the second, third, and fourth calendar quarters fiscal year 2002 and the first calendar quarter in fiscal year 2003, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under section 1108 of the Social Security Act (42 U.S.C. 1308) shall each be increased by an amount equal to 6 percentage points of such amounts.

(f) SCOPE OF APPLICATION.—The increases in the FMAP for a State under this section shall apply only for purposes of title XIX of the Social Security Act and shall not apply with respect to—

(1) disproportionate share hospital payments described in section 1923 of such Act (42 U.S.C. 1396r–4); and

(2) payments under titles IV and XXI of such Act (42 U.S.C. 601 et seq. and 1397aa et seq.).

(g) STATE ELIGIBILITY.—A State is eligible for an increase in its FMAP under subsection (c) or (d) or an increase in a cap amount under subsection (e) only if the eligibility under its State plan under title XIX of the Social Security Act (including any waiver [illegible] such title or under section 1115 of such Act (42 U.S.C. 1315)) is no more restrictive than the eligibility under such plan (or waiver) as in effect on October 1, 2001.

(h) DEFINITIONS.—In this section:

(1) FMAP.—The term "FMAP" means the Federal medical assistance percentage, as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)).

(2) STATE.—The term "State" has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

TITLE IV—TEMPORARY EXTENDED UNEMPLOYMENT BENEFITS

SEC. 401. SHORT TITLE.

This title may be cited as the "Temporary Extended Unemployment Compensation Act of 2002".

SEC. 402. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals—

(1) who—

(A) first exhausted all rights to regular compensation under the State law on or after the first day of the week that includes September 11, 2001; or

(B) have their 26th week of regular compensation under the State law end on or after the first day of the week that includes September 11, 2001;

(2) who do not have any rights to regular compensation under the State law of any other State; and

(3) who are not receiving compensation under the unemployment compensation law of any other country.

(c) COORDINATION RULES.—

(1) TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION TO SERVE AS SECOND-TIER BENEFITS.—Notwithstanding any other provision of law, neither regular compensation, extended compensation, nor additional compensation under any Federal or State law shall be payable to any individual for any week for which temporary extended unemployment compensation is payable to such individual.

(2) TREATMENT OF OTHER UNEMPLOYMENT COMPENSATION.—After the date on which a State enters into an agreement under this title, any regular compensation in excess of 26 weeks, any extended compensation, and any additional compensation under any Federal or State law shall be payable to an individual in accordance with the State law after such individual has exhausted any rights to temporary extended unemployment compensation under the agreement.

(d) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because the individual has received all regular compensation available to the individual based on employment or wages during the individual's base period; or

(2) the individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(e) WEEKLY BENEFIT AMOUNT, TERMS AND CONDITIONS, ETC. RELATING TO TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.—For purposes of any agreement under this title—

(1) the amount of temporary extended unemployment compensation which shall be payable to an individual for any week of total unemployment shall be equal to the amount of regular compensation (including dependents' allowances) payable to such individual under the State law for a week for total unemployment during such individual's benefit year;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except where inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 403 shall not exceed the amount established in such account for such individual.

SEC. 403. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the greater of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law; or

(B) 13 times the individual's weekly benefit amount.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of paragraph (1)(B), an individual's weekly benefit amount for any week is an amount equal to the amount of regular compensation (including dependents' allowances) under the State law payable to the individual for such week for total unemployment.

SEC. 404. PAYMENTS TO STATES HAVING AGREEMENTS UNDER THIS TITLE.

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) DETERMINATION OF AMOUNT.—Sums under subsection (a) payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(c) ADMINISTRATIVE EXPENSES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

SEC. 405. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a))), and the Federal unemployment account (as established by section 904(g) of such Act (42 U.S.C. 1104(g))), of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a))) shall be used, in accordance with subsection (b), for the making of payments (described in section 404(a)) to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums described in section 404(a) which are payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification by transfers from the extended unemployment compensation account, as so established (or, to the extent that there are insufficient funds in that account, from the Federal unemployment account, as so established) to the account of such State in the Unemployment Trust Fund (as so established).

SEC. 406. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received any temporary extended unemployment compensation under this title to which such individual was not entitled, such individual—

(1) shall be ineligible for any further benefits under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received any temporary extended unemployment compensation under this title to which such individuals were not entitled, the State shall require such individuals to repay those benefits to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such benefits was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any regular compensation or temporary extended unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which such individuals were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 407. DEFINITIONS.

In this title, the terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 408. APPLICABILITY.

An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 6, 2003.

TITLE V—ADDITIONAL PROVISIONS

SEC. 501. NO IMPACT ON SOCIAL SECURITY TRUST FUND.

(a) IN GENERAL.—Nothing in this Act (or an amendment made by this Act) shall be construed to alter or amend title II of the Social Security Act (or any regulation promulgated under that Act).

(b) TRANSFERS.—

(1) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this Act has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(2) TRANSFER OF FUNDS.—If, under paragraph (1), the Secretary of the Treasury estimates that the enactment of this Act has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of this Act.

SEC. 502. EMERGENCY DESIGNATION.

Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this Act below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a Full Committee hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, January 29, at 9:30 a.m. in room 366 of the Dirksen Senate Office Building.

The purpose of the hearing is to receive testimony on the Enron collapse and its effect on energy markets.

Those wishing to submit written statements on this subject should address them to the Committee on Energy and Natural Resources, Attn: Shirley Neff, United States Senate, Washington, DC 20510.

For further information, please call Shirley Neff at 202/224-6689 or Jonathan Black at 202/224-6672.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE, AND NUCLEAR SAFETY

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works, Subcommittee on Transportation, Infrastructure, and Nuclear Safety be authorized to meet on Wednesday, January 23, 2002, at 10 a.m. to conduct a hearing on issues related to reauthorization of the Price-Anderson provisions of the Atomic Energy Act of 1954 as they apply to licenses of the United States Nuclear Regulatory Commission. The hearing will be held in SD-406.

The PRESIDING OFFICER. Without objection, it is so ordered.

SECURITY ASSISTANCE ACT OF 2001

On December 20, 2001, the Senate amended S. 1803, as follows:

S. 1803

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Security Assistance Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—VERIFICATION OF ARMS CONTROL AND NONPROLIFERATION AGREEMENTS

Sec. 101. Verification and Compliance Bureau personnel.
Sec. 102. Key Verification Assets Fund.
Sec. 103. Revised verification and compliance reporting requirements.

TITLE II—MILITARY AND RELATED ASSISTANCE

Subtitle A—Foreign Military Sales and Financing Authorities

Sec. 201. Authorization of appropriations.
Sec. 202. Relationship of foreign military sales to United States nonproliferation interests.
Sec. 203. Special Defense Acquisition Fund for nonproliferation and counter-narcotics purposes.
Sec. 204. Representation allowances.
Sec. 205. Arms Export Control Act prohibition on transactions with countries that have repeatedly provided support for acts of international terrorism.
Sec. 206. Congressional notification of small arms and light weapons license approvals; annual reports.

Subtitle B—International Military Education and Training

Sec. 211. Authorization of appropriations.
Sec. 212. Annual human rights reports.

Subtitle C—Security Assistance for Select Countries

Sec. 221. Security assistance for Israel and Egypt.
Sec. 222. Security assistance for Greece and Turkey.
Sec. 223. Security assistance for certain other countries.

Subtitle D—Excess Defense Article and Drawdown Authorities

Sec. 231. Excess defense articles for certain countries.
Sec. 232. Annual briefing on projected availability of excess defense articles.
Sec. 233. Expanded drawdown authority.
Sec. 234. Duration of security assistance leases.

Subtitle E—Other Political-Military Assistance

Sec. 241. Destruction of surplus weapons stockpiles.
Sec. 242. Identification of funds for demining programs.

Subtitle F—Antiterrorism Assistance

Sec. 251. Authorization of appropriations.
Sec. 252. Specific program objectives.

Subtitle G—Other Matters

Sec. 261. Revised military assistance reporting requirements.

TITLE III—NONPROLIFERATION AND EXPORT CONTROL ASSISTANCE

Subtitle A—General Provisions

Sec. 301. Authorization of appropriations.
Sec. 302. Joint State Department-Defense Department programs.
Sec. 303. Nonproliferation technology acquisition programs for friendly foreign countries.
Sec. 304. International nonproliferation and export control training.
Sec. 305. Relocation of scientists.
Sec. 306. Audits of the International Science and Technology Centers Program.
Sec. 307. International Atomic Energy Agency regular budget assessments.
Sec. 308. Revised nonproliferation reporting requirements.

Subtitle B—Russian Federation Debt Reduction for Nonproliferation

Sec. 311. Short title.
Sec. 312. Findings and purposes.
Sec. 313. Definitions.
Sec. 314. Establishment of the Russian Nonproliferation Investment Facility.
Sec. 315. Reduction of the Russian Federation's Soviet-era debt owed to the United States, generally.
Sec. 316. Reduction of Soviet-era debt owed to the United States as a result of credits extended under title I of the Agricultural Trade Development and Assistance Act of 1954.
Sec. 317. Authority to engage in debt-for-nonproliferation exchanges and debt buybacks.
Sec. 318. Russian Nonproliferation Investment Agreement.
Sec. 319. Structure of debt-for-nonproliferation arrangements.
Sec. 320. Independent media and the rule of law.
Sec. 321. Nonproliferation requirement.
Sec. 322. Discussion of Russian Federation debt reduction for nonproliferation with other creditor states.
Sec. 323. Implementation of United States policy.
Sec. 324. Consultations with Congress.
Sec. 325. Annual report to Congress.

Subtitle C—Nonproliferation Assistance Coordination

Sec. 331. Short title.
Sec. 332. Findings.
Sec. 333. Independent states of the former Soviet Union defined.
Sec. 334. Establishment of Committee on Nonproliferation Assistance to the Independent States of the Former Soviet Union.
Sec. 335. Duties of the Committee.
Sec. 336. Administrative support.
Sec. 337. Confidentiality of information.
Sec. 338. Statutory construction.

TITLE IV—EXPEDITING THE MUNITIONS LICENSING PROCESS

Sec. 401. License officer staffing.
Sec. 402. Funding for database automation.
Sec. 403. Information management priorities.
Sec. 404. Improvements to the Automated Export System.
Sec. 405. Adjustment of threshold amounts for congressional review purposes.
Sec. 406. Periodic notification of pending applications for export licenses.

TITLE V—NATIONAL SECURITY ASSISTANCE STRATEGY

Sec. 501. Establishment of the Strategy.
Sec. 502. Security assistance surveys.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Nuclear and missile nonproliferation in South Asia.
Sec. 602. Real-time public availability of raw seismological data.
Sec. 603. Detailing United States governmental personnel to international arms control and nonproliferation organizations.
Sec. 604. Diplomatic presence overseas.
Sec. 605. Protection against agricultural bioterrorism.
Sec. 606. Compliance with the Chemical Weapons Convention.

TITLE VII—AUTHORITY TO TRANSFER NAVAL VESSELS

Sec. 701. Authority to transfer naval vessels to certain foreign countries.

SEC. 2. DEFINITIONS.

In this Act:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term "appropriate committees of Congress" means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

(2) DEFENSE ARTICLE.—The term "defense article" has the meaning given the term in section 47(3) of the Arms Export Control Act (22 U.S.C. 2794 note).

(3) DEFENSE SERVICE.—The term "defense service" has the meaning given the term in section 47(4) of the Arms Export Control Act (22 U.S.C. 2794 note).

(4) EXCESS DEFENSE ARTICLE.—The term "excess defense article" has the meaning given the term in section 644(g) of the Foreign Assistance Act of 1961 (22 U.S.C. 2403(g)).

(5) SECRETARY.—Except as otherwise provided, the term "Secretary" means the Secretary of State.

TITLE I—VERIFICATION OF ARMS CONTROL AND NONPROLIFERATION AGREEMENTS

SEC. 101. VERIFICATION AND COMPLIANCE BUREAU PERSONNEL.

(a) IN GENERAL.—Of the total amounts made available to the Department of State for fiscal years 2002 and 2003, not less than $14,000,000 each such fiscal year shall be provided to the Bureau of Verification and Compliance of the Department of State for Bureau-administered activities, including the Key Verification Assets Fund.

(b) ADDITIONAL PERSONNEL.—In addition to the amounts made available under subsection (a), not less than $1,800,000 shall be made available from the Department's American Salaries Account, for the purpose of hiring new personnel to carry out the Bureau's responsibilities, as set forth in section 112 of the Arms Export Control and Nonproliferation Act of 1999 (113 Stat. 1501A–486), as enacted into law by section 1000(a)(7) of Public Law 106–113.

SEC. 102. KEY VERIFICATION ASSETS FUND.

Of the total amounts made available to the Department of State for fiscal years 2002 and 2003, not less than $7,000,000 shall be made available within the Verification and Compliance Bureau's account for each such fiscal year to carry out section 1111 of the Arms Control and Nonproliferation Act of 1999 (113 Stat. 1501A–486), as enacted into law by section 1000(a)(7) of Public Law 106–113.

SEC. 103. REVISED VERIFICATION AND COMPLIANCE REPORTING REQUIREMENTS.

Section 403(a) of the Arms Control and Disarmament Act (22 U.S.C. 2593a(a)) is amended by striking "January 31" and inserting "April 15".

TITLE II—MILITARY AND RELATED ASSISTANCE

Subtitle A—Foreign Military Sales and Financing Authorities

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the President for grant assistance under section 23 of the Arms Export Control Act (22 U.S.C. 2763) and for the subsidy cost, as defined in section 502(5) of the Federal Credit Reform Act of 1990, of direct loans under such section $3,674,000,000 for fiscal year 2002 and $4,267,000,000 for fiscal year 2003.

SEC. 202. RELATIONSHIP OF FOREIGN MILITARY SALES TO UNITED STATES NONPROLIFERATION INTERESTS.

(a) AUTHORIZED PURPOSES.—The first sentence of section 4 of the Arms Export Control Act (22 U.S.C. 2754) is amended by inserting "for preventing or hindering the proliferation of weapons of mass destruction and of the means of delivering such weapons," after "self-defense,".

(b) DEFINITION OF "WEAPONS OF MASS DESTRUCTION".—Section 47 of the Arms Export Control Act (22 U.S.C. 2794) is amended—

(1) by striking "and" at the end of paragraph (8);

(2) by striking the period at the end of paragraph (9) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(10) 'weapons of mass destruction' has the meaning provided by section 1403(1) of the Defense Against Weapons of Mass Destruction Act of 1996 (title XIV of Public Law 104–201; 110 Stat. 2717; 50 U.S.C. 2302(1)).".

(c) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary should ensure, in circumstances where the sale of defense articles or defense services to a friendly country would serve the nonproliferation interests of the United States, but that country cannot afford to purchase such defense articles or defense services, that grant assistance is provided pursuant to section 23 of the Arms Export Control Act to facilitate such acquisition.

SEC. 203. SPECIAL DEFENSE ACQUISITION FUND FOR NONPROLIFERATION AND COUNTER-NARCOTICS PURPOSES.

(a) ESTABLISHMENT.—Notwithstanding any other provision of law, the President shall direct that the Special Defense Acquisition Fund be established pursuant to section 51 of the Arms Export Control Act (22 U.S.C. 2795).

(b) USE OF THE SPECIAL DEFENSE ACQUISITION FUND.—Section 51(a)(4) of the Arms Export Control Act (22 U.S.C. 2795(a)(4)) is amended by striking "for use for" and all that follows through "equipment" and inserting the following: "for use for—

"(A) narcotics control purposes and are appropriate to the needs of recipient countries, such as small boats, planes (including helicopters), and communications equipment; and

"(B) nonproliferation and export control purposes, such as nuclear, radiological, chemical, and biological warfare materials detection equipment.".

(c) LIMITATION.—Section 51(c) of the Arms Export Control Act (22 U.S.C. 2795(c)) is amended—

(1) in paragraph (1), by striking all after "exceed" through the period and inserting "$200,000,000."; and

(2) in paragraph (2), by striking "provided" and all that follows through "Acts" and inserting "specifically authorized by law in advance".

(d) AUTHORIZATION.—For fiscal year 2003, not more than $20,000,000 may be made available for obligation for the procurement of items pursuant to section 51 of the Arms Export Control Act.

SEC. 204. REPRESENTATION ALLOWANCES.

Section 43(c) of the Arms Export Control Act (22 U.S.C. 2792(c)) is amended by striking "$72,500" and inserting "$86,500".

SEC. 205. ARMS EXPORT CONTROL ACT PROHIBITION ON TRANSACTIONS WITH COUNTRIES THAT HAVE REPEATEDLY PROVIDED SUPPORT FOR ACTS OF INTERNATIONAL TERRORISM.

The second sentence of section 40(d) of the Arms Export Control Act (22 U.S.C. 2780(d)) is amended—

(1) by inserting "or chemical, biological, or radiological agents" after "nuclear explosive devices"; and

(2) by inserting "or chemical, biological, or radiological agents" after "nuclear material".

SEC. 206. CONGRESSIONAL NOTIFICATION OF SMALL ARMS AND LIGHT WEAPONS LICENSE APPROVALS; ANNUAL REPORTS.

(a) CONGRESSIONAL NOTIFICATION OF EXPORT LICENSE APPROVALS.—Section 36(c) of the Arms Export Control Act (22 U.S.C. 2776(c)) is amended by inserting "(or, in the case of a defense article that is a firearm controlled under category I of the United States Munitions List, $1,000,000 or more)" after "$50,000,000 or more".

(b) REPORT.—Not later than six months after the date of enactment of this Act, and annually thereafter, the Secretary of State shall submit an unclassified report to the appropriate congressional committees on the numbers, range, and findings of end-use monitoring of United States transfers in small arms and light weapons.

(c) ANNUAL MILITARY ASSISTANCE REPORTS.—Section 655(b)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2415(b)(3)) is amended by inserting before the period at the end the following: ", including, in the case of defense articles that are firearms controlled under category I of the United States Munitions List, a statement of the aggregate dollar value and quantity of semiautomatic assault weapons, or related equipment, the manufacture, transfer, or possession of which is unlawful under section 922 of title 18, United States Code, that were licensed for export during the period covered by the report".

(d) ANNUAL REPORT ON ARMS BROKERING.—Not later than six months after the date of enactment of this Act, and annually thereafter, the Secretary of State shall submit a report to the appropriate committees of Congress on activities of registered arms brokers, including violations of the Arms Export Control Act.

(e) ANNUAL REPORT ON INVESTIGATIONS OF THE BUREAU OF ALCOHOL, TOBACCO AND FIREARMS.—Not later than six months after the date of enactment of this Act, and annually thereafter, the Secretary of the Treasury shall submit a report to the appropriate committees of Congress on investigations and other efforts undertaken by the Bureau of Alcohol, Tobacco and Firearms (including cooperation with other agencies) to stop United States-source weapons from being used in terrorist acts and international crime.

Subtitle B—International Military Education and Training

SEC. 211. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the President $75,000,000 for fiscal year 2002 and $85,290,000 for fiscal year 2003 to carry out chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.; relating to international military education and training).

SEC. 212. ANNUAL HUMAN RIGHTS REPORTS.

(a) WITH RESPECT TO PROHIBITIONS ON NONMILITARY ASSISTANCE.—Section 116(d) of the Foreign Assistance Act of 1961 (22 U.S.C. 2151n(d)) is amended by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively, and by inserting after paragraph (6) the following:

"(7) to the extent practicable, for any violation of internationally recognized human rights reported under this subsection, whether any foreign military or defense ministry civilian participant in education and training activities under chapter 5 of part II of this Act was involved;".

(b) RECORDS REGARDING FOREIGN PARTICIPANTS.—Section 548 of the Foreign Assistance Act of 1961 (22 U.S.C. 2347e) is amended—

(1) by striking "In" and inserting "(a) DEVELOPMENT AND MAINTENANCE OF DATABASE.—In"; and

(2) by adding at the end the following new subsections:

"(b) ANNUAL LIST OF FOREIGN PERSONNEL.—For the purposes of preparing the report required pursuant to section 116(d), the Secretary of State may annually request the Secretary of Defense to provide information contained in the database with respect to a list submitted to the Secretary of Defense by the Secretary of State, containing the names of foreign personnel or military units. To the extent practicable, the Secretary of Defense shall provide, and the Secretary of State may take into account, the information contained in the database, if any, relating to the Secretary of State's submission.

"(c) UPDATING OF DATABASE.—If the Secretary of State determines and reports to Congress under section 116(d) that a foreign person identified in the database maintained pursuant to this section was involved in a violation of internationally recognized human rights, the Secretary of Defense shall ensure that the database is updated to contain such fact and all relevant information.".

Subtitle C—Security Assistance for Select Countries

SEC. 221. SECURITY ASSISTANCE FOR ISRAEL AND EGYPT.

(a) AUTHORIZATION OF APPROPRIATIONS.—

(1) ISRAEL.—Section 513 of the Security Assistance Act of 2000 (Public Law 106-280) is amended by striking "2001 and 2002" each place that it appears and inserting "2002 and 2003".

(2) EGYPT.—Section 514 of the Security Assistance Act of 2000 (Public Law 106-280) is amended by striking "2001 and 2002" each place that it appears and inserting "2002 and 2003".

(b) BALLISTIC MISSILE DEFENSE.—Of the amounts made available for fiscal years 2002 and 2003 under section 513 of the Security Assistance Act of 2000 (Public Law 106-280), as amended by subsection (a), $100,000,000 may be used each such fiscal year for the establishment, in cooperation with a United States company, of a production line for the Arrow missile in the United States.

SEC. 222. SECURITY ASSISTANCE FOR GREECE AND TURKEY.

(a) IN GENERAL.—Of the amounts made available for the fiscal years 2002 and 2003 to carry out chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.)—

(1) $1,000,000 for fiscal year 2002 and $1,170,000 for fiscal year 2003 are authorized to be available for Greece; and

(2) $2,500,000 for fiscal year 2002 and $2,920,000 for fiscal year 2003 are authorized to be available for Turkey.

(b) USE FOR PROFESSIONAL MILITARY EDUCATION.—Of the amounts available under paragraphs (1) and (2) of subsection (a) for each of fiscal years 2002 and 2003, $500,000 of each such amount should be available for purposes of professional military education.

(c) USE FOR JOINT TRAINING.—It is the sense of Congress that, to the maximum extent practicable, amounts available under subsection (a) that are used in accordance with subsection (b) should be used for joint training of Greek and Turkish officers.

(d) REPEAL.—Section 512 of the Security Assistance Act of 2000 (Public Law 106-280; 114 Stat. 856) is repealed.

SEC. 223. SECURITY ASSISTANCE FOR CERTAIN OTHER COUNTRIES.

(a) FMF FOR CERTAIN OTHER COUNTRIES.—Of the amounts made available for the fiscal years 2002 and 2003 under section 23 of the Arms Export Control Act (22 U.S.C. 2763), the following amounts are authorized to be available on a grant basis for the following countries for the fiscal years specified:

(1) THE BALTIC STATES.—For all of the Baltic states of Estonia, Latvia, and Lithuania, $21,000,000 for fiscal year 2002 and $24,400,000 for fiscal year 2003.

(2) BULGARIA.—For Bulgaria, $10,000,000 for fiscal year 2002 and $11,620,000 for fiscal year 2003.

(3) THE CZECH REPUBLIC.—For the Czech Republic, $12,000,000 for fiscal year 2002 and $14,000,000 for fiscal year 2003.

(4) GEORGIA.—For Georgia, $5,650,000 for fiscal year 2002 and $6,560,000 for fiscal year 2003.

(5) HUNGARY.—For Hungary, $12,000,000 for fiscal year 2002 and $14,000,000 for fiscal year 2003.

(6) JORDAN.—For Jordan, $75,000,000 for fiscal year 2002 and $87,300,000 for fiscal year 2003.

(7) MALTA.—For Malta, $1,000,000 for fiscal year 2002 and $1,170,000 for fiscal year 2003.

(8) THE PHILIPPINES.—For the Philippines, $19,000,000 for fiscal year 2002 and $22,100,000 for fiscal year 2003.

(9) POLAND.—For Poland, $15,000,000 for fiscal year 2002 and $17,500,000 for fiscal year 2003.

(10) ROMANIA.—For Romania, $11,500,000 for fiscal year 2002 and $13,400,000 for fiscal year 2003.

(11) SLOVAKIA.— For Slovakia, $8,500,000 for fiscal year 2002 and $9,900,000 for fiscal year 2003.

(12) SLOVENIA.—For Slovenia, $4,500,000 for fiscal year 2002 and $5,250,000 for fiscal year 2003.

(b) IMET.—Of the amounts made available for the fiscal years 2002 and 2003 to carry out chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.), the following amounts are authorized to be available for the following countries for the fiscal years specified:

(1) THE BALTIC STATES.—For all of the Baltic states of Estonia, Latvia, and Lithuania, $3,000,000 for fiscal year 2002 and $3,420,000 for fiscal year 2003.

(2) BULGARIA.—For Bulgaria, $1,200,000 for fiscal year 2002 and $1,370,000 for fiscal year 2003.

(3) THE CZECH REPUBLIC.—For the Czech Republic, $1,800,000 for fiscal year 2002 and $2,050,000 for fiscal year 2003.

(4) GEORGIA.—For Georgia, $850,000 for fiscal year 2002 and $970,000 for fiscal year 2003.

(5) HUNGARY.—For Hungary, $1,800,000 for fiscal year 2002 and $2,050,000 for fiscal year 2003.

(6) JORDAN.—For Jordan, $1,800,000 for fiscal year 2002 and $2,050,000 for fiscal year 2003.

(7) MALTA.—For Malta, $300,000 for fiscal year 2002 and $350,000 for fiscal year 2003.

(8) THE PHILIPPINES.—For the Philippines, $1,710,000 for fiscal year 2002 and $2,000,000 for fiscal year 2003.

(9) POLAND.—For Poland, $1,900,000 for fiscal year 2002 and $2,160,000 for fiscal year 2003.

(10) ROMANIA.—For Romania, $1,400,000 for fiscal year 2002 and $1,600,000 for fiscal year 2003.

(11) SLOVAKIA.—For Slovakia, $850,000 for fiscal year 2002 and $970,000 for fiscal year 2003.

(12) SLOVENIA.—For Slovenia, $800,000 for fiscal year 2002 and $910,000 for fiscal year 2003.

(c) WRITTEN EXPLANATION OF PRESIDENTIAL DETERMINATIONS.—In the event that the President determines not to provide, or determines to exceed, the funding allocated for any country specified in this section by an amount that is more than five percent of that specified in this section, the President shall submit to the appropriate committees of Congress within 15 days of such determination a written explanation of the reasons therefor.

(d) REPEALS.—Sections 511 (a) and (b) and 515 of the Security Assistance Act of 2000 are repealed.

Subtitle D—Excess Defense Article and Drawdown Authorities

SEC. 231. EXCESS DEFENSE ARTICLES FOR CERTAIN COUNTRIES.

(a) AUTHORITY.—Notwithstanding section 516(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)), during each of the fiscal years 2002 and 2003, funds available to the Department of Defense may be expended for crating, packing, handling, and transportation of excess defense articles transferred under the authority of section 516 of such Act to Albania, Bulgaria, Croatia, Estonia, Former Yugoslavia Republic of Macedonia, Georgia, India, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Moldova, Mongolia, Pakistan, Romania, Slovakia, Slovenia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

(b) SENSE OF CONGRESS.—The authority provided under this section should be utilized only for those countries demonstrating a genuine commitment to democracy and human rights.

SEC. 232. ANNUAL BRIEFING ON PROJECTED AVAILABILITY OF EXCESS DEFENSE ARTICLES.

Not later than 90 days prior to the commencement of each fiscal year, the Department of Defense shall brief the Department of State and the appropriate committees of Congress regarding the expected availability of excess defense articles during the next fiscal year, for the purpose of enabling the Department of State to factor such availability into annual security assistance plans.

SEC. 233. EXPANDED DRAWDOWN AUTHORITY.

Section 506(c) of the Foreign Assistance Act of 1961 (22 U.S.C. 2318(c)) is amended to read as follows:

"(c) For the purposes of any provision of law that authorizes the drawdown of defense or other articles or commodities, or defense or other services from an agency of the United States Government, such drawdown may include the supply of commercial transportation and related services and defense or other articles or commodities, or defense or other services, that are acquired by contract for the purposes of the drawdown in question, if the cost to acquire such items or services is less than the cost to the United States Government of providing such items or services from existing agency assets.".

SEC. 234. DURATION OF SECURITY ASSISTANCE LEASES.

Section 61 of the Arms Export Control Act (22 U.S.C. 2796) is amended—

(1) in subsection (b), by striking "of not to exceed five years" and inserting "that may not exceed 5 years, plus a period of time specified in the lease as may be necessary for major refurbishment work to be performed prior to final delivery by the lessor of the defense articles,"; and

(2) by adding at the end the following new subsection:

"(d) In this section, the term 'major refurbishment work' means refurbishment work performed over a period estimated to be 6 months or more.".

Subtitle E—Other Political-Military Assistance

SEC. 241. DESTRUCTION OF SURPLUS WEAPONS STOCKPILES.

Of the funds authorized to be appropriated to the President for fiscal years 2002 and 2003 to carry out chapters 1 and 10 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.), relating to development assistance, up to $10,000,000 is authorized to be made available each such fiscal year for the destruction of surplus stockpiles of small arms, light weapons, and other munitions.

SEC. 242. IDENTIFICATION OF FUNDS FOR DEMINING PROGRAMS.

Of the funds authorized to be appropriated under section 201 for nonproliferation, antiterrorism, demining, and related programs, $40,000,000 is authorized to be appropriated for fiscal year 2002 for demining programs and program support costs.

Subtitle F—Antiterrorism Assistance

SEC. 251. AUTHORIZATION OF APPROPRIATIONS.

Section 574(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa-4(a)) is amended by striking "$72,000,000 for fiscal year 2001 and $73,000,000 for fiscal year 2002" and inserting "$73,000,000 for fiscal year 2002 and $75,000,000 for fiscal year 2003".

SEC. 252. SPECIFIC PROGRAM OBJECTIVES.

Of the amounts authorized to be appropriated to the President pursuant to section 574(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2349aa-4(a)), $2,000,000 may be made available for the provision of the Pisces system to the governments of the Philippines and Pakistan.

Subtitle G—Other Matters

SEC. 261. REVISED MILITARY ASSISTANCE REPORTING REQUIREMENTS.

(a) ANNUAL FOREIGN MILITARY TRAINING REPORTS.—Section 656(a) of the Foreign Assistance Act of 1961 (22 U.S.C. 2416) does not apply to any NATO or major non-NATO ally unless the chairman or ranking member of one of the appropriate committees of Congress has specifically requested, in writing, inclusion of such country in the report. Such request shall be made not later than 45 calendar days prior to the date on which the report is required to be transmitted.

(b) ANNUAL MILITARY ASSISTANCE REPORTS.—Section 655 of the Foreign Assistance Act of 1961 (22 U.S.C. 2415) is amended—

(1) by striking subsection (c); and

(2) by redesignating subsection (d) as subsection (c).

(c) QUARTERLY REPORTS ON GOVERNMENT-TO-GOVERNMENT ARMS EXPORTS.—Section 36(a) of the Arms Export Control Act (22 U.S.C. 2776(a)) is amended—

(1) by striking paragraph (7); and

(2) by redesignating paragraphs (8), (9), (10), (11), (12), and (13) as paragraphs (7), (8), (9), (10), (11), and (12), respectively.

TITLE III—NONPROLIFERATION AND EXPORT CONTROL ASSISTANCE

Subtitle A—General Provisions

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION.—Section 585 of the Foreign Assistance Act of 1961 (22 U.S.C. 2349bb-4) is amended—

(1) in subsection (a), by striking all after "chapter" and inserting "$142,000,000 for fiscal year 2002 and $152,000,000 for fiscal year 2003."; and

(2) in subsection (c), by striking "2001" each place that it appears and inserting "2002".

(b) SUBALLOCATIONS.—Of the amounts authorized to be appropriated to the President for fiscal years 2002 and 2003 under chapter 9 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349bb et seq.)—

(1) not less than $2,000,000 shall be made available each such fiscal year for the purpose of carrying out section 584 of the Foreign Assistance Act of 1961, as added by section 304 of this Act; and

(2) $65,000,000 for fiscal year 2002 and $65,000,000 for fiscal year 2003 are authorized to be appropriated for science and technology centers in the independent states of the former Soviet Union.

(c) CONFORMING AMENDMENT.—Section 302 of the Security Assistance Act of 2000 (Public Law 106-280) is repealed.

SEC. 302. JOINT STATE DEPARTMENT-DEFENSE DEPARTMENT PROGRAMS.

Of the amounts authorized to be appropriated to the President for fiscal years 2002 and 2003 under chapter 9 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349bb et seq.), the Secretary is authorized to make available not more than $1,000,000 for international counterproliferation programs administered by the Department of Defense.

SEC. 303. NONPROLIFERATION TECHNOLOGY ACQUISITION PROGRAMS FOR FRIENDLY FOREIGN COUNTRIES.

(a) IN GENERAL.—For the purpose of enhancing the nonproliferation and export control capabilities of friendly countries, of the amounts authorized to be appropriated for fiscal years 2002 and 2003 under chapter 9 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349bb et seq.), the Secretary is authorized to expend not more than—

(1) $5,000,000 for the procurement and provision of nuclear, chemical, and biological detection systems, including spectroscopic and pulse echo technologies; and

(2) $10,000,000 for the procurement and provision of x-ray systems capable of imaging sea-cargo containers.

(b) TRAINING REQUIREMENT.—The Secretary shall not provide any equipment or technology pursuant to this section without having first developed and budgeted for a multiyear training plan to assist foreign personnel in the utilization of those items.

(c) PROCUREMENT AUTHORITIES.—For fiscal year 2003, the Secretary shall utilize, to the maximum extent practicable, the Special Defense Acquisition Fund for procurements authorized under this section.

SEC. 304. INTERNATIONAL NONPROLIFERATION AND EXPORT CONTROL TRAINING.

Chapter 9 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2349bb et seq.) is amended—

(1) by redesignating sections 584 and 585 as sections 585 and 586, respectively; and

(2) by inserting after section 583 the following:

"SEC. 584. INTERNATIONAL NONPROLIFERATION EXPORT CONTROL TRAINING.

"(a) GENERAL AUTHORITY.—The President is authorized to furnish, on such terms and conditions consistent with this chapter (but whenever feasible on a reimbursable basis), education and training to foreign personnel for the purpose of enhancing the nonproliferation and export control capabilities of such personnel through their attendance in special courses of instruction conducted by the United States.

"(b) ADMINISTRATION OF COURSES.—The Secretary of State shall have overall responsibility for the development and conduct of international nonproliferation education and training programs, but may utilize other departments and agencies, as appropriate, to recommend personnel for the education and training, and to administer specific courses of instruction.

"(c) PURPOSES.—Education and training activities conducted under this section shall be—

"(1) of a technical nature, emphasizing techniques for detecting, deterring, monitoring, interdicting, and countering proliferation;

"(2) designed to encourage effective and mutually beneficial relations and increased understanding between the United States and friendly countries; and

"(3) designed to improve the ability of friendly countries to utilize their resources with maximum effectiveness, thereby contributing to greater self-reliance by such countries.

"(d) PRIORITY TO CERTAIN COUNTRIES.—In selecting military and foreign governmental personnel for education and training pursuant to this section, priority shall be given to personnel from countries for which the Secretary of State has given priority under section 583(b).".

SEC. 305. RELOCATION OF SCIENTISTS.

(a) REINSTATEMENT OF CLASSIFICATION AUTHORITY.—Section 4 of the Soviet Scientists Immigration Act of 1992 (Public Law 102-509; 106 Stat. 3316; 8 U.S.C. 1153 note) is amended by striking subsection (d) and inserting the following:

"(d) DURATION OF AUTHORITY.—The authority under subsection (a) shall be in effect during the following periods:

"(1) The period beginning on the date of the enactment of this Act and ending 4 years after such date.

"(2) The period beginning on the date of the enactment of the Security Assistance Act of 2001 and ending 4 years after such date.".

(b) LIMITATION ON NUMBER OF SCIENTISTS ELIGIBLE FOR VISAS UNDER AUTHORITY.—Subsection (c) of such section is amended by striking "750" and inserting "950".

(c) LIMITATION ON ELIGIBILITY.—Subsection (a) of such section is amended by adding at the end the following new sentence: "A scientist is not eligible for designation under this subsection if the scientist has previously been granted the status of an alien lawfully admitted for permanent residence (as defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20))).".

(d) CONSULTATION REQUIREMENT.—The Attorney General shall consult with the Secretary, the Secretary of Defense, the Secretary of Energy, and the heads of other appropriate agencies of the United States regarding—

(1) previous experience in implementing the Soviet Scientists Immigration Act of 1992; and

(2) any changes that those officials would recommend in the regulations prescribed under that Act.

SEC. 306. AUDITS OF THE INTERNATIONAL SCIENCE AND TECHNOLOGY CENTERS PROGRAM.

Consistent with section 303(b) of the Security Assistance Act of 2000 (Public Law 106–280; 114 Stat. 853), not later than 60 days after the date of enactment of this Act, the Secretary shall submit a detailed report to the appropriate committees of Congress on United States audit practices with respect to the "International Science and Technology Centers Program".

SEC. 307. INTERNATIONAL ATOMIC ENERGY AGENCY REGULAR BUDGET ASSESSMENTS.

(a) FINDINGS.—Congress makes the following findings:

(1) The Department of State has concluded that the International Atomic Energy Agency (hereafter in this section referred to as the "IAEA") is a critical and effective instrument for verifying compliance with international nuclear nonproliferation agreements, and that it serves as an essential barrier to the spread of nuclear weapons.

(2) The IAEA furthers United States national security objectives by helping to prevent the proliferation of nuclear weapons material, especially through its work on effective verification and safeguards measures.

(3) The IAEA can also perform a critical role in monitoring and verifying aspects of nuclear weapons reduction agreements between nuclear weapons states.

(4) As the IAEA has negotiated and developed more effective verification and safeguards measures, it has experienced significant real growth in its mission, especially in the vital area of nuclear safeguards inspections.

(5) Nearly two decades of zero budget growth have affected the ability of the IAEA to carry out its mission and to hire and retain the most qualified inspectors and managers, as evidenced in the decreasing proportion of such personnel who hold doctorate degrees.

(6) Although voluntary contributions by the United States lessen the IAEA's budgetary constraints, they cannot readily be used for the long-term capital investments or permanent staff increases necessary to an effective IAEA safeguards regime.

(7) It was not the intent of Congress that the United States contributions to all United Nations-related organizations and activities be reduced pursuant to the Admiral James W. Nance and Meg Donovan Foreign Relations Authorization Act, Fiscal Years 2000 and 2001 (as enacted into law by section 1000(a)(7) of Public Law 106–113; 113 Stat. 1501A–405 et seq.), which sets 22 percent assessment rates as benchmarks for the general United Nations budget, the Food and Agricultural Organization, the World Health Organization, and the International Labor Organization. Rather, contributions for important and effective agencies such as the IAEA should be maintained at levels commensurate with the criticality of its mission.

(b) ADDITIONAL FUNDING FOR THE INTERNATIONAL ATOMIC ENERGY AGENCY.—It is the sense of Congress that—

(1) the Secretary should negotiate a gradual and sustained increase in the regular budget of the International Atomic Energy Agency, which should begin with the 2002 budget;

(2) if a regular budget increase for the IAEA is achieved, the Secretary should seek to gain consensus within the IAEA Board of Governors for allocation of a larger proportion of that budget to nuclear nonproliferation activities; and

(3) if such a reallocation of the regular IAEA budget cannot be obtained, the United States should decrease its voluntary contribution by $400,000 for each $1,000,000 increase in its annual assessment.

(c) AUTHORIZATION OF APPROPRIATIONS.—Of the funds authorized to be appropriated for international organizations, $60,000,000 are authorized to be appropriated in fiscal year 2002 for the payment of the United States assessment to the International Atomic Energy Agency, and $75,000,000 shall be available for that purpose in fiscal year 2003.

SEC. 308. REVISED NONPROLIFERATION REPORTING REQUIREMENTS.

Section 308 of Public Law 102–182 (22 U.S.C. 5606) is hereby repealed.

Subtitle B—Russian Federation Debt Reduction for Nonproliferation

SEC. 311. SHORT TITLE.

This subtitle may be cited as the "Russian Federation Debt Reduction for Nonproliferation Act of 2001".

SEC. 312. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds the following:

(1) It is in the vital security interests of the United States to prevent the spread of weapons of mass destruction to additional states or to terrorist organizations, and to ensure that other nations' obligations to reduce their stockpiles of such arms in accordance with treaties, executive agreements, or political commitments are fulfilled.

(2) In particular, it is in the vital national security interests of the United States to ensure that—

(A) all stocks of nuclear weapons and weapons-usable nuclear material in the Russian Federation are secure and accounted for;

(B) stocks of nuclear weapons and weapons-usable nuclear material that are excess to military needs in the Russian Federation are monitored and reduced;

(C) any chemical or biological weapons, related materials, and facilities in the Russian Federation are destroyed;

(D) the Russian Federation's nuclear weapons complex is reduced to a size appropriate to its post-Cold War missions, and its experts in weapons of mass destruction technologies are shifted to gainful and sustainable civilian employment;

(E) the Russian Federation's export control system blocks any proliferation of weapons of mass destruction, the means of delivering such weapons, and materials, equipment, know-how, or technology that would be used to develop, produce, or deliver such weapons; and

(F) these objectives are accomplished with sufficient monitoring and transparency to provide confidence that they have in fact been accomplished and that the funds provided to accomplish these objectives have been spent efficiently and effectively.

(3) United States programs should be designed to accomplish these vital objectives in the Russian Federation as rapidly as possible, and the President should develop and present to Congress a plan for doing so.

(4) Substantial progress has been made in United States-Russian Federation cooperative programs to achieve these objectives, but much more remains to be done to reduce the urgent risks to United States national security posed by the current state of the Russian Federation's weapons of mass destruction stockpiles and complexes.

(5) The threats posed by inadequate management of weapons of mass destruction stockpiles and complexes in the Russian Federation remain urgent. Incidents in years immediately preceding 2001, which have been cited by the Russia Task Force of the Secretary of Energy's Advisory Board, include—

(A) a conspiracy at one of the Russian Federation's largest nuclear weapons facilities to steal nearly enough highly enriched uranium for a nuclear bomb;

(B) an attempt by an employee of the Russian Federation's premier nuclear weapons facility to sell nuclear weapons designs to agents of Iraq and Afghanistan; and

(C) the theft of radioactive material from a Russian Federation submarine base.

(6) Addressing these threats to United States and world security will ultimately consume billions of dollars, a burden that will have to be shared by the Russian Federation, the United States, and other governments, if this objective is to be achieved.

(7) The creation of new funding streams could accelerate progress in reducing these threats to United States security and help the government of the Russian Federation to fulfill its responsibility for secure management of its weapons stockpiles and complexes as United States assistance phases out.

(8) The Russian Federation suffers from a significant foreign debt burden, a substantial proportion of which it inherited from the Soviet Union. The Russian Federation is taking full responsibility for this debt, but the burden of debt repayment could threaten Russian Federation economic reform, particularly in 2003 and beyond.

(9) The Russian Federation's need for debt relief has been the subject of discussions between the United States and the Russian Federation at the highest levels and is cited by United States officials as one reason why the Russian Federation has recognized that its future lies with the West.

(10) Past debt-for-environment exchanges, in which a portion of a country's foreign debt is canceled in return for certain environmental commitments or payments by that country, provide a model for a possible debt-for-nonproliferation exchange with the Russian Federation, which could be designed to provide additional funding for nonproliferation and arms reduction initiatives.

(11) Most of the Russian Federation's official bilateral debt is held by United States allies that are advanced industrial democracies. Since the issues described pose threats to United States allies as well, United States leadership that results in a larger contribution from United States allies to cooperative threat reduction activities will be needed.

(b) PURPOSES.—The purposes of this subtitle are—

(1) to recognize the vital interests of the United States, its allies, and the Russian Federation in reducing the threats to international security described in the findings set forth in subsection (a);

(2) to facilitate the accomplishment of the United States objectives described in the findings set forth in subsection (a) by providing for the alleviation of a portion of the Russian Federation's foreign debt, thus allowing the use of additional resources for these purposes; and

(3) to ensure that resources freed from debt in the Russian Federation are targeted to the accomplishment of the United States objectives described in the findings set forth in subsection (a).

SEC. 313. DEFINITIONS.

In this subtitle:

(1) AGREEMENT.—The term "Agreement" means the Russian Nonproliferation Investment Agreement provided for in section 318.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on International Relations and the Committee on Appropriations of the House of Representatives; and

(B) the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

(3) COST.—The term "cost" has the meaning given that term in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5)).

(4) FACILITY.—The term "Facility" means the Russian Nonproliferation Investment Facility established in the Department of the Treasury by section 314.

(5) SOVIET-ERA DEBT.—The term "Soviet-era debt" means debt owed as a result of loans or credits provided by the United States (or any agency of the United States) to the Union of Soviet Socialist Republics.

SEC. 314. ESTABLISHMENT OF THE RUSSIAN NONPROLIFERATION INVESTMENT FACILITY.

There is established in the Department of the Treasury an entity to be known as the "Russian Nonproliferation Investment Facility" for the purpose of providing for the administration of debt reduction in accordance with this subtitle.

SEC. 315. REDUCTION OF THE RUSSIAN FEDERATION'S SOVIET-ERA DEBT OWED TO THE UNITED STATES, GENERALLY.

(a) AUTHORITY TO REDUCE SOVIET-ERA DEBT.—

(1) AUTHORITY.—

(A) IN GENERAL.—Except as provided in subparagraph (B), and subject to section 321, the President may reduce the amount of Soviet-era debt owed by the Russian Federation to the United States (or any agency of the United States) that is outstanding as of October 1, 2001.

(B) EXCEPTION.—The authority of subparagraph (A) to reduce Soviet-era debt does not include any debt that is described in section 316(a)(1).

(2) CONGRESSIONAL NOTIFICATION.—The President shall notify the appropriate congressional committees of his intention to reduce the amount of the Russian Federation's Soviet-era debt at least 15 days in advance of any formal determination to do so.

(3) AUTHORIZATION OF APPROPRIATIONS.—

(A) IN GENERAL.—For the cost of the reduction of any Soviet-era debt pursuant to this section, there are authorized to be appropriated to the President—

(i) $50,000,000 for fiscal year 2002; and

(ii) $100,000,000 for fiscal year 2003.

(B) LIMITATION.—The authority provided by this section shall be available only to the extent that appropriations for the cost of the modification of any Soviet-era debt pursuant to this section are made in advance.

(4) CERTAIN PROHIBITIONS INAPPLICABLE.—

(A) IN GENERAL.—A reduction of Soviet-era debt pursuant to this section shall not be considered assistance for the purposes of any provision of law limiting assistance to a country.

(B) ADDITIONAL REQUIREMENT.—The authority of this section may be exercised notwithstanding section 620(r) of the Foreign Assistance Act of 1961 or section 321 of the International Development and Food Assistance Act of 1975.

(b) IMPLEMENTATION OF SOVIET-ERA DEBT REDUCTION.—

(1) IN GENERAL.—Any reduction of Soviet-era debt pursuant to subsection (a) shall be—

(A) implemented pursuant to the terms of a Russian Nonproliferation Investment Agreement authorized under section 318; and

(B) accomplished at the direction of the Facility by the exchange of a new obligation for obligations of the type referred to in such subsection that are outstanding as of October 1, 2001.

(2) EXCHANGE OF OBLIGATIONS.—

(A) IN GENERAL.—The Facility shall notify the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 of an agreement entered into under paragraph (1) with the Russian Federation to exchange a new obligation for outstanding obligations.

(B) ADDITIONAL REQUIREMENT.—At the direction of the Facility, the old obligations that are the subject of the agreement shall be canceled and a new debt obligation for the Russian Federation shall be established relating to the agreement, and the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 shall make an adjustment in its accounts to reflect the debt reduction.

(c) ADDITIONAL TERMS AND CONDITIONS.—The following additional terms and conditions shall apply to the reduction of Soviet-era debt under subsection (a)(1) in the same manner as such terms and conditions apply to the reduction of debt under section 704(a)(1) of the Foreign Assistance Act of 1961:

(1) The provisions relating to repayment of principal under section 705 of the Foreign Assistance Act of 1961.

(2) The provisions relating to interest on new obligations under section 706 of the Foreign Assistance Act of 1961.

SEC. 316. REDUCTION OF SOVIET-ERA DEBT OWED TO THE UNITED STATES AS A RESULT OF CREDITS EXTENDED UNDER TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954.

(a) AUTHORITY TO REDUCE CERTAIN SOVIET-ERA DEBT.—

(1) AUTHORITY.—Notwithstanding any other provision of law, and subject to section 321, the President may reduce the amount of Soviet-era debt owed to the United States (or any agency of the United States) by the Russian Federation that is outstanding as of October 1, 2001, as a result of any credits extended under title I of the Agricultural

Trade Development and Assistance Act of 1954 (7 U.S.C. 1701 et seq.).

(2) Congressional notification.—The President shall notify the appropriate congressional committees of his intention to reduce the amount of the Russian Federation's Soviet-era debt described in paragraph (1) at least 15 days in advance of any formal determination to do so.

(3) Authorization of appropriations.—

(A) In general.—For the cost of the reduction of any Soviet-era debt pursuant to this section, there are authorized to be appropriated to the President—

(i) $50,000,000 for fiscal year 2002; and

(ii) $100,000,000 for fiscal year 2003.

(B) Limitation.—The authority provided by this section shall be available only to the extent that appropriations for the cost of the modification of any Soviet-era debt pursuant to this section are made in advance.

(b) Implementation of Soviet-Era Debt Reduction.—

(1) In general.—Any reduction of Soviet-era debt pursuant to subsection (a) shall be—

(A) implemented pursuant to the terms of a Russian Nonproliferation Investment Agreement authorized under section 318; and

(B) accomplished at the direction of the Facility by the exchange of a new obligation for obligations of the type referred to in such subsection that are outstanding as of October 1, 2001.

(2) Exchange of obligations.—

(A) In general.—The Facility shall notify the Commodity Credit Corporation of an agreement entered into under paragraph (1) with an eligible country to exchange a new obligation for outstanding obligations.

(B) Additional requirement.—At the direction of the Facility, the old obligations that are the subject of the agreement shall be canceled and a new debt obligation shall be established for the Russian Federation relating to the agreement, and the Commodity Credit Corporation shall make an adjustment in its accounts to reflect the debt reduction.

(c) Additional Terms and Conditions.—The following additional terms and conditions shall apply to the reduction of Soviet-era debt under subsection (a)(1) in the same manner as such terms and conditions apply to the reduction of debt under section 604(a)(1) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1738c):

(1) The provisions relating to repayment of principal under section 605 of such Act.

(2) The provisions relating to interest on new obligations under section 606 of such Act.

SEC. 317. AUTHORITY TO ENGAGE IN DEBT-FOR-NONPROLIFERATION EXCHANGES AND DEBT BUYBACKS.

(a) Loans and Credits Eligible for Sale, Reduction, or Cancellation.—

(1) Debt-for-nonproliferation exchanges.—

(A) In general.—Notwithstanding any other provision of law, and subject to section 321, the President may, in accordance with this section, sell to any purchaser eligible under subparagraph (B), any loan or credit described in section 315(a)(1), or any credit described in section 316(a)(1), or on receipt of payment from an eligible purchaser, reduce or cancel any such loan or credit or portion thereof, only for the purpose of facilitating a debt-for-nonproliferation exchange to support activities that further United States objectives described in the findings set forth in section 312(a).

(B) Eligible purchaser.—A loan or credit may be sold, reduced, or canceled under subparagraph (A) with respect to a purchaser who presents plans satisfactory to the President for using the loan or credit for the purpose of engaging in debt-for-nonproliferation exchange to support activities that further United States objectives described in the findings set forth in section 312(a).

(C) Consultation requirement.—Before the sale under subparagraph (A) to any purchaser eligible under subparagraph (B), or any reduction or cancellation under subparagraph (A), of any loan or credit made to the Russian Federation, the President shall consult with that country concerning the amount of loans or credits to be sold, reduced, or canceled and their uses for debt-for-nonproliferation exchanges to support activities that further United States objectives described in the findings set forth in section 312(a).

(D) Authorization of appropriations.—For the cost of the reduction of any debt pursuant to subparagraph (A), amounts authorized to be appropriated under sections 315(a)(3) and 316(a)(3) shall be made available for such reduction of debt pursuant to subparagraph (A).

(2) Debt buybacks.—Notwithstanding any other provision of law, the President may, in accordance with this section, sell to the Russian Federation any loan or credit described in section 315(a)(1) or any credit described in section 316(a)(1), or on receipt of payment from the Russian Federation, reduce or cancel such loan or credit or portion thereof, if the purpose of doing so is to facilitate a debt buyback by the Russian Federation of its own qualified debt and the Russian Federation uses a substantial additional amount of its local currency to support activities that further United States objectives described in the findings set forth in section 312(a).

(3) Limitation.—The authority provided by paragraphs (1) and (2) shall be available only to the extent that appropriations for the cost of the modification of any debt pursuant to such paragraphs are made in advance.

(4) Terms and conditions.—Notwithstanding any other provision of law, the President shall, in accordance with this section, establish the terms and conditions under which loans and credits may be sold, reduced, or canceled pursuant to this section.

(5) Administration.—

(A) In general.—The Facility shall notify the Administrator of the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 or the Commodity Credit Corporation, as the case may be, of purchasers that the President has determined to be eligible under paragraph (1)(B), and shall direct such agency or Corporation, as the case may be, to carry out the sale, reduction, or cancellation of a loan pursuant to such paragraph.

(B) Additional requirement.—Such agency or Corporation, as the case may be, shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

(b) Deposit of Proceeds.—The proceeds from a sale, reduction, or cancellation of a loan sold, reduced, or canceled pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such loan.

SEC. 318. RUSSIAN NONPROLIFERATION INVESTMENT AGREEMENT.

(a) Authority.—Subject to section 321, the Secretary is authorized, in consultation with other appropriate officials of the Federal Government, to enter into an agreement with the Russian Federation concerning the use of the funds saved by that country as a result of any debt relief provided pursuant to this subtitle. An agreement entered into under this section may be referred to as the "Russian Nonproliferation Investment Agreement".

(b) Content of Agreement.—The Russian Nonproliferation Investment Agreement shall ensure that—

(1) a significant proportion of the funds saved by the Russian Federation as a result of any debt relief provided pursuant to this subtitle is devoted to nonproliferation programs and projects;

(2) funding of each such program or project is approved by the United States Government, either directly or through its representation on any governing board that may be directed or established to manage these funds;

(3) administration and oversight of nonproliferation programs and projects incorporate best practices from established threat reduction and nonproliferation assistance programs;

(4) each program or project funded pursuant to the Agreement is subject to audits conducted by or for the United States Government;

(5) unobligated funds for investments pursuant to the Agreement are segregated from other Russian Federation funds and invested in financial instruments guaranteed or insured by the United States Government;

(6) the funds that are devoted to programs and projects pursuant to the Agreement are not subject to any taxation by the Russian Federation;

(7) all matters relating to the intellectual property rights and legal liabilities of United States firms in a given project are agreed upon before the expenditure of funds is authorized for that project; and

(8) not less than 75 percent of the funds made available for each nonproliferation program or project under the Agreement is spent in the Russian Federation.

(c) Use of Existing Mechanisms.—It is the sense of Congress that, to the extent practicable, the boards and administrative mechanisms of existing threat reduction and nonproliferation programs should be used in the administration and oversight of programs and projects under the Agreement.

SEC. 319. STRUCTURE OF DEBT-FOR-NONPROLIFERATION ARRANGEMENTS.

It is the sense of Congress that any debt-for-nonproliferation arrangements with the Russian Federation should provide for gradual debt relief over a period of years, with debt relief to be suspended if more than two years' worth of funds remain unobligated for approved nonproliferation programs or projects.

SEC. 320. INDEPENDENT MEDIA AND THE RULE OF LAW.

Subject to section 321, of the agreed funds saved by the Russian Federation as a result of any debt relief provided pursuant to this subtitle, up to 10 percent may be used to promote a vibrant, independent media sector and the rule of law in the Russian Federation through an endowment to support the establishment of a "Center for an Independent Press and the Rule of Law" in the Russian Federation, which shall be directed by a joint United States-Russian Board of Directors in which the majority of members, including the chairman, shall be United States personnel, and which shall be responsible for management of the endowment, its funds, and the Center's programs.

SEC. 321. NONPROLIFERATION REQUIREMENT.

(a) Proliferation to State Sponsors of Terrorism.—The authorities granted under sections 315, 316, 317, 318, and 320 may not be exercised, and funds may not be expended, unless and until—

(1) the Russian Federation makes material progress in stemming the flow of sensitive goods, technologies, material, and know-how related to the design, development, and production of weapons of mass destruction and the means to deliver them to countries that have been determined by the Secretary, for the purposes of section 40 of the Arms Export Control Act, section 620A of the Foreign Assistance Act, or section 6(j) of the Export Administration Act of 1979, to have repeatedly provided support for acts of international terrorism; and

(2) the President certifies to the appropriate congressional committees that the condition required in paragraph (1) has been met.

(b) ANNUAL DETERMINATION.—If, in any annual report to Congress submitted pursuant to section 325, the President cannot certify that the Russian Federation continues to meet the condition required in subsection (a)(1), then, subject to the provisions of subsection (c), the authorities granted under under sections 315, 316, 317, 318, and 320 may not be exercised, and funds may not be expended, unless and until such certification is made to the appropriate congressional committees.

(c) PRESIDENTIAL WAIVER.—The President may waive the requirements of subsection (b) for a fiscal year if the President determines that imposition of those requirements in that fiscal year would be counter to the national interest of the United States and so reports to the appropriate congressional committees.

SEC. 322. DISCUSSION OF RUSSIAN FEDERATION DEBT REDUCTION FOR NONPROLIFERATION WITH OTHER CREDITOR STATES.

The President and such other appropriate officials as the President may designate shall institute discussions in the Paris Club of creditor states with the objectives of—

(1) reaching agreement that each member of the Paris Club is authorized to negotiate debt exchanges with the Russian Federation covering a portion of its bilateral debt, to finance the accomplishment of nonproliferation and arms reduction activities;

(2) convincing other member states of the Paris Club, especially the largest holders of Soviet-era Russian debt, to dedicate significant proportions of their bilateral debt with the Russian Federation to these purposes; and

(3) reaching agreement, as appropriate, to establish a unified debt exchange fund to manage and provide financial transparency for the resources provided through the debt exchanges.

SEC. 323. IMPLEMENTATION OF UNITED STATES POLICY.

It is the sense of Congress that implementation of debt-for-nonproliferation programs with the Russian Federation should be overseen by the Committee on Nonproliferation Assistance to the Independent States of the Former Soviet Union (established pursuant to section 334 of this Act).

SEC. 324. CONSULTATIONS WITH CONGRESS.

The President shall consult with the appropriate congressional committees on a periodic basis to review the operations of the Facility and the Russian Federation's eligibility for benefits from the Facility.

SEC. 325. ANNUAL REPORT TO CONGRESS.

Not later than December 31, 2002, and not later than December 31 of each year thereafter, the President shall prepare and transmit to Congress a report concerning the operation of the Facility during the fiscal year preceding the fiscal year in which the report is transmitted. The report on a fiscal year shall include—

(1) a description of the activities undertaken by the Facility during the fiscal year;

(2) a description of any agreement entered into under this subtitle;

(3) a description of any grants that have been provided pursuant to the agreement; and

(4) a summary of the results of audits performed in the fiscal year pursuant to the agreement.

Subtitle C—Nonproliferation Assistance Coordination

SEC. 331. SHORT TITLE.

This subtitle may be cited as the "Nonproliferation Assistance Coordination Act of 2001".

SEC. 332. FINDINGS.

Congress finds that—

(1) United States nonproliferation efforts in the independent states of the former Soviet Union have achieved important results in ensuring that weapons of mass destruction, weapons-usable material and technology, and weapons-related knowledge remain beyond the reach of terrorists and weapons-proliferating states;

(2) although these efforts are in the United States national security interest, the effectiveness of these efforts suffers from a lack of coordination within and among United States Government agencies;

(3) increased spending and investment by the United States private sector on nonproliferation efforts in the independent states of the former Soviet Union, specifically, spending and investment by the United States private sector in job creation initiatives and proposals for unemployed Russian Federation weapons scientists and technicians, are making an important contribution in ensuring that knowledge related to weapons of mass destruction remains beyond the reach of terrorists and weapons-proliferating states; and

(4) increased spending and investment by the United States private sector on nonproliferation efforts in the independent states of the former Soviet Union require the establishment of a coordinating body to ensure that United States public and private efforts are not in conflict, and to ensure that public spending on efforts by the independent states of the former Soviet Union is maximized to ensure efficiency and further United States national security interests.

SEC. 333. INDEPENDENT STATES OF THE FORMER SOVIET UNION DEFINED.

In this subtitle, the term "independent states of the former Soviet Union" has the meaning given the term in section 3 of the FREEDOM Support Act (22 U.S.C. 5801).

SEC. 334. ESTABLISHMENT OF COMMITTEE ON NONPROLIFERATION ASSISTANCE TO THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.

(a) ESTABLISHMENT.—There is established within the executive branch of the Government an interagency committee known as the "Committee on Nonproliferation Assistance to the Independent States of the Former Soviet Union" (in this subtitle referred to as the "Committee").

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Committee shall be composed of five members, as follows:

(A) A representative of the Department of State designated by the Secretary of State.

(B) A representative of the Department of Energy designated by the Secretary of Energy.

(C) A representative of the Department of Defense designated by the Secretary of Defense.

(D) A representative of the Department of Commerce designated by the Secretary of Commerce.

(E) A representative of the Assistant to the President for National Security Affairs designated by the Assistant to the President.

(2) LEVEL OF REPRESENTATION.—The Secretary of a department named in subparagraph (A), (B), (C), or (D) of paragraph (1) shall designate as the department's representative an official of that department who is not below the level of an Assistant Secretary of the department.

(c) CHAIR.—The representative of the Assistant to the President for National Security Affairs shall serve as Chair of the Committee. The Chair may invite the head of any other department or agency of the United States to designate a representative of that department or agency to participate from time to time in the activities of the Committee.

SEC. 335. DUTIES OF THE COMMITTEE.

(a) IN GENERAL.—The Committee shall have primary continuing responsibility within the executive branch of the Government for—

(1) monitoring United States nonproliferation efforts in the independent states of the former Soviet Union; and

(2) coordinating the implementation of United States policy with respect to such efforts.

(b) DUTIES SPECIFIED.—In carrying out the responsibilities described in subsection (a), the Committee shall—

(1) arrange for the preparation of analyses on the issues and problems relating to coordination within and among United States departments and agencies on nonproliferation efforts of the independent states of the former Soviet Union;

(2) arrange for the preparation of analyses on the issues and problems relating to coordination between the United States public and private sectors on nonproliferation efforts in the independent states of the former Soviet Union, including coordination between public and private spending on nonproliferation programs of the independent states of the former Soviet Union and coordination between public spending and private investment in defense conversion activities of the independent states of the former Soviet Union;

(3) provide guidance on arrangements that will coordinate, de-conflict, and maximize the utility of United States public spending on nonproliferation programs of the independent states of the former Soviet Union to ensure efficiency and further United States national security interests;

(4) encourage companies and nongovernmental organizations involved in nonproliferation efforts of the independent states of the former Soviet Union to voluntarily report these efforts to the Committee;

(5) arrange for the preparation of analyses on the issues and problems relating to the coordination between the United States and other countries with respect to nonproliferation efforts in the independent states of the former Soviet Union; and

(6) consider, and make recommendations to the President and Congress with respect to, proposals for new legislation or regulations relating to United States nonproliferation efforts in the independent states of the former Soviet Union as may be necessary.

SEC. 336. ADMINISTRATIVE SUPPORT.

All United States departments and agencies shall provide, to the extent permitted by law, such information and assistance as may be requested by the Committee in carrying out its functions and activities under this subtitle.

SEC. 337. CONFIDENTIALITY OF INFORMATION.

Information which has been submitted or received in confidence shall not be publicly disclosed, except to the extent required by law, and such information shall be used by the Committee only for the purpose of carrying out the functions and activities set forth in this subtitle.

SEC. 338. STATUTORY CONSTRUCTION.

Nothing in this subtitle—

(1) applies to the data-gathering, regulatory, or enforcement authority of any existing United States department or agency over nonproliferation efforts in the independent states of the former Soviet Union, and the review of those efforts undertaken by the Committee shall not in any way supersede or prejudice any other process provided by law; or

(2) applies to any activity that is reportable pursuant to title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.).

TITLE IV—EXPEDITING THE MUNITIONS LICENSING PROCESS

SEC. 401. LICENSE OFFICER STAFFING.

(a) FUNDING.—Of the amounts authorized to be appropriated under the appropriations account entitled "DIPLOMATIC AND CONSULAR PROGRAMS" for fiscal years 2002 and 2003, not less than $10,000,000 shall be made available each such fiscal year for the Office of Defense Trade Controls of the Department of State for salaries and expenses.

(b) ASSIGNMENT OF LICENSE REVIEW OFFICERS.—Effective January 1, 2002, the Secretary shall assign to the Office of Defense Trade Controls of the Department of State a sufficient number of license review officers to ensure that the average weekly caseload for each officer does not exceed 40.

(c) DETAILEES.—For the purpose of expediting license reviews, the Secretary of Defense should ensure that 10 military officers are continuously detailed to the Office of Defense Trade Controls of the Department of State on a nonreimbursable basis.

SEC. 402. FUNDING FOR DATABASE AUTOMATION.

Of the amounts authorized to be appropriated under the appropriations account entitled "CAPITAL INVESTMENT FUND" for fiscal years 2002 and 2003, not less than $4,000,000 shall be made available each such fiscal year for the Office of Defense Trade Controls of the Department of State for the modernization of information management systems.

SEC. 403. INFORMATION MANAGEMENT PRIORITIES.

(a) OBJECTIVE.—The Secretary shall establish a secure, Internet-based system for the filing and review of applications for export of Munitions List items.

(b) ESTABLISHMENT OF AN ELECTRONIC SYSTEM.—Of the amounts made available pursuant to section 402, not less than $3,000,000 each such fiscal year shall be made available to fully automate the Defense Trade Application System, and to ensure that the system—

(1) is a secure, electronic system for the filing and review of Munitions List license applications;

(2) is accessible by United States companies through the Internet for the purpose of filing and tracking their Munitions List license applications; and

(3) is capable of exchanging data with—

(A) the Export Control Automated Support System of the Department of Commerce;

(B) the Foreign Disclosure and Technology Information System and the USXPORTS systems of the Department of Defense;

(C) the Export Control System of the Central Intelligence Agency; and

(D) the Proliferation Information Network System of the Department of Energy.

(c) MUNITIONS LIST DEFINED.—In this section, the term "Munitions List" means the United States Munitions List of defense articles and defense services controlled under section 38 of the Arms Export Control Act (22 U.S.C. 2778).

SEC. 404. IMPROVEMENTS TO THE AUTOMATED EXPORT SYSTEM.

(a) CONTRIBUTION TO THE AUTOMATED EXPORT SYSTEM.—Not less than $250,000 of the amounts provided under section 302 for each fiscal year shall be available for the purpose of—

(1) providing the Department of State with full access to the Automated Export System;

(2) ensuring that the system is modified to meet the needs of the Department of State, if such modifications are consistent with the needs of other United States Government agencies; and

(3) providing operational support.

(b) MANDATORY FILING.—The Secretary of Commerce, with the concurrence of the Secretary of State and the Secretary of Treasury, shall publish regulations in the Federal Register to require, upon the effective date of those regulations, that all persons who are required to file export information under chapter 9 of title 13, United States Code, to file such information through the Automated Export System.

(c) REQUIREMENT FOR INFORMATION SHARING.—The Secretary shall conclude an information-sharing arrangement with the heads of United States Customs Service and the Census Bureau—

(1) to allow the Department of State to access information on controlled exports made through the United States Postal Service; and

(2) to adjust the Automated Export System to parallel information currently collected by the Department of State.

(d) SECRETARY OF TREASURY FUNCTIONS.—Section 303 of title 13, United States Code, is amended by striking ", other than by mail,".

(e) FILING EXPORT INFORMATION, DELAYED FILINGS, PENALTIES FOR FAILURE TO FILE.—Section 304 of title 13, United States Code, is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking "the penal sum of $1,000" and inserting "a penal sum of $10,000"; and

(B) in the third sentence, by striking "a penalty not to exceed $100 for each day's delinquency beyond the prescribed period, but not more than $1,000," and inserting "a penalty not to exceed $1,000 for each day's delinquency beyond the prescribed period, but not more than $10,000 per violation";

(2) by redesignating subsection (b) as subsection (c); and

(3) by inserting after subsection (a) the following:

"(b) Any person, other than a person described in subsection (a), required to submit export information, shall file such information in accordance with any rule, regulation, or order issued pursuant to this chapter. In the event any such information or reports are not filed within such prescribed period, the Secretary of Commerce (and officers of the Department of Commerce designated by the Secretary) may impose a civil penalty not to exceed $1,000 for each day's delinquency beyond the prescribed period, but not more than $10,000 per violation.".

(f) ADDITIONAL PENALTIES.—

(1) IN GENERAL.—Section 305 of title 13, United States Code, is amended to read as follows:

"SEC. 305. PENALTIES FOR UNLAWFUL EXPORT INFORMATION ACTIVITIES.

"(a) CRIMINAL PENALTIES.—(1) Any person who knowingly fails to file or knowingly submits false or misleading export information through the Shippers Export Declaration (SED) (or any successor document) or the Automated Export System (AES) shall be subject to a fine not to exceed $10,000 per violation or imprisonment for not more than 5 years, or both.

"(2) Any person who knowingly reports any information on or uses the SED or the AES to further any illegal activity shall be subject to a fine not to exceed $10,000 per violation or imprisonment for not more than 5 years, or both.

"(3) Any person who is convicted under this subsection shall, in addition to any other penalty, be subject to forfeiting to the United States—

"(A) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in the goods or tangible items that were the subject of the violation;

"(B) any of that person's interest in, security of, claim against, or property or contractual rights of any kind in tangible property that was used in the export or attempt to export that was the subject of the violation; and

"(C) any of that person's property constituting, or derived from, any proceeds obtained directly or indirectly as a result of the violation.

"(b) CIVIL PENALTIES.—The Secretary (and officers of the Department of Commerce specifically designated by the Secretary) may impose a civil penalty not to exceed $10,000 per violation on any person violating the provisions of this chapter or any rule, regulation, or order issued thereunder, except as provided in section 304. Such penalty may be in addition to any other penalty imposed by law.

"(c) CIVIL PENALTY PROCEDURE.—(1) When a civil penalty is sought for a violation of this section or of section 304, the charged party is entitled to receive a formal complaint specifying the charges and, at his or her request, to contest the charges in a hearing before an administrative law judge. Any such hearing shall be conducted in accordance with sections 556 and 557 of title 5, United States Code.

"(2) If any person fails to pay a civil penalty imposed under this chapter, the Secretary may ask the Attorney General to commence a civil action in an appropriate district court of the United States to recover the amount imposed (plus interest at currently prevailing rates from the date of the final order). No such action may be commenced more than 5 years after the order imposing the civil penalty becomes final. In such action, the validity, amount, and appropriateness of such penalty shall not be subject to review.

"(3) The Secretary may remit or mitigate any penalties imposed under paragraph (1) if, in his or her opinion—

"(A) the penalties were incurred without willful negligence or fraud; or

"(B) other circumstances exist that justify a remission or mitigation.

"(4) If, pursuant to section 306, the Secretary delegates functions under this section to another agency, the provisions of law of that agency relating to penalty assessment, remission or mitigation of such penalties, collection of such penalties, and limitations of actions and compromise of claims, shall apply.

"(5) Any amount paid in satisfaction of a civil penalty imposed under this section or section 304 shall be deposited into the general fund of the Treasury and credited as miscellaneous receipts.

"(d) ENFORCEMENT.—(1) The Secretary of Commerce may designate officers or employees of the Office of Export Enforcement to conduct investigations pursuant to this chapter. In conducting such investigations, those officers or employees may, to the extent necessary or appropriate to the enforcement of this chapter, exercise such authorities as are conferred upon them by other laws of the United States, subject to policies and procedures approved by the Attorney General.

"(2) The Commissioner of Customs may designate officers or employees of the Customs Service to enforce the provisions of this chapter, or to conduct investigations pursuant to this chapter.

"(e) REGULATIONS.—The Secretary of Commerce shall promulgate regulations for the implementation and enforcement of this section.

"(f) EXEMPTION.—The criminal fines provided for in this section are exempt from the provisions of section 3571 of title 18, United States Code.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 9 of title 13, United States Code, is amended by striking the item relating to section 305 and inserting the following:

"305. Penalties for unlawful export information activities.".

SEC. 405. ADJUSTMENT OF THRESHOLD AMOUNTS FOR CONGRESSIONAL REVIEW PURPOSES.

The Arms Export Control Act is amended—

(1) in section 3(d) (22 U.S.C. 2753(d))—

(A) in paragraphs (1) and (3)(A), by striking "The President may not" and inserting "Subject to paragraph (5), the President may not"; and

(B) by adding at the end of the following new paragraph:

"(5) In the case of a transfer to a member country of the North Atlantic Treaty Organization (NATO) or Australia, Japan, or New Zealand that does not authorize a new sales territory that includes any country other than such countries, the limitations on consent of the President set forth in paragraphs (1) and (3)(A) shall apply only if the transfer is—

"(A) a transfer of major defense equipment valued (in terms of its original acquisition cost) at $25,000,000 or more; or

"(B) a transfer of defense articles or defense services valued (in terms of its original acquisition cost) at $100,000,000 or more).";

(2) in section 36 (22 U.S.C. 2776)—

(A) in subsection (b)—

(i) in paragraph (1), by striking "(1) In the case of" and inserting "(1) Subject to paragraph (6), in the case of";

(ii) in paragraph (5)(C), by striking "(C) If" and inserting "(C) Subject to paragraph (6), if"; and

(iii) by adding at the end of the following new paragraph:

"(6) The limitation in paragraph (1) and the requirement in paragraph (5)(C) shall apply in the case of a letter of offer to sell to a member country of the North Atlantic Treaty Organization (NATO) or Australia, Japan, or New Zealand that does not authorize a new sales territory that includes any country other than such countries only if the letter of offer involves—

"(A) sale of major defense equipment under this Act for, or enhancement or upgrade of major defense equipment at a cost of, $25,000,000 or more, as the case may be; and

"(B) sale of defense articles or services for, or enhancement or upgrade of defense articles or services at a cost of, $100,000,000 or more, as the case may be; or

"(C) sale of design and construction services for, or enhancement or upgrade of design and construction services at a cost of, $300,000,000 or more, as the case may be."; and

(B) in subsection (c)—

(i) in paragraph (1), by striking "(1) In the case of" and inserting "(1) Subject to paragraph (5), in the case of"; and

(ii) by adding at the end the following new paragraph:

"(5) In the case of an application by a person (other than with regard to a sale under section 21 or 22 of this Act) for a license for the export to a member country of the North Atlantic Treaty Organization (NATO) or Australia, Japan, or New Zealand that does not authorize a new sales territory that includes any country other than such countries, the limitation on the issuance of the license set forth in paragraph (1) shall apply only if the license is for export of—

"(A) major defense equipment sold under a contract in the amount of $25,000,000 or more; or

"(B) defense articles or defense services sold under a contract in the amount of $100,000,000 or more."; and

(3) in section 63(a) (22 U.S.C. 2796b(a))—

(A) by striking "In the case of" and inserting "(1) Subject to paragraph (2), in the case of"; and

(B) by adding at the end the following new paragraph:

"(2) In the case of an agreement described in paragraph (1) that is entered into with a member country of the North Atlantic Treaty Organization (NATO) or Australia, Japan, or New Zealand, the limitation in paragraph (1) shall apply only if the agreement involves a lease or loan of—

"(A) major defense equipment valued (in terms of its replacement cost less any depreciation in its value) at $25,000,000 or more; or

"(B) defense articles valued (in terms of their replacement cost less any depreciation in their value) at $100,000,000 or more.".

SEC. 406. PERIODIC NOTIFICATION OF PENDING APPLICATIONS FOR EXPORT LICENSES.

The Secretary shall submit, on a biannual basis, to the appropriate committees of Congress a report identifying—

(1) each outstanding application for a license to export under section 38 of the Arms Export Control Act for which final administrative action has been withheld for longer than 180 days; and

(2) the referral status of each such application and any other relevant information.

TITLE V—NATIONAL SECURITY ASSISTANCE STRATEGY

SEC. 501. ESTABLISHMENT OF THE STRATEGY.

(a) REQUIREMENT.—Not later than 180 days after the date of enactment of this Act, and annually thereafter in connection with submission of congressional presentation materials for the foreign operations appropriations budget request, the Secretary shall submit to the appropriate committees of Congress a report setting forth a National Security Assistance Strategy for the United States.

(b) ELEMENTS OF THE STRATEGY.—The National Security Assistance Strategy shall—

(1) set forth a 5-year plan for security assistance programs;

(2) be consistent with the National Security Strategy of the United States;

(3) be coordinated with the Secretary of Defense and the Chairman of the Joint Chiefs of Staff;

(4) identify overarching security assistance objectives, including identification of the role that specific security assistance programs will play in achieving such objectives;

(5) identify a primary security assistance objective, as well as specific secondary objectives, for individual countries;

(6) identify, on a country-by-country basis, how specific resources will be allocated to accomplish both primary and secondary objectives;

(7) discuss how specific types of assistance, such as foreign military financing and international military education and training, will be combined at the country level to achieve United States objectives; and

(8) detail, with respect to each of the paragraphs (1) through (7), how specific types of assistance provided pursuant to the Arms Export Control Act and Foreign Assistance Act of 1961 are coordinated with United States assistance programs administered by the Department of Defense and other agencies.

(c) COVERED ASSISTANCE.—The National Security Assistance Strategy shall cover assistance provided under—

(1) section 23 of the Arms Export Control Act (22 U.S.C. 2763);

(2) chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.); and

(3) section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321i).

SEC. 502. SECURITY ASSISTANCE SURVEYS.

(a) UTILIZATION.—The Secretary shall utilize security assistance surveys in preparation of the National Security Assistance Strategy required pursuant to section 501 of this Act.

(b) FUNDING.—Of the amounts made available for fiscal year 2002 under section 23 of the Arms Export Control Act (22 U.S.C. 2763), $2,000,000 is authorized to be available to the Secretary to conduct security assistance surveys, or to request such a survey, on a reimbursable basis, by the Department of Defense or other United States Government agencies. Such surveys shall be conducted consistent with the requirements of section 26 of the Arms Export Control Act.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601.0 NUCLEAR AND MISSILE NONPROLIFERATION IN SOUTH ASIA.

(a) UNITED STATES POLICY.—It shall be the policy of the United States, consistent with its obligations under the Treaty on the Non-Proliferation of Nuclear Weapons, to encourage and work with the governments of India and Pakistan to achieve the following objectives by September 30, 2003:

(1) Continuation of a nuclear testing moratorium.

(2) Commitment not to deploy nuclear weapons.

(3) Agreement by both governments to bring their export controls in line with the guidelines and requirements of the Nuclear Suppliers Group.

(4) Agreement by both governments to bring their export controls in line with the guidelines and requirements of the Zangger Committee.

(5) Agreement by both governments to bring their export controls in line with the guidelines, requirements, and annexes of the Missile Technology Control Regime.

(6) Establishment of a modern, effective system to protect and secure nuclear devices and materiel from unauthorized use, accidental employment, theft, espionage, misuse, or abuse.

(7) Establishment of a modern, effective system to control the export of sensitive dual-use items, technology, technical information, and materiel that can be used in the design, development, or production of weapons of mass destruction and ballistic missiles.

(8) Conduct of bilateral meetings between Indian and Pakistani senior officials to discuss security issues, establish confidence building measures, and increase transparency with regard to nuclear policies, programs, stockpiles, capabilities, and delivery systems.

(b) REPORT.—Not later than March 1, 2003, the President shall submit to the appropriate committees of Congress a report describing United States efforts in pursuit of the objectives listed in subsection (a), the progress made toward the achievement of those objectives, and the likelihood that each objective will be achieved by September 30, 2003.

SEC. 602. REAL-TIME PUBLIC AVAILABILITY OF RAW SEISMOLOGICAL DATA.

The head of the Air Force Technical Applications Center shall make available to the public, immediately upon receipt or as soon after receipt as is possible, all raw seismological data provided to the United States Government by any international monitoring organization that is directly responsible for seismological monitoring.

SEC. 603. DETAILING UNITED STATES GOVERNMENTAL PERSONNEL TO INTERNATIONAL ARMS CONTROL AND NONPROLIFERATION ORGANIZATIONS.

(a) IN GENERAL.—The Secretary, in consultation with the Secretaries of Defense and Energy and the heads of other relevant United States departments and agencies, as appropriate, shall develop measures to improve the process by which United States Government personnel may be detailed to international arms control and nonproliferation organizations without adversely affecting the pay or career advancement of such personnel.

(b) REPORT REQUIRED.—Not later than May 1, 2002, the Secretary shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives setting forth the measures taken under subsection (a).

SEC. 604. DIPLOMATIC PRESENCE OVERSEAS.

(a) PURPOSE.—The purpose of this section is to—

(1) elevate the stature given United States diplomatic initiatives relating to nonproliferation and political-military issues; and

(2) develop a group of highly specialized, technical experts with country expertise capable of administering the nonproliferation and political-military affairs functions of the Department of State.

(b) AUTHORITY.—To carry out the purposes of subsection (a), the Secretary is authorized to establish the position of Counselor for Nonproliferation and Political Military Affairs in United States diplomatic missions overseas to be filled by individuals who are career Civil Service officers or Foreign Service officers committed to follow-on assignments in the Nonproliferation or Political Military Affairs Bureaus of the Department of State.

(c) TRAINING.—After being selected to serve as Counselor, any person so selected shall spend not less than 10 months in language training courses at the Foreign Service Institute, or in technical courses administered by the Department of Defense, the Department of Energy, or other appropriate departments and agencies of the United States, except that such requirement for training may be waived by the Secretary.

SEC. 605. PROTECTION AGAINST AGRICULTURAL BIOTERRORISM.

Of funds made available to carry out programs under the Foreign Assistance Act of 1961, $1,500,000 may be made available to North Carolina State University for the purpose of fingerprinting crop and livestock pathogens in order to enhance the ability of the United States Government to detect new strains, determine their origin, and to facilitate research in pathogen epidemiology.

SEC. 606. COMPLIANCE WITH THE CHEMICAL WEAPONS CONVENTION.

(a) FINDINGS.—Congress makes the following findings:

(1) On April 24, 1997, the Senate provided its advice and consent to ratification of the Chemical Weapons Convention subject to the condition that no sample collected in the United States pursuant to the Convention would be transferred for analysis to any laboratory outside the territory of the United States.

(2) Congress enacted the same condition into law as section 304(f)(1) of the Chemical Weapons Convention Implementation Act of 1998 (22 U.S.C. 6724(f)(1)).

(3) Part II, paragraph 57, of the Verification Annex of the Convention requires that all samples taken during a challenge inspection under the Convention shall be analyzed by at least two laboratories that have been designated as capable of conducting such testing by the OPCW.

(4) The only United States laboratory currently designated by the OPCW is the United States Army Edgewood Forensic Science Laboratory.

(5) In order to meet the requirements of condition (18) of the resolution of ratification of the Chemical Weapons Convention, and section 304 of the Chemical Weapons Convention Implementation Act of 1998 (22 U.S.C. 6724), the United States must possess, at a minimum, a second OPCW-designated laboratory.

(6) The possession of a second laboratory is necessary in view of the potential for a challenge inspection to be initiated against the United States by a foreign nation.

(7) To qualify as a designated laboratory, a laboratory must be certified under ISO Guide 25 or a higher standard, and complete three proficiency tests. The laboratory must have the full capability to handle substances listed on Schedule 1 of the Annex on Schedules of Chemicals of the Chemical Weapons Convention. In order to handle such substances in the United States, a laboratory also must operate under a bailment agreement with the United States Army.

(8) Several existing United States commercial laboratories have approved quality control systems, already possess bailment agreements with the United States Army, and have the capabilities necessary to obtain OPCW designation.

(9) In order to bolster the legitimacy of United States analysis of samples taken on its national territory, it is preferable that the second designated laboratory is not a United States Government facility. Further, it is not cost-effective to build and equip another Government laboratory to meet OPCW designation standards when such capability already exists in the private sector.

(b) ESTABLISHMENT OF SECOND DESIGNATED LABORATORY.—

(1) DIRECTIVE.—Not later than February 1, 2002, the United States National Authority, as designated under section 101 of the Chemical Weapons Convention Implementation Act of 1998 (22 U.S.C. 6711), shall select, through competitive procedures, a commercial laboratory within the United States to pursue designation by the OPCW.

(2) DELEGATION.—The National Authority may delegate the authority and administrative responsibility for carrying out paragraph (1) to one or more of the heads of the agencies described in section 101(b)(2) of the Chemical Weapons Convention Implementation Act of 1998 (22 U.S.C. 6711(b)(2)).

(3) REPORT.—Not later than March 1, 2002, the National Authority shall submit to the appropriate committees of Congress a report detailing a plan for securing OPCW designation of a third United States laboratory by December 1, 2003.

(c) DEFINITIONS.—In this section:

(1) CHEMICAL WEAPONS CONVENTION.—The term "Chemical Weapons Convention" means the Convention on the Prohibition of Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, Opened for Signature and Signed by the United States at Paris on January 13, 1993, including the following protocols and memorandum of understanding:

(A) The Annex on Chemicals.

(B) The Annex on Implementation and Verification.

(C) The Annex on the Protection of Confidential Information.

(D) The Resolution Establishing the Preparatory Commission for the Organization for the Prohibition of Chemical Weapons.

(E) The Text on the Establishment of a Preparatory Commission.

(2) OPCW.—The term "OPCW" means the Organization for the Prohibition of Chemical Weapons established under the Convention.

TITLE VII—AUTHORITY TO TRANSFER NAVAL VESSELS

SEC. 701. AUTHORITY TO TRANSFER NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) AUTHORITY TO TRANSFER.—

(1) BRAZIL.—The President is authorized to transfer to the Government of Brazil the "Newport" class tank landing ship Peoria (LST1183). Such transfer shall be on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

(2) POLAND.—The President is authorized to transfer to the Government of Poland the "Oliver Hazard Perry" class guided missile frigate Wadsworth (FFG 9). Such transfer shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(3) TURKEY.—The President is authorized to transfer to the Government of Turkey the "Oliver Hazard Perry" class guided missile frigates Estocin (FFG 15) and Samuel Eliot Morrison (FFG 13). Each such transfer shall be on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761). The President is further authorized to transfer to the Government of Turkey the "Knox" class frigates Capadanno (FF 1093), Thomas C. Hart (FF 1092), Donald B. Beary (FF 1085), McCandless (FF 1084), Reasoner (FF 1063), and Bowen (FF 1079). The transfer of these 6 "Knox" class frigates shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(4) TAIWAN.—The President is authorized to transfer to the Taipei Economic and Cultural Representative Office in the United States (which is the Taiwan instrumentality designated pursuant to section 10(a) of the Taiwan Relations Act) the "Kidd" class guided missile destroyers Kidd (DDG 993), Callaghan

(DDG 994), Scott (DDG 995), and Chandler (DDG 996). The transfer of these 4 "Kidd" class guided missile destroyers shall be on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

(b) Grants Not Counted in Annual Total of Transferred Excess Defense Articles.—The value of a vessel transferred to another country on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) pursuant to authority provided by subsection (a) shall not be counted for the purposes of subsection (g) of that section in the aggregate value of excess defense articles transferred to countries under that section in any fiscal year.

(c) Costs of Transfers.—Notwithstanding section 516(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)(1)), any expense incurred by the United States in connection with a transfer authorized to be made on a grant basis under subsection (a) or (b) shall be charged to the recipient.

(d) Repair and Refurbishment in United States Shipyards.—To the maximum extent practicable, the President shall require, as a condition of the transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a United States Navy shipyard or other shipyard located in the United States.

(e) Expiration of Authority.—The authority provided under subsection (a) shall expire at the end of the 2-year period beginning on the date of the enactment of this Act.

WAIVING CERTAIN LIMITATIONS IN THE USE OF FUNDS TO PAY THE COSTS OF PROJECTS IN RESPONSE TO THE ATTACK ON THE WORLD TRADE CENTER

On December 20, 2001, the Senate amended and passed S. 1637, as follows:

S. 1637

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXPENDITURES FOR EMERGENCY RELIEF IN RESPONSE TO TERRORIST ATTACK.

In the case of use of the emergency fund authorized by section 125 of title 23, United States Code, to pay the costs of projects in response to the attack on the World Trade Center in New York City that occurred on September 11, 2001—

(1) notwithstanding section 120(e) of that title, the Federal share of the cost of each such project shall be 100 percent; and

(2) notwithstanding section 125(d)(1) of that title, the Secretary of Transportation may obligate more than **$100,000,000** for those projects.

HONORING THE LIFE OF REX DAVID "DAVE" THOMAS

Mr. REID. I ask unanimous consent that the Senate proceed to consideration of S. Res. 199 submitted earlier today by Senators LEVIN, DEWINE, and others.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 199) honoring the life of Rex David "Dave" Thomas and expressing the deepest condolences of the Senate to his family on his death.

There being no objection, the Senate proceeded to consider the resolution.

Mr. LEVIN. Madam President, today I join a large number of my colleagues in the Senate in recognizing and mourning the loss of a selfless, dedicated American who was an unyielding advocate and activist for the cause of adoption.

Rex David "Dave" Thomas was born on July 2, 1932, in Atlantic City, NJ, and was adopted soon afterward by Rex and Auleva Thomas, who lived in Kalamazoo, MI. Dave Thomas passed away on January 8 of this year at the age of 69. The bipartisan resolution which the Senate is about to adopt, hopefully today, extends condolences to Dave's wife of 47 years, Lorraine, and their 5 children: Pam, Ken, Molly, Wendy, and Lori, and their 16 grandchildren.

The Thomas family has much to be proud of and to cherish. Dave Thomas led a life of dynamic public and human service. He was a man of vision, action, and compassion, and for generations to come the fruits of his labor will continue to improve the lives of the multitude of children who seek a permanent home and loving family and the multitude of families who wish to enrich their lives through adoption.

Dave Thomas was 12 years old when he got his first restaurant job as a counterman. At 20, he successfully turned around four failing restaurant franchises. He became a millionaire by the age of 35. In 1969, Dave Thomas started the company for which he is most famous, Wendy's Old Fashioned Hamburgers. It was and is a success by any standard. Dave Thomas was able, through sheer determination, unpretentious know-how, and love for the restaurant business, to rise to the top of his chosen field. Dave Thomas was exemplary in the degree to which he gave back. He became famous through his numerous television commercials, which were so successful because they reflected his magnetic and joyful personality. He used that fame to become one of the most outspoken proponents of adoption in America.

In 1992, he established the Dave Thomas Foundation For Adoption, and he donated his speaking fees and profits from the sale of his books to adoption causes. From 1990 through 2000, he headed up numerous White House adoption and foster care initiatives. His fingerprints are on the Adoption and Safe Families Act of 1997, the purpose of which is to decrease the number of children placed in foster care and to legally free those who cannot be safely returned to their homes; the Adoption Awareness postage stamp, and the shaping of health policy for numerous corporations to cover adoption benefits and expenses.

Though Dave Thomas was a successful businessman, as well as a generous philanthropist, he was first and foremost committed to actively improving the lives of children in foster care and helping to facilitate their adoption. He did more than just use his irreproachable reputation to improve the lives of thousands of children; he personally donated millions of dollars to the Arthur G. James Cancer Hospital at Ohio State University, to Children's Hospital in Columbus, OH, and to the Thomas Center at Duke University, which he founded. Through these and many more charitable contributions, Dave Thomas advanced the American dream. He was a man who gave not out of a sense of obligation but because he believed it was simply the right thing to do.

So, Madam President, David Thomas was a remarkable man, and his too-early death will leave many people with one fewer friend. He was greatly respected, much loved, and he will be deeply missed by all who knew him. The resolution, which I hope will be cleared for passage today, is a testament to the respect and the high esteem in which this body holds Dave Thomas and his memory.

I ask unanimous consent that the names of the Senators, including our Presiding Officer, who join me in sponsoring this resolution be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Cosponsors of the Dave Thomas Resolution as of January 23, 2002

Senators Levin, DeWine, Landrieu, Stabenow, Craig, Clinton, Helms, Voinovich, Rockefeller, Grassley, Baucus, Chafee, Crapo, Inhofe, Feinstein, Hollings, Lugar, Hagel, Hutchison, Allen, McCain, Johnson, Nickles, Burns, Sessions, and Durbin.

Mr. JOHNSON. Madam President, today I pay tribute to the life of Dave Thomas. The adoption community has suffered a huge loss through his death on January 8th, and I am pleased to be a cosponsor of the Senate resolution honoring his life.

As a founding member of the Congressional Coalition on Adoption, I have had the opportunity to recognize people who have been exceptional advocates for the adoption community, and Dave Thomas is at the top of that list.

An adopted child himself, Dave Thomas made it his lifelong goal to find every child a home. In 1990, Dave answered the call of President George Bush, who asked him to be the spokesperson for his national adoption program called "Adoption Works. . . . For Everyone." After 2 years, Thomas decided he wanted to do more, and so he created his own nonprofit organization to make it easier and more affordable for people to adopt children. Thomas' efforts, backed by the Congressional Coalition on Adoption, have streamlined the adoption process and reduced the financial barriers many families face when they adopt children, especially those with special needs.

The Dave Thomas Foundation for Adoption provides a voice for 134,000 children across our country who are waiting to find a loving family. The efforts of the Dave Thomas Foundation for Adoption and Wendy's have paid off. Forty percent of all callers into the National Foundation for Adoption's toll free number cite trayliners, public service announcements and posters that they have seen inside Wendy's Restaurants as the reason for their call.

Dave was a tireless advocate for the adoption community, and thankfully his legacy will live on through the thousands of children who have found a loving home because of his efforts. If everyone subscribed to Dave's theory that no child is "unadoptable," this world would be a better place.

Mr. REID. Madam President, I ask unanimous consent that the resolution and the preamble be agreed to en bloc, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 199) was agreed to.

The preamble was agreed to.

(The text of the resolution, with its preamble, is printed in today's RECORD under "Submitted Resolutions.")

ELDERLY NUTRITION PROGRAM

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to the consideration of S. Res. 200 submitted earlier today by Senators KENNEDY and MIKULSKI.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

> A resolution (S. Res. 200) expressing the sense of the Senate regarding the national nutrition program for the elderly, on the occasion of the 30th anniversary of its establishment.

There being no objection, the Senate proceeded to consider the resolution.

Mr. REID. Madam President, I ask unanimous consent that the resolution and preamble be agreed to en bloc, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 200) was agreed to.

The preamble was agreed to.

(The text of the resolution, with its preamble, is printed in today's RECORD under "Submitted Resolutions.")

MEASURES PLACED ON THE CALENDAR—H.R. 3343, H.R. 1432, H.R. 3487, H.R. 400, H.R. 3529, H.R. 2362, H.R. 3504, H.R. 2742, AND H.R. 3441

Mr. REID. I understand the following bills are at the desk, having been read for the first time: H.R. 3343, H.R. 1432, H.R. 3487, H.R. 400, H.R. 3529, H.R. 2362, H.R. 3504, H.R. 2742 and H.R. 3441.

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. I ask unanimous consent it be in order that these bills be considered to have received a second reading en bloc, and I would object to any further consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bills will be placed on the calendar.

MEASURES INDEFINITELY POSTPONED—S. 1536 AND S. 1543

Mr. REID. Madam President, I ask consent that the following calendar items be indefinitely postponed: Calendar No. 193, S. 1536, and Calendar No. 196, S. 1543.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT SESSION OF THE TWO HOUSES OF CONGRESS TO RECEIVE A MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

Mr. REID. I ask consent the Senate proceed to the consideration of H. Con. Res. 299, just received from the House, which is at the desk.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

> A concurrent resolution (H. Con. Res. 299) providing for a joint session of Congress to receive a message from the President on the State of the Union.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. REID. Madam President, I ask unanimous consent that the resolution be agreed to and the motion to reconsider be laid upon the table, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 299) was agreed to.

ORDERS FOR THURSDAY, JANUARY 24, 2002

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes it business today, it adjourn until 9:30 a.m. tomorrow, Thursday, January 24; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, time for the two leaders be reserved for their use later in the day, and there be a period of morning business until 10 a.m., with Senators permitted to speak for up to 10 minutes each with the time equally divided between the two leaders or their designees; further, at 10 a.m., the Senate resume consideration of H.R. 622, the Adoption Tax Credit Act, with the Daschle economic recovery amendment being the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Madam President, if there is no further business to come before the Senate tonight, I ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:41 p.m., adjourned until Thursday, January 24, 2002, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate January 23, 2002:

THE JUDICIARY

KENNETH A. MARRA, OF FLORIDA, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF FLORIDA, VICE A NEW POSITION CREATED BY PUBLIC LAW 106-553, APPROVED DECEMBER 21, 2000.

PERCY ANDERSON, OF CALIFORNIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA, VICE KIM MCLANE WARDLAW, ELEVATED.

JOSE E. MARTINEZ, OF FLORIDA, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF FLORIDA, VICE EDWARD B. DAVIS, RETIRED.

LANCE M. AFRICK, OF LOUISIANA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF LOUISIANA, VICE EDITH BROWN CLEMENT, ELEVATED.

STANLEY R. CHESLER, OF NEW JERSEY, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEW JERSEY, VICE ANNE ELISE THOMPSON, RETIRED.

FREDERICK W. ROHLFING, III, OF HAWAII, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF HAWAII, VICE ALAN C. KAY, RETIRED.

JOAN E. LANCASTER, OF MINNESOTA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF MINNESOTA, VICE PAUL A. MAGNUSON, RETIRED.

WILLIAM J. MARTINI, OF NEW JERSEY, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEW JERSEY, VICE JOHN C. LIFLAND, RETIRED.

THOMAS M. ROSE, OF OHIO, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF OHIO, VICE HERMAN J. WEBER, RETIRED.

MICHAEL M. BAYLSON, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA, VICE ROBERT F. KELLY, RETIRED.

JOY FLOWERS CONTI, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF PENNSYLVANIA, VICE ALAN N. BLOCH, RETIRED.

LEGROME D. DAVIS, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA, VICE EDMUND V. LUDWIG, RETIRED.

TERRENCE F. MCVERRY, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF PENNSYLVANIA, VICE DONALD E. ZIEGLER, RETIRED.

CYNTHIA M. RUFE, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA, VICE NORMA LEVY SHAPIRO, RETIRED.

ARTHUR J. SCHWAB, OF PENNSYLVANIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF PENNSYLVANIA, VICE MAURICE B. COHILL, JR. RETIRED.

SAMUEL H. MAYS, JR., OF TENNESSEE, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF TENNESSEE, VICE JEROME TURNER, DECEASED.

RONALD H. CLARK, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF TEXAS, VICE HOWELL COBB, RETIRED.

LEONARD E. DAVIS, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF TEXAS, VICE PAUL N. BROWN, RETIRED.

DAVID C. GODBEY, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF TEXAS, VICE ROBERT B. MALONEY, RETIRED.

ANDREW S. HANEN, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF TEXAS, VICE FILEMON B. VELA, RETIRED.

HENRY E. HUDSON, OF VIRGINIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF VIRGINIA, VICE A NEW POSITION CREATED BY PUBLIC LAW 106-553, APPROVED DECEMBER 21, 2000.

RONALD B. LEIGHTON, OF WASHINGTON, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF WASHINGTON, VICE ROBERT J. BRYAN, RETIRED.

WILLIAM C. GRIESBACH, OF WISCONSIN, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF WISCONSIN, VICE A NEW POSITION CREATED BY PUBLIC LAW 106-553, APPROVED DECEMBER 21, 2000.

JOHN F. WALTER, OF CALIFORNIA, TO BE UNITED STATES DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA, VICE JOHN G. DAVIES, RETIRED.

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES COAST GUARD RESERVE UNDER TITLE 10, U.S.C., SECTION 12203(A):

To be captain

DONALD E. BUNN, 3745
MICHAEL R. PRICE, 3327
DALE M. RAUSCH, 4036

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. STEVEN R. POLK, 6022

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIRFORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN R. BAKER, 3934

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be major general

BRIG. GEN. DOUGLAS V. O'DELL JR., 0212

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) STEPHEN S. ISRAEL, 3464

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

LINDA F. JONES, 2225
ROBERT J. KING, 0941

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE, UNDER TITLE 10, U.S.C., SECTIONS 624 AND 1552:

To be lieutenant colonel

DAN ROSE, 1002

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

DOUGLAS W. KNIGHTON, 8207
DAVID R. ROWBERRY, 0085
ROBERT J. SEMRAD, 4845

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

RICHARD E. HORN, 6692
TAMARA E.B. KOSS, 3618
MICHAEL E. MURZYN, 5668
ROBERT C. VASSEY, 2418
MARK A. WEINER, 8650

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12211:

To be colonel

FRANKLIN E. LIMERICK JR., 9941
BAERBEL M. MERRILL, 8071
RANDYAL S. MORTON, 1579
JOHN M. PERRYMAN, 1268
DAVID J. PROCOPIO, 0847
RICKY E. SNELLGROVE, 9489
TERRANCE E. STALEY, 3041
GARY J. THORSTENSON, 1038

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

DARLENE S. COLLINS, 9656
JAMES R. GOODWIN, 4182
GLORIA A. MASER, 2471
MICHAEL R. OSTROSKI, 3198
VIOLETTE A. RUFF, 3115
JAMES W. VOSS, 3191
MICHAEL J. WAGNER, 3105

WITHDRAWAL

EXECUTIVE MESSAGE TRANSMITTED BY THE PRESIDENT TO THE SENATE ON JANUARY 23, 2002, WITHDRAWING FROM FURTHER SENATE CONSIDERATION THE FOLLOWING NOMINATION:

SCOTT A. ABDALLAH, OF SOUTH DAKOTA, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF SOUTH DAKOTA FOR THE TERM OF FOUR YEARS, WHICH WAS SENT TO THE SENATE ON NOVEMBER 30, 2001.

EXTENSIONS OF REMARKS

PAYING TRIBUTE TO CHRISTINA DEMARIS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to congratulate a young student from my district whose hard work and dedication has been rewarded with a great opportunity from the Governor of Colorado. Christina DeMaris of Alamosa, Colorado, was recently awarded the Governor's Opportunity Scholarship, and as she celebrates her achievement, I would like to commend her for her determination and self-sacrifice in achieving this honor.

Christina is a sophomore at Northeastern Junior College located in the city of Sterling. After a long, and no doubt difficult process, Christina was selected as a recipient of the Governor's Scholarship. This scholarship will provide her with free tuition to the Colorado college of her choice, allowing her the opportunity to pursue a higher education degree within five years. This is a great program provided by my state's chief executive to promote higher education throughout the state.

Mr. Speaker, the diligence and commitment demonstrated by Christina DeMaris certainly deserves the recognition of this body of Congress, and this nation. Christina's achievement serves as a symbol to aspiring college bound students throughout Colorado, and indeed the entire nation. Her reward is proof that hard work and attention to your studies can lead to assistance in achieving your goals. This scholarship program is one of the many ways that we, as legislators, can ensure that our future generations are guaranteed the opportunity to improve their lives through the resources of education. Congratulations Christina, and good luck in your future endeavors.

IN RECOGNITION OF GRAMERCY NEIGHBORHOOD ASSOCIATES, INC.

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mrs. MALONEY of New York. Mr. Speaker, I rise to pay tribute to the Gramercy Neighborhood Associates in New York City. Committed to neighborhood improvement and preservation, this organisation is celebrating its 90th anniversary this year.

Founded in 1912, Gramercy Neighborhood Associates, Inc., is one of the oldest community groups in New York City. Located in a neighborhood celebrated for its rich history and well-preserved architectural treasures, Gramercy Neighborhood Associates came together to ensure a grand future for a truly remarkable area. It is dedicated to the enhancement of its neighborhood and the preservation of historic buildings. It is also committed to ensuring safe streets and the protection of the residential character of the neighborhood.

To accomplish this mission, Gramercy Neighborhood Associates works closely with the 13th Police Precinct as well as local Community Boards 5 and 6. It also works with elected officials, and the East Side Rezoning Alliance. Gramercy Neighborhood Associates also provides a permanent presence on the Historic Districts Council.

Gramercy Neighborhood Associates plants and maintains trees alongside neighborhood sidewalks and also works vigorously to preserve and enhance the neighborhood's architectural and historical treasures. For its successes in fostering the creation of the East 17th Street/Irving Place Historic District, they were honored with receipt of the New York Landmarks Conservancy's prestigious Lucy G. Moses Preservation Award. In 1984, the association sponsored the production of Gramercy Park: An Illustrated History of a New York Neighborhood, by Stehen Garmey, which won the 1985 Annual Book Award of the New York Chapter of the Victorian Society of America. This association's ambitious publication program also supports a newsletter, The Gramercy Gazette.

The organization sponsors a number of events which encourage community involvement, including Clean and Green Day each spring and a Canine Comedy Day in October. They come together each year to celebrate the annual lighting of the Monorah at the beginning of Chanukah, and on Christmas Eve for caroling around the Christmas tree in Gramercy Park.

Throughout its 90 year history, Gramercy Neighborhood Associates has played a crucial role in community efforts to improve and maintain the quality of life in their neighborhood. In recognition of these outstanding achievements, I ask my colleagues to join me in recognizing the great contributions of this tremendously dedicated community group.

A PROCLAMATION CONGRATULATING CRAVAT COAL COMPANY

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. NEY. Mr. Speaker, Whereas, the Cravat Coal Company celebrated 50 years of successful business in the year 2001; and,

Whereas, the Cravat Coal Company was built through the sacrifice, vision, and hard work of the Puskarich brothers, the miners and their investors; and,

Whereas, Cravat Coal has served markets in Ohio, the United States, Taiwan, Greece, and the Philippines; and,

Whereas, Cravat Coal has brought employment and progress to the Ohio valley; and,

Whereas, the founders and employees must be commended for their long hours and commitment to excellence which allowed Cravat Coal to succeed;

Therefore, I join with the residents of the entire 18th Congressional District of Ohio in celebrating Cravat Coal's 50 years of exceptional service.

HONORING JACK ABERNATHY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to a man that has become an institution in the city of Davison, MI, Mr. Jack Abernathy. Jack recently retired after being the city manager for the past 28 years. He was honored at a community gala on January 19 in the city of Davison.

I have known Jack for many years. Jack was a teacher prior to running for public office. He was elected to the Davison City Council in 1969, the same year that Davison earned its nickname as the "City of Flags." After serving as a councilman and as mayor, Jack was appointed the city manager in 1974. In this capacity he was accountable for the police, fire, parks, community development, building and zoning, and public services departments; and the offices of Assessor, City Clerk and City Treasurer. Jack was the liaison between the City Council, city government employees, and residents. It was his responsibility to keep informed about developments in local government, to respond quickly to problems, and seek solutions within and if necessary outside the community. It is a tribute to his personality that he performed his job with grace, forbearance and finesse.

During this time Jack was the moving force behind several organizations and services. He helped to start the Davison-Richfield Area Fire Authority, Genesee County Small Cities Association, the Davison Area Ambulance Authority, the Davison Senior Center Authority, Davison Area Recycling, Davison Area Parks and Recreation Commission, Davison Area Economic Development Authority, the Davison Skatepark, and the Genesee County Brownfield Redevelopment Authority. He was instrumental in initiating the first public transportation system Dial-a-Ride program in a small city, and keeping the Secretary of State's office in Davison. Jack helped build the Senior Centers, and worked with Genesee County on the Waste and Water program, the 911 program and organizing countywide recycling.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. Speaker, I ask the House of Representatives to join me in honoring the epitome of a public servant, Jack Abernathy. His service to his community and fellow citizens is an inspiration to everyone aspiring to make this a better world. His selfless commitment to service has benefited persons far beyond the Davison community.

TRIBUTE TO HADASSAH

HON. LOUISE McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Ms. SLAUGHTER. Mr. Speaker, I rise today to recognize the 90th anniversary of an outstanding organization: Hadassah, the Women's Zionist Organization of America.

Many Americans recognize Hadassah as the premier organization for Jewish women. Others know of its many achievements in health care and social justice. But few realize that Hadassah is both the largest women's and the largest Jewish organization in the United States, with over 300,000 members. Every single Member of Congress represents members of Hadassah.

It has been my distinct pleasure and privilege to have had a long and fruitful professional relationship with Hadassah. When I first began working on genetic discrimination issues in 1995, Hadassah stepped forward to pledge its support. At my first press conference, Hadassah was one of just four organizations that endorsed that first genetic nondiscrimination bill. Today, this initiative has the support of over 200 organizations—but Hadassah is still leading the way as a key player.

Indeed, I have found Hadassah to be among the most consistent and persistent allies any legislator could ever hope for. When Hadassah decides that an issue is a priority, it will work ceaselessly until its goal is achieved. Its members are well educated, savvy, and tenacious. Its leadership is focused, smart, and sophisticated. Few organizations are as effective.

Through our partnership on issues including genetic discrimination, women's health, and colorectal cancer, my respect and admiration for Hadassah has only grown. In 1998, I was proud to receive the Hadassah Nassau Region's Myrtle Wreath Achievement Award for "outstanding achievement in all areas of public service and . . . dedication to improving the health and well being of all Americans." This award hangs in a place of honor in my office. I was equally proud to be named a Lifetime Member of Hadassah for my work on issues important to their members.

Perhaps Hadassah's greatest achievement is the Hadassah Medical Organization, a network of 2 hospitals, 90 outpatient clinics, and numerous community health centers throughout Israel. These facilities provide state-of-the-art health care to 600,000 patients each year, regardless of race, religion, or creed. They often treat the most critically wounded victims of the region's ongoing conflicts.

I would like to invite my colleagues to join me in saluting the 90th anniversary of Hadassah. May Hadassah and its members enjoy another 90 years of activism.

PAYING TRIBUTE TO LEONARD GREGORY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Leonard Gregory and thank him for his extraordinary contributions to both the Pueblo Chieftain and the greater community of Pueblo, Colorado. Len's life-long dedication to the pursuit of excellence as a columnist and editor at the Pueblo Chieftain is matched only by the level of integrity and honesty with which he has conducted himself each and every day in that pursuit. He will always be remembered as an employee with the utmost dedication and talent, and will continue to be known as a leader in his community. As he celebrates his retirement, let it be known that it is a great loss not only for the paper, but also for a town that has relied on him for his wisdom and insight throughout his extraordinary tenure.

As a 38-year employee at the Pueblo Chieftain, Len's dedication, work ethic and unparalleled skill as a newsman ensured his unfettered rise through the ranks of the organization. He began his career in 1964 as a composing room employee, and then transferred to the newsroom in 1972 as a courthouse and general assignment reporter. In 1988, he was promoted from city editor to managing editor, and in 1999 was promoted to executive editor, where he oversaw the newsroom operation, served on the editorial board and represented the newspaper in the Pueblo community.

Since he began writing for the Chieftain, Len has distinguished himself as much more than an average employee. He has received numerous awards from the Colorado Press Association and the Colorado Associated Press Editors and Reporters for his column, which he began writing in 1979. He was named outstanding Alumnus by the University of Southern Colorado Alumni Association, and Newspaper Person of the Year by the Southern Colorado Press Club. Len's distinguished service and dedication is not limited to his professional endeavors, as he has proven himself an active leader within the community as well. He is currently a member of a number of organizations, including the Pueblo School District 60 Foundation Board, the University of Southern Colorado's Foundation Board and President's Advisory Council, and the Holy Family Parish Finance Council.

Mr. Speaker, it is clear that Len Gregory is a man of unparalleled dedication and commitment to both his professional and philanthropic endeavors. It is his unrelenting passion for each and every thing he does, as well as his spirit of honesty and integrity with which he has always conducted himself, that I wish to bring before this body of Congress. Len Gregory is a remarkable man, who has achieved extraordinary things in his career and in his community, and I would like to extend to him my congratulations on his retirement and wish him the best in his future endeavors.

PROCLAMATION FOR GARY GRETARSSON

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. ISRAEL. Mr. Speaker, it is with great pride that I rise today to recognize one of New York's outstanding young men, Gary Gretarsson. The Boy Scouts of his troop honored him as they recognized his achievements by giving him the Eagle Scout honor on Friday, December 7, 2001.

Since the beginning of this century, the Boy Scouts of America have provided thousands of boys and young men each year with the opportunity to make friends, explore new ideas, and develop leadership skills while learning self-reliance and teamwork.

This award is presented only to those who possess the qualities that make our nation great: commitment to excellence, hard work, and genuine love of community service. Becoming an Eagle Scout is an extraordinary award with which only the finest Boy Scouts are honored. To earn the award—the highest advancement rank in Scouting—a Boy Scout must demonstrate proficiency in the rigorous areas of leadership, service, and outdoor skills.

I ask my colleagues to join me in congratulating the recipients of these awards, as their activities are indeed worthy of praise. Their leadership benefits our community and they serve as role models for their peers.

Also, we must not forget the unsung heroes, who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, scout leaders, and countless others who have given generously of their time and energy in support of scouting.

It is with great pride that I recognize the achievements of Mr. Gretarsson, and bring the attention of Congress to this successful young man on his day of recognition. Congratulations to Gary and his family.

IN HONOR OF NATIONAL HONOR SOCIETY STUDENTS AT CONNER HIGH SCHOOL, HEBRON, KY

HON. KEN LUCAS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. LUCAS of Kentucky. Mr. Speaker, I rise today in recognition of some outstanding students at Conner High School in Hebron, in Kentucky's Fourth Congressional District. Specifically, I salute members of the school's chapter of the National Honor Society for their award-winning community service projects in recent years.

Most recently, Conner's honor students tackled an issue that we have addressed here in the House as well—the needs of America's homeless veterans. The honor students worked with a grocery bag manufacturer, Duro Standard Products; a local grocer, Flick's Foods; and Wal-Mart Stores, Incorporated; to have information about the Heather Renee

French Foundation for Veterans printed on 21 million grocery bags.

You may recall that as Miss America 2000, Kentucky's Heather Renee French Henry made increasing our awareness of the needs of America's homeless veterans her mission, and came to Washington to campaign for the homeless veterans legislation we passed last month.

Now, thanks to the efforts of the National Honor Society members at Conner High School and some civic-minded business people, many people are learning about the needs of homeless veterans and Heather Renee French Henry's organization. Specifically, I'd like to recognize the students—Ashley Tepe, Jennifer Golatzki, Amanda Kordenbrock, McKenzie Ryle, and Katie Stacy, their National Honor Society advisor Mike Hils. In addition, I would like to recognize these business people—Tom Coughlin of Wal-Mart Stores, James R. Eaton of Duro Standard Products, and Bob Flick of Flick's Foods.

I ask my colleagues to join me in commending these outstanding students and fine corporate citizens.

JANUARY SCHOOL DISTRICT OF THE MONTH

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mrs. McCARTHY of New York. Mr. Speaker, I have named the Franklin Square School District as School District of the Month in the Fourth Congressional District for January 2002. The schools are Polk Street, Washington Street and John Street Elementary Schools.

This month I've decided to honor three schools in the Franklin Square School District for their growth and innovativeness. Dr. Timothy Lafferty is the outstanding Superintendent of Schools in Franklin Square. Primarily serving the residents of Franklin Square, the school district also adds portions of these neighboring communities: Garden City South, West Hempstead, Elmont and Malverne. The administrators of the schools are: Gloria Perry, Principal, Polk Street Elementary School; Vincent Butera, Principal, Washington Street Elementary School; and Ceil Candreva, Principal, John Street Elementary School.

Today, all three elementary schools in the district held groundbreaking ceremonies for renovations and additions to be completed in this new year.

Any time I see Long Island schools growing, expanding and renovating, I'm heartened for our future. The very structure of a building is so vital to the inside health and well-being of the students, staff and faculty on the inside.

Dr. Lafferty and his administration prepare children to be contributing members of society along with their academic instruction. Providing a "Foundation for Success" is the driving force that shapes all programs in the Franklin Square School District's three elementary schools.

Two programs cited as "exemplifying the spirit" of the schools are the Accelerated Reading Program and the Character Development Program. The goal of the Accelerated Reading Program is to ensure that students read more books independently outside of the school day. Each teacher maintains a bulletin board which spotlights students' progress toward achieving their goals.

The Character Development Program aims to teach students values by stressing practice in addition to study and discussion. Through the implementation of cooperative learning, students learn to practice leadership strategies, impulse control and responsibility. Students learn to be good citizens. The vision of Franklin Square School District—A Foundation for Success—prepares Long Island students for a lifetime of learning. It is a vision shared by all members of Franklin Square community, including students, teachers, administrators and parents.

The Fourth Congressional District salutes the Franklin Square School District's focus on the future. I congratulate all members of the Franklin Square School District community on this honor.

IN HONOR OF HAROLD JORDAN

HON. JOHN E. SWEENEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. SWEENEY. Mr. Speaker, I rise today to honor a constituent of the 22nd District of New York. Mr. Harold Jordan retired from the Greenwich Volunteer Fire Department in November 2001 after fifty years of continuous service. Mr. Jordan first joined the Greenwich Volunteer Fire Department on October 26, 1951 as a member of the Union Engine Company #1. During his half century of service, he served as a Captain, 2nd Assistant Fire Chief and 1st Assistant Fire Chief.

Mr. Jordan's selfless community service embodies the definition of a true American. Mr. Jordan has instilled this spirit of volunteerism in his family. His two sons and his son-in-law have all worked as volunteer firefighters. Mr. Jordan's dedication has served as an inspiration to his family, fellow firefighters and community.

As a result of recent tragedies, firefighters have finally received the attention and admiration they have long deserved. We must remember that firefighters put themselves in danger day in and day out. They do this because it is their job and they are proud to fulfill their duty. Mr. Jordan served his community in this impressive capacity for fifty years. I thank him and the 22nd District of New York thanks him for his tremendous contribution to the community.

I wish Mr. Jordan the very best as he begins his well deserved retirement.

PAYING TRIBUTE TO MARIANO APRAIZ

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to recognize a representative of the American spirit and drive, Mariano Apraiz. Mariano is a Spanish resident, who after living in America for over thirty years, will take his oath and become a citizen of the United States. The ceremony will take place in Denver, Colorado on Friday, December 14.

The reason I bring Mariano's name to bear is to tell his story of determination to become an American. Mariano came to this country to find a new way of life and experience new opportunities in the world. He found work as a miner, rancher, and eventually he found a position in the local school district. Now at the age of 55, Mariano has enjoyed a successful life in this country and I praise him for his determination and courage to live his dream.

Mr. Speaker, when asked why he wants to gain citizenship, he simply replies, "I want to vote." I think this statement speaks volumes for the pride Mariano has in his new country. He wants to be part of the process, he wants to participate in civic responsibility, and he wants to make a difference. He has grown to love this nation and in these difficult and trying times, he truly is a symbol of American pride and spirit.

Mr. Speaker, Mariano's patriotism and love for America will culminate as he is sworn in as an American citizen. I am proud of Mariano Apraiz for his determination and courage. His lifelong goal will be reached and therefore, he deserves the recognition of this body of Congress.

TRIBUTE TO DR. ALBERT C. YATES

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. SCHAFFER. Mr. Speaker, I rise today to congratulate Dr. Albert C. Yates, President of Colorado State University and this year's National Western Stock Show Citizen of the West. This award is given to the person who best exemplifies the spirit and determination of the western pioneer. Al Yates' leadership and dedication to Colorado and Colorado State University personifies this spirit.

Al Yates is the 12th president of CSU and has led the university to become one of the top research institutions in the nation. Since Yates took over as president in 1990, CSU has had record fund-raising, increased its enrollment, implemented core curriculum, increased research grants and recovered from a devastating flood that inflicted $140 million in damages. He has brought remarkable vitality to CSU and has shown the important role higher education plays to the future of the West.

Born in Memphis, Tennessee, Al Yates enlisted in the Navy after high school and served on the U.S.S. *Kitty Hawk*. He then continued his education at the University of Memphis, graduating magna cum laude with degrees in mathematics and chemistry. Yates went on to earn a doctorate from Indiana University in theoretical chemical physics, served as the postdoctoral research fellow in the Department of Chemistry at the University of Southern California, and completed the Institute for Education Management at the Harvard School of Business. Before coming to CSU, Yates served nine years as the Vice President at Washington State University.

Mr. Speaker, Al Yates is a person of high integrity and honor. I consider it a privilege to know and work with him. He has served Colorado State University well taking the responsibilities and standards of his job to the highest level. In a recent edition of the Rocky Mountain News, Bill Coors was quoted as saying, "The Citizen of the West pays tribute to a person whose life and work embody the Western values we all hold so dear. With Al Yates, his work is his bond, and he's dedicated his time, energy and integrity to building our state's land-grant institution into a leader in the nation and a source of pride for Colorado." Furthermore, in a recent essay by Chancellor Dan Richie of the University of Denver (a recipient of the Citizen of the West Award in 1998), Richie said, "We are longstanding admirers of Yates, who has led the transformation of CSU from 'ag school' to premier research university."

Al Yates not only makes his community proud, but also his state and country. It is a true honor to commend to the House such an extraordinary citizen. We owe him a debt of gratitude for his service and dedication to the state, community and nation. I ask the House to join me in extending whole-hearted congratulations to the President of Colorado State University, and Citizen of the West, Dr. Albert C. Yates.

IN TRIBUTE TO CLAUDE "ROBEY" ROBILLARD

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. GALLEGLY. Mr. Speaker, I rise in tribute to Claude "Robey" Robillard, who retired from the Ventura County (California) Sheriff's Department on January 5, 2002, after 14 years with the department and 36 years in law enforcement.

I first met Robey when I made my first run for public office, the Simi Valley City Council. At that time, he was an investigator for the Ventura County District Attorney's Office, where he served for 7½ years. Robey also worked for the Fillmore Police Department for 13 months and for 13 years with the Oxnard Police Department.

Over the years we became good friends. I know him to be a professional in every sense of the word, a dedicated family man, and a man whose trust can never be questioned.

During his 14 years with the Sheriff's Department, Robey received numerous letters of commendation and appreciation from Ventura County's citizens and the Sheriff's Department. He has served as a patrol field sergeant, shift sergeant, watch commander, Standards and Training for Corrections divisional training sergeant and division traffic sergeant.

Robey was involved in the development of the 12-hour shift schedule at the Pre-Trial Detention Facility, which has been credited with maintaining security, reducing overtime and maximizing revenue. He researched and wrote the policy and procedures for contagious disease control and testing with the Detention Services Division and was involved in introducing the Incident Command System to Detention Services supervisors.

In addition, Robey and another sergeant were involved in the research, development, policy, training and implementation of Emergency Response Teams for all custody facilities. He has served as treasurer, vice president and president of the Peace Officer Association of Ventura County and, since 1996, as the department's public information officer.

Robey is a 41-year resident of Ventura County. He and Gail have been married for 27 years and have two sons, Kristopher, 21, and John-Michael, 17.

Mr. Speaker, I know my colleagues will join me in thanking Sergeant Claude Robillard for his dedication to protecting the people of Ventura County, CA, for nearly four decades, and in wishing him and his family all our best in the years to come.

TRIBUTE TO CHRISTINE WILLIAMS

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. ISRAEL. Mr. Speaker, it is with great pride that I rise today to recognize one of New York's outstanding young students: Christine Williams. In February, the young women of her troop will honor her by bestowing upon her the Girl Scouts Gold Medal.

Since the beginning of this century, the Girl Scouts of America have provided thousands of youngsters each year the opportunity to make friends, explore new ideas, and develop leadership skills while learning self-reliance and teamwork.

These awards are presented only to those who posses the qualities that make our nation great: commitment to excellence, hard work, and genuine love of community service. The Gold Awards represent the highest awards attainable by junior and high school Girl Scouts.

I ask my colleagues to join me in congratulating the recipient of this award, as her activities are indeed worthy of praise. Their leadership benefits our community and they serve as role models for their peers.

Also, we must not forget the unsung heroes, who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, scout leaders, and countless others who have given generously of their time and energy in support of scouting.

It is with great pride that I recognize the achievements of Christine, and bring the attention of Congress to these successful young women on their day of recognition.

TRIBUTE TO DR. WALTER ZIELONKO

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. SHIMKUS. Mr. Speaker, I rise to pay tribute to Dr. Walter Zielonko of Troy, IL, and the great work he has done for his community over the 51 years he has served it.

Dr. Zielonko was born on February 10, 1923, and was raised in Detroit, MI. He worked his way up through medical school and unpaid internships, bouncing from town to town until he met his wife, Florence, and eventually settled down in the small town of Troy. There he served for 51 years, interrupted only by a 14-month tour of Korea as a captain of the U.S. Army Medical Corps.

During his time as a general practitioner in Troy, Dr. Zielonko—affectionately known as "Dr. Z"—served thousands of patients and delivered over 1,400 babies. He has watched the population of Troy grow nine times over, and has participated in many local projects, including the founding of Anderson Hospital.

Mr. Speaker, Dr. Zielonko has reason to be proud of the accomplishments in his life—in it he has served both the Troy community and his country. His skills have helped people from the smallest children to the elderly; from birthing mothers to wounded soldiers. His retirement was long in coming and is hard earned; he deserves our thanks and our gratitude. May God bless him and his family on this special day.

PAYING TRIBUTE TO KARLA SAFRANSKI

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to recognize an outstanding individual from Silverton, Colorado and thank her for her dedication and hard work in the community. Karla Safranski has brought much needed economic growth to Silverton and to the Southwest Colorado region. I would like to mention several of her accomplishments before this body.

Karla's efforts to inspire economic growth have been spearheaded through the San Juan 2000 organization. This organization is responsible for providing loans for startup businesses as well as providing affordable housing for the residents of San Juan County. As the past President and current Board Member, Karla has been instrumental in leading the successful organization to its present position and statute. Her dedication is impressive considering Karla, along with husband Ken, spend a great deal of their time operating their own successful business in the community, ZE-supply.

As a result of Karla's and her colleagues' efforts, the community of Silverton has experienced a significant increase in economic growth. San Juan 2000 has raised money and gathered support throughout the region to develop affordable industrial and commercial business space. The group has worked side by side with county leaders, private landowners, city officials, elected officials, and various organizations throughout the area to stimulate economic growth. The organization's and Karla's efforts have led to the creation of a strong year-round economy in the Silverton area.

Mr. Speaker, to reward Karla's efforts, she was recently named Economic Development Leader of the Year by the Region 9 Economic Development District. The district provides various economic services to several counties and Indian tribes in Southwest Colorado. This is quite an accomplishment and I am extremely proud to represent the City of Silverton and residents like Karla Safranski. Keep up the hard work Karla and good luck to you and your husband Ken in your future endeavors.

IN MEMORY OF GLADYS J. HERRON

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Ms. KAPTUR. Mr. Speaker, today we celebrate Gladys J. Herron, who passed from this life on December 5, 2001, at the age of 87 years. Gladys was an activist, teacher, mentor, and friend, a businesswoman and a woman of God. Her life is a story of richness born of struggle and of quiet triumph over oppressive odds.

Born in Florida, Gladys came to Toledo with her family in 1924. She attended Toledo schools and its university, and married a firefighter, Capt. Robert D. Herron, from whom she was widowed.

Gladys' fortitude first became publicly apparent when, in response to the discrimination prevalent at the time, she founded the first beauty school for young black women. The Herron Beauty School was the first black school of cosmetology in the Toledo area, and it eventually yielded twenty independent beauty salons. Hundreds of women owe their businesses and careers to this persevering, dignified woman. In 1955, she became the president of the Ohio Association of Beauticians, and she also served as president of the Toledo Beauticians and the Toledo Business Women's Club. She accomplished this at a time when racial equality and women-owned enterprises were only horizons on the American landscape.

She mothered our community in every way. Continuing in community activism, Mrs. Herron was involved in more than a dozen organizations including 1970s-era social programs CETA, SASI, EOPA and PIC, Toledo Affirmative Action, the Urban League, NAACP, the Head Start Policy Council, the Cordelia Martin Health Center Board, the Lucas County Welfare Advisory Board (which she chaired for fifteen years), the Concerned Women for Better Government (of which she was a charter member), the Perry Burroughs Democratic Club and the Lucas County Democratic Party. A religious woman, Mrs. Herron also served her church, Third Baptist Church, singing in the Sanctuary Choir and serving as a member of the Board of Trustees, the Advisory Council, and the 20th Century Literary Club.

Not content to rest on the laurels of her earlier years or settle down into retirement, Gladys in her later years was a founding leader in the senior citizen movement, involved in both the AARP and the Area Office on Aging of Northwest Ohio. It was Mrs. Herron's tireless effort and expert leadership which led to the establishment of the J. Frank Troy Senior Center. She was the center's first director, and together with two other Toledo women who established centers in other parts of the city, made up the core of senior rights in our region. I appointed her as our district's delegate to the decennial White House Conference on Aging held in 1995, where she represented her fellow seniors most ably and admirably.

Gladys Herron leaves an imprimatur on our community and in our hearts. Her passing writes the preface to a new chapter in American life that will be felt through generations and will be better for all because of her vigilance, faith, and vision.

COMMENDING JESSICA ANN OWENS

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. RADANOVICH. Mr. Speaker, I rise today to commend Jessica Ann Owens on her completion of the Aviation Machinist Mate school program with the U.S. Navy. Miss Owens is the first female to "ace" the entire course since its inception in 1947. She was also awarded the Military Excellence Award at Boot Camp out of over 600 sailors.

A local news station interviewed Miss Owens while she was home for Christmas. She will be stationed on the NAS Oceana in Virginia Beach. Her parents, Randy and Gini, are very proud of Jessica and know that she will do well wherever she goes.

Mr. Speaker, I rise today in recognition of Miss Owens' efforts and commend her for a job well done. I urge my colleagues to join me in recognizing Jessica's service to our country and wishing her all the best for future success.

REVEREND DR. MARTIN LUTHER KING, JR.: LEADER, VISIONARY, HERO

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. GILMAN. Mr. Speaker, each year, we Americans commemorate the birthday of one of the outstanding citizens of the 20th century, Rev. Dr. Martin Luther King, Jr. Many years ago, I was pleased to be one of the original sponsors of the legislation making his birthday a national holiday, and I urged all Americans to commemorate January 15 with appropriate ceremonies, sharing Dr. King's message, vision, and legacy.

We should all avail ourselves of this opportunity to once again honor the legacy of the Reverend Dr. Martin Luther King, Jr. more than thirty years since his life was senselessly snuffed out by an assassin in Memphis, Tennessee. It is more important than ever that all Americans, especially our young people, are reminded of his significant contributions and his message.

Regrettably, many Americans view Martin Luther King Day as a holiday just for African Americans. Rev. King would have been the first person to repudiate that attitude, for his message was for ALL people, of all races, creeds, colors and backgrounds. His message of equality in both government and economic opportunity is universal and should be heeded by all citizens of America and, in fact, all citizens of the world.

Dr. King contributed more to the causes of national freedom and equality than any other individual of the 20th century. His achievements as an author and as a minister were surpassed only by his leadership, which transformed a torn people into a beacon of strength and solidarity, and united a divided nation under a common creed of brotherhood and mutual prosperity.

It was Dr. King's policy of nonviolent protest which served to open the eyes of our nation to the horrors of discrimination and police brutality. This policy revealed the discriminatory Jim Crow laws of the South as hypocritical and unfair, and forced civil rights issues into the national dialectic. It is due to the increased scope and salience of the national civil rights discussion that the movement achieved so much during its decade of our greatest accomplishment, from 1957 to 1968.

It was in 1955 that Dr. King made his first mark on our nation, when he organized the black community of Montgomery, Alabama during a 382-day boycott of the city's bus lines. The boycott saw Dr. King and many other civil rights activists incarcerated in prison as "agitators," but their efforts were rewarded in 1956, when the U.S. Supreme Court declared that the segregational practices of the Alabama bus system were unconstitutional, and demanded that blacks be allowed to ride with equal and indistinguishable rights. The result proved the theory of nonviolent protest in practice, and roused our nation to the possibilities to be found through peace and perseverance.

In 1963, Dr. King and his followers faced their most ferocious test, when they set a massive civil rights protest in motion in Birmingham, Alabama. The protest was met with brute force by the local police, and many innocent men and women were injured through the violent response. However, the strength of the police department worked against the forces of discrimination in the nation, as many Americans came to sympathize with the plight of the blacks through the sight of their irrational and inhumane treatment.

By August of 1963 the civil rights movement had achieved epic proportions, and it was in a triumphant and universal air that Dr. King gave his memorable "I Have a Dream" speech on the steps of the Lincoln Memorial. In the following year, Dr. King was distinguished as

Time magazine's "Man of the Year" for 1963, and subsequently, in 1964, he was awarded the Nobel Peace Prize.

Throughout his remaining years, Dr. King continued to lead our nation towards increased peace and unity. He spoke out against the Vietnam War, and led our nation's War on Poverty. To Dr. King, the international situation was inextricably linked to the domestic, and thus it was only through increased peace and prosperity at home that tranquility would be ensured abroad.

When Dr. King was gunned down in 1968 he had already established himself as a national hero and pioneer. As the years passed his message continued to gather strength and direction, and it is only in the light of his multigenerational influence that the true effects of his ideas can be measured.

Dr. King was a man who lacked neither vision nor the means and courage to express it. His image of a strong and united nation overcoming the obstacles of poverty and inequality continues to provide us with an ideal picture of the "United" states which still fills the hearts of Americans with feelings of brotherhood and a common purpose for years to come.

Accordingly, Mr. Speaker, I urge my colleagues to bear in mind the courageous, dedicated deeds of Rev. Dr. Martin Luther King, Jr., and to join together on Martin Luther King Day, in solemn recollection of his significant contributions for enhancing human rights throughout our nation and throughout the world.

PAYING TRIBUTE TO JAMES CHRISTIANSEN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. McINNIS. Mr. Speaker, it is with a solemn heart that I would like to pay tribute to the life and memory of cattleman James E. Christiansen, who recently passed away in Westminster, Colorado on January 12, 2002. Jim will always be remembered for his dedication and commitment to preserving our western culture and lifestyle. His passing is a great loss for the residents of Colorado who relied on Jim for his knowledge and wisdom in times of hardship and prosperity.

Jim served the citizens of Eaton and Westminster, Colorado for over forty years. He began his service as a salesman with a local phone company in 1959. During this time he also entered the profession of ranching, where he became a cattleman and raised his livestock in the region for the next forty years. He served his community as a member of the Colorado State Fair Board, Roundup Riders of the Rockies, Scottish Rite, and was a member of Centennial Masonic Lodge #326 in Omaha, Nebraska.

Jim later brought his personal, sales, and ranching experience to the Colorado State Capitol. There he served his community as an independent lobbyist, promoting issues and creating legislation for many people, businesses, and associations. Among those he helped are the Cattlemen's Association, the Colorado Association of Life Underwriters, the Colorado Rural Electric Association, the Fire & Police Pension Association, and various companies throughout the state and region.

Mr. Speaker, Jim's long service to Colorado clearly deserves the recognition of this body of Congress, and this nation. It was always known that his greatest passion was his love and dedication to his family. His wife Margaret, daughter Carol Tveitmoe, six stepchildren, and three grandchildren survive Jim. It is with a solemn heart that we say goodbye and pay our respects to a patriarch of our community. James E. Christiansen dedicated his life to Colorado, and he will be greatly missed.

CATHOLIC SCHOOLS WEEK

HON. FRED UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. UPTON. Mr. Speaker, I would like to take this opportunity to recognize Catholic Schools Week, a time set aside to acknowledge the accomplishments of the Catholic schools of our nation. Catholic schools have displayed an exemplary ability to educate the youth of our great country. They have shown their dedication to the students whom they serve, providing tuition assistance to the vast majority of their students and an ample number of teachers in order to ensure that each child gets the attention he or she needs to succeed. Moreover, Catholic schools maintain a diverse student body, with children from all income levels, racial and ethnic groups, and religious backgrounds receiving an education within their walls.

In order to find proof of the accomplishments of Catholic schools here in the United States, one need only examine the caliber of the students they produce. An impressive ninety-seven percent of Catholic school graduates continue their education on a postsecondary level. African-American and Latino students advance to college at thrice the rate of their public school counterparts, making clear the commitment of Catholic schools to all children. These successes have led to a dramatic increase in demand on the part of Catholic schools, with current enrollment at over 2½ million students and almost half of Catholic schools currently maintaining a waiting list for admission.

Among those schools living up to such stellar standards are the fifteen Catholic schools located in Michigan's Sixth Congressional District, which I represent here in Washington. I would like to offer my congratulations to the many individuals who have contributed to these schools, including students, parents, teachers, and administrators. Due to the hard work and ongoing efforts of these individuals, Catholic schools have become an inspiration to those everywhere who care deeply about education.

PAYING TRIBUTE TO VECTOR RESEARCH, INC.

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. ROGERS. Mr. Speaker, I rise today to pay tribute to Vector Research, Inc. in Ann Arbor, Michigan for earning the Vendor Excellence Award from the Defense Logistics Agency.

The Defense Logistics Agency honors 21 industry partners, customers, and individuals with its Business Alliance Awards. The award recognizes those who have demonstrated outstanding efforts to help complete the DLA mission to provide supplies and services to America's war fighters.

Vector Research, a subsidiary of Altarum, has been the premier Information Technology solutions provider for DLA. For more than 55 years, Altarum has been dedicated to providing objective technology research, insightful policy analysis, and the deployment of customized technology solutions for government and industry. VRI uses old-fashioned customer values, putting clients first, and establishing true working partnerships. They deliver comprehensive technology services from requirements and design, to development and deployment, to testing and training.

Vector is a full-service technical consulting firm with over 30 years of experience assisting both government and commercial clients in structuring and solving complex problems. Further, VRI successfully provides a wide range of program management services which encompass a full life-cycle program support, including planning, modeling, cost/benefit analysis, briefing, promotional event support, and Web site development. Vector Research, Inc. received this award in the large business category for superior product quality, on-time delivery, superior customer service, reliability, dependability, consistency, and accuracy.

Therefore Mr. Speaker, I respectfully ask my colleagues to join me in paying tribute to Vector Research, Inc. for earning the Vender Excellence Award. I salute its commitment to helping provide for our Nation's security.

HONORING MOLLY LIVINGSTON

HON. JOHN E. SWEENEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. SWEENEY. Mr. Speaker, I am pleased and honored to announce that The Epilepsy Foundation of Northeastern, New York, Inc., has named 7-year-old Molly Livingston, of Clifton Park, the organization's 2001–2002 Winning Kid. The Winning Kid symbolizes the spirit and courage that all children with epilepsy display in dealing with their illness. Molly will represent all children with epilepsy in northeastern New York.

Molly experienced her first seizure when she was just 18 months old. Since that time she has continued to suffer despite multiple medication trials. Molly continues to have daily seizures, but remains a bright, charming and energetic child despite her challenges. She has a sincere thirst for knowledge and continually uses her knowledge for power to overcome any obstacle.

Molly is the daughter of Kelly and Tom Livingston from Saratoga County. As a second grader at Chango Elementary School, Molly is very creative both with her mind and spirit. She loves animals, enjoys drawing and putting on plays. She also enjoys baking with her Mom and swimming.

Epilepsy affects two percent of the population, and approximately one in fifty children. Mr. Speaker, New York's 22nd Congressional District celebrates Molly as the Winning Kid for the Epilepsy Foundation of Northeastern, New York, Inc.

HONORING THE ROBINSON RAMS STATE FOOTBALL TITLE

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. TOM DAVIS of Virginia. Mr. Speaker, I rise today to honor the James W. Robinson Rams' football team, which cruised to its second state football title in five years on December 8, 2001, with a resounding victory in the Virginia AAA Division 6 championship game. The Robinson Rams capped off a dominating 12–1 season with a thrilling 40–7 victory over Thomas Dale High School last weekend before 10,000 fans at the University of Richmond Stadium.

The win not only added to the school's impressive resume—one that includes a 19–10 all-time playoff record—but also further established the Northern Region's stranglehold on Division 6 football in the Commonwealth. A team from the region has taken the title 8 of the last 9 years. Robinson defeated last year's state champs, Centreville High School, in the Northern Region final.

While the state title was the result of a true team effort, the Rams were led by senior Michael Imoh and junior Adam Fassnacht, who were named offensive and defensive players of the year, respectively, by Northern Virginia's Journal newspapers. Imoh finished his high school career as Robinson's all-time rushing and scoring leader, running for 205 yards and four touchdowns in the championship game and 2,077 yards and 28 scores for the season. He also hauled in nine receptions for 196 yards and three touchdowns.

Fassnacht recorded 120 tackles and a team-high 12 sacks in the team's 13 games. He and his unyielding defensive teammates held Thomas Dale to 149 total yards and 6 first downs in the title game. They also forced 6 interceptions, tying a record set by 1991 Woodrow Wilson team. The Rams defense came up big in key moments to keep the game firmly in their favor. Quarterback Brian Gulley—who makes up for with heart and leadership what he lacks in size—threw for 2 touchdowns and rushed for another.

"All season long, this team has refused to give anything but their best, and this is the culmination," coach Mark Bendorf—50–10 in his five years heading the program—told a local reporter after the title game. "This is the pinnacle of high school football. I'm so happy for this group because a lot of people doubted them. But this was a team of destiny."

Mr. Speaker, this team of young men, considered underdogs during their run through the regional and state playoffs, epitomized all that is good about high school athletics: perseverance, hard work, shared goals, and character. I am very proud to honor this group of dedicated players and their coaching staff, and I ask all of my colleagues to join me in sending them our congratulations on their significant accomplishment.

PAYING TRIBUTE TO RAYMOND A. YOUNGREN, JR.

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and memory of Raymond A. Youngren, Jr., who recently passed away in Beulah, Colorado on January 9, 2002. Raymond, known as Ray, will always be remembered as a dedicated leader and rancher in the community. His passing is a great loss for a community that relied on Ray for his gentle nature and kind disposition.

Ray was a native Coloradan, born on the family ranch in 1933. He attended his local high school, graduated from Pueblo Junior College, and then he went on to serve four years in the United States Air Force. Upon completion of his service in the armed forces, Ray returned to his home and the ranch industry. To complement his western heritage and lifestyle, Ray competed in rodeo with much success for over thirty years. Ray was always ready to serve his fellow residents with compassion and integrity throughout his life. He began his service as a cattle rancher and later went on to serve as postmaster. He was also a member of the County Planning Commission for over twenty years. In this capacity he was responsible for ensuring long range planning and compressive development plans throughout Pueblo County. Ray further dedicated his time and energy as a member of the 2010 County Commission's Task Force, whose mission was to investigate the viability of mixing city and county government.

Mr. Speaker, Raymond A. Youngren, Jr.'s service to his community and his fellow citizens certainly deserves the recognition of this body of Congress, and this nation. It has always been known that his greatest passion was his love and devotion to his family. Wife Yvonne, sons Jay and Justin, daughter Julie, and four grandchildren survive Ray. It is with a solemn heart that we say goodbye and pay our respects to a patriarch of the Pueblo community. He dedicated his life to the city of Beulah and Pueblo County, and will be greatly missed.

HONORING CANTOR MARK CHILDS

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mrs. CAPPS. Mr. Speaker, today I would like to pay tribute to Cantor Mark Childs who celebrated the 10th anniversary of his investiture as a Cantor on January 11, 2002. In addition, January 11 also marked the 10th anniversary of Cantor Childs' service at the Congregation B'nal B'rith in Santa Barbara, California.

For the last 10 years, the citizens of Santa Barbara have benefited from Cantor Childs love of music. After earning a Bachelor's of Arts degree in music from the University of California, San Diego, and his Master of Sacred Music degree along with an Investiture as Cantor from the Hebrew Union College-School of Sacred Music in New York City, Cantor Childs relocated to Santa Barbara and became Cantor of Congregation B'nai B'n'th. Along with his eloquent speaking style, Cantor Childs has shared his extraordinary musical talent with the Congregation and community alike.

As Music Director at B'nai B'rith Cantor Childs is responsible for all liturgical and non-liturgical music in the synagogue. He conducts the adult, teen and youth choirs, and is responsible for music education from pre-school through 10th grades. He also produces full-scale musicals involving the youth of the congregation. Outside the congregation, Cantor Childs has been involved with the San Diego Opera, the Aspen Music Festival Opera, and the Santa Barbara Grand Opera.

Aside from bringing music to B'nal B'rith, Cantor Childs serves the congregation by teaching 6th grade Hebrew and tutors every Bar/Bat Mitzvah student before their services. He additionally leads the weekly service for both Sunday and Wednesday Religious School.

For the last 10 years, Cantor Childs has been an irreplaceable asset not only to Congregation B'nai B'rith but to the Santa Barbara community in general. His talent and warm personality have been appreciated by all and we are so lucky to have him in our midst. I wish to congratulate Cantor Childs on the last ten years of his achievements and thank him once more for sharing his extraordinary talent with the Santa Barbara community.

PROCLAMATION FOR HARRY R. BURGER

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. ISRAEL. Mr. Speaker, it is with great pride that I rise today to recognize one of New York's outstanding young students, Harry R. Burger. This young man has received the Eagle Scout honor from his peers in recognition of his achievements.

Since the beginning of this century, the Boy Scouts of America have provided thousands of boys and young men each year with the opportunity to make friends, explore new ideas, and develop leadership skills while learning self-reliance and teamwork.

The Eagle Scout award is presented only to those who possess the qualities that make our nation great: commitment to excellence, hard work, and genuine love of community service. Becoming an Eagle Scout is an extraordinary award with which only the finest Boy Scouts are honored. To earn the award—the highest advancement rank in Scouting—a Boy Scout must demonstrate proficiency in the rigorous areas of leadership, service, and outdoor skills; he must earn a minimum of 23 merit badges as well as contribute at least 100 man-hours toward a community oriented service project.

I ask my colleagues to join me in congratulating the recipients of these awards, as their activities are indeed worthy of praise. Their leadership benefits our community and they serve as role models for their peers.

Also, we must not forget the unsung heroes, who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, scout leaders, and countless others who have given generously of their time and energy in support of Scouting.

It is with great pride that I recognize the achievements of Steven and bring the attention of Congress to this successful young man on his day of recognition, Wednesday, January 9th, 2001. Congratulations to Harry and his family.

IN RECOGNITION OF THE CONTRIBUTIONS AND ACCOMPLISHMENTS OF FREDERICA WARNER

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. GILMAN. Mr. Speaker, I am honored to pay tribute to a remarkable constituent who has dedicated her life to serving others, Frederica Warner of Newburgh, NY.

Frederica is a living legend in our Hudson Valley for her many contributions to our Orange County communities, especially her outstanding service as founder, Executive Director, and guiding force behind Meals on Wheels of Greater Newburgh, Inc. Under her leadership, Meals on Wheels has served the needs of the Town and City of Newburgh and New Windsor without one dime of government funding for three decades, becoming the personification of the "thousand points of light" alluded to by President George H. W. Bush years ago when he called for private contributions to improve our nation.

For many years, Frederica served as Operating Manager of the kitchen and dining room at the Powelton Club in the Town of Newburgh, and, along with her husband, Loren, operated their own catering business for many years.

Frederica has dedicated countless hours and held numerous leadership positions for charitable and community causes, including as a Member of the Board of Directors of Habitat for Humanity of Greater Newburgh; President of the Board of Directors of McQuade Foundation; Honorary Member of the Board of Directors of McQuade Foundation; Member of the Newburgh Zoning Board of Appeals; Member of the Board of Managers for the Amos & Sarah Holden Home; President of the Liberty Street Day Care Center; Member of the Human Rights Commission of Orange County; Member of the Orange County Professional Advisory Committee; President of the Business & Professional Women's Club; Vice President of the New York State Church Women United; Member of the Advisory Committee of the Church Women United to the United Nations; Campaign Chairperson for the Orange Area United Fund; First Vice President of the Board of Directors for the Orange Area United Fund; Member of the Zonta International of Newburgh; Member of the Washington Street AME Zion Church; and Member of the First United Methodist Church.

Among the many honors bestowed upon Frederica for her commitment to our Orange County community include the Distinguished Service Award from the Newburgh Jaycees; the Black Humanitarian Award, Newburgh Free Academy; the Plaque of Appreciation, United Way of Orange County; the 1989 Citizen of the Year Award, Historic Newburgh; the Trustees Award for Distinguished Service, Mount St. Mary College; the 1992 Outstanding Community Service Leader Award, Temple Beth Jacob; the New York State Senate (39th District) Woman of Distinction Award; and the Ladies of Havana Award, Newburgh Developers Association.

Frederica has been a mainstay of Republican principles and dedication to our party. We are proud to claim her as an activist for Republican causes. In 1980, Frederica served as co-chair of Women for Ronald Reagan for President in New York State. Three years later, she was honored to have lunch with President Reagan, who personally thanked her for all of her community efforts.

Frederica, the descendant of freed slaves who helped organize the Underground Railroad and the Republican Party in the years preceding the Civil War, is the daughter of the late Lafayette & Sarah Flint Hunter. She married Loren M. Warner, a beloved businessperson and citizen of the Newburgh community in his own right. Frederica and Loren are the parents of Maxine Warner Burton, wife of the Honorable V. Eric Burton, former Member of Parliament of the Republic of Antigua-Barbuda in the West Indies.

Mr. Speaker, for her friendship and commitment to our community and our party, the Town of Newburgh Republican Committee will this year honor Frederica as their designee as the "Republican of the Year". Our Hudson Valley and our Republican Party express our sincere thanks to Frederica Warner for being a role model and an ardent supporter of good government and we congratulate her on this long-overdue recognition.

Mr. Speaker, I invite our colleagues to join with me in congratulating Frederica Warner for this honor and for a job well done.

HONORING THE MEMORY OF MARIA PEREZ

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Ms. DELAURO. Mr. Speaker, it is with a deep sadness that I rise today to remember and pay tribute to a remarkable woman, Maria Perez, who was taken from us in the early hours of New Year's Day. A member of my Congressional staff for over six years, Maria was one of the most generous, kind-hearted people I have ever had the pleasure of knowing. She was only thirty-three years old but she was already a true treasure.

People often thank me for helping them, but what they might not appreciate is how Maria dedicated herself to helping people. She wasted few words but got the job done for hundreds, probably thousands of families. She worked her will with the Immigration and Naturalization Service, Social Security Administration and Medicare. She made such a difference it makes me cry. Thankfully, those families are her legacy.

Maria could often be found at the office at all hours of the day and on weekends, making the necessary calls to overseas embassies and consulates to help constituents in need. Her commitment earned her a reputation throughout the many communities of Connecticut's Third Congressional District, with rarely a day going by without someone calling the office because a friend or community member had referred them to her. It is almost impossible to imagine what our office will be like without her.

Maria never gave up her work for the poorer neighborhoods and the Hispanic community, even after she came to me. She worked with the Hill Development Corporation, a neighborhood organization dedicated to building affordable housing in the Hill section of New Haven. She had also worked with the Latino Youth Development and ProPark Enterprises. She participated in a great number of projects with Casa Otoñal, an Hispanic senior community; Junta and Centro San Jose, two community based social service organizations; and the Spanish Community of Wallingford. Recently, Maria became involved in a new initiative called Hispanics Give Hope. Developed by the National Marrow Donor Program, this new program is aimed at recruiting more Hispanics to become bone marrow donors.

Maria was a very special person. Her contagious smile and infectious good humor touched the lives of all she knew. It is not often that you find someone like her—a diamond in the ruff. With a seemingly infinite amount of compassion and patience, Maria has left an indelible mark on our community. I know she left an indelible impression on my entire staff. She was a friend to us all.

Though it saddens me beyond words to join the many family, colleagues, friends, and community members that have gathered to honor Maria's memory, I am proud to stand today to pay tribute to her life. I would like to take this moment to extend my deepest sympathies to Maria's husband, Fernando, her mother, Maria, her sisters; Elizabeth, Nancy, and

Daisy, and her brother Edilberto. Maria's memory will always be close to our hearts and her legacy will continue to be our inspiration.

IN MEMORIAL OF MR. EVERETTE SUITT

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. ETHERIDGE. Mr. Speaker, today I rise to honor the life of Mr. Everette Suitt, of Harnett County, who died on January 2, 2002. In his passing, Harnett County lost one of its most indefatigable champions. Born in Granville County, Mr. Suitt graduated from Boone Trail High School in Harnett County in 1950, served in the Army during the Korean War, and came home to become Boone Trail area's most outstanding community leader.

Mr. Suitt was a 30-year member of the Boone Trail Advisory Board, was a member of the first Board of Directors of the Boone Trail Emergency Services, and was president of the Western Harnett High School Boosters Club from 1977 to 1995. He was a founding member of the Calvary Baptist Church and was a leading tobacco farmer and lifelong Democrat.

Mr. Suitt is survived by his wife of 48 years, Ernestine O'Quinn Suitt, two daughters, Teresa S. Cummings of Mamers, and Carla S. Obiol and husband, his brother, John, of Raleigh; a sister, Lila Allen of Lillington and grandchildren, Allison and David Cummings, and their father, Lewis, all of Lillington, and Alexandra Obiol of Raleigh: and a brother-in-law, Harold Edwards of Rocky Mount.

It was my honor to be asked to offer the following eulogy at the funeral of this good man:

> Everett Suitt was my friend, as he was yours. As we gather here today, I hope we can suppress as best we can our sadness at the loss of a good husband, father, grandfather, and community leader and instead concentrate on the celebration of Everette's life and contributions. They are many, and this community and this county are a better place because this good man lived among us.
>
> It has been said that God expects only this of each of us-that we take the world into which we are born and strive to make it a better place in which to live. Everette Suitt certainly did so and did so successfully. Everette loved life and enjoyed it as few of us are privileged to do. He smiled often and laughed long. He had a personality that made us want to be around him, to talk with him, to laugh with him. He was often the sunshine drawing us through dreary days.
>
> I knew Everette for more than 30 years; I don't remember a single time when he was not trying to help me do the right thing for our county and our state. He was one of the men who served as an inspiration to me. I often sought his counsel.
>
> Everette Suitt loved his wife, his two daughters, his grandchildren, and the grandchild on the way who sadly will never know him except through the memories of others.
>
> Everette was a family man in the most pure sense of the word. He loved sports, particularly the teams of Duke University and the New York Yankees. He loved his community: the old Boone Trail High School and, later, Western Harnett High School. And he loved all the students who passed through that school year after year.
>
> Can anyone imagine being president of the Western Harnett Boosters Club for two or three years? Everette did that job for 18 years and loved every minute of it.
>
> He loved his church and his community. He loved the Democratic Party. And he served all three with loyalty, with dedication, with humility, and with faith in God. While this is a sad day for all of us, it would be wise of us to remember the words of the great artist, Leonardo da Vinci, who said on the death of a friend:
>
> "As a well-spent day brings happy sleep, so a life well used brings a happy death."
>
> Certainly, Everette Suitt's life was well used. We are saddened at the loss of this good man. As the poet John Donne has reminded us:
>
> "* * * any man's death diminishes me, because I am involved in mankind. Therefore, never send to know for whom the bell tolls. It tolls for thee."
>
> Today, the bell tolls for us as Everette goes to his heavenly home. But I would predict that Heaven today is a happier place than it was a few days ago. That Everette is rushing around greeting those who have gone on before and renewing acquaintances. That his happy smile has already endeared him to the Community of Angels. That he is already volunteering to take on whatever job God feels needs doing to improve the community.
>
> And even to suggest a few tasks himself.
>
> Goodbye, Good Friend.
>
> Amen.

PAYING TRIBUTE TO KARI DISTEFANO

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. McINNIS. Mr. Speaker, it is truly a privilege to take this opportunity to pay tribute to Kari Distefano, a woman whose competitive spirit and unrelenting will has taken her to the top of her field as a runner, and distinguished her as one of this country's greatest athletes. Her incredible accomplishment of being named U.S.A. Track and Field's top women's mountain runner of the year is a testament not only to her incredible natural abilities, but to her unparalleled work ethic and indomitable human spirit.

This incredible honor is the manifestation of a life-long passion, and could not have been bestowed upon a more deserving individual. In September of 2001, Kari competed in the World Mountain Running Trophy Race in Udine, Italy, finishing with the top U.S. rank, and placing 21st overall in a field that included competitors from over 30 countries. She has been named an alternate for the United States Track and Field Team, and recently broke a course record at the 37-kilometer Grand Junction Rim Rock Run. Her training grounds are the hills of Telluride, Colorado, but she has proven that her dominance extends far beyond these local hills.

Mr. Speaker, it is quite clear that Kari is a person of unparalleled dedication and commitment to her life-long pursuit of running at a world-class level. It is not only her incredible talent, but her unrelenting passion for competition and her unconquerable human spirit that I wish to bring before this body of Congress. She is a remarkable woman who has reached extraordinary heights in her pursuit of excellence in athletics and in life. It is my distinct pleasure to honor her today, and wish her the best of luck in all of her future endeavors. You have truly made this country proud.

CLOSED-CIRCUIT TV COURT PROCEEDINGS FOR VICTIMS OF THE TERRORIST ATTACKS OF SEPT. 11TH

HON. TOM DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. TOM DAVIS of Virginia. Mr. Speaker, The attacks of September 11th wounded our national psyche, but the most profound wounds were surely felt by the thousands of families who lost loved ones. Allowing the victims' family members to view the trial of Zacarias Mouusaoui—the sole suspect indicted thus far in connection with the cowardly attacks—is the right and compassionate thing to do.

Unfortunately, the Federal Judicial Conference, which has authority over the U.S. District Court for the Eastern District of Virginia where the trial will occur, does not permit court proceedings to be televised. This legislation would require the closed-circuit broadcast of the proceedings to "convenient locations" around the nation. It is modeled after Section 235 of the Antiterrorism and Effective Death Penalty Act of 1996, (P.L. 104–132), which was enacted after the Oklahoma City bombing trial was moved to Denver. In that case, an exception was made, with Congress requiring the court to broadcast the proceedings via closed-circuit television back to victims' family members in Oklahoma. P.L. 104–132 is triggered only when the trial has been moved more than 350 miles from the state where the case was originally brought.

This legislation mirrors legislation already passed in the Senate (S. 1858) that would allow those whom the court determines to have a "compelling interest" to witness the trial—but are unable to attend because of expense, inconvenience, or courtroom space limitations—to do so via closed-circuit transmission. The transmission locations include but are not limited to Northern Virginia; Los Angeles and San Francisco, California; New York City; Boston; and Newark, New Jersey—the sites of the attacks, as well as the places where the aircraft involve departed or were intended to arrive. The court retains the discretion to designate additional sites.

Until S. 1858 bill and the House companion bill become law, Congress would have to affirmatively act to permit televised proceedings of Zacarias Moussaoui's trial.

Like the earlier law (P.L. 104–132), the court determines who has a compelling interest to view the trial, but are otherwise unable to do so by reason of inconvenience and expense. The courtroom in Alexandria may fit only about 80 spectators. Officials estimate that there are 10,000 to 15,000 victims and families of the crimes for which Moussaoui is charged.

Who is Zacarias Moussaoui: Attorney General Ashcroft has said the French citizen Zacarias Moussaoui, 33, was an "active participant" in the plot by the al-Qaeda terrorist network to crash jetliners into the World Trade Center and the Pentagon, but was thwarted when he was detained on immigration charges in August, 2001. Moussaoui, of Moroccan descent, allegedly received $14,000 from an al-Qaeda operative, and engaged in a pattern of behavior that mirrored the activities of the 19 suicide hijackers. He is charged with six counts of conspiracy, including four that carry the death penalty.

The indictment of Moussaoui reads, in part: "Zacarias Moussaoui . . . with other members and associates of al-Qaeda and others known and unknown to the Grand Jury, unlawfully, willfully and knowingly combined, conspired, confederated and agreed to kill and maim persons within the United States, and to create a substantial risk of serious bodily injury to other persons by destroying and damaging structures, conveyances and other real and personal property within the United States."

Moussaoui has already been arraigned. His trial is set for October, 2002.

MARTIN LUTHER KING

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. VISCLOSKY. Mr. Speaker, as we celebrate the birth of Dr. Martin Luther King, Jr., and reflect on his life and work, we are reminded of the challenges that democracy poses to us and the delicate nature of liberty. Dr. King's life, and, unfortunately, his untimely death, reminds us that we must continually work and, if necessary, fight to secure and protect our freedoms. Dr. King, in his courage to act, his willingness to meet challenges, and his ability to achieve, embodied all that is good and true in the battle for liberty.

The spirit of Dr. King lives on in the citizens of communities throughout our nation. It lives on in the people whose actions reflect the spirit of resolve and achievement that will help move our country into the future. In particular, several distinguished individuals from Indiana's First Congressional District will be recognized during the 23rd Annual Dr. Martin Luther King, Jr. Breakfast on Monday, January 21, 2002, at the Genesis Center in Gary, Indiana. The Gary Frontiers Service Club that was founded in 1952 sponsors this annual memorial breakfast.

This year the Gary Frontiers Club will pay tribute to nine local individuals who have for decades unselfishly contributed to improving the human condition of others in the City of Gary. Those individuals who will be recognized as Dr. Martin Luther King, Jr. Marchers at this year's breakfast include: Thomas V. Barnes, Former Mayor of Gary; James W. Holland, deceased Former Deputy Mayor of Gary; Rudolph Clay, Lake Country 1st District Commissioner; Frank Perry, Former Lake County Councilman; Reverend Dr. Floyd E. Dumas, Sr., Founder and former Pastor of the Metropolitan Baptist Church; Nancy M. Kelly, Vice President of L.C.E.O.C., Inc.; Earline Rogers, Indiana State Senator; Dr. Vernon G. Smith, Indiana State Representative; and David E. Ross, Jr. M.D., an active and honorable community member. Additionally, one of these nine individuals will be honored with the Dr. Martin Luther King, Jr. Drum Major Award. Also in attendance at this year's memorial breakfast will be students from the Gary Community School Corporation.

Though very different in nature, the achievement of all these individuals reflect many of the same attributes that Dr. King possessed, as well as the values he advocated. Like Dr. King, these individuals saw challenges and rose to the occasion. Each one of the honored guests' greatness has been found in their willingness to serve with "a heart full of grace and a soul generated by love". They set goals and worked to achieve them.

Mr. Speaker, I urge you and my other distinguished colleagues to join me in commending the Gary Frontiers Service Club president, Mr. Floyd Donaldson, and all other members of the service club for their initiative, determination and dedication to making Northwest Indiana a better place for all who live and work there.

A TRIBUTE TO HIS HONOR SALVATORE J. MODICA

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mrs. McCARTHY of New York. Mr. Speaker, I rise to congratulate Salvatore J. Modica, sworn in as a judge on December 26, 2001. For the last 15 years, Salvatore "Tory" Modica has served as a prosecutor Queens District Attorney's office and as a Principal Court Attorney in the Bronx.

A graduate of the University of Arizona in 1983 and St. John's Law School in 1986, Tory has worked diligently to rise through the ranks in our courts. Starting in the Queens D.A.'s office in 1986, Tory ascended from the Appeals Bureau to the Homicide Investigations Bureau to the Supreme Court Trial Bureau.

In 1989, Tory became the Principal Court Attorney for Judge William C. Donnino, Court of Claims in the Bronx Supreme Court. In this capacity, he did legal research and wrote opinions, becoming extremely well-versed in complex legal issues. This is evidenced by an article he authored on the age requirement for the New York State death penalty law, which appeared in St. John's legal journal and in other publications.

Tory is the fourth child and oldest son of Dr. and Mrs. Edmondo Modica, and he is married to the Honorable Deborah Stevens Modica, Deputy Supervising Judge in Queens Criminal Court. Together they raised five girls—Deirdre, Erin, Reagan, Flannery and Kate—and are the proud grandparents of Elijah, Issa and Aidan.

Mr. Modica's extensive knowledge of the justice system and his incredible work ethic has gained the respect of his colleagues in the law profession. His perseverance in work, the community and his family has certainly paid off. I am delighted that he has earned his appointment as Judge to the Criminal Court in the City of New York by Mayor Rudolph Giuliani. My warmest regards to His Honor, Judge Salvatore J. Modica.

HONORING CLANCY D. McKENZIE, M.D. FOR THIRTY-FIVE YEARS OF GROUNDBREAKING RESEARCH, MEDICAL SERVICE AND HUMANITARIAN EFFORTS

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. WELDON of Pennsylvania. Mr. Speaker, it is my pleasure to honor the Commonwealth of Pennsylvania's Professor Clancy D. McKenzie, M.D., Protege of Temple University's late Dr. O. Spurgeon English, and Recipient of Temple University's Nelson and Winnie Mandella Humanitarian Award. Dr. McKenzie has worked daily to improve the treatment of mental health patients and his trailblazing techniques, particularly in the area of schizophrenia, have awed the medical community over the years. His findings represent one of the greatest breakthroughs in that field of medicine and allows for the prevention of this disease.

Dr. McKenzie is an Alumnus of the University of Michigan, University of Vienna, University of Michigan Medical School, Menninger School of Psychiatry, Philadelphia Psychiatric Center, Philadelphia Psychoanalytic Institute, and Capital University of Integrative Medicine, Washington, DC. Under the careful tutelage of Dr. O. Spurgeon English for thirty years, Dr. McKenzie worked creatively and identified a new cause and mechanism for mental illness, the origin of which has been confirmed with data on 9,000 persons with schizophrenia, and many more with depression.

Dr. O. Spurgeon English credited Dr. McKenzie with the discovery of a traumatic origin for mental illness and wrote that his findings represented a new unification theory of mental illness. Professor Lance S. Wright, a noted scholar, colleague and friend for thirty-five years, hailed the findings as the most significant in the field of psychiatry in the second half of the 20th Century.

Dr. Clancy McKenzie, under the careful tutelage of Dr. O. Spurgeon English has made significant advances in the understanding of mental illness, and most importantly its prevention. His efforts should benefit future generations worldwide, through the understanding and prevention of mental disease.

Mr. Speaker, Dr. Clancy D. McKenzie is truly a contemporary pioneer in the field of mental health who has gone beyond the current thinking concerning the subject of schizophrenia. I congratulate him on his life of service to humanity which have made it possible to provide those suffering from such ailments to the promise of a whole life.

IN MEMORY OF DALE STORMER

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Ms. KAPTUR. Mr. Speaker, I rise today to recognize the accomplishments of Dale Stormer, longtime labor leader in both our community and in our nation. Dale, who had a gruff exterior and a heart of gold, passed from this life on October 28, 2001. He leaves behind a lasting legacy of union activism and commitment to bettering the lives of our nation's workers. No one mastered the intricacies of health insurance and employee benefits more thoroughly or with more vision, compassion, and zeal.

Dale was president of the Toledo Area AFL–CIO from its inception in 1966 until 1973. Upon his leave, the union boasted 31,000 members. He returned after a two-year hiatus, serving as Executive Secretary until 1991. In that year, he went to Chicago, where he is credited with saving the union's health and welfare fund. He finally retired to Florida in 1997, though his heart remained in his union. His eye was always on the underrepresented, the exploited and the needy.

After being discharged from the U.S. Navy, Dale entered his life's work when he helped organize the employees of the Sears Roebuck and Company store in which he worked. In 1956, he became the head of the Detroit retail workers union, and joined the Hotel Employees and Restaurant Employees (HERE) in 1961. Dale first came to Toledo in 1961 to serve the HERE Local 868, which had been placed in trusteeship, and he represented the union's members for almost thirty years. He also served the HERE international union as a vice president.

His crowning achievement in organizing came when he was a founder of the Toledo United Labor Committee. This local consortium of union policymaking brought together the AFL–CIO, the UAW, and the Teamsters into a collective 50,000 members strong. To build strength through unity remains a hallmark of his leadership and acumen.

In addition to his union activities, Dale also found time to participate on the boards of the local United Way, Red Cross, and Toledo Lucas County Convention Center. He was asked to serve on former Ohio Governor Richard Celeste's Advisory Council on Travel and Tourism and was appointed by former Governor Celeste to the board of the Medical College of Ohio in Toledo.

His love of boating yielded him a twenty-year membership in the Bay View Yacht Club. If Dale ever relaxed, surely it was by boating on Lake Erie and on Florida's Caloosahatchee River. It was the one hobby in which he indulged, according to his son.

A man of humble origins who led his union brothers and sisters and our entire community to a better life, Dale was a labor leader first and last, He leaves behind this legacy, along with cherished memories his wife Ruth and sons John, Don, Ron, Tom, and Tony hold close in their hearts.

HONORING JAMES AND JOANNE HANSON

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to honor James and Joanne Hanson for their many years of devotion to each other as they celebrate their 50th wedding anniversary. They were married the same year that they met each other, in 1951, and have lived a wonderful and very fruitful life together.

James and Joanne met while both working at Ryan Aeronautical in San Diego, California. James was a test pilot and Joanne was a draftswoman. During the Korean War, James returned to the Navy as a flight instructor in Florida and then relocated to St. Louis, Missouri to take a job working for McDonnell Aircraft. This gave the Hanson family the difficult task of trying to start and raise a family while being moved between California and Missouri several times. As a result of the moves, Joanne attended many different schools focusing her studies in a number of different areas.

Joanne opted against her potential career in journalism to pursue her passion for art. Painting and drawing proved to be very fulfilling for Joanne. She also stayed very involved in the lives of the their three daughters: Kate, Christine, and Carrie. Following James' retirement, the loving couple was able to spend more time pursuing mutual goals and hobbies. Together, they became substitute teachers and raced their Arabian horses, eventually breeding and raising other Arabian horses.

The late 1980's and 1990's sparked civic involvement for the Hanson family. Joanne was elected as the Committee Woman for her county's Republican Party in Missouri, and later ran for State Representative. Upon moving to Chimney Rock, Colorado, James, along with his friend Wayne Bergman, founded the OPHOP organization. OPHOP, "Old People Helping Old People," provides services for elderly members of the community. More recently, James and Joanne have aided in state and local political campaigns.

Mr. Speaker, it is a wonderful privilege and honor to salute the 50th anniversary of James and Joanne Hanson and recognize the exceptional life they have led together. It is with excitement and admiration that I wish them many more great years of happiness.

POETRY BY FRANK SOHAIBY REGARDING POLITICS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. TRAFICANT. Mr. Speaker, Frank Sohaiby, one of my constituents, is eighty years old, and is a very wise man who has written a poem about politics. Frank's insights deserve to be commended and are hereby memorialized in the public record. Frank's poem follows:

"POLITICS"

Who gets what for who and how,
That's the name of the game,
And really not for one who's tame,
While seeking fame ends up lame.

The "haves" are the conservative lot,
They want to keep the whole pot,
Ask why and they'll answer, "why not?"
Fair to them but fairness not.

The "have nots" on the other hand,
Are the ones that change demand,
For this they're called a radical band,
And many of them in jail may land.

Many of us don't like the game,
But we're all in it just the same,
Some of us in it mighty strong,
As leaders are quite often wrong.

The country's problems are many fold,
Who amongst us need be told?
Watergate—hate and lies,
Prices ever on the rise,
A war that no one seems to want,
Crime in the streets—cops killed on beats
Scraggly long hairs and movie bares,
Dopes and dope addicts,
Demonstrators, agitators, and would be emancipators.

If you don't like the way the country is run
Get into politics—join the fun,
Why be a follower—set the pace,
Who knows, you might even win the race!

IN HONOR OF CAPS' 20 YEARS OF SERVICE TO THE COMMUNITY

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mrs. McCARTHY of New York. Mr. Speaker, I rise today to pay tribute to an extraordinary organization, Child Abuse Prevention Services (CAPS). CAPS, a not-for-profit volunteer group, is entering its 20th year of service to the Long Island community.

CAPS is working together to keep every child safe from harm. True to this vision, their experienced volunteers have reached 300,000 Long Island residents with preventive and educational programs to end the cycle of child abuse and neglect. Conceived from a union of the Junior League of Long Island and the National Council of Jewish Women, CAPS developed programs to give children and adults the tools and strategies to deal with child abuse, sexual abuse and date rape. As Long Islanders' needs and awareness grew, so did the services that CAPS provides.

The Child Safety Institute (CSI) was established by CAPS in 1995 in response to the concerns of our school communities as they encountered school violence. They have formulated comprehensive methods to reduce bullying and harassment, including conferences and roundtables presented in classrooms to specifically curb the trend of increasing violence in our schools.

CAPS has been recognized as a "model primary prevention program" locally, regionally and nationally. They have received the New York State Eleanor Roosevelt Community Service Award as well as the Metro Region Allstate Safety Leadership Award. I am truly grateful for Child Abuse Prevention Services, as they are an invaluable resource to my office and to the people they serve. It is my honor to pay tribute to them as they enter their 20th year of service to the Long Island community.

A TRIBUTE TO KEN SHULTZ

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. FARR of California. Mr. Speaker, I rise today to honor the life of Ken Shultz, 54, a journalist who lived on the Central Coast of California for many years. He died recently while vacationing in Redding.

Mr. Schultz's career in journalism spanned more than 30 years, including a stint with Stars and Stripes during which he covered the Vietnam war.

I first became acquainted with Ken when I served on the Monterey County Board of Supervisors. He moved to Salinas in the early 1970s, after he earned a Bronze Star for valor during his term of duty in Vietnam. Ken had been wounded himself while carrying a wounded New York Times correspondent from a battle at Quang Tri.

Ken worked first as a reporter at the Salinas Californian and later as a reporter, editor and bureau chief at the Monterey County Herald. I remember him fondly as an affable, kind-hearted, enthusiastic soul; a man with great integrity who always made time to take interest in the welfare of others.

While he lived on the Central Coast, Ken covered a wide range of issues and topics, including city and county politics. He covered appearances and speeches by nearly every U.S. president since Gerald Ford and interviewed numerous celebrities, including Ansel Adams and Elaine Steinbeek, the third wife of author John Steinbeck.

Born in Denver in 1947, Ken grew up in Southern California and worked as a part-time sports editor while attending San Fernando Valley State College. He was an avid baseball fan, railroad enthusiast and history buff. He and his wife of 31 years, Diane, had three children, Jennifer, Paul and Sarah.

Ken left the Monterey County Herald in 1997, opting for a new career in teaching. After earning a teaching certificate from Chapman University in Salinas, he moved to Lancaster and began teaching fourth graders at Mesquite Elementary School in Palmdale.

I know those young students were fortunate that Ken touched their lives. They no doubt benefitted—as did we all on the Central Coast for so many years—from Ken's kindness, and the enthusiasm he brought to the world around him.

TRIBUTE TO ALLISON ZAFFULTO

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. ISRAEL. Mr. Speaker, it is with great pride that I rise today to recognize one of New York's outstanding young students: Allison Zaffulto. In February, the young women of her troop will honor her by bestowing upon her the Girl Scouts Gold Medal.

Since the beginning of this century, the Girl Scouts of America have provided thousands of youngsters each year the opportunity to make friends, explore new ideas, and develop leadership skills while learning self-reliance and teamwork.

These awards are presented only to those who possess the qualities that make our nation great: commitment to excellence, hard work, and genuine love of community service. The Gold Awards represent the highest awards attainable by junior and high school Girl Scouts.

I ask my colleagues to join me in congratulating the recipient of this award, as her activities are indeed worthy of praise. Her leadership benefits our community and she serves as a role model for her peers.

Also, we must not forget the unsung heroes, who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, scout leaders, and countless others who have given generously of their time and energy in support of scouting.

It is with great pride that I recognize the achievements of Allison, and bring the attention of Congress to this successful young woman on her day of recognition.

PAYING TRIBUTE TO JIM EVANS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to recognize an outstanding individual from the State of Colorado. For over twenty years, Jim Evans has selflessly contributed his time and energy to the Associated Governments of Northwest Colorado, and as he celebrates his twentieth anniversary, I would like to thank him for his dedication and time served.

As a member of the AGNC, Jim has been successful in bringing growth and prosperity to the northwest region. The organization was originally created to secure tax dollars and federal funds for the five northwest counties and to ensure the funds are properly distributed throughout the region. To achieve this goal, the AGNC created several programs to help distribute and secure funding. These programs include increasing coal production revenues, establishing tax credits for beginning businesses, providing regional planning and technical assistance grants, and the distribution of an oil shale trust fund to the counties of the region

Jim has played a key role for the AGNC by drafting the legislation for the Mineral Leasing Distribution Formula Amendment. This effort by the AGNC increased available energy impact funds in the region by more than $23 million. Jim has also been a vital contributor to the area's aging programs, notably insuring the continuation of nutrition programs, transit opportunities, home care, legal services, and senior ombudsman services. Through Jim's and the AGNC's efforts, over $7 million has been put toward funding the programs.

Mr. Speaker, Jim Evans and the AGNC have been instrumental in encouraging the harmonious relationships between the counties and cities of the northwest county region. Through the tireless efforts of its members and people like Jim, northwest Colorado enjoys the prestige and influence it wields in the state today. Their work and dedication to improving the lives of Colorado residents certainly deserves the recognition of this body of Congress. Thanks for all your hard work Jim, and good luck in your future endeavors.

HONORING WILLIAM A. MOSSBARGER FOR HIS DEDICATED SERVICE TO CENTRAL KENTUCKY

HON. ERNIE FLETCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. FLETCHER. Mr. Speaker, I rise today to pay tribute to Mr. William A. Mossbarger on the occasion of his retirement from Fuller, Mossbarger, Scott and May. Bill has dedicated his life to improving the Bluegrass area and the lives of Central Kentucky's residents.

A native of Glendale, Kentucky, Bill had an early interest in both basketball and engineering. As a student at Glendale High School, he played in the Kentucky State Boys Basketball Tournament, known affectionately in Kentucky as the "Sweet Sixteen." Bill moved to Lexington in 1956 to attend the University of Kentucky, where he played on the Freshmen Basketball team for the legendary basketball coach of the Kentucky Wildcats, Adolph Rupp. In 1961, Bill graduated from the University of Kentucky College of Engineering with a Bachelor of Science degree in Civil Engineering. He went on to receive his Master of Science degree in Structures from the UK College of Engineering in 1963.

Bill began his distinguished engineering career at the University of Kentucky in the research lab, where he rose to become the head of the Engineering Mechanics Section. In 1966, he left UK to organize the consulting firm of Fuller and Mossbarger, Civil Engineers, Inc. with Mr. Don Fuller. In 1968, the firm opened its arms to Mr. John Scott and became Fuller, Mossbarger and Scott, Civil Engineers, Inc. The firm welcomed Mr. Audrey May in 1973, and the firm's current title took its place in the Lexington community. Fuller, Mossbarger, Scott and May (FMSM) specializes in geotechnical evaluations for structures, highway designs, and locks and dams. FMSM has expanded significantly from its original office in Lexington, with offices in Hazard, Kentucky; Louisville, Kentucky; and Cincinnati, Ohio.

Notable clients of Fuller, Mossbarger, Scott, and May include the United States Army Corps of Engineers, the Kentucky Department of Highways, Ashland Oil, Inc., the Kentucky Finance Administration Cabinet, the Kentucky River Authority, and the Lexington-Fayette Urban-County Metro Government.

Bill has also made significant contributions to the Central Kentucky community and the entire state. He is a past President of both the

Kentucky Consulting Engineering Council and the Kentucky Society of Professional Engineers. He is a fellow of the American Consulting Engineers Council and serves as a Board Member of the Cincinnati Bible College. As a past Chairman of the Board of Elders for Southland Christian Church in Lexington, Bill was a natural choice to chair the Building Commission when Southland decided to construct a new sanctuary.

While achieving so much in his professional life, Bill has remained a devoted husband to his wife, Martha, and a loving father for his four children, Belinda Meyers, Carol Kearns, Evan Mossbarger and Dee Mallory.

AUSTRALIA STANDS WITH US

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. HORN. Mr. Speaker, the terrorist attacks of last September 11th were a terrible blow to the United States and to all of our citizens. Each of us became witnesses to the coldblooded murder of fellow Americans by a small band of fanatics who hate our country and the values we stand for—freedom and the rule of law.

But the events of last September produced not only shock and horror, but an immediate outpouring of support from nations all over the world. One voice from overseas that spoke with both power and eloquence was that of Premier Bob Carr of New South Wales, Australia. Mr. Carr has long been a good friend of the United States and his speech to Parliament on September 18th last year should be read by every Member of Congress. Today, I place that speech in our RECORD so that it will be clear to all that America has many good friends and many strong allies in the fight against terrorism.

Bob Carr is not only a historian of his wonderful Australia. He is also a master of our history.

Terrorist Attacks on the United States of America

(By Bob Carr, MP, Premier of New South Wales)

Mr CARR (Maroubra—Premier, Minister for the Arts, and Minister for Citizenship) [2.18 p.m.]: I move:

That this House:

(1) condemns the terrorist attacks committed in the United States;

(2) extends condolences to all the victims and their families; and

(3) calls on Australians of all faiths to support each other and practise the very values that were attacked—freedom and the rule of law.

All who lived through 11 September 2001 will always remember it. A catastrophe like that bonds us as human beings and great good can sometimes flow from enormous evil as if, in this time of talk of war, when facing the darkness, we most value the light. The events of just a week ago have shown us that human goodness is a fact—it is unstoppable, and ineradicable. The firemen and police who walked into the shadow of two great wobbly towers and climbed the stairs, were probably aware they would not survive. The heroes on United Airlines flight UA93, accepted their fate and attempted by their death to save others and protect their country. The husbands, wives, sons and daughters rang loved ones from those planes and wrecked offices to say, "Goodbye, I'm unlikely to survive this. It was good to have been your friend upon the earth."

Thousands volunteered their blood, their hands, their exhaustion for the long nights and days that followed. They are still at work. The chaplain who died in the act of giving absolution to a fireman who himself died in an act of gallant self-sacrifice. Our colleague in public service Mayor Giuliani never slept; and former President Clinton wept with the kinfolk of the fallen. Sometimes it takes this enormity to show the generosity of the human spirit. It is not good that the few who are not susceptible to mercy can do such harm to so many.

Today we are not here to speak—though the time will come—of the big picture of world terrorism, its causes and its remedies, or of the strategic goals and alliances that are being talked of, and the necessary action to smash terrorists. We are here today only to speak our shared regret, our sympathies and kindred sorrows. The number of Australians currently not accounted for in New York and Washington is more than the number who perished at Thredbo when 18 lives were lost; on the Westgate Bridge, 35 lives; in the fires of Hobart, more than 50 lives; perhaps even more than in the Granville Train disaster, 83 lives lost.

We feel ourselves one in blood with the fallen, kin and bonded with all who died. A world away, we share their grief. There were those that morning who had the luck. The Chairman of Cantor Fitzgerald, Howard Lutnick, survived the attack because he was late for work. He decided to take his children to kindergarten for the first time that morning. He lost his brother, though, and around 700 workmates—700! John, a New York Port Authority worker, rolled himself into a ball, tumbled down 80 stories as the building fell and was barely scratched. Ian Thorpe came to the door two hours before and then went back to his hotel for his camera.

John Howard was giving a news conference at his hotel a short walk from the White House, when the 767 airplane intended for its destruction hit the ground in Pennsylvania. All feel relief but also guilt that they were spared and so many were lost. Human beings are like that. We feel for our fellows, across race, religion and region. We breathe the same air, share hopes and sorrows. We are involved, as John Donne said, in mankind, and the tolling bell tolls also for us as it does for comrade, foe and kin.

We think of our lost Australian kin. Yvonne Kennedy, 62, from Westmead, a widow with two sons, had recently retired from the Red Cross after 25 years, having been awarded the Red Cross distinguished service medal. She was on her retirement holiday. Adelaide industrial advocate Andrew Knox was working for an infrastructure company on the 103rd floor of the north tower of the World Trade Center. Leanne Whiteside, from Prahran, Melbourne, was on the second day of her dream job in the World Trade Center working for an insurance company. Retired Sydney Qantas baggage handler Alberto Dominguez from Lidcombe had worked for Qantas for 21 years. He was a prominent member of the Spanish community. Lesley Thomas, from the Central Coast, was working in New York as an options trader for Cantor Fitzgerald.

For these and all the others missing and not accounted for among the scarred and twisted metal we hope for a miracle: that among the rows of stretchers and doctors waiting for patients and treating so very few, that along the unending odyssey of the sniffer dog Bear, who knows in the way dogs do how essential is his task, a human form in the dust will unexpectedly move and show that life is there, and hope abides.

There is no joy in this occasion. There is no great comfort in knowing that more lives are yet to be shed in the conflict that will surely follow this atrocity, this bestial act by fearless, fanatical, short-sighted men. There is no comfort in sharing a planet, a fragile global confederation, that has in it so much hate, and to see that hate grow by the hour. There is no victory, and there is no honour, in defaced mosques or churches or in abuse and street violence against good citizens born in the Middle East and at peace here in Australia. They detest as much as any these barbarous and poisonous acts and the inhumane organization that planned them and fed them.

There is comfort, however—some comfort—in the goodness this foul deed has ignited: the song and ritual and the extended hands of nations met in unexpected comradeship, united by their sympathy, sorrow and outrage. In the words of a familiar song, "We are one, but we are many." In this country as in yours and at this awful time we are with you, the very many of you now grieving, in spirit and in fact, in our prayers and in our sorrow, and in our strategic support—in all this, Australia will be there.

TRIBUTE TO JACE RATZLAFF

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. SCHAFFER. Mr. Speaker, it is an honor to rise today to congratulate Mr. Jace Ratzlaff of Greeley, Colorado. Jace is a recent recipient of the Accommodation Award jointly given by the United States Department of Agriculture's Natural Resources Conservation Service (NRCS) and Southeastern Colorado's Soil Conservation Districts.

This award is given to distinguished individuals for the time and effort they have contributed to NRCS and Soil Conservation District programs and is rarely given to someone outside of the U.S. Department of Agriculture. Jace is committed to serving the agricultural heritage of Colorado and has been extremely helpful in aiding Colorado farmers and ranchers. He has given numerous presentations on agricultural programs, updating constituents on legislation important to them, while also making this government service more reliant and accessible to Coloradans.

Farming, ranching, and natural resources are what make Colorado great. NRCS and the Soil Conservation Districts have greatly aided the well being of agriculture and the environment. The services and technical advice these programs offer, on a daily basis, to farmers and ranchers are invaluable.

Jace is an exceptional Coloradan and has served Colorado extremely well. Mary Miller, an area Public Affairs Specialist for NRCS said, "Jace really cares about the people and is very popular. He is a great representative for Congressman Schaffer." The special efforts and helpfulness Jace has given show his dedication to the people of Colorado.

Jace not only makes his community proud, but also his state and country. He has taken the responsibilities and standards of his job to a higher level and I applaud him. On behalf of the citizens of Colorado, I ask the House to join me in extending hearty congratulations to Mr. Jace Ratzlaff.

HONORING THE CAREER OF LENORD CRAFT

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. RADANOVICH. Mr. Speaker, I rise to ask this Congress to recognize Mr. Lenord Craft, the Agricultural Commissioner from our nation's second largest agricultural producing county, Tulare. Located in the nation's largest agricultural producing state, California, Mr. Craft's leadership is being recognized later this month. On January 25, 2002 Mr. Craft will serve his last day in office after a distinguished 38-year career.

The most recent figures indicate that Tulare County farmers produce commodities in excess of $3 billion on 354,000 acres. This county's agricultural output exceeds the majority of states in this great nation.

Mr. Craft's illustrious career started in 1963 as a simple AG inspector. He performed admirably in a variety of positions eventually receiving his first appointment as an agriculture commissioner in 1974 for two small counties in California. Local governments throughout the state soon recognized his talents. He was hired by several for positions, each with greater responsibility, until the position that he always wanted became available.

In 1990 he returned to Tulare County to assume the position of Agriculture Commissioner. Tulare leads the nation in the production of commodities such as dairy, navel oranges, fresh table grapes and many others. Consumers across America and around the world, from over 80 countries, enjoy the products gown in Tulare County.

Lenord's role as Agriculture Commissioner encompasses food safety operations, pesticide use monitoring, weights, measures, pest detection, exclusion and eradication efforts. Throughout his career Lenord Craft has become recognized as a protector of the environment, an enforcement arm for the consumer and an advocate for the producer. He is respected for his even handed approach from all quarters of society. California agriculture, Tulare County producers, consumers across America and around the world have all benefited from the intense love of his job and his strength in fulfilling the mandates of his position.

Mr. Speaker, I rise today to honor Lenord Craft for his many successes and years of service to Tulare County and the state of California. I urge my colleagues to join me in wishing Lenord congratulations for a job well done and best wishes for an enjoyable retirement.

AFFORDABLE HOUSING SHORTAGE NEARS CRISIS PROPORTIONS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. FRANK. Mr. Speaker, when I prepare an introductory paragraph for insertion into the RECORD, my very able assistant, Maria Giesta, often has to remind to compose a headline. But in this no such reminder is necessary, because the National Housing Conference, whose statement I am inserting, composed a perfectly appropriate headline which I have appropriated.

The National Housing Conference is a broad based group of a variety of organizations concerned with our housing crisis. The statement which the NHC has issued, which I am inserting here, is very important both for its substance and precisely because it represents such a broad range of organizations.

As the statement says, "a significant increase in direct federal funding for affordable housing, coupled with a more responsive and progressive use of the nation's tax code, will be necessary in order to expand, and in some cases execute more effective affordable housing strategies at the state and local level." And as the NEC has made clear, such an increase in resources for affordable housing is necessary because "in addition to homeless and very low income families who experience the most severe effects of an inadequate supply of affordable housing, today many teachers, police officers, fire fighters, retail sales clerks and nurses are also finding it increasingly difficult, if not impossible, to find decent affordable housing for their families."

Mr. Speaker, it is morally unacceptable for the richest nation in the history of the world to tolerate this continued housing crisis which blights the lives of so many American families simply because of a mis-allocation of resources. I applaud the National Housing Conference and its member organizations for this important statement and I hope that all of our colleagues will read and assimilate it so that we can act along the lines the Conference has recommended.

[From the United Voice for Housing]

AFFORDABLE HOUSING SHORTAGE NEARS CRISIS PROPORTIONS

WASHINGTON, DC.—The following statement was released today by the National Housing Conference (NHC):

As we begin the new year, this nation continues to face a serious affordable housing situation of near crisis proportions. Based upon the most recent data, approximately one out of every seven (13 million) American families has a critical housing need, including some 4 million low- and moderate-income working families. In addition to homeless and very low-income families who experience the most severe affects of an inadequate supply of affordable housing, today many teachers, police officers, fire fighters, retail sales clerks and nurses are also finding it increasingly difficult, if not impossible, to find decent affordable housing for their families. According to a recent NHC study, janitors and retail sales clerks, for example, are all but shut out of the nation's largest housing markets.

While reports of the resilience of the housing industry during the current economic slow-down provide hope and support for the nation's economy as a whole, we should not be lulled into a false sense of accomplishment when it comes to the housing needs of low- and moderate-income families. Today, there is an affordable housing shortage which is not being addressed adequately. We have not budgeted the necessary resources to address the current shortage of affordable housing and there are barriers in far too many communities across the nation which inhibit the development of new affordable housing.

To make lasting and meaningful progress on this issue in the new year and beyond, there must be an immediate and demonstrated public commitment at all levels to address the full measure of the nation's affordable housing problem. At present, there are simply not enough resources to support affordable ongoing housing efforts. The lack of political will to increase funding to encourage and provide incentives to produce new affordable housing has and will continue to force families to make unacceptable choices in order to find adequate shelter.

Our goal in the new year should be simple and straightforward (to increase the overall supply of affordable housing). To accomplish this goal, there must be vigorous leadership at the federal level as well as concerted efforts at the state and local level to break down barriers which constrain efforts to increase the supply of affordable housing.

A significant increase in direct federal funding for affordable housing, coupled with a more responsive and progressive use of the nation's tax code, will be necessary in order to expand, and in some cases execute more effective affordable housing strategies at the state and local level. Increased federal resources must, however, be coupled with additional state and local resources, private sector incentives and local housing policies which are designed specifically to preserve existing and produce new affordable housing opportunities.

We have the tools, the know-how and the experience to meet our nation's affordable housing needs. Our housing needs are well documented and have been with us for many years. We know that good housing is essential to support the health and well-being of our families and our communities, and we also know that our continuing failure to address the full measure of our nation's affordable housing needs will have a direct impact on other national concerns including the environment, transportation, access to jobs and urban sprawl.

In the year ahead, much will be made of the need to make hard choices, the need to focus on larger national priorities and of tight budgetary constraints. For those who have fought for years to encourage necessary funding for responsible housing policies, this will be nothing new. What must be made clear, however, is that our collective failure to act to meet the nation's affordable housing needs in a comprehensive fashion over many years has only increased the need for new affordable housing to near crisis proportions. Our failure to address this situation again this year will hurt hard-working families and will continue to leave behind those who need our help the most.

CANADIAN WHEAT BOARD

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. SCHAFFER. Mr. Speaker, I rise today regarding the Canadian Wheat Board (CWB) and the ongoing investigation of its policies and practices under Section 301 of the Trade Act of 1974. The administration should aggressively pursue this investigation and work toward resolving the longstanding trade problem with Canada. This House should insist on fair trade from our neighbor to the north.

According to the U.S. International Trade Commission (ITC) report released on Dec. 21, 2001, the CWB is empowered with both monopsony and monopoly power in the marketing of Canadian wheat. Unlike the U.S., where there are many producer cooperatives and grain traders to buy wheat, the CWB is the sole buyer of Canadian wheat in Canada. The sheer volume of wheat available through the CWB allows it to dominate the Durum wheat market, where it has all but ended U.S. participation in the futures market of Durum wheat. No single U.S. company trading in Durum wheat can afford to take the risks that the behemoth CWB can take.

The ITC report also concludes that the CWB also enjoys Canadian government approval and backing of its borrowing and other financing, thus reducing the CWB's costs and insulating it from commercial risks faced by large and small U.S. grain traders. The Canadian government also provided CWB with a cap on proceeds railways can receive for shipping CWB grain; shipments to the eastern and western ports for overseas export are below comparable commercial rates. In the U.S., railways are deregulated and shippers of grain are charged the same commercial freight costs as anyone else. Furthermore, producers in Canada are forced to pay a flat location-based rate for shipment of their wheat regardless of whether it actually costs the CWB that amount or not. Any money made from these "phantom" charges by the CWB can then be used as a bargaining chip in trading wheat with the U.S. or other countries.

Finally, the ITC report concludes that the Canadian trade policies and programs, particularly the varietal registration program and end-use certificates for U.S. wheat; have been reported by U.S. exporters as adversely affecting the level of U.S. wheat exports to Canada. In 2000/01 the U.S. imported $212 million worth of wheat from Canada, while it exported only $50,000 worth of wheat to Canada. The Wheat Access Facilitation Program, which was implemented by the U.S. and Canada as part of the Record of Understanding in 1998 to facilitate exports of U.S. wheat directly to Canadian elevators, is no longer in use.

The report makes clear that the CWB and the Canadian government continue to use trade-distorting practices. The CWB's monopoly is unfair to our nation's wheat farmers, and the administration should seek remedies under Section 301 and hold the CWB accountable for its unfair trade practices. This House should insist that Canada halt the secretive and harmful behavior of the CWB and act as a good neighbor by practicing fair trade.

PAYING TRIBUTE TO FRED BROWN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to recognize a retiring icon of the Colorado media community. For over forty years, Fred has dazzled and charmed Colorado readers with his witty intellect and supercharged rhetoric that has resulted in a large and loyal following of political minded readers around the state.

Fred began his life in journalism as an undergraduate at Colorado State University in the late 1950's. After graduation, he went on to receive his Masters in Journalism in 1963 from the prestigious Medill School of Journalism at Northwestern University. In June of that year, Fred went to work with the Denver Post, and began a career that would last almost four decades.

As a journalist, Fred covered many issues concerning Colorado, most notably politics and government, a topic he covered for The Post for over twenty-five years. He also wrote for the editorial page and his weekly columns were features every Friday guaranteeing to inform Coloradans of breaking political events around the nation.

In addition to his duties, Fred also found time to serve his profession in the pursuit of journalistic excellence. His goal to ensure ethics in journalism was demonstrated in his service to the Society of Professional Journalists. He has served as society President, co-authored the Society's Code of Ethics, and served as Chairman and Co-Chair of the SBJ's National Ethics Committee.

Mr. Speaker, Fred Brown's accomplishments and dedication to excellence in journalism certainly deserve the recognition of this body of Congress. Fred serves as a symbol for aspiring journalists and political patrons throughout Colorado and the nation. I would personally like to thank Fred for his commitment to ethics in journalism and his diligence in informing the public of our nation's governmental proceedings. Congratulations Fred, and good luck in your future endeavors.

HONORING THE WORCESTER YOUTHBUILD PROGRAM

HON. JAMES P. McGOVERN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. McGOVERN. Mr. Speaker, I rise today to join the community of Worcester, Massachusetts in celebrating the graduation of five young adults from the Worcester YouthBuild Program.

The Worcester YouthBuild Partnership began in 1998 under the guidance of Mass. Job Training, Inc. and through a grant from the United States Department of Housing and Urban Development (HUD). It provides unemployed, low-income young adults between the ages of 16 and 24 who are not in school and have not received a high school diploma or GED with access to tools with which they can change their lives. YouthBuild Partnership provides instruction in education/GED preparation, life and leadership skills development, job readiness training, counseling as well as job development, placement assistance and construction skills.

I would like to acknowledge the graduates of the Worcester YouthBuild Program: Timothy Coll, Raini Notice, Arlene Perez, Carlos Rios and Shayne Smith. Furthermore, I want to recognize the contribution of Brandon Castro who participated in the YouthBuild Program but tragically died before he could complete the project. Among other things these young adults have participated in the construction of low-income family housing units at 41 Wall Street in Worcester, Massachusetts. As part of PROJECT REMEMBER, this house becomes the first of six housing rehabilitation/development projects to commemorate Worcester's six fallen firefighters.

Mr. Speaker, I commend these young adults for taking an active part in their community and I am confident that their contributions will have a lasting positive impact. I congratulate them on their accomplishments and I wish them the best of luck in the future.

IN HONOR OF MATTHEW AND AMANDA FAULKENBERRY

HON. DAVID D. PHELPS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. PHELPS. Mr. Speaker, today I rise to recognize two young people who have touched a world united for peace. Life Magazine's commemorative edition of the September 11th attacks features a touching image of Matthew and Amanda Faulkenberry embracing moments before Matthew was to depart for Afghanistan.

Since the original printing, this touching photo has appeared on ABC's Good Morning America, CNN, C-Span, and other various media outlets all over the world as an unforgettable symbol of American unity and strength in the face of adversity.

Son of Duane and Rhonda Faulkenberry of Herrin, Illinois, Matthew is a nuclear technician on the U.S.S. *Theodore Roosevelt* and a 1998 graduate of Herrin High School. Amanda graduated from Herrin High School in 1999 and is the daughter of Curtis and Marilyn Smith. The couple currently resides in Virginia Beach, Virginia.

It is with this, Mr Speaker, that I sincerely thank Matthew and Amanda Faulkenberry for inspiring a nation in mourning. Their contribution to the healing of our country will not go unforgotten.

CURRENT UNITED STATES POLICY TOWARDS HAITI

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Ms. EDDIE BERNICE JOHNSON. Mr. Speaker, I rise today to express my deep concern regarding current United States policy towards Haiti.

Haiti, a country slightly smaller than the state of Maryland, is about 475 miles off the coast of the United States. It is the poorest country in the Western Hemisphere. The life expectancy of the average Haitian is only 53 years, and this number is certain to decline as the HIV/AIDS epidemic in the country becomes even more severe. According to TUNAIDS, the United Nations agency responsible for addressing the HIV/AIDS pandemic, more than 5% of the adult population is HIV–positive, and some sectors of the population have infection rates of over 50%. Haiti's infant mortality rate stands at 74 of every 1,000 births, and more than 1 in 4 children under the age of 5 are malnourished. Haiti ranks 152nd out of 174 on the United Nations Development Program's Human Development Index, below such countries as Bangladesh and Sudan.

In previous years, the United States pursued a constructive relationship with Haiti. Between FY 95 and FY 99, the United States provided $884 million in critical development assistance funds to support agricultural development, democracy and governance, teacher training, health care, and many other programs. The United States also supported multilateral institutions that worked to improve the lives of ordinary Haitians. More recently, however, the United States has pursued a dangerously narrow policy towards Haiti and has used its veto power to prevent the disbursement of funds from multilateral institutions such as the World Bank and the Inter-American Development Bank (IDB). The board of directors of the IDB has already approved $146 million in social sector loans for Haiti, but because of United States policy, these funds have been blocked from improving the lives of 8 million Haitians. Among the blocked loans are $22 million to improve education, $23 million for health care, and $61 million for water and sanitation projects. Mr. Speaker, this policy must change.

In order for the living standards and life chances of ordinary Haitians to improve, international development assistance is critical. The United States must change its current policy towards Haiti so that it may receive multilateral funds for pressing development needs. If we do not act now, the deplorable conditions in Haiti will lead to a further deterioration in living conditions, social unrest, and a possible refugee crisis that will certainly affect our shores.

HONORING FAIRENE SEWELL

HON. ED BRYANT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. BRYANT. Mr. Speaker, I rise today to pay special tribute to Fairene B. Sewell, on the occasion of her retirement from the University of Tennessee Extension Service after fifty years of service.

Fairene Sewell is a constituent of mine and is a resident of Selmer, Tennessee. Born in Henderson County, Tennessee, Mrs. Sewell graduated from the University of Tennessee with a degree in Home Economics.

Mrs. Sewell has served the Volunteer State with pride as an Extension Leader at the University. She has received the National Association of Extension Home Economists Distinguished Service Award and a Certificate of Meritorious Service from Epsilon Sigma Phi. Mrs. Sewell is a member of the American Home Economics Association, the Tennessee Home Education Association, Tennessee Association of Extension Home Economists, American Association of Family and Consumer Sciences and Tennessee Association of Family and Consumer Sciences, TEAFCS, and "Dean's Circle," College of Human Ecology at the University of Tennessee.

In addition to her professional memberships, Mrs. Sewell is active in the community. She has received: the Jaycees and Rotary Outstanding Citizen Award, a Certificate of Recognition for Continuous and Dedicated Community Service by the Modern Woodmen of America, and a Certificate of Recognition and Appreciation for teaching Health and Wellness Class at McNairy Central High School. Mrs. Sewell is a member of the Pilot Club, Kiwanis, Chamber of Commerce, First Baptist Church, and is the Secretary of PEC Credentials and Election Committee for District 8.

Fairene Sewell is a real asset to McNairy County, and to the State of Tennessee. Her colleagues speak highly of her, and her record shows a commitment to the community and to her students. She will be sorely missed by all those who know her.

PROCLAMATION FOR PETER REILLY

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mr. ISRAEL. Mr. Speaker, it is with great pride that I rise today to recognize one of New York's outstanding young students, Peter Reilly. This young man has received the Eagle Scout honor from his peers in recognition of his achievements.

Since the beginning of this century, the Boy Scouts of America have provided thousands of boys and young men each year with the opportunity to make friends, explore new ideas, and develop leadership skills while learning self-reliance and teamwork.

The Eagle Scout award is presented only to those who posses the qualities that make our Nation great commitment to excellence, hard work, and genuine love of community service. Becoming an Eagle Scout is an extraordinary award with which only the finest Boy Scouts are honored. To earn the award—the highest advancement rank in Scouting—a Boy Scout must demonstrate proficiency in the rigorous areas of leadership, service, and outdoor skills; they must earn a minimum of 21 merit badges as well as contribute at least 100 man-hours toward a community oriented service project.

I ask my colleagues to join me in congratulating the recipients of these awards, as their activities are indeed worthy of praise. Their leadership benefits our community and they serve as role models for their peers.

Also, we must not forget the unsung heroes, who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, scout leaders, and countless others who have given generously of their time and energy in support of scouting.

It is with great pride that I recognize the achievements of Peter and bring the attention of Congress to this successful young man on his day of recognition, Friday, November 2, 2001. Congratulations to Peter and his family.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, January 24, 2002 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JANUARY 29

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings to examine the Corporate Average Fuel Economy.

SR–253

Energy and Natural Resources

To hold hearings to examine the implications for consumers and energy markets of the Enron bankruptcy, focusing on maintaining the needed investment and competition in natural gas and electricity production and transmission.

SD–366

Environment and Public Works
Clean Air, Wetlands, and Climate Change Subcommittee
To hold hearings on S. 556, to amend the Clean Air Act to reduce emissions from electric powerplants.
SD-406

10 a.m.
Banking, Housing, and Urban Affairs
To hold oversight hearings to examine the financial war on terrorism and the Administration's implementation of the anti-money laundering provisions of the USA Patriot Act.
SD-538

Budget
To hold hearings on certain budgetary issues and the economic outlook of the United States.
SD-608

FEBRUARY 4

9:30 a.m.
Commerce, Science, and Transportation
To hold hearings to examine issues surrounding the Enron Corporation.
SR-253

FEBRUARY 5

9:30 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee
To hold hearings to examine issues concerning bioterrorism.
SR-253

HOUSE OF REPRESENTATIVES—*Thursday, January 24, 2002*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. SHIMKUS).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 24, 2002.

I hereby appoint the Honorable JOHN SHIMKUS to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, You created the world for all to share in a spirit of love, justice, and equality. We pray today for peace in our world. We unite our prayer with representatives of the world's religions who gathered today in the town of Francis of Assisi, desirous of becoming instruments of peace.

We pray for peace, O Lord, and to pray for peace is to open our hearts to inroads of Your own power to renew all things.

By the life-giving force of Your grace, O God, You can create openings for peace where we see only obstacles and closures. You alone can strengthen and enlarge the solidarity of the human family, in spite of recent tragic events, all human suffering and the endless history of division and conflict in our world.

As we pray for peace, we pray for justice. We pray for a right ordering of human relations within and among nations and peoples.

As we pray for peace, we pray for freedom, especially for religious freedom that is a basic human and civil right of every individual.

To pray for peace, O Lord, is to seek forgiveness and to implore from You the courage to forgive those who have trespassed against us.

At this time of world distress, give us new unfailing reasons for hope. Show forth in our day that genuine religious belief is an inexhaustible wellspring for mutual respect and harmony among peoples.

Let our prayer and our faith in You, Almighty God, be our chief antidote to violence and conflict.

Hope is truly instilled in our world today as each of us prays, "Lord, make me an instrument of Your peace." Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New York (Mr. MCNULTY) come forward and lead the House in the Pledge of Allegiance.

Mr. MCNULTY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 299. Concurrent resolution providing for a joint session of Congress to receive a message from the President on the state of the Union.

TRIBUTE TO DAVE THOMAS

(Ms. PRYCE of Ohio asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PRYCE of Ohio. Mr. Speaker, I rise today to pay tribute to a man we all know as Dave, a man blessed with an extraordinary knack for business and a heart of gold. Sadly, we lost him to cancer only a few weeks ago.

Dave Thomas personifies the American dream, that a young person of humble beginnings can and should dream big. And that he did, by creating the third largest fast-food chain in the world.

Dave's devotion to his business was surpassed by only one thing, his great love for children. As an adopted child, Dave felt so fortunate to have been given a loving family to care for him. He wanted to see other children experience this joy.

Dave took his passion and turned it into something extraordinary. In 1992, he founded the Dave Thomas Foundation for Adoption to serve as a voice for children who cannot speak for themselves. The foundation is based in my hometown of Columbus, Ohio.

I feel so fortunate to have had the opportunity to work closely with Dave in our joint effort to bring children and families together and make the process of adoption easier.

Dave once said, "If I can get just one child a home, it would be better than selling 1 million hamburgers."

Well, Dave, you did just that, and more. You are a true class act, one who will be sorely missed, but remembered by all for generations.

NOBEL PEACE PRIZE NOMINATIONS

(Ms. SANCHEZ asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SANCHEZ. Mr. Speaker, I am so glad this morning that our Chaplain spoke about religion as a human and civil right.

When U.N. Secretary-General Kofi Annan recently accepted his Nobel Peace Prize, he urged all nations to focus more on human rights in a quest to end poverty, end conflicts and foster democracy.

It is for those reasons that I am circulating a Dear Colleague letter requesting the Nobel Peace Prize Selection Committee nominate the Most Venerable Thich Quang Do and Father Nguyen Van Ly of Vietnam for the Nobel Peace Prize.

The Most Venerable Thich Quang Do is the secretary-general of the banned Unified Buddhist Church of Vietnam. He has been under house arrest since June of 2001, after announcing his intention to escort the ailing 83-year-old Buddhist patriarch Thich Huyen Quang to Ho Chi Minh City for urgently needed medical care.

Similarly, in May of last year, Father Ly was placed under house arrest and banned from running his church for providing testimony to the U.S. Commission on International Religious Freedom, which urged this Congress to delay ratification of the bilateral trade agreement until Vietnam eased its restrictions on religion.

In recognition of their courage, sacrifice and belief, I hope all Members will join me in signing that letter.

FAULTY LOGIC ON CAUSE OF RECESSION

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, on January 4, one of the political leaders of the

□This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

other body said President Bush's tax relief plan "probably made the recession worse."

Oh, really? Only $41 billion of the President's $1.35 trillion bipartisan tax relief plan went into effect last year. Of that amount, 93 percent, or $38 billion, comprised the income tax rebates that were mailed to every tax-paying American last summer and early fall. So according to this illustrious political leader, the tax rebate proposal, widely hailed by Democrats at the time, caused "the most dramatic fiscal deterioration in our Nation's history."

Blaming the President's plan for the cause of the recession, when the bulk of tax relief will not occur until the year 2005, is faulty logic at best. To say that providing a $300 tax rebate to working Americans during a recession probably made the recession worse does not make sense.

The real reason some political leaders want to repeal tax cuts is just so they have more money for government program spending.

SIMILARITIES BETWEEN ENRON CORPORATION AND REPUBLICAN TAX CUT

(Mr. GEORGE MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEORGE MILLER of California. Mr. Speaker, there are some very disturbing similarities between the Enron Corporation's activities and the Republican tax cut.

Last year a young reporter told the Enron Corporation and the investment community that the Enron books had been cooked, it was not on the level, the revenues were not what they said they were. Ken Lay, the CEO, said not so, not so. In the meanwhile, he was selling his stock, leaving the shareholders holding the bag.

Last year we said that if you had the tax cut and you did what the President wanted to do, what the Republicans wanted to do, it was the end of surpluses. They said no, no, it is not so; it is not so.

Well, today we are told in the papers it is the end of surpluses. We have red ink, according to CBO, as far as the eye can see.

What did the Republicans do? The first thing they did was get a tax cut for the wealthy. The first thing they did was take care of their friends. And now the unemployed, those in need of prescription drugs, those on Social Security, are left holding the bag. Why? Because we are now into the Social Security Trust Fund $700 billion. $700 billion. The surpluses have disappeared; $4 trillion this year.

There is a disturbing parallel of values here about taking care of the wealthy and letting everybody else hold the bag.

BASIC DIFFERENCES BETWEEN REPUBLICANS AND DEMOCRATS ON STIMULATING THE ECONOMY

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, listening to the previous speaker, my friend from California, I wonder, did he not take economics in school?

History has shown us over and over again, lowering taxes stimulates the economy; ' stimulating the economy gives more people jobs; more people working means more people paying taxes; more people paying taxes means more revenues coming into Washington. And that is the basic difference between the Republican Party and the Democrat Party and their allies in Big Government.

That is why TED KENNEDY, the leader of the Democrat Party, has called for a massive new tax increase. Hello.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The gentleman will suspend.

All Members must avoid improper references to the Senate or to Members thereof.

Mr. KINGSTON. I thank the Speaker. I will not say anything more about the Democrat leader, who we all know now to be a prominent Democrat in the other body, who wants to increase taxes. And one can only assume that he has allies in the House over here, judging from the 1-minutes we are hearing, it seems just sort of calling for more tax increases.

Mr. Speaker, I strongly believe the way to turn the economy around is to still let people spend their own money, rather than having government bureaucracies in Washington in their command-and-control fashion spend tax dollars.

Let us create jobs by giving people back their hard-earned money.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Members are advised that using the terminology "in the other body" does not absolve them of the responsibility not to talk about the other body.

EFFECTS OF BUDGET DEFICITS ON GOVERNMENT PROGRAMS AND PROMISES

(Mr. DOGGETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOGGETT. Mr. Speaker, the lead story in today's Wall Street Journal really tells it all: "Seeing Red: As Budget Deficits Loom, Many Promises, Programs Could Suffer. Social Security Is Vulnerable as Huge 10-year Surplus Contracts by $4 Trillion."

Yes, an unprecedented 70 percent of the estimated surplus has evaporated in less than a year. It is true that the two Republican budget offices, one here in the House and one at the White House, cannot agree on exactly how deep a hole Republicans have dug.

But I can tell you, even using Arthur Andersen accounting, this hole is a whopper. Our Republican colleagues have "stimulated" little more than red ink with their huge tax breaks designed for certain priviledged corporations and the wealthy few.

What a difference those huge tax breaks have made. They have not stimulated anything except red ink. Now when they have dug such a deep budgetary hole, it is time to stop digging, instead of offering more and more corporate tax breaks, as our Republican friends persist in doing this year.

Let us at least stop that digging downward, embrace some fiscal restraint and begin climbing out of this budgetary hole before Social Security is wrecked and we reach the point of economic "no return."

SUPPORT NATIONAL MENTORING ACT

(Mr. KELLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KELLER. Mr. Speaker, I rise today to announce the filing of the National Mentoring Act legislation by myself, along with a broad group of bipartisan cosponsors. The mentor act would give tax credits to businesses that allow their employees 1 hour a week of paid time off to mentor children at risk of dropping out of school and getting involved with drugs. The reason for this bill is simple, to make it easier for mentoring organizations to recruit mentors.

Why is this important? Well, there was a recent study completed of 1,000 young people on the waiting list at Big Brother-Big Sisters. The list was divided into two groups: one group got a mentor; the other group did not get a mentor. Eighteen months later, the children with mentors were 46 percent less likely to begin using illegal drugs, 27 percent less likely to begin using alcohol, 53 percent less likely to skip school, and 33 percent less likely to engage in violence.

That is why this bill has been endorsed by every major mentoring organization in the United States, including Big Brothers-Big Sisters, America's Promise, and the National Mentoring Partnership Act.

I urge my colleagues today to call my office and sign up as cosponsors to this important legislation.

TREATMENT OF AFGHAN PRISONERS IN CUBA

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, I have heard and read that some people in publications in Europe and some members of the European Union have been very critical of U.S. treatment of the Afghan prisoners in Cuba. I think they are scraping the bottom of the barrel in a vain attempt to make themselves feel superior to Americans.

I wonder how they would feel or how they would respond if they had been attacked the way we were on September 11. No country on the face of the Earth, Mr. Speaker, has done as much. No nation has even come close to doing as much for other countries, as has the United States of America.

These prisoners will live far better as prisoners of the U.S. military than they ever would have in the caves of Afghanistan. Even more importantly, Mr. Speaker, they will live far better as our prisoners than they deserve, after killing thousands of our citizens in one of the cruelest ways imaginable.

□ 1015

CONTINUED FAILURE OF THE SCIENTIFIC PROCESS

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, imagine if you were participating in an Olympic event and you were winning the race and suddenly the Olympic Committee came along and changed the rules because they did not want you to win. You would be outraged.

Well, yesterday the Nuclear Regulatory Commission notified Nevada of their plans to once again change the ground rules for judging Yucca Mountain. The NRC is proposing to eliminate rules governing what it calls the "unlikely event" of a volcanic eruption.

The NRC staff believes that there is less than a 1-in-10 chance of an eruption occurring within 10,000 years. A less than 10 percent chance? What does that mean? Does the term "1-in-10" or "less than" equate to "sound science"? There is a better chance of Yucca Mountain exploding than there is of winning the lottery.

We should ask the people of Africa. We should ask the people of Hawaii. We should ask the people of Mount Saint Helens in Oregon what they thought about that 1-in-10 chance.

I continue my outrage at the entire Yucca Mountain project. But by telling Nevadans that they have a less than 1-in-10 chance that Yucca Mountain could explode is downright astonishing.

The NRC should be ashamed of itself. It is time to put the safety of Nevadans and all Americans ahead of their own desire to win at any cost.

SCOTT GERMOSEN, A TRUE AMERICAN HERO

(Mr. GRUCCI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRUCCI. Mr. Speaker, on January 9, America lost a true American hero, Staff Sergeant Scott Germosen.

After graduating from Centerreach High School in 1982, Scott answered the call to duty and enlisted in the Marine Corps. After serving our country, Scott and his family moved to California where he was exploring a career as a sheriff's deputy.

Like all of us, Scott was horrified by the attacks on America on September 11. Unfortunately, the tragedy was very close to home for Scott. Scott's second cousin was aboard the first plane that hit the World Trade Center. Hearing this tragic news spurred Scott to re-enlist in the Marines and help defend our Nation from evil.

While serving our country and fighting for freedom, Scott perished in the KC–130 tanker that crashed in Pakistan on January 9, 2001 while he was performing his duties as a loadmaster during missions in support of the War on Terrorism.

Scott Germosen has made the ultimate sacrifice so that all of us can live under the blanket of freedom that America provides. On behalf of the First District of New York and the entire Nation, I thank Scott Germosen, a true American hero.

Scott is survived by his mother Myrna Washington, his wife Jennifer, and his 22-month-old daughter Alyssa. I ask my colleagues to join me in praying for and in paying respect to Scott Germosen and his family.

ESTABLISHING FIXED INTEREST RATES FOR STUDENT AND PARENT BORROWERS

Ms. PRYCE of Ohio. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 334 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 334

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (S. 1762) to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes. The bill shall be considered as read for amendment. The previous question shall be considered as ordered on the bill to final passage without intervening motion except: (1) one hour of debate on the bill equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce; and (2) one motion to commit.

The SPEAKER pro tempore (Mr. SHIMKUS). The gentlewoman from Ohio (Ms. PRYCE) is recognized for 1 hour.

Ms. PRYCE of Ohio. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentlewoman from Florida (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 334 makes in order the bill S. 1762 under a closed rule. The rule provides 1 hour of debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce. Finally, the rule provides for one motion to commit.

Mr. Speaker, S. 1762 amends the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers and extends current law with respect to allowances for lenders. To put it simply, this legislation will allow for the continued availability of affordable student loans for students and their families by addressing a long-standing problem in the Federal student loan program about how interest rates are calculated. It will simplify loan terms, reduce confusion, and lock in low rates for the borrower. At the same time, it will provide stability for lenders, helping to avoid disruption in loan availability.

Mr. Speaker, more than 9 million United States students today need student loans to help pay for college, and the education of our Nation's children is a major concern of most Americans, and it is the top priority for our President. While we all know that more money is not the single answer to improving the education of our children, student loan affordability and access should never become the barrier to a college education. It is important to pass this bill today so we can lock in these historically low interest rates.

Students attending the Ohio State University, which is located in my district, will benefit just like the millions of others pursuing that dream of a higher education all across our country. S. 1762 recognizes that investing in our children and providing them the opportunity to invest in themselves would prepare them and our country for the challenges of tomorrow and stays true to the spirit that "no child be left behind."

I would like to take a moment to congratulate the gentleman from Ohio (Mr. BOEHNER), my colleague and good friend and the chairman of the Committee on Education and the Workforce, for his hard work and commitment to improving the educational opportunities for all American students. I would also like to commend the gentleman from California (Mr. GEORGE MILLER), the ranking member of the committee, for his work and support of this bipartisan legislation. Finally, let me congratulate the gentleman from California (Mr. MCKEON), the chairman of the Subcommittee on 21st Century Competitiveness, for his hard work and leadership on this very important legislation.

This bipartisan, bicameral legislation has the support of all the parties involved, including the lenders and the student associations alike, and it has the support of a majority of this body as it garnered 257 votes the last time we considered it.

I urge all of my colleagues to support this rule, and I encourage a "yes" vote on S. 1762.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I thank the gentlewoman from Ohio for yielding me this customary 30 minutes, and I yield myself such time as I may consume.

Mr. Speaker, S. 1762 is a noncontroversial measure designed to ensure the continued availability of student loans for students and their families. The bill before us today passed the Senate by unanimous consent in December and enjoys strong support in the Chamber from both sides of the aisle.

Student loans are critical for a majority of American families working to ensure a quality education for their children. With the cost of a college education skyrocketing, the need for student loans applies to all segments of society. Congress has a duty to ensure that as this country weathers a recession, a quality education does not take a hit in the process.

The legislation addresses a longstanding problem in the Federal student loan program as to how student loan interest rates are to be calculated. The problem first came to light several years ago when it was clear that a provision within the Higher Education Act would dramatically alter how interest rates would be determined. The interest rate formula set to take effect back in 1998 would have forced many of the lenders now participating in the Federal Family Education Loan Program to reduce or eliminate their participation.

At the time, Congress worked diligently to craft a solution to a problem that virtually everyone agreed would be an unintended result of previous legislation. The compromise resulted in the lowest interest rates in the Stafford loan program's history. Service was uninterrupted to students and their families, and student loan borrowers are now paying the historically low interest rate of 5.99 percent in repayment.

Unfortunately, the compromise reached in 1998 was not made permanent when enacted and is scheduled to expire in 2003, and that is why today's bill is so important. S. 1762 will extend the current interest rate formula set to expire in July of 2003 and lock in the lower borrower rates.

The bill also continues the current formula for determining interest rates made by student and parent borrowers before July 1, 2006. Loans disbursed on or after July 1, 2006 would be 6.8 percent for student borrowers and 7.9 for parents' loans. An average student who borrows nearly $17,000 will save over $400. Moreover, student interest rates will remain constant for the life of the loan rather than changing each year based on a complicated formula.

I would also note for my colleagues that the measure has been endorsed by the United States Student Association, the American Council on Education, Sallie Mae, and the Consumer Bankers Association. I urge everyone to support this bill.

Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I am very pleased to yield such time as he may consume to my distinguished colleague, the gentleman from California (Mr. McKEON), a classmate of mine and the chairman of the Subcommittee on 21st Century Competitiveness.

Mr. McKEON. Mr. Speaker, I thank the gentlewoman for yielding me this time.

I rise in strong support of the rule for S. 1762, this very important legislation to ensure the availability of higher education financing to the students embarking on a very important time in their lives.

This closed rule is necessary to ensure that this bill is passed without amendment so as to allow the White House to sign the legislation into law without delay. I do not believe there is a better way to serve the students of this Nation than to assure a stable source of higher education funding for those who need it most: low and middle-income students. This legislation provides for the uninterrupted continuation of the Federal Family Education Loan Program, known as FFELP, and provides certainty of interest rates for all borrowers in later years.

I urge my colleagues to support this closed rule in an effort to allow swift action on this bill. Our colleagues on the other side of the aisle have been involved in each stage of development of this legislation, and while we believe we had a commitment to this legislation prior to the end of our last session, unfortunately, due to unrelated circumstances, the bill failed to pass on the suspension calendar.

The efforts of our colleagues to take down the bill previously now forces us to bring it up again and avoid additional politics in an effort to do what is right for students and parents, as well as student loan providers, who have been vital partners in the Federal Family Education Loan Program for more than 35 years.

It is my hope that we can pass this rule and move immediately to the legislation at hand and pass it overwhelmingly. Let us show the students of this country that we put their needs above all else and ensure the availability of low cost student loans for them to embark on the road to achieving their goals of higher education. Vote "yes" on this rule and "yes" on S. 1762.

Ms. SLAUGHTER. Mr. Speaker, I reserve the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I am very pleased to yield such time as he may consume to the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Speaker, I thank the gentlewoman from Ohio (Ms. PRYCE), my friend and colleague, for yielding me this time.

I would suggest to the House that today we have a rule before us that will provide for a fair and open debate on a bill that we did in fact consider last month. Unfortunately, it was brought up under suspension and, due to some circumstances that had nothing to do with this bill, did not receive the requisite number of votes.

But I do believe that fixing the student loan interest rate problem will provide continued availability of affordable student loans for our students. Today some 9 million students take advantage of our student loan program, the highest number ever, and they are paying the lowest interest rates they have ever paid in the history of the program.

□ 1030

What we want to do today is to pass the underlying bill that will, in fact, continue to have low, affordable rates available to ensure that more of our students can achieve their goals of the American dream by pursuing a postsecondary education.

Mr. Speaker, I think the rule that we have before us is fair and reasonable. We ought to pass this rule and then pass this bill.

Ms. SLAUGHTER. Mr. Speaker, I yield back the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a noncontroversial rule that will allow us to pass very important legislation to continue the availability of affordable student loans, lock in these low rates, avoid possible long-term disruptions in access to financing, and provide educational opportunities for all our young people.

Let us give our children the opportunity to invest in themselves, and more importantly, to invest in this country's future. I urge my colleagues to support this fair rule and this bipartisan bill.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. BOEHNER. Mr. Speaker, pursuant to House Resolution 334, I call up the Senate bill (S. 1762) to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The text of S. 1762 is as follows:

S. 1762

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INTEREST RATE PROVISIONS.

(a) FFEL Fixed Interest Rates.—

(1) Amendment.—Section 427A of the Higher Education Act of 1965 (20 U.S.C. 1077a) is amended—

(A) by redesignating subsections (*l*) and (m) as subsections (m) and (n), respectively; and

(B) by inserting after subsection (k) the following new subsection:

"(*l*) Interest Rates for New Loans on or After July 1, 2006.—

"(1) In general.—Notwithstanding subsection (h), with respect to any loan made, insured, or guaranteed under this part (other than a loan made pursuant to section 428B or 428C) for which the first disbursement is made on or after July 1, 2006, the applicable rate of interest shall be 6.8 percent on the unpaid principal balance of the loan.

"(2) PLUS loans.—Notwithstanding subsection (h), with respect to any loan under section 428B for which the first disbursement is made on or after July 1, 2006, the applicable rate of interest shall be 7.9 percent on the unpaid principal balance of the loan.

"(3) Consolidation loans.—With respect to any consolidation loan under section 428C for which the application is received by an eligible lender on or after July 1, 2006, the applicable rate of interest shall be at an annual rate on the unpaid principal balance of the loan that is equal to the lesser of—

"(A) the weighted average of the interest rates on the loans consolidated, rounded to the nearest higher one-eighth of 1 percent; or

"(B) 8.25 percent.".

(2) Conforming amendment.—Section 428C(c)(1)(A) of such Act (20 U.S.C. 1078-3(c)(1)(A)) is amended to read as follows:

"(1) Interest rate.—(A) Notwithstanding subparagraphs (B) and (C), with respect to any loan made under this section for which the application is received by an eligible lender—

"(i) on or after October 1, 1998, and before July 1, 2006, the applicable interest rate shall be determined under section 427A(k)(4); or

"(ii) on or after July 1, 2006, the applicable interest rate shall be determined under section 427A(*l*)(3).".

(b) Direct Loans Fixed Interest Rates.—

(1) Technical correction.—Paragraph (6) of section 455(b) of the Higher Education Act of 1965 (20 U.S.C. 1087e(b)), as redesignated by section 8301(c)(1) of the Transportation Equity Act for the 21st Century (Public Law 105-178; 112 Stat. 498) is redesignated as paragraph (9) and is transferred to follow paragraph (7) of section 455(b) of the Higher Education Act of 1965.

(2) Amendments.—Section 455(b) of the Higher Education Act of 1965 (20 U.S.C. 1087e(b)) is amended—

(A) by redesignating paragraph (7) as paragraph (8); and

(B) by inserting after paragraph (6) the following new paragraph:

"(7) Interest rate provision for new loans on or after July 1, 2006.—

"(A) Rates for FDSL and FDUSL.—Notwithstanding the preceding paragraphs of this subsection, for Federal Direct Stafford Loans and Federal Direct Unsubsidized Stafford Loans for which the first disbursement is made on or after July 1, 2006, the applicable rate of interest shall be 6.8 percent on the unpaid principal balance of the loan.

"(B) PLUS loans.—Notwithstanding the preceding paragraphs of this subsection, with respect to any Federal Direct PLUS loan for which the first disbursement is made on or after July 1, 2006, the applicable rate of interest shall be 7.9 percent on the unpaid principal balance of the loan.

"(C) Consolidation loans.—Notwithstanding the preceding paragraphs of this subsection, any Federal Direct Consolidation loan for which the application is received on or after July 1, 2006, shall bear interest at an annual rate on the unpaid principal balance of the loan that is equal to the lesser of—

"(i) the weighted average of the interest rates on the loans consolidated, rounded to the nearest higher one-eighth of one percent; or

"(ii) 8.25 percent.".

(c) Extension of Current Interest Rate Provisions for Three Years.—Sections 427A(k) and 455(b)(6) of the Higher Education Act of 1965 (20 U.S.C. 1077a(k), 1087e(b)(6)) are each amended—

(1) by striking "2003" in the heading and inserting "2006"; and

(2) by striking "July 1, 2003," each place it appears and inserting "July 1, 2006,".

SEC. 2. EXTENSION OF SPECIAL ALLOWANCE PROVISION.

Section 438(b)(2)(I) of the Higher Education Act of 1965 (20 U.S.C. 1087-1(b)(2)(I)) is amended—

(1) by striking ", and before July 1, 2003" in the heading;

(2) by striking "and before July 1, 2003," each place it appears, other than in clauses (ii) and (v);

(3) by striking clause (ii) and inserting the following:

"(ii) In school and grace period.—In the case of any loan—

"(I) for which the first disbursement is made on or after January 1, 2000, and before July 1, 2006, and for which the applicable rate of interest is described in section 427A(k)(2); or

"(II) for which the first disbursement is made on or after July 1, 2006, and for which the applicable rate of interest is described in section 427A(*l*)(1), but only with respect to (aa) periods prior to the beginning of the repayment period of the loan; or (bb) during the periods in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in section 427(a)(2)(C) or 428(b)(1)(M);

clause (i)(III) of this subparagraph shall be applied by substituting '1.74 percent' for '2.34 percent'.";

(4) in clause (iii), by inserting "or (*l*)(2)" after "427A(k)(3)";

(5) in clause (iv), by inserting "or (*l*)(3)" after "427A(k)(4)";

(6) in clause (v)—

(A) in the heading, by inserting "before July 1, 2006" after "PLUS loans"; and

(B) by striking "July 1, 2003," and inserting "July 1, 2006,";

(7) in clause (vi)—

(A) by inserting "or (*l*)(3)" after "427A(k)(4)" the first place it appears; and

(B) by inserting "or (*l*)(3), whichever is applicable" after "427A(k)(4)" the second place it appears; and

(8) by adding at the end the following new clause:

"(vii) Limitation on special allowances for PLUS loans on or after July 1, 2006.—In the case of PLUS loans made under section 428B and first disbursed on or after July 1, 2006, for which the interest rate is determined under section 427A(*l*)(2), a special allowance shall not be paid for such loan during any 12-month period beginning on July 1 and ending on June 30 unless—

"(I) the average of the bond equivalent rates of the quotes of the 3-month commercial paper (financial), as published by the Board of Governors of the Federal Reserve System in Publication H-15 (or its successor), for the last calendar week ending on or before such July 1; plus

"(II) 2.64 percent,

exceeds 9.0 percent.".

The SPEAKER pro tempore (Mr. Shimkus). Pursuant to House Resolution 334, the gentleman from Ohio (Mr. Boehner) and the gentleman from California (Mr. George Miller) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. Boehner).

GENERAL LEAVE

Mr. BOEHNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous matter on S. 1762.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BOEHNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of S. 1762. The legislation addresses a long-standing problem in the Federal student loan program as to how student loan interest rates are to be calculated. It provides for the continued availability of student loan funds to students and their families by correcting an unworkable interest rate and special allowance rate formula scheduled to take effect in 2003.

The problem first came to light several years ago when it was clear that a provision within the Higher Education Act of 1965 would dramatically alter how interest rates would be determined. The formula set to take effect back in 1998 would have forced many of the lenders now participating in the Federal Family Education Loan Program to reduce or eliminate their participation.

In 1998, the gentleman from California (Mr. McKeon) and the gentleman from Michigan (Mr. Kildee) were able to craft a bipartisan, but temporary, solution to this program that virtually everyone agreed that if it was not corrected would create serious harm to students and their families by creating an access program in the student loan programs.

The compromise reached through the hard work of the gentleman from California (Mr. MCKEON) and the gentleman from Michigan (Mr. KILDEE) resulted in what are now the lowest interest rates in the Stafford loan program's history. Service continues to students and their families, and student loan borrowers are now paying the historically low interest rate of 5.99 percent in repayment.

Unfortunately, the compromise reached in 1998 was not made permanent when enacted, and is scheduled to expire in 2003; and the unworkable index from prior legislation is set to go back into effect. The problem must be corrected to ensure the availability of capital within the student loan program.

Lenders in the Federal Family Education Loan Program will not be able to finance student loans under the index set to take effect in 2003. By taking action and passing S. 1762 today, we can ensure the continued availability of student loan funds to students nationwide.

The legislation also extends the current special allowance formula for student loan providers, allowing them to continue uninterrupted service to the Nation's students and their families.

This legislation enjoys the support of both Republicans and Democrats in both Houses of Congress and the administration. It is the result of compromise and collaboration with all involved and is supported by student loan providers, financial aid officers, and student associations.

The reauthorization of the Higher Education Act of 1965 is fast approaching, and we will have a lot to focus upon. The student loan interest rate issue consumed virtually all of the reauthorization process in 1998 and took away time and resources that could have been used more productively. I think it is important that we fix the interest rate problem now so that when we do the reauthorization, we can concentrate on the many issues that will confront us that are of significant interest to the higher education community and our students.

The bottom line is this: we have reached an agreement across the board that this interest rate issue needs to be resolved. Our colleagues in the other body have done their part. It is now time for us to do our part. Let us ensure that the availability of student loans is there for students all across our great Nation.

I urge my colleagues to vote "yes" on this bill today, and I reserve the balance of my time.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to support S. 1762, that reduces interest rates on student loans. I would like to begin by thanking four Members who worked particularly hard on this bill in a bipartisan spirit: the gentleman from Ohio (Mr. BOEHNER), the gentleman from California (Mr. MCKEON), the gentlewoman from Hawaii (Mrs. MINK), and the gentleman from Michigan (Mr. KILDEE).

I appreciate the leadership of Senator JOHNSON in the other body. Members of our committee worked very hard to bring this legislation about and to put it in a manner in which all Members of Congress could support it.

As we know, this legislation came up late last year, on December 20; and I opposed the bill at that time. I did so because of the Republican leadership's refusal to schedule a bipartisan bill authored by the gentlewoman from New York (Mrs. MCCARTHY), despite the support of the gentleman from Ohio (Mr. BOEHNER) and the New York delegation.

That bill, H.R. 3163 would forgive the education loans to surviving spouses of police officers, firefighters, and other fire and rescue personnel of the September 11 terrorist attack. I remain disappointed in the Republicans' failure to schedule this bill. However, my concern is with the Republicans' use of the suspension calendar and not this bill. I urge my colleagues to support the bill today.

Today's legislation will ensure continued availability of student loans. The bank subsidies on student loans will sunset in 2003, jeopardizing the loans' profitability and therefore the availability. S. 1762 ensures the stability of this program by making the lender subsidies permanent. S. 1762 cuts the interest rates for students, and this was the major part of the debate last year.

Last year some proposed raising the interest rates on the students to ensure these bank profits. All the Members on the Democratic side of the Committee on Education and the Workforce signed a letter advocating a stable loan program without higher rates to the students. Through the hard work of the gentleman from California (Mr. MCKEON), the gentleman from Michigan (Mr. KILDEE), and others, that is what this legislation does.

In addition to extending lender subsidies, it cuts interest rates to students, fixing the rates at 6.8 percent beginning in 2006, and will save the average student about $400. Too often in the Congress, the needs of the average people come last in line. My colleagues should be commended for assuring that this legislation meets the needs of students and their families.

There is broad support in the student loan industry. It has been endorsed by the U.S. Students Association, the American Council on Education, and student loan industry groups, including Sallie Mae, the Consumer Bankers Association. I urge all of my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. BOEHNER. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MCKEON), who is also the chairman of the Subcommittee on 21st Century Competitiveness.

Mr. MCKEON. Mr. Speaker, I thank the chairman for yielding me this time, and also for the great leadership that he has provided in the education area during this Congress. I also thank the gentleman from California (Mr. GEORGE MILLER) for working with us. They have provided strong leadership in passing H.R. 1, and that is very important to the youth of our country.

Mr. Speaker, I rise in strong support of S. 1762. This legislation, which has been supported by both Democrats and Republicans and was passed expeditiously by our colleagues in the other body, will ensure the availability of higher education financing to the students embarking on a very important time in their lives. There is no better way to serve the students of this Nation than to ensure a stable source of higher education funding for those who need it.

This legislation quite simply provides for the uninterrupted continuation of the Federal Family Education Loan Program, known as FFELP, and will provide certainty of interest rates for all borrowers in later years.

Many of my colleagues will remember that the gentleman from Michigan (Mr. KILDEE) and I worked diligently in 1998 to correct the problem in the Higher Education Act of 1965 dealing with student loan interest rate calculations. The success of our bipartisan efforts is evidenced by the current student loan interest rates. Students in repayment now pay 5.99 percent, the lowest Stafford rates in the program's history. This low rate and other benefits provided by student loan providers allows students to partake in a low-cost means of financing their education while maintaining a strong and stable student loan program.

The agreement we reached in 1998 is now running up against the clock. The interest rate formula resulting in new low rates while maintaining the viability of the FFELP is set to expire in the year 2003. If that occurs, students and parents will be unable to obtain these low-cost loans from lenders across the country, and lenders that make these low-cost loans will not be able to finance student loans under the formula set to take effect.

While we intended the fix to be permanent in 1998, we were unable to institute it for more than 5 years. By taking this action now, there will be no interruption in the availability of student loan funds, and Congress will be able to concentrate fully on many issues that will confront us during the next reauthorization of the Higher Education Act of 1965, including grant aid eligibility, distance education, access, and the cost of higher education, to name a few.

This legislation also takes one additional step for students and their families: it provides assurances as to what interest rates will be in the future. While S. 1762 would extend the current viable interest rate formula until 2006, it would then provide for both student loans and parent loans to be at a fixed interest rate. Supporters of this provision feel this will allow families to plan future expenses knowing clearly what the interest rates on their education loans will be. We can make the continued availability of low-cost student loans one less thing students pursuing their dream of higher education need to worry about.

I would like to thank especially Kathleen Smith and George Conant from the committee staff, and Bob Cochran and James Bergeron from my staff; and as I mentioned earlier, the gentleman from Ohio (Chairman BOEHNER); the ranking member, the gentleman from California (Mr. GEORGE MILLER); the gentlewoman from Hawaii (Mrs. MINK); and the gentleman from Michigan (Mr. KILDEE) for all of the excellent help on this bill.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey (Mr. ANDREWS), a member of the committee.

Mr. ANDREWS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of this well-reasoned, well-thought-out legislation. I want to thank and commend the gentleman from Ohio (Mr. BOEHNER), the gentleman from California (Mr. MCKEON), the gentleman from California (Mr. GEORGE MILLER), the gentlewoman from Hawaii (Mrs. MINK), and the gentleman from Michigan (Mr. KILDEE) for their leadership in bringing this to the floor today.

On December 20, I was among those who opposed this legislation. I did not do so on its merits. I did so because of the principle of defending the rights of the minority in this Chamber.

The legislation the gentleman from California (Mr. GEORGE MILLER) made reference to previously that was introduced by our colleague, the gentlewoman from New York (Mrs. MCCARTHY), would have provided student loan forgiveness for the surviving spouses of heroes, police officers and firefighters and other heroes involved in the atrocities of September 11.

That legislation is supported by the Republican leadership and the Democratic leadership of the committee, and I believe it is supported by every member of our committee; and it should have been brought to the floor under the suspension calendar of the House. It should have been brought immediately to the floor of the House. I hope, Mr. Speaker, that the leadership reconsiders its decision to deny that opportunity and brings it forward.

Having said that, we now turn our attention to the legislation before us. It is worthy in three very important respects.

First of all, it will mean lower interest rates for students and their families right now. It will make it more affordable to borrow money to go to school, and that is a good thing.

Second, it will provide stability in the student loan system. We have an excellent system today that provides for competition between the direct student loan program and the bank-based private sector student loan program. As a result of this, students and their families and institutions get to choose the best offer, the best price, the best quality for themselves.

Without this change, which assures the financial structure of the private side of the program, the private side of the program would be very much in jeopardy, and it is conceivable that private lenders would leave the system. That would be very disadvantageous to students around the country.

Finally, the legislation is worthy because, as the chairman of the subcommittee said just a few minutes ago, it provides some certainty for families planning for paying for higher education by locking in today's relatively low interest rates well into the future, and making them permanent.

For all of these reasons, I would urge both Republican and Democratic Members to follow suit, follow the example of the other body, and approve this legislation.

Mr. BOEHNER. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. ISAKSON), a member of the committee.

Mr. ISAKSON. Mr. Speaker, I thank the chairman for the introduction and for yielding time to me, but in particular for his hard work on the Committee on Education and the Workforce on bringing this bill to the floor; and I particularly commend the gentleman from California (Mr. MCKEON), with whom I have worked for some time now, in seeing this bill actually come to the floor and be passed.

I really appreciate the acknowledgment of the gentleman from New Jersey (Mr. ANDREWS) that the inaction or lack of action in December really had nothing to do with the merits of this legislation.

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What has to do with the merits of this legislation is ensuring predictable student loans at competitive and favorable rates for American students that otherwise might not or would not get the student opportunity to receive a higher education.

Secondly, it is important, as the gentleman from New Jersey (Mr. ANDREWS) has pointed out, that we provide the ability to lock in rates and have a fixed rate repayment so those families that are struggling to meet the demands of paying back their cost and ensuring that their child gets a higher education have a predictable, consistent flow and rate.

Third, it is important to understand that any time you put indexes and formulas into the law to affect the rates or the guarantees on any program there are going to be periodic needs for adjustment, and now is the periodic need for that adjustment.

There are some, in fact, I was questioned on a radio talk show last night as I talked about this bill, who questioned whether or not we ought to be in this business. Well, let me address that for one second because the gentleman from California (Mr. MCKEON) and the gentleman from Ohio (Mr. BOEHNER) on their hard work on higher education, the gentleman from California (Mr. GEORGE MILLER) and I know the same thing, in America the most important thing we can have is to see to it that bright minds who can achieve have the opportunity to further their education, who can then contribute to its fullest to the United States of America.

Second, as is the case in most Federal guarantee programs, it actually produces revenue for the United States as long as we are sure we will do a good underwriting job and a good collection job is done.

So, Mr. Speaker, I am pleased to rise today and endorse this legislation. I thank both sides of the aisle for their hard work on it and say to the students of America who are looking forward to a college education that otherwise would not be within their reach because of finances that we are willing to provide the underpinning and the opportunity for a consistent flow of favorable rate loans for students to further their dreams and reach their goals.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York (Mrs. MCCARTHY), a member of the committee.

Mrs. MCCARTHY of New York. Mr. Speaker, I would like to associate myself with the words that were spoken here.

There was never any contention about this bill. I certainly supported it in committee and I support it today and I urge all of my colleagues to support it.

I think in this time of need of this country that we have to do everything possible to make sure that our young people and also our parents know they have the ability to send their children to college for higher learning. If anything, it is national security to make sure we have the brightest minds, especially in math and science, to continue the work that we need.

What happened on December 20, unfortunately, I think was a misunderstanding. I know my chairman has promised to work with me to again bring up hopefully the bill on the Surviving Spouse Loan Act, which is important certainly to many of the victims on September 11, and I am hoping that we will continue to work on that. I wish we were able to work on it that night to have a clarification on it.

So, again I stand here in great support of this bill. It had nothing to do with the merits, the confusion that happened that morning, at 5 o'clock in the morning, I believe it was. But unfortunately we probably should not do things like that at 5 o'clock. As a nurse I can state one's mind is not functioning very well.

With that, I do urge my colleagues. The gentleman from Ohio (Mr. BOEHNER) and I have worked well together on our committee. We have a lot of work to do on IDEA coming this year and I am willing to work with the gentleman on that. Again, I hope his promises of helping me to get this bill to the floor will continue. I am more than willing to work together. I urge all of my colleagues to certainly support this amendment.

Mr. BOEHNER. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Speaker, I thank my colleague for yielding me time.

Mr. Speaker, I rise in support of S. 1762, a bill that will ensure the long-term availability of higher education loans for students and their families.

Our Nation's higher education loan system under the Federal Family Education Loan Program is an example of government at its best. By working in partnership with students, parents, college universities and private sector loan providers, the Federal Government has made the dream of college a reality for more than 50 million Americans since 1965.

Right now there are families with children heading off to college next fall who are talking about not only where their children will attend school, but how they will pay for it. For high school students and their families currently facing these daunting questions, today's action will resolve half of that equation and leave them with the more pleasant task of determining which college or university is right for them, not whether they will have the means to afford it.

By continuing the current formula for setting student loan interest rates, we will avoid the volatility that certainly would have set in had the current system been allowed to lapse. This will ensure stability in the Federal Family Education Loan Program and guarantee the loan system that serves 80 percent of America's schools and millions of our students.

For the past 35 years education loans have been critical in enabling America's families to afford the rising cost of college tuition. By passing this legislation today we will maintain our national investment in well-educated, well-trained young people who can compete with workers anywhere in the world. In short, this legislation is good for students, families, schools, taxpayers and the economy.

Finally, Mr. Speaker, I would like to point out to all of my colleagues that this bill is supported by both loan providers and student advocacy groups. In fact, the State PIRG's Higher Education Project predicts that the typical student borrower will realize a savings of $680 over the life of the loan.

I want to commend the gentleman from Ohio (Mr. BOEHNER), the ranking member, the gentleman from California (Mr. GEORGE MILLER) and the gentleman from California (Mr. MCKEON) for their leadership in assuring continued availability of education loans for future generations of students. This is important legislation for our Nation, and I urge my colleagues to support it.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee (Mr. GORDON), a strong supporter of this legislation.

Mr. GORDON. Mr. Speaker, I thank the gentleman for yielding me time.

More importantly, I want to thank the gentleman from Ohio (Mr. BOEHNER), the gentleman from California (Mr. MCKEON) and the gentleman from Michigan (Mr. KILDEE) for the leadership they have exhibited in bringing this bill before us.

Passage of this legislation provides a final resolution to a long needed fix within the Higher Education Act related to the way interest rates for student loans are set, making college more affordable for millions of students across the country.

S. 1762 has been developed and agreed upon by a bipartisan process and the other body has passed this legislation in December by unanimous consent. Every major higher education association, including groups representing students, schools and lenders, support this legislation. If we do not take this action now, we run the risk of having a system under which two-thirds of students loans are made revert back to a troublesome formula that threatened the viability of several lenders back in 1998.

Mr. Speaker, most students, especially those from low- and middle-income families, have enough of a financial challenge getting through school. They either have to work their way through school or family members have to take a second job to help defray the cost of higher education. The burden of high or fluctuating interest rates should not be another distraction. We have the means to resolve this issue once and for all, and I urge my colleagues to vote yes on this important legislation.

Mr. GEORGE MILLER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. KANJORSKI).

Mr. KANJORSKI. Mr. Speaker, I wanted to join my colleagues today first of all to congratulate the gentleman from California (Mr. MCKEON) and the gentleman from Michigan (Mr. KILDEE) for a great compromise entered into several years ago, in 1998, that provided for a new formulation of how we would finance student loans.

Basically what we are doing is making it attractive for lenders to provide funds for students and parents to get guaranteed low rates and to make the funds sound for at least the next 6 years to bring about a better use of higher education funding in the United States. I commend both the ranking member and the chairman of the committee and, as I said, the respective chairman and ranking member of the subcommittee.

This is a technical problem that probably is not of the highest order of understanding of people, but it is the type of fix and in the tradition of trying to be bipartisan in an issue in education and in the country today where both sides of the aisle can come together and support this.

I urge all of my fellow Members on the Democratic side to join the gentleman from California (Mr. GEORGE MILLER) and myself and others and my Republican colleagues on the other side and show a resounding show of support to fix the student loan program to provide long-term funding into the future at reasonable rates that parents, students and lenders can rely upon.

Mr. GEORGE MILLER of California. Mr. Speaker, I urge my colleagues to support the bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BOEHNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say a comment as we close. This really is important legislation. The costs associated with this bill are covered in the budget resolution that was agreed to earlier last year, and by doing this we will continue to have a strong availability of affordable student loans for our students. With that, I ask my colleagues to vote for this bill.

Mr. NUSSLE. Mr. Speaker, I rise in support of S. 1762, which ensures that continued viability of low-interest loans for college students.

When the Budget Committee drafted the fiscal year 2002 budget resolution last spring, we sought to avert a potential crisis in the Federal Student Loan Program. The train we saw coming down the track was a change in the interest rate structure set to take place in July 2003.

That change would repeal the current structure, which supports $38 billion in new, federally subsidized, student loans each year for needy college students. It would replace it with a controversial new formula that education experts warned would be potentially disruptive to the loan program.

The scheduled change could jeopardize the availability of funds for student loans because it would tie interest rates to long-term treasuries. The loan program has thrived for years on interest rates that correspond to short-term Treasury rates.

The scheduled change was created under the assumption that, by 2003, all student loans would be issued by the Federal Government. But 70 percent of the loans are now issued by private lenders. We have to adjust for that reality.'

Fixing the interest rate problem will be expensive. It will cost money because the baseline already assumes the scheduled change in interest rates.

It is for this reason the FY 2002 budget resolution included a reserve fund that allowed the committee to adjust the appropriate levels in the budget resolution to offset the "cost" of repealing the change in interest rates.

I would observe, however, that this bill does not fully comply with the terms of the budget resolution. First, the bill slightly exceeds the size of the reserve fund in the resolution. This is mostly because the Congressional Budget Office re-estimated the cost of repealing the scheduled interest rate change after Congress had adopted the budget resolution.

Secondly, the budge resolution stipulated that the reserve could only be tapped if the surplus exceeded specified levels. Unfortunately, the surplus has not materialized as a result of the events of September 11 and the on-going recession.

Nevertheless, I will support this bill because it was accommodated in the budget resolution. Further, neither the Budget nor Education Committees could have foreseen CBO's rescoring of the bill nor the loss of the surplus due to the recent terrorist attacks.

Finally, I would like to thank Mr. BOEHNER and Mr. MCKEON for their efforts to ensure the continued viability of the student loan programs, which will issue more than 9 million new loans this year.

Mr. GILMAN. Mr. Speaker, I rise today in support of S. 1762 which seeks to ensure the availability of low-cost student loans to millions of students across the country. Passage of this legislation will ensure a strong and stable Federal Family Education Loan Program (FFELP) and give students and their families piece of mind that this important, and largest, student aid program will be there to serve them and I commend my colleague from California, Mr. MCKEON for helping bring this measure to the floor today.

The current student loan interest rate formula has provided for the lowest Stafford Loan interest rates in history, currently 5.99 percent, but is unfortunately set to expire on July 1, 2003. When the current formula expires, an unworkable formula will take over. Lenders have warned us that they will be unable to finance student loans under the new formula, putting a 35-year history of serving students and parents in serious jeopardy. Without lenders providing student loans, students and their families will be left out in the cold, with few options left to pay for higher education. The temporary fix enacted in 1998 was intended to be permanent, but the funds were not available to make that happen. S. 1762 will make the fix permanent.

S. 1762 assures loan availability and stability in the public/private partnership by continuing the current structure for payments made to banks and other student loan lenders ensuring the private sector's continued participation in the student loan program. Present and future college students need to know that the Federal Family Education Loan Program will be available to them as they pursue higher education opportunities. Accordingly, I urge my colleagues to fully support this measure.

Mr. LEWIS of Kentucky. Mr. Speaker, I was unable to be on the floor today for consideration of the bill S. 1762. This bipartisan legislation keeps the interest rates on college student loans at their current and unprecedented low levels.

Had I been present, I would have voted in favor of this bill. This is solid legislation that provides for the continued availability of affordable student loans. The extension of current low interest rates is necessary to ensure that students can continue to obtain the financial assistance needed to meet postsecondary education goals. The current student loan interest rate formula, set to expire on July 1, 2003, provides students and their families with an affordable way to pay for an education that might otherwise not be possible. A variety of educational and financial institutions, including the Kentucky Higher Education Assistance Authority, strongly support S. 1762. Stabilizing interest rates now will secure educational opportunities for the future. I am pleased by the broad support this legislation received.

Ms. MILLENDER-MCDONALD. Mr. Speaker, I rise today in support of this legislation to amend the Higher Education Act. This bill will help millions of students and their families across the nation deal with the rising cost of higher education. Now more than ever, it is important that our citizens can afford the costs of a college education.

The bill we are about to vote on will help that cause by setting a low, fixed, interest rate of 6.8 percent on student loans. Right now, we are looking at the lowest loan interest rates in history. This low rate, 5.99 percent, is due to the current interest rate formula that will expire next year. We must act now to ensure a low interest rate for our students. Student loans have repayment periods that range anywhere from 10 years to 25 years. If we can do anything to protect our students from facing the possibility of sinking deeper in debt because of higher interest rates, we should do that now. Our students and their families deserve as much.

This bipartisan bicameral legislation is a great way to start off the year and help our students across the country. It passed the Senate unanimously, and now I urge my colleagues to support this measure and vote "yes."

Mr. BOEHNER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SHIMKUS). All time for debate has expired.

Pursuant to House Resolution 334, the Senate bill is considered as read for amendment and the previous question is ordered.

The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the Senate bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BOEHNER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 372, nays 3, not voting 59, as follows:

[Roll No. 4]

YEAS—372

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Bass
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Boozman
Borski
Boswell
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Foley
Forbes
Ford
Fossella
Frelinghuysen
Frost
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Inslee
Isakson

Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, George
Miller, Jeff
Mollohan
Moore
Morella
Myrick
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Olver
Osborne
Ose
Otter
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sherman
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walden
Walsh
Wamp
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (PA)
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (FL)
Watkins (OK)
Weldon (FL)
Weller
Woolsey
Wu
Young (AK)

NAYS—3

Flake
Moran (KS)
Paul

NOT VOTING—59

Barton
Becerra
Berman
Blagojevich
Blumenauer
Bonilla
Bonior
Bono
Boucher
Burton
Clay
Collins
Cubin
Davis (IL)
Doyle
Everett
Fletcher
Frank
Gallegly
Hinchey
Hinojosa
Hooley
Hyde
Jones (NC)
Kind (WI)
Largent
Lewis (GA)
Lewis (KY)
Luther
Manzullo
McCarthy (MO)
Miller, Gary
Mink
Moran (VA)
Murtha
Nadler
Napolitano
Obey
Ortiz
Oxley
Quinn
Radanovich
Riley
Roukema
Roybal-Allard
Sessions
Sherwood
Solis
Thomas
Thurman
Traficant
Vitter
Waters

☐ 1122

So the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Ms. SOLIS. Mr. Speaker, during rollcall vote No. 4 on S. 1762 I was unavoidably detained. Had I been present, I would have voted "yea."

Ms. McCARTHY of Missouri. Mr. Speaker, on rollcall No. 4, S. 1762, to establish fixed interest rates for student and parent borrowers, I was unavoidably detained. Had I been present, I would have voted "yea."

Mr. KIND. Mr. Speaker, today, January 24, due to family considerations, I unfortunately was not present for a rollcall vote.

Had I been present, I would have voted "yea" on rollcall No. 4, S. 1762, to establish fixed interest rates for student and parent borrowers.

Mr. RILEY. Mr. Speaker, I was unavoidably detained for rollcall No. 4, S. 1762, a bill to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes. Had I been present I would have voted "yea."

PERSONAL EXPLANATION

Mr. HINOJOSA. Mr. Speaker, I regret that I was unavoidably detained in my Congressional District. Had I been present, I would have voted "yea" on rollcalls 2, 3, and 4.

PERSONAL EXPLANATION

Ms. ROYBAL-ALLARD. Mr. Speaker, Due to a family health emergency, I was unable to be present for rollcall votes 1–4 on Wednesday, January 23 and Thursday, January 24. Had I been present, I would have voted "present" on rollcalls vote 1, and "yea" on rollcall votes 2–4.

PERSONAL EXPLANATION

Mr. THOMAS. Mr. Speaker, I regret that I could not be in both Bakersfield and Washington, DC on January 23, and January 24. I would have voted "yea" on H.R. 2234, and S. 1762.

PERSONAL EXPLANATION

Mrs. ROUKEMA. Mr. Speaker, on Wednesday, January 23, 2002, I was unavoidably detained on rollcall votes Nos. 1, 2, and 3 during the consideration of H.R. 700, a bill to authorize the Asian Elephant Conservation Act, and H.R. 2234, the Tumacacori National Historical Park Boundary Revision Act. Please let the RECORD reflect that had I been present I would have voted "aye" for rollcall Votes Nos. 1, 2, and 3.

On Thursday, January 24, 2002, I was unavoidably detained on rollcall vote No. 4, on passage S. 1762, a bill to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes. Please let the RECORD reflect that had I been present I would have voted "aye" for rollcall Vote No. 4.

LEGISLATIVE PROGRAM

(Ms. PELOSI asked and was given permission to address the House for 1 minute.)

Ms. PELOSI. Mr. Speaker, for the purpose of inquiring about the schedule for next week, I am pleased to yield to the distinguished majority leader to respond.

Mr. ARMEY. Mr. Speaker, I thank the gentlewoman from California for the chance to respond, and if I might preface my response by saying how very pleased I am to see the gentlewoman from California at the podium today performing her official duties as whip for the Democratic side of the aisle.

Mr. Speaker, I am pleased to announce that the House has completed its legislative business for the week. The House will next meet for legislative business on Tuesday, January 29, at 12:30 p.m. for morning hour and at 2 p.m. for legislative business. The House will consider a number of measures under suspension of the rules, a list of which will be distributed to Members' offices tomorrow.

On Tuesday, recorded votes are expected promptly at 5 p.m. in order to provide time for a security sweep of the House Chamber. The House will meet in joint session with the Senate at 9 p.m. to receive a State of the Union Address from President George W. Bush.

On Wednesday, and the balance of the week, no votes are expected in the House.

I want to thank the distinguished minority whip for yielding to me.

Ms. PELOSI. Reclaiming my time, Mr. Speaker, I thank the gentleman for his presentation of the schedule and for his kind welcoming remarks. I want to in turn say that I congratulate him on his decision and wish him well. We still have a year to go and look forward to working with him during that time.

And "work" is the word. Do I understand that the only legislative business next week will be on Tuesday, with votes at 5 p.m.?

Mr. ARMEY. If the gentlewoman will continue to yield, she is correct, and this is a very important point. We will have the votes at 5 p.m. on Tuesday next in order for the security sweep in preparation of the President's address. This is a departure from our normal proceedings, as many Members know.

So as the gentlewoman from California correctly points out, we need Members to be aware that it is a 5 p.m. vote time on Tuesday next.

Ms. PELOSI. Well, we all are awaiting with great optimism the address of the President of the United States in the State of the Union on Tuesday. And I understand the votes are at 5 p.m., but there will be no legislative business on Wednesday or for the rest of the week next week?

Mr. ARMEY. No. Thanks again for the inquiry, but that is correct.

Ms. PELOSI. Do we not have any work to do?

Mr. ARMEY. There is no work to do.

Ms. PELOSI. We seem to have some challenges in our country, and I would hope we would use all the time available to us to do that.

I thank the gentleman for advising us of the schedule.

THANKING COLLEAGUES FOR THEIR GENEROUS ACKNOWLEDGMENT REGARDING RETIREMENT ANNOUNCEMENT

(Mr. ARMEY asked and was given permission to address the House for 1 minute.)

Mr. ARMEY. Mr. Speaker, I just wanted to take a moment to thank the gentlewoman from California for her kind words. I have had so many people from the other side of the aisle speak so kindly to me on my decision to retire from Congress that I could not resist taking a moment to say that at last I finally have made a decision that is a source of great pleasure to my colleagues on the other side of the aisle, and I want to thank them for their generous acknowledgment of that.

ADJOURNMENT FROM FRIDAY, JANUARY 25, 2002, TO TUESDAY, JANUARY 29, 2002

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, January 25, 2002, it adjourn to meet at 12:30 p.m. on Tuesday, January 29, 2002 for morning hour debates.

The SPEAKER pro tempore (Mr. SHIMKUS). Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

REQUESTING IT BE THE WILL OF THE HOUSE OF REPRESENTATIVES THAT THE ST. LOUIS RAMS BE VICTORIOUS ON SUNDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that it be the will of this body that the St. Louis Rams have a glorious victory on Sunday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. PENCE). Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

WELCOME TO WASHINGTON, DC

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, as the only Member who never has to leave Washington, I want to welcome my colleagues back to Washington, my hometown and your second home.

I was very gratified to note that the White House reopened White House tours to children just a few days ago. This follows a meeting I arranged between White House officials and D.C. leaders where I suggested that D.C. schoolchildren be allowed to view the White House Christmas tree decorations. Now the White House has seen to it that all children will be able to go into the White House.

I suggested at that time that the public could come in if they only left their Social Security numbers the way people have to anyway before they go into the White House. Now the children will leave their Social Security numbers. Let us hope the White House follows with the general public. I am very gratified for what they have already done for children.

These may seem small matters, but, my colleagues, what it does is to signal to the country that if the Capitol is open the country is open as well. The President has made an important ad to visit America, that Americans should do their business. It is important for people to travel, particularly now during a recession, and the more the District of Columbia seems open, the most visible city in the country, the more people will follow the President's advice and go out to their own places and help us get out of this recession by getting on planes.

Members and staff will soon receive a "Dear Colleague" from me about an event I am hosting on Tuesday, February 12, called "Ask Me About Washington," to acquaint them with tourist attractions and amenities in D.C. so they can advise their own constituents who come here.

□ 1130

Mr. Speaker, this is an election year. It is time to welcome our constituents back to Washington. Members need to transmit that the District is the safest city in the United States, precisely because it is the Nation's Capital.

The war is winding down. The President has said, absolutely correctly, terrorist threats will be with us for many years to come. It is time to get constituents used to traveling, particularly now, and coming back to Washington. Members and staff will learn how to advise constituents of where to go at my Ask Me About Washington event on Tuesday, February 12.

The economy is down. The way to get it up is for people to do what President Bush has indicated, go out and see the sites, but above all come and see Members of Congress. Look at the gallery. The galleries have been empty because Americans are not traveling. They are not traveling to Members' home States or the Capital.

That is bad news for people running for office, and it is bad news for our country when people are not flooding into the Capital to find out what to do about the issues that concern them most, especially during an election year. When constituents come, they need to know what to see in Washington. When they come, they need to know that everything is still open to the public, notwithstanding the barricades. This is an open city because this is an open country.

CONGRESS BIDS FAREWELL TO SIX OUTSTANDING PAGES

The SPEAKER pro tempore (Mr. PENCE). Under a previous order of the House, the gentleman from Illinois (Mr. SHIMKUS) is recognized for 5 minutes.

Mr. SHIMKUS. Mr. Speaker, as the delegate from the District of Columbia welcomes us back, she is also going to say good-bye to six residents. I would like to have Lindsey Beck, Matthew Dinusson, Ashley Gallo, Jennifer Hsieh, Gregory Hyde, and Zachary Stanton come on down here. Grab some seats in the front row.

Mr. Speaker, as the chairman of the House Page Board, it is my distinct pleasure to recognize these six outstanding pages that are departing today. This year's page class is a remarkable group of students. They came to Washington full of ambition and promise. Little did they know, nor did their friends and colleagues in the back, that they would be witness to such tragic events in history. Far from their families and friends, and so new to Washington that homesickness barely had a chance to ease, this page class refused to let fear chase them away from their dreams of working with Congress. They relied on each other, and on the day-to-day tasks before them; and they knew in their hearts they were working toward a common goal shared by all of us, to prove to our enemies that the American spirit cannot be extinguished. The courage, determination, and sense of purpose shown by this class and their colleagues in the back set an example for us all. They have proven that adversity does build strength and that the human spirit is resolute when it is tested.

Mr. Speaker, not only did this group carry on their work as pages, but they did so with enthusiasm, excitement, and as I found out, in good humor, which at such moments in history is kind of hard to do. There is no question that this class has made us very proud. This class is a credit to their families, their communities, and to the page program.

The six who are leaving today will be returning home on Saturday. They leave here with our thanks and congratulations. We share in their joy of being reunited with their families and share in their sadness of saying goodbye; but this group probably will not miss those 6:15 breakfasts we have all endured.

Mr. Speaker, these pages have left their own indelible mark on the page program, and I want them to know that their shoes will be hard to fill. As they return home with suitcases and boxes, memories and experiences, I want them to take our sincere thanks. I thank Lindsey Beck, Matthew Dinusson, Ashley Gallo, Jennifer Hsieh, Gregory Hyde and Zachary Stanton. I thank them for having the courage and the strength to persevere when others would have given up. I thank them for approaching every day with curiosity and hope, and for encouraging others to do the same.

There is no doubt that these six pages will go on to do great things, and we hope they come back and share their accomplishments with us.

Mr. Speaker, I wish them a lifetime of success and happiness. And now my colleague on the House Page Board, the gentleman from Michigan (Mr. KILDEE), would like to speak.

CONGRESS BIDS FAREWELL TO SIX OUTSTANDING PAGES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. KILDEE) is recognized for 5 minutes.

Mr. KILDEE. Mr. Speaker, I stand here as the ranking Democrat on the House Page Board, having been appointed to that position by Speaker Tip O'Neill 20-some years ago. I have seen many pages come here. There has been no class better than this class. This class has been outstanding pages, and I am very, very proud of them.

There is a very good program in the country called Close Up, and I always meet with my Close Up students; but no one, no one has seen this Congress as close up as this group of pages has. They have seen us at our best and at our worst, but this year they probably have seen us at our best. They witnessed history that no other generation will hopefully ever witness again, when this country was attacked by terrorists and thousands of people were killed.

I can recall walking with my staff away from the Capitol after the plane hit the Pentagon. I saw a group of pages coming towards the Capitol building. They were supposed to be here they thought, and I said get back to the dorm. Their sense of duty was enormous, although this building could very well have been the target.

Mr. Speaker, I thank all of the pages, but particularly Lindsey Beck from Arizona; Matthew Dinusson from Minnesota; Ashley Gallo from Michigan, my home State; Jennifer Hsieh from Texas; Gregory Hyde, New York City; and Zachary Stanton from Michigan. They can be proud of themselves. They will leave here knowing more about government, being able to tell others government is an instrument of good; and hopefully they will always be involved in government, whether they run for office or are a voter. Make government work. They have seen government at work. I thank this group of pages very much, and God bless them.

RECOGNIZING THE BRAVE SAILORS OF THE USS "CARL VINSON"

The SPEAKER pro tempore (Mr. SHIMKUS). Under a previous order of the House, the gentleman from Washington (Mr. DICKS) is recognized for 5 minutes.

Mr. DICKS. Mr. Speaker, yesterday I had the opportunity with the gentleman from Washington (Mr. INSLEE) to fly out on a helicopter and go aboard the *Carl Vinson* as it came through the Straits of Juan de Fuca into Puget Sound into the Bremerton shipyard in my hometown. It was a great honor for the gentleman from Washington (Mr. INSLEE) and I to have an opportunity to address the crew of the *Carl Vinson*. They had let the air wing off in San Diego, but still over 3,000 sailors, 12 percent of which were women, were coming home to Bremerton, were coming home to meet their families. I believe that the *Carl Vinson*, which was the first aircraft carrier into the North Arabian Sea, performed heroically on behalf of our country in Operation Enduring Freedom.

In looking over their record over this last 111 days when they were fully operational, they conducted 4,200 sorties flying F–14s and F–18s into Afghanistan using the smart weapons like JDAMs and the satellite weapons to destroy Taliban and al Qaeda targets in the area, and helped to contribute to the quick demise of the Taliban government.

I was pleased to be aboard and talk to the crew. They were extremely excited about coming home; but they were very, very proud of the service that they had rendered on behalf of our country. I want Members to know that we assured them that this Congress, this administration, strongly supports what they have done. There was bipartisan support in the Congress for the President's operations in Afghanistan.

I think we should reiterate the importance of these large big-deck carriers, 4.5 acres of American sovereignty. As we all know, we do not always get the bases that we need in any area of the world where we have to have American actions. In this case, we were not able to use airfields, as we were in Desert Storm and Desert Shield, in the region so these aircraft carriers became paramount.

Mr. Speaker, there were 48 attack aircraft coming off these carriers, and those attack aircraft flew these missions, having to have several airline refuelings, which also points out the importance of why we have to have tankers in order to provide the fuel for these planes on their missions, also for the bombers, the B–1s, the B–52s and the B–2s that were all used successfully in this endeavor.

It was also exciting to see the crew of the ship reunite with their families. Seventy-six of the men on board were fathers during the time they were gone, 6 months of deployment. In fact, I saw one woman who had delivered her baby on the day of the deployment, the first day, so the child was 6 months old. And to see all of them reunited on the pier in Bremerton, Washington, my hometown, is truly something I will never forget.

Mr. Speaker, I think we all should recognize the important contribution of the men and women who serve us daily in the military. This Congress has a responsibility to make certain that we give them the benefits, that we give them the support, that we give them the equipment so that they can conduct these operations in the future.

But those large aircraft carriers were crucial in giving us the ability to make these attacks early on and to win this war decisively with very minimal loss of American life. I also would say that while they were operational, they conducted 37 replenishments while they were underway. This is when another ship comes up and provides supplies to the aircraft carrier when it is operational and moving. I think that is rather remarkable. Over 16,000 airplanes landed and took off on the *Carl Vinson* during this deployment; and they went 51,000 miles, which is almost two times around the Earth.

I was proud to be there, proud as a member of the Committee on Appropriations Subcommittee on Defense, and to see the men and women serving on the *Carl Vinson*.

We also learned in this war, 90 percent of the weapons that were used were smart bombs like JDAMs, and we almost ran out of those weapons. So we have got a lot of work to do here in the Congress to support the President to make sure that we have the equipment for the future. But it was a great day in Bremerton, Washington, and I am proud of the work of these great sailors and of our United States Navy.

THERE IS NO CHOICE IN CHINA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. PENCE) is recognized for 5 minutes.

Mr. PENCE. Mr. Speaker, a woman 4 months pregnant flees to her mother's village to avoid a forced abortion in China. Her brother, two sisters and three other relatives are arrested as bargaining chips to enforce China's brutal one-child-per-family policy.

□ 1145

Three of her families' homes are destroyed. A second woman, 19 years of age, is told that she is too young to have a baby. She does not meet the government's age requirements for pregnancy. Her friends who accompanied her to the local clinic for her mandatory abortion all nod vigorously when asked by an undercover investigator if the young lady would like to keep the baby. "But the law forbids it," they add. Sound barbaric?

There is no doubt, Mr. Speaker, on this week where millions of Americans on either side of the debate over abortion gathered in our Nation's capital, those of us who endorse what we call the right to life and many thousands that endorse a woman's right to choose debated the question of choice. But let us all understand on this week when we foment this debate in Washington, Mr. Speaker, that there is no choice in China.

China's indefensible population control programs, though, do not just have their detractors in the world. They actually have their promoters, some of whom are sponsored by the United States Government. The United Nations Population Fund, also known as the UNFPA, Mr. Speaker, has described China's forced abortion policy as a, quote, remarkable achievement. Proving their moral bankruptcy, Sven Burmester, the representative for the U.N. Population Fund in Beijing, said, "China has the most successful family planning policy in the history of mankind in terms of quantity, and with that," he added, "China has done mankind a favor."

Also proving the moral bankruptcy of the UNFPA, Mr. Burmester of the Fund said, in effect, my own view is that there is a generation of Chinese who have sacrificed themselves to benefit society, and that generation, presumably the generation expensed in China's policy of forced abortion, is to be recognized.

But the U.N. Population Fund, Mr. Speaker, recently received a significant increase in its funding from the U.S. Government. There will be those who will say at the UNFPA that they only work in regions where the Chinese government has suspended its oppressive one-child policy. However, testimony in a recent House International Relations Committee hearing revealed photographs of a UNFPA office located within the China Office of Family Planning. The testimony also uncovered evidence that the UNFPA is active in Sihui County in China in which family planning is decidedly not voluntary. Officials have imposed age requirements there for pregnancy and require birth permits, mandatory sterilization and forced abortion. Those who refuse to comply with these standards face fines, imprisonment and often the destruction of their homes and property. There is no choice in China, Mr. Speaker.

But, sadly, in the waning days of the first session of the 107th Congress, the UNFPA in the foreign operations bill recently received a 58 percent increase in its funding, $34 million, U.S. taxpayer paid. The Mexico City Policy prohibits Federal funding of groups that perform or even promote abortion services overseas.

So I rise today, Mr. Speaker, to urge the administration, as I did before over 100,000 pro-life citizens on the National Mall on Tuesday, I rise today to urge the administration to enforce the Mexico City Policy, to seize the Kemp Kasten language in the foreign operations bill and do what President Ronald Reagan did and do what President George Herbert Walker Bush did, and that is render the amount the foreign operations bill has provided to the UNFPA to zero. The people of the United States of America deserve better than to have their taxpayer dollars used to foment and to promote an organization that praises China's forced abortion policy.

ON INTRODUCTION OF EMPLOYEE SAVINGS PROTECTION ACT (ESPA)

The SPEAKER pro tempore (Mr. SHIMKUS). Under a previous order of the House, the gentleman from Texas (Mr. BENTSEN) is recognized for 5 minutes.

Mr. BENTSEN. Mr. Speaker, today I am introducing legislation to create new legal rights for employees who are induced to make investment decisions about their 401(k) or other individual pension accounts that are contrary to their own best interests. As one who has endeavored to expand opportunities for greater participation in employer-sponsored pension plans, I strongly believe that our pension laws must be amended to ensure that employers, who have superior information as to the financial condition of their business and communicate information that they know to be false to influence their employees in the administration of their 401(k) accounts, face serious legal consequences.

My bill, the Employee Savings Protection Act of 2002, would ensure that employees that were unduly influenced by such information to the detriment of their retirement savings can have a legal claim that survives bankruptcy.

I am introducing ESPA in the hopes that employees who participate in employer-sponsored plans, such as many of my constituents who were employed by Enron, do not meet the same fate as the employees of Morrison Knudsen, whose claims against the Idaho firm did not survive Chapter 11 reorganization. The claims of Morrison Knudsen employees were extinguished by the company's bankruptcy reorganization plan, according to a 1999 ruling by the Federal District Court in Boise, Idaho. There is a gaping hole in our bankruptcy laws if directors and officers or other fiduciaries under the Employment Retirement Security Act of 1974 can torpedo the retirement savings of their employees and walk away without owing a penny.

In the case of Enron, we now know that senior management grossly mismanaged the company while telling employees that their stock would rise. As a result, thousands lost their life savings on the basis of faulty information and through no fault of their own. Under ESPA, plan fiduciaries that engage in such acts, including officers and directors, would be held personally liable for the losses incurred as a result of this deception. Further, should the plan fiduciary file for bankruptcy protection, this employee claim would be treated as a "priority" to be fully reimbursed in bankruptcy proceedings, ahead of other unsecured creditors. Eligible employee claims could arise from violations occurring as early as January 1, 2000.

Mr. Speaker, our pension laws are very clear as to the duties that fiduciaries owe to plan participants. The consequences for breaches are substantial. Directors and officers can be held personally liable for such breaches. Claims by employees who were damaged because they trusted the misinformation imparted by a fiduciary must be protected. Our bankruptcy laws must not be used as a cloak behind which employers such as Enron who dupe their employees are protected. Mr. Speaker, my bill will ensure not only that such claims are protected but that these claimants stand ahead of other unsecured creditors in a bankruptcy proceeding.

The time has come for the House to take action. I hope that we move on this bill quickly.

PAYING TRIBUTE TO JACK SHEA, OLYMPIC GOLD MEDALIST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. SWEENEY) is recognized for 5 minutes.

Mr. SWEENEY. Mr. Speaker, this past weekend the 22nd Congressional District of New York, New York State and indeed our Nation and the world suffered a great loss when we experienced the untimely death of Mr. Jack Shea. Mr. Shea was a double Olympic speed skating gold medalist who died suddenly and tragically in an automobile accident less than one mile from his home. Mr. Shea was 91 years young and served this Nation in so many important and great ways that this loss will be felt for quite some time.

In addition to the two Olympic Gold Medals that he earned at the Lake Placid Winter Olympic games in 1932, he was both the father and grandfather of Olympians. His son Jim competed in the 1964 Winter Olympics, and today, ironically enough and I think adding to the sense of tragedy to this unfortunate incident, his grandson Jim is set to compete in the Olympics at Salt Lake City, Utah.

Also ironically, this weekend we will convene in Lake Placid for our annual Congressional Olympic Challenge. Mr. Shea was to serve as our keynote speaker on Saturday night, welcoming Members of Congress and citizens from throughout this Nation to the great Lake Placid and indeed showing them the important history that Mr. Shea was so much a part of and so important to, so much so, Mr. Speaker, that many in Lake Placid referred to Jack as Mr. Lake Placid. His untimely death is made particularly tragic by the loss that we will experience and the loss of his advocacy on behalf of Lake Placid and the Olympic movement. Without Jack there, I can say that there will be just a little bit missing from this weekend. But as Jack would tell us if he were here, the games must go on. The efforts to ensure that the Olympic movement in the United States and indeed throughout the world needs to be made strong. That is why we will embark.

For those reasons, I intend to and will introduce a resolution into this House today to recognize and pay proper tribute to Jack Shea, a great man, a great Olympian and a friend who truly epitomized, Mr. Speaker, the greatness of America, the greatness of the Olympic movement, the greatness of competition in the Olympic movement. We will all dearly miss him. We are all deeply touched and have been deeply touched by his life.

AFGHANISTAN FACING LONG AND DIFFICULT ROAD TO RECOVERY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia (Mr. WOLF) is recognized for 5 minutes.

Mr. WOLF. Mr. Speaker, the gentleman from Ohio (Mr. HALL) and the gentleman from Pennsylvania (Mr. PITTS), both good friends who have really done a lot to help on human rights and hunger and religious freedom issues, and I traveled to Afghanistan and Pakistan from January 2 through 10. After spending 2 days of that trip in Kabul, the capital of Afghanistan, clearly the situation there is desperate. At a later time on the House floor perhaps the gentleman from Ohio, the gentleman from Pennsylvania and I can share in greater detail our observations, but there are some comments I would like to make today.

The issue of security in Afghanistan has to be dealt with immediately. The country is still not safe. We were told there are no low risk areas in the country. Crime in Kabul—banditry and murder—is on the rise. Interim Chairman Harmid Karzai told us that he may ask that outside forces be brought in to provide security not only for the Afghan people but to ensure that humanitarian aid is delivered. The Afghan government will need help with rebuilding an army that is loyal to the central government and an effective police force to maintain order.

The Bush administration is working diligently to help ease tensions between Pakistan and India, and I support that effort. The threat of nuclear war and the potential negative impact a war in the region would have on the United States' war on terrorism demands immediate attention. President Bush and the Secretary of State have done a great job with regard to bringing both India and Pakistan together. If a special envoy would be helpful in the region, I would suggest that be done.

We ought to immediately restore the AID, Agency for International Development, mission in Afghanistan and Pakistan. AID is doing a tremendous job. The Agency for International Development is critical to countries such as Pakistan and Afghanistan to prevent future extremism.

We must do whatever is necessary to defeat terrorism, which means the United States has a responsibility to stay active and involved because the war on terrorism is not a conventional war. It is not only a military fight but an economic, cultural and educational struggle.

Afghanistan and Pakistan are like bookends. Whatever happens to one country happens to the other. Many believe that the West abandoned Afghanistan after it defeated the Soviet Union, and it became a fertile ground for the rise of the Taliban. We cannot walk away again. If we do, we could be back to where we are today.

I would encourage individuals to go and visit Afghanistan to witness this firsthand. The Afghan people are optimistic, they are hopeful, they are looking to see progress. While substantial resources are required immediately, long-term, multiyear funding for development must be secured in addition to what is already available, but not detract from the development and humanitarian assistance given to other parts of the world.

We should continue to encourage and promote cooperation among the states in the region which share an interest in the stability of Afghanistan and be concerned with regard to the fact that the Iranians appear to be moving into Afghanistan in a big way.

Efforts should be made to prevent the drug trade from being increased and to ultimately wipe it out. Ironically, the cultivation of opium was banned under the Taliban but not strictly enforced. I am concerned that drugs may begin to come back in a big way, because, regrettably, for many Afghani farmers, growing opium is a way of making a living. We do not want to see the drug trade reestablished in Afghanistan which then ends up on the streets of the United States and Western countries.

People-to-people diplomacy, without using taxpayer money, hospital to hospital, school to school, civic association, Rotary clubs, Kiwanis clubs, Lions clubs should be encouraged to take on projects.

While there we went into a girls' school. The young girls have not been to school for 5 years. They need supplies. Our schools could adopt those schools, and send pens, pencils, books. Hospitals here could donate medicines, equipment and other supplies. We ought not just be looking for Federal dollars but also for volunteer groups in the West, not only in the United States but in Britain and in other countries, to be involved.

The U.S. business community can also help. Hopefully the Afghan community in the United States will participate and go back and help their colleagues and fellow family members in Afghanistan.

There are a number of other comments that I will make that I will just submit for the RECORD.

I want to close by acknowledging the great job our military have done in Afghanistan and continue to do, the dedicated forces of the Army, Navy, Air Force and Marines.

☐ 1200

I want to acknowledge and salute the thousands of men and women serving in the Nation's Armed Forces in Afghanistan and around the world. I want to salute the State Department personnel in Afghanistan and Pakistan and here in the United States who are working very hard on this issue. They deserve our special thanks.

I also want to thank all of the NGOs, the World Food Programme in particular, working in this region to keep famine from taking place; this is the beginning of the fourth year of a drought. Also Save the Children, Catholic Relief, Church World Services and many other groups are doing an outstanding job.

I also want to thank the American Ambassador, Wendy Chamberlin, and her staff in Pakistan and the staff in the American embassy in Afghanistan.

We will prevail and make sure that Afghanistan never returns to terrorism.

A FRESH LOOK AT THE DISAPPEARING BUDGET SURPLUS

The SPEAKER pro tempore (Mr. SHIMKUS). Under the Speaker's announced policy of January 3, 2001, the gentleman from North Dakota (Mr. POMEROY) is recognized for 60 minutes as the designee of the minority leader.

Mr. POMEROY. Mr. Speaker, well, here we are. It is a new year, we are all back from our districts, from time with our families; and it is time to take a fresh look at where we are as we begin a new legislative Congress.

You know, to many of us things might look very much the same as they did in December when we left; the same people representing the American citizens across the country, largely the same dynamics in place. In fact, with much of the debate that I have heard this week, it is almost like we picked up mid-conversation, even though there has been a period of several weeks where we have been gone.

In one facet, however, there is very sharp difference of reality compared with where we were as we got to town one year ago, and it is trying to explain this significant different development that I will address in the course of my remarks.

What is different? What is different is the Federal budget. One year ago, we looked at tremendous budget surpluses of a historic nature. We were on the cusp of a plan to march toward reducing and then eliminating the debt held by the people of the United States to their Federal Government, eliminating that debt for the first time since Andrew Jackson was President.

We were debating how we might use these surpluses to advance Social Security reform before the baby boomers move into Social Security in the next decade. We were discussing how we might use these surpluses to bring on to the Medicare program a prescriptive drug benefit so desperately needed by so many then and continuing today.

All of these discussions were made possible because of a steady disciplined march toward establishing sound fiscal policy, generating elimination of the annual budget deficit, and then producing these record surpluses. This march began in 1993 with the budget bill passed by one vote in the House, without any participation by the Republican side, I might add, and passed by one vote in the Senate; and it set the course for tackling the deficit.

The course was certainly assisted by the fact that the economy went from a significant recession into a wonderful boom run through the decade; and as the economy grew faster than expectations, the revenues coming into the Federal Government grew faster than expectations.

Now, in the face of good times on a bipartisan level, this Congress held pretty steady with spending. I think Republicans and Democrats alike can take some pride in showing some discipline on the spending side and the contributory role that it had in producing the much brighter budget situation. So as we convened one year ago, we could look at the product of years of hard work, gut-wrenching choices, but take some satisfaction in a job well done. We tackled the deficits and eliminated them. We built surpluses and had actually the prospect before us of eliminating the national debt. What a wonderful legacy for members of my generation, the baby boom generation, to leave for their children.

Well, that was then. Unfortunately, the situation now could not be more different. The 10-year projection from a surplus standpoint was $5.6 trillion a year ago. This year, it has been revised and revised in one of the most significant dramatic reductions ever.

This chart shows the vanishing budget surplus over 10 years, and it truly is staggering: $5.6 trillion projected 1 year ago. Based on the economic forecasting, the slowing economy reduced this $5.6 trillion to $3.3 trillion. The biggest development between those forecasts were the slowing economy and the enactment of a tax cut last May that absolutely committed all of these surplus revenues.

Yesterday, the Congressional Budget Office further reduced the 10-year unified budget surplus to $1.6 trillion. Now, you may say that sounds like a surplus; I thought you were talking about deficits. That counts the Social Security surplus, the Medicare Trust Fund, and the general fund; so on a unified budget basis we are at $1.6 trillion. If you just count the general fund alone, it is deficits for each of the next 10 years.

We have gone back to debt as the way we fund our operations, which means we do not pay for what we spend. We run it up on the tab, and we are going to pass that tab on to our children.

You might wonder how in the world did this happen. I think it is worth understanding where the error occurred so that we might learn from it as we face the difficult policy decisions that we now confront.

This chart shows what I believe was a mistake, a legislative mistake of historic proportion. When we passed the budget bill, which included the President's tax cut, last May, we committed every dollar of budget projection. We left no rainy day fund. We left no room for error. We left no possibility that things would not turn out in anything but the rosy projection that we looked at. We made no room to deal with the slowing economy, and we certainly had no contingency for something as devastating as what hit us with the terrorist attack of September 11. The result was we built a plan that required everything to work perfectly in order to not slide into deficits.

I used to be an insurance commissioner, and there was no way I would let insurance companies price their product in a way that just predicted the rosy upside scenario. The way my constituents work is they deal with reality. Their family budgets are based on the fact that things may not work out perfectly.

Well, we made a bad mistake betting the ranch that the country was going to have a perfect run. It has not had a perfect run, and now you can see the consequences from the reversal of fortune.

This chart shows what has happened as we have gone from the prospect of eliminating the debt and actually developing on a unified basis a budget surplus, to just more deficit spending, continuing the debt at the extraordinarily high levels, driving up interest rates, and leaving a legacy of red ink for our children.

The non-Social Security budget has fallen from $3.1 trillion surplus to $760 billion worth of deficit. Again, according to the Congressional Budget Office, the Federal budget, excluding Social Security, will be in deficit every year between now and 2010.

Again, take a look at this chart. This was our opportunity. We passed a tax cut that is irresponsible in its dimensions. We face a slowing economy. We have a God-awful terrorist attack. Now, as we reconvene 1 year later, we are looking at a sea of red ink from the ongoing deficits that we face.

What are the implications then going forward of these budget deficits? Well, instead of saving the Social Security surplus and taking every dollar coming in on Social Security and paying down the national debt so you have a better fiscal position of the country to meet the Social Security obligations when baby boomers retire, instead of that, we are going to spend more than $700 billion of revenue coming in from Social Security money. We are going to spend that on running the Federal Government, money coming in for Social Security spent on general government spending.

We have seen this before. It is that era of deficits we worked so hard to climb out of, and, dang it all, we are back in the very same mess. Instead of saving the Medicare surplus, leaving us the opportunity to enhance the program, leaving us the opportunity to at least make sure we could meet the existing obligations of the program, all of the $400 billion of Medicare surplus, all of it, is committed right out the door in government spending. It could have been used to pay down the debt, to position the Federal Treasury for when baby boomers retire. Now every nickel is spent on the general spending of government.

Instead of strengthening and adding to Social Security and baby boomers' retirement, we drain the trust funds of hundreds of billions of dollars. Instead of eliminating the publicly held debt, we will pass on to our children under existing projections $2.8 trillion in debt. Instead of paying $600 billion in interest costs, even if we had continued to reduce borrowing at this rate, there was a very large interest cost associated, given the trillions of dollars of national debt that we have. We were projected to spend $600 billion this decade on interest costs alone. That figure now is now $1.6 trillion, a $1 trillion increase in government spending just to pay the interest.

Interest costs do not pave roads, interest costs do not help schools, interest costs do not put forth prescription drug coverage to help our seniors. Interest costs do not do anything. And we have put ourselves in a fiscal position where we are now going to have to spend $1 trillion more in these interest costs over the next 10 years because of the fiscal foolishness of that tax cut, compounded with the difficult circumstances of the recession and terrorist attack.

All of this means that instead of reducing long-term interest rates; allowing you to get a better deal on your home mortgage, allowing businesses structuring long-term debt to operate at significantly lower expense levels, the Federal budget is going to put upward pressure on rates. The markets will know the Federal Government, the big interest hog at the trough, is once more gulping up credit; and it is going to cost more for everybody else relative to long-term lending.

As bad as the situation I have told you is, it is worse, because the Congressional Budget Office did not account for some things that we all know are going to happen; and I will tell you what some of them are.

The President has asked for $18.5 billion to increase homeland security. He announced that just this morning. I will tell you what, I cannot speak for my colleagues, but I am inclined to look very favorably toward the President's request. We have to do what we need to do to get security for the people of this country.

The President also announced yesterday morning a $48 billion increase for defense.

□ 1215

So on top of these figures, $18 billion yesterday, $48 billion today, and that is just in additional expenses announced by the President on homeland security and defense.

The President continues to support, in the face of this red ink, a very expensive economic stimulus bill; whether one will pass or not remains to be seen. The cost to fully fund the recently enacted education bill, not a nickel of it is anticipated under the debt situation I have outlined. We are going to fund that education bill, at least in large part, and it is going to drive this debt situation higher.

We will extend expiring tax breaks, and that is going to drive the debt situation higher. Those of us representing rural America are bound and determined to pass a farm bill so badly needed by our farmers, and that is not included in the CBO budget projections. That means the budget projection is going to be worse on that one as well.

Mr. Speaker, when all of these actions are taken into account, and probably some more as well, the tax bill with many expiring provisions, those are likely to be extended, the alternative minimum tax, which will impact millions of Americans, an additional 35 million Americans will be hit with a tax increase under alternative minimum tax if we do not address that, and that has additional expense as well.

The long and the short of it, then, is that we have gone from surplus and wonderful opportunity to deficits in a single year.

Mr. Speaker, I say to my colleagues, we have to come to grips with this new fiscal reality as we start looking at what is to be accomplished with this Congress this year. We have to understand that any stimulus bill is going to be funded 100 percent from revenue coming in for Social Security. We have to understand that we are going to drive the deficit situation worse. As we look at these new spending areas, including those outlined by the President or those championed by many Members of the House, we have to understand that they are funded on debt and that we are basically sticking our children with the tab. We have to have a whole new dimension of fiscal responsibility, because the sunny days of surplus are behind us and the damnably dark days of deficits are once again with us.

I see a couple of colleagues that have joined me on the House floor, and each of them I have had the pleasure of working with on budget matters. I recognize at this time the gentleman from Pennsylvania (Mr. HOEFFEL), my friend and colleague.

Mr. HOEFFEL. Mr. Speaker, I thank the gentleman. I want to compliment the gentleman for organizing this Special Order and for his leadership on budget matters. The gentleman from North Dakota (Mr. POMEROY) has lead the charge for fiscal responsibility and restraint in Congress for many years before I got here. I am proud to stand with him today to add my voice to those who are extremely alarmed by the budget problem, the budget crisis that we find ourselves in.

The charts that the gentleman has been describing, the points that he has made in his presentation, point out in crystal clear fashion the huge budget problem we are now faced with. We have burned through $4 trillion of an estimated surplus that was projected a year ago at a total of $5.7 trillion. Now the Congressional Budget Office says the surplus for the next 10 years is just $1.7 trillion; $4 trillion is gone from the projections due to war, due to recession, and due to tax cuts, those three reasons.

The President, the White House and the Congressional Members of the Republican Party are very sensitive to the notion that the tax cut may be responsible for this loss of surplus and the return of budgetary deficits. They are correct that it is not the only reason, and it is wrong for anybody to suggest that the big tax cut of last summer that will cost $1.7 trillion over 10 years, that is not the reason that deficits have returned. But we cut it too close to the bone. We did not allow for the unforeseen. We said at the time a tax cut that large, if the economy leveled off, could push us close to deficit spending again, but we did not anticipate that the economy would actually go into the recession that we are still in. Certainly nobody could anticipate the war that we are in after September 11 and the huge amounts of spending that we all agree need to be spent to improve our homeland security and to prosecute the war on terror.

So because of war and recession and a tax cut that was too big and too gimmicky and too much favoring the wealthy, we have burned through $4 trillion of a surplus projection that was after all just a projection. It is not going to come true. We now have a very real government deficit, a budget deficit. This current fiscal year, and for at least the next 2 years, we are back into deficit spending.

Now, what is wrong with that? Is there anything wrong with deficit spending? Does it matter to people that we are no longer continuing with balanced national budgets that we enjoyed for 3 years? Does it matter that we are now once again borrowing money to pay for ongoing government operating expenses? I think it matters very, very much.

It is bad for the government to borrow. I mean it is just a bad policy. We should pay our own way. We should balance revenue and expenditures. We should not borrow money because it means we are going into debt and we have to repay that money. It is bad to allow the government debt to increase. We have been accumulating debt for 200 and some years. We quadrupled our level of debt during the Reagan and Bush years. During the Clinton years that debt was actually reducing as we balanced the budget and ran surpluses for 3 years. But now we will go back to increasing the government debt, a debt that our children and grandchildren will have to pay. It increases our annual interest payments on that debt.

The gentleman from North Dakota (Mr. POMEROY) just pointed out correctly that we now have $1 trillion of increased interest payments over the next 10 years on our new borrowing. Paying interest on a debt is legally necessary. It is also the most unproductive thing we can do with Federal money. It does not buy a tank, it does not pave a road, it does not educate a child or provide prescription drugs for anybody; it is paying off legally-obligated interest payments to the people that lend us money. It is a bad position to be caught in and we do not want to be increasing our interest payments, but we will if we continue down the road toward government deficits.

We will also be increasing the interest rates that consumers have to pay. When consumers borrow for a house or for a college education or to buy a car, when we are borrowing money, when the Federal Government is in the private markets borrowing money, we are pushing up long-term interest rates and increasing the interest that consumers have to pay on their personal debt. It is a very bad practice.

But perhaps the worst is we are breaking our promise to stop borrowing from the Social Security and Medicare Trust Funds, because that is the first place we will go. When we start running deficits and borrowing money, the first place we will go is to borrow even more, a practice that we stopped, from the Social Security Trust Fund and the Medicare Trust Fund.

Now, that money will be paid back. We are not stealing the money, and seniors should not be alarmed about that. But it is a bad practice. We should not continue to borrow from those trust funds. That is not why they are there. All of this is going to result from the deficit spending that we are facing.

We have a war, we have a recession, and we have big tax cuts. We need fiscal responsibility. We do not need fiscal denial. We need both political parties, both Houses of Congress, and the White House to face reality and to make some tough decisions and to be honest with ourselves, honest with our colleagues, and honest with our constituents about what we need to do.

Some people, for example, have called for a tax freeze. It is a proposal I favor. There is certainly not consensus on this at this point. One of the most distressing things about this notion is the response we hear from the White House and Republican colleagues that that is a tax increase, that Democrats are dying to increase taxes. Nobody is for that. Nobody is talking about raising taxes. I am not sure, I say to the gentleman, what it is about the word "freeze" that our colleagues do not understand. A tax freeze is not a tax increase. A tax freeze is a tax freeze. It means holding things in place. Why is that something we should consider? Because we do not know yet what it is going to cost to win the war on terror.

The President is going to ask for a 15 percent increase in the defense budget next year. We are all going to vote for that, or something close to what the President is recommending, because we have to win that war on terror. But we do not know over the next 10 years what the cost is going to be. We do not know what it is going to cost to improve homeland security. Hundreds of billions of dollars need to be spent in the next couple of years alone on improving homeland security. We do not know what that cost will be.

Should we not take a time-out? Should we not determine what our future costs are? Should we not factor in what it is going to take to address health care needs and public education needs? What about our desire to add prescription drugs to Medicare? Everybody wants to do that and we need to do it to keep faith with seniors, but it is going to cost a lot of money.

Mr. Speaker, I would suggest we consider a wartime tax freeze, because that is what we are in. In the Second World War, the United States increased taxes 500 percent, a factor of 5. Nobody is talking about a tax increase now. But that is what had to be done in the Second World War, and we still fell into debt as a result of that war.

We must be fiscally responsible. We must do the right thing by the taxpayers. We must avoid government debt. We must avoid increasing our interest payments. We must avoid crowding out private sector dollars which then increases interest rates that consumers must pay. We must avoid borrowing more from the Social Security Trust Fund and the Medicare Trust Fund. We need to be fiscally responsible. That is why we are sent here. That is what we have to do.

I thank the gentleman for his leadership. I join with him in this enterprise. I am glad to be standing shoulder to shoulder with the gentleman.

Mr. POMEROY. Mr. Speaker, I thank the gentleman for his comments, and I very much appreciate his ongoing leadership on budget issues. They are at the core.

I have a chart which illustrates the point the gentleman was making about how did we get in this hole? We have to be candid about assessing what happened because that is how we are going to learn how to go forward. This part, looking out 10 years, is lost revenue due to the tax cut. So as we can see, the tax cut played a very major role in this sharp change in the fiscal fortune of our country. It certainly was not the only factor. The green shows the effect of the slowing economy. We slipped into a recession, and that has certainly made a bad situation worse. The blue and the purple underscore additional adjustments, including expenditures that will be made, not anticipated, in the budget forecast.

Combine all of these and we see that the Republican tax cut was perhaps the largest driver in putting us back into deficits, but it has been joined by a number of other considerations as well. It just goes to prove the point, we do not bet the ranch on everything working out perfectly. The budget bill did, and things have not worked perfectly, and now we have deficits to work with as a result.

I see that the gentleman from North Carolina (Mr. PRICE), my cochair of the Democratic Budget Group, has joined me on the floor. I do not think the body has a more astute student of the budget than the gentleman from North Carolina, and I yield to him for his comments at this time.

Mr. PRICE of North Carolina. Mr. Speaker, I thank the gentleman for yielding. I want to commend the gentleman from Pennsylvania (Mr. HOEFFEL), one of our colleagues who is most attentive to the budget process, for his statement. And I certainly want to thank my friend and colleague, the gentleman from North Dakota (Mr. POMEROY), an outstanding member of the Committee on Ways and Means, with whom I cochair the Democratic Budget Group. We meet every Wednesday morning and go over the sometimes arcane budget figures that we are dealing with. Those figures now are coming to life as we understand how much things have changed in this past year and as we stop and see what these figures portend for our country's fiscal solvency and the kinds of things we need to do over the next 10 years.

□ 1230

These are figures we must attend to, and I commend my colleague for taking out this Special Order today to focus on our fiscal situation.

A year ago we were looking at a unified budget surplus over the next 10 years of $5.6 trillion. Today that figure has been reduced to $1.6 trillion.

I would just like to ask my colleague to elaborate on the fact that this is actually an optimistic figure, this $1.6 trillion. Is it not true that it does not include the likely extension of certain popular tax credits like the research and development tax credit, as well as the repair of the alternative minimum tax that we all know is going to have to take place unless many, many middle-income people are going to run up against that tax?

It does not include the farm bill that is likely to pass in this Congress. It does not include the defense and homeland security requests that are going to be coming from the President and that we are going to want to support. None of that is included in this estimate.

So when we say that the surplus is now only $1.6 trillion, that is actually an optimistic estimate. If we do all these things, then we are looking at a figure that is considerably lower. The figure that is now $1.6 trillion could go well under $1 trillion, something like $700 billion dollars or $800 billion. And natural disasters are not, I believe, in the mix either, the normal expenditures we make for recovery and relief after natural disasters.

So the figure we are looking at is really a best-case scenario. Yet, how much worse it is than what we thought we were facing just a year ago!

Mr. POMEROY. Mr. Speaker, reclaiming my time, I thank the gentleman for his comments. The Congressional Budget Office I think did a good piece of work in their analysis which was published yesterday forecasting the loss of the surplus, the 10-year run into deficit that we will now have.

They, however, in their forecasting, are bound to very formalized models, and these models cannot capture some of the extraordinarily likely and, in fact, inevitable actions that this Congress will take.

Let us just review them again. First, $18.5 billion announced by the President this morning in homeland defense is likely to be added to the tab; next, $48 billion announced yesterday for defense, certainly likely to be added to the tab; $73 billion presently in the farm bill budget commitment likely to be added to the tab. That is on the spending side.

Are we going to do anything to fund the education bill we have just passed with such fanfare? You bet we are going to spend some money there. That is an addition on the spending side.

Then there is the tax side, because there are tax issues that simply have to be addressed, tax cuts that have to be advanced. These include extending the tax cuts that were time-limited and expired at the end of the last year. They include fixing the alternative minimum tax so that 35 million Americans do not find that they are seeing their taxes on the one hand go down under their existing tax form, but the alternative minimum tax raising significantly their tax liability on the other hand. We are going to fix that. It is going to be expensive to fix that. That is in addition to all of this.

I actually believe that on a unified budget basis, which means all the revenues of the general fund, all the revenues coming in from Medicare and all the revenues of Social Security will be committed and spent and exceeded if we do not sober up to this new fiscal reality and collectively work together to address it.

I have been disappointed in my time in this body at the very small common ground we can find between the partisan aisle. One area where I would have thought we might have found common ground is that red ink is bad, balancing the budget is good. We have seen this attacked, frankly, on both sides of the aisle, but attacked most vigorously by the Republican tax cut that passed last May.

Last year is last year; what is done is done. But let us understand what happened as a result of that action and move together to fix it. We have got to reject that we are going to languish for the next 10 years in deficits, because our children will pay a terrible price if we act so irresponsibly as to run government on the red ink.

Mr. PRICE of North Carolina. If the gentleman will continue to yield, here, too, we are talking about a best-case projection. The figures that we have from the Congressional Budget Office suggest that the Republican tax act, including interest, is going to cost $1.7 trillion over the next 10 years. That is 41 percent of the reduction in the surplus that we are talking about.

As the gentleman has stressed, there are other factors that reduce the surplus. There is the war on terrorism; there is the declining economy. But the most important factor is the Republican tax act; and as the gentleman knows, there are some very unrealistic sunset provisions in that Republican tax act; assuming, for example, that the estate tax comes back online full force in 2011. We know that is not going to happen.

So the figures that we have been given show that if that tax act does not sunset, if it in fact stays in effect, then we should add another $400 billion to the tab. What it costs over this period will go to something like $2.1 trillion. So this is, again, a conservative estimate of the kind of burden that we are going to bear.

Let me now refer to the gentleman's chart dealing with the national debt. It was only a year ago that the Congressional Budget Office was estimating that the debt held by the public would essentially be bought down, or that all of it that could be redeemed would be redeemed, by about 2006. CBO was also estimating that the publicly held debt would essentially be wiped out by 2008.

Again, what a difference a year makes. That debate we were having a year ago, about how much of the debt we could realistically hope to buy down on favorable terms, seems like a very quaint debate right now, because we are in a different world, fiscally.

Dr. Crippen, the director of the Congressional Budget Office, in our hearing before the Committee on the Budget yesterday, confirmed that what we are now looking at by 2006 is not buying down the redeemable debt but buying down a very small fraction of the redeemable debt and leaving something like $3 trillion in publicly held debt in place. By 2008, the debt will still be in the neighborhood of $3 trillion.

What, I asked him, are we foregoing by failing to buy down this debt? Of course, our colleague, the gentleman from Pennsylvania, focused on one aspect of the answer, and that is that we are going to be paying an additional $1 trillion in debt service. If there ever was money down the rathole, it is that money we pay in debt service, $1 trillion more than was estimated a year ago. Think of the more productive public and private investments that those funds could be going into. Yet it is going into debt service.

In addition, we are not going to be paying down nearly the amount of publicly held debt we need to pay down in order to be in a position in the next decade to meet our obligations to Social Security and Medicare. We are building up assets in the Social Security Trust Fund at present, but we are going to need to redeem those bonds as the cash flow in Social Security reverses and the baby boomers retire.

The best way we can today be preparing to meet those obligations is to be getting rid of that publicly held debt and that annual burden of debt service. That is exactly what we are going to be unable to do unless we get hold of our fiscal situation and maintain a disciplined and systematic schedule of debt reduction, to remove this burden and get in a position to meet those obligations to Social Security when the bill comes due.

So I thank the gentleman for focusing on this. The opportunity costs for Social Security are obvious, because this is an obligation we are going to have to meet. There are also other costs. We need to add a prescription drug benefit to Medicare. That is a very expensive proposition; yet there is nothing more important to modernizing Medicare and meeting the health needs of our senior citizens than making that prescription drug benefit a central part of Medicare, available to any beneficiary who wants it. Yet I do not need to tell my colleagues that the fiscal situation we are describing here today is going to make it ever so much more difficult to meet that obligation.

Again, I thank my colleague for focusing on this fiscal situation. We have a job to do in, first of all, telling the truth about this budget and making certain that we have a common understanding here of the situation we face.

After all, both parties have counted on this surplus. Both parties have pledged their fealty to the Social Security and Medicare Trust Funds and have said that we are going to reserve those Social Security revenues for paying down debt and for ensuring the future of Social Security. We have counted on these revenues, and now they are going to be borrowed to pay for the President's tax cut.

We have a job to do in being truthful about the situation that we face, and together, one would hope in a bipartisan way, figuring out how to maintain fiscal responsibility and maintain our commitment to Social Security. We must begin now to formulate a responsible budget that will preserve our solvency and our fiscal options for years to come.

So I thank the gentleman for his leadership and for the very sobering information he has presented here today.

Mr. POMEROY. I thank my colleague, reclaiming my time, Mr. Speaker, for his very thoughtful comments.

The newspapers today carried a discussion about how the stimulus package will be put together. We also have to acknowledge this stimulus package is all funded from the debt. We have shown the Members where the surplus has gone, so any stimulus passed is debt-funded. That means it has to be put together in a way that really makes it worthwhile in terms of addressing the economic slowdown, because otherwise we are just running up the tab some more.

When we are in a hole, the best way to try and reverse it is to first stop digging, and passing a stimulus package on the debt reflects more digging. The majority proposal embraced by the President, pursuing an agenda of permanent tax breaks which go mostly to the affluent, and addressing the corporate AMT repeal, would have the least bang for the buck and do the least to stimulate the economy, even though it would cost the budget and continue to be funded, again, from the debt.

This budget business can get pretty arcane. We are challenged sometimes to get Members to focus on the long-term debt, even while they think about something as exciting as passing a new stimulus bill, spending more money, passing another tax cut. I think Members as a collective body here in Congress need to really evaluate how American families conduct themselves. We ought to try and follow the example of American families.

The people I represent are concerned about putting together something that they might pass on to the children. They do not, in their elderly years, try and run up their credit cards, double-mortgage the home, roar a bunch of debt up that will ultimate be a burden on their children when they are gone. Far from it. They do not want anything about how they have conducted themselves to fall as a burden on their children. That is how families conduct themselves.

How have we conducted ourselves in management of the Federal Government? Let us look again at this chart.

We were on a path to pay off the national debt. We were even on a path to leave something in a positive balance, leaving something for our children. Last year came and last year went, and now the situation is totally different: red ink as far as the eye can see. We are going to leave our children debt. We are running up the debt before we pass on this country to our children.

If we do not come squarely to terms that that is not the thing to do, that we owe our children more than that, we are going to have a hellacious debt that they will have that will limit the dimensions this great country of ours will be during their lifetimes when we are gone.

I yield to my friend and colleague, the gentleman from New Jersey (Mr. HOLT), for his comments on this issue.

Mr. HOLT. Mr. Speaker, as a member of the Committee on the Budget, I really want to commend my colleague, the gentleman from North Dakota. I sense some animation in his voice right now as he is getting into this. There should be outrage throughout the country because of what is happening here.

A year ago, as the gentleman pointed out so well, we were arguing about how rapidly we could pay down the debt. Now, as the gentleman points out so well, we will be, and our descendants will be, saddled with the debt and the interest that goes with that.

The other side will say that this is because of the economic downturn and cyclic factors; and, indeed, there are some things that happened that perhaps were not fully foreseeable. The economic downturn was worse than people imagined, the war on terrorism has descended on us now, and we have obligations.

But when we had the budget before us last year, some of us said: build a cushion into the budget for this kind of unforeseen thing. So some of what happened was beyond our control, but some of it was very much the work of the leadership and the leadership of the Committee on the Budget for putting in place a tax cut that put us on this path so that we cannot at the current rate pay down the debt.

□ 1245

Mr. HOLT. And the reason we should be outraged about this is that this is not some financial technicality. This is money out of the pocket of any American, any American who has student loans, any American who borrows to buy a combine, any American who has a mortgage, any American who does anything involving interest. And so this is not just a financial technicality. This is bread and butter for Americans. And the sooner we can shape up and get back on a path to pay down the national debt, the better will be the financial situation of all Americans. And we start by telling the truth.

I commend my colleague from North Dakota (Mr. POMEROY) for telling the truth. His numbers hold up. They are clear and accurate. We have heard our colleague, the gentleman from South Carolina (Mr. SPRATT), the ranking Democratic member of the Committee on the Budget go through these. And one thing I have learned through my years here in Congress, do not pretend to know more about numbers, budget numbers, than the gentleman from South Carolina (Mr. SPRATT). He knows them well.

He has shown how we have gotten onto this path. And in order to get off of this path so that we can begin to pay down the debt, the first thing we have got to do is be honest with the numbers. I commend the gentleman for doing it. He has laid it out so very clearly.

Mr. POMEROY. Mr. Speaker, I thank my colleague, and as a member of the Committee on the Budget, he has a very important role because we have got to get this debt under control. I appreciate his very intelligent, committed approach to this central question of the government. Will we or will we not pay for the operations that we fund? If we do not, our children will, and that is simply not fair. I very much appreciate his observations.

Mr. Speaker, I yield to the gentleman.

Mr. HOLT. Just a brief comment. While we were standing here talking, I was pleased to observe that we have done something else that is important to restoring trust to our process here in Congress, trust to the very idea of Americans being able to govern ourselves. And, that is we have picked up, I believe, the last signature, a Democratic member, a member of our party, signed the discharged petition to bring campaign finance reform to the floor for a vote. This is a historic step. It happened even as we spoke right here and I am pleased to acknowledge it.

Mr. POMEROY. Reclaiming my time, the gentleman has made an important announcement. The discharge petition for campaign finance reform has hit the mark; 218 Members have signed it and this bill will now come to the House floor. This is a tremendous achievement for this body.

At a time when the country is sickened by what has happened with the Enron Corporation and is looking carefully, as we all are, at what political shenanigans occurred in the process of this bankruptcy, this large company using phony books and pouring tens of thousands of dollars into the political system, the hue and the cry, enough is enough, address campaign finance reform grew louder and louder and louder.

We have been stymied by a very determined Republican majority leadership that has done everything possible to keep the body from joining the Senate in passing campaign finance reform. And yet, tirelessly the work went on to get the signatures. We have a provision that majority rules around here. And when you have got most of the Members to sign a discharge petition to bring something to the floor it comes to the floor whether the majority leadership likes it or whether they do not.

Just now, moments ago, very important signatures of the last remaining Members were placed onto the campaign finance reform discharge petition. 218 signatures were reached. This bill will come to the House floor. The House will act like the Senate will act and we will send to the President a campaign finance reform bill.

I yield with this happy news to my colleague from Maine (Mr. ALLEN), who has been a leader in the effort to get campaign finance reform.

Mr. ALLEN. Mr. Speaker, I thank the gentleman. This is a very important day. As the gentleman mentioned, for a very long time now the House leadership has fought to prevent campaign finance reform coming to the floor under a set of rules that would be fair and appropriate. But today with the gaining of the final signature, we reached 218 signatures on this discharge petition. We know that that legislation, the Shays-Meehan bill, will come to the floor. I think a lot of credit goes to the gentleman from Massachusetts (Mr. MEEHAN), the Democrat who has been pushing this bill for a long time, and to the gentleman from Connecticut (Mr. SHAYS), the Republican who has worked tirelessly to make this a possibility. Against the leadership of his own party, he has worked extraordinarily hard to make this happen.

Most of the signatures on that petition are Democratic signatures, but there are some Republicans who are willing to stand up to their leadership and say that the time for campaign finance reform has come. It is embodied by the Shays-Meehan bill, a bill which has already passed the United States Senate under the name the McCain-Feingold bill. And now we will have a chance, the leadership cannot deny us a chance any more to vote on this legislation. So it is a great day, and that certainly will be the big story.

But let me come back, I want to make a couple of comments about the budget.

Mr. POMEROY. Reclaiming my time for a minute just before we leave this wonderful breaking news, we have got to credit the minority leadership for their role in getting the signatures. We do not have a majority here on the Democrat side, so we surely would not hit the target without some very brave participation from the Republican side of the aisle. And, after all, the very name McCain-Feingold represents on the bill that passed the Senate it is a bipartisan provision there. It ought to be a bipartisan provision here. But what our leadership had to encounter was a very different posture from the majority leadership.

We believe the time came for campaign finance reform and the gentleman from Missouri (Mr. GEPHARDT) drove it as hard as he could. He has met the absolutely unyielding opposition, to even allow for a vote by majority leadership, the idea of campaign finance reform. I did not fault them for opposing it, but at least let us vote. The people want campaign finance reform. Let us vote. They did everything they could to stop it, but finally the people will have their way. This House gets to vote on campaign finance reform. And I applaud every single Member that put their signature on that discharge petition. This was not to be denied and now it no longer will be.

Mr. Speaker, I yield to the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, this is a great development. We have to say that maybe finally with the collapse of Enron there is a recognition in this country that big money and politics is not a combination that is healthy for ordinary Americans, and I hope that we can change that.

Mr. Speaker, I wanted to make just a couple of comments about the budget. I have not been here for the whole debate, but I wanted to say that those of us last year who said over and over again as the President rushed this enormous tax cut through the Senate and through the House, we said this is a reckless proposition. It is an irresponsible proposition because it leaves no room for error, no room for error. They were making the assumption, in fact, the gentleman may have a chart available there that shows how the tax cut basically over the next 5 years would simply eat up, and that is the chart I was referring to, would eat up all of the non-Social Security, non-Medicare surplus. That really is what did the damage. And though certainly other factors have come into play since then, that you need to spend more money to defeat the terrorist network, the decline in the economy, it was that miscalculation that really was the more serious mistake.

I do not know whether others have mentioned it, but right now as a result of a downturn in the economy, virtually every State in this country is facing a State budget shortfall and all of the stimulus packages which came before the House and the Senate late last year, all of them would have made the predicament of our State governments much worse.

In my home State of Maine, it does not matter what the proposal was, we have been faced with a $250 million shortfall over the next 2 years. And all of the stimulus packages were designed in such a way as to make that situation worse. The basic problem is that when you change Federal tax law, State tax law changes automatically in 44 of the States. And when we act here, it is very important that we keep in mind our colleagues in State government who are trying desperately to protect Medicaid, education funds, all of those things that State governments do, and do so well.

Mr. POMEROY. I appreciate very much the gentleman's comments, as well as his ongoing participation in the Budget Group and his advocacy for sound fiscal policies in this country.

Mr. Speaker, I yield the balance of my time, about 4 minutes remaining as our time is expiring, to the gentleman from Texas (Mr. STENHOLM), who year in and year out has been the leading proponent for balanced budgets and sound fiscal policy. I am very pleased he has joined me for the conclusion of the special order, and I yield to the gentleman at this time.

Mr. STENHOLM. Mr. Speaker, I thank the gentleman for yielding, and I apologize for being a little bit late.

I want to commend the gentleman for beginning this discussion, one which I predict we will see day after day after day now talking about the economic situation facing our country.

The gentleman has joined me, as I joined him last year, in pointing out that there were perhaps some better ways to go about our economic planning, that we should have first, last year, fixed Social Security for the future. We should have fixed Medicare and Medicaid. We should have sat down and had open and honest discussions and debate and then votes on the floor of the House as to how we should provide for the future of Social Security, and how we should provide for the current future of Medicare and Medicaid. Most of our rural hospitals and now urban hospitals are facing the problems that we have created by nonaction or by passing an economic game plan that has now got us into the predicament we are now in less than 12 months after we stood on this floor.

I stood where the gentleman now stands and I looked at my friends on the other side of the aisle and said I disagree with you, but I hope you are right. And I sincerely did hope they were right, because the country would have been much better off had they been right. But then September 11 comes along and we had an unforeseen circumstance. We also now know we are in a recession, all of which had a major effect on the short-term implications of the budget.

But the economic game plan we are under for the next 10 years also has had a major implication, and one in which we are now going to have to have serious and open and honest discussion about where do we go. We cannot undo what we have not done. We should have dealt with Social Security first, we should have dealt with Medicare and Medicaid first. The leaders of this House on that side of the aisle chose not to do that. They chose to put in place an economic game plan that will now require us, this House, to increase the national debt limit from $5.95 trillion to $6.7 trillion sometime next month or the month after. We cannot escape from that.

Mr. Speaker, I will yield back at this point. I look forward to participating in the future with the gentleman and others as we talk about and hopefully can have some more honest debate on this subject.

Mr. POMEROY. Mr. Speaker, I thank the gentleman very much for his comments and even more for his ongoing leadership. We have major work ahead of us trying to once again dig out of the hole that we put ourselves into, and I appreciate working with him.

Finally, Mr. Speaker, with about 2½ minutes remaining, I would yield the balance of the time to the other gentleman from Texas (Mr. DOGGETT) that has joined us, an excellent colleague of mine on the Committee on Ways and Means.

Mr. DOGGETT. Mr. Speaker, I thank the gentleman from North Dakota (Mr. POMEROY). I appreciate the leadership he has shown on this and in our committee.

Let me take this opportunity to discus the link between the two subjects that the gentleman has been discussing: the mess we have with growing amounts of red ink in the budget and the mess we have with special interest money here in Washington.

Today is truly historic. During my entire career in Congress no one has succeeded in securing the signature of 218 members on a petition to discharge a bill for the House to act on. Since 1993, it has just not happened, and rarely has it happened in the entire history of this Congress.

□ 1300

Today, this historic step is taken; and it is closely related to what we have been talking about this last hour, because the reason we confront much of this mess is a direct result of special favors purchased by special interest lobbyists who come up here to avoid paying their fair share of taxes and ask to be treated in a different way than all the rest of us. We saw one after another approved last year, one after another being considered this year, cloaked under the term "economic stimulus." Enron, for example, paid no taxes and gave more in "soft money," banned by our reform bill, than all of its contributions to House and Senate candidates combined.

We can do something about the entire agenda of this Congress by approving this campaign finance bill. I want at this time to call under the discharge petition and applicable House rules for a full and fair debate of campaign finance on February 11, the second Monday of the month. I call on the Speaker, the gentleman from Illinois (Mr. HASTERT); the majority leader, the gentleman from Texas (Mr. ARMEY); and the majority whip, the gentleman from Texas (Mr. DELAY), even though they are 100 percent against campaign finance reform, to immediately schedule the House in session on the second Monday in February. The House has spoken: "Delay no more."

I also want to take this opportunity to pay tribute to our new whip, the gentlewoman from California (Ms. PELOSI). She is doing a wonderful job; and while many people deserve some credit, certainly the decision of these fine individuals who have come forward and signed, I believe it would not have happened without the leadership of the gentlewoman from California (Ms. PELOSI). She is reinvigorating our caucus. It is appropriate that we see the first indication of her new leadership in the fact that we have joined together and are ready to cooperate with our Republican colleagues to make genuine reform a reality.

I thank the gentleman from North Dakota (Mr. POMEROY) for his leadership and Ms. PELOSI for her crucial leadership because now that the House has forced the Republican leadership to schedule debate, as set forth in the discharge petition, it is essential that we work together to prevent those who have obstructed campaign finance reform for so long from further delays. Those responsible for delay are so wedded to the same special interests that are creating the budget mess that we have. We must work together to ensure that this reform is enacted immediately because genuine campaign finance reform is connected to every other issue—Social Security, cleaning up the Enron mess, creating a fair tax system, and setting the Pentagon's budget—the Congress will consider this year.

THE CASE FOR DEFENDING AMERICA

The SPEAKER pro tempore (Mr. AKIN). Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. PAUL) is recognized for 60 minutes as the designee of the majority leader.

DISCHARGE PETITION ON CAMPAIGN FINANCE REFORM

Mr. PAUL. Mr. Speaker, before I get into my Special Order that deals with foreign policy, in which I make the case for defending America, I would like to make a few comments about the campaign finance reform and the discharge petition that was just mentioned by our previous colleagues.

I do not share the enthusiasm that they do about bringing such a bill to the floor. I certainly do not share the enthusiasm of passing such legislation, because it sets us backwards if our goal here is to defend liberty and minimize the size of government.

The one thing I agree with him entirely on is that the problem exists. There is no doubt there is a huge influence of money here in Washington, and even in my prepared statement I mention how corporations influence our foreign policy and that something ought to be done about it; but campaign finance reform goes in exactly the wrong direction. It just means more regulations, more controls, telling the American people how they can spend their money and how they can lobby Congress and how they can campaign. That is not the problem.

The problem is that we have Members of Congress that yield to the temptation and influence of money. If we had enough Members around here that did not yield to the temptation, we would not have to have campaign finance reform, we would not have to regulate money, we would not have to undermine the first amendment, and we would not have to undermine the Constitution in that effort.

I agree we have a problem, but I believe the resistance could be here without much change. The ultimate solution to the need for campaign finance reform comes only when we have a constitutional-type government, where government is not doing the things they should be doing. There is a logical incentive for corporations and many individuals to come to Washington, because they can buy influence and buy benefits and buy contracts. The government was never meant to do that.

The government was set up to protect liberty, and yet we have devised a system here where money talks and it is important; but let me tell my colleagues one thing, the Campaign Finance Reform Act that is coming down the pike will do nothing to solve the problem and will do a lot to undermine our freedoms, a lot to undermine the first amendment and do nothing to preserve the Constitution.

My Special Order, as I said, has to do with foreign policy. It is entitled "The Case for Defending America." As we begin this new legislative session, we cannot avoid reflecting on this past year. All Americans will remember the moment and place when tragedy hit us on September 11. We also know that a good philosophy to follow is to turn adversity into something positive, if at all possible.

Although we have suffered for years from a flawed foreign policy and we were already in a recession before the attacks, the severity of these events has forced many of us to reassess our foreign and domestic policies. Hopefully, positive changes will come of this.

It is just as well that the economy was already in a recession for 6 months prior to the September attacks. Otherwise the temptation would have been too great to blame the attacks for the weak economy rather than look for the government policies responsible for the recession. Terrorist attacks alone, no matter how disruptive, could never be the source of a significant economic downturn.

A major debate over foreign policy has naturally resulted from this crisis. Dealing with the shortcomings of our policies of the past is essential. We were spending $40 billion a year on intelligence gathering. That, we must admit, failed. This tells us a problem exists. There are shortcomings with our $320 billion DOD budget that did not provide the protection Americans expect. Obviously, a proper response to the terrorists requires sound judgment in order to prevent further suffering of the innocent or foolishly bringing about a worldwide conflict.

One of the key responsibilities of the Federal Government in providing for national defense is protection of liberty here at home. Unwisely responding to the attacks could undermine our national defense while threatening our liberties.

What we have done so far since last September is not very reassuring. What we do here in the Congress in the coming months may well determine the survival of our Republic. Fear and insecurity must not drive our policy. Sacrificing personal liberty should never be an option. Involving ourselves in every complex conflict around the globe hardly enhances our national security.

The special interests that were already lined up at the public trough should not be permitted to use the ongoing crisis as an opportunity to demand even more benefits. Let us all remember why the U.S. Congress was established, what our responsibilities are, and what our oath of office means.

It has been reported that since the 9–11 attacks, Big Government answers have gained in popularity and people fearful for their security have looked to the Federal Government for help. Polls indicate that acceptance of government solutions to our problems is at the highest level in decades. This may be true to some degree, or it may merely reflect the sentiments of the moment or even the way the questions were asked. Only time will tell. Since the welfare state is no more viable in the long run than a communist or fascist state, most Americans will eventually realize the fallacy of depending on the government for economic security and know that personal liberty should not be sacrificed out of fear.

Even with this massive rush to embrace all the bailouts offered up by Washington, a growing number of Americans are rightfully offended by the enormity of it all and annoyed that powerful and wealthy special interests seem to be getting the bulk of the benefits.

In one area, though, a very healthy reaction has occurred. Almost all Americans, especially those still flying commercial airlines, now know that they have a personal responsibility to react to any threat on any flight. Passengers have responded magnificently. Most people recognize that armed citizens best protect our homes because it is impossible for the police to be everywhere and prevent crimes from happening. A homeowner's ability to defend himself serves as a strong deterrent.

Our government's ridiculous policy regarding airline safety and prohibiting guns on airplanes has indoctrinated us all, pilots, passengers and airline owners, to believe we should never resist hijackers. This sets up perfect conditions for terrorists to take over domestic flights just as they did on September 11.

The people of this country now realize more than ever their own responsibility for personal self-defense, using guns if necessary. The anti-gun fanatics have been very quiet since 9–11, and more Americans are ready to assume responsibility for their own safety than ever before. This is all good.

Sadly, the Congress went in the opposite direction in providing safety on commercial flights. Pilots are not carrying guns, and security has been socialized in spite of the fact that security procedures authorized by the FAA prior to 9–11 were not compromised. The problem did not come from failure to follow the FAA rules. The problem resulted from precisely following FAA rules. No wonder so many Americans were wisely assuming they better be ready to protect themselves when necessary.

This attitude is healthy, practical, and legal under the Constitution. Unfortunately, too many people who have come to this conclusion still cling to the notion that economic security is a responsibility of the U.S. Government. That, of course, is the reason we have a $2 trillion annual budget and a growing $6 trillion national debt.

Another positive result of last year's attack was the uniting of many Americans in an effort to deal with many problems this country faces. This applies more to the people who reflect true patriotism than it does to some of the politicians and special interests who took advantage of this situation. If this renewed energy and sense of unity could be channeled correctly, much good could come of it, if misdirected, actual harm would result.

Give less credit to the Washington politicians who sing the songs of patriotism but used the crisis to pursue their endless personal goal to gain more political power; but the greatest combination should be directed toward the special interests' lobbyists who finance the politicians in order to secure their power by using patriotism as a cover and a crisis as a golden opportunity. Indeed, those who are using the crisis to promote their own agenda are many. There is no doubt, as many have pointed out, our country changed dramatically with the horror that hit us on 9–11.

The changes obviously are a result of something other than the tragic loss of over 3,900 people. We kill that many people every month on our government highways. We lost 60,000 young people in the Vietnam War; yet the sense of fear in our country then was not the same as it is today. The major difference is that last year's attacks made us feel vulnerable because it was clear that our Federal Government had failed in its responsibility to provide defense against such an assault, and the anthrax scare certainly did not help to diminish that fear.

Giving up our civil liberties has made us feel even less safe from our own government's intrusion in our lives. The two seem to be in conflict. How can we be safer from outside threats while making ourselves more exposed to our own government's threat to our liberty? The most significant and dangerous result of last year's attacks has been the bold expansion of the Federal police state in our enhanced international role as the world's policeman. Although most of the legislation pushing the enhanced domestic and international role for our government passed by huge majorities, I am convinced that the people's support for much of it is less enthusiastic than Washington politicians believe.

As time progresses, the full impact of homeland security and the unintended consequences of our growing overseas commitments will become apparent, and a large majority of our Americans will appropriately ask why did the Congress do it. Unless we precisely understand the proper role of government in a free society, our problems will not be solved without sacrificing liberty.

The wonderful thing is that our problems can be easily solved when protecting individual liberty becomes our goal rather than the erroneous assumption that solutions must always be in conflict with liberty and that sacrificing some liberty is to be expected during trying times. This is not necessary.

Our Attorney General established a standard for disloyalty to the United States Government by claiming that those who talk of lost liberty serve to erode our national unity and give ammunition to America's enemies and only aid terrorists. This dangerous assumption is, in the eyes of our top law enforcement officials, that perceived disloyalty or even criticism of the government is approximating an act of terrorism.

☐ 1315

The grand irony is that this criticism is being directed towards those who, Heaven forbid, are expressing concern for losing our cherished liberties here at home. This, of course, is what the whole war on terrorism is supposed to be about, protecting liberty, and that includes the right of free expression.

Our government leaders have threatened foreign countries by claiming that if they are not with us, they are against us, which leaves no room for the neutrality that has been practiced by some nations for centuries. This position could easily result in perpetual conflicts with dozens of nations around the world.

Could it ever come to a point where those who dissent at home against our military operations overseas will be considered too sympathetic to the enemy? The Attorney General's comments suggest just that, and it has happened here in our past. We indeed live in dangerous times. We are unable to guarantee protection for outside threats and may be approaching a time when our own government poses a threat to our liberties.

No matter how sincere and well motivated the effort to fight terrorism and provide for homeland security, if ill-advised it will result neither in vanquishing terrorism nor in preserving our liberties. I am fearful that here in Washington there is little understanding of the real cause of the terrorist attacks on us, little remembrance of the grand purpose of the American experiment with liberty, or even how our Constitution was written to strictly limit government officials and all that they do.

The military operation against the Taliban has gone well. The Taliban has been removed from power, and our government, with the help of the U.N., is well along the way toward establishing a new Afghan government. We were not supposed to be in the business of nation building, but I guess 9–11 changed all that. The one problem is that the actual number of al-Qaeda members captured or killed is uncertain. Also, the number of Taliban officials that had any direct contact or knowledge of the attacks on us is purely speculative. Since this war is carried out in secrecy, we will probably not know the details of what went on for years to come.

I wonder how many civilians have been killed so far. I know a lot of Members could care less, remembering innocent American civilians who were slaughtered in New York and Washington. But a policy that shows no concern for the innocent will magnify our problems rather than lessen them. The hard part to understand in all this is that Saudi Arabia probably had more to do with these attacks than did Afghanistan. But then again, who wants to offend our oil partners?

Our sterile approach to the bombing with minimal loss of American life is to be commended, but it may generate outrage toward us by this lopsided killing of persons totally unaware of events of September 11. Our President wisely has not been anxious to send in large numbers of occupying forces into Afghanistan. This also guarantees chaos among the warring tribal factions. The odds of a stable Afghan government evolving out of this mess are remote. The odds of our investing large sums of money to buy support for years to come are great.

Unfortunately, it has been seen only as an opportunity for Pakistan and India to resume their warring ways, placing us in a very dangerous situation. This could easily get out of control since China will not allow a clear-cut Indian victory over Pakistan. The danger of a nuclear confrontation is real. Even the British have spoken sympathetically about Pakistan's interest over India. The tragedy is that we have helped both India and Pakistan financially and, therefore, the American taxpayer has indirectly contributed funds for the weapons on both sides. Our troops in this region are potential targets of either or both countries.

Fortunately, due to the many probable repercussions, a swift attack on Iraq now seems unlikely. Our surrogate army, organized by the Iraqi National Congress, is now known to be a charade, prompting our administration to correctly stop all funding of this organization. The thought of relying on the Kurds to help remove Hussein defies logic, as the U.S.-funded Turkish army continues its war on the Kurds. There is just no coalition in the Persian Gulf to take on Iraq and, fortunately, our Secretary of State knows it.

Our terrorist enemy is vague and elusive. Our plans to expand our current military operations into many other countries are fraught with great risk, risk of making our problems worse. Not dealing with the people actually responsible for the attacks and ignoring the root causes of terrorism will needlessly perpetuate and expand a war that will do nothing to enhance the security and the safety of the American people.

Since Iraq is now less likely to be hit, it looks like another poverty-ridden rudderless nation, possibly Somalia, will be the next target. No good can come of this process. It will provide more fodder for the radicals' claim that the war is about America against Islam. Somalia poses no threat to the United States, but bombing Somalia, as we have Afghanistan and Iraq for 12 years, will only incite more hatred towards the United States and increase the odds of our someday getting hit again by some frustrated, vengeful, radicalized Muslim.

Our presence in the Persian Gulf is not necessary to provide for America's defense. Our presence in the region makes all Americans more vulnerable to attacks and defending America much more difficult. The real reason for our presence in the Persian Gulf, as well as our eagerness to assist in building a new Afghan government under U.N. authority, should be apparent to us all. Stuart Eizenstat, Under Secretary of Economics, Business and Agricultural Affairs for the previous administration, succinctly stated U.S. policy for Afghanistan testifying before the Senate Foreign Relations Trade Committee October 13, 1997. He said, "One of five main foreign policy interests in the Caspian region is to continue support for U.S. companies and the least progress has been made in Afghanistan, where gas and oil pipeline proposals designed to carry Central Asian energy to world markets have been delayed indefinitely pending establishment of a broad-based, multiethnic government."

This was a rather blunt acknowledgment of our intentions. It is apparent that our policy has not changed with this administration. Our new Special Envoy to Afghanistan, Zalmay Khalilzad, was at one time a lobbyist for the Taliban and worked for Unocal, the American oil company seeking rights to build oil and gas pipelines through northern Afghanistan. During his stint as a lobbyist, he urged approval of the Taliban and defended them in the U.S. press. He now, of course, sings a different tune with respect to the Taliban, but I am sure his views on the pipeline by U.S. companies has not changed.

Born in Afghanistan, Khalilzad is a controversial figure, to say the least, due to his close relationship with the oil industry and previously with the Taliban. His appointment to the National Security Council, very conveniently, did not require confirmation by the Senate. Khalilzad also is a close ally of the Secretary of Defense Paul Wolfowitz in promoting early and swift military action against Iraq.

The point being, of course, that it may be good to have a new Afghan government, but the question is whether that is our responsibility and whether we should be doing it under the constraints of our Constitution. There is a real question of whether it will serve our best interests in the long term.

CIA support for the Shah of Iran for 25 years led to the long-term serious problems with that nation that persists even today. Could oil be the reason we have concentrated on bombing Afghanistan while ignoring Saudi Arabia, even though we have never found Osama bin Laden?. Obviously, Saudi Arabia is culpable in these terrorist attacks on the United States, and yet little is done about it.

There are quite a few unintended consequences that might occur if our worldwide commitment to fighting terrorism is unrestrained. Russia's interest in the Afghan region are much more intense than Putin would have us believe, and Russia's active involvement in a spreading regional conflict should be expected.

An alliance between Iraq and Iran against the United States is a more likely possibility now than ever before. Iraqi Foreign Minister Naji Sabri is optimistically working on bringing those two nations together in a military alliance. His hope is that this would be activated if we attacked Iraq. The two nations have already exchanged prisoners of war as a step in that direction.

U.S. military planners are making preparations for our troops to stay in Central Asia for a long time. A long time could mean 50 years. We have been in Korea for that long and we have been in Japan and Europe even longer. But the time will come when we will wear out our welcome and have to leave these areas. The Vietnam War met with more resistance, and we left relatively quickly in a humiliating defeat. Similarly, episodes of a more minor nature occurred in Somalia and Lebanon.

Why look for more of these kinds of problems when it does not serve our interests? Jeopardizing our security violates the spirit of the Constitution and inevitably costs us more than we can afford. Our permanent air bases built in Saudi Arabia are totally unessential to our security, contributed to the turmoil in the Middle East, and they continue to do so. We are building a giant new air base in Kyrgyzstan, a country once part of the Soviet Union and close to Russia. China, also a neighbor with whom we eagerly seek a close relationship as a trading partner, will not ignore our military buildup in that region.

Islamic fundamentalists may overthrow the current government of Saudi Arabia, a fear that drives her to cooperate openly with the terrorists while flaunting her relationship with the United States. The Wall Street Journal has editorialized that the solution to this ought to be our forcibly seizing the Saudi Arabian oil fields and replacing the current government with an even more pro-Western government. All along I thought we condemned regimes that took over their neighbors' oil fields.

The editorial, unbelievably explicit, concluded by saying, "Finally, we must be prepared to seize the Saudi oil fields and administer them for the greater good." The greater good? I just wonder who they are referring to when they talk about the greater good.

If the jingoism of the Wall Street Journal prevails and the warmongers in the Congress and the administration carry the day, we can assume with certainty that these efforts being made will precipitate an uncontrollable breakout of hostilities in the region that could lead to World War III. How a major publication can actually print an article that openly supports such aggression as a serious proposal is difficult to comprehend.

Two countries armed with nuclear weapons on the verge of war in the region, and we are being urged to dig a deeper hole for ourselves by seizing the Saudi oil fields? Already the presence of our troops in the Muslim holy land of Saudi Arabia has inflamed the hatred that drove the terrorists to carry out their tragic act of 9-11. Pursuing such an aggressive policy would only further undermine our ability to defend the American people and will compound the economic problems we face here at home.

Something, anything, regardless of its effectiveness, had to be done, since the American people expected it and Congress and the administration willed it. An effort to get the terrorists and their supporters is obviously in order and, hopefully, that has been achieved. But a never-ending commitment to end all terrorism throughout the world, whether it is related to September 11 or not, is neither a legitimate nor a wise policy. H.J. Res. 64 gives the President authority to pursue only those guilty of the attack on us, not every terrorist in the entire world.

Let there be no doubt, for every terrorist identified, others will see only a freedom fighter. That was the case when we aided Osama bin Laden in the 1980s. He was a member of the Mujahidien, and they were the freedom fighters waging a just war against the Soviet army. Of course, now he is our avowed enemy. A broad definition of terrorism outside the understanding of those who attacked the United States opens a Pandora's box in our foreign policy commitments.

If we concentrate on searching for all terrorists throughout the world and bombing dozens of countries, but forget to deal with the important contributing factors that drove those who killed our fellow citizens, we will only make ourselves more vulnerable to new attacks.

□ 1330

How can we forever fail to address the provocative nature of U.S. taxpayers' money being used to suppress and kill Palestinians and ignore the affront to the Islamic people that our military presence on their holy land of Saudi Arabia causes, not to mention the persistent 12 years of bombing Iraq?

I am fearful that an unlimited worldwide war against all terrorism will distract from the serious consideration that must be given to our policy of foreign interventionism, driven by the powerful commercial interests and a desire to promote world government. This is done while ignoring our principal responsibility of protecting national security and liberty here at home.

There is a serious problem with a policy that has allowed a successful attack of our homeland. It cannot be written off as a result of irrational, yet efficient, evildoers who are merely jealous of our success and despise our freedoms.

We have had enemies throughout our history, but never before have we suffered such an attack that has made us feel so vulnerable. The cause of this crisis is much more profound and requires looking inwardly as well as outwardly at our own policies as well as those of others.

The founders of this country were precise in their beliefs regarding foreign policy. Our Constitution reflects these beliefs, and all of our early Presidents endorsed these views. It was not until the 20th century that our Nation went off to far-away places looking for dragons to slay. This past century reflects the new and less-traditional American policy of foreign interventionism. Our economic and military power, a result of our domestic freedoms, has permitted us to survive and even thrive while dangerously expanding our worldwide influence.

There is no historic precedent that such a policy can be continued forever. All empires and great nations throughout history have ended when they stretched their commitments overseas too far and abused their financial system at home. The overcommitment of a country's military forces when forced with budgetary constraints can only lead to a lower standard of living for its citizens. That has already started to happen here in the United States. Who today is confident the government and our private retirement systems are sound and the benefits guaranteed?

The unfortunate complicating factor that all great powers suffer is the buildup of animosity of the nation currently at the top of the heap, which is aggravated by arrogance and domination over the weaker nations. We are beginning to see this, and the Wall Street Journal editorial clearly symbolizes this arrogance.

The traditional American foreign policy of the founders and our Presidents for the first 145 years of our history entailed three points: one, friendship with all nations desiring of such; two, as much free trade and travel with those countries as possible; three, avoiding entangling alliances.

This is good advice. The framers also understood that the important powers for dealing with other countries and the issue of war were to be placed in the hands of Congress. This principle has essentially been forgotten.

The executive branch now has much more power than does the Congress. Congress continues to allows its authority to be transferred to the executive branch as well as to the international agencies such as the U.N., NAFTA, IMF and the WTO. Through executive orders, our Presidents routinely use powers once jealously guarded and held by the Congress.

Today, through altering aid and sanctions, we buy and sell our "friendship" with all kinds of threats and bribes in our effort to spread our influence around the world. To most people in Washington, free trade means internationally managed trade, with subsidies and support for the WTO, where influential corporations can seek sanctions against their competitors. Our alliances, too numerous to count, have committed our dollars and our troops to such an extent that, under today's circumstances, there is not a border war or civil disturbance in the world in which we do not have a stake. And more than likely, we have a stake, foreign aid, on both sides of each military conflict.

After the demise of our nemesis, the Soviet Union, many believed that we could safely withdraw from some of our worldwide commitments. It was hoped we would start minding our own business, save some money, and reduce the threat to our military personnel. But the opposite has happened. Without any international competition for superpower status, our commitments have grown and spread so that today we provide better military protection to Taiwan and South Korea and Saudi Arabia than we do for New York and Washington.

I am certain that national security and defense of our own cities can never be adequately provided unless we reconsider our policy of foreign interventionism. Conventional wisdom in Washington today is that we have no choice but to play the role of the world's only superpower. Recently we had to cancel flights of our own Air Force over our cities because of spending restraints, and we rely on foreign AWACS to fly over to protect our air spaces.

The American people are not in sync with the assumption that we must commitment ourselves endlessly to being the world's policemen. If we do not reassess our endless entanglements as we march toward world government, economic law will one day force us to do so anyway under very undesirable circumstances. In the meantime, we can expect plenty more military confrontations around the world while becoming even more vulnerable to attack by terrorists here at home. A constitutional policy and informed relations of nonintervention is the policy that will provide America the greatest and best national defense.

SAFETY NETS SHOULD BE NUMBER ONE PRIORITY

The SPEAKER pro tempore (Mr. AKIN). Under the Speaker's announced policy of January 3, 2001, the gentleman from New York (Mr. OWENS) is recognized for 60 minutes.

Mr. OWENS. Mr. Speaker, beginning the second half of our congressional session, there are a lot of items on our agenda. There is a great deal of talk about many issues, and I worry very much about the possibility that the American people will be confused if we let all of the various discussions of the various issues become a babble with no focus, a babble which does not prioritize and show us what is most important and what are the key items that we should focus on.

It is difficult to hold the attention of the constituents, it is difficult to hold the attention of the voters, and the voters need to know more than ever what is going on so they can make intelligent decisions and defend their own interests and the interests of the country when the election comes around in November 2002.

We have a lot of sensational, highly-visible problems that are getting a lot of attention; but even that attention sometimes degenerates into a babble, and it becomes confusion, sometimes deliberately so.

The Enron scandal is one of the big items that has a lot of media attention and a lot of discussion here in Congress. There are several committees investigating it, and I think Enron is one of those important things that we have to address. But as we address Enron, both the details of the Enron scandal, the Enron swindle, the conspiracy, the details are important, but we also ought to look very closely at the implications of what is going on with Enron. What are the implications for our budget. That is now a number one consideration.

The President will give his State of the Union address next Tuesday. Shortly after that he will be releasing his budget, and what are the implications in terms of the emphasis of where Federal expenditures go at a time when we do not have a surplus? Some cuts are necessary, and some increases are necessary. And how those cuts and increases are made and who is taken care of and who is not taken care of is very important. It is very important that we understand that in the Enron conspiracy we have some examples of the worst things that can happen in our very civilized democracy.

Mr. Speaker, we have the best-run, the best-structured government probably in the world; but even within that structure, we can have bandits make off with a lot of the public's money. We saw that in the savings and loan scandal of a little more than a decade ago, which is still with us in many ways. They are still finding culprits, and they are still being prosecuted. We are still paying the debt service on the $500 billion or more that taxpayers paid out as a result of the savings and loan scandal which was less of a conspiracy than Enron. The savings and loan scandal was widespread.

We ought to look at Enron as a conspiracy, and the implications of how it operated are certainly important. There are those who say Enron is not critical in light of the urgency of the present situation, and that people are suffering from unemployment and the Nation is at war as a result of September 11, and therefore Enron is a minor matter. I say that the implications and the kind of inroads that Enron made into the decision-making and the impact on our overall economy, all of that is very important; and we have to look at those implications very closely.

I want to talk today about the safety-net principle that was introduced in our government during the New Deal by Franklin Roosevelt. The principle of safety net certainly might have existed before, but he made it an institutionalized part of government operations. He said that in a democratic society, government ought to at least stand by and help people out when they begin to fall into dire circumstances. Government ought to help people stay alive when they are elderly.

Now we have Social Security which is the most widespread and revered safety net. Social Security did not happen automatically. It was fashioned under the New Deal. I do not think that at that particular time they got any votes from the Republican Party on Social Security; but I am certain that no party, no individual in government would dare try to take Social Security away at this point. That is a safety net, people understand. It is a very tiny safety net when you look at what it costs to live even for an elderly person versus the kinds of Social Security payments that they get; but it is a vital part of people being able to stay alive with some dignity. It is a part that some people cling to.

The New Deal did many other things. It said if you have a situation where the economy is in trouble, and it was in total collapse almost at the time the New Deal was created, the government should provide jobs for people. We had the WPA which ranged across sectors, laborers digging ditches to artists who needed income, painters, writers. The WPA provided a safety net in terms of producing income. We had unemployment insurance. That came out of the New Deal, and the list goes on.

We established aid to families with dependent children, welfare in short. That safety net existed for a lot of desperate people. That safety net was much maligned. That safety net did not do what some other safety nets did. It established no political clout here in Washington.

We had another safety net which is a farm subsidy program which reached out and helped to build our agricultural industry grow into what it is today. When we compare the farm subsidy safety net to the aid to families with dependent children safety net, one wonders about whether we have not corrupted totally the principle of a safety net, and I am here to argue that we should return to a focus on making our safety nets our number one priority.

□ 1345

Unemployment insurance is a safety net. It is very important for a whole lot of people, not just people who are low-income and laid off in factories. There are a lot of people who were computer programmers at this time last year, and they have no job this year. They might have been making $60,000 a year or $70,000 a year last year, but temporarily, and it is temporary, because the economy will come back, the aspects of the economy which support high-tech industries will come back strong. So they are temporarily without a job. Temporarily they do not have the money to pay the rent or mortgage. Temporarily.

There is one case I know of where a woman was making $60,000 last year, and she is hysterical because she sees herself as not being able to pay the mortgage and maybe becoming homeless. There may be a few people already who were very well off last year at this time and already are in dire circumstances. A lot of people who were temporarily laid off will become homeless who are middle-income people, educated people; and they need a safety net.

The one safety net that we could improve right away is unemployment insurance. Unemployment insurance is like Social Security: it is not going to give you your monthly paycheck amount, but it can give you enough to sustain yourself and begin to put other pieces together with some dignity.

Unemployment insurance in many States has been eroded. The amount of the package, the amount you get, has been cut back, because we had quite a number of years of prosperity where unemployment was not an issue, and money for unemployment insurance has been diverted to other purposes, or governments have saved money by lowering the amount of money being put into unemployment insurance. We need to do something about that immediately. It should be one of our priorities for this half of the Congress.

Why is it that we do not understand and cannot act in Congress on an obvious need for this safety net? At the time of the 9–11 disaster when the World Trade Center was wiped out by the terrorists, we rushed to take care of an emergency that the airline industry had. This is a safety net that was not there already.

There was no authorization in law, no tradition of bailing out industries from these kinds of emergencies; but we rushed in, and we provided a safety net for the airline industry. That is unparalleled. We put forth large amounts of cash, put cash on the line, for the airlines that had suffered losses as a result of being grounded during the 9–11 emergency. Then we promised them $11 billion in low-cost loans beyond that.

So never before have we rushed so rapidly and provided such a great safety net for anybody. So the airline industry stands out as the number-one benefactor of the principle of the safety net.

But at the same time we passed the funding for the airline industry, we were told, and many of us fought, certainly on this side of the aisle, Democrats had a proposal in the same package that we should provide for the airline industry workers unemployment insurance, and attached to that would be health benefits, because health benefits are as important as the amount of money you take home in your salary nowadays.

So we were told at the time, next week. Come back next week and we will put the package on. Well, like Shakespeare, tomorrow and tomorrow and tomorrow; next week and next week and next week. Next week is still not here.

So on the agenda of this Congress this year, a number-one item must be unemployment insurance; not just for the people who suffered specifically on 9–11, not just the people who are the victims of the terrorist attack on 9–11, but also the people across the country who are suffering because the Nation is in a recession. The Nation was in a recession before 9–11. The terrorist attacks certainly exacerbated the situation and probably created a more rapidly escalating recession. All of those are facts. But whatever the facts behind the tragedy, the hardships faced by working people, certainly the need for the safety net is there.

The safety net principle is very important. We might claim it, and it is an American idea. We invented it, and it is time for us to not turn our back on a very important moral plank that was put into the functioning of government, the safety net for the elderly and Social Security, the safety net for farmers and the farm subsidy, the safety net for children who lose their parents, who are able to get Social Security payments all the way to age 18. We have always had the safety net.

We have gone further with respect to what happened after 9–11. I think the Victims Assistance Fund, we also passed that in the same legislation where we bailed out the airline industry. The Victims Assistance Fund is another giant leap forward by the Federal Government in providing a safety net. It is a dual safety net. It is a safety net for the insurance industry, who could be sued forever and ever as a result of what happened on September 11. The State of New York, where the incident took place, says the airline industry is responsible for whoever the victims are, and the insurers of the airlines certainly would have to be responsible for the compensation of the victims if we did not pass legislation already, right away, immediately, that provides a Victims Assistance Fund. It is unparalleled.

I applaud that. I voted for the bill because that factor was in there, and I think it is important that we work it out. There are some difficulties involved in terms of a special master who was appointed. The special master said what the results are, what the formula will be for determining what people get. I think all of that can be worked out. I do not think that necessarily we should assume the special master has all the wisdom and not make some changes in what has been proposed.

One obvious change is I do not see why a person who was going to be a possible recipient of a Victims Assistance Fund has to, before they know the amount they will get from the fund, give up their right to sue the insurance companies. Why should they have to give up their right before they see what is going to be produced by the Victims Assistance Fund? Why? I see no reason why they cannot know that ahead of time. Considering all they have gone through and the complications of this whole process, I think we ought to at least certainly yield on that point.

There are many other items that are being contested by the survivors of the victims; and I will not go into that because I am not knowledgeable about it, but I think that principle is very clear. Why should one have to give up their right to sue before they know the outcome of what the process of the Victims Compensation Fund might be?

Let us not smear, let us not downgrade or trivialize the principle of the safety net by acting like bullies. We have got the money. We are the government. You take it or leave it. I do not think that that is a principle that should be applied here.

The safety net principle has been there; and the abuses of it, the misuses of it, is what I want to talk about today, because I am very troubled by the fact that as of the end of December, December 31, we have had the results of a new welfare law going into effect.

A provision of that law said that anybody who has been on welfare, anybody who has been receiving Aid to Families with Dependent Children, is what Roosevelt and the New Deal called it, anybody who was receiving Aid to Families with Dependent Children for 5 years would be cut off the welfare rolls and never again, regardless of their circumstances, would they be eligible for welfare. That means whole families are cut off. If you have been on it for 5 years, you are off; and whatever your circumstances are, you have got to go find some other way to survive.

Now, Aid to Families with Dependent Children gives varying amounts of money across the country. I think that generally my State, New York State, has been accused as being the most generous, or too generous, and that the Aid to Families with Dependent Children in New York has been higher than almost anywhere else in the country.

I have a chart here that says that those "high amounts" that were given, amounts that were considered high, turn out to be something like a family of four would be receiving between $7,000 and $8,000 a year. Aid to Families With Dependent Children in New York, a family of four would receive between $7,000 and $8,000 a year. That is considered far too generous. In many States, I assure you, they receive much less.

I think New York also has one of the largest numbers of people on welfare, and we have been criticized for that. But as we go into an era starting January 1 where all the people, 30,000 people I think were found to have been on the welfare rolls as of December 31 who had run out of their 5 years of tolerance on the welfare rolls, those 30,000 people are off now.

Let us say many of those 30,000 people were in families that receive at least $7,000 or $8,000 a year. When you compare what they were receiving to the amount of money received by the recipients of the safety net in the farm subsidy program, you will find that they were receiving pennies.

The farm subsidy program, which also started during the New Deal, pays thousands of dollars to families. There is no requirement that you get off of it at a certain point. There have been some efforts to phase it out, some efforts to sunset it. None of that has succeeded. The farm subsidy program is booming more than ever before. So the principle of the safety net is such where it goes on and on forever and gets larger and larger, and fewer and fewer people in the farm subsidy program are getting the benefits of that safety net.

The safety net principle was a great innovation, a great civilizing step forward. We ought to be applauded for it. The New Deal was a great step forward in understanding the plight of ordinary people and providing for ordinary people and providing for anybody who was facing a problem with their survival.

Later on Lyndon Johnson and the Great Society program added to that by adding Medicare and Medicaid so that the actual physical health of a person was also considered of concern to the government. Nobody should suffer and die because they cannot get adequate health care.

So given this great step forward, and there are some people who are cynics, and I am not a cynic at all, some people who say, well, civilization has really not moved forward, we still have the same old wars we had before. In fact, the 20th century had more wars than any other century. In the 21st century now there are wars raging all over the world; people have less liberties in most of the world than they had before, et cetera.

There are all kinds of actual disasters, governmental disasters, governance disasters, that can be cited to show that we have not really moved forward, that it is only an illusion. It is not an illusion. It is very much not an illusion.

During the celebration of the Martin Luther King Federal holiday and the birthday of Martin Luther King, we talked to young people about certain kinds of things that were accomplished by Martin Luther King. They sit starry-eyed wondering how could that have ever been. How could you ever have had segregation, where you could not drink at a water fountain unless you were white; where blacks could not eat at certain restaurants, stay at certain hotels? How could you have an institutionalized government-supported system like that? They cannot comprehend it. They are too young to remember.

But just yesterday in the history of our Nation, we had unspeakable injustices that no longer exist. Once upon a time we had slavery. Slavery was probably one of the cruelest crimes ever perpetuated on the face of the Earth, the American Atlantic slave trade; but that no longer exists. You can go on and on and cite the reasons why we have every reason to be optimistic about the slow, but forward, march of civilization.

In the industrialized nations of the world the kinds of things I have just talked about, Social Security, Medicare, health care, unemployment compensation, all those things are features. Pensions, and Social Security is a form of pension, but we have private pensions as well as Social Security pensions.

Getting back to the Enron case, one of the terrible things about Enron is it wiped out pensions for certain people, large numbers of people; and that ought to be a concern of government, how did we let that happen. But we will get back to that.

My point now is that civilization may move forward slower than we want it to move forward. Some folks say it is like an inch worm: it crawls forward very slowly and sometimes doubles back in circles, and it looks like it is going backwards.

We have had some terrible things happen in the last 20 years. The slaughter of nearly 1 million people in Rwanda is cited as an example.

□ 1400

The Balkan wars, going back to ethnic cleansing and Hitler doctrines, all kinds of atrocities can be cited. Pol Pot killing hundreds of thousands of people in Cambodia, and we could cite a lot of atrocities and a lot of terrible things that have happened as evidence that civilization is really not going forward. But, on the other hand, would we ever have had a situation even 100 years ago where the women who are enslaved in Afghanistan by the Taliban, who turned out to be a few thousand thugs with the guns and the tanks and the weapons to enslave the rest of their people, and certainly women in particular moved into a status which can only be called slavery, would they ever have been set free, or would they have been in that condition for 100, 200, 300 years if it had not been for a modern society responding to injustice, a modern society responding to the attack from people who had that kind of base.

Barbaric people have done barbaric things and built up tremendous amounts of power and gone on to conquer more civilized people. The history of the world is not a history where people who had the best knowledge, the most knowledge, the most sophistication, the most humanity, the best governance prevailed. The Romans conquered the Greeks, and the Huns came in and conquered an Arab civilization that was very sophisticated. On and on it goes. There is no guarantee that the most humane, most civilized, best governed will prevail.

Under the fabric of the industrialized nations, combined with the United Nations, combined with a morality that has come into being in most of the industrialized nations, it is less and less likely that a great oppressive nation could arise and be able to work its will anywhere in the world. No nation, including our own, should aspire to that, and if it were tempted, I think there is enough morality, enough common sense about where we have to go as a people, as a species, a species of Homo sapiens; human beings have to deal a certain way in order to survive on this planet, and it is not in our best interests to allow anybody to run roughshod over human life.

So we have gone forward. The United States of America took a giant leap forward when it established the principle of the safety net. Now is the time to come forward and defend the principle of the safety net. We cannot defend the principle of the safety net if the Congress is going to stand here and refuse to pass unemployment compensation laws which upgrade the amount of money available for unemployment, unemployment compensation laws which are attached to some kind of health care benefit. The principle of the safety net has to go forward instead of backwards. We must include health care benefits as well as increase the amount of money for unemployment insurance in the package and extend the amount of time that people can be on unemployment and collect unemployment. A simple safety net.

How can we defend some of the other safety nets that are being so abused if we do not operate and act on a clear and present crisis? We have a crisis in front of us.

The farm subsidies are not a crisis, but they are a good example of an abuse of the safety net principle, and we cannot, on the one hand, allow that kind of abuse to go forward and ignore, on the other hand, unemployment insurance. We cannot, on the one hand, allow the farm subsidies to continue and insist that people have to get off welfare in 5 years and we do not care what happens to them after that, and the amount of money that each welfare family takes is so much smaller than the amount of money being poured into farm subsidies every day.

So I want to get back to my original proposition, which is that the safety net principle is very important as we look at the total agenda for the last half of this Congress, this year, 2002, as we go forward.

I have a list here from the National Conference of State Legislatures on what their priorities are and I agree very much with their priorities, and we ought to address that. Election reform is a priority. I think that the National Conference of State Legislatures are rather conservative, just as the election bill that we passed here is very conservative, but at least we go forward a few steps.

Election reform will take us into exposing and taking a hard look at the procedures by which we conduct our most important democratic activity. That is the point of voting and selecting people who are going to lead us and make decisions for us. We have been very sloppy over the years in allowing our procedures to become too localized and too much left to the States, and people who are in power have been given the opportunity to maintain power by the way they operate the election process. So we shined a bright light on that. We need to focus more on it and think more about the implications, including the Electoral College, the implication of the Electoral College. Nothing is written in stone, and the fact that we established an Electoral College at the time of the founding of the country in protection of the smaller States in order to compromise and have all of the States feel that they could be part of the Union, we ought to take a look at it and see what evil does the Electoral College spawn now. It denies one man, one vote, the one-man, one-vote principle as we saw in the last election. When we do not have the one-man, one-vote principle, what other evils do we set in motion?

What does it have to do with Enron? What does it have to do with the corruption of the safety net of the farm subsidy? Can getting votes out of a particular State be guaranteed by maintaining unjust farm subsidies? Is that one of the problems that we have to look at, that some of the smaller States have power out of proportion to their size because of the fact that they are able to finance a system that does protect them and part of that system is the use of Federal dollars that come from the farm subsidy?

The Patient's Bill of Rights. That is on the agenda of the National Conference of State Legislatures, a Patient's Bill of Rights, including a concern with the prescription drug benefits. We must get back to a real Patient's Bill of Rights and we must take care of the prescription drug benefit.

The third item on the list of the National Conference of State Legislatures happens to be a reauthorization of Assistance for Needy Families Block Grant. They want to make sure that we are prepared to deal with some of the problems that are obvious from the passage of that law. After 5 years of experience, some of the exploitation of the loopholes must be dealt with.

They want a reauthorization of the Individuals With Disabilities Education Act, which the Committee on Education and the Workforce that I serve on will be addressing, and we hope to be able to address the Federal promise of 40 percent funding for the Individuals With Disabilities Education Act so that that money is released at the local and State level to go to some other educational activities.

They want some relief for people who are suffering from the present recession. They want an economic stimulus, economic recovery package which makes sense in terms of bringing benefits to the people on the bottom. The Progressive Caucus that I am a member of is repeating what it said 6 months ago, that we want an economic package that is big enough to really bring some relief to the people on the bottom.

We have a massive drop in overall demand, which is one of the problems of our economy. When the consumer demand drops massively, that is the factor that drives the economy and the engine of the economy is stalled. We know that. It is a fact. Nobody disputes it. So let us keep the consumer demand up by making certain that the people are the real consumers and are the ones who get the benefit of any governmental action. We will not stimulate consumption. The consumers will not come back when we give large tax cuts to people who are already rich. I assure my colleagues, they are buying whatever they want to buy at the pace that they want to buy it, and more money will only be an opportunity to use it somewhere for purposes other than consumption.

I will not get into all the economics of that. I do not know what the position of the Democratic Party is at this point, but I certainly am in favor of tax cuts. The only difference is I am in favor of tax cuts starting with the poor guys on the bottom who have been paying too much payroll taxes. We need a big tax cut for the people who have been paying too much payroll taxes. We should go up from there to the medium people who need a tax cut. The problem is not a tax cut, the problem is who is the target who benefits from the tax cut? I think tax cuts ought to be welcome, but the problem with the President's tax cuts as they were passed last year and signed into law is that they go to the wrong people. They do not stimulate the economy, they will not stimulate the economy.

So the Progressive Caucus calls for a package that will go to the bottom and give relief to people on the bottom.

We also again are calling for a real increase, a giant increase in our unemployment benefits. One item is that we proposed a $200 billion economic stimulus package last year and probably will fashion this year something similar to that economic stimulus package. High priority programs are unemployment insurance, as I have just mentioned. First of all, extend unemployment benefits to 52 weeks, from the present 26 weeks to 52 weeks. We want to also supplement the amount of benefits available through unemployment by increasing them by $100 a week, adding $100 to the present package that they are receiving in any State, because those packages and their benefits, the amounts are far too low for the present situation.

We are calling for expanding health care coverage, job training, State revenue-sharing, a close look at TANF. That is the aid to dependent children's program that was transformed into a punitive program at this point. We want to take another look at that.

We want to take a hard look at the use of government funds for public works construction to generate jobs also, starting with school construction. We are proposing $10 billion for school construction. We proposed that last year, and we will be proposing it again this year. Another $10 billion for small business economic development programs at the local level. Again, as I said before, we need a tax cut for the people on the bottom, and that is again being proposed by the Progressive Caucus.

Just to focus first on the safety net principle being abused and misused with respect to the Aid to Families with Dependent Children, TANF, TANF has become the kind of stain on the record of our Nation with respect to safety nets that we do not want to continue. We do not want to continue to tell families who are destitute, have no other means of survival that after 5 years the government will not have anything to do with them except to find them a job, help them find a job. If they do not find a job, they are still not eligible for assistance. What do they do if they do not find a job?

In an economy which is in recession, and people, even well-educated people with a lot to offer, are temporarily finding it difficult to find jobs. How will we find jobs for welfare recipients who in many cases have very poor and limited education? So we must do something to remove the stain of TANF. We need a revision of that.

There is no great hue and cry in Congress, I must say, because people who are on welfare have no power. The poorest people in our society, part of the reason they are that way is because they have limited education, they have absolutely no capital, they do not make contributions to anybody's campaign, and it is their fault but they are not organized.

When we look at the farm subsidy, we see the fact that the farm population of America is less than 2 percent of the population, and yet the amount of money they can demand in the Federal budget is far exceeding anything that urban communities can command with much greater populations. The fact that they are a small group does not mean that they cannot in our American democratic system command the attention of Congress, but they cannot get subsidies, they cannot get a place in the budget.

□ 1415

On the one hand, welfare people are treated atrociously. On the other hand, we are bowing to the power of the farm subsidies and the people who manipulate those programs.

Today in the Washington Post, for example, there is a long story which in my opinion we might title "An Exposé on How a Safety Net Has Been Grossly Abused." The safety net of the farm subsidy program has been grossly abused, and there is a discussion of that here in the Washington Post today, January 24.

The article is entitled "More Subsidy Money Going to Fewer Farms." They start off with a description of one man, David B. Griffin, "a man of undeniable means, a prominent and well-respected businessman who lives in a million-dollar home, sits on the local bank board and serves as president of a tractor dealership with sales last year of $30.8 million. He is also, by some definitions, a farmer—the principal landlord of a 61,000-acre spread known as Tyler Farms." This is near Elaine, Arkansas.

"But Griffin did not get where he is without government help. From 1996 through 2001, records show, Tyler Farms received more than $38 million in Federal crop subsidies for its bountiful yield of cotton, rice, corn, sorghum, soybeans, and wheat"; $38 million to Tyler Farms from the government, $38 million to a man who is already a millionaire.

"Griffin's story and others like it suggest that Federal crop programs ostensibly aimed at struggling families do not always hit their intended targets." In another paragraph they talk about numbers telling a story of unintended consequences.

"According to the Department of Agriculture, 47 percent of commodity payments now flow to large commercial operations with average household incomes of $135,000." We hear people with an average household income of $135,000 are getting subsidies from the government, with a $135,000-a-year income. Here is a family in New York of four on welfare and they get $7,000, and we say, "You are a threat to the economy of the Nation. You can only get this money for 5 years; no matter what circumstances you and your children may be in, we will take you off."

These farms make up 8 percent of the Nation's 2.2 million farms. Sixty percent of the American farms get no crop subsidies at all. We are allowing abuses to take place which not only hurt Americans and take our tax monies in the wrong direction, but we are also hurting farmers, the little guys out there who are probably more like the welfare mothers than like the millionaire farmers. Obviously, they do not belong to the right organizations, do not make the right contributions, and they are left out.

I am reading from an article that appears in today's Washington Post, January 24. Members may get it if they want the full article. I want to continue.

Another paragraph says: "But new payment limits would address only one aspect of the 'Alice-in-Wonderland' system that underpins much of the Nation's farm economy—a system that Congress thought it had junked 6 years ago in favor of the free market but that has since proved impossible to kill."

We were going to phase it out starting 6 years ago, and it has only mushroomed and gotten bigger.

"Established in 1933 as a rural antidote to the Depression, crop payments have mushroomed into a $21 billion-a-year entitlement program that almost everyone agrees is broken but that no one can agree how to fix." That is $21 billion a year. At the height of the welfare program, the Aid to Families with Dependent Children, I think the program for the whole country was costing less than 2 percent of the total budget; and here we are talking about a $21 billion program for 2 percent, less than 2 percent of the population that would be eligible. But of that 2 percent eligible, only a tiny percentage of those are absorbing this $21 billion a year that they are receiving.

"It is a system that reserves almost half of its benefits for just six States." That is important, too, when we consider the Electoral College and why we maintain that, because those States have power out of proportion to their membership, out of proportion to their size, and out of proportion to the number of voters that they have. But six States are receiving most of the farm subsidies, according to the United States Department of Agriculture.

"Notwithstanding the return of budget deficits, to say nothing of its stated commitment to free trade, the Bush administration has bowed to congressional demands for $73 billion in new farm spending over the next decade. That is almost three times the $26 billion cost of the landmark education package that President Bush signed into law this month." That is $26 billion from the Federal Government over a 10-year period that would deal with education.

Education is for the whole Nation. Education is the foundation for our national security system. If we do not have more educated people, if we have more high-tech weapons, high-tech weapons will become a joke. If we do not have more educated people to become the scientists to conduct the missions to build the missile system, first of all we are going to pay extravagant amounts of money bidding for the few scientists in the world who are able to deal with the problem, and we would probably fail, and at the same time a large number of foreign scientists will be educated to do the same thing.

The antidote to the defense missile system will be in development somewhere in the world before we even get it completed; and the scientists that are used to develop the opposition will probably be educated here in America, because we have not given enough money to educate all of our population that has talent to the fullest extent of their talent and their ability to contribute to the Nation's education brain power.

To get back to the article, "More than $40 billion would go for crop subsidies, with the rest reserved for conservation, nutrition and rural development."

But "Congress has been more aggressive when it comes to addressing other entitlement programs." Congress has been more aggressive, not aggressive in terms of increasing the amounts of money, but cutting the amount of money.

In 1996, Congress passed "a massive revision of welfare that ended the 6-decade-old cash assistance program known as Aid to Families With Dependent Children. The new law also trimmed food stamp benefits, which are funded under the farm bill."

In other words, in 1996 we committed this horrible atrocity, and that is what it is, a legislative atrocity that was committed in 1996 when we not only cut Aid to Families with Dependent Children and laid down a mandate that you cannot have more than 5 years of assistance from the Federal Government no matter how desperate you are, but we also cut food stamps at the same time.

To continue: "With prices for some crops at their lowest level in more than a decade, many farmers are in genuine distress, and even the harshest critics of the farm programs acknowledge the need for some form of government safety net."

As an urban dweller from the heart of New York City, I say farmers should have a government safety net. We should help farmers the way we help everybody else, but we should not abuse the principle of the safety net for farmers because farm subsidy program advocates have special privileges here in our government and are able to manipulate certain forces and get large hunks of the taxpayers' money that they do not deserve.

Continuing with the article here in today's Washington Post, "Congress has been trying for more than a decade to wean farmers from the Federal Treasury. The effort peaked with the 1996 Freedom to Farm Act, which provided transitional payments to farmers with the aim of phasing out subsidies by this year."

In other words, I was here when we debated the Freedom to Farm Act. We are all capitalists; we are all advocates of capitalism. We cannot live with the socialism that has taken over the farm subsidy program, especially since the socialism is a socialism of the rich, in many cases. Everybody wanted to do something, but since 1996 and the great speeches that were made then, we have gone backwards, not forwards.

"But a combination of factors—including worldwide recession and a global oversupply of food—pushed crop prices lower, and Congress has rushed in to fill the breach with a series of 'emergency' supplemental appropriations bills."

Now, when the NAFTA and other trade bills and world trade agreements occurred, they created a situation where factory workers were laid off, plants were closed; and we have never rushed in with a subsidy for urban workers. We have never rushed in with subsidies which would average $135,000 for a family, or $28,000 per family. We barely have been willing to give money for worker retraining. A lot of that money has gotten bogged down in the bureaucracy.

"In 2000, crop subsidies reached a record high of $22 billion. That is nearly as much Federal assistance in one year as Amtrak has gotten for the last quarter century. But in some respects, the farm subsidies have made matters worse, encouraging farmers to grow more crops without regard to market demand."

As capitalists, we cannot tolerate a situation where we distort the free market, but we are funding at very high levels a program which distorts the free market. On the one hand, this safety net is abused greatly, all out of proportion to reality. On the other hand, the safety net set up for welfare mothers has been turned off completely.

Can we as a civilized Nation live with what we have done to the welfare mothers, one? And, two, can we, as a civilized Nation and a group of responsible Members of Congress, sit here and continue the farm subsidies, which are an abuse of the principle of the safety net?

"The outcome of debate is especially important to Arkansas, where the top 10 percent of subsidy recipients—or 4,822 of the total—received more than 73 percent of the Federal farm subsidies, with an average payment of more than $430,000 per recipient."

Let me repeat that. In Arkansas, 4,822 farm recipients of the subsidy program, who account for 10 percent of the subsidy, received an average payment of more than $430,000 per recipient, according to an analysis of USA Data by a group called the Environmental Working Group. That is $430,000 per recipient, a safety net to help people survive and get by, $430,000 in taxpayers' money to help people survive. The principle of the safety net is wiped out completely in that kind of scandal.

The Environmental Working Group is a Washington nonprofit organization that wants more money to be shifted to conservation. "The group has caused a stir in Congress by posting subsidy data—including farmers' names and how much they receive—on its Web site."

I invite Members of Congress to use the Web site of the Environmental Working Group: ewg.org, ewg.org. If Members want the exact names of individuals and how much they received, how much they are receiving, Members can go to this Web site and get the information by State, State by State. We can get the information on how the safety net for farmers is being grossly abused and the process is draining away billions of dollars that could be used for people who need the safety net, the unemployed, the uninsured, with respect to health care.

I am not in favor of increasing the Federal budget at all. I think we have enough money in the overall Federal budget. But I am in favor of redirecting, redirecting the money in the Federal budget to those people who really need it, and here is a case where we can start taking from the abusive safety net to give to safety nets that really help people.

Mr. Speaker, I include for the RECORD in its entirety the article entitled "More Subsidy Money Going to Fewer Farms" in the Washington Post on January 24, 2002.

The material referred to is as follows:

MORE SUBSIDY MONEY GOING TO FEWER FARMS

SKEWED PROGRAM DRAWS SENATE SCRUTINY

(By John Lancaster)

ELAINE, ARK.—David B. Griffin is a man of undeniable means, a prominent and well-respected businessman who lives in a million-dollar home, sits on the local bank board and serves as president of a tractor dealership with sales last year of $30.8 million. He is also, by some definitions, a farmer—the principal landlord of a 61,000-acre spread known as Tyler Farms.

But Griffin did not get where he is without government help. From 1996 through 2001, records show, Tyler Farms received more than $38 million in federal crop subsidies for its bountiful yield of cotton, rice, corn, sorghum, soybeans and wheat.

Griffin's story and others like it suggest that federal crop programs—ostensibly aimed at struggling family farms—do not always hit their intended targets.

For all the congressional hand-wringing about the plight of the hardy souls who scrape their living from the soil, the hugely expensive New Deal-era subsidies for grain and cotton producers—which Congress only six years ago voted to phase out altogether—are funneling more money to fewer farms than ever before.

Numbers tell a story of unintended consequences: According to the Department of Agriculture, 47 percent of commodity payments now flow to large commercial operations with average household incomes of $135,000. These farms make up 8 percent of the nation's 2.2 million farms. Sixty percent of American farms get no crop subsidies.

"A lot of these payments, the majority of them, are going to big farms, and these big farms are wealthy farms," said Bruce L. Gardner, an agricultural economist at the University of Maryland and a former assistant secretary of agriculture in the first Bush administration. "This is not a poverty program in any way."

The skewed distribution of farm benefits is sure to receive more scrutiny when the Senate next month resumes debate on a bill to chart farm programs for the next decade. Embarrassed by revelations about the amount of money some farmers are reaping from federal farm programs—information recently made available on the World Wide Web—some lawmakers are calling for much lower limits on payments to individual recipients.

But new payment limits would address only one aspect of the "Alice in Wonderland" system that underpins much of the nation's farm economy—a system that Congress thought it had junked six years ago in favor of the free market but that has since proved impossible to kill.

Established in 1933 as a rural antidote to the Depression, crop payments have mushroomed into a $21 billion-a-year entitlement program that almost everyone agrees is broken but that no one can agree how to fix. It is a system that reserves almost half of its benefits for just six states; lavishes subsidies on grain and cotton farmers while excluding most ranchers and growers of fruits and vegetables; and—according to the USDA's own studies—worsens the very problems it seeks to correct by encouraging overproduction, thereby depressing crop prices while driving up the cost of land.

Yet farm subsidies endure, underscoring the daunting challenge faced by those who would dismantle entitlements for groups with special stature on Capitol Hill—in this case, mostly middle-class white men and their families.

Notwithstanding the return of budget deficits, to say nothing of its stated commitment to free trade, the Bush administration has bowed to congressional demands for $73 billion in new farm spending over the next decade. That is almost three times the $26 billion cost of the landmark education package President Bush signed into law this month. More than $40 billion would go for crop subsidies, with the rest reserved for conservation, nutrition and rural development.

"We kind of hit this farm thing with a sledgehammer just by throwing dollars out without really analyzing where the dollars are going," said Dan Glickman, who was agriculture secretary in the Clinton administration. "This is an area where an awful lot of members of Congress kind of view these programs as out of sight, out of mind."

Congress has been more aggressive when it comes to addressing other entitlement programs. In 1996, Congress passed—and President Bill Clinton signed—a massive revision of welfare that ended the six-decade-old cash-assistance program known as Aid to Families with Dependent Children. The new law also trimmed food stamp benefits, which are funded under the farm bill.

During debate on the farm legislation in December, Sen. Richard G. Lugar (R–Ind.) proposed to double spending on food stamps by throwing out crop programs in favor of a much less costly voucher system that would help farmers buy crop insurance. Farm lobbyists rallied in opposition to Lugar's proposal, and it failed 70 to 30.

With prices for some crops at their lowest level in more than a decade, many farmers are in genuine distress, and even the harshest critics of farm programs acknowledge the need for some form of government safety net.

Farmers themselves are divided on the issue. Some, especially those on smaller acreage, want a reallocation of benefits. But owners of larger operations generally defend the current system. They say it is natural for big farms to claim the majority of subsidies, since they grow the most food with the greatest efficiency. They note that many foreign governments provide far more support to their farmers, creating barriers to American exports.

"No one would disagree that the largest farms are getting the bulk of the benefits," said Robert G. Serio, a colorful country lawyer in Clarendon, Ark., who makes his living setting up partnerships—including Tyler Farms—that allow farmers to maximize those benefits. "Are you going to penalize Wal-Mart for being bigger than the Family Dollar store? In America, everyone is rewarded, supposedly, for being bigger and more efficient."

Congress has been trying for more than a decade to wean farmers from the federal treasury. The effort peaked with the 1996 Freedom to Farm Act, which provided transitional payments to farmers with the aim of phasing out subsidies by this year.

But a combination of factors—including worldwide recession and a global oversuppy of food—pushed crop prices lower, and Congress has rushed in to fill the breach with a series of "emergency" supplemental appropriations bills.

In 2000, crop subsidies reached a record high of $22 billion. That is nearly as much federal assistance in one year as Amtrak has gotten in the last quarter century. But in some respects, the farm subsidies have made matters worse, encouraging farmers to grow more crops without regard to market demand. Rice is a good example.

Citing weak global demand for rice, Congress has sharply increased direct assistance to the farmers who grow it. Rice subsidies rose from $448 million in 1997 to more than $1.3 billion in 2000, according to USDA's Economic Research Service. The normal response to soft markets would be to cut production. In this case, however, farmers have no incentive to do so because Congress has guaranteed a set price for every bushel of rice they grow.

As a result, the amount of American farmland devoted to rice swelled from 2.5 million acres in 1997 to 3.3 million acres last year—the same year rice prices hit a 15-year low.

The Bush administration has sharply criticized farm programs, and Agriculture Secretary Ann M. Veneman last year initially expressed support for Lugar's far-reaching proposal. At the same time, the largest share of farm subsidies flows to the same midwestern and southern states that Bush won in the 2000 election. That limits the administration's political maneuvering room, especially with midterm elections looming in the fall.

The administration last year ultimately threw its support behind an alternative farm bill offered by Sens. Pat Roberts (R-Kan.) and Thad Cochran (R-Miss.). Among other things, the measure would establish 401(k)-style savings accounts for all farmers—not just those who participate in commodity programs—with matching government contributions of as much as $10,000 a year.

But the GOP bill is not the radical departure some had hoped for. It preserves most major subsidy programs, including one that pays farmers a set amount based on historical production, even if they let their fields lie fallow.

Farm groups hold enormous sway on Capitol Hill; the largest and most influential, the American Farm Bureau Federation, spent $3.2 million on lobbying in 2000, according to a federal disclosure report. Moreover, many key leadership positions in Congress are occupied by farm-state lawmakers, such as House Speaker J. Dennis Hastert (R–Ill.) and Senate Majority Leader Thomas A. Daschle (D–S.D.).

The politics of farm subsidies was much in evidence in December, when a bipartisan group of senators led by Byron L. Dorgan (D–N.D.) and Charles E. Grassley (R-Iowa) floated a proposal to reduce the ceiling on annual crop payments to individual farmers from $460,000 to $275,000. The measure has considerable support among farmers of more modest means, many of whom are in the upper Midwest. It is bitterly opposed by owners of large cotton and rice farms in southern states such as Arkansas. Both Arkansas senators—Blanche Lincoln (D) and Tim Hutchinson (R)—share that opposition.

After Daschle came under pressure from Lincoln and other southern lawmakers, the majority leader prevailed upon Dorgan to drop his sponsorship of the amendment, if not his support for the idea. Aides from both parties say they expect it to resurface next month.

The outcome of the debate is especially important to Arkansas, where the top 10 percent of subsidy recipients—or 4,822 of the total—received more than 73 percent of federal farm subsidies, with an average payment of more than $430,000 per recipient, according to an analysis of USDA data by the Environmental Working Group, a Washington nonprofit organization that wants more money shifted to conservation. The group has caused a stir in Congress by posting subsidy data—including farmers' names and how much they receive—on its Web site, ewg.org.

A number of the state's largest farms can be found in the fertile but economically depressed Mississippi Delta region of eastern Arkansas. Tyler Farms is headquartered in Phillips County, which borders the Mississippi River about 80 miles east of Little Rock.

From 1996 to 2000, the county of about 26,000 people received more than $101 million in federal farm subsidies, according to the environmental group's analysis. Farm groups say such subsidies help sustain rural communities. But the picture in Phillips County is anything but prosperous. According to Arkansas state figures, 8,319 county residents—31.5 percent of the population—received food stamps in December 2001.

Griffin is one of the county's biggest private employers. His other interests include Producers Tractors Co. (which operates five John Deere dealerships), a cotton-gin company and a petroleum distributorship, according to Dun & Bradstreet and his attorney. Griffin lives just south of Elaine, a tiny crossroads town in an ocean of flat cultivated fields, in a 13,233-square-foot mansion on 15 acres with an estimated market value of $964,750, according to county records.

Griffin did not respond to several requests for interviews, but Serio, his lawyer, said it was wrong to assume that Griffin owed his success to government subsidies. He emphasized that Griffin merely leases his land to Tyler Farms—a complex partnership involving 39 local investors—and receives no direct government payments. Serio said Griffin owns 33,5001 acres of the farm; his father owns 14,000; and the rest is leased from other landowners.

Griffin set up the farm in 1993 with landowners and local farmers "who were going out of business" because they could not get financing, Serio said.

Like other large operations, Tyler Farms was structured to get the most from government programs. Its 39 owners are organized into 66 separate "corporations," an arrangement that allows the farm to maximize benefits under allowable payment limits and also limits owners' liability, Serio said.

To qualify for federal payments, which are supposed to benefit family farmers, each of the owners is supposed to be "actively engaged in farming." Serio said 22 of the owners perform management duties and therefore meet that requirement. Griffin puts his assets at risk, Serio said, by guaranteeing 40 percent of the farm's annual crop loan.

With crop prices so low, the lawyer said, "farms are getting bigger for the sake of survival."

Mr. Speaker, the Environmental Working Group will be happy to tell us all we need to know State by State what the farm subsidies are. If Members are not interested in looking at details for an individual, on that database Members will find State by State, ranked according to those who are getting the most to those who are getting the least, information on this.

Information is power, and it is power enhanced and power multiplied, depending on the way we use it. We have now information that can be put to good use in demonstrating to the American people that the principle of the safety net, which we all endorse, is being grossly abused on the one hand, and being denied to people who need it on the other hand.

□ 1430

The welfare mothers who are kicked off the rolls starting December 31 deserve better treatment from our government.

There are some people who are now Congresspersons, leaders in industry, leaders in education, large numbers of people who made it because their family was able to go on welfare not for 5 years, sometimes for many more. There are some youngsters whose family was on welfare until they were 18 years old. Like Social Security pays for survivors up to 18, why do we suddenly make a mandated, arbitrary, cruel rule that after 5 years you are off.

But we do not tell the farm subsidy recipient you are off after 5 years or you are off. We can find the money for unemployment insurance by cutting the money that is going to recipients who do not deserve it in the farm subsidy program.

I do not have the statistics now, but we also have a farmer's home loan mortgage report program which, I admit, 4 or 5 years ago on one of my committees, the Committee on Oversight and Investigations, and that committee discovered that there were people receiving farmer's home loans that had not paid their interest or their principal in 4 or 5 years and that the amount of money outstanding at that particular time had reached as high as $14 billion. I asked questions about it last year and I found that it had come down. Now it is less than $10 billion, outstanding money owed because it is overdue.

So we have allowed the farm apparatus to stage a conspiracy on taxpayers' money. The Department of Agriculture needs to be investigated because many of these farmers who got their home loans, these farmer loan mortgages and were not paying them back, they sat on the credit committees. They made the decisions about who got the loans and they got the loans for themselves in many cases, and nobody was there to confront them about paying them back.

The situation is grave. It is urgent right now to move our money away from those who abused the safety net to those who need it. In New York unemployment has gone from 4.5 percent in December of 2000 up to 5.8 percent now for the whole State. In New York City it is up to 6 percent for the city, and that is not anything unusual.

In Alabama the State has gone from 4.5 percent of unemployment to 5.9 percent presently. California has gone from 4.7 percent unemployment in December 2000 to 6 percent now, and on and on it goes. There are a few States that have escaped, but they are very much in the minority who do not have high unemployment rates at this point.

The Bush administration came in in January, and I will not argue at this point whose fault it is, but since last January unemployment in New York has risen by 1.6 percent. A large amount of that unemployment took place before the terrorist attack on September 11. September 11 has only exacerbated immediately in the New York area a great jump in unemployment. We lost 109,900 jobs in New York. The economic stimulus plan that was put forth with the tax cuts for the rich would cost us money. Instead of giving us more it would cost us another $710 million.

At this point we have 134,548 more unemployed people than we had last January. They need help. The State unemployment benefits are, as good as they may be, far too small to deal with the emergency that we are facing.

We also have some examples of what unions have done to fill the gap. One example that I would like to put on record of a union filling the gap, specifically around the disaster that took place on September 11. Local 32B–J of the SEIU represents most of the workers at the World Trade Center and the surrounding buildings. Fortunately many of them work at night and they were not there when the plane crashed into the World Trade Center, so they escaped with their lives. They lost about 32 people who were on duty. Most of them escaped with their lives, but they lost their jobs.

We have about 3,000 workers who were employed with health benefits, pension plans, et cetera, and now they have no jobs. I think Local 32B–J is to be congratulated with what it has done to fill that gap. They took action immediately to provide their own safety net for their workers. The point that has to be understood is that no union, and they did this with the help of the employers, the reality board that employed these workers and served as a bargaining unit for management, they joined with the union in providing a safety net.

I want to put on record that we have the real estate industry and the union working for that industry. The two bargaining contenders came together in an agreement which provided benefits for their workers for 6 months. And that is the point. They can only do it for 6 months. They do not have the capacity to go much further than that. So the Joint Building Service Industry Emergency Preferential Hiring Program is there so each worker who lost their job is given preference in hiring.

Mr. Speaker, the text of the agreement that was made by the union and the employers to give work to the members of Local 32B–J who lost their jobs in the World Trade Center disaster is as follows:

The Union, the RAB and the Trustees of the Building Service Benefit Funds have developed a program of job placement and enhanced benefits to ease the burden on all employees working under Local 32B-32J contracts at the World Trade Center and other nearby buildings which have been closed as a result of the destruction or damage caused by the terrorist attack. The comprehensive program includes job placement without loss of seniority, supplemental unemployment insurance, extended health benefits, and an enhanced pension benefit for certain employees who wish to retire.

The following is an explanation of each benefit under this program:

JOINT BUILDING SERVICE INDUSTRY EMERGENCY PREFERENTIAL HIRING PROGRAM

Each employee who lost his or her job either permanently, as in the case of those employees who worked at the World Trade Center, one of the other buildings that will not reopen or any employee employed at a building which has not yet reopened, will be placed on a Preferential Hiring List in the order of industry seniority. All cleaning contractors who have agreements with the Union must report all job openings to the Program, and will hire directly from the Preferential Hiring List in the order of seniority. Employees who accept the offered positions will retain their current hourly wage rate, benefits, and industry seniority. This means that employees will maintain their full industry seniority for bumping and vacation purposes. If you were getting five weeks vacation you will still get five weeks vacation on the new job. Unfortunately, were are unable to preserve your building seniority.

Once you are offered a job, you must decide within two days whether to accept the job. Whether or not you accept the job, you will be removed from the Preferential Hiring List, will no longer be eligible for the Extended Health Benefits and the Supplemental Unemployment Benefit which are described below and you will lost your bumping rights within your employer's system.

Employees remaining on the Preferential Hiring List who have not been offered a job as of February 4, 2002 will be offered the right to bump within their employer's system.

2. SUPPLEMENTAL UNEMPLOYMENT BENEFIT PROGRAM

This is a benefit being provided by the Building Service 32B–J Health Fund to all employees who meet the eligibility requirements set forth below. If you were employed as a security guard at the World Trade Center you will receive a benefit of $93.00 per week. If you had any other full time job, you will receive a benefit of $150.00 per week. If you held a part time job (less than forty hours per week), you will receive a benefit of $112.50 per week.

In order to be eligible for this benefit you must;

(a) Have been eligible for health coverage under the Building Service Health Fund as of September 11, 2001, and

(b) Be named on the Preferential Hiring List described above at any time between October 2, 2001 and April 2, 2002, and

(c) Are not receiving a pension from the Building Service 32B–J Pension Fund, and

(d) Have not held a full time job as of September 11, 2001 in addition to the one from which you were displaced on September 11, 2001.

You will continue to receive this benefit until the earliest of the following occurs:

(a) You are recalled to work by your employer.

(b) You accept a job from the Preferential Hiring List.

(c) You decline the offer of a job from the Preferential Hiring List.

(d) You fail to comply with rules established by the Health Fund to administer this benefit.

(e) You begin to receive a pension from the Building Service 32B–J Pension Fund.

(f) You become ineligible for New York State Unemployment Insurance benefits because of any other job you may have taken.

(g) April 2, 2002, or the Health Fund has paid out a total of Six Million Dollars for this benefit, whichever shall first occur.

3. EXTENSION OF HEALTH BENEFITS

Any employee who was terminated in connection with the World Trade Center disaster and who at any time between October 2, 2001 and April 2, 2002 is named on the Preferential Hiring List and his or her eligible dependents, shall continue to be covered for all benefits under the Building Service 32B–J Health Fund through April 30, 2001 or until he or she is removed from the Preferential Hiring List, whichever is sooner.

Remember, that you will be removed from the Preferential Hiring List if you decline a job offer or if you begin receiving a pension under' the Building Service 32B–J Pension Fund.

Upon the termination of your extended health coverage, assuming that you have not received a job which would otherwise entitle you to benefits under the Health Fund, you will be entitled to elect COBRA continuation coverage. This means you can continue to receive health coverage for up to eighteen months provided you pay the Health Fund for the coverage. Your dependents may also be entitled to elect COBRA continuation coverage.

4. ENHANCED PENSION BENEFIT

Any employee who was terminated in connection with the World Trade Center disaster who was on the Preferential Hiring List as of October 2, 2001 and who on or before September 11, 2001, has reached his or her Fiftieth Birthday with at least five years of pension service credit, or has reached his or her Sixtieth Birthday, will be eligible to retire and receive an Enhanced Pension Benefit.

The Enhanced Pension Benefit will be equal to the pension benefit that you would be entitled to if you were five years older and had five more years of service credit. For example, if you are fifty years old and have ten years of service you would receive a pension benefit equal to the pension you would receive if you retired at fifty five with fifteen years of service, or if you were sixty years old with twenty years of service, you would receive the maximum benefit of $1150.00 per month since you would be treated as though you were sixty-five years old with twenty-five years of service.

In order to be eligible for the Enhanced Pension Benefit you must elect this benefit and retire during the window period of October 4, 2001 through November 4, 2001.

If you accept the Enhanced Pension Benefit, you will be removed from the Preferential Hiring List and will no longer be eligible for the Supplemental Unemployment Benefit or Bumping Rights within your employer's system.

Additionally, you will no longer be entitled to the extended health coverage unless you had reached your fifty-seventh birthday by September 11, 2001. If you had reached your fifty-seventh birthday on or before September 11, 2001 you will receive health coverage until you reach the age of sixty-five as currently provided in the Health Plan for those who retire at age sixty-two or later.

Mr. Speaker, this agreement is a model for what other unions and what other private sector groups can do, taking the initiative, but it is not a substitute. There is no substitute for our government assuming its responsibility and providing a safety net for the victims and for the unemployed. We must do that, we can do that.

I urge this Congress to get on with the unfinished business of providing the safety net for those who need it most.

AMERICA'S FOREIGN POLICY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from California (Mr. ROHRABACHER) is recognized for 60 minutes.

Mr. ROHRABACHER. Mr. Speaker, after my good friend, the gentleman from Texas (Mr. PAUL) had his presentation today on his perspectives on the United States foreign policy, I thought that it would be fitting that I present a similar point of view but not exactly in agreement with the gentleman from Texas (Mr. PAUL). Although we are both people who love liberty and justice and value our freedom that we have here in the United States and in various countries throughout the world, we have a different view on exactly what policies the United States should follow to ensure that there is the maximum of peace and liberty and justice in this world.

Today I would like to talk a little bit about where we are at in the world and why we are there and some thoughts, some basic thoughts about American foreign policy.

First and foremost on this subject, we must recognize that our military forces are at this moment in action in various parts of the world, especially in Afghanistan, and they are there and they are fighting and sometimes they are taking casualties in order to avenge the slaughter of nearly 3,000 of our fellow Americans on September 11 past. This forceful and deadly response in the form of American military forces being unleashed against persons in different parts of the world is totally justified. It will and, in fact, already has deterred other terrorist attacks upon us.

It is, yes, part of an act of vengeance, and I see nothing wrong with the United States Government avenging the death of 3,000 Americans who were killed, 3,000 innocent Americans, people who were not combatants who were slaughtered by evil forces overseas. And in this vengeance we will, as I say, deter other evil forces in this world from targeting Americans and from committing other heinous acts that have caused us so much grief here with the loss of friends and family.

All Americans should be grateful for the magnificent job that has been done by our military personnel, and let us remember as we are watching this great victory that we have just had in Afghanistan that there were naysayers who were warning us not to do anything militarily in Afghanistan, that it would become a quagmire and that any time we commit military forces anywhere that it is so risky that we should just forget it.

There is a saying of a captain of a ship, if a captain of a ship believes that his number one job is preserving the ship, well, then he will never leave port.

Well, the ship of the United States has one important purpose, they have many purposes, our ship of state, but the most important purpose of our Federal Government is to protect the people of the United States and to protect our freedom. It is not simply to watch events go by. It is not simply to have a military for which we pay for our military, only to see it there and to caress it and to salute it and to say good things about it. No, our military is there and the people who are in our military understand they have a job to do. At times that means that they must leave port and they must go to foreign destinations in order to protect the national security interests of our country and in order to prevent our people from suffering the kind of attacks that we suffered on September 11.

When we do not do that and when dictators and tyrants and evil-doers around the world see the United States has no more stomach for that type of conflict in distant places, then we will indeed become the target because there are evil people around the world who hate everything that the United States stands for and envy the prosperity and freedom of our people.

The naysayers, if we remember, said the same thing about Saddam Hussein's attack and invasion and subjugation of Kuwait. The naysayers said we better not get into that war because Saddam Hussein kept playing on their psyche, the Vietnam psyche. This is going to be the mother of all wars.

Well, what happened in Kuwait and in Iraq 10 years ago and what just happened in Afghanistan in these recent months should indicate to us when America is on the right side and we are doing what is right and opposing aggression and supporting those people who believe in freedom and democracy, that we will, we will win, and that we will be on the side of those people in those areas on which we are fighting, and that it will not become a quagmire because we are doing what is right and just.

For the record, not aggressively responding to the invasion, Iraq's invasion of Kuwait or not aggressively responding to the atrocities committed against us on September 11 would have been a much riskier strategy than unleashing a military counterattack, which is what we did. But Americans need to understand that these two conflicts, while our military have went in in these conflicts and altered the course of history and defeated the tyrants, defeated the terrorists, the

American people need to know that that military action might not have been necessary had we in place policies which would have prevented the attacks in the first place.

It was bad policy on the part of the United States that led Saddam Hussein to attack Kuwait. It was bad policy on the part of the United States that led bin Laden and the Taliban to conclude that they could conduct murderous attacks on the people of the United States and that they would not suffer the consequences.

The fact is in terms of Iraq, during the fast moving and somewhat confusing days at the close of the Cold War, a high ranking foreign policy official from George Bush's administration, meaning George Bush, Senior, the first President Bush, an Ambassador April Gillespie, misinformed Saddam Hussein as to our country's position on Iraq's claim to Kuwait. She stated that we considered Iraq's claim on Kuwait and the threats of Saddam Hussein to invade Kuwait to be an internal matter of Iraq.

□ 1445

She stated it very clearly and it has been printed since, an internal matter. That is what Saddam Hussein contemplated when he tried to decide whether to unleash his military forces against Kuwait. It was a miscalculation on his part, but due to a bad policy statement by our own government, a mistake by our own government, a mistake by the previous Bush administration.

Well, that classic misstatement on Ambassador April Gillespie's part led to the invasion of Kuwait and the Gulf War that followed. That was a policy error, and I might add, when some people suggest when I criticized the last administration for its mistakes and misdeeds that they are claiming that I am being partisan, let me just note that I am fully recognizing that mistakes often have happened in Republican administrations, and I just gave an example of that.

What we must do in order to fully understand what happened on September 11 is to take a look at the government policies and the events that led up to September 11. I worked in the White House during the Ronald Reagan years, during those years when Reagan put an end to the Cold War, and ended those Reagan years with the dismantling of the Communist dictatorship that controlled Russia and the puppet states.

Part of that effort on the part of Ronald Reagan, of course, to bring the Soviet Union down or at least end the Cold War was President Reagan's strategy that the United States should support people throughout the world who are struggling to free themselves from Communist tyranny, especially those people who are struggling to free themselves from Soviet occupation.

The bravest and most fierce of these anti-Soviet insurgents were in Afghanistan, and the American people can be proud that we provided the Afghan people with the weapons they needed to win their own freedom and independence. That Cold War battle was a major factor in breaking the will of the Communist bosses in Moscow and thus ending the Cold War. By ending the Cold War, we made everyone on this planet, especially those people who live in the Western democracies, we made them safer, we made them more prosperous.

In our own country, it resulted in 10 years where spending on the military was able to decrease in the range of hundreds of billions of dollars, which then went into our economy in different ways, and all of this can be traced back to Ronald Reagan's strategies and traced back to the people of Afghanistan who fought for their freedom and independence and under the Soviet bosses and the crack in the Soviet leadership led to its downfall.

However, we must take a look here at this strategy and at this moment in history at the end of the Cold War to fully understand the crime of September 11. One of the common errors found in trying to understand September 11 is the suggestion that those holding power in Afghanistan today are the same people that we supported who were fighting against the Soviet occupation of Afghanistan in the 1980s. This by and large is wrong. It is inaccurate.

Yes, some of those who are currently or were in power during the Taliban regime in Afghanistan, some of those in the Taliban regime did fight the Russians, there is no doubt about it, but by and large those people who were in the leadership of the Taliban were not in the leadership of those people who fought with the Mujahedin that fought against the Russians, the Soviet Union. In fact, I do not know of one of the major factional leaders of the Mujahedin who fought the Russians when the Soviets occupied Afghanistan; not one of those became a major leader in the Taliban. So those who fought Soviet occupation, the Mujahedin, were different from those people who later took over as the Taliban.

During my time at the White House from 1981 to 1988, I had a chance to meet the leaders of the Mujahedin, and I found them to be a very interesting and many of them honorable men. Some of them were wild and woolly and others were quite a sight because I would take them sometimes to the dining room at the White House and would see these guys with their turbans and outfits there at the executive dining room at the White House.

I got to know them personally, and I got to admire them as individuals. Many of them were so courageous and they worked with me, and quite often I would be called when they needed help in procuring certain weapons systems, or time periods when even medical supplies were unable to get through they would call me to try to use my contacts at the National Security Council and the White House to break down the barriers, and I was able to do that successfully on some occasions.

I always told them that if I was going to help them I was going to personally be involved with their struggle against the Soviet army, that if, when I left the White House, if the war was still going on that I would join them at least for one battle, sort of put my body where my mouth is or my money where my mouth is, whatever we want to say it is, but I was willing to stand up with them rather than just give them moral support.

So after I left the White House and I was elected to Congress, I had 2 months between my election in November of 1988 and January of 1989 when I would be sworn in that were my last 2 months of freedom before I actually became a Member of Congress. During that time I disappeared and hiked into Afghanistan as part of a small Mujahedin unit and engaged with that unit in the battle against Soviet troops around the City of Jalalabad, and I marched in for several days through the Khyber Pass and around a side trail.

These people that I marched with, some of them were young, some of them were old. They were armed just with RPGs, rocket propelled grenades, and Kalashnikov rifles. These were very brave people, but let me suggest that they were not senseless killers and they were not people who would not have rather been with their families, but during the war in Afghanistan the Soviet Union had destroyed their ability to live at peace with their families. They destroyed their villages, their water systems, et cetera, and more than that, they tried to destroy their ability to worship God as they saw fit.

As we were marching through the devastation of Afghanistan, as I have a sip of water right here, at times there was not even water for hours at a time and perhaps one full day of hiking, and these people did not have enough money to have canteens. They did not have enough money to have sunglasses. So they would put pencil lead into their eyelids and swirl it around so that a coating of pencil lead would serve as a shield against the sun as we marched across the desert. These people, as I say, had almost no food, very little water.

We gave them the arms they needed to fight for their independence, but every day they would pray five times, thanking God for what they did have. I got back right before Thanksgiving, and I had Thanksgiving dinner with my family that year, and we had so much, so much in abundance in the United

States. Sometimes we forget how wonderful it is a place that we have. Sometimes we forget that we have so much to be grateful for, and in America, believe me, every day should be Thanksgiving Day. Every day should be a day when we thank God. These brave people did it five times a day when they had nothing, and it was their strength and courage, as I say, that helped bring the Soviet military to its knees and eventually forced them to retreat from Afghanistan.

After the Russians retreated from Afghanistan, the United States simply left. We had been providing them with a billion dollars a year to finance that war and then we simply walked away. We left the Afghans to their own fate after all of this destruction and death, after so many of them had become maimed, their children were maimed. They had no way to take care of their own families. We left them to sleep in the rubble. We did not even help them clear the land mines that we had given them during the fight against the Soviet army.

This was a sin that we committed against the people of Afghanistan, and it came back to haunt us. We left them, as I say, to sleep in the rubble, and we left them with no leadership. The leadership we supposedly left them with was that of Pakistan and Saudi Arabia, and these two countries, I might add, played a shameful role in Afghanistan in the years since the end of the Afghan war with the Soviet Union, and these two countries, supposedly our friends, the Pakistanis and the Saudis, they bear a great deal of the responsibilities, a great burden of the responsibilities for the fact that we suffered the attack on September 11.

So perhaps when we left Afghanistan, and then again this was not this administration or even President Clinton's administration, again it was at the Cold War, the end of the Cold War during President Bush, Senior's administration, perhaps that is one of the policies that we put in place that led to September 11.

After the collapse of the Communist regime in Afghanistan, the Mujahedin factions who had fought the Russians with no direction or no leadership from the United States began to bicker and to fight among themselves. This was one of my first years in Congress when this was going on, and I remember that even then I could see that it was important for us to try to support a positive alternative for Afghanistan. Why is it that the United States Government could not step forward with saying look, here is a positive alternative, let us push a plan of our own that, if it works, people will be able to live in peace, and if it works, the country can rebuild, but we had no plan of our own and in fact we left it to the Pakistanis and the Saudis.

I myself took it upon myself because I was involved in Afghanistan to go into the region and to go into Afghanistan and to argue aggressively that there was a strategy that would bring peace to Afghanistan and that was bringing back the old king of Afghanistan who had been overthrown in 1973, King Zahir Shah. Zahir Shah had been a coup. He had been removed from power in 1973, and that is what began the cycle which caused the horrible bloodshed.

All of the Afghan people had a warm place in their hearts for King Zahir Shah. King Zahir Shah was a man who, because he had such a good heart, some evil people felt that he was vulnerable and removed him in a military coup when he was visiting another country at one point, but Zahir Shah was so beloved by his people. I went to see Zahir Shah when he was in exile in Rome and he committed to me that if he would return to Afghanistan that he would lead a temporary government only that would stay in power long enough to institute democratic elections and permit the country's governmental infrastructure to be put in place, that would give the people of Afghanistan a chance, a chance to have a decent government and to have free elections and to bring in outside people to help them set up the democratic process and to observe the elections and permit the people throughout the country to form political parties. Zahir Shah had agreed to that because he wanted to go back to Afghanistan to prove to his people that during that time of their travail, when he had been forcibly removed from office, that he was with them and that he cared about them and that he wanted to make this last contribution because he was becoming an older man.

That was 10 years ago when I went to almost every area around Afghanistan, to almost every country around Afghanistan, as well as going into Afghanistan itself, to advocate that Zahir Shah be returned to Afghanistan, and guess what? Everywhere I went I was followed by a representative of the United States State Department, and right after I would speak to the various leaders, the State Department official would announce that DANA ROHRABACHER is speaking for himself. It is not the position of the United States Government. In other words, they were saying do not listen to DANA ROHRABACHER because he is just a bunch of hot air, he represents nobody. What was the State Department's alternative? They had no alternative.

□ 1500

I do not mind people disagreeing with me. I do not mind people undercutting me. But the State Department was tearing my efforts down to bring back Zahir Shah to try to establish democratic government and they had no alternative. Their alternative was to let the turmoil continue in Afghanistan. Their alternative was to ignore what was going on in Afghanistan. That was our State Department's position. And that position continued into the Clinton administration, time and again undercutting Zahir Shah.

And what was their position on Zahir Shah? He is too old. Zahir Shah was too old. At that time, of course, he was younger than Ronald Reagan was when he ended the Cold War. Now, 10 years later, he is still alive and he is not too old now. No, there was something else at play. Whatever was at play, whatever convinced our State Department to undercut the efforts to have a democratic alternative during the early days after the Soviet troops left, they will have to explain someday. But as it was, this Member of Congress took enormous efforts, I took enormous efforts to try to have an alternative and offer that alternative to the people of Afghanistan. Because I knew that if our country did not do what was right, it would come back and hurt us someday.

And so I went forward over the years, and the confusion and the chaos continued in Afghanistan. And then, like a flash upon the sea, just a surprise move that was happening, being played by somebody, but all of a sudden there was another force at play in Afghanistan. And that was a force that was called the Taliban. In the mid-1990s, a fresh, well-equipped, well-armed, well-rested, well-trained military unit entered Afghanistan from Pakistan. These people by and large had not been fighting the Soviet Union but were, instead, kept out of the war and in schools in Pakistan. And at these schools, by the way, many of them were and continue to be illiterate.

The United States provided a great deal of money and resources for the Mujahadin during their war with the Soviet Army. That money went through the Pakistani, the equivalent of the Pakistani CIA. It is called the ISI. And apparently the Pakistani ISI had siphoned enough of our money off to keep that third force and to create that third force which would be used after the war to do their bidding. The Taliban was the creation of Pakistan and the creation of the Saudis, and they were set up to be the attack dogs of these people in power in those countries so that they could dominate Afghanistan.

When the war with the Soviet Union was over, and after the bickering among the factions themselves, which of course had been instigated a great deal by Pakistan, who continued to support evil people like Hekmahtri Gulhbahdeen, but when all the democratic forces, or people who wanted a decent government in Afghanistan, were blood white, the Taliban were just thrust upon the scene.

And, as I say the, Saudis were also involved. The Saudis bankrolled this effort. During the war with the Soviet Union, the Saudis had provided several hundred million dollars a year. The United States provided at times up to a billion dollars a year for the anti-Soviet insurgence in Afghanistan.

I once asked General Turki, who is the head of Saudi intelligence, why they should not bring back the King of Afghanistan, Zahir Shah, in order to end this bloody cycle; and that he could be someone who everyone could rally behind because they all trusted him not to kill them. Zahir Shah, while he was no one's first choice, everyone knew that Zahir Shah was incapable of committing atrocities against them, and they trusted him not to be someone who would hurt them. So at least he offered everyone safe haven. Well, General Turki, the Saudi general who was in charge of their intelligence, told me that the Saudis wanted nothing to do with King Zahir Shah and they had their own plan for this third force with Pakistan: the Taliban.

And when the Taliban arrived on the scene, let us admit that there had been so much chaos and confusion in Afghanistan, many people thought that they might become a force for stability; and they were welcomed in many parts of Afghanistan, mainly because the Taliban carried huge pictures of King Zahir Shah, claiming that they were going to bring back Zahir Shah. When I heard about those pictures, I said, well, maybe they will. Maybe they will create stability and bring him back. Maybe my conversations had some effect.

Well, it did not take long before the people of Afghanistan realized what the Taliban were all about. Luckily, they were not able to occupy the northern provinces of Afghanistan because the commanders there were very hesitant to let troops into their part of the country who they did not know anything about. So we soon learned that instead of a force for stability, the Taliban, which had been created by our Pakistani and Saudi friends, was a monster, a monster that threatened stability of the world, a monster that was eating up any chance for peace and any chance for a decent government and a decent standard of living in Afghanistan.

The Taliban were medieval in their world and religious views, they were violent and intolerant, they were fanatics; and, as such, they were an aberration of Islam. They were totally out of sync with Muslims throughout the world and even totally out of sync with the Muslims in Afghanistan.

Let us note the reason the Taliban were defeated so quickly was that the people of Afghanistan did not like the Taliban, which is exactly the opposite of what we were being told by the State Department and others all along. The Taliban are best known, of course, for their horrific treatment of women, but they were also the violators of human rights across the board. They jailed and threatened to execute Christian aid workers, allegedly for doing nothing more than espousing the belief in Jesus Christ. They ended personal freedoms, they ended freed of speech and freedom of the press. These things were not even a consideration. They ruled by fear.

This is the Taliban that was put in place by Pakistan and Saudi Arabia, and it was clear that that was what was going on after a very short period of time. The Taliban believed they had a private line to God. The rest of us, who have different religious convictions, according to the Taliban, are not only wrong but we are evil, of course. And perhaps that is why they gave safe haven to the likes of bin Laden, a Saudi terrorist who has been in Afghanistan and was in Afghanistan for years training terrorists and planning his attacks on the United States and other countries.

Oh yes, by the way, bin Laden let us not forget this as well, had several thousand gunmen with him. We know that. We do not know where they have all gone, but during the time when the Taliban were in power in Afghanistan, bin Laden's armed militias or legions were marauding around Afghanistan murdering any Afghan that would try to resist Taliban power. So the Taliban and bin Laden were despised in Afghanistan, even though we were told by the State Department and others how horrific it would be for us to try to dislodge the Taliban from power.

Remember, during the years of the Taliban, they had the support from Saudi Arabia and Pakistan; and in fact during those years, during the 1990s, the Taliban captured all but a very, very small portion of Afghanistan. They beat back all of those people who were against them in the northern part of the country so only a sliver, only 10 percent, of the country in and around the Panjer Valley remained free of Taliban control.

The only reason they did not really take over the entire country is there was one leader in the northern part of Afghanistan who captured the imagination of his people and the people of Afghanistan and other people throughout the world. His name was Commander Masood. Commander Masood led his forces in the Shamali Plains and up in the Panjer Valley, and he was never conquered by Soviet troops nor was he ever conquered by the Taliban.

I went to see Commander Masood in the mid 1990s, and through the years before and after that I maintained a relationship with him. I have spoken to his brother on many occasions and kept a line of communication going. Commander Masood was a very decent and honorable man and, as I say, a much beloved person. But the Taliban domination of Afghanistan was not bad enough for the United States to support Commander Masood or anybody else who was fighting against the Taliban.

For years during the Clinton administration I begged and I pleaded to provide some kind of help to the Northern Alliance, which were then resisting the Taliban in Afghanistan. In fact, the Taliban did not need to have taken over all of Afghanistan, except for that little 10 percent. The Taliban could have been stopped when it was holding perhaps 70 percent of the country or 60 percent of the country. But at no time was President Clinton and his administration willing to have anything to do with trying to resist the Taliban forces.

And every time I suggest that the Clinton administration policies of the last 5 years led to this atrocity committed against us on September 11, people go bananas. They automatically say that I am being partisan. Let me note that in this speech already I have highlighted several of the major mistakes made during Republican administrations. But let us not be so hesitant to place responsibility where it belongs when it comes to September 11. Today, I have no doubt that if the policies during the Clinton administration would have been different, the murderous attack on our people on September 11 would not have happened and we may well have spared the people of the world this horrendous, horrendous war that we are going through right now.

Of course, this war could be a lot worse than it is. The fact is our military is doing a terrific job. But this is not partisan. I am a senior member of the Committee on International Relations. And over the years, as I watched what was going on in Afghanistan, I realized that during the Clinton administration there was a pattern, a consistent pattern going on that appeared that the United States policy was not actually opposing the Taliban but, instead, we actually had a covert policy of supporting the Taliban.

Let me repeat that, in case anyone misses the significance of it. During the 1990s, when we had a chance to support those people who were opposing the Taliban, when we had a chance to undermine the Taliban's strength so that they could be replaced by others who were more closely aligned to democratic principles or even to bring Zahir Shah back and establish a democratic government, our government had exactly the opposite policies. Every time the opportunity arose to overthrow the Taliban or to undermine the Taliban, the Clinton administration actually did things that helped bolster the strength of the Taliban.

When I noticed this trend as a member of the Committee on International Relations, I called on the Clinton administration and the State Department to provide me the documents so that I could peruse the official State Department documents, the cables coming in from overseas, the briefing papers, to determine what our policy was.

Now, I am a member, as I say, a senior member of the Committee on International Relations; I am on the upper rung there. When you see hearings, I am on the very top level of those hearings now because I have been a Member of Congress now for 14 years. My job in that committee is to oversee American foreign policy. Making a request to see documents of the State Department to determine what American foreign policy is is not only justified, it is something that should be expected of Members of Congress. Of course we should see the documents and find out what the policy is and talk with the administration and make sure that we are doing our oversight responsibility.

For 2½ years, the Clinton State Department refused to provide me the documents. It is called stonewalling.

□ 1515

The Assistant Secretary of State, Rick Inderfurth, repeatedly gave me documents that were irrelevant to the request that I made so he could claim that he gave me documents. Some documents included newspaper clippings, which is an insult, a Member of Congress asking for internal documents and getting newspaper clippings.

Why was the State Department stonewalling my request? Is it illogical for someone reading the RECORD or for me or my colleagues to believe that if I was stonewalled in a request for documents from the State Department and that I have a legitimate right to oversee that activity, that the State Department was trying to hide something from me and thus hide something from the American people? Is that irrational? No, I think that flows directly from that action.

During the latter part of the Clinton years, even though Secretary Albright agreed to provide me the documents necessary to determine America's foreign policy towards the Taliban, I was repeatedly thwarted from getting those documents, and I have to believe that Secretary Albright herself knew that I was being thwarted because she had been asked that in congressional hearings on the record in front of the whole world under oath.

Thus, the Clinton administration when it came to the Taliban made a joke out of Congress's right to oversee American foreign policy. Well, guess who the joke is on? The joke is on the American people, but nobody is laughing after September 11.

The Clinton administration, I repeat, was involved in policies that actually supported the Taliban. This at a time when we knew their nature. This at a time when we knew that they had terrorists there, bin Laden, who had already killed Americans; this when we knew they were some of the most horrendous human rights violators on the planet.

An example of ways the Clinton administration helped support the Taliban, in 1996, for example, the Taliban had overstretched their forces. This is at the beginning of their rule. Thousands of their best fighters were captured in northern Afghanistan. I was watching this very closely. The Taliban regime was vulnerable as never before and never since. It was a tremendous opportunity, and by then we knew that the Taliban were going to be the monstrous regime they proved to be.

The Northern Alliance, which existed then, had defeated the Taliban in a way that made the Taliban incredibly vulnerable. A knockout blow could have been unleashed easily by the Northern Alliance and the Taliban could have been kicked out.

At the time I was in personal contact with the leaders of the Northern Alliance, and I recommended to them a quick attack and bringing back the old King Zahir Shah until the democratic process could be established; and, thus, we could turn around the whole situation in a very quick movement. Who saved the day? Why did the Northern Alliance not take advantage of this opportunity? I can tell Members who saved the day. President Clinton saved the day. Probably personally he made the decision. Again, I beg Members of Congress, please do not dismiss what I say. Any time someone says anything bad about Bill Clinton, it is suggested to us that we are being partisan. Please, that is not the case. We are talking about policies that were in place. We are not talking about individuals. His actions and policies saved the day, and those decisions were made and responsibility should be placed.

What happened was at this moment when the Taliban could have been eliminated, President Clinton dispatched Assistant Secretary Rick Inderfurth and Bill Richardson, who was then our United Nations ambassador, to go personally to northern Afghanistan and convince the anti-Taliban forces not to go on the offensive, but instead to accept an immediate cease-fire and an arms embargo.

Mr. Speaker, these people in northern Afghanistan were pretty impressed by the United Nations ambassador and the President's personal representative flying into northern Afghanistan. They wowed the Northern Alliance, and the advice of the gentleman from California (Mr. ROHRABACHER), the State Department did everything they could to convince them to ignore what the gentleman from California was saying.

This was like having a time when Adolf Hitler could have been eliminated, but we were convincing the forces in Germany to sit down and talk with old Adolf. Instead, they decided to accept a cease-fire and an arms embargo. The minute there was a cease-fire, the Saudis and the Pakistanis began a massive arms resupply of the Taliban.

So the Clinton administration instituted an arms embargo against the Taliban's opponents, at the same time that we knew, our CIA clearly knew what was going on, that there was a massive arms resupply of the Taliban. Within a very short period of time after the Northern Alliance was crippled by an arms embargo and the Taliban was smothered in new weapons and supplies, the Northern Alliance was driven almost completely out of the country. Only 10 percent was left after the Taliban offensive.

For years I begged the Clinton administration to support those who were resisting the Taliban regime. Not only did they not support those who resisted the Taliban, but they actually undermined their efforts. I said, what about King Zahir Shah? And again, Zahir Shah was not acceptable. Too old. There was every reason in the world why we could not do anything to oppose the Taliban in terms of actual actions instead of just words, confetti words that America's President was just throwing out.

Bin Laden was even able to kill Americans and kill military personnel while in Afghanistan, and we still did not take the actions necessary to try to overthrow the Taliban. We shot off a couple of cruise missiles. We destroyed a few mud huts. All of the while bin Laden, who has killed American military personnel already, was given a safe haven to set up a terrorist network throughout the world. During that time period, some of bin Laden's network tried to assassinate the Pope in the Philippines. Throughout Southeast Asia, terrorist groups were forming, all with the support of bin Laden having been given safe haven in Afghanistan.

I believe that the United States did this and that the Clinton administration was involved in this because they had made some kind of deal or had some kind of understanding with Pakistan and Saudi Arabia. And Saudi Arabia and Pakistan, they have their own reasons and their own motives and their own value system; but let us take a look. Pakistan is not a democratic country today. Musharraf, the guy who is in charge there, is a general who overthrew a democratically elected government. If he wants to bring peace to that country, I hope that he provides the reform and heads back toward a democratic regime. I suggested when he took power that he have a plebiscite to give himself the legal authority to conduct that reform. He decided not to do that.

The Saudis, of course, are a medieval dictatorship, a family that controls their country, these people who basically have some of the same anti-Western feelings that bin Laden has. No, the Saudis do not have our same values. They have been allies to the United States, and I give them credit. We should not forget that during the Cold War, the Saudis were allies, as were the Pakistanis; and for that we should be grateful. But we cannot let our gratitude for Saudi support during the Cold War, and Pakistani support during the Cold War, to bind us into policies that will undermine our well-being in a totally different world that is emerging since the post-Cold War.

Bin Laden, of course, was a Saudi, and I say "was" because we still do not know where he is. Let us hope that bin Laden has moved on to his just rewards, and that would be burning in hell right about now. He was preaching that the killing of innocent people, of thousands of unarmed people was in some way consistent with his faith. There are Muslims all over the world that would call him to task for such an obscene statement. And I am sure that he is finding now that he is not surrounded by all these dark-eyed virgins that he was promising these people who committed these atrocities against us. He is finding that he and the rest of his gang are heading in a different direction than that.

I warned again and again, yet the Clinton administration did nothing; and it did come back to hurt us. I am on the record on at least 14 different occasions suggesting that unless we changed our policy against Afghanistan, it would have serious repercussions for the United States of America.

Bad policy is at fault. Something else is at fault for what we suffered, and we need to face that as well. The bad policy I hope has changed. Although since our offensive in Afghanistan, let me note that some of the same people in the State Department and elsewhere, even after the attack on September 11, were hesitant to suggest that the Taliban be eliminated from power. In fact, some were suggesting that our game plan should be a coalition government between the Taliban and the Northern Alliance, and all the Taliban had to do was give up bin Laden. That is like asking Rudolph Hess and some of the rest of the Nazi crowd to give up Hitler, and they can stay in power. Well, thank goodness we have a President of the United States that was smart enough and courageous enough to ignore that kind of advice and told the Taliban that they are part and parcel of this, and made a goal of eliminating the Taliban regime from power.

Our forces did this job in such a professional way. We worked with those people in the Northern Alliance. Remember when we were told that the Northern Alliance would take months and months and it would be such a quagmire. The Northern Alliance have proven to be fighters able to defeat the Taliban.

The Northern Alliance has won, and we have to make sure now that we do not walk away again. We have to make sure that we do not leave the Afghan people to sleep in the rubble; that we stick with those people who are anti-Taliban who worked with us to eliminate bin Laden and the Taliban. Let us help them rebuild a democratic, strong, prosperous Afghanistan.

Already there is thought that the King of Afghanistan should be coming back to Afghanistan. This after 12 years. Let me say, 12 years ago I was told he is too old. The State Department would tell me he has no support. He is too old. The King of Afghanistan is the only one who has the loyalty of the hearts of the people of Afghanistan. They love that man because he is a father figure who was King at a time period when there was no killing.

□ 1530

There was no chaos. People lived at peace with their families. They remember that. The sooner the King gets back to Afghanistan, the better.

I was able to go to the conference in Bonn after we had basically won on the ground in Afghanistan in which the Afghan leaders got together and chose an interim leader, Prime Minister Karzai, who is there now. I was there to talk to them about the King and about Mr. Karzai and talked to the various factions in Bonn, and it was my honor to have been there, and I hope I made a small contribution to laying down a plan that would permit Afghanistan to have some stability and prosperity and peace in the future.

We do that by what was the original plan, and this is ironic. The King has agreed to come back and open a Loya Jirga, which is a meeting of the elders of his country. That meeting will help establish the rules for a constitution which, over a transition period, will become a democratic government for the people of Afghanistan. Finally. But we cannot walk away.

They had a meeting in Tokyo a few days ago for donor countries. The United States has committed, I think, about $350 million or so. I will have to say I do not think that is legitimate. I will have to say that I think the United States Government over a period of time should be kicking in much more than $300 million to help the people of Afghanistan.

To put that in perspective, we have been able to spend hundreds of billions of dollars less every year on our military for all these years since the end of the Cold War because the Afghans helped us end the Cold War. For pete's sake, let us help the Afghans build their country. They have only provided $27 million for demining in that country, $27 million. They think there are 8 million land mines. Three hundred children every month end up becoming maimed by land mines in Afghanistan that have been planted there. Think of the drain that would be on our society, much less their society.

Let us make sure we ensure the peace and do the right thing, and the right thing is making sure we do not walk away; that we bring the King back; and we make sure there is an inclusive government, not like the Taliban. They had their exclusive clique who had their own vision of God, which they superimposed on everybody else. Let us instead, let us instead, support an inclusive government, and that is what Zahir Shah would do.

Unfortunately, now there are several people in Afghanistan, Mr. Khalili and some others, Ismail Khan and some others, who worked against the Taliban, who feel they may be being left out. We should not let any government leave anyone out, and our own United States Government should express its appreciation to those on the other side, whom Mr. Khalili and Ismail Khan and others are associated with, and others like that who fought against the Taliban, and everybody should be included.

By the way, the Iranians, the Iranians are promising $560 million worth of support, 50 percent more support for Afghanistan than the United States of America. That is not right. We have benefited by the end of the Cold War. We should make sure we repay the Afghans amply, and that is what is right, and that will be good for us as well.

Let us remember as we move forward, now that the resistance of the Taliban is gone down to just a few areas, there are a few hot spots left there, but there is still a threat to democratic government in Afghanistan. We must play a positive role, both in the economy and in establishing democratic government. Mullah Omar, the head of the Taliban, is still there somewhere with a thousand or so fighters in Afghanistan. We have to make sure Mr. Karzai's interim regime is successful in establishing the foundation that will sweep away the Mullah Omars and bin Ladens forever, because the people of Afghanistan are not fanatics. They are not fanatics.

The people who flew the airplanes into our buildings on September 11 were not Afghans. They were, by and large, Saudis. The people of Afghanistan are devout in their faith, but they are not fanatic about their faith, and Muslims throughout the world resent bin Laden and his murderers for trying to talk for their religion.

President Bush has been magnificent in his outreach to the Muslim countries of the world, letting them know that we will not succumb to the temptation that bin Laden would like us to succumb to, which is making an enemy out of all Muslims in the world. In fact, we are not only not making enemies out of the Muslims from Afghanistan, we in fact are reaching out to them, and need to do so with a heavier financial commitment to help them rebuild their country.

Now, as we proceed, as I say, let us note that in the war against terrorism there will be steps one, two and three. Number one was in Afghanistan, and it is coming to a close, although it is not at a close right now. Step two may be in Southeast Asia. I just returned from Malaysia where they have found bin Laden's network. In Singapore, they just arrested 13 people who were part of bin Laden's network who were planning to blow up a bus that carried American people from our embassy every day. So there would have been 60 or 100 Americans who would have been murdered there by bin Laden's terrorist network in Singapore.

In the Philippines we have already some Special Forces on the ground, after 10 years of ignoring, by the way, during the Clinton Administration. Again, I would say we have got to help the Philippines. I realized that. I went to the Philippines time and again to try to get them together. They were a target of the Communist Chinese and they were a target of bin Laden's network.

Today we have a chance to save the Philippines, but it will be close. We need to work with the Philippines. We have some Special Forces teams on the ground, and we need to make that commitment. I think President Bush has made that commitment. Whether or not that is going to be the next front in the war against terrorism or whether it will be to finish the job that we did not do against Saddam Hussein, this will be a war on terrorism, and it will be a war that is conducted sequentially, and it will be a war that we will be proud of because we will be standing for freedom and democracy and peace.

I salute the members of our Armed Forces who have conducted such a gallant fight, who are leading us on to victory and to create a better world, and to have a better world we must have the courage to do what is right and stand for the principles our country believes in.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. INSLEE (at the request of Mr. GEPHARDT) for January 23 on account of official business in the district.

Ms. WATERS (at the request of Mr. GEPHARDT) for today on account of official business.

Mrs. ROUKEMA (at the request of Mr. ARMEY) for January 23 and the balance of the week on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. DICKS) to revise and extend their remarks and include extraneous material:

Ms. NORTON, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mr. DICKS, for 5 minutes, today.

Mr. BENTSEN, for 5 minutes, today.

(The following Members (at the request of Mr. PAUL) to revise and extend their remarks and include extraneous material:)

Mr. PENCE, for 5 minutes, today.

Mr. BURTON of Indiana, for 5 minutes, January 30 and 31.

Mr. THUNE, for 5 minutes, today.

Mr. HUNTER, for 5 minutes, today.

Mr. SWEENEY, for 5 minutes, today.

ADJOURNMENT

Mr. ROHRABACHER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 38 minutes p.m.), the House adjourned until tomorrow, Friday, January 25, 2002, at 10 a.m.

MOTION TO DISCHARGE A COMMITTEE

JANUARY 24, 2002.

To the CLERK OF THE HOUSE OF REPRESENTATIVES:

Pursuant to clause 2 of rule XV, I, JIM TURNER, move to discharge the Committee on Rules from the consideration of the resolution (H. Res. 203) entitled, a resolution providing for consideration of the bill (H.R. 2356) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform, which was referred to said committee on July 19, 2001, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. Jim Turner.
2. Stephen Horn.
3. Christopher Shays.
4. Michael N. Castle.
5. Lindsey O. Graham.
6. Todd Russell Platts.
7. Marge Roukema.
8. Ken Lucas.
9. Brad Carson.
10. Thomas H. Allen.
11. Sherrod Brown.
12. Marion Berry.
13. James H. Maloney.
14. Leonard L. Boswell.
15. Ron Kind.
16. Robert E. Andrews.
17. Joseph Crowley.
18. Louise McIntosh Slaughter.
19. Nick Lampson.
20. John Lewis.
21. Hilda L. Solis.
22. Zoe Lofgren.
23. Steve Israel.
24. Gary L. Ackerman.
25. James R. Langevin.
26. Michael M. Honda.
27. Dale E. Kildee.
28. Ted Strickland.
29. Joseph M. Hoeffel.
30. James P. McGovern.
31. Jay Inslee.
32. Rush D. Holt.
33. Darlene Hooley.
34. Carolyn McCarthy.
35. Ellen O. Tauscher.
36. Charles A. Gonzalez.
37. Shelley Berkley.
38. Lynn C. Woolsey.
39. Ruben Hinojosa.
40. John B. Larson.
41. Amo Houghton.
42. Stephanie Tubbs Jones.
43. Mike McIntyre.
44. Baron P. Hill.
45. Earl Blumenauer.
46. Rick Larsen.
47. Brad Sherman.
48. John W. Olver.
49. Grace F. Napolitano.
50. James C. Greenwood.
51. Xavier Becerra.
52. Ciro D. Rodriguez.
53. Gene Green.
54. Steven R. Rothman.
55. Susan A. Davis.
56. Barney Frank.
57. Steny H. Hoyer.
58. David E. Bonior.
59. Charles W. Stenholm.
60. Peter Deutsch.
61. Nancy Pelosi.
62. Charles B. Rangel.
63. Maurice D. Hinchey.
64. Michael E. Capuano.
65. Eva M. Clayton.
66. Edward J. Markey.
67. John F. Tierney.
68. Henry A. Waxman.
69. Jerrold Nadler.
70. Nita M. Lowey.
71. John Elias Baldacci.
72. Lois Capps.
73. Martin T. Meehan.
74. James P. Moran.
75. Sam Farr.
76. Chet Edwards.
77. Tom Udall.
78. Jim Davis.
79. Tim Holden.
80. Luis V. Gutierrez.
81. Tom Sawyer.
82. Frank Pallone, Jr.
83. Richard A. Gephardt.
84. Ken Bentsen.
85. Allen Boyd.
86. Diane E. Watson.
87. David E. Price.
88. Chaka Fattah.
89. Gerald D. Kleczka.
90. Jim McDermott.
91. Rosa L. DeLauro.
92. Bob Etheridge.
93. Ed Pastor.
94. Mike Thompson.
95. Melvin L. Watt.
96. Nydia M. Velázquez.
97. David D. Phelps.
98. Adam B. Schiff.
99. Betty McCollum.

100. Robert A. Borski.
101. Bob Filner.
102. Robert T. Matsui.
103. Peter A. DeFazio.
104. John M. Spratt, Jr.
105. Tammy Baldwin.
106. Ike Skelton.
107. Bob Clement.
108. Diana DeGette.
109. Dennis J. Kucinich.
110. Robert Wexler.
111. George Miller.
112. Janice D. Schakowsky.
113. Lane Evans.
114. Jim Matheson.
115. Constance A. Morella.
116. Brian Baird.
117. Benjamin L. Cardin.
118. Lucille Roybal-Allard.
119. Silvestre Reyes.
120. Harold E. Ford, Jr.
121. Anna G. Eshoo.
122. Marcy Kaptur.
123. Bill Pascrell, Jr.
124. Bart Gordon.
125. Adam Smith.
126. Eliot L. Engel.
127. Dennis Moore.
128. Lynn N. Rivers.
129. John J. LaFalce.
130. Patsy T. Mink.
131. Martin Frost.
132. Christopher John.
133. Thomas M. Barrett.
134. Max Sandlin.
135. Tom Lantos.
136. Major R. Owens.
137. Anthony D. Weiner.
138. Patrick J. Kennedy.
139. Karen McCarthy.
140. Barbara Lee.
141. Jane Harman.
142. Norman D. Dicks.
143. David Wu.
144. Earl Pomeroy.
145. Bernard Sanders.
146. Michael R. McNulty.
147. Tony P. Hall.
148. John D. Dingell.
149. Vic Snyder.
150. Gary A. Condit.
151. John Conyers, Jr.
152. Paul E. Kanjorski.
153. Lloyd Doggett.
154. James L. Oberstar.
155. Sander M. Levin.
156. Gene Taylor.
157. Elijah E. Cummings.
158. Karen L. Thurman.
159. Mark Steven Kirk.
160. Carolyn C. Kilpatrick.
161. Calvin M. Dooley.
162. Robert A. Brady.
163. Bill Luther.
164. Mark Udall.
165. William J. Coyne.
166. Jerry F. Costello.
167. Edolphus Towns.
168. Gregory W. Meeks.
169. Howard L. Berman.
170. Donald M. Payne.
171. William D. Delahunt.
172. John S. Tanner.
173. Carolyn B. Maloney.
174. Julia Carson.
175. William J. Jefferson.
176. Carrie P. Meek.
177. Nancy L. Johnson.
178. Jesse L. Jackson, Jr.
179. James A. Leach.
180. Zach Wamp.
181. Frank Mascara.
182. Jose E. Serrano.
183. Rod R. Blagojevich.
184. Nick J. Rahall II.
185. Alan B. Mollohan.
186. Michael F. Doyle.
187. Bart Stupak.
188. James A. Barcia.
189. Neil Abercrombie.
190. Solomon P. Ortiz.
191. Robert E. (Bud) Cramer, Jr.
192. Rob Simmons.
193. Mike Ross.
194. Tim Roemer.
195. Danny K. Davis.
196. Sheila Jackson-Lee.
197. Bobby L. Rush.
198. Jim Ramstad.
199. Loretta Sanchez.
200. Robert C. Scott.
201. Robert Menendez.
202. David R. Obey.
203. Fortney Pete Stark.
204. Juanita Millender-McDonald.
205. Joe Baca.
206. Wayne T. Gilchrest.
207. Maxine Waters.
208. Cynthia A. McKinney.
209. Frank R. Wolf.
210. Stephen F. Lynch.
211. Alcee L. Hastings.
212. Eddie Bernice Johnson.
213. Greg Ganske.
214. Peter J. Visclosky.
215. Thomas E. Petri.
216. Charles F. Bass.
217. Corrine Brown.
218. Richard E. Neal.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5205. A letter from the Secretary of Defense, transmitting report pursuant to Section 1041 of Public Law 106-398, the Floyd D. Spence National Defense Authorization Act for FY 2001, as amended by Section 1033 of the National Defense Authorization Act for Fiscal Year 2002; to the Committee on Armed Services.

5206. A letter from the Director, Office of Management and Budget, transmitting appropriations reports, as required by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended; to the Committee on the Budget.

5207. A letter from the Director, Office of Management and Budget, transmitting appropriations reports, as required by the Balanced Budget and Emergency Deficit Control Act of 1985, as amended; to the Committee on the Budget.

5208. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Amendments to the Requirements on Variability in the Composition of Additives Certified Under the Gasoline Deposit Control Program; Partial Withdrawal of Direct Final Rule [FRL-7132-3] (RIN: 2060-AJ69) received January 18, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5209. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Protection of Stratospheric Ozone: Removal of Restrictions on Certain Fire Suppression Substitutes for Ozone-Depleting Substances; and Listing of Substitutes [FRL-7130-7] (RIN: 2060-AG12) received January 18, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5210. A letter from the Attorney, Federal Communications Commission, transmitting the Commission's final rule—Numbering Resource Optimization [CC Docket No. 99-200]; Implementation of the Local Competition Provisions of the Telecommunications Act of 1996 [CC Docket No. 96-98]; Telephone Number Portability [CC Docket No. 95-116] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5211. A letter from the Legal Advisor, WTB, Federal Communications Commission, transmitting the Commission's final rule—Implementation of 911 Act [WT Docket No. 00-110]; The Use of N11 Codes and Other Abbreviated Dialing Arrangements [CC Docket No. 92-105] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5212. A letter from the Attorney, Federal Communications Commission, transmitting the Commission's final rule—2000 Biennial Regulatory Review—Comprehensive Review of the Accounting Requirements and ARMIS Reporting Requirements for Incumbent Local Exchange Carriers: Phase 2 [CC Docket No. 00-199]; Amendments to the Uniform System of Accounts for Interconnection [CC Docket No. 97-212]; Jurisdictional Separations Reform and Referral to the Federal-State Joint Board [CC Docket No. 80-286]; Local Competition and Broadband Reporting [CC Docket No. 99-301] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5213. A communication from the President of the United States, transmitting a 6-month periodic report on the national emergency with respect to the risk of nuclear proliferation created by the accumulation of weapons-usable fissile material in the territory of the Russian Federation that was declared in Executive Order 13159 of June 21, 2000, pursuant to 50 U.S.C. 1641(c) and 50 U.S.C. 1703(c); (H. Doc. No. 107-174); to the Committee on International Relations and ordered to be printed.

5214. A communication from the President of the United States, transmitting a report on the status of efforts to obtain Iraq's compliance with the resolutions adopted by the United Nations Security Council, pursuant to 50 U.S.C. 1541; (H. Doc. No. 107-175); to the Committee on International Relations and ordered to be printed.

5215. A letter from the Director, Defense Security Cooperation, Department of Defense, transmitting the listing of all outstanding Letters of Offer to sell any major defense equipment for $1 million or more; the listing of all Letters of Offer that were accepted, as of September 30, 2001, pursuant to 22 U.S.C. 2776(a); to the Committee on International Relations.

5216. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

5217. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting Report on Withdrawl of Russian Armed Forces and Military Equipment, pusuant to paragraph 5(D) of the Senate's resolution of advice and consent of the ratification of the CFE Flank Document; to the Committee on International Relations.

5218. A letter from the Chief Administrative Officer, transmitting the quarterly report of receipts and expenditures of appropriations and other funds for the period October 1, 2001, through December 31, 2001 as compiled by the Chief Administrative Officer, pursuant to 2 U.S.C. 104a; (H. Doc. No. 107–176); to the Committee on House Administration and ordered to be printed.

5219. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airspace and Flight Operations Requirements for the 2002 Winter Olympic Games, Salt Lake City, UT [Docket No. FAA–2002–11332; SFAR No. 95] (RIN: 2120–AH61) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5220. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Implementation of the National Invasive Species Act of 1996 (NISA) [USCG–1998–3423] (RIN: 2115–AF55) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5221. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Pollution Prevention for Oceangoing Ships and Certain Vessels in Domestic Service [USCG–2000–7641] (RIN: 2115–AF56) received January 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. RANGEL (for himself, Mr. GEPHARDT, Mr. STARK, Mr. MATSUI, Mr. COYNE, Mr. MCDERMOTT, Mr. KLECZKA, Mr. LEWIS of Georgia, Mr. NEAL of Massachusetts, Mr. JEFFERSON, Mr. BECERRA, Mr. DOGGETT, Mr. LAFALCE, Mr. LEVIN, and Mr. MCNULTY):

H.R. 3622. A bill to amend the Internal Revenue Code of 1986 to extend the golden parachute excise tax to sales of company stock by corporate insiders occurring when the company prevents rank-and-file employees from selling company stock held in their 401(k) plan, and to ensure more accurate reporting of liabilities to workers and shareholders; to the Committee on Ways and Means.

By Mr. BENTSEN:

H.R. 3623. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to prohibit knowing misrepresentations by fiduciaries of 401(k) plans which may induce participants and beneficiaries to act contrary to their own best interest in controlling the assets in their own accounts, and to amend title 11 of the United States Code to protect claims based on such misrepresentations; to the Committee on Education and the Workforce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CANTOR:

H.R. 3624. A bill to prohibit assistance to the Palestinian Authority and any instrumentality of the Palestinian Authority; to the Committee on International Relations.

By Mr. CARDIN (for himself, Mr. STARK, Mr. LEVIN, Mr. MCDERMOTT, and Mr. DOGGETT):

H.R. 3625. A bill to reauthorize and reform the program of block grants to States for temporary assistance for needy families, and for other purposes; to the Committee on Ways and Means.

By Mrs. EMERSON (for herself and Mr. ROSS):

H.R. 3626. A bill to amend title XVIII of the Social Security Act to provide for an outpatient prescription drug benefit under the Medicare Program; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GRAHAM (for himself and Mr. GOSS):

H.R. 3627. A bill to protect the United States and its allies by imposing sanctions on countries and entities that aid and abet individuals or entities engaged in terrorist activity or fail to cooperate in the war against terrorism, and for other purposes; to the Committee on International Relations, and in addition to the Committees on Ways and Means, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HASTINGS of Florida:

H.R. 3628. A bill to authorize the President to present posthumously a gold medal on behalf of the Congress to Sammy Davis, Jr. in recognition of his achievements and service to the Nation; to the Committee on Financial Services.

By Mr. KELLER (for himself, Mr. BARR of Georgia, Mr. PUTNAM, Mr. OSBORNE, Mr. CRENSHAW, Mr. FATTAH, and Mr. EHRLICH):

H.R. 3629. A bill to amend the Internal Revenue Code of 1986 to allow employers a credit against income tax for wages paid to employees while participating in mentoring programs for elementary and secondary school students; to the Committee on Ways and Means.

By Mrs. MEEK of Florida (for herself, Mr. HASTINGS of Florida, and Ms. ROS-LEHTINEN):

H.R. 3630. A bill to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida and the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park, and for other purposes; to the Committee on Resources.

By Mr. PASCRELL (for himself and Mr. FARR of California):

H.R. 3631. A bill to amend the Internal Revenue Code of 1986 to modify the electric motor vehicle credit, including an expansion of the credit to certain 3-wheeled vehicles; to the Committee on Ways and Means.

By Mr. TANCREDO:

H.R. 3632. A bill to ensure that labor dues and fees are used only for collective bargaining purposes and exclusive representation; to the Committee on Education and the Workforce.

By Mr. TRAFICANT:

H.R. 3633. A bill to provide compensation for the United States citizens or legal permanent residents who were victims of the bombing of the Murrah Federal Building in Oklahoma City, Oklahoma on April 19, 1995, on the same basis as compensation is provided to victims of the terrorist-related aircraft crashes on September 11, 2001; to the Committee on the Judiciary.

By Ms. WATERS:

H.R. 3634. A bill to permit certain funds assessed for securities laws violations to be used to compensate employees who are victims of excessive pension fund investments in the securities of their employers, and for other purposes; to the Committee on Financial Services, and in addition to the Committee on House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the Committee concerned.

By Mr. ROTHMAN:

H. Con. Res. 302. Concurrent resolution urging the Department of Justice to seek subrogation from the terrorists responsible for the attacks against the United States on September 11, 2001, with respect to claims paid under the September 11th Victim Compensation Fund of 2001, and urging the President to deposit amounts belonging to such terrorists which have been blocked or confiscated by the United States in the general fund of the Treasury; to the Committee on the Judiciary, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the Committee concerned.

By MR. BACHUS (for himself, Mr. ARMEY, Mr. DELAY, Mr. WATTS of Oklahoma, Ms. PRYCE of Ohio, Mrs. CUBIN, Mr. COX, Mr. TOM DAVIS of Virginia, Mr. BLUNT, Ms. DUNN, Mr. GRAHAM, and Mr. WICKER):

H. Con. Res. 303. Concurrent resolution expressing the sense of the House of Representatives that the tax relief provided for by the Economic Growth and Tax Relief Reconciliation Act of 2001 passed by a bipartisan majority in Congress should continue as scheduled; to the Committee on Ways and Means.

By Mr. DAVIS of Illinois (for himself, Ms. LEE, and Mr. PAYNE):

H. Con. Res. 304. Concurrent resolution expressing sympathy to the people of the Democratic Republic of the Congo who were tragically affected by the eruption of the Nyiragongo volcano on January 17, 2002, and supporting an increase in the amount of assistance provided by the United States to the people of the Democratic Republic of the Congo; to the Committee on International Relations.

By Mr. GIBBONS:

H. Con. Res. 305. Concurrent resolution permitting the use of the Rotunda of the Capitol for a ceremony to present a gold medal on behalf of Congress to former President Ronald Reagan and his wife Nancy Reagan; to the Committee on House Administration.

By Mr. TRAFICANT:

H. Con. Res. 306. Concurrent resolution expressing the sense of the Congress that the Attorney General should appoint an independent counsel to investigate and report on campaign contributions made to the Democratic National Committee from the People's Republic of China; to the Committee on the Judiciary.

By Mr. TRAFICANT:

H. Con. Res. 307. Concurrent resolution expressing the sense of the Congress that the Attorney General should appoint an independent counsel to investigate and report on campaign donations made to federally elected officials by Enron Corporation; to the Committee on the Judiciary.

By Mr. TRAFICANT:

H. Con. Res. 308. Concurrent resolution expressing the sense of the Congress that the Attorney General should appoint an independent counsel to investigate and report on the granting of pilot's licenses to foreign nationals by the Federal Aviation Administration; to the Committee on the Judiciary.

By Mr. SCHAFFER (for himself, Mr. Boehner, Mr. Fossella, Ms. Hart, Mr. Pascrell, Mr. King, Mr. Tancredo, Mr. Chabot, Mr. Hayworth, Mr. Foley, Mr. Cantor, Mr. Ferguson, Mr. Tiberi, and Mr. Diaz-Balart):

H. Res. 335. A resolution honoring the contributions of Catholic schools; to the Committee on Education and the Workforce.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 97: Mr. Pascrell and Ms. Watson.

H.R. 111: Mrs. Lowey and Ms. Carson of Indiana.

H.R. 116: Mr. Kildee, Mr. Cunningham, and Mrs. Northup.

H.R. 200: Mr. Forbes.

H.R. 218: Mr. Souder, Mr. Carson of Oklahoma, and Mr. Kildee.

H.R. 280: Mr. Wilson of South Carolina and Mr. Pickering.

H.R. 281: Mr. Wilson of South Carolina.

H.R. 292: Mr. Owens.

H.R. 330: Mr. Wilson of South Carolina.

H.R. 476: Mr. Wilson of South Carolina.

H.R. 506: Mrs. Clayton.

H.R. 536: Mr. Shaw.

H.R. 537: Mr. Langevin.

H.R. 579: Mr. Forbes.

H.R. 648: Mr. Wilson of South Carolina.

H.R. 649: Mr. Wilson of South Carolina.

H.R. 650: Mr. Wilson of South Carolina.

H.R. 739: Mr. Frank.

H.R. 760: Mr. Ose.

H.R. 831: Mr. Forbes and Mr. Wilson of South Carolina.

H.R. 869: Mr. Udall of Colorado.

H.R. 938: Ms. Watson.

H.R. 953: Mr. Wilson of South Carolina.

H.R. 969: Mr. Wilson of South Carolina.

H.R. 1110: Mr. Wilson of South Carolina.

H.R. 1144: Mr. Owens.

H.R. 1198: Ms. Velázquez, Mr. Moore, and Mr. Doyle.

H.R. 1296: Mr. Walsh, Mr. Holden, and Mr. Mascara.

H.R. 1331: Mr. Pitts, Mr. Boyd, Mr. Lucas of Kentucky, and Mr. Crowley.

H.R. 1354: Mr. Wilson of South Carolina.

H.R. 1371: Mr. Blagojevich.

H.R. 1377: Mr. Dan Miller of Florida.

H.R. 1412: Mr. Wilson of South Carolina.

H.R. 1438: Mr. Wilson of South Carolina.

H.R. 1444: Mr. Wilson of South Carolina.

H.R. 1450: Mr. Jeff Miller of Florida.

H.R. 1459: Mr. Wilson of South Carolina.

H.R. 1613: Mr. Lynch.

H.R. 1645: Mr. Terry and Mr. Wilson of South Carolina.

H.R. 1700: Ms. Hooley of Oregon and Mr. Rothman.

H.R. 1810: Ms. DeLauro and Mr. Neal of Massachusetts.

H.R. 1822: Mr. Platts, Mr. Langevin, Mr. Upton, Ms. Brown of Florida, Ms. McKinney, and Mr. Andrews.

H.R. 1859: Mr. Filner.

H.R. 1904: Mr. Platts.

H.R. 1948: Mr. Barrett of Wisconsin.

H.R. 1984: Mr. Stump.

H.R. 1987: Mr. McCrery and Mr. Fletcher.

H.R. 2074: Mr. Maloney of Connecticut.

H.R. 2138: Mr. Matsui.

H.R. 2189: Mr. Wilson of South Carolina.

H.R. 2332: Mr. Filner.

H.R. 2377: Mr. Weiner.

H.R. 2574: Mr. Barr of Georgia.

H.R. 2631: Mr. Wilson of South Carolina.

H.R. 2638: Mr. Larson of Connecticut, Mr. Lipinski, Mr. Thompson of California, Mr. Green of Texas, Mr. Olver, Mr. Hyde, Mr. Simmons, Mr. Costello, Mr. Delahunt, and Mr. Jenkins.

H.R. 2667: Mr. Jeff Miller of Florida.

H.R. 2709: Mr. Matsui.

H.R. 2755: Ms. Kilpatrick.

H.R. 2847: Mr. Hilliard.

H.R. 2878: Mr. Evans.

H.R. 2942: Mr. Barcia.

H.R. 2946: Mr. Grucci.

H.R. 2957: Mr. Traficant.

H.R. 3014: Mr. Saxton.

H.R. 3022: Mr. Ackerman.

H.R. 3124: Mr. Crane.

H.R. 3192: Mr. Sanders, Mr. Rangel, Mrs. Morella, Mr. Simmons, Mr. Wynn, Mr. Cantor, Mr. Chabot, Mr. Stearns, Ms. Berkley, Mr. Weldon of Pennsylvania, Mrs. Jo Ann Davis of Virginia, Mr. Hunter, Mr. Hall of Texas, Mr. Goss, and Mr. Rohrabacher.

H.R. 3206: Mr. Cummings and Mr. McDermott.

H.R. 3236: Ms. Baldwin, Ms. Kilpatrick, Mr. Ackerman, Mr. Filner, Mr. Bonior, and Ms. Schakowsky.

H.R. 3238: Mr. Maloney of Connecticut.

H.R. 3244: Ms. Carson of Indiana and Mr. Pastor.

H.R. 3247: Mr. McDermott, Mr. Paul, and Mr. Berry.

H.R. 3284: Ms. Schakowsky.

H.R. 3288: Mr. Jackson of Illinois.

H.R. 3296: Ms. Schakowsky, Mr. Simmons, and Ms. Carson of Indiana.

H.R. 3301: Mr. Wilson of South Carolina.

H.R. 3324: Mr. Filner and Mr. Matsui.

H.R. 3333: Mr. Pickering.

H.R. 3337: Mr. Kildee, Mr. Platts, Mr. Hostettler, Mr. Wilson of South Carolina, Ms. McCollum, and Mr. Barr of Georgia.

H.R. 3339: Ms. Slaughter and Mr. Faleomavaega.

H.R. 3347: Mr. Boswell and Mr. Gilman.

H.R. 3351: Mr. Pascrell, Ms. Carson of Indiana, Mr. Souder, Mr. Serrano, Mr. Calvert, Mr. Hunter, Mr. Graves, Mr. Wolf, Mr. Regula, Mr. DeFazio, Mr. Toomey, and Mr. Smith of New Jersey.

H.R. 3352: Mr. Lipinski, Ms. Hart, and Ms. McCarthy of Missouri.

H.R. 3358: Mr. Green of Texas, Ms. Hart, Mr. Goode, Mr. Etheridge, and Mr. Boswell.

H.R. 3412: Mr. Tom Davis of Virginia, Mrs. Mink of Hawaii, Mr. Underwood, Mr. Gibbons, Mr. Frost, Ms. Granger, and Mr. Rangel.

H.R. 3450: Mr. Phelps, Mr. Bishop, and Mr. Hall of Texas.

H.R. 3461: Ms. McKinney.

H.R. 3482: Mr. Goodlatte, Mr. Inslee, Mr. Brady of Texas, Ms. Hart, and Mr. Forbes.

H.R. 3565: Mr. Langevin.

H.R. 3569: Mr. Carson of Oklahoma.

H.R. 3594: Ms. Velázquez, Ms. Rivers, and Mr. Towns.

H.R. 3614: Mr. Crowley.

H. J. Res. 67: Mr. Walsh.

H. J. Res. 81: Mr. Fletcher, Mr. Mascara, Mr. Hilleary, Mr. Platts, and Mr. Wilson of South Carolina.

H. Con. Res. 33: Mr. Wilson of South Carolina.

H. Con. Res. 99: Ms. Solis and Ms. Woolsey.

H. Con. Res. 173: Mr. Hastings of Florida and Mr. Simmons.

H. Res. 225: Mr. Jackson of Illinois, Mr. Wynn, Mr. Hilliard, Mr. Payne, Mr. Rush, Mr. Towns, Mr. Lewis of Georgia, Mr. Clement, Ms. Kilpatrick, Mrs. Christensen, Mr. Cummings, Mr. Davis of Illinois, Ms. Brown of Florida, Mr. Jefferson, Ms. Ros-Lehtinen, Mr. Scott, Ms. Carson of Indiana, Mr. Wexler, Mrs. Kelly, Mr. Frost, and Mr. Watt of North Carolina.

SENATE—*Thursday, January 24, 2002*

The Senate met at 9:30 a.m. and was called to order by the Honorable DEBBIE STABENOW, a Senator from the State of Michigan.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear God, You have promised to keep us in perfect peace if we would allow You to stay our minds on You. We join with millions of Christians, Jews, Muslims, and Buddhists, in unity on this Daylong Prayer for Peace initiated by the Pope. In the midst of the treachery of worldwide terrorism, the conflict in the Middle East, the tensions between nations, the turmoil of race relations in every nation, we cry out to You for peace in our time. We ask You to instigate in the leaders of nations the desire for peace, to inspire all warring peoples with the yearning for peace, and to imbue in all humankind the longing to negotiate peace with justice. Bless America in our peacemaking and peacekeeping responsibilities throughout the world. We claim the promise through Isaiah that You ". . . shall judge between the nations, and rebuke many people; they shall beat their swords into plowshares, and their spears into pruning hooks; nation shall not lift up sword against nation, neither shall they learn war anymore."—(Isaiah 2:4). Lord, we pray for peace! Amen.

PLEDGE OF ALLEGIANCE

The Honorable DEBBIE STABENOW led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, January 24, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DEBBIE STABENOW, a Senator from the State of Michigan, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Ms. STABENOW thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. REID. Madam President, morning business will continue until 10 a.m. this morning with Senators permitted to speak for up to 10 minutes each, the time equally divided between the two leaders or their designees. At 10 o'clock the Senate will resume consideration of H.R. 622, with the Daschle economic recovery amendment the pending matter. Senator DASCHLE will be on the floor at that time to start the debate. Rollcall votes are possible throughout the day.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for up to 10 minutes each with the time to be equally divided between the leaders or their designees.

Mr. REID. Madam President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Madam President, because I asked for the quorum call, the time would run against this side. I ask unanimous consent the time be equally divided.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. I note the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE SENATE AGENDA

Mr. THOMAS. Madam President, we are all back, hopefully after a good recess and a good opportunity to visit with the folks at home and can now evaluate some of the things that have been done over the last year and, maybe more important, talk a bit about those things that are yet to come. There are many, and they are things that we must do.

Certainly the stimulus package is one. I am delighted we are going to take that up and take a look at it. In some ways I think it would be well if we could hold our fire until after we hear the President's notions next Tuesday. I am sure he will talk a great deal about the stimulus package as well as the other domestic and terrorism needs.

But, as we do that—as I guess in everything—I hope we take a real look, the best we can, as to what our expectations are on a stimulus package. It is easy to talk about it. It sounds good. On the other hand, in the Finance Committee, where last year we held a number of hearings and talked to quite a number of professional economists—the best in the country, as a matter of fact—as the Presiding Officer will recall, there was no real consensus as to what is best done to have the immediate impact that we would like to have on the economy.

So I hope we give some thought, individually and collectively, to what it is that our goals are with respect to a stimulus package. It would be easy to begin to use that as a means for funding other kinds of things that may very well be justified as issues but not justified in this economic stimulus package.

Further, I am pleased to hear, at least from some, that the prospects for the economy seem to be better even than they were when we left here back in November or December. I hope that is the case. Again, no one knows exactly what that will be.

But I hope we do give this some thought and seek to move in a way that creates a better economy and creates jobs. There are people out there who need help, for various reasons. That is going to be part of it. But the real purpose is to create a better economy so there are jobs for people. It is not always easy. It is hard to get a feel for it.

I was interested, a while back, to hear that in 1996, which was one of the

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

good times for the economy, unemployment was 5.7 percent.

We are never going to get rid of unemployment because obviously there is always some.

I hope we do that.

Second, of course, I am hopeful we can move on to agriculture, and to our farm bill. The current farm bill expires this year. Of course, we will have a new farm bill. I think all the work we have done on it over the last several months can now be picked up again and we can go forward.

Again, I hope we can sort of give an image as to what we want agriculture to be over time so that we don't just deal with short-term issues. What do we want the image to be for agriculture? Do we want it to be market oriented so production is generally related to the potential of selling those goods? That is the economic system for most everything. At the same time, of course, because agriculture is unique and has unique problems, I think there needs to be a safeguard somewhere underneath. It is going to be difficult to do that. We don't want to be doing something that is going to increase production for a product so that it then doesn't have market demand. At the same time, we want to protect farmers and ranchers from some of the things over which they certainly have no control.

There has been quite a bit of discussion about AMTA payments that were made to the farmers over the last 6 years in the farm program. I think at least that is the perception. I think it is true the big payments have gone to relatively few. Even though we always talk about family farmers, it is also true that family farmers are getting large payments. But many are corporate farmers who get large amounts of money. We need to look at what we can do about that issue.

There are a number of things I think are very important. I come from Wyoming where livestock is our largest agricultural issue, and we have lots of public land. The country of origin labeling is in our bill. It is very important. I think it is important for consumers to be able to look at a package of meat and see that it came from the United States, or, if it didn't, from where it came. That is fine. Let them have a choice.

I just can't imagine why that is not labeled. Almost everything we buy has the country of origin on the label.

I hope we also deal with this question of concentration of packaging. As I understand it, we have about three packers that control 80 percent of the kill.

Under the marketing system, the producer goes to the auction market and gets what the livestock is worth that day. We also have an amendment on ownership of livestock. It has already been on the floor. I think that is very important.

In this bill, there are provisions on conservation of land. I think that is excellent.

As we talked about this bill last year, I traveled all over our State talking to people about what they wanted and what they believed the need was for their counties, their cities, and their families. One of the things they want is open space. We want to continue to have open space and some planning for those lands. CPP has been one thing, but now we are talking about something a little different—whether it is timber or grasslands—some protection for open space for family farmers and ranchers who can't really afford to set aside.

Technical assistance to farmers and ranchers on waterfall is important, so they are able to continue to use water, and to protect water quality is important. That is in the bill as well, and it is increased substantially. I think that is a very good thing.

There are some things in the bill about which we will differ on the floor. It will be difficult to come together on them. But I think we have an obligation to do that.

One of the difficult issues is the drought issue. In the West, we are faced with many places in the third year of drought. In the West, again, where there is relatively low rainfall, one of the important issues is to have snow pack in the mountains so when it thaws out in the spring it runs into reservoirs and then it is used for irrigation. The reservoirs have been at unusually low levels—not only because of the drought this year but because of droughts in previous years.

Those are some of the things with which we need to grapple. I look forward to the opportunity to do that.

Another bill that will be coming up soon is the energy bill. We have heard a great deal about that. It is interesting that 6 months ago or so we had $2.50-a-gallon gasoline. We had problems. Now gas prices are down. California has apparently managed to overcome its difficulties to some extent. There has been some polling that shows many people understand that an energy policy over time is very important.

I hear the accusations that all the administration wants to do is drill and produce. That is true. We worked with the bill. We have seen the drafts of policy that we put together with the administration. It has in it a number of items—production being one of them, of course, and another is alternative fuels. Another is research for alternative fuels, and another is transportation, such as electricity and transmission lines. There have to be generators to move it.

I think there are some real opportunities for us to evaluate where we need to be. Clearly, the upheaval in the Middle East has something to do with our imports. We find ourselves being 60-percent dependent on imports of energy, which is more than we are comfortable with.

We have some real challenges, and some real opportunities. I am hopeful. Certainly the reason we are here is because we have different views on some things. We have different views on needs, depending on where we are from and what our philosophies are. That is part of being here. There is nothing wrong with that. But we need to put those differences out there and come to some conclusions supported by the majority.

I think it is going to be an exciting time. Hopefully, we can look back at the end of this year and say: Yes, we have been able to deal with the crisis of terrorism. We need to look back and be very proud of what this Congress has done in that regard.

I think we need to be very proud of the American people. I have never seen such a reaction of commitment to do something about terrorism in my State, and I am sure in other places. I am very proud of America for that dedication. I certainly hope we can continue it because it is not going to be a short-term proposition. Also, because of that requirement, I think we will have to be more careful with how we spend money in the domestic area where there is additional emergency spending such as this. You can't necessarily keep spending without some consideration for emergencies.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EDWARDS). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

HOPE FOR CHILDREN ACT

The PRESIDING OFFICER. Under the previous order, the hour of 10 a.m. having arrived, the Senate will now resume consideration of H.R. 622, which the clerk will report.

The legislative clerk read as follows:

> A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

Pending:

> Daschle/Baucus amendment No. 2698, in the nature of a substitute.

The PRESIDING OFFICER. The majority leader.

AMENDMENT NO. 2698

Mr. DASCHLE. Mr. President, I appreciate the opportunity that we now have to revisit the question of economic stimulus. This was a contentious debate before we ended the First Session of the 107th Congress last December. Over the course of the last several weeks, of course, we have made an effort to try to find what I call "common ground" in an effort to expedite the consideration of economic stimulus and to move this process forward.

I don't have a calendar in the Chamber at this point, but I remind my colleagues that we have very little time between now and the Founders' Day recess to do all of the work that Republicans and Democrats have indicated is important to both our agendas. Both caucuses have indicated a strong desire to deal with economic stimulus, a strong desire to deal with election reform, a strong desire to finish the farm bill, and, certainly, a strong desire to deal with energy. My hope is we could deal with all of those pieces of legislation prior to the Founders' Day recess. In order to do that, we have to maximize the use of every day.

We have 2 days this week. We have only 2 days next week because of the Republican retreat. Then we have 2 weeks following that to complete our work on all of the bills I have just mentioned.

In an effort to move the process along, I will propound a unanimous consent request within the hour to see if we might find an agreement on procedure on the economic stimulus bill. I would propose, as I suggested to Senator LOTT yesterday, four amendments on a side. I am not wedded to that. If people have a desire to offer more amendments than that, we could do that. But we have to get this ball started.

I am concerned, frankly, about reports I have received overnight that there are some on the Republican side who want to slow walk this bill, who don't want to bring it to closure, who, for whatever reason, have decided now that we are on this bill that they don't want to have a vote on final passage until perhaps 2 weeks from now. Keep in mind, we are not in session next Wednesday. Some have suggested that we should not have a vote on this bill until after the State of the Union Message—that is Tuesday night—which means we then wouldn't be able to complete our work until the following week.

I know of all the cries and anger and the anguish expressed by some for the fact that we were not able to complete our work on the economic stimulus bill last December. How ironic it would be that some of those who have criticized the inability to come to some conclusion would now be responsible for delaying it even further.

I hope that is not the case. I hope we can get an agreement that will allow us to reach some procedural conclusion so we can complete the substantive work on this bill prior to the end of the week.

Let me briefly lay out exactly what it is we are suggesting. Two circles on this chart depict virtually all of the proposals that have been made by either Republican or Democratic Senators, and oftentimes Members of the House, with regard to economic stimulus. Democrats have proposed increasing unemployment benefits, adding unemployment compensation coverage for part-time workers and recent hires, and providing affordable group health coverage for the unemployed. The job creation tax credit for businesses was also something that we felt would go a long way to addressing the need to stimulate the economy from the business side.

We also supported extending the unemployment benefits for 13 weeks, tax rebates for those who didn't get them the last time, the bonus depreciation that would accelerate the depreciation on investments in business, and then the fiscal relief for States.

States are very concerned that bonus depreciation, in particular, is going to cost them about $5 billion. They are also concerned that the Medicaid costs are going up dramatically. So the fiscal relief for States is something that has been the subject of a number of very urgent letters to us from Republican and Democratic Governors alike.

Our Republican colleagues suggested accelerating rate reductions, the repeal of the corporate AMT—the alternative, and health coverage for unemployed workers through individual insurance markets. They also suggested extending unemployment benefits. They suggested the tax rebates. They proposed bonus depreciation and fiscal relief for States.

Several weeks ago we began considering, well, how can we move this bill forward? The suggestion was, let's just take the common elements in the two circles, the overlap you see here on this chart, and consider that as sort of the base proposal that might be used as a way to move the bill forward, while not denying Senators the right, of course, to offer other ideas, other suggestions, if the requisite 60 votes on points of order can be acquired.

So that is really what is before the Senate right now. We have taken a House vehicle, the adoption tax credit, and we are amending the adoption tax credit procedurally with this proposal as a way in which to allow Senators to begin the debate on economic recovery.

The CBO has provided a real service to us over the last couple of weeks, and I don't know if all of our colleagues had the opportunity to see it. If they have not, I urge them to take a look at it. But the CBO made an evaluation of the stimulative impact of all of the proposals I have just listed here in these circles. The stimulative impact, obviously, is a very significant factor, I believe, on what it is we decide we want to offer for economic stimulus. The payroll tax holiday offered by Senator DOMENICI is one of the provisions that had the biggest bang for the buck, according to the CBO. Of course, we suggested that that might be a component, but because there isn't agreement on it, unfortunately, it certainly doesn't fit into this common ground proposal at this point. I would have supported it. I still do. But that has a large bang for the buck. Additional tax rebates have a medium bang for the buck according to the CBO.

We are proposing in this common ground proposal the tax rebate for those who didn't get any help the first time. Temporary investment incentives, such as the bonus depreciation—again, that is a medium bang for the buck—better than some, not as good as others. That is also in the common ground proposal. So you have two of the items in the common ground proposal, according to the CBO, that have a medium bang for the buck, medium stimulative value.

Look at what the CBO said about accelerated rate cuts. They said it had a small bang for the buck, and a corporate AMT repeal falls into the small category, very little stimulative value.

Now, this isn't a Democrat position, this isn't an analysis made by one of my staff; this is the Congressional Budget Office which has provided the analysis. So, again, if we want to do what we say we are doing here—provide some common ground on stimulative proposals that have the most effect—according to the CBO, some of the proposals in here, such as tax rebates, bonus depreciation, go a long way.

Let me address the unemployment benefits as well because that, too, is something I think we ought to say something about. The CBO didn't address that question, but the CRS did. The Congressional Research Service said:

> Extending unemployment compensation is, in fact, likely to be a more successful policy for stimulating aggregate demand than many other tax/transfer changes. Individuals who are unemployed and who are not or will not be receiving unemployment benefits are much more likely to spend additional incomes than, say, higher income individuals who receive tax cuts.

That is in a memo provided by CRS to Senator BAUCUS last fall.

Mr. President, I simply say again, if we are serious about moving this forward, let's take those proposals that analysts and economists have said have stimulative value. If we are serious about finding compromise, what could possibly be wrong with taking the proposals that both sides had in their initial proposal as a way with which to at least get to conference? This is a ticket to conference. Then we can have another debate about what ought to be in the bill. That is what we are doing here. I just hope our colleagues will recognize that and will recognize how limited a timeframe we have to address this issue and move this legislation forward.

So I am asking my colleagues on the other side, let's come to some agreement on amendments procedurally, let's come to some agreement on amendments substantively, but let's come together. Time is wasting. I don't want to see this bill slow-walked, or see this legislation languish on the floor for days, when we can do this and move on to other things that need to be done sometime very soon.

I thank the Chair and my colleagues. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, our status is, am I right, that we are on the Finance Committee bill, the tax bill before us?

The PRESIDING OFFICER. The Daschle amendment No. 2698 is pending.

Mr. GRASSLEY. Mr. President, I think my colleague from South Dakota, the distinguished Democrat leader, has made it very clear where we are compared to where we were before Christmas. Let me repeat that we had been working on an economic stimulus package in various ways for several weeks, most of it not here on the floor of the Senate but in small groups, and different groups, and bipartisan groups, and partisan groups, to come together to see what we could get to get through the Senate—a stimulus package—and the need for it was directly related to the downturn in the economy that came mostly as a result of September 11 terrorist attacks. And then what finally happened was just before we adjourned. A White House-centrist package that was put together by mostly Republican and Democrat centrists, working with the White House, was a bill that passed the House of Representatives before the bill came here to the Senate. Then in the closing days of the Senate, prior to adjournment for the holidays, the bill did not come up on the floor of the Senate.

So we are back here now, afterwards, to a point where we are dealing with something that is still very important to help dislocated workers and to help bring the economy back from the recession caused by September 11, the war on terrorism, and the attacks against America.

I emphasize again that where we ended up before Christmas was the House of Representatives passing a bill that had been worked out by, I think for the most part—and I hope I am not unfair to the House of Representatives on this—by a group of centrists in the Senate, made up of both Republicans and Democrats, who came up with a plan that had White House support. The President said he would sign it. You never know for sure until you take a vote, but it looked as if this White House-centrist package would have had in the low fifties—but a majority of the Senate—to pass the Senate, if it had been able to be brought up.

We were not allowed to bring it up and discuss it. That is a decision, under our Constitution, that the majority leader can make. I may find fault with the decision; I do not find fault with his right to do that.

Now on the second day we are back in session in the new year, this bill has been brought up. The sad commentary is we are 1 more month into the recession, 1 more month of 800,000 people unemployed because of the September 11 terrorist attacks, and a lot of people who used to have health insurance do not have health insurance and dislocated workers are not being given the help the bipartisan White House-centrist stimulus plan would have given them. Also, we do not have those tax incentives that will stimulate the economy.

As the distinguished majority leader just said, there are certain tax rebate plans the CBO said would be of help in stimulating the economy. There are certain accelerated depreciations that were in the bipartisan package that would help the economy. So, effectively, we have lost 30 days, and people who needed help are not getting the help.

I am glad to be back here, though, and I am glad the majority leader has taken the initiative of bringing this issue up. Hopefully we can get an agreement to pass a bill and get it to the President.

I need to reiterate that we had a bill worked out by a group of Democrats and Republicans in the middle of the political spectrum in the Senate. That is why we call them centrists. They worked out a bill with the White House. The White House said the President would sign the bill. The bill received a favorable vote in the House of Representatives, and here we are.

I would like to get back to where we left off before the holidays, so I am going to spend my time this morning before other speakers come to the Chamber to speak on this very important issue of why the bipartisan White House-centrist stimulus package ought to still be the package before the Senate, even more so than the amendment about which the distinguished majority leader just spoke and why it should pass the Senate, although I sensed in the majority leader's statements that he is willing to look at things beyond his proposal—at least I hope I interpreted that right—so that we can get something to the President.

I hope somehow our debate can persuade him to come back to what we have: a bipartisan White House-centrist stimulus plan that was before the Senate because we know that it has passed the House, and all it has to do is pass the Senate and the President will sign it and these 800,000 unemployed workers who do not have health insurance, if they have exhausted their first 26 weeks of unemployment, will still have unemployment compensation.

I am going to start with some discussion of the tremendous commitment to displaced workers that the White House-centrist stimulus plan has in it. The plan's unemployment insurance proposal represents what I consider a very unprecedented commitment to dislocated American workers and, in the end, probably may be something, if one looks at long-term solutions to the problems of uninsured, to help uninsured people as well.

I start with the fact that it provides an additional 13 weeks of unemployment benefits to eligible workers. Remember that about 10 percent of the unemployed people use up to 26 weeks. Maybe that is even higher than 10 percent now because of the recession. There is always a need for some more unemployment compensation for some people. We do not always respond to that with an additional 13 weeks. We are doing it because there was a calamity on September 11 which has speeded up the unemployment index as a result by 800,000.

We have an estimated 3 million unemployed workers who would qualify for benefits averaging $230 a week. These benefits would be 100-percent federally funded.

The bipartisan White House-centrist plan would also transfer an additional $9 billion to State unemployment trust funds. This transfer would provide the States with the flexibility to pay administrative costs, provide additional benefits, and avoid raising unemployment taxes during the current recession.

Consider the bipartisan White House-centrist commitment to providing health care for dislocated workers. This commitment goes further and wider than any other proposal, and it gets more help to more people more quickly than any other proposal.

It commits over $19 billion, out of the total package of about $100 billion, to health insurance assistance. This is over six times as much money for temporary health insurance assistance as provided under the original stimulus proposals.

The bipartisan White House-centrist plan takes a three-pronged approach to get health insurance to people in need.

First, the plan provides a refundable, advanceable tax credit to all displaced workers eligible for unemployment insurance, not just those eligible for COBRA. The value of the credit is 60 percent of the premium. The credit has no cap and is available to individuals for a total of 12 months for the next 2 years, including 2001 to 2003.

The individuals can stay in their employer COBRA coverage, or they can choose policies in the individual market that may better fit their family's needs. This only makes sense because we should not lock people into one straitjacket of health insurance which under some proposals would be just the COBRA approach because sometimes these policies are too expensive for people to keep. I say that even with the 60-percent subsidy that we would provide.

The bipartisan White House-centrist proposal also includes a major new insurance reform to protect people who have had employer-sponsored coverage and go out into the private market for the first time after being laid off. The bipartisan White House-centrist proposal makes COBRA protection available to people who have only had 12 months of employer-sponsored coverage rather than 18 months under current law. By doing this, we greatly expand the group of displaced workers who cannot be turned down for coverage or excluded because of a preexisting condition.

The new 12-month standard is especially important to people with chronic conditions who have difficulty getting affordable insurance.

The second prong of the White House-centrist bipartisan proposal is $4 billion in enhanced national emergency grants for States which can be used to help all workers—not just those eligible for a tax credit—pay for health insurance because they have become unemployed.

The third prong of the proposal includes $4.3 billion for a one-time temporary State health care assistance payment to States to help bolster those States' Medicaid Programs. We are seeing almost all 50 States in trouble with their Medicaid Program because of the recession. As we know, the Medicaid Program is an important safety net program for low-income workers and families of disabled workers.

I yield the floor now to other colleagues, but I suggest that we have a lot in this bipartisan White House-centrist proposal that can immediately, when the President signs the bill, help the 800,000 workers who are unemployed because of the September 11 terrorist attacks on America.

We ought to get the show on the road. It should have been done before Christmas. It is not too late to do it right now. I hope people would study this proposal that has been developed by a group of people in the center of the Senate, both Democrats and Republicans, and move this bill along. We have 50 votes for it, and if people will study, I think we will even get a much higher percentage.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, in politics, like everything else, common sense dictates what is sensible and reasonable and really what people should do, and common sense in this debate indicates the two sides, Democrats and Republicans, should separate what they do not agree on and move forward on what they agree.

Senator DASCHLE has offered a very reasonable approach to stimulating the economy. He has said the Democrats have certain things they want that the Republicans will not support. The Republicans have legislation they want to initiate that we will not support. There are things we both agree on, Democrats and Republicans. There has never been any question about the fact there are certain things we agree on.

Senator DASCHLE outlined four things we agree on. As an example, extending unemployment benefits. Everyone agrees we should do something to help the unemployed. If we want to stimulate an economy, give money to people who have no money and they will go out and spend it on things, and that is stimulative.

Now we are in a situation where we are being told: Of course, we agree on those things, but we do not want to go forward with it. And I say, why?

With all due respect to the Republican leadership and the people on the Republican side, maybe there is a game being played called a "blame game." In yesterday's Daily Monitor, which comes out actually in the evening, the publication reports they had a conversation with Senator LOTT.

A paragraph out of the Daily Monitor reads:

> Lott predicted many amendments would be offered. Asked whether that would mean debate would likely last through next Tuesday, the day of President Bush's State of the Union Address, Lott said it might, paused, then winked.

Those people were saying there was a lot of laughter after his wink.

Bush is expected to propose his own stimulus plan in the speech.

That is what this is all about. This is what it has been about for a long time. We are trying to come forward with a stimulus package that helps the American people.

Some of their proposals have merit, some of our proposals have merit, but not enough to get 60 votes. So why do we not do those things we agree on? The answer is not blowing in the wind. The answer is the minority does not want a stimulus package to pass prior to the State of the Union Message next Tuesday. It is as simple as that.

So no matter how much good faith Senator DASCHLE might show, no matter how much common sense Senator DASCHLE may pronounce, the fact is it appears they are not going to let us do anything until after next Tuesday, which is too bad.

I attended a meeting at the White House yesterday with the President, Senator DASCHLE, and the Republican leadership. Statements were made, and there was a lot of feel-good stuff about "we need to work together," and we do. But winks and nods are not the way to pass legislation. The way to pass legislation is to agree on things we agree on and move forward with that.

As far as the things we do not agree on, Senator DASCHLE has suggested yesterday and on several occasions, let us come with the package he has suggested and have each side offer amendments, two amendments, three amendments, four amendments. We could complete those by week's end. Certainly we can do it by the State of the Union date.

I assume we could go one step further. It was even suggested we put time limits on each of those amendments, an hour or 2 hours on each amendment. But, no, we waited. The Republicans held a conference yesterday evening starting at 5:30 and it went for a couple of hours to determine whether they should proceed on the suggestion of Senator DASCHLE that we go forward with what both parties agree on.

Now maybe there should be more stimulus to this economy than that, but at least it would be something to start with. Think of the unemployed as an example. Think also of the small businesspeople who could really use a depreciation allowance that was bigger and broader than the one now. That is one of the things everyone agrees on, but yet they are waiting in the wings.

What about States who are desperate for Medicare help, why are we not doing something there? Everybody says we should do it. Well, I am sorry to say it is because of the wink. We are going to stall things until Tuesday night, and then the President can come and speak on national television and say, why can Congress not get together and give us a stimulus package?

I say to the American people, I say to the people in my State of Nevada, we could have a stimulus package in the next day or two if we go forward on this proposal to agree on what is agreed upon by everyone. There is no dispute. No one is coming and saying we do not agree on those four things that Senator DASCHLE wants. Everybody agrees on those. What they are unwilling to do is to take away the fact that President Bush has already written his speech and he has a paragraph or two long paragraphs, about the country being in an economic strait and we need a stimulus package, and why will Congress not work with him to get a stimulus package.

I could help write that speech because that is what it is going to be about. I do not think I need to help write the speech because it has already been written and they do not want to change any words of that speech. They want to proceed and try to come up with a political advantage in saying the Democrats, led by Senator

DASCHLE, will not allow them to go forward on a stimulus package. I am saying that is untrue. It is unfair. It is unrealistic.

Common sense dictates we should go forward with a program that everyone agrees we should go forward with, costing about $70 billion. It would be $70 billion worth of stimulus that would be reciprocated numerous times and help the economy.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I will take a few minutes to explain what I think is really going on. There is an old saying that if you let me define the terms of the debate, I will win the debate every time. That, I think, is what the majority leader and the assistant majority leader are trying to do today. They are suggesting, with a straight face, that the proposal is agreed to by both sides, so why should we not proceed with it and who would want to amend it?

Well, it is not agreed to by both sides. Let us get back to the definition. Something that is called an agreement, that both sides have agreed to the provisions of, would seemingly be something that could pass very quickly, and that would not be amended.

So why are those of us on this side of the aisle saying, "Wait a minute, you are trying to hijack the President's stimulus package, redo it the way you want it, and still characterize it as something that we agree with?" We do not agree with it.

What happened is after September 11, whether the economy was beginning to improve by then or not, it was clear the events of September 11 were driving our economy down, especially in the travel and tourism area but all throughout the economy. Large and small businesses both were beginning to suffer. People stopped traveling. They did not invest as much. Businesses were not investing as much. The President very quickly called for a proposal that would stimulate the economy and protect and create new jobs.

That was the essence of his proposal, to protect jobs and to create new jobs. In fact, he was able to put together a program and propose it on October 4 and 5, about 3 weeks after the September 11 event, and he called upon Congress to join him in this effort.

Some of us on this side of the aisle were urging the President to propose certain things we thought would be very effective in stimulating the economy, and the President said no. He said that while he agreed with us that cutting the capital gains tax and making the tax cuts permanent and doing things of that sort would really help to stimulate the economy and protect jobs, he was not going to propose that in his package because now that we are in a time of war, he believed that he had to act in a bipartisan way to promote unity among our leaders in Washington, and to get both Democrats and Republicans to quickly agree on a package we can pass in Congress and he could sign into law. That is what is needed for the American people. He said, I am going to propose a package that includes a few of the things that Republicans think are good ideas to stimulate the economy and a few of the things our friends on the Democratic side believe should be in such a package, and I will present that in a bipartisan way.

He did that on October 4 and 5. There were ideas that represented the main themes of both political parties. Republicans had primarily asked for a repeal of the corporate alternative minimum tax, acceleration of all marginal income tax reductions, and accelerated enhanced depreciation. Those were the kinds of things that Alan Greenspan and others who came before our Finance Committee said would help stimulate the economy and get over what he defined as an "investment recession." In other words, businesses were not doing enough to make capital expenditures. These kinds of provisions would help provide the incentive for those capital expenditures.

Democrats had called for other things: Payments to nontaxpayers who were not part of the rebate program from the original tax cuts of 2001, an extension of unemployment insurance, and grants to States for health benefits for displaced workers.

The President said: I will take those three components that our Democratic friends supported, I will take the three components that some Democrats and Republicans support, and I will put them together in a bipartisan bill in the hope we can quickly, in a unified, bipartisan way, enact this package for the benefit of all Americans.

By the way, the House quickly passed a version of what the President proposed, but not exactly what he proposed. The majority leader in the Senate said no.

Let me fast forward, before going through the rest of the history, what the majority leader and the assistant majority leader have talked about this morning, something they call a lowest common denominator package, something to which both sides agree. They have defined it that way. What they have done is take the things from the President's original proposal that they wanted and said: We agree to those, so that is our package. By the way, we will take one of the things the President wanted and stick it in there. That means we have a bipartisan, lowest common denominator package. Why can't we just pass this little bill? At least we both agree on it.

As the assistant majority leader said: Maybe there should be more stimulus in the bill. Indeed, there should be more stimulus in the bill. There is only one item in the bill that provides any kind of stimulus to the economy, only one item, the accelerated depreciation—which we still don't know the details of—that provides investment incentive to protect and create new jobs. It is clearly not a stimulus package.

However, by defining what we have agreed upon as what you have agreed upon, they have tried to hijack the President's proposal and recharacterize it as something it is not. It is not something we have agreed upon. The President would never have proposed just the items in this bill and said, that is good enough for me, it is a balanced package.

It is designed to provide benefits to people who are unemployed. That does not stimulate the economy. But the President believed that was important to do. At the same time, it included limits that would actually provide more incentive for investment—that critical element of capital that is needed to spur the economy and protect and create jobs.

The Democratic leader has said: Fine, I will take one part—the part I like—say we have not agreed on the rest, and define that as a bill upon which we have all agreed. It reminds me of the old saying: What is mine is mine, and what is yours is up for grabs.

They basically pocketed what the President was proposing as a compromise, a bipartisan proposal, taken the part they liked, rejected what they did not like, and then said: Why not bring that to the floor and have a vote on it? After all, it was part of what the President proposed. Exactly. It was "part" of what the President proposed, but not, importantly, the part that would stimulate the economy.

I am all for helping those who are unemployed. The President made a big point of wanting to help those who are unemployed and therefore to extend the unemployment benefits. However, I think we all agree, people would rather have a paycheck than an unemployment check. This bill does virtually nothing to stimulate the economy, to protect jobs, and to create new jobs. It would be a sham.

When the minority leader yesterday said, you bet it will take beyond next Tuesday to get this right, all he was doing was stating a fact that, without amendments to this bill which provide real stimulus, of course we could not, with a straight face, vote on this bill and call it a stimulus package. Of course, the President is right next Tuesday to urge us to do what he asked us to do in early October, throughout the month of October, throughout the month of November, and then December, until we finally went home on December 22 without having acted on a stimulus package.

The economy is still not doing very well. People are still out of work. What the President is going to be asking is to please get on with the job of enacting a bill and to not redefine this by simply taking what you like out of his proposal and recharacterizing that as a lowest common denominator agreement upon which we both agreed.

I see the distinguished majority leader is here. Before I conclude my remarks, let me make this statement. I think the proposal he has made here treats the President in a very unfair way. I know the President was trying to reach out to the other side, to include things the other side wanted, and that he wanted, in an effort to be bipartisan, in an effort to try to get this done quickly, so we wouldn't be into next year, the year 2002, when we finally passed a stimulus package. I do know for a fact, he left things out I would have liked to have seen in there. I don't think the distinguished majority leader probably would have liked them very much. The President knew that. He didn't want to have a highly partisan bill. He didn't want to have a particularly controversial bill. That is why he proposed a balanced package.

I think it takes unfair advantage of the President, in his offer to be bipartisan and to try to get this done quickly, to just take the part you like and say, that is the part we agree with, we reject almost all the rest of it, but why not pass that?

Let me go back a little bit in time to review what happened. After the President made his proposal on October 4 and 5, the House passed a bill. The Finance Committee, on which I sit, began to work on the bill. By the way, remember, the Finance Committee enacted a bipartisan tax cut proposal earlier in the year, so it is a committee that has in the past and even began last year working together in a bipartisan fashion to get things done. I thought I could do that with the stimulus package, taking the President's proposal, perhaps modifying it, but trying our best to come up with something that would be passed in a bipartisan and quick fashion. It turned out that the Finance Committee was not going to write the bill. It would be written in a partisan fashion by just one party, not both. When the package finally came before the committee, I thought it was interesting, I never could figure out who claimed parentage of it.

Several leaders on the Democratic side said actually they didn't write it, and with good reason: It was not something of which to be proud. It had $54 billion in new spending; only $21 billion could be characterized remotely as stimulative measures. Out of a total of $117 billion in the bill, it had $5 billion in extra agricultural spending, provisions added in the dead of night to bring Democrats on board—and also, in my personal view, as a means of getting some of the special interests on board on the bill.

For example, the Commodity Purchase Program, and expenditures for things such as soybeans, pumpkins, snap beans, rum, tuna—all kinds of things—special tax credits for Amtrak, almost all of which have virtually nothing to do with getting the economy going again as a result of the September 11 events, but all of which were designed to bring more people on to support the bill.

Needless to say, that bill could never pass. It was voted out of committee on a strictly party line vote and obviously did not pass before the end of the session. The President, in an effort to try to move this thing along, kept encouraging us to develop a bill that could pass. The House passed another bill which I thought was a much better bill than the first bill they passed and much more along the lines that some of our colleagues on the Democratic side were proposing. Still, that bill did not come before the Chamber.

Finally, in desperation, in mid-December, a group of Democrats and Republicans in the Senate—the so-called centrist group—got together and developed a proposal that they thought would at least be an approach to stimulus as well as taking care of unemployed workers and be representative of the compromise that might bring about the President's agreement, and which they could then propose to the Senate and get it passed.

They took it down to the White House and met with the President. He said: OK, you have a deal. It isn't what I originally proposed, but it is a great effort at compromise, and I will agree to it, and I will agree to sign it; it is passed.

The President urged those of us on the Republican side of the aisle in the Senate to lay aside the other things we wanted to try to accomplish in this bill in an effort to get this finished before we went home for Christmas—to agree to the centrist coalition approach the Senator from Iowa, Mr. GRASSLEY, described, part of which was in his remarks earlier.

I also confess that I wasn't enamored by some of the provisions of the bill. I thought it did far too little to stimulate the economy. But in an effort to reach bipartisan compromise and get this done before the end of the year, as far as I know, virtually all of my colleagues on the Republican side of the Senate agreed to support that centrist, bipartisan approach which the President said he would sign.

Still, the majority leader said no. Instead of taking that proposal up, we took up the railroad retirement bill, a big agricultural spending bill, and some other items before we went home for Christmas and the New Year's recess. We didn't do a stimulus package.

Now, we come back in January after the recess when a lot of criticism has been heaped upon those who prevented us from getting a stimulus package voted on, passed, and sent to the President. The American people are not happy with the status quo. I think they understand with the President that we should have done something a long time ago but that it still is not too late to try to help our economy. People continue to be laid off around the country. We have to help them, not only by temporarily extending their unemployment benefits but, as I said before, to get them a paycheck and not just unemployment checks. That means providing the capital for investment that will create the jobs that will put them back to work and get the economy moving again.

That is what the President proposed today. It is what the second House proposal did. It is what, at least to some extent, the centrist coalition proposal would do, and it is necessary that we get on with that job.

What is before us today is not that kind of proposal. What is before us today is not a compromise. What is before us today is not something that has been "agreed to" by both sides. It has been characterized by our colleagues on the other side of the aisle as moving forward on what we agreed on. That is a mischaracterization. As I said before, it is taking some pieces of the bipartisan proposal the President suggested, pocketing those, and saying: Well, we both agreed on that. We are going to reject the rest of what you proposed, Mr. President, but since you proposed this as part of your package, we will characterize that as what we agreed on, and that is what we will vote on here.

That is incorrect, and, as I said before, I think it is taking advantage of the President's good faith efforts to try to move something forward with which both sides could identify and which would have gotten the economy moving back in October of last year.

That is why on this side we have said we are happy to now have this stimulus bill on the floor. We can finally begin debating what is necessary to get this economy moving again, take care of the people who are unemployed today, and make sure we can get them back to work tomorrow. That is the key. But in order to do that, we are going to have to put something in this bill that actually provides stimulus and will help to actually put more capital investment into the system so jobs can be created and people can go back to work.

We can't simply accept what has been put on the floor here, which, as I said before, has essentially no stimulus effect in it. That is why we are not going to agree to a process which would terminate our ability to offer amendments which we see as necessary to try to get this bill back to a more balanced kind of a bill and to try to provide something that will actually stimulate the economy.

I will have more to say about this. I see some of my colleagues on the other side. I am, frankly, curious to see what their approach to this is, given the fact it should be very clear by now that they can no longer characterize this as a bill comprised of things we agreed upon, because we don't agree to them.

Three of the four items were in the President's package. In one form or another, they were in packages we were willing to support as long as they were accompanied by other provisions, but not standing alone. Standing alone, there will be virtually nothing to stimulate the economy. And I don't think we can with a straight face, therefore, say this is a job creation, stimulus package. With the amendments we could propose, we could get them. If our colleagues on the other side will be open minded about some of those amendments, I think we can get there.

As a matter of fact, we have a couple of amendments ready to go. We will, I think, have majority support on the other side of the aisle. I regret that probably it is going to take 60 votes to pass any amendment because of the rules of the Senate. I am not objecting to the rules. I understand those rules. But because any amendment is probably going to take 60 votes, it will be very hard for any amendment to pass. As a result, we will probably be stuck with the bill that has already been laid down.

But I think it will be interesting to see whether a majority of our colleagues will actually agree to certain proposals such as that offered by the centrist coalition. That should suggest there is a bipartisan way to proceed here.

I just hope my colleagues on the other side of the aisle will agree that in that circumstance, if at least a majority of the Senate is willing to vote on a compromise package that will have a stimulative effect, we have an obligation to get this done for the sake of the American people sooner rather than later and that maybe we could work together and accomplish this result without too many more days having elapsed.

I will have a little more to say about this in the future. I hope very much that we can over the next few days get to a point where we can pass a bill, go to conference with the House of Representatives, and quickly present the President with a bill that will get people back to work in this country and get our great economic engine moving forward full steam ahead.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that I be able to follow the majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. REED). Without objection, it is so ordered.

The majority leader is recognized.

Mr. DASCHLE. Mr. President, about an hour ago I noted that we have a lot of work to do in a very short period of time. We have talked jointly—Republicans and Democrats—about the need to do not only economic stimulus but the farm bill, the energy bill, and the election reform bill. We have 2 days this week. We have only 2 days next week. And then we have 2 weeks before the Founders' Day recess.

I do not know how we can accommodate all of those unless we can move this legislation forward. We had lengthy debates about the economic stimulus bill for weeks in the remaining period prior to the end of the last session.

I suggested to Senator LOTT yesterday that perhaps one way we could expedite the consideration of this bill, without any time limits, is simply to get a limit on amendments. I have been told there are some on the Republican side who would rather not complete work on this bill perhaps not only not this week or next week but until the week after. I hope that is not the case.

There is much to be done. As I said, I think there is mutual advantage to getting it done. So I indicated about an hour ago that I would propose a unanimous consent request that would simply recognize the facts I have just stated. I am not wedded to the particular amendment limit I have suggested in this unanimous consent request. I am going to be proposing we limit amendments on either side to four each. That would accommodate Senators on either side who may wish to add to this common ground package I have suggested. They can offer a substitute. They can do any one of a number of things. If four does not work, I am happy to entertain an alternative number. But we have to start with something. So that is my intention.

UNANIMOUS CONSENT REQUEST

Mr. President, I now ask unanimous consent that there be four first-degree amendments in order for each leader or their designees to the pending matter; that if the Senate passes H.R. 622, as amended, then the Senate immediately turn to the consideration of H.R. 3529, the House stimulus bill; that all after the enacting clause be stricken and the text of H.R. 622, as passed, be substituted in lieu thereof; the bill be read a third time and passed; the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Is there objection?

Mr. KYL. Mr. President, I object and just note that I do so on behalf of the minority leader as well as myself. I note there is no intention to delay. If we could pass the bipartisan Centrist Coalition amendment and not have a point of order raised on that, we could have this done by this afternoon. So the object is not to delay. The object is to try to make sure we have a good bill.

The PRESIDING OFFICER. Objection is heard.

Under the previous order, the Senator from Minnesota is recognized.

Mr. NICKLES. Will the Senator from Minnesota yield just for a couple of minutes?

Mr. WELLSTONE. I will be pleased to yield. I will follow the Senator.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. I tell my good friend and colleague, the majority leader, his request was to take up the bill he introduced and have a few amendments on it, and objection was heard on that—I think for good reason. But I will tell my friend and colleague, if the majority leader is willing to take up the House-passed tax bill, I will work with him to come up with a limited number of amendments and see if we can't get that passed in the next couple of days.

So if he will modify his request, and instead of using the bill he introduced, to make that the House-passed tax bill, I will work with him to come up with an agreement to limit the amendments and try to get it passed in a very expedited fashion.

I yield the floor. I just wanted to let my colleague know that.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. If the majority leader wants to respond, I will withhold for the majority leader.

Mr. DASCHLE. I thank the Senator from Minnesota.

I will be brief. Let me just say, the whole purpose in this exercise is to find common ground. If this isn't the common ground, I am willing to entertain any amendment that might be viewed as better common ground. But we know that whatever common ground proposal we find has to attain at least a 60-vote threshold.

We know the House-passed bill will not reach a 60-vote threshold. We know the Democratic proposal will not reach a 60-vote threshold. So simply to take up a bill that we know will fail does not get us any further along.

The whole idea, as I said at the beginning, is to seek some compromise that would allow us a 60-vote threshold. So we are still waiting. We are still searching. We are still hoping we can offer amendments in the effort to accommodate that goal—a 60-vote threshold.

So I appreciate the kind offer of the Senator from Oklahoma, but I think he knows, as I do, that isn't going to get us where we need to go if we are going to complete our work on this bill.

Mr. DORGAN. Will the Senator from South Dakota, the majority leader, yield?

The PRESIDING OFFICER. The Senator from Minnesota controls the time.

Mr. DORGAN. I ask if I might inquire of the majority leader.

Mr. WELLSTONE. Please.

Mr. DORGAN. I just listened to a rather lengthy discussion by the Senator from Arizona about where we are and how we got here. He characterized the position of the majority leader as having been unwilling to compromise on virtually anything at any time for any period of time. That, it seems to me, is at odds with what has happened in the last couple months in relation to economic recovery or the stimulus package.

I wonder if the Senator from South Dakota could respond to those rather lengthy comments about his so-called failure to compromise on these provision.

My observation, I would say, has been that the majority leader has been willing to compromise on virtually all of these provisions in order to try to reach an agreement. But despite those compromises, there has not been any budging on the other side.

Could the Senator from South Dakota, the majority leader, respond to the assertions we have just heard from the Senator from Arizona?

Mr. DASCHLE. Unfortunately, I was not in the Chamber when the Senator from Arizona made his remarks, so it would be difficult for me to comment specifically. But if that is the tenor of the comment made by the Senator, let me simply refer him to my opening remarks today which I made about an hour ago.

I had a chart that showed, in a circle, the proposals made by the Republicans and, in a circle, the proposals made by the Democrats. There is an overlap of those two circles.

The list of items in that overlapped part of the two circles is what we have before us. They are not word for word identically proposed. They are different. The concepts are different.

I appreciate the senior Senator from Minnesota helping me with my visual aids, handing me this chart. On this chart is shown the common middle area which comprises several issues that are common to both Republican and Democratic proposals.

We both have proposed unemployment benefits. We both have proposed tax rebates. We both have proposed bonus depreciation. We both have proposed fiscal relief for States.

Mr. NICKLES. Will the Senator yield?

Mr. DASCHLE. As I said, they are not identical, but the components are found in both bills. If that isn't the definition of "compromise," I honestly do not know what is.

All I am suggesting is, we take that as the base vehicle and use it as the subject for whatever amendments Senators wish to offer. So that is really the issue.

The Senator from Minnesota has been very kind with his time. I appreciate him yielding to me.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I just will build on what I think the majority leader was saying. I will be very honest. I was listening to him propound this unanimous consent request, and I was thinking: We are talking about four provisions. I don't know how any Senator can disagree with any of them: The tax rebates, the business relief—we can go over all of them—the State stimulus which is critically important for Medicaid, and the extension of 13 weeks of unemployment benefits.

Then I think the request was saying there would be two—how many amendments on each side?—four amendments all together.

Mr. DASCHLE. No. No. If the Senator will yield, let me make sure everyone understands the proposal. The proposal was that either caucus have a minimum of four amendments to offer in addition. So there would be amendments to the package proposed as the common ground vehicle.

Mr. WELLSTONE. So what I was thinking about was: Look, I can think of a number of amendments I would want to do alone, which would extend unemployment benefits beyond 13 weeks, which would bump up the benefits, which would increase the eligibility. What about health care assistance? I am thinking that might not be enough.

But then I was thinking: Look, here is what we agree on; and then Senators from both sides of the aisle can bring other amendments to the floor. And I am sure the distinguished Senators from Oklahoma or Wyoming have other ideas. So do several other Senators. And then we just move forward. We have amendments. We vote on them.

We are all accountable for our votes. But we do the work of democracy as opposed to one big, gigantic stall, which is what we are actually experiencing right now. That is what this is about.

I simply want to say that, to me—I keep struggling to do this. I keep struggling to connect all this sort of strategy and tactics with people's lives back home. Sometimes it is hard to do it. We get here and get so caught up in how we are going to get it done.

The majority leader is trying to move this forward now. But I will tell you, there are so many people who are flat on their backs through no fault of their own. They are running out—if they have not already—of unemployment insurance. They do not have any health care coverage.

The States are in a world of trouble right now in terms of their own budgets and Medicaid costs. We could pass this. And maybe there will be some amendments that will be introduced on both sides that will improve upon this. Political truth is elusive.

My guess is the definition of "improvement" of several of my colleagues from the other side might not be my definition. I will have amendments. I will want to make sure that families can afford to purchase health insurance for themselves and their loved ones. I will want to make sure that part-time workers and working poor are eligible for unemployment insurance and that they get better benefits. And colleagues from the other side will have other amendments.

Let's be very clear about this. This is one big, gigantic stall. The whole idea is, let's just put it off. Let's not move forward. It is just one big coordinated political strategy. Maybe it is a great political strategy. But from the point of view of people back home, it is not.

I heard my colleague from Arizona—and this is the last thing I will say about the past; then I will look forward from today on—about how we didn't do the work before the break and how the Democrats didn't do this and didn't do that and there was no "stimulus plan." If my memory serves me correctly—again, the Senator from Arizona might not agree—indeed, we had an economic recovery plan. There were 53 votes or maybe 54 votes, and it was blocked on a procedural point. Some would view it as filibuster. We didn't get 60 votes. We had a plan. There were some Republicans who supported it. It was terribly important, and it was blocked.

Now my colleagues are just dying to bring over the House measure. I can't remember whether it has the big Enron bailout money in it now or not. Frankly, the House of Representatives tried so hard to reach back to the mid-1980s and get as many billion-dollar or half-a-billion-dollar breaks to this large company or that large company or this family with an income over $500,000 or this family with an income of $1 million, I can't even remember all they were trying to do.

With all due respect, "Robin Hood in reverse" tax cuts with 50 percent plus of the benefits going to the top 1 percent, not even scheduled to take effect for a couple of years, much less giving $1 billion here and $1 billion there to a different multinational corporation, Enron at one point in time included—that may be too embarrassing to do any longer—I don't think it has a heck of a lot to do with economic recovery.

Economic recovery is the here and now. Economic recovery is how you help people who are flat on their backs. Economic recovery is how you help people consume. Economic recovery is

Keynesian economics. Economic recovery is how you have a stimulus that really jump starts the economy now. Economic recovery is strategic investment in the economy to get the economy going, not "Robin Hood in reverse" tax cuts, not $1 billion here or a half a billion there for this big company and that big multinational corporation, not even scheduled to take effect right now, having nothing to do with getting the economy going right now.

But I will tell you what it does do. We will see a lot of this over the next couple of weeks. What it does do is assure a huge, ideological victory for Senators who believe that when it comes to the most pressing issues of people's lives, there is not much the Government can or should do which, by the way, is a great philosophy when you own your own large corporation. It doesn't work for the vast majority of families and working people in our States.

If we go forward with what my colleagues are talking about—and I certainly would love for us to go forward; I would like for this unanimous consent request to be accepted—we will start with what Senator DASCHLE has offered. I don't think very many Senators are opposed to any of these provisions. The Senator from Oklahoma is. In which case, we will have debate. Then we will have an up-or-down vote. Then there will be other amendments. And all of that will work out.

But the other part of this is, with all due respect, I think what is happening here right now is, it is about more than economic recovery. That is part of it. This is a big, gigantic stall. My colleagues from the other side of the aisle don't want to move forward on this economic recovery package. We could move forward. We have a minimum of four amendments on each side. We debate them, and we vote on them. And people back home hold us accountable. In addition, what we can agree on, we agree on, which will provide at least some help for people and maybe even some help for the economy.

I am not sure actually whether or not we have anywhere near enough of an economic recovery package here, but I sure would like to start with what we agree on. I would sure not like to see this stalled out.

The other agenda I want to speak on for a minute or two is this gigantic stall today in the context of trying to add on to the tax cuts which are going to bleed this economy. The truth is, all this discussion, CBO analysis about deficits and where we are going, not only raises questions about the surplus, but you are going to see it in the President's budget plan. You will see a budget plan that basically is going to say, forget the commitment to fully funding IDEA, kids with special needs, and helping out schools and education in our States.

That is all I am hearing about back in Minnesota. When I go to the school board meetings, 1,000 people show up at a time. The surpluses are gone. Teachers are being eliminated. Class sizes are going up. Afterschool programs are being eliminated, huge fees for co-curricular activities, be it music or athletics, on and on. And people are saying to me: PAUL, thanks. The Senate did a pretty good job on this, a real good job, bipartisan, voted for full funding for kids with special needs. It would have been $2 billion more for our State over the next 10 years. It would have made a difference. It would have been $45 million this year.

It was blocked by House Republican leaders, blocked by the administration. I do no damage to the truth. That is what happened. Do you think now we are going to get more of a commitment? Are we going to get anywhere near full funding? Are we going to get anywhere near the resources from the Federal Government back to our school districts, including what we promised? No.

And now my colleagues want to add even more "Robin Hood in reverse" tax cuts, going to the top 1 percent big multinational companies. That means we have no resources. That is what it is all about. If you don't think we should be doing much by way of education and you don't think we should live up to our promise of prescription drug benefits for the elderly, building on to Medicare, and if you don't think we should do anything about the crisis in affordable housing, I argue to the Chair, who does so much work in education, that affordable housing is becoming the second most important educational program in the country. When 8-year-olds are moving two and three times a year because their families can't afford housing, it is real hard for them to do well in school.

I could go on and on because, frankly, it is going to all go on and on. You are going to see it when it comes to the commitment to transportation infrastructure. Veterans are going to ask, what happened to them; how come people are not saying this to them any longer, above and beyond the Fourth of July parades? Across the board, that is what we are going to see.

We are heading for a huge debate where the differences make a difference. That is fine with me. It doesn't need to be done. The Senator from Oklahoma came by. We shook hands, had a good time. I like to mix it up with people. It is my nature to like people. But we will just have the differences.

The Senator from Texas is out here. He knows what that is about. That is fine. It will be an intellectually honest debate about the role of government, about pressing issues in people's lives, about priorities, about where we make our investments, about how we raise money, about who we support, about how we invest in the economy, about what we do for our children, about whether or not we protect the environment. All of these issues can be debated and should be.

What I am little bit skeptical about now is just a big stall. This isn't like a big debate. This is a big stall. That is what my colleagues on the other side of the aisle are about right now.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I listened with interest today to my colleague from Arizona, and now my colleague from Minnesota, on this subject of economic recovery. This is a critically important subject. This is not the normal run-of-the-mill policy that we debate here in the Senate. Our economy is in some trouble, and I am not sure any of us quite understand how much trouble. It is a new economy. We don't have models by which we can judge what happened in the past and therefore project what might happen in the future. This is a new global economy that operates and behaves in ways that are different than perhaps represent our conventional understanding.

I know my friend from Minnesota mentioned that our colleague from Texas, who is in the Chamber, came from a background of teaching economics, I believe, in college. I, too, briefly taught economics in college. I like to say that I have gone on, nonetheless, to overcome that experience and lead a reasonably productive life.

The field of economics is not much more than psychology pumped up with a little helium. We have all kinds of economists in this country who will give us their best guess of what has happened and what will happen. But nobody really knows.

We have heard suggestions from respected economists in America, Nobel Prize winners no less, that we have an economy that is in a recession; that we have rather substantial overcapacity in this economy, and the most effective way to jumpstart this economy is to do the kinds of things that represent a boost in consumption. This morning, one of my colleagues talked about increasing business investments. Perhaps there is a need for some of that. But most economist will tell you that during a time of recession, when you have overcapacity, the quickest way to jumpstart an economy is to boost consumption.

What menu of plans has been introduced that would do that? One of my concerns is that there is almost no room to be critical of a plan these days because if you are critical, somehow you are taking on the President in an unfair way.

I gave the response to the President's radio address a couple weeks ago, and I received a letter from a guy who said he was listening and almost drove off the road when he heard me. It was a shrill, partisan letter. Some of us receive those periodically. My response to the radio address—about the first one-third of it was about what a outstanding job this President has done prosecuting the war against terrorism. I complimented him and Secretary Powell and Secretary Rumsfeld and others. I talked at great length about that.

Then I said, on the subject of economic recovery, that we have differences. I talked about those differences. I debated the differences in policy. Norman Vincent Peale once said: Most people would rather be ruined by praise than saved by criticism.

There is nothing, in my judgment, that injures this country by having a full-scale debate break out on something that represents important public policy.

Let me talk a bit about some of the ideas that have been brought forward on the subject of economic recovery. In my judgment, the goofiest idea, if I can use that term, came from the House Ways and Means Committee. We just had a colleague suggest that we start with that bill here on the floor of the Senate. The proposition is that we go back to 1988 and provide tax rebates to large corporations for the alternative minimum taxes they paid over the last 14 years. Somehow that is represented to be a piece of economic recovery policy.

That is not going to promote economic recovery. It doesn't have the foggiest thing to do with economic recovery. It has everything to do with writing a very big check to some of the biggest corporations in this country. They paid tax under what is called a "minimum tax" because in the 1980s we decided we didn't want to have companies making billions of dollars in net profit and paying zero in taxes. We thought there ought to be some minimum at least. That was the proposition.

But, of course, the House Ways and Means Committee, on which I used to serve, wrote a bill that said, by the way, let's provide rebate checks to all those companies that had to pay minimum taxes dating back to 1988, such as IBM. We will give them a $1.4 billion check. Ford Motor Company—give them a billion-dollar check.

Does anybody think that will promote economic recovery in this country, when we are in a recession and have overcapacity in the economy. No, that is just a giveaway. I will not apologize to anybody for having passion about public policy and saying, when somebody recommends doing something that will increase the deficit, that augurs against the interests of the average American citizen and will do nothing to help the economic recovery but will enrich those who don't deserve that by giving them rebates for taxes they should have paid—minimum taxes, not regular taxes. Nobody deserves an apology from those of us who say that makes no sense; that won't help this country.

So we have a debate about those kinds of policies. I use that just as one example. My colleague, the majority leader, said let's take those areas of intersection between what the President and others have proposed, and where there is common ground, let's offer that, have amendments to it, and pass it.

One area is extended unemployment benefits to those who have lost their jobs. Two months in a row, we have had news that 400,000 American people have lost their jobs. So 400,000 additional Americans came home from work one night and had to tell their families that they got a notice that they had lost their jobs.

Do you know who most of them are? Most of them are families who know about second shifts, second jobs, secondhand, and second mortgages. These are the families at the bottom of the economic ladder, and they know about these things. They are the first to lose jobs in a recession.

Now, we asked 11 of the leading economists in this country what we could do to give this economy a boost, what would really promote economic recovery. Virtually every single one of them said this: If you extend unemployment benefits to those who have lost their jobs during an economic downturn, that money is immediately spent by those who receive it because they need it. They need a helping hand during tough times. When they are down and out, they need a hand. They will spend that money immediately. That is exactly the kind of help that stimulates the economy. That is what we have done in every economic downturn in the last 25 years.

So that is a provision the majority leader brings to the floor today that says: Look, the President says he supports that; we support that. Let's take that provision and pass that provision. Three additional provisions represent the same approach—common provisions agreed to by virtually everyone. He says let's move that which we can move, allow people to offer amendments to it, but let's not drag our feet any longer on these issues. Let's have some movement and action to try to give the economy a lift, with policies that we know and which economists tell us will help this economy recover.

We talked a great deal in this Chamber about policies in kind of an antiseptic way. There is not much about real people and the effect of policies on real people. Just take one of those 400,000 people who, in October, had to tell their family they had lost their job, or one of those 400,000 people, in November, who had to tell their family: I have lost my job, but it wasn't my fault. This economy is in a recession.

It was in a recession prior to September 11, and then those two airplanes that ran into that World Trade Center and murdered thousands of innocent Americans. That act of terror and mass murder cut a hole in this country's belly and created additional victims. They are people who lost their jobs because this economy continued to slow down even more following those terrorist attacks. So those people came home at night to say to their families: I have lost my job, my ability to make a living.

It is said that the unemployment rate is 5.8 percent. For someone who goes home having to tell their family they have lost their ability to make a living, their unemployment statistic is 100 percent. They have lost their job. That is pretty tragic for families to have to explain to others that they no longer have a paycheck coming in. In most case, these are hard-working Americans. They are at the bottom of the economic ladder, scratching and clawing and trying very hard to move up and do well for their families.

In a recession, in an economy that turns sour, it almost always injures them first.

That is why this provision at the very least ought to be embraced by everyone immediately.

Mr. President, I will make one additional comment. If politics was hot air, there would be enough to lift this building. I understand all that. But, frankly, on both sides of the aisle, we have men and women of good faith who really want to do the right thing. Let's try to find a key today to unlock this and find a way for Democrats and Republicans, conservatives, liberals, and moderates to understand that we all live in the same country. We all live on this same spaceship Earth. We are all Americans, and we want what is best for our country.

It is not disloyal to break out in open debate about one policy or another, but at the end of the day, we must compromise. We must find a way to reach common agreement in ways that will help the American economy. I hope that is the case.

Let me finish as I started. I think this President deserves the praise of the American people and this Congress for many things in recent months. I think the leaders of this Congress—my colleagues, Senator DASCHLE and Senator LOTT—deserve praise in many ways for a lot of the things they have done to bring us together to deal with the threat to our country. I want to provide the same kind of praise to all of us for coming together—the President, yes, Senator LOTT and Senator DASCHLE—to reach agreement now on an economic recovery package.

What the majority leader has proposed makes good sense to me. He said we have all kinds of plans out there. Let's take that area where those plans intersect and we have reasonably common agreement. Let us move those and then come back and see if we can reach agreement on others, or take those areas of common agreement, offer some amendments to them, and see where the votes are and then move forward.

What the majority leader has proposed makes good sense. I hope others will embrace it today.

In the end, I am not interested in what is good for the Republican or the Democratic Party or the President or Congress. There is not a Republican or a Democratic way to go broke. There is not a Republican or Democratic way to lose your job. It is not a partisan thing to have to tell your family that you lost your job yesterday.

This is not about politics. It is about whether we are going to do the right thing for the American people. Yes, for businesses, many of which are struggling, and especially for families, many of whom have received the news of a job being lost in an economy that has turned sour.

What can we do to help this economy? A lot of the problems of this country we have talked about in recent days will be solved by a growing economy that provides opportunity and hope once again to families, to workers, and to businesses.

It is interesting, there is one story going around about a corporation that failed in this country. That is a tragedy as well. But it is always the case when we see these situations, somehow those at the top end up doing real well and those at the bottom end up losing their shirts.

In many cases, that is what happens in a recession as well. I hope we can understand that as we grapple with the questions of how do we pass legislation that gives this country's economy a chance to survive and how do we give American families and businesses some hope that tomorrow will be a better day, that they understand the American economy will offer opportunities for them again in the future.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I want to begin by talking about the history of how we came to where we are today. Then I want to talk about where we go from here.

When it became clear that the country was in a recession—in fact, before many people in Congress recognized that we faced an emergency situation—the President started to talk about a stimulus package. The President met with Democrats and Republicans.

I remember a day I went down to visit with the President as he was soliciting advice as to what should be in a stimulus package. My advice was that there are two things we could do that would dramatically help the economy and that during the recession not only would not cost us money, but incredibly would probably put money in the Treasury. Those two proposals—not surprisingly, given that I made them—were to cut the capital gains tax rate and to make the tax cut permanent.

From the time of John Kennedy, in each and every case where we have reduced the capital gains tax rate, we have encouraged people to more efficiently manage assets, we have encouraged investment, and people have actually paid higher taxes—at least in the short run and often in the long run—as a result of those changes.

It seemed to me then and it seems to me now that cutting the capital gains tax rate would be the cleanest, most efficient, least expensive way of stimulating the economy. In fact, for the remainder of this recession that action would almost certainly put money in the Treasury, not take it out.

In terms of making the tax cut permanent, what could be more destabilizing than having a Tax Code that is going to expire in 10 years? We tell people about how we are cutting their tax rates, we are eliminating the marriage penalty, we lowered the 15 percent rate, we will repeal the death tax, and yet everybody who has read the fine print knows in 10 years, because of a budget technicality, the old Tax Code comes back and a massive increase in taxes occurs in 1 day.

In fact, there is the absurdity that if you die today, you face one set of taxes on your small business or your family farm that you built up; if you die 9 years from now, you face no death taxes; and if you die 10 years from now, the Government takes 55 cents out of every dollar you have earned in your lifetime and takes it away from your family, often forcing people to sell their small business or sell their family farm.

What do you think people think about the prospects that if you die in 9 years, you pay no death tax, but if you die in 10, the Government takes 55 cents out of every dollar you earn? I, quite frankly, am concerned as to what is going to happen in that ninth year, with the kind of perverse incentives we have created.

I proposed to the President that we make this tax cut permanent. Supposedly, we intended it to be permanent and I thought the stability that would come from having that certainty would help the economy.

The President's response was that we had to come up with a package that was going to be bipartisan and that he did not believe those policies would be accepted by our Democratic colleagues and that they would become a lightning rod in the debate. Obviously, I did not agree with that, but the President came up with a proposal where over half the proposal came not from recommendations that Republicans made but from recommendations that Democrats made.

The President, however anybody wants to criticize him, basically sat down thinking that after September 11, something had really changed. I remember a colleague of mine sitting in my office saying: After the 11th, things have changed forever. I suggested that forever is a very long time. By January, the things that had changed in Congress about cooperation had pretty much changed back, unfortunately. But the President—and I say this as a great compliment to him—when he wrote his initial stimulus package, tried to take Democratic ideas and Republican ideas and come up with a bipartisan compromise that he thought might be adopted on a bipartisan basis.

So the debate started, and the House passed a bill. They passed it on a partisan basis. We had a debate in the Senate, but nobody could get to the 60 votes necessary to pass a bill, and we had an impasse.

Then a series of our more moderate Members—I was not a member of this group—got together, Democrats and Republicans, and came up with a bipartisan proposal. That bipartisan proposal basically picked and chose among various stimulus proposals that had been made. Based on the fact we clearly had a majority of Members of the Senate who were for this bipartisan proposal that emanated from the Senate, the House of Representatives passed that bipartisan proposal in the waning hours of the last session. That proposal then came to the Senate. However, Senator DASCHLE decided to not allow it to be considered, even though clearly a majority of Members of the Senate—Democrats and Republicans—were for that bill.

That is the way the last session ended. We are now in the new session. Senator DASCHLE approached our leadership and said: I am willing to bring up a stimulus package. But he was not willing to bring up the stimulus package the President proposed. He was not willing to bring up the stimulus package the bipartisan coalition proposed. What he wanted to do, in essence, was to take the provisions from the President's proposal that he agreed with, all of them in one form or another things the majority of Democrats were for, and he wanted to bring that up.

Now we are perfectly supportive of bringing that bill up. The majority leader ultimately can bring up any bill he wants to bring up, but our basic position is simple and straightforward, and I think anybody who is trying to be objective about this will see it makes sense. If we bring up the bipartisan bill that was put together by moderate Republicans and moderate Democrats, I think within that context we could have an agreement limiting the number of amendments we would debate. Senator DASCHLE and others would have an opportunity to offer a substitute or other amendments. Those of us who might want to strengthen the package from an economic stimulus point of view would have an opportunity to offer a couple of amendments, and that would be it. That would have been a reasonable and acceptable proposal.

The proposal the majority leader made, however, was to bring up a totally new bill, one-quarter of which—giving money to the States—was never in any of these other proposals I have seen. The President did not propose that. The House did not adopt that. Where that came from, I do not know.

The point is: We have a bill before the Senate, and my suggestion is we let the Senate work its will; that we have a series of amendments, a Democrat amendment, a Republican amendment; that we debate these issues. There clearly will be an amendment to expand the accelerated depreciation part of this bill. We have a bill before us that provides accelerated depreciation for about 9 months. We had a proposal initially for 3 years. There will almost certainly be an amendment on that and it ought to be voted on. We have had a lot of debate about overturning the tax cut, not letting it go into effect. Clearly, I think we can provide some certainty to investors and to consumers by having the Senate go on record that we are not going to overturn the tax cut.

I personally believe we will benefit the economy if we have the Senate make the repeal of the death tax permanent. I would like to have a vote on it. I am sure there will be many amendments, or some amendments, on the Democrat side, but it seems to me that if one wants to make up their own proposal—and when they are the majority leader, they have the right to do that—they have to recognize other people may not support it and they will want an opportunity to present their ideas. That is how the Senate rules work.

If we had gone to something that had been agreed to by the majority of our Members to begin with, I think we might have limited amendments, but now I think what we need to do is to simply start the process of offering amendments. I do not know how long this is going to take. I do not think, quite frankly, it is going to take a terribly long time. I think there are issues that need to be voted on.

Finally, let me say we have a deficit. We have a deficit primarily because we have a recession. The second largest cause of the deficit has been the explosion in spending, most of which occurred in the last 3 months of the Clinton administration. An increase of over $120 billion in spending above the level we set out in the bipartisan balanced budget agreement occurred in a 3-month period, with a Republican Congress. I am not only pointing at Bill Clinton. A Republican Congress and Bill Clinton had a spending orgy, the likes of which I have not seen in almost a quarter of a century in the Senate.

The third thing is we have adopted a tax cut of $38 billion. Altogether, we have had over a $300 billion decline in the surplus. Some of our colleagues say the problem is the tax cut. But, that is only about one-tenth the size of the collapse of the surplus.

I know there are people on the Democrat side of the aisle who would like to raise taxes and to eliminate that tax cut. We certainly will have an opportunity to vote on that. But the bottom line is, we need a stimulus package. We are in a recession, and every penny we use to stimulate the economy we are going to have to borrow. That is a dollar we are going to be taking away from somebody who might have used it in another way. So if we are going to have a stimulus package, I think it is very important it be a package that stimulates the economy.

I find it incredible—some people might find it unbelievable, and in some ways it is both—that if we look at the Daschle proposal that is now before us, if someone paid income taxes last year as an individual, they will get no benefit from this stimulus package. We give big tax cuts to people who do not pay taxes. We have massive increases in spending, but if someone paid taxes last year; if they are working and saving and investing; if they are anybody who is currently making the American economy go and paying taxes in the process, this bill does not deem them worthy of having a stimulus provision that would encourage them to work more or save more or invest more.

I do not know how the economy is stimulated without providing incentives for people who are engaged in productive activities. I do not understand that. I know the proposal that was in the bipartisan package and that was in the Bush proposal that would accelerate the tax cut that is coming for individuals who make more than $28,000 a year—that there was opposition to it. I do not understand, if the objective is to get people to work and save and invest, why no incentives are provided for people who are working and saving and investing.

So some will remember that when this bill was presented yesterday, these two intersecting circles—the Republican proposal and the Democrat proposal—were presented, and where the union of those two circles was, was supposedly what Senator DASCHLE was proposing. Well, it turns out a quarter of it I have never heard of before; and that is, we have a bigger deficit than all the States combined, but now we are going to run a bigger deficit to give them money.

I don't understand it. What it really looks like to me, looking at this so-called stimulus package, is spending. You look at the words "spending" and "stimulus," and the only similarity is they both start with an "S."

Here is my point and I will conclude: We can stand and talk about provisions that were in old bills that nobody has debated in months. I could rant and rave about stimulating the bison industry. That was a provision dealt with and laughed out of the Democratic version of the bill. I could taunt my Democratic colleagues with it forever, but what good would it do in this debate? None. Bringing up retroactive provisions in the original House bill that have never been considered by the Senate, that no Republican Senator has endorsed, that are not in the bipartisan consensus bill, I don't think is very productive, either.

The path we have chosen, quite frankly, I think is the hard path. If we had brought up the bipartisan bill, we might have adopted it; it might have gone to the President and been signed. Instead, we brought up a bill nobody has ever seen. It will be amended, probably at great length. Then if it is adopted, it will go to conference, where there might be more mischief and the potential of not getting a bill. If there is an easy way and a hard way, we have decided, it seems to me, to do it the hard way.

I think it is important to start the amendment process. I urge my colleagues on both sides of the aisle, we have a vehicle before the Senate. Whether Members are for or against it, everybody claims—with the exception of two or three Members of the Senate—that they want a stimulus bill. We have a proposal before the Senate. If we do not like it—and I don't like it —we should offer amendments to it. I believe we will be ready, hopefully this afternoon, to begin that amendment process. It may be, as we start debating amendments, as we start voting on them, that we could yet form a consensus and adopt this bill. That would be very beneficial if that were the case. I hope it will be the case.

I yield the floor.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. I thank the Chair for recognizing me for a moment or two. I will use a few minutes to talk about where we are on the question of economic stimulus. It is appropriate to say where we are is where we have been. The phrase "been there, done that" comes to mind, and I think it is very appropriate. When we left for the holidays, the recess that we enjoyed back home with our families, we left the Senate in a situation where neither side had a sufficient number of votes to move on something that was significantly important to the American people.

It is clear we as a nation are in difficult economic times. I imagine people back home wonder whether Congress is going to do anything about it. I wonder whether sometimes we have the capacity to do anything about it because of the situation we find ourselves in.

It is interesting and important to point out that neither side has the ability to do whatever they want. We as Democrats do not control the White House. We as Democrats do not control the House of Representatives. We as Democrats do not have the 60 votes in this body in order to accomplish things that we might like to do if the other side insists on filibustering that effort.

On the other side of the coin, it is also important to note that the Republicans do not have the ability either to do whatever they want in these areas. They, too, do not have 60 votes to push through what they think is an appropriate remedy to the economic conditions we find ourselves in.

It is, therefore, obvious, in order to get anything done we will have to reach some type of a middle ground or an agreement that takes the best of both parties and puts them together in a package that might do something on a positive note for the American people who are suffering a great deal because of the downturn in the economy.

It is true that the two parties have fundamentally different approaches on how to assess this. I have tried to compare it to the question of people who make widgets and people who buy widgets. It seems appropriate to point out that the other side tends to say if we are going to get this economy going, we will have to help the people who make the widgets. We will have to help the businesses that produce the products because they are not producing at full capacity. We will have to help the companies that make the widgets. We have to help them with bonus depreciation, and we have to help them with net operating loss carrybacks. Those are some of the ideas we have talked about. We will help them with alternative minimum tax and remove that burden so that these companies can make more widgets.

On the other hand, on my side of the aisle, we tend to concentrate on those who buy the widgets and say it doesn't matter how many companies make how many widgets. If you don't have individuals able to buy the widgets, they are not going to be able to sell the widgets. Therefore, it is important for economic recovery to do something for those actually trying to buy the products who find themselves in an economic situation of not being able to do so.

We said, all right, we have a lot of people unemployed and we have to help them with unemployment insurance, to give them a longer period to try to find a job. We will help those people who are without health insurance because they cannot be productive citizens if they do not have health insurance for their children and families. We want to do that. We also want to help the most unfortunate among us by making sure we give them some benefits because they did not receive those benefits during the last tax cut. We do that by providing $14 billion worth of rebates in terms of direct grants to those individuals.

That is where we were when we left. That was the Democratic position and that was the Republican position. Neither side had 60 votes. We come back after the recess and we are right back where we were: Been there, done that. We can continue to do that and face each other off and blame the Republicans for failure because they don't agree with us and listen to our Republican colleagues blame us for failure because we don't agree with them. They think they are right and we think we are right. But outside the beltway and outside Washington I imagine there are an awful lot of people who are scratching their heads and saying: Look, these are grownups that we send to Washington and the job that we send them to do is to make government work for those who are not in government. Unfortunately, what they see is that in too many cases, we cannot simply compromise to the point of agreeing and getting something done.

Last year, Democrats filibustered the economic stimulus bill. Republicans filibustered the farm bill. Neither side was able to accomplish anything in these two important areas. We can continue to do that. We can continue to take the position that we want to help the people that buy the widgets, and we are not going to move. And our Republican colleagues can say, we will continue to try to help the widget manufacturers, and we will not compromise. We can continue to make the arguments and continue to blame each other for failure. But the end result is the people that need the help do not get the help they need.

I commend very strongly the majority leader, Senator DASCHLE, who has said, I will not continue in that vein. I want to break this logjam. I want to end this gridlock. What I am willing to do is to give up some things that those who want to take care of the widget buyers are really interested in, like health insurance for unemployed people—a very big issue and one to which I think there is an answer. I am willing to step aside and give that up in order to get this process moving. But the other side will have to also give a little in order to get a package that can pass this body.

Senator DASCHLE has said: Enough of business as usual. Let's make the first important step toward getting something done that can, in fact, help the people we intend to help. He has suggested that we have extended unemployment insurance. That is important. We don't know how long people are going to be unemployed. It is obvious Congress will have to address this. He does it in his proposal. And I add, the other side has agreed on that. He says we will give some additional help to people who did not get much help the last time, and has proposed $14 billion in rebate checks.

The other side has said they could support that. They said that before we left for the recess. Some people say you are trying to help people who do not pay taxes. Those people may not pay income taxes, but they certainly pay payroll taxes. I am not sure if one tax is less painful than the other. If you are paying taxes, you are paying taxes. Therefore, we ought to help those people who are paying taxes. The rebate proposal is a common idea to which both sides have essentially agreed.

We said we are going to help States. The Senator from Texas was pointing out that Texas is in bad shape, as well as some of the other States. But States have different problems and additional problems. We can, in fact, operate at a manageable deficit on the Federal level, which I do not have problems with. We are in a position to help States. The concept was to say, all right, we are going help States with Medicaid by giving them a little bit more of a Federal share to help pay for the health care of indigent people who need the greatest amount of health care of all.

I think the proposal says we are going to give a 1.5-percent increase in the amount of Federal money paid for the purpose of helping Medicare. That would allow States to do a better job in helping people who are sick and poor, and also perhaps give them some additional money from the Federal share which they could use for other priorities within the State. That is something that has been sort of a common idea that both sides have said in the past they could support.

Another thing in the Daschle proposal is something to help the widget manufacturers.

I had dinner last night with a group of high-tech chief executive officers, who are some of the best and brightest in the country. Every one of them said: If you could do something on bonus depreciation to help us buy new equipment this year to help us expand or grow our businesses, that would be very important. These are the top people in their industries. Telecommunications and computer manufacturing are American companies. They said that bonus depreciation would be very important for them.

I think the House said they are going to do a bonus depreciation bill for 3 years. The Senate said 1 year. Is there not a number in between 1 and 3 on which we could probably agree? Of course, I think that is an important ingredient.

Some of my colleagues on this side said if you add it up—it is like the score for a football game. If you have three things the Democrats like and only one thing the Republicans like, that is not really fair. The bonus depreciation is part of the $69 billion. The 1-year package is about $42 billion.

One item that Republicans like—I like it, too—was the most expensive by far of the four. It is $42 billion for bonus depreciation with a 40-percent accelerated bonus depreciation for 6 months and 20 percent for the second 6 months. It averages out to 30 percent.

There is some flexibility. I think the majority leader indicated this is something which is a good concept for the widget manufacturers and for business and people who produce products in this country.

As has been referred to, we have a centrist plan. I plead guilty to being a part of that effort and will continue to do so because I think it brings together centrists in both parties to try to break the logjams in which we find ourselves far too often.

We had a plan that addressed health care needs. It is not in here. I wish it were. I think we suggested it in terms of a tax credit for unemployed people without health care insurance. It is an incredibly positive thing that Democrats should embrace and run with. It is something that will eventually happen at some point. Some said: Your plan only said the Federal Government was going to pay for 60 percent of the cost of premiums for unemployed workers' health insurance. That means the poor worker would have to pay 40 percent of the cost of his premium, and they probably can't afford that.

Let us think of what the current situation is. Right now, unemployed people who lost their jobs, can continue their health insurance, but it is at their own expense—100 percent. You have to pay 100 percent of the cost of the premium. For the very first time, we were saying the Government should pay 60 percent of the cost of that premium. That is 100 percent more than they pay now.

I think it is a movement in the right direction. I think it has merit. I think it should apply to people who do not have a job and can't afford health insurance, whether or not they are a so-called COBRA-covered person who had health insurance at their previous job.

It is another subject, but I think we ought to have mandatory health insurance in this country. It is the best way to help solve the problem. That is something about which we as centrists felt very strongly. That is not in here. But am I going to say, because it is not in here, I will not support this package? Of course, not.

Let me move towards concluding my remarks by saying what Senator DASCHLE has done is create a strategy and a process that will allow us to get to the next step. We can continue to stop everything we do and continue to not let anything else come up the rest of the year until we craft a package in the Senate to which 100 percent of the people can agree. If we take that approach, we will not get anything done, not only on the stimulus package, but we don't do anything else in the year. We don't do an agriculture bill or anything else important, such as an energy bill, or any other high-priority item. It is absolutely critical that leaders are able to say we are going to make some moves here. We want to make this Senate function as it should.

I think what Senator DASCHLE said was, I am going to offer a streamlined package. We give up a lot of things that we would like to see in it. The other side will have to give up a lot of things they would like to have in this bill. But let us at least get this package through the Senate, take the common ideas and pass it, and do it today, tomorrow, but do it, and quickly, in order for us to get to a conference with our colleagues in the other body. That will be a very difficult conference because their bill is far different from ours. It is far different in emphasis. It is far different in costs. It is far different in whom it attempts to help and how it attempts to help them. But we have to get to conference if we have any hope of reaching a conference agreement. This strategy allows us to do that.

I would say to the conferees that it doesn't do them any good if we get to that point and bring it back to the House or the Senate with things in it that are not going to be adopted. I will take half an apple rather than no apple at all. I think if you can't get everything you want, you get as much as you can in an agreement and then save the rest for a later date. But last year we got nothing. The people who were unemployed last year still do not have health insurance. They still have not received any rebate help or assistance from the Federal Government. They still have not received any health insurance or extended unemployment insurance benefits. What they got was an argument. As I said before, you can't take an argument to the grocery store and buy food. They do not accept that. You can't walk into a store and say: I need to buy groceries for my family this week, and, by the way, I will pay for it with the promise that Congress will do something to help me in the future. It doesn't work that way. We actually have to get something done. Arguments don't buy food. Blame does not buy groceries.

It is incumbent upon us to try to reach an agreement with which we can get to conference and let the conference work its will. I urge all of those who say we have to have it just like I like it or we are not going to have it at all—that approach on both sides of the aisle does not help the people we were elected to help. I think they are sort of getting wise to the ways of Washington. I want to change their thinking. I want to give them the encouragement to say Congress can at times work out difficult problems with positive solutions, with both parties reaching out to each other, recognizing that we have to give a little in order to get a lot.

Senator DASCHLE's proposal in fact does that. It is a good proposal. It is not the final proposal. It is not the final answer to this difficult problem of economic stimulus. But at least let us move one step down the line in order to try to reach an agreement that can actually be something everybody can be proud of, and, even more importantly, get the job done for those who need the help.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. CARNAHAN). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SCHUMER. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHUMER. Madam President, I see my friend from Oklahoma, the minority whip, is in the Chamber. I will try to be no more than maybe 6 or 7 minutes. Would that be OK, because a Democrat spoke last?

I thank my friend from Oklahoma.

Madam President, I would like to address two issues. The first is this stimulus package of the majority leader, Senator DASCHLE.

Let me just say, in a town that is wracked by partisanship, and where the differences often seem insurmountable, only one person has cut through that to try to come up with a compromise that is not going to make either side or any Senator 100-percent happy but is the basis for moving forward and getting a stimulus package. That person is Majority Leader DASCHLE.

I cannot heap enough praise on the majority leader for this effort. We know our economy is squishy. Every one of us goes back to our community and we hear of layoffs, of consumer uncertainty. We hear people are afraid the next 6 months will be considerably worse than the present, and they are looking to Washington for leadership, not only for a stimulus package in terms of the number of dollars that it will put into the hands of people and businesses, but also for a sign that we can work together to give them a sign of confidence, a sign the stewardship of the economy is in good hands and partisan differences are outweighed by what is good for the Nation.

I have to say, the only effort that has had some traction, the only effort that has made some sense in this regard is the effort of the majority leader. I am sort of confounded by the many attacks upon him. This is a man whom we all know well. These editorials and things like that do not comport with the real TOM DASCHLE who is somebody who always goes out of his way and takes that extra step for a compromise.

I do not like every piece of the package he has put forward. I wish there were other pieces that could be in there—I will talk about one in a minute—but I certainly think both sides of the aisle should be on their feet applauding the effort, the effort to break the logjam and get us moving.

Let anyone who starts saying that TOM DASCHLE is "Mr. Partisan" or "Mr. Obstructionist" look at the actions that have occurred in this Chamber today and look for the one Senator, of the 100, who has stepped forward and said: Here is a basis for compromise. I am not just saying it has to be my way. I am not just saying why I don't like what the other side or another Senator does, but rather here is a place where we can meet pretty much in the middle of the road.

I think I speak on behalf of many of my fellow Senators and many millions of Americans in thanking Majority Leader DASCHLE for trying to bring us together, for trying to create compromise that can move us forward, for trying to give us that basic centerpiece we can then use as a way to get a stimulus package done and add other pieces that are necessary.

I mention to my colleagues one piece that I believe is necessary to add. I know we have been apart for a little more than a month. Every one of us went back to our State and back to our family. I, for one, was glad to be home every night with my girls. I was glad to be in my State seeing everybody and touching base with them. But as you may remember when we left—I believe it was December 20—we were very close to passing a bipartisan House-Senate compromise to help Lower Manhattan with certain kinds of tax breaks that would encourage businesses to go down there, that would encourage businesses to stay there. It was worked on by Senator BAUCUS and Senator GRASSLEY. It was worked on by Congressman THOMAS and Congressman RANGEL. We were almost there. But at the last minute, because we were doing things in the final moments, people said they needed a little more time to study it.

First, let me discuss the need. It is urgent. Even though we lost close to 30 million square feet in downtown Manhattan, we have many businesses that left and are unwilling to come back yet. Businesses—large and small—were scratching their heads and saying: Does downtown Manhattan have a future?

Our Governor and our new mayor are rapidly putting together plans to try to figure out how to rebuild downtown Manhattan. But the question on everybody's lips is: Will the kind of very necessary tax breaks to bring businesses back to downtown Manhattan—given the fear factor and given everything else that has occurred—be forthcoming from Washington?

This is not a partisan issue. We have had support from both sides of the aisle. This is not even a bicameral dispute. The House has passed a bill already. I certainly give the White House credit for being amenable to a compromise.

All I can speak to is the necessity. The attack on the Twin Towers on September 11, of course, is still with us. It was not an attack on downtown Manhattan or even New York State. It was an attack on all of America.

It would be an admission of defeat—we have had such success overseas—if downtown Manhattan does not rise up, rebuild itself, and be revitalized. What could be a stronger message to the terrorists of the world, to the anti-Americans of the world, to those who hate us for our very freedom, than if downtown Manhattan rises anew like a phoenix? I can tell my colleagues without these tax breaks it is going to be hard to do.

I have spoken to Senator CLINTON. We will be working very hard to get these breaks passed, hopefully, as part of the stimulus package; and if there is no stimulus package, then in some other way. I hope all of my colleagues will be supportive. We need the help.

All of America has admired the bravery of the victims' families, many of whom the President graciously invited to the White House yesterday—the firefighters, police officers, and rescue workers, and just average New Yorkers who rose to the occasion. We now need to back up our admiration with real help. The future of downtown and Lower Manhattan depends on what we do in this body in the next month, the House having already acted.

I urge my colleagues, if they have any questions about the compromise proposal that has been put together, if they have any changes they seek to make, if they have any objections to any of the small parts of it, please let us know ahead of time. At the end of December 21, when we were very close to passage, many of my colleagues came to me and said: Look, I am very sympathetic. I just want a little time to study it.

Well, now we are in studying time. But soon it will be time to act.

Again, I plead and beg with my colleagues to make sure that we don't hold up this package so necessary for downtown Manhattan's survival, so necessary to send a concrete message that we are not going to let the terrorists destroy any part of our country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, I appreciate the comments of my colleague from New York. He mentioned his desire to bring up the New York City package. I requested earlier that we take up the House-passed tax bill that has a New York package in it. We are having a debate right now as to what should be the underlying bill.

So people understand, I suggested that we take up the House-passed bill. That would be the logical thing to do. If we are going to pass a stimulus package, the House has already passed it. I told the majority leader I would work with him to come up with a finite list of amendments, a mutually agreed-upon list of amendments or number of amendments, and work to pass it. He wasn't agreeable to that yet. Maybe a little later he will be. Instead, he wanted to come up with a list of amendments he thought were mutually agreeable.

I don't think there is a consensus on a list of amendments. I will just go over a couple of them.

The underlying bill I wanted to take up had New York in it. I will tell my colleague from New York, this amendment does not have New York in it. That doesn't mean I agree with everything that is in the House bill; I don't. So if we start with that as the package, I will probably try to make some changes and some deletions to the House bill.

I look at the package the majority leader wants to bring up, and I say: Wait a minute, where is the beef? Where is the stimulation? There is no assistance for New York. I am looking at the bill that was just introduced yesterday. I am almost amazed. I heard one of my colleagues say Republicans are filibustering this bill. We are not filibustering this bill. We didn't object to bringing it up.

A bill we have never seen before is now pending on the floor of the Senate. We could have asked for it to be read. We could have asked for a vote on the motion to proceed. We didn't do any of that. We wanted to take up and pass a stimulus package. But we would also like to know what is in it. And just for elementary purposes, we would like to have it stimulate the economy. We would like to have it create jobs.

I looked at the package the majority leader introduced. It fails in that regard.

I will go through the various elements in this package for my colleagues.

Mr. SCHUMER. Will the Senator yield?

Mr. NICKLES. I am happy to yield.

Mr. SCHUMER. I thank the Senator. I don't want to get into any disputation about the underlying package. The Senator was very helpful to us in the final moments of the session last time about getting a New York package. I thank him for that and hope we can work together in whatever comes out to get a New York package done early this year.

Mr. NICKLES. I appreciate my colleague from New York. I will tell him I read with interest today an article from the Washington Post that said that not only did we pass the legislation that my colleague and friend from New York alluded to to provide tax relief for the victims of the New York and Virginia disaster but also the Oklahoma City disaster, so they wouldn't have to pay taxes in the year 2001 or in the year 2000 for this recent 9-11 tragedy, but also in Oklahoma it is for 1994 and 1995.

The Washington Post said we also passed the $5 billion package of benefits. That wasn't accurate.

Mr. SCHUMER. If my colleague will yield, if it were only so.

Mr. NICKLES. I understand.

Looking at the package that the majority leader has introduced, there is only one thing that anybody could remotely say is really stimulative. There are four elements to the majority leader's package, one of which deals with accelerated depreciation. Then there are three others that would fall into spending categories.

Some people say it is rebates of tax cuts, $14 billion; people who didn't get anything from the tax cuts. They didn't get anything because they didn't pay taxes. Anybody who paid Federal income taxes got a tax cut of $300 for individuals, $600 for a couple. We have already done that. What we didn't do is give tax cuts for people who didn't pay taxes. That is the proposal pending.

Some people say everybody has agreed with that. I don't agree with it. I don't think it is good policy for us to go out and borrow $14 billion to have to pay over $1 billion a year in interest basically to hand out money and call it a tax cut when they didn't pay taxes. I find that objectionable. Maybe I am unique in that way. Maybe the majority will pass it. That may well be. It did pass the House of Representatives. I don't think it is good policy. I think it does spend $14 billion. It does add that much to the deficit, to the amount of national debt.

We don't have a surplus anymore. Some people say it made sense last year when we were distributing the surplus. But to me, it doesn't make sense today. I don't think that should be in the package. So not everybody agrees with everything in the majority leader's package.

It has the extension of unemployment compensation. That will increase spending and will not stimulate the economy. It also gives the States $4 or $5 billion. I am sure they would be very appreciative of that. States are going through some difficult times; so is the Federal Government. I don't know if this is the right time for us to be implementing a new revenue sharing approach.

The House has done it. Now it is being proposed by some on this side. Maybe the votes are there. We may find out. I am not particularly excited about it. I am not sure it is the right thing to do. Some people would easily say we are taking money out of the Social Security trust fund and giving it to the States. I am not sure that makes good sense to do that either.

If we look at those three proposals, extending unemployment compensation, that costs money, it is a spending program; $14 billion in checks to people who didn't get checks last time, but they didn't pay taxes last time, so basically a spending program for $14 billion to low-income people for last year; and then a new program to give the States some money, maybe calling it Medicaid, maybe calling it revenue sharing, basically contributing, I believe, under Senator DASCHLE's proposal, about $5.5 billion. The House passed $4 billion. Those are the three spending proposals, and then the accelerated depreciation.

Accelerated depreciation is the only thing that anybody could say legitimately is going to give incentive to create jobs. Looking at this proposal, I have heard people say the House-passed bill had 30 percent depreciation for 3 years, 30-percent accelerated depreciation. That means if you have 100-percent depreciation for the life of the asset, and you have to depreciate it over X number of years, let's say 10 years, you can put a greater percentage of that in the first year and expense it. That will encourage investment. The House did that with 30 percent for 3 years. So any investment made in the next 3 years could qualify.

Senator DASCHLE's proposal says it is 30 percent for 1 year. I just looked at the language and it says: Special allowance for certain property acquired after September 10, 2001, and before September 11, 2002.

January has already gone. You are talking about, if we enacted this tomorrow, maybe 7 months. But by the time people understand it and by the time it passes the conference, by the time it gets out, you are looking at a provision that is probably less than 6 months. In other words, hurry up and purchase your equipment or whatever you are going to do in the next few months.

That might be good for disposable items, but for anybody who is going to purchase something that needs to be manufactured, it is not enough time to do any good.

The proposal Senator DASCHLE has introduced has a worthless stimulative impact. It will not create jobs. It fails the test, and I don't think we should pass it. Why don't we take the bill the House passed and have some amendments to it?

I count votes around here. At one time, that bill had well over 50 votes. It may not have had 60, but it had over 50. It had a lot of provisions that some of us didn't like in there, but it had a majority of votes, I believe. Senator DASCHLE doesn't want to take up that bill. As a matter of fact, he wants to take up a different House bill, strike the language—take out House bill 622; insert his bill in it, amend it for a little while, and then, when we are finished, take up the House-passed bill, strike that language, and put this bill in.

I suggest, why don't we take up the House-passed stimulus bill and amend it? We can go through the regular order and have amendments. I will help him get a limitation on amendments. Or we don't have to have that; we can just take it up, debate it, amend it, and pass it. That would be the regular order. I don't want anybody to say the Republicans are filibustering. I am ready to amend Senator DASCHLE's proposal. But I think we ought to take up the House-passed bill. Then I will work with him to come up with language. But to say we have a consensus bill and call it stimulus—when three or four elements of the bill are spending provisions, and the one thing that might be considered stimulative—accelerated depreciation—doesn't last long enough.

Senator BREAUX suggested a compromise of 2 years. That would be a lot better than the 6 months I have seen for the accelerated depreciation. 4 or 5 months have already gone by since September 11. There is not much time left. There is not much stimulus to this bill.

The other side wants to act as if they tried to bring up a stimulus bill and get it done, but because they could not get a unanimous consent agreement to pass it in 2 days, they will pull it down and say: We tried; it was their fault.

There is no stimulative impact to that bill whatsoever. The Democrats held up the package for the last couple of months. President Bush asked for it in early October, but we didn't get it done, even though we tried to get it up in November and December. And there was some criticism—I think rightfully—delivered toward the Democrats for not letting that happen.

I heard Senator GRASSLEY say let's take up the bipartisan bill—Democrats and Republicans supporting the bill—on which the administration worked. That bill is H.R. 3529. Let's take that up, amend it, and pass it, and see if we can't do some good.

Tax legislation happens to be important. Then I look at Senator DASCHLE's accelerated depreciation, and I want to see the good in this bill, I want to see something that will create jobs and provide economic relief. I don't think this will create very many jobs. I am disappointed in it. We can do better. We must do better.

Some people say let's just pass something and send it over in the House and maybe we will fix it in conference. I would like to do better than that in the Senate. We should do better. We should be embarrassed if we can't do any better than that. We should not call this a stimulus package. You can call it a spending package, aid for States or for unemployment extension; you can call it expanded welfare payments for people who didn't pay taxes—we are going to give $14 billion out—or if you cram through a purchase in the next 6 months, we might give you a little better deal. You can't call this a stimulus package.

It is political cover for the Democrats to claim they tried to do something and didn't get it done. It is unfortunate to try to blame the other side. I would like to see us take up a package that would, hopefully, be agreed to by Democrats and Republicans, work on it, amend it, improve it, pass it, send it to conference, and see if we can't get a bill out of conference in the next couple of weeks to create jobs.

If we are not going to create jobs, let's not do it. We don't need more excuses to spend money. We are spending a lot of money. The President is coming up with a budget proposal that has more money for national security, defense, and homeland defense. We spent a lot of money last year. We don't need excuses to spend more money and use the guise of a stimulus bill with the title of a stimulus bill.

This bill that Senator DASCHLE introduced, in my opinion, fails the test. It has the title: "To provide incentives for economic recovery, and for other purposes." The other purposes are "let's spend more money," because it does very little, if anything, toward helping stimulate an economic recovery.

I really hope we will work together and try to come up with a package. I don't want to stall anything. I am happy to begin considering amendments if that is Senator DASCHLE's request. We can have amendments on the floor. I see Senator GRASSLEY is on the floor, the ranking member of the Finance Committee. We can start considering a lot of amendments today. I know Senator WELLSTONE mentioned he has some, and I have some. They probably won't be the same but let's consider them. Let's get to work on a true economic stimulus plan.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Madam President, I thank the Senator from Iowa for his graciousness.

This morning and this afternoon, we have engaged in a discussion with respect to the stimulus package. Senator DASCHLE, the majority leader, has fought for a sensible position which represents, really, as he says so well, the common ground that exists between both parties. Recognizing that we need 60 votes to move to passage of a legislative initiative, his approach has the most merit and the most probability of passing. So I encourage my colleagues to support the proposal of Senator DASCHLE.

In a sense, what he has done is combine the common elements of both Republican and Democrat proposals to find the provisions that will garner the necessary 60 votes to go forward so we can provide real relief in a timely fashion to millions of Americans who are facing difficult economic times.

At the core of his proposal is extending unemployment benefits for an additional 13 weeks. Routinely, during previous recessions, we have done so. This is a recognition that there are literally millions of people who have been thrown out of work because of economic circumstances as well as the areas of New York City and around the Pentagon, in some cases, because of the attacks of September 11 and the recession that began in March 2001.

The reality is that there are millions of Americans who need assistance. The unemployment rate is growing. More important than that, perhaps, for our consideration is that the number of people who have been unemployed for a long period of time is growing. In the robust economy of the nineties, when people lost jobs, they quickly found other jobs. Today, they find themselves, if not permanently, then in many respects for a much longer period of time, without access to work. They need these benefits.

Extending unemployment compensation also stimulates the economy. Typically, someone who is relying upon unemployment benefits will take those checks and immediately pay their bills, go to the store, provide food for their children, pay their rent, immediately infusing those dollars into the economy, increasing the consumer spending, the lack of which is one of the causes of the recession we face. So it is a proposal that is commendable on two major points: It helps hard-working Americans and will get our economy moving.

Similarly, the Daschle approach talks about tax rebates for those people who did not enjoy the previous tax rebates enacted last spring.

These are individuals who may not pay income taxes, but they pay a great deal of their hard-earned wages in payroll taxes. For those individuals, they deserve the kind of rebate that others received.

There has been an insinuation in some of the discussions on the floor today that these people do not contribute to our economy, that somehow they are not part of the great economic enterprise in our country. I must disagree very strongly with that proposition. These are the men and women who get up each day, go to very difficult jobs in hotels, driving trucks, small businesses, running them and sometimes working in them. These people deserve the same kind of benefits others receive.

In addition, a rebate for these individuals also achieves a second important goal. Typically, money received by wage earners will go right back into the economy because in a household living on minimum wage or near minimum wage, struggling to raise children, struggling to get by, there is always the opportunity to spend a little bit more on the children, to spend a little bit more to defray the cost of life.

Again, Senator DASCHLE's proposal has touched upon a topic that is very important to both sides, and that is bonus depreciation for business: Give business incentives to make sure they go back into the capital markets, to go ahead and buy capital equipment, to make investments which we hope will be both productive and also get the economy moving.

One of the key differences between the Daschle proposal and other proposals is that Senator DASCHLE recognizes that in order to be effective as a stimulus, it has to be timely, it has to be limited to this year, not 2 and 3 years from now when this recession, we hope—indeed, we believe—will be something in the past. If we want to be effective, if we want to stimulate the economy, then we have to focus and target this bonus depreciation for business.

The final element in this package is fiscal relief for the States. We have to recognize that the States are under extraordinary pressure because of this recession. Their tax revenues have fallen, but their commitments to human services and to a host of other programs will not abate. They must have the resources to provide for medical assistance for working Americans. They must have the resources for the child protection system, which the States run. They must have the resources for education, which the States primarily run.

Those obligations will not be held in abeyance during this recession. We have the opportunity, if we support this initiative, to provide resources to the States, and if we do not provide those resources, many States—most States—will be required constitutionally to balance their budget by raising taxes or slashing their social services budgets, which will only worsen the impact of the recession on some of our most vulnerable citizens.

One of the ironies of our debate today is that while many of my colleagues are talking about accelerating tax cuts, if we do not provide assistance to States, we may very well see the States raising taxes which will be a further check on our recovery.

Senator DASCHLE's legislation makes eminently good sense on economic grounds, and it is the only proposal which has received the support of a sufficient number of Senators so that it can be enacted into law, or at the very least passed by this body and sent to conference with the other Chamber.

The resistance to moving forward quickly on this package, is truly something to behold even in light of Senator DASCHLE's offer to allow for amendments from both sides of the aisle. But frankly, this is the core of the economic initiatives that we agree upon and which will provide real relief, first, to struggling Americans and, second, overall to an economy that is in recession.

Madam President, I have the responsibility of serving as the vice chairperson of the Joint Economic Committee. Our staff has been doing an outstanding job trying to pull together the economic analysis that should provide us at least a roadmap, if you will, for any economic stimulus legislative. Let me summarize the consensus view of our current economic situation.

First, despite some encouraging signals about the economy, it remains weak. Just ask anyone who reads the newspapers and they can tell you that. When Ford Motor Company lays off thousands of people, when a major retail chain, Kmart, goes into bankruptcy reorganization—interestingly enough, I was talking to someone who is connected to one of our larger toy manufacturers in the United States, who told me there are only four major distribution channels for toys in the United States, the four major department store chains, and one of them, 25 percent of the retail market, is in bankruptcy reorganization. So we have a very weak economy.

There are many conditions in place already for a recovery, and most forecasters believe that within 3 to 6 months, there will be an economic recovery. But most also believe this recovery will be rather anemic, rather weak; it will not be the kind of robust growth that we saw in the nineties.

Indeed, all of these forecasts are based on some significant uncertainties. Two significant uncertainties are the condition of foreign economies such as the economic meltdown in Argentina. The question is: Will it be contained to Argentina? Will it spread to other parts of South America? Will other countries find themselves in economic distress?

Generally speaking, this recession is not unique to the United States. It is a worldwide phenomenon. Those economies will affect whether we come out of this in a robust fashion and when we will come out of this recession.

There is something else, too, that is an uncertainty: consumer spending. Will it bounce back to the levels that have sustained this economy over the last several years, or will people for many reasons, because of concern about their safety, because of a sense in this moment of national danger? Will those psychological factors and sociological factors undermine a robust response by our consumer sector? It may be that the patterns of past economic recoveries are not applicable today.

Even though forecasters are projecting recovery, there is much uncertainty. Even when the recovery comes, one of the great tasks will still be undone, and that is to provide support and help for those who are out of work today, who deserve the opportunity to support their families while they wait for this economy to recover.

One of the interesting facts about economic trends is that even when the economy begins to respond, when gross domestic product becomes positive again and starts growing, usually unemployment continues to increase for many months after that. In the nineties, when the recovery took hold unemployment continued to increase for about 15 months.

For most Americans, the economy is measured by one simple fact: Do I have a job? And, collectively, what is the unemployment rate for this country?

We can foresee even with a modest rebound this year or next year the single factor that confronts most families, their economic index—do I have a job?—is still going to be questionable. So we have to act.

Again, Senator DASCHLE's proposal, at its core, at the heart of it, has a very simple, time-tested provision: extending unemployment benefits. At a minimum, we should be able to agree to do that this week.

I mentioned there were some encouraging signals about the economy, and it is fair and, I think, appropriate to mention those.

First, we have seen an increase in the average weekly hours worked in manufacturing. Up until recently, those hours were declining, signaling a weakness in our manufacturing sector, which because of the relatively high pay of that type of work is a pillar of our economy. And we are beginning to see that initial claims for unemployment are not increasing with the same level each and every week.

We have seen some increases in new orders for capital equipment, particularly information technology. Again, a great deal of the boom over the last decade was fueled by increased investment in information technology, computers and routers and service and a host of other equipment. That appears to be coming back.

Once again, it is very fragile. If we listen to the commentators on the business channels, one week Intel will do well because they are shipping a lot of chips, and the next week their projections are down and their stock goes up and down. So we are certainly not out of the woods, but there is some encouragement.

There also seems to be increased optimism among the purchasing managers in the country. Those business men and women who are in charge and want to go ahead and order equipment, seem to be much more optimistic. So there is encouraging news.

All of this is good news, but as I said before, our economy is still weak and a well-tailored, well-timed, and well-targeted stimulus package would still be a boost to our economy.

The economy is weak in many different ways. The unemployment rate rose to 5.8 percent in December. That is 8.3 million people; not statistics, people, 8.3 million people who were told they did not have a job, who had to go home in the evening and tell their spouse they did not have a job, who had to look at their children knowing they did not have a job. They deserve our assistance now, not our rhetoric.

As I indicated before, within those statistics one of the most alarming trends is the increase in long-term unemployment. Nearly 1 in every 7 of those who are unemployed, 1.2 million people, had been jobless for more than 26 weeks, exhausting their benefits or on the verge of exhausting their benefits. So not only do they not have a job, they do not have an unemployment check either, unless we act.

We were looking very closely last December at the holiday sales. They seemed to be better than expected, but I might point out still much weaker than a year earlier.

So we are in a position economically where there are mixed signals, weakness but some encouraging signs. There are also some structural issues that will, I hope, bode well for the future.

First, inflation has been relatively stable. That has been a situation that has allowed the Federal Reserve to employ a very aggressive monetary policy of lowering interest rates to try to stimulate this economy. That is a good thing for us and a good thing for our economy.

Short-term interest rates are as low now as they have been since the 1960s. Although long-term rates have not fallen as much as we would like, they are lower than a year ago. Business inventories are low as well, which is a sign that we are beginning to work through the buildup in inventory which was hampering further production. There are no obvious supply bottlenecks, but the reality is monetary policy alone may not drive us out of this recession quickly enough or robustly enough.

It is interesting to note the remarks of Chairman Greenspan over the last several weeks have been cautious about the timing and the scale of our economic recovery. His recent caution is in marked contrast to his and others past comments. So I think we are beginning to recognize our action would be very helpful to our economy.

I urge, as I have repeatedly, that we act and we act on those sensible proposals offered by Senator DASCHLE.

As I said, most economists predict a recovery will begin late in the spring. Even if that recovery begins, we still need to assist those Americans who are unemployed today and who will continue to be unemployed. As I mentioned, in the early 1990s, at the end of the last recession, unemployment increased for 15 months after the recession was officially over. It is also typical that those long-term unemployed are the last to find reemployment. So they are in a very precarious position—without benefits, without the prospect of a job, usually the first to be fired and the last to be rehired. We can help them. We must help them. I hope we do help them this week as we consider quickly this legislation before us.

By extending unemployment insurance benefits, we can assist them and we can do it in a way which will not be detrimental to our looming deficit problem because unemployment insurance is a countercyclical program. As the economy recovers, as employment grows, people do not receive unemployment benefits. Today they need them. Hopefully, with a robust economy in 6 months or 9 months or 1 year, those expenses will no longer be borne by the Federal Government. These individuals will be back in the workforce.

I urge, once again, we move very quickly on the proposals that have been suggested by Senator DASCHLE. All of them have been vetted by economists from a range of opinions. They have been determined to not only help individual Americans but also to have a positive stimulative effect and to help our overall economy by putting money into the economy and by allowing States to forego income or sales tax increases at the State level. All of this makes a great deal of sense and it should be done.

One other point I will conclude with, and we have all been reflecting on the drama in Texas and other places of Enron. One of the most disturbing aspects of that situation is that the retirement security of the employees was ignored by the leadership of that company in many different ways. All of us, every single Member of this Senate, will rightly, I think, very sincerely, criticize what has taken place. But today, we are already encroaching on the Social Security trust fund. That is what it means when we start saying we have a deficit because we are no longer accumulating a surplus. We are now working our way through Social Security funds, funds that have been pledged for over 60 years to those Americans who have reached retirement age. So when I hear discussions about accelerating tax breaks, and when we have people coming out and saying simply, as a matter of faith not economics, we have to lower taxes, I wonder whether a year from now, 2 years from now, 3 years from now, people will look at us as those employees down in Houston look at the Enron leadership and say: You took our retirement. You spent it. You gave it away on bonuses to executives. You just dissipated it, not to help the economy but to help yourself.

So as a cautionary point at this juncture, as we consider a whole range of proposals, I would like to leave at least that thought in the minds of my colleagues.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Madam President, I gave some opening remarks a little earlier on this legislation, but I will reiterate a few points I made from that first statement. The most important thing to remember, as we are trying to reach an agreement on a stimulus package, is there has been a lot of work put into this over the last several weeks—not since the holidays but before the holidays—and we have had partisan approaches by both Republicans and Democrats. We have had bipartisan approaches. We have had cooperation between some Members of Congress and the White House, and we have a bipartisan White House-centrist package that has passed the House that the President said he would sign, and one that had a majority vote, if we had taken a vote in the Senate before the holidays, that could have been to the President by now. It would have been to the President, signed into law, and helping 800,000 people unemployed since the September 11 terrorist attacks on America.

This White House-centrist bipartisan package is a solid economic stimulus plan. Most important, it has a compassionate approach to put displaced workers first, and even more so than the amendment offered by Senator DASCHLE because he does—as I would agree to do—put in 13 weeks of additional unemployment compensation. However, his consensus package does nothing for those unemployed workers now who had health insurance previously. They have to pay the health insurance called COBRA out of their own pocket. The proposal I call the White House-centrist bipartisan package has a 60-percent tax credit for that.

It is important to have a bipartisan plan. This White House-centrist package is a plan that can pass the Senate. Most important, this plan, if passed, will be signed by the President because he has said so. I was in on that bipartisan meeting the President had with House leaders, with Democrats from the Senate, and with Republican moderates. He said he would sign it.

If we pursue the majority leader's plan, workers and businesses will face more delays because that plan will have to be conferenced with the House. That is going to take days probably. It could even take some weeks. The further we get along, the more there tends to be a recovery, the less economic good that stimulus package will do. It will be a delayed effort to help those 800,000 people who are unemployed and those people who do not have health insurance. If we use the bipartisan White House-centrist package, we will be able to get that passed right away.

How long would it take to get it through conference? Just remember how long it took to agree that we ought to have the quasi-conference procedure that we operated a couple weeks before the holidays. Remember how long it took to reach the substantive agreement we have, the bipartisan White House-centrist package. All this history—and we ought to learn from history—ought to dictate the time to act is now, not a month from now.

We had Chairman Greenspan advising the President, advising Congress in early October, that was a time to pass the stimulus package—not only pass it now as a stimulus, but we need to do it for the workers. That is what we need to do for small business, as well.

The bottom line is, if we pass the White House-centrist bipartisan bill, unemployment checks can go out to those people who have exhausted their 26 weeks. Businesses will invest in new plant equipment with a 30-percent, 2-year accelerated depreciation. Unemployed workers will get help for their health insurance so they can continue to have coverage for their families, as they did before they were laid off. Taxpayers will get a payroll tax rebate. Taxpayers will get a little extra income tax relief to spend. New York City, hurt by September 11 terrorist attacks and needing help, will receive aid to rebuild. This could occur tomorrow if we get a chance to vote upon the bill that passed the House of Representatives before the holidays, the very same bill the President said he would sign.

We are talking about moving ahead on a stimulus package. Now, instead of talking about the bipartisan White House-centrist package, we are talking about the new, scaled-back stimulus plan offered within the last 24 hours by our distinguished majority leader. This isn't the first time there has been a stimulus plan offered by the other side. This is the third variation on a stimulus plan offered by the distinguished Senator who is our majority leader.

As most Members know, the Democrats initially passed the stimulus plan out of the Finance Committee, not in the spirit of how the Finance Committee usually works in a bipartisan fashion, but in a wholly partisan mode. It happens that with all the work put into that committee hearing, that plan was never sent to the floor for a vote. The distinguished majority leader almost immediately radically modified the Senate Finance Committee partisan stimulus proposal—again, acting in a partisan way. And nothing gets done in the Senate if it is done by one party. That is why it is so important to remind people of the White House-centrist bipartisan stimulus package that the President said he would pass.

Surprisingly, that revised proposal that the Senate majority leader put on our table immediately after the partisan bill came out of committee looks a great deal like the White House-centrist bipartisan stimulus package I have been referring to that we ought to pass and send to the White House. A substitute back in November, put on the table by Senator DASCHLE, adopted measures initially promoted by many Republicans. Unfortunately, in December, the majority leader blocked a vote on the White House-centrist plan in large part, I believe, out of fear it would pass. And it would have.

Now comes yet another variation of that theme. The majority leader has delivered yet another economic stimulus package—basically the skeletal remains of previous stimulus proposals.

I will talk about some of the differences between the White House-centrist bipartisan package and the partisan Democrat skeleton stimulus plan. I will explain, then, why I believe the bipartisan White House-centrist package is better for America and, most importantly, for those dislocated workers, and particularly for the dislocated workers who do not have health insurance. I will look at what it does for displaced workers.

This is the White House-centrist package. Our unemployment insurance proposal represents an unprecedented commitment to American workers. We provide up to 13 weeks of additional unemployment benefit to eligible workers who exhaust their regular benefits between March 15, 2001, and December 31, 2002. We have an estimated 3 million unemployed workers qualifying for an average of $230 a week. These benefits would be 100-percent federally funded at a cost of about $10 billion. Our proposal transfers an additional $9 billion to State unemployed trust funds.

Such a transfer would provide the States with flexibility to pay administrative costs, provide additional benefits, and avoid raising unemployment taxes which would be a bad thing for them to be forced to do during the current recession. We never want to raise taxes during a recession.

The United States enjoyed a growing economy and declining unemployment for much of the previous decade. But the economic slowdown that officially became a recession started in March 2001. We all know that was exacerbated by the terrorist attacks on September 11. That meant more substantial layoffs. I said this recession started in March 2001. Economists officially labeled it a recession. But remember that a long time before that—almost a year, March 2000—we started a downturn in manufacturing. That manufacturing index, going back to the last year of the Clinton administration, has still been going down 19 months in a row. Even though the official recession started in March 2001, those in manufacturing had been in recession for a whole year before that.

We have seen the unemployment rate for all segments of the economy rise from 4 percent in November 2000 to 5.7 in November 2001. By historical standards, you could say the current unemployment rate is still substantially below the level at which Congress deemed it necessary to enact extended unemployment benefits based upon what Congress has done for the few times in the past. Over the past 50 years, the Federal Government provided temporary extended unemployment benefits only six other times. The average unemployment rate during those times was far higher than it is right now at 7.3 percent as an average for those six times.

Based upon historical record, the President did not go as far with his suggestion for helping unemployed people as the bipartisan centrist stimulus package does. The President originally suggested that extended unemployment benefits—meaning the additional 13 weeks—should be limited to those few States that have a disaster declaration in effect as a result of September 11 and which have a threshold of the 30-percent increase in their unemployment rate.

A number of our colleagues on both sides of the aisle insisted we provide immediate assistance, not just to a few States as the President suggested but to every State, regardless of their unemployment rate. We have agreed to do exactly that in our bipartisan centrist stimulus package. The President has agreed to sign it even though it didn't start out at that point.

We have some, unfortunately, on the other side of the aisle who continue to insist that what we are doing is not enough. They insist that we should go further by requiring every State to provide specific benefits and establish specific eligibility criteria as a condition of receiving their additional Federal assistance of 13 weeks. In other words, what they are suggesting is that we violate the agreement we had between the States and Federal Government, for the most part letting States decide who should and under what circumstances they qualify for unemployment assistance.

We could not agree to the demands on the other side to change this longstanding relationship between the Federal Government and the State governments on the policy of unemployment compensation. We have always left those decisions about benefit levels and eligibility criteria to the States.

The changes sought by those on the other side of the aisle destroy this historic relationship and undermine the flexibility needed by States to respond to their unique circumstances while ignoring a fact about America—that we are geographically vast; our population is very heterogeneous. Consequently, you can't pour one mold in Washington, DC, that fits the needs of New Mexico the same as New York City, or Iowa the same as Sacramento, CA. Leave us leave it to the legislatures of California, Iowa, New Mexico, and New York to decide what the policy should be for their States as those people closer to the grassroots see their needs. To me, that is just a commonsense approach to governing. It might not be a commonsense approach in England where the country is small, but it is obviously the sort of thing we need to do in our federal form of government.

I would now like to touch on the White House-centrist bipartisan plan commitment to providing health care for dislocated workers because the plan that the distinguished Senator majority leader has put on the table does not deal with this at all.

If there is one thing I could point out from his remarks this morning, it is that he tried to make the point that his package has only things in it to which both sides agreed. I think he is misreading the Republican side of the aisle. There is a great deal of commitment on the part of Republicans—the vast majority of our caucus—to meet the health care needs of people who are dislocated workers because of September 11. Quite frankly, it would do this for the first time in the history of our public policy.

They have been saying since October that Republicans don't care about helping workers with health insurance. I quote Senator DASCHLE himself last December saying that his Republican colleagues "so far have refused to come to the table and negotiate seriously."

There is nothing further from the truth. Since October, when President Bush first called on Congress to pass the stimulus package, I have worked closely and seriously with both Democrats and Republicans to come up with a meaningful, bipartisan approach to helping people impacted by the events of September 11. Compared to where we started on the issue of health care for the dislocated workers, Republicans have come a very long way to a position with which a majority of our caucus agrees. I do the history on this just to prove the point.

This debate began, let us say, back in October—too long ago, I am sorry to say, and embarrassed to say. We should have passed this bill when the recession first hit its lowest point. Our proposal at that time relied on a national emergency grant program to deliver health benefits to workers at a cost of just $3 billion. We look back now, and we say that just doesn't do it. Over time, the number grew. I said publicly that we could double or even triple that number.

I also invited Democrats to modify the grant criteria to make the program more responsive to the needs of workers without health insurance. I even offered some Democrats the opportunity to write the criteria, if we could agree on doing it through national emergency grant programs. The reason for that is you can deliver the help to those who do not have health insurance within 30 days after the President would sign the bill. But the Members of the other party refused. And that did not stop us from staying at the negotiating table, regardless of what the distinguished majority leader says about our refusal to negotiate.

(Mr. JOHNSON assumed the chair.)

Mr. GRASSLEY. Additionally, we proposed giving workers a refundable, advanceable tax credit towards the purchase of health insurance equal to 50 percent of the policy's cost. So we moved away from a national emergency grant program to one that is probably more dynamic, with more flexibility for the workers—a tax credit for those who are unemployed to continue the insurance they had where they previously worked and were laid off; and even go beyond that, for people to have health insurance even if they did not have health insurance at their previous job before they were laid off.

Democrats objected, claiming that the credit was too small and that sicker people would have trouble buying policies in the individual market. So there was one gripe after another, but we tried to satisfy those gripes to reach a consensus agreement which ended up being the bipartisan-centrist-White House program.

Our new proposal then was endorsed by the White House even though the President had suggested another approach. It was endorsed by the White House, the House of Representatives, and by the bipartisan centrist group of this body. That program takes a three-pronged approach to getting health insurance assistance to those dislocated workers who used to have health insurance where they first worked. Now they are unemployed. Now they do not have health insurance. Now they would have health insurance under the White House-centrist bipartisan package, but they would not have it under the Daschle amendment before the Senate.

Our proposal goes further and wider than any proposal on the table to date and gets more help to more people more quickly than any other proposal to date. What is more, it represents a giant leap in spending on health care. It includes over six times as much money for temporary health insurance assistance as our original Republican, and admittedly partisan, proposal.

The House-passed stimulus bill—what the President said he would sign, and the centrist group in the Senate backs—would spend approximately $19 billion on temporary health insurance in the year 2002. And it does it the right way, by using existing programs, along with new ones, designed to get people the help they need quickly.

Now I take a minute to describe our three-pronged approach.

First, the White House-centrist bipartisan proposal provides a refundable, advanceable tax credit to all displaced workers eligible for unemployment insurance, not just those eligible for COBRA. The value of the credit is 60 percent of the premium, instead of the 50 percent in our original proposal. The credit has no cap and is available to individuals for 12 months between the years 2001 and 2003.

Individuals can stay in their employer COBRA coverage or they can choose policies in the individual markets that may better fit their families' needs. This only makes sense because locking people into COBRA, as the Democratic leadership insisted prior to Christmas—and it is not even in their proposal now—forces people to stay with policies that may be too expensive for them to keep, even with a 60-percent subsidy.

Our goal was to give dislocated workers access to all health insurance choices available to them in the private marketplace. We have done that in a responsible way that uses the dynamics of the marketplace rather than the straitjacket of a Government program to deliver the help.

This bipartisan White House-centrist proposal includes major new insurance reforms to protect people who have had employer-sponsored coverage and go out into the private market for the first time after being laid off. It makes the COBRA protections available to people who have had only 12 months of employer-sponsored coverage, rather than 18 months as under current law. By doing this, we greatly expand the group of displaced workers who cannot be turned down for coverage or excluded from any insurance because of preexisting conditions.

The new 12-month standard is especially important for people with chronic conditions who have difficulty obtaining affordable coverage. It is a major step, and I am surprised that the Democratic leadership does not want to take us up on these sweeping new reforms.

I turn now to the mechanics of the tax credit proposal. It is much easier to implement than the direct subsidy approach that the Democratic leadership has had in some of their proposals. But there is nothing on health insurance in the Democratic amendment before us. They just forget about the needs of the dislocated workers who used to have health insurance who do not have it now because they are unemployed.

While the Democrat proposal requires employers to shoulder the burdens, our proposal relies on existing State unemployment insurance systems. So under this bill, workers will be able to access the credit and begin applying it to their health insurance premiums in a timely way. Let me explain the workings of it.

Newly dislocated workers will receive certificates from their State unemployment offices, or "one stop" centers, when they apply for unemployment insurance. You can take care of both needs at one time—unemployment insurance and continue your health insurance from the previous employer. Or if you did not have it there, you can get a certificate to go out and get it for the first time.

So you take those certificates and submit them, along with their contribution to the premium, to their employer or insurer, and move on with insurance. Afterwards, insurers then would submit the certificates to the Treasury Department for reimbursement.

This approach works because it relies on existing systems to deliver new benefits and, as a result, delivers those benefits in a fast and reliable way.

I ask my colleagues, why would anyone insist on a mechanism that just will not deliver the goods to the people who need them? In other words, people who became unemployed yesterday have lost their health insurance, they cannot afford to keep their COBRA up, or maybe they are unemployed from a place that did not even have health insurance and then have to institute some system where they have to wait a long time to get the help. I do not understand the wait.

The second prong of this proposal is $4 billion in enhanced national emergency grants for the States, which can be used to help all workers—not just those eligible for the tax credit—to pay for health insurance. States have flexibility under our approach and can use these grants to enroll their workers in high-risk pools or other State-run plans, or even enroll them in Medicaid if the State decides.

To address concerns raised by Democratic colleagues, our enhanced national emergency grant program requires all States to spend at least 30 percent of their grant money on temporary health insurance assistance. In addition, we have included protections for the States—a minimum grant of at least $5 million for any State that meets the grant criteria.

Finally, the third prong of the proposal responds to Democratic requests by including $4.3 billion for a one-time temporary State health care assistance payment to the States to help bolster their Medicaid Programs.

Just this Monday, I had a State senator from Davenport, IA, speak to me at one of my town meetings about the needs of the States for additional Medicaid funds. I said to her that Governor

Vilsack and Republican leaders and Democratic leaders had a conference call with me on that very subject before Christmas. I said we have this $4.3 billion in this White House-centrist bipartisan package that the President will sign, that has passed the House of Representatives.

What you need to do is get Governor Vilsack, I said to our State Senator, who I said I would help, get him to call Senator DASCHLE and ask this bill to come up, and you will have Iowa's share of this $4.3 billion.

As we know, the Medicaid program is an important safety net for low-income children and families and disabled individuals. Medicaid is a joint Federal and State program that accounts for a large part of State budgets. So in this time of budget constraints due to recession, States are struggling to make ends meet. Iowa is one of those. In fact, I think I read in the newspapers that there are 40 States that have very serious budget problems, and Medicaid is probably the biggest one of those budget problems in almost all of those States.

So as a result of the unique and extraordinary economic situation we now face, we need to help those States rather than having those States scale back Medicaid services, including my own State of Iowa. I think we are going to be scaled back by $18 million. This provision provides a one-time emergency cash injection that will help States avoid Medicaid cutbacks.

This feature was not part of our original plan. I just say that. You might ask: Senator GRASSLEY, why didn't you have it in your original plan? Well, the process of legislation is evolution of a bill. There are very few bills in Congress that are introduced and passed as they are originally introduced. I would not pretend to believe that every bill I introduce is a perfect piece of legislation. This process of negotiation on these, listening both on the Republican side and the Democratic side, is one of improving a piece of legislation, and even after that is done, with new ideas in it, you have to recognize that many of our colleagues have concerns about even this provision. In fact, I share their reservations, and that is why I am emphasizing that this is not simply a garden variety increase in Medicaid funding; this is to meet the temporary emergency payments that result from a downturn in the economy because of the terrorist attacks of September 11 that have not only affected the Federal budget situation but most of our States.

This Nation is calling for a bipartisan compromise. In that spirit, we have agreed to add this proposal on Medicaid to our bill.

We made tremendous steps towards the Democratic position in order to find bipartisan compromise on health care, a compromise on health care that is not even in the Democratic proposal that is before the Senate. I said that what we have included in here our Republicans would vote for, I think, maybe except for two Republicans. And then we have enough Democrats that make up a majority to get this bill passed. But those steps have not been reciprocated by the Democratic leadership.

Displaced workers then deserve to be treated with respect by this body, and I believe those workers have earned a vote on this bill. In other words, the House has passed this bipartisan White House-centrist package. The President has said he would sign it. So if we have a majority vote here, we could pass this, and it would be out of the way. We would be stimulating the economy, and we would be helping dislocated workers.

It is necessary for me now to discuss the individual income tax reductions in the White House-centrist plan and also compare this to the skeletal plan put forth by our distinguished majority leader.

The original House stimulus bill would have accelerated the reduction of the 27 percent rate to 25 percent. That otherwise would not be scheduled to go into effect until the year 2007. The White House-centrist package has adopted this approach.

Here is another thing on the charts that the majority leader used in his speech this morning. He referred to "rates reduction"—plural, "rates." We have one rate reduction, the 25 percent bracket, or let's say the 27 percent down to 25. We don't change other rates. We do have other tax provisions, the tax rebate for low-income people.

So we have the White House-centrist bipartisan package helping these middle class taxpayers. The skeletal Democrat plan doesn't do this. It does not provide one red cent of tax relief for people who are working for a living, not even one cent of tax relief for working Americans. So let's take a look at who will benefit from our planned rate reduction.

I have some charts I will be referring to. The reduction of the 27 percent rate will benefit singles with taxable income of at least $27,000. I want people to think about this, a single person with income as little as $27,000. Somebody is going to be saying before the day is out that these people are not overtaxed. I would like to have you ask people making $27,000 if they couldn't use a reduction of their income tax from 27 percent down to 25 percent. They would probably laugh at us for suggesting that that is not enough.

We are talking about heads of households that would have income as little as $36,250 and married couples with taxable income as low as $45,000. These are not wealthy individuals. These are middle class working Americans. I have the chart I referred to that Members can see. I want them to see what the median income for a four-person family for every State in the Nation.

Median income is the amount of income right in the middle, with half the incomes above and the other half below. Our chart shows that the average median income for a four-person family in the United States, as we can see, is $62,098. A family of four now, that is the average. Remember, half are below and half are above. A reduction of the 27 percent rate to 25 will benefit married couples with taxable income over $45,000. So it will benefit working people who are well below the national median income level.

This chart also shows those States that have family median income that is higher than the national average. And so we can look at where these people live: Connecticut, New Jersey, Delaware, Michigan, Rhode Island, California, Washington State. These are the States where a family of four will benefit the most from our proposed tax cuts.

The more surprising figures are shown in the next chart. We can see the States with median income below the national average. So you recall that I said that reducing the 27 percent rate to 25 percent will benefit married couples with taxable incomes over $45,000. Look at the median income distribution of this chart. You can see from this chart that there is not one State on the list that has a median family income of less than $45,000.

So you can see that our proposal will benefit everyone, not just the elite few, not just from a few selected States. But the distinguished majority leader's Democratic skeletal plan provides no relief for these States. The Treasury Department has estimated that the White House-centrist bipartisan plan's acceleration of the 27 percent rate will yield $17.9 billion of tax relief in the year 2002 for over 36 million taxpayers. That is one-third of all income tax payers. Small business owners and entrepreneurs account for 10 million or 30 percent of those benefiting from this rate reduction.

When you refuse to accelerate the rate cuts, you harm farmers and small businesspersons the most. That is because most small businessowners and farmers operate their businesses as sole proprietors, sub-S corporations, partnerships. The income in these types of entities is reported directly in individual tax returns. Therefore, a rate reduction for individuals reduces taxes for farmers and small businesses. That is why the rate reduction under the bipartisan White House-centrist plan is so important. In 2002 alone, it injects $17.9 billion of stimulus into our ailing economy, and it helps small businesses that create the new jobs.

So what would a small business do with these tax savings? Well, considering that most of the recent job growth has come from small businesses, I believe they would feel safe hiring more people and making more business investment. We know that 80 percent of the 11.1 million new jobs created between 1994 and 1998 were from businesses with less than 20 employees. Eighty percent of American businesses have fewer than 20 employees. That is why I refer to this as the 80–80 rule for supporting tax reductions.

In addition, lowering taxes now would increase business cashflow during the current economic slowdown. The higher cashflow would increase demand for investment and labor. Don't just take my word for it because we have the National Bureau of Economic Research. They produced, in October 2000, a publication called "Personal Income Taxes and the Growth of Small Firms." As you know, the National Bureau of Economic Research is a well-regarded, nonpartisan organization. It is the organization that determines when official recessions begin and when they end. They said this one began in March 2001. If we trust them to make that determination, I hope we trust the conclusions reached in their report.

Their report on individual taxes and small business growth reaches the unambiguous conclusion that when a sole proprietor's marginal tax rate goes up, the rate of growth of his or her business enterprise goes down. Simply stated, high personal income tax rates discourage the growth of small business and right now, in a recession, that is the last thing we need.

That is why it is important to do rate reductions and do them the right way and fully accelerate the 27-percent rate reduction. We are simply accelerating a decision the Senate made last summer. We should not, as has been suggested by some in the Democratic leadership, repeal rate reduction or, to state it correctly, we should not increase taxes. Again, that is the last thing you should do in a recession.

We know tax cuts are stimulative. When working Americans have more of their own income, they are more financially secure and comfortable with spending.

Let me say who really loses when this body fails to act. It is our displaced workers, it is our fellow Americans who still have a job, it is the security of our job base, and it is the soundness of the Nation's economy.

The Senate Democrat leadership will not allow an up-or-down vote on our bipartisan White House-centrist stimulus package. At least that was the way it was before our holiday break. The reason why I don't think they allowed it to be done is because it would pass. We have a majority of Senators—obviously, a bipartisan majority. Obviously, this proposal comes from the center of the Senate, from conservative Democrats and moderate Republicans. So what. That is how you get things done in the Senate.

I might not agree with everything in the package. I might be considered more conservative than those who put it together, but it is a good package. More importantly, it meets the needs of our country post-September 11. It meets the needs of those dislocated workers, those people who don't have health insurance.

So now where are we? We are at a point where the distinguished majority leader has offered the skeletal remains of that package. But I don't think there is a majority of Senators supporting that move. When you get it all said and done, it doesn't help those people who don't have health insurance.

I urge Senators to think twice before supporting something less than the full stimulus package that was written by Democrats and Republicans in the center of the Senate and that was so done in a way that satisfies the White House for signature. We need to enact a plan that will stimulate the current economy and serve as insurance against a second downturn in the next few years.

For those in this body, both Republican and Democrat, there are a few who say we will be better off if we don't pass the stimulus package, or that we are recovering and we might not need it. I say to them, remember that most recessions have a double downturn. They have it when the original recession kicks in, and then they have an upturn, and then they have a down tick. A down tick probably is not a negative growth situation, but it is still a downturn. This stimulus package will be insurance against having a steady rise in the economy over the next few years, with no down tick, as is traditional for some recoveries. We need to enact a plan that will stimulate the current economy and give us that insurance.

The White House-centrist bipartisan package does that. I hope the Senate hears the pleas of the American people and will support a comprehensive stimulus package—one that aids displaced workers, tends to their health care needs, and gives a real turbocharge to our economy, and to do that into a full recovery, a recovery without a down tick, so those who need a job can get it and those who have a job can keep it and relieve a lot of anxiety—particularly anxiety over not having health insurance, which unemployed people have.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARPER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CARPER. Mr. President, I am not interested in casting aspersions today at the work of our Republican friends with respect to the economic recovery package. I think, for the most part, they have entered into this in good faith. Senator GRASSLEY of Iowa has worked hard, as has Senator BAUCUS of Montana, to try to craft a consensus package that we can all agree to—or at least 60 of us can—which would have a beneficial effect. I wanted to speak briefly and reflect back for a moment on the principles that we adopted on a bipartisan basis last fall as we approached the creation of an economic recovery package.

There are really three principles that come to mind. One is that whatever we came up with should be temporary in nature; second, there should truly be stimulative of our economy; three, it should not exacerbate long term the budget deficit of our Nation.

I can stand here along with any of our colleagues, certainly the Presiding Officer, and think of any number of items I would like to include in a stimulus package that are not included in the four-part proposal put forth by the majority leader.

He has suggested a 13-week extension in unemployment insurance benefits; a tax rebate for those who did not receive a tax rebate previously and who are very likely to spend that money sooner rather than later; bonus depreciation incentive for businesses to renew capital investment, which has been lacking for the last year or more now; and fiscal relief for States with respect to their health care costs.

My State of Delaware and other States are having a very difficult time as the rolls of the unemployed rise, as the numbers of people who are eligible for Medicaid rise, and States need help with that.

As I look through that list of four proposals Senator DASCHLE has put forward, I see in those proposals ideas that are essentially temporary, that are stimulative, and do not exacerbate our fiscal situation long term.

If we are going to do something in this regard—we have been dancing this dance for a long time—we need to get on with it. I applaud our leader for bringing it up early on, but if we do not do something soon, it is really too late.

When we were in economic recovery and expansion during the 1990s, a lot of people thought it was going to last forever. We know it did not. Similarly, people think that when we are in a recession it will last forever, too, and we know from history that recessions do not last forever either. The history of recessions since World War II is that they are generally a year and a half long; most are 12 months in duration. We have been in this one for almost 12 months.

I think one of the reasons the landing has been as soft as it has been—and I know it has not been for everyone—one of the reasons this recession is not as deep as it otherwise might have been is because of some of the most aggressive monetary policy by the Federal Reserve I have witnessed in my lifetime, maybe the most aggressive policy which is now being felt in our economy.

Second, we have seen prices drop precipitously from a year ago. It is not just the price of gasoline we put in our cars, trucks, and vans, but it is the price of the heating oil we are using to heat our homes this winter. Even natural gas prices are down dramatically. We feel good about those things psychologically, but also they have a material effect on our economic well-being and our pocketbooks.

A third piece that is kicking in to help lessen the severity of the recession is the amount of spending we are doing. We are spending a lot of money, and we are spending it, for the most part, on the right things—the war in Afghanistan, the war against terrorism around the world, trying to help the folks of New York recover and rebuild, trying to make sure the airline industry does not end up in a real depression with massive layoffs and closings.

Those three things taken together—aggressive monetary policy by the Fed, much lower energy prices, and the deficit spending we are already doing—combine to help, if not lift, the economy to at least reduce the depth to which it is dropping.

I am personally bullish about the economy. I think there is a pretty good chance come spring we will be coming out of this recession. Some have said it will be a jobless recovery and maybe mirror what we had in 1990, 1991, and 1992. My sense is we will probably be coming out of it sooner rather than later.

The Federal Reserve will meet next week. They will debate whether or not to lower interest rates again by maybe another quarter of a percent. I have no crystal ball. I am not sure what they are going to do. They can do that or make no change at all.

The time will come when the concerns of the recession will give way to inflationary concerns. If we wait too long for this stimulus package, we are going to put ourselves in the position of instead of being in concert with the Federal Reserve's monetary policy where we pass a package that supports what the Federal Reserve does, we are going to be offering a package that will stimulate the economy which is already on the rebound and the Federal Reserve's concerns will move to not so much how do we get the economy moving, but how do we dampen down inflationary expectations.

I said to our leader any number of times: No bill is better than a bad bill with respect to economic recovery. What he has proposed is not a bad bill. I believe it is quite a good proposal. As I said earlier, I can certainly offer changes that I would like to see adopted that might make it better. Frankly, so could our Republican friends as well.

This bare-bones approach works for me, but more important, I believe it will work for our country. It will provide the insurance policy along with the Federal Reserve monetary policy, along with the energy price drops, along with the spending we are already doing to make sure when we do get into this spring that the economic recovery we are hoping for will actually materialize.

We have been joined in the Chamber by Senator BAUCUS of Montana, chairman of the Finance Committee. I spoke of him when he was not in the Chamber. I now thank him in person. No one has put more time, energy, and effort into trying to develop a package with respect to the economic recovery of our country than Senator BAUCUS. I wanted to express my thanks to him for the great work he has done.

My hope is we can move from this proposal today and actually adopt it, but if we cannot and if we do not, I want him to know he has my respect and certainly my thanks. I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, what is the present parliamentary situation?

The PRESIDING OFFICER. The pending question is Daschle amendment No. 2698.

Mr. BAUCUS. I thank the Chair, and I thank my good friend from Delaware, Mr. CARPER, who is a great addition to this body, to the country, and certainly does great service for his State of Delaware. The Senator is a good man.

Mr. President, like a lot of others, I have read the David McCullough biography of President John Adams. I commend it to anybody listening who has not read it. It is a wonderful story of a colossus of a man, John Adams. It is so inspirational, especially reading about that era in our country where men and women were very concerned about their futures, most of them having left England, oppressed by Great Britain, and how they reacted to it, with the variety of people in the colonies at that time with different backgrounds and certainly not having present-day communications. Nothing traveled faster than the speed of a horse. It gave people time to reflect.

John Adams read thousands of books. He read all the political philosophers of the time in original Greek, in original Latin, as did a lot of our Founding Fathers and women, too. Abigail Adams clearly was a great force in helping our country come together.

John Adams, as a major force for what was right for America, helped persuade the delegates assembled at the Continental Congress trying to decide the future of our country to break away and declare independence. He is the main reason for the words in the Declaration of Independence. Thomas Jefferson wrote them, of course, but it was John Adams who was the primary mover in helping to persuade men and women in difficult times to come together and do what was right and break away from Great Britain.

Then came the Revolutionary War. We were so ill prepared. Mr. President, 35,000 British troops landed on Staten Island.

We had such a difficult time putting troops together, and it was John Adams, as the head of the War Board, who foresaw far ahead of anybody else how difficult the Revolutionary War would be and began putting together the armaments in order to make that happen and how to prevail and how to deal with the Brits.

I only mention this because as we are debating an economic stimulus bill, an economic recovery bill, in many respects what we are doing is so far removed from those great Americans who met in Philadelphia, later met in Washington, DC, in subsequent years, in helping develop and frame our country. This is a sterile debate compared with the debates they had. It is a very important debate, but it is a sterile debate. It is very important clearly because our economy is not out of a recession.

Most businesses that study these matters for their livelihood believe we are not out of the woods. The manufacturing sector is in very difficult straits. There is some data that indicates maybe we are near the end of the so-called recession, but it is my belief, in talking to people around the country, business men and women, that we are not. That is clearly the case with respect to at least a couple of million people who, in addition, have lost their jobs compared with previous years and deserve an extension of unemployment compensation benefits.

We do need to come together in the way our forefathers did back then. I do not want to be too dramatic or too simplistic about it, but when we look back and think of what our Founding Fathers and mothers did and how they came together in very difficult times, it is very inspiring. I urge us to tap into that, to remember what they did and to utilize and act in the same vein and try to do what is right for America.

I think if we are all honest with ourselves we know what is right is to forget this partisan bickering back and forth. Forget the labeling. Forget the criticism. Forget trying to take credit. Just kind of do something which seems right, and right to me is some modest tax stimulus to help business and extending the unemployment compensation benefits to help people who have lost their jobs.

Different Senators are going to have different ideas, but in the main I think we can do something pretty modest but on target and very quickly. I am quite confident the President wants the same thing and is trying to achieve the same goals. I urge all of us on both ends of Pennsylvania Avenue to in a larger sense be inspired by our Founding Fathers and think of the difficulties they had in working together, and they worked together.

The Thirteen Colonies actually voted unanimously for independence. One State abstained, but 12 Colonies all voted unanimously. It was very difficult. Think of the southern Colonies, the northern Colonies, much different backgrounds, but they came together. They knew what was right for America. On a much lower plane, if they could do what is right for America back in 1776, clearly in the year 2002 we could pass a modest economic stimulus package that makes sense for America. In that vein, I urge all of my colleagues to work together.

AMENDMENT NO. 2701 TO AMENDMENT NO. 2698

Mr. BAUCUS. Mr. President, I rise today to offer an amendment to include extension of expired agricultural disaster assistance programs to the economic recovery bill. My amendment, cosponsored by Senator ENZI, provides $1.8 billion for the Crop Disaster Program for losses incurred in calendar year 2001. Further, it provides $500 million for the Livestock Assistance Program, $12 million of which will be directed to the American Indian Livestock Feed Program.

Extension of these agricultural disaster relief programs is necessary. Why do I say so? It is because of an unprecedented streak of poor weather and economic conditions continue to hamper the economic prospects for farmers and ranchers throughout our country.

Farmers in parts of the South and northern-tier States have been particularly hard hit. Although some sectors and some regions have begun to recover, farmers' overall earnings from their farming operations, not including government payments, are down sharply from the levels in the mid-1990s.

The current difficulties could not come at a worse time.

While struggling to survive three disastrous years, farmers are now faced with sharply escalating operating costs due to higher energy and fertilizer prices, and basically higher operating costs.

According to the most recent projections provided by the U.S. Department of Agriculture, total farm expenses were estimated to rise another $4.2 billion in 2001. This latest rise came on the heels of a nearly $10 billion increase in total farm expenses in the preceding year, 2000.

Caught between severe and erratic weather conditions and rising operating costs, American agricultural producers have experienced a severe economic squeeze.

The data kept by USDA's Economic Research Service demonstrate that net farm business income was at a decade-low in 1999 and 2000. Thanks to a limited recovery in some sectors, USDA projects that farm business income will rise slightly in 2001.

Still, unless government assistance is continued, net farm income in 2001 is actually projected to be lower than farm income in those bad years of 1999 and 2000. Even in sectors in which economic conditions have been improving, such as livestock, poor grazing conditions have pushed many ranchers to feed heifers for slaughter rather than using them to rebuild their herds.

Not surprisingly, 3 years of economic hardship have taken a toll on the farm economy. ERS statistics show farm debt rising in the last 3 years at such a rapid rate, more than in the 1980s. In other words, farmers are borrowing to continue their operations. This increased debt load adds further to farmers' operating costs.

In my home State of Montana, it is anticipated that 40 percent of producers seeking operating loans this year will be denied if we fail to provide this assistance in this amendment.

Thus, if government efforts to support farm income are now curtailed—with weather problems continuing, costs rising, and no time to recover from the contraction in farm operating income since 1998—the economic impact on rural America could be devastating.

In a real sense, the economic problems that have afflicted the rest of the economy in recent months have been plaguing the farm economy for several years.

A downturn in farm income does not just impact farmers; it wreaks havoc in the rural communities that depend upon them. Farmers in economic distress are not able to make their usual purchases of seed and fertilizer, not to mention food and clothing.

This makes the agricultural sector—which is directly and indirectly responsible for nearly one-fifth of U.S. gross domestic product—among the most vulnerable sectors of the U.S. economy.

To ensure that the stimulus plan also provides benefits to agriculture-dependent economies in the South Midwest, and northern-tier States, my amendment extends the disaster relief programs that have been critical to shoring up farm income over the last 3 years.

This will allow farmers—and the rural economies that depend upon them—to share the economic support provided to the rest of the economy in the stimulus plan and make real progress in recovering from the multiyear downturn they are now struggling through.

Simply put, many rural economies did not fully participate in the growth in the 1990s. According to data from the U.S. Bureau of Economic Analysis, growth in many rural States, including Montana, Iowa, Oklahoma, North Dakota, Wyoming, Louisiana, and Mississippi has lagged behind—in some cases, far behind—the national average.

In the same vein, according to the Bureau of Labor Statistics, over the last decade, job growth in rural areas has lagged far behind that in urban areas.

Further, rural areas appear to have entered the current recession in late 2000, almost a year and a half ago. Rural America seems to be the first to suffer a recession and the last to recover. For this reason and so many more, this stimulus bill should include agricultural disaster assistance.

I note that this amendment does not include a commodity purchase section that was the subject of much criticism from the other side of the aisle.

Some may recall that this provision was attacked for extending benefits to buffalo ranchers and asparagus farmers—among others. I believe those attacks were unfair and misdirected. I still support provisions for specialty crop producers. However, in order to minimize controversy and move this amendment forward, I have dropped this provision from my amendment.

Finally, I have letters of support for this amendment from the following organizations: The National Association of Feed Growers, Montana Stockbrokers, National Farmers Union, signed by 26 State presidents, the National Cotton Council, the National Cattlemen's Beef Association, and others. I also have a joint letter from the Montana Grain Growers Association and the Montana Farm Bureau Federation describing the desperate need for this agricultural disaster assistance.

All I hear when I am home is the need for this legislation. We are in dire straits. We have not participated in the national growth of the 1990s. We are hurting. It is not just my State but in many other parts of rural America. We need this.

I urge all colleagues to support this amendment and ensure this economic stimulus program truly helps all Americans. That includes farmers, ranchers, and those living in rural communities.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I missed part of his statement. This is an amendment to the Daschle amendment?

Mr. BAUCUS. Yes.

Mr. NICKLES. It costs how much?

Mr. BAUCUS. About $2.3 billion.

Mr. NICKLES. To be expended this year; and it is for what?

Mr. BAUCUS. Disaster assistance.

Mr. NICKLES. We are not doing the farm bill.

Mr. BAUCUS. Right.

Mr. NICKLES. The Senator does not want to wait another week or two?

Mr. BAUCUS. Mr. President, the farmers cannot wait. We don't know the prospect of the farm bill either. Income is going down the tubes; farmers are going down the tubes. That is why we are acting now.

Mr. NICKLES. Mr. President, I missed part of my colleague's comment. I heard he would have an amendment to add an agriculture section to the so-called stimulus bill. I don't think that underlying bill qualifies as a stimulus bill. I don't see anything in the underlying bill that creates jobs. Now we are talking about an additional 2-point-some billion dollars to be added to agriculture payments. I don't think the amendment should be on this bill.

I want to read the amendment. I know many sections of our country in rural areas are hurting in agriculture. We will be debating the agriculture bill, the farm bill, probably in the next couple of weeks, and I think that would be a more appropriate vehicle. I will read my colleague's amendment. I have great respect for him. My initial reaction is it does not belong on this bill. I hope it will not be added to this bill. We will no doubt vote in the not-too-distant future.

I know there are colleagues on this side, and I assume we will alternate amendments. Senator SMITH has an amendment on accelerated depreciation. It is my hope to bring that amendment up as well.

Mr. BAUCUS. I call up my amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS] proposes an amendment numbered 2701 to amendment No. 2698.

Mr. BAUCUS. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide emergency agriculture assistance)

At the end add the following:

TITLE —EMERGENCY AGRICULTURE ASSISTANCE

Subtitle A—Income Loss Assistance

SEC. 01. INCOME LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this title as the "Secretary") shall use $1,800,000,000 of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers on a farm that have incurred qualifying income losses in calendar year 2001.

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–55), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(c) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments not for crop disasters, but for income loss to carry out the purposes of this section.

SEC. 02. LIVESTOCK ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary shall use $500,000,000 of the funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received an emergency designation by the President or the Secretary after January 1, 2001, of which $12,000,000 shall be made available for the American Indian livestock program under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

Subtitle B—Administration

SEC. 11. COMMODITY CREDIT CORPORATION.

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this title.

SEC. 12. ADMINISTRATIVE EXPENSES.

(a) IN GENERAL.—In addition to funds otherwise available, not later than 30 days after the date of enactment of this Act, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to pay the salaries and expenses of the Department of Agriculture in carrying out this title $50,000,000, to remain available until expended.

(b) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subsection (a), without further appropriation.

SEC. 13. REGULATIONS.

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this title.

(b) PROCEDURE.—The promulgation of the regulations and administration of this subtitle shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SEC. 14. EMERGENCY DESIGNATION.

The entire amount made available by each of Subtitle A and Subtitle B—

(1) shall be available only to the extent that the President submits to Congress an official budget request for the amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.); and

(2) is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I rise in support of the Daschle-Baucus amendment which is being considered now. What we have is an opportunity—and I hope a bipartisan opportunity—to do something about the economy.

Senator DASCHLE has taken those elements of the Republican economic stimulus plan and the Democratic economic stimulus plan that we agree on and brought those to the floor, saying, use this as a starting point, as a bipartisan effort.

There are other ideas. Some on the Democratic side have concepts, and I am sure those on the Republican side do as well. What Senator DASCHLE is trying to do is to break the logjam, cut through the rhetoric, and do something.

I am discouraged that when Senator DASCHLE tried to do that this morning in the Senate Chamber, some Members on the other side of the aisle objected. I hope this is not an indication that we are in another logjam, at an impasse and unable to break through.

Clearly, we have a good-faith effort to find a bipartisan economic stimulus package. This package contains elements with which I think Democrats and Republicans should agree. I don't believe there is any debate over the fact of 5.8-percent unemployment in this country and 8 million people out of work, and there are a lot of people facing hard times. This recession has made it difficult for them and their families. I read about it at home in the newspapers and hear it from people I talk to who call the office. A lot of families face a difficult circumstance and are trying to get by.

What we are trying to do with the economic stimulus bill is extend unemployment benefits for those who have been unemployed so they can keep their families together.

If the problem in America today is the fact we have overcapacity of goods and services and not enough demand and we want to help the economy move forward so more people make purchases, we want to give the resources to those who will spend them. The first to spend these resources are those out of work. Every dollar given to that unemployed worker for his or her family will be turned into a purchase, an important purchase for that family for clothing, food, to pay the utility bill in the cold winter months, shelter, maybe even medical costs. I hope there is no argument about that. I hope we can concede this is something to which both sides should agree.

There is another element in this bill of equally importance relating to the Medicaid system. Medicaid, of course, is health insurance for the disadvantaged people in America and those on disability. What we have found in my State of Illinois and across the Nation is that a lot of hospitals are facing closure today. States are seeing shrinking revenue and cannot match the Federal dollars that might come in from Medicaid and are cutting back for Medicaid reimbursement. That means small hospitals, rural hospitals, inner-city hospitals, hospitals with a disproportionate share of elderly patients, and patients with disabilities are the ones that are facing closure. The Daschle-Baucus bill addresses that.

I ask the Senator from Montana if he would like to comment. When he speaks of rural areas, the hospital Medicaid reimbursement in his State probably is similar to my own; inadequate to meet the current need. This amendment, the Daschle-Baucus amendment before the Senate now, provides, if I am not mistaken, additional Medicaid assistance to these hospitals in this difficult time. I would not be surprised if in Montana, as in Illinois, you had rural hospitals that were on the edge of closure. With this dramatic change in lifestyle, the quality of life in smalltown Montana or smalltown Illinois is going to change dramatically if the travel time to a hospital goes from 25 minutes to an hour and a half for the elderly person struggling to press on and live or for the woman delivering a baby. This makes all the difference in the world.

I ask my colleague from Montana if he would comment on the Medicaid aspect of this economic stimulus bill before the Senate.

Mr. BAUCUS. I thank my good friend from Illinois. The Senator is absolutely correct. Unfortunately, we are in a recession, and the data we have is based upon times when the economy was in better shape, a couple of years ago. As a consequence, the formula for distributing Medicaid payments from Uncle Sam to the States is based upon old data, and now the hospitals are hurting, more people have less income, they cross the Medicaid poverty index, they get lower payments—just the opposite of what they should receive. As a consequence, what the leader suggested is essentially about a $5 billion reimbursement to the States that have lost revenue as a consequence of the downturn. Revenue, in some respects, they will get. But with the tax provision passed and the lagging economic data, these States are losing significant revenues in the provisional help.

Mr. DURBIN. I thank the chairman. I can't believe the circumstance is any different in Oklahoma. I have to believe the hospitals in rural Oklahoma and Illinois are facing the same problems. That is why this amendment offered by Senators DASCHLE and BAUCUS as an effort to try to help those hospitals really shouldn't have much debate. I, frankly, think if we don't face this head on, we are going to face head on a serious medical crisis in this country. We are going to see a lot of hospital closures. We are going to see a lot of health care providers that can't continue to make provisions for those who are in nursing homes and hospitals. If we don't do something with this bill's recommendations, if we get up in the politics of the moment, if we find ourselves time and time objecting to bringing this economic stimulus to the floor, it is going to be at the expense of the basic health care of small towns in America—in the Midwest, Far West, and all over the United States.

When you take a look at these two basic provisions for giving a helping hand to unemployed workers who are trying to keep their families together, and giving a helping hand to health care providers that are particularly hard pressed because of this economy, this section seems to be an excellent starting point in our debate about moving this economy forward.

There may be other amendments offered on the other side. Senator DASCHLE says we are open to that suggestion. Let us have amendments offered on both sides and bring this bill to conference.

The President told us to get moving. Senator DASCHLE offered this amendment just for that purpose. The question is now whether the Republicans in the Senate will join us in a bipartisan effort to do something. I can tell you right off the bat there will be Republican amendments that they might offer which I can't support.

I just left a hearing on Enron, which is the topic de jour on Capitol Hill. We went through what happened in that corporation. It had a situation basically where the Enron ship started to sink. The corporate officials and officers grabbed the lifeboats and left the pensioners and investors and employees to drown. That is exactly what happened. As a result of that, there is little sympathy on Capitol Hill for Enron. Yet one of the Republican economic stimulus plans was to give—get this—$260 million in tax breaks to that bankrupt corporation. I am not going to stand for that. I will vote against that every day of the week. Try to explain to people back home why you want to give a tax break to a bankrupt corporation where the officers and officials basically fleeced investors across America, including the President's mother-in-law.

Do we want to give a tax break to that operation or a $1 billion tax break to IBM? Those are issues we can debate at length and get to a vote on. I think there ought to be votes taken with time limits for debate and get to the bottom of it. It depends on the bipartisan will of this body. The Senate is constructed so one Senator can stand up and object and that is basically the end of the story. That is what happened this morning.

I hope my friends on the Republican side of the aisle will take another look. I hope they will understand there are unemployed families in every State. They are not just Democrats. They are Republicans and Independents, too. They have people who want a basic helping hand.

What we are suggesting to help is no radical idea. President Bush's father did that. When he faced a recession during his Presidency, he extended unemployment benefits. This isn't some Socialist scheme we are coming up with, I say to my colleagues on the Republican side. This was considered a good, sound, economic decision by the President's father's administration.

This morning we pick up the newspaper and find the political climate and scenery has changed quite a bit in America. For a long time, we labored under the deficits with a lot of red ink. It meant that the national debt kept going up and up. So we had to collect taxes from businesses and individuals across America just to pay the interest on the national debt. This was not tax money collected for education or for the defense of our Nation or for health care. No. It was money collected to pay interest on the national debt largely held by foreign investors.

We have turned that corner. In the last 6 years of the Clinton administration, we started generating surpluses. We started funding for retirement in America. We could say to our kids that they were going to see in their lifetime the publicly held national debt come to an end. That would basically have changed in our lifetime. The money collected was going to be spent to make America a better place rather than paying interest on old debt. That was the trend line.

The fiscal discipline we are facing today and the Congressional Budget Office report says the party is over. The surplus is gone. We are back into deficits.

For some reasons, it is very easy to explain. I voted to fight this war. I voted to give the President the money he needed for our troops. I would do it again tomorrow. Did it add to the deficit? Yes. I do not think there is a person in America—certainly not the parents and families of those who are serving our country—who would have us shortchange the men and women in uniform. That is absolutely the right thing to do. We are going to continue to do it, but it means more and more deficit spending so we can wage this war successfully and bring our troops home safely. So be it.

Also, the fact is it has taken a toll on our surpluses as well. There were some projections that by now we would have rosy scenarios and all sorts of good times ahead of us. It hasn't happened. We are still in a recession. The recession takes money out of the Government coffers and adds to the deficit.

We also passed a tax bill last year—a tax cut bill. Many of us cautioned, saying: Go slow. Don't try to guess what the economy is going to look like 5 or 10 years from now. I may be wrong. It didn't even take a year. In 8 months, those rosy projections about surpluses have evaporated with the recession and with the war. It is over. That is why, with the suggestions of greater and greater tax cuts in the future, a lot of us fought the battle to finally end the deficits and move toward a surplus in our Federal budget. We don't want to return to those bad old days.

For goodness' sake, for our children, let us retire this national debt and get back to fiscal discipline and a sound approach. We cannot give all the tax cuts that we all would like to give.

This is an election year. Every candidate wants to stand in front of a crowd and say: I voted to cut your taxes. People just cheer and big, broad smiles cross their faces. Folks are coming to understand that there is a price to pay for it. The $300 or $600 rebate checks they got last year added to the deficit. Money is now being taken out of the Social Security trust fund and Medicare trust fund to pay for it. It is a price that we will pay.

My colleague from Michigan, Senator STABENOW, said yesterday that this is an analogy between what happened at Enron and what is happening here in this debate. At Enron, the top officials cashed in their stock before it became worthless while the little guys who had their 401(k)s—investors and employees—didn't get a chance to cash in their stock and were left holding the bag. Everything disappeared. Financial security was gone. The same debate is going on here now.

There are those who want to give tax cuts to the wealthiest people in America at the expense of the retirement of the workers of America—the Social Security trust fund. That doesn't make sense. Let us not do an Enron on America. Let us make sure that we have a sound policy that really is good for this economy, and every part of it—small businesses, family farmers, and workers alike.

That is why the Daschle-Baucus proposal before us is a good one. It is one that starts us toward a path of doing something sensible to help the economy but not something that will hurt us in the long term.

I urge my colleagues, particularly on the Republican side who objected to this economic stimulus package this morning, to please reconsider. Let us bring this to the floor. If you have some good ideas, let us have a debate and vote—and a limit on the time we put into that debate so we know it is going to end and hopefully end up with a bipartisan bill to send to the conference. And maybe with the work on the House and Senate sides we can have a bill for the President by the beginning of next week. That is important. I think Senator DASCHLE has stepped forward with a positive, sensible, and fiscally conservative approach on this which is good for America and which is good for our economy.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I have just a couple of comments. My colleague and friend from Illinois said something about this bill before us is promoting tax credits. The House Bill 3529 that this Senator tried to bring up and that passed the House just recently reformed corporate AMT, and didn't have anything that was going to be of benefit to Enron. I want to make sure that is understood.

Mr. DURBIN. Will the Senator yield for a question?

Mr. NICKLES. I am happy to yield.

Mr. DURBIN. The economic stimulus package passed by the House, the Republican-sponsored package, the first package contained many billions of dollars in tax relief for corporations such as IBM and Enron. Is that not correct?

Mr. NICKLES. To correct my colleague, the bill we are trying to bring up is H.R. 3529, and it contains reformed corporate AMT. The bill the Senator is referring to did pass the House earlier. It is not what this Senator is trying to bring up? The House, as I am sure my colleague also knows, passed the subsequent measure. That is the measure that has bipartisan support. That is the measure the President supports. That is the measure we are trying to pass. That is the measure that Senator DASCHLE wants to pass and then strike the language on the House-passed bill and insert it in.

I suggest we take up H.R. 3529 and amend it. Again, we just want to make sure. H.R. 3529 is the bill we are trying to bring up, and Senator DASCHLE is trying to bring up his four-point bill. I have some reservations about that bill. My colleague from Illinois, I know, said a couple things he likes about it. There are a couple things I do not like about it.

I am suggesting we take up the House-passed bill, what Senator DASCHLE is planning on eventually striking, and amending it with whatever we come up with.

I suggest we take up the House-passed bill which does not include any provisions that would benefit Enron, which I think may have been implied earlier.

Mr. DURBIN. Will the Senator yield for one more brief question?

Mr. NICKLES. I am happy to yield.

Mr. DURBIN. Is it not correct, then, your bill would have abolished the alternative minimum tax, a tax paid by corporations that otherwise have no Federal tax liability prospectively in the future?

Mr. NICKLES. That is correct. The House-passed bill, H.R. 3529 effectively reformed AMT prospectively. That is correct. It has had no benefit for Enron, no cash benefits for IBM. So I want to make that clear.

Also, just for the record, I just had a chance to read the amendment offered by my friend, Senator BAUCUS. It has $2.3 billion in emergency agricultural assistance, $1.8 billion for the Commodity Credit Corporation, and an additional $500 million for the Commodity Credit Corporation that is designated as livestock. And $12 million is for the American Indian Livestock Program, which I did not even know we had. Anyway, there is a $500 million program for that. I think my colleague from Wyoming wants to speak on it.

I want to have printed in the RECORD the emergency spending for agriculture that we have done in the last 10, 11 years.

It has exploded, absolutely exploded. For the years 1990 through 1995, the average was less than $1 billion a year. For the last 2 years, agricultural emergency spending was right at $15 billion and over $11 billion. I think it has been done kind of haphazardly, and maybe done right before the end of the year, where agriculture has been in a tough situation, and we just threw out a lot of money. I am afraid that is what we would be doing if we added another $2.3 billion.

What about reforming the crop insurance program? We did that a couple years ago. I remember being in this Chamber and everybody saying: Wait a minute, let's fix the crop insurance program so we do not have to come up—every time there is a drought or a flood—with a new Federal emergency program and write big checks. We are going to fix the insurance program. And we spent some money to fix it. And we have subsidized that program enormously.

What are we doing now? This is adding more money to agricultural emergency assistance. I know we have farmers hurting in my State, just as there are in Montana, and I am sure in many other parts of the country. We are having a drought that is very significant in my State, as I am sure in many of the Plains States as well.

But I am looking at the total cost of this program. I will read through these last several years. In 1995, the total agricultural emergency assistance was $600 million; the next year it was $140 million; the next year it was $400 million; the next year, 1998, it was $160 million; and then in 1999 it jumps all the way up to $6.62 billion—not $6.62 million—$6.62 billion. Then the next year it doubles again to $14.99 billion; and last year, 2001, to over $11 billion.

Yet people are saying: Let's add some more billions on top of that.

Then we are going to be dealing with an agriculture bill in the next couple weeks, and people are going to say: Let's spend an extra $75 billion on top of that. Some of us will have an amendment saying: Let's look at who is getting what. There is a front-page article in the Washington Post today that talks about one farmer getting $38 million in the last 5 years. Then it basically says there are thousands of farmers who are making enormous amounts—hundreds of thousands of dollars—not $50,000, not $80,000, not $100,000. There are thousands of farmers who are getting hundreds of thousands of dollars.

I think for the top thousand or more in Arkansas, the average payment was almost $500,000. I have some of those in my State. I think that is outlandish. And they can get it from all kinds of ways, including emergency assistance, including supplemental farm bills. We used to have limitations. We need limitations.

When we get to the farm bill, again, I hope we will put limitations on the payments. In the Harkin-Daschle bill, if I remember, farmers would be able to receive almost $500,000. And I read in the paper today people are able to get millions through multiple entities. We need to tighten that up. I know Senator GRASSLEY has an amendment. Others on the Democratic side hopefully will support it. I have one that will limit payments to $150,000. I am sure some people will say the sky is going to fall because we limit farmers and entities to $150,000. Regardless, I think we should do it.

I think we should be debating the farm bill and agricultural assistance on the farm bill, not on the stimulus package.

Mr. President, I ask unanimous consent to have printed in the RECORD the chart from which I was reading.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EMERGENCY SPENDING FOR AGRICULTURE: A BRIEF HISTORY OF CONGRESSIONAL ACTION, FY 1989–2001

SUMMARY

From FY1989 through FY2001, twenty-one appropriations, authorization, or farm disaster acts have added $43.8 billion in emergency funding for U.S. Department of Agriculture (USDA) programs. Nearly $32.8 billion, or about 75 percent of the total amount, was for FY1999–FY2001 alone.

Since FY1989, the vast majority of the total emergency funding has been paid directly to farmers, primarily through two mechanisms: "market loss payments" ($21.4 billion, all since FY1999) to compensate for low farm commodity prices, and disaster payments ($15.8 billion) paid to any producer who experienced a major crop loss caused by a natural disaster. The remaining $6.6 billion has funded a wide array of other USDA programs, including other forms of farm disaster assistance, speciality crop assistance, farm loans, overseas food aid, food and nutrition programs, and rural development assistance.

Total annual funding additions in the 21 acts providing emergency assistance to USDA programs since FY1989 are as follows:

FY1989: $3.39 billion;
FY1990: $1.48 billion;
FY1991: $0;
FY1992: $1.0 billion;
FY1993: $1.3 billion;
FY1994: $2.57 billion;
FY1995: $0.6 billion;
FY1996: $0.14 billion;
FY1997: $0.4 billion;
FY1998: $0.16 billion;
FY1999: $6.62 billion;
FY2000: $14.99 billion;
FY2001: $11.17 billion.
Grand Total (FY1989–2001): $43.82 billion.

Mr. NICKLES. Mr. President, I know my colleague from Wyoming, who has an interest in this area, is waiting to speak, as well as others.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I appreciate the Senator from Montana, Senator BAUCUS, offering this amendment. I particularly appreciate it because it gives me an opportunity to recognize that this amendment will allocate $500 million in emergency spending for the Livestock Assistance Program.

There was a lot of mention in this Chamber about things we have done in an emergency way for agriculture. The program that we have left out has been livestock assistance. The ranching folks of this country have been the ones who for years have said they really don't want the Federal Government helping them out. With the exception of the drought programs, that has been true.

One of the difficulties is that they are not in line all the time for this money. Consequently, when they need it, we do not always insert it. The Livestock Assistance Program is an ad hoc program that is administered by the United States Department of Agriculture—USDA—through the Farm Service Agency.

It is available to livestock producers in counties that have been declared disaster areas by the President or the Secretary of Agriculture. It provides financial relief to livestock producers who are experiencing livestock production loss due to drought and other disasters.

Livestock producers in my State of Wyoming have been hard hit by drought. And the drought outlook for this year isn't optimistic. In fact, right now we are having the driest winter that any of them can remember.

I was in a store and ran into an old friend of mine and asked him how things were going; and you could see the drought was at the top of his mind because that is what he brought up immediately. He did not say whether he was feeling well or his family was well. The drought was causing the problem. And it was a different problem. Usually at this time of year there is enough moisture in the ground and enough cold air in Wyoming that the ground freezes. It is pretty solid.

When the ranchers go out to feed—and you have to feed when the ground is frozen solid—they usually can go to the spot where the cattle are and lay down the feed. This year, they have to go to a different place every day and move the herd because of the destruction they do to the land in raising the dust and covering the feed that has been put down because of how dry the ground is. It would not even freeze hard. So the outlook for next year is worse than last year. And the year before that was a bad year.

There are some problems with the Livestock Assistance Program in getting any kind of continuing help. It actually anticipates you are only going to have a problem 1 year. We are about to go into our third year, and, of course, nobody got any payments for the second year because that never got put in anywhere last year, even though we were promised that somewhere this program, that has existed and needs to exist, would exist. It has not existed.

You may not know that in the primary case of drought, producers usually suffer the loss of grazing sources. The Livestock Assistance Program commonly provides the means to buy supplemental feed for their livestock.

Although Congress has made a full commitment to this program when it authorized it several years ago, the program was not funded in fiscal year 2002 in either the emergency agricultural supplemental or the agricultural appropriations fiscal year 2002 bill.

I believe this program funding is critical to the continuing viability of ranches in Wyoming and the West. This amendment would provide short-term immediate economic stimulus to Wyoming's agricultural population. The program is appropriate for the economic stimulus package because it directly stimulates the agricultural sector. This money will be spent immediately in rural areas, and it will be spent to pay debt and to purchase winter feed for livestock—primarily the latter.

The U.S. Drought Monitor, presented by the United States Department of Agriculture, the National Drought Mitigation Center, and the Climate Prediction Center show that the entire Northwestern U.S. is experiencing extreme and severe drought. This is the second year of continuous drought for Wyoming's producers. In these conditions, the State's natural resources have been unable to recover. In order to conserve those resources, State and Federal Government have evicted ranchers from State and Federal leased land. Producers have been forced to find alternative grazing arrangements where pasture land is limited or sell off their herds.

Many producers grazed hay fields last summer and fall that had been slotted to provide winter feed. Virtually every indicator—precipitation, snow pack, reservoir levels—shows that the drought may get worse.

In fiscal year 2001, that is the year before last, the Livestock Assistance Program was funded at approximately $430 million. In Wyoming, 933 producers received $7,752,029. That is an average of $8,000 per producer. You can see where that would just buy feed to get them by through the drought.

Nationally, it provided assistance to about 186,000 producers at 88 percent of their grazing loss—that depends on how many people put in for this limited number of dollars—but at 88 percent of their grazing loss for the drought. And this year, again, the need is similar. We are looking at perhaps another year of it yet. Providing the program with $500 million for drought experienced in 2001 would ensure that producers receive assistance for 100 percent of the anticipated grazing losses due to the drought.

Wyoming producers would receive approximately $9 million. Again that is about $9,000 per producer. The USDA has indicated that this level of funding would be sufficient for this year. Half of Wyoming's counties have been declared drought disaster areas for the second continuous year. The Secretary of Agriculture has already officially declared many counties as disaster areas in the livestock producing States of Montana, Idaho, Washington, Colorado, Nebraska, Kansas, Oklahoma, Missouri, Iowa, Texas, Kentucky, and, of course, Wyoming.

I ask my colleagues to take a long, hard look at the merits of this amendment. This amendment would provide the livestock producers with what everybody has been saying would be provided; that is, the opportunity to continue their operations and to stay in business for 1 more year.

I ask my colleagues to support this bill and to pray for rain and snow in the West.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I rise to make some points in response to the Senator from Oklahoma. He makes some good points, but I think they should be addressed.

One is, what about livestock; what about crop insurance. Why don't we have a crop insurance program that works, that takes care of disasters, farmers who suffer disasters? Why do we have to come along every once in a while with a disaster assistance bill?

If I might suspend, I see my friend from Nevada in the Chamber. He may have a request.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, through the Chair to the chairman of the Finance Committee, I express my appreciation for his courtesy.

We have now been here all day working on this bill. The first amendment offered is the amendment offered by the Senator from Montana, chairman of the committee, which has wide support. It is a bipartisan measure. Its sponsorship is bipartisan.

I ask if we could have a vote on this matter at 3:30. That would be 45 minutes to continue the debate. The vote would be on or in relation to this amendment. I ask unanimous consent that that be the case.

The PRESIDING OFFICER. Is there objection?

Mr. MCCONNELL. Mr. President, reserving the right to object, the manager of this bill on our side is off the floor for a moment. Until he arrives and is consulted, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I understand the Senator from Kentucky having to object. I would hope that the floor staff would alert Senator GRASSLEY to my request. If that time is not sufficient and there are other people who want to speak on it, we have absolutely no problem with that. I do think we should have a vote as quickly as possible.

I will renew that request at a subsequent time after the message is related to Senator GRASSLEY and also to the minority leader.

I ask unanimous consent to be listed as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Montana.

Mr. BAUCUS. Mr. President, just some basic points to clear the air and to get the facts straight.

It has been suggested that we have crop insurance and why isn't crop insurance sufficient to compensate farmers and ranchers through disaster. The argument is made that we have a crop insurance program. Why do we need disaster assistance? The answer is quite simple.

First of all, the crop insurance program does not cover livestock. So that point is irrelevant. Second, with respect to crops, program crops, there are a couple of points. No. 1, very few farmers buy Federal crop insurance. Why? Because it is so expensive and the coverage is so poor. Even with reform of the crop insurance program, it is not good enough for farmers and ranchers to participate in it. It just is not available as a practical matter.

In addition to that, it is unavailable today for crop losses in 2001. If you had a loss on your crop in 2001, you cannot go now to buy Federal crop insurance in 2002 which will cover losses in 2001. It is too late. Even if you were to buy Federal crop insurance in 2002, you would not want to, a lot of farmers do not want to because, as I said, it is so expensive and the coverage is so poor.

The last disaster bill passed here covered losses basically because prices were so low. The disaster assistance bill before the Senate now covers natural disaster losses—drought, floods—and also quality crop losses; that is, insect, disease, or for whatever reason the quality of the crop is so poor that the farmer takes a large cut.

This is not a new program. This amendment only provides dollars for existing disaster relief programs. For crops, it is a 35-percent loss, and for livestock, under the livestock emergency feed program, it is a 40-percent loss in grazing over 3 months; for quality loss, as I recall, it is about a 25-percent loss. It is existing programs.

In many States across our country, we find counties that have already been declared disaster counties for purposes of this amendment.

For example, I will read some of the States. In Iowa: $17 million would be available for crop disaster, $3.1 million for livestock. In Oklahoma—my good friend from Oklahoma, Senator NICKLES, would be interested in this—it is about $50 million in disaster assistance to farmers in Oklahoma for crops, and about $40 million for livestock disaster assistance; Texas, $436 million for crops, $92 million for livestock. The list goes on: Wyoming—Senator ENZI, of course, is cosponsoring this amendment—Tennessee, a significant amount; Mississippi, a cotton State, $70 million for cotton producers as a consequence of disaster to the cotton industry in that State; Montana, of course, and I might also add that there are many others. At the appropriate point, I will indicate all of the States that qualify.

I might also address a point made by the Senator from Oklahoma that all these big farm bill payments—he read in the paper a lot of farmers get very high payments under the farm program. That is comparing apples with oranges or watermelons with peanuts or whatever products you want to take. We are not talking about the farm bill, Mr. President. This debate is about emergency agricultural disaster assistance, which is entirely separate from the farm bill.

It is true that some farmers, under the current farm program, get high payments. It is also true that there are very significant limitations on which farmers or ranchers can get disaster assistance—very significant limitations. A farmer or rancher cannot get disaster payments over $80,000. We hear about farmers who get large payments under the farm program. Much of that is justified because they are large farms. But that is irrelevant to this point. This point is, what do farmers receive and what should they receive under disaster assistance?

There is an $80,000 limitation. A farmer or rancher cannot receive more than that in disaster payments. But $80,000 is not a lot of money. That is gross payment. Think of all of the costs that farmer or that rancher has to incur. That is not $80,000 in his pocket, that is $80,000 to cover expenses and losses. Mr. President, I guarantee you it would not even come close to making a farmer whole.

There is another limitation, where no payments can go to any farmer or rancher whose gross income is $2.5 million. That may sound like a lot of money, but not if it is gross. Anybody who knows anything about farming or ranching knows that what farmers and ranchers receive as their net profit, in most cases, is zero. In many cases, it is less than zero, or maybe a little bit more than zero. The net return on farmland in America is a pittance. But farmers and ranchers endure that low rate of return because it is a way of life.

Mr. REID. Will the Senator yield for a question?

Mr. BAUCUS. Yes.

Mr. REID. I can remember many years ago in the farm industry when the cost of pieces of equipment was almost nothing. Now one of those trucks can cost a million dollars. Would the Senator indicate how much farm equipment costs, generally speaking? We see the little John Deere tractor you used to be able to buy at Sears Roebuck. Now these pieces of equipment cost hundreds of thousands of dollars per farm; is that correct?

Mr. BAUCUS. That is correct. The Senator makes an excellent point. Farm machinery costs have skyrocketed. It is obscene how much tractors cost. A combine is over $100,000. I know; I was raised on a ranch. I am astounded at how much farm equipment costs today. It is just ridiculous. On top of that, it cannot be used, in most cases, year round. It is not like a factory where you get to use the equipment all the time and have 60, 70, 80, 90 percent capacity. Most farm equipment is only used for a short time. You can only harvest cotton a certain time of the year or bail hay or combine grain. It is a very short season. It is not year round. So it is a very expensive piece of equipment that does not get a great rate of return because it cannot be fully utilized, to say nothing of all the other increased costs that are greater for farmers or ranchers; namely, fuel, fertilizer, and other things; all of that has gone through the roof, including freight rates.

I am from a State which is a captive shipper State. There is virtually no rail competition in my State. Shippers in my State ask grain farmers to pay twice as much to ship a bushel of wheat than do farmers in other parts of the country who ship that wheat the same distance. Why? Because there is competition in the other States. There is none, for all intents and purposes, in Montana. There are other cases around of captive shippers. It is not of sufficient competition to get trucker or rail rates low enough.

However you slice it, this is a sector of the economy that is in deep trouble. For a specific, unique reason—weather-related, cost-related—if we are going to pass an economic stimulus bill, as we should, because our country still needs a stimulus that is fair, direct, short term, a shot in the arm, agriculture should be included.

Agriculture, directly and indirectly, is one-fifth of America's gross domestic product. I will bet a lot of people living in cities do not know or appreciate that. But agricultural production, directly and indirectly—that is, suppliers and expenditures farmers make on not only equipment but farm products and also farm services, and they also buy clothes and pay the bills and so forth—it amounts to one-fifth of America's gross domestic product. If we are going to pass a stimulus bill, certainly a good portion of it, a significant portion, or a small portion should include agricultural disaster assistance.

I will yield the floor. I see my very good friend, my colleague from our State, on the floor. I am honored that he is here to speak on the amendment. I know a lot of farmers and ranchers in the country are pleased to see Senator BURNS supporting this effort.

Mr. BURNS. I thank my colleague from Montana. I thank him for presenting a bare-bones amendment covering the emergency agricultural situation we have in our State. He is exactly right. There are a lot of folks who do not realize how big agriculture is in our overall economy.

You know, it is not surprising because each and every one of us in this country goes about our way feeding and clothing ourselves. Everyone plays a part. It may not be in the area of production, but it could be in the area of transportation, or processing, advertising, presenting, or the marketing of food products. I don't think there is a country like ours in the world that has the advantage of eating fresh fruits and vegetables all through the year, even though you may live in the northeastern part of the country where it is snowing and blowing. So it is a marvelous system, a system that is held high as an example around the world.

When this subject was first offered last fall, it was pretty well loaded up. I think we tried to boil the fat out of it and offer some assistance to some people who have been impacted. We are going into our fourth year of drought. There are many in this Chamber and many people across the country who have seen that wonderful river called the Yellowstone River, which flows through the park to Williston, ND. Below an area called Yankee Jim Canyon to the mouth of the Big Horn River, you can wade across the Yellowstone River and never get your knees wet, which gives you some indication of the impact this drought has had on my State—now going into its fourth year.

It is hard to imagine you would have less than a bushel an acre in combining and fewer prospects of any kind of income. For the marginal producers, those days are gone. There is a ritual that goes on in our State.

Every year about this time is when you and your wife gather up your books and make the annual trek to see your banker and arrange for operating loans for another year. Those banks that do a lot of business with owners of farms and ranches are telling me that even some professionals are marginal because of no crops, none at all.

I ask unanimous consent that I be made a cosponsor of this amendment. I thank my friend from Montana for offering it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURNS. Mr. President, I am still a little concerned about on what bill this amendment is being offered. I want this to pass, and I would hate to see it passed in the Senate and we get a good warm and fuzzy feeling inside and then we lose it in conference or we lose the stimulus altogether. I do not know what is ahead. I do not see that in my crystal ball. I see a very hazy picture. This amendment needs to be adopted because this is not only happening in the State of Montana, it is happening in other States as well.

Keep in mind that the American people have agreed they still want this insurance policy of our ability to feed and clothe this Nation and not become dependent on other sources for our subsistence.

I heartily urge my colleagues to support this amendment. I thank the Chair, and I thank my friend from Montana. I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. REID. Mr. President, will my friend yield for a unanimous consent request?

Mr. GREGG. Certainly.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I have been told that Senator GRASSLEY has not been contacted. I will wait until he has been contacted.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I rise to speak about the stimulus bill and address one of the issues I hope we will be able to address as we move forward on this bill. I recognize the parties are trying to reach an agreement on a package which is acceptable to both sides and which is bipartisan.

In that effort, the majority leader has put forward a bill. Unfortunately, a large section of this bill, 25 to 30 percent, is new language which has not been agreed to by both sides, and there are serious reservations on our side about it.

There are initiatives within the bill which are agreed to, however, such as extending the unemployment compensation. In addition, there are other ideas that were agreed to, we believe, that could be added to this bill. That has been highlighted by many of the speakers.

I note one idea that I think we should consider because it is bipartisan—and there does seem to be some general agreement for it, and it is a win-win issue for us from the standpoint of public policy—and that is the need to reduce the capital gains rate.

We are talking about economic stimulus. We are talking about creating jobs. We are talking about increasing productivity so our economy starts to move a little more aggressively. Probably nothing can be more of a positive factor for that than to make capital more readily available for people to invest and, as a result of investing, create jobs. The result of an expansion of capital activity is the creation of jobs.

One of the most effective ways to create more capital in the marketplace and make more resources available is to make the cost of capital less, and that is what a cut in the capital gains tax accomplishes.

A cut in the capital gains tax was proposed when we addressed the tax bill last year. At that time when I made that proposal, it failed on a very close vote, 47 to 51, with two people not voting. Interestingly enough, it was a bipartisan vote in favor of cutting the capital gains rate.

Why was that? Because the amendment I proposed at that time had a sunset to it. It was a 2-year proposal which reduced the rate from 20 percent to 15 percent, but only for 2 years so it would not have a negative long-term impact on the budget. In fact, by sunsetting it after the 2-year period, we will actually have a positive cashflow situation.

Why is that? If we generate the capital gains activity from assets which are locked up, which are not being used—for example, if somebody has owned stock for 10 years, 5 years, or even 2 years but they are not going to sell that stock because they think the capital gains tax on it will be too high, if we can do something which causes that person to sell that stock, then we create a taxable event.

We have proved throughout history in our country that every time we cut the capital gains rate, it generates a lot of economic activity. A lot of people sell assets, which are capital assets, in order to take advantage of that lower rate, assets which they would not have otherwise sold.

What happens as a result is that we create more taxable events. And what happens as a result of that is the Treasury gets more money. So in any reasonable scoring of the capital gains issue, a capital gains tax cut actually generates more money to the Federal Government in the way of revenues than if we do not do anything in the early years. In the outyears, we lose money.

If we sunset a capital gains tax cut after 2 years, the practical effect is that we get the good side. We get the new revenues, added revenue activity without the outyear activity of reduced revenues. As a practical matter, a capital gains tax cut which has a 2-year sunset attached to it, as did my amendment when I offered it last year, is basically a window of opportunity for people to free up assets which are presently locked down, take the money from those assets, pay taxes, and, as a result, add more money to the Treasury and then take that money and reinvest it in something which will arguably be a more efficient use of those dollars.

By doing that, it creates more capital in the marketplace which in turn creates more economic activity which in turn creates more jobs.

The practical effect of a capital gains tax cut which has a sunset attached to it is that it is a win-win event for us from the standpoint of public policy in that, one, it generates more revenues during a time when we are heading toward a deficit and those revenues will assist us in alleviating that deficit and, two, it generates more economic activity, more efficient use of capital and, as a result, it generates more jobs.

As we move down the road of debating this issue of economic stimulus and we are looking for bipartisan concepts which makes sense, I suggest we take a hard look at the capital gains tax cut which I proposed during the prior process.

During that process, as I said, the amendment was offered. It failed on a narrow vote. I think some people voted against it because they were committed to this package or that package, not because they did not think capital gains reduction, especially when it was sunsetted, was a bad idea. I note that the people who voted for it—it was a significant bipartisan vote in the context of tax matters.

As a practical matter, as we move down this path to a stimulus package, I hope we revisit this issue of cutting the capital gains tax rate for 2 years from 20 to 15 percent and, as a result, generate more revenues for the Treasury, create more economic activity, create more efficient use of capital, and in the end the biggest plus will be that we will be creating more jobs.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. NELSON of Florida). The Senator from Minnesota.

Mr. DAYTON. Mr. President, I rise today to speak in support of Senator BAUCUS's amendment to provide disaster assistance to farmers. I begin by thanking my very distinguished colleague from Montana who has consistently championed the need to help farmers throughout the country who have crop losses due to natural disasters. I thank the Senator for his leadership and strongly support this amendment that will provide disaster assistance to farmers who need it and will be further devastated without it.

American agriculture has been in a recession for the last several years; or even for some farmers, a depression. Last August, the Minnesota Farm Service Agency calculated that Minnesota farmers had suffered $500 million in crop losses in the first half of 2001. Then in November of last year, the U.S. Department of Agriculture announced the largest monthly drop in commodity prices in USDA's 91 years of recording that statistic. In a single month, overall commodity prices plummeted nearly 10 percent nationwide. With prices that low, farmers have no ability to withstand additional losses that a disaster creates. At that time last November, the Senate Agriculture Committee was completing its markup of legislation that would provide desperately-needed assistance to farmers and producers. Amazingly, we spent most of December sitting through a filibuster of the farm bill. That filibuster was harmful to all farmers—it was catastrophic to those who need disaster aid and whose farms may not survive without it. Senator BAUCUS' amendment will provide this vital assistance before is too late. I urge my colleagues to support this amendment.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I have a letter addressed to me, signed by James Echols, who is chairman of the National Cotton Council. I will not read the entire letter, but I will read the operable paragraph. Essentially, the letter urges the passage of the pending amendment and it includes this statement:

> Cotton producers have suffered late season losses from flood damage in the Mid-south and dry growing conditions followed by excessive moisture during harvest in West Texas. In most cases crop insurance coverage was inadequate or nonapplicable as damage occurred to seed cotton stored in modules stored in the fields while waiting to be ginned. Further we understand crop insurance policies have a provision which deny coverage for losses due to unnamed storms such as the one that occurred in the Mid-south last fall. Producers of other commodities have suffered similar losses and also need assistance.

I ask unanimous consent that this letter from the National Cotton Council be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL COTTON COUNCIL
OF AMERICA,
Washington, DC, January 24, 2002.

Hon. Senator MAX BAUCUS,
Chairman, Committee on Finance, Senate Hart Building, Washington, DC.

DEAR MR. CHAIRMAN: The National Cotton Council appreciates your continued support for inclusion of funding in the economic stimulus package to provide assistance for weather related crop losses. Weather related losses in many parts of the Cotton Belt have made a dire economic situation much worse.

Cotton producers have suffered late season losses from flood damage in the Mid-south and dry growing conditions followed by excessive moisture during harvest in West Texas. In most cases crop insurance coverage was inadequate or non-applicable as damage occurred to seed cotton stored in modules stored in the fields while waiting to be ginned. Further we understand crop insurance policies have a provision which deny coverage for losses due to unnamed storms such as the one that occurred in the Mid-south last fall. Producers of other commodities have suffered similar losses and also need assistance.

We realize the daunting task facing Congress in building a consensus for an economic stimulus package. However, we urge the Senate to include assistance for weather related crop losses.

Thank you for your favorable consideration of our request.

Sincerely,

JAMES E. ECHOLS,
Chairman.

Mr. BAUCUS. Mr. President, I also ask unanimous consent that Senator LANDRIEU of Louisiana be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, seeing no speakers at this point, I hope my comanager, my good friend from Iowa, Senator GRASSLEY, will come fairly quickly so we can get an agreement on further time remaining for debate on this amendment. When that occurs, then we will get closer to a vote.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. I ask to be added as a cosponsor of the amendment offered by the Senator from Montana, Mr. BAUCUS. I know he has offered this amendment previously on a different vehicle. This amendment is critically important to farm States, to farmers, and Main Street businesses that are trying to do business in a pretty tough economy. This is an awfully good amendment, as has been stated by a number of colleagues on both sides of the aisle. I hope we get a strong bipartisan vote for it. I commend Senator BAUCUS for this amendment. It is a great idea. It is important. I ask unanimous consent to have my name added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, while we are waiting to hear from the minority as to whether or not we can agree on a certain time for a vote on this very important amendment, I would like to indicate how I personally feel.

We need an economic stimulus program. We need it now. With America in the midst of a recession, there is no time for delay. Our Nation cannot afford to have Congress play games for political purposes. We do not need to, and should not, wait until the President addresses the Nation in the State of the Union Address on Tuesday. We should take action before then. Now is a time to move forward and, in so doing, help our Nation's economy move forward.

My concern, of course, is that we have a situation where, as reported yesterday in the press, there are some who do not want to move forward. I have the greatest respect for the minority leader. I have worked with him now for many years. When asked yesterday, would debate likely last through next Tuesday, meaning the State of the Union Address, Senator LOTT said: It might—pause—and then winked to the press. Meaning, of course, with the wink and the nod, that the answer to the question was—yes, this would be stalled until the State of the Union.

There are a lot of important things we can do to help the country, not the least of which is this amendment of which I am a cosponsor, offered by the chairman of the Finance Committee and also the Senator from Wyoming. We need to move forward on this legislation.

We have an economic stimulus plan that helps accomplish that. It is not perfect, but it is one whose component parts will get more than 60 votes. It is part of a bipartisan agreement. It is a good plan made up of solutions Democrats and Republicans alike would support. This plan would have immediate impact and help those most in need.

What do we propose? First, extending unemployment benefits for an additional 13 weeks for all workers who have exhausted their unemployment insurance benefits after September 11. Talk about stimulus. Try giving money to people who have nothing. They will spend it. That will help the economy. They will be buying groceries, they will be buying small appliances—tires for their car maybe. Assisting working families in this way is not only the compassionate thing to do but also an effective way to jump-start the economy.

Second, providing a tax rebate to everyone who did not get one last year. The part of the President's tax cut that was the most popular and the most successful was the tax rebate. That was our idea. We talked about the tax rebate. We talked about the tax rebate idea, and the President took that. Fine, all ideas from wherever they come, if they are good, should be used. The tax rebate idea was our idea. We believe those people who did not get one should get one this year. We have already taken steps to help some of our ailing businesses, such as airlines, which in the process helps other industries and corporations.

What about consumers? This tax rebate will increase consumer spending. As consumers are more active and are able to purchase more, businesses will respond by increasing investment and production.

Third, increasing the bonus depreciation deduction available to businesses for certain capital costs. This will encourage businesses to invest more now, and that will spur economic growth. Talk about a shot in the arm. If this depreciation allowance is not good for this year, when are they going to do it? They are going to do it this year.

Fourth, providing fiscal relief for States by temporarily increasing the Federal Medicaid matching rates. Most States, as a result of the financial strain on the budget, have imposed significant cuts on Medicare eligibility, or if they have not, they are in the process of doing that. Why? Because they are running out of money. So we must protect Medicaid programs from budget cuts to improve health care for Nevadans, and all Americans, and ease the burden on States.

Our plan, then, attends to critical needs and offers immediate help.

Some amendments or alternatives supported by both parties have merit, but not the votes needed to pass. But we have a process here. The majority leader came today and said: You have four, we have four. We will even agree to time limits on those. They simply refused to do that.

We have propounded an agreement to say let's have a vote at 3:30. That was 45 minutes ago. We are willing to resume that and have a vote in a half hour. Vote on this amendment offered by the chairman of the Finance Committee and Senator ENZI. This is an important amendment dealing with a large segment of our society. It would stimulate the economy.

But neither the plan embraced by the House Republicans nor the plan supported by Senate Democrats on the Finance Committee would receive 60 votes in the Senate. It is a fact of life. We have had people today on the floor, from the minority, saying: It has a majority. Why don't they let it come forward? It has a majority.

We are in the Senate. We did not set the rules yesterday. They were in the process of developing starting 200 years ago. Some object to requiring 60 votes for approval of an economic stimulus bill or an amendment. That is the way it is.

If they want to use that logic, I think it is something we should maybe strongly consider accepting. If that were the case, we could go back and look at campaign finance reform, which passed the Senate by 59 to 41, a majority vote. We would already have campaign finance reform. Many of the questions involved in the Enron investigation would no longer be an issue because campaign finance reform would have already been passed.

Or the Social Security lockbox, which passed 53 to 47. It is a majority plus 2. If that were the case, using their logic, all of these votes we have had over the years—I will just limit it to the last couple of years where we have gotten more than 51 votes—those things would be law.

In the Senate, because of the rules we have, you need 60 votes. That is the way it is. I accept that. But for people to come here and say: We have the majority, why won't they let us do it?—they should be very careful with that logic because I just picked two examples. There are scores of them, in addition to campaign finance reform and Social Security lockbox. And the Social Security lockbox vote is becoming more important each day because we are now spending Social Security surpluses.

The American public should understand. The Social Security surpluses are being spent this year. For the last 4 years we have not been spending them, but now we are.

This stimulus plan now before the Senate offered by the majority leader was created from a consensus. I would like to have added more stuff to this. I think we need something in a stimulus package to help tourism. The State of the Presiding Officer, Florida, relies heavily on tourism. Tourism has been hurt very badly in the State of Florida and other places in the United States. I think any stimulus package should have a provision to deal with tourism.

I personally believe, if we want to really stimulate the economy, we should do something to develop the infrastructure of this country. Let's build some roads—highway construction. For every $1 billion we spend on highway construction, we get 42,000 jobs. Not 4,200—42,000 jobs—and all of the 42,000 people working in those construction jobs pay taxes, buy cars, refrigerators, and all kinds of other things. But at this stage I cannot get 60 votes for my tourism stimulus. I know it would stimulate the economy. So does the Presiding Officer.

The National Conference of Mayors has its winter meeting taking place in Washington, DC, today. The mayors support my stimulus package as it relates to infrastructure 100 percent. They have passed resolutions. But in the Senate, I can get 51 votes but I can't get 60, and therefore it is not going to happen right now. I will keep working on it.

So it is very unfortunate that the minority is now saying the House bill has more than 50 votes over here, why won't you just let us bring it up and pass it on that basis? Because we live in the mature world of the Senate. That is how things work here.

As I have said, Senator DASCHLE's plan is not perfect but it is the best he could do. It is what we agree on. That is the consensus package. I think we should pass it quickly, and I wish we could do that. I hope we can do it before Tuesday. But with winks and nods, it appears we will not be able to do that.

Mr. President, there is nobody in the minority on the floor so I do not want to offer my unanimous consent request, but I am going to offer it in the next few minutes. I ask everyone to be alerted to that.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, while we are waiting for an agreement—I hope that comes very soon—on the time to vote on the pending amendment, I would like to introduce into the RECORD letters of support for the amendment.

The first is from the National Cattlemen's Beef Association, a letter to myself signed by Lynn Cornwell, president of the NCBA; next, a news release from the National Association of Wheat Growers expressing support in favor of the pending disaster relief amendment; next, a letter from the National Farmers Union in support of this amendment signed by 26 different State farmers unions; letters to me from the Montana Stockgrowers Association, the Montana Farmers Union, and the Montana Grain Growers Association, all in support of the amendment.

I ask unanimous consent they be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL CATTLEMEN'S
BEEF ASSOCIATION,
Washington, DC, January 24, 2002.

Hon. MAX BAUCUS,
Chairman, Senate Finance Committee, Hart Office Building, Washington, DC.

CHAIRMAN BAUCUS: The National Cattlemen's Beef Association (NCBA) appreciates the hard work and effort that has gone into the Economic Stimulus package to date. Livestock Assistance Programs included in the Committee passed package will prove to be a vital economic stimulus in many areas of the country impacted by severe and lingering drought. NCBA supports your efforts to include Livestock Assistance Program funding, at the appropriate levels, in the Stimulus package currently moving in the United States Senate.

NCBA believes that Livestock Assistance can prove to be a vital stimulant to the local economies in the areas affected. We hope that during the upcoming debate on the Economic Stimulus package that you will continue your support of this very important program.

The program funds will be used immediately to help producers offset the increased cost of feed and forage acquisition due to Mother Nature. NCBA continues to work with USDA, land-grant universities, extension service personnel, local and state governments, and state cattle associations to address the best use of funds that will be available.

Thank you for the opportunity to share these requests with you. Please contact NCBA staff at 202-347-0228 if you have any questions or concerns with these or any other issues.

Sincerely,

LYNN CORNWELL,
President.

THE NATIONAL ASSOCIATION
OF WHEAT GROWERS,
Washington, DC, November 12, 2001.

NAWG SUPPORTS DISASTER SPENDING PROPOSED BY SENATE FINANCE COMMITTEE

WASHINGTON, D.C.—The National Association of Wheat Growers (NAWG) expressed support today for including agricultural disaster spending in the stimulus package being considered in the Senate. Several wheat producing states have experienced crop disasters in 2001, and NAWG views this mechanism as an appropriate way to provide much-needed assistance.

"Many of our nation's wheat producers had severe crop disasters that not even crop insurance will completely mitigate," said NAWG President Dusty Tallman. "In this period of poor economic conditions, these farmers are unable to bear the burden of crop failure."

Proceeds from the disaster assistance will largely go to repay loans and expenses against the drought-stricken 2001 crop.

"Rural America is in as much need of economic stimulus as anywhere else," said Tallman, "and in this way we can provide support to hard-hit farmers and the communities where they live."

NAWG is a nonprofit organization representing U.S. wheat growers who, by combining their strengths, voices, and ideas are working to ensure a better wheat industry for today and tomorrow.

NATIONAL FARMERS UNION
Washington, DC, November 28, 2001.

MEMBER,
U.S. Senate, Washington, DC.

DEAR SENATOR: On behalf of the 300,000 family farmer and rancher members of the

National Farmers Union (NFU), the undersigned NFU Board of Directors urges your support of provisions in the Economic Recovery and Assistance for American Workers Act providing disaster assistance for family farmers and ranchers.

Farmers across the nation have suffered substantial economic losses from adverse weather and disease during the 2001 crop year. The needs are immediate. We encourage you to support the production and quality loss assistance program in Finance Committee Chairman Baucus' economic recovery package passed out of the Senate Finance Committee which includes $1.8 billion in emergency assistance for crop producers and $500 million for livestock producers.

From Montana to Louisiana, Texas to the Northeast, and California to Missouri, farmers and ranchers have experienced adverse weather conditions, disease, insect infestations, and sudden weather phenomena. These disasters resulted in massive crop production and quality loss and losses impacting livestock producers. These losses are negatively impacting the livelihoods of family farmers, ranchers and their rural communities in all regions of the country.

As you seek ways to strengthen the U.S. economy through an economic stimulus package, it is critical that agriculture, which represents nearly twenty percent of all U.S. economic activity and whose foundation is this Nation's farmers and ranchers, receives priority consideration. We again urge you to support production loss assistance in the economic stimulus bill and we look forward to working with you on this important issue.

Sincerely,

Leland Swenson, President, National Farmers Union; Vicki Trytten, President, Alaska Farmers Union; Joaquin Contente, President, California Farmers Union; Larry Quandt, President, Illinois Farmers Union; Gary Hoskey, President, Missouri Farmers Union; Carl McIlvain, President, Michigan Farmers Union; Russ Kremer, President, Missouri Farmers Union; John Hansen, President, Nebraska Farmers Union.

Robert Clunk, President, Ohio Farmers Union; Dan Joyce, President, Oregon Farmers Union; John Stencel, President, Rocky Mountain Farmers Union; Wes Sims, President, Texas Farmers Union; Jim Davis, President, Washington Farmers Union; Alan Bergman, Vice President, National Farmers Union; Jim Miller, President, Arkansas Farmers Union; Gary Turner, President, Idaho Farmers Union.

Larry Coomer, President, Indiana Farmers Union; Donn Teske, President, Kansas Farmers Union; Dave Frederickson, President, Minnesota Farmers Union; Del Styren, President, Montana Farmers Union; Robert Carlson, President, North Dakota Farmers Union; Ray Wulf, President, Oklahoma Farmers Union; Larry Breech, President, Pennsylvania Farmers Union; Dennis Wiese, President, South Dakota Farmers Union; Arthur Douglas, President, Utah Farmers Union; Bill Brey, President, Wisconsin Farmers Union.

MONTANA STOCKGROWERS ASSOCIATION,
Helena, MT, November 14, 2001.

Re: Economic Recovery and Assistance for American Workers Act of 2001.

Senator MAX BAUCUS,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR BAUCUS: On behalf of the members of the Montana Stockgrowers Association, I am writing this letter to express our support and appreciation for your efforts to pass an economic stimulus package, the Economic Recovery and Assistance for American Workers Act of 2001. The tragic events of September 11th have obviously added to the economic woes of this country and efforts such as yours are absolutely necessary to allow us to endure and recover.

In particular, we are asking that you continue your steadfast support for the reestablishment of the Livestock Assistance Program. As you are well aware, Montana livestock producers continue to struggle with the impacts of successive years of drought and this assistance may prove invaluable to our producers.

Again, thank you for your efforts in this important area. If you or your staff have any questions, please feel free to contact me.

Sincerely,

STEVEN L. PILCHER,
Executive Vice President.

MONTANA FARMERS UNION,
Great Falls, MT, November 29, 2001.

FARMERS UNION SEEKS AGRICULTURAL DISASTER ASSISTANCE IN SENATE ECONOMIC STIMULUS PACKAGE

GREAT FALLS (November 29, 2001).—In a letter to U.S. senators this week, the National Farmers Union (NFU) Board of Directors urged inclusion of production loss assistance in the economic stimulus package soon to be debated on the U.S. Senate Floor.

"Farmers Union supports the efforts of Senate Finance Committee Chair Max Baucus (D-Mont.) for including assistance for farmers and ranchers suffering production loss due to natural disasters in his economic stimulus package," said NFU President Leland Swenson. "Agricultural producers nationwide are suffering from depressed commodity prices; however, the situation is particularly grim in states that have also faced floods, drought, tornadoes and other natural disasters."

"Montana producers just harvested their smallest winter wheat crop in 60 years, the spring wheat crop was the smallest in more than a decade, and lack of forage has forced many ranchers to sell or reduce their herds," said Montana Farmers Union President Del Styren, who sits on the NFU Board. "The agricultural assistance included in Senator Baucus' economic stimulus package is crucial to these producers who not only need to generate the optimism—and capital—to plan for another year, but also need to reassure their lenders," he said.

Baucus' economic stimulus package extends the fiscal 2001 emergency agricultural assistance for another year to compensate farmers and ranchers for income losses resulting from damaging weather conditions. It provides $1.8 billion for crop disaster assistance and $500 million for livestock disaster assistance.

"From Montana to Louisiana, Texas to the Northeast, and California to Missouri, farmers and ranchers have experienced prolonged adverse weather conditions, disease, insect infestation and severe weather events," Swenson said. "These disasters are resulting in massive production loss and sustained quality loss in harvested crops and livestock grazing."

The letter to the senators was signed Wednesday, November 28, 2001, by the 26-member NFU board, which was in Washington, D.C. for its quarterly meeting and to make personal visits with senators about the farm bill, which will be debated soon by the Senate.

MONTANA GRAIN GROWERS ASSOCIATION, MONTANA FARM BUREAU FEDERATION, MONTANA FARMERS UNION,
November 9, 2001.

NEEDED AG DISASTER ASSISTANCE INCLUDED IN ECONOMIC STIMULUS PACKAGE

Montana farm groups applauded the inclusion of agricultural disaster assistance in the economic stimulus package approved Thursday by the Senate Finance Committee. The package, introduced by Chairman Max Baucus, is expected to go to the full Senate next week.

Nearly 2,000 square miles of central Montana hardly saw a combine this season. According to state statistics, winter wheat production was down 50 percent statewide, and 75 percent in the golden triangle—the heart of wheat production in Montana. Crop insurance loss ratios are expected to top 500 percent, unmatched previously in Montana.

"I wish I could say the drought in Montana has eased," stated Dale Schuler, president of the Montana Grain Growers Association. "But it has not, and the cumulative effects over four years puts too many Montana farm operations close to the edge. Our Congressional delegation has viewed firsthand the drought situation and has responded. This legislation introduced by Senator Baucus moves us one step closer".

Jake Cummins, Executive Vice President of the Montana Farm Bureau Federation, added, "there will be a battle ahead to keep ag disaster assistance in place as the bill moves to the floor of the Senate. But support for agriculture is crucial to stimulating our economy and providing a strong base for one of the most fundamental industries in America. In this time of uncertainty, we can't cede our production agriculture to other countries".

Diana Adamson, Vice-President of the Montana Farmers Union, echoed the comments. "This prolonged drought is starting to impact all segments of Montana's economy. It's not just a farm problem, but all of the businesses in rural communities, and even the larger town, are affected. I hate to see what happens if this does not come through".

Mr. BAUCUS. Mr. President, there are a number of States that have a good number of counties which have been designated as having disasters.

In Michigan, for example, there are 82 counties that are eligible for these emergency loans due to losses by drought.

In Texas, 58 counties received emergency designations. To quote a press release from Secretary Veneman, "Texas has experienced a variety of weather-related disasters this year, including drought, excessive rain, tornadoes, hail and flooding." These counties were in addition to the 23 counties designated for emergency earlier in the month of December 2001.

In Idaho, 28 counties were designated; in Maine, 16 counties; in Tennessee, 16 counties were designated; in New York, 33 counties, because of drought, hail, and excessive rain; Nebraska, 36 counties due to draught and severe heat; Pennsylvania, 3 counties were named on January 8th of this year, but 58 counties in Pennsylvania were designated December 14 because of drought; in Ohio, 36 counties designated for disaster qualification due to losses caused by excessive rain and flooding. That designation was on November 8 of last year. In Oklahoma, in October of last year, the entire State was designated due to losses caused by excessive heat and drought. Secretary Veneman stated at that point:

> Oklahoma has experienced severe drought conditions this year. Our farmers and ranchers need this assistance to recover from these natural disaster losses.

That is Secretary Veneman commenting on the problems in Oklahoma.

Mr. President, there are more I could cite, but I think that is enough at this point. I see other Senators standing in the Chamber. I assume they want to address the Senate. I am not positive. But I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, since last January, economic growth has slowed in our country and nearly 2 million Americans have lost their jobs. Behind them are children whose tuition is in danger and families who are in trouble with mortgage payments or rents that are due. There is an enormous loss of family security. The tragedy of terrorist attacks in September only exacerbated the already slowing economy.

As Americans continue to suffer the effects of this economic decline, Congress simply needs to implement a plan to deal with their pain and to help the recovery. That opportunity was lost in the closing weeks of last year. It cannot be lost again.

The Democratic leadership has brought to the Senate floor a modest proposal to stimulate economic growth and national recovery. It contains four principal provisions that both parties included in their economic recovery plans last year. One would assume, therefore, since they are four common elements previously proposed by both parties, they should be acceptable now.

The four elements combined provide effective short-term stimulus to bring the most economic activity with the least damage to the Nation's fiscal health. They provide broad-based, rather than industry-specific, stimulus, and they are directed to individuals who are most likely to need and spend the tax reductions rather than people generally. These more targeted; more thoughtful approaches minimize loss in revenue, preserve the balance of the Federal budget, and give more relief.

The four provisions are:

First, the extension of unemployment benefits. In December, the unemployment rate reached 5.8 percent. It was the fifth consecutive month with a rise in unemployment. At least 1.1 million jobs were lost in the last 4 months of 2001 alone.

In times of economic recession, people turn to unemployment insurance first. It is not only a proper thing to help families in their pain, it is itself an economic stabilizer. As people become unemployed, they naturally spend less money. If they have no unemployment insurance, they spend no money and the economic contagion and unemployment spread. We are at that point.

This legislation provides 13 additional weeks of unemployment insurance. In the last recession, in 1992, 56 percent of those collecting unemployment insurance benefits had their benefits expired. They were without resources. That extends and deepens a recession.

These extra weeks are necessary for the families. They are also necessary for the country. We now know from our research that every $1 invested in unemployment insurance generates $2.15 in gross domestic product. Unemployment insurance in the last recession mitigated 15 percent of the economic decline. It is the right thing to do, it is the fair thing to do for people, and it is good economics. That is the first provision.

Second, tax rebates. Putting money directly in the pockets of people who are struggling helps families make ends meet, but it also increases demand. This is the single best way to generate new economic activity.

The Democratic proposal before the Senate will provide a second round of tax rebates to those Americans who did not benefit fully from the tax cuts of last summer. There are 130 million taxpayers in America, yet only 82 million received a full rebate last summer, and 34 million Americans got no tax cut at all.

This plan provides $300 per individual, $500 per head of household, and $600 per couple for taxpayers. People would receive a rebate. But they are also the people—lower income people—who are more likely to spend the money.

I voted for last year's tax cut. But even I will concede, overwhelmingly, the money that went out in rebates did not go into consumer spending. It went to middle-income people. It went to higher income people. This rebate, we know from our research, will go to people who will spend it and spend it immediately, thereby helping their neighbors, helping businesses, helping the country recover.

Third, fiscal relief for the States. I know something about this issue because my State of New Jersey now, per capita, as a percentage of State spending, has the largest deficit in the United States. It is fully 12 percent of the State budget.

Approximately 30 States in the Union are now in the midst of a recession. In addition to their falling revenues and budget shortfalls, 29 States face a $600 million cut in Federal Medicaid payments this year. It could not come at a worse time. As a result, many States are considering reductions in their Medicaid Programs to deal with the budget shortfalls. This could result in substantial numbers of low-income people losing health insurance.

My State of New Jersey has been forced to suspend further enrollments in its expansion of Medicaid to childless adults with incomes below the poverty line because of budget constraints. At the same time, the growing ranks of the unemployed have generated an increased demand for Medicaid coverage.

This proposal will help States meet the increase in Medicaid costs by temporarily increasing the Federal Medicaid matching rate. Without it, the health care crisis becomes worse, State budget impacts worsen, they cut vital services, or they raise taxes, or they do both. Either way, a difficult recession becomes deeper and more painful.

Fourth and finally, the bill provides a tax depreciation deduction, for a limited time, to encourage businesses to invest in new plants and equipment. It increases the depreciation deduction for the cost of any capital asset purchased before the end of the year. The bonus depreciation of 30 percent of the cost of the asset is in addition to the normal first-year depreciation.

I know something about this provision in New Jersey, as well, because while there has been an overall drop in capital spending, most of it has been in new equipment. The largest drop in equipment has been in telecommunications, impacting Verizon, Lucent, AT&T the very pillars of the economy of my State.

This is the best way, through this advanced depreciation, to make it affordable for companies to buy the productive, efficient equipment they need to be more competitive. And doing it now assures continued employment and helps to end the recession.

This is not only a balanced plan, it is a fair plan. I regret it is so modest in scope. The Nation actually requires more. But our first responsibility is to achieve something, not simply to stake out positions of partisan advantage. This both has merit and should be achievable. I urge my colleagues to adopt it. The American people will work their way out of this recession, but this Congress has an obligation to make it easier, to give them the tools.

There is work to be done in this country defending the Nation from enemies from abroad—winning the war, protecting our security here at home—but also there are the age-old problems: Educating children, giving them equal opportunity, modernizing our infrastructure, dealing with a health care crisis that goes generation to generation. In a recession, these things become difficult to impossible. In a growing economy, they can be both likely and achievable.

This may not end the recession immediately, but it eases the pain. It shortens the time. It is a good and fair plan. I urge my colleagues to adopt it.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. CLINTON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Florida is recognized.

(The remarks of Mr. NELSON of Florida pertaining to the submission of S. Res. 201 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH of Oregon. Madam President, I thank the Chair for the time. I am going to withhold offering an amendment. I understand the leaders are working out an agreement between mine and Senator BAUCUS's amendment. With respect to their efforts, I will not offer this amendment now, but I would like to talk about it.

The Presiding Officer and I were privileged to be in a hearing this morning with Chairman Greenspan and heard his very insightful views on the economy and what we can do. I noted in his testimony this paragraph:

> The retrenchment in capital spending over the past year was central to the sharp slowing we experienced in overall activity. The steep rise in high-tech spending that occurred in the early post Y2K months was clearly not sustainable. The demand for many of the newer technologies was growing rapidly, but capacity was expanding even faster, exerting severe pressure on prices and profits. New orders for equipment and software hesitated in the middle of 2000 and then fell sharply as firms reevaluated their capital investment programs. Uncertainty about economic prospects boosted risk premiums significantly, and this rise in turn propelled, required or hurdled rates of return to markedly elevated levels.
>
> In most cases, businesses required that new investments pay off much more rapidly than they had previously.

That is the sentence that I think is so significant:

> In most cases, businesses required that new investments pay off much more rapidly than they had previously.

If that is, as the chairman indicated, central to the sharp slowing in our economy, then it seems to me if we are going to do a stimulus package, we ought to do something that is meaningful, something that has economic heft to it, enough weight to actually stimulate our economy. I have said for a long time that I support the ideas on health care, the ideas on extending unemployment benefits. In fact, I am cosponsor of one of them. I think getting cash into the hands of consumers, as Senator TORRICELLI just indicated, is very important to the demand side of getting our economy moving.

I think it is important that we also look at the supply side. If we want employers to employ people again in large numbers, then we ought to do something to help with the retooling of industry, getting enough of a stimulus so that business and planners can make a difference in ordering and redoing their plants and reemploying their people. I don't question the sincerity of some of the proposals, but as I evaluate them, compared to the amendment I will offer, I think they lack the weight that our economy needs at this critical hour.

In fact, I think it is important to note that while Chairman Greenspan is not in a position to endorse anybody's particular idea or amendment, he and former Secretary Rubin have both uniformly stated their support for stimulus ideas with respect to depreciation, accelerated depreciation, or a bonus depreciation, however you want to term it—that these things would increase cash flow, add to asset values, and would have an immediate stimulating effect on our economy.

What I am going to be proposing is that we have a 30-percent depreciation bonus that lasts for 3 years. One of the competing proposals is that it be for 1 year. This is better than the 10 percent, 1-year proposal that was earlier offered. However, it still falls very short because if you figure that it only lasts for 1 year, much of this year is already gone. What can a business reasonably prepare for, plan for, employ for, if they have only a few months left in the year, literally, between now and September, when it would end, to take advantage of it? They may get a few copiers and a few new rugs for the front office, but this is not what our country needs if we are serious about reemploying people.

So my proposal, conversely, will give companies the time to do major projects which would generate thousands of jobs. It will allow us to build heavy equipment, modernize a lumber mill, repair a rail bed, revamp a management information system for a factory, or even construct an airplane. We say a lot about airplanes right now. I know Boeing is suffering greatly, and an accelerated depreciation program that will last for 9 months will not be very helpful to them at all. Certainly, the high-tech community, whether you are talking about the Silicon Forest in Oregon or the actual forest in Oregon, needs something with enough teeth in it, enough time to it that will allow them to make the plans and the investments that are necessary.

Then I think about the farm community. It may not be until 2002 that farmers see much improvement in their economy, and I hope it is sooner. But if it is not, I would like to have this in place when their cashflows improve and they can replace old, unreliable, or dilapidated equipment and get the advantage of this bonus depreciation.

Madam President, I appreciate this time. I will come back later to talk again about it and specifically offer this amendment when we work out an agreement between ours and Senator BAUCUS's.

I truly hope this meaningful depreciation amendment can be adopted by over 60 of our colleagues. I think it is critical that we do that because I think we need to marry the best ideas of the Democratic Party and the best ideas of the Republican Party. We need to work on the supply side and the demand side. There is a human side and there is a business side. There is a very nice marriage to be had in a stimulus package that will truly leave our country better because it has the economic weight that is required for this critical hour.

So in doing that, we will sooner throw off the shackles of recession and leave our country the better for it.

Madam President, I yield my time and simply say I will return as soon as our leaders have worked out the agreement and specifically offer the amendment, hoping it can be voted on tonight or tomorrow.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, we are very close to being able to offer a unanimous consent agreement and we will call for a vote immediately and then go thereafter to the amendment.

I ask unanimous consent that at 4:20 p.m. today, the Senate vote on or in relation to the Baucus amendment, the pending amendment; that no other amendments be in order prior to that vote; that upon the disposition of that amendment, Senator GORDON SMITH be recognized to offer an amendment regarding depreciation.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Oklahoma.

Mr. NICKLES. Madam President, pursuant to section 205(b) of H. Con. Res. 290, the concurrent resolution on the budget for fiscal year 2001, I raise a point of order against the emergency designation, as defined in section 205(d) of that resolution, which is contained in the pending amendment No. 2701.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I move to waive section 205 of H. Con. Res. 290, the concurrent resolution on the budget for fiscal year 2001, for purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from Delaware (Mr. BIDEN), the Senator from Connecticut (Mr. DODD), the Senator from California (Mrs. FEINSTEIN), and the Senator from Georgia (Mr. MILLER) are necessarily absent.

I further announce that, if present and voting, the Senator from California (Mrs. FEINSTEIN) would vote "aye."

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI), the Senator from Oklahoma (Mr. INHOFE), the Senator from Arizona (Mr. MCCAIN), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from Alabama (Mr. SHELBY) are necessarily absent.

I further announce that if present and voting the Senator from Oklahoma (Mr. INHOFE) would vote "aye."

The PRESIDING OFFICER (Mr. DURBIN). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 57, nays 33, as follows:

[Rollcall Vote No. 2 Leg.]

YEAS—57

Allard
Baucus
Bayh
Bennett
Bingaman
Bond
Boxer
Breaux
Burns
Campbell
Cantwell
Carnahan
Carper
Cleland
Clinton
Cochran
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
Dorgan
Durbin
Edwards
Enzi
Graham
Harkin
Hatch
Hollings
Hutchinson
Hutchison
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Smith (OR)
Stabenow
Thomas
Torricelli
Wellstone
Wyden

NAYS—33

Allen
Brownback
Bunning
Byrd
Chafee
Collins
DeWine
Ensign
Feingold
Fitzgerald
Frist
Gramm
Grassley
Gregg
Hagel
Helms
Kyl
Lott
Lugar
McConnell
Nelson (FL)
Nickles
Roberts
Santorum
Sessions
Smith (NH)
Snowe
Specter
Stevens
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—10

Akaka
Biden
Dodd
Domenici
Feinstein
Inhofe
McCain
Miller
Murkowski
Shelby

The PRESIDING OFFICER. On this vote, the yeas are 57, the nays are 33.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained. The emergency designation is stricken.

The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I make a point of order under section 302 of the Budget Act against the pending amendment, No. 2701, for exceeding the spending allocation of the Senate Finance Committee.

Several Senators addressed the Chair.

Mr. REID. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER. The Senate will please be in order. Members will please take their conversations off the floor.

Pending before the Senate is the point of order raised by the Senator from Oklahoma. Does the Senator from Nevada seek recognition?

Mr. REID. Mr. President, what is the issue before the Senate at this time?

The PRESIDING OFFICER. A point of order has been made by the Senator from Oklahoma that the Chair is prepared to rule on, unless there is some intervention.

The amendment of the Senator from Montana would increase the amount by which the Finance Committee exceeds its allocation under section 302(a) of the Budget Act in violation of section 302(f) of that same act. The point of order is sustained.

The amendment falls.

The Senator from Nevada.

Mr. REID. I know the Senator from Oregon is going to be recognized. I would just say to my friend, the manager of this bill and the chairman of the Finance Committee, I hope he will offer this amendment again before we get off this stimulus package. This was an extremely good vote. There were a number of people missing, and I have no doubt in my mind if this amendment, of which I am a cosponsor along with a number of others, were offered again, it would be agreed to.

I think this is extremely important, and I hope the Senator from Montana will offer this amendment at the earliest possible date. I think it is too bad that we had some people not here today because I think there is obviously overwhelming support for this amendment.

The PRESIDING OFFICER. The Senator from Oregon.

AMENDMENT NO. 2705

Mr. SMITH of Oregon. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Oregon [Mr. SMITH], for himself, Mr. ALLEN, Mr. CRAIG, and Mr. BURNS, proposes an amendment numbered 2705.

Mr. SMITH of Oregon. Mr. President, I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to provide for a special depreciation allowance for certain property acquired after September 10, 2001, and before September 11, 2004)

At the end of the bill, add the following:

SEC. ___. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1986 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

"(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.—

"(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

"(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

"(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

"(2) QUALIFIED PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified property' means property—

"(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property, or

"(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

"(ii) the original use of which commences with the taxpayer after September 10, 2001,

"(iii) which is—

"(I) acquired by the taxpayer after September 10, 2001, and before September 11, 2004, but only if no written binding contract for the acquisition was in effect before September 11, 2001, or

"(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after September 10, 2001, and before September 11, 2004, and

"(iv) which is placed in service by the taxpayer before January 1, 2005, or, in the case of property described in subparagraph (B), before January 1, 2006.

"(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

"(i) IN GENERAL.—The term 'qualified property' includes property—

"(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

"(II) which has a recovery period of at least 10 years or is transportation property, and

"(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

"(ii) ONLY PRE-SEPTEMBER 11, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before September 11, 2004.

"(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

"(C) EXCEPTIONS.—

"(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

"(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

"(II) after application of section 280F(b) (relating to listed property with limited business use).

"(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

"(iii) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—The term 'qualified property' shall not include any qualified leasehold improvement property (as defined in section 168(e)(6)).

"(D) SPECIAL RULES.—

"(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before September 11, 2004.

"(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

"(I) is originally placed in service after September 10, 2001, by a person, and

"(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

"(E) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

"(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

"(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2)."

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Section 56(a)(1)(A) of the Internal Revenue Code of 1986 (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

"(iii) ADDITIONAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.—The deduction under section 168(k) shall be allowed."

(2) CONFORMING AMENDMENT.—Clause (i) of section 56(a)(1)(A) of the Internal Revenue Code of 1986 is amended by striking "clause (ii)" both places it appears and inserting "clauses (ii) and (iii)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after September 10, 2001, in taxable years ending after such date.

Mr. SMITH of Oregon. Mr. President, this amendment is really very simple. It does address in a meaningful way the stimulus side of our effort. I think we are all deeply concerned when we go home and we meet the unemployed who need extensions on unemployment benefits and health care insurance benefits from COBRA.

I would like to help. What they really need long term is a job. What we need to do is remember there is a supply side to this economic equation as well. We have to do something meaningful in order to help businesses retool, reinvest, restart, and reemploy the citizens of this country.

There is a proposal—I believe well-intentioned—that is improving on the other side. Originally, it was a 10-percent depreciation bonus over 1 year's time. Now it is up to 30 percent over 1 year's time with eligibility.

I believe 30 percent is the right number for this bonus depreciation, but as a person of business prior to politics I can tell you it takes more than what is remaining in the year of eligibility. We have already used up 4 months. By the time the President might see this, there may be 5 months used up. Seven months to make a business plan in capital equipment in order to restart plants is simply inadequate to be meaningful to have the economic test that our country requires.

My amendment will actually help stimulate the economy. We have heard this from experts such as Alan Greenspan, such as Secretary Rubin of the Clinton administration, and others who have said this is one meaningful thing you can do that will actually help stimulate the economy in the short run and reemploy people quickly.

I urge my colleagues to vote for this amendment. It is critical. Whether you are talking about the silicon forest of the high-tech industry in Oregon or the timber industry of the forests in Oregon, they need this bill. They need it desperately if we are serious about restarting plants and reemploying our people.

I hope tomorrow morning when we vote on this there will be 60 colleagues and more who will understand that while we are going to do much on the demand side to help with unemployment benefits and to help with health care benefits, we are also going to do something to help on the supply side and actually help to stimulate jobs and reemployment.

I encourage all of my colleagues to vote for this amendment.

Mr. NICKLES. Will the Senator yield?

Mr. SMITH of Oregon. I would be happy to yield.

Mr. NICKLES. The Senator's amendment deals with the accelerated depreciation. The essence of the Senator's amendment is there would be accelerated depreciation of 30 percent for 3 years in contrast to Senator DASCHLE's amendment, which is 30 percent for a timeframe between September of 2001 and 2002. Senator DASCHLE's amendment has 30 percent basically from February—basically 8 months.

Mr. SMITH of Oregon. The Senator is correct. My point is simply that is not enough time to do much more than buy a few typewriters or rugs for the front office. You can't make a serious business plan in that amount of time and represent to the American people that we are actually helping to reemploy people. We need to rebuild some railroad beds. We need to retool some plants. We need to allow businesses the time necessary to do the engineering, to do the environmental studies, and to make the plans that can take advantage of it. And they will do it if they are given time sufficient to get the job done.

Mr. NICKLES. Will the Senator include me as a cosponsor of the amendment?

Mr. President, I ask unanimous consent to be made a cosponsor.

The PRESIDING OFFICER (Mr. CLELAND). Without objection, it is so ordered.

Mr. SMITH of Oregon. Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. HARKIN). The Senator from Virginia.

Mr. ALLEN. Mr. President, I rise in support of the amendment to increase the 30-percent bonus depreciation from 1 year to 3 years.

The underlying proposal, while improvement over the previous one, which was only 10 percent, is still too short. It is not enough time to help revive the high-tech economy, and, indeed, our general economy to help create more jobs.

If the underlying proposal were implemented, the bonus depreciation would only last until September of 2002, which is merely 8 months away.

The amendment of the Senator from Oregon was passed by the House of Representatives and was supported by the Bush administration. The argument that the Senator from Oregon has made makes a great deal of sense. It will boost investment. It will boost growth in the high-tech sector in particular.

Why does that matter? I was just meeting with high-tech folks from Redmond, WA, Silicon Valley in California, and here in Virginia. Whether in Oregon, or anywhere else, this proposal makes good sense.

Senator Smith's amendment takes aim at the core problem of our slumping economy which is seeing a huge drop in investment, in equipment, and in machinery. Over 3 years, a 30-percent bonus depreciation would get the investment engine going and running strong again. It would lower the cost of new capital spending. It would provide a stimulus for a broad array of industries, including telecommunications, technology and others, including transportation.

The current depreciation schedule clearly has not kept up with our economy. It is especially harmful in this economic slowdown.

Senator SMITH introduced this proposal on behalf of the Senate Republican High Tech Task Force late last year. Indeed, looking at the concept of the enhanced expensing as proposed by Senator SMITH for bonus depreciation, it would be highly beneficial to the high-tech community, the sector of our economy that has driven productivity growth and created millions of jobs during the last decade.

The information technology industry makes up only 8.2 percent of the U.S. economy. Yet it has accounted for almost 30 percent of the real gross domestic growth from 1994 to 2000. Much of this growth resulted from the increase in investment in hardware, software, networking, and communications systems.

As the economic slowdown has persisted, decreasing IT investments have substantially weakened our American economic growth. During these uncertain economic times, as Senator SMITH stated, businesses have decreased motivation. They do not want to take those risks in buying new equipment and new systems because they are worried about what the economy may do. The result, obviously, has an adverse impact on job opportunities for those who fabricate the chips, for those who assemble the computers, and for those who work on the programs and all the innovations and adaptations that improve our lives—whether it is in education or communication services and manufacturing.

This amendment has a robust expensing provision. I think it can turn around our bleak economic scenario. The enhanced expensing provision in this amendment, of which I am proud to be a cosponsor with Senator SMITH, has broad support.

As I noted previously, the House passed it. This has the support of leading high-tech trade associations, including AeA, CapNet, EIA, BSA, the Information Technology Association of America, the Information Technology Industry Council, and TechNet.

We need to get into some details of the economy because that bolsters the argument about why we need to pass this amendment.

Diminishing IT investments impact our economy. By the fourth quarter of 2000, conditions were changing dramatically from what they were in the previous 6 years. Gross domestic product growth plunged. It was precipitated in part by an 8.4-percent drop in investment for all equipment and software, and a 9.5-percent decline in investments in computers and peripheral equipment in the first half of the year 2001.

To put this in perspective, 2001 was the first time since 1974 that business investments in IT declined over a 12-month period. In the first quarter of 2001, the trend acted as a drag on our economy subtracting an estimated 4.41 percentage points from overall growth.

In the second quarter of 2001, the impact was even more dramatic with diminishing investments in technology equipment and software subtracting over 1.52 percentage points from U.S. economic growth.

Some of the decline in IT investments may be attributed to the lingering effects of Y2K, which caused many firms to accelerate their IT spending to ensure they could maintain current operations during the century date change in the year 2000.

Other factors included diminishing revenues to commit to business expansion and upgrades, and the tendency to conserve capital during times of economic uncertainty and concerns arising from the terrorist attacks of September 11. All of these factors contribute to the decision to hold onto technology assets longer than normal in part to maximize tax deductions under the current five-year depreciation rules. So you might as well use it for the whole 5 years. That ought to be changed also. That is not the purpose of this amendment, but it points out the value of this amendment. If you have a long 5-year depreciation, such as if you upgraded for Y2K, and you have economic uncertainty, you see the exacerbated negative impact on our whole economy and jobs and spending.

We need to have that stimulus. This is what this is. Of all the things that are in this underlying bill, this idea meets the concept and the definition of economic stimulus more than anything else that has been presented so far. There may be others coming up, but this is the best so far.

An economic stimulus ought to be a change in our tax or regulatory policies that induces or spurs spending or economic decisionmaking that would not otherwise occur but for that change in the tax laws. This meets that definition. This will spur businesses to say: Hey, let's start planning. Let's upgrade our technology. Granted, we may have 5 years of depreciation, but with this 30-percent depreciation, this bonus depreciation, this makes economic sense for us.

What will be the result of that? Our businesses will be more productive. They will be more efficient. But those who produce and fabricate the chips, those who assemble the computers, those who develop the programs will all have jobs. And they are good-paying jobs. And that helps out the whole economy.

So the tendency we have right now of people delaying the decision to make new investments will certainly be changed by this amendment. So I ask that all our colleagues unite for the one thing that really does unite us; and that is this amendment by Senator SMITH of Oregon.

There are many cosponsors, including virtually everyone on the High Tech Task Force on the Republican side. I hope our friends on the other side of the aisle, who have made progress from the original proposal, will realize this is the ideal and this will not only be bonus depreciation for businesses and entrepreneurs and enterprises across America, and help create jobs, but it will be a bonus for the American economy.

I commend Senator SMITH of Oregon and ask my colleagues to support this amendment. Let's get America working again. I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH of Oregon. While we are waiting for the next speaker, I ask unanimous consent to have printed in the RECORD a letter from the Republican High Tech Task Force to the chairman and ranking member of the Senate Finance Committee and the chairman and ranking member of the House Ways and Means Committee dated November 30, 2001.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NOVEMBER 30, 2001.

Hon. MAX BAUCUS,
Chairman, Committee on Finance, U.S. Senate, Washington, DC.
Hon. CHUCK GRASSLEY,
Ranking Member, Committee on Finance, Washington, DC.
Hon. WILLIAM THOMAS,
Chairman, Committee on Ways and Means, U.S. House of Representatives, Washington, DC.
Hon. CHARLES RANGEL,
Ranking Member, Committee on Ways and Means, Washington, DC.

DEAR CHAIRMEN AND RANKING MEMBERS: As members of the Senate Republican High Tech Task Force (HTTF), we write to recommend that any final economic stimulus package include an enhanced expensing provision. We view the expensing provision in the House-passed stimulus bill. H.R. 3090, which would allow 30 percent enhanced expensing over three years, as the minimum the Congress should enact.

Enhanced expensing would be highly beneficial to the high technology community—the sector of the economy that has driven productivity growth and created millions of jobs during the last decade. The information technology (IT) industry makes up only 8.2 percent of the U.S. economy, yet it accounted for almost 30 percent of real Gross Domestic Growth (GDP) from 1994 to 2000. Much of this growth resulted from the increased investment in hardware, software, networking and communications systems. As the economic slowdown has persisted, decreasing IT investments have substantially weakened U.S. economic growth. During these uncertain economic times, businesses' decreased motivation to buy new equipment

> or build new plants will further impact opportunities for job creation and squander revival of the IT industry. A robust expensing provision can turn around this bleak scenario.
>
> Enhanced expensing has broad support. As we noted above, H.R. 3090, the Economic Security and Recovery Act, passed by the House of Representatives, included the 30 percent, three-year expensing provision. The Bush Administration also supports this provision, which also was included in the Senate Republican stimulus proposal. On behalf of the HTTF, Senator Gordon Smith filed an amendment to the substitute amendment to H.R. 3090 offered by Senator Baucus to include the House-passed expensing language. Leading high tech trade association, including AeA, CapNet, EIA, the Information Technology Association of America, the Information Technology Industry Council, and TechNet, have placed enhanced expensing among their most important legislative goals for the year. We urge you to—at a minimum—include the House-passed expensing provision in any final stimulus bill.
>
> We appreciate you consideration.
>
> Sincerely,
>
> Senator Gordon Smith, Senator George Allen, Senator Sam Brownback, Senator John Warner, Senator Wayne Allard, Senator Mike Crapo, Senator John Ensign, Senator Conrad Burns, Senator Kit Bond, Senator Day Bailey Hutchinson, Senator Tim Hutchinson.

Mr. SMITH of Oregon. Mr. President, while we have this moment, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

At the moment there is not a sufficient second.

The Senator from Missouri.

Mr. BOND. Mr. President, I planned on rising to ask to set this amendment aside so I might offer an amendment. I understand there is to be an objection on the other side, so I want to take these moments to tantalize my colleagues with the thought of the tremendously important amendment that I will, at some time, offer. Frankly, it follows very closely along the lines of the amendment that the Senator from Oregon has offered and the Senator from Virginia has just so eloquently explained.

Basically, if we are going to get the economy moving again, it is very important that we get small business moving. I do not know about my colleagues, but I can tell you in my State there are a very significant number of small businesses that have been very directly hurt and very heavily impacted by the events of September 11 and the follow-on necessary reaction to shut down on terrorism.

We need to get support for small business. I have, in the past, worked with the chairman of the Small Business Committee, Senator KERRY, to provide assistance for loans. We hope that will be included in this bill.

But the bill I am talking about would raise the expensing limits for small business. This is extremely important because right now, even under the Daschle amendment, if there is a 30-percent bonus, you still have to depreciate the rest of the equipment over 5 years. If you are buying a computer, in 5 years there is going to be something totally different. You need to be able, as a small business, to purchase equipment and write it off.

Why do we say it is for small business? Because we would raise the threshold. But the threshold would still be $325,000 worth of assets put into place during the year. So only the smallest businesses that are struggling to get back on their feet, that seek to grow by buying equipment, would be able to take advantage of this expensing.

Expensing means, in this instance, if it is up to $40,000, you write it off. You do not have to set up a depreciation schedule. You do not have to hire accountants. You do not have to have all that folderol that you go through for depreciation.

For the smallest businesses, the ones we hear from the most—at least the ones I hear from back home—they are really the smallest ones which have several employees. They are busy providing a product or a service. They do not have time to go out and hire an accountant and set up depreciation schedules.

So this amendment says—the amendment that at some point I will offer—that small businesses will be able to expense up to $40,000 a year, which is an increase from $24,000, and it would increase the phaseout threshold to $325,000 of assets put in play in the year from the current $200,000 limitation. This is similar to but $5,000 more generous than the centrist proposal. Frankly, the centrist proposal had $35,000. This is a $40,000 limit. I think that is a reasonable figure. I think this would encourage the small businesses to put capital to work to buy the equipment they need.

With the freed up capital, the business can invest in equipment. The small enterprise will stimulate other enterprises. The more they can reduce their taxes by making the purchase of the equipment, the more employees they will be able to keep working.

Chairman Greenspan has indicated again in his testimony today that small businesses expanding and growing is a vitally important part of the long-term vitality of our economy. Small businesses, we know, represent about 99 percent of all employers. They employ 51 percent of the private-sector workforce. They provide about 75 percent of the net new jobs. They contribute 51 percent of the private-sector output. And they represent 96 percent of all exporters of goods.

Size is the only small aspect of small business. It really is a dynamic force in our economy. As the distinguished Senator from Virginia was discussing, this would allow the smallest businesses to buy a computer or other information technology equipment for up to $40,000 and write it off immediately and not have to go through the 5-year depreciation system.

My colleague from Nevada is in the Chamber. I ask if I can gain unanimous consent to set the underlying amendment aside or if he wishes me to offer it later.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Reserving the right to object, the Senator from Missouri is always very courteous. I certainly do not want to be discourteous to him, but we believe, with this most important legislation pending, we should work on an amendment at a time. We just completed the agriculture amendment. We are now going to bonus depreciation. We will have a vote on that tomorrow. Following that vote, I think we should have another amendment laid down. And using this tradition—I do not know if "tradition" is the right word—usually, on these bills, where there is an open amendment process, we go back and forth—Democrat-Republican—amendment by amendment. So having said that, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. BOND. Mr. President, I understood they would object. Senator COLLINS and I do wish to have this amendment included at the appropriate time. I ask the managers, as they work out the schedule, to put this amendment in the queue at the first available opportunity.

Mr. GRASSLEY. Mr. President, if the Senator will yield.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. If I understand what the Democratic assistant leader said, we will have a Democrat amendment. So then Senator BOND'S should be the first Republican amendment up after we have a Democrat amendment up.

Mr. BOND. Mr. President, I thank the floor manager and the majority whip. I appreciate very much their consideration of it. I will offer this to the floor manager to introduce at the appropriate time.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I ask unanimous consent to be added as a cosponsor of the amendment of the Senator from Oregon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I rise to speak in support of the amendment.

Bonus depreciation was one of the proposals that both Chairman Greenspan and former Treasury Secretary Robert Rubin uniformly endorsed for a stimulus package.

They argued accelerating depreciation was the most stimulative thing that we could do to jump start the economy.

They said it would increase cash flows and add to asset values.

They lauded its immediate stimulus effect on the economy and emphasized that a temporary enactment would not have long-term budgetary impact.

Despite all these advantages and the endorsement of Chairman Greenspan and former Clinton Treasury Secretary Rubin, and Democrats have give us an inadequate depreciation proposal.

They would allow 30 percent bonus depreciation for only 1 year.

Granted, this is an improvement on their first idea. That was to allow only 1 percent bonus for 1 year.

The bipartisan White House-Centrist economic stimulus package offered a solid proposal calling for a 30 percent bonus depreciation over 3 years.

Senator DASCHLE's bonus depreciation proposal is only for one year. Now what does 1-year period allow us to stimulate?

Well, it probably gives business people time to buy an office copier, desks, or some new throw rugs for front office.

But I do not think this bill includes any incentives to continue projects that are already in the pipeline.

It does not give companies time to do a major project, which could generate thousands of jobs.

It does not allow us to build heavy equipment, modernize a lumber mill, repair a railbed, revamp a management information system for a factory, or construct an airplane.

Farmers may not see an economical turnaround until after 2002. When they do, they will need to update their equipment. The farm economy has been so bad for so long that many farmers have not been in a financial position to replace unreliable equipment. They will need more time than 1 year to do this.

And aircraft is an interesting point. This is one of the industries that has been hit the hardest by the events of September 11.

We know from our discussions with the few remaining U.S. aircraft manufacturers, that it can take up to 18 months to build an airplane.

One year is not enough time to finish a project of this size.

Moreover, a 1-year bonus depreciation period does not provide insurance against a future down tick in our recovery cycle. This commonly occurs as an economy struggles to throw off the shackles of recession. We need to capture a booming economy not just for today but for the next several years.

Economic growth is key to eliminating the future budget deficits that have been forecast by the CBO.

So I must emphasize that the Democrat's 1-year bonus depreciation package is seriously lacking in economic weight.

It is a temporary proposal for what should be the centerpiece of an economic recovery package.

Bonus depreciation is probably the best idea any stimulus proposal. Senator DASCHLE's proposal simply fails to recognize its importance to our economy.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. SMITH of Oregon. Mr. President, I have just been handed a press release by the Secretary of the Treasury. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY SECRETARY PAUL O'NEILL ON BONUS DEPRECIATION AMENDMENT BEFORE THE SENATE

The economic stimulus bill under consideration in the Senate includes a 30% bonus depreciation provision which expires in one year. Senator Gordon Smith has introduced an amendment for consideration on the Senate floor that would make the same bonus depreciation available for 3 years. Treasury Secretary Paul O'Neill made the following comment:

> The short period of eligibility for new investment under the base proposal would result in no stimulus to the kind of job creating major projects that are fundamental to our growing economy. Under the base proposal, a project begun tomorrow must be completed by December 31 of this year to get any benefit. Senator Gordon Smith is right to propose an amendment extending the 30% bonus depreciation provisions to 3 years, so that more investment takes place and more jobs are created. Senator Smith's amendment greatly enhances the job creation that will be generated by the bonus depreciation provisions under consideration in the Senate.

Mr. SMITH of Oregon. Mr. President, I want to do this in concert with the majority. But I am asking for the yeas and nays and am anxious to know at what point either Senator can get a vote.

Mr. REID. Mr. President, we are in the process of getting consent on the Senator's matter and other matters for tomorrow. I think we will be able to work it out soon.

Mr. SMITH of Oregon. I thank my friend from Nevada.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that on Friday, January 25—tomorrow—the time until 10:30 a.m. be equally divided and controlled for debate with respect to the Smith of Oregon amendment; that at 10:30 a.m. the Senate vote in relation to the amendment, with no intervening amendment in order prior to the disposition of the Smith amendment; further, that on Friday the next amendment be one offered by the majority leader or his designee regarding unemployment insurance; that following the presentation of that amendment, and a brief explanation, the amendment be temporarily laid aside and that Senator BOND or his designee offer the next Republican amendment regarding small business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. REID. Mr. President, as in executive session, I ask unanimous consent that following the disposition of the amendment of Senator Smith tomorrow morning, the Senate proceed to executive session to consider Executive Calendar Nos. 644 and 645; that there be 10 minutes for debate equally divided between the chairman and ranking member of the Judiciary Committee, and there be 10 minutes for debate under Senator HARKIN's control, and upon the use or yielding back of time the Senate vote on each nomination; that the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, any further statements thereon be printed in the RECORD, and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, as in executive session, I ask unanimous consent to order the yeas and nays on both nominations with one show of seconds.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I do ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to a period for morning business, with Senators permitted to speak therein for a period not to exceed 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

GUANTANAMO, CUBA

Mr. NELSON of Florida. Mr. President, tomorrow a small bipartisan delegation, of which I will be part, will go to Guantanamo, Cuba to see for ourselves directly the questioning process in trying to elicit information from the detainees, the unlawful combatants, the prisoners, whatever you want to call them.

I think in a lot of the commentary that has come out about this—and this is one of the reasons I want to go; I want to see for myself how these detainees are being kept and how the process goes about trying to elicit information from them—it seems what we call them and the question of humane treatment is certainly a legitimate question, but I can't imagine, although I will see for myself tomorrow, that the United States is not giving anything but humane treatment. That is the character, that is the nature of our people. And certainly with as much attention on Guantanamo, it is certainly going to be the case of humane treatment.

What I want to find out is, are we getting information? We are in a war against terrorists. Many of these detainees are suspected to be some of the most ruthless and lethal of the terrorists. Therefore, we need to get as much information from them as we can in order to help prevent the kind of tragedies that this Nation went through on September 11.

As we survey the situation—and I have been to Guantanamo Naval Base years ago—I am quite interested to see how we are going about the process of eliciting this information from them.

Interestingly, there are a few other detainees in Guantanamo, not many in number, but very important to us in this country. There are eight Haitians detained for immigration reasons. There are 27 Cubans detained because of the policies of administrations, both past and present, that in enforcing the immigration laws do not allow anyone from a foreign land just to come to the United States; thus, intercepted on the high seas, be they Haitians or Cubans, certainly small in number but important in each of their cases.

In most of the cases of the Cuban detainees, 25 of the 27 have already been interviewed and determined that they are eligible to go to a third country. They do not want to return to Cuba. They are not eligible to come to the United States—the process of finding a third country that will receive them. I want to see firsthand for myself and talk to some of these people to see that each one of them, both the Haitian group and the Cuban group, have that personal attention. I will have a followup with our staff to see that that process is carried on in an orderly and prompt fashion.

This trip tomorrow is a direct result of having just been with a delegation of a total of nine of us into central Asia, including Afghanistan. What we saw there—and I gave a report to the Senate yesterday and I will not repeat it; it was an optimistic report reflecting the enthusiasm and the determination expressed in the faces of our young people, our young men and women in uniform serving our country in that part of the world and serving very successfully.

As a followup to that, at the end of that trip, it started occurring to a number of us, bipartisan, that we wanted to make this trip to Guantanamo. That is what we will do. Then I will report to the Senate next week upon our return.

MIAMI HURRICANES

Mr. NELSON of Florida. Mr. President, yesterday at the time of what we call a quorum call, what others in the street lingo might say is a recess, I took to the floor and with levity in my words spoke about some of the recent college bowl games, of which the State of Florida played such a prominent part, having three of our major teams in major bowls, all three of which were successful.

I am going to take the occasion today of offering a resolution for the national champion the national champion, University of Miami Hurricanes, in college football. It is now a university that is quite accustomed to national championships, having won so many of them in the past, but it is now a university that is led by a person who is near and dear to the hearts of many in Washington, including the Presiding Officer. Dr. Donna Shalala is the new President.

She took over the reigns in June of the University of Miami. She has been so well accepted so quickly and is so loved in the Miami community. And then no sooner does she take the reigns and is so immediately successful in her leadership of the university, but that her team wins the national championship undefeated for the season.

I thank the Chair for the opportunity.

HONORING DAVE THOMAS

Mr. BURNS. Mr. President, I rise today to support the Senate resolution honoring Dave Thomas, founder of the successful Wendy's restaurants. His death is a loss to the business and entrepreneurial world, the most powerful engine in the American economy. He opened doors for thousands of young people who used Wendy's as entry-level employment that launched their future. He was a symbol and shining example of leadership that one could be proud to be associated with. But this man was more than Wendy's. The sign that carried Wendy's logo stood for more than just tasty, square hamburgers. The little freckled-faced girl represented much more.

I knew Dave through the Shrine of North America. As a Shriner, he exhibited his dedication to children across this country by supporting the 22 Shriners Hospitals for Children and the three Shrine Burn Centers. He was a living example of the phrase, "No man stands so tall that stoops to help a kid." He had a passion for thousands of children who are caught in the circumstance of adoption. He was an adopted child and he never forgot his roots or the wonder of parental love.

As an adopted child himself, Dave served as a credible spokesman for both Republican and Democrat White House administrations on numerous adoption initiatives between 1990 and 2000. Using proceeds from two books and many speaking engagements, Dave founded the Dave Thomas Foundation for Adoption in 1992 to work with families wishing to adopt children. Dave also worked with national adoption agencies to raise awareness about children who are waiting for adoption. Dave went on to create the Dave Thomas Center for Adoption Law to facilitate the adoption process through education and research.

Dave was also a driving force in persuading corporate America to reshape their policies to help cover the adoption expenses of employees. Thanks to his efforts, three out of four of the Fortune 1000 companies now offer adoption benefits to employees.

Yesterday was the anniversary of the Supreme Court's landmark decision in the Roe v. Wade case. As everyone knows, I support the rights of America's unborn. I recognize, however, that in today's society, unwanted pregnancies will continue to occur. Rather than taking an innocent life, I urge Americans to embrace adoption as an alternative to abortion.

Dave never forgot his good fortune and he willingly gave his time and financial resources to make us, as Americans, aware of the less fortunate. All for a kid. We who know him are better for it. Thousands of kids find themselves in better circumstances because of him and the passion that lived deep in his heart. What a legacy.

Along with the sponsors of this resolution, I simply want to thank Dave for making the world a better place for thousands of adopted children and also to send my sympathy to his family.

PROJECT ALPHA

Mr. GRASSLEY. Mr. President, during consideration of the Defense appropriations bill on Friday, December 7, my distinguished colleagues, the chairman of the Defense Appropriations Subcommittee, Senator INOUYE, and Senator HARKIN, a member of that subcommittee as well as the chairman of the Agriculture Committee, engaged in a colloquy regarding the George Washington University's proposed Project Alpha. I support this unique effort to deal with potential terrorist threats to the U.S. food supply. I have been working with GWU since May on this project. In July, Iowa State University joined the consortium at my request. I want to point out that support for this very worthwhile program and requests for its expeditious implementation come from both sides of the aisle. I am glad that Iowa State University can contribute its expertise in this area as a major partner in this effort and that the National Animal Disease Center will also be a key player.

An important component of the Project Alpha formula is its "National Decision Assessment Immersion Center," to be located in existing facilities at the Virginia campus of the George Washington University and to serve as a model for replication by those wishing to pursue individual variations of this new approach to complexity management in national security.

As was pointed out in the December 7 colloquy, Project Alpha is a proactive approach to terrorist threats to U.S. national security, a concept initiated and developed long before the tragic events of 9–11. It utilizes advanced technology in complexity-analysis techniques designed to help us both predict and prevent or ameliorate critical situations before they can become real-world disasters. Project Alpha combines sophisticated information-gathering and data-mining methodologies with high-performance data analysis, professional-level subject and issue expertise, decision support systems of proven efficacy, and state-of-the-art technology for communication and information dissemination.

Project Alpha offers the opportunity for exploration of the broadest range of threat possibilities, available options and their effects and ultimate consequences, especially those that would normally remain unforeseen and unpredicted. The program will allow rapid exploration of a massive range of relationships and interactions that are beyond the ability of our liner-reductions minds alone to follow or foresee. Project Alpha provides a mechanism for complexity consequence-projection of far greater scope, magnitude and immediacy than has ever before been available. The crucial element that makes this possible is the rapidly expanding supercomputing technology that has not yet been harnessed for this purpose. Through its use, Project Alpha can facilitate direct encounters with the unexpected and the unintended in order that potential terrorist events may be anticipated and rendered preventable, manageable and unsurprising. The purpose of Project Alpha is to help us learn more what we don't know in ways that we might never imagine, so that real-life catastrophes can be avoided. Protecting the U.S. food supply is high on the list of national security priorities, and the application of Project Alpha to this critical need can be of significant public benefit in dealing with the threat of agroterrorism now and in the future.

THE NEED FOR GUN LEGISLATION

Mr. LEVIN. Mr. President, at end of the First Session of this Congress, as I have before, I urged my colleagues to debate and pass sensible gun safety legislation. Since that statement, we have seen three separate incidences of gun violence in our Nation's schools. In New York City, a teenager walked into a high school and seriously wounded two other students. In Grundy, VA, a man walked into a law school and shot and killed three people. In Raymond, MS, a 17-year-old student who had just been suspended, returned to school and held the principal and assistant principal hostage at gunpoint for nearly three hours.

These are not simply isolated events. According to the Children's Defense Fund Study of 2001 gun violence data, 3,365 children and teens were killed by gunfire in the United States last year, which is one child every 2½ hours. And, every year, four to five times as many children and teens suffer from non-fatal firearm injuries. The safety of our children and communities are at stake and access to guns is a major reason why. As we begin a new session of Congress, I once again urge the Senate to close the gun show loophole, prevent children from gaining access to guns and provide law enforcement the tools they need to investigate gun-related crimes.

BELARUS—OPPORTUNITIES SQUANDERED

Mr. CAMPBELL. Mr. President, periodically I have addressed my colleagues in the United States Senate on developments in the last dictatorship in Europe, Belarus. More the 5 months have passed since the September 9, 2001 Belarusian Presidential elections, which the Organization for Security and Cooperation in Europe (OSCE), as well at the Helsinki Commission, which I chair, concluded did not meet international democratic standards. Since that time, the Belarusian leadership has had ample opportunity to begin to live up to its freely-undertaken OSCE human rights and democracy commitments. Thus far, these opportunities have been squandered. As Secretary of State Powell remarked in his speech at the December 2001 meeting of OSCE Ministers in Bucharest:

> The Government of Belarus ignored the recommendations of the OSCE on what conditions would need to be established in order for free and fair elections to take place. It is unfortunate, indeed, that the government of Belarus continues to act in a manner that excludes Belarus from the mainstream of European political life.

Since September, human rights violations have continued. There has been no progress with respect to resolving the cases of opposition leaders and journalists who "disappeared" in 1999–2000. Belarusian leader Aleksandr Lukashenka has retaliated against opposition members, independent journalists, human rights activists and others, especially young people. Beatings, detentions, fines and other forms of pressure have continued unabated. To cite just one example, two defendants in a criminal case against Alexander Chygir, son of leading Lukashenka opponent and former Prime Minister, Mikhail Chygir, were reportedly beaten and otherwise maltreated during pre-trial detention. Criminal cases have been launched against journalists and NGOs as well. A number of leading industrialists have been arrested on what some observers believe are politically motivated charges.

Freedom of religion is also an area of concern. The registration scheme, required for a group to obtain full legal rights, is the ultimate "Catch-22." Registration cannot be granted without a legal address; a legal address cannot be obtained without registration. Even the state controlled media is a concern for religious freedom, due to the highly critical reports in newspapers and television about the Catholic Church and Protestant churches. Very recently, the regular broadcast on national radio of a Miensk Catholic mass was unexpectedly halted.

Efforts to promote human rights and expand support and develop civil society in Belarus are being thwarted. The Belarusian Government has threatened the OSCE Mission in Miensk with what amounts to expulsion unless the mandate of the Mission is changed more to its liking and has shown reluctance to accept a new Head of Mission. It is vital that the OSCE be allowed to continue its important work in developing genuine democratic institutions and a strong civil society in Belarus.

I am also deeply troubled by allegations that Belarus has been acting as a supplier of lethal military equipment to Islamic terrorists, a charge that the Belrausian Government has denied. The troubling allegations contained in this article are a reminder of the importance of remaining steadfast in supporting democracy, human rights and the rule of law in Belarus. The lack of functioning democratic institutions, including an independent parliament, together with suppression of free media contribute to an environment void of accountability. Writing off Belarus as a backwater in the heart of Europe would play into the hands of the Lukashenka regime with disastrous consequences not only for the

Belarusian people. It is more important than ever for the OSCE to maintain a strong presence on the ground in Belarus and for the United States to continue to support democratic development in that country.

I ask unaminous consent that the Washington Post article "Europe's Armory for Terrorism" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 3, 2002]

Europe's Armory for Terrorism

(By Mark Lenzi)

The country in Europe that deserves the most attention for its support of terrorist groups and rogue states continues to receive the least. That is the lawless and undemocratic country of Belarus, under the rule of Alexander Lukashenko.

Without a doubt no world leader benefitted more from the September terror attacks than Lukashenko, Europe's last dictator, whose ultimate wish is to reunite the Soviet Union. Just as world scrutiny and condemnation were beginning to mount after his rigged and falsified presidential election of Sept. 9 the tragic events two days later took Washington's quick glance away from this little-known and backward country.

Washington needs to wake up to what is happening in NATO's backyard: Belarus is quietly acting as a leading supplier of lethal military equipment to Islamic radicals—with terrorists and militant organizations in the Middle East, Balkans and Central Asia often the recipients.

In 1994, Lukashenko's first year as president, Belarus sold machine guns and armored vehicles to Tajikistan. This equipment quickly made its way into the hands of warring factions in neighboring Afghanistan, as well as Islamic freedom fighters aiming to overthrow the government in Tajikistan itself—ironically the same country where Belaru's big brother, Russia, has thousands of soldiers stationed to protect Central Asia and Russia from Islamic destabilization.

Many of Lukashenko's arms deals have followed a similar pattern: Weapons sent from Belarus are "diverted" from a listed destination country to an Islamic extremist group or a country under U.N. arms embargo while Belarusian government officials cast a blind eye on the transactions.

While it is deplorable that Belarus's weapons have been responsible for prolonging civil wars and internal strife in countries such as Tajikistan, Angola and Algeria, it is particularly disturbing that Sudan, a country where Osama bin Laden used to live and one that is known as a haven for terrorists, has obtained from Belarus such proven and capable weapon systems as T–55 tanks and Mi–24 Hind Helicopter gunships. Weapons sent from Belarus to Sudan either fall into the hands of terrorists or are used in a civil war that has already killed more than 2 million people.

Lukashenko's efforts to sell weapons to generate much-needed income for his beleaguered economy appear to have no bounds. For a country of only 10 million people, it is unsettling that Belarus is ranked year after year among the top 10 weapons-exporting countries. To put in perspective how much military equipment left over from the Soviet Union Lukashenko has at his disposal, consider the following fact: The Belarusian army has 1,700 T–72 battle tanks. Poland, a new NATO member with the most powerful army in Central Europe and with four times the population of Belarus, has only 900 T–72s.

Despite strong denials from Lukashenko, Belarus has been a key partner of Saddam Hussein in his effort to rebuild and modernize Iraq's air defense capability. Belarus has violated international law by secretly supplying Baghdad with SA–3 antiaircraft missile components as well as technicians. Given that Iraq has repeatedly tried to shoot down U.S. and British aircraft patrolling the U.N. no-fly zone—with more than 420 attempts this year alone—covert Belarusian-Iraqi military cooperation is disturbing and should set off alarm bells in Western capitals.

Former Belarusian defense minister Pavel Kozlovski, obviously someone with firsthand knowledge of Minsk's covert arms deals, recently summed up Belarus's cooperation with Iraq and other rogue states by saying, "I know that the Belarusian government does not have moral principles and can sell weapons to those countries [such as Iraq] where embargoes exist. This is the criminal policy of Belarusian leadership."

In many ways, the mercurial and authoritarian Lukashenko feels he has a free hand to sell arms to nations and groups that are unfriendly to the West, because the European Union and the United States do not recognize him as the legitimate Belarusian head of state anyway. Threats of U.S.-led economic sanctions or other diplomatic "sticks" against Belarus hold little weight, since the country is already isolated to a degree rivaled only by a handful of other countries.

It is only thanks to cheap energy subsidies from Russia that the Belarusian economy remains afloat. Since Russia is the only country that has the necessary economic and political influence on Belarus, it is imperative that Washington use its new relationship with Moscow to encourage the Russians to exert their leverage on Belarus to cease covert arms sales to rogue states and terrorist groups.

In the Bush administration's worldwide effort to combat terrorism, it should not overlook a little-known country right on NATO's border.

THREATS TO NATIONAL SECURITY

Mr. KYL. Mr. President, for over 200 years, our Nation has championed ideas and ideals that have placed us in harm's way. In certain parts of the world, our actions have at times made us the object of ridicule. But liberty, toleration, and the inalienable rights of the individual have been our strength, and that strength is undimmed by criticism of the United States. We stand legitimately for freedom; for us it is not a mere word employed in presidential speeches or diplomatic exchanges. The concept of ordered liberty has been the foundation of our national resolve, consecrated with the blood of our sons and daughters on many fields of battle across the world, and now, tragically, in the wreckage in New York, Pennsylvania, and the Pentagon.

I rise to call my colleagues' attention to a speech that the senior Senator from North Carolina delivered to the second annual Hillsdale College Churchill Dinner on December 5, 2001, which I will ask to be printed in the RECORD. This speech is a remarkably good statement of our national character and our national purpose, drawing as it does upon a wealth of knowledge and experience second to none. We need to hear from statesmen like JESSE HELMS at a time like this. In his Hillsdale speech, he offers a powerful assessment of the state of affairs facing United States policy makers who must develop a strategy to combat forces that would seek to destroy us and our way of life.

As Senator HELMS so ably explains, this is a task that we have faced before. Though the names and the faces and even the tactics of our adversaries change, the threat to us is the same. We must confront this threat and we must defeat it. At the same time, Senator HELMS admonishes us to remain vigilant of those world powers that maintain historic practices of hostility toward us, powers that are strengthening their war-making capacities, and that might well seek to lull us into a false sense of security as we pursue our campaign against the terrorist networks.

The good Senator provides us with a thought-provoking analysis that is sobering, but also hopeful. He urges us, at a time when the geopolitical map of the world is in great flux, to remember and reaffirm, in all we do, the principles upon which America was founded. He remarks on how well we are bearing up under the worst assault we've sustained since Pearl Harbor. "They thought that their attacks would frighten and divide us," writes Senator HELMS. "Instead, they have drawn us closer to God, and to each other."

I highly commend to my colleagues this Churchillian call to unity.

I ask unanimous consent that Senator HELMS' speech be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Imprimis, Jan. 2002]

Emerging Threats to United States National Security

(By the Honorable Jesse Helms)

The following is an abridged version of Senator Helms' speech at the second annual Hillsdale College Churchill Dinner, held at the Mayflower Hotel in Washington, D.C., on December 5, 2001.

America is the only nation in history founded on an idea: the proposition that all men are created equal, and are endowed by their Creator with inalienable rights to life, liberty and the pursuit of happiness. No other nation can make such a claim. This is what makes us unique. It is why, for more than two centuries, America has been a beacon of liberty for all who aspire to live in freedom. It is also why America was so brutally attacked on September 11.

The terrorists who struck the Pentagon and the World Trade Towers despise what America stands for: freedom, religious toleration and individual liberty. They hate the success with which the American idea has spread around the world. And they want to terrorize us into retreat and inaction, so that we will be afraid to defend freedom abroad and live as free people at home. They will not succeed.

A REVIVED SENSE OF VIGILANCE

The terrorists we fight today are not the first aggressors of their kind to challenge us. Indeed, at this moment of trial, it is altogether fitting that we gather to honor the memory of Sir Winston Churchill, whose courage, conviction and steely resolve led the Allies to victory over Fascism, and who went on then to warn us about the danger of the emerging Communist threat and the Iron Curtain then descending across Europe. Today we face a new and different enemy—one who hides in caves, and who strikes in new and unexpected ways. Yet in a larger respect, this new enemy is no different from the enemy Churchill faced 60 years ago. And as shocking as September 11 was, it should have come as no surprise that our nation was once again challenged by aggressors bent on her destruction.

Jefferson warned that "the price of liberty is eternal vigilance." And since our founding, Jefferson has been proven right, time and time again. New enemies have constantly emerged to threaten us. The lesson of history is that to secure our liberty, America must be constantly on guard, preparing to defend our nation against tomorrow's adversaries even as we vanquish the enemies of today.

Over the past decade, America let down her guard. With the collapse of the Soviet Union, our leaders assumed that the post-Cold War world would be one of unlimited peace and prosperity, and that our greatest security challenges would be invading Haiti, or stopping wars in places like Bosnia and Kosovo. The Clinton people slashed our defense budget in search of a "peace dividend," while sending our forces all over the world on a plethora of missions that drained America's military readiness. They put off investments needed to prepare for the real energing threats to U.S. national security. Instead of focusing on new dangers, they spent their time and energy forging ridiculous new treaties—like the Kyoto Protocol and the International Criminal Court—while fighting desperately to preserve antiquated ones, like the ABM Treaty!

In light of America's new war, it is almost humorous to look back on some of the foreign policy debates of the 1990s. Can anyone imagine Kofi Annan today declaring as he did two years ago, that the United Nations Security Council is the "sole source of legitimacy for the use of force in the world"? Or former Deputy Secretary of State Strobe Talbott repeating his ridiculous assertion that all countries, "no matter how permanent or even scared [they] may seem," are in fact "artificial and temporary"?

"Within the next hundred years," Talbott went on to say, "nationhood as we know it will be obsolete; all states will recognize a single global authority." Let him tell that to the policemen and firemen at the World Trade Towers. Let him tell it to all the millions of Americans flying flags from their homes and cars. Let him tell it to the thousands of brave Americans in uniform, who at this very moment are voluntarily risking their lives to defend our country.

In the wake of September 11, a measure of sanity has been restored to debates over U.S. foreign policy. Awakened to new dangers, our challenge is now twofold: First, we must win the war on terrorism that took our nation by surprise. And second, we must prepare now for the threats that could emerge to surprise us in the decades ahead.

BEYOND AFGHANISTAN

Thanks to the outstanding leadership of President Bush, the Taliban is in retreat and Osama bin Laden is on the run. But the war on terrorism is far from over. Indeed, one could argue that the most difficult challenge comes now, as the Afghan campaign moves from the taking of cities, to a cave-by-cave hunt for bin Laden and his terrorist network. Ripping that network out by its roots will be long, difficult and dangerous work. Moreover, President Bush's greatest challenge may come after the Afghan phase of the war is over.

The bin Laden terrorist network operates in dozens of countries. Nor is it the only one that threatens America and her allies. Terrorist networks operate across the world, with the support of dozens of states. President Bush has made clear that this war will not end until every terrorist network with global reach is decisively defeated. He has also made clear that the United States will no longer tolerate states that support or provide safe haven to these terrorists. That means, I am convinced, that the war on terrorism cannot and will not end until Saddam Hussein suffers the same fate as the Taliban.

While we do not yet know that Saddam was directly involved with the tragic events of September 11, there is a mountain of evidence linking him to international terrorism generally, and to bin Laden's terrorist network specifically. We know for a fact that Saddam attempted to assassinate former President Bush. We know with certainty that he has chemical and biological agents, and is pursuing nuclear weapons. We know for certain that, days before coming to the U.S., one of the September 11 hijackers met with an Iraqi agent in Prague—and that soon after that meeting, this same bin Laden operative was in the United States inquiring how one goes about renting a crop duster. So the obvious next step in the war on terrorism is the elimination of Saddam Hussein's tyrannical terrorist regime.

Just as the United States teamed up with determined Afghans who were ready, willing and able to overthrow the Taliban with American support, there are Iraqis ready to overthrow Saddam. But taking the war to Saddam will be no easy task. We must accept the probability that many of the nations rallying around us today will be nowhere to be found. Indeed, some are likely to scream and yell and stomp their feet, demanding "evidence" of Iraq's involvement in the September 11 attacks. It is then that President Bush must patiently remind them that the war on terrorism is a war against all terrorists who threaten America, regardless of whether they bombed the World Trade Towers, sought to murder a former President of the United States, or threaten our people with nuclear, chemical and biological weapons of mass destruction.

We must proceed against Saddam with the same resolve with which we have proceeded against the Taliban in Afghanistan. Once the world sees two terrorist regimes in rubble, I suspect that support for international terrorism will dry up pretty quickly. Dictators will begin to understand that waging a war by proxy against the United States carries deadly consequences.

While we prosecute the war on terrorism to its logical conclusion, we must, at the same time, begin preparing for the next threats to America—threats which could be quite different from those we face today. The next challenge we face may come from a rogue state armed with ballistic missiles capable of reaching New York or Los Angeles. It may come from cyber-terrorists who seek to cripple our nation and our economy by attacking our vital information networks. It may come from a country that has developed small "killer satellites" capable of attacking our space infrastructure, on which both our defense and our economy depend. Or it may come from a traditional state-on-state war, such as a Chinese invasion of Taiwan. In any event, it is essential that we begin preparing now for all of these possibilities, by developing defenses against a wide range of asymmetric threats.

DISTINGUISHING FRIENDS FROM ENEMIES

We must also look realistically at who our potential adversaries could be in the decades ahead. For example, Communist China—a nation with no respect for human rights, for religious freedom, or for the rule of law—remains both a present and an emerging threat to the United States. Its annual double-digit increases in military spending, its virulent anti-American propaganda, and its aggressive arms acquisitions are all very clear indications that China fully intends to become a superpower—and, when it is able, to seek regional hegemony in Asia and threaten our democratic friends on Taiwan. Moreover, China has for years exported dangerous missile technology to Pakistan—support that, according to the Director of Central Intelligence, continues today unabated. China has also supplied chemical weapons-related equipment and technology to Iran. And earlier this year, U.S. and British war planes had to destroy fiber-optic cables that had been laid by Chinese firms in Iraq, as part of Saddam Hussein's ever-improving air defense infrastructure.

Today, China is a thorn in our side. We must make sure that, as China rises, it does not become a dagger at our throat. Nor is China by any means the only nation that could one day threaten us. Countries like Iran, Syria, Sudan, North Korea and Cuba continue to provide aid, comfort and refuge to terrorist elements that wish to harm the United States, and several of them are seeking weapons of mass destruction and the means to deliver them.

In times of war, the enemy of our enemy is often our friend. During World War II, Churchill explained his wartime alliance with Stalin this way: "If Hitler invaded Hell," Churchill said, "I would make at least a favorable reference to the Devil in the House of Commons." But let us not forget what happened in the aftermath of World War II, when the Soviet Union went from wartime ally to Cold War adversary. We must be careful that, in our zeal to build the coalition against terrorism, we do not mistakenly turn a blind eye to the true nature of certain regimes whose long-term interests and intentions remain contrary to ours.

Of course we must, and should, take the opportunity to reach out to nations that are willing to step up and take concrete steps to help us in the fight against terror. Not for several generations has the geopolitical map of the world been so much in flux, as a variety of countries decide how to respond to the events of September 11 and to President Bush's ultimatum that "either you are with us or you are with the terrorists." President Bush is certainly to be commended for the rapid transformation of our relationship with Russia, whose long-term interests clearly lie with the West. President Putin seems to have seized September 11 as an opportunity to align Russia more closely with the United States, and he should be encouraged in this regard. But we must proceed with care. For example: The idea of giving Russia a decision-making role within NATO—including a veto over certain Alliance decisions (as NATO Secretary General Lord Robertson suggested the other day)—is absurd. Russia still has much to prove before being given de facto membership in the Atlantic Alliance.

We must make clear—as President Bush has made clear—that we want closer cooperation with Russia and a new relationship that puts Cold War animosities behind us. But in building that relationship, we must stand firmly behind our intention to build and deploy ballistic missile defenses. If the United States and Russia are to establish a new strategic relationship based on trust, cooperation, and mutual interests, then Russia must recognize that such missile defenses, in protecting the United States and our allies from mutual adversaries, will enhance the security of both nations in today's new and dangerous world.

MORAL FOUNDATIONS OF SECURITY

America is indeed the greatest nation on the face of the earth, a beacon of freedom for the entire world. We have met tremendous challenges to our freedom before September 11 and defeated them. We will do so again. but in the long run, the greatest emerging threat to America may not come from without, but rather from within. As I have said often during my years in public life, we will not long survive as a nation unless and until we restore the moral and spiritual principles that made America great in the first place.

On September 11, 4,000 innocent Americans were killed by a foreign enemy. The American people responded with shock, sadness, and a deep and righteous anger—and rightly so. Yet let us not forget that every passing day in our country almost 4,000 innocent Americans are killed at the hands of so-called doctors, who rip those little ones from their mothers' wombs. These are the most innocent Americans of all—small, helpless, defenseless babies. For unborn Americans, every day is September 11.

America was attacked by terrorists on September 11 because of what America stands for—our dedication to life, liberty and justice under God. As we defend those principles abroad, let us also renew them here at home. As we go after the terrorists who committed those unspeakable acts against our people, let us, at the same time, get about the task of restoring our nation's moral and spiritual foundations. No matter how successfully we prosecute the war against terrorism—no matter how brilliantly we prepare for the threats of the future—we will never be truly secure if we do not return to the principles on which America was founded, and which made America great.

This is already taking place. In the wake of September 11, flags are flying and church pews are overflowing. This great patriotic and spiritual outpouring is proof that the terrorists' plans have backfired. They thought that their attacks would frighten and divide us; instead they have drawn us closer to God—and to each other. We must encourage this spiritual rebirth, and nurture it so that it becomes another Great Awakening. We must instill in our young people an understanding that theirs is a nation founded by Providence to serve as a shining city on a hill—a light to the nations, spreading the good news of God's gift of human freedom.

Thank you, God bless you, and, as Ronald Reagan always said, God bless America!

THE RECENT ELECTIONS IN ZAMBIA

Mr. FEINGOLD. Mr. President, I rise today to express concern over the outcome of the presidential elections last month in Zambia. A number of African states will hold important elections this year, the results of which could shape the governance and prosperity of the continent for years to come. Unfortunately, several troubling aspects of the Zambian elections demonstrate the need for a more concerted international effort to demand democratic accountability and transparency in many African states.

The Movement for Multiparty Democracy's candidate for President of Zambia, Levy Mwanawasa, was inaugurated on January 2 as the new President, after claiming a very narrow victory in general elections held on December 27. As the handpicked successor of outgoing president Frederick Chiluba, Mwanawasa approached the contest from an advantaged institutional position and ran against a divided opposition. But polls leading up to the election predicted that Anderson Mazoka, a prominent business executive, would win, or that the race would at least be exceptionally close.

Unfortunately election monitoring reports from the Carter Center, the European Union and national nongovernmental organizations suggest that the balloting may have been marred by fraud. There are credible reports of tabulation irregularities and voter intimidation. Those reports corroborate claims made by the opposition parties themselves. The Carter Center has issued a statement expressing serious concern over the reports of irregularities in the tabulation process, although they have not been able to verify those irregularities independently. At minimum, it seems clear that the elections were characterized by highly troubling inconsistencies and exceptionally poor management.

Equal consideration must also be given to alarming pre-election reports. An assessment conducted by the Carter Center immediately prior to the voting concluded that some steps taken by Zambian authorities in the pre-election period "handicapped the opposition, created barriers to civil society participation and disenfranchised many voters." Reports of intimidation and the misuse of state resources by government officials undermined the credibility of the ruling party's campaign. At the same time, the Carter Center estimated that only 2.6 million out of an eligible 4.6 million citizens were registered to vote. In part, this low level of registration related to difficulties in obtaining national registration cards. But prolonged uncertainty about the election date, followed by the selection of a date in the middle of the rainy season and during a common holiday travel period also complicated the administration of the elections and lowered participation in certain regions. And the failure of President Chiluba to declare an official holiday on the date of the elections prevented some workers from waiting in long lines that day to vote.

The mismanaged December elections have led to protests in Zambia, although it is a testament to the Zambian people's desire for a genuinely democratic state, governed by the rule of law, that the protests have not exploded into more destabilizing violence. Turning to the courts, the opposition is expected to lodge a full appeal to the Supreme Court. The high court in Lusaka dismissed an earlier opposition petition, declaring that Zambian law required that such petitions be filed after the winning candidate assumed office. But most legal professionals note that the judiciary remains weak and that it will be exceptionally difficult to overturn any election results now that the results have been certified.

In the meantime, the United States and the rest of the international community must work with the Zambian advocates of democracy as they seek credible political options that might resolve the current crisis. Some influential voices are calling for the creation of an independent commission to review the election. That is one option that the United States could support, particularly if the courts are unable or unwilling to resolve the dispute. But any attempt by the United States to help mediate the impasse must be transparent and must have as its goal the inauguration of a Zambian government that responds to the will, and the needs, of the Zambian electorate. And above all, the United States must stand firm in defending the right of the opposition to speak out, and to contest the election results through legal means. Unfortunately, in his first days after assuming the presidency, Mr. Mwanawasa has demonstrated an ominous reluctance to tolerate opposition politics, and he has publicly warned the opposition against taking any additional steps to contest the results.

A peaceful and credible resolution to election disputes is essential. Without the confidence of the Zambian people, the President of that country will find it difficult, if not impossible, to address the country's precipitous social decline, which has been nudged along by a worsening economic climate, widespread corruption and a massive HIV/AIDS epidemic in a country where the average income is only about one dollar a day. Once the election dispute is resolved, the United States will have to work closely with the legitimate government of Zambia to help address this growing humanitarian crisis.

ADDITIONAL STATEMENTS

TRIBUTE TO MICKEY MIANO

• Mr. LIEBERMAN. Mr. President, I rise today with sorrow and profound respect to honor the life of Michael "Mickey" Miano, a Connecticut institution and personal friend who passed away earlier this month, just 2 months shy of his 96th birthday.

By trade, Mickey was a restaurateur and businessman, but that doesn't begin to describe the depth of his influence on Connecticut's capital city or the State that was his home. Anyone who wanted to understand Hartford's social and political life in a glance needed only to visit Mickey in his restaurant or in the office of one of the many other businesses he ran over the course of his life. He was a political leader without political office—a man who understood that communities are held together not by government but by the private citizens who live, work, own homes, and raise their families in them.

Mickey came to this country from Italy at age 6 in 1912, left school after the fifth grade to work in the tobacco fields, later joined the merchant marines, and then went into business. His life's trajectory exemplified the rise of a whole generation of Italian-American immigrants, and immigrants of every nationality throughout American history. The fact that Mickey had an uphill climb did not slow his ascent one bit. By age 30, he was well on his way to being a force in Connecticut politics, earning it all through his hard work and the power of his personality. Mickey's place in the history of Connecticut politics is secure. It was an attempt to secure that place that led me to include him in two books I wrote about Connecticut politics earlier in my own life.

And over the years that followed, as more people came to learn how generous he was in spirit and how committed he was to improving his city and state, he grew more and more instrumental in Connecticut's political life, and my home State grew more and more indebted to him.

I was privileged to have Mickey as a friend. Despite many attempts to draft him into official public service, Mickey never ran for political office—perhaps because he understood that in America, there's no greater honor or privilege than an active and caring private citizen. That is what he was: a grassroots leader who cared about the common good and got results. I know that his optimism and patriotism will continue to inspire all those who knew him as long as we live. I ask to print the following tribute to his life by Tom Condon, another good guy who also happens to write for the Hartford Courant, in the RECORD.

The tribute follows:

[From the Hartford Courant, Jan. 16, 2002]

MICKEY MIANO DIES AT 95

RESTAURATEUR HELPED DEFINE AN ERA IN CITY POLITICS

(By Tom Condon)

Michael "Mickey" Miano, restaurateur, businessman and an enduring figure in Hartford politics for much of the last century, died last weekend, two months shy of his 96th birthday.

Miano, street-savvy and stylishly stout, feisty and flamboyant, got his start in politics at age 9, handing out fliers for Woodrow Wilson in the 1916 election. He gained local prominence in the rough-and-tumble world of East Side politics in the 1930s.

He was part of the first generation of Italian American politicians to gain power in the city, a group that included such figures as Anthony Zazzaro, Rocco Pallotti, Joseph Fauliso and Dominick DeLucco.

Miano declined many requests to run for office, preferring the behind-the-scenes neighborhood and committee work where a job, a favor or a remembered birthday translated into votes and power. He was so good at it that even in his 80s, when he'd lost a step and his influence had waned, politicians still stopped at his memento-filled Franklin Avenue office to pay homage. "You don't want him against you," then-State Rep. Anthony Palermino told a reporter.

He was a soft touch for a favor, but if a situation called for a firm hand, Miano provided it. As a precinct moderator in 1933, he twice settled disputes with his dukes. But he could also be a diplomat.

His East Side restaurant, Mickey's Villanova, was the hot spot for politicians and reporters in the World War II years. Shortly after a bruising municipal election in 1943, heads of the three factions that had been fighting it out all appeared at Mickey's. Miano tactfully seated them in different corners of the restaurant, and shuttled back and forth until each group was buying drinks for the others.

Miano was born in Sicily and came to this country at age 6 in 1912. He left school after the fifth grade to work in the tobacco fields. After a stint in the merchant marine he came back to Hartford and went into a remarkable number of businesses in the next 70-plus years.

He sold wholesale grapes, drove a fruit wagon, brought the circus to town, promoted fights, ran a nightclub and finally got into the restaurant business. Mickey's Villanova, on Market Street, was central to the political action in a way that Frank's, Scoler's and Carbone's would later be. During the war, Bob Steele, Willie Pep and others broadcast to American troops from the restaurant.

The Constitution Plaza redevelopment project took away the restaurant and the beloved East Side neighborhood, over Miano's strenuous objection, but he persevered. He made salad dressing, started a rubbish removal company and sold incinerators.

In his last decades, he was in real estate and mortgages from the Franklin Avenue office. He made no concession to age, his son Paul Miano said, and was as hungry to do a deal at 87 as he was at 17. "The only way we got him to stop was by closing the office when he went in for surgery. He was 88, and we wanted him to take it easy."

But Mickey came through the surgery, lost more than 100 pounds and was raring to go again. During his last illness, at 95, he'd say to Paul, "When I get out of here, let's open up a little office, just a couple days a week."

His daughter, Michelle Bradley, said the family was never more proud of her father than when U.S. Sen. Joe Lieberman was nominated for vice president. Lieberman mentioned Mickey in both of his books about Connecticut politics. "The Power Broker" and "The Legacy."

"That a prospective vice president of the United States would write about this man of humble origin is remarkable," she said.

And, Paul said, his dad got a lot of mileage out of the mentions. He was vacationing in Florida during the campaign.•

RETIREMENT OF JOHN T. CURRAN

• Mr. LUGAR. Mr. President, I take this opportunity to offer my thanks and appreciation for the service of Mr. John T. Curran of Indianapolis who is retiring this month following a forty-year career that included twenty-four years as the Meteorologist-in-Charge for the National Weather Service, NWS, office in Indianapolis.

Throughout his illustrious career, Mr. Curran has played an essential role in the agency's integration of computer technology and development of the sophisticated equipment that has revolutionized the way the United States performs the vital function of monitoring and predicting our nation's weather. Mr. Curran's career began in 1961 where he worked as a trainee at the Weather Bureau Airport Station in Omaha, NE, and later as a severe local storms analyst and computer programmer. Mr. Curran's knowledge of, and experience with, the early computers and emerging technology made him an invaluable asset as the agency adopted new and better ways to carry out its mission.

As the Meteorologist-in-Charge at the Indianapolis office, Mr. Curran oversaw operations in Indiana during a time of dramatic change for the NWS. Integration of new technologies and the dramatic changes brought forth by National Implementation Plan required competent and steadfast leadership to ensure that Hoosier communities benefitted from these remarkable new developments.

Mr. Curran understood, however, that the people involved in this process were the backbone of the Weather Service. While the tremendous leaps in technology enable us to learn more about weather patterns better than ever before, it is the committed professionals at the agency that maintain its strength in providing this vital public service. Mr. Curran's thoughtful management of the Indianapolis office has helped ensure that this important federal responsibility is fulfilled for Indiana.

The work of the NWS is essential to our economy and to public safety throughout Indiana. Accurate, reliable and helpful weather information is integral to our agricultural sector and to our transportation and manufacturing industries in Indiana. State and local officials and units of government rely on NWS alerts, warnings, and forecasts to prepare for and respond to emergency situations that occur in our cities, towns and neighborhoods. I have deeply appreciated Mr. Curran's efforts over the years to assist me and my staff in Indiana and Washington with the complex and technical issues involved with weather services and the modernization process.

Mr. Curran has distinguished himself through strong, attentive leadership and a dedication to integrity in the public trust. His commitment to excellence in public service and careful stewardship at the NWS Office has made a positive difference for Indiana.

I congratulate Mr. Curran for his achievements during his long career, and I thank him for his service to Indiana and the Nation. I know that he and his wife Christine look forward to spending more time with their children and grandchildren.●

CONGRATULATING ROY STOVALL ON HIS RETIREMENT

● Mr. DOMENICI. Mr. President, I congratulate Roy Stovall for his long career dedicated to civil service. Roy will soon retire from the Bureau of Land Management after 46 years of Government work, 40 years of which were with the Bureau of Land Management.

Respected throughout New Mexico for loyal service, Roy has proven to be a successful leader while serving in many different roles. He began his career in Carlsbad, NM as a temporary Carrier with the United States Post Office. Eventually after serving in several positions around the State he found his home in Roswell serving out his career as a Range Management Specialist. He is a member of the Society of Range Management.

For his quality work, Roy has received numerous performance awards and praise from co-workers for his achievements. I also applaud the selfless effort Roy has put forth in order to make significant improvements in the quality of life for people of New Mexico and the Nation for almost 50 years. I know that he has made his family and the people of New Mexico proud, and I wish him the same success with his future endeavors in his retirement.●

MESSAGE FROM THE HOUSE

At 2:53 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1762. An act to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2234. An act to revise the boundary of the Tumacacori National Historical Park in the State of Arizona.

The message further announced that pursuant to section 955(b)(1)(B) of Public Law 105–83, the minority leader appoints the following Member of the House of Representatives to the National Council on the Arts: Ms. MCCOLLUM of Minnesota.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 2234. An act to revise the boundary of the Tumacacori National Historical Park in the State of Arizona; to the Committee on Energy and Natural Resources.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–5140. A communication from the Foreign Terrorist Tracking Task Force, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Provision of Aviation Training to Certain Alien Trainees" received on January 16, 2002; to the Committee on the Judiciary.

EC–5141. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Mepiquat; Pesticide Tolerance" (FRL6818–7) received on January 18, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5142. A communication from the President of the United States, transmitting, pursuant to law, a report concerning emigration laws and policies of Armenia, Azerbaijan, Kazakhstan, Moldova, the Russian Federation, Tajikistan, Turkmenistan, Ukraine and Uzbekistan; to the Committee on Finance.

EC–5143. A communication from the Chief of the Regulations Branch, United States Customs Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Extension of Deadline to File a Wool Duty Refund Claim for Claim Year 2000" (RIN1515–AC85) received on January 18, 2002; to the Committee on Finance.

EC–5144. A communication from the President of the United States, transmitting, pursuant to law, a report concerning the prevention of terrorist bombings; to the Committee on Banking, Housing, and Urban Affairs.

EC–5145. A communication from the Deputy Secretary, Division of Market Regulation, United States Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Amendments to Rule 31–1, Securities Transactions Exempt from Transaction Fees" (RIN3235–AI36) received on January 18, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–5146. A communication from the President of the United States, transmitting, pursuant to law, the periodic report on the national emergency with respect to terrorist who threaten to disrupt the Middle East peace process; to the Committee on Banking, Housing, and Urban Affairs.

EC–5147. A communication from the President of the United States, transmitting, pursuant to law, a report relative to the continuation of the national emergency with respect to terrorist who threaten to disrupt the Middle East peace process; to the Committee on Banking, Housing, and Urban Affairs.

EC–5148. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model MD 90–30 Series Airplanes" ((RIN2120–AA64)(2001–0007)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5149. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: SOCATA-Groupe Aerospatiale Models TB 9, 10, 20, 21, and TB 200 Airplanes" ((RIN2120–AA64)(2002–0006)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5150. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 8 Series Airplanes" ((RIN2120–AA64)(2002–0013)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5151. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Dornier Luftfahrt GmbH Model 228–212 Airplanes" ((RIN2120–AA64)(2002–0012)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5152. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model DHC 8–100, 200, and 300 Airplanes" ((RIN2120–AA64)(2002–0008)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5153. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A319, A320, and A321 Series Airplanes" ((RIN2120–AA64)(2002–0009)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5154. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 767 Series Airplanes Powered By Pratt and Whitney Model PW4000 Series Engines" ((RIN2120–AA64)(2002–0010)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5155. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Reims Aviation SA Model F406 Airplanes" ((RIN2120–AA64)(2002–0011)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5156. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 8 Series Airplanes" ((RIN2120–AA64)(2002–0015)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5157. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 8 Series Airplanes" ((RIN2120–AA64)(2002–0014)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5158. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 7007–100, 100B, 300, and E3A; 727–100 and 200, 737–200, 200C, 300, 400, and 500; 747SP and 747SR; 747–100b, 200B , 200C, 200F, 300, 400, and 400D, 757–200 and 200 PF and 767–200, and 300 Series Airplanes" ((RIN2120–AA64)(2002–0005)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5159. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 767–200 Series Airplanes" ((RIN2120–AA64)(2002–0016)) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5160. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airspace and Flight Operations Requirements for the 2002 Winter Olympic Games, Salt Lake City, UT" (RIN2120–AH61) received on January 23, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5161. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–211, "Residential Permit Parking Area Temporary Amendment Act of 2001"; to the Committee on Governmental Affairs.

EC–5162. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–224, "Special Signs Amendment Act of 2001"; to the Committee on Governmental Affairs.

EC–5163. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–223, "Child and Family Services Agency Licensure Exemption of Certain Court Personnel Amendment Act of 2001"; to the Committee on Governmental Affairs.

EC–5164. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–212, "Homestead and Senior Citizen Real Property Tax Temporary Act of 2001"; to the Committee on Governmental Affairs.

EC–5165. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–213, "Make a Difference Temporary Amendment Act of 2001"; to the Committee on Governmental Affairs.

EC–5166. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–209, "Taxicab Driver Security Revolving Fund Temporary Act of 2001"; to the Committee on Governmental Affairs.

EC–5167. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–210, "Washington Convention Center Authority Oversight and Management Continuity Temporary Amendment Act of 2001"; to the Committee on Governmental Affairs.

EC–5168. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–208, "Noise Control Temporary Amendment Act of 2001"; to the Committee on Governmental Affairs.

EC–5169. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–206, "Protections from Predatory Lending and Mortgage Foreclosure Improvements Temporary Amendment Act of 2001"; to the Committee on Governmental Affairs.

EC–5170. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–205, "Health Care and Community Residence Facility, Hospice and Home Care Licensure Penalties Temporary Amendment Act of 2001"; to the Committee on Governmental Affairs.

EC–5171. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–203, "Procurement Practices Negotiated Pricing Amendment Act of 2001"; to the Committee on Governmental Affairs.

EC–5172. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–204, "Mechanic's Lien Amendment Act of 2001"; to the Committee on Governmental Affairs.

EC–5173. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–202, "Greater Southeast Community Hospital Corporation and Hadley Memorial Hospital Tax Abatement Act of 2001"; to the Committee on Governmental Affairs.

EC–5174. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–222, "Innocence Protection Act of 2001"; to the Committee on Governmental Affairs.

EC–5175. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–207, "Procurement Practices Small Purchase Temporary Amendment Act of 2001"; to the Committee on Governmental Affairs.

EC–5176. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of State Plans for a Designated Facilities and Pollutants: Negative Declarations; Municipal Waste Combustion; Arizona; California; Hawaii; Nevada" (FRL7122–9) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5177. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Regulation of Fuels and Fuel Additives: Modification to Standards and Requirements for Reformulated and Conventional Gasoline" (FRL7122–5) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5178. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Correction to the California State Implementation Plan" (FRL7122–8) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5179. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, a report entitled "Interim Final Determination that State has Corrected the Deficiency"; to the Committee on Environment and Public Works.

EC–5180. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, a report entitled "Approval and Promulgation of State Implementation Plans; Inspection and Maintenance Program and Fuel Requirements: Alaska"; to the Committee on Environment and Public Works.

EC–5181. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revisions to the California State Implementation Plan, Mojave Desert Air Quality Management District" (FRL7118–1) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5182. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of State Plans; for Designated Facilities and Pollutants; State of Alabama, Georgia, Kentucky, and South Carolina" (FRL7124–7) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5183. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Coal Mining Point Source Category; Amendment to Effluent Limitations Guidelines and New Source Performance Standards" (FRL7125–4) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5184. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Amendments to the Corrective Action Management Unit Rule" (FRL7124–3) received on January 4, 2002; to the Committee on Environment and Public Works.

EC–5185. A communication from the Director of the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Endangered and Threatened Wildlife and Plants: Final Rule to Establish Two Additional Manatee Protection Areas in Florida" (RIN1018–AH80) January 9, 2002; to the Committee on Environment and Public Works.

EC–5186. A communication from the Acting Director of the Fish and Wildlife Service, transmitting, pursuant to law, the report of a rule entitled "Endangered and Threatened Wildlife and Plants: Reclassification of Scutellaria montana (Large-Flowered Skullcap) from Endangered to Threatened" (RIN1018–AG07) received on January 9, 2002; to the Committee on Environment and Public Works.

EC–5187. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval of Section 112(1) Authority for Hazardous Air Pollutants; State of Virginia; Department of Environmental Quality" (FRL7126-8) received on January 9, 2002; to the Committee on Environment and Public Works.

EC-5188. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Primary Drinking Water Regulations: Long Term Enhanced Surface Water Treatment Rule" (FRL7124-2) received on January 9, 2002; to the Committee on Environment and Public Works.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HARKIN (for himself, Mr. SPECTER, Mrs. BOXER, and Mr. REID):

S. 1893. A bill to ban human cloning while protecting stem sell research; to the Committee on Health, Education, Labor, and Pensions.

By Mr. GRAHAM (for himself and Mr. NELSON of Florida):

S. 1894. A bill to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. FITZGERALD:

S. 1895. A bill to require investment advisers to make prominent public disclosures of ties with companies being analyzed by them, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. BOXER:

S. 1896. A bill to prohibit accounting firms from providing management consulting services for the companies they audit and any other non-audit related services that could result in a potential conflict of interest or otherwise impair the independence of the auditor, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. CARNAHAN (for herself and Mr. DAYTON):

S. 1897. A bill to require disclosure of the sale of securities by an affiliate of the issuer of the securities to be made available to the Commission and to the public in electronic form, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. NELSON of Florida (for himself and Mr. GRAHAM):

S. Res. 201. A resolution commending the University of Miami Hurricanes football team for winning the 2001 NCAA Division I-A collegiate football national championship; considered and agreed to.

By Mr. WYDEN (for himself and Ms. COLLINS):

S. Con. Res. 94. A concurrent resolution expressing the sense of Congress that public awareness and education about the importance of health care coverage is of the utmost priority and that a National Importance of Health Care Coverage Month should be established to promote that awareness and education; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 145

At the request of Mr. THURMOND, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 145, a bill to amend title 10, United States Code, to increase to parity with other surviving spouses the basic annuity that is provided under the uniformed services Survivor Benefit Plan for surviving spouses who are at least 62 years of age, and for other purposes.

S. 822

At the request of Mrs. MURRAY, the names of the Senator from Idaho (Mr. CRAPO) and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of S. 822, a bill to amend the Internal Revenue Code of 1986 to modify the treatment of bonds issues to acquire renewable resources on land subject to conservation easement.

S. 978

At the request of Mr. CRAIG, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 978, a bill to provide for improved management of, and increased accountability for, outfitted activities by which the public gains access to and occupancy and use of Federal land, and for other purposes.

S. 1140

At the request of Mr. HATCH, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 1140, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1289

At the request of Ms. SNOWE, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1289, a bill to require the Secretary of the Navy to report changes in budget and staffing that take place as a result of the regionalization program of the Navy.

S. 1464

At the request of Mr. KERRY, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 1464, a bill to amend the Internal Revenue Code of 1986 to modify the definition of rural airports for purposes of the air transportation tax.

S. 1552

At the request of Mr. HARKIN, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1552, a bill to provide for grants through the Small business Administration for losses suffered by general aviation small business concerns as a result of the terrorist attacks of September 11, 2001.

S. 1678

At the request of Mr. MCCAIN, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1678, a bill to amend the Internal Revenue Code of 1986 to provide that a member of the uniformed services or the Foreign Service shall be treated as using a principal residence while away from home on qualified official extended duty in determining the exclusion of gain from the sale of such residence.

S. 1707

At the request of Mr. JEFFORDS, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1707, a bill to amend title XVIII of the Social Security Act to specify the update for payments under the medicare physician fee schedule for 2002 and to direct the Medicare Payment Advisory Commission to conduct a study on replacing the use of the sustainable growth rate as a factor in determining such update in subsequent years.

S. 1749

At the request of Mr. KENNEDY, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1839

At the request of Mr. ALLARD, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1839, a bill to amend the Bank Holding Company Act of 1956, and the Revised Statures of the United States to prohibit financial holding companies and national banks from engaging, directly or indirectly, in real estate brokerage or real estate management activities, and for other purposes.

S. RES. 182

At the request of Mrs. FEINSTEIN, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. Res. 182, a resolution expressing the sense of the Senate that the United States should allocate significantly more resources to combat global poverty.

S. CON. RES. 72

At the request of Ms. LANDRIEU, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. Con. Res. 72, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued honoring Martha Matilda Harper, and that the Citizens' Stamp Advisory Committee should recommend to the Postmaster General that such a stamp be issued.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM (for himself and Mr. NELSON of Florida):

S. 1894. A bill to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. GRAHAM. Mr. President, the city of Miami is constantly changing. New buildings and facilities are being built daily adding to the cosmopolitan and modern flavor of the city. However, while in the process of building for the future, Miami has found a piece of its past, the Miami Circle.

Discovered in 1998, the Miami Circle is 38 feet in diameter and has been carved into the underlying bedrock. While its true purpose is unknown, it is thought that the circle was used to support different types of structures. Along with the Circle, myriad other ancient artifacts have been found at the site, making it a treasure trove of archaeological artifacts and a window into the history of the area. The true origin of this site has yet to be determined but it is widely believed it was created by the Tequesta Indians.

This piece of Miami's heritage is also part of Florida's as well as the Nation's. It is believed to be the only cut-in-rock prehistoric structural footprint ever found in eastern North America. It is and will be a valuable tool in understanding America's indigenous peoples, their culture, and their technological prowess. In fact, a recent discovery of a Tequesta burial grounds not far from the Miami Circle has made the Miami Circle an even more significant historical site.

For these reasons, the site of the Miami Circle needs to be preserved. This legislation will set the preservation process in motion by authorizing a feasibility study to be conducted to determine if Miami Circle should be preserved as part of Biscayne National Park. This important piece of America's heritage deserves the same protection that other American archaeological treasures enjoy. This study will help make that happen.

By Mr. FITZGERALD:

S. 1895. A bill to require investment advisers to make prominent public disclosures of ties with companies being analyzed by them, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. FITZGERALD. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1895

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Independent Investment Advisers Act of 2002".

SEC. 2. FINDINGS.

Congress finds that, in the decade preceding the date of enactment of this Act—

(1) events have raised concerns about the independence of the research conducted by investment advisers, particularly those who are affiliated with brokerage houses and investment banking institutions; and

(2) the number of class-action lawsuits alleging conflicts of interest on the part of investment advisers has increased dramatically.

SEC. 3. ENHANCED DISCLOSURES BY INVESTMENT ADVISERS.

The Investment Advisers Act of 1940 (15 U.S.C. 80b-1 et seq.) is amended by inserting after section 204A the following:

"PUBLIC DISCLOSURE OF TIES TO ISSUERS

"SEC. 204B. (a) If an investment adviser publishes any analysis or report regarding a company or the securities of a company, the investment adviser shall prominently disclose, in plain language—

"(1) the amount of any fees that the investment adviser, or person associated with the investment adviser, has received from that company during the 3-year period preceding the date of publication;

"(2) any merger or acquisition transaction handled by the investment adviser during the 5-year period preceding the date of publication that involves any debt or equity instruments of that company, including transactions that are concurrent with the publication;

"(3) any personal debt or equity holdings that the investment adviser or person associated with the investment adviser has in the company; and

"(4) the extent to which the investment adviser or person associated with the investment adviser has debt or equity holdings in that company.

"(b) In this section, the term 'publication' has the meaning given that term by regulation of the Commission, and includes—

"(1) any written description of the subject company or the securities of that company by the investment adviser; and

"(2) to the extent practicable—

"(A) any public appearance by the investment adviser or person associated with the investment adviser, such as participation in a seminar or forum regarding the subject company or the securities of that company;

"(B) participation by the investment adviser or person associated with the investment adviser in an interactive electronic discussion group by the investment adviser regarding the subject company or the securities of that company; and

"(C) any radio or television interview of the investment adviser or person associated with the investment adviser regarding the subject company or the securities of that company.".

(b) COMMISSION REGULATIONS.—Not later than 180 days after the date of enactment of this Act, the Securities and Exchange Commission shall issue final regulations to carry out section 204B of the Investment Advisers Act of 1940, as added by this section.

(c) EFFECTIVE DATE.—Section 204B of the Investment Advisers Act of 1940, as added by this Act, shall become effective on the date of issuance of final regulations under subsection (b).

By Mrs. BOXER:

S. 1896. A bill to prohibit accounting firms from providing management consulting services for the companies they audit and any other non-audit related services that could result in a potential conflict of interest or otherwise impair the independence of the auditor, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mrs. BOXER. Mr. President, today, I am introducing the Auditor Independence Act of 2002. The Act directs the Securities and Exchange Commission, SEC, to issue regulations prohibiting accounting firms from providing management consulting services for the companies they audit and barring accounting firms from providing any other non-audit related services that could result in a potential conflict of interest.

Using the rule that former SEC Chairman Arthur Levitt proposed in 2000 as a model, my legislation removes the actual conflict of interest as well as the perception of a conflict of interest that results when an auditing firm provides a client with consulting and auditing services.

The scandal resulting from the relationship between Enron and Arthur Andersen is only one example of the overdue need for this reform. In November 2001, Enron disclosed that it had overstated profits by more than $580 million since 1997. That means that Enron lied to investors about its earnings and the Arthur Andersen auditors failed to expose that lie in 1997, 1998, 1999, and 2000. During each of those years, Arthur Andersen worked as both auditor and consultant to Enron.

In 2000 alone, Enron paid Arthur Andersen $27 million for its audit work and paid the firm $28 million in management consulting fees. In auditing Enron, Arthur Andersen clearly made a series of errors. It is reasonable to assume that Arthur Andersen's dependence on the consulting fees that it charged Enron may have affected the quality of their audit work.

But the problem is not limited to Arthur Andersen. In a study analyzing the effects of accounting firms' consulting business on the independence of their auditors, Stanford professor Karen Nelson an her colleagues provide evidence showing that the provision of non-audit services impairs an auditor's independence.

The study used new data that has become available just since February 2001, when the SEC began requiring corporations to disclose all audit and non-audit fees paid by a corporation to its auditor. The study looked at the ratio of non-audit versus audit revenues paid by a corporation to its auditing firm. It found that over half of the firms paid more for consulting services than audit services, and that over 95 percent of firms purchase at least some non-audit services from their auditor.

The study also found that corporations with the least independent auditors, those who paid the most in consulting fees versus audit fees, are more likely to just meet or beat earnings benchmarks, such as analysts' expectations and prior year earnings expectations, and to report large discretionary earnings. This suggests more "earnings management", manipulation of debt and earnings data, went on among companies in the sample that paid the highest proportion of management consulting fees to their auditors. We must remove this conflict of interest from the accounting business.

Public confidence in the integrity of an accounting firm's audit will depend now more than ever before on whether auditors are independent from the companies that they audit. Auditors clearly cannot be independent from the companies they audit if they rely on those companies for lucrative consulting fees.

I look forward to working with my colleagues in the Senate to pass this bill quickly as a part of our larger legislative response to the Enron scandal.

By Mrs. CARNAHAN (for herself and Mr. DAYTON):

S. 1897. A bill to require disclosure of the sale of securities by an affiliate of the issuer of the securities to be made available to the Commission and to the public in electronic form, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mrs. CARNAHAN. Mr. President, America has the most vibrant and dynamic economy in the world. The foundation of our economy is our capital markets, which are robust and resilient. But the success of these markets depends on the free flow of accurate, reliable information. Our markets are the envy of the world, because of the confidence investors have in the private and public institutions that produce, verify, and analyze this information.

The collapse of Enron, represents a dramatic failure of these institutions. Even sophisticated investors did not detect that Enron was in was in poor financial condition. We need to create greater transparency and an early warning system so investors can better protect themselves.

One warning sign that a company may be in trouble is when its executives are selling large amounts of company stock, as occurred at Enron. I have learned, however, that information about insider sales of stock is not easily accessible. Under our current system, a company's officers are required to file a disclosure form with the Securities and Exchange Commission, (SEC), any time they sell securities issued by their company. Tens of thousands of these forms are filed annually. However, the vast majority of these forms are filed on paper, rather than electronically.

The paper disclosure forms are not easily accessible to the public. People can see the disclosure forms at the Public Reference Room of the SEC in Washington, DC. Alternatively, people can request in writing that the SEC mail copies of the disclosure forms to them. Requests submitted in writing may take weeks to process. This is unacceptable in the electronic age.

So today I am introducing legislation that requires information about insider sales of publicly traded companies to be filed electronically on the day of the sale. The Fully Informed Investor Act mandates that disclosure forms required by the SEC be filed electronically whenever officers, directors or other affiliates of the company sell shares of their company. The forms will be due at the SEC by the end of the day of the transaction. The SEC would then make the forms available to the public over the Internet. In addition, any company that maintains an internal company website would be required to post these disclosure forms on that website on the day of the transaction.

This single reform would dramatically level the playing field between insiders and ordinary investors. Never again would company executives be able to quietly dump large amounts of company stock without facing immediate scrutiny about the financial health of their company.

As I said, our capital markets are the envy of the world. To continue to be worthy of that envy, we need to constantly improve and modernize our system. The Fully Informed Investor Act is an important aspect of that modernization.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 201—COMMENDING THE UNIVERSITY OF MIAMI HURRICANES FOOTBALL TEAM FOR WINNING THE 2001 NCAA DIVISION I-A COLLEGIATE FOOTBALL NATIONAL CHAMPIONSHIP

Mr. NELSON of Florida (for himself and Mr. GRAHAM) submitted the following resolution; which was considered and agreed to:

S. Res. 201

Whereas in 2001 the University of Miami captured its fifth national title;

Whereas the University of Miami is a member of the Big East Conference of the National Collegiate Athletic Association Division I-A and the Conference's champion for the second consecutive year;

Whereas the University of Miami's 23-1 record since the year 2000 is the best in Division I-A football;

Whereas in 2001 Head Coach Larry Coker won the Bear Bryant Award naming him college football Coach of the Year in his first season;

Whereas after leading the Hurricanes to the national championship in 2001, Larry Coker became the first rookie coach to win a national championship since 1948;

Whereas Edward Reed and Bryant McKinnie were elected Consensus All-Americans;

Whereas offensive tackle Bryant McKinnie won the Outland Trophy, awarded to the Nation's best collegiate interior lineman;

Whereas offensive tackle Joaquin Gonzalez was named the 2001 Vincent dePaul Draddy Award winner as the Nation's top college football scholar-athlete, becoming the Big East Conference's first winner of the "Academic Heisman";

Whereas quarterback Ken Dorsey won the Maxwell Award, presented each year to the College Player of the Year;

Whereas defensive back Edward Reed was named to numerous All-American teams, leading the Nation with 9 interceptions;

Whereas each player, coach, trainer, and manager dedicated their time and effort to ensuring the Hurricanes reached the pinnacle of team achievement;

Whereas the students, alumni, faculty, and supporters of the University of Miami are to be congratulated for their commitment and pride in the Hurricanes' football program; and

Whereas their Division I-A national championships in 1983, 1987, 1989, 1991, and 2001, make the University of Miami program among the most successful in college football history: Now, therefore, be it

Resolved, that the Senate—

(1) commends the University of Miami Hurricanes football team for winning the 2001 NCAA Division I-A collegiate football national championship;

(2) recognizes the achievements of all the players, coaches, and support staff who were instrumental in helping the University of Miami win the 2001 NCAA Division I-A collegiate football national championship and invites them to the United States Capitol Building to be honored;

(3) requests that the President recognize the accomplishments and achievements of the 2001 University of Miami football team and invite them to Washington, D.C. for a White House ceremony for national championship teams; and

(4) directs the Secretary of the Senate to make available enrolled copies of this resolution to the University of Miami for appropriate display and to transmit an enrolled copy of the resolution to each coach and member of the 2001 NCAA Division I-A collegiate football national championship team.

SENATE CONCURRENT RESOLUTION 94—EXPRESSING THE SENSE OF CONGRESS THAT PUBLIC AWARENESS AND EDUCATION ABOUT THE IMPORTANCE OF HEALTH CARE COVERAGE IS OF THE UTMOST PRIORITY AND THAT A NATIONAL IMPORTANCE OF HEALTH CARE COVERAGE MONTH SHOULD BE ESTABLISHED TO PROMOTE THAT AWARENESS AND EDUCATION

Mr. WYDEN (for himself and Ms. COLLINS) submitted the following concurrent resolution; to the Committee on the Judiciary.

S. CON. RES. 94

Whereas census estimates indicate that some 42,000,000 people in the United States are without health insurance coverage, many of whom are among the most vulnerable and can be financially devastated by serious illness, disease, or accident;

Whereas studies have shown that people with health insurance are healthier than those who are uninsured and receive care through emergency rooms or safety net health care services, because the insured are entitled to, and receive, more preventive care, follow-up care, and care for chronic conditions such as diabetes and high blood pressure;

Whereas over 17,300,000 of the uninsured are employed but are not offered health insurance through their employers;

Whereas such employers are small business owners who are often unaware of the benefits of offering health insurance, including that such benefits are tax deductible, reduce employee turnover, and reduce employee sick days;

Whereas over 16,000,000 people in the United States, more than ⅓ of the uninsured, are in families where at least 1 member of the family has been offered employer based health care coverage but has declined coverage;

Whereas many individuals are eligible for public assistance programs such as the State Children's Health Insurance Program, known as SCHIP, and the medicaid program, but are not currently enrolled due primarily to lack of outreach, education, and accessible enrollment processes;

Whereas studies have shown that many individuals and small businesses are unaware of the various options they have for obtaining affordable health care coverage;

Whereas surveys have shown that many individuals who cite expense as the reason for not purchasing insurance find insurance affordable once they are informed of the true cost of various options; and

Whereas education about health care coverage helps uninsured individuals and employers understand the critical value of health insurance as a preventive measure and the ways to keep their health insurance premiums manageable once they have health care coverage: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) a National Importance of Health Care Coverage Month be established to—

(A) promote a multifaceted educational effort about the importance of health care coverage;

(B) increase awareness of the many available health care coverage options; and

(C) inform those eligible for public insurance programs on ways to access those programs; and

(2) the President issue a proclamation calling on the Federal Government, States, localities, citizens, and businesses of the United States to conduct appropriate programs, fairs, ceremonies, and activities to promote this educational effort.

Mr. WYDEN. Mr. President, today I am submitting a resolution calling for the creation of "National Importance of Health Care Coverage Month" to call attention to the need for information about health care coverage options. I am joined in this effort by Senator COLLINS of Maine.

A person's physical and mental well-being are fundamental to his or her ability to learn, to work, and to contribute to our society. For healthy communities, the health of our citizens is vital. It is a fact that people who have health insurance have better health; forty-four million Americans, however, do not enjoy the protection of health care coverage. This resolution calls for the promotion of a multifaceted educational effort about the importance of health care coverage; to increase awareness of the many health care coverage options already available; and to inform those who are eligible for public insurance programs on ways to access those programs.

This resolution alone will not provide insurance to the millions of Americans who need it. However, it will draw much-needed attention to an issue that touches every citizen in every state.

Ms. COLLINS. Mr. President, I am pleased to join with my colleague from Oregon in submitting this concurrent resolution expressing the sense of Congress that health care coverage is of the utmost importance and that a National Importance of Health Care Coverage Month should be established to promote awareness and education about the importance of health insurance coverage.

One of my top priorities in the Senate has been to expand access to affordable health care for all Americans. There still are far too many Americans without health insurance. An estimated 42 million Americans do not have health care coverage, including more than 150,000 people in Maine.

The simple fact is that people with health insurance are healthier than those who are uninsured. People without health insurance are less likely to seek care when they need it, and to forgo services such as periodic checkups and preventive services. As a consequence, they are more likely to be hospitalized or require costly medical attention for conditions that could be preventable. Not only does this put the health of these individuals at greater risk, but it also puts additional pressures on our hospitals and emergency rooms, which already are financially challenged. Compared with people who have health coverage, uninsured adults are four times and uninsured children five times more likely to use the emergency room. The costs of care for these individuals are often absorbed by providers and passed on to the covered population through increased fees and insurance premiums.

This is one of the reasons that the cost of health insurance has soared in recent years. In Maine, employers, and in particular small employers, have faced premium increases of 15 to 30 percent or more. This is a remarkable contrast to the mid-to-late 1990s, when health insurance premiums rose less than 3 percent, if at all. Clearly we must do more to make health insurance more available and affordable.

Since most Americans get their health insurance through the workplace, it is a common assumption that people without health insurance are unemployed. The fact is, however, that most uninsured Americans are members of families with at least one full-time worker. As many as 82 percent of Americans who do not have health insurance are in a family with a worker.

In Maine, small business is not just a segment of the economy, it is the economy. I am therefore particularly concerned that uninsured, working Americans are most often employees of small businesses. Some 60 percent of uninsured workers are employed by small firms. Small businesses want to provide health insurance for their employees, but the cost is often just too high. This is why I have introduced legislation with my colleague from Louisiana, Senator LANDRIEU, to help small employers cope with rising costs. Our bill, the Access to Affordable Health Care Act, will provide new tax credits for small businesses to help make health insurance more affordable. It will encourage those small businesses that do not currently offer health insurance to do and will help businesses that do offer insurance to continue coverage even in the face of rising costs.

While costs are clearly a problem, knowledge should not be an additional barrier to health insurance access. Public education and awareness initiatives are also critical to the success of our efforts to expand health coverage. Many small employers are not fully aware of the laws that have already been enacted by both States and the Federal Government to make this benefit more affordable. For example, in one recent survey, 57 percent of small employers did not know that they can deduct 100 percent of their health insurance premiums as a business expense. More than 60 percent did not know that insurers may not deny them health coverage even when the health status of their workers is poor. Small businesses clearly need better information about health insurance, which is why public awareness, outreach and education programs like the one this resolution is promoting are so important.

The same is true for our public programs. One of the first bills I cosponsored as a Senator was legislation to establish the State Children's Health Insurance Program, which provides insurance for the children of low-income parents who cannot afford health insurance, yet make too much money to qualify for Medicaid. This important program now provides affordable health insurance coverage to over two million children nationwide, including over 10,000 in Maine's Cub Care and expanded Medicaid program. Even so, hundreds of thousands of qualified children nationwide have yet to be enrolled in this program, many because their parents simply don't know that they are eligible for the assistance.

The resolution we are submitting today is simple. It expresses the sense of Congress that a National Importance of Health Care Coverage Month be established to promote a comprehensive educational effort about the importance of health care coverage; increase awareness of the available health care coverage options; and inform those eligible for public insurance programs about ways to access those programs. The resolution further calls on the President to issue a proclamation calling on the federal government, States, local governments and businesses in the United States to conduct appropriate programs and activities to promote this educational effort.

The resolution we are submitting today will assist in our efforts to expand access to affordable health care by helping small businesses, families and uninsured individuals learn more about health insurance and the various options which may already be available to them, and I urge all of our colleagues to join us as cosponsors.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2699. Mr. BUNNING submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table.

SA 2700. Mr. McCAIN (for himself, Mr. ALLARD, Mr. LIEBERMAN, Ms. SNOWE, Mr. LEVIN, Mr. MURKOWSKI, Mr. CLELAND, Mr. INHOFE, Ms. LANDRIEU, Mr. BURNS, Mr. DURBIN, Mr. SESSIONS, Mr. DEWINE, Mr. THURMOND, Mr. SHELBY, Mr. HAGEL, Mr. LUGAR, Mr. KENNEDY, Mr. WARNER, Ms. COLLINS, Mr. HATCH, Mr. HELMS, Mr. ALLEN, Mr. KERRY, Mr. FITZGERALD, Mr. STEVENS, Mr. REID, Mr. MILLER, Mr. ROBERTS, Mr. BAYH, Mr. ENSIGN, Mr. BUNNING, Mr. CAMPBELL, Mr. NELSON of Nebraska,, Mr. DODD, Mr. JEFFORDS, Mr. BROWNBACK, Mr. BIDEN, Ms. STABENOW, and Mr. COCHRAN) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2701. Mr. BAUCUS (for himself, Mr. ENZI, Mr. REID, Mr. BURNS, Ms. LANDRIEU, Mr. DORGAN, Mr. JOHNSON, and Mr. CONRAD) proposed an amendment to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra.

SA 2702. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2703. Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2704. Mr. KERRY (for himself, Mr. LIEBERMAN, and Mr. KENNEDY) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2705. Mr. SMITH, of Oregon (for himself, Mr. ALLEN, Mr. CRAIG, Mr. BURNS, Mr. NICKLES, Mr. GRASSLEY, Mr. HUTCHINSON, and Mr. SMITH, of New Hampshire) proposed an amendment to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra.

SA 2706. Mr. BOND (for himself and Ms. COLLINS) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2707. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2708. Mr. SPECTER (for himself and Mr. SANTORUM) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2699. Mr. BUNNING submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title V add the following:

SEC. ___. EXCLUSION FOR FOSTER CARE PAYMENTS TO APPLY TO PAYMENTS BY QUALIFIED PLACEMENT AGENCIES.

(a) IN GENERAL.—The matter preceding subparagraph (B) of section 131(b)(1) (defining qualified foster care payment) is amended to read as follows:

"(1) IN GENERAL.—The term 'qualified foster care payment' means any payment made pursuant to a foster care program of a State or political subdivision thereof—

"(A) which is paid by—

"(i) a State or political subdivision thereof, or

"(ii) a qualified foster care placement agency, and".

(b) QUALIFIED FOSTER INDIVIDUALS TO INCLUDE INDIVIDUALS PLACED BY QUALIFIED PLACEMENT AGENCIES.—Subparagraph (B) of section 131(b)(2) (defining qualified foster individual) is amended to read as follows:

"(B) a qualified foster care placement agency."

(c) QUALIFIED FOSTER CARE PLACEMENT AGENCY DEFINED.—Subsection (b) of section 131 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) QUALIFIED FOSTER CARE PLACEMENT AGENCY.—The term 'qualified foster care placement agency' means any placement agency which is licensed or certified by—

"(A) a State or political subdivision thereof, or

"(B) an entity designated by a State or political subdivision thereof,

for the foster care program of such State or political subdivision to make foster care payments to providers of foster care."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2700. Mr. McCAIN (for himself, Mr. ALLARD, Mr. LIEBERMAN, Ms. SNOWE, Mr. LEVIN, Mr. MURKOWSKI, Mr. CLELAND, Mr. INHOFE, Ms. LANDRIEU, Mr. BURNS, Mr. DURBIN, Mr. SESSIONS, Mr. DEWINE, Mr. THURMOND, Mr. SHELBY, Mr. HAGEL, Mr. LUGAR, Mr. KENNEDY, Mr. WARNER, Ms. COLLINS, Mr. HATCH, Mr. HELMS, Mr. ALLEN, Mr. KERRY, Mr. FITZGERALD, Mr. STEVENS, Mr. REID, Mr. MILLER, Mr. ROBERTS, Mr. BAYH, Mr. ENSIGN, Mr. BUNNING, Mr. CAMPBELL, Mr. NELSON of Nebraska, Mr. DODD, Mr. JEFFORDS, Mr. BROWNBACK, Mr. BIDEN, Ms. STABENOW, and Mr. COCHRAN) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. ___. SPECIAL RULE FOR MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE IN DETERMINING EXCLUSION OF GAIN ON SALE OF PRINCIPAL RESIDENCE.

(a) IN GENERAL.—Section 121(d) (relating to special rules) is amended by adding at the end the following:

"(9) MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE.—

"(A) IN GENERAL.—The running of the 5-year period described in subsection (a) shall be suspended with respect to an individual during any time that such individual or such individual's spouse is serving on qualified official extended duty as a member of a uniformed service or of the Foreign Service.

"(B) QUALIFIED OFFICIAL EXTENDED DUTY.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'qualified official extended duty' means any period of extended duty during which the member of a uniformed service or the Foreign Service is under a call or order compelling such duty at a duty station which is at least 50 miles from the property described in subparagraph (A) or compelling residence in Government furnished quarters while on such duty.

"(ii) EXTENDED DUTY.—The term 'extended duty' means any period of active duty pursuant to a call or order to such duty for a period in excess of 90 days or for an indefinite period.

"(C) DEFINITIONS.—For purposes of this paragraph—

"(i) UNIFORMED SERVICE.—The term 'uniformed service' has the meaning given such term by section 101(a)(5) of title 10, United States Code.

"(ii) FOREIGN SERVICE OF THE UNITED STATES.—The term 'member of the Foreign Service' has the meaning given the term 'member of the Service' by paragraph (1), (2), (3), (4), or (5) of section 103 of the Foreign Service Act of 1980.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales or exchanges on or after the date of the enactment of this Act.

SA 2701. Mr. BAUCUS (for himself, Mr. ENZI, Mr. REID, Mr. BURNS, Ms. LANDRIEU, Mr. DORGAN, Mr. JOHNSON, and Mr. CONRAD) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end add the following:

TITLE ___—EMERGENCY AGRICULTURE ASSISTANCE

Subtitle A—Income Loss Assistance

SEC. ___01. INCOME LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this title as the "Secretary") shall use $1,800,000,000 of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers on a farm that have incurred qualifying income losses in calendar year 2001.

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–55), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(c) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments not for crop disasters, but for income loss to carry out the purposes of this section.

SEC. 02. LIVESTOCK ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary shall use $500,000,000 of the funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received an emergency designation by the President or the Secretary after January 1, 2001, of which $12,000,000 shall be made available for the American Indian livestock program under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

Subtitle B—Administration

SEC. 11. COMMODITY CREDIT CORPORATION.

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this title.

SEC. 12. ADMINISTRATIVE EXPENSES.

(a) IN GENERAL.—In addition to funds otherwise available, not later than 30 days after the date of enactment of this Act, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to pay the salaries and expenses of the Department of Agriculture in carrying out this title $50,000,000, to remain available until expended.

(b) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subsection (a), without further appropriation.

SEC. 13. REGULATIONS.

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this title.

(b) PROCEDURE.—The promulgation of the regulations and administration of this subtitle shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SEC. 14. EMERGENCY DESIGNATION.

The entire amount made available by each of Subtitle A and Subtitle B—

(1) shall be available only to the extent that the President submits to Congress an official budget request for the amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.); and

(2) is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

SA 2702. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE —TERRORIST RESPONSE TAX EXEMPTION ACT

SECTION 1. SHORT TITLE.

This title may be cited as the "Terrorist Response Tax Exemption Act".

SEC. 2. EXCLUSION OF CERTAIN TERRORIST ATTACK ZONE COMPENSATION OF CIVILIAN UNIFORMED PERSONNEL.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by inserting after section 112 the following new section:

"SEC. 112A. CERTAIN TERRORIST ATTACK ZONE COMPENSATION OF CIVILIAN UNIFORMED PERSONNEL.

"(a) IN GENERAL.—Gross income does not include compensation received by a civilian uniformed employee for any month during any part of which such employee provides security, safety, fire management, or medical services during the initial response in a terrorist attack zone.

"(b) DEFINITIONS.—For purposes of this section—

"(1) CIVILIAN UNIFORMED EMPLOYEE.—The term 'civilian uniformed employee' means any nonmilitary individual employed by a Federal, State, or local government (or any agency or instrumentality thereof) for the purpose of maintaining public order, establishing and maintaining public safety, or responding to medical emergencies.

"(2) INITIAL RESPONSE.—The term 'initial response' means, with respect to any terrorist attack zone, the period beginning with the receipt of the first call for services described in subsection (a) in such zone by an entity described in paragraph (1) and ending with the beginning of the recovery phase in such zone as determined by the appropriate official of the Federal Emergency Management Agency.

"(2) TERRORIST ATTACK ZONE.—

"(A) IN GENERAL.—The term 'terrorist attack zone' means any geographic area designated in an Executive order by the President, pursuant to a request by the chief executive officer of the State in which such area is located to the appropriate official of the Federal Emergency Management Agency, to be an area in which—

"(i) a violent act or acts occurred which—

"(I) were dangerous to human life and a violation of the criminal laws of the United States or of any State, and

"(II) would appear to be intended to intimidate or coerce a civilian population, influence the policy of a government by intimidation, or affect the conduct of a government by assassination or kidnapping, and

"(ii) as a direct result of such act or acts, loss of life, injury, or significant damage to property or cost of response occurred.

"(B) SIGNIFICANT DAMAGE TO PROPERTY OR COST OF RESPONSE.—For purposes of subparagraph (A)(ii), damage to property or cost of response with respect to any area is significant if such damages or cost exceeds or will exceed $500,000.

"(C) LIMITATION ON DESIGNATION.—An area may not be designated as a terrorist attack zone under subparagraph (A) if a negative economic impact to such area was the sole result of the act or acts described in subparagraph (A)(i).

"(3) COMPENSATION.—The term 'compensation' does not include pensions and retirement pay.".

(b) CONFORMING AMENDMENTS.—

(1) Section 3401(a)(1) of the Internal Revenue Code of 1986 is amended by inserting "or section 112A (relating to certain terrorist attack zone compensation of civilian uniformed personnel)" after "United States)".

(2) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 112 the following new item:

"Sec. 112A. Certain terrorist attack zone compensation of civilian uniformed personnel.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after September 11, 2001.

SA 2703. Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . FEDERAL-AID HIGHWAY PROGRAMS.

(a) IN GENERAL.—Section 9503(c)(1) (relating to expenditures from Highway Trust Fund) is amended—

(1) by striking "or" at the end of subparagraph (D),

(2) by striking the period at the end of subparagraph (E) and inserting ", or", and

(3) by inserting after subparagraph (E) the following new subparagraph:

"(F) authorized under paragraph (6).".

(b) INCREASE IN OBLIGATION AUTHORITY.—Section 9503(c) is amended by adding at the end the following new paragraph.—

"(6) SPECIAL OBLIGATION AUTHORITY.—In addition to any obligation authority provided by any other law enacted before, on, or after the date of the enactment of this paragraph, $5,000,000,000 in obligation authority shall be made available for fiscal year 2002 for obligation of funds apportioned under section 104(b) of title 23, United States Code (as in effect on the date of the enactment of this paragraph) and shall be distributed to each State in the same manner as calculated for fiscal year 2002 under section 105(f) of such title 23.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SA 2704. Mr. KERRY (for himself, Mr. LIEBERMAN, and Mr. KENNEDY) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . ALTERNATIVE MINIMUM TAX RELIEF WITH RESPECT TO INCENTIVE STOCK OPTIONS EXERCISED DURING 2000.

In the case of an incentive stock option (as defined in section 422 of the Internal Revenue Code of 1986) exercised during calendar year 2000, the amount taken into account under section 56(b)(3) of such Code by reason of such exercise shall not exceed the amount that would have been taken into account if, on the date of such exercise, the fair market value of the stock acquired pursuant to such option had been an amount equal to 150 percent of its fair market value as of April 15, 2001 (or, if such stock is sold or exchanged on or before such date, 150 percent of the amount realized on such sale or exchange).

SA 2705. Mr. SMITH of Oregon (for himself, Mr. ALLEN, Mr. CRAIG, Mr. BURNS, Mr. NICKLES, Mr. GRASSLEY, Mr. HUTCHINSON, and Mr. SMITH of New Hampshire) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end of the bill, add the following:

SEC. . SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1986 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

"(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004:—

"(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

"(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

"(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

"(2) QUALIFIED PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified property' means property—

"(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property, or

"(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

"(ii) the original use of which commences with the taxpayer after September 10, 2001,

"(iii) which is—

"(I) acquired by the taxpayer after September 10, 2001, and before September 11, 2004, but only if no written binding contract for the acquisition was in effect before September 11, 2001, or

"(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after September 10, 2001, and before September 11, 2004, and

"(iv) which is placed in service by the taxpayer before January 1, 2005, or, in the case of property described in subparagraph (B), before January 1, 2006.

"(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

"(i) IN GENERAL.—The term 'qualified property' includes property—

"(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

"(II) which has a recovery period of at least 10 years or is transportation property, and

"(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

"(ii) ONLY PRE-SEPTEMBER 11, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before September 11, 2004.

"(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

"(C) EXCEPTIONS.—

"(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

"(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

"(II) after application of section 280F(b) (relating to listed property with limited business use).

"(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

"(iii) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—The term 'qualified property' shall not include any qualified leasehold improvement property (as defined in section 168(e)(6)).

"(D)-SPECIAL RULES.—

"(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing; or producing the property after September 10, 2001, and before September 11, 2004.

"(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

"(I) is originally placed in service after September 10, 2001, by a person, and

"(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

"(E) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

"(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

"(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2)."

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Section 56(a)(1)(A) of the Internal Revenue Code of 1986 (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

"(iii) ADDITIONAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.—The deduction under section 168(k) shall be allowed."

(2) CONFORMING AMENDMENT.—Clause (i) of section 56(a)(1)(A) of the Internal Revenue Code of 1986 is amended by striking "clause (ii)" both places it appears and inserting "clauses (ii) and (iii)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after September 10, 2001, in taxable years ending after such date.

SA 2706. Mr. BOND (for himself and Ms. COLLINS) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

On page 16, after line 2 add the following new section:

SEC. 202. TEMPORARY INCREASE IN EXPENSE TREATMENT OF CERTAIN DEPRECIABLE BUSINESS ASSETS FOR SMALL BUSINESSES.

(a) IN GENERAL.—The table contained in section 179(b)(1) (relating to dollar limitation) is amended to read as follows:

"If the taxable year begins in:	The applicable amount is:
2002 or 2003	$40,000
2004 or thereafter	25,000.

(b) TEMPORARY INCREASE IN AMOUNT OF PROPERTY TRIGGERING PHASEOUT OF MAXIMUM BENEFIT.—Paragraph (2) of section 179(b) is amended by inserting before the period "($325,000 in the case of taxable years beginning during 2002 or 2003)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2707. Mr. KYL submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. . PERSONAL TRAVEL CREDIT.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

"SEC. 25C. PERSONAL TRAVEL CREDIT.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified personal travel expenses which are incurred and paid by the taxpayer on or after the date of the enactment of this section and before the date which is 30 days after the date of such enactment.

"(b) Maximum Credit.—The credit allowed to a taxpayer under subsection (a) for any taxable year shall not exceed $500 ($1,000, in the case of a joint return).

"(c) Qualified Personal Travel Expenses.—For purposes of this section—

"(1) In general.—The term 'qualified personal travel expenses' means reasonable expenses in connection with 1 qualifying personal trip away from the taxpayer's residence for—

"(A) travel by aircraft, rail, watercraft, or motor vehicle, and

"(B) lodging while away from home at any commercial lodging facility.

Such term does not include expenses for meals, entertainment, amusement, or recreation.

"(2) Qualifying personal trip.—

"(A) In general.—The term 'qualifying personal trip' means travel within the United States (including the Commonwealth of Puerto Rico and the possessions of the United States)—

"(i) the farthest destination of which is at least 100 miles from the taxpayer's residence,

"(ii) involves an overnight stay at a commercial lodging facility, and

"(iii) which is taken on or after the date of the enactment of this section.

"(B) Only personal travel included.—Such term shall not include travel if, without regard to this section, any expenses in connection with such travel are deductible in connection with a trade or business or activity for the production of income.

"(3) Commercial lodging facility.—The term 'commercial lodging facility' includes any hotel, motel, resort, rooming house, or campground.

"(d) Special Rules.—

"(1) Denial of credit to dependents.—No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins.

"(2) Expenses must be substantiated.—No credit shall be allowed by subsection (a) unless the taxpayer substantiates by adequate records or by sufficient evidence corroborating the taxpayer's own statement the amount of the expenses described in subsection (c)(1).

"(e) Denial of Double Benefit.—No deduction shall be allowed under this chapter for any expense for which credit is allowed under this section.".

(b) Conforming Amendments.—

(1) Section 24(b)(3)(B) of the Internal Revenue Code of 1986, as added and amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "23 and 25B" and inserting "23, 25B, and 25C".

(2) Section 25(e)(1)(C) of such Code is amended by striking "23 and 1400C" and by inserting "23, 25C, and 1400C".

(3) Section 25(e)(1)(C) of such Code, as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by inserting "25C," after "25B,".

(4) Section 25B of such Code, as added by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "section 23" and inserting "sections 23 and 25C".

(5) Section 26(a)(1) of such Code, as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "and 25B" and inserting "25B, and 25C".

(6) Section 1400C(d) of such Code is amended by inserting "and section 25C" after "this section".

(7) Section 1400C(d) of such Code, as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "and 25B" and inserting "25B, and 25C".

(8) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting before the item relating to section 26 the following new item:

"Sec. 25C. Personal travel credit.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SA 2708. Mr. SPECTER (for himself and Mr. Santorum) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ___. TREATMENT OF CERTAIN COUNTIES FOR PURPOSES OF REIMBURSEMENT UNDER THE MEDICARE PROGRAM.

(a) Reclassification of Certain Pennsylvania Counties.—

(1) In general.—Notwithstanding any other provision of law, subject to paragraph (3), effective for discharges occurring during fiscal year 2002, for purposes of making payments under subsections (d) and (j) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) to hospitals (including rehabilitation hospitals and rehabilitation units under such subsection (j))—

(A) in Columbia, Lackawanna, Luzerne, Wyoming, and Lycoming Counties, Pennsylvania, such counties are deemed to be located in the Newburgh, New York-PA Metropolitan Statistical Area;

(B) in Mercer County, Pennsylvania, such county is deemed to be located in Youngston-Warren, Ohio Metropolitan Statistical Area; and

(C) in Northumberland County, Pennsylvania, such county is deemed to be located in the Harrisburg-Lebanon-Carlisle, Pennsylvania Metropolitan Statistical Area.

(2) Rules.—The reclassifications made under paragraph (1) with respect to a subsection (d) hospital shall be treated as a decision of the Medicare Geographic Classification Review Board under paragraph (10) of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)).

(3) Limitation on application during fiscal year 2002.—With respect to fiscal year 2002, this subsection shall apply only to discharges occurring on and after April 1, 2002.

(b) Implementation of Provisions.—The Secretary of Health and Human Services shall implement the provisions of subsection (a) by program memorandum. In implementing such provisions, the Secretary shall recalculate new standardized amounts, weighting factors, rates, and wage indices by April 1, 2002, in a manner that assures overall budget neutrality.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, January 24, 2002, at 9 a.m., on the nomination of Dr. James Mahoney to be Assistant Secretary for Oceans and Atmosphere and Deputy Administrator for the National Oceanic and Atmosphere Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, January 24, 2002, at 9:30 on national security, safety, technology and employment implications of increasing the cafe standards.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Thursday, January 24, 2002, at 9:30 a.m., to conduct a hearing entitled, "Partner's for America's Transportation Future." The hearing will focus on the lessons learned from TEA-21 and perspectives on reauthorization from the Federal, State and local level. The hearing will be held in SD-406.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Thursday, January 24, 2002, at 2:30 p.m., to hear from the following nominees pending before the committee: Linda Morrison Combs to be Chief Financial Officer of the Environmental Protection Agency; J. Paul Gilman to be Assistant Administrator of the Environmental Protection Agency; and Morris X. Winn to be Assistant Administrator of the Environmental Protection Agency. The hearing will be held in SD-406.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Thursday, January 24, 2002, at 10 a.m., to hold a hearing entitled "The Fall of Enron: How Could It Have Happened?"

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on Early Learning: Investing In Our Children, Investing In Our Future, during the session of the Senate on Thursday, January 24, 2002, 9:45 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BREAUX. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on "Judicial Nominations" on Thursday, January 24, 2002, at 2 p.m., in Dirksen Room 226.

TENTATIVE WITNESS LIST

Panel I: The Honorable Charles E. Grassley; the Honorable Tom D. Harkin; the Honorable John B. Breaux; the Honorable Ben Nighthorse Campbell; the Honorable Jon Kyl; the Honorable Wayne Allard; the Honorable Mary L. Landrieu; and the Honorable Eleanor Holmes Norton.

Panel II: Michael Melloy to the U.S. Court of Appeals for the Eighth Circuit.

Panel III: Robert Blackburn to be U.S. District Court Judge for the District of Colorado; James Gritzner to be U.S. District Court Judge for the Southern District of Iowa; Cindy Jorgenson to be U.S. District Court Judge for the District of Arizona; Richard Leon to be U.S. District Court Judge for the District of Columbia; and Jay Zainey to be U.S. District Court Judge for the Eastern District of Louisiana.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. GRASSLEY. Mr. President, I ask unanimous consent that Chuck McFadden, a legislative fellow on the Finance Committee, be afforded floor privileges during the duration of the debate on the economic stimulus bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, I ask unanimous consent that a member of the staff of the chairman of the Finance Committee, Christy Mistr, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE—REGISTRATION OF MASS MAILINGS

The filing date for 2001 fourth quarter mass mailings is January 25, 2002. If your office did no mass mailings during this period, please submit a form that states "none."

Mass mailing registrations, or negative reports, should be submitted to the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510–7116.

The Public Records office will be open from 8 a.m. to 6 p.m. on the filing date to accept these filings. For further information, please contact the Public Records office at (202) 224–0322.

NOTICE—2001 YEAR END REPORT

The mailing and filing date of the 2001 Year End Report required by the Federal Election Campaign Act, as amended, is Thursday, January 31, 2002. Principal campaign committees supporting Senate candidates file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510–7116.

The Public Records office will be open from 8 a.m. to 6 p.m. on the filing date to accept these filings. For further information, please contact the Public Records office at (202) 224–0322.

COMMENDING THE UNIVERSITY OF MIAMI HURRICANES FOOTBALL TEAM

Mr. REID. Mr. President, I ask unanimous consent the Senate proceed to S. Res. 201 introduced earlier today by Senators NELSON of Florida and GRAHAM of Florida.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

> A resolution (S. Res. 201) commending the University of Miami Hurricanes football team for winning the 2001 NCAA division I–A collegiate football national championship.

There being no objection, the Senate proceeded to consider the resolution.

Mr. NELSON of Florida. Mr. President, I rise today to note the accomplishment of the University of Miami Hurricanes football team, who on January 3, 2002 won the NCAA Division I–A football championship, defeating the University of Nebraska Cornhuskers in the 88th Rose Bowl game.

It was an exciting and memorable game, pitting two of college football's elite programs in the "Granddaddy of Them All". Ultimately, the Hurricanes won 37–14, capping an extraordinary season with their 5th national championship all since 1983.

Along with students, alumni and fans from across the country, the State of Florida has become accustomed to great teams and a rich history of collegiate football success. While the future of Florida football is sure to yield many more great teams and great battles, today I want to congratulate the University of Miami for their latest triumph, which truly was a team effort.

Led by Consensus All-Americans Bryant McKinnie and Edward Reed, as well as Joaquin Gonzalez who was named the nation's top college football scholar-athlete, the Hurricanes showed that individual achievement, well-rounded student leadership and team spirit add up to success both on and off the field.

Head Coach Larry Coker has much to be proud of, molding this team into national champions and becoming the first rookie coach to do so since 1948. For his efforts, dedication and success, he was awarded the Bear Bryant Award as the college football Coach of the Year.

The University of Miami program is a meaningful example for all Americans of determination, perseverance and excellence, and I want to extend my appreciation to every member of this team that contributed to the Hurricanes' victory.

I ask unanimous consent that the full roster of this championship team, and their first-rate coaching staff be printed in the RECORD. They have made us very proud.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNIVERSITY OF MIAMI HURRICANES TEAM ROSTER

1. Daryl Jones.
2. Willis McGahee.
3. Jason Geathers.
4. Najeh Davenport.
5. Andre Johnson.
6. Antrel Rolle.
7. Ethenic Sands.
8. Mike Rumph.
9. Kevin Beard.
11. Ken Dorsey.
12. Jair Clarke.
12. Nate Smith.
13. Freddie Capshaw.
15. Buck Ortega.
15. Dan Lundy.
16. Todd Sievers.
17. D.J. Williams.
18. Derrick Crudup.
19. Troy Prasek.
20. Edward Reed.
21. Jermell Weaver.
22. Kelly Jennings.
23. James Lewis.
24. Marcus Maxey.
25. Alfonso Marshall.
26. Sean Taylor.
27. Markese Fitzgerald.
28. Clinton Portis.
29. James Scott.
30. Alex Duk.
30. Jeff Malley.
31. Phillip Buchanon.
32. Frank Gore.
33. Mark Gent.
34. Jarrett Payton.
35. Quadtrine Hill.
36. Maurice Sikes.
37. Jean Leone.
38. Carl Walker.
39. LaVaar Scott.
40. Kyle Cobia.
41. Frank Bayless.
43. Jarvis Gray.
44. Leon Williams.
45. Howard Clark.
46. Michael Langley.
47. Ken Dangerfield.
48. Chris Campbell.
49. Darrell McClover.
50. Roger McIntosh.
51. Jonathan Vilma.

52. Tariq Vlaun.
52. Steve Adzima.
53. James Sikora.
54. Alex Garcia.
55. Jamaal Green.
56. Santonio Thomas.
57. Javon Nanton.
58. Jarrell Weaver.
59. Brad Kunz.
60. Vernon Carey.
61. Tony Tella.
62. Chris Harvey.
63. Scott Puckett.
64. Rashad Butler.
65. Martin Bibla.
66. Brett Romberg.
67. Joe McGrath.
68. Joe Fantigrassi.
69. Kyle Morgan.
70. Joel Rodriguez.
71. Jim Wilson.
72. Ed Wilkins.
73. Joaquin Gonzalez.
74. Sherko Haji-Rasouli.
75. Vince Wilfork.
76. Carlos Joseph.
77. Chris Myers.
78. Bryant McKinnie.
79. Robert Bergman.
80. Robert Williams.
81. Kellen Winslow II.
82. David Williams.
83. Aaron Greeno.
85. Ennis Crafton.
84. Roscoe Parrish.
86. Brandon Sebald.
88. Jeremy Shockey.
90. Thomas Carroll.
91. Matt Walters.
92. Orien Harris.
93. John Square.
94. William Joseph.
95. Jerome McDougle.
96. Miguel Robede.
97. Larry Anderson.
98. Cornelius Green.
99. Andrew Williams.

2001 UNIVERSITY OF MIAMI HURRICANES COACHES AND STAFF

Larry Coker, Head Coach.
Randy Shannon, Defensive Coordinator.
Rob Chudzinski, Offensive Coordinator/Tight Ends.
Vernon Hargreaves, Linebackers.
Curtis Johnson, Wide Receivers.
Art Keheo, Offense Line.
Greg Mark, Defensive Line.
Don Soldinger, Running Backs/Special Teams.
Mark Stoops, Defensive Backs.
Andrew Swasey, Head Strengths & Conditioning.
Dan Werner, Quarterbacks.
Jeff Merk, Director of Football Operations/Academic Advisor.
Frank Giufre, Graduate Assistant Coach.
Rod Holder, Graduate Assistant Coach.

Mr. REID. Mr. President, I ask unanimous consent that the resolution and the preamble be agreed to en bloc, and the motion to reconsider be laid on the table, with no intervening action or debate, and that any statements relating to this matter be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 201) was agreed to.

The preamble was agreed to.

(The resolution, with its preamble, is printed in today's RECORD under "Submitted Resolutions.")

ORDERS FOR FRIDAY, JANUARY 25, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10 a.m., Friday, January 25; that following the prayer and pledge, the Journal of proceeding be approved to date, the morning hour be deemed expired, and the time for the two leaders be reserved for their use later in the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Mr. President, under the previous consent agreement, the next rollcall vote will be in relation to the Smith of Oregon amendment at 10:30 tomorrow morning. Additional rollcall votes are expected throughout the day. We will have the two executive nominations that have been previously agreed to by virtual unanimous consent agreement.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:21 p.m., adjourned until Friday, January 25, 2002 at 10 a.m.

EXTENSIONS OF REMARKS

IN HONOR OF THE 2ND CONGRESSIONAL DISTRICT ACADEMY NOMINATION COMMITTEE

HON. GREG WALDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. WALDEN of Oregon. Mr. Speaker, I rise today to express my immense gratitude to the academy nominating committee that assists me in selecting the best and brightest young people in central, southern and eastern Oregon for nominations to our nation's military academies.

As I'm sure my colleagues would agree, one of the greatest honors I have as a Member of Congress is the privilege of nominating outstanding young men and women from my district to the United States Military, Naval, Air Force, and Merchant Marine Academies. Not only do these prestigious institutions offer the finest education in the world, but they also provide an avenue to one of the most honorable forms of public service available to our citizens: the opportunity to serve in the United States armed forces. Graduates of these institutions serve not only as the leaders of our nation's military, but also in high positions of civic and social responsibility in later life.

Mr. Speaker, given the tremendous investment our government makes in these young men and women and the faith the nation places in them after their graduation, nominating the most qualified candidates to America's military academies is an important responsibility. For this reason, in the process of selecting nominees I seek the guidance of men and women whose patriotism, professionalism, and judgment are beyond reproach. I am immensely fortunate to have the assistance of a number of retired military officers in my district who personify these virtues.

In the process of selecting candidates for nomination, I have called upon the expertise of the following outstanding retired military officers to assist me:

The Oregon 2nd Congressional District Academy Nomination Committee:

Major General David S. Trump, USAF (Ret.)
Colonel Linda Sindt, USAF (Ret.)
Colonel Thomas G. Foster, USA (Ret.)
Captain Bud Hart, USN (Ret.)
Captain Sam Edelstein, USN (Ret.)
Colonel Norman Smedes, USAF (Ret.)
Captain Robert J. Trott, USN (Ret.)

Mr. Speaker, these dedicated individuals have served their fellow citizens selflessly in their careers as professional military officers, and their service to the nation continues in this new capacity. Drawing from their considerable experience, they assist me in selecting candidates who understand and appreciate the gravity of the pursuit they are undertaking. The members of the nominating committee spend countless hours reviewing each candidate's record and conducting extensive interviews to enable me to choose the best of the best. They are both thorough and demanding in ensuring that the candidates they recommend bear the qualities that will be of value to the services they hope one day to join.

At a time when our nation is being tested as it has never been tested before, we are more mindful than ever of the need to identify and invest in the future leaders of our nation's military, the men and women who safeguard the very mantle of freedom under which we rise and sleep. I am grateful to have the guidance of these experienced officers who have, through their own outstanding military careers, demonstrated the qualities we seek in academy nominees. Our country will reap the benefits of their service for many years to come.

EMERGENCY WORKER AND INVESTOR PROTECTION ACT OF 2002

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. RANGEL. Mr. Speaker, we have all seen the press reports about how many of the employees of Enron lost virtually all of their retirement savings because of the Enron collapse. While the retirement savings of the rank and file Enron employees were disappearing, the corporate insiders sold millions of dollars worth of their Enron stock. The corporate insiders were able to sell their stock even though those insiders continued to promote Enron stock as a sound investment to the rank and file employees. In addition, Enron placed substantial restrictions on the ability of the rank and file employees to sell the Enron stock held in their retirement plan.

The Republican leadership has made it clear that it is willing to act promptly, without hearings, when providing large benefits to corporations. This Congress enacted an airline bailout bill promptly without hearings while making promises to help airline workers later. The House of Representatives passed legislation last year, without hearings, that would have provided a cash payment to Enron of over $250 million. The House passed legislation protecting the insurance companies from claims in future terrorist attacks, again without hearings and also with further promises to provide worker benefits later.

Now, I ask the Republican leadership to permit prompt consideration of legislation to protect workers from another Enron-like incident. Workers should be entitled to the same consideration as large corporations.

The bill that I am introducing today along with Minority Leader GEPHARDT and others contains two provisions that I believe can and should be enacted immediately. The bill does not pretend to be the final answer to the issues raised by the Enron collapse. However, it will provide interim protection for workers. It ensures that the employees of a company will have the same ability to sell stock in company that the corporate insiders have. It also will help ensure that companies provide workers and shareholders with accurate information about the true liabilities of the company so that they can make informed decisions as to whether to hold or sell that company's stock.

Mr. Speaker, I fully support investigations and hearings on the Enron situation. We need to fully understand what Enron did and how it was permitted to do it, in order to formulate a comprehensive legislative response. However the investigations, hearings, studies, and task forces should not be an excuse to delay immediate action designed to protect millions of employees as well as shareholders.

I believe there is some risk that Enron and its accounting firm may have been successful in destroying documents necessary for the investigations. I would note that there is one set of documents that Enron and its accountants did not destroy, namely Enron's tax returns. The executives from Enron have stated that the destruction of documents was contrary to their express instructions. If those executives are serious in desiring a full investigation, laying out all facts available, then they should release immediately Enron's tax returns for public examination. Those could be the only documents remaining that would fully disclose what happened to Enron and who is responsible.

Mr. Speaker, this is not the last bill that I will introduce as a result of the issues arising from the Enron case. As we learn more about specific problems that should be addressed, I will urge my colleagues to consider additional proposals. For example, recently there have been press reports that Enron enhanced its guaranteed retirement benefits for its executive officers while it was reducing or eliminating guaranteed pension benefits for rank and file workers. There may be need for legislation to prevent such an abuse in the future. In addition, it is clear that certain areas in our pension system need to be addressed to provide a greater level of retirement security to workers.

Following is a brief description of the bill I am introducing today.

SHORT-TERM WORKER PROTECTIONS

Enron employees suffered large losses on their investments in Enron stock because Enron placed restrictions on sales of its stock held by employees in section 401(k) plans. Indeed, during the critical period within which Enron collapsed, it prohibited all sales of stock in its 401(k) plans.

During the early 1980s Congress enacted legislation to respond to certain corporate transactions where insiders received large payments, called "golden parachutes." They were called golden parachutes because they enabled the insiders to bail out with extraordinary sums of dollars, often leaving a weak or

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

bankrupt company behind. The legislation imposed a 20 percent excise tax on those payments.

My bill would extend the golden parachute excise tax to sales of corporate stock by corporate insiders during periods when rank and file employees of the company are not able to freely sell the company stock held their 401(k) accounts.

This portion of the bill would be temporary (in effect for 6 months). It is designed to force a comprehensive legislative solution that protects workers. Currently, congressional delay protects corporate interests while leaving rank and file workers at risk. I wish to reverse that dynamic.

I believe that it is a matter of simple fairness that corporate insiders should not have greater freedom to sell their stock than the freedom that those insiders decide to grant to their employees.

ELIMINATE TAX SUBSIDES FOR INACCURATE ACCOUNTING

The Wall Street Journal in an article on Monday, January 14, noted that "some of the world's leading banks and brokerage firms" provided Enron with crucial help in creating the intricate—and, in crucial ways, misleading—financial structure that fueled the energy trader's impressive rise but ultimately led to its spectacular downfall."

The article failed to note that tax lawyers also provided crucial assistance by their creation of hybrid instruments that are treated as equity for shareholder reporting but are treated as debt for tax purposes. Those instruments permit companies, in effect, to borrow money with tax deductible interest while excluding the borrowing from total liabilities when reporting to shareholders.

Companies use these hybrid instruments, rather than traditional borrowing, only because the hybrid instruments permit the company to understate its liabilities when reporting to shareholders. The hybrid instruments typically have greater underwriting costs and interest rates than those that would have occurred on a traditional borrowing.

Enron used these instruments to a fairly large extent. The footnotes to the balance sheet in Enron's last financial statement disclosed that it had somewhere between $700 million and $2 billion of these instruments. In addition, press reports indicate that Enron also had at least an additional $1.2 billion of these transactions that were not disclosed in the financial statement.

In 1996 and 1997 the Clinton administration proposed eliminating tax deductions for interest on debt instruments when the corporation showed the instruments as equity on its books. If the congressional Republicans had permitted action on that budget proposal, we might not have seen the spectacular rise and collapse of Enron.

My bill would deny the deduction for interest on instruments that the company treats as debt for tax purposes but does not include in its liabilities when it reports to shareholders. The bill would apply only when the proceeds of the borrowing are included in the assets of the corporation for shareholder reporting purposes. Therefore, it does not apply to borrowings by off-balance sheet entities where both the liability and the proceeds of the liability are not shown on the company's balance sheet. The bill only applies to corporations that file certified financial statements with the SEC, and it is prospective.

Providing workers with the right to freely transfer employer stock is not sufficient if the employer's financial statements do not accurately reflect the company's financial position. I do not understand why the tax laws should subsidize companies attempting to hide liabilities when reporting to shareholders.

I am open to other ideas and solutions. I welcome additional suggestions and promise to work with any Member of Congress who want to protect workers and shareholders. I urge that we move quickly to provide some protections now while we study additional measures we may wish to undertake in the future.

THE INTRODUCTION OF THE ENRON EMPLOYEE PENSION RECOVERY ACT

HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Ms. WATERS. Mr. Speaker, today I rise to introduce the Enron Employee Pension Recovery Act. This legislation will enable Enron employees who lost their retirement savings to recover more of their lost assets.

When the Securities and Exchange Commission brings an action against a company or individual, any ill-gotten gains are placed in a disgorgement fund, and the proceeds are distributed to the victims of the wrongdoing. It is very likely that the disgorged profits of Enron executives will not begin to cover the losses experienced by Enron employees.

These employees were encouraged to heavily invest in Enron stock, and were not permitted to divest when the stock value was plummeting. My legislation would provide that the Enron disgorgement fund contain not only the disgorged profits of the wrongdoers, but also any civil penalties that are levied. In addition, my bill alters the Federal Election Campaign Act to permit elected officials to contribute to this fund from their campaign accounts. In this way, the hundreds of thousands of dollars that were contributed by the officers of Enron can be used to benefit the employees.

My legislation would work within an existing structure to ensure that real relief is granted to these employees who lost both their jobs and their retirement savings while the officers and directors profited. In addition, the staggering sums that were contributed to politicians by the officers and directors of Enron, can be redirected to benefit these employees. I urge all of my colleagues to join me by cosponsoring the Enron Employee Pension Recovery Act.

A TRIBUTE TO REVEREND BARBARA CRAFTON

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. NADLER. Mr. Speaker, I rise today to honor Rev. Barbara Crafton, Rector of St. Clement's Episcopal Church in New York City, for her consummate service to the Hell's Kitchen community. During her 6 years at St. Clement's, Rev. Crafton has consistently and passionately served this community with grace and compassion. As a member of the Mayor's Office of Midtown Enforcement and a member of the Board of Directors of Integrity, an organization of gay and lesbian Episcopalians, Mother Crafton is an extremely valued and well-respected community leader.

In response to the tragic events of last year, Rev. Crafton has been an active volunteer at Ground Zero, providing meals and ministering to the needs of rescue workers. Included among the many programs and events initiated by Rev. Crafton is "A Celebration of Heroism and Strength," which benefited the families of the heroes of September 11. In addition to providing unwavering support to her community, Mother Crafton is also a nationally acclaimed author, actress and director.

Barbara Crafton is a passionate, empathetic, and caring priest as well as a devoted and loving mother, wife, and grandmother. Her dedication to our community has been felt far from the confines of St. Clement's. Due to issues of health it is no longer possible for Rev. Crafton to serve as the Rector of St. Clement's. We know that the recuperation of Mother Crafton is of the utmost importance at present, and we wish her a full recovery and the best of luck in all her future endeavors.

AWARDING A CONGRESSIONAL GOLD MEDAL TO SAMMY DAVIS, JR.

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. HASTINGS of Florida. Mr. Speaker, Sammy Davis, Jr., was more than a brilliant entertainer, he was a showbiz iconoclast—a breaker of barriers and a man who proved that talent, sheer talent, is the measure of greatness.

Mr. Speaker, Sammy Davis, Jr., has left behind a rich body of work, such as his legendary "Candy Man", from his various film credits—including his portrayal of Sportin' Life in the 1959 film "Porgy and Bess" and his role as a veteran hoofer in his last movie "Tap" in 1989. Also to his credits can be added some 40 albums and appearances in more than 20 films.

Mr. Speaker, Sammy Davis, Jr., was a versatile and dynamic singer, dancer, and actor who for over 60 years overcame extraordinary obstacles to become a leading American entertainer. He will forever be missed and remembered for years to come.

AMERICA'S NEED FOR MISSILE DEFENSE

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. SCHAFFER. Mr. Speaker, though America boasts the world's most lethal and sophisticated military, the U.S. is unable to defend itself against even one long-range ballistic missile. Should an offensive missile launch be perpetrated against America today, the public could only stand by helplessly as each missile streaks toward its target. In the case of a nuclear attack, the devastation would be unlike anything the world has ever seen.

This reality should be the cause for prudent action, not hysteria. The recent decision by President George W. Bush to withdraw the United States from the 1972 Anti-ballistic Missile (ABM) Treaty was a thoughtful, balanced decision, however overdue. The ABM Treaty was conceived under different international circumstances with a country that no longer exists.

The treaty was ratified with the Soviet Union which posed the singular nuclear threat. Thirty years later, we are more concerned about rapid nuclear proliferation by so-called "rogue" nations like North Korea, Libya, Iran and Iraq that neither abide by norms of diplomacy nor engage tangible commitments toward peace. These unstable countries have exhibited the capacity to attack defenseless American civilians. In addition, Chinese military officials have publicly threatened to use long-range missiles against the United States. One Chinese officer even named Los Angeles as a target.

Americans do not have to accept this vulnerability. The United States Congress has for years expressed its desire to develop and deploy an effective missile defense system—one that provides multiple layers of protection against a potential missile attack from anywhere in the world.

The technology exists, and has been perfected for many years. What has been missing, up until now, are national leaders with the political will to get the job done. Some in Washington, D.C., still believe we can simply talk our enemies out of harming Americans or placate their hostility by giving them cash from the U.S. Treasury.

Building upon President Bush's announcement, twenty-three of my colleagues in the United States Congress cosigned a letter I authored assuring President Bush we are ready to help him make missile defense a key funding priority in the Congress. Incredibly, even though the need for a national missile defense system was proven back in 1981, funding for one has fallen far behind. Where billions of dollars have been urgently needed, the Congress has only been willing to spend token amounts to keep the research on life support.

The first responsibility of the federal government is to provide for the nation's defense. As a father of five, I am not content with America's past decisions to remain vulnerable to tyrant leaders of unstable rogue nations. When I tuck my children into bed at night, I want to know they will wake up safe in a country that values their liberty and is prepared to defend it.

U.S. defense spending is enduring one of its lowest levels since before Pearl Harbor. President Bush is right to make missile defense a priority. Weakness is no longer an option.

RECOGNITION OF STEVEN GARFINKEL'S 31 YEARS OF SERVICE

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mrs. MORELLA. Mr. Speaker, I am pleased to honor one of my constituents, Steven Garfinkel, of Silver Spring, MD. Mr. Garfinkel retired from the Federal Government on January 3, 2002, after 31 years of faithful and dedicated service.

Mr. Garfinkel has been the Director of the Information Security Oversight Office (ISOO) since 1980. He was appointed by President Carter in May 1980 and served under each administration since. During his time in ISOO, he has become a leader on security classification policy. His expertise has allowed him to create a system that has produced the largest number of declassified pages in the history of the Government's program—more than 800 million. This system will provide researchers and historians with new information that will help write our Nation's history for years to come.

Currently, Mr. Garfinkel is the Chair of the Nazi War Crimes and Japanese Imperial Government Records Interagency Working Group (IWG). During his chairmanship, the IWG has secured the release of more than 400,000 pages from the Office of Strategic Services and of the Strategic Services Unit, forerunners of the Central Intelligence Agency.

In addition to being a member of the District of Columbia Bar, Mr. Garfinkel has served in the Office of General Counsel of the General Services Administration (GSA) for almost 10 years. His positions in that office included Chief Counsel for the National Archives and Records Service, Chief Counsel for Information Privacy, and Chief Counsel for Civil Rights.

Mr. Garfinkel has received numerous honors and awards for his service to the Federal Government, including 18 commendations or citations from President Ford through President Clinton. Congratulations Mr. Garfinkel on a long and distinguished career. I wish you and your family best wishes during your retirement.

TRIBUTE TO FLORENCE JONES

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. BERRY. Mr. Speaker, I rise today to pay tribute to a great American citizen, and I am proud to recognize Florence Jones in the Congress for her invaluable contributions and services to northeast Arkansas and our nation.

Florence devoted much of her 50-year nursing career to efforts to bring hospice care for the terminally ill as well as home care to northeast Arkansas. She helped to provide healthcare to the indigent and uninsured through a non-profit clinic, and served as a "hospice ambassador," spending time and personal assets to take her work abroad and share her knowledge of these services with other countries.

For all of these remarkable accomplishments, Florence was recognized this month with the Distinguished Service Award from the Arkansas Hospital Association.

A graduate of St. Joseph's Hospital School of Nursing in Chicago, Florence began her nursing career working with the Visiting Nurses Association, the U.S. Navy, and St. Bernard's Medical Center in Jonesboro.

Florence also has been actively involved in philanthropic service through the United Way, Arkansas Hospice Association, St. Bernard's Hospice, American Heart Association, March of Dimes, Arkansas State Nurses Association, and other organizations.

On behalf of the Congress, I extend congratulations and best wishes to this faithful servant, Florence Jones, on her successes and achievements.

A TRIBUTE TO PEGGY KELLY

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. GALLEGLY. Mr. Speaker, I rise in tribute to Peggy Kelly, who has been named the Santa Paula, CA, Citizen of the Year for 2001.

It's unusual for a journalist to be named a city's Citizen of the Year, but then Peggy Kelly is an unusual journalist. Peggy believes that when a journalist picks up a notebook she does not simultaneously give up her civic responsibility to actively improve her community. Her rich and thorough reporting on the people and activities in Santa Paula reflect her profound understanding of the community—an understanding she cultivated through passionate and personal interactions with her neighbors throughout the 13 years she has called the city home.

In a sense, I followed Peggy to Santa Paula. When I was first elected to Congress, Peggy lived in Thousand Oaks, which was then in my district. In 1992, I lost the majority of Thousand Oaks and picked up Santa Paula, ensuring that I would once again represent Peggy in the halls of Congress.

And Peggy is the model of why I am proud to represent the people of the 23rd Congressional District of California. She is active in the local Rotary Club and has hosted many fundraising events for local nonprofit organizations, activities she undertakes with an ever-present smile and a sharp wit. When I attend an event in Santa Paula, I know Peggy will be there as well. When she talks to you, you know you have her full attention—a fact that's underlined when she puts it in writing.

As a freelance journalist who works primarily for the Santa Paula Times, Peggy covers every aspect of the city—City Council, Planning Commission, and School Board meetings; Chamber of Commerce events; and virtually every other event where the people of Santa Paula gather. Her reporting has been described as being wrought by "professionalism, balance and heartfelt love and admiration for the people she writes."

Mr. Speaker, Peggy Kelly is a credit to her profession and a godsend to her community. She is very deserving of the honor of being named Santa Paula's 2001 Citizen of the Year. I ask my colleagues to join me in congratulating her for a job well done.

HONORING THOSE WHO ARE HELPING VICTIMS' FAMILIES

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. NADLER. Mr. Speaker, I rise today to congratulate Trial Lawyers Care on the opening of its headquarters in my district, located at 80 Center Street in New York City. As the city itself works to rebuild, I commend the thousands of volunteer lawyers who are helping victims' families start to put their lives back together in the aftermath of September 11th's senseless tragedies.

Experienced trial lawyers from across America are generously providing free legal services to eligible September 11 terrorist attack victims who choose to make claims under the federal September 11 Victim Compensation Fund which Congress set up last year. Trial Lawyers Care, Inc. is a nonprofit corporation established for the purpose of helping these victims, and I applaud their very worthwhile efforts. By providing free legal services, 100 percent of the fund's award will go directly to the victims' family. This is an extraordinary offer for an extraordinary situation.

Should any Member of Congress require more information about Trial Lawyers Care and how they may be of service to your constituents, they can be reached at 888–780–8637 and www.911LawHelp.org. Thank you to the volunteers who are helping victims' families.

IN MEMORY OF RADIO PERSONALITY JACK COLE

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. HASTINGS of Florida. Mr. Speaker, radio listeners and fans of fine entertainment suffered a great loss on January 8, 2002, with the passing of Jack Cole. In a broadcasting career that spanned more than 30 years, Jack provided both hard news and commentary to fans in Washington, DC, Boston, St. Louis, Phoenix, and South Florida. Early in his career, Jack worked in several jobs on Capitol Hill. His great love was journalism, though, and it is where he found his greatest success.

Known throughout South Florida as the "Inquisitor General," Jack Cole was a fixture on West Palm Beach radio stations since the 1980s. An unrepentant liberal, he interviewed the famous and the powerful, praising those he deemed worthy and condemning those who strayed from his ideal of honesty and sincerity. More than just a "talk show host," Jack wrote and performed song parodies and entertained audiences with tales of his encounters with some of the 20th century's most interesting people.

A brilliant man, Jack Cole infused his programs with references to opera, theater and classical music, and he educated his audiences with his take on famous events from world history. Jack's show, which he called "World Headquarters," was truly a "university of the air," and I was a frequent listener. Jack Cole has been referred to as a "renaissance man." I definitely agree with that assessment, and I will miss him greatly.

REMARKS ON MISSILE DEFENSE

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. SCHAFFER. Mr. Speaker, never has the case for a national missile defense system been more firmly established than now. The terrorist attack of September 11, 2001, confirmed America's enemies are not only capable of killing innocent American civilians, but they are willing to carry out such acts of violence despite the certainty of America's ferocious retaliation.

That the terrorists would have used long-range ballistic missiles, had they possessed them, is a proposition beyond dispute. Alarmingly, had even a single long-range missile been launched against the American people, our government would have only stood by powerless, unable to defend the very citizenry the Constitution charges it to protect.

America's vulnerability to long-range ballistic missile attack exists today, and it is shameful because it is deliberate. For a myriad of reasons, American presidents and congressmen, generals and budget directors have ignored President Ronald Reagan's call for a national missile shield. They have hemmed and hawed; denied and ridiculed, or just plain procrastinated even in the face of the mounting threat to American liberty that is represented by the global proliferation of long-range missiles.

Despite Reagan's clear and convincing arguments in favor of a national missile defense system, his prescient challenge to the American people has been relegated to the lowest of national priorities. Confronted with difficult decisions, the nation's politicians and military tacticians have routinely dismissed the warnings and summarily discounted the threats that forcefully warrant the deployment of a comprehensive, multi-layered missile defense framework.

Mr. Speaker, September 11, 2001, may have changed that.

America's cold war strategy of mutually assured destruction, though precarious and risky, in the end proved sufficient when carried out against a single opponent whose goal was to at least preserve an independent sovereign state. However tense, the norms and rules of international diplomacy had meaning in the relationship between the Soviets and the United States. Times have changed.

Despite the cold war's celebrated conclusion in 1991, the threat of missile attack has only been displaced. So-called "rogue" nations have stepped up efforts to demonstrate long-range ballistic missile capacity. Countries like Iran, Iraq, Libya, North Korea, and others have actively pursued the capability to deliver chemical, biological, explosive, and nuclear warheads—and their rapid acquisition of these means have exceeded our best predictions.

China has publicly threatened the use of nuclear missiles, and the possibility of accidental and unauthorized launches must be taken just as seriously. Americans can no longer rest their complacency upon the spurious belief their diplomats will always be able to talk our enemies out of harming us, or that they can spend enough cash from the U.S. Treasury to buy indifference and placate the rage of those inclined to bury us.

Mr. Speaker, the technology exists today to pursue a robust missile defense system. Moreover, President George W. Bush's decision to withdraw from the 1972 Anti-ballistic Missile Treaty removes perhaps the greatest diplomatic barrier to deployment. The opportunity of a space-based platform effectively means it is now possible to create a world where long-range nuclear missiles are rendered obsolete. Political will is the missing key ingredient.

RECOGNITION OF DAVID F. ENGSTROM'S GAO SERVICE

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mrs. MORELLA. Mr. Speaker, it is with great pleasure that I recognize one of my constituents from Maryland's Eighth Congressional District, David F. Engstrom. Today, Mr. Engstrom is retiring from the United States General Accounting Office after 39 years of faithful and dedicated service.

Mr. Engstrom's career in the Federal Government began at the Federal Bureau of Investigations where he worked for 3 years. For the next 37 years, he worked in the GAO. Mr. Engstrom began as a specialist and auditor in the GAO's Transportation Division, and since 1970, he has been an attorney in the GAO's Office of General Counsel.

During his 30 years in the Office of General Counsel, Mr. Engstrom became an expert in federal personnel law and claims. He has also been recognized for his outstanding contributions to good government. He has received the Comptroller General's Meritorious Service Award in 1970, 1981, and 1991, as well as the General Counsel's Award in 1999.

I join Mr. Engstrom's family, friends, and colleagues in wishing him a happy and healthy retirement.

TRIBUTE TO ALBERT H. MILLER

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. BERRY. Mr. Speaker, I rise today to honor one of Arkansas's finest citizens, Albert H. Miller. I am proud to recognize Al in the Congress for his invaluable contributions and service to his profession, his family, his state and this nation.

For more than four decades, Mr. Miller served in many capacities to further the engineering profession. He was founder and President of both the Miller-Newell Engineers and the Miller-Newell Abstract Company. During his forty-one years as a member of the National Society of Professional Engineers, Mr. Miller held positions on nearly all of the Society's standing committees and task forces. In 1982, the Arkansas chapter named him Engineer of the Year, and in 2000 he was named a fellow member of the Society. However, his greatest contributions were made as President of NSPE, where he was known for his vision and tireless work. Mr. Miller created the "NSPE GIVES YOU THE EDGE" campaign to promote the value of membership in the Society. His dedication expanded and advanced the work of his profession.

Mr. Miller's efforts extended into the community as a member and past president of the Newport Rotary International and Paul Harris Fellow, a member and past president of the Newport Area Chamber of Commerce, and member of the Jackson County Industrial Development Commission. He was a member of a number of professional organizations and held offices in several of them, including the Arkansas State Board of Registration for Professional Engineers & Surveyors, the Arkansas Society of Registered Land Surveyors, the American Society of Agricultural Engineers, the American Society of Civil Engineers, the National Council of Examiners for Engineering and Surveying, the U.S. Council for International Engineering Practice, and the Engineering Advisory Council of the University of Arkansas.

Albert Miller was a faithful and dedicated husband to his wife Lynette, the loving father to Alex and Allison, and the proud grandfather to three grandchildren. Throughout his life, he was dedicated to serving his fellow citizens as a leader in both his profession and his community, and he deserves our respect and gratitude for his priceless contributions. He was my friend and I forever will be honored by that friendship.

On behalf of the Congress, I extend sympathies to Al's family, and gratitude for all he did to make the world a better place.

TRIBUTE TO MRS. VELMA HICKEY, OUTGOING PRESIDENT, NORCO CHAMBER OF COMMERCE

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. CALVERT. Mr. Speaker, I rise today to honor and pay tribute to an individual whose dedication to the community and to the overall well-being of Norco, CA, is exceptional. The city of Norco has been fortunate to have dynamic and dedicated business and community leaders who willingly and unselfishly give time and talent to making their communities a better place to live and work. Mrs. Velma Hickey is one of these individuals.

On January 26, 2002, Mrs. Hickey will be honored as the outgoing 2001 president of the Norco Chamber of Commerce. Through the years, Velma has served as a director on the Board of the Chamber, the Virginia Weidman Home Arts Competition Chairman, Installation Banquet Chair and most recently the Norco Fair Chairman in 2001. She is an active member of the Republican Women's Club, United We Stand America organization, and the vice president of the Norco Historic Society.

Velma Hickey's leadership has led to numerous awards and recognitions. The highlights include: Volunteer of the Year Award from United We Stand America in 1990 and Principal for a Day received from the Corona/Norco Unified School District in 2001, and Lecturer at St. Mel's Catholic Church in Norco from 1987 thru 1990. A graduate of UC Irvine, Velma has a Bachelor of Science degree in Sociology.

Velma's tireless, engaged action has propelled the city of Norco forward in a positive and progressive manner. I know that all of Norco is grateful for her contribution to the betterment of the community and salute her as she departs. I look forward to continuing to work with her for the good of our community in the future.

THE MATURE RESPONSE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. BEREUTER. Mr. Speaker, this Member wishes to commend to his colleagues the January 20, 2002, editorial from the Omaha World-Herald entitled "The Seriousness of War."

The current war on terrorism is the appropriate response to horrific and unspeakable terrorist attacks on U.S. soil which resulted in the deaths of thousands of innocent people. Under no sadder circumstances could the United States have launched a war. Let us not forget the pain of those circumstances and thus use our incredible capabilities to ensure that the likelihood of similar attacks is greatly diminished for not only future Americans, but also for others around the world.

[From the Sunday World-Herald, Jan. 20, 2002]

THE SERIOUSNESS OF WAR

Pacifism is a legitimate point of view, but its principles seem a woefully impractical response to terrorists who are unmoved by moral arguments.

This thought is prompted by writings from readers who are uncomfortable with the American government's response to the Sept. 11 Osama bin Laden attacks. One such writing by Robert Williams, an Iowa farmer and retired minister, included a bitter denunciation. He said Americans "seek and improve ever more lethal weapons, and we use them now with barely restrained excitement and pride."

Williams is right about one thing—weapons improvement. But in many cases the result has been a dramatic increase in precision, making civilian deaths less likely. That is a reason for some of the pride.

Certainly the nation is not romanticizing war. Not as Americans did in 1861, for example, when picnickers lightheartedly camped near Bull Run with the soon-to-be dashed expectation of enjoying a quick rout of Confederate forces. Europeans cheered during parades at the start of World War I, mistakenly anticipating that the conflict would be brief and glorious.

In 2001, most Americans approached the war in Afghanistan with a commendable seriousness of purpose. They have not cheered the deaths of innocent Afghans (in contrast to Osama bin Laden, whose cackling over the murder of the Sept. 11 victims was captured on videotape). They have supported the enormous humanitarian effort with which America extended its hand to the Afghan people while liberating them from their Taliban and al-Qaida tormentors.

American armed forces, moreover, have carried out their duties honorably. Perhaps no military operation in history has gone to greater lengths to use technology to minimize civilian casualties. An Afghanistan-based correspondent for USA Today recent noted that "despite their popular image as modern-day Rambos, Green Berets are, in fact, a remarkably low-key and cerebral group." One Green Beret told the reporter: "Our mission is not necessarily to outfight the enemy, although we can do that if we have to. We would rather outthink them."

Americans can be proud that our defense lies in the capable hands of level-headed individuals. And that our nation has responded to the assault against us with commendable maturity.

AMERICAN FLAG FLIES OVER REBUILT DOGWOOD ELEMENTARY SCHOOL

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. WOLF. Mr. Speaker, in November 2000, the Dogwood Elementary School in Reston, VA, was completely demolished as a result of a tragic and extensive fire. The students soon found that the school flag also was lost in the fire.

As members of Congress, we have the privilege of having flags flown over the U.S. Capitol—the symbol of our democracy—and I was honored to present one of those new American flags to the students and teachers at Dogwood Elementary.

The school is now rebuilt and ready to reopen. I want to share with our colleagues the following message provided to me by Linda Thetford, assistant principal at Dogwood Elementary School, about the importance of the American flag to the school and its students.

On behalf of the Dogwood Elementary School we consider it an honor to be selected to receive an American Flag that has flown over the United States capitol. The tragedies of recent world events provide a backdrop for our local tragedy and have provided opportunities for our students to understand the significance of all Americans together to rebuild our future.

In November 2000, the Dogwood Elementary School in Reston suffered a shocking crisis when the entire school was demolished due to an extensive fire. The students, staff, parents and community experienced a tremendous loss as they tried to cope with this catastrophe. Once students were reassigned to temporary classrooms they gathered to raise the flag, which was a daily routine. However they quickly realized the American flag had burned along with all the other building contents.

The 530 students of Dogwood take great pride in representing their community and their country. Many students' families originate from countries throughout the world and speak over 22 languages. While the students attend school, many of their parents have studied to become American citizens. The gift of an American Flag would be a fitting tribute, not only to those heroes of September 11, but also to those in our community who have displayed the American spirit by coming together in time of crisis to rebuild Dogwood Elementary.

During the past year a tremendous number of people have collaborated together to rebuild Dogwood Elementary School. Many individuals have donated their professional skills and talents to help create a wonderful new school for the children of Reston. Thanks to all the dedication and continued effort we are now ready to open our re-built school.

PERSONAL EXPLANATION

HON. SUE WILKINS MYRICK

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mrs. MYRICK. Mr. Speaker, I was unable to participate in the following votes. If I had been present, I would have voted as follows: January 23, 2002: Rollcall vote 3, on passage of H.R. 2234, the Tumacacori National Historical Park Boundary Revision Act, I would have voted "yea."

TRIBUTE TO L. GEORGE YAP AND LEASA INDUSTRIES CO., INC.

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mrs. MEEK of Florida. Mr. Speaker, I rise to honor George Yap, the President and Chief Executive Officer of LEASA Industries, Inc., which is located in the heart of one of the poorest neighborhoods in my 17th Congressional District.

George Yap is a special man, and a truly gifted businessman. He has demonstrated beyond all doubt that businesses can operate successfully and profitably in poor communities, relying on neighborhood workers to produce their products, if management has a sound business plan and the commitment to make it work.

George Yap is responsible for nothing less than an economic transformation of an area in my district that had few economic opportunities.

George has reached out to the people in his neighboring community in a way that no one else has. LEASA currently employs 70 full and part-time workers, the majority of whom are residents of public housing who include single mothers, school drop outs and even ex-convicts. Many of his workers have been with the company for more than 10 years and have moved up to supervisory positions.

He has been unselfish in extending his help to people who reside in public housing—people who other businesses, even government leaders, considered unemployable. He recognized and fostered in them the personal pride, desire for achievement, ability to learn, loyalty and commitment that any successful business needs from its employees.

In so doing, George Yap proved to be more than just an employer, and his workers received more than just wages. He has been the biggest motivator and supporter of his employees, helping to keep families together, encouraging them to improve their skills and learn new ones, and improving their quality of life by providing day care for their children and insuring that they receive the health services they need. George also provides mentoring services to new entrepreneurs. Under his guidance, LEASA Industries has won national awards from the U.S. Small Business Administration, Inc. Magazine and the U.S. Chamber of Commerce.

This Saturday, January 26, LEASA Industries will break ground on a new $4.6 million production facility in the Poinciana Industrial Park. I was happy to assist in this effort by legislatively directing almost $2 million in federal Economic Development funds to this project, which is truly a wise public investment.

I know that my colleagues join with me in offering congratulations to George, his wife Einez, and there three children Andrew, Sean, and Allison for a job well done.

IN HONOR OF BLAKE HASELTON

HON. KEN LUCAS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. LUCAS of Kentucky. Mr. Speaker, I rise today in recognition of Blake Haselton. Mr. Haselton is the Superintendent of Oldham County Schools, a district which lies in Kentucky's Fourth Congressional District.

Last month, Mr. Haselton was named Superintendent of the Year by the Kentucky Association of School Superintendents. Next month, he could be named National Superintendent of the Year by the American Association of School Administrators.

Since he began in Oldham County in 1973, Mr. Haselton has served as a high school biology teacher, athletic director, director of guidance services, and principal. He also served as the district's director of pupil personnel before being named superintendent in 1991.

His colleagues praise him as an education leader who "stays on top of both the academic and financial elements of operating a school system," and "makes his decisions on what's best for kids." The Oldham County Teachers Association says Mr. Haselton is everything teachers want in a superintendent: child-centered, focused on teachers' needs, and an aggressive planner. The chair of the Oldham County Board of Education says Mr. Haselton is a "leader amongst leaders . . . a master teacher" who "inspires the best in others."

Mr. Haselton also serves his community by doing volunteer work for several recreational, civic, and scouting organizations.

I rise today to congratulate Blake Haselton on being named Kentucky Superintendent of the Year, and to wish him well as he vies for the national title next month. I ask my colleagues to join me in commending Mr. Haselton for his nearly three decades of outstanding service to the people of Oldham County, KY.

IN HONOR OF JIM ARMSTRONG

HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Ms. HARMAN. Mr. Speaker, I rise today to commemorate the life of a true leader of the city of Torrance and dear friend.

I met Jim Armstrong when I first ran for Congress. As a teacher of government and former mayor, he shared with me his great insight into the community. Indeed, in the years since, I came to value him as an advisor and friend. He helped me in every campaign and served as a member of my advisory committee on public education. He called himself a "Harman man," and I was clearly an "Armstrong woman."

It is hard to do justice to the true extent of Jim's reputation, influence, and impact. As teacher, councilman, mayor, and citizen, he exemplified the highest standard of community leadership and public service. During his six years on the Torrance City Council and eight more as Mayor, Jim fought for more parkland, for the Cultural Arts Center, for a new police station, and oversaw Torrance's renaissance into a beautiful and modern city. Even in retirement, Jim remained an active leader in the community, serving in leadership roles in the Torrance Cultural Arts Foundation, Torrance Education Foundation, and Torrance Area Chamber of Commerce.

While Jim's work can be seen in buildings and parks across Torrance, his true legacy lies in the generation of students he inspired as a teacher. Countless students he taught have since pursued careers in which they too serve the community. I am proud to count myself among his students of politics, and am proud to be a part of establishing a college scholarship in Jim Armstrong's honor. This scholarship will be awarded to a student who exemplifies Jim's outstanding community leadership and scholastic aptitude.

No one was more committed to Torrance, to service, or to education than Jim Armstrong. I will miss his counsel, his sense of humor, and his generosity, but mostly, my family and I will miss Jim.

THE QUONSET AIR MUSEUM'S ACQUISITION OF AN F-14 AIRCRAFT

HON. JAMES R. LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. LANGEVIN. Mr. Speaker, it gives me great pleasure to announce a very important achievement by the Quonset Air Museum in North Kingston, Rhode Island. Thanks to the coordinated effort of the Hasbro Corporation, the Rhode Island Air National Guard, the Rhode Island delegation and the Quonset Air Museum, an all-volunteer organization, the museum has been selected as the new home for the US Navy F-14 Tomcat, tail number A162591.

The mission to bring an F-14 to the museum began over 3 years ago. Thanks to countless letters and phone calls over the years and the diligence of many dedicated civilians and members of the services, today we are rewarded with the acquisition of a military treasure. This aircraft will join 30 other military and civilian aircraft and 5,000 smaller artifacts that are on display in the Quonset Air Museum. This plane was recently given a noble warrior's retirement from Fallon Naval Air Station in Nevada, the new home of the Navy's Top Gun competition. And it was even featured in the movie, Top Gun. But perhaps, most important of all, the F-14 has served the military for over 25 years. It was used in the Persian Gulf War and is now leading our effort in Afghanistan.

Today Rhode Island celebrates these accomplishments at an appropriate time in our nation's history. This aircraft has trained and prepared some of the Navy's top fighter pilots. It exemplifies the strength and vigilance of our country's armed forces and it demonstrates the honor attached to the service to one's country. This occasion reminds me of the importance of patriotism and of my love of this country.

I am proud to be an American, and I am proud to be a Rhode Islander. I hope that current and future generations visiting the Quonset Air Museum share my appreciation for the hard work of the museum in bringing this living legend to our community and for the tremendous debt owed to the F-14s and their pilots who have fought over the years to ensure America's freedom.

GENEROSITY OF HAROLD L. AND DELORES K. BRAKE OF SAINT THOMAS, PENNSYLVANIA

HON. BILL SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. SHUSTER. Mr. Speaker, I rise today to share with you the generosity of Harold L. and Delores K. Brake of Saint Thomas, Pennsylvania, who gave $500,000 to help build the Rhonda Brake Schreiner Women's Center, an affiliate of Summit Health. The center honors the memory of their daughter, Rhonda Brake Schreiner, who passed away April 7, 1999, after suffering from pancreatic cancer. During their daughter's struggle with the fatal illness, Harold and Delores realized the need for a medical center which concentrated on women's health issues.

The center offers diagnostic and support services to help women maintain good health. Mammography, stereotactic breast biopsy, bone density, ultrasound, and cardiology studies are provided through physician's referral. The center also houses a resource center, staffed by a clinically trained women's health coordinator, equipped with decision support tolls, internet access, and educational materials to allow women to take an active role in preserving or restoring their health.

The Brakes made the pledge for the funding in September of 2000. They graciously fulfilled their commitment and were honored in January of 2001, when the Rhonda Brake Schreiner Women's Center opened. In the front hall of the center hangs a plaque honoring the Brake family which states, "The Rhonda Brake Schreiner Women's Center has been established in her memory through a gift from her parents, Harold and Delores Brake, and her brother, Randy. Through it, they want to encourage women to seek early detection and treatment necessary for a long, fulfilling life."

INTRODUCTION OF THE NEXT STEP IN REFORMING WELFARE ACT

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. CARDIN. Mr. Speaker, our work in helping people move from welfare to employment, and from poverty to a better way of life, is far from done. We must continue the progress States have made in promoting employment among welfare recipients, while also increasing our focus on job advancement and poverty reduction. To achieve these goals, I am introducing the Next Step in Reforming Welfare Act to reauthorize and improve the Temporary Assistance for Needy Families (TANF) program and to enhance several related programs. I am proud to be joined by my Democratic colleagues on the Ways and Means Subcommittee on Human Resources, Representatives STARK, LEVIN, MCDERMOTT and DOGGETT, in sponsoring this important legislation.

As we approach the reauthorization of TANF, it is important to acknowledge the progress our Nation has made over the last six or seven years in reducing poverty and other critical social problems. For example, the percentage of children living in poverty in the United States has dropped to its lowest level since 1979. Unfortunately, even with that improvement, one out of every six children still lives in poverty.

Three developments are primarily responsible for these positive changes in the poverty rate. First, until recently, we have seen nearly unprecedented economic growth. Second, the work supports put in place by Congress, particularly the 1993 increase in the Earned Income Tax Credit, are now paying important dividends. And third, welfare reform has encouraged more low-income mothers to enter the workforce.

As impressive as these poverty reductions have been over the last few years, they pale in comparison to the decline in the welfare rolls over the same time period. This raises some troubling issues, not the least of which is the fact that many families are *not* leaving poverty when they leave welfare for work. Additionally, some families at the very bottom of the income scale may have lost ground over the last 5 years because of a reduction in various forms of public assistance.

This should raise a basic question for every Member of this body: is caseload reduction a goal unto itself, or is it a means to an end? I believe it must be the latter. In other words, we want people to leave welfare so they can lift their families out of poverty. To achieve that objective, we must continue the expectation that welfare recipients move toward employment. But at the same time, we must do more to help them escape poverty and move up the economic ladder. Both of these goals will undoubted be made more difficult by a slowing economy that is now shedding more jobs than it is creating. In fact, the current recession raises the stakes on our efforts since many recent welfare leavers may lose ground in their fight to escape poverty and current welfare recipients may find it even harder to leave the rolls for work unless we make some necessary improvements to TANF.

At its core, the Next Step in Reforming Welfare Act is driven by a philosophy that we should help people escape poverty through hard work. The TANF program is not, nor should it be, our only weapon to achieve this goal, but it must be an important part of our arsenal. Here are the eight steps our legislation would pursue to improve TANF and several other important poverty-related programs.

First, the legislation would maintain our financial commitment to the TANF program by increasing the current annual $16.5 billion allocation by an inflation adjustment in coming years. Such an increase is necessary to stop the continual erosion in the real value of the States' TANF grants (which will be worth 22 percent less in FY 2007 compared to FY 1997 unless adjustments are made). Of course, some may suggest we should cut funding because of declines in TANF's cash caseload. However, three facts are in conflict with such a suggestion: (1) there are still many unmet needs that demand significant resources; (2) an increasing amount of TANF funds are spent on work supports, rather than on direct cash assistance; and (3) the current recession will present new challenges to our welfare system. In addition to prospectively increasing the TANF grant for inflation, the bill would improve and extend the current supplemental grants for States with low Federal funding per poor child, the annual work-based performance bonuses and the contingency fund, which would be redesigned to provide real assistance to State TANF programs during economic downturns.

Second, the bill would include poverty reduction as an explicit goal in the welfare reform law, and States should be given financial bonuses if they reduce child poverty. Broadening the goals of TANF and providing financial bonuses would encourage States to consider developing new approaches and providing additional assistance to help struggling families. Furthermore, under the bill, a conciliation process would be required before a TANF recipient's benefit can be sanctioned, funding for the Social Services Block Grant would be restored to $2.8 billion a year, and the current caseload reduction credit would be replaced with an employment credit, which would reward States for moving people from welfare to work, rather than for people simply exiting welfare.

Third, the current requirement that TANF recipients be working or enrolled in related employment activities would be continued. However, additional incentives and rewards for work would be established, including not counting TANF payments to recipients' with earnings towards the five-year time limit (such payments would be considered wage subsidies). The legislation also would make a dramatic new investment in the Child Care and Development Block Grant (an additional $11.25 billion over 5 years) to ensure that both welfare leavers and the working poor have access to quality and affordable day care.

Fourth, State TANF plans would have to include goals for improving earnings for TANF recipients and leavers, and new demonstration projects ($150 million per year) would be established to increase wages for low-wage workers and to improve employment outcomes for welfare recipients with multiple barriers. Additionally, to promote the skills needed for employment advancement, the legislation would eliminate the current cap on the number of TANF recipients who can be enrolled in vocational education and still count towards the participation requirement.

Fifth, the bill would take a series of step to encourage family formation and responsible parenting. For example, the measure would create a new fund ($100 million a year) to promote the best practices on promoting the formation of two-parent families, reducing teenage pregnancy, and helping low-income, noncustodial parents support their children. Furthermore, the legislation would encourage States to pass through more child support to families, rather than retaining those collections to recoup past welfare costs.

Sixth, the legislation would revise the harsh immigrant provisions in the 1996 law by restoring TANF and Supplemental Security Income (SSI) eligibility to non-citizens who are legally residing in the country (with a requirement that their sponsor's income be deemed available to them for a certain period of time).

Seventh, the bill would maintain State accountability under TANF by extending the current maintenance-of-effort requirement (plus an inflation increase), and by requiring States to generally use Federal funds to supplement, rather than replace, State funding in various low-income programs.

Eight and finally, the measure would call for increased information about State TANF programs and about the status of welfare leavers.

Mr. Speaker, I believe we can pursue these eight goals while maintaining the State general discretion to tailor their own TANF policies. Furthermore, I am hopeful these suggestions can attract bipartisan support on the basis that promoting work and reducing poverty are goals that hopefully draw near universal approval. I look forward to working with the Administration and with all of my colleagues on a TANF reauthorization bill designed to reward work, reduce poverty, and increase self-sufficiency.

SUPPORTING THE NEXT STEP IN REFORMING WELFARE ACT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. STARK. Mr. Speaker, I rise today in support of the "Next Step in Reforming Welfare Act" for which I am an original cosponsor.

In 1996, I vehemently opposed the "Temporary Assistance for Needy Families Act," which changed our nation's welfare system, because it removed an important safety net for the poor and the most vulnerable in our society. I still hold these views today.

However, I support the "Next Step in Reforming Welfare Act" because—unlike the 1996 law—this new legislation improves our national safety net and actually helps the poor and most vulnerable in our society. This bill increases funding for TANF, redirects the goal of the program to that of poverty reduction, rewards work, provides new funding for work support programs, like child care, and encourages states to better assist hard-to-serve TANF recipients.

The "Next Step in Reforming Welfare Act" increases the TANF block grant by inflation, and more than doubles child care funding so that more families are able to go to work.

This legislation appropriately redirects the goal of the TANF program to reducing poverty. This replaces the draconian idea that the purpose of welfare is to kick TANF recipients off the rolls as fast as possible. The bill accomplishes this by making child poverty reduction an explicit goal of TANF and by providing $150 million each year in incentive grants to states who reduce child poverty.

Another important focus of this legislation is its commitment to increasing quality childcare to current and former TANF recipients. The bill triples the portion of the Child Care Development Block Grant available for this purpose. Additionally, the bill requires that all TANF funding used for childcare only be used in facilities that meet state health and safety standards. It also increases the age for which childcare must be available for children from 6 to 13 years old.

This bill directs resources to TANF recipients who suffer from disabilities, substance abuse, domestic violence, and lack of proficiency in English. It requires states to assess and screen recipients to determine if they need rehabilitative or educational services to go to work. It also provides families in these situations a chance to get on their feet by allowing rehabilitative services to count as a work activity for six months.

These changes in TANF are a first step toward improving our welfare system so that it truly helps poor working families and gives them not just a safety net, but also springboard out of poverty. I hope that my colleagues in the House will work with me to make TANF a program we can all be proud of.

SALUTING FIRST LIEUTENANT JOHN P. PARKER

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. BARCIA. Mr. Speaker, I rise today to pay tribute to First Lieutenant John P. Parker upon his retirement as Commander of the Bay City Post of the Michigan State Police. John's exemplary work ethic and can-do attitude have served as standards of optimism, hard work and determination for his fellow officers, friends, neighbors and all who have come into contact with him during his 27-year career with the Michigan State Police and his more than eight years in charge of the Bay City post.

As a law enforcement officer, devoted father and contributor to our community, John has always impressed others with his lead-by-example approach to any venture he has undertaken. A Lansing native, John began his law enforcement career in 1974 as a radio dispatcher in the Jackson post. After graduating from the police academy in 1977, John served briefly with the Bad Axe post as a trooper before being assigned to the Detroit Freeway post. He later worked in Lansing and Brighton. In 1992, John earned a promotion to First Lieutenant and took command of the Sandusky Post, where he served for a year until his transfer to Bay City.

When John took command of the Bay City post, he had his work cut out for him to restore morale and train a professional core of new troopers to bring the post up to full strength. John modestly credits the sworn officers and civilian staff who have worked for him with rebuilding the post, but he deserves praise for leading the effort. Today, John and those under his command can point proudly to having transformed the Bay City post into one of the more widely respected posts in the state. John's strong sense of duty and superior managerial skills clearly sparked the engine that has driven the Bay City Post to be ranked among the best in the state.

Never one to sit on the sidelines, John also found time to devote to civic, religious and fraternal organizations to serve our community and his fellow citizens. His participation in these organizations, which include the Board of Director of the Bay County Crime Stoppers, the Tri-County Adjudication Program Board of Directors and Knights of Columbus Council 4232, have made a real difference and he should be commended for his involvement. John's wife, Kathy, and his four sons, John, Scott, Chris and Michael, also deserve high praise for their unselfish support of John in his career goals and his volunteer work.

Finally, Mr. Speaker, I ask my colleagues to join me in expressing gratitude to First Lieutenant John P. Parker for his distinguished service and in wishing him success in all future endeavors. John will no longer carry a badge, but I am confident that the honor and integrity he displayed during his tenure with the Michigan State Police will continue to serve as evidence that he exemplifies the very best values of the men and women in law enforcement.

TRIBUTE TO COL. EDWARD RICE, JR.

HON. JOHN R. THUNE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. THUNE. Mr. Speaker, I rise today to congratulate Col. Edward Rice, Jr. on his promotion to Brigadier General.

Col. Rice commands the 28th Bomb Wing at Ellsworth Air Force Base in my home state of South Dakota, with 27 B–1 bombers and more than 3,500 military and civilian members.

A graduate of the U.S. Air Force Academy in 1978, the Colonel is a command pilot with more than 3,600 flying hours in aircraft such as the B–1B, B–52 and B–2. Throughout this distinguished career, Col. Rice has held numerous key operational and staff positions.

Most recently, Col. Rice returned from commanding B–1 and B–52 operations during Operation Enduring Freedom in Afghanistan. The B–1 bomber has been involved in every aspect of the most precise, intense bombing campaign in history, flattening terrorist targets and taking out Taliban strongholds. Col. Rice's bombers were the key to winning in Afghanistan.

Upon his return, Col. Rice stated, "All of us who wear the uniform understand we may be sent into combat. We all know that when duty calls, we'll stand and do what we've been trained to do." That spirit is what makes the U.S. military the best in the world and Col. Rice one of its finest examples.

Yesterday when I spoke with Col. Rice, I was reminded again of what a quality individual he is and what a tremendous asset he is to our country. I am proud of the important role he played in directing missions in the skies above Afghanistan. Mr. Speaker, for all the sophistication of these bombers, we know it is people like Col. Rice who truly help get the job done. I'm proud of how well he represents South Dakota.

Mr. Speaker, I commend Col. Rice for his performance in Operation Enduring Freedom, thank him for his service and congratulate him on his promotion to Brigadier General.

INDIA'S REPUBLIC DAY, JANUARY 26, 2002

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. PALLONE. Mr. Speaker, I rise today to pay tribute to one of the most important dates on the calendar for the people of India, as well as for the people of Indian descent who have settled in the United States and around the world. January 26th is Republic Day, an occasion that inspires pride and patriotism for the people of India.

On January 26, 1950, India became a Republic, devoted to the principals of democracy and secularism. At that time, Dr. Rajendra Prasad was elected as the nation's first president. Since then, despite the challenges of sustaining economic development and promoting tolerance and cooperation amongst its many ethnic, religious and linguistic communities, India has stuck to the path of free and fair elections, a multi-party political system and the orderly transfer of power from one government to its successor.

On that special day in 1950, India adopted its Constitution. Mr. Speaker, it should be noted that India derived key aspects of her Constitution, particularly its statement of Fundamental Rights, from our own Bill of Rights. Last year, on the eve of Republic Day, India's President K.R. Narayanan stated in his address to the nation: "Let us remember, it is under the flexible and spacious provisions of our Constitution, that democracy has flourished during the last fifty years and that India has achieved an unprecedented unity and cohesion as a nation and made remarkable progress in the social and economic fields."

India and the United States both proclaimed their independence from British colonial rule. The Indian independence movement under the leadership of Mahatma Gandhi had strong moral support from American intellectuals, political leaders and journalists. Just last week, we paid tribute to one of our greatest American leaders, the Rev. Martin Luther King, Jr. Dr. King derived many of his ideas of non-violent resistance to injustice from the teachings and the actions of Mahatma Gandhi.

As the world's two largest democracies, the United States and India have a natural relationship, based on their shared values of diversity, democracy and prosperity. These two countries have steadily grown closer for the past ten years, and most recently, the United States' campaign to fight global terrorism has brought the two countries even closer.

Following the tragic events of September 11, India was one of the first countries to come forward to the United States with an offer of full assistance and cooperation in this new global fight against terrorism. Prime Minister Vajpayee expressed his deep sympathy regarding the World Trade Center attacks. The attacks in fact took the lives of 250 Indians and Indian-Americans.

Since September 11, there have been a string of terrorist attacks against India. On October 1st, a suicide car bomb exploded in front of the Jammu and Kashmir State assembly while it was in session, killing over 35 people. Cross-border terrorism in Indian-controlled parts of Kashmir has perpetuated on a daily basis. On December 13th, the Indian Parliament building in New Delhi, a great symbol of democracy, was attacked by Pakistani-based terrorists, killing nine police officers, a Parliament worker and the five terrorists. The most recent terrorist attack this past Tuesday on the American Center in Calcutta killed four police officers and wounded 19.

India has sadly been afflicted with terrorism from Pakistani-based terrorist groups that are to be blamed for over 53,000 deaths of innocent Indian citizens throughout the last 15 years. These are in fact the same terrorist groups that belong to the terrorist networks the United States is now fighting against. It is only natural that these two countries are now united in the global fight against terrorism.

Although Republic Day is an occasion to celebrate India's grand achievements and strong U.S.-India ties, in is also important to note that January 26, 2002 marks the one-year anniversary of the earthquake that literally rocked Gujurat. This devastating natural disaster killed more than 20,000 people, injured more than hundreds of thousands of people and in many ways, robbed millions of their homes and their every day lives. Congress soon thereafter passed a resolution expressing their support for providing assistance and in the FY 2002 Foreign Operations bill, $1 million will be allocated to India for natural disaster preparedness.

Lastly, Mr. Speaker, I want to note that throughout the South Asian region, India stands alone as a pillar of democracy, stability and growth. I join both Indians in India and over 1.6 million Indians living here in the United States in celebrating India's Republic Day.

IDAHO OLYMPIC TORCH RUNNERS

HON. MICHAEL K. SIMPSON

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. SIMPSON. Mr. Speaker, in two weeks the world will descend on Salt Lake City to watch the 19th annual Winter Olympic Games. This is an exciting time, especially in my home state of Idaho, where many Idahoans are only a few hours away from witnessing an event of worldwide proportions.

Starting on February 8, the world will turn to the western United States to witness human triumph. We'll see amazing athletes compete on a world level—showing us how pushing the body and the mind can make history. But shortly, there will be another show of triumph and history. It's been occurring across the Nation one state, one town, one person, one day at a time.

While the world will see record setting athletes in Salt Lake City, every day Americans have been carrying the Olympic spirit across the United States. I rise today to honor the men and women who this weekend in Idaho will carry the Olympic flame. Each was selected from thousands of applicants. The torch carriers are everyday Idahoans who make Idaho a great place to live. They are mothers, fathers, business owners, school children, Boy Scouts, cancer survivors, volunteers and good Samaritans.

While millions will tune into the Olympics, the real stars are those citizens who make the United States the land of the free. Idahoans will see exceptional people like Jennifer Debble who miraculously survived multiple injuries in an auto accident or World War II veteran Robert Streib who saw action in North Africa and Italy. There's also Lori Zenahlik who lost her four children and husband in an airplane crash in 1998 or Karen Dunn of Boise who survived breast cancer and volunteers daily in community affairs. Each of the torch bearers has a unique story and a once in a lifetime opportunity to pass on the Olympic torch. I am proud of each of these Idahoans and the hundreds more who were nominated. As we look to Salt Lake city to see the spectacular show, I am pleased to honor everyday stars that live among us as our neighbors, friends and family.

As a tribute to them, I have included their names and hometowns so that all of Congress can know that Idaho stands strong and represents the Olympic spirit.

Cheryl Bolden, White Bird, ID; Larry Davis, Post Falls, ID; Lindsey Davis, Post Falls, ID; Cathleen Gephart, Coeur d'Alene, ID; Megan Rivera, Kamiah, ID; Brandy Wiegers, Moscow, ID; Dustin Ainsworth, Nampa, ID; Curt Apsey, Boise, ID; Karie Arnold, Meridian, ID; Gary Beard, Nampa, ID; Ben Blake, Nampa, ID; Jakob Bourgoin, Boise, ID; Thomas Bowman, Weiser, ID; Kristin Buchanam, Boise, ID; Tamra Buchanan, Boise, ID.

Darin Burrell, Boise, ID; Caroline Butler, Boise, ID; Eileen Butler, Boise, ID; Dustin Charters, Emmett, ID; Lance Coleman, Boise, ID; Teresa Coleman, Meridian, ID; Fred Cornforth, Caldwell, ID; Richard Cortez, Eagle, ID; Eva Cunningham, Boise, ID; Edward Davis, Boise, ID; Lynnette Davis, Boise, ID; Ava DeAngelis, Meridian, ID; Jennifer Deeble, Bosie, ID; Ralph Deklotz, Boise, ID; Karen Dunn, Boise, ID; Michael Eisenbeiss, Sr., Meridian, ID; Jenny Enochson, Eagle, ID; Jim Everett, Boise, ID; Gregory Farmer, Boise, ID; Jon Fishburn, Boise, ID.

Thomas Fleck, Boise, ID; James Freeman, Parma, ID; Nicholas Gifford, Boise, ID; Kaysha Goleman, Parma, ID; Vanessa Gomes, Middleton, ID; Mary Grant, Boise, ID; Nancy Greenwald, Boise, ID; Gary Hagler, Chubbuck, ID; Jay Scot Halladay, Boise, ID; Butch Hansen, Grand View, ID; Carolyn Holly, Boise, ID; Alain Isaac, Mountain Home, ID; Andrea Jackson, Eagle, ID; Kenny Keene, Emmett, ID; Brenda Kiser, Eagle, ID; Mitch Knothe, Boise, ID; Michelle Kormanik, Boise, ID; Theresa Korn, Boise, ID; Jentry Kuebler, Boise, ID; Ricky L. Lewis, Boise, ID; Kent Lind, Meridian, ID.

Jason Lingard, Boise, ID; Carol Lurook, Meridian, ID; Catherine Lynch, Boise, ID; Nicolas Martell, Weiser, ID; Rick Martin, Boise, ID; Kevin Maybon, Mountain Home, ID; Jennifer McPherson, Nampa, ID; Gayle Menlove, Meridian, ID; Lynn Miracle, Boise, ID; Todd Monroe, Nampa, ID; John Murray, Eagle, ID; Morley Nelson, Boise, ID; Lester P Nyborg, Eagle, ID; Darin Ogden, Eagle, ID; Elsie M Osburn, Boise, ID; Danielle Oster, Boise, ID; J Zeb Oswald, Middleton, ID; Jim Peters, Eagle, ID; Cathy Peterson, Meridian, ID; Jene Prudent, Kimberly, ID.

John Quinn, Boise, ID; Jim Rabdau, Boise, ID; Dave Rittersbacher, Council, ID; Bradley Robert, Boise, ID; Barbara Roberts, Boise, ID; David Roedel, Boise, ID; Kelsey Roedel, Boise, ID; Karla Russell, Garden Valley, ID; Douglas Sato, Boise, ID; Sharri R Shippy, Middletown, ID; Harold S Southworth, Boise, ID; Alex Spangler, Boise, ID; Meredith St. Clair, Eagle, ID; Kyle Starratt, Boise, ID; Robert Streib, Boise, ID; Ryan Sullivan, Boise, ID; Robert Teska, Nampa, ID; John Thomas, Boise, ID; Jamie Thomson, Boise, ID; Eileen Thornburgh, Boise, ID.

Bruce Turner, Boise, ID; Jose Villa, Eagle, ID; Dar Walters, Boise, ID; Matthew J Watson, Nampa, ID; Karen White, Boise, ID; Ruth Wiegers, Boise, ID; Rene Woeckener, Boise, ID; Julie Yamamoto, Caldwell, ID; Lori Zenahlik, Boise, ID; Bill Andrew, Gooding, ID; Tory Bailey, Heyburn, ID; Richard Beeson, Twin Falls, ID; Steven Bielenberg, Twin Falls, ID; Elmer Blaikie, Twin Falls, ID; Donald Campbell, Buhl, ID; Thomas Courtney, Twin Falls, ID; Curtis Eaton, Twin Falls, ID; David W Emerson, Twin Falls, ID; Dick Fosbury, Sun Valley, ID; Jennie Fullmar, Burley, ID.

Esteban Garcia, Twin Falls, ID; Garett Garity, Twin Falls, ID; John Graham, Twin Falls, ID; Jack Harman, Rupert, ID; Lee Heider, Twin Falls, ID; Jeanette Hiner, Boise, ID; Hailey Hodges, Twin Falls, ID; Mick Hodges, Twin Falls, ID; Mary Howard, Twin Falls, ID; Karl Kleinkopf, Twin Falls, ID; Casey Lloyd, Jerome, ID; Fred Locke, Gooding, ID; Derek Mathews, Twin Falls, ID; Dale Meeks, Boise, ID; Jan Mittleider, Twin Falls, ID; Mikkel Nelson, Gooding, ID; Mike Nielsen, Twin Falls, ID; Matt Perkins, Twin Falls, ID; Carolyn Phillips, Jerome, ID; Clayton Pope, Wendell, ID.

Elizabeth Pope, Wendell, ID; Laura Rodeman, Jerome, ID; Lisa Shenk, Twin Falls, ID; Scott Stirling, Jerome, ID; Craig Stotts, Twin Falls, ID; Val Stotts, Twin Falls, ID; Rod Tatsuno, Ketchum, ID; Karen Thompson, Kimberly, ID; Sherry Watson, Twin Falls, ID; Creola Wiggins, Rupert, ID; Jody Alexander, Pocatello, ID; Arthur Bell, Inkom, ID; Josie Bell, Pocatello, ID; Kelsey Bell, Inkom, ID; Bruce Belnap, Ovid, ID; Kirk Benson, Idaho Falls, ID; Adrian Blok, Grace, ID; Casey Bowen, Pocatello, ID; Elizabeth Bowen, Pocatello, ID; Christopher Brayton, Idaho Falls, ID.

Robert Broulim, Rigby, ID; Richard Brown, Idaho Falls, ID; Mark Browning, Pocatello, ID; Patricia Burton, Rexburg, ID; Camie Carlson, Preston, ID; Paul Christiansen, Montpelier, ID; Clarence Cody, Pocatello, ID; Sean Conner, Idaho Falls, ID; Jason Coon, American Falls, ID; Adam Neil Davis, Pocatello, ID; Toni Davis, Pocatello, ID; Eric Devenberg, Pocatello, ID; Stacy Dragila, Pocatello, ID; Ann Driever, Chubbuck, ID; Jeff Duffin, Aberdeen, ID; Betti Eskelsen, Blackfoot, ID; Lyle Godfrey, Blackfoot, ID; Cody Hall, Pocatello, ID; Jami Harding, Idaho Falls, ID; Boyd F. Henderson, Pocatello, ID.

Brett Hill, Shelley, ID; Judy Holmes, Pocatello, ID; Snookins Honena, Blackfoot, ID; Fran Hurley, Idaho Falls, ID; Kenneth Huskinson, Pocatello, ID; Stacy Hyde, Pocatello, ID; Dennis Jackson, Roberts, ID; Julie Jackson, Idaho Falls, ID; Ame Joe Jefferis, Blackfoot, ID; Jennifer Jenson, Idaho Falls, ID; Justin John, Soda Springs, ID; Lisa Jolley, Shelley, ID; Paul Keller, Jackson, WY; Judy Korth, Idaho Falls, ID; Lauren Koss, Idaho Falls, ID; Lori Kruse, Swan Valley, ID; Cynthia Likes, Idaho Falls, ID; Howard Manwaring, Pocatello, ID; Keny McCandless, Idaho Falls, ID; Steven Morris, Pocatello, ID.

Lacey Moser, Preston, ID; RoxAnn Olsen, Little Rock, AR; Chris Osborne, Fort Hall, ID; Lavell Pack, Idaho Falls, ID; Raymond Parks, Blackfoot, ID; Molly Phillipp, Idaho Falls, ID; Steven Phillipp, Idaho Falls, ID; Ted Potter, Idaho Falls, ID; John Rainy, Fort Hall, ID; Ron Ramer, Idaho Falls, ID; John Ratcliff, Idaho Falls, ID; Lee Reilly, Pocatello, ID; Bryce Rydalch, Rexburg, ID; Mark Sabel, Blackfoot, ID; Mack Shirley, Rexburg, ID; Mitchell Shirley, Rexburg, ID; Leslie Soderquist, Idaho Falls, ID; Randy Somsen, Sugar City, ID; Bruce Steege, Idaho Falls, ID; Frank Szelmeczka, Pocatello, ID; Ella Tam, Idaho Falls, ID; Fran Taylor, Blackfoot, ID; Jedd Thomas, Pocatello, ID; Dustin Van Engelen, Chubbuck, ID; Robin Villarreal-Ratcliff, Idaho Falls, ID; Eddie Young, Idaho Falls, ID.

IN RECOGNITION OF CATHOLIC SCHOOLS WEEK

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. SCHIFF. Mr. Speaker, I rise today in order to honor the many Catholic elementary schools and high schools through the 27th Congressional District of California, which I am proud to represent. On January 27th, a weeklong celebration of Catholic Schools will begin. Catholic Schools Week is sponsored by the National Catholic Educational Association and the United States Catholic Conference and recognizes the outstanding educational contributions of America's catholic schools.

The Catholic schools in my district are acclaimed for their academic excellence and are committed to an education which emphasizes the lifelong development of intellectual, social, and moral values. Catholic schools boast a 95 percent graduation rate and 83 percent of Catholic school graduates pursue college degrees. These impressive statistics are certainly a testament to the Catholic school concept of life-long learning.

While Catholic schools set high educational standards, they are also vigorously pursuing the idea that their students must be committed to their community. Catholic school students are responsible for countless hours of volunteer service not only to their individual Catholic communities but also to our community in general.

I can certainly attest to the values of a Catholic school education, as three members of my staff are graduates of both Catholic elementary schools and high schools. The Catholic schools of my district play a pivotal role in promoting and ensuring a brighter, stronger future for our nation. And so it is with pride in representing such valuable institutions that I ask all Members to join me in congratulating the Catholic schools of the 27th Congressional District and our entire Nation.

HONORING UAW LOCAL 599 REUTHER AWARD RECIPIENTS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to the ten recipients of the Walter P. Reuther Distinguished Service Award. These ten individuals will be honored at a banquet to be held on Saturday, February 16, 2002 at United Auto Workers Local 599 in my hometown of Flint, Michigan. I am particularly pleased to recognize these persons because UAW Local 599 was my father's local.

The ten recipients of this award are persons who have diligently served their union for many years. They have demonstrated a commitment to improved working conditions for their brothers and sisters. Over the years each has served the UAW and the community with dedication.

Walter Reuther believed in helping people, and he believed in human dignity and social justice for all. The recipients of the award named in his honor have displayed the same determination to achieving these ideals and principles. Both individually and as a group the recipients of this award are hardworking, perceptive, thoughtful, and responsive. Their insights into the ever changing workplace have helped to develop the strong position Local 599 holds in the Flint community.

The ten persons honored at the banquet are Benigo Cortez, Franklin D. Tinnin, Edward DeKruger, Dennis C. Cannon, Herbert S. Kern, Leo James Dolehanty, Gerald (Jerry) Link, Robert E. Boone, Gerald W. Scott, and William C. Lucas II. I ask the House of Representatives to join me in congratulating these individuals for their tireless efforts to make this a better place to live and work.

TRIBUTE TO JOHN "JACK" SHEA

HON. JOHN M. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. MCHUGH. Mr. Speaker, it is with great sadness that I rise today to pay tribute to a great and honorable man from northern New York—Mr. John "Jack" Shea.

Let me begin my remarks by stating how deeply saddened I was to learn of the passing of John Shea—a consummate gentleman, a proven leader, and a North Country hero to all of us. Jack, as he was known to anyone who met him, was looking forward to seeing his grandson, Jim Shea, Jr., compete in next month's Winter Games in Salt Lake City. Sadly, that opportunity has been taken away from him and his family at the hands of a senseless, and regrettably, preventable act. This country as well as northern New York, has lost a great statesman and a good friend.

Like so many others who have met him through the years I considered Jack Shea a personal friend, and I was privileged to have known him. Each time we met I went away feeling not only better of myself, but of the world around me. Jack had the ability to convey warmth and goodwill that is sadly found in too few people today. His spirit, his generosity toward others, and his general outlook on family and life will always be remembered.

Throughout his life Jack Shea was a tremendous ambassador for the Olympic movement, and he worked tirelessly in successfully bringing back the Winter Olympics to his hometown, Lake Placid. The place where he experienced some of this greatest triumphs, and sadly the place where it tragically came to an end this past Tuesday. He embodied everything the Olympics stand for—goodwill, national pride, and the love for competition. But, perhaps one of his greatest attributes was his high sense of moral integrity. After winning two gold medals in the 1932 Winter Games Jack would have been the odds-on favorite to repeat his conquests in the next Olympics. However, in deference to the local Jewish community, Jack boycotted the games being held in Nazi Germany. It was exactly this type of unselfish behavior that made Jack Shea the great man that he was.

While there are no words that can take away the pain his family and friends are experiencing, I would like to offer them my sincerest condolences. I hope that his family is comforted by the knowledge that he was admired, respected, and appreciated by all of us who knew him. I know I speak for all of us in saying, we will miss him.

REGARDING CANADIAN LYNX AND ESA

HON. RICHARD W. POMBO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. POMBO. Mr. Speaker, over the years I have become very disturbed with the high levels of unethical behavior from various Federal Government officials.

In the past 8 years, narrow-minded, radical environmental Federal Government employees have violated the trust of the American people.

Today, we should be shocked that a recent investigation revealed several Federal and State employees submitted unauthorized control samples for analysis as part of an ongoing nationwide Canada lynx survey. The "lynx" fiasco illustrates just how vulnerable the public's access rights are to agenda-driven advocates within the Federal and State land management agencies:

Then there is the case of Donald Fife, a professional scientist specializing in environmental mining and engineering geology, who learned from a former U.S. Forest Service official that plants listed under the Endangered Species Act (ESA) had been secretly placed on his property in an attempt to close about 30,000 acres of the highest mineral valued land in southern California.

Then there is the case of a high-ranking official at the Northwest Regional Office at National Marines Fisheries Service (NMFS) who took the time to share her thoughts about the implementation of the Endangered Species Act.

And I quote from the International California Mining Journal (January 2002):

> * * * when we (NMFS) make critical habitat designation we just designate everything as critical, without an analysis of how much habitat an ESU (Evolutionarily Significant Unit) needs, what areas might be key, etc. Mostly we don't do this because we lack information. What we really do is the same thing we do for section 7 consultations. We just say we need it all.

The nature of all these events highlight the lack of trust with the Federal agencies that are charged with the task of managing our public lands. The Federal land agencies must be held to the same standards of truth, honesty and accountability as the private sector.

THE DETENTION OF ILLEGAL ALIENS IS ENTIRELY APPROPRIATE

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mr. BEREUTER. Mr. Speaker, this Member wishes to commend to his colleagues the January 3, 2002, editorial from the Norfolk Daily News entitled "Rights of aliens more limited."

As the editorial correctly notes, people who have overstayed their visas or illegally entered the United States are in direct violation of U.S. immigration laws, and therefore their detention is well within the bounds of U.S. law. Whether the United States is fighting a war on terrorism or is at peace, this is the case.

[From the Daily News, Jan. 3, 2002]

RIGHTS OF ALIENS MORE LIMITED

INVESTIGATORS WITHIN BOUNDS TO DETAIN THOSE WITH DOUBTFUL STATUS

The war against terrorism has unearthed some not-so-innocent immigrants. They are not yet accused of being part of Osama bin Laden's network, or proven to have been involved in terrorist activities. Rather, they have overstayed their visas or entered the country illegally. Now some of their American friends join civil rights activists in believing these individuals are being mistreated by longer-than-usual detention.

Some 1,100 men (no women) in this category, having been detained as possible material witnesses. But so far, only one has been charged with a terror-related crime.

In the view of some critics of the Federal Bureau of Investigation and the Immigration and Naturalization Service, that one in 1,100 ratio proves overzealous federal authorities are acting improperly.

Overlooked is the fact that the individuals being held for further questioning violated the terms of their entry into the United States. Those who maintain that immigration charges are being used because it is not now possible to charge the detainees with more serious crimes may be accurate. But the point they fail to acknowledge is that breaking the immigration laws should have consequences whether one is a terrorist or simply a more benign violator.

Failure to meet conditions of entry is a crime. That Uncle Sam has been slow to enforce immigration laws and forgiving of the sins of illegal aliens in the past is no excuse for softness now.

Using immigration law violations to hold those who might be considered suspects, and fit a profile similar to those known to be guilty of terrorism, is a sensible way to conduct investigations. Fortunately, it is also legal.

America may be moved by this war on terrorism to get better control of its borders. Entry into the United States by foreigners is nothing guaranteed in the Constitution. Immigrants and visitors are to be welcomed, but the terms have been dictated by Congress and should be enforced. One of those terms must be to cooperate with law enforcement authorities.

HOUSE OF REPRESENTATIVES—*Friday, January 25, 2002*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. CULBERSON).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 25, 2002.

I. hereby appoint the Honorable JOHN ABNEY CULBERSON to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord our God, You whose dwelling is in heaven and on Earth and in that undisclosed mystery beyond us, come and bless this place, the House of the United States Representatives.

At the beginning of this new session, surround us with Your Holy Spirit. Encompass with Your power all the walls and the dome of this building, truly a symbol to the world of inalienable rights and the freedom of people.

May Your divine blessing shield and protect this place from all attack, destruction, storm, sickness, and all that might bring evil to Your people or shake the soul of this Nation.

Guide and protect Your elected servants in government and all who work in this place. May all who visit here be treated with respect and kindness.

May the comings and goings of Your people be under the seal of Your loving care and all work give glory to Your holy name, now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair will lead the House in the Pledge of Allegiance.

The SPEAKER pro tempore led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ADJOURNMENT

The SPEAKER pro tempore. Without objection, the House stands adjourned until 12:30 p.m. on Tuesday next for morning hour debates.

There was no objection.

Accordingly (at 10 o'clock and 3 minutes a.m.), under its previous order, the House adjourned until Tuesday, January 29, 2002, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5222. A letter from the Deputy Chief of Naval Operations, Department of Defense, transmitting notification that the Department of the Navy intends to convert to performance by the private sector the Facilities and Environmental Safety functions at Pensacola, Florida and its detachment in Pascagoula, MS, pursuant to 10 U.S.C. 2461; to the Committee on Armed Services.

5223. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; New Jersey Reasonable Further Progress Plans, Transportation Conformity Budgets and 1-Hour Ozone Attainment Demonstrations State Implementation Plans [Region II Docket No. NJ50-238; FRL-7132-4] received January 18, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5224. A letter from the Assistant Bureau Chief, Federal Communication Commission, transmitting the Commission's final rule—Redesignation of the 17.7–19.7 GHz Frequency Band, Blanket Licensing of Satellite Earth Stations in the 17.7–20.2 GHz and 27.5–30.0 GHz Frequency Bands, and the Allocation of Additional Spectrum in the 17.3–17.8 GHz and 24.75–25.25 GHz Frequency Bands for Broadcast Satellite-Service Use [IB Docket No. 98-172, RM-9005, RM-9118] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5225. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Review of the Commission's Rules and Policies Affecting the Conversion to Digital Television [MM Docket No. 00-39] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5226. A letter from the Deputy Chief, Accounting Policy Division, Federal Communications Commission, transmitting the Commission's final rule—Multi-Association Group (MAG) Plan for Regulation of Interstate Services of Non-Price Cap Incumbent Local Exchange Carriers and Interexchange Carriers [CC Docket No. 00-256]; Federal-State Joint Board on Universal Service [CC Docket No. 96-45]; Access Charge Reform for Incumbent Local Exchange Carriers Subject to Rate-of-Return Regulation [CC Docket No. 98-77]; Prescribing the Authorized Rate of Return for Interstate Services of Local Exchange Carriers [CC Docket No. 98-166] Received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5227. A letter from the Assistant Bureau Chief, IB, Federal Communications Commission, transmitting the Commission's final rule—Review of Commission Consideration of Applications under the Cable Landing License Act [IB Docket No. 00-106] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5228. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Mandatory Ship Reporting Systems [USCG-1999-5525] (RIN: 2115-AF82) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5229. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Security Zones; Port of Los Angeles and Catalina Island [COTP Los Angeles-Long Beach 01-011] (RIN: 2115-AA97) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5230. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Security Zone; San Juan, Puerto Rico [CGD07-01-112] (RIN: 2115-AA97) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5231. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Security Zones; Port of Palm Beach, Palm Beach, FL; Port Everglades, Fort Lauderdale, FL; Port of Miami, Miami, FL; and Port of Key West, Key West, FL [COTP Miami 01-115] (RIN: 2115-AA97) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5232. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone; Festa Italiana 2001, Milwaukee Harbor, WI [CGD09-01-043] (RIN: 2115-AA97) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5233. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone; Oak Bluffs Fireman's Civic Association, Oak Bluffs, MA [CGD01-01-131] (RIN: 2115-AA97) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5234. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone; Macy's July 4th Fireworks, East River, NY [CGD01-00-

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

242] (RIN: 2115-AA97) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5235. A letter from the Regulations Officer, Social Security Administration, transmitting the Administration's final rule—The ticket to Work and Self-Sufficiency Program (RIN: 0960-AF11) received January 3, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5236. A letter from the Deputy Secretary, Department of Defense, transmitting the 2000 Annual Report for the National Security Education Program, pursuant to 50 U.S.C. 1906; jointly to the Committees on Intelligence (Permanent Select) and Education and the Workforce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. HOBSON:

H.R. 3635. A bill to suspend temporarily the duty on certain chemicals; to the Committee on Ways and Means.

By Mr. WYNN:

H.R. 3636. A bill to amend title 31, United States Code, to require the provision of a written prompt payment policy to each subcontractor under a Federal contract and to require a clause in each subcontract under a Federal contract that outlines the provisions of the prompt payment statute and other related information; to the Committee on Government Reform.

By Mr. WYNN:

H.R. 3637. A bill to amend the Small Business Act to provide a penalty for the failure by a Federal contractor to subcontract with small businesses as described in its subcontracting plan, and for other purposes; to the Committee on Small Business.

By Mr. WYNN:

H.R. 3638. A bill to amend the Small Business Act to increase the minimum Government-wide goal for procurement contracts awarded to small business concerns; to the Committee on Small Business.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 1360: Mr. SABO.

H.R. 3287: Ms. NORTON, Mrs. MORELLA, and Mr. HOYER.

H.R. 3479: Mr. HAYES.

H.R. 3524: Mr. MATSUI.

H.R. 3614: Mr. PALLONE and Mr. WEINER.

H.J. Res. 40: Mr. ROTHMAN.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 4 by Mr. RANDY "DUKE" CUNNINGHAM on House Resolution 271: Shelley Berkley.

Petition 3, by Mr. JIM TURNER on House Resolution 203: Thomas E. Petri, Charles F. Bass, Corrine Brown, and Richard E. Neal.

SENATE—*Friday, January 25, 2002*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. BYRD).

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Spirit of the Living God, infuse our minds with wisdom, our hearts with patriotism, our wills with yielded obedience, and our bodies with energizing strength. Set on fire our spirits with Your love so that we can love even those we find it difficult to love. Burn away any self-centeredness so we can care for the needs of others. Breathe Your life-giving breath into our souls so we can serve, unrestricted by self-serving attitudes. Thank You that You do not tailor our opportunities to our abilities, but rather give us courage to match life's challenges.

As this workweek comes to a close, we are amazed at what You can do through us when we put You and our Nation above partisanship, and we are alarmed by how quickly we can be divided by party spirit. Grant the Senators a special measure of greatness to unite in oneness under Your sovereignty. May they glorify You in all that is said and done this day. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from Nevada.

SCHEDULE

Mr. REID. Mr. President, this morning there will be 30 minutes of closing debate on the Smith of Oregon amendment regarding bonus depreciation prior to a 10:30 a.m. rollcall vote in relation to the amendment.

Following this vote, the Senate will go into executive session to consider the nominations of Marcia Krieger to be a United States District Judge for the District of Colorado and James Mahan to be a United States District Judge for the District of Nevada. There will be 20 minutes for debate, followed by rollcall votes on these nominations.

Following these votes, the Senate will resume consideration of the Daschle economic recovery amendment. In working with the manager of the bill for the Republicans and Senator BAUCUS, we have worked out an arrangement for amendments this afternoon. So there will be activity on the economic stimulus package this afternoon.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

HOPE FOR CHILDREN ACT

The PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of H.R. 622, which the clerk will report.

The legislative clerk read as follows:

> A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

Pending:

> Daschle/Baucus amendment No. 2698, in the nature of a substitute.
>
> Smith of Oregon amendment No. 2705 (to the language proposed to be stricken), to amend the Internal Revenue Code of 1986 to provide for a special depreciation allowance for certain property acquired after September 10, 2001, and before September 11, 2004.

AMENDMENT NO. 2705

The PRESIDENT pro tempore. Under the previous order, the time until 10:30 a.m. shall be equally divided and controlled for debate on the Smith amendment No. 2705.

The Senator from Oregon is recognized on his amendment.

Mr. SMITH of Oregon. I thank the President pro tempore.

Mr. President, it is a privilege this morning to speak about a component of the stimulus package which I think does garner wide bipartisan support. There are many good ideas. And I, as a Republican, stand in this Chamber to say I look forward to voting to extend unemployment benefits and health care benefits. I think these ideas add to the demand side of the equation by giving dollars to consumers—to taxpayers—who very much need to make ends meet and to meet life's necessities.

There is a supply side to this debate that actually is central to an economic recovery, and that is the supply side of doing things which truly stimulate the economy, because if we want to get back to surpluses, the best way we can do that is by pursuing policies that will lend themselves to growth.

The bonus depreciation amendment, which I have before the Senate this morning, does that very thing. It has won verbal support from the likes of Chairman Greenspan and former Clinton Treasury Secretary Robert Rubin, who uniformly endorse a stimulus package, and specifically the immediate stimulative effect on the economy of the temporary enactment of bonus depreciation.

I commend the majority leader for much improving his proposal as to the budget, as to the bonus depreciation from its initial offering. But for reasons I will point out, I think it still falls short of what it needs to be if we are truly serious about stimulating the economy.

Senator DASCHLE's proposal will allow 30-percent bonus depreciation from only September 11 of last year to September 11 of this current year. This means it will only stimulate business purchases for the next 8 months, assuming we can get the stimulus package passed by February 1. It is 12 months, but it is simply an inadequate period when you figure that 8 months to make business decisions is all that is allowed. So we are left with a proposal to stimulate business that just simply lacks the weight that it needs to do the job.

If you look at the facts on business investment, it has fallen precipitously since August of 2000. Consumer spending in this recession has been surprisingly resilient, but business investment has fallen off the table.

Today's recession is caused primarily by a decline in business investment. Chairman Greenspan made that clear in his remarks to the Budget Committee yesterday. It is the central reason for this recession.

So what kind of investment can we stimulate in the 8 months that remain under the underlying proposal? It probably gives businesspeople time to buy a chair and perhaps some new wastebaskets, a rug for the front office, but 8 months is not enough time to start major projects that would, in fact, employ thousands upon thousands of people. It does not allow time to build heavy equipment, modernize a lumber mill, restart a coal mine, revamp a corporate computer system, rebuild a rail bed, or even to construct an airplane. It doesn't allow enough time to obtain building permits, perform environmental reviews, complete architectural or engineering studies.

My amendment allows bonus depreciation for farm equipment and improvements and special purpose agricultural and horticultural buildings. Farmers, unfortunately, may not see the turnaround they need in the next 8 months. I wish it were so. It may take longer than that. But when the farm economy does recover, they will need to update their equipment, and they ought to have the advantage of the bonus depreciation that we are offering long enough so they can have that advantage, too.

Consider the airplane. If you want to build an airplane, the average is it takes about 18 months. So, clearly, that important industry, that very American industry, is left out of the calculation before the Senate, if my amendment is defeated. Eight months is simply not enough time to build an airplane.

Moreover, an 8-month bonus depreciation period does not provide insurance against future down ticks in our recovery cycle. These commonly occur when an economy struggles to throw off the shackles of a recession. We need to create a booming economy, not only for today but for the next several years. So I emphasize that the majority's 8-month depreciation proposal lacks the economic weight that our economy now needs. I plead with my colleagues on both sides of the aisle, let's recognize the realities of the business world and provide the kind of stimulus which is meaningful, weighty, and effective.

Mr. President, I have been requested to add the names of Senators COLLINS and ALLARD as cosponsors. I ask unanimous consent that they be added.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SMITH of Oregon. Mr. President, I ask unanimous consent that the following letters from the Association for Competitive Technology and the American Electronics Association in support of the Smith amendment be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

ASSOCIATION FOR
COMPETITIVE TECHNOLOGY,
Washington, DC, January 25, 2002.

TO ALL SENATORS: On behalf of thousands of information technology (IT) companies and professionals, I am writing to express my support for the Smith (OR) amendment that would provide a 3-year, 30% bonus depreciation provision. Like other companies in our industry, our members feel strongly about depreciation and are paying close attention to this vote.

Small business drives the IT industry. No sector has created more jobs or advances in technology. These businesses have spent nearly $160 billion during the past two years on acquiring new products used to develop cutting edge applications and services. The end result has been a richer computing experience for businesses and consumers.

Enhanced depreciation schedules will improve small business productivity, strengthen the U.S. economy and boost the IT sector. Enhanced depreciation means small businesses will have the IT tools they need to stay competitive—obsolete IT tools will be one less obstacle in a small company's growth and success. Favorable expensing rules will free-up small business capital to grow business and increase jobs.

Modernizing expense for high technology equipment can help boost the economy at a time when we need it most. My member companies feel that the time is now to address these changes and the economic stimulus package it the right vehicle.

The one-year, 30% provision in the Democratic stimulus bill is unacceptable. The reality is that their "year" ends in September 2002, which only provides seven months at the most for companies to plan for and make technology purchases. We hope we can count on you to do what's best for the technology industry and vote "Yes" on the Smith amendment.

Sincerely,

JONATHAN ZUCK,
President.

AEA,
Washington, DC, January 25, 2002.

DEAR SENATOR: On behalf of the high-tech industry, I write to express AeA's strong support for the Smith amendment calling for a 30 percent bonus depreciation provision for capital assets purchased over the next 36 months. We believe that this is a meaningful accelerated cost-recovery provision for American business and is essential to stimulate the economy. Our industry is unified in its support of such a measure.

Please vote in support of the Smith amendment.

A 30% bonus depreciation will stimulate greater investment and provide the kind of stimulus that will strengthen our companies and create more jobs across the country. The current economic slowdown requires this kind of dramatic, effective action by the Congress.

AeA (American Electronics Association) is the nation's largest high-tech trade association and is comprised of more than 3,500 small, medium and large high-tech companies. Passage of an economic stimulus package is very important to the high-tech industry right now, and we hope the U.S. Senate will act quickly to approve a stimulus package that includes at least a 30 percent bonus depreciation provision.

Sincerely,

WILLIAM T. ARCHEY,
President and CEO.

Mr. SMITH of Oregon. Mr. President, I also will note that President Bush also spoke in support of a bonus depreciation only a few days ago. I quote from him:

> But any good stimulus package plan must ask the question "how do we create more jobs?" and one way to do that is to accelerate tax relief for workers, and the other way to do that is to make sure that the Tax Code doesn't punish companies like Walker.

That is the one he was visiting.

> We ought to allow them to accelerate the depreciation schedule so it is more likely they will buy more equipment.

That is simply what we are doing, Mr. President. We are trying to allow this bonus with enough time that they can take enough advantage of it for the greater advantage of our entire country.

Mr. President, I think we all recognize that the No. 1 issue in the hearts and the homes of the American people is economic security, as well as national security. I, for one, was deeply disappointed that we went home for Christmas not as Santa Claus but as Scrooge. We should have done this before we left. I am glad, however, that the majority leader has brought it up and is allowing this to go forward now. I hope we are successful because I think we ought to show the American people that we are doing all we can to make this happen and are taking out the insurance policy that is necessary to support our economy and our people.

I ask unanimous consent to add Senator BROWNBACK as a cosponsor of the amendment as well.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SMITH of Oregon. Mr. President, I ask my colleagues to vote for this amendment. I think it will win a lot of additional Republican support for the overall effort of the majority leader, and I think for the American people's sake that is important.

I yield the floor.

The PRESIDENT pro tempore. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, how much time is reserved on our side on the Smith amendment?

The PRESIDENT pro tempore. The opposition has 11 minutes 44 seconds. The sponsor has 3 minutes 26 seconds.

Mr. GRASSLEY. We reserve the time on our side.

The PRESIDENT pro tempore. Very well. Who seeks recognition?

The Senator from North Dakota, Mr. CONRAD, is recognized.

Mr. CONRAD. Mr. President, in order to understand and evaluate this amendment, the first thing we have to do is understand our current economic condition. The day before yesterday, the Director of the Congressional Budget Office, Mr. Crippen, informed us that the projection of $5.6 trillion of surpluses over the next 10 years that was made only 1 year ago has now been eroded dramatically, and that what is available to us over the next 10-year period is not $5.6 trillion but $1.6 trillion. That is a loss of $4 trillion of projected surpluses in only 1 year.

If we look to the causes for that dramatic change in our fiscal condition, what we see, according to the Congressional Budget Office, is that tax cuts accounted for 42 percent of the reduction in projected surplus; 23 percent is the result of economic changes from the economic slowdown; 18 percent is from other legislation, mostly as a result of the attack on this country of September 11 of last year; 17 percent is the result of certain technical changes. Examples of that are increased costs of Medicare and Medicaid.

I think it is critically important, as we evaluate these amendments, to understand our current fiscal condition. The implications of this dramatic drop in the projected surpluses are that we have gone from a circumstance in which we were told last year that we would be virtually debt free as a Nation in the year 2008 to now Director Crippen telling us that instead of being debt free in 2008, we will have $2.8 trillion of publicly held debt. As Chairman Greenspan reported to the Budget Committee yesterday, that is the tip of the iceberg because we have other liabilities—so-called contingent liabilities—of another $10 trillion.

Mr. President, I think that should sober us in our deliberations today. The implications of all this are serious and far-ranging. It means the total Federal interest costs that we can anticipate are going up by over a trillion dollars. We were told last year we would expect interest costs to the Federal Government of $622 billion over this forecast period. That has now been increased to $1.6 trillion, an increase of over a trillion dollars.

Mr. President, perhaps most alarming is that the truth is there are no surpluses left—no surpluses. The only place there is surplus money is in the Social Security trust fund account. If we remove the Social Security trust fund and the Medicare trust fund, what we find—last year, we were told we would have $2.7 trillion in non-trust-fund surpluses. Now what we see is a $1.1 trillion deficit. What this means is any proposal before us will take the payroll taxes of our firemen, our policemen, our farmers, our carpenters, our teachers, those who work in our factories, even our own employees, and we will be taking every penny to pay for any of these provisions—however meritorious—right out of the payroll taxes of the taxpayers of America—taxes they were told were being levied to pay for Social Security and Medicare and are now being taken not to pay for Social Security and Medicare—oh, no—but now to pay for any tax relief provision that is being considered in this Chamber.

Mr. President, I believe that sets the very high bar with respect to any of these proposals.

Now comes this well-intended amendment. I have high regard for the Senator offering this amendment. He is a respected member of the Budget Committee. I support bonus depreciation as part of a stimulus package, but bonus depreciation over 3 years defeats the purpose of a stimulus package.

Stimulus packages, as Secretary Rubin described it to us, as Chairman Greenspan described it to us, are designed to change economic behavior now—not 3 years from now but now. And if instead of doing 1-year depreciation, we do 3 years' depreciation, what we have actually done is to encourage people to wait to make the investment. That is precisely what we should not do. What we need to do is encourage people to invest now.

Mr. SARBANES. Will the Senator yield on that point?

Mr. CONRAD. I will be happy to yield.

Mr. SARBANES. Isn't it, in fact, correct that this proposal, the 3-year bonus depreciation, is contradictory within its own terms? What you want to do with a stimulus—and I am for a 1-year bonus depreciation because I think that may serve as an incentive for additional investment in order to realize the benefit of the bonus depreciation in the first year—if you make it a 3-year bonus depreciation, the latter part of the bonus depreciation is countering the front part of the bonus depreciation, which is exactly what we do not want. We want to do the 1 year.

We will see what the 1 year gives us, where the economy is at the end of the 1 year and whether an additional effort is needed. But to do 3 years so someone can say, I will not do it this year, I will not do it next year, I will do it in the third year of the bonus depreciation, is exactly contrary to what we are trying to accomplish. Isn't that, in fact, the case?

Mr. CONRAD. It is precisely the case. Again I say, I am a supporter as well of bonus depreciation. I agree with everything the Senator from Oregon said with respect to the merits of bonus depreciation, but I have to say to my colleague, I think it would be a profound mistake to do 2 or 3 years because that simply encourages people to wait rather than creating an incentive to act now, to invest now, to give lift to the economy now. The message that is being sent is wait. That is not the message we ought to send.

That is not just the conclusion of this Senator or the conclusion of the Senator from Maryland but the Congressional Budget Office, which at my request did an analysis of the various stimulus proposals and concluded on this whole question that, "A longer period would give a bigger average yearly boost, but more of it would come at the end of the period than at the beginning, delaying the stimulative effect." Delaying the stimulative effect.

Is that what we want to do, delay the stimulative effect? I do not think so. That goes directly counter to what a stimulus package is supposed to do.

Mr. SARBANES. Will the Senator yield on that point?

Mr. CONRAD. I will be happy to yield.

Mr. SARBANES. In fact, as I understand it, the Congressional Budget Office said in a report evaluating the various stimulus options:

> Extending the period during which such expensing could be used would reduce the bang for the buck because it would decrease businesses' incentive to invest in the first year and increase the total revenue cost.

We would lose on the stimulus front, and we would add to the deficit problem, which the Senator has so ably outlined, that we confront as we look out into the future.

Mr. CONRAD. Actually, the result of passing the Smith amendment would have the perverse result of decreasing the impact of the stimulus and increasing the debt, increasing the deficits, which is the worst stew you could cook.

Mr. President, I point out that as we started this whole question of stimulus, the budgeteers on the House side and the Senate side on a bipartisan basis agreed to a set of principles to apply. One of them was a stimulus sunset. That principle says:

> All economic stimulus proposals should sunset within 1 year, to the extent practicable.

This amendment, as well intended as it is, violates that basic principle.

Yesterday we heard from Chairman Greenspan. The headline in the Washington Post today is: "Greenspan Doubts Need for Tax Cuts." While we may agree or disagree on that question, I frankly think additional stimulus would be a good insurance policy, but I think it should be, with respect to this provision, 1 year. I think that gives us the greatest stimulus and does the least damage to our long-term deficit situation.

Chairman Greenspan yesterday said he is very conflicted about a stimulus package. He said:

> Since the nature of the coming recovery remains uncertain and may be relatively weak, having some additional stimulus could be helpful.

I agree with him on that.

He said:

> On the other hand, such a package would deepen the budget deficit this year which would not be a good idea.

Mr. Greenspan went on:

> There is a possibility, depending on the provisions of a stimulus plan, that it could have a modest negative effect on the long-term economic outlook.

Mr. President, it is very clear that the best advice we have gotten is that we should have stimulus, that we should have it limited to 1 year so we do not dig the hole deeper in the out-years in light of the dramatic change in our fiscal condition.

I will conclude by showing what the amendment of the Senator will do. The revenue lost this year is $39 billion, but that pales in comparison to the loss from 2002 to 2006 of $82 billion.

Mr. SARBANES. Will the Senator yield on that point?

Mr. CONRAD. I will be happy to yield.

The PRESIDENT pro tempore. The time of the opposition has now expired.

Mr. SARBANES. Mr. President, I ask unanimous consent for 30 seconds.

The PRESIDENT pro tempore. Is there objection?

Mr. SARBANES. And 30 seconds for the other side.

Mr. GRASSLEY. I will not object if we have 30 seconds.

The PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. SARBANES. I thank the Chair. I thank my good friend from Iowa.

Mr. President, I want to add one dimension of this—the loss of cost in Federal revenue. There is also an impact of this on State revenue. One of the problems we are confronting by this economic downturn is what it has done to State budgets. Bonus depreciation over a 3-year period will cost significantly more to the State governments, whose revenue structures are tied to the Federal revenue structure, than the 1-year plan. It is estimated, in fact, that it will probably cost the States in the billions just in the second year of a bonus depreciation. This is a further complication that arises out of this proposal.

Mr. CONRAD. Mr. President, I ask for an additional 30 seconds on both sides.

The PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The Senator is recognized.

Mr. CONRAD. Mr. President, I raise a point of order that the pending amendment violates section 311(a)(2)(B) of the Congressional Budget Act of 1974 and ask for the yeas and nays.

The PRESIDENT pro tempore. The point of order is immaterial while time remains.

Mr. GRASSLEY. Mr. President, I yield the remainder of our time this way: 1 minute to the Senator from Oklahoma, the remaining time to the Senator from Kansas, and the Senator from Kansas will go first.

Mr. SMITH of Oregon. Mr. President, if I may in response——

The PRESIDENT pro tempore. Time is running.

Mr. GRASSLEY. I have to yield time: 1 minute, half a minute, and the remaining time to the Senator from Kansas.

The PRESIDENT pro tempore. The Senator from Kansas.

Mr. BROWNBACK. I thank the Chair.

Mr. President, I rise to speak on behalf of the Smith amendment but more to speak on behalf of the Boeing workers around my State and around the country. I have great respect for the Senator from North Dakota and the Senator from Maryland for the efforts they are putting forward.

In the proposal they are putting forward, which basically has an 8-month window, we are not going to build any additional planes based upon that.

We need the longer depreciation period because a plane is a major investment project. It takes decisionmaking time to put that forward, and we need this greater depreciation.

I have been in close touch with the Boeing workers in Wichita. We have other aircraft manufacturers that are located in Wichita, whether it is Cessna or Raytheon or Lear Jet, and they are saying we have to have this if we are actually going to stimulate people to buy airplanes.

This is a major decision they have to make, and they need the longer timeframe for it to be able to occur. We are talking about thousands of jobs in this industry that were directly hit because of September 11. That is why I speak on their behalf, and I ask my colleagues to consider what impact this has had to aircraft manufacturing workers who were directly hit by the September 11 events. They need this longer depreciation schedule for major companies to make the decision to buy the planes.

In an 8-month time period—that is the basic framework of this 1-year proposal—we will only have 8 months to act on it. Those decisions cannot and will not be made in that period of time that would be involved for a company to decide to put millions of dollars out for aircraft.

They have been contacting me and are strongly supportive of the longer depreciation time period saying that is what we need, and I ask we consider what happens to the aircraft workers. That is what we ought to be thinking about on this particular amendment. If we want to stimulate this work, if we want to stimulate manufacturing, we need the Smith amendment for the longer timeframe.

I reserve the remainder of our time, and I yield to the Senator from Oklahoma for his 1 minute.

The PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, first I wish to compliment my colleague from Oregon, Senator SMITH, for his amendment because he is trying to put some stimulus in the stimulus package. Right now, under the so-called Daschle package, there is no beef. There is nothing that is going to create jobs. The only thing that could even remotely be called a stimulus would be the depreciation section, and when one reads the depreciation section there is nothing there.

I have heard colleagues say Senator DASCHLE's amendment has a depreciation section for 12 months. Well, 4 months of those 12 months have already expired. How many jobs are we going to create for the past 4 months? That has already happened. There are only 8 months remaining. I doubt this is going to be enacted into law today, and so it is going to be less than 8 months. So the stimulative portion of this might last for 7 months.

Senator SMITH happens to have a business background. I used to be in the private sector. We cannot pass a bill and say to the business community, go out and make investments, and by the way you have to make the investment in the next 6 months and it has to be put into action, according to the Daschle amendment, by December. One just does not do it.

One might buy a few little things but they are not going to make a significant investment. It will not happen. Jobs are not going to be created.

The PRESIDENT pro tempore. The Senator from Oklahoma has used 1 minute.

Mr. NICKLES. Mr. President, how much time do we have remaining on our side?

The PRESIDENT pro tempore. Thirty-five seconds.

Mr. NICKLES. I will use the remainder of the time unless others want it.

I, again, thank my colleague from Oregon because he is trying to put stimulus in this so-called stimulus package. If we want to strictly have a spending bill, let's have a spending bill. That is really what most of the Daschle package is.

The Smith amendment says, let us have some stimulus. This has passed the House. It was part of the bipartisan bill that we had Democrats and Republicans say we can pass. It is one of the things for which the President has asked. Let us do something that would help create jobs. If we do not pass this amendment, I do not think the underlying amendment is worth passing. That is my observation.

I urge my colleagues to support the Gordon Smith amendment.

The PRESIDENT pro tempore. The time has expired.

The Senator from North Dakota.

Mr. CONRAD. Mr. President, in my role as Budget Committee chairman, I raise a point of order that the pending amendment violates section 311(a)(2)(B) of the Congressional Budget Act of 1974 and ask for the yeas and nays.

The PRESIDENT pro tempore. Is there a sufficient second?

The Senator from Oregon.

Mr. SMITH of Oregon. Mr. President, I move to waive the respective section of the Budget Act with regard to my amendment and ask for the yeas and nays on this motion.

The PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from New York (Mrs. CLINTON), the Senator from Connecticut (Mr. DODD), the Senator from North Dakota (Mr. DORGAN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Georgia (Mr. MILLER), and the Senator from Florida (Mr. NELSON) are necessarily absent.

I further announce that, if present and voting, the Senator from New York (Mrs. CLINTON) and the Senator from North Dakota (Mr. DORGAN) would each vote "no."

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI), the Senator from Oklahoma (Mr.

INHOFE), the Senator from Arizona (Mr. KYL), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Kansas (Mr. ROBERTS), the Senator from Alabama (Mr. SESSIONS), the Senator from Alabama (Mr. SHELBY), the Senator from Ohio (Mr. VOINOVICH), and the Senator from Arizona (Mr. MCCAIN) are necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma (Mr. INHOFE) would vote "yea."

The yeas and nays resulted—yeas 39, nays 45, as follows:

[Rollcall Vote No. 3 Leg.]

YEAS—39

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Collins
Craig
Crapo
DeWine
Ensign
Enzi
Fitzgerald
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Lott
Lugar
McConnell
Nickles
Santorum
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Warner

NAYS—45

Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Chafee
Cleland
Conrad
Corzine
Daschle
Dayton
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Torricelli
Wellstone
Wyden

NOT VOTING—16

Akaka
Clinton
Dodd
Domenici
Dorgan
Inhofe
Kennedy
Kyl
McCain
Miller
Murkowski
Nelson (FL)
Roberts
Sessions
Shelby
Voinovich

The PRESIDENT pro tempore. There will be order in the Senate.

On this vote, the yeas are 39, the nays are 45. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The amendment of the Senator from Oregon would result in a breach of the revenue floor set out in the budget resolution. The point of order is sustained. The amendment falls.

The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I ask for the yeas and nays on amendment No. 2698.

The PRESIDENT pro tempore. Will the Senator withhold briefly?

EXECUTIVE SESSION

NOMINATIONS OF MARCIA S. KRIEGER, OF COLORADO, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF COLORADO AND JAMES C. MAHAN, OF NEVADA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEVADA

The PRESIDENT pro tempore. Under the previous order, upon the disposition of the Smith amendment No. 2705, the Senate will now go into executive session and proceed with the consideration of Executive Calendar Nos. 644 and 645.

The nominations will be stated.

The assistant legislative clerk read the nomination of Marcia S. Krieger, of Colorado, to be United States District Judge for the District of Colorado, and James C. Mahan, of Nevada, to be United States District Judge for the District of Nevada.

The PRESIDENT pro tempore. Under the previous order, there will now be 10 minutes for debate to be equally divided between the chairman and ranking members of the Judiciary Committee, and 10 minutes for debate under the control of the Senator from Iowa, Mr. HARKIN.

The Senator from Vermont.

Mr. LEAHY. Mr. President, I ask unanimous consent that I be recognized after these two votes for such time as I may need to speak about the nominations. I know a number of Senators have schedules they want to keep.

Mr. HATCH. Mr. President, reserving the right to object—I will not object—I would like to be given time immediately following the distinguished Senator from Vermont.

The PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I say to my colleagues here in the Chamber today that I announced last year before we adjourned for the holiday recess that because of the failure of the Senate to provide for cloture on the farm bill so that we could have a reasonable amount of time for debate and come to closure on it, the Senator from Iowa, this Senator, was not going to agree to any unanimous consent on any judges or anything else that came before the Senate until we completed the farm bill.

I was approached the other day and was asked if we would let a couple of these judges go. It was my intention at that time to say no. I am not interested in anything passing here until we got a farm bill finished and sent to conference. But it has come to my attention that there seems to be some movement towards reaching some agreement to have either a defined list of amendments and/or a time limit so that we could bring this farm bill to some closure.

So in the spirit of trying to work on a bipartisan basis and trying to reach some agreement, I withdrew my objection so we could go ahead and permit these two judges to go through. I asked for this 10 minutes of time only to hope that in the ensuing few days—I know that next week we are not going to be here much more than 1 day, and I think we are out Wednesday, Thursday, and Friday for the party conferences. That means we will have a short day Monday, a day Tuesday, and that is it. Then we are in the week after that. I am hopeful that sometime before we adjourn next week for our party conferences the leadership on the Republican side and on the Democratic side can reach an agreement on a defined list of amendments on the farm bill and/or some time limit so we can reach closure on it. Hopefully we will do that the week after next.

This is becoming even more important because the Department of Agriculture just came out last week with their economic forecast for agriculture this year. I will read from the AP report on their forecast.

With crop prices mired near record lows, the government says farm income will drop nearly 20 percent this year unless Congress enacts a new farm program quickly, or approve more emergency payments.

There you have it.

There are three things we can do: Sit back, do nothing, and let farm income drop 20 percent, we can come up with more emergency payments, or we can enact a new farm bill, go to conference with the House, and have a more reasonable approach.

I hope we can do the latter; that is, pass the farm bill, go to conference, come back, and let the House and the Senate work its will.

We have had a lengthy debate on the farm bill already. We have been here 12 days; 1 more day on the farm bill means we will have broken all records for length of time for the farm bill to be considered in this Chamber. Just 1 more day and we will have that. It looks as if we are going to break the record.

We had three substitutes for this farm bill. It was well debated. We had the Lugar substitute, we had the Roberts-Cochran substitute, and we had the Hutchison substitute, which is basically the House bill. None of them got over 40 votes. One got 30, one got 38, one got 40. So it looks as if the bipartisan bill that we came out of committee with is the bill that has the most votes.

I know there are things in the bill not everyone likes. There are some things in the bill I personally as chairman of the committee do not like. But

I recognize there are other reasons for things and for different parts of the country. There is agriculture all over America. Maybe what is good in one place is not good in other places. That is why there are varying interests. I believe the bill we have on the floor does a good job of balancing those interests.

We have a good bipartisan bill. That doesn't mean we can't have more amendments considered. Of course we can. There are payment limitation amendments. There are other amendments that will come up. That is just fine. I have never taken the position we should not have amendments. Let us have a reasonable time limit, get the amendments up, have a reasonable debate, and then move on.

Again, I hope my friends on the other side of the aisle will permit us to move ahead week after next on this farm bill, either with a defined list of amendments or at least a time agreement or vote cloture on the bill so we can move ahead on it expeditiously.

Again, I do not intend to hold up these judges in the spirit of comity and working together. But I say to my friends on the other side of the aisle, if we cannot get some reasonable agreement to have this bill up and passed the week after next, then this Senator from Iowa will again say nothing else is going to pass here until we get that farm bill passed.

So I have removed my objection to these judges because of what I have heard. And I have talked with some people and have heard that there may be some movement to get this farm bill debated and passed. If that is the case, that is fine. I hope we can do that. But we cannot afford to tarry any longer. We have to get this bill passed, get to conference with the House, and, hopefully, get it to the President.

We have farmers getting ready to go into the fields in the South already. I think the wheat harvest in Texas is probably going to start next month. We have farmers up in the northern parts of the country—where I am from—who do not know whether they can go out and buy a new combine or a new tractor or something similar because they do not know what they are going to get this year. The bankers are uncertain.

The President was just out at John Deere a couple weeks ago. I was with him at a John Deere plant in Illinois. The CEO of John Deere said that we have to get a farm bill passed because no one is buying the implements because they do not know what the bill is going to be. There is that uncertainty out there.

So I know we are talking about a stimulus package, my friends, but stimulus in rural America is the farm bill. If we get that farm bill passed, it will stimulate economic activity in rural America. It will let bankers know how much they can lend. Farmers would then be able to say: OK, now I can buy that tractor or that combine or that new piece of equipment. But until we do that, all that uncertainty and that cloud is hanging over them.

So, again, I took this time only to say that I will not object to these judges in that spirit of comity, but I hope by next Wednesday we will have an agreement worked out so when we come back the week after next, after the party conferences and the party issues conferences, we can bring up the farm bill, have a reasonable time for debate, and then have final passage on the bill.

With that, Mr. President, I yield back the remainder of my time.

The PRESIDENT pro tempore. All time has expired.

Mr. BURNS. Mr. President, is there any time to respond to the statement made by the Senator from Iowa?

The PRESIDENT pro tempore. Under the unanimous consent order, there is none.

Mr. BURNS. Mr. President, I ask unanimous consent that I be recognized for 5 minutes. And I daresay I would not use that much time.

The PRESIDENT pro tempore. How much time?

Mr. BURNS. Five minutes.

Mr. REID. Mr. President, reserving the right to object, I say to my friend from Montana, the chairman and ranking member of the Judiciary Committee agreed to speak after the votes. We have people here who have schedules to meet. If my friend really wants to speak now, I will not object.

Mr. BURNS. No.

Mr. REID. Mr. President, I would ask unanimous consent the Senator from Montana be allowed to speak after the chairman and ranking member are allowed to speak.

Mr. BURNS. I will agree to that. I thank my friend.

The PRESIDENT pro tempore. The Senator from Montana withdraws his request?

Mr. BURNS. That is correct.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of Marcia S. Krieger, of Colorado, to be United States District Judge for the District of Colorado? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from California (Mrs. BOXER), the Senator from Connecticut (Mr. DODD), the Senator from North Dakota (Mr. DORGAN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Georgia (Mr. MILLER), and the Senator from Florida (Mr. NELSON) are necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota (Mr. DORGAN) would vote "aye."

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI), the Senator from Oklahoma (Mr. INHOFE), the Senator from Arizona (Mr. KYL), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Kansas (Mr. ROBERTS), the Senator from Alabama (Mr. SESSIONS), the Senator from Alabama (Mr. SHELBY), the Senator from Ohio (Mr. VOINOVICH), the Senator from Arizona (Mr. MCCAIN), and the Senator from Tennessee (Mr. THOMPSON) are necessarily absent.

I further announce that if present and voting the Senator from Oklahoma (Mr. INHOFE) and the Senator from Arizona (Mr. KYL) would each vote "aye."

The PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 83, nays 0, as follows:

[Rollcall Vote No. 4 Ex.]

YEAS—83

Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inouye
Jeffords
Johnson
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McConnell
Mikulski
Murray
Nelson (NE)
Nickles
Reed
Reid
Rockefeller
Santorum
Sarbanes
Schumer
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thurmond
Torricelli
Warner
Wellstone
Wyden

NOT VOTING—17

Akaka
Boxer
Dodd
Domenici
Dorgan
Inhofe
Kennedy
Kyl
McCain
Miller
Murkowski
Nelson (FL)
Roberts
Sessions
Shelby
Thompson
Voinovich

The nomination was confirmed.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of James C. Mahan, of Nevada, to be United States District Judge for the District of Nevada?

The Senator from Vermont.

Mr. LEAHY. Mr. President, I ask unanimous consent that this be a 10-minute vote.

The PRESIDENT pro tempore. Will the Senator repeat his request?

Mr. LEAHY. I ask unanimous consent this be a 10-minute rollcall vote.

The PRESIDENT pro tempore. Is there objection?

Hearing no objection, this will be a 10-minute rollcall vote. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from California (Mrs. BOXER), the Senator from Missouri (Mrs. CARNAHAN), the Senator from Connecticut (Mr. DODD), the Senator from North Dakota (Mr. DORGAN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Georgia (Mr. MILLER), and the Senator from Florida (Mr. NELSON) are necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota (Mr. DORGAN) would vote "aye."

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI), the Senator from Oklahoma (Mr. INHOFE), the Senator from Arizona (Mr. KYL), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Kansas (Mr. ROBERTS), the Senator from Alabama (Mr. SESSIONS), the Senator from Alabama (Mr. SHELBY), the Senator from Ohio (Mr. VOINOVICH), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Arizona (Mr. MCCAIN), and the Senator from Tennessee (Mr. THOMPSON) are necessarily absent.

I further announce that if present and voting the Senator from Oklahoma (Mr. INHOFE) and the Senator from Arizona (Mr. KYL) would each vote "aye."

The PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 81, nays 0, as follows:

[Rollcall Vote No. 5 Ex]

YEAS—81

Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchison
Inouye
Jeffords
Johnson
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McConnell
Mikulski
Murray
Nelson (NE)
Nickles
Reed
Reid
Rockefeller
Santorum
Sarbanes
Schumer
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thurmond
Torricelli
Warner
Wellstone
Wyden

NOT VOTING—19

Akaka
Boxer
Carnahan
Dodd
Domenici
Dorgan
Hutchinson
Inhofe
Kennedy
Kyl
McCain
Miller
Murkowski
Nelson (FL)
Roberts
Sessions
Shelby
Thompson
Voinovich

The nomination was confirmed.

LEGISLATIVE SESSION

The PRESIDENT pro tempore. Under the previous order, the Senate will return to legislative session.

HOPE FOR CHILDREN ACT—Continued

The PRESIDENT pro tempore. The clerk will report the title.

The assistant legislative clerk read as follows:

A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

The PRESIDENT pro tempore. The Senator from Vermont.

Mr. LEAHY. Mr. President, I understand under the unanimous consent request I am to be recognized, but the distinguished Senator from Illinois and the distinguished Senator from Oregon are here, and I ask unanimous consent it be in order first to recognize the distinguished Senator from Illinois for 2 minutes, then the distinguished Senator from Oregon for 1 minute, and the distinguished Senator from Oklahoma, the Republican assistant leader, for 30 seconds, and then we revert back to my original time.

The PRESIDENT pro tempore. Is there objection to the several requests?

There being no objection, the requests are agreed to.

The Senator from Illinois.

The PRESIDENT pro tempore. The Senator from Illinois.

AMENDMENT NO. 2714 TO AMENDMENT NO. 2698

(Purpose: To provide enhanced unemployment compensation benefits)

Mr. DURBIN. Pursuant to an earlier unanimous consent request, I am sending to the desk an amendment being offered by me on behalf of the majority leader.

The PRESIDENT pro tempore. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN], for himself, Mr. WELLSTONE, Mr. DAYTON, Ms. LANDRIEU, and Mrs. LINCOLN, proposes an amendment numbered 2714.

Mr. DURBIN. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DURBIN. Mr. President, this is part of the economic stimulus package. It is an amendment agreed to by both sides, Democrats and Republicans, to extend the unemployment insurance benefits to those States which will provide protection, expanded coverage for part-time workers who otherwise would not be eligible for unemployment compensation, and expand coverage to low-wage and recent hires who are also out of work and cannot be covered by unemployment. It also increases benefit levels under unemployment compensation by 15 percent or $25 per week, whichever is greater. These proposals are temporary. All of the funding comes from Federal funding sources from the unemployment insurance fund. The amendment costs about $15 billion in one year, but it will provide direct, immediate relief to unemployed people across America. When we return next Tuesday, I will speak to this amendment at length.

I hope my colleagues will join me in supporting it on a bipartisan basis.

I yield the floor.

The PRESIDENT pro tempore. The Senator from Oregon.

Mr. SMITH of Oregon. Mr. President, I thank the chairman of the Judiciary Committee for allowing me a minute to simply notify the Senate that I will redo my amendment and try to get 60 votes. It will come back and be filed later today. It will have a 2-year time period beginning January 1 of this year and going for 2 years, with a 30-percent depreciation bonus, and it will also specifically include the motion picture industry so that they can have the advantage of this stimulus as well.

I think it is critical we do what the the Senator from Illinois is talking about, and it is also critical we do something that is actually stimulatory of the economy. Two years is the absolute minimum, if we are serious about this part of the stimulus bill.

I yield the floor.

The PRESIDENT pro tempore. The Senator from Oklahoma, Mr. Nickles.

Mr. NICKLES. I ask unanimous consent that it be in order I ask for the yeas and nay on amendment No. 2698.

The PRESIDENT pro tempore. Is there objection to the request that it be in order?

Mr. LEAHY. Reserving the right to object—I understand there is no objection.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Is there a sufficient second?

There is a sufficient second. The yeas and nays are ordered.

Mr. NICKLES. I thank my colleague.

The PRESIDENT pro tempore. The Senator from Vermont.

Mr. LEAHY. Is the Senator from Vermont correct that following my statement the distinguished senior Senator from Utah is to be recognized?

The PRESIDENT pro tempore. That is correct.

JUDICIAL NOMINATIONS

Mr. LEAHY. I thank the distinguished Presiding Officer.

Mr. President, I appreciate the fact that the majority leader and the assistant majority leader moved to consider additional judicial nominations today. Both Senator DASCHLE and Senator REID have been working very diligently to clear these nominations which were put on the Executive Calendar as we went out of session prior to the new year. They have worked very hard to return the Senate's consideration of judicial nominations to a more orderly and open process. I compliment the

Senator from South Dakota and the Senator from Nevada for their efforts and thank them for their leadership. Along with our Senate leaders, many Senators have been working to move away from the anonymous holds and inaction on judicial nominations that characterized so much of the period from 1996 through the year 2000. Since the change in majority last summer, we have already made a difference in terms of both the process and its results. The number of vacancies and the number of confirmations have finally begun to move in the right directions.

As we begin this new session, I will take a moment to report where we are in the handling of judicial nominations and to outline the road ahead. The distinguished Presiding Officer knows more of the history of this body than any of the nearly 260 or 270 Senators with whom I have served—I suspect more than a lot of others with whom he has served. I hope he will not feel it presumptuous if I take a few minutes to touch on the history and legacy of the last 6 years as it relates to judicial nominations.

Those last 6 years have left a residue of problems that I think are going to take a continuing effort to purge. We are not going to do it in 1 day or 1 weekend, but it is going to have to be a continuing effort of both parties, Republicans and Democrats, and the White House.

After going through that history, I am going to offer the steps that we in the majority will take in good faith to undo the damage of the last 6 years. Then I am going to call on the White House to help us take similar steps to help move the process forward. I do this both in my capacity as the Senator from Vermont—a position I honor, and I am always thankful to the people of my great and beautiful State for letting me be here—but also carrying the responsibility my caucus has given me by allowing me to be chairman of the Senate Judiciary Committee.

One of the lessons I learned early on in this body from the distinguished Presiding Officer is that if you are the chairman of a committee, you have a responsibility to that committee, to your caucus, but also to the Senate, the whole Senate. I respect that.

So let me talk about the Judiciary Committee. In a span of less than 6 months, and in a year that was tumultuous for the Nation and the Senate, the Judiciary Committee, between July and the end of the session in December, held hearings on 34 judicial nominees. We reported 32 and the Senate confirmed 28. As of today, we add 2 more and the Senate has now approved 30 of those judicial nominations.

They are conservative Republicans, but nearly all were unanimously approved by Democrats, Republicans and Independent alike on the Judiciary Committee and by the Senate, in a democratically-controlled Senate.

We reported more judicial nominees after the August recess than in any of the preceding 6 years, and more than in any similar period over the preceding 6½ years. The Senate Judiciary Committee during the time I have been chairman did not have and has not yet had a year in which to work. Last session we had less than 6 months. Still, in the last 5 months of last year, the Senate confirmed almost twice as many judges as were confirmed in the first year of the earlier Bush administration. We also confirmed more judges, including twice as many judges to the courts of appeals, as in the first year of the Clinton administration. The Senate confirmed the first new member of the Fifth Circuit in 7 years, the first new judge for the Fourth Circuit in 3 years, and the first new judge for the Tenth Circuit in 6 years.

Of course, more than two-thirds of the Federal court vacancies continue to be on the district courts, and the administration has been slow to make nominations to the vacancies in these trial courts. In the last 5 months of last year, the Senate confirmed a higher percentage of the President's district court nominees than a Republican majority had allowed the Senate to confirm in the first session of either of the last two Congresses with a Democratic President.

Last year, the White House did not make nominations to almost 80 percent of the current trial court vacancies. When we came back to session, we began with 55 out of the 69 vacancies without nominees.

Since the change in majority last summer, we have acted in the Senate to build better practices into the confirmation process for Federal judges and to make it more orderly. We made some progress at the end of last year when, after many months, the White House and our Republican colleagues finally agreed to limited steps to update and to simplify the committee questionnaire, which seemed to have grown like Topsy over the years.

And we have opened up the process as never before. For the first time, the Judiciary Committee is making public the blue slips sent to home State Senators. Until last summer these matters were treated as confidential materials. They were restricted from public view.

We have moved nominees with less time from hearings to the committee's business meeting agenda, and then onto the floor, where nominees have received timely rollcall votes and confirmations. Over the preceding 6½ years, at least eight judicial nominees who completed a confirmation hearing were never considered by the committee and were simply abandoned without any action. Before my chairmanship, there were at least eight judicial nominees who got a hearing but never even got a vote—not a vote on the floor, Mr. President, they never got a vote in committee.

Also, the past practices of extended unexplained anonymous holds on nominees after a hearing were not evident in the second half of last year, as they had been in the recent past.

By the time the Judiciary Committee was reorganized and began its work last summer, the vacancies on the Federal courts were peaking at 111. That is what I faced as the Committee began its work—111 vacancies. Since then, 25 additional vacancies have arisen. Through hard work in the limited time available to us, we were able to outpace this high level of attrition. By contrast, when my friends on the other side of the aisle took charge of the Senate in January 1995, until the majority shifted last summer, judicial vacancies rose from 65 to more than 100, an increase of almost 60 percent.

The Judiciary Committee simultaneously, during those last 5 months of last year, held 16 confirmation hearings for executive branch nominees. We sent to the Senate nominees who were confirmed for 77 senior executive branch posts, including the Director of the FBI, the head of the Drug Enforcement Administration, the Commissioner of the Immigration and Naturalization Service, the Director of the U.S. Marshals Service, the Associate Attorney General, the Director of ONDCP, the Director of the Patent and Trademark Office, 7 assistant attorneys general, and 59 U.S. attorneys.

Senators may recall that soon after the Senate confirmed Judge Roger Gregory as the first new Federal judge nominated by this President last July, the White House counsel said in an interview that he did not expect the Senate to confirm more than five judges before the end of 2001. Just think about that: The White House said last July that they did not expect the Senate to confirm more than five judges before the end of 2001.

Of course, that estimate of 5 was actually an upward revision. Initially some on the other side of the aisle, after the midyear change of majority, had proclaimed that the Democratic majority would not confirm a single judge. The White House, I think, trying to appear more bipartisan, upped the estimate from zero to 5. Of course, we achieved much more than that and confirmed more than 5 times the number of judges that the White House counsel had predicted.

One might have thought from the constant barrage of partisan criticism that 2001 resembled 1996, a year in which a Senate Republican majority confirmed only 17 judges, none of them appellate-level nominees.

The worst fear of some, it has been clear, is that Democrats would treat Republican nominees as poorly as Democratic judicial nominees were treated by a Republican Senate. That is not what has happened. In just 5 months we went on to confirm 28 additional judges, as I have said, more than five times the number the White House predicted we would confirm. Think of that, Mr. President—five times what the White House was telling the American people we would confirm.

The Senate can be proud of its record in the first session of the 107th Congress of beginning to restore steadiness in its handling of judicial nominees. I want to build on that record in the second session of the 107th.

Yesterday the Judiciary Committee held another hearing for judicial nominees. That was the 12th since July. This morning the Senate is confirming the first two judges of this session and the 29th and 30th since the change in majority last summer.

The legacy of strife over the filling of judicial vacancies that we all must work to overcome began in 1996, when months went by without the Republican Senate acting on judicial nominations from a Democratic President. Later that same year, outside groups began forming to raise money on their pledge to block action on judicial nominees and to "kill" Clinton nominees.

As the new session opened in 1997, efforts were launched on the Republican side of the aisle to slow the pace of Judiciary Committee and Senate proceedings on judicial nominations and to erect new obstacles for nominees.

The results were soon apparent delaying the process, and they persisted throughout the remainder of President Clinton's administration.

Those times stand in sharp contrast to the last 5 months of last year, in which I noticed a hearing within 10 minutes of becoming chairman of the full committee, chaired unprecedented hearings during the August recess, and held hearings and votes throughout the period after September 11 and during the closure of our offices and hearing rooms after Senator DASCHLE and I received anthrax filled letters.

I want to emphasize that. During that time, 50 men and women who were nominated and who went through all the vetting, FBI backgrounds, and everything else, never received a hearing and a committee vote, many after waiting for years.

They included Judge James A. Beaty, Jr., Judge James Wynn, and J. Rich Leonard, nominees to longstanding vacancies on the Fourth Circuit; Judge Helene White, Kathleen McCree-Lewis and Professor Kent Markus, nominees to the Sixth Circuit; Allen Snyder and Professor Elana Kagan, nominees to vacancies on the D.C. Circuit; and James Duffy and Barry Goode, nominees to the Ninth Circuit; Bonnie Campbell, the former Attorney General of Iowa and former head of the Violence Against Women Office at the Department of Justice, nominated to the Eighth Circuit; Jorge Rangel, H. Alston Johnson, and Enrique Moreno, each nominated to the Fifth Circuit; Robert Raymar and Robert Cindrich, among the nominees to the Third Circuit; and District Court nominees like Anabelle Rodriguez, John Bingler, Michael Schattman, Lynette Norton, Legrome Davis, Fred Woocher, Patricia Coan, Dolly Gee, David Fineman, Ricardo Morado, David Cercone, and Clarence Sundram.

None of these qualified nominees was given a vote.

Over the course of those years, Senate consideration of nominations was often delayed for not months but years.

It took more than four years of work to get the Senate to vote on the nominations of Judge Richard Paez and Judge William Fletcher; almost three years to confirm Judge Hilda Tagle; more than two years to confirm Judge Susan Mollway, Judge Ann Aiken, Judge Timothy Dyk, Judge Marsha Berzon, and Judge Ronald Gould; almost two years to confirm Judge Margaret McKeown and Judge Margaret Morrow and more than a year to confirm several others during the preceding 6½ years of Republican control.

During those years, the Republican majority in the Senate went an entire session without confirming even a single judge for the Courts of Appeals.

As few as three appellate nominees were granted hearings and committee votes in an entire session. During that time, the Republican majority averaged eight hearings a year for judicial nominees and had as few as six during one entire session. One session of Congress, the Republican majority allowed only 17 judges to be confirmed all year, and that included not a single judge to any Court of Appeals. All the while, the judicial vacancy rate continued to worsen.

The problems did not end when President Clinton left office. New problems have arisen through unilateral actions taken by the Bush administration in its handling of judicial nominations.

Fifty years ago, President Dwight Eisenhower started a policy of having the American Bar Association do a review of judicial nominees. That practice by President Eisenhower was followed by President Kennedy. It was then followed by President Johnson. It was then followed by President Nixon. It was then followed by President Ford. It was then followed by President Carter. It was then followed by President Reagan. It was then followed by the first President Bush. It was then followed by President Clinton. But when this new White House came in, they decided summarily to end that 50-year practice.

Senators are still going to ask at least to have that ABA background done. It does not mean that peer review is controlling, by any means. What is happening now is that instead of having that ABA peer review done simultaneously with the FBI background check and having the ABA report come to the Senate around the same time as the FBI report, the Administration sends up the nominee, and the Senate has to wait 6 or 8 weeks more to get the ABA vetting. The vetting processes could have done both at the same time and potentially save 2 months in the process.

This unilateral approach in vetting nominees and disregarding the Senate's longstanding practice is similar to another disregarding of the longstanding practice that encouraged consultation with home-State Senators, both Republicans and Democrats. That has needlessly complicated the Senate's handling of several of the nominations.

I realize we are looking back over the first year of a new administration. But I am laying out this history to them because it is a history of the handling of nominees that has worked fairly well for Republicans and Democrats alike since President Eisenhower's time. Maybe we ought to go back to the things that have worked.

In addition, the White House has not responded to our repeated requests to help the Senate work through residual issues caused by the Republican Senate's earlier actions and inactions related to several circuit courts.

We hear about all the vacancies on the circuit courts without mention of the fact that there have been previous qualified nominees for the vacancies on whom the Republican-controlled Senate refused to proceed. That has created problems that have grown and festered over time. They are not going to be remedied immediately, especially in the absence of White House cooperation.

One of the best friends I have in the Senate is Senator ORRIN HATCH of Utah. Senator HATCH and I can sit down and work out many of these things. But we cannot do it by ourselves if the White House is uninterested in working with us. They ought to understand that we are able to work out most of our problems. They ought to take advantage of that and work with us.

Let us turn to look at where we go from here. I think we made a good beginning in the first 6 months of Democratic leadership in the Senate. But the way forward is not easy. If we want to have continued progress, it is going to require leadership and cooperation and good will not only within the Senate but by the White House.

These are the steps that the Judiciary Committee will take in good faith. I want to lay this out for my colleagues.

First, we are going to restore steadiness in the hearing process. The committee will hold regular hearings at a pace that will exceed the pace of the last 6 years. Following longstanding committee practice, each hearing typically will involve several nominees—a circuit court nominee and a number of district court nominees.

Since the Senate's reorganization last July, we have convened judicial nominations hearings each and every month. I mention that because, by contrast, in the 72 months that the Republican majority most recently controlled scheduling such hearings, in 30 of those months no hearings were held at all, and in another 34 months only one hearing was held.

Yesterday we held our 12th hearing since July. If we are able to keep pace, we will hold more hearings this session than were held in any of the 6½ years of Republican control and more than twice as many as were held in some of those years.

Secondly, we will include hearings for a number of controversial nominees who do not have a blue slip problem. We will convene a hearing the week after next on the nomination of Charles W. Pickering for the Fifth Circuit Court of Appeals. I fully expect we will also have hearings on other nominations for which consensus will be difficult, including such nominees as Judge Priscilla Owen, Professor Michael McConnell, and Miguel Estrada.

Third, we will continue to seek a cooperative and constructive working relationship not only with our colleagues on the other side of the aisle but also with the White House. I ask the White House to help make the confirmation process more orderly and less antagonistic, and thus make it more productive.

Finding our way forward out of the legacy of the last 6 years is going to require some White House cooperation. The President represents one of our three branches of Government. We in the Senate represent one. We are talking about working together in matters that affect our third branch. I take very seriously the advise and consent clause of the Constitution. It does not say: Advise and rubberstamp. It says advise and consent. The distinguished Presiding Officer, the President pro tempore, knows better than anybody else in this body the kind of debate that went on at the founding of this country on the constitutional requirement of advice and consent. Our Founders made very sure we, the people, had a voice in these appointments. This is a democracy, not a regency.

I will strive—whether we have a Democratic President or a Republican President—to uphold the right, and not just the right, the duty of the Senate, to fulfill its advise and consent role. It is one of the most important roles this body has ever had because it is exclusively in this great Chamber, in this great body. Senators really do not follow their oath of office if they do not uphold that right and that privilege and that duty of advice and consent.

I have heard the distinguished Presiding Officer speak of the number of Presidents with whom he has served. He very correctly has pointed out, we do not serve under a President, we serve with a President.

I have enormous respect for all Presidents I have served with, Republicans and Democrats. They are a major part of our Democratic framework. Whoever is President carries an awesome burden and should be helped in carrying out that burden. But we carry an awesome burden on advice and concept, as well. Let us try to bring the duties and rights and obligations at one end of Pennsylvania Avenue closer to the duties and rights and obligations at the other end of Pennsylvania Avenue and see how we might work together.

So today I ask the President, for his part, to consider several steps, each of which makes a tangible improvement in the consideration of judicial nominations.

First, the most progress can be made quickly if the White House would begin working with home State Senators to identify fair-minded, nonideological, consensus nominees to fill these court vacancies.

One of the reasons that the committee and the Senate were able to work as rapidly as we did in confirming now 30 judges in the last few months was because those nominations were strongly supported as consensus nominees by people from across the political and legal spectrums.

I have heard of too many situations, in too many States, involving too many reasonable and constructive home State Senators, in which the White House has shown no willingness to work cooperatively to find candidates to fill vacancies. The White House's unilateralism is not the way the process is intended to work. It is not the way the process has worked under past administrations. I urge the White House to show greater inclusiveness and flexibility and to help make this a truly bipartisan enterprise.

Logjams persist in several settings, the legacy of the last 6 years. To make real progress, the White House and the Senate should work together to repair the damage and move forward.

As I said before, the Constitution directs the President to seek the Senate's advice and consent in his appointments to the Federal courts. The lack of effort on the advice side of that obligation gives rise to a general impression, heightened by the White House's refusal to work cooperatively with some home State Democratic Senators, and by its unwillingness to listen to suggestions to continue the bipartisan commissions that have been a tradition, for years, in many States, that the White House and some in the Senate are intent on an ideological takeover of our courts.

With the circuits so evenly split in so many places, nominees to the Courts of Appeals may have a significant impact on the development of the law for decades to come. Some of us are concerned that there not be a rollback in the protections of individual rights, civil rights, workers' rights, consumers' rights, business rights, privacy rights, and environmental protection.

Secondly, I ask the President to reconsider his early decision on peer review vetting. It has needlessly added months to the time required to begin the hearing process for each nominee. For more than 50 years, the American Bar Association was able to conduct its peer reviews simultaneously with the FBI background check procedures. As I said earlier, that meant that when nominations were sent to the Senate, the FBI report and the ABA report were sent at approximately the same time, and we could start moving forward to review nominations and schedule hearings from that day.

We had occasions last year when we proceeded with hearings with fewer District Court nominees than I would have liked because recent nominees' files were not yet complete. I worry that same problem will be repeated this year.

For example, in relation to the FBI and the ABA background materials on the 24 District Court nominations that we received in the last day or so, we are not going to have all that material until March or April. That is regrettable. It was avoidable. We could have had it all here today so we could start reviewing those nominations and considering them for hearing agendas right away.

Now, no Senator is bound by the recommendations of the ABA. And I would never suggest that a Senator be bound by that. Each Senator is bound by their own conscience and their own sense of what is right. But the White House can make it clear that it is not bound either but that it is restoring a traditional practice—not because it intends to be bound by the results of that peer review but solely to remove an element of delay that it had inadvertently introduced into the confirmation process.

The White House can expressly ask the ABA, if they want, not to send the results of its peer reviews to the executive but only to transmit them to the committee. Few actions available to either the Senate or the White House could make as constructive a contribution as would the President's resolution of this problem. I ask him to seriously and thoughtfully consider taking it. It would take 1 minute of decision; it would save months of time.

In conclusion, whether we succeed in improving the confirmation process is going to depend in large measure on whether our goals are shared by Republican Senators and the White House. We will not have repaired the damage that has been done if we make progress this year and the improvements we are able to make are not institutionalized and continued the next time a Democratic President or, for that matter, a different Republican President is the one making judicial nominations.

In the statements I have heard and read from the Republican side, I have not heard them concede any shortcomings in the practices they employed over the previous 6½ years, even though since the change in majority last summer, we have exceeded their pace and productivity over the prior 6½ years. If their efforts were acceptable or praiseworthy as some would argue, I would expect them to commend our better efforts since last July.

If they did things they now regret, their admissions would go far in helping establish a common basis of understanding and comparison. Taking that step would be a significant gesture. It is something that has not yet occurred. I wish it would.

Whether it occurs or not, I want to move forward. The nominees voted on this morning and those included at our most recent hearings yesterday are clear evidence, again, that consensus nominees with widespread bipartisan support are more easily and quickly considered by the committee and confirmed by the Senate. I believe there was not a single vote against either of the judges confirmed today.

There are still far too many judicial vacancies. We have to work together to fill them. We have finally begun moving the confirmation and vacancy numbers in the right directions. The way forward is difficult. Democrats alone cannot achieve what should be our common goal of regaining the ground lost over the last 6 years. But all of us together can achieve that. I invite each with a role in this process to join that effort.

If I could close on a personal note, as I said before, the ranking member of the Senate Judiciary Committee, the senior Senator from Utah, is a close personal friend. I have been in the position of ranking member of that committee while he was chairman. I know many times he had to urge actions to move forward, actions with which many in his caucus did not agree. But he did, and I commend him for it. For my part, I pledge, during this year or whatever time I am chairman, to meet on a regular basis with my friend from Utah to try to iron out as many problems as we can. I believe there is a mutual respect between the two of us. But I would also urge the White House to realize that they do not act in a vacuum, to understand it is a democracy, to take a moment to reread the advice and consent clause. Let us work together. Things will go a lot faster and a lot better that way.

I yield the floor.

The PRESIDING OFFICER (Mr. LEAHY). The distinguished senior Senator from Utah.

Mr. HATCH. Mr. President, I don't want to take this time to engage in statistical judo on judicial nominees. I personally have appreciated our chairman and the work he did last year. We are friends, and I intend to work very closely with him. Hopefully we can put through a lot of judges this year, as we did for President Clinton in his second year.

Mr. President, the record is clear. Here are the true facts, the numbers for the first years and for the current session. I gave an extensive speech at the end of last year, and it shows where we stand today and what we did to establish a near record with 377 Clinton judges. That is five fewer than for President Reagan, the all-time champion of confirmed judges. I can say, categorically, there would have been at least three more than what President Reagan had, had it not been for holds on the Democrat side of the Chamber. So the all-time champion would have been William Jefferson Clinton as President. The Democrats, not the Republicans, stopped the approximately eight or nine additional Clinton nominees who otherwise would have been confirmed.

Sometimes it was for petty reasons that holds were put on. But the fact is that holds came from the other side. One thing we did not do is apply any litmus test. Today, some special interest groups are urging the Democrats to apply one. Had we Republicans applied an abortion litmus test to President Clinton's nominees, perhaps fewer than a dozen judges would have gone through. If the Senate were to get into the litmus test game, we would certainly hurt this body and this country a great deal. Everyone knows that when we elect a President, we are choosing the person who has the power to pick the judges in this country. As long as the President's nominees are qualified, the Senate ought to approve the President's judges.

There were a variety of reasons that prevented several of President Clinton's nominees from getting confirmed, including some who lacked the support of their home State Senators. But the overall record makes clear that we were fair. As my colleague, Senator LEAHY, said, our job was not to simply rubberstamp President Clinton's judges. The current President does not expect a rubber stamp either. So, mere numbers and statistics—as my distinguished chairman, the Senator from Vermont, listed—do not give the full picture because they do not explain the reasons in particular cases. And our current President has been more deliberative, more cooperative in his selection, evaluation, and nomination of judges than any other President while I have been serving in the Senate.

I have to be honest, I am concerned about the tone I have heard today. But I still remain cautiously optimistic that the Senate will do the right thing with regard to judges, and I keep hope alive that this bitter tone on judicial nominees will subsist. I think we are above that.

At the outset of the second session of the 107th Congress, we have an opportunity in the Senate to make a real difference in the administration of justice in this country. This opportunity is the chance to halt the vacancy crisis that presently plagues the Federal courts. A new congressional session provides many opportunities to make changes and allocate our time to those matters most pressing. Our Nation is facing many great challenges, ranging from threats of terrorism at home and abroad to the struggling economy. We have a lot of work to do.

One of the most pressing matters we must address this session is the vacancy crisis in the Federal court system. I was interested in some of the statistics my colleague from Vermont gave. In 1992, the Democrats controlled the Senate and therefore the Senate Judiciary Committee. On election day 1992, when William Jefferson Clinton was elected President of the United States, there were 97 vacancies and 54 of President Bush's nominees left hanging without a vote. (Some of those 54 neglected nominees have now been renominated by the current President Bush.) Of the 54, there were about 6 who were nominated so late in the session that there wasn't really an opportunity on the part of Senator BIDEN or the committee to confirm them. So, really, 48 were left hanging without a vote. By contrast, when George W. Bush was elected President, there were 67 vacancies—30 fewer than eight years earlier when the Democrats controlled the Senate Judiciary Committee. And for those 67 vacancies, there were 41 nominees left hanging. In other words, the Republicans left 13 fewer nominees than the Democrats did. But, of the 41, 9 were nominated so late in that session that there was no chance any Judiciary Committee chairman could have gotten them through. So, in essence, there were 32 nominees that did not get voted on at the end of the Clinton Administration.

The fact is that 32, contrasted with the 48 that the Democrats left hanging when they controlled the Senate, is a pretty good record. It was the best we could do given the individual circumstances presented. A couple were held up because of home State Senators. I could not solve that problem. Neither could Senator LEAHY. There were some who were held up because of further investigation that had to be made and questions that had arisen. Some were held up because of other matters in the FBI reports or problems that existed that we could not solve before election day.

On January 1 of this year, Supreme Court Chief Justice William Rehnquist released his 2001 year-end report on the Federal judiciary. I ask unanimous consent it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

2001 YEAR-END REPORT ON THE FEDERAL JUDICIARY

I. OVERVIEW

The 2001 Year-End Report on the Federal Judiciary is my 16th. 2001 will surely be remembered by the entire country, including the federal Judiciary, for the terrorist attacks of September 11 and the anthrax contamination that followed.

I received word of the first strike on the World Trade Center as the 26 federal judges who are members of the Judicial Conference of the United States were preparing to convene at the Supreme Court the morning of September 11. It soon became clear that we would have to cancel the Conference session and evacuate the building, the first cancellation of a Conference meeting since its creation in 1922.

Just six and a half weeks later, our Court was forced to evacuate the building again after traces of anthrax were found in our offsite mail facility. For the first time since our building opened in 1935, the Court heard arguments in another location—the ceremonial courtroom in the District of Columbia E. Barrett Prettyman Federal Courthouse. The Court was also forced out of its quarters in the Capitol when the British burned part of the Capitol building in August 1814.

Despite the effects of events since September 11, the federal courts, along with the rest of our government, have gotten back to business, even if not business as usual. Our Court has kept its argument schedule, federal (and state) courts have met, albeit with heightened security, and within three weeks, the Judicial Conference completed by mail all of the business that had been on the schedule for September 11 and that could not be postponed.

II. ENSURING A WELL-QUALIFIED AND FULLY STAFFED JUDICIAL BRANCH

The federal courts were created by the Judiciary Act of 1789, which established a Supreme Court and divided the country into three circuits and 13 districts. This structure has obviously changed greatly since 1789, but one thing has not changed: the federal courts have functioned through wars, natural disasters, and terrorist attacks. During times such as these, the role of the courts becomes even more important in order to enforce the rule of law. To continue functioning effectively and efficiently, however, the courts must be appropriately staffed. This means that necessary judgeships must be created and judicial vacancies must be timely filled with well-qualified candidates.

Promptly filling vacant judgeships

It is becoming increasingly difficult to find qualified candidates for federal judicial vacancies. This is particularly true in the case of lawyers in private practice. There are two reasons for these difficulties: the relatively low pay that federal judges receive, compared to the amount that a successful, experienced practicing lawyer can make, and the often lengthy and unpleasant nature of the confirmation process.

Of the inadequacy of judicial pay I have spoken again and again, without much result. Judges along with Congress have received a cost-of-living adjustment this year, and for this they are grateful. But a COLA only keeps judges from falling further behind the median income of the profession. I can only refer back to what I have previously said on this subject.

I spoke to delays in the confirmation process in my annual report in 1997. Then as now I recognize that part of the problem is endemic to the size of the federal Judiciary. With more judges, there are more retirements and more vacancies to fill. But as I said in 1997, "[w]hatever the size of the federal judiciary, the President should nominate candidates with reasonable promptness, and the Senate should act within a reasonable time to confirm or reject them. Some current nominees have been waiting a considerable time for a Senate Judiciary Committee vote or a final floor vote. The Senate confirmed only 17 judges in 1996 and 36 in 1997, well under the 101 judges it confirmed during 1994."

At that time, President Clinton, a Democrat, made the nominations, and the Senate, controlled by the Republicans, was responsible for the confirmation process. Now the political situation is exactly the reverse, but the same situation obtains: the Senate confirmed only 28 judges during 2001. When the Senate adjourned on December 20th, 23 court of appeals nominees and 14 district court nominees were left awaiting action by the Judiciary Committee or the full Senate. When I spoke to this issue in 1997, there were 82 judicial vacancies; when the Senate adjourned on December 20th there were 94 vacancies. The Senate ought to act with reasonable promptness and to vote each nominee up or down. The Senate is not, of course, obliged to confirm any particular nominee. But it ought to act on each nominee and to do so within a reasonable time. I recognize that the Senate has been faced with many challenges this year, but I urge prompt attention to the challenge of bringing the federal judicial branch closer to full staffing.

The combination of inadequate pay and a drawn-out and uncertain confirmation process is a handicap to judicial recruitment across the board, but it most significantly restricts the universe of lawyers in private practice who are willing to be nominated for a federal judgeship. United States attorneys, public defenders, federal magistrate and bankruptcy judges, and state court judges are often nominated to be district judges. For them the pay is a modest improvement and the confirmation process at least does not damage their current income. Most academic lawyers are in a similar situation. But for lawyers coming directly from private practice, there is both a strong financial disincentive and the possibility of losing clients in the course of the wait for a confirmation vote.

Former magistrate, bankruptcy, and state court judges, as well as prosecutors and public defenders, have served ably as federal district and circuit judges, bringing their insights into the process gained from experience. But we have never had, and should not want, a Judiciary composed only of those persons who are already in the public service. It would too much resemble the judiciary in civil law countries, where a law graduate may choose upon graduation to enter the judiciary, and will thereafter gradually work his way up over time. The result is a judiciary quite different from our common law system, with our practice of drawing on successful members of the private bar to become judges. Reasonable people, not merely here but in Europe, think that many civil law judicial systems simply do not command the respect and enjoy the independence of ours. We must not drastically shrink the number of judicial nominees who have had substantial experience in private practice.

The federal Judiciary has traditionally drawn from a wide diversity of professional backgrounds, with many of our most well-respected judges coming from private practice. As to the Supreme Court, Justice Louis D. Brandeis, who was known as "the people's attorney" for his pro bono work, spent his entire career in private practice before he was named to the Supreme Court in 1916 by President Wilson. Justice John Harlan served in several government posts early in his career, but the lion's share of his experience prior to his nomination by President Eisenhower in 1954 was in private practice. When appointed to the Court of Appeals for the Second Circuit, a year before his appointment to the Supreme Court, Justice Harlan succeeded Judge Augustus Hand. Judge Hand and his cousin, Learned Hand, are well known as great court of appeals judges; both spent virtually all the time between their graduation from law school and their appointment as federal judges in private practice. Retired Justice Byron White, who played professional football for the Detroit Lions on the weekends while attending Yale Law School, was in private practice in Colorado for nearly 14 years before joining the Justice Department as deputy attorney general to Robert Kennedy. Less than a year later, President Kennedy named Justice White to the Court. Justice White was the circuit Justice for the Tenth Circuit, where Judge Alfred P. Murrah served as a district judge in Oklahoma and as a judge on the court of appeals. Judge Murrah, who spent his entire career in private practice before becoming a judge, is remembered for much more than having the Oklahoma City federal building named after him. Before being named a judge on the Court of Appeals for the Second Circuit, Justice Thurgood Marshall spent his career in the private sector. He first opened his own law practice in Baltimore and then for many years worked as the top lawyer for the NAACP, becoming known as "Mr. Civil Rights." Justice Marshall left his seat on the court of appeals to become Solicitor General of the United States before President Johnson named him to the Supreme Court in 1967. John Brown, Richard Rives, Elbert Tuttle and John Minor Wisdom, well-known for their courage in enforcing this Court's civil rights decisions as judges on the Court of Appeals for the Fifth Circuit, all served almost exclusively in private practice before their appointments to the bench.

On behalf of the Judiciary, I ask Congress to raise the salaries of federal judges, and I ask the Senate to schedule up or down votes on judicial nominees within a reasonable time after receiving the nomination.

Creating necessary new judgeships

Last year I expressed hope that the 107th Congress would take action on the Judicial Conference's request to establish 10 additional court of appeals judgeships, 44 additional district court judgeships and 24 new bankruptcy judgeships. No additional court of appeals judgeships have been created since 1990. No new bankruptcy judgeships have been created since 1992, although the number of cases filed has increased by nearly 500,000 since then. The 107th Congress has not created a single new judgeship.

Despite a significant increase in workload, the Courts of Appeals for the First, Second, and Ninth Circuits have not increased in size for 17 years—since 1984. During that time period, appellate filings in the First Circuit have risen 65%, in the Second Circuit they have risen almost 58%, and in the Ninth Circuit appellate filings have almost doubled—rising 94.6%. The Judicial Conference has asked that the Congress create one new appellate judgeship for the First Circuit, two judgeships for the Second Circuit, five for the Ninth Circuit and two for the Sixth Circuit, which has had only one additional judgeship since 1984.

Congress has recognized the crisis faced by the overwhelming caseloads in the Southwestern border states. Although we are thankful that Congress has provided additional judges during the 106th Congress for four of the five affected districts, it has not alleviated the very serious problem faced by the Southern District of California, based in San Diego, a district with no judicial vacancies. The judges there have the highest number of filings per judge of any federal district court in the nation and the Judicial Conference has requested that eight additional district judgeships be created for this district.

I urge the Congress to act on all of the pending requests for new judgeships during its next session.

III. INTERNATIONAL JUDICIAL EXCHANGES

The federal Judiciary continues to play a vital role in the development of independent judicial systems in countries around the world. This year over 800 representatives from more than 40 foreign judicial systems formally visited the Supreme Court of the United States seeking information about our system of justice.

On September 25, 2001, I led a small delegation representing the federal Judiciary on a judicial exchange in Guanajuato, Mexico. The visit was at the invitation of Genaro David Góngora Pimentel, President of the Mexican Supreme Court, and followed a similar visit to Washington by a Mexican delegation in November 1999. Our traveling to Mexico within two weeks of the September 11 attacks underscored the importance of this exchange. I am grateful to President Góngora Pimentel and his colleagues for their invitation to meet with them in Mexico and for their commitment to strengthening cross-border judicial relations in North America.

The visit brought home not only the close connections of our two countries, but the importance of working with other judiciaries to improve the functioning of all judicial systems. The Federal Judicial Center, the Administrative Office of the United States Courts, and the International Judicial Relations Committee of the Judicial Conference have also provided many international visitors with information, education, and technical assistance to improve the administration and independence of foreign courts and enhance the rule of law. Through these judicial exchanges, we also gain valuable insights into our own judicial system by exchanging information with foreign visitors and by visiting foreign courts. Improving the administration of justice—here and in other courts around the world—have become even more important in the age of the global economy.

IV. THE YEAR IN REVIEW

The Supreme Court of the United States

The work of the Supreme Court continues to grow modestly, putting an increasing strain on the Supreme Court's building, the infrastructure of which has not been changed in any basic way since the building was opened in 1935. I wish to thank Chairman Byrd, Ranking Minority Member Stevens, Chairman Young, Ranking Minority Member Obey, Chairman Hollings, Ranking Minority Member Gregg, Chairman Wolf, and Ranking Minority Member Serrano for their efforts to secure funds to modernize our Supreme Court building. I am hopeful that the remaining funds necessary to implement our building modernization program, which has been in the planning stage for several years, will be included in our Fiscal Year 2003 appropriation. Significant safety and security upgrades to the Supreme Court building are included in the project and should not be delayed.

The total number of case filings in the Supreme Court increased from 7,377 in the 1999 Term to 7,852 in the 2000 Term—an increase of 6.4%. Filings in the Court's in forma pauperis docket increased from 5,282 to 5,897—an 11.6% rise. The Court's paid docket decreased by 138 cases, from 2,092 to 1,954—a 6.6% decline. During the 2000 Term, 86 cases were argued and 83 were disposed of in 77 signed opinions, compared to 83 cases argued and 79 disposed of in 74 signed opinions in the 1999 Term. No cases from the 2000 Term were scheduled for reargument in the 2001 Term. Although the closing of our building did not delay any scheduled arguments, the interruption in mail delivery in the Washington area may have an impact on the number of cases heard by the Court this Term.

The Federal Courts' Caseload

In Fiscal Year 2001, filings in the 12 regional courts of appeals rose 5% to 57,464—a new all-time high.[1] Civil filings in the U.S. district courts fell 3% to 258,517,[2] and, after six consecutive years of growth, the number of criminal cases and defendants declined slightly.[3] The essentially static level of criminal filings was reflected in a 1% gain in the number of defendants activated in the pretrial services system.[4] The number of persons on probation and supervised release went up by 4% to an all-time high of 104,715.[5] Filings in the U.S. bankruptcy courts climbed 14% from 1,262,102 to 1,437,354, following two years of decline.[6]

V. THE ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

The Administrative Office of the United States Courts serves as the central support agency for the administration of the federal court system. In light of the terrorist attacks of September 11 and the ensuing anthrax contamination, the Administrative Office played a pivotal role in ensuring that the federal courts around the country had effective security precautions and mail-screening procedures in place. An emergency response team was convened to work with the staff of the affected courts in New York to get communications and computer systems working and to return the courts to normal operations as soon as possible. In November 2001, Administrative Office Director Leonidas Ralph Mecham created a Judiciary Emergency Preparedness Office to focus on the planning aspects of crisis response.

Even before September 11, court security was a high priority. A study of the court security program by independent security experts was completed in November. The consultants concluded that although there have been substantial improvements in court security over the last two decades, security needs continue to grow. They recommended options or enhancing the physical security of courthouses, addressing security needs during court proceedings, improving the protection of judges in and outside the courthouse, and conducting background checks on employees. The Judicial Conference's Committee on Security and Facilities and the Administrative Office are currently reviewing the report's recommendations.

One of the Administrative Office's key priorities is to secure adequate funding from Congress so that the federal courts can carry out their critical work and maintain the quality of justice. Director Mecham, Judge John Heyburn II, chair of the Judicial Conference's Budget Committee, and Judge Jane Roth, chair of the Security and Facilities Committee, deserve credit for their efforts in this area. The funding provided to the courts for fiscal year 2002 represents a 7.1% increase and will provide the courts adequate staff (including probation and pretrial services offices) to meet growing workloads. I want to express thanks to the Congress for funding an increase in the rates of pay for private "panel" attorneys accepting appointments under the Criminal Justice Act of $90 per hour. This has been a high priority for the Judiciary for several years. I am also pleased to report that Congress has continued to provide significant funds for the courthouse construction program, funding 15 needed courthouse construction projects costing $280 million.

Last year, an independent consultant concluded that the Judiciary is making effective use of technology and that it is doing so with fewer resources invested in technology when compared with other organizations. The Administrative Office continues to develop and implement automated systems that will enhance the management and processing of information and the performance of court business functions. Deployment of a new bankruptcy court case management/electronic case files system began this year, and it is now operating in 14 bankruptcy courts. The system's electronic case files capabilities include the ability to receive and file documents over the Internet. The creation of electronic files will reduce the volume of paper records and make these records more readily accessible. Testing of the district court case management/electronic case files system began in 2001, and development work on the appellate court system is underway.

Under the guidance of the Judicial Conference's Committee on Court Administration and Case Management, the Administrative Office completed a two-year study on how to balance privacy concerns with the rights of the public to access court electronic records. After extensive public comment, the Committee recommended that civil case documents be made available electronically to the same extent they are available at the courthouse (except that certain personal identifiers will be partially redacted). A similar policy will be followed for bankruptcy case documents assuming necessary statutory changes are enacted. The Committee recommended that there be no electronic access to documents in criminal cases at this time. These policies were endorsed by the Judicial Conference in September, and several Conference Committees, supported by Administrative Office staff, are currently working to implement them.

A review of the Judiciary's use of libraries, lawbooks, and legal research materials—both hard copy and electronic—was completed in 2001. While the use of on-line legal resource materials is expanding and continues to show promise for increased use, the study concluded that a clear and compelling need continues to exist for lawbooks and other legal research materials in hard-copy format. The Judicial Conference adopted recommendations to control costs further and to improve the management of court libraries.

VI. THE FEDERAL JUDICIAL CENTER

The Federal Judicial Center, the federal courts' statutory agency for education and research, last year provided education to some 50,000 participants in traditional and distance education programs and continued its research and analysis to improve the litigation process. A few highlights of the Center's work in 2001 follow.

Science and technology. Litigation is increasingly dominated by scientific and technical evidence. The Center's efforts to help judges included its acclaimed Reference Manual on Scientific Evidence, now in its second edition, and a six-part Federal Judicial Television Network series, Science in the Courtroom, on principles of microbiology, epidemiology, and toxicology, and how to manage cases involving these types of evidence. Other judicial education programs dealt with genetics, the human aging process, astrophysics, and the impact of computer technology on the law of intellectual property.

To assist federal judges in dealing with the sophisticated technology many attorneys use to present evidence, the Center provided federal judges its Effective Use of Courtroom Technology: A Judge's Guide to Pretrial and Trial, developed in cooperation with the National Institute for Trial Advocacy. It also provided judges a Guide to the Management of Cases in ADR, which it prepared in light of the growing use of alternatives to traditional litigation.

Management skills for federal courts in uncertain times. Center programs responded to another challenge facing the courts: the need for leadership skills and management practices befitting the complex organizations that federal courts have become. Courts must integrate technology with increasingly sophisticated business practices, and deal with growing caseloads and diverse workforces and litigants, while pursuing their overarching purpose to deliver justice for all.

Demystifying the legal process. The Center assisted the Judicial Conference's Advisory Committee on the Federal Rules of Civil Procedure with a different type of challenge. The Committee has proposed a requirement that attorneys use "plain language" in the notices they send to potential class members in class action suits and asked the Center to develop illustrative language as examples. The Center tested alternative workings with focus groups of ordinary citizens typical of class members. This testing explored recipients' willingness to open and read a notice as well as their ability to comprehend and apply the information it contained. From this research, the Center produced illustrative notices, which remain on the Center's Web site (www.fic.gov) for public comment and use.

International judicial cooperation. Given its international reputation, the Center gets frequent visitors from other countries seeking to create or enhance their judicial branch research and education centers. Although it does not use its own funds in responding to these requests, the Center has been of assistance this year in important ways. It hosted seminars or briefings of 422 foreign judges and officials representing 34 countries. The Center also responded to more specific requests for assistance. For example, a delegation from the Russian Academy of Justice spent a week at the Center attending a program on teaching methodology. Three Center representatives traveled to Moscow for a follow-up workshop focusing on distance learning and judicial this. Center personnel also played an important role in the U.S. delegation's visit to Mexico, which I described earlier, and will continue that relationship by organizing a seminar next May in Washington for interchange with Mexican judicial educators.

VII. THE UNITED STATES SENTENCING COMMISSION

On May 1, 2001, the newly reconstituted United States Sentencing Commission completed its first full sentencing guidelines amendment cycle and submitted to Congress a package of guidelines amendments covering 26 areas. This package of amendment resolved 19 circuit conflicts and included responses to nine new congressional directives (five with emergency amendment authority). For the first time in years, there are no congressional directives awaiting implementation by the Commission.

The amendment include a multi-part, comprehensive economic crimes package with a new loss table that significantly increases penalties for crimes involving high-dollar loss amounts, but gives judges greater discretion in sentencing defendants convicted of crimes with relatively low loss amounts. The amendments also increase the penalties for ecstasy and amphetamine trafficking; counterfeiting; high-dollar fraud offenses; child sex offenses; and the use of nuclear, biological, and chemical weapons. The Commission also expanded eligibility for first-time, non-violent offenders to obtain relief under the guidelines' "safety valve" provision and it clarified that participants who play a limited role in a crime are eligible for an adjustment to their sentences under the guidelines "mitigating role" provision. The guidelines went into effect November 1, 2001.

On June 19, 2001, the Sentencing Commission held a pubiic hearing in Rapid City, South Dakota, in response to the March 2000 Report of the South Dakota Advisory Committee to the U.S. Commission on Civil Rights, which recommended that an assessment of the impact of the federal sentencing guidelines on Native Americans in South Dakota be undertaken. As a result of suggestions made at the hearing and subsequent written submissions, the Commission is forming an ad hoc advisory group on issues related to the impact of the Federal Sentencing Guidelines on Native Americans in Indian Country.

The Tenth Annual National Seminar on the Federal Sentencing Guidelines, co-sponsored by the Commission and the Federal Bar Association, was held May 16–18, 2001, in Palm Springs, California. More than 400 federal judges, U.S. probation officers, and attorneys attended. During fiscal year 2001, Commission staff also participated in training for thousands of individuals at training sessions across the country (including ongoing programs sponsored by the Federal Judicial Center and other agencies). Commission staff continue to work with the Federal Judicial Center and the Administrative Office to plan and develop educational and informational programming for the Federal Judicial Television Network. During the year, the Commission's "Helpline" provided assistance to approximately 200 callers per month.

Finally, congratulations are due to Sentencing Commission Chair Diana E. Murphy who, together with Judge Frank M. Coffin of the U.S. Court of Appeals for the First Circuit, received the 19th Annual Edward J. Devitt Distinguished Service to Justice Award on September 10, 2001. This award recognizes Article III judges who have achieved exemplary careers and have made significant contributions to the administration of justice, the advancement of the rule of law, and the improvement of society as a whole.

VIII. CONCLUSION

Once again the Judiciary can look back upon the year ended as one of accomplishments in the face of adversity. In spite of the terrorist attacks that have affected the entire country, our courts continue to conduct business, day in and day out. We continue to find ways to perform our work more efficiently.

Despite an alarming number of judicial vacancies, our courts continue to serve as a standard of excellence around the world. At bottom, federal judges are able to administer justice day in and day out because of their commitment and the commitment and hard work of court staff around the country. My thanks go out to all of them.

I extend to all my wish for a happy New Year.

END NOTES

[1] Original proceedings surged 48%, largely as a result of a rise in habeas corpus petitions filed by prisoners. Criminal appeals grew 5%, administrative agency appeals increased 2%, and civil appeals rose 1%. Bankruptcy appeals fell 5%. Appeals filings have increased 22% since 1992.

[2] Filings with the United States as plaintiff seeking the recovery of student loans dropped 47%. New administrative procedures implemented by the Department of Education led to fewer such filings in the federal courts. Excluding student loan filings, total civil filings increased 1%. Total private case filings fell less than 1%. Filings related to federal question litigation were consistent with the total decline in private cases, falling less than 1% to 138,441. Diversity of citizenship and civil rights filings each rose less than 1%. Filings related to federal question litigation and diversity of citizenship were greatly affected by the stabilization of personal injury/product liability case filings related to breast implants, oil refinery explosions, and asbestos. Despite an 11% decrease in total filings with the United States as plaintiff or defendant, filings with the United States as defendant increased 10% to 40,644. This was mostly due to a 23% surge in federal prisoner petitions and an 8% rise in social security filings. Motions to vacate sentences filed by federal prisoners grew by 36%. Social security filings related to disability insurance and supplemental security income rose 9% and 6%, respectively. Civil filings have increased 9% since 1992.

[3] Filings of criminal cases dropped by 37 cases to 62,708, and the number of defendants decreased 1% to 83,252. As a result of the creation of 10 additional Article III judgeships, criminal cases per authorized district judgeship declined from 96 to 94. This was the first decrease in cases per judgeship since 1994, when the effects of a hiring freeze on assistant U.S. attorneys was being felt. In succeeding years, federal courts saw increases in criminal filings, primarily due to immigration and drug law-related cases in districts along the Southwestern border of the United States. This year, drug cases rose 5% to 18,425, firearms cases rose 9% to set yet another record at 5,845, traffic cases rose 6% to 4,958, robbery cases rose 8% to 1,355, and sex offense cases rose 8% to 1,017. Immigration filings fell by 873 cases, a 7% decline over last year due to fewer immigration cases reported by the Western District of Texas, the Southern District of California, and the District of New Mexico. However, in the Western District of Texas and in the Southern District of California, the decline in immigration filings was offset by a rise in drug filings. As a result, overall criminal filings increased 2% in the Western District of Texas and declined 3% in the Southern District of California. Criminal filings since 1992 have increased 30%.

[4] In 2001, the number of defendants activated in the pretrial services system increased 1% to 86,140, and the number of pretrial reports prepared rose 1%. During the past five years, pretrial services case activations and pretrial reports prepared each rose 24%, persons interviewed grew 16%, and defendants released on supervision increased 25%. Pretrial case activations have risen each year since 1994, and this year's total is 54% higher than that for 1994.

[5] There is an average lag of several years before defendants found guilty and sentenced to prison appear in the probation numbers. Supervised release following a period of incarceration continues to account for a growing percentage of those under supervision and now stands at 65% of this total. In contrast, the number of individuals on parole is small and declining, composing only 4% of those under supervision. Of the 104,715 persons under probation supervision, 42% had been charged with a drug-related offense. The number of persons on probation has increase 22% since 1992.

[6] Nonbusiness petitions rose 14% and business petitions increased 7%. Filings increased under all chapters except Chapter 12, jumping 17% under Chapter 7, rising 7% under Chapter 11, and increasing 8% under Chapter 13. Bankruptcy filings under Chapter 12, which constituted 0.03% of all petitions filed, fell 31%. This decrease resulted from the expiration of the provisions for Chapter 12 on July 1, 2000. Subsequently, Public Law 107-8 extended the deadline for filing Chapter 12 petitions to June 1, 2001, and Public Law 107-17 extended the deadline further to October 1, 2001. Bankruptcy filings have increased 47% since 1992.

Mr. HATCH. In his report, the Chief Justice stressed the urgent need to fill vacancies promptly, particularly in light of the threats facing our Nation at present. He noted that although the structure and scope of the judiciary have changed dramatically since its creation in 1789,

> [O]ne thing has not changed: The Federal courts have functioned through wars, natural disasters, and terrorist attacks. During times such as these, the role of the courts becomes even more important in order to enforce the rule of law. To continue functioning effectively and efficiently, however, the courts must be appropriately staffed. This means that necessary judgeships must be created and judicial vacancies must be timely filled with well-qualified candidates.

In light of the September 11 attacks, I share the Chief Justice's concern about the potential impact of the vacancies on the Federal judiciary and our Nation's ability to fight the war on terrorism. Federal judges are instrumental in combating terrorism by presiding over hearings and trials and by imposing just sentences. What is more, they play a crucial role in protecting civil liberties by ensuring that our law enforcement officials abide by the letter and the spirit of the law. In addition to their integral function in the criminal justice system, Federal judges preside over and decide civil cases that impact everyday business relationships.

Federal judges are tasked with preserving the rights of employers and workers alike. They also provide the certainty of dispute resolution necessary for future business and employment decisions. But when there is a shortage of Federal judges, criminal matters must understandably take precedence due to speedy trial concerns and other concerns. The unintended consequence is that the American workers and their employers are left hanging in limbo when their cases are not being heard in a timely manner.

Today, we have 99 judicial vacancies. This is a far cry from the appropriately staffed judiciary of which Chief Justice Rehnquist spoke. When the Chief Justice addressed the vacancy crisis in the 1997 year-end report, there were 82 empty seats on the Federal bench, nearly 20 fewer than the present situation. Commenting on the 1997 statistic, the Washington Post, in January 1998, in an editorial remarked:

> The problem of judicial vacancies is getting out of hand. Nearly 10 percent of the 846 seats on the Federal bench are now empty.

One key Democratic Senator called these figures "pretty frightening," and said, "If this continues, it becomes a constitutional crisis."

There are now 99 vacancies, or 17 more than when the editorial and the statements by the Democratic Senator were made. If 82 vacancies was a serious crisis in 1997, what do we have now with 99 vacancies?

We in the Senate have an opportunity to address this situation. We can make a real difference in the administration of justice in this country simply by fulfilling our constitutional responsibilities of advise and consent. In fact, Chief Justice Rehnquist specifically urged the Senate "to act with reasonable promptness and to vote each nominee up or down."

He continued:

> The Senate is not, of course, obliged to confirm any particular nominee, but it ought to act on each nominee and to do so within a reasonable time.

I could not agree more with the Chief Justice. This is precisely what I tried to accomplish as Judiciary Committee chairman while abiding by our customs and rules of the Senate. But now some of President Bush's judicial nominees have been waiting more than 8 months for a hearing. All but a handful of them have had their blue slips returned. Their FBI background investigations are completed, and their ABA ratings are submitted.

At a time when our national security is at stake, we have a duty to follow the Chief Justice's admonition and act promptly on these nominees. As we embark on the second session of this Congress, we in the Senate have the perfect opportunity to do just this. I sincerely hope we accomplish this goal. I will continue to cooperate with our Democratic chairman, and I hope the rhetoric on both sides of the aisle is cooled so we can confirm as many as possible of the highly qualified nominees pending before us.

A realistic yardstick of our success will be how President Bush's second year in office will compare to President Clinton's second year in office. In 1994, the second year of President Clinton's first term, the Senate confirmed 100 judicial nominees. I was an integral part of that. I worked very hard to get them confirmed. I had to override people on my side of the aisle and convince some of them that the nominees should be confirmed. As a result of this work, there were only 63 vacancies in the Federal judiciary when the Senate adjourned on December 1, 1994.

I am confident the Republicans and Democrats can work together to achieve or even hopefully exceed the goal of confirming 100 judges in 2002, particularly the many circuit court nominees who are pending to fill emergency vacancies in the appellate courts around this country.

I have been gratified this morning to hear the comments of the distinguished Senator from Vermont that he wants to do that; that he wants to do the best he can, and that he believes we can. I think we are off to a good start.

There are two district court nominees awaiting a vote by the Senate after today. Our first confirmation hearing was held yesterday. We have to keep up the pace of hearings and confirmation votes so we do not fall further behind in filling the vacancies that plague our Federal judiciary.

I look forward to working with our Democratic colleagues to accomplish this goal. Having said that, let me make this clear. We have had a total confirmed since the distinguished chairman took over in the middle of last year of 30 judges. That means 6 circuit court nominees and 24 U.S. district court nominees. I commend my colleague. I think it is certainly a decent start.

On the other hand, we have currently pending 23 circuit court nominations—23. Most of them have well qualified ratings by the ABA. I do not think anybody can make a case that they are not qualified to serve. Just to mention four: John Roberts was one of those nominees submitted by the first President Bush who was left hanging without Senate action back in 1992. Roberts is considered one of the top five appellate lawyers in the country. He is not an ideologue. He is probably more conservative than most of the Clinton nominees were, but the fact is he is a tremendously effective advocate and an excellent nominee for the court. He should not be held up any longer. He went through that back in 1992. Why does he have to go through it again, especially for 8 months?

Miguel Estrada—I am pleased to hear the distinguished Senator from Vermont indicate that he will have a hearing. Miguel Estrada is one of the brightest people in law. He came from Honduras and attended Columbia University as an undergraduate. He graduated with honors and then went on to Harvard Law School and graduated with honors there. He is considered one of the brightest people in law today, and, of course, he is a very successful attorney. He is a Hispanic nominee that I think our colleagues should be pleased that the President has sent to the Senate.

Jeffrey Sutton is one of the best appellate lawyers in the country. He has argued a number of cases in the Supreme Court, including in the last few weeks. He is also a decent human being. He has very good ratings from the ABA. He is a person we ought to put on the Circuit Court of Appeals.

I am pleased the distinguished Senator from Vermont mentioned one of my State's nominees, Michael McConnell. Michael McConnell is considered one of the greatest constitutional experts in the country. I do not think you can categorize him in any particular political pigeonhole. This is a fair and circumspect man who is going to do a tremendous job on the bench.

I asked one of the leading deans of a law school in the country, a very liberal Democrat, what he thought of Michael McConnell. By the way, McConnell was tenured at the University of Chicago before moving to Utah to raise his family. He moved to the University of Utah where he has been a pillar of good teaching ever since. When I asked the liberal dean, "What do you think of Michael McConnell?" he said these words:

> Senator, I've met two legal geniuses in my lifetime, and Michael McConnell is one of them.

And he is. He is a great nominee.

There are other excellent nominees I would like to mention, but I do not have enough time today.

We have 23 circuit court nominees pending. Many of them have been nominated to seats declared to be judicial emergencies by the Administrative Office of the Courts.

Again, there are 23 U.S. circuit court judges pending, and 36 U.S. district court judges, for a total of 60 who are awaiting action. I am gratified by my colleague from Vermont's expression that he wants to move these nominees through the Senate process. It means a lot to me, and I compliment him for his comments today.

With regard to some of the statistics, we certainly disagree, and we can both make our cases with regard to that. I did want to make some of these points because, to me, it is very important that we make the record clear.

Mr. President, I am also pleased today we have confirmed two excellent judicial nominations. These two nominees are Marcia Krieger and James Mahan. They were unanimously approved by the Senate Judiciary Committee.

I was gratified to see that done on December 13, and I expect the unanimous vote they received today tells everybody the Bush administration is doing a good job on these judgeship nominees.

Our vote today on these two nominees, along with the nominations hearing Chairman LEAHY held yesterday, in my opinion, is a step in the right direction. It is a good beginning to this session.

I think it is important to start our work early because we have a lot of work to do. As I said before, there are presently 99 vacancies in the Federal judiciary, which represents a vacancy rate of almost 12 percent, one of the highest in history.

As Alberto Gonzalez, counsel to President Bush, says in today's Wall Street Journal: The Federal courts desperately need reinforcements.

Mr. President, I ask unanimous consent that the full text of Judge Gonzalez' article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Jan. 25, 2002]

THE CRISIS IN OUR COURTS

(By Alberto Gonzales)

Federal courts protect constitutional rights, resolve critical civil cases, and ensure that criminals are punished. But as Chief Justice William Rehnquist cautions, the ability of our courts to perform these functions is in jeopardy due to the "alarming number" of judicial vacancies, 101 as of today.

President Bush has responded to the vacancy crisis by nominating a record number of federal judges: 90 since taking office, almost double the nominations that any of the past six presidents submitted in the first year. Despite his decisive action, the Senate has not done enough to meet its constitutional responsibility. It has voted on less than half of the nominees. Indeed, it has voted on only six of the 29 nominees to the courts of appeals. And the Senate has failed even to grant hearings to many nominees, who have languished before the Judiciary Committee for months.

For example, on May 9, 2001, the president announced his first 11 nominees. All were deemed "well qualified" or "qualified" by the American Bar Association, whose rating system Judiciary Committee Chairman Patrick Leahy has called the "gold standard" for evaluating nominees. Yet his committee has held hearings for only three of the 11. Although the Senate did confirm 28 judges last year, its overall record was unsatisfactory, given the number of vacancies and pending nominees.

As Congress returns to work, the administration respectfully calls on the Senate to make the vacancy crisis a priority and to ensure prompt hearings and votes for all nominees. The Senate should make this practice permanent, adhering to it well after President Bush leaves office, so as to ensure that every judicial nominee by a president of either party receives a prompt hearing and vote.

The federal courts desperately need reinforcements. There are 101 vacancies out of 853 circuit and district court judgeships. The 12 regional circuit courts of appeals have an extraordinary 31 vacancies out of 167 judgeships (19%). The chief justice recently warned of the dangerous impact the vacancies have on the courts and the American people, and the Judicial Conference has classified 39 vacancies as "judicial emergencies."

In 1998, when there were many fewer judicial vacancies, Sen. Thomas Daschle, now majority leader, and Mr. Leahy expressed their concern about the "vacancy crisis"—with the latter explaining that the Senate's failure to vote on nominees was "delaying or preventing the administration of justice."

Today's crisis is worse, and is acute in several places. The D.C. Circuit Court of Appeals, which, other than the Supreme Court, is often considered the most important federal court because of the constitutional cases that comes before it, has four vacancies on a 12-judge court. The Sixth Circuit Court of Appeals has eight vacancies on a court of 16. In March 2000, when that court had only four vacancies, its chief judge stated that it was "hurting badly and will not be able to keep up with its work load."

In the past, senators of both parties have accused each other of illegitimate delays in voting on nominees. The past mistreatment of nominees does not justify today's behavior. Finger-pointing does nothing to put judges on the bench and ease the courts' burdens; it only distracts the Senate from its constitutional obligation to act on the president's judicial nominees.

President Bush has encouraged the Senate to act in a bipartisan fashion, both now and in the future. He put it best at the White House last May while announcing his first 11 nominees: "I urge senators of both parties to rise above the bitterness of the past, to provide a fair hearing and a prompt vote to every nominee. That should be the case for no matter who lives in this house, and no matter who controls the Senate. I ask for the return of civility and dignity to the confirmation process."

It is time for the Senate to heed his call.

Mr. HATCH. This week, the White House submitted 24 new judicial nominations to the Senate. They are really doing a good job in this White House, and I know it has been difficult for them.

Since we already had 38 nominees still pending from last session, and we confirmed 2 today, we now have a total of 60 nominees awaiting action from the Judiciary Committee. Yesterday's hearing and today's votes make me optimistic we will vote on all of our nominees as expeditiously as possible this year, and I am counting on our chairman to help get that done.

It certainly is possible to confirm all 60 this year, in addition to the other nominations we will receive later. In 1994, the second year of President Clinton's first term, as I mentioned earlier, the Senate confirmed 100 judicial nominees. I am confident Republicans and Democrats can work together to achieve or even hopefully exceed this number in 2002, particularly with regard to the many circuit court nominees pending to fill emergency vacancies in appellate courts around this country. To do this, we have to keep up the pace of hearings and confirmation votes so we do not fall further behind in filling the vacancies that plague our Federal judiciary.

As Chief Justice Rehnquist noted, and as I have stated, in his 2001 year-end report:

> To continue functioning effectively and efficiently . . . the courts must be appropriately staffed.
>
> This means that necessary judgeships must be created and judicial vacancies must be timely filled with well-qualified candidates.

So I sincerely hope we will accomplish this goal. I look forward to cooperating with my chairman, the distinguished Senator from Vermont, and all of our other Democrat colleagues, and I hope the rhetoric on both sides of the aisle is cooled so we can confirm as many as possible of the highly qualified nominees pending before us.

Today's nominees are good examples of the kind of highly qualified nominees President Bush has submitted to the Senate. Chief Bankruptcy Judge Marcia Krieger, who has been nominated to the District Court in the District of Colorado, attended Lewis &

Clark College, from which she graduated after 3 years summa cum laude, and earned her law degree from the University of Colorado School of Law. She has experience as a lawyer and as a specialist in bankruptcy. She has served as a bankruptcy court judge since 1994.

Judge James Mahan, who has been nominated to the District Court for the District of Nevada, achieved a great reputation as a lawyer in Las Vegas for 17 years, primarily focusing on business and commercial litigation. In the process, he earned an AV rating from the Martindale-Hubbell legal directory, high praise from his peers. I have held that rating from the earliest day it could be given to me, and I understand what goes into getting an AV rating. It is very important because it is a secret ballot by your peers, some of whom may not like you but nevertheless acknowledge you are of the highest legal ability and legal ethics. And he has that rating.

In February 1999, he was named a judge on the Clark County District Court. Since taking the bench, Judge Mahan has heard civil and criminal matters and trials involving a 3,000 case docket.

Both Judge Krieger and Judge Mahan have already established themselves as capable jurists. After today, they will be able to share their expertise in the Federal system, and I am confident they will bring honor and dignity to the Federal district court bench. I am very pleased our colleagues have unanimously confirmed both of them.

Again, I thank my good friend and distinguished chairman of the Judiciary Committee for the work he has done up to now, and hopefully we can do better in the future. I appreciate being able to work with him.

The PRESIDING OFFICER (Mr. LEVIN). The Senator from Vermont.

Mr. LEAHY. Mr. President, I appreciate the words of my friend from Utah. Obviously, we cannot determine the course the White House might take. They can make that decision on their own, and I expect will. We can only determine what the Senate does. As I said before, it is advise and consent, not advise and rubberstamp.

I only urge the White House to seek, as Presidents have throughout my lifetime, advice from the home State Senators of both parties on judgeships. Senator HATCH and I can move far more quickly on judges when that kind of consensus has been reached, just as we have demonstrated by moving through numerous conservative Republican nominees but for whom there was consensus.

Frankly, it would be a much easier job if only the Senator from Utah and I had to make these decisions. Again, I hope the White House will listen to what the two of us have been saying. We have demonstrated we will work together. They also have to help. They have to help in the consultation. They have to help in getting the information on to the FBI, and the ABA reports. They have to also make sure when they speak about these issues they speak accurately.

I thank my good friend from Utah for his comments. I will continue to work with him.

I also see the distinguished assistant Republican leader. He and the assistant Democratic leader, Senator REID, have worked very closely together with each other to try to schedule votes on judges. Both have worked with me and with Senator HATCH. I think that is helpful. It reflects the way the Senate is supposed to work. Our distinguished leaders, Senator DASCHLE and Senator LOTT, have worked closely on this and will continue to do that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I thank my friend and colleagues from Vermont and Utah for their comments. On the issue of judges, I think the Senate, and particularly with the leadership of both Senator LEAHY and Senator HATCH, did very well on district court judges. We moved a total of 28 judges last year, and 2 now, so that is 30 judges we have confirmed this Congress, 6 of whom were circuit court judges and the rest were district court judges. So I compliment them.

The percentage of district court judges has been a good percentage for the number who were nominated through the summer. So that was good. On circuit court judges, the record is not quite so good. We have confirmed six. President Bush has nominated 29.

I comment to the chairman of the committee and the ranking member of the committee, there are 23 circuit court judges, only 1 of whom has had a hearing. In the 23 who are pending, there are some outstanding nominees. For example, Miguel Estrada is a native Honduran who came to the United States. He graduated top of his class from Columbia and Harvard Law School. He has argued 16 cases before the Supreme Court. I hope we have a hearing for him. He was nominated in May, so I again ask the chairman of the committee, before he leaves—before he leaves, I wanted to again compliment him for the work he has done on district court judges. I think we have made good progress, but on circuit court judges there are 23 who are pending, 1 of whom has had a hearing, Judge Pickering, but of the 22 who have not had a hearing, several are outstanding, many of whom were nominated in May. I believe eight were nominated in May. I urge my friend and colleague to take a look at such outstanding individuals. I mentioned Miguel Estrada, John Roberts. Miguel Estrada argued 16 cases before the Supreme Court; John Roberts, also for the D.C. Circuit Court of Appeals, argued 36 cases before the Supreme Court. Undoubtedly, they are two of the most well-qualified individuals anywhere in the country. They have yet to have a hearing scheduled.

I say thank you. The Senator has moved all of the district court judges from Oklahoma. I am pleased about that. All four were sworn in and will be good consensus judges. I ask and urge my colleague to move forward as quickly as possible on the 23 circuit court nominees, schedule their hearings, and see if we cannot move some of those nominees through as soon as possible.

Mr. LEAHY. If the Senator will yield, that question is directed toward me. I say to the distinguished Senator from Oklahoma that while he was off the floor attending to other duties, I laid out some plans and intentions for the handling of judicial nominees, including those for the courts of appeals—I believe those are some of those mentioned—including Mr. Estrada and others were referenced. With adequate cooperation, we will be able to move forward. We held hearings yesterday on another court of appeals nominee, Michael Melloy, of Iowa; as well as hearings on Robert Blackburn, to be U.S. district judge for the District of Colorado; and James Gritzner, to be U.S. district court judge for the Southern District of Iowa; and Cindy K. Jorgenson, to be U.S. district judge for the District of Arizona; and Richard J. Leon, to be U.S. district judge for the District of Columbia; and Jay C. Zainey, to be U.S. district judge for the Eastern District of Louisiana. Those hearings were held within 28 hours of coming back into session.

Mr. NICKLES. I thank my colleague. The committee has done a wonderful job on district court judges, and I urge them to consider some of the circuit court nominees.

NOMINATION OF MARCIA S. KRIEGER

Mr. ALLARD. Mr. President, it is both an honor and a privilege to stand before my colleagues today and thank them for accepting the nomination of The Honorable Marcia S. Krieger to the U.S. District Court for the District of Colorado. Marsha S. Krieger is a person of outstanding legal credentials, and has served the people of Colorado and the United States with great diligence and dedication for many years.

Judge Krieger has strong ties to Colorado and is familiar with the issues faced by people in the State, an important aspect of any Federal judge who will work with fellow citizens through a myriad of complex litigation settings. She graduated from the University of Colorado School of Law, and has since spent many years as a sole practitioner, practicing in a law firm, and, most recently, serving as Judge.

Since 1994, Judge Krieger has served on the Bankruptcy Court—a key indicator of her efficiency and effectiveness; she was also unanimously chosen by the federal judges to become Chief Bankruptcy judge in January 2000.

However, practicing law is not her only passion. Judge Krieger, manages to find time to teach, sharing her knowledge of the law with future attorneys, teaching in a manner that provides hands-on learning, sharing with students her passion for the law.

Marsha Krieger presides over the court with a stern hand and keen intellect—she has the ability to decisively pull the issue from complex litigation with certainty and accuracy.

According to an article in the Denver Post, Judge Krieger is widely respected by other judges and by lawyers that have appeared before them. She has extensive experience, solid knowledge of the law, and has a reputation for fairness.

This vote is significant for many reasons—Colorado hasn't added a judge since 1984. Making matters more serious, only four active judges struggle to do the work of nine judges.

The legal community believes the Judge to be well qualified as well. The Honorable Lewis T. Babcock, Chief Judge of the United States District Court for the District of Colorado, in a letter to Senator LEAHY and Senator HATCH stated, "I know Judge Krieger, and believe her to be well qualified."

I thank Senator HATCH and Senator LEAHY.

I ask unanimous consent to print in the RECORD the editorial from the Denver Post and the letter from the Honorable Lewis T. Babcock, Chief Judge of the U.S. District Court for the District of Colorado.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BUSH TAPS 2 JUDGES

Tuesday, September 11, 2001.—The White House nominated two distinguished Colorado judges to the U.S. District Court yesterday, and both will receive the full support of U.S. Sens. Wayne Allard and Ben Nighthorse Campbell.

President Bush's nominations, as predicted in these pages Aug. 12, recommend U.S. Chief Bankruptcy Judge Marsha Krieger and 16th Judicial District Judge Robert Blackburn for the bench.

We are delighted by the White House decision. Both judges have extensive experience, solid knowledge of the law and a reputation for fairness. They are widely respected by other judges and by lawyers who have appeared before them.

Both should prove extremely helpful to the Federal court in Colorado, which hasn't added a judge since 1984 despite increasingly complex and mushrooming caseloads.

We commend Republicans Allard and Campbell, as well as the White House, for pushing to fill these vacancies quickly. We also congratulate the senators for zeroing in on such highly qualified candidates.

Krieger, daughter of retired Colorado Court of Appeals Judge Don Smith, has served on the Bankruptcy Court since 1994 and was unanimously chosen by the federal judges to become chief bankruptcy judge in January 2000.

Blackburn has been one of two district judges serving Bent, Crowley and Otero Counties since 1988, having previously served simultaneously as a deputy district attorney, Bent County attorney, and municipal judge and attorney for the town of Kim.

Both judges are graduates of the University of Colorado School of Law.

The next step calls for the Senate Judiciary Committee to send "blue slips" to Colorado's senators. Allard and Campbell then will return the blue slips, signaling their approval of Krieger and Blackburn.

Next, the Judiciary Committee will independently investigate the candidates and vote on whether to approve them. The nominations then would be sent to the Senate floor, and approval there would result in "judicial commissions" by the president.

The Senate process often drags on for months and months. We urge the committee and the full Senate to exercise all reasonable speed with the Krieger and Blackburn nominations. The long-overworked federal court of Colorado needs qualified new judges, and it needs them now.

U.S. DISTRICT COURT,
DISTRICT OF COLORADO,
Denver, CO, September 20, 2001.

Hon. PATRICK LEAHY,
Russell Senate Office Building,
Washington, DC.

Hon. ORRIN HATCH,
Dirksen Senate Office Building,
Washington, DC.

DEAR SENATORS LEAHY AND HATCH: In this time of national crisis I appreciate that you have much added to your ordinary labors in government. I take to heart our president's admonition to go to work and do our jobs. It is axiomatic that our federal judiciary must perform not only its usual role under our Constitution, but a heightened role in response to terrorism. Specifically, at this time this nation requires that judicial vacancies be fairly and expeditiously filled.

More specifically, I urge you to act expeditiously on the confirmation of nominees Marsha Kreiger and Robert Blackburn to vacancies existing in the United States District Court for the District of Colorado. I know Judge Kreiger and Judge Blackburn and believe them to be well qualified. As you know, the Honorable Richard P. Matsch did much to restore this nation's confidence in its courts during the trials of McVeigh and Nichols. He is now recovering from recent liver transplant surgery. It will be a long period of recovery. So, the District of Colorado struggles to do the work of seven active judges with four. By the way, the Judicial Conference of the United States has approved two additional seats for the District of Colorado. Thus, the District of Colorado struggles to do the work of a demonstrated need for nine active judges with four active judges.

I urge you not only to act to fill the existing two vacancies, but to address the demonstrated need for two additional seats in this district.

NOMINATION OF JAMES C. MAHAN

Mr. ENSIGN. Mr. President, it is an honor to come before the U.S. Senate today to lend my support to a man of the highest legal distinction, Judge Jim Madhan.

A long-time resident of Las Vegas, NV, Judge Mahan began his studies not in our great State, but at the University of Charleston in Charleston, WV. Following graduation he attended graduate school before joining the U.S. Navy where he served until honorably discharged in 1969. Jim then studied and graduated from Vanderbilt University Law School.

Following graduation, Judge Mahan began his work in Nevada, first as a law clerk and then as an associate attorney. In 1982 he formed the law firm of Mahan & Ellis, where he practiced law primarily in the areas of business and commercial litigation for 17 years. In February 1999, Judge Mahan's legal experience and expertise were recognized by Gov. Kenny Guinn, who named him as his first appointment to the Clark County District Court.

Since taking the bench, Judge Mahan has heard civil and criminal matters involving a 3,000 case docket assigned to him. Judge Mahan's service on the bench has been of the highest order. He has overseen many of Nevada's most complex and controversial cases since taking the bench and has done so with great care, fairness, and prudence. In a survey conducted last year by Nevada's largest newspaper, Judge Mahan's retention rates scored the highest of any judge serving on State or local court in Nevada, and that includes the Nevada Supreme Court.

Judge Mahan's extensive legal background and his commitment to public service make him an excellent choice as U.S. District Court Judge for the District of Nevada. I know his wife Eileen and his son James, Jr., are proud of him for being here today, and the State of Nevada is proud of Jim and all that he represents for our great State. I am proud to support Judge Jim Mahan before the Senate today.

HOPE FOR CHILDREN ACT—Continued

AMENDMENT NO. 2717

Mr. NICKLES. I ask unanimous consent to set aside the pending amendment and send an amendment to the desk on behalf of Senator BOND, Senators COLLINS, ENZI, ALLEN, and Senator NICKLES.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES], for Mr. BOND, for himself, Ms. COLLINS, Mr. ENZI, Mr. ALLEN, and Mr. NICKLES, proposes an amendment to the language proposed to be stricken by amendment No. 2698.

Mr. NICKLES. Mr. President, I ask unanimous consent reading of the amendment be dispensed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to provide for a temporary increase in expensing under section 179 of such code)

At the end, add the following:

SEC. ___. TEMPORARY INCREASE IN EXPENSING UNDER SECTION 179.

(a) IN GENERAL.—The table contained in section 179(b)(1) of the Internal Revenue Code of 1986 (relating to dollar limitation) is amended to read as follows:

"If the taxable year begins in:	**The applicable amount is:**
2001	$24,000
2002 or 2003	$40,000
2004 or thereafter	$25,000."

(b) TEMPORARY INCREASE IN AMOUNT OF PROPERTY TRIGGERING PHASEOUT OF MAXIMUM BENEFIT.—Paragraph (2) of section 179(b) of the Internal Revenue Code of 1986 is amended by inserting before the period "($325,000 in the case of taxable years beginning during 2002 or 2003)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

Mr. NICKLES. Is there an amendment pending by Senator Allen?

The PRESIDING OFFICER. There is no amendment at the desk; there is a submitted amendment from Senator ALLEN.

Mr. NICKLES. Parliamentary inquiry: What is the number of that amendment?

The PRESIDING OFFICER. It is 2702.

Mr. NICKLES. Mr. President, I ask unanimous consent to set aside the pending amendment and ask consent to call up amendment No. 2702 on behalf of Senator ALLEN.

The PRESIDING OFFICER. In my capacity as a Senator from Michigan, I object to that. I understand there is an objection.

Mr. NICKLES. I ask unanimous consent this be the next Republican amendment filed in the normal course of business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. I thank my friends and colleagues.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. I rise to speak on the Bond-Collins amendment and give a little explanation of what has been submitted. I am sure most of the Members of this body will want to back an amendment that supports small business in the way that this particular amendment does. Senator BOND, of course, has worked extensively on it and is the ranking member on the Small Business Committee. Senator COLLINS has been involved in small business most of her life. I appreciate all the thought and effort that went into this amendment. It will provide an immediate economic stimulus and will provide a stimulus for small businesses in this country. The details of this are very limited to small business. However, it is an area that will help out immediately a wide range of businesses, and I will explain how that will happen.

I appreciate this opportunity to talk about what our Nation and my State of Wyoming need in the way of an economic stimulus package. I will talk on a broader issue first and then get into the details of this particular amendment. While I have a degree in accounting, you don't need to be an accountant to know that something needs to be done to kick-start our economy. We ended Congress last year with a well-crafted economic stimulus bill that had bipartisan support, which the House passed, and the President said he would sign. In short, it was a bill worked out over several months of tough negotiations involving the administration and congressional Democrats and Republicans. It included unemployment compensation and health insurance for unemployed workers. It included tax relief for hard-working individuals and families, and it included much needed help for America's small businesses.

I was disappointed about the majority leader's refusal to schedule the bipartisan bill for a vote before the recess. Today, rather than having an opportunity to vote on that bill, we are suddenly faced with a vote on a totally new bill.

The bill we are currently debating did not go through the normal congressional process. Instead, it was filed quickly. It was filed with little input from our Senate colleagues on either side of the aisle, and it was brought to the floor for purposes of a vote.

While we finally have an opportunity to vote on an economic stimulus bill, it is much like a patient needing emergency treatment. Our only choice is to patch it up. That is what we have been doing through an amendment process. When we work bills that do not come out of the congressional committee review, it takes longer. The reason it takes longer is because there has to be more consideration of amendments here that would normally be considered in a much easier process in committee. This is one of them.

Today, we are arduously going through that process. I rise in favor of the Bond-Collins amendment which increases section 179 small business expensing. I support that because it is one of the many bandages that is needed to patch up the current proposal. If we are going to stimulate our economy, and I think we all want to do that, one of the main ways to do it is to help small businesses who are suffering from recession. If we can help them, we can create more jobs.

Small business has been one of the successes of this country over the last decade. We have had a great economy. Throughout that time, though, there have been what I call the megamergers. The megamergers are when a big company merges with another big company to become a huge company. We find with the megamergers that shortly after that is done, there has been a downsizing, often referred to as a "right sizing." If you are an employee who is affected by that, it means you get laid off.

Fortunately, during this time of the megamergers, we have had small business. Notice the unemployment for almost a decade did not rise. It went down in spite of megamergers. What does that mean? It means small business was hiring up the people that were laid off from the megamergers. They picked up the slack in the economy. Through their innovation, drive, flexibility, their ability to react to the situations, they created the success we have had.

Now, they are the part of the economy that can jump-start the economy, and this amendment is designed to jump-start that small business area. The Bond-Collins amendment contains a tax relief provision that is similar to the bipartisan House bill, which calls for an increase in Section 179 business expensing for small businesses. In short, it gives small businesses relief by increasing the amount of property a business can treat as an ordinary and necessary deductible business expense.

Right now a business can deduct, or write off, up to $24,000 of the cost of business equipment or assets as an expense of doing business. This type of expensing allows businesses to take an immediate deduction, rather than treating their purchases as a capital expenditure.

Let's see if I can put that a little bit more clearly. If you purchase something and it is in this capital expenditure category, that means that you are only able to count that as an expense in each of several years. You have to divide it over the period of years that the capital expenditure would be useful. If you buy a computer, and deduct is as a capital expenditure, you must write that off over 7 years. Now, computers get outdated much quicker than that, so you might be able to make an argument that it ought to be written off in a shorter period of time. But under this provision you could write it off as an expense in the initial year. You do not have to do all the division and all the complicated calculations that our depreciation system leads to.

I have to tell you, the toughest thing in calculating taxes is if you have to figure depreciation. I know there are a lot of individuals as well as companies out there who understand that. We have changed the depreciation schedule so many times, we have changed the methods for doing depreciation so many times, that some people have to calculate depreciation on each item they have in several different ways. It is a big part of the Tax Code itself. It is very confusing. Probably one of the reasons a lot of people have to hire accountants to do their taxes is just to figure the depreciation section.

For a small business, what Section 179 allows them to do is to count their purchased business asset as a normal business expense rather than trying to figure out which depreciation table applies and then making them apply that formula and keep track of what part has been written off and what part has not been written off for a period of years. I think you are getting the idea of how complicated this depreciation thing is. I want to tell you when you actually get to calculating it, it is a lot more complicated than what I have been talking about here.

But if you can call it a business expense, that means you get to write it off in that initial year. You have the revenue that comes in and you get to subtract the expenses. That winds up with a net figure that you pay taxes on. So, if you get to write off more as an expense, rather than dragging it out over a period of years and trying to remember to calculate and recalculate all of this, then in this first year, you will have more revenue because you will have less taxes. That is why this becomes a very important jump-start to our economy.

Right now, if you have $24,000 worth of those purchases, you can write them off. But if you go over that, you have to keep track of it and do all the calculations. So this amendment, the Bond-Collins amendment, would give immediate relief and is preferable to treating such purchases as capital expenditures where the business purchases must be deducted over a long period of time to reflect an asset's useful life.

Even calculating useful life can be difficult. There are a whole set of principles set out in the Tax Code that help you to determine "useful life,"' but the easy part is writing it off in the year you purchase it. Direct expensing allows small business to avoid the complexities of depreciation rules and the depreciation, so to speak, is immediate rather than over the life of the asset.

The Bond-Collins amendment would increase the amount of small business expensing from $24,000 to $40,000 for 2 years. What does this mean? It means small business would have an additional $16,000 in business asset costs that they can deduct, above and beyond the $24,000 that they can currently deduct, and they can deduct that expense immediately.

That doesn't all become a tax break. The only part that becomes a tax break is the remainder, the revenue less this expense. The remainder will be smaller and the remainder gets taxed. So there still is a tax implication to the whole thing.

We are not talking about the $24,000 or the $40,000 increase as being a tax write-off. It is a tax deduction, so it is a reduction in revenue. It is a very difficult concept, but it will only reduce the $16,000 of additional expenditure; that would actually be a tax saving of whatever they are taxed on the $16,000.

But it is an immediate encouragement for the companies to purchase things that they need, and they only get to write them off if they buy them. They don't get to write them off if it is history. They don't get to write them off if it is a thought in the future. They only get to write it off if they go out and buy the equipment now. It is not everything they buy because vehicles are excluded and computer software is excluded. Computers are allowed. I will go into some other examples of some things that could be written off.

I also want to point out, though, that when small businesses go out and make this expenditure, this is an expenditure in the private sector. One of the things that the economic report shows is that an expenditure in the private sector revolves money purchases around about seven times. One business buys something, the business that sold it to them receives the money, the business that sold it to them turns it around and spends it at another company, who takes it and spends it at another company who spends it. I think you get the idea. The money revolves seven times.

We can get expenditures, too, by having the government just run out and buy things. But here is a very important point: Private sector expenditures revolve seven times; government expenditures, twice. So that increase of $16,000 is considerably more effective in the private sector than it is if we are spending it on government projects. Keep that in mind. That is what this particular bill does.

Farmers can deduct up to $40,000 of the cost of a much-needed piece of farm equipment, such as a hay baler. Ranchers have an additional tax deduction for the expense of their electric pump used to water their cattle. The local auto repair shop can deduct the cost of a much-needed welding machine or painting equipment. The local florist or dry cleaner can buy the computerized cash register it needs. The local barber shop maybe can deduct the cost of a new chair. It is a stimulus to get them to go make the purchases they need now, to make their business operate and be more competitive now.

Some folks will try to argue that this applies to big corporations, and we are trying to make the rich even richer. Not so. Remember this amendment only applies to small business.

In the past, section 179 applies only to those small businesses with annual asset purchases up to $200,000. The Bond-Collins amendment will simply increase that amount for 2 years to asset purchases of $325,000. As a result, section 179 will still apply to small businesses, but will allow those small businesses to buy even more equipment up front and have the small business expensing of that equipment apply immediately.

If they buy more than $325,000 worth of equipment in a year, they do not qualify for this. If they buy $325,000, they are still limited to expensing only $40,000 of that amount. It is a small business proposition.

There are a lot of companies that are at the $24,000 mark that will jump to the $40,000 mark because of this incentive. That extra $16,000 for thousands of companies across this country will cause other businesses to have a good year. They also will be stimulated to buy some extra equipment; and, it grows and grows.

I support the Bond-Collins amendment because it gives small businesses more incentive to make investments in business assets or property immediately, causing an immediate, positive effect on our economy. With a business deduction of up to $40,000 and resulting increased purchases of business products from other businesses, many more businesses will have the money necessary to hire additional workers. In Wyoming, a $40,000 tax deduction can go a long way in providing wages for an additional or part-time worker.

I should know. I owned a shoe store in Gillette, WY. Simply put, the less money I had to pay in taxes, the more money I had to invest in inventory, to maintain my building, and more importantly, to hire more people to take care of the customers. With additional small business expensing of $40,000, I could have bought that extra cash register I needed and with the tax money I saved, I could have hired an extra sales clerk to run it.

I just spent a couple of weeks in Wyoming and walked down main street in places like Casper, Gillette, and Cheyenne, and smaller towns such as Sundance, Saratoga, and some that you have probably never heard of. Every business in Wyoming could use some relief. Many of these are small Mom and Pop businesses that don't want a "hand-out," but could use a "hand-up." The Bond-Collins amendment does just that.

As a member of the Senate Small Business Committee and a small business owner for much of my life, I know we need the Bond-Collins amendment. Right now, the current economic stimulus bill we are discussing does not provide a small business expensing increase. Small businesses on Main Street America deserve more. Small businesses in this country have been the mainstay of our economy. In good and bad times, they have continued to stimulate our Nation's economy. We need to preserve this small business stimulus by providing this tax relief mechanism for small businesses.

I think it is something that is appreciated across the aisle and across this building. I know on the other end of the building they have already passed this kind of stimulus. A small, short amendment like this doesn't appear to be much, but I think it will make a huge difference because things start in small business and they grow. We don't give them enough credit. But that is how it works.

For these reasons, I support the Bond-Collins amendment covering small business expensing. I hope we can come together and resolve to pass an amendment that helps America's mainstay, the small businesses.

I think this amendment will make a huge difference. It will make it immediately. It will grow in size more than is anticipated by anything else in the stimulus package. I hope my colleagues will take a careful and close look at this amendment, see the value of it, and join me in supporting it.

Thank you, Mr. President. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2718 TO AMENDMENT NO. 2698

(Purpose: To amend the Internal Revenue Code of 1986 to provide for a special depreciation allowance for certain property acquired after December 31, 2001, and before January 1, 2004)

Mr. REID. Mr. President, I send an amendment to the desk on behalf of Senator MAX BAUCUS.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. BAUCUS, Mr. TORRICELLI, and Mr. BAYH, proposes an amendment numbered 2718 to amendment No. 2698.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. REID. Mr. President, I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2719 TO AMENDMENT NO. 2698

Mr. REID. Mr. President, we have an agreement with the minority that we will alternate amendments. This would be the next Democratic amendment if the Republicans decide to offer an amendment.

I send an amendment to the desk on behalf of Senator TOM HARKIN.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. HARKIN, proposes an amendment numbered 2719 to amendment No. 2698.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for a temporary increase in the Federal medical assistance percentage for the medicaid program for fiscal year 2002)

Strike section 301 and insert the following:

SEC. 301. TEMPORARY INCREASES OF MEDICAID FMAP FOR FISCAL YEAR 2002.

(a) PERMITTING MAINTENANCE OF FISCAL YEAR 2001 FMAP.—Notwithstanding any other provision of law, but subject to subsection (d), if the FMAP determined without regard to this section for a State for fiscal year 2002 is less than the FMAP as so determined for fiscal year 2001, the FMAP for the State for fiscal year 2001 shall be substituted for the State's FMAP for fiscal year 2002, before the application of this section.

(b) GENERAL 3 PERCENTAGE POINTS INCREASE.—Notwithstanding any other provision of law, but subject to subsections (e) and (f), for each State for each calendar quarter in fiscal year 2002, the FMAP (taking into account the application of subsection (a)) shall be increased by 3 percentage points.

(c) FURTHER INCREASE FOR STATES WITH HIGH UNEMPLOYMENT RATES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, but subject to subsections (e) and (f), the FMAP for a high unemployment State for a calendar quarter in fiscal year 2002 (and any subsequent calendar quarter in such fiscal year regardless of whether the State continues to be a high unemployment State for a calendar quarter in such fiscal year) shall be increased (after the application of subsections (a) and (b)) by 1.50 percentage points.

(2) HIGH UNEMPLOYMENT STATE.—

(A) IN GENERAL.—For purposes of this subsection, a State is a high unemployment State for a calendar quarter if, for any 3 consecutive month period beginning on or after June 2001 and ending with the second month before the beginning of the calendar quarter, the State has an average seasonally adjusted unemployment rate that exceeds the average weighted unemployment rate during such period. Such unemployment rates for such months shall be determined based on publications of the Bureau of Labor Statistics of the Department of Labor.

(B) AVERAGE WEIGHTED UNEMPLOYMENT RATE DEFINED.—For purposes of subparagraph (A), the "average weighted unemployment rate" for a period is—

(i) the sum of the seasonally adjusted number of unemployed civilians in each State and the District of Columbia for the period; divided by

(ii) the sum of the civilian labor force in each State and the District of Columbia for the period.

(d) 1-YEAR INCREASE IN CAP ON MEDICAID PAYMENTS TO TERRITORIES.—Notwithstanding any other provision of law, with respect to fiscal year 2002, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under section 1108 of the Social Security Act (42 U.S.C. 1308) shall each be increased by an amount equal to 6 percentage points of such amounts.

(e) SCOPE OF APPLICATION.—The increases in the FMAP for a State under this section shall apply only for purposes of title XIX of the Social Security Act and shall not apply with respect to—

(1) disproportionate share hospital payments described in section 1923 of such Act (42 U.S.C. 1396r–4); and

(2) payments under titles IV and XXI of such Act (42 U.S.C. 601 et seq. and 1397aa et seq.).

(f) STATE ELIGIBILITY.—A State is eligible for an increase in its FMAP under subsection (b) or (c) only if the eligibility under its State plan under title XIX of the Social Security Act (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)) is no more restrictive than the eligibility under such plan (or waiver) as in effect on October 1, 2001.

(g) DEFINITIONS.—In this section:

(1) FMAP.—The term "FMAP" means the Federal medical assistance percentage, as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)).

(2) STATE.—The term "State" has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(h) IMPLEMENTATION FOR REMAINDER OF FISCAL YEAR 2002.—The Secretary of Health and Human Services shall increase payments to States under title XIX for the second, third, and fourth calendar quarters of fiscal year 2002 to take into account the increases in the FMAP provided for in this section for fiscal year 2002 (including the first quarter of such fiscal year).

JUDICIAL NOMINATIONS

Mr. DASCHLE. Mr. President, I wish to speak briefly on the progress we have made this week on a couple of matters. We will soon propound a list of nominations. There will be 43 nominations total. Two of those have already been considered; that is, the confirmation of two Federal judges. But there are 36 other nominations, including 10 Ambassadorial nominations which will be presented to the Senate in a short period of time.

I thank colleagues on my side of the aisle in particular for their cooperative effort.

A lot of these nominations have worked their way through the committee. Chairmen and members of the committees have cooperated with the administration. We are now in the position to move quite a large number of these executive nominations at the very beginning of this session of Congress. There are others we hope to move, including additional judges. But obviously we continue to hope the administration will work with us in making sure that those nominations have been properly vetted and that we have the confidence that all of the actions required prior to confirmation have been completed.

We will continue to work with them as we have over the course of the last year. We have already reported and confirmed over 35 judges. I believe the number is now 38. We will have a lot more to confirm in the coming weeks and months.

I thank in that regard Senator LEAHY for his efforts and for his work. I know there was a colloquy and exchange in the Chamber over the course of the last hour with regard to judgeships and other issues. I thank him for his leadership and for the extraordinary effort he has been making.

As I said at the beginning of this session, and at the beginning of last session, it is my policy, and it is the policy of our caucus, that once these matters have been brought to the floor on the Executive Calendar, they will get a vote. It may not be a direct vote, but it will be a vote. And we will continue to work with our colleagues on both sides of the aisle to ensure that these votes are scheduled in a timely way.

We have also begun consideration of the economic stimulus bill. I wish we could have accomplished more in the short time that we had. We will be back on the bill on Tuesday. We will work all through the day on Tuesday. There will be votes on Tuesday, beginning perhaps as early as Tuesday morning. We will also be in session on Monday, even though there will be no votes on Monday.

Because of the Republican retreat, there will be no votes on Wednesday, Thursday, and Friday of next week. The Democratic single, 1-day conference will take place on Wednesday.

We will come back the following Monday, and Senators should expect votes on Monday of the following week. It is my hope that we can complete our work on the economic stimulus bill early in that week, the week after next.

We have a lot of work to do. The economic stimulus package should be completed within the first couple of days, so we can move to the farm bill, election reform, and, of course, the energy bill.

So in a very short period of time there is a great deal of work to be done. If necessary, I intend to file cloture on the economic stimulus bill in an effort to bring closure to our work on the bill. We have been debating it for weeks, one could say months in the last session of the Congress last year. There is no need to extend the debate in this case as well. We will have additional amendments. We will have additional votes. But at the end, we must conclude our work and move on one way or the other.

As I have said in this Chamber on many occasions, what I view this legislation to be is nothing more, really, than a ticket to conference so we can continue to work and find some resolution. It would be ideal, of course, if the House would just take it up and pass it. That would be my first choice. But at the very least, it is a ticket to conference. It would be a good thing if we got to conference and began working out our differences in a way that would allow us to complete our work on the economic stimulus bill and, I might add, provide the unemployment benefits for 13 more weeks for millions of workers who are looking to us for some sign of hope that they are going to have the wherewithal to at least maintain their quality of life and their ability to buy groceries and pay their rent and pay their heating bills.

So while this has not been as productive a week as I had hoped, we have ended it in a way that I think gives us some reason for additional confidence next week as we take up the bill, and certainly confidence with regard to the Executive Calendar and the nominations that will be confirmed this afternoon.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOPE FOR CHILDREN ACT—Continued

AMENDMENT NO. 2702

Mr. ALLEN. Mr. President, I call up amendment No. 2702.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Virginia [Mr. ALLEN] proposes an amendment numbered 2702 to the language proposed to be stricken by amendment No. 2698.

Mr. ALLEN. Mr. President, I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To exclude from gross income certain terrorist attack zone compensation of civilian uniformed personnel)

At the appropriate place, insert the following

TITLE TERRORIST RESPONSE TAX EXEMPTION ACT

SECTION 1. SHORT TITLE.

This title may be cited as the "Terrorist Response Tax Exemption Act".

SEC. 2. EXCLUSION OF CERTAIN TERRORIST ATTACK ZONE COMPENSATION OF CIVILIAN UNIFORMED PERSONNEL.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by inserting after section 112 the following new section:

"SEC. 112A. CERTAIN TERRORIST ATTACK ZONE COMPENSATION OF CIVILIAN UNIFORMED PERSONNEL.

"(a) IN GENERAL.—Gross income does not include compensation received by a civilian uniformed employee for any month during any part of which such employee provides security, safety, fire management, or medical services during the initial response in a terrorist attack zone.

"(b) DEFINITIONS.—For purposes of this section—

"(1) CIVILIAN UNIFORMED EMPLOYEE.—The term 'civilian uniformed employee' means any nonmilitary individual employed by a Federal, State, or local government (or any agency or instrumentality thereof) for the purpose of maintaining public order, establishing and maintaining public safety, or responding to medical emergencies.

"(2) INITIAL RESPONSE.—The term 'initial response' means, with respect to any terrorist attack zone, the period beginning with the receipt of the first call for services described in subsection (a) in such zone by an entity described in paragraph (1) and ending with the beginning of the recovery phase in such zone as determined by the appropriate official of the Federal Emergency Management Agency.

"(2) TERRORIST ATTACK ZONE.—

"(A) IN GENERAL.—The term 'terrorist attack zone' means any geographic area designated in an Executive order by the President, pursuant to a request by the chief executive officer of the State in which such area is located to the appropriate official of the Federal Emergency Management Agency, to be an area in which—

"(i) a violent act or acts occurred which—

"(I) were dangerous to human life and a violation of the criminal laws of the United States or of any State, and

"(II) would appear to be intended to intimidate or coerce a civilian population, influence the policy of a government by intimidation, or affect the conduct of a government by assassination or kidnapping, and

"(ii) as a direct result of such act or acts, loss of life, injury, or significant damage to property or cost of response occurred.

"(B) SIGNIFICANT DAMAGE TO PROPERTY OR COST OF RESPONSE.—For purposes of subparagraph (A)(ii), damage to property or cost of response with respect to any area is significant if such damages or cost exceeds or will exceed $500,000.

"(C) LIMITATION ON DESIGNATION.—An area may not be designated as a terrorist attack zone under subparagraph (A) if a negative economic impact to such area was the sole result of the act or acts described in subparagraph (A)(i).

"(3) COMPENSATION.—The term 'compensation' does not include pensions and retirement pay.".

(b) CONFORMING AMENDMENTS.—

(1) Section 3401(a)(1) of the Internal Revenue Code of 1986 is amended by inserting "or section 112A (relating to certain terrorist attack zone compensation of civilian uniformed personnel)" after "United States)".

(2) The table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 112 the following new item:

"Sec. 112A. Certain terrorist attack zone compensation of civilian uniformed personnel.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending on or after September 11, 2001.

Mr. ALLEN. Mr. President, I rise to ask for my colleagues support of amendment No. 2702, my "Terrorist Zone Tax Exemption Act." I would like to share with the Presiding Officer, my colleagues, and the American people the purpose of this amendment.

As we well know, the tragic events of September 11 demonstrated the worst attack that we have seen in this country, maybe in our entire history. At the same time—while seeing some of the most vile activity that mankind has ever seen—we saw a demonstration of the best of the American spirit. Unfortunately, our Nation has been forever changed since those attacks of September 11, 2001. However, we should remember that we have been changed in some good ways. We are now united and resolved—very resolved—to combat terrorism worldwide. This war on terrorism is unlike any other war we have ever fought. Indeed, the attack of September 11 has actually changed the definition of combatants, so that now not only are military personnel tasked to locate and eradicate potential terrorist threats, but also civilian police, fire and rescue personnel are charged with maintaining public safety after a terrorist attack. And they are all subject to attack and risk.

In recognition of this new reality, I have offered this amendment that will extend the current tax exemption for military service members serving in a combat zone—use that same logic, that same principle to provide those same sorts of tax exemption benefits—to civilian uniformed employees who respond to terrorist attacks on our own soil.

Specifically, my amendment includes those brave police officers, firefighters, and EMTs who risk their lives to defend us and our property.

It defines a terrorist attack zone as an area where someone has attempted to intimidate or coerce the civilian population or influence the policy of a government by conducting criminal terrorist acts.

It also extends this exemption to those who are now an integral part of our growing homeland security network.

Congress has already recognized the extraordinary sacrifices that our members of the Armed Forces have performed in their service in combat zones. Let us take this opportunity to honor our law enforcement officers, firefighters, and rescue personnel who have also placed themselves in danger in service to their country, to their States, and to their communities in protecting their fellow citizens from the enemy and these terrorist attacks.

Let's recognize, whether they were in the World Trade Center, at the Pentagon, or on airplanes that were commandeered, people were in dangerous situations, and many lost their lives. Others were rescuing people in toxic air, where there was falling debris, where there was burning embers or plastics or fuel, and other dangerous situations.

Our enemies, in their attacks, make all Americans—not just our military, but our civilians as well—the target of their attacks. They do so without regard for the thousands of lives that would be affected by these attacks.

So now the Federal Government must adapt the Tax Code to account for those who serve the public's safety here at home as it does for those who serve our military objectives.

These wonderful men and women we have heard about, read about—many who lost their lives; but also those who survived—these men and women are patriots; they are heroes. All of those who responded to this vile act of war on the United States on September 11, 2001, carry forth a unity of purpose for compassion, for liberty, and for justice. We must honor their hard work and resolve, for their example truly exemplifies our diverse, strong, and respectful Nation.

And so I ask my colleagues to join me in supporting my amendment. It is an expression of gratitude to those who wear the badges, wear the firefighter boots, carry the medical bags, and answer the call to protect life and property in the wake of the dastardly, cowardly attacks of terrorists.

This measure has been supported by many organizations. It has the support of the 299,000 members of the Fraternal Order of Police; the International Association of Fire Chiefs; the New York City Detectives Endowment Association, representing 7,500 active New York Police Department detectives; the National Association of Police Officers, representing 220,000 law enforcement officers across our country. The Capital Police Labor Board strongly supports it as well.

Some may ask what is the fiscal impact of this. If, say, you were a police officer or firefighter or an EMT worker responding to a terrorist attack such as that attacks on New York City and the Pentagon—and those are the only places that would fit the description of a terrorist attack zone under this bill—your income for that month of September, would be exempt from Federal taxation, just as a military pilot flying over Afghanistan receives now. That income that he earns or she earns is exempt from Federal taxes for time spent in response, and is validated on a month-to-month basis. It comes out to approximately $205 a month for our rescue workers. It is not a lot of money, but it is an expression of gratitude.

The total fiscal impact is about $7 million. Again, not much in the whole scheme of things here in Washington, but still an expression of support.

I would like to read from some of the groups that have endorsed this legislation or this amendment. For example, the Detectives Endowment Association of the Police Department for the City of New York:

> As President of the New York City Detectives Endowment Association, representing 7,500 active detective members of the NYPD, and as President of the National Association of Police Organizations, representing 220,000 law enforcement officers from all across the United States, I wish to commend and support [this legislation.]

Mr. Tom Scotto, who is the President of both the Endowment Association and NAPO, goes on to write:

> Having personally experienced the tragic events of the terrorist attacks on the World Trade Center on September 11, 2001, I believe that this legislation is justifiable and will go a long way towards boosting the morale of these public servants who respond to such events.

From the Grand Lodge of the Fraternal Order of Police, their President, Steve Young, writes that they very strongly support this Terrorist Response Tax Exemption Act or this amendment. They are in strong support.

> September 11 was a day of terrible tragedy, but in the midst of flames and the rubble, we saw shining examples of heroism from our law enforcement officers and other rescue workers. Placing their own lives in jeopardy, these courageous men and women helped rescue thousands. They called their own nation to heroism in the face of the long and difficult struggle that looms in our future.
>
> Your bill would exempt the income of uniform rescue personnel in "terrorist attack zones," from income tax during the months in which they perform their duties in response to such attacks. Our nation is engaged in a conflict that will not be fought between just armies or soldiers. Our hidden enemies aim their attacks at civilian targets and public safety officers—police, firefighters, and emergency medical personnel—will be the first to respond to the scene, not the U.S. military. We think it fitting, therefore, that your bill mirrors current law giving military personnel tax relief while serving in a combat zone.

It goes on to commend the measure.

Finally, I would like to share with my colleagues a letter of endorsement from the International Association of Fire Chiefs. This is signed by their executive director, Gary Briese.

> Dear Senator Allen: On behalf of the International Association of Fire Chiefs and America's 1.1 million fire fighters, I would like to thank you for introducing legislation to provide tax relief for fire fighters and other first responders who respond to acts of terrorism.
>
> As we understand it, your [measure], the Terrorist Response Exemption Act, would provide an exemption from federal income taxes to those who respond to terrorist incidents while they are engaged in emergency operations. This exemption already exists for members of our armed forces who enter into combat zones.
>
> Assistance of any kind to fire fighters is of great help, particularly in the wake of the stunning and tragic events of September 11. Thank you for your continued support of our nation's fire fighters.

Those are the comments of many decent leaders who represent literally tens of thousands, hundreds of thousands of outstanding individuals who devote their lives to protecting their communities and the lives of people in their communities. Since these vile attacks of September 11, we have seen the nature of warfare change dramatically. As long as our enemies are willing to conduct these suicide bombings, these terrorist attacks, acts we consider brazen and outrageous, and are particularly outrageous since they are attacking us here in our homeland, civilians, undefended men, women, and children, people commandeered on an aircraft, people in office buildings, as long as this continues, our laws should reflect this new reality.

Our firefighters, police and EMTs, other rescue personnel have all proven themselves to be not only heroes but superheroes in these attacks; they will hopefully never be called on again to perform such duty. But if they do, if that sad eventuality should occur, I think they deserve all the protections and benefits in these modern combat zones that we can offer.

I ask my colleagues, in a bipartisan effort to support this amendment to this measure, let's support our firefighters, our police, our emergency medical personnel.

This is a sad new reality for our country. We are united. Let's support our heroes. It is not a lot of money, but it means a lot.

I think it expresses our sentiment that we want to support them as they protect us and our lives and our livelihoods.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2721 TO AMENDMENT NO. 2698

Mr. REID. Mr. President, I send an amendment to the desk on behalf of Senator BAUCUS which would be the next Democratic amendment in order.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. BAUCUS, proposes an amendment numbered 2721 to amendment No. 2698.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide emergency agriculture assistance)

At the end add the following:

TITLE   EMERGENCY AGRICULTURE ASSISTANCE

Subtitle A—Income Loss Assistance

SEC.   01. INCOME LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this title as the "Secretary") shall use $1,800,000,000 of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers on a farm that have incurred qualifying income losses in calendar year 2001.

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105-277; 114 Stat. 1549A-55), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(c) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments not for crop disasters, but for income loss to carry out the purposes of this section.

SEC.   02. LIVESTOCK ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary shall use $500,000,000 of the funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received an emergency designation by the President or the Secretary after January 1, 2001, of which $12,000,000 shall be made available for the American Indian livestock program under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105-277; 114 Stat. 1549A-51).

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105-277; 114 Stat. 1549A-51).

Subtitle B—Administration

SEC.   11. COMMODITY CREDIT CORPORATION.

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this title.

SEC.   12. ADMINISTRATIVE EXPENSES.

(a) IN GENERAL.—In addition to funds otherwise available, not later than 30 days after the date of enactment of this Act, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to pay the salaries and expenses of the Department of Agriculture in carrying out this title $50,000,000, to remain available until expended.

(b) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subsection (a), without further appropriation.

SEC.   13. REGULATIONS.

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this title.

(b) PROCEDURE.—The promulgation of the regulations and administration of this subtitle shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

Mr. REID. Mr. President, does the Senator from Virginia have any business before the Senate at this time?

Mr. ALLEN. I do not.

VOTE EXPLANATION

Mrs. CLINTON. Mr. President, I was unable to be present for today's procedural vote pertaining to the Smith amendment. Had I been present, I would have voted "no" on the motion to waive the Budget Act with respect to the Smith second-degree amendment to the Daschle substitute amendment. The Daschle amendment includes 1-year 30-percent bonus depreciation for assets either put in operation or binding contracts signed by September 10, 2002. The Smith amendment would have provided 30-percent bonus depreciation for 3 years, causing a deepening of the projected Federal deficit and extending the incentive beyond the forecasted period of the current economic downturn. Moreover, the incentive for a company to act now to acquire and place into service assets that do not take years to produce would be reduced under a 3-year bonus depreciation proposal, as proposed by Senator SMITH. I would also note that my absence for this vote did not affect the outcome of the vote. The Smith amendment was rejected in a 39-45 vote, and would have required 60 votes to prevail.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to a period of morning business with Senators permitted to speak therein for a period not to exceed 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

GOMA

Mr. FEINGOLD. Mr. President, I rise today to bring my colleagues' attention to the desperate situation of the people of Goma in the Democratic Republic of the Congo. A natural disaster recently added to the man-made tragedies that have already had a profound effect on the population in and around Goma. Basic human decency demands that the United States and the international community take prompt action to provide relief to the Congolese people, and to help them in their efforts to rebuild their communities.

On January 17, Mount Nyiragongo, which is situated in the eastern part of the country near Lake Kivu, erupted and eventually produced several different paths of lava, including one that ran directly through Goma, destroying one-fifth to one-third of the city and displacing over 200,000 people. Some 62,500 people's homes were destroyed, and reports indicate that hundreds of thousands have lost their jobs, their places of work utterly destroyed. It appears that scores lost their lives. For days, the displaced suffered without assistance, desperately searching for food, water, and shelter.

Witnesses to the misery of the Rwandan refugees who fled the 1994 genocide, many were unwilling to become refugees themselves, and rapidly returned to the devastated city.

The international community has now been able to mobilize help. As of yesterday, the water system in Goma had resumed limited operations, but there are still parts of the city with no access to clean water, forcing families to drink from contaminated sources and increasing the risk of a cholera outbreak. Today, U.S. relief assistance has reached the people of Goma, and I commend the Administration for working to get blankets, water, emergency food aid, and temporary emergency shelter materials to the communities in need.

I want to stress that life has been precarious for the people of this region for far too long. They have been among the millions of Congolese suffering from the all too often overlooked humanitarian crisis that has gripped much of central Africa.

The Congolese people suffered unspeakably during the colonial era. Then they endured the repression and astonishing corruption of the Mobutu regime. Next came the civil war that still leaves the country divided. Throughout these political trials, the most basic infrastructure of the country has crumbled, year by year, the victim of neglect, of corruption, and of conflict. Not only are the Congolese people still denied basic political rights—no matter which force controls the section of the country in which they live—but many also do not have access to even rudimentary health care. Several credible surveys and reports indicate that malnutrition levels have reached appalling levels.

As chairman of the Subcommittee on African Affairs, I am committed to holding a hearing to focus attention on the DRC in the months ahead. My colleagues will surely recognize that a vast country gripped by deprivation and fear provides opportunities for some of the worst international actors. Surely they will see that the situation in the Democratic Republic of the Congo creates a zone of instability at the heart of the continent—a direct challenge to our global efforts to stand on the side of both order and justice. Surely we will all realize that both our interests and our morals demand that we help the people of Goma not just to survive their immediate ordeal, but to rebuild their communities. We must work to support the inter-Congolese dialogue that aims to bring peace and a democratic political solution to the country, and we must demand all signatories to the Lusaka Accords respect the fundamental human rights of the Congolese people. We must work with the international community to provide desperately needed development assistance to the people who have long been denied meaningful control over the course of their own country's destiny.

The disaster in Goma has finally drawn international attention to the plight of the Congolese. We cannot avert our eyes now that the lava has stopped its terrible advance.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred November 8, 1998, in Palm Springs, CA. A gay participant in Palm Springs' Gay Pride weekend was attacked by three men. The assailants, Raymond Quevedo, 18, and two youths, ages 16 and 17, were charged with assault with a deadly weapon in connection with the incident.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

TRIBUTE TO SGT. JEANNETTE L. WINTERS

Mr. BAYH. Mr. President, I rise today to pay tribute to the seven members of the U.S. Marine Corps who died on January 9, 2002, when their KC–130 plane crashed in Pakistan. We are grateful for their service to the United States and are humbled by the ultimate sacrifice they made in defense of our country.

In Indiana, we grieve the untimely death of one of our own, Sgt. Jeannette Winters. Sergeant Winters grew up in Gary, IN and followed in the footsteps of her older brother, Matthew, when she joined the Marine Corps in 1997. Sergeant Winters was deployed for Operation Enduring Freedom in December and worked as a radio operator on the KC–130 plane.

Jeannette is remembered fondly by her friends and family as a caring person who had a positive outlook on life. She loved her country and was a proud marine who served honorably for more than 4 years. Her courage and her commitment to our country are a credit to her family and to the State of Indiana.

It is my privilege to pay tribute to Sgt. Jeannette Winters for her bravery and sacrifice by honoring her in the official RECORD of the U.S. Senate. I send my heartfelt condolences to her family and friends. Sergeant Winters and all of the brave men and women of our Armed Forces will remain in our thoughts and prayers.

When I reflect on the just cause in which we are engaged, on our commitment to routing out the scourge of terrorism across the world, I am reminded of the words of the prophet Isaiah who said, "He will swallow up death in victory; and the Lord God will wipe away tears from off all faces."

ADDITIONAL STATEMENTS

TRIBUTE TO DARRELL J. LOCKWOOD

• Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to Darrell Lockwood of Goffstown, NH, for being named by the New Hampshire School Administrators Association in coordination with the American Association of School Administrators as New Hampshire Superintendent of the Year for 2001–2002.

Darrell has been a dedicated member of the educational community for many years. He was appointed superintendent in 1998 and formerly served as a teacher, principal and business administrator from 1976 through 1987.

An exemplary community contributor, Darrell has been actively involved in many educational associations and organizations including: adjunct faculty member Rivier College and Plymouth State College, chairman South Central School Administrators Association, representative Northeast Superintendents Leadership Council and member and past president of the Goffstown Rotary Club.

Darrell received his Doctorate of Education in Curriculum, Instruction and Administration from Boston College in Chestnut Hill, MA, his Masters in Education from Antioch University in Keene, NH and a Bachelor of Science in Education from Westfield State College in Westfield, MA.

As a former school teacher, I applaud Darrell for his devoted service to the educational community in New Hampshire. Thanks to his leadership and guidance, many young people in the state have benefitted from his skills in teaching and administration. It is truly an honor and a privilege to represent him in the United States Senate.•

HONORING WALT DISNEY

• Mrs. CARNAHAN. Mr. President, we are all familiar with the quote "I only hope that we don't lose sight of one thing—that it was all started by a mouse." Immediately, my mind turns to Walt Disney and a smile comes across my face. His lifetime achievements are well known by all and often told, but today I want to talk about the boy. Walt Disney grew up with roots deep in Missouri. A boy whose early childhood experiences and memories would be the foundation for the man who would take the dreams of America, and make them come true.

This year we mark the one hundredth anniversary of Walt's birth, and all over America people are gathering to celebrate. In Marceline, MO, Walt's hometown, the Centennial Celebration drew a reported 50,000 visitors anxious to participate. People came from all over the world to get a feel for what Walt experienced there, including a dedication to the kind of group effort that was a hallmark of American farming around the turn of the century. The idealized Main Street in Disneyland, the country life depicted in "Old Yeller," and even the fascination with animals that led to the True-Life Adventures, all have their origins on that farm in Marceline.

In Kansas City they also celebrate one of the most successfully creative men of the 20th century. At age 9, Walt and his family moved to Kansas City where his father bought a Kansas City Star newspaper route. Walt and his brother, Roy, had to wake at 3:00 a.m. every day to deliver newspapers, developing a work ethic in Walt that would later wear out all but the sturdiest of staff members. It was his father's gritty determination and resilience balanced by his mother's love of fun and a pleasure in people that added to his wealth of experience from which he was to draw in films and other creative ventures for the rest of his life. Legend has it that the idea for Mickey Mouse came to him from a memory of a friendly mouse that begged for food in his Kansas City art studio.

We all owe him our gratitude. Try to imagine a world without Walt Disney—a world without his magic, whimsy, and optimism. Fortunately we don't have to. Walt did more to touch the hearts, minds, and emotions of millions of Americans than any other man in the past century. A mouse may have started it, but through his work he brought joy, happiness, and a universal means of communication to the people all over the world.●

REPORT OF THE NATIONAL INTEREST RELATIVE TO JAPAN AND CHEMICAL WEAPONS—MESSAGE FROM THE PRESIDENT RECEIVED DURING THE ADJOURNMENT—PM 64

Under the authority of the order of the Senate of January 3, 2001, the Secretary of the Senate, on January 25, 2002, during the adjournment of the Senate, received the following message from the President of the United States, together with accompanying paper; which was referred to the Committee on Foreign Relations.

To the Congress of the United States:

Pursuant to the authority vested in me by section 902 of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (Public Law 101–246) (the "Act"), and as President of the United States, I hereby report to the Congress that it is in the national interest of the United States to terminate the suspensions under section 902 of the Act insofar as such suspensions pertain to the export of defense articles or defense services in support of efforts by the Government of Japan to destroy Japanese chemical weapons abandoned during World War II in the People's Republic of China. License requirements remain in place for these exports and require review and approval on a case-by-case basis by the United States Government.

GEORGE BUSH.

THE WHITE HOUSE, *January 25, 2002.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–5189. A communication from the Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting, pursuant to law, the Board's report under the Government in the Sunshine Act for calendar year 2001; to the Committee on Governmental Affairs.

EC–5190. A communication from the Acting Chair, Federal Subsistence Board, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Subsistence Management Regulations for Public Lands in Alaska, Subpart C and D—2002–2003 Subsistence Taking of Fish and Shellfish Regulations" (RIN1018–AH77) received on January 23, 2002; to the Committee on Energy and Natural Resources.

EC–5191. A communication from the President of the United States, transmitting, pursuant to law, a report concerning the status of U.S. efforts regarding Iraq's compliance with UN Security Council resolutions; to the Committee on Foreign Relations.

EC–5192. A communication from the President of the United States, transmitting, pursuant to law, a supplemental report relative to Bosnia and Herzegovina and other states in the region concerning the North Atlantic Treaty Organization led Stabilization Force; to the Committee on Foreign Relations.

EC–5193. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, a report entitled "Clean Water Act Section 404 Penalty Policy"; to the Committee on Environment and Public Works.

EC–5194. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; New Jersey; Motor Vehicle Inspection and Maintenance Program" (FRL7127–8) received on January 16, 2002; to the Committee on Environment and Public Works.

EC–5195. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval of the Clean Air Act, Section 112(1), Delegation of Authority to the Idaho Department of Environmental Quality" (FRL7126–3) received on January 16, 2002; to the Committee on Environment and Public Works.

EC–5196. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Request for Proposals for an Improved Atmospheric Nitrogen Deposition Data Set for the Chesapeake Bay Program" (FRL7129–4) received on January 16, 2002; to the Committee on Environment and Public Works.

EC–5197. A communication from the Secretary of the Department of Agriculture, transmitting, pursuant to law, a report on environmental assessment, restoration, and cleanup activities for Fiscal Year 2000; to the Committee on Environment and Public Works.

EC–5198. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; New York's Reasonable Further Plans, Transportation Conformity Budgets, Reasonably Available Control Measure Analysis and 1-Hour Ozone Attainment Demonstration State Implementation Plan" (FRL7132–5) received on January 18, 2002; to the Committee on Environment and Public Works.

EC–5199. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Amendments to the Requirements on Variability in the Composition of Additives Certified Under the Gasoline Deposit Control Program; Partial Withdrawal of Direct Final Rule" (FRL7132–3) received on January 18, 2002; to the Committee on Environment and Public Works.

EC–5200. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Relaxation of Summer Gasoline Volatility Standard for the Denver/Boulder Area" (FRL7130–9) received on January 18, 2002; to the Committee on Environment and Public Works.

EC–5201. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Protection of Stratospheric Ozone: Removal of Restrictions on Certain Fire Suppression Substitutes for Ozone-Depleting Substances; and Listing of Substitutes" (FRL7130–7) received on January 18, 2002; to the Committee on Environment and Public Works.

EC–5202. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Guidelines on Awarding Section 319 Grants to Indian Tribes in FY 2002" received on January 18, 2002; to the Committee on Environment and Public Works.

EC–5203. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; New Jersey Reasonable Further Progress Plans, Transportation Conformity Budgets and 1-Hour Ozone Attainment Demonstrations State Implementation Plans" (FRL7132–4) received on January 18, 2002; to the Committee on Environment and Public Works.

EC-5204. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Endangered and Threatened Wildlife and Plants; Endangered Status for Carex lutea (Golden Sedge)" (RIN1018-AF68) received on January 23, 2002; to the Committee on Environment and Public Works.

NOMINATIONS DISCHARGED

Pursuant to a unanimous consent agreement of January 25, 2002, the Committee on Finance was discharged of the following nominations:

DEPARTMENT OF THE TREASURY

Edward Kingman, Jr., of Maryland, to be an Assistant Secretary of the Treasury.

Edward Kingman, Jr., of Maryland, to be Chief Financial Officer, Department of the Treasury.

Pursuant to a unanimous consent agreement of January 25, 2002, the Committee on Health, Labor, and Pensions was discharged of the following nominations:

DEPARTMENT OF LABOR

Samuel T. Mok, of Maryland, to be Chief Financial Officer, Department of Labor.

DEPARTMENT OF EDUCATION

Jack Martin, of Michigan, to be Chief Financial Officer, Department of Education.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Eve Slater, of New Jersey, to be an Assistant Secretary of Health and Human Services.

EXECUTIVE OFFICE OF THE PRESIDENT

Andrea G. Barthwell, of Illinois, to be Deputy Director for Demand Reduction, Office of National Drug Control Policy.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. McCONNELL:

S. 1898. A bill to establish the Green River National Wildlife Refuge in the State of Kentucky; to the Committee on Environment and Public Works.

ADDITIONAL COSPONSORS

S. 666

At the request of Ms. SNOWE, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 666, a bill to amend the Internal Revenue Code of 1986 to allow the use of completed contract method of accounting in the case of certain long-term naval vessel construction contracts.

S. 1209

At the request of Mr. BINGAMAN, the names of the Senator from Georgia (Mr. CLELAND), the Senator from New Jersey (Mr. CORZINE), and the Senator from Wisconsin (Mr. KOHL) were added as cosponsors of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1280

At the request of Mr. CLELAND, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1280, a bill to authorize the Secretary of Veterans Affairs to carry out construction projects for the purpose of improving, renovating, and updating patient care facilities at Department of Veterans Affairs medical centers.

S. 1476

At the request of Mr. CLELAND, the names of the Senator from Virginia (Mr. WARNER) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 1476, a bill to authorize the President to award a gold medal on behalf of the Congress to Reverend Doctor Martin Luther King, Jr. (posthumously) and his widow Coretta Scott King in recognition of their contributions to the Nation on behalf of the civil rights movement.

S. 1605

At the request of Mr. CONRAD, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 1605, a bill to amend title XVIII of the Social Security Act to provide for payment under the Medicare Program for four hemodialysis treatments per week for certain patients, to provide for an increased update in the composite payment rate for dialysis treatments, and for other purposes.

S. 1644

At the request of Mr. CAMPBELL, the names of the Senator from Idaho (Mr. CRAIG) and the Senator from Georgia (Mr. MILLER) were added as cosponsors of S. 1644, a bill to further the protection and recognition of veterans' memorials, and for other purposes.

S. 1707

At the request of Mr. ALLARD, his name was added as a cosponsor of S. 1707, a bill to amend title XVIII of the Social Security Act to specify the update for payments under the medicare physician fee schedule for 2002 and to direct the Medicare Payment Advisory Commission to conduct a study on replacing the use of the sustainable growth rate as a factor in determining such update in subsequent years.

S. RES. 182

At the request of Mrs. FEINSTEIN, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. Res. 182, a resolution expressing the sense of the Senate that the United States should allocate significantly more resources to combat global poverty.

S. CON. RES. 94

At the request of Mr. WYDEN, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. Con. Res. 94, a concurrent resolution expressing the sense of Congress that public awareness and education about the importance of health care coverage is of the utmost priority and that a National Importance of Health Care Coverage Month should be established to promote that awareness and education.

AMENDMENT NO. 2705

At the request of Mr. SMITH of Oregon, the names of the Senator from Maine (Ms. COLLINS), the Senator from Colorado (Mr. ALLARD) and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of amendment No. 2705 .

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McCONNELL:

S. 1898. A bill to establish the Green River National Wildlife Refuge in the State of Kentucky; to the Committee on Environment and Public Works.

Mr. McCONNELL. Mr. President, I rise today to introduce the Green River National Wildlife Refuge Act of 2002. Seven years ago Kentucky was the only State in the Nation that did not have its own national wildlife refuge. I was proud to remedy this problem by helping enact legislation to establish the Clarks River National Wildlife Refuge in Marshall County, KY. Nearly half of the targeted 18,000 acres have been acquired for this refuge, all from willing sellers. And this spring, the refuge headquarters building will be completed.

Given the success and progress of the Clarks River refuge, I am proud to partner with the efforts of the United States Fish and Wildlife Service to establish Kentucky's second national wildlife refuge on approximately 23,000 acres in Henderson County along the confluence of the Green River and the Ohio River. This targeted refuge area will provide a diverse array of conservation, recreation, and environmental education opportunities for everyone from tourists to wildlife enthusiasts to local school groups.

The proposed refuge site in the Green River bottoms area was once part of a large bottomland hardwood forest. Although this wetland area has largely been replaced by agriculture, it serves as a popular spot for a variety of waterfowl and migratory birds, especially when desirable water levels occur. In fact, on February 1, 1999, more than 10,000 ducks and 8,000 geese were recorded as visitors to the Green River area. The site also is home to several endangered or threatened species, such as the fanshell, Indiana bat maternity colonies, the copperbelly snake, and a number of different mussels. Establishing a refuge in this area offers a valuable opportunity to restore hardwood forest to the Green River bottoms area, which will, in turn, help provide a safe and fruitful habitat for migratory birds and wildlife and help stop the erosion that threatens to change the course of the Ohio River.

Outdoor recreationalists, including hunters, fishermen, birdwatchers, nature photographers, will enjoy many benefits from the protection and restoration of a diverse and thriving wildlife habitat. Indeed, the proposed refuge area already hosts a large population of white-tailed deer, gray squirrel, catfish, and carp, which will provide exceptional hunting and fishing opportunities.

The U.S. Fish and Wildlife Service already has taken significant steps to make the Green River National Wildlife Refuge a reality. I think it is important, however, to ensure that any land acquired for this refuge is obtained only from willing sellers, just as is the case with Clarks River National Wildlife Refuge. Although I understand that the U.S. Fish and Wildlife Service has no plans to condemn private property for the refuge, I believe that the landowners in Henderson County deserve a legislative guarantee to assure that the Refuge will not infringe upon their rights as private property owners. My legislation would provide that guarantee.

I look forward to partnering with the U.S. Fish and Wildlife Service to bring this project to fruition, and I ask unanimous consent that a copy of this bill, be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1898

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Green River National Wildlife Refuge Act of 2002".

SEC. 2. FINDINGS.

Congress finds that—

(1) the Green River bottoms area, Kentucky, was once part of a large bottomland hardwood forest;

(2) most of the bottoms area has been converted to agricultural use through—

(A) draining of wetland;

(B) altering of interior drainage systems; and

(C) clearing of bottomland hardwood forest;

(3) as of the date of enactment of this Act, the bottoms area is predominantly ridge and swale farmland, with river-scar oxbows, several sloughs, wet depression areas, and a small quantity of bottomland hardwood forest;

(4) approximately 1,200 acres of bottomland hardwood forest remain, consisting mostly of cypress, willow, hackberry, silver maple, ash, and buttonbush;

(5) many of the interior drainage systems on the land offer excellent opportunities to restore, with minor modifications, the historical hydrology, wetland, and bottomland hardwood forest of the bottoms area to high-quality wildlife habitats;

(6) in the bottoms area, waterfowl occur in large numbers when sufficient water levels occur, primarily when flood conditions from the Ohio River and the Green River negate the extensive drainages and alterations made by man;

(7) the wooded and shrub tracts of the bottoms area are used by many species of nongame neotropical migratory birds;

(8) migratory shorebirds use the bottoms area during spring migrations;

(9) wading birds such as snipe, great blue heron, green heron, common egret, and great egret frequent the bottoms area;

(10) bald eagles and myriad other raptors frequent the bottoms area;

(11) several species listed as endangered or threatened species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) have been found near the bottoms area, including Indiana bat maternity colonies, fanshell, pink mucket pearly mussel, and fat pocketbook;

(12) several species of mussel listed as endangered or threatened species under that Act historically occurred near the bottoms area, including purple cat's paw pearly mussel, tubercled-blossom pearly mussel, ring pink, and white wartyback pearly mussel;

(13) the copperbelly water snake, covered by the Copperbelly Water Snake Conservation Plan, is found in the wetland complex and buttonbush shrub in the Scuffletown area;

(14) significant populations of resident game species, including white-tailed deer, swamp rabbit, cottontail rabbit, gray squirrel, mink, muskrat, beaver, fox, and coyote, occur in the bottoms area;

(15) the Ohio River and the Green River are important habitat for big river species such as paddlefish, sturgeon, catfish, carp, buffalo, and gar;

(16) conservation, enhancement, and ecological restoration of the bottoms area through inclusion in the National Wildlife Refuge System would help meet the habitat conservation goals of—

(A) the North American Waterfowl Management Plan;

(B) the Lower Mississippi Joint Venture;

(C) the Interior Low Plateaus Bird Conservation Plan; and

(D) the Copperbelly Water Snake Conservation Plan;

(17) the valuable complex of wetland habitats comprising the bottoms area, with its many forms of wildlife, has extremely high recreational value for hunters, anglers, birdwatchers, nature photographers, and others; and

(18) the Green River bottoms area is deserving of inclusion in the National Wildlife Refuge System.

SEC. 3. PURPOSE.

The purpose of this Act is to establish the Green River National Wildlife Refuge in the Green River bottoms area, Henderson County, Kentucky, to provide—

(1) habitat for migrating and wintering waterfowl;

(2) habitat for nongame land birds;

(3) habitats for a natural diversity of fish and wildlife;

(4) nesting habitat for wood ducks and other locally nesting migratory waterfowl;

(5) high-quality hunting and sportfishing opportunities; and

(6) opportunities for environmental education, interpretation, and wildlife-oriented recreation.

SEC. 4. DEFINITIONS.

In this Act:

(1) Refuge.—The term "Refuge" means the Green River National Wildlife Refuge established under section 5.

(2) Secretary.—The term "Secretary" means the Secretary of the Interior.

SEC. 5. ESTABLISHMENT.

(a) Establishment.—

(1) In general.—The Secretary shall establish the Green River National Wildlife Refuge, consisting of approximately 23,000 acres of Federal land, water, and interests in land or water within the boundaries depicted on the map entitled "Green River National Wildlife Refuge", dated September 10, 2001.

(2) Boundary revisions.—The Secretary shall make such minor revisions of the boundaries of the Refuge as are appropriate to carry out the purposes of the Refuge or to facilitate the acquisition of land, water, and interests in land or water within the Refuge.

(3) Availability of map.—The map referred to in paragraph (1) shall be available for inspection in appropriate offices of the United States Fish and Wildlife Service.

(b) Effective Date.—The establishment of the Refuge shall take effect on the date on which the Secretary publishes, in the Federal Register and publications of local circulation in the vicinity of the Refuge, a notice that sufficient property has been acquired by the United States within the Refuge to constitute an area that can be efficiently managed as a national wildlife refuge.

SEC. 6. ACQUISITION OF LAND, WATER, AND INTERESTS IN LAND OR WATER.

(a) In General.—Subject to the availability of appropriations, the Secretary may obtain by purchase from willing sellers, donation, or exchange up to 23,000 acres of land and water, or interests in land or water, within the boundaries of the Refuge described in section 5(a)(1).

(b) Inclusion in Refuge.—Any land, water, or interest acquired by the Secretary under this section shall be part of the Refuge.

SEC. 7. ADMINISTRATION.

In administering the Refuge, the Secretary shall—

(1) conserve, enhance, and restore the native aquatic and terrestrial community characteristics of the Green River (including associated fish, wildlife, and plant species);

(2) conserve, enhance, and restore habitat to maintain and assist in the recovery of species of animals and plants that are listed as endangered species or threatened species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

(3) in providing opportunities for compatible fish- and wildlife-oriented recreation, ensure that hunting, fishing, wildlife observation and photography, and environmental education and interpretation are the priority general public uses of the Refuge, in accordance with paragraphs (3) and (4) of section 4(a) of the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd(a)); and

(4) encourage the use of volunteers and facilitate partnerships among the United States Fish and Wildlife Service, local communities, conservation organizations, and other non-Federal entities to promote—

(A) public awareness of the resources of the Refuge and the National Wildlife Refuge System; and

(B) public participation in the conservation of those resources.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary for—

(1) the acquisition of land and water within the boundaries of the Refuge; and

(2) the development, operation, and maintenance of the Refuge.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2709. Mrs. LINCOLN submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table.

SA 2710. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2711. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2712. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2713. Mr. DASCHLE (for Mr. KENNEDY) submitted an amendment intended to be proposed by Mr. DASCHLE to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2714. Mr. DURBIN (for himself, Mr. WELLSTONE, Mr. DAYTON, Ms. LANDRIEU, and Mrs. LINCOLN) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2715. Mr. LOTT (for Mr. INHOFE) submitted an amendment intended to be proposed by Mr. LOTT to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2716. Mr. SMITH, of Oregon (for himself and Mr. ALLEN) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2717. Mr. NICKLES (for Mr. BOND (for himself, Ms. COLLINS, Mr. ENZI, Mr. ALLEN, and Mr. NICKLES)) proposed an amendment to the bill H.R. 622, supra.

SA 2718. Mr. REID (for Mr. BAUCUS (for himself, Mr. TORRICELLI, and Mr. BAYH)) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2719. Mr. REID (for Mr. HARKIN) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2720. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2721. Mr. REID (for Mr. BAUCUS) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2722. Mr. ALLARD (for himself, Mr. HATCH, and Mr. ALLEN) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2709. Mrs. LINCOLN submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

On page 9, line 20, strike "or".

On page 9, line 22, strike the comma and insert ", or".

On page 9, between lines 22 and 23, insert:

"(V) which is qualified retail improvement property,

On page 15, line 7, strike the end quotation marks and the second period.

On page 15, after line 7, insert:

"(4) QUALIFIED RETAIL IMPROVEMENT PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified retail improvement property' means any improvement to an interior portion of a building which is primarily used or held for use in a qualified retail business at the location of such improvement, but only if such improvement is placed in service more than 3 years after the date the building was first placed in service.

"(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—The term 'qualified retail improvement' does not include any improvement of a type described in clauses (i) through (iv) of subsection (k)(3)(B).

"(C) QUALIFIED RETAIL BUSINESS.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'qualified retail business' means a trade or business of selling tangible personal property to the general public.

"(ii) TREATMENT OF CERTAIN SALES OF INTANGIBLE PROPERTY OR SALES.—Any sale of intangible property or services shall be considered a sale of tangible property if such sale is incidental to the sale of tangible property. A trade or business shall not fail to be treated as a qualified retail business by reason of sales of intangible property or services if such sales (other than sales that are incidental to the sale of tangible personal property) represent less than 10 percent of the total sales of the trade or business at the location.".

SA 2710. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ___. CLARIFICATION OF EXCISE TAX EXEMPTIONS FOR AGRICULTURAL AERIAL APPLICATORS.

(a) NO WAIVER BY FARM OWNER, TENANT, OR OPERATOR NECESSARY.—Subparagraph (B) of section 6420(c)(4) (relating to certain farming use other than by owner, etc.) is amended to read as follows:

"(B) if the person so using the gasoline is an aerial or other applicator of fertilizers or other substances and is the ultimate purchaser of the gasoline, then subparagraph (A) of this paragraph shall not apply and the aerial or other applicator shall be treated as having used such gasoline on a farm for farming purposes.".

(b) EXEMPTION INCLUDES FUEL USED BETWEEN AIRFIELD AND FARM.—Section 6420(c)(4), as amended by subsection (a), is amended by adding at the end the following new flush sentence:

"For purposes of this paragraph, in the case of an aerial applicator, gasoline shall be treated as used on a farm for farming purposes if the gasoline is used for the direct flight between the airfield and 1 or more farms.".

(c) EXEMPTION FROM TAX ON AIR TRANSPORTATION OF PERSONS FOR FORESTRY PURPOSES EXTENDED TO FIXED-WING AIRCRAFT.—Subsection (f) of section 4261 (relating to tax on air transportation of persons) is amended to read as follows:

"(f) EXEMPTION FOR CERTAIN USES.—No tax shall be imposed under subsection (a) or (b) on air transportation—

"(1) by helicopter for the purpose of transporting individuals, equipment, or supplies in the exploration for, or the development or removal of, hard minerals, oil, or gas, or

"(2) by helicopter or by fixed-wing aircraft for the purpose of the planting, cultivation, cutting, or transportation of, or caring for, trees (including logging operations),

but only if the helicopter or fixed-wing aircraft does not take off from, or land at, a facility eligible for assistance under the Airport and Airway Development Act of 1970, or otherwise use services provided pursuant to section 44509 or 44913(b) or subchapter I of chapter 471 of title 49, United States Code, during such use. In the case of helicopter transportation described in paragraph (1), this subsection shall be applied by treating each flight segment as a distinct flight.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel use or air transportation after December 31, 2001, and before January 1, 2003.

SA 2711. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ___. RECOVERY PERIOD FOR CERTAIN WIRELESS TELECOMMUNICATIONS EQUIPMENT.

(a) 5-YEAR RECOVERY PERIOD FOR CERTAIN WIRELESS TELECOMMUNICATIONS EQUIPMENT.—

(1) IN GENERAL.—Subparagraph (A) of section 168(i)(2) (defining qualified technological equipment) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following:

"(iv) any wireless telecommunication equipment.".

(2) DEFINITION OF WIRELESS TELECOMMUNICATION EQUIPMENT.—Paragraph (2) of section 168(i) is amended by adding at the end the following:

"(D) WIRELESS TELECOMMUNICATION EQUIPMENT.—

"(i) IN GENERAL.—For purposes of this paragraph—

"(I) IN GENERAL.—The term 'wireless telecommunication equipment' means equipment which is used in the transmission, reception, coordination, or switching of wireless telecommunications service.

"(II) EXCEPTION.—The term 'wireless telecommunication equipment' shall not include towers, buildings, T–1 lines, or other cabling which connects cell sites to mobile switching centers.

"(ii) WIRELESS TELECOMMUNICATIONS SERVICE.—For purposes of clause (i), the term 'wireless telecommunications service' includes any commercial mobile radio service as defined in title 47 of the Code of Federal Regulations.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after September 10, 2001.

SA 2712. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___ . DELAY IN MEDICAID UPL CHANGES FOR NON-STATE GOVERNMENT-OWNED OR OPERATED HOSPITALS.

(a) Congressional Findings.—Congress finds the following:

(1) The Secretary of Health and Human Services, in regulations promulgated on January 12, 2001, provided for an exception to the upper limits on payment under State medicaid plans so to permit payment to city and county public hospitals at a rate up to 150 percent of the medicare payment rate.

(2) The Secretary justified this exception because these hospitals—

(A) provide access to a wide range of needed care not often otherwise available in underserved areas;

(B) deliver a significant proportion of uncompensated care; and

(C) are critically dependent on public financing sources, such as the medicaid program.

(3) There has been no evidence presented to Congress that has changed this justification for such exception.

(b) Moratorium on UPL Changes.—Any change in the upper limits on payment under title XIX of the Social Security Act for services of non-State government-owned or operated hospitals, whether based on the final rule published on January 18, 2002, or otherwise, may not be effective before the later of January 1, 2003, or 3 months after the submission to Congress of the plan described in subsection (c).

(c) Mitigation Plan.—The Secretary of Health and Human Services shall submit to Congress a report that contains a plan for mitigating the loss of funding to non-State government-owned or operated hospitals as a result of any change in the upper limits on payment referred to in subsection (b). Such report shall also include such recommendations for legislative action as the Secretary deems appropriate.

SA 2713. Mr. DASCHLE (for Mr. KENNEDY) submitted an amendment intended to be proposed by Mr. DASCHLE to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

Strike title IV and insert the following:

TITLE IV—TEMPORARY ENHANCED UNEMPLOYMENT BENEFITS

SEC. 401. SHORT TITLE.

This title may be cited as the "Temporary Unemployment Compensation Act of 2002".

SEC. 402. FEDERAL-STATE AGREEMENTS.

(a) In General.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

(b) Provisions of Agreement.—

(1) In general.—Any agreement under subsection (a) shall provide that the State agency of the State will make—

(A) payments of temporary enhanced unemployment compensation to individuals; and

(B) payments of temporary supplemental unemployment compensation to individuals who—

(i) have—

(I) exhausted all rights to regular compensation under the State law (or, as the case may be, all rights to temporary enhanced unemployment compensation); or

(II) received 26 weeks of regular compensation under the State law (or, as the case may be, 26 weeks of temporary enhanced unemployment compensation);

(ii) do not have any rights to regular compensation under the State law of any other State (or to temporary enhanced unemployment compensation); and

(iii) are not receiving compensation under the unemployment compensation law of any other country.

(2) Special rules regarding temporary enhanced unemployment compensation.—

(A) In general.—Subject to subparagraphs (B) and (C), eligibility for, and the amount of, temporary enhanced unemployment compensation shall be determined in the same manner as eligibility for, and the amount of, regular compensation is determined under the State law.

(B) Eligibility for TEUC.—In the case of an individual who is not eligible for regular compensation under the State law because—

(i) of the use of a definition of base period that does not count wages earned in the most recently completed calendar quarter, then eligibility for temporary enhanced unemployment compensation under subparagraph (A) shall be determined by applying a base period ending at the close of the calendar quarter most recently completed before the date of the individual's application for benefits, except that this clause shall not apply unless wage data for that quarter has been reported to the State or supplied to the State agency on behalf of the individual; or

(ii) such individual does not meet requirements relating to availability for work, active search for work, or refusal to accept work, because such individual is seeking, or is available for, only part-time (and not full-time) work, then eligibility for temporary enhanced unemployment compensation under subparagraph (A) shall be determined without regard to the fact that such individual is seeking, or is available for, only part-time (and not full-time) work, except that this clause shall not apply unless—

(I) the individual's employment on which eligibility for the temporary enhanced unemployment compensation is based was part-time employment; or

(II) the individual can show good cause for seeking, or being available for, only part-time (and not full-time) work.

(C) Increased benefits.—

(i) Individuals eligible for regular compensation.—In the case of an individual who is eligible for regular compensation (including dependents' allowances) under the State law without regard to this paragraph, the amount of temporary enhanced unemployment compensation payable to such individual for any week shall be an amount equal to the greater of—

(I) 15 percent of the amount of such regular compensation payable to such individual for the week; or

(II) $25.

(ii) Individuals not eligible for regular compensation but eligible for TEUC by reason of subparagraph (B).—In the case of an individual who is eligible for temporary enhanced unemployment compensation under this paragraph by reason of either clause (i) or (ii) of subparagraph (B), the amount of temporary enhanced unemployment compensation payable to such individual for any week shall be equal to the amount of compensation payable to such individual (as determined under subparagraph (A)) for the week, plus an amount equal to the greater of—

(I) 15 percent of the amount so determined; or

(II) $25.

(iii) Rounding.—For purposes of determining the amount under clause (i)(I) or (ii)(I), such amount shall be rounded to the dollar amount specified under the State law.

(c) Nonreduction Rule.—Under an agreement entered into under this title, subsection (b)(2)(C) shall not apply (or shall cease to apply) with respect to a State upon a determination by the Secretary that the method governing the computation of regular compensation under the State law of that State has been modified in a way such that the average weekly amount of regular compensation which will be payable during the period of the agreement (determined disregarding any temporary enhanced unemployment compensation) will be less than the average weekly amount of regular compensation which would otherwise have been payable during such period under the State law, as in effect on September 11, 2001.

(d) Coordination Rules.—

(1) Regular compensation payable under a Federal law.—Rules similar to the rules under subsection (b)(2) shall apply in determining the amount of benefits payable under any Federal law to the extent that those benefits are determined by reference to regular compensation payable under the State law of the State involved.

(2) Temporary supplemental unemployment compensation to serve as second-tier benefits.—Notwithstanding any other provision of law, neither regular compensation, temporary enhanced unemployment compensation, extended compensation, nor additional compensation under any Federal or State law shall be payable to any individual for any week for which temporary supplemental unemployment compensation is payable to such individual.

(3) Treatment of other unemployment compensation.—After the date on which a State enters into an agreement under this title, any regular compensation (or, as the case may be, temporary enhanced unemployment compensation) in excess of 26 weeks, any extended compensation, and any additional compensation under any Federal or State law shall be payable to an individual in accordance with the State law after such individual has exhausted any rights to temporary supplemental unemployment compensation under the agreement.

(e) Exhaustion of Benefits.—For purposes of subsection (b)(1)(B)(i)(I), an individual shall be considered to have exhausted such individual's rights to regular compensation (or, as the case may be, rights to temporary enhanced unemployment compensation) under a State law (or agreement under this title) when—

(1) no payments of regular compensation (or, as the case may be, rights to temporary enhanced unemployment compensation) can be made under such law (or such agreement) because the individual has received all such compensation available to the individual based on employment or wages during the individual's base period; or

(2) the individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(f) Weekly Benefit Amount, Terms and Conditions, Etc. Relating to Temporary

SUPPLEMENTAL UNEMPLOYMENT COMPENSATION.—For purposes of any agreement under this title—

(1) the amount of temporary supplemental unemployment compensation which shall be payable to an individual for any week of total unemployment shall be equal to—

(A) the amount of regular compensation (including dependents' allowances) payable to such individual under the State law for a week for total unemployment during such individual's benefit year; plus

(B) the amount of any temporary enhanced unemployment compensation payable to such individual for a week for total unemployment during such individual's benefit year;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary supplemental unemployment compensation and the payment thereof, except where inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary supplemental unemployment compensation payable to any individual for whom a temporary supplemental unemployment compensation account is established under section 403 shall not exceed the amount established in such account for such individual.

SEC. 403. TEMPORARY SUPPLEMENTAL UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary supplemental unemployment compensation, a temporary supplemental unemployment compensation account.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the greater of—

(A) 50 percent of—

(i) the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law; plus

(ii) the amount of any temporary enhanced unemployment compensation payable to the individual during the individual's benefit year under the agreement; or

(B) 13 times the individual's weekly benefit amount.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of paragraph (1)(B), an individual's weekly benefit amount for any week is an amount equal to—

(A) the amount of regular compensation (including dependents' allowances) under the State law payable to the individual for such week for total unemployment; plus

(B) the amount of any temporary enhanced unemployment compensation under the agreement payable to the individual for such week for total unemployment.

SEC. 404. PAYMENTS TO STATES HAVING AGREEMENTS UNDER THIS TITLE.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this title an amount equal to—

(1) 100 percent of any temporary enhanced unemployment compensation made payable to individuals by such State;

(2) 100 percent of any regular compensation which would have been temporary enhanced unemployment compensation under this title but for the fact that its State law contains provisions comparable to the provisions in clauses (i) and (ii) of section 402(b)(2)(B); and

(3) 100 percent of the temporary supplemental unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) DETERMINATION OF AMOUNT.—Sums under subsection (a) payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(c) ADMINISTRATIVE EXPENSES, ETC.—There is hereby appropriated, without fiscal year limitation, out of the employment security administration account of the Unemployment Trust Fund (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a))) $500,000,000 to reimburse States for the costs of the administration of agreements under this title (including any improvements in technology in connection therewith) and to provide reemployment services to unemployment compensation claimants in States having agreements under this title. Each State's share of the amount appropriated by the preceding sentence shall be determined by the Secretary according to the factors described in section 302(a) of the Social Security Act (42 U.S.C. 501(a)) and certified by the Secretary to the Secretary of the Treasury.

SEC. 405. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a))), and the Federal unemployment account (as established by section 904(g) of such Act (42 U.S.C. 1104(g))), of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a))) shall be used, in accordance with subsection (b), for the making of payments (described in section 404(a)) to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums described in section 404(a) which are payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification by transfers from the extended unemployment compensation account, as so established (or, to the extent that there are insufficient funds in that account, from the Federal unemployment account, as so established) to the account of such State in the Unemployment Trust Fund (as so established).

SEC. 406. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received any temporary enhanced unemployment compensation or temporary supplemental unemployment compensation under this title to which such individual was not entitled, such individual—

(1) shall be ineligible for any further benefits under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received any temporary enhanced unemployment compensation or temporary supplemental unemployment compensation under this title to which such individuals were not entitled, the State shall require such individuals to repay those benefits to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such benefits was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any regular compensation, temporary enhanced unemployment compensation, or temporary supplemental unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary enhanced unemployment compensation or the temporary supplemental unemployment compensation to which such individuals were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 407. DEFINITIONS.

In this title, the terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 408. APPLICABILITY.

(a) IN GENERAL.—An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 6, 2003.

(b) SPECIFIC RULES.—

(1) IN GENERAL.—Under such an agreement, the following rules shall apply:

(A) ALTERNATIVE BASE PERIODS.—The payment of temporary enhanced unemployment compensation by reason of section 402(b)(2)(B)(i) (relating to alternative base periods) shall not apply except in the case of initial claims filed on or after the first day of the week that includes September 11, 2001.

(B) PART-TIME EMPLOYMENT AND INCREASED BENEFITS.—The payment of temporary enhanced unemployment compensation by reason of subparagraphs (B)(ii) and (C) of section 402(b)(2) (relating to part-time employment and increased benefits, respectively) shall apply to weeks of unemployment described in subsection (a), regardless of the date on which an individual's initial claim for benefits is filed.

(C) ELIGIBILITY FOR TEMPORARY SUPPLEMENTAL UNEMPLOYMENT COMPENSATION.—The payment of temporary supplemental unemployment compensation pursuant to section 402(b)(1)(B) shall not apply except in the case of individuals who first meet either the condition described in subclause (I) or (II) of clause (i) of such section on or after the first day of the week that includes September 11, 2001.

(2) REAPPLICATION PROCESS.—

(A) ALTERNATIVE BASE PERIODS.—In the case of an individual who filed an initial claim for regular compensation on or after the first day of the week that includes September 11, 2001, and before the date that the State entered into an agreement under subsection (a)(1) that was denied as a result of the application of the base period that applied under the State law prior to the date on which the State entered into the agreement, such individual—

(i) may file a claim for temporary enhanced unemployment compensation based on section 402(b)(2)(B)(i) (relating to alternative base periods) on or after the date on which the State enters into such agreement and before the date on which such agreement terminates; and

(ii) if eligible, shall be entitled to such compensation only for weeks of unemployment described in subsection (a) beginning on or after the date on which the individual files such claim.

(B) PART-TIME EMPLOYMENT.—In the case of an individual who before the date that the State entered into an agreement under subsection (a)(1) was denied regular compensation under the State law's provisions relating to availability for work, active search for work, or refusal to accept work, solely by virtue of the fact that such individual is seeking, or available for, only part-time (and not full-time) work, such individual—

(i) may file a claim for temporary enhanced unemployment compensation based on section 402(b)(2)(B)(ii) (relating to part-time employment) on or after the date on which the State enters into the agreement under subsection (a)(1) and before the date on which such agreement terminates; and

(ii) if eligible, shall be entitled to such compensation only for weeks of unemployment described in subsection (a) beginning on or after the date on which the individual files such claim.

(3) NO RETROACTIVE PAYMENTS FOR WEEKS PRIOR TO AGREEMENT.—No amounts shall be payable to an individual under an agreement entered into under this title for any week of unemployment prior to the week beginning after the date on which such agreement is entered into.

SEC. 409. RULE OF CONSTRUCTION REGARDING CHANGES TO STATE LAW.

Nothing in this title shall be construed as requiring a State to modify the laws of such State in order to enter into an agreement under this title or to comply with the provisions of the agreement described in section 402(b).

SEC. 410. WORKFORCE INVESTMENT ACTIVITIES.

Section 134(d)(4) of the Workforce Investment Act of 1998 (29 U.S.C. 2864(d)(4)) is amended by adding at the end the following:

"(H) IN TRAINING WITH THE APPROVAL OF THE STATE AGENCY.—Notwithstanding any other provision of law, an eligible adult or dislocated worker receiving training services (other than on-the-job training) under this paragraph shall be deemed to be in training with the approval of the State agency for purposes of section 3304(a)(8) of the Internal Revenue Code of 1986.".

SA 2714. Mr. DURBIN (for himself, Mr. WELLSTONE, Mr. DAYTON, Ms. LANDRIEU, and Mrs. LINCOLN) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

Strike title IV and insert the following:

TITLE IV—TEMPORARY ENHANCED UNEMPLOYMENT BENEFITS

SEC. 401. SHORT TITLE.

This title may be cited as the "Temporary Unemployment Compensation Act of 2002".

SEC. 402. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—

(1) IN GENERAL.—Any agreement under subsection (a) shall provide that the State agency of the State will make—

(A) payments of temporary enhanced unemployment compensation to individuals; and

(B) payments of temporary supplemental unemployment compensation to individuals who—

(i) have—

(I) exhausted all rights to regular compensation under the State law (or, as the case may be, all rights to temporary enhanced unemployment compensation); or

(II) received 26 weeks of regular compensation under the State law (or, as the case may be, 26 weeks of temporary enhanced unemployment compensation);

(ii) do not have any rights to regular compensation under the State law of any other State (or to temporary enhanced unemployment compensation); and

(iii) are not receiving compensation under the unemployment compensation law of any other country.

(2) SPECIAL RULES REGARDING TEMPORARY ENHANCED UNEMPLOYMENT COMPENSATION.—

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), eligibility for, and the amount of, temporary enhanced unemployment compensation shall be determined in the same manner as eligibility for, and the amount of, regular compensation is determined under the State law.

(B) ELIGIBILITY FOR TEUC.—In the case of an individual who is not eligible for regular compensation under the State law because—

(i) of the use of a definition of base period that does not count wages earned in the most recently completed calendar quarter, then eligibility for temporary enhanced unemployment compensation under subparagraph (A) shall be determined by applying a base period ending at the close of the calendar quarter most recently completed before the date of the individual's application for benefits, except that this clause shall not apply unless wage data for that quarter has been reported to the State or supplied to the State agency on behalf of the individual; or

(ii) such individual does not meet requirements relating to availability for work, active search for work, or refusal to accept work, because such individual is seeking, or is available for, only part-time (and not full-time) work, then eligibility for temporary enhanced unemployment compensation under subparagraph (A) shall be determined without regard to the fact that such individual is seeking, or is available for, only part-time (and not full-time) work, except that this clause shall not apply unless—

(I) the individual's employment on which eligibility for the temporary enhanced unemployment compensation is based was part-time employment; or

(II) the individual can show good cause for seeking, or being available for, only part-time (and not full-time) work.

(C) INCREASED BENEFITS.—

(i) INDIVIDUALS ELIGIBLE FOR REGULAR COMPENSATION.—In the case of an individual who is eligible for regular compensation (including dependents' allowances) under the State law without regard to this paragraph, the amount of temporary enhanced unemployment compensation payable to such individual for any week shall be an amount equal to the greater of—

(I) 15 percent of the amount of such regular compensation payable to such individual for the week; or

(II) $25.

(ii) INDIVIDUALS NOT ELIGIBLE FOR REGULAR COMPENSATION BUT ELIGIBLE FOR TEUC BY REASON OF SUBPARAGRAPH (B).—In the case of an individual who is eligible for temporary enhanced unemployment compensation under this paragraph by reason of either clause (i) or (ii) of subparagraph (B), the amount of temporary enhanced unemployment compensation payable to such individual for any week shall be equal to the amount of compensation payable to such individual (as determined under subparagraph (A)) for the week, plus an amount equal to the greater of—

(I) 15 percent of the amount so determined; or

(II) $25.

(iii) ROUNDING.—For purposes of determining the amount under clause (i)(I) or (ii)(I), such amount shall be rounded to the dollar amount specified under the State law.

(c) NONREDUCTION RULE.—Under an agreement entered into under this title, subsection (b)(2)(C) shall not apply (or shall cease to apply) with respect to a State upon a determination by the Secretary that the method governing the computation of regular compensation under the State law of that State has been modified in a way such that the average weekly amount of regular compensation which will be payable during the period of the agreement (determined disregarding any temporary enhanced unemployment compensation) will be less than the average weekly amount of regular compensation which would otherwise have been payable during such period under the State law, as in effect on September 11, 2001.

(d) COORDINATION RULES.—

(1) REGULAR COMPENSATION PAYABLE UNDER A FEDERAL LAW.—Rules similar to the rules

under subsection (b)(2) shall apply in determining the amount of benefits payable under any Federal law to the extent that those benefits are determined by reference to regular compensation payable under the State law of the State involved.

(2) TEMPORARY SUPPLEMENTAL UNEMPLOYMENT COMPENSATION TO SERVE AS SECOND-TIER BENEFITS.—Notwithstanding any other provision of law, neither regular compensation, temporary enhanced unemployment compensation, extended compensation, nor additional compensation under any Federal or State law shall be payable to any individual for any week for which temporary supplemental unemployment compensation is payable to such individual.

(3) TREATMENT OF OTHER UNEMPLOYMENT COMPENSATION.—After the date on which a State enters into an agreement under this title, any regular compensation (or, as the case may be, temporary enhanced unemployment compensation) in excess of 26 weeks, any extended compensation, and any additional compensation under any Federal or State law shall be payable to an individual in accordance with the State law after such individual has exhausted any rights to temporary supplemental unemployment compensation under the agreement.

(e) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(B)(i)(I), an individual shall be considered to have exhausted such individual's rights to regular compensation (or, as the case may be, rights to temporary enhanced unemployment compensation) under a State law (or agreement under this title) when—

(1) no payments of regular compensation (or, as the case may be, rights to temporary enhanced unemployment compensation) can be made under such law (or such agreement) because the individual has received all such compensation available to the individual based on employment or wages during the individual's base period; or

(2) the individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(f) WEEKLY BENEFIT AMOUNT, TERMS AND CONDITIONS, ETC. RELATING TO TEMPORARY SUPPLEMENTAL UNEMPLOYMENT COMPENSATION.—For purposes of any agreement under this title—

(1) the amount of temporary supplemental unemployment compensation which shall be payable to an individual for any week of total unemployment shall be equal to—

(A) the amount of regular compensation (including dependents' allowances) payable to such individual under the State law for a week for total unemployment during such individual's benefit year; plus

(B) the amount of any temporary enhanced unemployment compensation payable to such individual for a week for total unemployment during such individual's benefit year;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary supplemental unemployment compensation and the payment thereof, except where inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary supplemental unemployment compensation payable to any individual for whom a temporary supplemental unemployment compensation account is established under section 403 shall not exceed the amount established in such account for such individual.

SEC. 403. TEMPORARY SUPPLEMENTAL UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary supplemental unemployment compensation, a temporary supplemental unemployment compensation account.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the greater of—

(A) 50 percent of—

(i) the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law; plus

(ii) the amount of any temporary enhanced unemployment compensation payable to the individual during the individual's benefit year under the agreement; or

(B) 13 times the individual's weekly benefit amount.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of paragraph (1)(B), an individual's weekly benefit amount for any week is an amount equal to—

(A) the amount of regular compensation (including dependents' allowances) under the State law payable to the individual for such week for total unemployment; plus

(B) the amount of any temporary enhanced unemployment compensation under the agreement payable to the individual for such week for total unemployment.

SEC. 404. PAYMENTS TO STATES HAVING AGREEMENTS UNDER THIS TITLE.

(a) GENERAL RULE.—There shall be paid to each State which has entered into an agreement under this title an amount equal to—

(1) 100 percent of any temporary enhanced unemployment compensation made payable to individuals by such State;

(2) 100 percent of any regular compensation which would have been temporary enhanced unemployment compensation under this title but for the fact that its State law contains provisions comparable to the provisions in clauses (i) and (ii) of section 402(b)(2)(B); and

(3) 100 percent of the temporary supplemental unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) DETERMINATION OF AMOUNT.—Sums under subsection (a) payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(c) ADMINISTRATIVE EXPENSES, ETC.—There is hereby appropriated, without fiscal year limitation, out of the employment security administration account of the Unemployment Trust Fund (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a))) **$500,000,000** to reimburse States for the costs of the administration of agreements under this title (including any improvements in technology in connection therewith) and to provide reemployment services to unemployment compensation claimants in States having agreements under this title. Each State's share of the amount appropriated by the preceding sentence shall be determined by the Secretary according to the factors described in section 302(a) of the Social Security Act (42 U.S.C. 501(a)) and certified by the Secretary to the Secretary of the Treasury.

SEC. 405. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a))), and the Federal unemployment account (as established by section 904(g) of such Act (42 U.S.C. 1104(g))), of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a))) shall be used, in accordance with subsection (b), for the making of payments (described in section 404(a)) to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums described in section 404(a) which are payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification by transfers from the extended unemployment compensation account, as so established (or, to the extent that there are insufficient funds in that account, from the Federal unemployment account, as so established) to the account of such State in the Unemployment Trust Fund (as so established).

SEC. 406. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received any temporary enhanced unemployment compensation or temporary supplemental unemployment compensation under this title to which such individual was not entitled, such individual—

(1) shall be ineligible for any further benefits under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received any temporary enhanced unemployment compensation or temporary supplemental unemployment compensation under this title to which such individuals were not entitled, the State shall require such individuals to repay those benefits to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such benefits was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part

thereof, by deductions from any regular compensation, temporary enhanced unemployment compensation, or temporary supplemental unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary enhanced unemployment compensation or the temporary supplemental unemployment compensation to which such individuals were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 407. DEFINITIONS.

In this title the terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

SEC. 408. APPLICABILITY.

(a) IN GENERAL.—An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 6, 2003.

(b) SPECIFIC RULES.—

(1) IN GENERAL.—Under such an agreement, the following rules shall apply:

(A) ALTERNATIVE BASE PERIODS.—The payment of temporary enhanced unemployment compensation by reason of section 402(b)(2)(B)(i) (relating to alternative base periods) shall not apply except in the case of initial claims filed on or after the first day of the week that includes September 11, 2001.

(B) PART-TIME EMPLOYMENT AND INCREASED BENEFITS.—The payment of temporary enhanced unemployment compensation by reason of subparagraphs (B)(ii) and (C) of section 402(b)(2) (relating to part-time employment and increased benefits, respectively) shall apply to weeks of unemployment described in subsection (a), regardless of the date on which an individual's initial claim for benefits is filed.

(C) ELIGIBILITY FOR TEMPORARY SUPPLEMENTAL UNEMPLOYMENT COMPENSATION.—The payment of temporary supplemental unemployment compensation pursuant to section 402(b)(1)(B) shall not apply except in the case of individuals who first meet either the condition described in subclause (I) or (II) of clause (i) of such section on or after the first day of the week that includes September 11, 2001.

(2) REAPPLICATION PROCESS.—

(A) ALTERNATIVE BASE PERIODS.—In the case of an individual who filed an initial claim for regular compensation on or after the first day of the week that includes September 11, 2001, and before the date that the State entered into an agreement under subsection (a)(1) that was denied as a result of the application of the base period that applied under the State law prior to the date on which the State entered into the agreement, such individual—

(i) may file a claim for temporary enhanced unemployment compensation based on section 402(b)(2)(B)(i) (relating to alternative base periods) on or after the date on which the State enters into such agreement and before the date on which such agreement terminates; and

(ii) if eligible, shall be entitled to such compensation only for weeks of unemployment described in subsection (a) beginning on or after the date on which the individual files such claim.

(B) PART-TIME EMPLOYMENT.—In the case of an individual who before the date that the State entered into an agreement under subsection (a)(1) was denied regular compensation under the State law's provisions relating to availability for work, active search for work, or refusal to accept work, solely by virtue of the fact that such individual is seeking, or available for, only part-time (and not full-time) work, such individual—

(i) may file a claim for temporary enhanced unemployment compensation based on section 402(b)(2)(B)(ii) (relating to part-time employment) on or after the date on which the State enters into the agreement under subsection (a)(1) and before the date on which such agreement terminates; and

(ii) if eligible, shall be entitled to such compensation only for weeks of unemployment described in subsection (a) beginning on or after the date on which the individual files such claim.

(3) NO RETROACTIVE PAYMENTS FOR WEEKS PRIOR TO AGREEMENT.—No amounts shall be payable to an individual under an agreement entered into under this title for any week of unemployment prior to the week beginning after the date on which such agreement is entered into.

SEC. 409. RULE OF CONSTRUCTION REGARDING CHANGES TO STATE LAW.

Nothing in this title shall be construed as requiring a State to modify the laws of such State in order to enter into an agreement under this title or to comply with the provisions of the agreement described in section 102(b).

SA 2715. Mr. LOTT (for Mr. INHOFE) submitted an amendment intended to be proposed by Mr. LOTT to the bill H.R. 622 to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other puposes; which was ordered to lie on the table; as follows:

At the end add the following:

SEC. ___. PRORATION OF HEAVY VEHICLE USE TAX BETWEEN PURCHASERS OF SAME VEHICLE.

(a) IN GENERAL.—Section 4481(c) of the Internal Revenue Code of 1986 (relating to proration of tax) is amended by adding at the end the following new paragraph:

"(3) WHERE VEHICLE SOLD.—If in any taxable period a highway motor vehicle is sold before the last day in such period by the person who paid the tax imposed by this section for any portion of such period ending with such last day, the portion of the tax imposed by this section for the period from the date of the sale to such last day shall be credited or refunded (without interest) to such person. In the case of a refund, such refund shall be made not later than 45 days after such last day.".

(b) CONFORMING AMENDMENTS.—

(1) Section 4481(c)(1) of the Internal Revenue Code of 1986 is amended by inserting "by the person described in subsection (b)" after "vehicle".

(2) Section 4481(d) of such Code is amended to read as follows:

"(d) CROSS REFERENCE.—

"For privilege of paying tax imposed by this section in installments, see section 6156.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales occurring after the date of the enactment of this Act.

SA 2716. Mr. SMITH of Oregon (for himself and Mr. ALLEN) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the bill, add the following:

SEC. ___. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1986 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

"(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.—

"(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

"(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

"(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

"(2) QUALIFIED PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified property' means property—

"(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property,

"(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

"(III) which is qualified leasehold improvement property, or

"(IV) which is eligible for depreciation under section 167(g),

"(ii) the original use of which commences with the taxpayer after December 31, 2001,

"(iii) which is—

"(I) acquired by the taxpayer after December 31, 2001, and before January 1, 2004, but only if no written binding contract for the acquisition was in effect before January 1, 2002, or

"(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after December 31, 2001, and before January 1, 2004, and

"(iv) which is placed in service by the taxpayer before January 1, 2004, or, in the case of property described in subparagraph (B), before January 1, 2005.

"(B) Certain property having longer production periods treated as qualified property.—

"(i) In general.—The term 'qualified property' includes property—

"(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

"(II) which has a recovery period of at least 10 years or is transportation property, and

"(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

"(ii) Only pre-January 1, 2004, basis eligible for additional allowance.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before January 1, 2004.

"(iii) Transportation property.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

"(C) Exceptions.—

"(i) Alternative depreciation property.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

"(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

"(II) after application of section 280F(b) (relating to listed property with limited business use).

"(ii) Election out.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

"(D) Special rules.—

"(i) Self-constructed property.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after December 31, 2001, and before January 1, 2004.

"(ii) Sale-leasebacks.—For purposes of subparagraph (A)(ii), if property—

"(I) is originally placed in service after December 31, 2001, by a person, and

"(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

"(E) Coordination with section 280F.—For purposes of section 280F—

"(i) Automobiles.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

"(ii) Listed property.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

"(3) Qualified leasehold improvement property.—For purposes of this subsection—

"(A) In general.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

"(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

"(I) by the lessee (or any sublessee) of such portion, or

"(II) by the lessor of such portion,

"(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

"(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

"(B) Certain improvements not included.—Such term shall not include any improvement for which the expenditure is attributable to—

"(i) the enlargement of the building,

"(ii) any elevator or escalator,

"(iii) any structural component benefiting a common area, and

"(iv) the internal structural framework of the building.

"(C) Definitions and special rules.—For purposes of this paragraph—

"(i) Binding commitment to lease treated as lease.—A binding commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

"(ii) Related persons.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

"(I) members of an affiliated group (as defined in section 1504), and

"(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.

"(D) Improvements made by lessor.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person.".

(b) Allowance Against Alternative Minimum Tax.—

(1) In general.—Section 56(a)(1)(A) of the Internal Revenue Code of 1986 (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

"(iii) Additional allowance for certain property acquired after December 31, 2001, and before January 1, 2004.—The deduction under section 168(k) shall be allowed."

(2) Conforming amendment.—Clause (i) of section 56(a)(1)(A) of the Internal Revenue Code of 1986 is amended by striking "clause (ii)" both places it appears and inserting "clauses (ii) and (iii)".

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after December 31, 2001, in taxable years ending after such date.

SA 2717. Mr. NICKLES (for Mr. Bond (for himself, Ms. Collins, Mr. Enzi, Mr. Allen, and Mr. Nickles)) proposed an amendment to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end, add the following:

SEC. ___. TEMPORARY INCREASE IN EXPENSING UNDER SECTION 179.

(a) In General.—The table contained in section 179(b)(1) of the Internal Revenue Code of 1986 (relating to dollar limitation) is amended to read as follows:

"If the taxable year begins in:	**The applicable amount is:**
2001	$24,000
2002 or 2003	$40,000
2004 or thereafter	$25,000."

(b) Temporary Increase in Amount of Property Triggering Phaseout of Maximum Benefit.—Paragraph (2) of section 179(b) of the Internal Revenue Code of 1986 is amended by inserting before the period "($325,000 in the case of taxable years beginning during 2002 or 2003)".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2718. Mr. REID (for Mr. Baucus (for himself, Mr. Torricelli, and Mr. Bayh)) proposed an amendment to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

Strike section 201 and insert the following:

SEC. 201. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.

(a) In General.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

"(k) Special Allowance for Certain Property Acquired After December 31, 2001, and Before January 1, 2004.—

"(1) Additional allowance.—In the case of any qualified property—

"(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

"(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

"(2) Qualified property.—For purposes of this subsection—

"(A) In general.—The term 'qualified property' means property—

"(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property,

"(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

"(III) which is qualified leasehold improvement property, or

"(IV) which is eligible for depreciation under section 167(g),

"(ii) the original use of which commences with the taxpayer after December 31, 2001,

"(iii) which is—

"(I) acquired by the taxpayer after December 31, 2001, and before January 1, 2004, but only if no written binding contract for the acquisition was in effect before January 1, 2002, or

"(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after December 31, 2001, and before January 1, 2004, and

"(iv) which is placed in service by the taxpayer before January 1, 2004, or, in the case of property described in subparagraph (B), before January 1, 2005.

"(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

"(i) IN GENERAL.—The term 'qualified property' includes property—

"(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

"(II) which has a recovery period of at least 10 years or is transportation property, and

"(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

"(ii) ONLY PRE-JANUARY 1, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before January 1, 2004.

"(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

"(C) EXCEPTIONS.—

"(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

"(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

"(II) after application of section 280F(b) (relating to listed property with limited business use).

"(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

"(D) SPECIAL RULES.—

"(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after December 31, 2001, and before January 1, 2004.

"(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

"(I) is originally placed in service after December 31, 2001, by a person, and

"(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

"(E) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

"(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

"(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

"(3) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

"(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

"(I) by the lessee (or any sublessee) of such portion, or

"(II) by the lessor of such portion,

"(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

"(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

"(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

"(i) the enlargement of the building,

"(ii) any elevator or escalator,

"(iii) any structural component benefiting a common area, and

"(iv) the internal structural framework of the building.

"(C) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

"(i) BINDING COMMITMENT TO LEASE TREATED AS LEASE.—A binding commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

"(ii) RELATED PERSONS.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

"(I) members of an affiliated group (as defined in section 1504), and

"(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.

"(D) IMPROVEMENTS MADE BY LESSOR.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person.".

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Section 56(a)(1)(A) (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

"(iii) ADDITIONAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.—The deduction under section 168(k) shall be allowed."

(2) CONFORMING AMENDMENT.—Clause (i) of section 56(a)(1)(A) is amended by striking "clause (ii)" both places it appears and inserting "clauses (ii) and (iii)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2001, in taxable years ending after such date.

SA 2719. Mr. REID (for Mr. HARKIN) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

Strike section 301 and insert the following:

SEC. 301. TEMPORARY INCREASES OF MEDICAID FMAP FOR FISCAL YEAR 2002.

(a) PERMITTING MAINTENANCE OF FISCAL YEAR 2001 FMAP.—Notwithstanding any other provision of law, but subject to subsection (d), if the FMAP determined without regard to this section for a State for fiscal year 2002 is less than the FMAP as so determined for fiscal year 2001, the FMAP for the State for fiscal year 2001 shall be substituted for the State's FMAP for fiscal year 2002, before the application of this section.

(b) GENERAL 3 PERCENTAGE POINTS INCREASE.—Notwithstanding any other provision of law, but subject to subsections (e) and (f), for each State for each calendar quarter in fiscal year 2002, the FMAP (taking into account the application of subsection (a)) shall be increased by 3 percentage points.

(c) FURTHER INCREASE FOR STATES WITH HIGH UNEMPLOYMENT RATES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, but subject to subsections (e) and (f), the FMAP for a high unemployment State for a calendar quarter in fiscal year 2002 (and any subsequent calendar quarter in such fiscal year regardless of whether the State continues to be a high unemployment State for a calendar quarter in such fiscal year) shall be increased (after the application of subsections (a) and (b)) by 1.50 percentage points.

(2) HIGH UNEMPLOYMENT STATE.—

(A) IN GENERAL.—For purposes of this subsection, a State is a high unemployment State for a calendar quarter if, for any 3 consecutive month period beginning on or after June 2001 and ending with the second month before the beginning of the calendar quarter, the State has an average seasonally adjusted unemployment rate that exceeds the average weighted unemployment rate during such period. Such unemployment rates for such months shall be determined based on publications of the Bureau of Labor Statistics of the Department of Labor.

(B) AVERAGE WEIGHTED UNEMPLOYMENT RATE DEFINED.—For purposes of subparagraph (A), the "average weighted unemployment rate" for a period is—

(i) the sum of the seasonally adjusted number of unemployed civilians in each State and the District of Columbia for the period; divided by

(ii) the sum of the civilian labor force in each State and the District of Columbia for the period.

(d) 1-YEAR INCREASE IN CAP ON MEDICAID PAYMENTS TO TERRITORIES.—Notwithstanding any other provision of law, with respect to fiscal year 2002, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under section 1108 of the Social Security Act (42 U.S.C. 1308) shall each be increased by an amount equal to 6 percentage points of such amounts.

(e) SCOPE OF APPLICATION.—The increases in the FMAP for a State under this section shall apply only for purposes of title XIX of the Social Security Act and shall not apply with respect to—

(1) disproportionate share hospital payments described in section 1923 of such Act (42 U.S.C. 1396r-4); and

(2) payments under titles IV and XXI of such Act (42 U.S.C. 601 et seq. and 1397aa et seq.).

(f) STATE ELIGIBILITY.—A State is eligible for an increase in its FMAP under subsection (b) or (c) only if the eligibility under its State plan under title XIX of the Social Security Act (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)) is no more restrictive than the eligibility under such plan (or waiver) as in effect on October 1, 2001.

(g) DEFINITIONS.—In this section:

(1) FMAP.—The term "FMAP" means the Federal medical assistance percentage, as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)).

(2) STATE.—The term "State" has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(h) IMPLEMENTATION FOR REMAINDER OF FISCAL YEAR 2002.—The Secretary of Health and Human Services shall increase payments to States under title XIX for the second, third, and fourth calendar quarters of fiscal year 2002 to take into account the increases in the FMAP provided for in this section for fiscal year 2002 (including the first quarter of such fiscal year).

SA 2720. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ___. TAX INCENTIVES FOR QUALIFIED UNITED STATES INDEPENDENT FILM AND TELEVISION PRODUCTION.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by adding at the end the following new section:

"SEC. 45G. UNITED STATES INDEPENDENT FILM AND TELEVISION PRODUCTION WAGE CREDIT.

"(a) AMOUNT OF CREDIT.—

"(1) IN GENERAL.—For purposes of section 38, the United States independent film and television production wage credit determined under this section with respect to any taxpayer for any taxable year is an amount equal to 25 percent of the qualified wages paid or incurred per qualified United States independent film and television production during such taxable year.

"(2) HIGHER PERCENTAGE FOR PRODUCTION EMPLOYMENT IN CERTAIN AREAS.—In the case of qualified employees in any qualified United States independent film and television production located in an area eligible for designation as a low-income community under section 45D or eligible for designation by the Delta Regional Authority as a distressed county or isolated area of distress, paragraph (1) shall be applied by substituting '35 percent' for '25 percent'.

"(b) ONLY FIRST $25,000 OF WAGES PER PRODUCTION TAKEN INTO ACCOUNT.—With respect to each qualified United States independent film and television production, the amount of qualified wages paid or incurred to each qualified employee or personal service corporation which may be taken into account per such production shall not exceed $25,000.

"(c) QUALIFIED WAGES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified wages' means—

"(A) any wages paid or incurred by an employer for services performed in the United States by an employee while such employee is a qualified employee,

"(B) the employee fringe benefit expenses of the employer allocable to such services performed by such employee,

"(C) any payments made to personal service corporations as defined in section 269A(b)(1) for services performed in the United States, and

"(D) renumeration, other than wages, for services personally rendered in the United States.

"(2) QUALIFIED EMPLOYEE.—

"(A) IN GENERAL.—The term 'qualified employee' means, with respect to any period, any individual who renders personal services if substantially all of such services are performed during such period in an activity related to any qualified United States independent film and television production.

"(B) CERTAIN INDIVIDUALS NOT ELIGIBLE.—Such term shall not include—

"(i) any individual described in subparagraph (A), (B), or (C) of section 51(i)(1), and

"(ii) any 5-percent owner (as defined in section 416(i)(1)(B).

"(3) COORDINATION WITH OTHER WAGE CREDITS.—No credit shall be allowed under any other provision of this chapter for wages paid to any employee during any taxable year if the employer is allowed a credit under this section for any of such wages.

"(4) WAGES.—The term 'wages' has the same meaning as when used in section 51.

"(5) EMPLOYEE FRINGE BENEFIT EXPENSES.—The term 'employee fringe benefit expenses' means the amount allowable as a deduction under this chapter to the employer for any taxable year with respect to—

"(A) employer contributions under stock bonus, pension, profit-sharing, or annuity plan,

"(B) employer-provided coverage under any accident or health plan for employees, and

"(C) the cost of life or disability insurance provided to employees.

Any amount treated as wages under paragraph (1)(A) shall not be taken into account under this subparagraph.

"(d) QUALIFIED UNITED STATES INDEPENDENT FILM AND TELEVISION PRODUCTION.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified United States independent film and television production' means any production of any motion picture (whether released theatrically or directly to video cassette or any other format), television or cable programming, mini series, episodic television, movie of the week, or pilot production for any of the preceding productions if—

"(A) 75 percent of the total wages of the production are qualified wages,

"(B) the production is created primarily for use as public entertainment or for educational purposes, and

"(C) the total cost of wages of the production is more than $200,000 but less than $10,000,000.

Such term shall not include any production if records are required under section 2257 of title 18, United States Code, to be maintained with respect to any performer in such production (reporting of books, films, etc. with sexually explicit conduct). For purposes of subparagraph (A), no day of photography shall be considered a day of principal photography unless the cost of wages for the production for that day exceeds the average daily cost of wages for such production.

"(2) PUBLIC ENTERTAINMENT.—The term 'public entertainment' includes a motion picture film, video tape, or television program intended for initial broadcast via the public broadcast spectrum or delivered via cable distribution, or productions that are submitted to a national organization in existence on July 27, 2001, that rates films for violent or adult content. Such term does not include any film or tape the market for which is primarily topical, is otherwise essentially transitory in nature, or is produced for private noncommercial use.

"(3) INFLATION ADJUSTMENT.—

"(A) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2002, the $10,000,000 amount contained in paragraph (1)(C) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2001' for 'calendar year 1992' in subparagraph (B) thereof.

"(B) ROUNDING.—If any increase determined under subparagraph (A) is not a multiple of $500,000, such amount shall be rounded to the nearest multiple of $500,000.

"(e) CONTROLLED GROUPS.—For purposes of this section—

"(1) all employers treated as a single employer under subsection (a) or (b) of section 52 shall be treated as a single employer for purposes of this subpart, and

"(2) the credit (if any) determined under this section with respect to each such employer shall be its proportionate share of the wages giving rise to such credit.

"(f) APPLICATION OF CERTAIN OTHER RULES.—For purposes of this section, rules similar to the rules of section 51(k) and subsections (c) and (d) of section 52 shall apply.".

(b) CREDIT TREATED AS BUSINESS CREDIT.—Section 38(b) of the Internal Revenue Code of 1986 is amended by striking "plus" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting ", plus", and by adding at the end the following new paragraph:

"(16) the United States independent film and television production wage credit determined under section 45G(a).".

(c) NO CARRYBACKS.—Subsection (d) of section 39 of the Internal Revenue Code of 1986 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

"(11) NO CARRYBACK OF SECTION 45G CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the United States independent film and television production wage credit determined under section 45G may be carried back to a taxable year ending before the date of the enactment of section 45G.".

(d) DENIAL OF DOUBLE BENEFIT.—Subsection (a) of section 280C of the Internal Revenue Code of 1986 is amended by inserting "45G(a)," after "45A(a),".

(e) CONFORMING AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 45G. United States independent film and television production wage credit.".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act in taxable years ending after such date.

SA 2721. Mr. REID (for Mr. BAUCUS) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end add the following:

TITLE ___—EMERGENCY AGRICULTURE ASSISTANCE

Subtitle A—Income Loss Assistance

SEC. ___01. INCOME LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this title as the "Secretary") shall use $1,800,000,000 of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers on a farm that have incurred qualifying income losses in calendar year 2001.

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–55), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(c) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments not for crop disasters, but for income loss to carry out the purposes of this section.

SEC. ___02. LIVESTOCK ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary shall use $500,000,000 of the funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received an emergency designation by the President or the Secretary after January 1, 2001, of which $12,000,000 shall be made available for the American Indian livestock program under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

Subtitle B—Administration

SEC. ___11. COMMODITY CREDIT CORPORATION.

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this title.

SEC. ___12. ADMINISTRATIVE EXPENSES.

(a) IN GENERAL.—In addition to funds otherwise available, not later than 30 days after the date of enactment of this Act, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to pay the salaries and expenses of the Department of Agriculture in carrying out this title $50,000,000, to remain available until expended.

(b) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subsection (a), without further appropriation.

SEC. ___13. REGULATIONS.

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this title.

(b) PROCEDURE.—The promulgation of the regulations and administration of this subtitle shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SA 2722. Mr. ALLARD (for himself, Mr. HATCH, and Mr. ALLEN) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. PERMANENT EXTENSION OF RESEARCH CREDIT; INCREASE IN RATES OF ALTERNATIVE INCREMENTAL CREDIT.

(a) PERMANENT EXTENSION OF RESEARCH CREDIT.—

(1) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 (relating to credit for increasing research activities) is amended by striking subsection (h).

(2) CONFORMING AMENDMENT.—Paragraph (1) of section 45C(b) of such Code is amended by striking subparagraph (D).

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after the date of the enactment of this Act.

(b) INCREASE IN RATES OF ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) of the Internal Revenue Code of 1986 (relating to election of alternative incremental credit) is amended—

(A) by striking "2.65 percent" and inserting "3 percent",

(B) by striking "3.2 percent" and inserting "4 percent", and

(C) by striking "3.75 percent" and inserting "5 percent".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after the date of the enactment of this Act.

ORDER OF BUSINESS

Mr. LUGAR. Mr. President, I ask unanimous consent that I be allowed to speak in morning business for more than 10 minutes.

The PRESIDING OFFICER (Mr. JEFFORDS). Without objection, it is so ordered.

Mr. LUGAR. I thank the Chair.

NATO'S ROLE IN THE WAR ON TERRORISM

Mr. LUGAR. Mr. President, I enjoyed the opportunity last week in Brussels, Belgium, to address the permanent representatives to the North Atlantic Treaty Organization, NATO, on the subject of the Alliance's forthcoming summit in Prague next November, as well as the likely agenda that will include the issues of NATO enlargement and Russia-NATO cooperation.

Perhaps more importantly, I was asked to consider and discuss with the Ambassadors of NATO the Alliance's future 3, 5, and 10 years out and to assess the impact of the events of September 11 and the consequent war on terrorism with the future role of NATO. These are the comments I made on that occasion.

There are moments in history when world events suddenly allow us to see the challenges facing our societies with a degree of clarity previously unimaginable. The events of September 11 have created one of those rare moments. We can see clearly the challenges we face and now confront and what needs to be done.

September 11 forced Americans to recognize that the United States is exposed to an existential threat from terrorism and the possible use of weapons of mass destruction by terrorists. Meeting that threat is the premier security challenge of our time. There is a clear and present danger that terrorists will gain the capability to carry out catastrophic attacks on Europe and the United States using nuclear, biological, or chemical weapons.

In 1996, I made, the Chair will recall, an unsuccessful bid for the Presidency of the United States. Three of my campaign television ads on that occasion, widely criticized for being farfetched and grossly alarming, depicted a mushroom cloud and warned of the existential threat posed by the growing dangers of weapons of mass destruction in the hands of terrorist groups. I argued that the next President should be selected on the basis of being able to meet that challenge.

Recently, those ads have been replayed on national television and are viewed from a different perspective. The images of those planes crashing into the World Trade Center on September 11 will remain with us all for some time to come. We might not have been able to prevent the attacks of September 11, but we can draw the right lessons from those events now, and one of those lessons is just how vulnerable our societies are to such attacks.

September 11 has destroyed many myths. One of those was the belief that the West was no longer threatened after the collapse of communism and our victory in the cold war, and perhaps nowhere was that myth stronger than in the United States where many Americans believed that America's strength made us invulnerable. We know now we are all vulnerable—Americans and Europeans.

The terrorists seek massive impact through indiscriminate killing of people and destruction of institutions, historical symbols, and the basic fabric of our societies. The next attack, however, could just as easily be in London, Paris, or Berlin as in Washington, and it could, or is even likely to, involve weapons or materials of mass destruction.

The sober reality is that the danger of Americans and Europeans being killed today at work or at home is perhaps greater than at any time in recent history. Indeed, the threat we face today may be just as existential as the one we faced during the cold war since it is increasingly likely to involve the use of weapons of mass destruction against our societies.

We are again at one of those moments when we must look in the mirror and ask ourselves whether we as leaders are prepared to draw the right conclusions and do what we can now to reduce that threat or whether it will take another, even deadlier, attack to force us into action.

Each of us recognizes that the war against terrorism and weapons of mass destruction must be fought on many fronts—at home and abroad—and it must be fought with many tools—political, economic, and military.

President Bush is seeking to lead a global coalition in a global war to root out terrorist cells and stop nation states from harboring terrorists.

The flip side of this policy is one that I have spent a lot of time thinking about; namely, the urgent need to extend the war on terrorism to nuclear, biological, and chemical weapons. Al-Qaida-like terrorists will use NBC weapons if they can obtain them.

Our task can be succinctly stated: Together we must keep the world's most dangerous technologies out of the hands of the world's most dangerous people. The events of September 11 and the subsequent public discovery of al-Qaida's methods, capabilities, and intentions have finally brought the vulnerability of our countries to the forefront.

The terrorists have demonstrated suicidal tendencies and are beyond deterrence. We must anticipate they will use weapons of mass destruction in NATO countries if allowed that opportunity.

Without oversimplifying the motivations of terrorists in the past, it appears that most acts of terror attempted to bring about change in a regime or change in governance or status in a community or state.

Usually, the terrorists made demands that could be negotiated or accommodated. The targets were selected to create and increase pressure for change.

In contrast, the al-Qaida terrorist attacks on the United States were planned to kill thousands of people indiscriminately. There were no demands for change or negotiation. Osama bin Laden was filmed conversing about results of the attack which exceeded his earlier predictions of destruction. Massive destruction of institutions, wealth, national morale, and innocent people was clearly his objective.

Over 3,000 people from a host of countries perished. Recent economic estimates indicate $60 billion of loss to the United States economy from all facets of the September 11 attacks and the potential loss of over 1.6 million jobs. Horrible as these results have been, military experts have written about the exponential expansion of those losses had the al-Qaida terrorists used weapons of mass destruction.

The minimum standard for victory in this kind of war is the prevention of any of the individual terrorists or terrorist cells from obtaining weapons or materials of mass destruction.

The current war effort in Afghanistan is destroying the Afghan-based al-Qaida network and the Taliban regime. The campaign is also designed to demonstrate that governments that are hosts to terrorists face retribution. But as individual NATO countries prosecute this war, NATO must pay much more attention to the other side of the equation—that is, making certain that all weapons and materials of mass destruction are identified, continuously guarded, and systematically destroyed.

Unfortunately, beyond Russia and other states of the former Soviet Union, Nunn-Lugar-style cooperative threat reduction programs aimed at non-proliferation do not exist. They must now be created on a global scale, with counter-terrorism joining counter-proliferation as our primary objectives.

Today we lack even minimal international confidence about many weapons programs, including the number of weapons or amounts of materials produced, the storage procedures employed, and production or destruction programs. NATO allies must join with the United States to change this situation. We need to join together to restate the terms of minimal victory in the war against terrorism we are currently fighting—to wit, that every nation that has weapons and materials of mass destruction must account for what it has, spend its own money or obtain international technical and financial resources to safely secure what it has, and pledge that no other nation, cell or cause will be allowed access to or use of these weapons or materials.

Some nations, after witnessing the bombing of Afghanistan and the destruction of the Taliban government, may decide to proceed along a cooperative path of accountability regarding their weapons and materials of mass destruction. But other states may decide to test the U.S. will and staying power. Such testing will be less likely if the NATO allies stand shoulder to shoulder with the U.S. in pursuing such a counter-terrorism policy.

The precise replication of the Nunn-Lugar program will not be possible everywhere, but a satisfactory level of accountability, transparency and safety can and must be established in every nation with a weapons of mass destruction program. When such nations resist such accountability, or their governments make their territory available to terrorists who are seeking weapons of mass destruction, then NATO nations should be prepared to join with the U.S. to use force as well as all diplomatic and economic tools at their collective disposal.

I do not mention the use of military force lightly or as a passing comment. The use of military force could mean war against a nation state remote from Europe or North America. This awesome contingency requires the utmost in clarity now. Without being redundant, let me describe the basic elements of such a strategy even more explicitly.

NATO should list all nation states which now house terrorist cells, voluntarily or involuntarily. The list should be supplemented with a map which illustrates to all of our citizens the location of these states, and how large the world is. Through intelligence sharing, termination of illicit financial channels, support of local police work, diplomacy, and public information, NATO and a broader coalition of nations fighting terrorism will seek to root out each cell in a comprehensive manner for years to come and keep a public record of success that the world can observe and measure. If we are diligent and determined, we will end most terrorist possibilities.

Perhaps most importantly, we will draw up a second list that will contain all of the states that have materials, programs, and/or weapons of mass destruction. We will demand that each of these nation states account for all of the materials, programs, and weapons in a manner which is internationally verifiable. We will demand that all such weapons and materials be made secure from theft or threat of proliferation using the funds of that nation state and supplemented by international funds if required. We will work with each nation state to formulate programs of continuing accountability and destruction which may be of mutual benefit to the safety of citizens in the host state as well as the international community. The latter will be a finite list, and success in the war against terrorism will not be achieved until all nations on that list have complied with these standards.

The Nunn-Lugar program has demonstrated that extraordinary international relationships are possible to improve controls over weapons of mass destruction. Programs similar to the Nunn-Lugar program should be established in each of the countries in the coalition against terrorism that wishes to work with the United States and hopefully its NATO allies on safe storage, accountability and planned destruction.

If these remarks had been delivered before September 11, I would now offer some eloquent thoughts about the importance of continuing NATO enlargement and of trying to build a cooperative NATO–Russian relationship. In a speech last summer preceding the remarkable call by President Bush in Warsaw for a NATO which stretched from the Baltics to the Black Sea, I listed Slovenia, Slovakia, Estonia, Latvia, Lithuania, Romania, and Bulgaria as strong candidates for membership consideration. I visited five of these countries last summer to encourage continuing progress in meeting the criteria for joining the Alliance. After ten years of hands-on experience in working with Russian political, military, and scientific leaders to carefully secure and to destroy materials and weapons of mass destruction in cooperative threat reduction programs, I anticipate that a new NATO-Russian relationship could be of enormous benefit in meeting the dangerous challenges which we must now confront together. In many ways, September 11 has strengthened my conviction that both of these efforts are critical.

But they can no longer be our only major priorities. As important as they are, neither NATO enlargement nor NATO-Russia cooperation is the most critical issue facing our nations today. That issue is the war on terrorism. NATO has to decide whether it wants to participate in this war. It has to decide whether it wants to be relevant in addressing the major security challenge of our day. Those of us who have been the most stalwart proponents of enlargement in the past have an obligation to point out that, as important as NATO enlargement remains, the major security challenge we face today is the intersection of terrorism with weapons of mass destruction.

If we fail to defend our societies from a major terrorist attack involving weapons of mass destruction, we and the Alliance will have failed in the most fundamental sense of defending our nations and our way of life—and ultimately no one will care what NATO did or did not accomplish on enlargement at the Prague summit in November this year. That's why the Alliance must fundamentally rethink its role in the world in the wake of September 11.

At the Washington summit in the spring of 1999, NATO heads of state made a bold statement. They stated that they wanted NATO to be as relevant to the threats of the next 50 years as it was to the threats of the past five decades.

The Alliance invoked Article 5 for the first time in its history in response to September 11. But, NATO itself has only played a limited, largely political and symbolic role in the war against terrorism. To some degree, Washington's reluctance to turn to NATO was tied to the fact that the U.S. had to scramble to put together a military response involving logistics, basing and special forces quickly—and it was easier to do that ourselves. Since it was the U.S. itself that was attacked, we were highly motivated to assume the lion's share of burden of the military role of the war on terrorism and we had the capability to do so.

But U.S. reticence to turn to NATO was also tied to other facts. Some Americans have lost confidence in the Alliance. Years of cuts in defense spending and failure to meet pledge after pledge to improve European military capabilities has left some Americans with doubts as to what our allies could realistically contribute. Rightly or wrongly, the legacy of Kosovo has reinforced the concern that NATO is not up to the job of fighting a modern war. The U.S. did have confidence in a select group of individual allies. But it did not have confidence in the institution that is NATO. The fact that some military leaders of NATO's leading power didn't want to use the Alliance it has led for half a century is a worrying sign.

Some in Washington did suggest to the Administration that it could and should be more creative in involving NATO. Senator JOSEPH BIDEN and I, for example, wrote an "op-ed" suggesting a number of tasks the Alliance could assume in the war on terrorism. But I am not here to second-guess the President and his national security team on these issues. Whether we should have used NATO more is a question best left to future historians. The strategy the U.S. employed in Afghanistan worked, and I congratulate the Administration for that success.

The key issue is: where do we go from here? Will we—Americans and Europeans—now decide to prepare NATO for the next stages in the war against terrorism? If not, how should we organize outside of NATO to meet the military challenges of the war on terrorism? What do we want NATO to look like in three to five years? How do we launch that process between now and the Prague summit next November?

We will not find a single American answer to these questions. Indeed, as I listen to the administration and my colleagues around Washington, I hear very different views. One school of thought holds that NATO should simply remain the guarantor of peace in Europe. With successful integration of all of Central and Eastern Europe into the Alliance, they see NATO's next priority as trying to integrate Russia and Ukraine into European security via the new NATO-Russia Council. They accept the fact that NATO is likely to become more and more a political organization such as the OSCE but one with at least some military muscle. They consider any attempt to give the Alliance a military role beyond Europe "a bridge too far." If all NATO does is keep the peace in an increasingly secure Europe, that's enough.

A second school thinks NATO as it is currently constituted is about the best we can do. It does not want to take a big leap forward either with regard to NATO cooperation with Russia or with respect to new missions such as a war against terrorism. This school would be willing to enlarge to some additional countries but is much more cautious about NATO-Russia cooperation. It is willing to work with allies on future missions, but on an ad hoc basis and not as an Alliance, lest a NATO framework create "war by committee" and coalition "drag" on the prosecution of hostilities. It prefers a division of labor whereby the U.S. focuses on the big wars and leaves peacekeeping in and around Europe to the Europeans.

A third way of thinking about NATO is to see it as the natural defense arm of the trans-Atlantic community and the institution we should turn to for help in meeting new challenges such as terrorism and weapons of mass destruction. With Europe increasingly secure, the Alliance needs to be "retooled" so that it can handle the most critical threats to our security. If that means it has to go beyond Europe in the future, so be it.

This last way of thinking about NATO's future is closest to my own for several reasons. First, I have always had a problem with the "division of labor" argument that assumes the U.S. will handle the big wars outside of Europe and lets Europeans take care of the small wars within Europe. It presupposes that the U.S. has less interest in Europe and that Europeans have less interests in the rest of the world. Both are wrong. We have interests in Europe and Europeans have interests in the rest of the world—and we should be trying to tackle them together.

Second, the U.S. needs a military alliance with Europe to confront effectively problems such as terrorism and weapons of mass destruction. We cannot do it on an ad hoc basis. We were willing to proceed more or less alone in Afghanistan. But we might not be so inclined next time, depending on the circumstances. What if the next attack is on Europe—or on America and Europe simultaneously? The model used in Afghanistan would not work in those scenarios. Americans expect our closest allies to fight with us in this war on terrorism—and they expect our leaders to come up with a structure that allows us to do so promptly and successfully.

Third, the problem we faced in Kosovo, and the problems we are encountering with respect to developing adequate military capabilities to meet the new threats, do not lead me to conclude that the answer is to reduce NATO to a purely political role. Rather, they are arguments to expand our efforts to fix capability problems so that NATO can operate more effectively in the future. Americans do not want to carry the entire military burden of the war on terrorism by themselves. Nor should we. We want allies to share the burden. The last attack may have been unique in that regard. We were shocked by attacks on our homeland. The U.S. was prepared to respond immediately and to do most of the work itself. But what if the next attack is on Brussels, or on France and the U.S. at the same time?

Finally, some of my critics have said: Senator, that is a great idea but it simply is not "doable." And it would be a mistake even to try because you might fail and that would embarrass President Bush and hurt the Alliance. I find it hard to believe that the U.S. and Europe—some of the richest and most advanced countries in the world—are incapable of organizing themselves to come up with an effective military alliance to fight this new threat.

When NATO was founded, there were those who said it would be impossible to have a common strategy toward the Soviet Union. And in early 1993 when I delivered my first speech calling for NATO not only to enlarge but to prepare for substantial "out of area" activities, many people told me that what I was proposing ran the risk of destroying the Alliance. Those of us who believed in NATO enlargement stuck to our guns. We now have three new Permanent Representatives at NATO Headquarters, and a much more vital NATO as a result.

My view can be easily summarized. America is at war and feels more vulnerable than at any time since the end of the cold war and perhaps since World War II. The threat we face is global and existential. We need allies and alliances to confront it effectively. Those alliances can no longer be circumscribed by artificial geographic boundaries. All of America's alliances are going to be reviewed and recast in light of this new challenge, including NATO. If NATO is not up to the challenge of becoming effective in the new war against terrorism, then our political leaders may be inclined to search for something else that will answer this need.

I believe that September 11 opened an enormous opportunity to revitalize the trans-Atlantic relationship. It would be a mistake to let this opportunity slip through our fingers. Neither side of the Atlantic has thus far grasped that opportunity fully. It is a time to think big, not small. It is a time when our proposals should not be measured by what we think is "doable" but rather shaped by what needs to be done to meet the new existential threat we face.

In the early 1990s we needed to make the leap from NATO defending Western Europe to the Alliance assuming responsibility for the continent as a whole. Today we must make a further leap and recognize that, in a world in which terrorist threats can be planned in Germany, financed in Asia, and carried out in the United States, old distinctions between "in" and "out of area" have become utterly meaningless. Indeed, given the global nature of terrorism, boundaries and other geographical distinctions are without relevance.

At NATO's founding on April 4, 1949, President Harry S Truman described the creation of the Alliance as a neighborly act taken by countries conscious of a shared heritage and common values, as democracies determined to defend themselves against the threat they faced. Those same values that Truman talked about defending in 1949 are under attack today, but this time from a very different source.

In 1949, President Truman went on to say that the Washington Treaty was a very simple document, but one that might have prevented two world wars had it been in existence in 1914 or 1939. Protecting Western Europe, he opined, was an important step toward creating peace in the world. And he predicted that the positive impact of NATO would be felt beyond its borders and throughout the World.

Those words strike me as prescient today. Truman was right. NATO prevented war in Europe for 50 years. It is now in the process of making all of Europe safe and secure and of building a new relationship with Russia. That, in itself, is a remarkable accomplishment. But if NATO does not help tackle the most pressing security threat to our countries today—a threat I believe is existential because it involves the threat of weapons of mass destruction—it will cease to be the premier alliance it has been and will become increasingly marginal.

That is why NATO's agenda for Prague has to be both broadened—and integrated. While NATO enlargement and deepened NATO-Russia cooperation will be central to the summit's agenda, they must now be complemented by a plan to translate the fighting of terrorism into one of NATO's central military missions. NATO enlargement and NATO-Russia cooperation should be pursued in a way that strengthens, not weakens, that agenda. This means that new members must be willing and able to sign up to new NATO requirements in this area, and that the new NATO-Russia Council must be structured in a way that strongly supports the Alliance in undertaking such new military tasks.

To leave NATO focused solely on defending the peace in Europe from the old threats would be to reduce it to sort of a housekeeping role in an increasingly secure continent. To do so at a time when we face a new existential threat posed by terrorism and weapons of mass destruction will condemn it to a marginal role in meeting the major challenge of our time.

That is why this issue has to be front and center on NATO's agenda before, during and after Prague. The reality is that we can launch the next round of NATO enlargement as well as a new NATO-Russia relationship at Prague, and the Alliance can still be seen as failing—that's right, failing—unless it starts to transform itself into an important new force in the war on terrorism.

I plan to work with the Bush administration in the months and years ahead in an effort to promote such a transformation of the Alliance and hope that Allied governments as well as Members of Congress and the members of the legislatures we represent will strongly, enthusiastically join me in this effort.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: 470, 567, 569, 618, 619, 620, 622, 623, 625 through 633, 635, 636, 638, 639, 640, 641, 642, 648, 649, 652 through 657, 659, 660, 661, and the nominations placed on the Secretary's desk, that the nominations be confirmed, the motion to reconsider be laid on the table, the President be immediately notified of the Senate's action, and any statements be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

SMALL BUSINESS ADMINISTRATION

Thomas M. Sullivan, of Massachusetts, to be Chief Counsel for Advocacy, Small Business Administration.

DEPARTMENT OF STATE

Christopher Bancroft Burnham, of Connecticut, to be Chief Financial Officer, Department of State.

Christopher Bancroft Burnham, of Connecticut, to be an Assistant Secretary of State (Resource Management). (New Position)

DEPARTMENT OF THE INTERIOR

Harold Craig Manson, of California, to be Assistant Secretary for Fish and Wildlife.

DEPARTMENT OF ENERGY

Michael Smith, of Oklahoma, to be an Assistant Secretary of Energy (Fossil Energy).

Beverly Cook, of Idaho, to be an Assistant Secretary of Energy (Environment, Safety and Health).

DEPARTMENT OF THE INTERIOR

Rebecca W. Watson, of Montana, to be an Assistant Secretary of the Interior.

Jeffrey D. Jarrett, of Pennsylvania, to be Director of the Office of Surface Mining Reclamation and Enforcement.

DEPARTMENT OF STATE

William R. Brownfield, of Texas, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic and Chile.

John V. Hanford III, of Virginia, to be Ambassador at Large for International Religious Freedom.

Donna Jean Hrinak, of Virginia, a Career Member of the Senior Foreign Service, Class of Career Ministery, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federative Republic of Brazil.

James David McGee, of Florida, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Swaziland.

Kenneth P. Moorefield, of Florida, a Career Member of the Senior Foreign Service, Class of Career Minister, to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Sao Tome and Principe.

Kenneth P. Moorefield, of Florida, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic.

John D. Ong, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

Earl Norfleet Phillips, Jr., of North Carolina, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Barbados, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to St. Kitts and Nevis, Saint Lucia, Antigua and Barbuda, the Commonwealth of Dominica, Grenada, and Saint Vincent and the Grenadines.

John Price, of Utah, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Mauritus, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal and Islamic Republic of the Comoros and Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Seychelles.

Charles S. Shapiro, of Georgia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Bolivarian Republic of Venezuela.

Arthur E. Dewey, of Maryland, to be an Assistant Secretary of State (Population, Refugees, and Migration).

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

Frederick W. Schieck, of Virginia, to be Deputy Administrator of the United States Agency for International Development.

Adolfo A. Franco, of Virginia, to be an Assistant Administrator of the United States Agency for International Development.

Roger P. Winter, of Maryland, to be an Assistant Administrator of the United States Agency for International Development.

PEACE CORPS

Gaddi H. Vasquez, of California, to be Director of the Peace Corps.

Josephine K. Olsen, of Maryland, to be Deputy Director of the Peace Corps.

DEPARTMENT OF JUSTICE

David Preston York, of Alabama, to be United States Attorney for the Southern District of Alabama for the term of four years.

Michael A. Battle, of New York, to be United States Attorney for the Western District of New York for a term of four years.

Dwight MacKay, of Montana, to be United States Marshal for the District of Montana for the term of four years.

Mauricio J. Tamargo, of Florida, to be Chairman of the Foreign Claims Settlement Commission of the United States for a term expiring September 30, 2003.

DEPARTMENT OF THE TREASURY

B. John Williams, Jr., of Virginia, to be Chief Counsel for the Internal Revenue Service and an Assistant General Counsel in the Department of the Treasury.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Janet Hale, of Virginia, to be an Assistant Secretary of Health and Human Services.

Joan E. Ohl, of West Virginia, to be Commissioner on Children, Youth, and Families, Department of Health and Human Services.

DEPARTMENT OF THE TREASURY

Richard Clarida, of Connecticut, to be an Assistant Secretary of the Treasury.

SOCIAL SECURITY ADMINISTRATION

James B. Lockhart, III, of Connecticut, to be Deputy Commissioner of Social Security for a term of six years.

Harold Daub, of Nebraska, to be a Member of the Social Security Advisory Board for the remainder of the term expiring September 30, 2006.

DEPARTMENT OF ENERGY

Everet Beckner, of New Mexico, to be Deputy Administrator for Defense Programs, National Nuclear Security Administration.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

FOREIGN SERVICE

PN1245 Foreign Service nominations (127) beginning Patrick C. Hughes, and ending Mason Yu, which nominations were received by the Senate and appeared in the Congressional Record of November 27, 2001.

PN1246 Foreign Service nominations (159) beginning Kathleen T. Albert, FL, and ending Sunghwan Yi, which nominations were received by the Senate and appeared in the Congressional Record of November 27, 2001.

PN1141–1 Foreign Service nominations (149) beginning Shaun Edward Donnelly, and ending Charles R. Wills, which nominations were received by the Senate and appeared in the Congressional Record of October 16, 2001.

NOMINATION OF MICHAEL SMITH

• Mr. INHOFE. Mr. President, I am pleased to stand before the Senate today to wholeheartedly endorse the nomination of Mike Smith to be the Assistant Secretary of Energy for Fossil Energy.

Mike is a red-white-and-blue American. He has an outstanding pedigree including the good common sense to come from the great State of Oklahoma. In fact, in his own words, "I was born and raised in the middle of the Oklahoma City Field and attended the only high school in the Nation with a producing oil well in the middle of the front sidewalk."

Mike then proudly donned the crimson and cream of the University of Oklahoma for 7 years while earning his undergraduate and law degrees.

Immediately thereafter, he patriotically donned Army green during the Vietnam war.

As an attorney he has represented oil and gas workers, drilling contractors, service companies, exploration firms, independents, and, ultimately, larger operators.

He knows business, too, having run a small, independent oil and gas company in central and western Oklahoma. He has served on the board of directors of the Oklahoma Independent Petroleum Association and been its president.

Moreover, Mike Smith brings to the Department of Energy an excellent background in government service. He served on the Oklahoma Energy Resources Board, a State agency, providing environmental cleanup and public education, voluntarily funded by our State's producers and royalty owners.

Mike served under the sky blue and buckskin tan flag of Oklahoma when Gov. Frank Keating appointed him to be Oklahoma's Secretary of Energy. In that capacity Mike served my State as its official representative to the Interstate Oil and Gas Compact Commission, the Interstate Mining Compact Commission, the Southern States Energy Board, and the Governors' Ethanol Coalition.

President Bush has assembled a banner group to assist him in running the Department of Energy, beginning with my friend and former colleague, Secretary Spence Abraham. Mike Smith is of the highest caliber and another true-blue selection by President Bush.

I am proud of my fellow Oklahoman. I am excited to work closely with him to develop our national energy policy, particularly to ensure adequate supplies of affordable and clean energy.

America's energy strengths derive from the rich natural bounty of our coal, our natural gas, and our oil, as well as from our blessed human ingenuity fostered by America's free market.

I am proud to testify to my fellow Americans that America's energy strengths will be handled with flying colors by the ingenuity of Oklahoman Mike Smith.•

Mr. REID. Mr. President, as the majority leader indicated earlier today, we have confirmed, I believe, 43 nominations including action on today's 2 judges. That is really a good piece of work for the week.

NOMINATIONS DISCHARGED

NOMINATION OF EDWARD KINGMAN, OF MARYLAND, TO BE ASSISTANT SECRETARY OF TREASURY AND CHIEF FINANCIAL OFFICER AT THE DEPARTMENT OF TREASURY

Mr. REID. Mr. President, I ask unanimous consent the Finance Committee be discharged from further consideration of the nomination of Edward Kingman to be Assistant Secretary of Treasury and his nomination to be Chief Financial Officer at the Department of Treasury; that the nomination be agreed to, the motion to reconsider be laid on the table; that any statements thereon be printed in the RECORD; and the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination was considered and confirmed.

NOMINATIONS OF SAMUEL T. MOK, OF MARYLAND, TO BE CHIEF FINANCIAL OFFICER FOR THE DEPARTMENT OF LABOR; JACK MARTIN, OF MICHIGAN, TO BE CHIEF FINANCIAL OFFICER FOR THE DEPARTMENT OF EDUCATION; ANDREA G. BARTHWELL, OF ILLINOIS, TO BE DEPUTY DIRECTOR FOR DEMAND REDUCTION AT THE OFFICE OF NATIONAL DRUG CONTROL POLICY; AND EVE SLATER, OF NEW JERSEY, TO BE ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES

Mr. REID. Mr. President, I ask unanimous consent the HELP Committee be discharged from further consideration of the following nominations: Samuel T. Mok to be Chief Financial Officer for the Department of Labor; Jack Martin to be Chief Financial Officer for the Department of Education; Andrea G. Barthwell to be Deputy Director for Demand Reduction at the Office of National Drug Control Policy; and Eve Slater to be Assistant Secretary of Health and Human Services; that the nominations be confirmed, the motions to reconsider be laid on the table, any statements thereon be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were considered and confirmed.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

ORDERS FOR MONDAY, JANUARY 28, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 3 p.m. on Monday, January 28; that following the prayer and pledge the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of H.R. 622.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Mr. President, there will be no rollcall votes on Monday. Any rollcall votes will occur on Tuesday. That time will be established on Monday.

ADJOURNMENT UNTIL MONDAY, JANUARY 28, 2002, AT 3 P.M.

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 2:49 p.m., adjourned until Monday, January 28, 2002, at 3 p.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 25, 2002:

SMALL BUSINESS ADMINISTRATION

THOMAS M. SULLIVAN, OF MASSACHUSETTS, TO BE CHIEF COUNSEL FOR ADVOCACY, SMALL BUSINESS ADMINISTRATION.

DEPARTMENT OF STATE

CHRISTOPHER BANCROFT BURNHAM, OF CONNECTICUT, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF STATE.

CHRISTOPHER BANCROFT BURNHAM, OF CONNECTICUT, TO BE AN ASSISTANT SECRETARY OF STATE (RESOURCE MANAGEMENT).

DEPARTMENT OF THE INTERIOR

HAROLD CRAIG MANSON, OF CALIFORNIA, TO BE ASSISTANT SECRETARY FOR FISH AND WILDLIFE.

DEPARTMENT OF ENERGY

MICHAEL SMITH, OF OKLAHOMA, TO BE AN ASSISTANT SECRETARY OF ENERGY (FOSSIL ENERGY).

BEVERLY COOK, OF IDAHO, TO BE AN ASSISTANT SECRETARY OF ENERGY (ENVIRONMENT, SAFETY AND HEALTH).

DEPARTMENT OF THE INTERIOR

REBECCA W. WATSON, OF MONTANA, TO BE AN ASSISTANT SECRETARY OF THE INTERIOR.

JEFFREY D. JARRETT, OF PENNSYLVANIA, TO BE DIRECTOR OF THE OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT.

DEPARTMENT OF STATE

WILLIAM R. BROWNFIELD, OF TEXAS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CHILE.

JOHN V. HANFORD III, OF VIRGINIA, TO BE AMBASSADOR AT LARGE FOR INTERNATIONAL RELIGIOUS FREEDOM.

DONNA JEAN HRINAK, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERATIVE REPUBLIC OF BRAZIL.

JAMES DAVID MCGEE, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF SWAZILAND.

KENNETH P. MOOREFIELD, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE DEMOCRATIC REPUBLIC OF SAO TOME AND PRINCIPE.

KENNETH P. MOOREFIELD, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE GABONESE REPUBLIC.

JOHN D. ONG, OF OHIO, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO NORWAY.

EARL NORFLEET PHILLIPS, JR., OF NORTH CAROLINA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO BARBADOS, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ST. KITTS AND NEVIS, SAINT LUCIA, ANTIGUA AND BARBUDA, THE COMMONWEALTH OF DOMINICA, GRENADA, AND SAINT VINCENT AND THE GRENADINES.

JOHN PRICE, OF UTAH, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MAURITIUS, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERAL AND ISLAMIC REPUBLIC OF THE COMOROS AND AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SEYCHELLES.

CHARLES S. SHAPIRO, OF GEORGIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE BOLIVARIAN REPUBLIC OF VENEZUELA.

ARTHUR E. DEWEY, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF STATE (POPULATION, REFUGEES, AND MIGRATION).

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

FREDERICK W. SCHIECK, OF VIRGINIA, TO BE DEPUTY ADMINISTRATOR OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.

ADOLFO A. FRANCO, OF VIRGINIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.

ROGER P. WINTER, OF MARYLAND, TO BE AN ASSISTANT ADMINISTRATOR OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT.

PEACE CORPS

GADDI H. VASQUEZ, OF CALIFORNIA, TO BE DIRECTOR OF THE PEACE CORPS.

JOSEPHINE K. OLSEN, OF MARYLAND, TO BE DEPUTY DIRECTOR OF THE PEACE CORPS.

DEPARTMENT OF THE TREASURY

B. JOHN WILLIAMS, JR., OF VIRGINIA, TO BE CHIEF COUNSEL FOR THE INTERNAL REVENUE SERVICE AND AN ASSISTANT GENERAL COUNSEL IN THE DEPARTMENT OF THE TREASURY.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

JANET HALE, OF VIRGINIA, TO BE ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES.

JOAN E., OHL, OF WEST VIRGINIA, TO BE COMMISSIONER ON CHILDREN, YOUTH, AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES.

DEPARTMENT OF THE TREASURY

RICHARD CLARIDA, OF CONNECTICUT, TO BE AN ASSISTANT SECRETARY OF THE TREASURY.

SOCIAL SECURITY ADMINISTRATION

JAMES B. LOCKHART, III, OF CONNECTICUT, TO BE DEPUTY COMMISSIONER OF SOCIAL SECURITY FOR A TERM OF SIX YEARS.

HAROLD DAUB, OF NEBRASKA, TO BE A MEMBER OF THE SOCIAL SECURITY ADVISORY BOARD FOR THE REMAINDER OF THE TERM EXPIRING SEPTEMBER 30, 2006.

DEPARTMENT OF ENERGY

EVERET BECKNER, OF NEW MEXICO, TO BE DEPUTY ADMINISTRATOR FOR DEFENSE PROGRAMS, NATIONAL NUCLEAR SECURITY ADMINISTRATION.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

DEPARTMENT OF EDUCATION

JACK MARTIN, OF MICHIGAN, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF EDUCATION.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

EVE SLATER, OF NEW JERSEY, TO BE AN ASSISTANT SECRETARY OF HEALTH AND HUMAN SERVICES.

DEPARTMENT OF LABOR

SAMUEL T. MOK, OF MARYLAND, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF LABOR.

DEPARTMENT OF THE TREASURY

EDWARD KINGMAN, JR., OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF THE TREASURY.

EDWARD KINGMAN, JR., OF MARYLAND, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF THE TREASURY.

EXECUTIVE OFFICE OF THE PRESIDENT

ANDREA G. BARTHWELL, OF ILLINOIS, TO BE DEPUTY DIRECTOR FOR DEMAND REDUCTION, OFFICE OF NATIONAL DRUG CONTROL POLICY.

THE JUDICIARY

MARCIA S. KRIEGER, OF COLORADO, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF COLORADO.

JAMES C. MAHAN, OF NEVADA, TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEVADA.

DEPARTMENT OF JUSTICE

DAVID PRESTON YORK, OF ALABAMA, TO BE UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF ALABAMA FOR THE TERM OF FOUR YEARS.

MICHAEL A. BATTLE, OF NEW YORK, TO BE UNITED STATES ATTORNEY FOR THE WESTERN DISTRICT OF NEW YORK FOR A TERM OF FOUR YEARS.

DWIGHT MACKAY, OF MONTANA, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF MONTANA FOR THE TERM OF FOUR YEARS.

MAURICIO J. TAMARGO, OF FLORIDA, TO BE CHAIRMAN OF THE FOREIGN CLAIMS SETTLEMENT COMMISSION OF THE UNITED STATES FOR A TERM EXPIRING SEPTEMBER 30, 2003.

FOREIGN SERVICE NOMINATIONS BEGINNING SHAUN EDWARD DONNELLY AND ENDING CHARLES R. WILLS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 16, 2001.

FOREIGN SERVICE NOMINATIONS BEGINNING PATRICK C. HUGHES AND ENDING MASON YU, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 27, 2001.

FOREIGN SERVICE NOMINATIONS BEGINNING KATHLEEN T. ALBERT FL AND ENDING SUNGHWAN YI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON NOVEMBER 27, 2001.

EXTENSIONS OF REMARKS

IN HONOR OF KEN "RAY" SMITH

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Mr. MENENDEZ. Mr. Speaker, I rise today to honor and acknowledge the many accomplishments of Ken "Ray" Smith, who was recognized by the Richard A. Rutkowski Association at a gala on Saturday, January 19, 2002. The event took place at Hi-Hat Caterers in Bayonne, New Jersey.

After spending three years as a Guided Missile Technician in the United States Army, Mr. Smith was in charge of negotiations, administration and investment of funds as union Secretary-Treasurer for Dorchester, Inc. For the past eleven years, he has worked for the Bayonne Board of Education and the Bayonne Department of Parks and Recreation. He was also president of the School Employee's Local 2251 for four years.

As the founder and leader of Bayonne Friends of the Handicapped, Smith worked on behalf of disabled people and was honored with the prestigious Al Slootsky Award.

He made meaningful contributions through a variety of organizations known for their services to the community, including the Bayonne Elks Club; Ireland's 32; The Bayonne Writer's Club; and the Richard A. Rutkowski Association.

A Bayonne native, Ken "Ray" Smith graduated from Horace Mann High School, and attended New Jersey City University.

Today, I ask my colleagues to join me in honoring Ken "Ray" Smith for his countless contributions on behalf of our community and disabled individuals throughout our country.

2001 GILROY CHAMBER OF COMMERCE CITIZEN AND BUSINESS AWARDEES

HON. ZOE LOFGREN

OF CALIFORNIA

HON. MICHAEL M. HONDA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Ms. LOFGREN. Mr. Speaker, today we rise to recognize the recipients of the 2001 Gilroy Chamber of Commerce Citizen and Business Awards. The six individuals and businesses being honored on February 8 have contributed their time and talent to the city and the people of Gilroy, California. We wish to express to them our gratitude for their hard work and our congratulations for this honor. The 2001 Gilroy Chamber of Commerce Citizen and Business Awardees are:

Michael Bonfante, the 2001 Man of the Year. As owner of Nob Hill Stores, Mr. Bonfante was extremely supportive of Gilroy schools, clubs, sports groups and community organizations. It was said that he could never say "no" to any group asking for help. Students working in his stores knew that their managers would be sensitive to the pressures of school and activities; a corporate retreat on Hecker Pass made game fields, picnic areas, and a gym available to all employees. After the sale of the Nob Hill Foods chain, Michael Bonfante invested $79 million into his dream of creating a family park designed around trees, which ultimately became the basis for a non-profit organization benefiting the Gilroy community.

Susan Starritt Jacobsen, the 2001 Woman of the Year. Ms. Jacobsen has been active in Gilroy for over 25 years and on so many levels it is difficult to list them all. She was the 2000–2001 Gilroy EDC President and served as the Secretary-Treasury for three years. As the 1999–2000 Gilroy Chamber of Commerce President, she was serving her second term as Board Member of the Chamber. In a professional capacity, she is a Past President of the South County Board of Realtors and the Past State Director for the California Association of Realtors. For 20 years visitors have seen her at the Gilroy Garlic Festival, helping out in one way or another, and Gilroy schools and organizations know they can always count on her to volunteer her time for a fundraiser or event.

Aitken Associates, the 2001 Small Business of the Year. Aitken Associates is a local landscape design firm that has created beautiful and award-winning designs throughout Gilroy and other communities. Karen Aitken, the President, has been in private practice as a landscape architect for over 18 years. Among Aitken Associates' endeavors are: the public grounds at Goldsmith Seeds, Del Rey Park, and the Gilroy City Hall. One of Ms. Aitken's most notable projects is the Bonfante Gardens theme park, whose founder Michael Bonfante praises Ms. Aitken's devotion and creativity. Civic activity is one of Aitken Associates' founding principles; as such, the firm has donated its services to the Gilroy High School landscape improvement plan, the Willey House and the student gardens at the Morgan Hill Country School. Karen Aitken is active in the Rotary Club of Gilroy and the Beautification in Gilroy Committee.

McDonald's of Gilroy, the 2001 Large Business of the Year. McDonald's of Gilroy, purchased by Steve and Jan Peat just over five and a half years ago, has become an integral part of the Gilroy community and an example of civic excellence. The Peats are the recipients of the 1999–2000 McDonald's "Partners in Paradise" award for increased sales and the 1998 McDonald's Corporation "Best of the West" award for excellence at the Outlet location. The Peat's son, Steve, is one of only four people who teach McDonald's management classes in Spanish for the entire Northern California Region—a program he helped initiate. Among countless other activities, the Peats' assistance was vital in securing a $5,000 grant from the Ronald McDonald Children's House Charities Foundation for Jordan School's "Music Alive" program, and a $25,000 grant for the recreation center at Rebekah Children's Services.

Frankie Munoz, the 2001 Firman B. Voorhies Volunteer of the Year. Because of her dedication to and support of the Gilroy Chamber of Commerce, Frankie Munoz was named the 2001 Volunteer of the Year. For many years, Ms. Munoz has served as a Chamber Ambassador, chairing the South Valley Business Showcase and Mixer, and co-chairing the Business After Hours with the Rotary Club of Gilroy. Frankie Munoz is the incoming president of Leadership Gilroy, and is also active in the Rotacare Administrative Council, the Gilroy Senior Center, the Morgan Hill Mushroom Mardi Gras, and various other charitable organizations. Ms. Munoz is a tireless volunteer for her children's schools, sports and 4–H clubs.

Betsy Henry, the 2001 Gilroy Educator of the Year. Betsy Henry is a first grade teacher at El Roble School in Gilroy. Along with first grade, Ms. Henry has taught Special Education classes, third grade, and second/third combination classes. She has organized several programs within her classroom including the Star of the Week program, the 100% Spelling Club, Just Read, and Peacebuilders of the Month. Her use of cooperative learning activities and Peacebuilder social norms within her classroom creates an atmosphere that promotes each individual child's belief in themselves. Additionally, Ms. Henry is the on-site trainer for "Success For All" reading program at El Roble School. She has served on Key Planners, as the PTA teacher representative, and School Site Council.

Again, we wish to extend our gratitude to these individuals and organizations for their tireless enthusiasm and dedication. Congratulations to them on this prestigious award.

IN HONOR OF AGNES M. GILLESPIE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Mr. MENENDEZ. Mr. Speaker, I rise today to honor and acknowledge the many accomplishments of Agnes M. Gillespie, who was recognized by the Richard A. Rutkowski Association on Saturday, January 19, 2002. The gala event took place at Hi-Hat Caterers in Bayonne, NJ.

In 1973, Agnes M. Gillespie began her career as an elementary school teacher in the Horace Mann and Walter F. Robinson Schools. In September 1987, she assumed

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the position of grant writer for the Bayonne Public School System. As a grant writer, she secured awards for Safe Haven, Project Fare, Project Rite, and Project Self-Sufficient. Not only did she write and promote the applications for grant programs, but Gillespie also served as the director and coordinator in the administration and implementation of many of these programs. Currently, Gillespie is the Director of Safe Haven, the New Jersey school-based Youth Services Program, and the Teen Center.

Gillespie has actively participated in various community service-related activities; including: President of the Bayonne Child Abuse Council; member of the Bayonne Mayor's Council on Drugs and Alcohol; Bayonne Planning Board; Bayonne Municipal Alliance; Bayonne Hospital Foundation-Management Services Organization; Parish Council; City of Bayonne WTC Memorial Committee; Ireland's 32 Board of Trustees; Bayonne Municipal Election Candidate in 1994; and Chairperson-Holy Family Academy "Phon-a-thon" in 1992.

She attended Caldwell College, Kean College, New Jersey City University, and Harvard Graduate School of Education.

Today, I ask my colleagues to join me in honoring Agnes M. Gillespie for 30 years of dedicated service on behalf of children and young adults in Bayonne, NJ.

ESTABLISHING FIXED INTEREST RATES FOR STUDENT AND PARENT BORROWERS

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Mrs. MINK of Hawaii. Mr. Speaker, I rise today in support of S. 1762, which will provide students with low interest rates on Federal student loans, while preserving the health of the student loan industry by ensuring the current and future participation of lenders in this market. By helping lenders stay in the student loan markets, we are making sure that qualified students will have access to higher education, regardless of their financial background.

S. 1762 represents a compromise between those representing students, and those representing the lending industry. This compromise essentially fixes a problem that would have arisen in 2003 in the student loan interest rate formula that, according to the lending community, would have dried up resources for students needing funds for college by potentially reducing returns for such loans below the cost of issuing such loans. S. 1762 preserves the current interest rate formula that determines how much lenders receive from the Federal government, while locking in very low interest rates for students. I applaud the representatives of students and lenders for working together on a difficult, complex issue, to find a solution that keeps loans available and affordable for disadvantaged students.

The formula will change in 2006 so that the interest rate students pay will be fixed at 6.8 percent, which is an historically low interest rate for students, and will eliminate confusion among borrowers of student loans regarding shifting interest rates and formulas. With the changes in S. 1762, students benefit by getting guaranteed low interest rates, and by having the availability of funds for loans, and the stability of the student loan industry, ensured.

For low-income students especially, student loans represent a life-line to a college degree that is often beyond the reach of a family's resources, grants and scholarships. Student loans help bridge a gap for low-income students and provides them the same opportunities to earn a living commensurate with their abilities.

Mr. Speaker, S. 1762 is a good bill and is crucial for ensuring the availability of funds for qualified students to go to college. As we know, more and more students are going to college these days, and more are doing so with the help of student loans. And higher education is a smart investment, especially for low-income students, with earnings from a bachelor's degree far exceeding earnings from only a high school degree. S. 1762 will mean that more students, especially more low-income students, can go on to college and will be more able to participate in the 21st century economy, and I strongly support it.

IN HONOR OF BISHOP DONALD HILLIARD, JR.

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Mr. MENENDEZ. Mr. Speaker, I rise today to honor and acknowledge the many accomplishments of Bishop Donald Hilliard, Jr., Senior Pastor of the Historic Second Baptist Church in Perth Amboy, New Jersey. He will be honored for his 25 years in the ministry on Friday, January 25, 2002, at the Hyatt Hotel in New Brunswick, New Jersey.

Under his innovative leadership, Second Baptist Church's congregation blossomed from 125 to over 4,500 members. This fast-growing ministry has expanded to three locations of worship: the Cathedral Second Baptist Church, Perth Amboy, New Jersey; the Cathedral Assembly by the Shore in Asbury Park, New Jersey; and the Cathedral in the Fields in Plainfield, New Jersey. Over fifty churches are currently ministering to the unique needs of these communities, as well as to the congregants who travel from New Jersey, Pennsylvania, and New York to attend services.

Dr. Hilliard is the founder and CEO of the Cathedral Community Development Corporation (CCDC). This organization services the community through it's Joy in the City Child Development Center and The Timothy House, a resource for men recovering from situations of homelessness and/or addiction. The Corporation functions out of the Cathedral Community Cornerstone Complex, which, through its new Kaleidoscope Economic Empowerment and Human Development Complex, offers economic empowerment opportunities, a rehabilitation room to serve prostitutes and HIV positive individuals, and will house an outreach center for the homeless.

Bishop Hilliard holds a Bachelor of Arts degree from Eastern College, St. Davids, Pennsylvania, a Master of Divinity degree from Princeton Theological Seminary, and a Doctorate of Ministry degree from the United Theological Seminary, Dayton, Ohio, as a Dr. Samuel D. Proctor Fellow.

Dr. Hilliard is married to Minister Phyllis Thompson Hilliard, and is the proud father of three daughters, Leah Joy Alease, Charisma Joy Denise and Destiny Joy Thema.

Today, I ask my colleagues to join me in honoring Bishop Donald Hilliard, Jr., on his 25th anniversary in the ministry and for his many contributions on behalf of the residents of New Jersey.

A GREAT TIME TO BE AN AMERICAN

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Mrs. MORELLA. Mr. Speaker, in the wake of the horrific terrorist attacks of September 11, 2001, our Nation has joined together, united in our solemn resolve to defend freedom and liberty. As we continue to move forward following that tragic morning, I would like to insert in the RECORD a recent column from The Wilmington News-Journal by Beth Peck. I believe her inspiring words are appropriate and important during these times.

[From the Wilmington News-Journal, Jan. 5, 2002]

AFTER DARK YEAR, WE SEE AMERICA IN NEW LIGHT

(By Beth Peck)

For the first time in my life, I belong to the American mainstream. I am part of what until now has been something of an underground group in America: the quietly patriotic. Until Sept. 11, we were considered quaint at best, or absurd at worst.

It certainly wasn't cool to talk about our love of country, our belief that America is the best nation on the planet, and our feeling of gratitude that luck or providence made us citizens. It has been 60 years since Americans last came together as cohesively as today.

I was too young to conceptualize the mainstream during the late '60s and '70s, when "flower power" gave way to the "me generation." I didn't pay much attention to the mainstream during the '80s, when style overpowered substance and greed was good. And I didn't particularly relate to the mainstream during the '90s, when the acquisitive focus of a decade-long economic expansion finally burst with the Internet bubble.

But now, events have converged to give legitimacy to what I've known all along: that we are truly fortunate to be Americans.

For all of my 35 years, I have waited for this moment. This is a time when Americans are united in a reverence and appreciation of the society we created and the liberty we enjoy.

What American can look at Afghanistan, with it repressive, state-sponsored version of Islam, and not rejoice at our First Amendment privilege to practice any (or no) religion we choose without molestation or interference? What American can look at Iraq, with its heavily censored, state-controlled media, and not give thanks for our freedom of speech?

We don't have to look too far back to realize that it wasn't always this way. During travels in Canada this summer, I was struck by the number of flags I saw flying on homes. Why don't we do that here, I wondered. Why are the only American flags to be found flying over car dealerships?

That's no longer true.

Back in the United States just days before Sept. 11, I spontaneously burst into "America the Beautiful" while standing on a trail overlooking Yellowstone Lake. The sunset had given the mountains ringing the lake an extraordinary amethyst hue, and I could not resist singing, "O beautiful, for spacious skies, for amber waves of grain, for purple mountain majesties, above the fruited plain!"

Others on the trail simply stared at me.

Not any more.

Today Americans don't take for granted the privileges they share. The terrorists who rained fire on Manhattan and the Pentagon reminded us that Americans have a duty to defend that freedom which puts our country in a class by itself.

This is a lesson I learned long ago as the daughter of an Army captain, who served during the Vietnam war, and as a granddaughter of another captain who served during World War II.

Growing up in a suburb of Washington, DC, I had ample opportunity to marvel at the workings of our government. I gazed upon the Declaration of Independence and the Constitution on display at the National Archives. I witnessed debates in the Senate chamber, I attended oral arguments at the Supreme Court. My direct observations showed me how well our democracy functions.

Having seen firsthand what life is like elsewhere, I have been convinced for years that despite its faults America is the greatest country in the world. Episodes such as being shaken down by police in Eastern Europe soon after the fall of the Iron Curtain made me realize how exceptional it is to have law enforcement that is largely corruption-free.

Being ignored or elbowed aside in Asian countries because I am a woman made me appreciate how much America values all its citizens, not just a select few from an anointed demographic group. Seeing the nervous reaction of a guide when I asked him a question about his government's repressive policies made me understand how precious our political freedom is.

Life in America is not perfect. But for the bulk of Americans, it is better here than it would be anywhere else.

And now I know I am not alone in my pride for my country. Patriotism is in fashion. "United we stand" is the slogan of the moment. There is a renewed understanding that freedom doesn't come for free; it must be zealously guarded from those who would try to take it away. For people like me who truly love America, this is our moment in the sun.

It's ironic: An action designed to terrorize Americans by demolishing our national symbols, because enemies think we're weak and soft, has instead reawakened our slumbering belief in this country's goodness. Whatever our differences were before Sept. 11, Americans have closed ranks to defend ourselves against an insidious danger that exploits freedom in order to destroy it.

So despite, or perhaps because of, the events of Sept. 11, this is a great time to be an American. Why? Because now everybody else realizes how great it is to be an American.

IN HONOR OF DEPUTY CHIEF OF POLICE PATRICK M. MINUTILLO

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Mr. MENENDEZ. Mr. Speaker, I rise today to honor Deputy Chief of Police Patrick M. Minutillo on his retirement from the Harrison Police Department after 29 years of serving and protecting the public. He will be recognized Friday, January 25, at a celebration at Ravello's Restaurant in East Hanover, New Jersey.

After serving four years with the United States Navy, Deputy Chief Patrick Minutillo began his law enforcement career. He climbed quickly through the ranks becoming Deputy Chief of the Harrison Police Department in 1997.

Currently, Deputy Chief Minutillo volunteers as an instructor in the West Point Command and Leadership Program, and serves as an Adjunct Professor at the Public Administration Institute of Farleigh Dickinson University. An Administrative Hearing Officer, he also serves on both county and municipal levels in the State of New Jersey.

Deputy Chief Minutillo is active in numerous organizations, including the International Association of Chiefs' of Police; the Deputy Chiefs' of Police Association of New Jersey, where he served as President in 2000 and 2001; the FBI Law Enforcement Executive Development Association; the Italian American Police Society of New Jersey, where he serves as Executive Secretary; the International Police Association, where he holds the position of Vice-President; the American Society of Industrial Security, where he serves on the Law Enforcement Awards Committees; and the Harrison Police Association, Local 22.

Deputy Chief Minutillo holds a certificate in Public Management, Bachelor's Degree in Criminal Justice, and a Masters Degree in Administrative Science. He is a graduate of numerous executive level law enforcement programs, including the West Point Command and Leadership Program and the F.B.I. Law Enforcement Executive Development Seminar. In addition to his studies, he has completed over 2000 hours of advanced management and operational training.

Today, I ask my colleagues to join me in honoring Deputy Chief of Police Patrick M. Minutillo for 29 years of outstanding and dedicated service to the citizens of Harrison, New Jersey.

TRIBUTE TO JOSEPH "AJ" MINTON

HON. ZOE LOFGREN

OF CALIFORNIA

HON. MICHAEL M. HONDA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Ms. LOFGREN. Mr. Speaker, today we rise to congratulate Milpitas Police Department Officer Joseph "AJ" Minton, the winner of the 2002 Gene Schwab Memorial Award. The Gene Schwab Memorial Award recognizes those city of Milpitas employees who put "Service Above Self."

Joseph "AJ" Minton was born in Anchorage, Alaska, and moved to California in 1983 to attend college, first at Montery Peninsula College and then San Jose State, where he obtained a Bachelor of Science degree in Administration of Justice. Mr. Minton began his career as a volunteer police Explorer for the City of Marina, becoming a Reserve Police Officer and a volunteer Fire Fighter for that city in 1984. Upon moving to San Jose, he began working with the Milpitas Police Department as an intern and was hired full-time by the Department upon his graduation. He became a Police officer in 1989.

AJ Minton has spent most of his career in Patrol, but has served the Milpitas Police Department in innumerable other ways. As a crime analyst, Mr. Minton provided valuable statistics to the community and to those looking to purchase a home and raise their families in Milpitas. He has also served as a Reserve Field Training Officer, a driver instructor, and as the agency representative for the county Report Writing Committee. Currently, he is a member of the Milpitas community Oriented Policing Task Force.

Throughout Mr. Minton's career, he has taken an interest in computer and information technology. In 1994, he assisted in implementing the department's first mobile computer system. Since 1999, he has been on a project team that works closely with the Information Services Department; additionally, he assisted with the development of the Computer Aided Dispatch, the Records Management System, and Mobile Computers.

Joseph "AJ" Minton is also an avid ice hockey player and is the beloved coach of the Blue Devil ice hockey team, whose enthusiastic members range in age from four to eight. We wish to thank AJ Minton for his dedication to both the Milpitas Police Department and to the community; he truly embodies the spirit of "Service Above Self." We congratulate him on this honor and are grateful for his service.

IN HONOR OF BAYONNE FIRE DIRECTOR PATRICK BOYLE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Mr. MENENDEZ. Mr. Speaker, I rise today to honor Bayonne Fire Director Patrick Boyle, who will be recognized by Ireland's 32 Club at the 2002 annual dinner dance held on Friday, January 25th, at the Hi-Hat Club in Bayonne, NJ.

Fire Director Patrick Boyle served our country for six years as a United States Navy nuclear reactor operator on the USS *Nathaniel Greene*, a nuclear ballistic submarine. In 1978, Mr. Boyle was appointed to the Bayonne Fire Department. He was promoted to Lieutenant in 1989, Captain in 1996, and Battalion Chief in 1999. Mayor Joseph V. Doria, Jr., appointed him Fire Director in 1998, and Emergency

Management Coordinator in 1999. Mr. Boyle has served as President and Vice-President of the Firemen's Mutual Benevolent Association (FMBA) Local 211, as well as Vice-President of FMBA Local 11. He is an Adjunct Professor in Business Law and Fire Science at New Jersey City University.

Mr. Boyle is a former Little League coach and manager; served two terms as President of the Bayonne Youth Hockey Association; served as a member of the Bayonne St. Patrick's Day parade committee; and is a member of Ireland's 32.

Fire Director Patrick Boyle, a native of Bayonne, graduated from New Jersey City University and Seton Hall Law School.

Mr. Boyle is happily married to the former Marie Mazzucola and is a proud father of two sons, Sean, a firefighter with the Bayonne Fire Department, and Ryan, a college student.

Today, I ask my colleagues to join me in honoring Mr. Patrick Boyle for over 20 years of dedicated service on behalf of the residents of Bayonne, NJ.

IN HONOR OF FRANCISCO AND HORTENSIA CANONICO

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize Francisco and Hortensia Canonico, who were honored by the North Hudson Board of Realtors Friday, January 18th, for their exceptional contributions to New Jersey's real estate industry.

Mr. Canonico entered the real estate industry in 1967, and became a licensed real estate broker in 1972. That same year, he opened his own business, Canonico Real Estate, on 1010 Summit Avenue in Union City, New Jersey.

As an innovative real estate broker, he became the President of the Hudson County Multiple Listing Service in 1979. He was President of the Hudson County Board of Realtors in 1984, when he was recognized as Realtor of the Year. In 1984, Mr. Canonico also served on the Committee to Make America Better, and was recognized again as Realtor of the Year in 1996.

In 1977, Mrs. Canonico became the first Latina licensed real estate broker in Hudson County. She was recognized in the Million Dollars Sales Club from 1996 through 2000.

Both Francisco and Hortensia Canonico have been avid fund-raisers for the American Cancer Society and Lung Association.

Mr. Speaker, I ask my colleagues to join me in congratulating husband and wife, Francisco and Hortensia Canonico, for their positive contributions to Hudson County as successful real estate brokers and innovative entrepreneurs.

ON FEDERALIZING SECURITY AT NUCLEAR POWER PLANTS

HON. WILLIAM D. DELAHUNT

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Mr. DELAHUNT. Mr. Speaker, I rise to inform my colleagues that I have requested that the General Accounting Office undertake a study of questions relating to the feasibility of federalizing security at nuclear power plants nationwide.

As Congress examines ways to protect critical infrastructure in the wake of September 11, the vulnerability of commercial nuclear reactors has become increasingly evident. Even before then, the potential hazards associated with nuclear power have long required special vigilance; and the terrorist attack obviously elevates the gravity and urgency of security concerns. All of us who represent areas with commercial nuclear facilities share an urgent concern for safeguarding residents who live in close proximity to the 103 facilities across the country.

Most Americans understand that we can't completely insulate the nation—and every person and property in it—from attack by suicidal terrorists. Nearly everyone appreciates the complexities and expense involved, and grasps the need to balance security precautions with civil liberties and economic impact. But the fact remains that there is no more fundamental responsibility of government than homeland defense, and that addressing vulnerabilities—including those associated with nuclear plants—are essential.

The Nuclear Regulatory Commission (NRC) has acknowledged that the nation's commercial reactors were not designed to withstand the type of attack carried out against the World Trade Towers. In light of this new potential threat and in the context of analogous legislation relating to airport safeguards, it seems to me self-evident that we explore the prospect of a federal security force charged with protecting nuclear plants.

Within hours of the September attacks, security at nuclear plants went on high alert. In my own congressional district, the Pilgrim facility took significant new precautions against potential threats to perimeter security from both the ground and the water. Although the immediate response was sound, I remain concerned about long-term protection of the plant. The NRC is presumably consulting with the new office of Homeland Security and various other federal agencies on coordinated efforts to buttress nuclear safeguards; however, its approach seems focused on existing protocols rather than new methods. Even as legislation to federalize airport screening regimes was signed into law, however, the equivalent discussion of a federal nuclear plant security force has received only scant attention.

Historically, it appears the NRC has not moved aggressively to explore the potential authority for federalization under existing statute, much less for administrative or legislative initiatives to create a federal presence. Correspondence with my office over the last four months suggests the NRC is not inclined to examine section 102 of the Atomic Energy Act, which could offer relevant authority. The agency rationale is that "the Commission is confident that substantial protection is being provided to plants."

Perhaps that reluctance derives from a substantive disagreement about the need even to review a federal approach. In written remarks to a Senate colleague, the NRC Chairman stated last month that "there have been no failures in nuclear plant security of the type that would warrant the creation of a new federal security force" and warned that, by federalizing security, the government would incur an exorbitant cost "all to address a non-existent problem".

I seek neither to raise undue alarm nor to condemn the current security protocol. However, in a series of meetings since September 11 with local, state and federal officials about public health and safety in the dozens of communities near the Pilgrim plant, one of the most recurring and compelling themes has been the need for serious and thorough consideration of a federal force.

The consequences of getting this wrong are unthinkable. It seems to me that an independent examination of a number of technical and financial issues by the GAO would be invaluable. Accordingly, I wrote today to the Comptroller General to ask the GAO to:

1. Review current federal guidelines and protocols for safeguarding nuclear plants from the air (including through the use of no-fly zones); through perimeter ground security measures; and through coastal security measures;

2. Examine the jurisdictional issues and administrative obstacles to transferring responsibility for security from plant owners to the federal government; and

3. Analyze the cost of federalizing security—including initial training, upkeep, and long-term protection.

I have no presuppositions about the outcome of such a study, or about the policy debate it could help inform. However, I remain deeply concerned about the consequences of failing to explore these issues on an expedited basis.

IN HONOR OF JOANNE CARINE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Mr. MENENDEZ. Mr. Speaker, I rise today to honor the many accomplishments of Joanne Carine, who will be recognized Friday, January 25, at Ireland's 32d annual dinner dance to be held at the Hi-Hat Club in Bayonne, NJ.

A Bayonne native, Joanne Carine has been employed with the Board of Education since 1978, and is currently a secretary for the Superintendent of Schools.

She serves on the Executive Board of the St. Dominic Academy Mother's Club; the Holy Family Academy Mother's Club; and is a Trustee and Secretary for the Simpson Barber Foundation for the Autistic, an organization that educates about autism and provides social and educational opportunities for children with autism. In addition, she is a trustee of the Bayonne Environmental Commission.

Mrs. Carine was a member of the 1998 Bayonne Municipal Inaugural Committee; a member of the Bayonne Youth Soccer Association, Travel Parent's Board; and a Corresponding Secretary for the Friends of Nicholas Capodice Association, serving as Chairperson for the organization's 2000 annual brunch. In 1977, Joanne was selected the first recipient of the Miss Bayonne Columbus Award.

Mrs. Joanne Carine is married to Frank Carine, Jr., and has two daughters, Jenna and Jerilyn.

Today, I ask my colleagues to join me in honoring Mrs. Joanne Carine for her positive influence and hard work on behalf of New Jersey's education system.

REAFFIRMING THE SPECIAL RELATIONSHIP BETWEEN THE UNITED STATES AND THE REPUBLIC OF THE PHILIPPINES

SPEECH OF

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 18, 2001

Mrs. MINK of Hawaii. Mr. Speaker, I rise in strong support of H. Con. Res. 273, reaffirming the special relationship between the U.S. and the Republic of the Philippines.

The Philippine government has committed government troops and vast resources towards tracking down and arresting terrorist organizations, most notably the Abu Sayaff, the separatist group that is linked to the al Queda network and Osama bin Laden. Abu Sayaff has repeatedly kidnapped foreigners for ransom, including numerous Americans, one of whom, Guillermo Sobero, was murdered. Americans Martin and Gracia Burnham remain captives of this terrorist group that continues to terrify many islands in the southern area of the archipelago.

Although an extension of the U.S.-Philippines Mutual Defense Agreement was rejected by the Philippine Senate in 1991, prompting the U.S. to withdraw our troops from the country, the Philippines and the U.S. forged a new agreement in 1999 to revive the agreement. The new agreement allows U.S. military personnel to enter the Philippines for joint training and other cooperative activities. Moreover, the agreement re-institutes U.S. military aid programs to the Philippines.

The agreement is proving very beneficial in the U.S. struggle against terrorism. The Philippine government has made all of its military bases available to the U.S. for transporting, refueling, and re-suppyling troops headed toward Afghanistan. The U.S. has also made good on our commitment to eradicate terrorism within the borders of our allies by providing the Philippines with military advisors and other military assistance to defeat terrorists in the Philippines.

The U.S. and the Philippines have a strong and special relationship. This relationship encompasses more than military and economic assistance. It includes an intimate diplomatic relationship dating back over 100 years.

Filipinos were a free people until the Spanish claimed the island nation in 1521. Despite numerous uprisings and resistance movements, Spain maintained its control over the Philippines until 1898.

In 1898 the American Navy defeated the Spanish fleet in Manila Bay and subsequently began its occupation of the Philippines. Emilio Aguinaldo, who had led a resistance movement against the Spanish, battled the U.S. when it became clear that America had no interest in granting independence to the island nation. After a two year struggle, the U.S. captured Emilio Aguinaldo. He agreed to swear allegiance to the U.S., and without its leader, the revolutionary effort to gain independence quickly came to an end in 1902.

At the end of the Philippine-American War, the U.S. declared its goal to develop a free and democratic government. The U.S. began by creating a public education system and a fair legal system. In 1907 the Philippines established its first bicameral semi-autonomous legislature, structured like the American federal government.

From 1907 to 1946, a Resident Commissioner represented the Philippines in the U.S. Congress. They had no vote and were not allowed to serve on standing committees, but were able to participate in debate on the House floor. The Philippines became fully independent in 1946, at which time the office of the Resident Commissioner was abolished.

The 1935 Tydings-McDuffie Act outlined the terms for establishing a fully independent nation. Filipinos began the ten-year transition period to independence by framing a constitution modeled after the American Constitution.

The outbreak of World War II and the subsequent Japanese occupation of the Philippines temporarily suspended Filipino dreams for independence.

During World War II, the U.S. treated Filipinos as "noncitizen nationals." It gave them some right to self governance, but the U.S. federal government reserved the final say over the Philippine government's decisions.

Nearly 200,000 Filipinos responded to President Roosevelt's call to arms. From 1941 to 1945, Filipino soldiers fought alongside American soldiers. They responded without hesitation to defend their homeland and because they were a part of the United States. They defended Bataan and Corregidor, which help ensured that General MacArthur could escape to Australia. Thousands of Filipino prisoners of war endured the infamous Bataan Death March, and many died in prisons.

After the fall of Bataan and Corregidor, Filipinos formed guerrilla groups. These guerrilla forces distracted attention away from U.S. troops in the Pacific region who worked to rebuild and respond to attacks against American possessions in the Pacific. Filipino veterans fought bravely in every major battle and lost their lives defending our values of justice and freedom.

After the war, the U.S. Congress enacted the Armed Forces Voluntary Recruitment Act of 1945 to establish the "New Philippine Scouts." From 1945 through 1946 the New Philippine Scouts helped defend the Philippines as the nation worked to rebuild itself.

Based on promises from the U.S. government, New Philippine Scouts, Commonwealth army veterans, and veterans in recognized guerrilla forces expected to receive their full military benefits.

In October of 1945, General Omar Bradley, then Administrator of the Veterans Administration, reaffirmed that they were to be treated like any other American veteran and would receive full benefits, but in 1946 Congress broke our promise to Filipino veterans and revoked their benefits by enacting Public Law 70–301. The Rescission Act declared that military service rendered by 200,000 Filipinos under Roosevelt's Military Order and the guerrilla forces was not official military service. The act specifically excluded Filipinos from receiving full veterans' benefits unless they had service or combat related injuries.

The U.S. government enacted the Second Supplemental Surplus Appropriation Rescission Act in 1946. It repeated the provisions that eliminated Filipino veterans' benefits under the Rescission Act, and it placed similar benefit restrictions on New Philippine Scouts.

The U.S. government has restored partial benefits for some Filipino veterans living in America, but New Philippine Scouts and most veterans living in the Philippines still do not have the full benefits that were promised to them.

Following the Second World War, America provided assistance as the Philippines struggled to create a democratic nation. As promised, the Philippines became an independent nation on July 4, 1946.

In 1986 the people of the Philippines led a peaceful uprising that ousted Ferdinand E. Marcos and installed Corazon Aquino as president. Throughout the late 1980's President Corazon Aquino re-established fundamental values found in America, including civil liberties, freedom of speech, freedom of assembly, and a free press.

Today, over 1.8 million Filipinos reside in the U.S. Many of these individuals can trace their ancestry back to the over 100,000 Filipinos who migrated to Hawaii between 1910 and 1941 to serve as laborers on sugar plantations. Even though many of them returned to the Philippines, thousands stayed in Hawaii to become one of the state's major ethnic groups.

Filipinos are the third largest racial group in Hawaii. There are currently 275,730 people who listed full or partial Filipino ancestry in the 2000 Census, including Governor Benjamin Cayetano and State Supreme Court Justices Mario Ramil and Simeon Acoba. The following members of the state legislature are Filipino: Senator Robert Bunda, Senator Donna Mercado Kim, Senator Lorraine Inouye, Representative Felipe Abinsay, Representative Benjamin Cabreros, Representative Willie Espero, Representative Nestor Garcia, Representative Michael Magaoay, and Representative David Pendleton.

2001 marks the 50th anniversary of the United States-Philippines Mutual Defense Treaty. During this anniversary we must celebrate the deep relationship that ties our nations together.

I urge all Members to support H. Con. Res. 273 to acknowledge the Philippines as an important partner in our defense of freedom in the Pacific region.

IN HONOR OF BRIAN C. DOHERTY

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Mr. MENENDEZ. Mr. Speaker, I rise today to honor and acknowledge the many accomplishments of my good friend, Brian C. Doherty, whose life was commemorated and celebrated on Thursday, January 24, at the Boys and Girls Club of Hudson County's annual dinner at the Liberty House Restaurant in Jersey City, New Jersey. It was fitting and appropriate that the Boys and Girls Club's gymnasium was named in recognition of Mr. Doherty's commitment to the youth of Jersey City.

Mr. Doherty was the sole sponsor of the Boys and Girls Club's Competitive Basketball Program from its inception in 1987 until 1998. He also strongly supported St. Anthony's High School Basketball program in Jersey City; the Jersey City Recreation Basketball Tournaments; and his own Men's League basketball team in the Jersey Shore Basketball League in Belmar, New Jersey. Thanks to the guidance of Mr. Doherty, many of the participants of these programs went on to play professional basketball.

A veteran of the National Guard, he was Executive Secretary to Mayor Paul T. Jordan of Jersey City from 1975 until 1977. In 1995, he became a partner of the law firm of Schumann, Hanlon, Doherty, McCrossin, and Paolino.

Mr. Doherty, an active member of the American Bar Association and the Association of Trial Lawyers of America, graduated from the New School for Social Research in Manhattan, New York, and earned his law degree from Seton Hall University Law School in 1977.

Mr. Doherty was a dedicated husband to Rosemary T. McFadden and cherished son of Bernice and Eugene Doherty.

Today, I ask my colleagues to join me in honoring Brian C. Doherty for his generosity, kind spirit, and work on behalf of the community. I am very proud to have called Brian my friend. He was a true gentleman, who touched many lives, and will be greatly missed by all those who knew him, including myself.

IN HONOR OF HONORABLE DENNIS P. COLLINS

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, January 25, 2002

Mr. MENENDEZ. Mr. Speaker, I rise today to honor and acknowledge the many accomplishments of Dennis P. Collins, who will be recognized Friday, January 25th, at Ireland's 32nd annual dinner dance to be held at the Hi-Hat Club in Bayonne, New Jersey.

Before becoming an elected official, Mr. Collins served in the United States Army; worked for the Tidewater Oil Company; the Edward F. Clarke Real Estate and Insurance Agency; and the Bayonne Water-Sewer Utility. He is a former Assistant Secretary Director of the New Jersey Real Estate Commission.

In 1962, Mr. Collins was elected to his first of three terms on the Municipal Council, two of which he served as Council President. He succeeded the late Mayor Francis G. Fitzpatrick in 1974 and served four terms as Mayor. He is the first individual to serve seven four-year consecutive terms in elective office and four consecutive four-year terms as Mayor in the history of Bayonne's municipal government.

Former Mayor Collins served as an aide to former Governor Tom Kean, United States Representative Dominic Daniels, Frank Guarini, and also served on my staff as a friend and trusted advisor. Since 1988, he served as an aide to Mayor Joseph V. Doria Jr. He has remained a part of Bayonne's public life for more than forty years.

Dennis Collins and the former Mary Bray celebrated their 55th wedding anniversary on October 19, 2001; they have three lovely children as well as three wonderful grandchildren.

Today, I ask my colleagues to join me in honoring Dennis P. Collins for his friendship, dedication, and enormous contributions on behalf of the residents of New Jersey.

SENATE—*Monday, January 28, 2002*

The Senate met at 3 p.m. and was called to order by the President pro tempore (Mr. BYRD).

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, Sovereign of this Nation, we begin the work of this week with an acute sense of our accountability to You. We claim Solomon's promise, "In all your ways acknowledge Him, and He shall direct your paths."—Prov. 3:6. In response, we say with the psalmist, "Let the words of our mouths and the meditations of our hearts be acceptable in Thy sight, O Lord."—Psalm 19:14. Help us to remember that every thought we think and every word we speak is open to Your scrutiny. We commit this week to love You with our minds and to honor You with our words. Guide the crucial decisions ahead. Bless the Senators with Your gifts of wisdom and vision. Grant them the profound inner peace that results from trusting You completely. Draw them together in oneness in diversity, unity in patriotism, and loyalty in a shared commitment to You. And may these who lead honor and encourage their leaders here in the Senate: TOM DASCHLE, TRENT LOTT, HARRY REID, and DON NICKLES. In the name of our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from Nevada.

SCHEDULE

Mr. REID. Mr. President, today we will be working again on the economic recovery legislation. We hope that Senators will offer amendments today and debate their measures. We hope we can have rollcall votes on these measures beginning tomorrow morning. There will be rollcall votes tomorrow morning. The leader has said he wants some votes, so we will have some votes tomorrow morning whether on this or some other matters.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

HOPE FOR CHILDREN ACT

The PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of H.R. 622, which the clerk will report.

The legislative clerk read as follows:

> A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

Pending:

Daschle/Baucus amendment No. 2698, in the nature of a substitute.

Durbin amendment No. 2714 (to amendment No. 2698), to provide enhanced unemployment compensation benefits.

Nickles (for Bond) amendment No. 2717, to amend the Internal Revenue Code of 1986 to provide for a temporary increase in expressing under section 179 of such code.

Reid (for Baucus/Torricelli/Bayh) amendment No. 2718 (to amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide for a special depreciation allowance for certain property acquired after December 31, 2001, and before January 1, 2004.

Reid (for Harkin) amendment No. 2719 (to amendment No. 2698), to provide for a temporary increase in the Federal medical assistance percentage for the medicaid program for fiscal year 2002.

Allen amendment No. 2702 (to the language proposed to be stricken by amendment No. 2698), to exclude from gross income certain terrorist attack zone compensation of civilian uniformed personnel.

Reid (for Baucus) amendment No. 2721 (to amendment No. 2698), to provide emergency agriculture assistance.

The PRESIDENT pro tempore. Who seeks recognition?

The Senator from Kentucky, Mr. BUNNING.

AMENDMENT NO. 2699, AS MODIFIED

Mr. BUNNING. Mr. President, I have an amendment at the desk, as modified. I call up amendment No. 2699.

The PRESIDENT pro tempore. The clerk will report the amendment.

The legislative clerk read as follows:

> The Senator from Kentucky [Mr. BUNNING] proposes an amendment numbered 2699, as modified, to the language proposed to be stricken by amendment No. 2698.

The amendment, as modified, is as follows:

(Purpose: To provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, and for other purposes)

At the end of the bill add the following:

SEC. ___. EXCLUSION FOR FOSTER CARE PAYMENTS TO APPLY TO PAYMENTS BY QUALIFIED PLACEMENT AGENCIES.

(a) IN GENERAL.—The matter preceding subparagraph (B) of section 131(b)(1) (defining qualified foster care payment) is amended to read as follows:

"(1) IN GENERAL.—The term 'qualified foster care payment' means any payment made pursuant to a foster care program of a State or political subdivision thereof—

"(A) which is paid by—

"(i) a State or political subdivision thereof, or

"(ii) a qualified foster care placement agency, and".

(b) QUALIFIED FOSTER INDIVIDUALS TO INCLUDE INDIVIDUALS PLACED BY QUALIFIED PLACEMENT AGENCIES.—Subparagraph (B) of section 131(b)(2) (defining qualified foster individual) is amended to read as follows:

"(B) a qualified foster care placement agency."

(c) QUALIFIED FOSTER CARE PLACEMENT AGENCY DEFINED.—Subsection (b) of section 131 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) QUALIFIED FOSTER CARE PLACEMENT AGENCY.—The term 'qualified foster care placement agency' means any placement agency which is licensed or certified by—

"(A) a State or political subdivision thereof, or

"(B) an entity designated by a State or political subdivision thereof,

for the foster care program of such State or political subdivision to make foster care payments to providers of foster care."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

Mr. BUNNING. Mr. President, I ask unanimous consent that Senator INHOFE be added to this amendment as a cosponsor.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BUNNING. Mr. President, I rise today to offer an amendment to the underlying bill.

My amendment corrects an inconsistency in the Tax Code that unfairly punishes foster care families and the foster care family members for whom they care.

Many families that take in foster care family members receive a stipend from the placement agency to help provide this care.

These stipends help defray the costs for food, shelter, and the basic necessities.

In some cases, families get these stipends tax-free. But in others, families pay taxes on them as if they were ordinary income.

My amendment replaces this patchwork system by providing a single, blanket rule that gives equal treatment to all of these stipends by simply excluding them from taxation.

Because real world changes in foster care have outpaced the Tax Code, we presently have a situation where stipends are taxed depending on the age of the foster care family member, and whether or not they were placed by a for-profit agency or a nonprofit agency.

This makes no sense.

Presently, if the placement is done by a for-profit agency, or if the foster family member is over 18, the stipends are taxed.

It is only if the foster family member is placed by a not-for-profit and they are under 18 that the stipends are not taxed.

This is a distinction without a difference.

It shouldn't matter if the stipends come from a for-profit or a nonprofit agency, or if it is a needy individual who is 12 or 42.

We shouldn't tax love and compassion on such an arbitrary basis.

Instead of sending a tax bill to the foster parents who are doing the right thing, we should give them a break and encourage their good intentions.

What is important is that these needy individuals are getting help, and the families who help by offering to help should not be penalized for their good deeds.

Instead of punishing foster care, we should reward it.

My amendment helps to do just this by making it more attractive and more affordable to take in foster care family members.

This is a noncontroversial, bipartisan idea. In fact, this proposal passed Congress as part of the 1999 tax bill that was vetoed by President Clinton. It also passed the House last year on two separate occasions as both a standalone bill and as part of the centrist stimulus package, H.R. 3529.

I have been working on this issue for almost 5 years, and I have never heard one bit of criticism about it.

It is a commonsense improvement to the Tax Code that would immediately benefit families by letting them keep more of the money that they receive for the foster care of children of any age.

And it has the added, more important, benefit of promoting care and compassion for some of our most needy individuals.

There are hundreds of thousands of children and adults in foster care. Both they and the families who are looking after them would benefit from my amendment.

My amendment is nothing new to Congress. But let's make it new to those foster care families all across the Nation.

Foster parenting is hard work. The stipends are very small. Foster care families and their charges deserve and need tax relief and fairness as much as anyone else.

Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDENT pro tempore. Is there a sufficient number?

There is a sufficient number.

The yeas and nays were ordered.

Mr. BUNNING. Mr. President, I yield the floor.

The PRESIDENT pro tempore. The Senator from Nevada.

RECESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate stand in recess until 4 o'clock today.

There being no objection, the Senate, at 3:11 p.m., recessed until 3:59 p.m. and reassembled when called to order by the Presiding Officer (Mr. REID).

The PRESIDING OFFICER (Mr. LEVIN). The Senator from South Carolina is recognized.

THE STIMULUS BILL

Mr. HOLLINGS. Mr. President, last week we were debating the stimulus bill. In that regard, there was some discussion by some of the leadership on the other side of the aisle to the effect that they were asking for all these tax cuts. However, on Saturday morning I listened to the President. I heard him in his weekly radio address.

He said:

> I urge it to pass a strong stimulus bill, the one that passed the House last year.

So there is no question that the issue of tax cuts as a stimulus is still one of the main issues to this particular Senator, and it really hackles this Senator in that we don't have any taxes to cut. We don't have any revenues. We don't have any surplus. I have been saying this ever since we balanced the budget back under Lyndon Baines Johnson. I will never forget at that particular time George Mahon on the House side, the distinguished Congressman from Texas, was chairman of the Appropriations Committee and we were working in December, after the November elections; and in that particular December session it looked like in order to balance that budget, pay down the debt, not increase it, not have a deficit, that we needed some $5 billion more in cuts. We called over to Marvin Watson and said: "Ask the President will he go along with another cut of some $5 billion." We did it at that particular time, and we balanced the budget for 1968–1969. We were in the black as we ended that particular year. It was right at $2.9 billion.

Mr. President, I ask unanimous consent to have printed in the RECORD at this particular point the deficits and interest costs over the past half century, since President Truman in 1947, including President Bush today.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HOLLINGS' BUDGET REALITIES

[In billions of dollars]

President and year	U.S. budget	Borrowed trust funds	Unified deficit with trust funds	Actual deficit without trust funds	National debt	Annual increases in spending for interest
Truman:						
1947	34.5	-9.9	4.0	+13.9	257.1	....
1948	29.8	6.7	11.8	+5.1	252.0	....
1949	38.8	1.2	0.6	-0.6	252.6	....
1950	42.6	1.2	-3.1	-4.3	256.9	....
1951	45.5	4.5	6.1	+1.6	255.3	....
1952	67.7	2.3	-1.5	-3.8	259.1	....
Eisenhower:						
1953	76.1	0.4	-6.5	-6.9	266.0	....
1954	70.9	3.6	-1.2	-4.8	270.8	....
1955	68.4	0.6	-3.0	-3.6	274.4	....
1956	70.6	2.2	3.9	+1.7	272.7	....
1957	76.6	3.0	3.4	+0.4	272.3	....
1958	82.4	4.6	-2.8	-7.4	279.7	....
1959	92.1	-5.0	-12.8	-7.8	287.5	....
1960	92.2	3.3	0.3	-3.0	290.5	....
Kennedy:						
1961	97.7	-1.2	-3.3	-2.1	292.6	....
1962	106.8	3.2	-7.1	-10.3	302.9	9.1
Johnson:						
1963	111.3	2.6	-4.8	-7.4	310.3	9.9

HOLLINGS' BUDGET REALITIES—Continued

[In billions of dollars]

President and year	U.S. budget	Borrowed trust funds	Unified deficit with trust funds	Actual deficit without trust funds	National debt	Annual increases in spending for interest
1964	118.5	−0.1	−5.9	−5.8	316.1	10.7
1965	118.2	4.8	−1.4	−6.2	322.3	11.3
1966	134.5	2.5	−3.7	−6.2	328.5	12.0
1967	157.5	3.3	−8.6	−11.9	340.4	13.4
1968	178.1	3.1	−25.2	−28.3	368.7	14.6
Nixon:						
1969	183.6	0.3	3.2	+2.9	365.8	16.6
1970	195.6	12.3	−2.8	−15.1	380.9	19.3
1971	210.2	4.3	−23.0	−27.3	408.2	21.0
1972	230.7	4.3	−23.4	−27.7	435.9	21.8
1973	245.7	15.5	−14.9	−30.4	466.3	24.2
1974	269.4	11.5	−6.1	−17.6	483.9	29.3
Ford:						
1975	332.3	4.8	−53.2	−58.0	541.9	32.7
1976	371.8	13.4	−73.7	−87.1	629.0	37.1
Carter:						
1977	409.2	23.7	−53.7	−77.4	706.4	41.9
1978	458.7	11.0	−59.2	−70.2	776.6	48.7
1979	504.0	12.2	−40.7	−52.9	829.5	59.9
1980	590.9	5.8	−73.8	−79.6	909.1	74.8
Reagan:						
1981	678.2	6.7	−79.0	−85.7	994.8	95.5
1982	745.8	14.5	−128.0	−142.5	1,137.3	117.2
1983	808.4	26.6	−207.8	−234.4	1,371.7	128.7
1984	851.9	7.6	−185.4	−193.0	1,564.7	153.9
1985	946.4	40.5	−212.3	−252.8	1,817.5	178.9
1986	990.5	81.9	−221.2	−303.1	2,120.6	190.3
1987	1,004.1	75.7	−149.8	−225.5	2,346.1	195.3
1988	1,064.5	100.0	−155.2	−255.2	2,601.3	214.1
Bush:						
1989	1,143.7	114.2	−152.5	−266.7	2,868.3	240.9
1990	1,253.2	117.4	−221.2	−338.6	3,206.6	264.7
1991	1,324.4	122.5	−269.4	−391.9	3,598.5	285.5
1992	1,381.7	113.2	−290.4	−403.6	4,002.1	292.3
Clinton:						
1993	1,409.5	94.2	−255.1	−349.3	4,351.4	292.5
1994	1,461.9	89.0	−203.3	−292.3	4,643.7	296.3
1995	1,515.8	113.3	−164.0	−277.3	4,921.0	332.4
1996	1,560.6	153.4	−107.5	−260.9	5,181.9	344.0
1997	1,601.3	165.8	−22.0	−187.8	5,369.7	355.8
1998	1,652.6	178.2	69.2	−109.0	5,478.7	363.8
1999	1,703.0	251.8	124.4	−127.4	5,606.1	353.5
2000	1,789.0	258.9	236.2	−22.7	5,628.8	362.0
Bush:						
2001	1,863.9	270.5	127.1	−143.4	5,772.2	359.5
2002	2,003.3	250.7	−20.5	−271.2	6,043.4	331.7

*Historical Tables, Budget of the U.S. Government FY 1998; Beginning in 1962, CBO's The Budget and Economic Outlook: Fiscal Years 2003–2012 January 23, 2002.

Mr. HOLLINGS. Mr. President, you will see from this particular chart the truthfulness of what I have just stated; namely, we have not had a balanced budget since 1968–1969. More specifically, we keep talking about surpluses, but we get surpluses by using all kinds of fancy terminologies to dance around in order to hide the money and the debt. The truth is, though, the net figure as to whether the national debt goes up or goes down; whether or not we spend only the money we have, or we have to borrow in order to provide for the appropriations that we have provided; whether those things occur or not, the actual national debt has gone up, up, and away. It has gone up some billions of dollars each year for the past 31 years, to the extent that when we talked about surpluses all last year, we did not end up with a surplus when President Clinton left town.

In fiscal 2000, there was a deficit of $22.7 billion. For the first year of President Bush, we now have a $143.4 billion deficit, and the Congressional Budget Office last week attested to the fact that they project that the deficit next year, in 2002, is going to be $271.2 billion. Can you imagine that? Last year at this time we were talking about $5.6 trillion in the black and now we are talking about $271.2 billion in the red.

I think it was Mark Twain years ago who said: "The truth is such a precious thing, it should be used very sparingly." That is exactly the way we approach this particular role of ours as budgeteers and Congressmen and Senators and everything else of that kind. We actually hide the debt. The way we hide the debt is what Alan Greenspan euphemistically calls "intragovernmental transfers." That sounds pretty, but what you are doing is looting the retirement funds, the trust funds.

I ask unanimous consent that this chart be printed in the RECORD, which reflects "trust funds looted to balance the budget."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TRUST FUNDS LOOTED TO BALANCE BUDGET

[By fiscal year, in billions of dollars]

	2001	2002	2003
Social Security	1,170	1,333	1,512
Medicare:			
HI	197	230	266
SMI	42	43	42
Military Retirement	157	165	173
Civilian Retirement	543	577	611
Unemployment	89	74	59
Highway	24	20	13
Airport	14	12	9
Railroad Retirement	27	27	28
Other	72	77	81
Total	2,335	2,558	2,794

Mr. HOLLINGS. Mr. President, that shows in 2001 we took $1.170 trillion from Social Security. We took from Medicare some $240 billion. From military retirement—the retirees who we say we want to look after—we looted their retirement moneys, some $157 billion; from civilian retirement, $543 billion—that is the civil service; from unemployment compensation fund, $89 billion. Now they say we might have to start paying into that.

In 2001, we looted the highway trust funds by $24 billion; airports by $14 billion; railroad retirement by some $27 billion: and another $72 billion from other entities like the Federal Finance Bank. The savings and loan debacle is when we started that fever about deregulating. We deregulated the savings and loan industry and that up-ended. We deregulated the airlines and they have gone broke. We deregulated the trucking companies and they have gone out of business. Now we are on course to deregulating energy, which is before us now. Our experience is that when we have deregulated, it has been a disaster. The point is, we have hidden $2.335 trillion. We have hidden $2.335 trillion.

Let me refer to the January 28th edition of Business Week. This says: Accounting in crisis, what needs to be done. I refer to page 36 and the article, "Who Else is Hiding Debt?"

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHO ELSE IS HIDING DEBT

Moving financial obligations into off-book vehicles is now a common ploy

(By David Henry, et al.)

When energy trader Enron Corp. admitted to hiding billions of dollars of liabilities in mysterious off-book entities, it trotted out the lame excuse of scoundrels: Everyone does it. And this time, it was the gospel truth.

Hundreds of respected U.S. companies are ferreting away trillions of dollars in debt in off-balance-sheet subsidiaries, partnerships, and assorted obligations, including leases, pension plans, and take-or-pay contracts with suppliers. Potentially bankrupting contracts are mentioned vaguely in footnotes to company accounts, at best. The goal is to skirt the rules of consolidation, the bedrock of the American financial reporting system and the source of much of its credibility. These rules, set clear in 1959, aim to make public companies give a full and fair picture of their business—including all the assets and liabilities of any subsidiaries. But accountants, lawyers, and bankers have learned to drive a coach and horses through them.

Because of a gaping loophole in accounting practice, companies create arcane legal structures, often called special-purpose entities (SPEs). Then, the parent can bankroll up to 97% of the initial investment in an SPE without having to consolidate it into its own accounts. Normally, once a company owns 50% or more of another, it must consolidate it under the 1959 rules. The controversial exception that outsiders need invest only 3% of an SPE's capital for it to be independent and off the balance sheet came about through fumbles by the Securities & Exchange Commission and the Financial Accounting Standards Board. In 1990, accounting firms asked the SEC to endorse the 3% rule that had become a common, though unofficial practice in the '80s. The SEC didn't like the idea, but it didn't stomp on it, either. It asked the FASB to set tighter rules to force consolidation of entities that were effectively controlled by companies. FASB drafted two overhauls of the rules but never finished the job, and the SEC is still waiting.

It's not just the energy industry that exploits the loophole and stashes major liabilities in the never-never land of SPEs. Increasingly, companies of all stripes routinely use them to offload potential balance-sheet bombshells such as loan guarantees or the financing of sales of their own products. For example, the accounts of data processor Electronic Data Systems Corp. don't show $500 million—half of last year's earnings—that it would owe if its customers were to cancel their contracts and leave it holding the bag for loans on their computer equipment. The arrangement is acknowledged only in a footnote. An EDS spokesman says the tactic is common in the industry and does not put the company at undue risk.

Airlines keep appearances aloft by shunting billions worth of airplane financing into off-balance-sheet vehicles, says credit analyst Philip Baggaley of Standard & Poor's Corp. United Airlines Inc. parent UAL Corp.'s published balanced sheet for 2000 shows $5 billion of long-term debt. But only a footnote describes the bulk of its lease payments, which Baggaley estimates have a present value of $12.7 billion, due over 26 years on 233 airplanes. AMR Corp., parent of American Airlines Inc., is on the hook for $7.9 billion in lease payments not on its balance sheet. "Everyone who's involved in the industry knows that the true leverage is higher" than what's shown on the balance sheet, says Baggaley. UAL and AMR declined to comment.

Banks arrange many of the devices and are big users themselves. J.P. Morgan Chase & Co., for example, has revealed in the Enron bankruptcy that it has nearly $1 billion in potential liabilities stemming from a single 49%-owned Channel Islands entity called Mahonia that traded with Enron. The liabilities bring the bank's total Enron exposure to $2.6 billion. And J.P. Morgan is not alone. A suit filed earlier this month shows that many U.S. finance companies are among 52 partners in LJM2, an Enron off-balance-sheet entity with over $300 million in assets. The partners, including Citigroup, Wachovia, and American International Group, may all have to take losses on it.

The banks' participation in SPEs is attracting scrutiny of federal regulators. A Federal Reserve spokesman said it is "concerned about" off-balance-sheet exposures and hopes new accounting rules will be put in place. How many more Mahonia or LJM2-like entities are there? The Channel Islands tax haven boasts more than 350 SPEs and similar entities, though it is impossible to know how many should really be consolidated on balance sheets of U.S. companies. Assets in the entities total more than $635 billion, according to Fitzrovia International PLC, a London-based research firm. The Cayman Islands, which has been competing for the business since the 1980s, claims another 600 trusts and banks, most of which have SPE expertise.

With some of the vehicles, it is impossible for investors to know from financial reports who could be responsible for what. For example, Dell Computer Corp. has a joint venture with Tyco International Ltd. called Del Financial Services that last year originated $2.5 billion in customer financing, according to a footnote to Dell's accounts. According to the note, Dell owns 70% of DFS, but does not control it and therefore keeps DFS debts off its own balance sheet. What if DFS has trouble from customers not paying? Dell spokesman T.R. Reid says any obligation of DFS are Tyco's responsibility and Tyco agrees. Jeffrey D. Simon, president of the global vendor financing business at Tyco Capital, says Tyco would look at Dell's customers to pay and not to Dell. Tyco's balance sheet reflects borrowing to finance Dell's customers.

Companies argue that off-balance sheet vehicles benefit investors because they enable management to tap extra sources of financing and hedge trading risks that could roil earnings. Maybe so, but they sure make the companies, and their executives, look good: Return on capital looks better than it is because balance sheets understate the amount employed. And investors and regulators don't freak out as corporate debt balloons. But critics charge that the widespread use of off-balance-sheet schemes encourages contempt for accounting rules in the executive suite and spreads confusion among investors. "The nonprofessional has no idea of the extent of the real liabilities," says J. Edward Ketz, accounting professor at Pennsylvania State University. "Professionals can be easily fooled, too."

Worse yet, many SPEs have provisions that can throw their users into a full-blown financial crisis. To get assets off its books, a company typically sells them to an SPE, funding the purchase by borrowing cash from institutional investors. As a sweetener to protect investors, many SPEs incorporate triggers that require the parent to repay loans or give them new securities if its stock falls below a certain price or credit-rating agencies downgrade its debt. It was just such triggers in its notorious off-balance-sheet partnerships that sent Enron into a death spiral. And triggers fueled the crises last year at Pacific Gas & Electric, Southern California Edison, and Xerox, according to Moody's Investors Service. "All of this hidden debt and these triggers could make the next economic downturn a lot worse than it would otherwise be," says Lynn Turner, who was chief accountant at the Securities & Exchange Commission until July.

Despite the risks, SPEs remain very appealing to companies. And any attempt to curb them or abolish the 3% rule will run into furious opposition. Since the early '90s, an army of accountants, lawyers, and bankers built a huge industry to concoct ever more creative ways to evade consolidated reporting. So reform won't come easily. "It will be a phenomenal flight," says Turner.

Maybe so, but Enron's demise shows how quickly a tiny loophole can tear the country's economic fabric. And there may never be a better time to close it.

OUT OF SIGHT

Many companies keep debts and other obligations out of investors' view in partnerships and other entities. Often, financial liabilities are secured by physical assets such as planes or computers. A sample:

Company	Item not on balance sheet	Estimated exposure (billions)
UAL	Plane leases	$12.7
AMR	Plane leases	7.9
J.P. Morgan Chase	Liability for trading units	[1] 1.0
Dell Computer	Debt of consumer financing venture.	[2] N/A
Electronic Data Systems	Payments for customers' computers.	0.5

[1] Exposure to Enron through Mahonia.

[2] Joint venture partner Tyco Intl. is responsible for losses.

Data: Standard & Poor's, company reports.

Mr. HOLLINGS. Mr. President, this says, "Moving financial obligations into off-book vehicles is now a common ploy." Could it be that Kenneth Lay is acting like a Senator, acting like a Congressman, acting like a President, or acting like Alan Greenspan? Chairman Greenspan testified before our committee and it was like pulling teeth to try to get him to admit that the debt went up. He came and we went around and around and around, and finally, I said:

> Let me ask you this. Here is the CBO report. Does it project that the debt goes up and the Government will have to borrow over the next 10 years, or not? Mr. Greenspan answered, it does.

The reason I wanted to fit that into the RECORD is because Mr. Greenspan is no different than the Director of the Congressional Budget Office, our good friend Dr. Crippen, when it comes to the budget. Last week at our Budget hearing on national TV, he says this is the CBO report, and all he has in this thin little document is the revenue, but none of the expenditures, so we are left with only surpluses. He kept talking about how the surplus has gone down from $5.6 trillion to $1.6 trillion.

He kept saying the word surplus—surplus, surplus, surplus, surplus.

That is all we heard. We did not hear about the debt and the deficit.

I finally got the sheet that shows the gross Federal debt, according to CBO, goes from $5.772 trillion to $7.644 trillion; in other words, it goes up about $1.9 trillion. That is what we ought to be talking about, that is the reality; but we keep talking about intragovernmental transfers, as Dr. Greenspan says, or we talk about surpluses, as Dr. Crippin testified to. The fact is, we are doing what Kenneth Lay was doing: Misleading the public.

We are trying to get reelected. So if we all go along with this $1.6 trillion surplus, surplus, surplus, that gives some substance, some credibility to a tax cut. I do not believe in letting a surplus sit around any more than anybody else, but the truth of the matter is, there is no surplus.

I have the public debt to the penny chart which you can find on the internet at: http://www.publicdebt.treas.gov/opd/opdpenny.htm.

Mr. President, the chart shows we ended up last year with a $143.4 billion deficit. That was the end of September-October 1 of 2001. Already this year, the current amount of public debt, has gone up $122 billion. We are starting the year in the red and talking about stimulating with tax cuts.

Let's get to the point. How did we get those 8 glowing years of the greatest economic boom in America's history? By what? By paying down the debt. Somehow we have gotten lost in the politics of all of this. They are all talking tax cuts, they are all talking surpluses, they are all talking about giving money back that nobody has. The truth is, economic growth is not about consumer confidence; it is about market confidence. It is the financial community up on Wall Street who know the truth. They read this budget the same way I do.

Wall Street does not look for intragovernmental transfers. They look at the long range, whether or not the Government will be crowding into the market with its sharp elbows to borrow money to pay its bills. They know that instead of surpluses we have deficits; instead of paying down the debt, we have the national debt increasing. This is why the long-range bond rates and interest rates are staying high.

Yes, Dr. Greenspan and the Federal Reserve had 11 cuts to the short-term rate, and where is the long-term rate? Still at 5 percent, and it could be increasing, according to Dr. Greenspan's statement.

I have had hearings. We have about a dozen committees and scores of hearings about Enron hiding the debt. But according to Business Week, who is hiding the debt? None other than the United States Government. We owe $2.3 trillion, and if we do not pay down the debt and continue to borrow, we will owe these particular trust funds $2.8 trillion at this time next year.

In 1994, this supposedly conscientious Congress passed the Pension Reform Act. We said we were not going to have these fast operating artists come in, take over a company, pay down the debt with the pension fund and take the money that is left and run. We had that going on all through the eighties. So at the beginning of the nineties, we passed legislation making it a felony to pay off corporate debt with a pension fund.

I refer to Denny McLain, the former pitcher for the Detroit Tigers, about whom the distinguished Presiding Officer knows. He took over a company when he got out of baseball and paid down the debt with the company's pension fund. He was charged with a felony under the law and sentenced to 8 years. Now he is out, I take it, by now, and I wish him well, but I have to use that example to sear the conscience and awareness of this dormant body. Senators still want to keep their eyes and ears closed as to the truth about budgeting.

They all have schemes to save Social Security. All they have to do is quit spending, quit looting the Social Security trust fund. I remember when Dr. Greenspan came to us in the early eighties, and he projected to Congress: If we do not do something about this, Social Security is going bottom up. It will go bankrupt.

What happened? They appointed the Greenspan Commission, and the Greenspan Commission recommended, among other things, that we have an inordinately high payroll tax graduated upwards. Why did we graduate it upwards over the years? They said to take care of the baby boomers. The truth is, they knew this 20 years ago, so they put in that inordinately high payroll tax which, for most Americans, exceeds their income tax. The money was there and section 31 of the Greenspan report said do not touch that money. Put it off budget. Get it out of the unified budget, as they were talking about in those times.

This Senator over several years tried to get that into law. Finally, George Herbert Walker Bush—Bush senior—on November 5, 1990, signed into law section 13301 of the Budget Act: Thou shalt not use Social Security in your budget.

We did not put a penalty in the law. The law is violated every day by the Congress and the President. It has long since been law. We all voted for it. The vote was 98 to 2 in the Senate. But they spend that money willy-nilly, spending Social Security in violation of that law; in violation of the spirit of the Pension Reform Act. They all go out and say: I am a responsible Senator, reelect me; the Government is too big; the Government is not the answer; the Government is the problem; the Government is the enemy.

Let us not act like Kenneth Lay this year. I hope that sears the conscience of not only the American people but the Senate body in which I serve.

For years I have been trying to limit campaign spending. I was in the discussions during the Campaign Finance Act which we finally enacted in 1974. At the time, I looked over at the distinguished Senator from New York, Mr. Buckley, and said: You are not going to buy it.

He said: Oh, yes, I am.

And he sued; Buckley v. Valeo. He sued the Secretary of the Senate, and we got the Buckley v. Valeo decision. I could see exactly what happened with that Buckley v. Valeo decision. The Supreme Court turned around the intent of the Congress. And that particular decision by the Court said we are not going to be able to buy the office. But that is the only way you can get into office is to buy it. It is a disgrace.

So I offered a one-line constitutional amendment, and I still propose it every Congress. It says the Congress is hereby empowered to regulate or control spending in Federal elections.

But I cannot get a two-thirds vote. I used to get a lot of my Republican colleagues on the other side of the aisle to vote for it. I would get Bill Cohen, Alan Simpson, Nancy Kassenbaum, and Bill Roth, but they are all gone now. The distinguished Senator from Texas, Mr. GRAMM, said: Now, wait a minute. We have the money. They have the unions. Of course, I come from South Carolina and I don't get money and I don't get unions, neither one.

So that being the case, I believe I am going to have to go for public campaign financing. I have resisted the idea of public financing politics, but it is currently being financed in the most corrupt fashion.

Do not give me McCain-Feingold. That does away with the soft money. Instead, contributions are directed into hard money and those particular special interest entities. I call McCain-Feingold the Give-the-money-to-Grover bill; that is, Grover Norquist and all of that crowd. So we take all the contributions from soft money and the parties have the duty and the responsibility of running elections. Now we are giving it to corporate America, and corporate America and the hard money will be there. This will end, I say, the Democratic Party down in my backyard. It will not even have a chance on that score.

So I believe we ought to have public financing, where we can get away from this corruption that the Enron case has brought to the fore.

Back to the point, remember, we do not have a surplus. It is a deficit and debt. Is there any way better to emphasize how we got this way than a Wall

Street Journal of August 16 2001, almost a month before 9–11?

I ask unanimous consent to have the Wall Street Journal article printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Nasdaq Companies' Losses Erase 5 Years of Profit

(By Steve Liesman)

Mounting losses have wiped out all the corporate profits from the technology stock boom of the late 1990s, which could make the road back to the previous level of profitability longer and harder than previously estimated.

The massive losses reported over the most recent four quarters by companies listed on the Nasdaq Stock Market have erased five years' worth of profits, according to figures from investment-research company Multex.com that were analyzed by The Wall Street Journal.

Put another way, the companies currently listed on the market that symbolized the New Economy haven't made a collective dime since the fall of 1995, when Intel introduced the 200-megahertz computer chip, Bill Clinton was in his first term in office and the O.J. Simpson trial obsessed the nation. "What it means is that with the benefit of hindsight, the late '90s never happened," says Robert Barbera, chief economist at Hoenig & Co.

The Wall Street Journal analysis looked at earnings excluding extraordinary items going back to September 1995 for about 4,200 companies listed on Nasdaq, which is heavily weighted toward technology stocks but also includes hundreds of financial and other growth companies. For the most recently reported four quarters, those companies tallied $148.3 billion in losses. That roughly equaled the $145.3 billion in profit before extraordinary items these companies have reported since September 1995. Because companies have different quarter ending dates, the analysis doesn't entirely correspond to calendar quarters.

Large charges that aren't considered extraordinary items were responsible for much of the red ink, including restructuring expenses and huge write-downs of inventories and assets acquired at high prices during the technology bubble.

Analysts, economists and accountants say these losses raise significant doubts about both the quality of past reported earnings and the potential future profit growth for these companies. Ed Yardeni, chief investment strategist at Deutsche Banc Alex. Brown, said the losses raise the question of "whether the Nasdaq is still too expensive. These companies aren't going to give us the kind of awesome performance they did in the '90s, because a lot of it wasn't really sustainable."

The Nasdaq Composite Index stood at around 1043 in September 1995, soared to 5048.62 in March 2000 and now stands at 1918.89. Because companies in the Nasdaq Composite Index now have a cumulative loss, for the first time in memory the Nasdaq's value can't be gauged using the popular price-earnings ratio, which divides the price of stocks by their earnings. That means it is impossible to say whether the market is cheap or expensive in historical terms.

The extent of the losses surprised a senior Nasdaq official, who asked not to be named. "I wouldn't have thought they were that high," he said.

Nasdaq spokesman Andrew MacMillan, while not disputing the losses, pointed to the $1.5 trillion in revenue Nasdaq companies generated over the past year, saying that represented "a huge contribution to the economy, to productivity, and to people's lives . . . regardless of what's happening to the bottom line during a rough business cycle."

Staya Pradhuman, director of small-capitalization research at Merrill Lynch, says the recent massive losses tell a story of a market where investors became focused on revenue instead of earnings. With billions of dollars in financing chasing every glimmer of an Internet idea, Mr. Pradhuman says, a lot of companies came to market long before they were ready.

"The underwriting was very aggressive, so earlier-stage companies came to market than the kind of companies that came to market five or 10 years ago," he adds. He believes there is plenty of potential profitability out there in this crop of young companies. But, he notes, "only among those that survive."

The data show that the very companies whose technology produces were supposed to boost productivity and help smooth out the business cycle by providing better information have been among the hardest-hit in this economic slowdown. "Management got caught up with how smart they were and completely forgot about the business cycle and competition," says Mr. Yardeni. "They were managed for only ongoing success."

to be sure, some of Nasdaq's largest star-powered companies earned substantial sums over the period. Intel led the pack with $37.6 billion in profit before extraordinary items since September 1995, followed closely by Microsoft's $34.6 billion in earnings. Together, the 20 most profitable companies earned $153.3 billion, compared with losses of $140.9 billion for the 20 least profitable. Included in the losses was a $44.8 billion write-down of acquisitions by JDS Uniphase and an $11.2 billion charge by VeriSign, also to reduce the value on its book of companies it had bought with its high-price stock.

These charges lead some analysts and economists to believe that including these losses overstates the magnitude of the decline. According to generally accepted accounting principles, these write-offs are treated as regular expenses. But corporate executives say they should be treated as one-time items. "It's an accounting entry rather than a true loss," maintains Bill Dudley, chief U.S. economist at Goldman Sachs Group.

Removing these unusual charges, the losses over the most recently reported four quarters shrink to $6.5 billion on a before-tax basis. By writing down the value of assets, companies have used the slowdown to clean up their balance sheets, a move that should allow them to move forward with a smaller expense base and could pump up future earnings.

"It sets the table for future dramatic growth," says independent accounting analyst Jack Ciesielski. Because of the write-downs, "when the natural cycle begins again, the returns on assets and returns on equity will look fantastic." But Mr. Ciesielski adds that this benefit will be short-lived.

Cisco Systems in the first quarter took a $2.25 billion pretax inventory charge. This quarter, it partly reversed that write-down, taking a gain of $187 million form the revaluation of the previously written-down inventory. The reversal pushed Cisco into the black.

But Mr. Barbera warns that investors shouldn't be so quick to ignore the unusual charges. For example, during good times it wasn't unusual for companies to book large gains from investments in other companies. Now that the value of those investments are under water, companies are calling the losses unusual. "If they are going to exclude the unusual losses, then they should exclude the unusual gains," says Mr. Barbera.

Mr. HOLLINGS. I quote a couple of lines:

> The Wall Street Journal analysis looked at earnings excluding extraordinary items going back to September 1995 for about 4,200 companies listed on NASDAQ, which is heavily weighted toward technology stocks but also includes hundreds of financial and other growth companies. For the most recently reported four quarters—that is since January 1 of 2000—those companies tallied $148.3 billion in losses. This figure roughly equaled the $145.3 billion in profits before extraordinary items these companies reported since September 1995. It was as if the last 5 years never happened, and now they want to tell me it was because of 9–11. Come on.

It is the same thing with the government. Do you mean to tell me that the $143.4 billion deficit for 2001 was incurred from September 11 until September 30? The Government did not spend $143.4 billion in 20-some days. No. No. It was going down on account of tax cuts. We did not have a surplus. It was a deficit. We were operating in the red, and more than anything else we were operating just like Enron. Who is hiding debt? We are.

I yield the floor.

HOPE FOR CHILDREN ACT—Continued

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2724

Mr. HATCH. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Utah [Mr. Hatch], for himself and Mr. Bennett, proposes an amendment numbered 2724 to the language proposed to be stricken by amendment No. 2698.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to allow the carryback of certain net operating losses for 7 years)

At the end, add the following:

SEC. ____. CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 7 YEARS.

(a) In General.—Paragraph (1) of section 172(b) of the Internal Revenue Code of 1986 (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

"(H) SPECIAL RULE FOR CERTAIN LOSSES.—

"(i) IN GENERAL.—In the case of a taxpayer which has a net operating loss for any taxable year ending during 2000, 2001, or 2002, subparagraph (A)(i) shall be applied by substituting '7' for '2' and subparagraph (F) shall not apply.

"(ii) PER YEAR LIMITATION.—For purposes of the 6th and 7th taxable years preceding the taxable year of such loss, the amount of net operating losses to which clause (i) may apply for any taxable year shall not exceed $50,000,000."

(b) ELECTION TO DISREGARD 7-YEAR CARRYBACK.—Section 172 of the Internal Revenue Code of 1986 (relating to net operating loss deduction) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) ELECTION TO DISREGARD 7-YEAR CARRYBACK FOR CERTAIN NET OPERATING LOSSES.—Any taxpayer entitled to a 7-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year."

(c) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYBACKS.—

(1) IN GENERAL.—Subparagraph (A) of section 56(d)(1) of the Internal Revenue Code of 1986 (relating to general rule defining alternative tax net operating loss deduction) is amended to read as follows:

"(A) the amount of such deduction shall not exceed the sum of—

"(i) the lesser of—

"(I) the amount of such deduction attributable to net operating losses (other than the deduction attributable to carrybacks described in clause (ii)(I)), or

"(II) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

"(ii) the lesser of—

"(I) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2000, 2001, or 2002, or

"(II) alternative minimum taxable income determined without regard to such deduction reduced by the amount determined under clause (i), and".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning before January 1, 2003.

(d) EFFECTIVE DATE.—Except as provided in subsection (c), the amendments made by this section shall apply to net operating losses for taxable years ending after December 31, 1999.

Mr. HATCH. Mr. President, on behalf of myself and Senator BENNETT, I have sent this amendment to the desk. This is an amendment to the underlying bill.

The amendment we offer today would add a provision that is much needed for any economic stimulus bill—a temporary enhanced net operating loss carryback provision. Simply stated, this amendment would help distressed American companies, including a number of them in my home State of Utah, deal with losses they have been experiencing as a result of the terrorist attacks and as a result of the economic slowdown. And it will help those employees who are going to lose their jobs unless we help these distressed companies.

Over the past months, as both Houses of Congress have worked toward developing various legislative packages to stimulate the economy, there is one provision that has been common to practically every plan—a provision to enhance the net operating loss carryback to make it more beneficial to distressed companies and their employees.

This provision was in both of the House-passed stimulus plans, it was in the Democratic plan passed out by the Finance Committee last November, and it was in the compromise plan developed by the Senate Centrists. In short, the concept of temporarily increasing the carryback period for net operating losses to get quick relief to corporations that have paid taxes in recent years but are now losing money is one that is widely supported on both sides of the aisle. It is supported because it helps these distressed companies and their employees, who are likely to lose their jobs if we do not do something.

There are two major differences—which we consider improvements—between the net operating loss amendment we are offering today and the provision that is included in all the other economic stimulus plans. The first difference is in the length of time that the net operating loss can be carried back to previous years. This period is 5 years in the other stimulus bills, compared with a 2-year carryback period allowed by current law.

Our amendment would go further and allow a 7-year net operating loss carryback. This is important for distressed companies with large losses or that have been losing money for several years because of the economic slowdown and various other matters that are beyond their control. Companies such as these often have no taxable income within the past 5 years to which they can reach back and offset losses. For these companies, a 5-year carryback simply provides no relief. Allowing them to go back 7 years offers them a better chance to immediately offset these losses and get the quick relief they need.

The second difference between this amendment and the other net operating loss provisions is that, for the 6th and 7th years of the carryback period, our provision includes a $50 million cap per company per year on how much net operating loss can be carried back.

In other words, the amendment limits the amount of immediate tax refund that a distressed company is able to get from going back beyond 5 years to $50 million. This limitation both keeps the estimated revenue loss of this provision down to a reasonable level and also eliminates the suggestion that these companies might be getting a windfall in refunds from these earlier years.

A few commentators have argued that a net operating loss relief provision does not belong in an economic stimulus bill. I strongly disagree. Companies that are losing money face some very hard choices. One option that is a very difficult one, but one that is being turned to more and more as the economic slowdown continues, is that of laying off workers.

Such layoffs, of course, are devastating to the families involved and to our entire economy. One reason for this is these displaced workers begin to slow down their consumer spending in order to conserve their money. Moreover, layoffs have the effect of lowering the confidence of other consumers who become worried that their jobs could also be lost.

One of the best ways to prevent layoffs, in my view, would be to help distressed companies that are experiencing losses through an enhanced net operating loss carryback provision. By allowing these companies to get immediate refunds of their previously paid taxes can keep some of these businesses viable, so they do not need to turn to layoffs for relief. Extra cash in the form of tax refunds can help these companies ride out the recession storm.

The Internal Revenue Code has long included provisions allowing taxpayers to offset losses with gains in other tax years. This is only fair because the designation of the tax year, whether a calendar year or a fiscal year, as the proper measurement period for computing tax liability is purely arbitrary.

Many companies have business cycles that exceed a year in length, and some have shorter cycles. Any kind of limit we place on the ability of businesses to carry back or carry forward the loss they might incur in 1 year to another year where taxes were paid artificially reduces the fairness of the tax system.

Because of the realities of administering the tax system, it is obvious that we must have some kind of limits on the number of years to which we can carry the losses, but there is nothing magical about the current law limitation of 2 years for carrybacks and 20 years for carryforwards. Indeed, the carryback period was 3 years until the 1997 tax act shortened it to 2 years. Thus, if we can increase fairness and help distressed companies by allowing them to carry tax losses back 7 years, rather than 2, we certainly ought to do so.

This amendment does not add a permanent extended net operating loss provision carryback period to the Internal Revenue Code. Rather, it is designed to help alleviate losses incurred by taxpayers only in tax years that end in 2000, 2001, and 2002. After this period, the carryback period would revert to the 2 years now in the law.

I might add, that the revenue effects of timing changes such as these are relatively short-term. For example, the estimated loss to the Treasury for the 5-year net operating loss provision passed by the House in December was about $1.6 billion. However, the 10 year loss was estimated to be only $271 million. This is because most of the loss reverses itself within the 10-year budget window. While the Joint Committee on Taxation has not yet estimated the cost of the 7-year carryback provision in this amendment, it is also likely to be largely reversed within 10 years.

In conclusion, this is a common-sense amendment that adds a provision that is in every other economic stimulus plan, and that has support from both sides of the aisle. If we want to help distressed companies avoid the layoff option, this is an excellent place to start. In addition, this amendment would increase tax equity. I urge all of our colleagues to support it.

It is in the best interests of the distressed companies, those companies that have had a difficult time over the last number of years. It is in the best interests of the employees of those companies because those employees will stand a much better chance of not being laid off. Third, it is in the best interests of everyone because it will stimulate the economy.

This is a good amendment. I hope our colleagues will support it. I hope it will win by an overwhelming margin.

I yield the floor.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. I ask unanimous consent the pending amendment be set aside and I be permitted to speak in favor of amendment No. 2717.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2717

Ms. COLLINS. Mr. President, I have always been a very strong supporter of small business, the engine of our economy. According to the Small Business Administration, it is our smaller firms that account for three-quarters of our Nation's economic growth and almost all of the net new jobs that are created. These are good jobs, jobs that make our communities strong. Indeed, small businesses are often the last to lay off employees because the employees tend to be their neighbors, their family members, and their friends. They will go to great lengths to try to retain employees while a larger corporation might cut without much thought.

More than 95 percent of all the businesses in the United States are considered small businesses. Yet the economic recovery plan put forth by the distinguished majority leader does not assist this critical sector of our economy.

I support much of what is in Senator DASCHLE's package. For example, I have long proposed extending unemployment compensation to help those workers who have exhausted their State unemployment benefits yet have been unable to find new work because of the poor economy. I also support the provisions in Senator DASCHLE's plan to have stimulus checks go to those taxpayers and other citizens who did not receive rebate checks last summer and fall.

While I support much of what is in the majority leader's package, it does virtually nothing for small businesses. I think that is a serious mistake because if we can get the small business sector booming again, we will increase employment and stimulate our economy. That is why I have offered, with my good friend from Missouri, Senator BOND, the ranking member of the Senate Small Business Committee, an amendment that gives small businesses the boost they need to grow, to create new jobs, and to energize our sluggish economy. I included a very similar provision as part of an economic recovery bill I introduced on October 4.

I ask unanimous consent two more cosponsors be added to the Bond-Collins amendment, Senator BENNETT and Senator HUTCHINSON of Arkansas.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. COLLINS. Mr. President, our amendment is as straightforward as it is effective. Under section 179 of the Internal Revenue Code, a small business can deduct up to $24,000 of the cost of qualifying property placed in service in any given year. The deduction is phased out for taxpayers that invest more than $200,000 per year in qualifying property. For the rest of this year and for all of next year, the Bond-Collins amendment permitted small businesses to expense up to $40,000 in new equipment purchases per year. So the limit would go from $24,000 to $40,000. It would also increase the total investment limit from $200,000 to $325,000.

The purpose of our amendment is to encourage small businesses to make important investments that create jobs. It would allow them to write off more of their new equipment purchases immediately. Many small businesses have put on hold investments in equipment that they were planning to make in the wake of the September 11 attacks and because of the poor economy. This tax incentive would help encourage them to go ahead with these critical investments.

Direct expensing allows small businesses to also avoid the complicated rules of depreciation as well as the unrealistic recovery periods for many assets. For example, under current law a computer must be depreciated over 5 years, even though we all know from the experience in our offices that the useful life of most computers is 2 to 3 years.

Our amendment would also help to address a critical need of small businesses to access more capital. As the Small Business Administration has noted:

> Adequate financing for rapidly growing firms will be America's greatest economic policy challenge for small business in [this] century.

As our economy has slid into recession, capital has become increasingly scarce for smaller companies. Indeed, venture capital investment in the third quarter of 2001—which is the latest data available—represents a 31-percent decline from the previous quarter and a 73-percent decline from just 1 year ago. So our small businesses are having great difficulty in accessing the capital they need. Moreover, the capital gap disproportionately affects minority-owned and women-owned businesses.

By raising the section 179 expensing limit by two-thirds, our amendment will, in effect, free up more capital for small businesses to purchase more equipment. These purchases in turn will stimulate other industries that produce that new equipment.

As Federal Reserve Chairman Alan Greenspan has pointed out, enacting temporary expensing provisions would have the "most immediate impact" on our economy of all the provisions and proposals that have been advanced. It is the right medicine and it is the right tonic for our economy today.

I have spoken with entrepreneurs in my home State of Maine about what the impact would be on their particular business if we were to increase the expensing allowance. They have told me, without exception, that our amendment is needed and that it will help to stimulate our sluggish economy. Let me give an example by quoting Terry Skillins of Skillins' Greenhouses, a fourth-generation Maine family business founded in 1885. Skillins' employs between 70 and 120 employees, depending upon the season, in its landscaping, greenhouse, and floral businesses. Terry told me that Skillins' is looking to expand but that to do so is expensive. It takes money. From tractors to conveyor belts to machines that fill flowerpots automatically, the equipment that Skillins' needs to expand is expensive. Terry says raising the small business expensing limit to $40,000 would help his company a lot.

He told me something else that I think is very important and telling. Terry said that it is very important for the increased expensing to last through next year. He told me it often takes more than 1 year for a small business to carry out an expansion plan and if the increased expensing were available for 2 years, his ability to grow his business, Skillins' Greenhouses, would be far greater.

I think we should heed Terry's advice and help our small businesses, just as they will help drive our economy back to prosperity.

We also must not lose sight of the human side to this amendment. As Mark Carpentier, the owner of a small media business in Portland, ME, recently told me, increasing the expensing limit will provide his business with more cash, cash he could use to hire another employee, to pay his employees more, or to purchase them better health insurance—a major problem for many small businesses as premiums continue to soar.

It seems to me that a true consensus package, a package that is going to make a real difference to our economic recovery, should and must include a provision like the Bond-Collins amendment to help small businesses pull through these difficult times and to give them the boost they need so they can be, once again, the engine of our economy.

Indeed, an increase in the small business expensing limit is a provision that is common to pretty much every economic recovery package other than the one advanced by the majority leader. Increased small business expensing was included in both the economic recovery packages that passed the House, the Centrist Coalition proposal—which I, along with my colleague from Maine, with Senator VOINOVICH, and three of our colleagues on the other side of the aisle joined together to draft—and the Senate Finance Committee bill which was reported with unanimous Democratic support in committee.

The help that our amendment would provide comes at a relatively modest cost to the Treasury. It is needed by small businesses across the Nation. I believe it would make a real difference.

A survey by the National Federation of Independent Business, our Nation's largest small business advocacy group, showed that the September 11 attacks and the economic downturn have significantly damaged small business economic activity. According to the NFIB's members, 34 percent of those responding reported that their sales are lower since September 11; 13 percent reported that business investment plans had been postponed or canceled altogether.

The Senate, tomorrow, will have the opportunity to put the investment plans of our Nation's small businesses back on track. This is a modest step we can take, but it is a step that will make a real difference to our small businesses and to the millions of employees for whom they provide good jobs. I urge my colleagues to support this amendment which the NFIB considers to be a key one in favor of small business.

In that regard, I ask unanimous consent a letter from the NFIB, endorsing the Bond-Collins amendment, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NFIB KEY SMALL-BUSINESS VOTE

SMALL BUSINESS NEEDS HELP NOW!! VOTE YES ON BOND-COLLINS EXPENSING AMENDMENT

DEAR SENATOR: On behalf of the 600,000 members of the National Federation of Independent Business (NFIB), I urge you to support Senator Kit Bond's and Senator Susan Collin's amendment increasing for two years the amount of equipment purchases that small businesses may expense each year from the current $24,000 to $40,000.

Many small businesses are currently struggling to cope with the recession and the events of September 11. Increasing the expensing limit would provide small and growing firms with the funds to make critical investments and keep their firms running and growing, creating new jobs.

The Bond amendment will also help small business by eliminating burdensome record keeping involved in depreciating equipment. And it adjusts the investment limit on expensing from 200,000 to $325,000.

Small business is the major job generator for the economy. Let's give them the tools to grow, hire more employees, and lead this country out of recession. Support the Bond-Collins expensing amendment. Votes on or related to this amendment will be an NFIB Key Small-Business Vote for the 107th Congress.

Sincerely,

DAN DANNER,
Senior Vice President,
Public Policy.

Ms. COLLINS. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CARPER). Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent I be allowed to speak in morning business for up to 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO FORMER SENATOR HOWARD CANNON

Mr. REID. Mr. President, I spoke last Friday to Howard Cannon. Howard Cannon served the State of Nevada for 24 years in the Senate. The reason I spoke to him on Friday was because the next day—this past Saturday—was his 90th birthday.

Howard Cannon has a great history. Howard Cannon has served his country well. For me, personally, I can remember when I was back here working as a Capitol Hill police officer and he was a Senator. I was going to law school. I attended law school full time during the daytime and then I worked a shift at night as a Capitol Police officer. Howard Cannon had previously been a bar examiner. To be a bar examiner in Nevada means you are one of the best lawyers in the State. It is a very exclusive group of people. They actually grade the bar exams for the people who take the bar to become lawyers.

Howard Cannon, as I reflect back, becomes even more significant to me. I was a young man here going to law school and working, and he was a Senator tremendously burdened with responsibilities, but yet he took the time to have me in his office on more than one occasion to help me prepare for the bar examination. He did that when all the other activities were going on in the Senate. He wanted to make sure I understood how to prepare for a bar exam. This was done by a man who graded the exams.

I pay tribute to Howard Cannon, my friend and fellow Nevadan, for all he has done for me personally over the years and all he has done for the State of Nevada and this country.

Howard Cannon is a true American hero. On January 26, as I have indicated—last Saturday—he turned 90 years old. His service to Nevada and our Nation includes a lot of things, not the least of which is 24 years as a U.S. Senator.

During his youth, he enjoyed being a cowboy, lassoed wild horses, and broke them to ride. In fact, as a boy he used one of these horses to deliver newspapers to ranches in the area where he was raised.

Today, even though he is 90 years old, he still gets up every morning and goes out into his yard to take care of his favorite horse, a palomino named Bandit.

It isn't surprising that in growing up in the West, Howard Cannon, the son of a rancher, was comfortable with horses. But more surprisingly, he was comfortable playing the saxophone. He started a band called "Howard Cannon and His Orchestra." He performed in small towns throughout the West, and he even went on a cruise ship and played in Japan.

During law school, Howard pursued his fascination with airplanes and took flying lessons. He paid for those flying lessons with earnings from his musical gigs. He became an accomplished pilot and developed a lifelong passion for flying.

I can remember on a number of occasions that he piloted airplanes in which I accompanied him around the State of Nevada while he was a Senator. I can remember specifically one airplane ride that I took from Lovelock, NV, to Las Vegas with Howard Cannon flying that airplane. I have many fond memories of Howard Cannon, but that certainly is one of them.

He went into the U.S. military in 1941. He was about 10 years older than most people who went into the military, as indicated by his age now being

90 and the average World War II veteran is about 79. While in the Army, he served in a unit of combat engineers. But later he transferred to the Army Air Corps because they learned he was an experienced pilot.

In September of 1944, Howard Cannon was the commander of a C-47 in which he was flying American paratroopers. This was before the Allied invasion into Europe. His plane was brought down by enemy fire. In fact, it came down in Nazi-occupied Holland. He had dropped these paratroopers near the Arnheim Bridge. He bailed out and parachuted behind enemy lines.

For 42 days, 6 weeks—I have heard Senator Cannon tell this story; it is a wonderful story—with courage and creativity and the aid of Dutch farmers and underground police, he made his way out of Holland into Allied hands.

He had a picture on his wall in his Senate office—he now has it in his home—of two boys with an apple. The reason that was so important is, in his getting out of Holland, he always had to find two boys eating an apple. He, of course, would take a bite out of his apple. That meant it was safe to go where he wanted to go through enemy territory.

As a consequence of his gallantry, of evading these German soldiers—of course, if he had been caught he would have been executed—he was able to unite with American troops, and for his efforts he received a Purple Heart, Legion of Merit, Distinguished Flying Cross, Air Medal with two oakleaf clusters, the French Croix de Guerre with Silver Star, the European Theatre Ribbon with eight Battle Stars, and a Presidential citation.

After the war ended, Howard Cannon moved from Utah to Las Vegas where he settled with his wife Dorothy and they raised their daughter Nancy and son Alan.

He served as a Las Vegas city attorney. He was a fine lawyer. He was elected in 1958 to the U.S. Senate. He accomplished so much for the State of Nevada.

He had a personal commitment to the U.S. military based upon his patriotism but also based on the fact that he had been such an outstanding part of the U.S. military during the Second World War.

When he was in the Senate, he test-flew all new aircraft before voting for money to develop them. He could fly those airplanes. He helped preserve Nellis Air Force Base when it was threatened with Air Force funding cuts and worked to make Nellis what is now the preeminent military installation for training American fighter pilots.

Senator Cannon considers the impact he had on aviation, though, even more significant. His support of the Airport and Airways Development Act, and later airline deregulation, helped make air travel what it was prior to September 11.

Howard Cannon's contributions enabled Nevada to attract more travelers and become the tourist capital of the world, one of the most popular destination resort areas in the world. He helped expand our Nation's transportation system. He served as chairman of the Senate Rules Committee. We were very proud of Howard Cannon at that time. And, of course, later he served as chairman of the Commerce Committee.

He contributed so much for the State of Nevada; not the least of which was his farsightedness in providing money through the Congress for the Southern Nevada Water Project that has allowed Las Vegas to grow the way it has, drawing water out of the Colorado River. This was just one of his accomplishments, but he had numerous accomplishments.

One reason I admire Howard Cannon so much is Nevada was and is a very conservative State, but he was willing to take political risks to do the right thing, as he demonstrated in 1964 when he voted for cloture, allowing the Civil Rights Act to come up for a vote. That was a very courageous vote for him. He voted for the Panama Canal Treaty, also politically dangerous. It hurt him, but he did it because he thought it was proper.

Howard Cannon provides a legacy which endures. His work continues to have a positive impact on the country.

On behalf of all the people of the State of Nevada and those people who served with him in the Senate, I thank Howard Cannon for his service.

I also want to say a word about his lovely wife. I underscore that because she is the sweetest woman you could ever know. She was so nice and represented Howard and the State of Nevada so well in her duties as a Senator's wife. She was so instrumental in his success. Howard and Dorothy live in Las Vegas. He is a little bit hard of hearing, but other than that, he is physically very strong, as he was when he was in the Senate.

Happy birthday, Howard.

The PRESIDING OFFICER. The Senator from New Mexico.

HOPE FOR CHILDREN ACT—Continued

AMENDMENT NO. 2723

Mr. DOMENICI. Mr. President, I believe I have an amendment at the desk, amendment No. 2723. I ask unanimous consent that we set aside the pending amendment and take up the amendment that is at the desk, amendment No. 2723.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] proposes an amendment numbered 2723.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide for a payroll tax holiday)

At the end, add the following:

SEC. . PAYROLL TAX HOLIDAY.

(a) IN GENERAL.—Notwithstanding any other provision of law, the rate of tax with respect to remuneration received during the payroll tax holiday period shall be zero under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1986 and for purposes of determining the applicable percentage under section 3201(a), 3211(a)(1), and 3221(a) of such Code.

(b) PAYROLL TAX HOLIDAY PERIOD.—The term "payroll tax holiday period" means the period beginning after February 28, 2002, and ending before April 1, 2002.

(c) EMPLOYER NOTIFICATION.—The Secretary of the Treasury shall notify employers of the payroll tax holiday period in any manner the Secretary deems appropriate.

(d) TRANSFER OF FUNDS.—The Secretary of the Treasury shall transfer from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of the trust funds under section 201 of the Social Security Act and the Social Security Equivalent Benefit Account under section 15A of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1) are not reduced as a result of the application of subsection (a).

(e) DETERMINATION OF BENEFITS.—In making any determination of benefits under title II of the Social Security Act, the Commissioner of Social Security shall disregard the effect of the payroll tax holiday period on any individual's earnings record.

Mr. DOMENICI. Mr. President, I am offering this payroll tax holiday amendment today to move this process forward. Right now, we have a Republican stimulus bill that passed the House; we have the President's plan and the Senate Republicans' plan; we have the Senate Democrats' plan.

But we don't yet have a stimulus plan that will pass the Senate and be signed by the President.

Let me be clear. I support the President. I think this administration is right on track when it comes to an economic stimulus package. However, any existing plan has to be modified to garner enough Senate support to pass.

The payroll tax holiday is an idea supported by both Republicans and Democrats.

Yes, I think we should have acted on a stimulus plan last October or November. I would have preferred that this payroll tax holiday had been in place for the December holidays.

But having said that, whenever implemented, a payroll tax holiday will be more effective at increasing spending than the rebate checks sent out earlier. It will put the tax cut in paychecks automatically, without the need for special mailings.

This tax holiday would be in March 2002. This gives employers and payroll administrators time to adjust their systems for the change.

Psychologically, workers are used to adjusting their spending habits based on the size of their paychecks. At present, workers spend about 95 cents for every dollar of after-tax earnings. Increasing their after-tax earnings will therefore lead to more spending—if they perceive the tax cut to be part of their regular earnings.

The Congressional Budget Office analyzed the various stimulus proposals. CBO said:

> Among the options being considered for providing fiscal stimulus, a payroll tax holiday could have a comparatively large bang for the buck . . . bigger paychecks might induce more spending than rebates would and a payroll tax holiday would reach many lower income working families.

The bottom line: A payroll tax holiday is truly a stimulative, temporary tax cut that is very likely to be spent.

Nearly all wage earners, all except those who have already reached the taxable maximum of $84,700, even those who don't earn enough to pay income taxes, would benefit.

Both the employee and employer share—6.2% each—of the Social Security—OASDI—payroll tax would be suspended. Self-employed Social Security payroll taxes would also be suspended. The Social Security trust fund would be made whole via a transfer from the general fund.

Employees would have more take-home pay and employers would have increased cash flow.

A school teacher making $40,000 would see an increase in their take-home pay of $207 in May. A self-employed contractor earning $40,000 per year, who pays both the employer and employee share of 12.4%, would see an increase in pay of $413.

This proposal enjoys wide support. The majority leader was ready to include it in his earlier plan. Several Senators have cosponsored the bill here in the Senate. I believe this proposal could provide us with a bipartisan way to enact a stimulus bill quickly.

Mr. President, I didn't want to let today go by without reintroducing this measure we call the "payroll tax holiday" amendment. The occupant of the chair has on a couple of occasions spoken to the Senator from New Mexico about this amendment. At some point in the history of the so-called stimulus, are we going to do it or are we not? The distinguished Senator was a cosponsor of the amendment.

People are now talking about the fact that a very large surplus that we were reporting at the beginning of this year, some $300 billion, has disappeared for all intents and purposes and that the President tomorrow night is going to deliver to the American people his ideas and his proposals and concepts. And, obviously, shortly thereafter he will call for the budget that will be his proposals to match fiscal policy and tax policies with the speech he made and what he intends to do during the ensuing year.

I remind everyone, once again, what actually happened to this surplus for the year we are talking about, this year, had very little to do with whether we cut or raised taxes. Some are saying to the American people, the tax cut is what brought down this wonderful surplus that was going to pay down our debt and we should not be cutting taxes. Well, the point is, we only cut $38 billion worth of taxes as a temporary reduction in that surplus. The fact that we have gone down in terms of our economic prosperity and slowly but surely ended up with a recession, a real recession—it doesn't seem as if it is going to last too long—that period of time of the American economy coming from a projected growth of over 3 percent to what all of us know is currently a negative growth, that is what took $220 billion of this surplus.

I know as I say this, if there are people interested in what we say, some are asking, what do you mean?

In the U.S. Government, when we have a growing economy, an economy that is projected to grow for the rest of this year at 3.4 percent, we have to estimate how much in taxes is going to come into the Treasury of the United States based on that kind of growth. What I am saying to Senators and to the public is that everyone agreed we should project the growth for this year at about 3.4 percent, a pretty healthy growth year over year. That means the entire basic growth of the United States was going to go up substantially. It turned out the estimates were wrong, and it came down. We lost $220 billion in the assumption with reference to how much money we were going to take in.

Let me repeat, that is about a 72-percent reduction in the surplus we had expected to accumulate, just that one item. For those who wonder about the effect of our tax cut, it was $28 billion compared to the 220 that came from the economy plunging. It is 14 percent for the tax cut. That is the reality of it.

I remember rather vividly that the chairman of the Budget Committee, who presided over two hearings early this year, at the last one or the second-to-last hearing, did acknowledge that in terms of this year the tax cut had only the impact about which the Senator from New Mexico is talking.

When we speak about a tax cut that we have already passed being too big, then we have to try to look at what we are talking about. We passed a tax cut that came into play little by little over a full decade, a little bit each year, with the biggest tax cuts coming 6, 7, and 8 years from now. That was already passed, but it will not take effect. So for those who think it is too big and that we should not give the American people that kind of tax relief 6, 7, 8, 9 years from now, they have plenty of time to fix it. They could fix it this year in the budget, if they would like, by suggesting we increase taxes in lieu of the decrease we passed. They could wait until next year and say let's increase taxes.

I don't believe we should increase taxes. Actually, the tax reductions we made over the next decade still leave the overall tax on the American people at a high level compared to other tax years during the last 30 to 40 years.

Let me quickly tell you about that. For 60 years, postwar, the average taxes as a percentage of GDP were 18 percent. For a period of 60 years, after the war and continuing on, the average tax take was 18 percent. Now even with the tax cut over the 10 years, the taxes are going to be 19 percent of the gross domestic product. They are projected by CBO to rise to 20 percent of the gross domestic product over the next decade. In this year, it will be 19 percent. Over the decade it will go up to 20.

How can they be higher than they have been on average for the past 60 years and yet there are some who would like to increase taxes from this high level that already is imposed upon them?

So we ought to be talking about that for some time. But right now, the President will be speaking to us tomorrow, Senators and House Members. On behalf of our people, we are going to have to make a choice. He is going to suggest that while there is evidence the American economy is coming back and, as some say—perhaps Dr. Greenspan would say—if he were to put nine criteria up there on the economy, he would say we are now out of recession on five out of nine. So if you want to weigh that, a majority of the indicators of growth, or nongrowth, are on the growth side.

We still have to ask ourselves, is it going to take too long to come out of this recession or should we pass a bill that would stimulate the American economy?

I believe the President is going to say he would like us to join him in passing a stimulative tax incentive package. It is with reference thereto that today I ask if the Senate is going to consider passing a tax incentive bill, that they give serious consideration to a payroll tax holiday—that is, a Social Security payroll tax holiday—for all of the employees of the Nation for 1 month and all of the employers of the country for 1 month, and that that month be the month of March. That is about as fast as you can do it. It is also about as fast as any of the other taxes you are going to consider and get implemented and become part of the tax laws of the land, to either cause growth or restrain growth.

As I have said, I knew this was going to be the case when I asked for cosponsors, and many helped. Many have said this is probably a good way to get the economy going. It probably amounts to about $40 billion that gets back into the hands of American workers everywhere and employers, large and small, in 1 month, for they don't have to pay their half.

In the meantime, we also heard from various institutional analysts—in this case the CBO, which does a lot of analysis and upon whose numbers we base our projections with reference to what is going to happen when you pass tax packages. We run it through a joint committee, but CBO gives their estimates, and they are pretty good. They indicated that, of the taxes being contemplated, the most stimulative would be this tax holiday. They base that on assumptions as to what happens when you get more money in your paycheck and what happens when you get less in your paycheck. They have concluded that the overwhelming percentage of Americans will spend the money if it is reflected in their check as a payroll check. This will not be huge for each taxpayer of America. But somebody making $40,000—depending on who is working, the husband and wife, it could be between $200 and $400 in 1 month. That would be the change in their checks.

If an employer has 10 such employees—you see, they don't pay—their half is the same amount. They don't pay that to the Federal Government. They get it to invest or do whatever they would like, in terms of helping their business grow and helping them to add more employees or, as may be the case, staving off having to lay someone off or, indeed, being able to buy equipment they weren't going to be able to buy.

All of this is going to be at the disposal of businesses, large and small. It will be a very healthy dollar amount as we move through that 1 month and the effective date that will take place, depending upon whether we in the Congress decide to pass this proposal.

Let me repeat, for simplicity, we will call it the payroll tax holiday amendment. So everybody will know, it is the payroll withholding for Social Security for 1 month on employers and employees of America. I believe I am correct in saying it is somewhere between $39 billion and $42 billion in that 1 month. And to the extent there is a month that we do not put the money into the Social Security fund, we do replenish it from the general tax revenues of the United States, which is the way we have done it for years when indeed we have had this kind of expenditure occurring.

I will repeat that when the President sends his budget here and he is asking that we spend more, not less, on defense—in fact, I think he will ask for a 12-percent increase in defense spending. I believe on homeland defense spending he is going to ask that it be doubled in percentages—about a 111-percent increase. Of course, it was a small number. He is going to ask that those two items across our various expenditure lines be considered the highest priority and that we spend our money on those two. And a third is that we produce a stimulus. I believe the stimulus I am talking about here—the payroll tax holiday—will ultimately, depending upon what you put with it, receive the support of the President. I believe he will sign a bill with that in it.

I think if Senators begin to pay attention to what might work, surely we have to do something on unemployment compensation and we have to do something on a few other of the social programs that affect our working men and women. But we are also going to do something on the tax side of the ledger. I submit that this one is more apt to get us out of the lethargy that is currently in various parts of our economy, which doesn't seem to want to move.

I ask unanimous consent that at the end of this speech, the chart on the CBO baseline projections of the surplus since January 2001 by fiscal year in the billions of dollars be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CHANGES IN CBO'S BASELINE PROJECTIONS OF THE SURPLUS SINCE JANUARY 2001

[By fiscal year, in billions of dollars]

	2002	Total 2002–2011	% 2002	% 2002–2011
Total Surplus as Projected in January 2001	313	5,610	....	....
Changes [a]				
Legislative				
Tax act [b]	(41)	(1,657)	12	41
Discretionary	(45)	(714)	14	18
Other	(5)	(49)	1	1
Subtotal	(91)	(2,420)	27	60
Economic and Technical [c]	(242)	(1,588)	73	40
Total	(333)	(4,008)	100	100
Total Surplus or Deficit (−) as Projected in January 2002	(21)	1,602	....	....
Memorandum				
Legislative changes to discretionary spending [a]				
Defense	(34)	(396)	10	10
Nondefense	(11)	(318)	3	8

[a] These estimates include the interest effects of changes assumed.

[b] CBO cost estimate for the Economic Growth and Tax Relief Reconciliation Act of 2001 (P.L. 107–16). The estimate includes both a reduction in taxes and an increase in outlays.

[c] Changes not directly driven by new legislation or by changes in the components of CBO's economic forecast are considered technical.

Source: Congressional Budget Office.

Mr. DOMENICI. Mr. President, that is what it is going to be in 2002 through 2011. The source is the CBO. The facts are pretty easy to understand—the estimates for the Economic Growth and Tax Relief Reconciliation Act. The estimate includes both a reduction in taxes and an increase in outlays. That will be in the budget if we choose to do something on the tax side.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, we have had an agreement with the minority since this bill came up that we would alternate amendments. We have done that, but we have never formalized that.

I ask unanimous consent that the first-degree amendments offered with respect to H.R. 622, the economic recovery/stimulus measure, be offered and considered in an alternating fashion.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I inquire of the Chair if the following is the order in which these amendments have been offered: Durbin, No. 2714; Bond, No. 2717; Baucus, No. 2718; Allen, No. 2702; Harkin, No. 2719; Bunning, No. 2699; Baucus, 2721; and Hatch, No. 2724, plus we have an amendment, No. 2723, offered by the Senator from New Mexico.

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. That being the case, there would be two Democratic amendments next in order.

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. I thank the Chair.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I commend Chairman BAUCUS and Senator DASCHLE for their leadership and their determination on this important issue of the ever-deepening recession of the United States and the fact that so many people are out of work. They have consistently returned time and time again to make sure we commit to the real needs of the people in this country.

But in our slowing economy, States are already facing a serious budget crunch, forcing some of our State leaders to make tough decisions. In fact, the recession would force Iowa to cut $18 million from its State Medicaid budget, funds that would have brought an additional $32 million in Federal money to our State.

All of us, when we are talking about a stimulus, have to think about what is happening in the State budgets. I know the occupant of the chair is the former Governor of the distinguished State of Delaware and he knows, as well as others, that when recessions go up and unemployment goes up, the impact on the State budgets to meet their requirement for Medicaid increases dramatically.

What happens is, as these rolls grow, then there is more of a demand on the State moneys. For example, there are already 240,000 Iowans on Medicaid, about 15 percent more than what the State expected to serve this year. The same providers who are facing the cuts will also be called upon to serve a growing number of people. When the providers are cut, the patients they serve feel it.

As we look at what is going on in the country today, we cannot allow Medicaid recipients, some of the most vulnerable people in our country, the most vulnerable of my constituents in Iowa, to fall through the cracks. But unless Iowa and other States get help, they will have to either make deeper provider cuts take effect, make eligibility requirements tougher, or cut benefits, all of which are going to impact the most vulnerable people in our society.

One provision in the stimulus bill is of particular importance to my State of Iowa, and I would say all States across the country. This provision will give States critical assistance in meeting their Medicaid responsibilities by increasing the Federal match for Medicaid, the FMAP, for 1 year.

Under the Daschle amendment, every State would get a 1.5-percent increase in their 2002 FMAP. I do not know what it will mean to all the States, but I do know it will mean an additional $30 million to the State of Iowa.

Again, while what is in the underlying bill is an important first step, we must remember it was developed when State-projected deficits were estimated to be a lot lower than they are today.

On October 31 of last year, the National Association of State Budget Officers predicted a $15 billion shortfall for the States for 2002. On October 31, there was a $15 billion estimated shortfall in our State budgets. Six weeks later, on December 19, they updated that to a $38 billion shortfall in our State budgets. We all know when we talk about State budget deficits, we are talking in large part about their Medicaid budgets. In many States, that is the largest part.

Because most States are required by their constitutions to balance their budgets every year, they have to look to Medicaid for cost savings.

Without adequate State fiscal relief through a temporary increase in the FMAP, the Federal Medicaid matching rate, these cuts are likely to be approved. It could be even worse as the deficits worsen further.

To help States avert these otherwise unavoidable cuts, I have offered an amendment which is in the lineup for tomorrow that will increase the Federal Government's match of State Medicaid spending by 3 percent instead of the 1.5 percent that is in the underlying amendment for the next fiscal year.

If this amendment is agreed to, all States will receive an enhanced 3-percent increase on their FMAP. Also, the States that have high unemployment rates will still get their 1.5-percent bonus and all States will still be held harmless.

Basically, my amendment takes the underlying 1.5 percent and makes it 3 percent in terms of the Federal match for Medicaid.

It will provide about $3.5 billion more to the States than the pending legislation and over $7.5 billion more than the House-passed plan to help offset the impending State Medicaid cuts for providers and beneficiaries.

Again, State fiscal relief is one of the best ways to stimulate the economy because Federal dollars used for this purpose help avert the State budget cuts and the tax increases that can be detrimental to any economic recovery.

The people in Iowa and all across the Nation have enough trouble finding affordable quality health care. They need our help and support during this recession. When it comes to protecting the vulnerable in these difficult times while getting our economy back on track, putting Iowans and all Americans back to work, this proposal to increase the FMAP, the Federal match on Medicaid, is right on the mark.

This amendment will be up tomorrow for a vote. I hope it will get overwhelming support because, again, we cannot afford to let the most vulnerable in our society fall through the cracks, and we have to recognize that States are facing over a doubling of the initial estimate of what their State shortfalls would be in their budgets for this next fiscal year.

Looking at all that, we need to make sure we increase the Federal share. For a small amount of money we put into it, considering the nationwide impact, the multiple effect it will have on our economy will be tremendous, especially as it affects those State budgets.

Again, I commend Senator DASCHLE and Senator BAUCUS for the underlying amendment. If we had voted on this last year, perhaps 1.5 percent might have been sufficient with what we knew then. But with what we know now, 1.5 percent is not sufficient. I believe this amendment I have offered to double that from 1.5 percent to 3 percent will make it so that the States will not have to cut their Medicaid budgets this year.

I hope we can adopt this amendment. I hope we can get the stimulus bill passed and get increased unemployment benefits out there, health care benefits, and help our States with their Medicaid budgets. This will do more to stimulate the economy than anything else we are doing.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MILLER). Without objection, it is so ordered.

Mr. KYL. Mr. President, I ask that I be allowed to speak in morning business for a period of 25 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

WITHDRAWAL FROM THE ABM TREATY

Mr. KYL. Mr. President, tomorrow evening President Bush will be giving his State of the Union speech. He will undoubtedly review the actions of the past year and talk about his plans for this current year. It seems to me appropriate to focus a little bit on what I believe is one of the most important decisions he made in the last year and to reflect a little bit upon what that decision will mean for the United States in the years to come. It was made at a time when Congress was not in session and the country, frankly, was primarily thinking about the Christmas season. There was not a lot of media attention paid to the decision.

For reasons I will discuss in some subsequent speeches, it seems to me one of the most fundamental and important decisions of any President in recent years and certainly of President Bush during his first term. I refer to his decision on behalf of the United States to give notice to Russia of the withdrawal of the United States from the 1972 ABM Treaty. As I said, I am going to discuss different aspects of this decision in some subsequent remarks.

For example, I will discuss the President's legal authority to withdraw. Some have suggested action by the Senate should take place or that somehow the President doesn't necessarily have the authority to withdraw from the treaty. That is not true; he does. I will be discussing that. I also want to address in subsequent remarks how I think this decision changes the geopolitical relationships and, frankly, reflects a 21st century view of the world, especially the relationship between the United States on one hand and Russia on the other hand, a view far different from that of the adversarial cold war relationship between the two superpowers, and how this ABM decision is probably the most dramatic recognition of that new relationship.

I will discuss what that means both in terms of the relationship between the two countries in the future but also what it means in terms of a change in the direction of the philosophy of this country with respect to national security issues, especially how it relates to the question of how we protect ourselves. Is it through a combination of ideas that are premised on peace through strength, going back to the Reagan days, or more of a focus on arms control agreements, reflecting more of the Clinton administration view?

Clearly, the Bush administration has decided defending the United States depends first and foremost upon our ability to defend ourselves through missile defense, for example, and less on arms control agreements. I will be discussing what I think are the important ramifications of that decision.

Today, I will first of all commend the President for his decision, made on December 13 of last year, of the intent to withdraw from the ABM Treaty and, secondly, discuss the reasons I believe this was the right decision for the President to make. Let me note those two reasons in summary.

It is highly questionable whether the ABM Treaty ever served U.S. interests. It did not stop an arms race, its purpose, as proponents claims. It was the product of a bipolar international structure, as I said before, that no longer exists and no longer reflects the relationship we should have with Russia as a result. It remains a serious obstacle to U.S. ability to defend itself against the long-range threat of ballistic missiles. The President's decision was a necessary step forward in addressing that threat. The future national security of the United States requires the construction of ballistic missile defenses that were flatly prohibited by the treaty.

Let me discuss those items in turn. First, with respect to the purpose of the treaty, the premise of the ABM Treaty back in 1972 was that if neither the United States nor the Soviet Union took steps to protect itself against a devastating nuclear strike, then both nations would feel confident in their ability to retaliate against each other, secure in the knowledge that each possessed that capability, and neither would find it necessary to increase the size of their nuclear arsenals. An accompanying agreement, SALT I, was intended to limit the size and shape of the arsenals in order to enhance strategic stability.

Proponents of the ABM Treaty—and their numbers are many —have for the 30 years or so since the treaty's ratification considered it the cornerstone of strategic stability. They view the treaty not just as the guiding document in United States-Soviet and now United States-Russian relations but as the principal constraint on all countries considering developing missile forces with which to threaten neighbors and argue that the absence unleashes a destabilizing arms buildup around the world, including in Russia.

Well, what of this?

The central premise of the ABM Treaty, that the United States and Soviet nuclear arsenals would be restrained by the absence of missile defenses, is refuted through the simplest quantitative analysis. In the 15 years since the treaty's ratification, the number of strategic ballistic missile warheads in the inventory of the Soviet Union grew from around 2,000 to 10,000. The U.S. level grew from around 3,700 in 1972 to about 8,000 in 1987. In fact, strategic nuclear forces expanded not just quantitatively but qualitatively as well. The decade following the ABM Treaty signing witnessed introduction into the Soviet arsenal of entire generations of new long-range missiles, not just in contradiction to the intent of the ABM Treaty but in contravention of the accompanying SALT I accord as well.

The post-cold-war picture similarly argues against the treaty's effectiveness at restraining offensive forces. China has been exceedingly belligerent in its use of warlike rhetoric targeted against the concept of a regional missile defense plan encompassing the island of Taiwan. Yet in the absence of missile defenses, it has been deploying missiles opposite Taiwan at the rate of 50 a year. China made the decision and embarked on a modernization of its long-range missile force targeted against the United States long before the United States made a decision to deploy missile defense systems.

Similarly, India and Pakistan missile developments which, combined with each country's nuclear weapons programs, create the most dangerous region on Earth right now, occur without reference to missile defenses. And of course missile programs of countries such as Iran, Iraq, and North Korea have been restrained at times by technological factors but never by the presence of missile defenses in countries they might target.

The point is that missile forces are not a response to missile defenses. They are the result of national perceptions of threat and political and military requirements. As the new National Intelligence Estimate on foreign ballistic missiles states:

> The ballistic missile remains a central element in the military arsenals of nations around the globe and almost certainly will retain this status over the next 15 years.

In other words, ballistic missiles are not being built as a result of missile defenses being built. Those missile forces are already occurring, are already being built, and it is the defenses which now need to restrain them.

Another point: The bipolar world structure that I referred to no longer exists. The problem of proliferation here has to be addressed.

The ABM Treaty was negotiated between two countries, one of which no longer exists. At its signing, little consideration was given to a post-Cold War world. The developments of the late 1980s and early 1990s were simply not foreseen. Nuclear and missile proliferation, while certainly acknowledged as issues, took a backseat in the two superpowers' thinking to direct bipolar considerations back in 1972.

Proliferation is today, however, one of our principal national security challenges. Roughly two dozen countries have or are developing ballistic missiles. These weapons have also become a common feature of modern warfare. Used but once between 1945 and 1980, thousands of ballistic missiles have been fired in at least six conflicts since 1980, and their range and sophistication are growing. In fact, despite the promised reductions in Russian strategic forces, the threat from other countries seeking to target the United States with long-range missiles has grown since the end of the Cold War.

Let me give some examples of this trend:

China is actively modernizing and expanding its long-range missile force. The newly released National Intelligence Estimate states that, by 2015, "the total number of Chinese strategic warheads will rise several-fold."

Despite difficulties it has experienced in developing its Shahab-3 medium-range missile—and it should be pointed out that all countries, including the United States, experience developmental problems with new missile programs—Iran continues to place much emphasis on its missile activities. With considerable Russian assistance, it is developing missiles capable of striking Central Europe. The new NIE concludes that "Teheran's longstanding commitment to its ballistic missile programs . . . is unlikely to diminish."

Iraq is believed to covertly possess a stockpile of banned missiles. While Iraq's missile programs have been constrained by sanctions in effect since the Persian Gulf War, the gradual but steady erosion of those sanctions could result in its being able to reconstitute its long-range missile programs. Iraq's ability to surprise us in the past with the scale of its missile and nuclear, chemical and biological programs should serve as a warning of what can happen should the sanctions regime collapse completely.

North Korea has extended its moratorium on testing its intercontinental-range Taepo-dong missiles, but its surprise August 1998 test flight over Japan of one such missile should similarly temper any enthusiasm about that regime's capabilities and intentions. The National Intelligence Estimate pointed out that North Korea has not abandoned the the Taepo-dong 2, and that it could reappear "as a [space-launch vehicle] with a third stage to place a small payload into the same orbit the North Koreans tried to achieve in 1998."

If the National Intelligence Estimate is nebulous in its description of the threat to the continental United States of long-range ballistic missiles, it is emphatic in its description of the threat from shorter-range missiles:

> The probability that a missile with a weapon of mass destruction will be used against U.S. forces or interests is higher today than during most of the Cold War, and it will continue to grow as the capabilities of potential adversaries mature . . . (T)he missile threat will continue to grow, in part because missiles have become important regional weapons in the arsenals of numerous countries. Moreover, missiles provide a level of prestige, coercive diplomacy, and deterrence that nonmissile means do not.

What this tells us is that missiles remain an extremely important component of the arsenals of the very regimes that represent our greatest foreign policy challenges. Yet, the NIE suggests that the threat from medium-range missiles is not likely to be matched by a commensurate threat from long-range missiles in the next 15 years, in spite of the fact that the very same arguments for medium-range missiles exists in the case of longer-range ones.

Fortunately, we have today a Secretary of Defense who understands intimately the weaknesses of intelligence estimates that seek to predict foreign technological developments. As chairman of the bipartisan Rumsfeld Commission, Secretary of Defense Rumsfeld led an effort to assess the threat of foreign ballistic missiles and the ability of the intelligence community to accurately estimate the scale of that threat. The commission's unanimous conclusion was that the missile threat to the United States "is broader, more mature and evolving more rapidly than has been reported in estimates and reports by the intelligence community," and a rogue nation could acquire the capability to strike the United States with a ballistic missile in as little as 5 years.

That analysis was accepted by the Congress, by the President, and by a majority of the intelligence community. The Rumsfeld Commission turned out to be more prescient than anybody anticipated. Within months of the completion of its report, North Korea shocked the intelligence community with its launch of the Taepo-dong.

Indeed, for all of its successes—and they have been both numerous and vital to our security—it does not disgrace the intelligence community to point out that either it or its political overseers have, at times, missed important developments. A recent article in Jane's Intelligence Review describes the three times during the 1990s that North Korea alone surprised the United States within the realm of missile programs:

> The first was in 1990 with the testing of the No-dong IRBM . . . The second surprise was in 1994, when aerial photographs revealed mock-ups of two new two-stage ballistic missiles, named Taepo-dong 1 and 2. The third surprise came in August 1998 with the test launch of Taepo-dong 1. . . .

President Bush recognized the changed post-Cold War security environment typified by the ballistic missile programs of numerous real or potentially hostile countries, when he stated in his December 13 announcement of his intent to withdraw the United States from the ABM Treaty:

> . . . as the events of September the 11th made all too clear, the greatest threats to both our countries come not from each other, or other big powers in the world, but from terrorists who strike without warning, or rogue states who seek weapons of mass destruction.

The President's announcement was the culmination of a period of negotiations intended to convince Russia of the need to amend or scrap an outdated treaty. He did this because he believes that the appropriate response to the threat from foreign missile programs must include defenses against those missiles, and that the ABM Treaty prevents the United States from developing and deploying those defenses.

What of that latter point? Some have argued maybe we could stretch our research time and testing time and still not be in direct violation of the treaty. In fact, the previous administration sought to deal with the threat of ballistic missile attack primarily by relying on treaties or agreements as articulated in 1994 by Under Secretary of State John Holum:

> The Clinton Administration's policy aims to protect us first and foremost through arms control—by working hard to prevent new threats—and second, by legally pursuing the development of theater defenses for those cases where arms control is not yet successful.

Arms control, first and foremost; only secondarily by pursuing the development—not deployment—of theater defenses, not defenses against intercontinental ballistic missiles, and only in those cases where arms control is not yet successful. That is an entirely different paradigm, that we can rely upon arms control to protect the people of the United States.

There are no arms control agreements with rogue states, and they don't prevent nuclear blackmail. National Security Advisor Condoleezza Rice noted this problem in her July 13 speech before the National Press Club:

> We must deal with today's world and today's threats, including weapons of mass destruction and missiles in the hands of states that would blackmail us from coming to the aid of friends and allies.

Nor do I think it is a good idea to rely principally on deterrence. One problem with deterrence is that it does fail. We acknowledge that fact when applied regionally. We support the Israeli Arrow missile program because we know that Israel's adversaries may not be deterred by threat of retaliation. In fact, in the case of Saddam Hussein during the Gulf War, such retaliation was invited.

When the subject becomes the safety of American cities, however, such acknowledgements disappear. The fact remains, though, that deterrence does fail, and we ought not be left with massive retaliation as the only response to an attack on the United States.

It has always been of concern to me that we would rely on deterrence against a largely innocent population of a country headed by a tyrant. The best deterrence is the ability to defeat an attack. The principal impediment to our ability to develop the means to actually defend against missile attack is not technology. It is the ABM Treaty, as I said before. As the President stated in his December 13 announcement:

> We must have the freedom and the flexibility to develop effective defenses against those attacks. Defending the American people is my highest priority as Commander in Chief, and I cannot and will not allow the United States to remain in a treaty that prevents us from developing effective defenses.

Despite the failure of the ABM Treaty to slow the growth in nuclear arms, it was remarkably successfully at preventing the development of missile defenses. We cannot develop, let alone deploy, a national missile defense system under the constraints of the ABM Treaty. That was its whole purpose. But times have changed, and, as the President has pointed out, the treaty has become an unacceptable restraint on our ability to defend ourselves against the threat of ballistic missile attack.

To repeat, we cannot develop, let alone deploy, a national missile defense system under the constraints of the ABM Treaty. Both its letter and its intent are very clear on this point. Let me just take a moment to explain why.

Article I, Section 2, states:

> Each Party undertakes not to deploy ABM systems for a defense of the territory of its country and not to provide a base for such a defense, and not to deploy ABM systems for an individual region except as provided for in Article III of this treaty.

Additionally, under the terms of the treaty, specifically Article III, we can only build one treaty-permissible site around either Washington, DC, or around an ICBM field. The treaty prevents the defense of any other part of the United States. That is why the Fort Greely, AK, site under the terms of the treaty, cannot be an operational missile defense site.

Critics of the President argue that the decision to withdraw from the treaty is premature, and that the treaty does not really prevent the development of the capability to build a nationwide defense.

For example: The Union of Concerned Scientists concludes, on the basis of its own examination of the issue, that "there is no compelling reason for the United States to withdraw from the ABM Treaty for at least the next several years." One of our colleagues from the State of Florida, Senator NELSON, stated at a hearing in June:

> We need, for the sake of defense of our country, to proceed with robust research and development, but you can't deploy something that's not developed.

The fact is, we cannot develop a nationwide system under the constraints of the ABM Treaty. That was the efficacious thing about the treaty: it effectively prevented the development of such a system.

Furthermore, we cannot even research the kind of layered defense necessary to maximize the prospects of a successful intercept.

Article V of the treaty states:

> Each Party undertakes not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based.

Article VI states:

> Each Party undertakes not to give missiles, launchers, or radars, other than ABM interceptor missiles, ABM launchers, or ABM radars, capabilities to counter strategic ballistic missiles or their element in flight trajectory, and not to test them in an ABM mode.

It is critical. That is why the Secretary of Defense was forced in October to alter the most recent missile-flight test. It would have violated the treaty had we used a U.S. Navy ship to track the target missile in flight—precisely, by the way, what we want to do in developing a successful missile defense system. Because the sea-based option remains among the most promising for a secure, flexible missile tracking capability, we should be actively integrating the AEGIS system into these flight tests, but under Articles V and VI of the treaty that is prohibited.

Similarly, use of a Multiple Object Tracking Radar at Vandenberg Air Force Base, which was going to be used to track the target missile, is prohibited. An administration official was quoted in the Washington Post as noting:

> This shows that the ABM Treaty is already constraining us in a very material way. These are aspects of tests that we canceled, and they need to be done at some point.

Similarly, how can we exploit the capabilities that may emerge from development of the Airborne Laser Program, a system designed to shoot down enemy missiles early in their ascent phase when they are larger and hotter and therefore easier to target? The Airborne Laser won't necessarily know whether it is shooting at a short-range missile, or one with intercontinental range. The former would be permissible under the treaty, but not the latter.

In short, the treaty, as it was designed to do, prevents us from even developing let alone deploying a national missile defense system that exploits the most promising technologies.

In conclusion, the ABM Treaty was signed in a vastly different strategic environment than exists today. It can hardly be said to have been a success during the cold war, the geopolitical context in which it was written. Today, it serves only to prevent us from addressing the post-cold war challenges that confront us from a number of other countries. A treaty that failed in a strictly bipolar structure to restrain nuclear weapons developments, it is even more ill-suited to the security environment of today's multipolar world. The President's decision to withdraw the United States from its provisions should be commended. We cannot predicate the defense of the American people on a theory of deterrence that assumes hostile regimes make decisions in the same manner as do we, and that leaves us vulnerable to a particular type of threat we know is on the horizon.

We have a fundamental responsibility to the American public to defend it against all threats. The threat from the ballistic missile programs of foreign countries is real, and it can be expected to grow. We cannot address that threat within the confines of the ABM Treaty. The decision to move beyond it was the right decision, and I applaud President Bush's leadership on this issue of tremendous importance to all Americans.

As I said, he probably will be too modest to address this much in his State of the Union speech tomorrow evening, but I believe it to be one of the most important decisions he made last year, and its ramifications will be felt and be defined by greater security for the American people for decades to come.

I commend him for that decision.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLARD. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOPE FOR CHILDREN ACT—Continued

Mr. ALLARD. Mr. President, my understanding is that we are under regular business.

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 2722

Mr. ALLARD. Mr. President, I ask unanimous consent to lay aside the pending amendment and call up amendment No. 2722, which is the Allard-Hatch-Allen amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendment.

The legislative clerk read as follows:

> The Senator from Colorado [Mr. ALLARD] for himself, Mr. HATCH, and Mr. ALLEN, proposes an amendment numbered 2722 to the language proposed to be stricken by amendment No. 2698.

Mr. ALLARD. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> (Purpose: To amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit)
>
> At the appropriate place, insert the following:
>
> **SEC. ____. PERMANENT EXTENSION OF RESEARCH CREDIT; INCREASE IN RATES OF ALTERNATIVE INCREMENTAL CREDIT.**
>
> (a) PERMANENT EXTENSION OF RESEARCH CREDIT.—
>
> (1) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 (relating to credit for increasing research activities) is amended by striking subsection (h).
>
> (2) CONFORMING AMENDMENT.—Paragraph (1) of section 45C(b) of such Code is amended by striking subparagraph (D).
>
> (3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after the date of the enactment of this Act.
>
> (b) INCREASE IN RATES OF ALTERNATIVE INCREMENTAL CREDIT.—
>
> (1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) of the Internal Revenue Code of 1986 (relating to election of alternative incremental credit) is amended—
>
> (A) by striking "2.65 percent" and inserting "3 percent",
>
> (B) by striking "3.2 percent" and inserting "4 percent", and
>
> (C) by striking "3.75 percent" and inserting "5 percent".
>
> (2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after the date of the enactment of this Act.

Mr. ALLARD. Mr. President, I ask unanimous consent Senator WARNER be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLARD. Mr. President, I am pleased to rise today to offer an amendment making the research and development tax credit permanent. I express my gratitude to Senator HATCH, the distinguished ranking member of the Judiciary Committee. Senator HATCH has been working on this issue for years, and I am grateful for the opportunity to join him in this continuing effort on this essential piece of legislation. I also express my thanks to Senator GEORGE ALLEN who has distinguished himself as the chairman of the High Tech Task Force.

I am pleased to serve with Senator ALLEN on the task force, and I look forward to continuing to work with him as we address the many numerous technology issues that confront this Nation. Both of our States take a very active role in high tech. We have many businesses in both of our States—Virginia and Colorado—that rely on high tech in order to grow.

As a member of the Senate High Tech Task Force, I have been fortunate to work with a number of my colleagues on an agenda that is both probusiness and proconsumer. We have focused on expanding the reach of Internet and broadband technologies, putting more computers in classrooms, more schools online dealing with cyber security issues in general relating to e-commerce, the spectrum, and intellectual property issues. None of these issues has the power to make as immediate an impact in the technology industry as a permanent extension of the research and development tax credit. It is altogether appropriate that we include this language in any stimulus bill to pass out of the Senate.

A study by Coopers & Lybrand in 1998 showed that a permanent extension of the R&D tax credit would create nearly $58 billion in domestic economic growth through 2010.

This is an astounding and immediate impact that affects virtually every American. Available solely for incremental research activities in the United States and Puerto Rico, approximately 75 percent of the R&D tax credit dollars pay for salaries of employees associated with research and development. These are high-skilled, high-paying American jobs.

In an ever expanding global marketplace, it is important that American companies be able to compete abroad. It is also important that multinational firms see the United States as a welcome laboratory for research and development.

Australia, Canada, Germany, Great Britain, and Japan all offer financial incentives to companies to perform research and development within their borders which lowers the cost of R&D and gives companies both a competitive advantage and an incentive to bring their resources and jobs to the marketplace where they can get the most bang for the buck. It is my hope that international research and development investors will recognize that the United States is just such a place.

The R&D tax credit provides an effective incentive for companies to create valuable, skilled jobs. This is not just theory. The research and development tax credit was originally enacted in 1981 and has been extended 11 times.

From 1995 through 1998, the innovation and economic growth in information technology alone was responsible for one-third of the real economic growth. Studies by the General Accounting Office, the Bureau of Labor Statistics, and others have documented the impact the research and development tax credit has on private research and development spending. One such study found that every dollar of tax benefit spurs an additional dollar in private research and development investment. This is to say nothing of the major economic benefits associated with increased productivity and efficiency that new technologies and products bring.

And the benefits don't stop there. Investment in research and development has generated countless products and technological advances affecting every facet of American life.

In 1866, American farmers could expect to yield 11.6 bushels of wheat per acre. Then, about 34 years later, in 1900, the expected yield was 12.2 bushels, climbing to 16.5 bushels per acre in 1950. Today, thanks to advances in pesticides and crop genetics, that yield can reach well over 43 bushels per acre.

Medical patients today benefit from a variety of wonder drugs and medical devices previously unimaginable. The hardware, software, and fiber that makes the Internet run, even the Internet itself, provide examples of what aggressive research and development can do. The benefits of investment in research and development in short makes our lives better.

Every American has benefited from the giant leap forward in technology. Our standard of living is higher. Our quality of life is greater.

I realize that many of my colleagues may ask why we must make this tax credit permanent rather than continuing to extend it annually semi-annually. As a former small businessman, I know many of my colleagues can relate to this. A business must budget, look forward, and plan in order to get the highest use of their hard-earned dollars. This principle applies to all businesses, regardless of size, location, or the number of borders they cross in doing business.

The process of ongoing renewal year to year means the research and development tax credit offers less value to the businesses and research initiatives we are seeking to support. Business and technology leaders look at multiyear projects often over 10 years down the road. When we look around today and take stock of the many goods and services today that did not exist 10 years ago, I believe we can agree that this kind of planning must be encouraged.

I mentioned my experience as a small businessman. As my colleagues know, I ran my own veterinary hospital. Trained as a scientist, I continue to keep up on the latest developments in pharmaceuticals, treatment techniques, and chemistry. I would like to make one thing very clear today: That is, scientific development does not fit in calendar or fiscal years. It is not cyclical or situational. Science is an evolving, growing, expanding study. This vital process through which virtually all human endeavor can be traced is one that should not be inhibited by regular policy debates when the result is so clear.

Research and development is the cornerstone of healthy industry and provides solutions to problems we may not even realize exist. Uncertainty can equate to less investment and undermines the entire purpose of the research and development tax credit.

President Bush included permanent extension of the R&D tax credit in his initial tax relief plan. I was pleased to see that a majority of my colleagues supported this credit by voting 62 to 38 on the final tax package, which at that time included the permanent extension. It is my hope that we will be able to continue the momentum of last year's vote and seize this opportunity to state, in no uncertain terms, that the Senate recognizes the importance of this tax credit, the innovations it inspires, and the tangible impact it makes on the quality of life in America.

A number of prominent trade organizations have organized the R&D credit coalition in an effort to support the Congress in passing this legislation. I ask unanimous consent to print a list of these organizations in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ASSOCIATION MEMBERS OF R&D CREDIT COALITION

(Listing from NAM/R&D Workbook)

AeA (formerly American Electronics Association)
Aerospace Industries Association (AIA)
American Association of Engineering Societies
American Council on Education
American Institute of Aeronautics and Astronautics
American Institute of Chemical Engineers
American Society of Civil Engineers
American Society of Engineering Education Engineering Deans Council
Automotive Parts Rebuilders Association
Biotechnology Industry Organization
Business Software Alliance
Computing Technology Industry Association
Electronic Industries Alliance
Federation of Materials Societies
Information Technology Association of America
Information Technology Industry Council
IPC, Association Connecting Electronics Industries
Medical Device Manufacturers Association
National Association of Manufacturers
National Electric Manufacturers Association
National Society of Professional Engineers
North American Die Casting Association
Pharmaceutical Research and Manufacturers of America
Semiconductor Equipment and Materials International (SEMI)
Semiconductor Industry Association
Software & Information Industry Association (SIIA)
Software Finance and Tax Executives Council
Steel Manufacturers Association
Technology Network
Telecommunications Industry Association
The Advanced Medical Technology Association (AdvaMed)
The Tax Council
U.S. Chamber of Commerce

Mr. ALLARD. I also ask unanimous consent to print a number of letters, from the American Electronics Association, the Information Technology Industry Council, and the R&D Credit Coalition, regarding the importance of including this permanent R&D tax credit extension in the current stimulus bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN ELECTRONICS ASSOCIATION,
Washington, DC, January 28, 2002.

DEAR SENATOR: On behalf of the high-tech industry, I write to express AeA's strong support for the Allard/Hatch/Allen amendment which calls for a permanent extension of the research and development tax credit (R&D tax credit) along with a modest increase in the Alternative Incremental Research Credit (AIRC) rates. We believe that this amendment would provide businesses the certainty to invest in additional R&D and would stimulate the economy. Our industry is unified in its support of such a measure.

Please vote in support of the Allard/Hatch/Allen amendment (SA 2772.) This amendment is identical to bipartisan legislation, S. 41, sponsored by Senators Max Baucus and Orrin Hatch and which currently has 53 Senate cosponsors.

The many economic benefits of the R&D tax credit are well documented. A permanent R&D credit would: Create additional high-paying, high-skilled jobs in the United States; increase productivity in the U.S. almost immediately; stimulate additional R&D spending in the United States, ranging from 1 to 2 additional dollars for every dollar of foregone tax revenue; and lower U.S. production costs and consumer prices.

In times of uncertainty, companies are reluctant to invest in long term projects, and therefore anything that provides certainty will make it that much easier to commit resources now to hire people to pursue long term research projects. The current economic slowdown requires this kind of dramatic, effective action by the Congress.

AeA (American Electronics Association) is the nation's largest high-tech trade association and is comprised of more than 3,500 small, medium and large high-tech companies. Passage of an economic stimulus package is very important to the high-tech industry right now, and we hope the U.S. Senate will act quickly to approve a stimulus package that includes a permanent R&D tax credit extension.

Sincerely,
WILLIAM T. ARCHEY,
President and CEO.

INFORMATION TECHNOLOGY
INDUSTRY COUNCIL,
Washington, DC, January 28, 2002.
Hon. ORRIN G. HATCH,
Hon. WAYNE ALLARD,
U.S. Senate, Washington, DC.

DEAR GENTLEMEN: The Information Technology Industry Council (ITI) wishes to express our strong support for your amendment to permanently extend the Research and Development (R&D) credit and to increase the rates of the alternative incremental credit. We commend you for your leadership on such a critical issue to the U.S. economy.

As the representative of the leading U.S. providers of information technology (IT) products and services. ITI is extremely proud of the critical role our member companies have played in fueling the extraordinary growth in productivity and job creation over the last decade. Much of that growth was fueled by industry-funded investments in R&D.

As you know, R&D is the lifeblood of the IT industry. It has proven instrumental in helping America remain at the forefront of technological development and innovation. While we appreciate the fact that the credit has been extended many times over the years, a permanent R&D tax credit will provide a more predictable environment for sustaining our lead in cutting-edge technology.

The R&D credit has long enjoyed bipartisan support in both houses of Congress. We hope the Senate will once again demonstrate its commitment to U.S. technology by voting in favor of your amendment.

Sincerely,
RHETT DAWSON,
President.

R&D CREDIT COALITION,
Washington, DC, January 28, 2002.
Hon. WAYNE ALLARD,
U.S. Senate,

DEAR SENATOR ALLARD: On behalf of the members of the R&D Credit Coalition, we thank you for offering as an amendment to the pending economic stimulus bill (S. 622) a permanent extension of the research and experimentation tax credit (the "R&D credit") with a modest increase in the Alternative Incremental Research Credit (AIRC) rates.

Private-sector research is vital to our national security as well as to our economic resilience. In order to maximize the potential for new and continued U.S.-based research, it is important that companies be able to rely on the long-term availability of the R&D credit. This is especially true in periods of economic uncertainty, when it is particularly difficult for companies to commit to high cost, high-risk projects.

The R&D tax credit encourages companies to create more high-skilled, high-paying jobs, as well as increased economic security and higher standards of living for American workers. In addition, this credit enables companies to provide increased jobs and salaries for engineers, researchers and technicians. Just as important, however, are the additional jobs created in manufacturing, administration and sales when research yields new products taken to market.

By making the commitment to U.S. based research permanent, Congress is in the unique position to help stimulate investments now in more long-term research projects in the U.S.-providing both an immediate boost to the economy and a stronger foundation for future economic growth through productivity gains. We look forward to working with you to see a permanent extension of the R&D credit with a modest increase in the AIRC rates enacted into law this year.

Sincerely,
Bill Sample, Microsoft Corporation, Chairman, R&D Credit Coalition; Donna Siss Gleason, The Boeing Company, Vice Chair, R&D Credit Coalition; Kristin Paulson, United Technologies Corporation, Cochair, R&D Credit Coalition, Government Affairs Committee; Karen Myers, EDS, Cochair, R&D Credit Coalition, Government Affairs Committee; Caroline Graves Hurley, American Electronics Association, Executive Secretary, R&D Credit Coalition.

Mr. ALLARD. Mr. President, at one time or another, we have had various Members from the Senate state how important it is to encourage research and development in our country. In fact, the majority leader himself, TOM DASCHLE, on January 4, 2001, said:

> We should act to make the research and development tax credit permanent; the sooner the better.

And then majority leader TOM DASCHLE, on January 4, 2001, stated:

> . . . the R&D tax credit is one of the most effective mechanisms to encourage innovation, increase business investment, and keep the economy growing.

Now, as I mentioned in my remarks, being a scientist and having been in business for myself, I fully understand the importance of research and bringing those technologies to the marketplace. Not only do the consumers benefit, but society in general and the whole world benefit. If we are going to continue to be a leading competitive nation in the world, we need to continue research and development.

As members of the chamber of commerce in the town in which I practiced veterinary medicine, we tried to attract businesses that did a sizable amount of research and development because we understood that, with research and development, that company was likely to be with us for a long time because they were continually keeping up with advancements in science and bringing that to the marketplace.

So as we talk about what it is with which we can stimulate the economy in America, I think one of the most significant things we can do as a Congress is to send to the President a research and development tax credit that is permanent, not one that will change every year.

I can understand the frustrations of business people who come to me and have talked in town meetings and said: Look, if we only had some idea of how long this research and development tax credit would last instead of periodically renewing it, we could lay out long-term plans for R&D. I agree. I think it is important to have a very successful program of research and development in your company. You have to have a long-range plan in place, and the only way to do that is to have some assurance from the Congress, the President, and the Federal Government that the tax credits are going to be there to use in putting together any research needs you may have in order to meet product development within your company. So this is an extremely important piece of legislation. I think it is an important issue.

The Senate should address it, and the sooner the better, during these times when our economy is not doing so well. Even if our economy was doing well, this is what we need to have in place in order to sustain economic growth. It would be less likely we would get into economic downturns with this kind of encouraging tax credit on a permanent basis. I encourage my colleagues to join me in voting for the permanent extension of the research and development tax credit.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I thank my colleague. I commend him for being willing to file this amendment today. I rise to speak in support of the amendment of the distinguished Senator from Colorado to extend permanently the research credit.

This amendment we offer today is simple and straightforward. It would extend permanently the credit for increasing research activities, commonly known as the research credit or the

R&D credit. This provision was an important contributor to our robust economic growth of the last half of the 1990s.

Let me explain why this amendment is necessary.

In July 1999, the Senate voted to make the research credit permanent. Unfortunately, the House version of the 1999 tax bill included only a 5-year extension of the credit. The 5-year extension did prevail in the conference. Unfortunately, that bill was vetoed by President Clinton for reasons unrelated to the research credit itself.

However, in November of 1999, Congress passed and President Clinton signed the Ticket to Work and Work Incentives Improvement Act, which included a 5-year extension of the research credit. Therefore, the credit was extended to June 30, 2004.

In mid-2000, the Senate again had the opportunity to vote on a permanent extension of the research credit. While we were debating that year's version of the death tax repeal bill, Senator BAUCUS and I offered an amendment to make the research credit permanent. The Senate passed the amendment with a vote of 98 to 1. Once again, President Clinton vetoed the underlying bill.

Again last May, as we debated the 2001 tax cut bill, I offered an amendment to extend permanently the research credit. That amendment was withdrawn, but the provision was included in a managers' amendment that was approved by the Senate. Unfortunately again, however, the permanent research credit was dropped in conference and the credit was not extended.

Thus, as it stands under present law, the research credit is scheduled to expire on June 30, 2004. This is most unfortunate, Mr. President, because in 2004 the Congress and, more importantly, America's business community will once again have to go through the complete rigmarole of on-again, off-again uncertainty of an important tax provision. Temporary extensions are poor tax policy. The ultimate loser in this game is not the Congress or even the companies that engage in research, but each American. That is because every one of us is the direct beneficiary of the research investments made by the businesses of America. We benefit from the higher economic growth and increased productivity and the higher degree of global competitiveness that increased research brings.

The research credit has been in the Internal Revenue Code for more than 20 years in one form or another. It has expired and been extended 10 times, Mr. President. Those extensions have been as short as 6 months and as long as 5 years. There have even been periods when the credit was allowed to expire and then retroactively reestablish. On one occasion, the credit expired and was reenacted prospectively, leaving a gap period where the credit was not available. The one thing the credit has never been is permanent. That is a shame.

This is significant because, as effective as the credit has been in providing a strong incentive to companies to increase research activities, it has been inherently limited in its effectiveness because business leaders have never been able to count on the credit being there on a long-term basis, and therefore their long-term planning can't be entered into.

Anyone who has been in business more than 10 minutes knows that planning and budgeting—unlike what we do in Congress—is a multiyear process. Anyone who has been involved in research knows that scientific enterprise does not fit neatly into calendar or fiscal years.

Our history of dealing with the research credit—that is, allowing it to run to the brink of expiration and bringing it back after it is dead with retroactive extensions—results in not only very poor tax policy but is also very detrimental—and I would say highly so—to our research-intensive business entities and indeed the whole country.

It is time to get serious about our commitment to a tax credit that is widely viewed by economists and business leaders as a very effective provision in creating economic growth and keeping this country on the leading edge of high technology in the world. A 1998 study by Coopers and Lybrand dramatically illustrated the significant economic benefits provided by the research credit. According to the study, making the credit permanent would stimulate substantial amounts of additional R&D in the United States, increase national productivity and economic growth almost immediately, and provide U.S. workers with higher wages.

The vast majority of the Members of this body are on record in support of the permanent research credit. As I mentioned, only 18 months ago, 98 Senators voted in favor of permanence.

But, while practically everyone says they support a permanent research credit, it has become too easy for Congress to fall into its two-decade-long practice of merely extending the credit for a year or two, or even five years, and then not worrying about it until it is time to extend it again.

These short-term extensions have occurred ten times since 1981. Ten short-term extensions for a tax credit that most Members of this body strongly support. I am not sure we realize how the lack of permanence of the credit damages its effectiveness.

Research and development projects cannot be turned on and off like a light switch. They typically take a number of years and may even last longer than a decade. As our business leaders plan these projects, they need to look years ahead in making the projections and estimating the potential return on their investment. Because the research credit is not permanent, and its extension is not assured, the availability of the credit over the life of these projects is uncertain and is thus often not included in the numbers. As a result, the projected return on the investment is lower and some promising research projects are simply not funded.

With a permanent credit, these business planners would take the benefits of the credit into account, knowing they would be there for all years in which the reason is to be performed. The result would be a lower projected cost, leading to more research projects being funded, which in turn would lead to more benefits to the economy, to our productivity, and to each consumer. In fact, making the credit permanent would start these benefits now and actually give an immediate boost to the amount of research performed, even before the current credit expires in 2004.

There is little doubt that a significant amount of the incentive effect of the research credit has been lost over the past 20 years because of the constant uncertainty about its continuing availability. This uncertainty has undermined the very purpose of the credit. For the government and the American people to maximize the return on their investment in U.S.-based research and development, this credit must be made permanent. And now is the time to do so.

I believe a permanent research credit is one of the most important elements of our tax code because it is so tied in with the issues of economic growth and our future prosperity.

According to Chairman Greenspan, the Nation's high productivity growth, which played an instrumental role in our economic growth during the second half of the 1990s, would likely not have been possible without the innovations of recent decades, especially those in information technologies. The research credit is a key factor in keeping these innovations coming. But a temporary credit is inherently limited in its ability to do this.

As I mentioned earlier, I am afraid to many of us are stuck in a mindset that says that since the research credit can just be taken care of later this year in a tax extenders package, or when it gets closer to its 2004 expiration date, why bother about it now?

I want to emphasize that another temporary extension is *not* the issue here. We can and probably will always extend the credit when the time for its expiration comes. It will likely be on the less effective basis we have always done it, perhaps only for a few months, or it may be on a retroactive basis, and there may be a gap created, but we will probably keep extending it. The issue is whether or not we should magnify the power of this credit by making it permanent.

This amendment is about long-term growth; it is about fostering innovation and keeping the innovation pipeline filled; and it is about sustaining the productivity gains that have brought us where we are today and that can help us stay prosperous in the future as we deal with the entitlement challenges ahead.

In conclusion, if we decide not to make the research credit permanent, are we not limiting the potential growth of our economy? How can we expect the American economy to hold the lead in the global economic race if we allow other countries, some of which provide huge government direct subsidies, to offer stronger incentives than we do?

Making the credit permanent will keep American business ahead of the pack. It will speed economic growth. Innovations resulting from American research and development will continue to improve the standard of living for every person in the U.S. and worldwide.

I have been making this case year after year, and I am so pleased to have the leadership of our distinguished Senator from Colorado in helping us to pass it on the economic stimulus bill. I do believe that almost everybody in the Senate should vote for this amendment. This makes sense. It creates jobs and gives businesses an opportunity to plan ahead. It literally keeps us at the cutting edge of technology and helps us to really be what we should be, in a time such as this when we want to stimulate the economy. I don't know of many amendments that would do as much as this particular amendment of the Senator from Colorado and myself. I praise him and thank him for his dedication in bringing this issue forward.

I urge my colleagues to support this amendment.

Mr. President, I yield the floor and suggest the absence of a quorum. I withhold.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. I thank the Senator from Utah for all his compliments. This is a subject I know he has worked on for years. I appreciate what he is trying to do.

I could not agree more with his statement that one of the most important things we can do to get the economy to grow is to make on a permanent basis the research and development tax credit.

I am also involved in the Senate Republican High Tech Task Force. I would like to make a part of the RECORD their policy agenda for the 107th Congress where they talk about a Tax Code for the 21st century and list a number of actions they believe we can take to encourage the high-tech industry to grow in America. They mention, among those, making the research and development tax credit permanent, in addition to a number of other provisions. I ask unanimous consent that be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATE REPUBLICAN HIGH TECH TASK FORCE POLICY AGENDA FOR THE 107TH CONGRESS

Protecting Internet Privacy and E-Commerce.—The Task Force believes market-based solutions are the best way to balance legitimate privacy concerns with the need for flexible e-commerce. While certain types of medical and financial data may warrant special legislative protections, we are skeptical that the Congress should rush to delegate to government bureaucrats the task of developing effective mandates related to personal privacy. If legislation is considered, we believe that it should not discriminate against Internet transactions, should provide a uniform federal standard for enforcement of privacy policies, and should limit the ability to regulatory agencies to impose burdensome and cumbersome mandates.

Promoting Education and Technology.—Without a workforce fully capable in math, science, and computing skills, our competitiveness is at risk. Without a consumer base able to utilize the latest technological advances, our economic growth may wane. The Task Force believes that a top priority in education should be development of policies both encouraging the use of technology in the classroom and using this technology to master basic math, science, and computer skills.

Safeguarding Copyright in the Digital Age.—With our economy dependent on cutting-edge software and our families enjoying music, movies, and television through new distribution models, protecting copyrighted material is of paramount importance. The Task Force believes that the Congress should bolster efforts to protect copyrighted materials from piracy and to facilitate legal digital distribution of copyrighted works.

Deploying Broadband Technologies.—The Task Force understands that high speed Internet access has the power to transform how we use the Internet. Encouraging tax and regulatory policies that foster rapid, efficient, and competitive deployment of broadband and other important technologies to urban and rural areas will be crucial to ensure our economic growth and technological competitiveness.

Enhancing Free Trade.—The Task Force believes that trading freely with other countries has allowed our producers of technology goods and services to lead the world in technology innovation while significantly raising our standard of living. We believe that a vital component of free trade is ensuring enforcement of international trade agreements to guarantee that our businesses are not placed at a competitive disadvantage and that our intellectual property is not pirated or copied illegally.

Protecting Internet Security and Combating Cyberterrorism.—The Task Force supports legislation and appropriations to protect the privacy of Internet users and to aid law enforcement in making sure the Internet does not become a haven for cybercriminals. Our goals include enhancing deterrents to Internet piracy and counterfeiting of intellectual property and bolstering international cooperation against computer crimes. Also, our communications infrastructures remain vulnerable to cyberattacks, and we must support executive branch efforts to bolster cooperation within and between Federal agencies and the private sector.

Digital Decency.—The Task Force believes that the growth of the Internet does not have to mean a decline in cultural decency. Advocating "Digital Decency" means using the bully pulpit to advocate responsible entertainment products, encouraging parents and children to turn their backs on music, movies, and games advocating violence and discrimination, and encouraging better private sector filters to keep the Internet experience a healthy one.

Patent and Trademark Office Funding.—The Task Force believes that the explosion of technology patents has made it more necessary than ever to ensure that the PTO has adequate funding through its own fee mechanisms, rather than siphoning off these fees for general government use.

A Tax Code for the 21st Century.—The Task Force believes our tax code must be reviewed and modernized to reflect current business realities affecting technology industries. Issues which the Task Force believes should be considered include making the research and development tax credit permanent, accelerating the depreciation schedules for technology equipment and encouraging capital formation for small technology businesses.

Keeping Government Out of Competition With E-Commerce Businesses.—The Task Force believes that federal government agencies should not use taxpayer dollars to compete with private businesses developing new e-commerce products and services.

Mr. ALLARD. Mr. President, I ask unanimous consent that a news release from the Senate Republican High Tech Task Force dated Friday, June 29, 2001, be printed in the RECORD. It talks about, again, Senator SMITH's effort in getting it attached to the Patients' Bill of Rights and reemphasizes the point we are trying to make today on how important it is we provide a permanent extension of the research and development tax credit.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HIGH TECH TASK FORCE SUPPORTS SMITH-HATCH-ALLEN AMENDMENT TO PATIENTS BILL TO MAKE R&D TAX CREDIT PERMANENT

WASHINGTON, DC.—Senate Republican High Tech Task Force Chairman Senator George Allen (VA) today pledged the endorsement of the group of an amendment by Senators Gordon Smith (OR), Orrin Hatch (UT) and Senator Allen to make the federal Research and Development (R&D) Tax Credit permanent.

The Smith-Hatch-Allen amendment to the Patients' Bill of Rights, currently being debated on the Senate floor, makes the R&D tax credit permanent and increases the rates of the alternative incremental research and development tax credit as provided in S. 41, Senator Hatch's bill. Both Senators Smith and Hatch are also High Tech Task Force members.

Chairman Allen said making the R&D tax credit permanent will help improve the quality of medical care for all Americans.

"Providing every possible incentive for technological advancements and innovations will lead to better and less expensive medical treatments and devices," Chairman Allen said. "The R&D tax credit is crucial not only to the field of medicine, but to the technology community at large.

"A permanent R&D Tax Credit credibly encourages investment in basic research that over the long term can lead to the development of new, more cost-effective, and more efficient technology products and services. Research and development is also essential for our long-term, competitive economic growth,"

Chairman Allen also pointed to a study conducted by Coopers & Lybrand, which shows that workers in every State will benefit from higher wages if the R&D credit is made permanent. Payroll increases as a result of gains in productivity stemming from the credit are estimated to exceed $60 billion over the next 12 years.

The R&D tax credit was original enacted in 1981 and has been temporarily extended ten times. Permanent extension of the Research and Development Tax Credit is a component of the Task Force's policy agenda, which was announced March 1, 2001.

Mr. ALLARD. Mr. President, I also ask unanimous consent that another press release from the Senate Republican High Tech Task Force for Friday June 29, 2001, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HIGH TECH TASK FORCE MEMBERS URGE FINANCE COMMITTEE TO MAKE R&D TAX CREDIT PERMANENT

WASHINGTON, DC.—Members of the Senate Republican High Tech Task Force including Chairman Senator George Allen (VA) are urging the Senate Finance Committee to include permanent extension of the Research and Development (R&D) Tax Credit in the tax relief package that they will soon consider.

Members of the Task Force, Senators Allen, Wayne Allard (CO), Robert Bennett (UT), Sam Brownback (KS), Conrad Burns (MT), Orrin Hatch (UT), Jeff Sessions (AL), Gordon Smith (OR) and John Warner (VA), as well as Senators Mike Crapo (ID), Bill Frist (TN), Tim Hutchinson (AR), and Republican Policy Committee Chairman Larry Craig (ID) today sent letters to Senate Finance Committee Chairman Charles Grassley (R-IA) and Ranking Member Max Baucus (D-MT) with their request.

"We believe the R&D tax credit is essential to the technology community," the Senators wrote. "It encourages investment in basic research that over the long term can lead to the development of new, more cost-effective, and more efficient technology products and services. Research and development is essential for long-term economic growth."

The R&D tax credit was originally enacted in 1981 and has been temporarily extended ten times. "Permanent extension is long overdue," the Senators maintained. "Yet because it has never been made permanent, this vital tax credit offers business less value than it should because of its unpredictability."

The Senators also noted that President Bush included the permanent extension in his budget, and they urged Finance Committee members include this measure in the tax relief package as "making the R&D tax credit permanent is essential to helping maintain America's technology lead in the world."

Permanent extension of the Research and Development Tax Credit is a component of the Task Force's policy agenda, which was announced March 1, 2001.

MAY 7, 2001.

Hon. CHARLES GRASSLEY,
Chairman, Committee on Finance, Washington, DC.

DEAR CHAIRMAN GRASSLEY: We respectfully request that you include permanent extension of the research and experimentation (R&D) tax credit in the tax relief package you will consider in your Committee shortly.

As Republican Senators and members of High Tech Task Force (HTTF), we believe the R&D tax credit is essential to the technology community. It encourages investment in basic research that over the long term can lead to the development of new, cheaper, and better technology products and services. Research and development is essential for long-term economic growth. Innovations in science and technology fueled the massive economic expansion we witnessed over the course of the 20th century. These advancements have improved the standard of living for nearly every American. Simply put, the research tax credit is an investment in economic growth, new jobs, and important new products and processes.

As you know, the credit was originally enacted in 1981, and has been temporarily extended ten times. Permanent extension is long overdue. There is broad support among Republicans for the credit, and President Bush included the credit in the $1.6 trillion tax relief plan. Yet because it has never been made permanent, this vital tax credit offers business less value then it should. Business, unlike Congress, must plan and budget in a multi-year process. Scientific enterprise does not fit neatly into calendar or fiscal years. Research and development projects typically take a number of years, and may even last longer than a decade. As our business leaders plan these projects, they need to know whether or not they can count on this tax credit. The current uncertainty surrounding the credit has induced businesses to allocate significantly less to research than they otherwise would if they knew the tax credit would be available in future years. This uncertainty undermines the entire purpose of the credit.

We believe making the R&D tax credit permanent is essential to helping maintain America's technology lead in the world. We thank you for your consideration.

Sincerely,

George Allen, Larry E. Craig, Conrad Burns, Tim Hutchinson, Gordon Smith, Wayne Allard, Jeff Sessions, Orrin Hatch, Michael Crapo, Robert F. Bennett, Sam Brownback, Bill Frist, John Warner.

Mr. ALLARD. Mr. President, I ask unanimous consent that a news release dated Tuesday, May 8, 2001, entitled "High Tech Task Force Members Urge Finance Committee to Make R&D Tax Credit Permanent," which documents the work of this task force and the importance they place in making permanent the research and development tax credit, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REPUBLICANS WILL KEEP FIGHTING TO MAKE R&D CREDIT PERMANENT—HIGH TECH TASK FORCE CHAIRMAN ALLEN PRAISES SENATOR GORDON SMITH'S LEADERSHIP

WASHINGTON, DC.—Senate Republican High Tech Task Force Chairman Sen. George Allen (VA) today vowed to keep pushing for an amendment to make the Research and Development (R&D) Tax Credit permanent, despite almost universal Democrat opposition to the provision in a Senate vote. He also praised the leadership of Sen. Gordon Smith (OR) in sponsoring the amendment, which was also sponsored by Sen. Orrin Hatch (UT) and Sen. Allen.

Senate Democrats, led by Finance Committee Chairman Max Baucus (MT), defeated the provision 57-41. Only one Democrat joined 40 Senate Republicans in supporting the Smith-Hatch-Allen amendment. Cosponsors of the amendment were Senators Wayne Allard (CO), Robert Bennett (UT), Sam Brownback (KS), Conrad Burns (MT), Larry Craig (ID), Mike Crapo (ID), John Ensign (NV), and Kay Bailey Hutchison (TX).

"Senator Gordon Smith deserves commendation for his leadership for the idea of a permanent R&D Tax Credit," Chairman Allen said. "Unfortunately, Democrats voted almost universally to pull the plug on one of the top items on the technology community's agenda.

"I pledge the support of the High Tech Task Force in working with Senators Smith and Hatch to find any avenue to make the R&D Tax Credit a permanent part of our tax code.

"A permanent R&D Tax Credit brings certainty and will spur more American investment and more American jobs that can lead to the development of new, more cost-effective, and more efficient technology products and medicines Research and development are also essential for America's long-term, competitive economic growth."

Studies have shown that a permanent R&D tax credit would lead to higher wages for workers and gains in productivity.

The R&D tax credit was originally enacted in 1981 and has been temporarily extended ten times. Permanent extension of the Research and Development Tax Credit is a component of the Task Force's policy agenda, which was announced March 1, 2001.

Mr. ALLARD. Mr. President, I do not see anybody seeking recognition, so I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business, with Senators permitted to speak therein for a period not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARM STABILITY

Mr. MILLER. Mr. President, our farmers are hurting, and they are facing an uncertain future. They desperately need the stability this farm bill will offer them.

Because we failed to act in December, many bankers are balking at issuing loans to farmers. The bankers want a guarantee that there will be a new farm bill this season, or, at the very least, a disaster relief package.

And our farmers cannot operate without loans. Their livelihood depends on getting that bank loan each season. So, we've left them in limbo, anxiously awaiting our next move.

That is why we must pass this farm bill as soon as possible.

Remember, the 1996 farm bill didn't pass until April of that year, and it was still able to be implemented for that year's growing season. We will be able to do the same this year if we pass a bill early this spring.

I worked hard on the Agriculture Committee to protect the interests of Georgia and the Southeast. The bill we came up with is good for Georgia. It provides more assistance for peanuts and cotton, and most Georgia agriculture groups had displayed a rare unity in rallying around it.

We must pass this farm bill and get it to the President as quickly as possible. Our farmers and the rural areas they breathe life into cannot afford for us to put it off any longer.

ADDITIONAL STATEMENTS

MOUNT UNION FOOTBALL TEAM

● Mr. DEWINE. Mr. President, I rise today to congratulate the Mount Union Purple Raiders football team, from Alliance, OH, on a number of outstanding achievements. The Purple Raiders just recently won the Division III National Championship for the fifth time in six years. Maintaining a perfect record of 13 victories, Mount Union's team has the longest current winning streak of any NCAA football team, and has won 82 of the last 83 games.

While their execution of the split-back offense is flawless, it is Mount Union's academic performance that is truly remarkable. The college, as a whole, boasts 14 Academic All Ohio Athletic Conference winners and three Academic All-Americans. The football team has graduated a near-perfect percentage of players in the last 16 seasons. I applaud the Purple Raider players who exceed all expectations on the gridiron, as well as in the classroom.

For the local residents of Alliance, OH and the students of Mount Union, there is so much to be proud of. As they crowd into the oldest college football stadium in Ohio every fall, they are not only cheering for the heroes of the Purple Raiders, but also for future heroes, future leaders who will have acquired the valuable experiences that come with a solid education and a demanding athletic routine. These experiences will aid them in making a positive impact years from now.

Again, I congratulate head coach Larry Kehres and his Purple Raiders on a perfect championship season. They are a shining example of true student-athletes, and I wish them the best of luck next fall.●

GAINESVILLE, TX

● Mrs. HUTCHISON. Mr. President, I rise today with tremendous pride for the city of Gainesville, Texas. This city deserves special recognition for being the first city to establish The Medal of Honor Host City Program. The purpose of this unique program is to recognize those legendary, humble heroes who, through great personal sacrifice, have preserved our freedoms. At the same time this program will pay tribute to the principles that the medal represents—Duty, Honor, and Country. To this end, it will provide Medal of Honor recipients a stipend to cover lodging, food, and fuel expenses while visiting the city of Gainesville.

The local Veterans of Foreign Wars Post No. 1922, along with the leaders of the community, pioneered the project and have seen it through from idea to implementation. While designed to honor living recipients of the nation's highest decoration for military valor, it also was initiated with the intent of exposing the citizens of Gainesville to these role models of selfless service. When visiting the city, these men of uncommon valor will be invited to share their experiences with students, clubs, and local organizations. By providing youth the opportunity to hear, first-hand, these amazing tales of gallantry and the effect that these circumstances have had on the remainder of their lives, the principles of patriotism and duty will be propagated throughout the current generation and beyond. It also gives civic groups and classes an opportunity to thank them for everything that they have done for our country.

This project has not only been formalized, but has already been put into action. The first two Medal of Honor recipients visited the city this past Veterans' Day and the Congressional Medal of Honor Society took the opportunity at its October annual reunion to announce the project to its members.

Mr. President, while sacrifice, patriotism, and a sense of duty have been a foundation for our great nation for over 200 years, the events of the past five months have made it even more appropriate to recognize these heroes and provide them a singular opportunity to be the advocates of the price of our freedom. Mayor Kenneth Kaden is to be especially recognized for his leadership in advancing this unique project. I am humbly honored to recognize The Medal of Honor Host City Program, and I hope to see its success spawn similar programs throughout the Great State of Texas and the rest of the Nation.●

LOCAL LAW ENFORCEMENT ACT OF 2001

● Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of this year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred October 31, 1993 in Olympia, WA. In two separate incidents, men described as "skinheads" attacked two groups of people because they were perceived to be gay. The assailants, Derek K. Jensen, 20, Samuel M. Tomasello, 21, and a 16-year-old, were arrested in connection with the assaults.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.●

MESSAGES FROM THE PRESIDENT

Message from the President of the United States was communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the President Officer laid before the Senate messages from the Presiding of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-5205. A communication from the Director of the Office of Integrated Analysis and Forecasting, Energy Information Administration, Department of Energy, transmitting, pursuant to law, a report entitled "Annual Energy Outlook 2002"; to the Committee on Energy and Natural Resources.

EC-5206. A communication from the Administrator of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report entitled "Making Sense of Regulation: 2001 Report to Congress on the Costs and Benefits of Federal Regulations and Unfunded Mandates on State, Local and Tribal Entities"; to the Committee on Governmental Affairs.

EC-5207. A communication from the Deputy Associate Administrator of the Office of

Acquisition Policy, Department of Defense, General Services Administration, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a rule entitled "Federal Acquisition Regulations; Federal Acquisition Circular 2001–03" (FAC 2001–03) received on January 25, 2002; to the Committee on Governmental Affairs.

EC–5208. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to P.L. 107–38, an appropriations report relative to the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States; to the Committee on the Budget.

EC–5209. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, appropriations reports relative to P.L. 107–87, P.L. 107–96, P.L. 107–115, P.L. 107–116, and P.L. 107–117; to the Committee on the Budget.

EC–5210. A communication from the Assistant to the Federal Reserve Board, transmitting, pursuant to law, the report of a rule entitled "Amendments to the Capital Guidelines in Regulation H (Membership of State Banking Institutions in the Federal Reserve System) and Regulation Y (Bank Holding Companies and Change in Bank Control) Relating to the Capital Treatment of Nonfinancial Equity Investments" (Doc. No. R–1097) received on January 25, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–5211. A communication from the Director of the Office of Federal Housing Enterprise Oversight, transmitting, pursuant to law, the report of a rule entitled "Prompt Supervisory Response and Corrective Action" (RIN2550–AA12) received on January 25, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–5212. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of State Plans for Designated Facilities and Pollutants; State of Kansas, Missouri, and Nebraska" (FRL7134–7) received on January 25, 2002; to the Committee on Environment and Public Works.

EC–5213. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval of Section 112(l) Authority for Hazardous Air Pollutants and the Chemical Accident Prevention Provisions; Allegheny County; Health Department" (FRL7135–3) received on January 25, 2002; to the Committee on Environment and Public Works.

EC–5214. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval of Section 112(l) Authority for Hazardous Air Pollutants: City of Philadelphia; Department of Public Health Air Management Services" (FRL7134–9) received on January 25, 2002; to the Committee on Environment and Public Works.

EC–5215. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Interim Final Determination the State has Corrected the Deficiencies in California, Yolo-Solano Air Quality Management District" (FRL7132–1) received on January 25, 2002; to the Committee on Environment and Public Works.

EC–5216. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revision to the California State Implementation Plan, Yolo-Solano Air Quality Management District" (FRL7131–9) received on January 25, 2002; to the Committee on Environment and Public Works.

EC–5217. A communication from the Attorney, Research and Special Programs Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Pipeline Safety: Pipeline Integrity Management in High Consequence Areas (Repair Criteria)" (RIN2137–AD61) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5218. A communication from the Attorney, Research and Special Programs Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Pipeline Safety: Pipeline Integrity Management in High Consequence Areas (Hazardous Liquid Operators with Less than 500 Miles of Pipeline)" (RIN2137–AD49) received on January 25, 2002; to the Committee on Environment and Public Works.

EC–5219. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Eurocopter France Model DC 120 Helicopters" ((RIN2120–AA64)(2002–0032)) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5220. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Enstrom Helicopters Corporation Model TH 28 and 480 Helicopters" ((RIN2120–AA64)(2002–0034)) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5221. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Agusta SpA Model A109C, A109E, and A109K2 Helicopters" ((RIN2120–AA64)(2002–0031)) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5222. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Gulfstream Model GIV Series Airplanes" ((RIN2120–AA64)(2002–0041)) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5223. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A319, A320, and A321 Series Airplanes" ((RIN2120–AA64)(2002–0038)) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5224. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: CFC Company Model CFE738 1 1B Turbofan Engines" ((RIN2120–AA64)(2002–0037)) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5225. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Short Brothers Model SD3 Series Airplanes" ((RIN2120–AA64)(2002–0030)) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5226. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Saab Model SAAB SF340A and SAAB 340B Series Airplanes" ((RIN2120–AA64)(2002–0029)) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5227. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Pratt and Whitney PW4000 Series Turbofan Engines" ((RIN2120–AA64)(2002–0023)) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5228. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 767 Series Airplanes" ((RIN2120–AA64)(2002–0022)) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5229. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Hamilton Sundstrand Model 247F Propellers" ((RIN2120–AA64)(2002–0021)) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5230. A communication from the Program Analyst, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 Series Airplanes" ((RIN2120–AA64)(2002–0019)) received on January 25, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5231. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations: Modification to Special Local Regulation (SLR) for Seattle Seafair Unlimited Hydroplane Race" ((RIN2115–AE46)(2002–0005)); to the Committee on Commerce, Science, and Transportation.

EC–5232. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Macy's July 4th Fireworks, East River, NY" ((RIN2115–AA97)(2002–0010)); to the Committee on Commerce, Science, and Transportation.

EC–5233. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Mandatory Ship Reporting Systems" ((RIN2115–AF82)(2002–0001)); to the Committee on Commerce, Science, and Transportation.

EC–5234. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Certification of Navigation Lights for Uninspected Commercial Vessels and Recreational Vessels" ((RIN2115–AF70)(2002–0001)); to the Committee on Commerce, Science, and Transportation.

EC–5235. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Annisquam River, Blynman Canal, MA" ((RIN2115–AE47)(2001–0104)); to the Committee on Commerce, Science, and Transportation.

EC–5236. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations: Chester River, Kent Island Narrows, Maryland" ((RIN2115–AE46)(2002–0004)); to the Committee on Commerce, Science, and Transportation.

EC–5237. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Beaufort Channel, Beaufort, North Carolina" ((RIN2115–AE47)(2002–0007)); to the Committee on Commerce, Science, and Transportation.

EC–5238. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard,. transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations: Oak Bluffs Fireman's Civic Association, Oak Bluffs, MA" ((RIN2115–AA97)(2001–0071)); to the Committee on Commerce, Science, and Transportation.

EC–5239. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Regulated Navigation Areas; San Francisco Bay, California" ((RIN2115–AE84)(2002–0002)); to the Committee on Commerce, Science, and Transportation.

EC–5240. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations: Port of Palm Beach, FL; Port Everglades, Fort Lauderdale , FL; Port of Miami, Miami, FL; and Port of Key West, Key West, FL" ((RIN2115–AA97)(2002–0009)); to the Committee on Commerce, Science, and Transportation.

EC–5241. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Festa Italiana 2001, Milwaukee Harbor, WI" ((RIN2115–AA97)(2002–0011)); to the Committee on Commerce, Science, and Transportation.

EC–5242. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Miami River, Miami, Dade County, FL" ((RIN2115–AE47)(2002–0006)); to the Committee on Commerce, Science, and Transportation.

EC–5243. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Eurocopter France Model AS 332C, L, L1, and L2 Helicopters" ((RIN2120–AA64)(2002–0043)); to the Committee on Commerce, Science, and Transportation.

EC–5244. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; San Juan, Puerto Rico" ((RIN2115–AA97)(2002–0008)); to the Committee on Commerce, Science, and Transportation.

EC–5245. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Port of Los Angeles and Catalina Island (COTP Los Angeles-Long Beach 01–011)" ((RIN2115–AA97)(2002–0007)); to the Committee on Commerce, Science, and Transportation.

EC–5246. A communication from the Under Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, a report concerning certain foreign policy-based export controls on Liberia; to the Committee on Banking, Housing, and Urban Affairs.

EC–5247. A communication from the Assistant Secretary for Export Administration, Bureau of Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Entity List: Removal of Two Russian Entities" (RIN0694–AC40) received on January 25, 2002; to the Committee on Banking, Housing, and Urban Affairs.

NOMINATION DISCHARGED

Pursuant to a unanimous consent agreement of January 28, 2002, the Committee on Commerce, Science and Transportation was discharged of the following nomination:

DEPARTMENT OF TRANSPORTATION

John Magaw, of Maryland, to be Under Secretary of Transportation for Security for a term of five years.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BROWNBACK (for himself, Mr. GREGG, Mr. BENNETT, Mr. BOND, Mr. BUNNING, Mr. DEWINE, Mr. ENSIGN, Mr. HELMS, Mr. HUTCHINSON, Mr. INHOFE, Mr. KYL, Mr. SANTORUM, Mr. SESSIONS, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. VOINOVICH, and Mr. HAGEL):

S. 1899. A bill to amend title 18, United States Code, to prohibit human cloning; to the Committee on the Judiciary.

By Mr. EDWARDS:

S. 1900. A bill to protect against cyberterrorism and cybercrime, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. EDWARDS:

S. 1901. A bill to authorize the National Science Foundation and the National Security Agency to establish programs to increase the number of qualified faculty teaching advanced courses conducting research in the field of cybersecurity, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. BREAUX:

S. 1902. A bill to suspend temporarily the duty on railway passenger coaches of stainless steel; to the Committee on Finance.

By Mr. KERRY (for himself, Ms. SNOWE, Mr. LIEBERMAN, Mr. BENNETT, and Mr. BINGAMAN):

S. 1903. A bill to amend the Internal Revenue Code of 1986 to allow certain small businesses to defer payment of tax; to the Committee on Finance.

ADDITIONAL COSPONSORS

S. 1062

At the request of Mr. DURBIN, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 1062, a bill to amend the Public Health Service Act to promote organ donation and facilitate interstate linkage and 24-hour access to State donor registries, and for other purposes.

S. 1248

At the request of Mr. KERRY, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 1248, a bill to establish a National Housing Trust Fund in the Treasury of the United States to provide for the development of decent, safe, and affordable, housing for low-income families, and for other purposes.

S. 1306

At the request of Mr. CRAIG, his name was added as a cosponsor of S. 1306, a bill to amend the Internal Revenue Code of 1986 to transfer all excise taxes imposed on alcohol fuels to the Highway Trust Fund, and for other purposes.

S. 1469

At the request of Mr. REED, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 1469, a bill to amend the Head Start and Early Head Start programs to ensure that children eligible to participate in those programs are identified and treated for lead poisoning, and for other purposes.

S. 1566

At the request of Mr. REID, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1566, a bill to amend the Internal Revenue code of 1986 to modify and expand the credit for electricity produced from renewable resources and waste products, and for other purposes.

S. 1607

At the request of Mr. ROCKEFELLER, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 1607, a bill to amend title XVIII of the Social Security Act to provide coverage of remote monitoring services under the medicare program.

S. 1832

At the request of Mrs. LINCOLN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1832, a bill to amend the Internal Revenue Code of 1986 to modify the credit for the production of electricity from renewable resources to include production of energy from agricultural and animal waste.

S. RES. 109

At the request of Mr. REID, the name of the Senator from Nebraska (Mr.

HAGEL) was added as a cosponsor of S. Res. 109, a resolution designating the second Sunday in the month of December as "National Children's Memorial Day" and the last Friday in the month of April as "Children's Memorial Flag Day".

AMENDMENT NO. 2699

At the request of Mr. BUNNING, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of amendment No. 2699.

AMENDMENT NO. 2717

At the request of Ms. COLLINS, the names of the Senator from Utah (Mr. BENNETT) and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of amendment No. 2717 proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2722

At the request of Mr. ALLARD, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of amendment No. 2722.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. EDWARDS:

S. 1900. A bill to protect against cyberterrorism and cybercrime, and for other purposes; the Committee on Commerce, Science, and Transportation.

By Mr. EDWARDS:

S. 1901. A bill to authorize the National Science Foundation and the National Security Agency to establish programs to increase the number of qualified faculty teaching advanced courses conducting research in the field of cybersecurity, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. EDWARDS. Mr. president, since the horrifying events of September 11, our country's number one priority has been to secure our families against the scourge of terrorism.

First, in our hearts, of course, are the men and women on the frontlines of the fight: the soldiers fighting for freedom half a world away; the firefighters and police officers in New York; the postal workers here in Washington.

Those of us elected to serve in Washington have a special responsibility to protect our security. To discharge that duty, I have been working with my colleagues here in the Senate. We have made a great deal of progress, but there's a lot more work to do.

After a long debate, Congress passed and the President signed important legislation, based partly on a bill I introduced, to tighten security in our airports. But we have to do more.

There are several bills that I have helped author that are working their way through Congress. Two of these bills, to tighten security at seaports and to protect against bioterrorism, have already passed the Senate and are awaiting action in the House. Another bill, to tighten our border security, should reach the Senate floor soon. All three should be enacted quickly. You can be sure our enemies are not waiting for us to act.

One of the greatest challenges in the struggle for security is to prepare for the next attack, not just the last one. We have seen how vicious thugs can destroy innocent life with airplanes, how they can terrorize ordinary people with biological weapons. We are responding to those threats. But what about threats whose awful consequences we haven't yet felt?

Today I want to talk about one of those threats: the threat of "cyberterrorism", an attack against the computer networks upon which our safety and economy now depend. Computers have become a foundation of our electricity, oil, gas, water, telephones, emergency services, and banks, not to mention our national defense apparatus.

Computer networks have brought extraordinary improvements in the way we live and work. We communicate more often, more quickly, more cheaply. With the push of a button in a classroom or a bedroom, our children can get more information than most libraries have ever held.

Yet there is a dark side to the internet, a new set of dangers. Today, if you ask an expert quietly, he or she will tell you that cyberspace is a very vulnerable place. Terrorists could cause terrible harm. They might be able to stop all traffic on the internet. Shut down power for entire cities for extended periods. Disrupt our phones. Poison our water. Paralyze our emergency services—police, firefighters, ambulances. The list goes on. We now live in a world where a terrorist can do as much damage with a keyboard and a modem as with a gun or a bomb.

Already, one hacker has broken into a computer-controlled waste management system and caused millions of gallons of raw sewage to spill into parks, rivers, and private property. You probably haven't heard about this attack because it occurred in Australia. But imagine if terrorists launched calculated, coordinated attacks on America.

Our enemies are already targeting our networks. After September 11, a Pakistani group hacked into two government web services, including one at the Department of Defense, and declared a "cyber jihad" against the United States. Another series of attacks, known as "Moonlight Maze," assaulted the Pentagon, Department of Energy, and NASA, and obtained vast quantities of technical defense research. To date, we can be thankful that these attacks have not been terribly sophisticated. But that could change soon. As the Defense Science Board recently stated, the U.S. will eventually be attached "by a sophisticated adversary using an effective array of information warfare tools and techniques. Two choices are available: adapt before the attack or afterward."

In addition, cybercrime is already a billion-dollar drain on our economy, a drain growing larger each year. In 1955, one survey reported that losses from FBI-reported computer crime had already reached $2 billion. Last year, the "ILOVEYOU" virus alone caused $8.7 billion in damage worldwide, much of it here. Cyberattacks have shut down major web sites like Yahoo! and eBay, not to mention the FBI. According to a recent survey, 85 percent of large corporations and government agencies detected computer security breaches over the prior 12 months. Two thirds suffered financial losses as a result.

So the danger is clear, and the only question is how we address it. I think we need to address it in many ways. Today I want to focus on just two that are especially critical.

The first is to encourage computer users to take proven measures to protect themselves. In the industry, these proven measures are known as "best practices"—steps like using customized passwords, not the ones that come with software, or promptly installing known "patches" to keep intruders out.

The National Academy of Sciences recently reported that cybersecurity today is far worse than what known best practices can provide. As a result, viruses have shut down tens of thousands of machines even after patches to block them were widely available. Because the password protections on some systems are so weak, intruders have taken the "routers" that control Internet traffic hostage. And the government is as guilty as anyone. According to the report card issued by a member of the House of Representatives, most government agencies rate between a "D" and an "F" on cybersecurity. Improving our security by implementing existing best practices is our first big task.

Our second challenge is to train more researchers, teachers, and workers to fight cyberthreats. Today the private sector engages in some short-term R&D on cybersecurity. But broader research and knowledge needs aren't being met. In addition, our workforce in cybersecurity is woefully inadequate, especially in academia. Each year, American universities award Ph.D.'s in computer science to about one thousand people each year. But less than one-half of one-percent specialize in cybersecurity, and fewer still go on to train others in the discipline.

As Dr. Bill Chu, Chairman of the Software and Information Systems Department at the University of North Carolina at Charlotte and one of the country's leading experts on cybersecurity puts it: "The weakest link . . . is the lack of qualified information security professionals. The majority of information technology professionals in this country have not been trained in the basics of information security. Information technology faculty in most universities do not have sufficient background to properly train students."

As a whole, the challenge of cybersecurity is not unlike the challenge of a terrible disease like cancer. First, we have to encourage everyone to do what they can to reduce the risk of disease—don't smoke, eat right, exercise. That is what cybersecurity "best practices" like changing passwords are all about. Second, we have to make sure we have got top-notch scientists working to find new medicines to prevent and fight the disease. And that is why we need more cyber teachers and researchers.

To tackle these two challenges, I'm proud today to introduce two new bills that will support an intensive, $400 million cybersecurity effort over the next five years. The first bill is called the Cyberterrorism Preparedness Act of 2002.

That bill's first step is to establish a new, nonprofit, nongovernment, consortium of academic and private sector experts to lay out a clear set of "best practices" that protect against cyberattack. The White House Office of Science and Technology Policy, the Institute for Defense Analyses, and the President's Committee of Advisors on Science and Technology have all recommended a new, nonprofit cybersecurity consortium. Such a consortium can work closely with the private sector, unfettered by bureaucracy, in a way that all the country can see and learn from.

The goals of the consortium are simple: first, the establishment of "best practices" that are tailored to different computer systems and needs; second, the widest possible dissemination of those practices; and third, long-term, multi-disciplinary research on cybersecurity-research that isn't occurring now.

The second part of the Cyberterrorism Preparedness Act will implement "best practices" for government systems. The government has a duty to lead by example, something we aren't doing right now. And so, within 6 months after this Act passed, the National Institute of Standards and Technology would immediately begin the process of implementing best practices for government agencies, beginning with small-scale tests and concluding with government-wide adoption of the recommended best practices.

The last part of my bill will assess the issue of best practices for the private sector. While the bill doesn't impose new mandates beyond the government, it does require careful consideration of how to encourage the widest possible use of known best practices. There's a particular focus on entities that do business with the Federal Government as grantees or contractors. Government agencies should not be exposed to security vulnerabilities in the products supplied by these companies. And Federal dollars should not be flowing to firms that expose America to cyberterrorism. So the new consortium would be required to study whether and how government could condition grants and contracts on the adoption of cybersecurity best practices. The President is authorized to implement recommendations from that study.

The Cyberterrorism Preparedness Act will address the first goal of cybersecurity—making sure we're taking the steps we already know to improve our security. The second bill I am introducing today—the Cybersecurity Research and Education Act—focuses on our second task: "training the trainers" and increasing the number of researchers, teachers, and workers committed to cybersecurity.

First, the bill establishes a Cybersecurity Graduate Fellowship Program at the National Science Foundation. Individuals selected to participate in the program will receive a loan that covers the full tuition and fees as well as a living stipend for 4 years of doctoral study. Upon graduation, these loans will be forgiven at 20 percent per year for each year that the individual teaches at a college or university. After only 5 years of teaching, the entire loan will be paid off. That way, we can ensure that the money we invest in these promising young scientists will be used to train others interested in cybersecurity.

Second, my bill also establishes a competitive sabbatical for Distinguished Faculty in Cybersecurity. Under the program, a qualified faculty member will receive a stipend to spend a year working and researching at the Department of Defense, a university specializing in cybersecurity, or some other appropriate facility. Universities sending faculty on sabbatical will receive funding to hire a temporary replacement instructor. In addition, when the faculty member returns, the university will get a generous grant to enhance its cybersecurity infrastructure needs. For example, the university could purchase advanced computing equipment and hire graduate research assistants. Participants in this program will have a unique opportunity to engage in cutting-edge research with some of the best minds in the country. When they return to their schools, these faculty will be even better equipped to advance the state of cybersecurity education.

Third, this bill will create a Cybersecurity Awareness, Training, and Education Program at the National Security Agency. NSA has a strong history of supporting cybersecurity education, as exemplified through initiatives such as the Centers of Excellence program and the National Colloquium for Information Systems Security Education. The program I propose would build on NSA's expertise and would enable the agency to make grants to universities specializing in cybersecurity. The grants could be used for projects like teaching basic computer security to K–12 teachers, or for the development of a "virtual university." Students who don't have access to nearby course offerings would then be able to take cybersecurity classes online.

All of these programs are critical in our fight against cyberterrorism. A strong and vibrant academic community is essential for building the trained workforce of tomorrow. We must be committed to funding long-term research. And we must vigilantly maintain basic cybersecurity protections in government, while promoting them in the private sector.

When it comes to the threat of a sophisticated, coordinated cyberterrorist attack, the question most likely is not whether such an attack will come. The question is when. And so we must be prepared to fight against a "cyber-jihad," and we must be prepared to win.

I ask unanimous consent that the text of my two bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1900

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Cyberterrorism Preparedness Act of 2002".

SEC. 2. GRANT FOR PROGRAM FOR PROTECTION OF INFORMATION INFRASTRUCTURE AGAINST DISRUPTION.

(a) IN GENERAL.—The National Institute of Standards and Technology shall, using amounts authorized to be appropriated by section 5, award a grant to a qualifying nongovernmental entity for purposes of a program to support the development of appropriate cybersecurity best practices, support long-term cybersecurity research and development, and perform functions relating to such activities. The purpose of the program shall be to provide protection for the information infrastructure of the United States against terrorist or other disruption or attack or other unwarranted intrusion.

(b) QUALIFYING NONGOVERNMENTAL ENTITY.—For purposes of this section, a qualifying nongovernmental entity is any entity that—

(1) is a nonprofit, nongovernmental consortium composed of at least three academic centers of expertise in cybersecurity and at least three private sector centers of expertise in cybersecurity;

(2) has a board of directors of at least 12 members who include senior administrators of academic centers of expertise in cybersecurity and senior managers of private sector centers of expertise in cybersecurity and of whom not more than one third are affiliated with the centers comprising the consortium;

(3) is operated by individuals from academia, the private sector, or both who have—

(A) a demonstrated expertise in cybersecurity; and

(B) the capacity to carry out the program required under subsection (g);

(4) has in place a set of rules to ensure that conflicts of interest involving officers, employees, and members of the board of directors of the entity do not undermine the activities of the entity;

(5) has developed a detailed plan for the program required under subsection (g); and

(6) meets any other requirements established by the National Institute of Standards and Technology for purposes of this Act.

(c) Application.—Any entity seeking a grant under this section shall submit to the National Institute of Standards and Technology an application therefor, in such form and containing such information as the National Institute for Standards and Technology shall require.

(d) Selection of Grantee.—The entity awarded a grant under this section shall be selected after full and open competition among qualifying nongovernmental entities.

(e) Dispersal of Grant Amount.—Amounts available for the grant under this section pursuant to the authorization of appropriations in section 5 shall be dispersed on a fiscal year basis over the five fiscal years beginning with fiscal year 2003.

(f) Consultation.—In carrying out activities under this section, including selecting an entity for the award of a grant, dispersing grant amounts, and overseeing activities of the entity receiving the grant, the National Institute of Standards and Technology—

(1) shall consult with an existing interagency entity, or new interagency entity, consisting of the elements of the Federal Government having a substantial interest and expertise in cybersecurity and designated by the President for purposes of this Act; and

(2) may consult separately with any such element of the Federal Government.

(g) Program Using Grant Amount.—

(1) In general.—The entity awarded a grant under this section shall carry out a national program for the purpose of protecting the information infrastructure of the United States against disruption. The program shall consist of—

(A) multi-disciplinary research and development to identify appropriate cybersecurity best practices, to measure the effectiveness of cybersecurity best practices that are put into use, and to identify sound means to achieve widespread use of appropriate cybersecurity best practices that have proven effective;

(B) multi-disciplinary, long-term, or high-risk research and development (including associated human resource development) to improve cybersecurity; and

(C) the activities required under paragraphs (3) and (4).

(2) Conduct of research and development.—

(A) In general.—Except as provided in subparagraph (B), research and development under subparagraphs (A) and (B) of paragraph (1) shall be carried out using funds and other support provided by the grantee to entities selected by the grantee after full and open competition among entities determined by the grantee to be qualified to carry out such research and development.

(B) Conduct by grantee.—The grantee may carry out research and development referred to in subparagraph (A) in any fiscal year using not more than 15 percent of the amount dispersed to the grantee under this Act in such fiscal year by the National Institute of Standards and Technology.

(3) Recommendations on cybersecurity best practices.—

(A) Recommendations.—Not later than 18 months after the selection of the grantee under this section, the grantee shall prepare a report containing recommendations for appropriate cybersecurity best practices.

(B) Updates.—The grantee shall update the recommendations made under subparagraph (A) not less often than once every six months, and may update any portion of such recommendations more frequently if the grantee determines that circumstances so require.

(C) Considerations.—In making recommendations under subparagraph (A), and any update of such recommendations under subparagraph (B), the grantee shall—

(i) review the most current cybersecurity best practices identified by the National Institute of Standards and Technology under section 3(a); and

(ii) consult with—

(I) the entities carrying out research and development under paragraph (1)(A);

(II) entities employing cybersecurity best practices; and

(III) a wide range of academic, private sector, and public entities.

(D) Dissemination.—The grantee shall submit the report under subparagraph (A), and any update of the report under paragraph (B), to the bodies and officials specified in paragraph (5), and shall widely disseminate the report, and any such update, among government (including State and local government), private, and academic entities.

(4) Activities relating to widespread use of cybersecurity best practices.—

(A) In general.—Not later than two years after the selection of the grantee under this section, the grantee shall submit to the bodies and officials specified in paragraph (5) a report containing—

(i) an assessment of the advisability of requiring the contractors and grantees of the Federal Government to use appropriate cybersecurity best practices; and

(ii) recommendations for sound means to achieve widespread use of appropriate cybersecurity best practices that have proven effective.

(B) Report elements.—The report under subparagraph (A) shall set forth—

(i) whether or not the requirement described in subparagraph (A)(i) is advisable, including whether the requirement would impose undue or inappropriate burdens, or other inefficiencies, on contractors and grantees of the Federal Government;

(ii) if the requirement is determined advisable—

(I) whether, and to what extent, the requirement should be subject to exceptions or limitations for particular contractors or grantees, including the types of contractors or grantees and the nature of the exceptions or limitations; and

(II) which cybersecurity best practices should be covered by the requirement and with what, if any, exceptions or limitations; and

(iii) any other matters that the grantee considers appropriate.

(5) Specified bodies and officials.—The bodies and officials specified in this paragraph are as follows:

(A) The appropriate committees of Congress.

(B) The President.

(C) The Director of the Office of Management and Budget.

(D) The National Institute of Standards and Technology.

(E) The interagency entity designated by the President under subsection (f)(1).

(h) Grant Administration.—

(1) Use of grant competition and management systems.—The National Institute of Standards and Technology may permit the entity awarded the grant under this section to utilize the grants competition system and grants management system of the National Institute of Standards and Technology for purposes of the efficient administration of activities by the entity under subsection (g).

(2) Rules.—The National Institute of Standards and Technology shall establish any rules and procedures that the National Institute of Standards and Technology considers appropriate to further the purposes of this section. Such rules may include provisions relating to the ownership of any intellectual property created by the entity awarded the grant under this section or funded by the entity under subsection (g).

(i) Supplement Not Supplant.—The National Institute of Standards and Technology shall take appropriate actions to ensure that activities under this section supplement, rather than supplant, other current governmental and nongovernmental efforts to protect the information infrastructure of the United States.

SEC. 3. APPROPRIATE CYBERSECURITY BEST PRACTICES FOR THE FEDERAL GOVERNMENT.

(a) NIST Recommendations.—

(1) In general.—Not later than 180 days after the date of the enactment of this Act, the National Institute of Standards and Technology shall submit to the bodies and officials specified in subsection (e) a report that—

(A) identifies appropriate cybersecurity best practices that could reasonably be adopted by the departments and agencies of the Federal Government over the 24-month period beginning on the date of the report; and

(B) sets forth proposed demonstration projects for the adoption of such best practices by various departments and agencies of the Federal Government beginning 90 days after the date of the report.

(2) Updates.—The National Institute of Standards and Technology may submit to the bodies and officials specified in subsection (e) any updates of the report under paragraph (1) that the National Institute of Standards and Technology consider appropriate due to changes in circumstances.

(3) Consultation.—In preparing the report under paragraph (1), and any updates of the report under paragraph (2), the National Institute of Standards and Technology shall consult with departments and agencies of the Federal Government having an interest in the report and such updates, and with academic centers of expertise in cybersecurity and private sector centers of expertise in cybersecurity.

(b) Demonstration Projects for Implementation of Recommendations.—

(1) In general.—Commencing not later than 90 days after receipt of the report under

subsection (a), the President shall carry out the demonstration projects set forth in the report, including any modification of any such demonstration project that the President considers appropriate.

(2) UPDATES.—If the National Institute of Standards and Technology updates under subsection (a)(2) any recommendation under subsection (a)(1)(A) that is relevant to a demonstration project under paragraph (1), the President shall modify the demonstration project to take into account such update.

(3) REPORT.—Not later than nine months after commencement of the demonstration projects under this subsection, the President shall submit to the appropriate committees of Congress a report on the demonstration projects. The report shall set forth the following:

(A) An assessment of the extent to which the adoption of appropriate cybersecurity best practices by departments and agencies of the Federal Government under the demonstration projects has improved cybersecurity at such departments and agencies.

(B) An assessment whether or not the adoption of appropriate cybersecurity best practices by departments and agencies of the Federal Government under the demonstration projects has affected the capability of such departments and agencies to carry out their missions.

(C) A description of the cost of the adoption of appropriate cybersecurity best practices by departments and agencies of the Federal Government under the demonstration projects.

(D) A description of a security-enhancing missions-comparable, cost-effective program, to the extent such program is feasible, for the adoption of appropriate cybersecurity best practices government-wide.

(E) Any other matters that the President considers appropriate.

(c) ADOPTION OF CYBERSECURITY BEST PRACTICES GOVERNMENT-WIDE.—The President shall implement a program for the adoption of appropriate cybersecurity best practices government-wide commencing not later than six months after the date of the report.

(d) INCORPORATION OF RECOMMENDATIONS.—If during the development or implementation of the program under subsection (c) the President receives any recommendations under paragraph (3) or (4) of section 3(g), the President shall modify the program in order to take into account such recommendations.

(e) SPECIFIED BODIES AND OFFICIALS.—The bodies and officials specified in this subsection are as follows:

(1) The appropriate committees of Congress.

(2) The President.

(3) The Director of the Office of Management and Budget.

(4) The interagency entity designated by the President under section 3(f)(1).

SEC. 4. DEFINITIONS.

In this Act:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term "appropriate committees of Congress" means—

(A) the Committee on Commerce, Science, and Transportation of the Senate; and

(B) the Committee on Science of the House of Representatives.

(2) CYBERSECURITY.—The term "cybersecurity" means information assurance, including information security, information technology disaster recovery, and information privacy.

(3) CYBERSECURITY BEST PRACTICE.—The term "cybersecurity best practice" means a computer hardware or software configuration, information system design, operational procedure, or measure, structure, or method that most effectively protects computer hardware, software, networks, or network elements against an attack that would cause harm through the installation of unauthorized computer software, saturation of network traffic, alteration of data, disclosure of confidential information, or other means.

(4) APPROPRIATE CYBERSECURITY BEST PRACTICE.—The term "appropriate cybersecurity best practice" means a cybersecurity best practice that—

(A) permits, as needed, customization or expansion for the computer hardware, software, network, or network element to which the best practice applies;

(B) takes into account the need for security protection that balances—

(i) the risk and magnitude of harm threatened by potential attack; and

(ii) the cost of imposing security protection; and

(C) takes into account the rapidly changing nature of computer technology.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated for the National Institute of Standards and Technology for purposes of activities under this Act, amounts as follows:

(1) For fiscal year 2003, $70,000,000.

(2) For each of the fiscal years 2004 through 2007, such sums as may be necessary.

S. 1901

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Cybersecurity Research and Education Act of 2002".

SEC. 2. FINDINGS.

Congress finds that—

(1) critical elements of the Nation's basic economic and physical infrastructure rely on information technology for effective functioning;

(2) increased reliance on technology has left our Nation vulnerable to the threat of cyberterrorism;

(3) long-term research on practices, methods, and technologies that will help ensure the safety of our information infrastructure remains woefully inadequate;

(4) there is a critical shortage of faculty at institutions of higher education who specialize in disciplines related to cybersecurity;

(5) a vigorous scholarly community in fields related to cybersecurity is necessary to help conduct research and disseminate knowledge about the practical application of the community's findings; and

(6) universities in the United States award the Ph.D. degree in computer sciences to approximately 1,000 individuals each year, but of those awarded this degree, less than 0.3 percent specialize in cybersecurity and still fewer become employed in faculty positions at institutions of higher education.

SEC. 3. DEFINITIONS.

In this Act:

(1) CYBERSECURITY.—The term "cybersecurity" means information assurance, including scientific, technical, management, or any other relevant disciplines required to ensure computer and network security, including, but not limited to, a discipline related to the following functions:

(A) Secure System and network administration and operations.

(B) Systems security engineering.

(C) Information assurance systems and product acquisition.

(D) Cryptography.

(E) Threat and vulnerability assessment, including risk management.

(F) Web security.

(G) Operations of computer emergency response teams.

(H) Cybersecurity training, education, and management.

(I) Computer forensics.

(J) Defensive information operations.

(2) CYBERSECURITY INFRASTRUCTURE.—The term "cybersecurity infrastructure" includes—

(A) equipment that is integral to research and education capabilities in cybersecurity, including, but not limited to—

(i) encryption devices;

(ii) network switches;

(iii) routers;

(iv) firewalls;

(v) wireless networking gear;

(vi) protocol analyzers;

(vii) file servers;

(viii) workstations;

(ix) biometric tools; and

(x) computers; and

(B) technology support staff (including graduate students) that is integral to research and education capabilities in cybersecurity.

(3) DIRECTOR.—The term "Director" means the Director of the National Science Foundation.

(4) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

(5) OTHER RELEVANT DISCIPLINE.—The term "other relevant discipline" includes, but is not limited to, the following fields as the fields specifically relate to securing information infrastructures:

(A) Biometrics.

(B) Software engineering.

(C) Computer science and engineering.

(D) Law.

(E) Business management or administration.

(F) Psychology.

(G) Mathematics.

(H) Sociology.

(6) QUALIFIED INSTITUTION.—The term "qualified institution" means an institution of higher education that, at the time of submission of an application pursuant to any of the programs authorized by this Act—

(A) has offered, for not less than 3 years prior to the date the application is submitted under this Act, a minimum of 2 graduate courses in cybersecurity (not including short-term special seminars or 1-time classes offered by visitors);

(B) has not less than 3 faculty members who teach cybersecurity courses—

(i) each of whom has published not less than 1 refereed cybersecurity research article in a journal or through a conference during the 2-year period preceding the date of enactment of this Act;

(ii) at least 1 of whom is tenured; and

(iii) each of whom has demonstrated active engagement in the cybersecurity scholarly community during the 2-year period preceding the date of enactment of this Act, such as serving as an editor of a cybersecurity journal or participating on a program committee for a cybersecurity conference or workshop;

(C) has graduated not less than 1 Ph.D. scholar in cybersecurity during the 2-year period preceding the date of enactment of this Act; and

(D) has not less than 3 graduate students enrolled who are pursuing a Ph.D. in cybersecurity.

SEC. 4. CYBERSECURITY GRADUATE FELLOWSHIP PROGRAM.

(a) PURPOSE.—The purpose of this section is—

(1) to encourage individuals to pursue academic careers in cybersecurity upon the completion of doctoral degrees; and

(2) to stimulate advanced study and research, at the doctoral level, in complex, relevant, and important issues in cybersecurity.

(b) ESTABLISHMENT.—The Director is authorized to establish a Cybersecurity Fellowship Program (referred to in this section as the "fellowship program") to annually award 3 to 5-year graduate fellowships to individuals for studies and research at the doctoral level in cybersecurity.

(c) CYBERSECURITY FELLOWSHIP PROGRAM ADVISORY BOARD.—

(1) ESTABLISHMENT.—There is established a Cybersecurity Fellowship Program Advisory Board (referred to in this section as the "Board").

(2) MEMBERSHIP.—The Director shall appoint members of the Board who shall include—

(A) not fewer than 3 full-time faculty members—

(i) each of whom teaches at an institution of higher education; and

(ii) each of whom has a specialty in cybersecurity; and

(B) not fewer than 2 research scientists employed by a Federal agency with duties that include cybersecurity activities.

(3) TERMS.—Members of the Board shall be appointed for renewable 2-year terms.

(d) APPLICATION.—Each individual desiring to receive a graduate fellowship under this section shall submit an application to the Director at such time, in such manner, and containing such information as the Director, in consultation with the Board, shall require.

(e) AWARD.—The Director is authorized to award graduate fellowships under the fellowship program that shall—

(1) be made available to individuals, through a competitive selection process, for study at a qualified institution and in accordance with the procedures established in subsection (h);

(2) be in an amount that is sufficient to cover annual tuition and fees for doctoral study at a qualified institution for the duration of the graduate fellowship, and shall include, in addition, an annual living stipend of $20,000; and

(3) be for a duration of 3 to 5-years, the specific duration of each graduate fellowship to be determined by the Director in consultation with the Board on a case-by-case basis.

(f) REPAYMENT.—Each graduate fellowship shall—

(1) subject to paragraph (f)(2), be subject to full repayment upon completion of the doctoral degree according to a repayment schedule established and administered by the Director;

(2) be forgiven at the rate of 20 percent of the total amount of graduate fellowship assistance received under this section for each academic year that a recipient is employed as a full-time faculty member at an institution of higher education for a period not to exceed 5 years; and

(3) be monitored by the Director to ensure compliance with this section.

(g) ELIGIBILITY.—To be eligible to receive a graduate fellowship under this section, an individual shall—

(1) be a citizen of the United States;

(2) be matriculated or eligible to be matriculated for doctoral studies at a qualified institution; and

(3) demonstrate a commitment to a career in higher education.

(h) SELECTION.—

(1) IN GENERAL.—The Director, in consultation with the Board, shall select recipients for graduate fellowships.

(2) DUTIES.—The Director, in consultation with the Board, shall—

(A) establish criteria for a competitive selection process for recipients of graduate fellowships;

(B) establish and promulgate an application process for the fellowship program;

(C) receive applications for graduate fellowships;

(D) annually review applications and select recipients of graduate fellowships; and

(E) establish and administer a repayment schedule for recipients of graduate fellowships.

(3) CONSIDERATION.—In making selections for graduate fellowships, the Director, to the extent possible and in consultation with the Board, shall consider applicants whose interests are of an interdisciplinary nature, encompassing the social scientific as well as technical dimensions of cybersecurity.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2003 through 2005, and such sums as may be necessary for each succeeding fiscal year.

SEC. 5. SABBATICAL FOR DISTINGUISHED FACULTY IN CYBERSECURITY.

(a) ESTABLISHMENT.—The Director is authorized to award grants to institutions of higher education to enable faculty members who are teaching cybersecurity subjects to spend a sabbatical from teaching working at—

(1) the National Security Agency;

(2) the Department of Defense;

(3) the National Institute of Standards and Technology;

(4) a research laboratory supported by the Department of Energy; or

(5) a qualified institution.

(b) APPLICATION.—Each institution of higher education desiring to receive a grant under this section shall submit an application to the Director at such time, in such manner, and containing such information as the Director shall require.

(c) GRANT AWARDS.—

(1) IN GENERAL.—The Director shall award a grant under this section only if the National Science Foundation and the agency or institution where the faculty member will spend the sabbatical approve the sabbatical placement.

(2) NUMBER AND DURATION.—For each fiscal year, the Director shall award grants for not more than 25 sabbatical positions that will each be for a 1-year period.

(3) AMOUNT OF AWARD.—

(A) IN GENERAL.—Each institution of higher education that is awarded a grant under this section shall receive $250,000 for each faculty member who will spend a sabbatical pursuant to the grant.

(B) USE OF AWARD.—The Director shall award a grant under this section in 2 disbursements in the following manner:

(i) FIRST DISBURSEMENT.—The first disbursement shall be made upon selection of a grant recipient and shall consist of the following:

(I) $20,000 to provide a stipend for living expenses to each faculty member awarded a sabbatical under this section.

(II) An amount sufficient for the grant recipient to hire a qualified replacement for the faculty member awarded a sabbatical under this section for the term of the sabbatical, if such a replacement is possible.

(ii) SECOND DISBURSEMENT.—The second disbursement shall be made at the conclusion of the sabbatical, only if the faculty member completes the sabbatical in its entirety, and shall be used for the grant recipient's cybersecurity infrastructure needs, including—

(I) acquiring equipment or technology;

(II) hiring graduate students; or

(III) supporting any other activity that will enhance the grant recipient's course offerings and research in cybersecurity.

(d) ELIGIBILITY.—To be eligible to receive a grant under this section, an institution of higher education shall submit an application under subsection (b) that—

(1) identifies the faculty member to whom the institution of higher education will provide a sabbatical and ensures that the faculty member is a citizen of the United States;

(2) ensures that the faculty member to whom the institution of higher education will provide a sabbatical is tenured at that institution of higher education and meets general standards of excellence in research or teaching; and

(3) explains how the faculty member to whom the institution of higher education will provide a sabbatical will—

(A) integrate into the faculty member's course offerings knowledge related to cybersecurity that is gained during the sabbatical; and

(B) in conjunction with the institution of higher education, use the second disbursement of funds available under subsection (c)(3)(B)(ii).

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $8,000,000 for each of fiscal years 2003 through 2005.

SEC. 6. ENHANCING CYBERSECURITY INFRASTRUCTURE.

(a) ESTABLISHMENT.—The Director is authorized to award grants to qualified institutions to fund activities that provide, enhance, and facilitate acquisition of cybersecurity infrastructure at qualified institutions.

(b) USE OF GRANT AWARD.—Each qualified institution that receives a grant under this section shall use the grant funds for needs specifically related to—

(1) cybersecurity education and research; and

(2) development efforts related to cybersecurity.

(c) MATCHING FUNDS.—Each qualified institution that receives a grant under this section shall contribute to the activities assisted under this section non-Federal matching funds equal to not less than 25 percent of the amount of the grant.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2003 through 2005.

SEC. 7. CYBERSECURITY AWARENESS, TRAINING, AND EDUCATION PROGRAM.

(a) PURPOSE.—The purpose of this section is to increase the quality of education and training in cybersecurity, thereby increasing the number of qualified students entering the field of cybersecurity to adequately address the Nation's increasing dependence on information technology and to defend the Nation's increasingly vulnerable information infrastructure.

(b) ESTABLISHMENT.—The Director of the National Security Agency is authorized to award grants, on a competitive basis, to qualified institutions to establish Cybersecurity Awareness, Training, and Education Programs (referred to in this section as "information programs").

(c) APPLICATION.—

(1) IN GENERAL.—Each qualified institution desiring to receive a grant under this section shall submit an application to the Director of the National Security Agency at such time, in such manner, and accompanied by such information as the Director of the National Security Agency shall require.

(2) PLANS.—Each application submitted pursuant to paragraph (1) shall include a plan for establishing and maintaining an information program under this section, including a description of—

(A) the design, structure, and scope of the proposed information program, including unique qualities that may distinguish the proposed information program from possible approaches of other qualified institutions;

(B) research being conducted in the disciplines encompassed by the plan;

(C) any integration of the information program with other federally funded programs related to cybersecurity education, such as the National Science Foundation Scholarship for Service Program, the Department of Defense Multidisciplinary Research Program of the University Research Initiative, and the Department of Defense Information Assurance Scholarship Program;

(D) necessary costs for information infrastructure to support the information program;

(E) how the qualified institution will protect the integrity and security of the information infrastructure and any student testing mechanisms; and

(F) other relevant information.

(3) COLLABORATION.—A qualified institution desiring to receive a grant under this section may propose collaboration with other qualified institutions.

(d) GRANT AWARDS.—Each qualified institution that receives a grant under this section shall use the grant funds to—

(1) establish or enhance a Center for Studies in Cybersecurity Awareness, Training, and Education that shall—

(A) establish a professionally produced, web-based collection of cybersecurity programs of instruction that have been approved for general public dissemination by the authors and owners of the programs;

(B) maintain a web-based directory of cybersecurity education and training related conferences and symposia;

(C) sponsor the development of specific instructional materials in cybersecurity and other relevant disciplines, including—

(i) intrusion detection;

(ii) overview of information assurance;

(iii) ethical use of computing systems;

(iv) network security;

(v) cryptography;

(vi) risk management;

(vii) malicious logic; and

(viii) system security engineering;

(D) sponsor cybersecurity education symposia;

(E) collaborate with the National Colloquium for Information Assurance Education;

(F) create a 'Virtual Academy' for sharing courseware and laboratory exercises in cybersecurity; and

(G) review and participate in integrating various cybersecurity education and training standards into unified curricula; and

(2) establish or enhance a Center for the Development of Faculty in Cybersecurity that shall—

(A) establish criteria for recognition and certification of cybersecurity trainers and educators;

(B) establish faculty training outreach to teachers in kindergarten through grade 12 and to faculty of part B institutions (as defined in section 322 of the Higher Education Act of 1965 (20 U.S.C. 1061));

(C) build, test, and evaluate laboratory exercises that represent use of model practices in cybersecurity for use in training and education programs; and

(D) establish an integrated program to include the programs described in this paragraph and paragraph (1).

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

(1) $1,500,000 for fiscal year 2003;

(2) $2,000,000 for fiscal year 2004;

(3) $3,000,000 for fiscal year 2005; and

(4) $4,500,000 for fiscal year 2006.

SEC. 8. CYBERSECURITY WORKFORCE AND FACILITIES STUDY.

(a) STUDY.—The Comptroller General shall conduct a study and collect data on the following:

(1) The cybersecurity workforce, including—

(A) the size and nature of the cybersecurity workforce by occupation category (including academic faculty at institutions of higher education), level of education and training, personnel demographics, and industry characteristics; and

(B) the role of foreign workers in the cybersecurity workforce.

(2) Academic cybersecurity research facilities, including—

(A) total academic research space available or utilized for research relating to cybersecurity;

(B) academic research space relating to cybersecurity that is in need of major repair or renovation;

(C) new or ongoing projects at institutions of higher education expected to produce new or renovated research space to be used for research relating to cybersecurity; and

(D) any research space needs related to cybersecurity and based on projections of growth in educational programs and research, including costs and initiatives required to meet such needs and possible consequences of failure to meet such needs.

(3) Other information that the Comptroller General determines appropriate.

(b) REPORT.—Not later than 6 months after the date of enactment of this Act, and biennially thereafter, the Comptroller General shall prepare and submit a report on the study conducted pursuant to subsection (a) to the—

(1) Committee on Health, Education, Labor and Pensions of the Senate; and

(2) Committee on Education and the Workforce of the House of Representatives.

By Mr. KERRY (for himself, Ms. SNOWE, Mr. LIEBERMAN, Mr. BENNETT, and Mr. BINGAMAN):

S. 1903. A bill to amend the Internal Revenue Code of 1986 to allow certain small businesses to defer payment of tax; to the Committee on Finance.

Mr. KERRY. Mr. President, each year, the United States economy generates 600,000 to 800,000 new businesses. While many of these businesses will succeed, some of them will fail. Whether they succeed or not, one fact is without question: the entrepreneurs building these small businesses lay the foundation for our Nation's productivity gains, employment growth, and economic progress. In fact, although specific estimates vary, economists generally agree that small, entrepreneurial companies generate the majority of the Nation's new jobs.

The legislation I am introducing today, the Business Retained Income During Growth and Expansion, (BRIDGE), Act, will help ensure that rapidly expanding, entrepreneurial businesses have access to the capital they need to continue creating jobs and stimulating the economy.

Most new business start small and stay small. A portion, however, evolve into fast-growth companies with the capacity to propel the economy forward. For these companies, access to financing presents a pivotal challenge. A typical small business may open its doors with a combination of personal savings, credit card borrowing, and family lending. Informal investors, family, friends, and work associates, contribute the vast majority of the $56 billion of estimated initial funding for new businesses. If a business is successful, it moves to the next stage of development. Unfortunately, emerging growth companies will often outstrip the capital financing available based solely on the personal credit or assets of the entrepreneur.

Capital funding gaps frequently prevail when a firm seeks financing in the range of $250,000 to $1 million, a period when the business is particularly vulnerable. Funding needs below $250,000 are often fulfilled by family, friends, credit cards, home mortgages, and home equity lines of credit. Beyond $250,000, businesses typically turn to so-called "angel" financiers; high-interest borrowing; and in limited cases, Small Business Investment Companies. Venture capital is usually not an option for these companies because initial venture investments generally begin at approximately $3 million, which is far more than most early-stage growth companies need or warrant. When sales reach $10 million, the company is better able to attract external financing at a reasonable cost based on the business's underlying assets.

Congress should take steps to ease the credit crunch for small businesses climbing the economic ladder from small to medium-size enterprise. When the lack of available financing prevents a growing, successful firm from expanding into new markets, we miss an opportunity to create new jobs and unleash productive forces. The legislation I am introducing today with Senator OLYMPIA SNOWE will help bridge the gap in capital financing for emerging growth companies. A companion measures has been introduced in the House by Representatives JIM DEMINT and BRIAN BAIRD.

The BRIDGE Act would allow midsized, fast-growing businesses to temporarily defer a portion of their Federal income tax liability if the firm's sales for the year are at least 10 percent higher than the average sales of the prior two years. The two-year deferral would be limited to $250,000 of tax, which would be repayable with interest over a four-year period. The tax-deferred amount would be deposited in a separate trust account at a bank or other approved intermediary, and the firm could borrow against the deferred amount, as collateral, for business purposes. Upon sale or merger of the business, any remaining tax deferral would be payable at that time.

To be eligible, a small business would have to have annual gross receipts of $10,000,000 or less. Partnerships and S corporations would also be eligible to make the election to defer taxes. To allow adequate review of this new and innovative concept, the proposal would expire at the end of 2005.

The BRIDGE Act will free up new investment capital for fast-growing firms by allowing them to use a portion of their federal tax liability for self-financing. These firms experience heavy demands on their cash flow as they reinvest receipts, hire new employees, create additional marketing channels, and purchase new equipment. Tax liability directly trades off with reinvestment. The BRIDGE Act will help reduce cash flow pressures by allowing a limited tax deferral. As the firm prospers, it will repay its original tax obligation as well as additional taxes on its higher receipts.

One of the most interesting aspects of the proposal is that its long-term costs are negligible. According to the Joint Committee on Taxation, the legislation would generate a revenue loss of $22.9 billion during the first four years. However, as businesses repay deferred amounts, the revenue loss would reverse, and then some. During the following six years, the proposal would raise $24.1 billion. Thus, over the ten year budget window, the proposal would raise $1.1 billion.

The entrepreneurial spirit lies at the foundation of our economy's technological advances, creative innovations, and dynamic growth. We should take steps to ensure that rapidly growing companies have the resources needed to continue producing new jobs and opportunities. The BRIDGE Act will free entrepreneurial businesses from the shackles of unmet capital funding needs and empower them to expand into new markets. I urge my colleagues to support the legislation, and I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1903

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Business Retained Income During Growth and Expansion Act of 2002" or the "BRIDGE Act of 2002".

SEC. 2. DEFERRED PAYMENT OF TAX BY CERTAIN SMALL BUSINESSES.

(a) IN GENERAL.—Subchapter B of chapter 62 of the Internal Revenue Code of 1986 (relating to extensions of time for payment of tax) is amended by adding at the end the following new section:

"SEC. 6168. EXTENSION OF TIME FOR PAYMENT OF TAX FOR CERTAIN SMALL BUSINESSES.

"(a) IN GENERAL.—An eligible small business may elect to pay the tax imposed by chapter 1 in 4 equal installments.

"(b) LIMITATION.—The maximum amount of tax which may be paid in installments under this section for any taxable year shall not exceed whichever of the following is the least:

"(1) The tax imposed by chapter 1 for the taxable year.

"(2) The amount contributed by the taxpayer into a BRIDGE Account during such year.

"(3) The excess of $250,000 over the aggregate amount of tax for which an election under this section was made by the taxpayer (or any predecessor) for all prior taxable years.

"(c) ELIGIBLE SMALL BUSINESS.—For purposes of this section—

"(1) IN GENERAL.—The term 'eligible small business' means, with respect to any taxable year, any person if—

"(A) such person meets the active business requirements of section 1202(e) throughout such taxable year,

"(B) the taxpayer has gross receipts of $10,000,000 or less for the taxable year,

"(C) the gross receipts of the taxpayer for such taxable year are at least 10 percent greater than the average annual gross receipts of the taxpayer (or any predecessor) for the 2 prior taxable years, and

"(D) the taxpayer uses an accrual method of accounting.

"(2) CERTAIN RULES TO APPLY.—Rules similar to the rules of paragraphs (2) and (3) of section 448(c) shall apply for purposes of this subsection.

"(d) DATE FOR PAYMENT OF INSTALLMENTS; TIME FOR PAYMENT OF INTEREST.—

"(1) DATE FOR PAYMENT OF INSTALLMENTS.—

"(A) IN GENERAL.—If an election is made under this section for any taxable year, the first installment shall be paid on or before the due date for such installment and each succeeding installment shall be paid on or before the date which is 1 year after the date prescribed by this paragraph for payment of the preceding installment.

"(B) DUE DATE FOR FIRST INSTALLMENT.—The due date for the first installment for a taxable year shall be whichever of the following is the earliest:

"(i) The date selected by the taxpayer.

"(ii) The date which is 2 years after the date prescribed by section 6151(a) for payment of the tax for such taxable year.

"(2) TIME FOR PAYMENT OF INTEREST.—If the time for payment of any amount of tax has been extended under this section—

"(A) INTEREST FOR PERIOD BEFORE DUE DATE OF FIRST INSTALLMENT.—Interest payable under section 6601 on any unpaid portion of such amount attributable to the period before the due date for the first installment shall be paid annually.

"(B) INTEREST DURING INSTALLMENT PERIOD.—Interest payable under section 6601 on any unpaid portion of such amount attributable to any period after such period shall be paid at the same time as, and as a part of, each installment payment of the tax.

"(C) INTEREST IN THE CASE OF CERTAIN DEFICIENCIES.—In the case of a deficiency to which subsection (e)(3) applies for a taxable year which is assessed after the due date for the first installment for such year, interest attributable to the period before such due date, and interest assigned under subparagraph (B) to any installment the date for payment of which has arrived on or before the date of the assessment of the deficiency, shall be paid upon notice and demand from the Secretary.

"(e) SPECIAL RULES.—

"(1) APPLICATION OF LIMITATION TO PARTNERS AND S CORPORATION SHAREHOLDERS.—

"(A) IN GENERAL.—In applying this section to a partnership which is an eligible small business—

"(i) the election under subsection (a) shall be made by the partnership,

"(ii) the amount referred to in subsection (b)(1) shall be the sum of each partner's tax which is attributable to items of the partnership and assuming the highest marginal rate under section 1, and

"(iii) the partnership shall be treated as the taxpayer referred to in paragraphs (2) and (3) of subsection (b).

"(B) OVERALL LIMITATION ALSO APPLIED AT PARTNER LEVEL.—In the case of a partner in a partnership, the limitation under subsection (b)(3) shall be applied at the partnership and partner levels.

"(C) SIMILAR RULES FOR S CORPORATIONS.—Rules similar to the rules of subparagraphs (A) and (B) shall apply to shareholders in an S corporation.

"(2) ACCELERATION OF PAYMENT IN CERTAIN CASES.—

"(A) IN GENERAL.—If—

"(i) the taxpayer ceases to meet the requirement of subsection (c)(1)(A), or

"(ii) there is an ownership change with respect to the taxpayer,

then the extension of time for payment of tax provided in subsection (a) shall cease to apply, and the unpaid portion of the tax payable in installments shall be paid on or before the due date for filing the return of tax imposed by chapter 1 for the first taxable year following such cessation.

"(B) OWNERSHIP CHANGE.—For purposes of subparagraph, in the case of a corporation, the term 'ownership change' has the meaning given to such term by section 382. Rules similar to the rules applicable under the preceding sentence shall apply to a partnership.

"(3) PRORATION OF DEFICIENCY TO INSTALLMENTS.—Rules similar to the rules of section 6166(e) shall apply for purposes of this section.

"(f) BRIDGE ACCOUNT.—For purposes of this section—

"(1) IN GENERAL.—The term 'BRIDGE Account' means a trust created or organized in the United States for the exclusive benefit of an eligible small business, but only if the written governing instrument creating the trust meets the following requirements:

"(A) No contribution will be accepted for any taxable year in excess of the amount allowed as a deferral under subsection (b) for such year.

"(B) The trustee is a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section.

"(C) The assets of the trust consist entirely of cash or of obligations which have adequate stated interest (as defined in section 1274(c)(2)) and which pay such interest not less often than annually.

"(D) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

"(E) Amounts in the trust may be used only—

"(i) as security for a loan to the business or for repayment of such loan, or

"(ii) to pay the installments under this section.

"(2) Account taxed as grantor trust.—The grantor of a BRIDGE Account shall be treated for purposes of this title as the owner of such Account and shall be subject to tax thereon in accordance with subpart E of part I of subchapter J of this chapter (relating to grantors and others treated as substantial owners).

"(3) Time when payments deemed made.—For purposes of this section, a taxpayer shall be deemed to have made a payment to a BRIDGE Account on the last day of a taxable year if such payment is made on account of such taxable year and is made within 3½ months after the close of such taxable year.

"(g) Reports.—The Secretary may require such reporting as the Secretary determines to be appropriate to carry out this section.

"(h) Application of Section.—This section shall apply to taxes imposed for taxable years beginning after December 31, 2001, and before January 1, 2006.".

(b) Priority of Lender.—Subsection (b) of section 6323 of the Internal Revenue Code of 1986 (relating to protection for certain interests even though notice filed) is amended by adding at the end the following new paragraph:

"(11) Loans secured by BRIDGE accounts.—With respect to a BRIDGE account (as defined in section 6168(f)) with any bank (as defined in section 408(n)), to the extent of any loan made by such bank without actual notice or knowledge of the existence of such lien, as against such bank, if such loan is secured by such account.".

(c) Clerical Amendment.—The table of sections for subchapter B of chapter 62 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 6168. Extension of time for payment of tax for certain small businesses.".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(e) Study by General Accounting Office.—

(1) Study.—In consultation with the Secretary of the Treasury, the Comptroller General of the United States shall undertake a study to evaluate the applicability (including administrative aspects) and impact of the BRIDGE Act of 2001, including how it affects the capital funding needs of businesses under the Act and number of businesses benefiting.

(2) Report.—Not later than March 31, 2005, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2723. Mr. DOMENICI proposed an amendment to the language proposed to be stricken by amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

SA 2724. Mr. HATCH (for himself and Mr. Bennett) proposed an amendment to the language proposed to be stricken by amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra.

SA 2725. Mr. BINGAMAN submitted an amendment intended to be proposed to the language proposed to be stricken by amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2726. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2727. Mr. ROCKEFELLER (for himself and Mr. Kerry, Mr. Johnson, and Mr. Daschle) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2723. Mr. DOMENICI proposed an amendment to the language proposed to be stricken by amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end, add the following:

SEC. . PAYROLL TAX HOLIDAY.

(a) In General.—Notwithstanding any other provision of law, the rate of tax with respect to remuneration received during the payroll tax holiday period shall be zero under sections 1401(a), 3101(a), and 3111(a) of the Internal Revenue Code of 1986 and for purposes of determining the applicable percentage under section 3201(a), 3211(a)(1), and 3221(a) of such Code.

(b) Payroll Tax Holiday Period.—The term "payroll tax holiday period" means the period beginning after February 28, 2002, and ending before April 1, 2002.

(c) Employer Notification.—The Secretary of the Treasury shall notify employers of the payroll tax holiday period in any manner the Secretary deems appropriate.

(d) Transfer of Funds.—The Secretary of the Treasury shall transfer from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of the trust funds under section 201 of the Social Security Act and the Social Security Equivalent Benefit Account under section 15A of the Railroad Retirement Act of 1974 (45 U.S.C. 231n–1) are not reduced as a result of the application of subsection (a).

(e) Determination of Benefits.—In making any determination of benefits under title II of the Social Security Act, the Commissioner of Social Security shall disregard the effect of the payroll tax holiday period on any individual's earnings record.

SA 2724. Mr. HATCH (for himself and Mr. Bennett!) proposed an amendment to the language proposed to be stricken by amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end, add the following:

SEC. . CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 7 YEARS.

(a) In General.—Paragraph (1) of section 172(b) of the Internal Revenue Code of 1986 (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

"(H) Special rule for certain losses.—

"(i) In general.—In the case of a taxpayer which has a net operating loss for any taxable year ending during 2000, 2001, or 2002, subparagraph (A)(i) shall be applied by substituting '7' for '2' and subparagraph (F) shall not apply.

"(ii) Per year limitation.—For purposes of the 6th and 7th taxable years preceding the taxable year of such loss, the amount of net operating losses to which clause (i) may apply for any taxable year shall not exceed $50,000,000."

(b) Election To Disregard 7-Year Carryback.—Section 172 of the Internal Revenue Code of 1986 (relating to net operating loss deduction) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) Election To Disregard 7-Year Carryback for Certain Net Operating Losses.—Any taxpayer entitled to a 7-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year."

(c) Temporary Suspension of 90 Percent Limit on Certain NOL Carrybacks.—

(1) In general.—Subparagraph (A) of section 56(d)(1) of the Internal Revenue Code of 1986 (relating to general rule defining alternative tax net operating loss deduction) is amended to read as follows:

"(A) the amount of such deduction shall not exceed the sum of—

"(i) the lesser of—

"(I) the amount of such deduction attributable to net operating losses (other than the deduction attributable to carrybacks described in clause (ii)(I)), or

"(II) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

"(ii) the lesser of—

"(I) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2000, 2001, or 2002, or

"(II) alternative minimum taxable income determined without regard to such deduction reduced by the amount determined under clause (i), and''.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning before January 1, 2003.

(d) EFFECTIVE DATE.—Except as provided in subsection (c), the amendments made by this section shall apply to net operating losses for taxable years ending after December 31, 1999.

SA 2725. Mr. BINGAMAN submitted an amendment intended to be proposed to the language proposed to be stricken by amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. . ALLOWANCE OF ELECTRONIC 1099S.

Except as otherwise provided by the Secretary of the Treasury, any person required to furnish a statement under any section of subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1986 for any taxable year ending after the date of the enactment of this Act, may electronically furnish such statement to any recipient who has consented to the electronic provision of the statement in a manner similar to the one permitted under regulations issued under section 6051 of such Code or in such other manner as provided by the Secretary.

SA 2726. Mrs. LINCOLN submitted an amendment intended to be proposed by her to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At an appropriate place, insert the following:

SEC. ___. AMORTIZATION OF REFORESTATION EXPENDITURES AND REFORESTATION TAX CREDIT.

(a) REMOVAL OF CAP ON AMORTIZABLE BASIS.—

(1) IN GENERAL.—Section 194 (relating to amortization of reforestation expenditures) is amended by striking subsection (b) and by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(2) CONFORMING AMENDMENT.—Subsection (b) of section 194, as redesignated by paragraph (1), is amended by striking paragraph (4).

(b) INCREASE IN CAP ON REFORESTATION CREDIT.—Paragraph (1) of section 48(b) (relating to reforestation credit) is amended—

(1) by inserting "of the first $25,000" after "10 percent", and

(2) by striking "(after the application of section 194(b)(1))".

(c) EFFECTIVE DATES.—

(1) AMORTIZATION PROVISIONS.—The amendments made by subsection (a) shall apply to additions to capital account made after December 31, 2001.

(2) TAX CREDIT PROVISIONS.—The amendments made by subsection (b) shall apply to property acquired after December 31, 2001.

SA 2727. Mr. ROCKEFELLER (for himself, Mr. KERRY, Mr. JOHNSON, and Mr. DASCHLE) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, add the following:

SEC. ___. BROADBAND INTERNET ACCESS TAX CREDIT.

(a) IN GENERAL.—Subpart E of part IV of chapter 1 (relating to rules for computing investment credit) is amended by inserting after section 48 the following:

"SEC. 48A. BROADBAND CREDIT.

"(a) GENERAL RULE.—For purposes of section 46, the broadband credit for any taxable year is the sum of—

"(1) the current generation broadband credit, plus

"(2) the next generation broadband credit.

"(b) CURRENT GENERATION BROADBAND CREDIT; NEXT GENERATION BROADBAND CREDIT.—For purposes of this section—

"(1) CURRENT GENERATION BROADBAND CREDIT.—The current generation broadband credit for any taxable year is equal to 10 percent of the qualified expenditures incurred with respect to qualified equipment providing current generation broadband services to qualified subscribers and taken into account with respect to such taxable year.

"(2) NEXT GENERATION BROADBAND CREDIT.—The next generation broadband credit for any taxable year is equal to 20 percent of the qualified expenditures incurred with respect to qualified equipment providing next generation broadband services to qualified subscribers and taken into account with respect to such taxable year.

"(c) WHEN EXPENDITURES TAKEN INTO ACCOUNT.—For purposes of this section—

"(1) IN GENERAL.—Qualified expenditures with respect to qualified equipment shall be taken into account with respect to the first taxable year in which—

"(A) current generation broadband services are provided through such equipment to qualified subscribers, or

"(B) next generation broadband services are provided through such equipment to qualified subscribers.

"(2) LIMITATION.—

"(A) IN GENERAL.—Qualified expenditures shall be taken into account under paragraph (1) only with respect to qualified equipment—

"(i) the original use of which commences with the taxpayer, and

"(ii) which is placed in service,

after December 31, 2001.

"(B) SALE-LEASEBACKS.—For purposes of subparagraph (A), if property—

"(i) is originally placed in service after December 31, 2001, by a person, and

"(ii) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in clause (ii).

"(d) SPECIAL ALLOCATION RULES.—

"(1) CURRENT GENERATION BROADBAND SERVICES.—For purposes of determining the current generation broadband credit under subsection (a)(1) with respect to qualified equipment through which current generation broadband services are provided, if the qualified equipment is capable of serving both qualified subscribers and other subscribers, the qualified expenditures shall be multiplied by a fraction—

"(A) the numerator of which is the sum of the number of potential qualified subscribers within the rural areas and the underserved areas which the equipment is capable of serving with current generation broadband services, and

"(B) the denominator of which is the total potential subscriber population of the area which the equipment is capable of serving with current generation broadband services.

"(2) NEXT GENERATION BROADBAND SERVICES.—For purposes of determining the next generation broadband credit under subsection (a)(2) with respect to qualified equipment through which next generation broadband services are provided, if the qualified equipment is capable of serving both qualified subscribers and other subscribers, the qualified expenditures shall be multiplied by a fraction—

"(A) the numerator of which is the sum of—

"(i) the number of potential qualified subscribers within the rural areas and underserved areas, plus

"(ii) the number of potential qualified subscribers within the area consisting only of residential subscribers not described in clause (i),

which the equipment is capable of serving with next generation broadband services, and

"(B) the denominator of which is the total potential subscriber population of the area which the equipment is capable of serving with next generation broadband services.

"(e) DEFINITIONS.—For purposes of this section—

"(1) ANTENNA.—The term 'antenna' means any device used to transmit or receive signals through the electromagnetic spectrum, including satellite equipment.

"(2) CABLE OPERATOR.—The term 'cable operator' has the meaning given such term by section 602(5) of the Communications Act of 1934 (47 U.S.C. 522(5)).

"(3) COMMERCIAL MOBILE SERVICE CARRIER.—The term 'commercial mobile service carrier' means any person authorized to provide commercial mobile radio service as defined in section 20.3 of title 47, Code of Federal Regulations.

"(4) CURRENT GENERATION BROADBAND SERVICE.—The term 'current generation broadband service' means the transmission of signals at a rate of at least 1,000,000 bits per second to the subscriber and at least 128,000 bits per second from the subscriber.

"(5) MULTIPLEXING OR DEMULTIPLEXING.—The term 'multiplexing' means the transmission of 2 or more signals over a single channel, and the term 'demultiplexing' means the separation of 2 or more signals previously combined by compatible multiplexing equipment.

"(6) NEXT GENERATION BROADBAND SERVICE.—The term 'next generation broadband service' means the transmission of signals at a rate of at least 22,000,000 bits per second to the subscriber and at least 5,000,000 bits per second from the subscriber.

"(7) NONRESIDENTIAL SUBSCRIBER.—The term 'nonresidential subscriber' means a person who purchases broadband services which are delivered to the permanent place of business of such person.

"(8) OPEN VIDEO SYSTEM OPERATOR.—The term 'open video system operator' means any person authorized to provide service under section 653 of the Communications Act of 1934 (47 U.S.C. 573).

"(9) OTHER WIRELESS CARRIER.—The term 'other wireless carrier' means any person (other than a telecommunications carrier, commercial mobile service carrier, cable operator, open video system operator, or satellite carrier) providing current generation broadband services or next generation broadband service to subscribers through the wireless transmission of energy through radio or light waves.

"(10) PACKET SWITCHING.—The term 'packet switching' means controlling or routing the path of a digitized transmission signal which is assembled into packets or cells.

"(11) PROVIDER.—The term 'provider' means, with respect to any qualified equipment—

"(A) a cable operator,

"(B) a commercial mobile service carrier,

"(C) an open video system operator,

"(D) a satellite carrier,

"(E) a telecommunications carrier, or

"(F) any other wireless carrier,

providing current generation broadband services or next generation broadband services to subscribers through such qualified equipment.

"(12) PROVISION OF SERVICES.—A provider shall be treated as providing services to a subscriber if—

"(A) a subscriber has been passed by the provider's equipment and can be connected to such equipment for a standard connection fee,

"(B) the provider is physically able to deliver current generation broadband services or next generation broadband services, as applicable, to such subscribers without making more than an insignificant investment with respect to any such subscriber,

"(C) the provider has made reasonable efforts to make such subscribers aware of the availability of such services,

"(D) such services have been purchased by one or more such subscribers, and

"(E) such services are made available to such subscribers at average prices comparable to those at which the provider makes available similar services in any areas in which the provider makes available such services.

"(13) QUALIFIED EQUIPMENT.—

"(A) IN GENERAL.—The term 'qualified equipment' means equipment which provides current generation broadband services or next generation broadband services—

"(i) at least a majority of the time during periods of maximum demand to each subscriber who is utilizing such services, and

"(ii) in a manner substantially the same as such services are provided by the provider to subscribers through equipment with respect to which no credit is allowed under subsection (a)(1).

"(B) ONLY CERTAIN INVESTMENT TAKEN INTO ACCOUNT.—Except as provided in subparagraph (C) or (D), equipment shall be taken into account under subparagraph (A) only to the extent it—

"(i) extends from the last point of switching to the outside of the unit, building, dwelling, or office owned or leased by a subscriber in the case of a telecommunications carrier,

"(ii) extends from the customer side of the mobile telephone switching office to a transmission/receive antenna (including such antenna) owned or leased by a subscriber in the case of a commercial mobile service carrier,

"(iii) extends from the customer side of the headend to the outside of the unit, building, dwelling, or office owned or leased by a subscriber in the case of a cable operator or open video system operator, or

"(iv) extends from a transmission/receive antenna (including such antenna) which transmits and receives signals to or from multiple subscribers, to a transmission/receive antenna (including such antenna) on the outside of the unit, building, dwelling, or office owned or leased by a subscriber in the case of a satellite carrier or other wireless carrier, unless such other wireless carrier is also a telecommunications carrier.

"(C) PACKET SWITCHING EQUIPMENT.—Packet switching equipment, regardless of location, shall be taken into account under subparagraph (A) only if it is deployed in connection with equipment described in subparagraph (B) and is uniquely designed to perform the function of packet switching for current generation broadband services or next generation broadband services, but only if such packet switching is the last in a series of such functions performed in the transmission of a signal to a subscriber or the first in a series of such functions performed in the transmission of a signal from a subscriber.

"(D) MULTIPLEXING AND DEMULTIPLEXING EQUIPMENT.—Multiplexing and demultiplexing equipment shall be taken into account under subparagraph (A) only to the extent it is deployed in connection with equipment described in subparagraph (B) and is uniquely designed to perform the function of multiplexing and demultiplexing packets or cells of data and making associated application adaptions, but only if such multiplexing or demultiplexing equipment is located between packet switching equipment described in subparagraph (C) and the subscriber's premises.

"(14) QUALIFIED EXPENDITURE.—

"(A) IN GENERAL.—The term 'qualified expenditure' means any amount—

"(i) chargeable to capital account with respect to the purchase and installation of qualified equipment (including any upgrades thereto) for which depreciation is allowable under section 168, and

"(ii) incurred after December 31, 2001, and before January 1, 2003.

"(B) CERTAIN SATELLITE EXPENDITURES EXCLUDED.—Such term shall not include any expenditure with respect to the launching of any satellite equipment.

"(15) QUALIFIED SUBSCRIBER.—The term 'qualified subscriber' means—

"(A) with respect to the provision of current generation broadband services—

"(i) a nonresidential subscriber maintaining a permanent place of business in a rural area or underserved area, or

"(ii) a residential subscriber residing in a dwelling located in a rural area or underserved area which is not a saturated market, and

"(B) with respect to the provision of next generation broadband services—

"(i) a nonresidential subscriber maintaining a permanent place of business in a rural area or underserved area, or

"(ii) a residential subscriber.

"(16) RESIDENTIAL SUBSCRIBER.—The term 'residential subscriber' means an individual who purchases broadband services which are delivered to such individual's dwelling.

"(17) RURAL AREA.—The term 'rural area' means any census tract which—

"(A) is not within 10 miles of any incorporated or census designated place containing more than 25,000 people, and

"(B) is not within a county or county equivalent which has an overall population density of more than 500 people per square mile of land.

"(18) RURAL SUBSCRIBER.—The term 'rural subscriber' means a residential subscriber residing in a dwelling located in a rural area or nonresidential subscriber maintaining a permanent place of business located in a rural area.

"(19) SATELLITE CARRIER.—The term 'satellite carrier' means any person using the facilities of a satellite or satellite service licensed by the Federal Communications Commission and operating in the Fixed-Satellite Service under part 25 of title 47 of the Code of Federal Regulations or the Direct Broadcast Satellite Service under part 100 of title 47 of such Code to establish and operate a channel of communications for distribution of signals, and owning or leasing a capacity or service on a satellite in order to provide such distribution.

"(20) SATURATED MARKET.—The term 'saturated market' means any census tract in which, as of the date of the enactment of this section—

"(A) current generation broadband services have been provided by one or more providers to 85 percent or more of the total number of potential residential subscribers residing in dwellings located within such census tract, and

"(B) such services can be utilized—

"(i) at least a majority of the time during periods of maximum demand by each such subscriber who is utilizing such services, and

"(ii) in a manner substantially the same as such services are provided by the provider to subscribers through equipment with respect to which no credit is allowed under subsection (a)(1).

"(21) SUBSCRIBER.—The term 'subscriber' means a person who purchases current generation broadband services or next generation broadband services.

"(22) TELECOMMUNICATIONS CARRIER.—The term 'telecommunications carrier' has the meaning given such term by section 3(44) of the Communications Act of 1934 (47 U.S.C. 153(44)), but—

"(A) includes all members of an affiliated group of which a telecommunications carrier is a member, and

"(B) does not include a commercial mobile service carrier.

"(23) TOTAL POTENTIAL SUBSCRIBER POPULATION.—The term 'total potential subscriber population' means, with respect to any area and based on the most recent census data, the total number of potential residential subscribers residing in dwellings located in such area and potential nonresidential subscribers maintaining permanent places of business located in such area.

"(24) UNDERSERVED AREA.—The term 'underserved area' means any census tract which is located in—

"(A) an empowerment zone or enterprise community designated under section 1391,

"(B) the District of Columbia Enterprise Zone established under section 1400,

"(C) a renewal community designated under section 1400E, or

"(D) a low-income community designated under section 45D.

"(25) UNDERSERVED SUBSCRIBER.—The term 'underserved subscriber' means a residential subscriber residing in a dwelling located in an underserved area or nonresidential subscriber maintaining a permanent place of business located in an underserved area.

"(f) DESIGNATION OF CENSUS TRACTS.—The Secretary shall, not later than 90 days after the date of the enactment of this section, designate and publish those census tracts meeting the criteria described in paragraphs (17), (20), and (24) of subsection (e). In making such designations, the Secretary shall consult with such other departments and agencies as the Secretary determines appropriate.".

(b) CREDIT TO BE PART OF INVESTMENT CREDIT.—Section 46 (relating to the amount of investment credit) is amended by striking "and" at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting ", and", and by adding at the end the following:

"(4) the broadband credit."

(c) SPECIAL RULE FOR MUTUAL OR COOPERATIVE TELEPHONE COMPANIES.—Section 501(c)(12)(B) (relating to list of exempt organizations) is amended by striking "or" at the end of clause (iii), by striking the period at the end of clause (iv) and inserting ", or", and by adding at the end the following:

"(v) from the sale of property subject to a lease described in section 48A(c)(2)(B), but only to the extent such income does not in any year exceed an amount equal to the credit for qualified expenditures which would be determined under section 48A for such year if the mutual or cooperative telephone company was not exempt from taxation and was treated as the owner of the property subject to such lease.".

(d) CONFORMING AMENDMENT.—The table of sections for subpart E of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 48 the following:

"Sec. 48A. Broadband credit.".

(e) REGULATORY MATTERS.—

(1) PROHIBITION.—No Federal or State agency or instrumentality shall adopt regulations or ratemaking procedures that would have the effect of confiscating any credit or portion thereof allowed under section 48A of the Internal Revenue Code of 1986 (as added by this section) or otherwise subverting the purpose of this section.

(2) TREASURY REGULATORY AUTHORITY.—It is the intent of Congress in providing the broadband credit under section 48A of the Internal Revenue Code of 1986 (as added by this section) to provide incentives for the purchase, installation, and connection of equipment and facilities offering expanded broadband access to the Internet for users in certain low income and rural areas of the United States, as well as to residential users nationwide, in a manner that maintains competitive neutrality among the various classes of providers of broadband services. Accordingly, the Secretary of the Treasury shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of section 48A of such Code, including—

(A) regulations to determine how and when a taxpayer that incurs qualified expenditures satisfies the requirements of section 48A of such Code to provide broadband services, and

(B) regulations describing the information, records, and data taxpayers are required to provide the Secretary to substantiate compliance with the requirements of section 48A of such Code.

Until the Secretary prescribes such regulations, taxpayers may base such determinations on any reasonable method that is consistent with the purposes of section 48A of such Code.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures incurred after December 31, 2001, and before January 1, 2003.

EXECUTIVE SESSION

EXECUTIVE CALENDAR AND DISCHARGE

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider Calendar No. 637, and that the Commerce Committee be discharged from further consideration of the nomination of John McGaw to be Under Secretary of Transportation for Security; that the nominations be confirmed, the motions to reconsider be laid upon the table the President be immediately notified of the Senate's action; that any statements relating to the nominations be printed in the RECORD; and that the Senate return to legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

INTER-AMERICAN DEVELOPMENT BANK

Jorge L. Arrizurieta, of Florida, to be United States Alternate Executive Director of the Inter-American Development Bank, vice Lawrence Harrington.

DEPARTMENT OF TRANSPORTATION

John Magaw, of Maryland, to be Under Secretary of Transportation for Security for a term of five years.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

VALUATION OF NONTRIBAL INTEREST OWNERSHIP OF SUBSURFACE RIGHTS WITHIN BOUNDARIES OF ACOMA INDIAN RESERVATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be discharged from further consideration of H.R. 1913, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1913) to require valuation of nontribal ownership of subsurface rights within the boundaries of the Acoma Indian Reservation, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Mr. President, I ask unanimous consent that the bill be read the third time and passed the motion to reconsider be laid upon the table with no intervening action or debate, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1913) was read the third time and passed.

FEASIBILITY STUDIES OF WATER RESOURCE PROJECTS IN THE STATE OF WASHINGTON

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be discharged from further consideration of H.R. 1937, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (H.R. 1937) to authorize the Secretary of the Interior to engage in certain feasibility studies of water resource projects in the State of Washington.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table with no intervening action or debate, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1937) was read the third time and passed.

ORDERS FOR TUESDAY, JANUARY 29, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10:30 a.m. on Tuesday, January 29; that following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and that the Senate be in a period for morning business until 11 a.m., with Senators permitted to speak for up to 10 minutes each; further, that at 11 a.m., the Senate resume consideration of H.R. 622, with the Durbin amendment pending; that there be 30 minutes of debate on the amendment equally divided in the usual form, prior to a vote in relation to the amendment, with no second-degree amendments in order prior to the vote; further, that the Senate recess from 12:30 p.m. to 2:15 p.m. for the weekly party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Mr. President, we can expect a full day tomorrow. We should have some votes after this one in the afternoon. In addition, we are going to be honored by the appearance of the President to give his State of the Union speech tomorrow evening.

ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. REID. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:47 p.m., adjourned until Tuesday, January 29, 2002, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate January 28, 2002:

DEPARTMENT OF JUSTICE

PAUL I. PEREZ, OF FLORIDA, TO BE UNITED STATES ATTORNEY FOR THE MIDDLE DISTRICT OF FLORIDA, FOR THE TERM OF FOUR YEARS, VICE DONNA A. BUCELLA, RESIGNED.

ROSLYNN R. MAUSKOPF, OF NEW YORK, TO BE UNITED STATES ATTORNEY FOR THE EASTERN DISTRICT OF NEW YORK FOR THE TERM OF FOUR YEARS, VICE LORETTA E. LYNCH, RESIGNED.

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES COAST GUARD UNDER TITLE 14, U.S.C., SECTION 211:

To be lieutenant commander

DAVID W LUNT, 0070

To be lieutenant

JONATHAN A ALEXANDER, 9650
MICHELLE C BAS, 7778
CURTIS E BORLAND, 3730
RACHAEL B BRALLIAR, 3816
CHARLOTTE B BROGA, 1244
KEVIN F BRUEN, 0608
JOSEPH M CARROLL, 2799
STEPHEN H CHAMBERLIN, 5269
ROCKY L COLE, 4236
ISMAEL CURET, 8591
DIMITRI A DELGADO, 3544
KEVIN M DEUSTACHIO, 0232
DAWN A DUGGER, 6607
LOREN A FRIEDEL, 6569
LAWRENCE E GREENE, 9915
SCOTT C HALE, 4755
MARC A HAWKINS, 5425
TYRONE L JONES, 4746
VIRGINIA J KAMMER, 1673
JOSEPH F LECATO, 2988
CAROLYN L LEONARDCHO, 1653
DAVID E OCONNELL, 4962
JOHN C REARDON, 7615
KRISTEN A ROMAO, 5243
JOSEPH R SIEMIATKOWSKI, 9819
ROBERT J VOLPE, 9140
ANTHONY E WALKER, 9907

To be lieutenant junior grade

MICHAEL N ADAMS, 8722
RODERICK D ADAMS, 5920
TODD W ANDERSON, 9124
RALPH P ANGUIANO, 6356
JOHN D ANNONEN, 4004
WALTER J ARMSTRONG, 7982
GRETCHEN M BAILEY, 2237
KLAUS J BARBOZA, 7633
PATRICK T BARELLI, 2571
KEVIN M BARRES, 8817
ROBERT B BARTHELMES, 4838
ADAM G BENTLY, 7937
MICHAEL J BERGMAN, 1918
KEVIN C BERRY, 2393
KERRY R BLOUNT, 8566
JAMES W BOLDEN, 6157
MARA M BOOTHMILLER, 7350
RALPH J BOYES, 7066
MATTHEW A BRADEN, 5104
NELSON J BRANDT, 8134
CHARLES J BRIGHT, 7090
MATTHEW T BROWN, 8040
ROY R BRUBAKER, 9388
MATTHEW D BUCKINGHAM, 4431
RICHARD F CALVERT, 3203
ERIC R CASLER, 9288
CHRISTOPHER R CEDERHOLM, 0472
WALTER CHUBRICK, 4667
HECTOR L CINTRON, 0072
BRYAN E CLAMPITT, 8171
JEFFREY S CLARK, 0597
KIRSTEN R CODEL, 1014
BRADLEY C COOK, 5327
PETER A COOK, 0285
LETICIA I CORALIN, 0777
NATHAN E COULTER, 4335
JOANDREW D COUSINS, 5242
DIANA J CRANSTON, 2542
DERRICK J CROINEX, 6052
WILLIAM M DANIELS, 0171
SHAWN E DECKER, 4484
FRANCIS J DELROSSO, 1217
STEPHEN A DEVEREUX, 0481
BRIAN T DEVRIES, 6435
RADFORD A DEW, 9038
JOSE E DIAZ, 7131
MELISSA DIAZ, 2047
KEITH M DONOHUE, 4554
JANINE E DONOVAN, 2558
ERIC D DREY, 6352
MIA P DUTCHER, 9449
TIMOTHY W EASON, 5596
SAMUEL O EAST, 8195
JAMES P EILAND, 3342
JOSEPH P ESMERADO, 9338
JANET D ESPINOYOUNG, 3034
SHAWN G ESSERT, 3795
MATTHEW R FARNEN, 2658
JOHN M FEREBEE, 0325
TODD A FISHER, 5078
TAMARA L FLOODINE, 5948
KEVIN D FLOYD, 1023
JAMES G FORGY, 4632
THOMAS R FOSTER, 9873
TED R FOWLES, 5424
PAUL E FRANTZ, 9032
RICHARD F FREED, 1078
CHRISTOPHER J GAGNON, 3611
PAMELA P GARCIA, 4787
ELISA M GARRITY, 3538
JOSEPH W GASKILL, 3136
MARK A GIBBS, 9972
ERROL M GLENN, 8912
WADE W GOUGH, 8115
TIMOTHY J GRANT, 6324
SHAWN C GRAY, 4095
DANIEL W GRAY, 3818
DIANE E GREENTREE, 6513
ROBERT T GRIFFIN, 6542
JASON B GUNNING, 8575
LOUIS E GUTIERREZ, 3617
JOHN K HAHN, 2800
KEVIN J HALL, 9159
KEITH T HANLEY, 9276
CHARLES W HAWKINS, 5819
MICHAEL L HERRING, 6892
JON D HILL, 8190
TOBY L HOLDRIDGE, 6034
JAMES E HOLLINGER, 0963
ROBERT B HOLLIS, 3625
BRIAN P HOPKINS, 1094
DARREN A HOPPER, 5577
CHRISTOPHER M HUBERTY, 8695
STEPHEN B JAUDON, 7393
STARLING S JINRIGHT, 2418
BRYAN D JOHNSON, 7611
ALYSSA M JOHNSONVERNON, 1232
DAVID M JOHNSTON, 8086
RADIAH M JONES, 1913
JONATHAN P JORGENSEN, 4038
WARREN D JUDGE, 8454
WAYNE E KEAN, 8026
WHITNEY S KEITH, 8213
CHRISTOPHER J KENDALL, 9131
EDWARD A KESLER, 9738
CHAD A KINGSBURY, 2953
WADE S KIRSCHNER, 9130
BRIAN G KNAPP, 9829
THOMAS E KUHAR, 2785
KEN KUSANO, 7138
JOSEPH T LALLY, 0677
ERIK LASALLE, 4669
TIMOTHY R LAVIER, 1090
ANDREW A LAWRENCE, 1342
DANIEL F LEARY, 2391
LYNDA C LECRONE, 5821
CHRISTOPHER E LEE, 3708
MICHAEL D LENDVAY, 9090
DONNA D LEOCE, 3631
CHAD A LONG, 7286
JOHN H LOVEJOY, 0978
MIGUEL A LUMBAG, 6667
ALAN B MCCABE, 8818
KEVIN J MCCORMACK, 5193
STEVEN J MCKECHNIE, 1740
MICHAEL J MCNEIL, 5118
TERESA A MCTEAR, 2531
AARON R MEADOWSHILLS, 0745
MICHAEL L MEDICA, 6334
JASON L MENAPACE, 6835
TODD S MIKOLOP, 7558
KENNETH V MILLS, 0765
MARCUS A MITCHELL, 8247
JOHN H MIXSON, 1746
SIMONE R MOORE, 1877
ALAN H MOORE, 1417
ELLIS H MOOSE, 1683
VICKIE J NEBLOCK, 0897
KRISTINE B NEELEY, 1945
RAYMOND NEGRON, 8966
BRADLEY D NEWBERRY, 6704
LUIS C PARRALES, 7848
JEFFREY S PEARSON, 4115
LATASHA E PENNANT, 6876
PATRICK F PESCHKA, 6587
DOUGLAS C PETRUSA, 5045
THOMAS S PHILBRICK, 6528
KEITH J PIERRE, 9309
WILLIE E PITTMAN, 9996
CHARLOTTE E PITTMAN, 9283
KENNETH R POST, 4054
SCOTT B POWERS, 5320
ALISA L PRASKOVICH, 5294
TODD E RAYBON, 7137
JAMES E REYNOLDS, 9048
VICTOR F RIVERA, 3572
LUIS J RODRIGUEZ, 4120
KUNSTLER D RUSSELL, 8745
JERREL W RUSSELL, 6730
DAVID B SALCIDO, 9111
DAMON C SANDERS, 4511
MICHELE L SCHALLIP, 8935
CHRISTINA M SCHULTZ, 6640
ANITA M SCOTT, 6714
FRED W SEATON, 5036
WILLIAM E SEWARD, 7510
HOLLY L SHAFFNER, 7665
GREGORY J SILVA, 4456
DANIEL J SILVESTRO, 1528
PETER J SIMONDS, 6863
ERIC A SMITH, 0109
KEVIN J SMITH, 0661
CASSEE J SOCHA, 8772
ANTONIO R SOLIZ, 1257
DOUGLAS K STARK, 2125
STEVEN M STEWART, 5550
BENJAMIN F STRICKLAND, 6427
VASILIOS TASIKAS, 3947
SOLOMON C THOMPSON, 8817
MATTHEW A THOMPSON, 2246
SOL A TILLETT, 6249
BART K TOMERLIN, 0419
RUSSELL R TORGERSON, 9576
ANDRE P TOWNER, 0674
ALLEN R TURNER, 1826
CARISSA A VANDERMEY, 1335
VINCENT W VANNESS, 5855
GUILLERMO VEGA, 4830
SANDRA J WALLER, 8665
ROBERT B WALLS, 8744
DOUGLAS G WATSON, 2686
EDWARD A WIELAND, 8933
DAMON A WILLIAMS, 8903
KEVIN M WILSON, 5669
MARY A WYSOCK, 3888

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant colonel

VINCENT G. DEBONO JR., 0360
MARK W. DEVANE, 1702
DAVID J. DINTAMAN, 6969
DAVID A. HORWITZ, 7260
ROBERT H. HRABE, 3068
JACK L. LESHO, 3683
BRIAN P. OREAR, 1812
TODD M. POST, 7770
MARIE A. REVAK, 6365
AMY M. ROWE, 1130

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

TIMOTHY S. CLASEMAN, 2246
CORYDON L. DOERR, 3279
RANDALL C. DUNCAN, 8707
JOHN R. EMBRY, 5120
GRANT R. HARTUP, 3390
GARY C. MARTIN, 1245
ERIK J. MEYERS, 0768
KEVIN M. NOALL, 9655
CHARLES A. POWELL, 6965
DOUGLAS C. WILSON, 8521

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be major

KATHRYN L. AASEN, 4473
JAVAD S. AGHALOO, 2379
MELANIE D. ALLGEYER, 6165
BRANT W. BOLING, 7762
BRENT J. BRADLEY, 4827
CHOL H. CHONG, 3198
KIMBERLY Y. CHRISTIAN, 9331
MICHAEL E. CRABTREE, 3714
SOHEILA F. DEGIEUX, 2197
ANNETTE G. DUNFORD, 4149
HOLLY V. ELLENBERGER, 8818
GORDON C. FRASER JR., 1506
PAUL A. GAGNON, 1727
JOHN P. GONZALES, 1955
ALICIA D. GUTH, 8575
OLAF J. HAERENS, 8414
MICHAEL C. HARMS, 3317
SCOTT K. HETZ, 0865
BRENT L. KINCAID, 9526
JAMES M. KUTNER, 4262
JEFFREY K. LADINE, 5513
GEORGE R. LAWLEY, 6235
DAVID P. LEE, 1449
GIANG K. LOI, 1330
MICHAEL D. LOURIA, 6256
TODD T. MATSUMOTO, 5972
PEREZ MILDRED YO PAGAN, 6411
TIMOTHY B. PAULIN, 2306
MICHAEL R. PICHARDO, 8851
DONNA A. PITTER, 2064
MARK B. RANZINGER, 0693
ZINDELL RICHARDSON, 0377
KEVIN J. STANGER, 0113
MICHAEL R. SUHLER, 7540
DAVID R. SWENSON, 3209
ELIZABETH M. TANDY, 8251
RICHARD D. TOWNSEND, 8548
MICHAEL L. UMBERGER, 9833
HENRY D. WATZL, 4737
JOHN J. WIDLAK JR., 0104
JUSTIN N. ZUMSTEIN, 2470

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK (*)) UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

To be colonel

RICHARD E. BACHMANN JR., 0257
*WILLIAM H. BARTH JR., 6865
CATHERINE E. BIERSACK, 1340
*DOUGLAS F. BOLDA, 9095
GEORGE T. BOLTON, 6038
MARK W. BOWYER, 9822
DEBORAH N. BURGESS, 1929
*YVONNE D. CAGLE, 1071
JUNE A. CARRAHER, 7520
DOUGLAS J. CHADBOURNE, 0024
*JOHN T. CINCO, 3977
JOSEPH D. DYE, 4298
ANN E. FARASH, 5214
CHARLES R. FISHER JR., 3986
*STEVEN C. HADLEY, 4786
DAN R. HANSEN, 6044
GILBERT R. HANSEN, 1684
*JAMES H. HENDERSON II, 4335
JAMES H. HERIOT, 1797
BRUCE T. HEWETT, 6773
BART O. IDDINS, 9364
ROBERT R. IRELAND, 2854
TIMOTHY J. LADNER, 7986
CHRISTOPHER J. LISANTI, 3489
KAREN M. MATHEWS, 4929
PAUL S, MUELLER, 8441
KEVIN J. OTOOLE, 6253
MARTIN G. OTTOLINI, 4701
*PETER S. PALKA, 0665
*DENNIS PEARMAN, 4132
JEFFREY J. PELTON, 8019
ARNYCE R. POCK, 3370
STEVEN M. PRINCIOTTA, 3403
*ADIN T. PUTNAM II, 6093
CAROL S. RAMSEY, 8003
*EDMUND S. SABANEGH JR., 8718
*PATRICK R. STORMS, 4201
KEN M. TASHIRO, 6843
LAURA A. TORRESREYES, 2671
WILLIAM J. VALKO, 3863
CHRISTOPHER S. WILLIAMS, 7444
MYGLEETUS W. WRIGHT, 3872
DONALD R. YOHO JR., 4419

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK (*)) UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

To be lieutenant colonel

*MELISSA A. AERTS, 8245
JOHN R. ANDRUS, 5797
*BRYAN N. ANGLE, 7316
*JIMMIE D. BAILEY II, 1756
*TIMOTHY D. BALLARD, 1167
*DANIEL J. BALOG, 2059
*MARY E. BANE, 1155
*DAVID R. BARNARD, 4682
*JOHN R. BENNETT, 0376
DANNY P. BERK, 3715
*LEROY G. BEYER JR., 2482
JAY T. BISHOFF, 5961
*MATTHEW F. BITNER, 4905
MICHAEL L. BLEDSOE, 6374
*WILLIAM T. BOLEMAN, 1578
*JEFFREY R. BORIS, 7386
*MARK A. BRADSHAW, 3449
*CHRISTOPHER K. BREUER, 4224
JONATHAN W. BRIGGS, 7190
*DIANA P. BROOMFIELD, 8630
*JAMES P. BROWN, 4778
*MARKHAM J. BROWN, 7059
*LINDA J. BROWNE, 0168
*JOHN G. BUCK, 0252
*RICARDO M. BUENAVENTURA, 4959
*LAWRENCE T. BURD, 3095
EDWIN K. BURKETT, 2049
*ONIE BUSSEY, 8270
*JOSEPH A. BUZOGANY, 5379
*DANILO O. CANLAS, 3185
*JAMES W. CARPENTER, 2223
*FRANCISCO G. CARPIO, 2424
*TODD E. CARTER, 4823
BLAKE V. CHAMBERLAIN, 6161
*DAVID L. CHIN, 4399
*DONALD E. CHRISTENSEN, 4613
DAVID R. CONDIE, 3511
*JACQUES S. COUSINEAU, 3472
*GEOFFREY W. CRAWLEY, 6377
JEFFREY M. CUSICK, 4392
RONALD N. DELANOIS, 6239
ROY J. DILEO, 0999
*THOMAS M. DYE, 3732
BRUCE M. EDWARDS, 4357
*PETER G. EHRNSTROM, 1044
*ROLAND E. ENGEL, 6030
IREL S. EPPICH, 4070
*MICHAEL J. EPPINGER, 4312
*GAIL D. FANCHER, 6446
DANIEL J. FEENEY, 9656
*EDWARD L. FIEG, 8735
*MICHAEL D. FIELDS, 6605
*OCLLA M. FLETCHER, 0126
DAVID R. FOSS, 7194
KEVIN J. FRANKLIN, 6101
*MICHAEL D. FUGIT, 5506
BARRY L. GARDNER, 3870
*DAVID GARRETT JR., 2218
*JOSEPH A. GIOVANNINI, 2566
*STEVEN P. GOFF, 6929
*TIMOTHY P. GREYDANUS, 2511
*CYNTHIA L. GRYBOSKI, 6526
*NELS C. GUNNARSEN, 2859
*YVETTE GUZMAN, 4622
*RYAN T. HAGINO, 6383
*KEVIN D. HALOW, 5695
*TYLER E. HARRIS, 6053
JAMES W. HAYNES, 2826
AUGUST S. HEIN, 0319
*DEBBIE L. HEIT, 6092
*KATHRYN K. HOLDER, 7172
*II CHARLES HOPE, 2813
*DANILO H. HOYUMPA, 3022
*MARK E. HUBNER, 1310
*JAMES P. ICE, 1226
*MICHAEL S. JAFFEE, 6487
*DAVID J. JASKIERNY, 7587
*DANIEL JOHNSON, 7273
NEIL L. JORGENSEN, 5354
CAESAR A. JUNKER, 8578
*INEZ M. KELLEHER, 7344
*AMIR I. KENDE, 9452
*JEFFREY D. KERBY, 3627
COLIN M. KINGSTON, 6151
*JANE K. R. KLINGENBERGER, 7459
*DAVID L. KUTZ, 0628
*KRISTEN LANCASTERWEISS, 8792
*GEORGE S. LAW, 7963
*KEITH W. LAWHORN, 8538
*TIMOTHY W. LINEBERRY, 8742
TIMOTHY L. LONGACRE, 1353
DON C. LOOMER, 8171
*DOUGLAS A. LOUGEE, 1552
FELIX MAMANI, 1711
JEFFREY A. MARCHESSAULT, 4208
*JAMES E. MCCRARY, 9126
*BRUCE H. MCFALL, 2710
*SCOTT E. MCGUIRE, 1531
*GREGORY J. MORSE, 1020
*KEVIN L. MORTARA, 7237
*ERIC A. NELSON, 5460
RICHARD H. NGUYEN, 0064
*STEVEN A. NGUYEN, 3325
*CHRISTOPHER A. NUSSER, 6585
*LAWRENCE R. NYCUM, 1015
*CHRISTOPHER G. PALMER, 6663
*DAMIAN PAONESSA, 0355
ANJA A. PATTONEVANS, 0426
*HAI V. PHAM, 5482
*THOMAS R. PIAZZA, 2463
*LLOYD A. PIERRE JR., 4759
*WILLIAM D. PO, 8366
JOHN A. POREMBA, 6593
*LEONARDO C. PROFENNA, 2488
*CORA I. RANDLE, 2890
*JENNIFER M. RHODE, 7098
PHILLIP C. RIDDLE, 1094
DAMIAN M. RISPOLI, 6942
*BARBARA LYNN ROACH, 3394
*ANTHONY S. ROBBINS, 3740
*DAVID M. ROSE, 6892
*PETER W. ROSS, 3232
LEE G. SALTZGABER, 2477
*ROGER W. SATTERTHWAITE, 8201
TOM J. SAUERWEIN, 7919
*RUSSELL D. SCHROEDER, 5932
CHUNG M. SIEDLECKI, 4371
*KINGSAU SIU, 2368
BRYNNE B. STANDAERT, 6444
RICHARD E. STANDAERT JR., 9867
*STEVEN G. SUTTON, 5057
*TODD C. SWATHWOOD, 1031
*NEAL R. TAYLOR, 4514
*DAN E. THOMAS, 9329
*CHRISTOPHER M. THOMPSON, 5180
*GREGORY E. THOMPSON, 8999
*GEOFFREY Y. TOM, 5228
*DAVID R. TRIGG, 2709
HORACE TSU, 1240
*JOHN J. TUCHER, 7105
JEFF P. VISTA, 6654
*DAVID M. WALKER, 0427
*ANDREW J. WALTER, 3242
*OLGA I. WASILE, 3799
BILL P. WATSON, 6121
GERALD S. WELKER, 6600
*LEROY C. WHITE, 8690
DONALD S. WIERSMA, 6767
JANET L. WILKINSON, 0702
*LAROY E. WILLIAMS, 4901
CEDRIC L. WONG, 5591
*W. PRESTON WOODALL JR., 6527
*STEVEN P. WORATYLA, 8465
RANDALL C. ZERNZACH, 4146
RICHARD M. ZWIRKO, 1716

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 624:

To be major

TODD E. ABBOTT, 0806
JASON D. ADAMS, 1910
DEMETRIO J. AGUILA III, 1512
GAIL M. AHLQUIST, 5871
DEBORAH D. ALBRIGHT, 2359
MICHAEL E. ALLOWAY, 6850
DAURI Z. ALVAREZ, 2145
JOSEPH AMATO, 5123
MICHAEL B. ANDERSON, 3705
SHARE DAWN P. ANGEL, 4947
MARK A. ANTONACCI, 6303
ERIC O. APPELGREN, 7396
GUY C. ASHER JR., 1986
ADRIENNE W. ASKEW, 5406
EZELL ASKEW JR., 2957
RAUL E. AYALA, 9137
KERRI L. BADEN, 9486
CHRISTOPHER W. BALLARD, 9803
MICHELLE R. BARG, 8488
BRETON F. BARRIER, 8601
MICHAEL C. BARROWS, 7811
DEVIN C. BATEMAN, 7011
ROBERT R. BATES JR., 4841
SHERREEN G. BATTS, 0035
GREGORY H. BEAN, 0027
JONATHAN D. BECK, 1676
DEVIN P. BECKSTRAND, 1297
MARTIN J. BELL, 3673
LESLIE A. BENTINGANAN, 6095
JENNIFER L. BEPKO, 5714
STEPHEN J. BEPKO, 7094
BRIANA C. BEREZOVYTCH, 9386
MARDI J. BISHOP, 1981
ALEXANDER B. BLACK, 9140
CELESTE S. BLANKEN, 4671
STEPHEN R. BODEN, 8160
THOMAS P. BODINE, 1436
HENRY A. BOILINI, 4144
KURT R. BOLIN, 8992
MATTHEW R. BONZANI, 3879
ALOK K. BOSE, 5797
SEAN E. BOURKE, 3248
MAURA BRADLEY, 5941
JASON S. BRADT, 6788
WILLIAM L. BRAY, 2535
JOHN C. BREWER, 4522
JAMIE L. BROUGHTON, 0119
MARILYN A. BROWN, 4272
SCOTT G. BRYK, 1578
ROBERT J. BUCK III, 6886
JEFFREY S. BUI, 3244
VANCE R. BURNS, 8534
STEPHEN L. BUSHAY, 9214
JONATHAN W. BUTTRAM, 8513
DARREN E. CAMPBELL, 3288
HUBERT J. M. CANTAVE, 7349
THOMAS J. CANTILINA, 9322
WADE D. CARLSON, 9692
KELLEY ANN CAROTHERS, 3248
MATTHEW A. CARRELL, 9476
MICHAEL C. CASCIELLO, 7309
JOHN C. CHANEY, 3797
ALBERT Y. CHEN, 9838
JASON J. CHO, 0257
NICOLA A. CHOATE, 4102
DARBY A. CLAYSON, 3169
NICHOLAS G. CONGER, 5865
JOSEPH A. COOK, 3452
JOANN B. COUCH, 2956
CHRISTOPHER J. COUTURE, 6292
ROBYN L. COWPERTHWAITE, 2613
MELIA K. COX, 7621
MICHAEL K. J. COZZI, 6323
RICHARD A. CROSS, 2996
ADEBAYO O. CROWNSON, 1586
PATRICK J. DANAHER, 6166
TODD E. DANTZLER, 6669
LAKEISHA R. DAVIS, 7255
CYNTHIA J. DECHENES, 7666
ROWLAND SARAH A. DELANEY, 1979
KEITH S. DICKERSON, 8385
MARK H. DICKIE, 5614
JENNIFER J. DISCHEL, 9247
SUSAN A. DOTZLER, 5213
PABLO J. DUBON, 2441
SARAH E. DUCHARME, 8979
RICHARD L. DUNBAR, 6758
ELIZABETH A. DURKIN, 2367
DAVID J. DUVAL, 0869
DAVID V. EASTHAM, 9441
DEBORAH L. EBERT, 3993
KRISTY D. EDWARDS, 3552
WILLIAM F. EDWARDS, 3501
PATRICK T. EITTER, 6763
CAROL J. ELNICKY, 4796
RONALD W. ENGLAND, 7913
CHARLES P. FAY, 9875
KENNETH H. FERGUSON, 8084
JOHN J. FINK, 5124
GINA M. FIORITI, 9819
AMY E. FLEMING, 8492
JULIANNE FLYNN, 6233
CHERYL L. FOLSON, 8483
LINDA K. FOX, 5527
JEFFREY M. FREED, 4127
BRETON C. FREITAG, 3887
JAMES K. FROST, 9842
MELECIA FUENTES, 1745
ROBERT D. GARRISON, 4054
JAY D. GEOGHAGAN, 1161
CHRISTOPHER W. GLANTON, 3998
JOHN G. GODDARD, 8078
ALLAN C. GOLDING, 9839
ERIC R. GOLDMAN, 3584
RONALD A. GOSNELL, 7694
MATTHEW A. GRAVES, 6728
DAVID E. GRAYSON, 8306
JEREMY M. GROLL, 2883
MARY L. GUYE, 2195
GREGORY J. HAACK, 6313
RICHARD G. HALL, 4031
MARK W. HAMRA, 4004
PAUL F. HANLEY, 7329

WILLIAM N. HANNAH JR., 0087
PETER R. HARDING, 6418
LON A. HASKELL, 6242
BERT T. HAWKINS, 8709
BRIAN J. HELLER, 3244
KEVIN J. HELMRICK, 3145
TRAVIS B. HENDERSON, 4358
GREGORY L. HESS, 1657
MICHAEL J. HIGGINS, 8655
HOWARD HOFFMAN, 5028
MARK E. HOGGAN, 3862
SHANNON D. HOIME, 0677
PHILIP H. HOPP, 4748
SEAN P. HURLEY, 8015
VICTOR M. IERULLI, 4885
DAVID C. IVES, 0927
EDWARD L. JACKSON, 0562
SCOTT R. JACOB, 1168
JULIET C. JACOBSEN, 8364
WILL V. JEFFERS, 4148
KATHY J. JOERS, 2843
JON M. JOHNSON, 0637
JOSEPH C. JOHNSONWALL, 3471
RONALD B. JOHNSTON JR., 8171
DANIEL E. KAHN, 9888
HYON SIK SCOTT KANG, 0612
TRICIA L. KEEFE, 0008
MELISSA M. KEMPF, 2434
JASIRI KENNEDY, 8292
PETER H. KIM, 8920
MARK W. KLEVE, 0803
SCOTT E. KNUTSON, 8843
DAYTON S. KOBAYASHI, 0787
CRAIG A. KOVITZ, 3014
KEVIN W. KULOW, 3119
MICAL J. KUPKE, 2217
JIMMY J. S. LAU, 7961
RICHARD R. LAUE, 3585
ERIC L. LEAN, 2513
EVAN W. LEE JR., 1111
BRENT P. LEEDLE, 0564
VALERIE M. LEIS, 8511
JOHN R. LEISEY, 7285
MELANIE L. LEU, 3861
COREY B. LEWIS, 2398
RALPH R. LIM JR., 3987
JEREMY D. LLOYD, 2861
HEATHER NYE LORENZO, 9633
MATTHEW B. LOVATO, 4334
KIMBERLY A. LOVETT, 8661
THOMAS R. LOWRY, 2275
SALVATORE J. LUCIDO, 0541
KEVIN R. LUSK, 1988
MARK D. LYMAN, 5535
MICHAEL J. LYONS, 9449
MIKELLE A. MADDOX, 5406
GEORGE V. MANAHAN, 3213
ARA M. MARANIAN, 1541
BRIAN D. MARRIOTT, 2494
SHERON B. MARSHALL, 6355
MICHAEL L. MARTIN, 4792
MICHAEL J. MCCOLLUM, 5805
JOSEPH L. MCDANIEL, 4235
ROBERT C. MCDONOUGH III, 1761
LAVETA L. MCDOWELL, 9446
TINA A. MCGUFFEY, 9708
ERIC A. MEIER, 5089
CHRISTOPHER T. MESSITT, 6505
SCOTT A. MILLER, 2941
VINEETH MOHAN, 3244
ANDREW E. MOORE, 3797
LAURA M. MOORE, 9968
MEREDITH LINN MOORE, 6924
PAMELA K. MOORE, 0655
JACQUELINE J. MORRIS, 4408
CHARLES D. MOTSINGER, 5460
PATRICK M. MUEHLBERGER, 4696
SEAN T. MULLENDORE, 8467
ANDREW J. MYRTUE, 1180
MARK A. NASSIR, 8503
DIANNA L. NEAL, 8536
CHRISTINE A. NEFCY, 6987
GREGG B. NELSON, 7642
LUONG T. NGUYEN, 9989
APRIL M. NORTH, 4413
DAVID A. NORTON, 0056
MICHAEL J. NOUD, 6138
ANDREW O. OBAMWONYI, 4270
STEVEN L. OLSEN, 4409
TANDY G. OLSEN, 1960
DAVID M. OLSON, 5617
GABRIELLA M. OLSON, 7668
CRAIG R. K. PACK, 6974
KAREN M. PANEK, 7836
PRADIP M. PATEL, 0658
DALE A. PATTERSON, 2899
STEVEN D. PEINE, 0725
GREGORY A. PERRON, 9224
ANH T. PHAM, 5023
RICHARD E. POPWELL, 2940
MARIA R. PRINCE, 5308
MAURO QUAGLIA, 6926
WILFREDO R. RAMOS, 4786
RAMESH D. RAO, 9030
MELINDA I. RATHKOPF, 9341
TRAVIS A. RICHARDSON, 5929
LYRAD K. RILEY, 8193
ERIC M. RITTER, 0356
CLIFTON A. ROBINSON, 3006
RECHELL G. RODRIGUEZ, 6548
DANIEL M. ROKE, 3995
KIMBERLY A. ROOP, 8670
CHRISTOPHER H. RUSH, 3584
NATHANIEL D. RUSSELL, 1709
TIMOTHY M. RUTH, 0839
KAREN A. RYAN, 2328
MARK W. SANKEY, 1007
RICHARD A. SAVELL, 3386
KIMBERLY D. SAWYER, 7518
STEPHANIE A. SCHAEFER, 9461
MYSTI D. W. SCHOTT, 1136
MARK A. SELDES, 1029
DAN SEPDHAM, 1422
MONICA T. SERRANO, 6634
PATRICK A. SHEA, 8460
CLAIRE A. SHERVANICK, 9248
STEPHEN A. SMALL, 3308
REBECCA A. SMILEY, 4049
HUGH S. SMITH, 7869
KAREN S. SMITH, 8676
LARRY O. SMITH, 5383
BERNARD J. SOPKY, 5290
ROBERT L. SPENCE, 2188
MICHEAL SPOHN, 9601
AMAND KEITH B. ST, 2567
GARY E. STAPLETON, 2991
DAVID G. STONE, 5331
GIGI Y. SU, 5124
JEFFREY A. SWANSON, 7981
LEIGH A. SWANSON, 7749
NGUYEN V. TA, 8795
CATHERINE A. TAKACS, 7502
KRISTEN E. TALECK, 4224
JAMES J. THOMAS, 6235
CARL E. THORNBLADE II, 5323
PATRICK A. TITUS, 0828
WENDY Y. TONGLANDRUM, 3330
DAI A. TRAN, 1070
AVRAM Z. TRAUM, 9845
ANDREW R. TRICKEY, 7372
WILLIAM P. TRIPLETT, 2309
ANTHONY P. TVARYANAS, 5574
KYLE M. VANDEGRAAFF, 1766
MICHAEL W. VANDEKIEFT, 2681
LYLE J. VANDERSCHAAF, 0352
JODIE K. VANWYHE, 7050
LYNN G. VIX, 8774
CHARLES V. VOIGT, 8243
SCOTT W. VOSKUIL, 8356
SON VAN VIET VU, 6849
TODD B. WAMPLER, 4881
ALLAN E. WARD, 2372
MATTHEW T. WARREN, 9469
GLENN S. WHEET, 7397
MARC E. WHITAKER, 2853
GWEN M. WILCOX, 2960
YVONNE L. WONG, 4997
TIMOTHY D. WOODS, 5861
AARON T. YU, 0167
DENNIS F. ZAGRODNIK, 4833
DUSTIN ZIEROLD, 2849
STEPHEN J. ZIMMERMANN, 2936

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN THE JUDGE ADVOCATE GENERAL'S CORPS UNDER TITLE 10, U.S.C., SECTIONS 624 AND 3064:

To be colonel

GARY J BROCKINGTON, 2724
JANET W CHARVAT, 0064
WILLIAM F CONDRON JR., 1130
MARK CREMIN JR., 1862
DAVID N DINER, 6464
KARL M GOETZKE, 2917
WILLIAM A HUDSON JR., 1812
MUSETTA T JOHNSON, 0279
JOHN KASTENBAUER, 4187
EVERETT MAYNARD JR., 4914
HOWARD O MCGILLIN JR., 0036
TIMOTHY J PENDOLINO, 9905
RICHARD V PREGENT, 3485
EDITH M ROB, 6538
KATHRYN STONE, 7330
CRAIG E TELLER, 2513
DONNA M WRIGHT, 6381

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN THE DENTAL CORPS AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK(*)) UNDER TITLE 10, U.S.C., SECTIONS 624, 531, AND 3064:

To be colonel

ANN L BAGLEY, 4250
DANIEL K BAILEY, 7304
TIMOTHY BANDROWSKY, 9905
FREDERICK C BISCH, 3851
BARRY G BISHOP, 8774
MICHAEL L BRACE, 3180
WILLIAM F BRUCE JR., 8898
DAVID M BURNETTE, 6895
WILLIAM W CARMICHAEL, 9032
MICHAEL L * ELLIS, 9937
GLEN J FALLO, 3050
THERESA S * GONZALES, 1702
DONALD C HOFHEINS, 0334
ANDRE K KIM, 2542
ETHEL M LARUE, 9193
JAMES J LIN, 9686
THOMAS S MACKENZIE, 6357
THOMAS G * MARINO, 7108
NASRIN MAZUJI, 4035
DALE L PAVEK, 8408
TIMOTHY M PIVONKA, 7408
BONITA L PRUITT, 0419
MARTIN C RADKE, 0184
DANIEL J REESE, 4217
DAVID R REEVES, 6828
RONALD L ROHOLT, 2896
LARRY G ROTHFUSS, 9098
STEPHEN J ROUSE, 8192
ROBERT C SHAKESPEARE, 6681
HAROLD B SNYDER III, 6600
STEPHEN B WILLIAMS, 0779
GORDON W WOOLLARD, 4881
KEITH A WUNSCH, 8523

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY IN THE MEDICAL CORPS AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK(*)) UNDER TITLE 10, U.S.C., SECTIONS 624, 531, AND 3064:

To be colonel

ROBERT C ALLEN JR., 0704
PAUL J AMOROSO, 5107
JO A ANDRIKO, 9634
LINDA R * ATTEBERRY, 6047
MARK R BAGG, 7813
JAMES A BARKER, 1804
KENNETH B BATTS, 9669
ALAN L BEITLER, 3926
RICHARD T BEITZ JR., 3866
ENRIQUE BENIQUEZ JR., 0097
KRAIG S * BOWER, 6057
KENT L BRADLEY, 8692
MATRICE W BROWNE, 8043
WILLIAM T BROWNE, 8653
WILLIAM E BURKHALTER JR., 3953
DOUGLAS E CHAPMAN, 0204
JOHN D CHARETTE, 2367
JOSEPH L CHRISTENSON, 5186
EDWARD J COLL, 1099
STEPHEN J COZZA, 4020
MICHAEL A DEATON, 3142
JOHN S DICK, 4672
SCOTT R DUFFIN, 5715
RALPH L ERICKSON, 2457
JEREL J ERNE, 2568
CHARLES A FARRINGTON, 7184
KURT A FICHTNER, 8617
KENNETH I FINK, 5629
JAMES M FRANCIS, 8357
IAN H FREEMAN, 0096
THOMAS H GARVER, 7268
ANTHONY D GOEI, 7532
ROBERT R GRANVILLE JR., 3922
HENRY D HACKER, 3198
MICHAEL A HARKABUS, 9447
SUSAN L HENDRICKS, 5753
OLEH W HNATIUK, 3381
CURTIS J HOBBS, 4962
JOHN B HOLCOMB, 4430
DAVID W HOUGH, 4782
JAMES K HOWDEN, 3192
WILLIAM A HUGHES, 5743
ALAN A JANUSZIEWICZ, 6271
SHEILA B JONES, 2083
STEVEN D KLAMERUS, 0239
THOMAS E KNUTH, 9840
DAVID D KRIEGER, 8390
ROBERT A * KUSCHNER, 3844
BRIAN C LEIN, 5627
SVEN K LJAAMO, 0906
DOREEN M LOUNSBERY, 4676
PATRICK J * LOWRY, 5563
JAMES M MADSEN, 6905
DAVID MALAVE, 2371
BEVERLY I MALINER, 2894
RICKY D * MALONE, 0141
KENNETH W * MEADE, 7313
NELSON L * MICHAEL, 9009
RICHARD W MOCZYGEMBA, 4825
RANDOLPH E MODLIN, 6310
BARRINGTON N NASH, 3536
KOJI D NISHIMURA, 8467
SCOTT A NORTON, 0505
CHRISTIAN F OCKENHOUSE, 9013
FRANCIS G OCONNOR, 8907
JOSEPH M PARKER, 3245
ANA L * PARODI, 6519
BRUNO P PETRUCCELLI, 3209
CAROL E PILAT, 8690
WILLIAM R RAYMOND IV, 3301
HENRI RENOMDELABAUME IV, 6293
ROBERTO RODRIGUEZ IV, 5728
BERNARD J ROTH, 7641
MARK V RUBERTONE, 3450
RICHARD A SCHAEFER, 0543
BEVERLY R SCOTT, 7996
BRIAN G SCOTT, 5833
CHRISTINE T SCOTT, 0621
KATHLEEN M SHEEHAN, 6241
BARRY J SHERIDAN, 6327
JEFFREY E SHORT, 4007
HARRY K STINGER III, 5713
JOSE A STOUTE, 7794
SIDNEY J SWANSON III, 4773
DEAN C TAYLOR, 2622
JOHN F THEROUX, 3007
GEORGE W TURIANSKY, 8906
JAMES R * UHL, 8703
DOUG A VERMILLION, 4051
NADJA Y WEST, 5200

JOSEPH A WHITFIELD, 3874
MICHAEL K YANCEY, 6554
CHRISTINA M YUAN, 5020

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

ROBERT J ABBLITT, 0110
TRAVIS M ALLEN, 0770
GEORGE S AMLAND, 3849
SCOTT M ANDERSON, 1734
WILLIAM J ANDERSON, 9571
DENNIS M ARINELLO, 1152
WALTER H AUGUSTIN, 3145
RONALD F BACZKOWSKI, 4806
HOWARD F BARKER, 8739
MARK H BEAN, 9541
ROBERT K BEAUCHAMP, 6167
PAUL D BENNETT, 6547
KENNETH D BEST, 2429
KEITH A BIRKHOLZ, 8924
CHRISTOPHER E BLANCHARD, 1356
ELVIS E BLUMENSTOCK, 4188
MICHAEL S BONEM, 1533
FRANK R BOYNTON, 2186
TERRANCE C BRADY, 5827
BROOKS R BREWINGTON, 0784
MARK A BRILAKIS, 6167
MICHAEL M BROGAN, 2241
MICHAEL F BROOKER, 2493
STEPHEN E BROWN, 7094
JOHN J BRYANT, 9119
PAUL A BRYGIDER, 9879
STEVEN W BUSBY, 8401
SCOTT T CAMPBELL, 7251
JOHN J CANHAM JR., 9513
ROBERT D CLINTON, 6194
JOHN T COLLINS, 0709
STEPHEN R COTE, 5457
LYLE M CROSS, 9942
DANIEL F CROWL, 9279
FRANCIS X CUBILLO, 5335
CHARLES A DALLACHIE, 7822
RAYMOND C DAMM JR., 4021
CLAUDE H DAVIS III, 7997
JON M DAVIS, 8884
STEPHEN W DAVIS, 8618
JAMES A DAY, 5669
MICHAEL E DICK, 8681
JOHN K DODGE, 4878
GREGORY R DUNLAP, 9020
PAUL K DURKIN, 9965
ANDREW P DWYER, 1041
JOHN K ELDER, 4021
JOHN F FELTHAM, 0330
ROBERT A FITZGERALD JR., 9531
JOHN A FORQUER, 8351
GARY D FRALEY, 5805
STEVEN L FRANKLIN, 1249
ADRIENN K FRASERDARLING, 1960
THOMAS B GALVIN, 8653
STEPHEN T GANYARD, 5967
ROBERT A GEARHART JR., 8229
THOMPSON A GERKE, 4314
PATRICK J GOUGH, 0623
DAVID H GURNEY, 4617
ELLEN K HADDOCK, 1837
ANDREW S HAEUPTLE, 6317
MANTFORD C HAWKINS II, 7610
STEPHEN D HAWKINS, 1162
CHAD W HOCKING, 6503
STEVEN D HOGG, 1587
STEPHEN P HUBBLE, 4423
CARL F HUENEFELD, 4695
CHARLES G HUGHES II, 4505
KENNETH E JACOBSEN, 7723
JAMES F JAMISON, 8106
RUSSELL I JONES, 5664
JAMES C JUMPER JR., 3258
JOEL P KANE, 2697
MARK M KAUZLARICH, 4305
GEORGE H KEATING, 5649
DAVID A KELLEY JR., 9737
ROBERT G KELLY, 5401
JAMES A KESSLER, 4042
MARK A KING, 6903
CHAD E KIRKLEY, 0923
RALPH H KOHLMANN, 5559
WILLIAM P LEEK, 9194
DOARIN R LEWIS, 6802
TERRY M LOCKARD, 1447
MICHAEL E LOVE, 3559
JUERGEN M LUKAS, 1165
JAMES W LUKEMAN, 2472
JEROME M LYNES, 4480
JAMES C MALLON, 6838
RICHARD V MANCINI, 9578
BRIAN MANTHE, 8633
ALEXANDER V MARTYNENKO, 8058
CARL D MATTER, 0100
DANIEL C MCCARRON, 8592
JAMES E MCCOWN III, 3934
PAUL D MCGRAW, 0420
CHRIS D MCMENOMY, 2137
DANNY L MELTON, 2907
STEPHEN N MIKOLASKI, 3768
GEORGE F MILBURN III, 2964
RALPH F MILLER, 0046
MARK E MONROE, 0088
JOSEPH A MORTENSEN, 3235
MATHEW D MULHERN, 1501
THOMAS M MURRAY, 1276
JAMES T MURTHA, 9633
LAWRENCE D NICHOLSON, 1342
CHRISTOPHER L O'CONNOR, 9295
ANDREW W O'DONNELL JR., 5504
LOUIS N RACHAL, 4591
DENNIS W RAY, 1451
JACKY E RAY, 0397
RICHARD M RAYFIELD, 0737
DAVID M RICHTSMEIER, 7738
MICHAEL E RUDOLPH, 6277
DENNIS G SABAL, 2681
SHEILA M SCANLON, 6668
SUE I SCHULER, 9905
JOEL G SCHWANKL, 9315
KEVIN M SCOTT, 6891
MICHAEL W SCOTT, 6757
STEPHEN M SHEEHAN, 2264
CARLYLE E SHELTON, 6905
RICHARD S SLATER, 6491
DALE M SMITH, 5954
DAVID E SMITH, 5691
ROBERT G SOKOLOSKI, 8756
JAMES L STALNAKER, 3336
DOUGLAS M STILWELL, 7918
PETER J STRENG, 6940
JOHN M SULLIVAN JR., 9407
WILLIAM E TAYLOR, 5409
CHARLES T THOMPSON, 7906
MICHAEL K TOELLNER, 6463
JEFFREY P TOMCZAK, 8539
MARK H TRIPLETT, 9804
CRAIG A TUCKER, 2958
ERIC J VANCAMP, 9536
PETER S VERCRUYSSE, 5456
TIMOTHY C WELLS, 6393
JAMES L WELSH, 0309
FRED WENGER III, 2439
CARL J WOODS, 1933

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT IN THE UNITED STATES MARINE CORPS UNDER TITLE 10, U.S.C., SECTION 531:

To be major

DONALD A. BARNETT, 4697
GREGORY A. CASE, 4040
STEVEN D. DANYLUK, 1577
RICHARD M. DEVORE JR., 1110
CHRISTOPHER G. DIXON, 7753
PHILIP H. FRAZETTA, 0483
SCOTT M. GRIFFITH, 1978
KOLAN J. HAIRSTON, 2098
CURTIS L. HILL, 2613
GREGORY E. HILL, 0421
TODD L. HOLDER, 7556
GARY A. KLING, 8974
MICHAEL L. KLOCH, 2257
VERNIE R. LIEBL, 5317
DANIEL R. LINGMAN, 6041
PAUL K. LITTLE II, 6712
DEREK J. MAURER, 7507
MICHAEL G. MCPHERSON, 2234
ARTHUR S. PENNY, 1111
PAUL E. PINAUD, 4279
ROBERT W. REYNOLDS, 2406
STEVEN A. ROSS, 2744
BRETON L. SAUNDERS, 8509
BRENT A. SEARING, 2052
GLENN R. SEIFFERT, 4480
RANDALL J. SIMMONS, 9326
ROBERT T. SIRKS, 9441
JOHN S., JR SIROTNIAK, 3279
OLIVER B. SPENCER, 0992
ROBERT A. THALER, 6249
MICHAEL J. WALSH, 1615
DAVID V. WEAVER, 4575

To be captain

CLAUDE L. ADAMS, 7611
ANDREW P. ALBANO, 9129
MICHAEL H. ALVAREZ, 0560
JENNIFER A. ARCHBOLD, 2476
MICHAEL J. ARDEN, 0170
JESSE J. BELSKY, 7593
ELROY D. BLACK, 3929
LORIN D. BODILY, 7552
JAMES A. BOERIGTER, 8101
DARYL S. BOERSMA, 8878
SEAN C. BRAZIEL, 8289
BRYANT E. BUDDE, 1289
RICHARD M. BURKE, 3596
RODERICK D. CAPILI, 6699
NORMAN D. CELLA, 4728
STEVEN M. COGAR, 7522
CHAD J. COMUNALE, 0390
CARL E. COOPER JR., 2221
MARK D. COUSINS, 0188
RYAN E. CRAIS, 7490
PATRICK R. CRAWFORD, 3820
DARREN K. CROW, 9500
JON A. CUSTIS, 2172
RICHARD M. DESTEFANO JR., 2608
STEPHEN M. DICKERSON, 4675
JOHN F. DOBRYDNEY, 3976
PETER J. DORAN, 9362
JASON M. EBY, 9991
CHAD W. EDWARDS, 2509
JUSTIN W. EGGSTAFF, 2183
MATTHEW W. ERICKSON, 4317
JOSHUA C. EVANS, 3158
CHARLES B. FLOURNOY, 2408
ANTHONY N. FRASCO, 5968
JOHN J. GARRIGAN III, 8338
TERRENCE M. GREGORY, 5204
CLARENCE J. GRISHAM JR., 6236
NIKOLAS D. HALATSIS, 6268
RICHARD D. HANSEN, 6165
GEORGE A. HERRERA, 4555
BRUNSON HOWARD, 4692
ROBERT C. HUNTER, 1062
THOMAS F. JASPER JR., 7126
TIMOTHY S. JENKINS, 4376
BRIAN E. KASPRZYK, 2408
JOHN J. KELLY JR., 2302
ALBERT K. KIM, 9106
DEWAYNE L. KNOWLES, 6961
JOSEPH S. LEE, 7617
SAMUEL C. LEIGH, 2406
AARON C. LOCHER, 5608
GREGORY B. LOVETT, 1978
BRADLEY M. MAGRATH, 8270
ROBERTO J. MARTINEZ, 6989
ANDREW R. MCCONVILLE, 6027
DOUGLAS S. MCLEAN, 7590
CARL L. MCLEOD, 1089
JOSE R. MEDINA, 8712
MARK W. MICKE, 0810
BILLIE D. MORTON JR., 7798
TIMOTHY E. MOZLEY, 2624
CRISTOPHER R. MYERS, 0965
SIEBRAND H. NIEWENHOUS IV, 9256
ERIC D. OLIPHANT, 3952
JEFFREY B. PALMER, 3891
CHRISTOPHE M. PERRINE, 5957
MICHEAL S. PLATT, 1533
DENNIS R. POWERS, 0137
STEPHEN PRITCHARD, 8535
STEWART J. PULLEY, 6637
WILLIAM A. RASGORSHEK, 9059
EUGENIA C. ROBERTS, 9712
RAFAEL RODRIGUEZ JR., 0915
BRYON G. ROSS, 5326
THOMAS M. ROSS, 3069
CHANDLER P. SEAGRAVES, 7868
ARTHUR L. SCHOEN, 5661
RICHARD F. SIMS JR., 3916
DAVID O. SINGLEY, 8486
JOHN M. SOUTH, 8960
KENNETH R. STEPHENS, 4833
JOHN P. SULLIVAN JR., 7451
ROBERT J. VANDERWOUDE, 8415
JOEL D. VANPROYEN, 7551
MARK E. VANSKIKE, 0669
ANDY S. WATSON, 5581
AREND G. WESTRA, 1322
JEFFERY T. WILLIAMS, 0630
PETER M. WILSON II, 6824
TODD G. WITT, 8977
DAVID L. YAGGY, 0997

To be second lieutenant

JOHN F. ALLSUP JR., 3760
SCOTT B. BALEY, 5230
BRITON C. BECK, 8734
NATHAN M. BOAZ, 4943
JAMES R. BOOTH, 8314
FRANCISCO A. CACERES, 3553
PAUL A. CHADWICK, 0368
BRIAN R. CHONTOSH, 5149
JOHN M. CISCO, 9475
BRAD W. COLLINS, 5793
WILLIAM C. COX, 2478
KEVIN A. CRESPO, 4120
JUDSON Z. DANIEL, 3209
MATTHEW C. DANNER, 0737
MICHAEL A. DUBRULE, 5615
JOSEPH P. ENGLISH, 7866
BRYAN A. EOVITO, 4064
NATHANIEL C. FICK, 7763
DARREN M. FISCHER, 3892
RICHARD J. FISHER, 9452
JAMES F. FOLEY, 8482
VIJAY A. GEORGE, 2109
JOSEPH S. GROAH, 6402
STANTON C. HAWK, 4980
TIMOTHY M. HIMES, 3585
BILLY S. HORTMAN, 6074
JEFFREY W. HULLINGER, 8549
DAVID A. JANSEN, 0530
CHARLES C. JONES, 1120
CHRISTOPHE A. LASALLE, 6577
ARIC C. LIBERMAN, 0392
DUANE LIPTAK JR., 7206
DAVID M. MANIMTIM, 9863
MATTHEW J. MARTIN, 6333
MARK A. MCCAULEY, 4478
ERIC A. MEADOR, 5109
MICHAEL G. MINTON, 6885
SEAN P. MITZEL, 8472
DAVID M. NAEHER, 1487
TODD L. NICHOLS, 4864
MATTHEW A. NIELAND, 2295
DEREK C. NIELSEN, 4255
TODD B. OPALSKI 0, 590
PAUL A. OWINGS, 3604
JOHN E. PETERSON, 5478
DAVID K. PIDGEON, 2740
SCOTT C. PITTMAN, 4749
JOHN A. PRATHER, 2678
JASON D. ROACH, 3235
DANIEL C. RODENHAVER, 5031

JOHN B. ROGERS JR., 0560
JAMES E. ROLLINS III, 9131
JACKIE L. SCHILLER II, 2185
WILLIAM G. SEELMANN JR., 7178
DALLAS E. SHAW JR., 6119
THOMAS M. SIVERTS, 2331
MATTHEW R. SMITH, 3232
RICHARD R. STEELE, 4359
SCOTT E. STEPHAN, 8835
ARTHUR J. THORNTON, 8009
MAURICE J. UENUMA, 0380
CHAD L. ULRICH, 0641
STEVE URREA, 3228
JOEL A. VANBRUNT, 4557
DAVID P. VAUGHAN JR., 5347
WILLIAM L. VAUGHN JR., 7923
HUGH D. WEAVER, 8870
SCOTT F. WELCH, 0894
NICOLAS R. WISECARVER, 0902

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES AIR FORCE AND FOR REGULAR APPOINTMENT (IDENTIFIED BY AN ASTERISK (*)) UNDER TITLE 10, U.S.C., SECTIONS 624 AND 531:

To be lieutenant colonel

*KIRBY D. AMONSON, 1075
*SHARON RUSCH BANNISTER, 2070
*ANN M. BLAKE, 6239
*RUSSELL G. BOESTER, 7873
*JAMES R. BULLARD, 2930
*GREGORY B. CANNEY, 3050
*THADDEUS M. CHAMBERLAIN, 9308
*JAMES C. CHOI, 6673
CHRISTOPHER CIAMBOTTI, 8954
*JOHN F. COKE, 4237
*SALVATORE R. CUTINO, 5904
GUY A. DELGADILLO, 7878
*JANA DYKES, 8766
*HARIS EHLAND, 2071
*JAY E. FANDEL, 4668
*VICTORIA K. FARLEY, 0253
RICHARD R. FRAZIER, 1760
THOMAS J. GRIMM, 3017
DENNIS HANNON, 3636
*BILLY B. HATCHETTE, 5461
*JOSEPH J. HEINZE, 1453
*STEVEN H. HELM, 6990
*MARISA H. HERMAN, 9515
LEE A. HOLSTEIN, 4593
*GEORGE E. JOHNSON, 3986
*RICHARD L. JOHNSON, 4157
DAVID B. KEMP, 5765
*BRIAN T. KERNAN, 4743
*ROBERT E. LANGSTEN, 7118
*DONALD S. LINTON, 4948
ROBIN L. LIVINGSTON, 9296
JAMES A. LOE, 8340
*BARBARA MARTIN, 8055
*MICHAEL F. MORRIS, 5791
*CRAIG H. MULLETT, 8047
*DAVID W. MURRAY, 5151
*STEPHEN P. MURRELL, 1883
*MARK E. MUTH, 8534
*MARK D. NILL, 8519
*SUSAN M. OSOVITZPETERS, 4744
*DOUGLAS A. OTTAWAY, 4097
*BRIAN A. PARKER, 2722
*DAVID F. PIERSON, 3792
*MICHELLE K. RAMPULLA, 2642
*BRADLEY E. RAUSCH, 0210
STACY E. ROBINSON, 5376
*JOHN A. SAFAR, 6192
*SCOTT R. SCHUBKEGEL, 1018
DAVID M. SMITH, 1569
JAY S. TAYLOR, 0160
*ERNESTO J. TORRES, 3003
*MAREN DENNIS M. VAN, 0348
*JANE S. WALLACE, 5406
*LESLIE D. WILLIAMS, 7283
*RAY WILLIAMS, 0664
*DALTON P. WILSON, 2720

CONFIRMATIONS

Executive Nominations Confirmed by the Senate January 28, 2002:

INTER-AMERICAN DEVELOPMENT BANK

JORGE L. ARRIZURIETA, OF FLORIDA, TO BE UNITED STATES ALTERNATE EXECUTIVE DIRECTOR OF THE INTER-AMERICAN DEVELOPMENT BANK.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

DEPARTMENT OF TRANSPORTATION

JOHN MAGAW, OF MARYLAND, TO BE UNDER SECRETARY OF TRANSPORTATION FOR SECURITY FOR A TERM OF FIVE YEARS.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, January 29, 2002 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 1

9:30 a.m.

Joint Economic Committee

To hold hearings to examine the employment-unemployment situation for January.

311 Cannon Building

FEBRUARY 4

9:30 a.m.

Commerce, Science, and Transportation

To hold hearings to examine issues surrounding the Enron Corporation.

SH-216

FEBRUARY 5

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings to examine issues concerning bioterrorism.

SR-253

Governmental Affairs

To hold hearings to examine the impact of the Enron Corporation collapse on the company's 401(k) retirement investors.

SD-342

Banking, Housing, and Urban Affairs

To hold hearings to examine the state of financial literacy and education in America.

SH-216

Armed Services

To hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, and the Future Years Defense Program.

SH-216

FEBRUARY 6

9 a.m.

Governmental Affairs

To hold hearings to examine the nomination of Jeanette J. Clark, to be an Associate Judge of the Superior Court of the District of Columbia.

SD-342

10 a.m.

Banking, Housing, and Urban Affairs

To continue hearings to examine the state of financial literacy and education in America.

SD-538

FEBRUARY 27

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Disabled American Veterans and the Veterans of Foreign Wars.

345 Cannon Building

MARCH 7

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Paralyzed Veterans of America, Jewish War Veterans, Blinded Veterans Association, the Non-Commissioned Officers Association, and the Military Order of the Purple Heart.

345 Cannon Building

MARCH 14

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Gold Star Wives of America, the Fleet Reserve Association, the Air Force Sergeants Association, and the Retired Enlisted Association.

345 Cannon Building

MARCH 20

2 p.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of American Ex-Prisoners of War, the Vietnam Veterans of America, the Retired Officers Association, the National Association of State Directors of Veterans Affairs, and AMVETS.

345 Cannon Building

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

HOUSE OF REPRESENTATIVES—*Tuesday, January 29, 2002*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mrs. CAPITO).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
January 29, 2002.

I hereby appoint the Honorable SHELLEY MOORE CAPITO to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed without amendment bills of the House of the following titles:

H.R. 400. An act to authorize the Secretary of the Interior to establish the Ronald Reagan Boyhood Home National Historic Site, and for other purposes.

H.R. 1913. An act to require the valuation of nontribal interest ownership of subsurface rights within the boundaries of the Acoma Indian Reservation, and for other purposes.

H.R. 1937. An act to authorize the Secretary of the Interior to engage in certain feasibility studies of water resource projects in the State of Washington.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority leader, the minority leader or the minority whip limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Ohio (Mr. BROWN) for 5 minutes.

PRIVATIZATION OF MEDICARE

Mr. BROWN of Ohio. Madam Speaker, on Monday President Bush called the Medicare program old and tired. He said he wants to give seniors better options like those available in the private sector. He said he wants to overhaul Medicare. He wants to overhaul Medicare and privatize Medicare.

The President has every right to push his privatization agenda but not by co-opting an issue like prescription drug coverage, as emotional and important as it is, not by characterizing Medicare as a failed program so that he can justify his goal of privatizing it. Whether it is Social Security privatization or Medicare privatization, it is disingenuous of the administration to portray privatization as improving the system.

The retirement safety net was not put in place because liberals wanted to make the Federal Government bigger, nor should it be dismantled because conservatives want to make the Federal Government smaller. The safety net of Medicare was put in place because the private sector could not make a profit offering health insurance to seniors, so they stopped doing it. It was put in place because the values of this Nation are such that we believe Americans who helped build the Nation's unrivaled prosperity through their working years should not face financial uncertainty and hardship when they retire.

Pooling our resources into the public program we call Medicare is the best way to provide consistent, equitable, reliable health care benefits to our retirees. The stock market and the HMO industry may be good at many things, but alleviating uncertainty and providing health care are not two of them. Now the future of Social Security and Medicare are on the line.

The President says that seniors deserve better options in Medicare; that is why he favors privatization. Is Medicare inferior to the private insurance market? Would seniors be better off with a voucher that helps pay for coverage in an HMO?

Medicare is more reliable than private health plans. Medicare offers more choice than private health plans. Medicare operates more efficiently than private health plans. According to survey after survey, including a recent one from nonpartisan Commonwealth Fund, Medicare far outranks both employer-sponsored and individually purchased private insurance as a trusted source, a trusted source of health coverage. But the administration wants to give seniors more choice and better options in Medicare.

Is it better to have your choice of HMOs than to be able to choose your doctor under Medicare? Is it better to have your choice of HMOs than being able to choose your hospital under Medicare? Is it better to have your choice of HMOs than to be able to choose where any of your health care is delivered, from whomever you want, to the way regular, traditional government-sponsored Medicare fee for service works?

Medicare is a single plan that treats all beneficiaries equally, provides maximum choice and access for patients and doctors. Contrast that with the President's Medicare voucher program envisioned by the administration. Instead of being guaranteed access to needed health care services, seniors would be guaranteed access to a partial voucher for private health insurance.

Medicare guarantees full choice of physicians. Private HMOs advocated by the administration do not. Medicare guarantees full choice of any hospital. HMOs, privatized Medicare; privatized HMOs do not. It appears higher-income seniors could afford this voucher plan because they could go and buy an additional decent plan. Lower-income enrollees would be relegated to restrictive alternatives.

In other words, when the President uses choice, it is really a code word for wealth. Some choice.

Again, Medicare is a single plan that treats all beneficiaries equally and provides maximum choice and maximum access for patients and doctors. We should not allow this administration or any administration to demonize Medicare, a program that served this Nation so well; nor should we permit this administration or any administration to use prescription drug coverage as the bait to lure us in this body to privatizing Medicare for our seniors.

Medicare coverage is not old and tired. It is one of the best programs government has ever put together. It is simply incomplete without a prescription drug benefit. That is the Medicare issue.

I hope the President will abandon his privatization agenda and work with us in this body to add a real prescription drug benefit for all seniors. We do not need to fight over perceived and fabricated problems in the current Medicare program. The system is not broken. It simply needs prescription drug coverage to add to the Medicare system. We need to address the real issue.

AID FOR AFGHANISTAN

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from California (Mr. ROHRABACHER) is recognized during morning hour debates for 5 minutes.

Mr. ROHRABACHER. Madam Speaker, Hamid Karzai, the chairman of the

□This symbol represents the time of day during the House proceedings, e.g., □1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

interim government of Afghanistan, is in Washington, DC; and his visit reminds us of the debt that we owe to the Afghan people. It was the Afghan freedom fighters who fought the Soviet Union and defeated the Soviet Union; and it was the Afghan freedom fighters that fought with us to defeat bin Laden and the Taliban.

After the Afghan people fought and defeated the Red Army, which was in occupation of their country, something that left their beautiful country in ruins and in a shamble, we simply walked away from them in 1990. Then during the Clinton years we covertly supported the Taliban. Many of us noted that and opposed it at the time, but what appeared to be covert, or at least acquiescence, covert support or acquiescence to the Taliban continued through the Clinton administration. Many United States officials in the executive branch during the 1990s, who had no complaint about Taliban rule of Afghanistan back then, since September 11, of course, have postured themselves in a totally different way. Well, today, we have another chance.

At this time we must do what is right by the Afghan people. Any vacuum created by our unwillingness as we did in the 1990s to meet the urgent humanitarian needs of the people of Afghanistan will be filled by powers that are hostile to the United States. For example, Iran currently is pledging 50 percent more reconstruction aid than the United States. And this year only $27 million has been scheduled to be spent on mine-clearing operations in Afghanistan. And let me add there are 8 million mines in Afghanistan. Many of them were given to the people of Afghanistan during the war against the Russians, and we did not even help them dig up the landmines that we gave them. And now we are having a paltry $27 million being spent on clearing those landmines as hundreds of Afghan people still blow their legs off, little children, every year. And we have yet to outline a major program that will give the poverty-stricken people of Afghanistan, the farmers there, an incentive not to grow opium, which ends up as heroin on the streets of the United States.

But most important, we must assist the Afghan people in creating a stable democratic government. Let us not forget that Mr. Karzai is heading a temporary administration which ends in June. At that time, tribal leaders will determine what kind of government they will have in what they call loya jirga.

There is only one Afghan today who I feel, and it looks like my understanding of this having followed it for 10 to 15 years now, there is only one Afghan who has the personal prestige and credibility and, yes, the affection of his people to bring all the ethnic groups of Afghanistan together. That man is King Zahir Shah, who has offered to return in March to Afghanistan; and he has recently made it clear to me that his object in coming back to Afghanistan is to develop and to build a democratic and free government for his people.

We must not permit ourselves in haste, in our haste to extract ourselves from that region to commit the same mistakes that lead to the fanaticism and tyranny in Afghanistan in the 1990s and the loss of so many American lives in New York on September 11. We have a chance now to do what is right by the Afghan people who fought and bled in a way that certainly helped the United States in defeating the Soviet Union and bringing about a more peaceful world and prosperous United States, and in the past few months have fought side by side. They are the ones who fought with our Special Forces to defeat the Taliban and to end the reign of bin Laden and his terrorists in Afghanistan.

We owe it to do what is right by them now. I call on my colleagues to join me in seeing that we are providing the assistance needed to rebuild the country of Afghanistan so the people there can live in peace and prosper.

OPEN SOCIETY WITH SECURITY ACT

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized during morning hour debates for 5 minutes.

Ms. NORTON. Madam Speaker, the House and the Senate are poised this evening to receive the State of the Union Message. Unavoidably and justifiably it will be about war. I certainly hope it will also be about the continuing faltering economy. But there is an issue that probably will not be on the Presidential and congressional agenda and needs to be. It is in our face. It is very visible, but it is beneath the radar.

I will soon be introducing a bill called the Open Society With Security Act that would establish a 21-member commission. I will be inviting members in a Dear Colleague soon to co-sponsor the bill. The commission would simply look at how we can make the unprecedented accommodation between security against dangerous global terrorism on the one hand and the maintenance of an open and free society on the other. This is a truly difficult problem.

We are doing it on an ad hoc basis because we have had to. It is too serious to be left to ad hoc nonplanning, however, and we clearly do not know how to do it. Nobody knows how to do it because nobody has ever had to do it. The Presidential commission would provide a vehicle to put the best minds in this society to work on a problem that free societies have never had to confront before. We see some of the evidence before us every time we go outside this building, barricades and shut-downs; and, of course, there are on-again off-again alerts. There are all kinds of invasion of privacy that also are occurring.

We need to systematically think through these difficult and troubling problems. They were first visible here. But now they are in every part of the country because the country has been attacked and the country has responded. The country deserves some guidance from a Presidential commission. The commission, of course, would have security experts and law enforcement experts and military experts. But this is about security and democracy and freedom. So we would also have on the commission architects and city planners and historians and sociologists and engineers and artists, etc. Put them all at the table. Let them thrash it out and advise us. Security is too important in an open, free society to be left to security people.

□ 1245

In the aftermath of September 11 and the anthrax scares, we can surely see that we are in danger of waking up one morning and finding that the society has closed in around us, and that we never even noticed until they closed us down.

Some of this is difficult, some of it just takes common sense, and we have already seen that when we raised our voices some of those common sense measures have been taken.

I am grateful that the White House announced just last week that it was opening White House tours to children if they left their Social Security number. Soon I hope families who leave their Social Security numbers will follow. We have seen the reopening of tours here in the Capitol, simply by having people go in the trailer to be screened first. We saw the White House lighting of the Christmas tree open simply because they moved the glass that they put around the President at the inauguration to the Christmas tree site. It is not rocket science, but it does mean somebody does have to sit down and not have a knee-jerk reaction to security without considering all the options.

In 1968, when our country faced an unprecedented racial crisis, the President had the good sense to say we do not already know it all, and so he called together the Kerner Commission. I believe that the problem posed to our free and open institutions is just as serious in 2002 as the racial crisis was in 1968. A presidential commission would bring to bear the Nation's best thinking on this unique issue and give it the thorough and rigorous investigation it deserves, with the result of advice we could take or not take. But at least we would have the satisfaction of knowing that there are people in our society who have thought about the most difficult problems in our society and given us some food for thought.

STATE OF THE UNION ADDRESS AND CHALLENGES FACING THE NATION IN 2002

The SPEAKER pro tempore (Mrs. CAPITO). Pursuant to the order of the House of January 23, 2002, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Michigan. Madam Speaker, the President of the United States is going to give his first official State of the Union Address. It will be the third time he has spoken before a joint session. I think the challenges facing this Nation are great.

The President certainly is going to talk about the success so far in our war against terror, but I suspect he is also going to remind us of the tremendous challenge that we have, as a Congress, as an American people, to continue this fight. We do not know how long this war is going to go on. It could be for generations. The best defense against terror in this case is a good offense to get rid of the terror cells around the world.

I think this is an excellent opportunity for this country and the rest of the free world to push as vigorously to resolve, hopefully once and for all, the conflicts in Ireland, between Palestine and Israel, and certainly dispute between the two nuclear powers of India and Pakistan looking at Kashmir. Many things can be done.

I hope this Congress can continue to work with this President, even though this is an election year. Most people understand that in an election year the Republicans would like to regain a majority in the Senate and keep a majority in the House. Democrats would like to do what they can to retake a majority of the House and keep their majority in the Senate.

I think the challenges are also great on spending. We have already acknowledged that we are going to reach into the surpluses of the Social Security Trust Fund and spend those revenues for other government spending. We had an emergency in this country on September 11, and like any family or any business that has a serious emergency, you come up with the funds to accommodate and fix that emergency as best you can.

Those families and those businesses normally say, look, we are going to put aside less important expenditures and we are going to deal with the emergency. I hope that the President says the same thing ultimately, that, look, we now have to do a better job at prioritizing spending. We are going to deal with this emergency the way we have to. We will win the war on terrorism, but let us not drive this country deeper and deeper into debt, which means that we put our kids and our grandkids and our great-grandkids at risk in paying for the overexpenditure of this government.

Prioritizing to me means that we cut down on some of the social programs that we were so willing to expand after the Cold War, as we cut down on military, as we cut down on our intelligence community efforts, and left ourselves weaker than we should have been September 11. I think a good example in showing how much spending has grown and become the problem of us running into a deficit is our projections of 1997.

In 1998, we promised that we were going to balance the budget by 2002. At that time the projections for revenues for 2002 was a little over $1.4 trillion, and we were going to balance the budget because we were disciplining ourselves on spending. Actually the revenues projected last week for 2002 by CBO, the Congressional Budget Office, were approximately $1.9 trillion. So more revenues coming into the Federal Government than we thought was possible but still a deficit. Why? Because spending has increased even more than the dramatic increase in revenues in this country.

So the question is and the challenge is, will the President tonight push this Congress and the American people to start prioritizing? Can we minimize the partisan bickering and blaming as we try to come to grips with a budget that is going to be challenging, if we are to avoid jeopardizing Social Security and Medicare and other programs by overspending, and borrowing more, and going deeper in debt?

Welfare reform I hope the President talks about because the welfare reform bill that we passed in 1996 is expiring this year. There has already been some suggestions from some of the Senators that we have to modify work provisions. I think the welfare reform bill has been extremely successful, and we have got to be very careful not to pass a bad welfare bill.

PRESCRIPTION DRUG BENEFITS

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Rhode Island (Mr. LANGEVIN) is recognized during morning hour debates for 5 minutes.

Mr. LANGEVIN. Madam Speaker, tonight we will hear from our President on the State of the Union. I look forward to hearing his remarks, especially because he is committed to spending $190 billion over the next decade to overhaul Medicare and provide prescription drug benefits to our elderly.

This is an important first step but, Madam Speaker, we need more and we need it now. The average Medicare beneficiary fills 18 different prescriptions in 1 year alone, yet at least one in three people in the Medicare population have no drug coverage in the course of a year and spend on average 83 percent more for their medicines than those with drug coverage.

In my own State of Rhode Island, seniors are choosing between food or health care on a daily basis. In July of last year, I commissioned a study to assess what my constituents are paying for prescription drugs. This study found that uninsured elderly pay on average 78 percent more for most prescription drugs than do seniors in foreign countries.

What is most disturbing about these numbers is that almost half of all Medicare beneficiaries with no prescription drug coverage have incomes less than 175 percent of poverty, which was $15,000 in 2001.

The lack of prescription drug coverage for our seniors is a national crisis. Medicare+Choice, Medigap coverage, discount card programs and other accounts to chip away at this problem are not the answer. We must provide comprehensive drug coverage under Medicare and we must do it now.

Madam Speaker, I urge the President and my colleagues in both Chambers of Congress to work together to ensure that we pass this legislation this year.

SECURING OUR BORDERS

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Madam Speaker, the events of September 11 forever changed the world and the United States, and as President Bush declared, "The resolve of our great Nation is being tested . . . but make no mistake . . . we will show the world that we will pass this test."

Obviously, the President could not be more correct. Since then, the United States has decimated al Qaeda and bin Laden's network of terror; the Taliban no longer exist as a ruling form of government; and the war against terrorism is being waged against those who harbor terrorists.

While America is making significant progress on many fronts in eradicating terrorism, the war cannot be won without the key component of securing our borders from those who wish to do us harm. Those who violate our Nation's immigration laws do more harm than good in furthering our country's values, and it is those people we must ensure that do not enter our country.

Madam Speaker, a recent report by the United States Census Bureau reveals there are more than 8.7 million people now living in the United States illegally. About 40 to 50 percent of those violators are people who entered the United States legally but did not leave with the expiration of their visas. Out of the nearly 9 million illegal aliens now in the country, more than 90,000 are from Middle East Nations, including Iran, Afghanistan, and Pakistan. Many of those illegal aliens are from nations with close ties to terrorism and nations with al Qaeda presence.

According to the INS records, 13 of the 19 hijackers entered the U.S. with valid visas. Three of the 13 remained in the country after their visas had expired. Two were expected to have entered on foreign student visas, and the INS has no information on the six remaining hijackers. As such, we can keep enacting legislation and of course we could spend more money around here, but efforts to counter terrorism will be futile unless we establish effective controls to secure our borders at the points of entry.

Each year there are more than 300 million border crossings in the United States. These are just the legal crossings that are recorded. While there are 9,000 border control agents working to keep America secure on the U.S.-Mexican border, there are less than 500 agents tasked with securing our 4,000-mile border with Canada.

To make matters even worse, out of the 128 ports on the northern border, only four of them are open around the clock. The remaining are not even manned, thereby allowing anyone with good or evil intentions to enter the United States without even so much as an inspection, not to mention even a question or a written record of their entry.

□ 1300

As it now stands, our immigration system needs increased and tighter controls. Currently, our Nation has an unmonitored, nonimmigrant visa system in which 7.1 million tourists, business visitors, foreign students, and temporary workers arrive. To date, the INS does not have a reliable tracking system to determine how many of these visitors left the country when their visas expired.

Furthermore, among the 7.1 million nonimmigrants, 500,000 foreign nationals enter the United States on foreign student visas. Hani Janjour, the person believed to have piloted American Airlines Flight 777 into the Pentagon, is believed to have entered the country with a foreign-student visa, but he never actually attended any classes.

Madam Speaker, our unsecured borders, along with inadequate recordkeeping, have contributed to our inability to track terrorism in this country or to prevent them from entering in the first place. So as we start this second session of the 107th Congress, I call on my colleagues in both the House and the Senate to strengthen our border security, tighten our existing immigration laws, and to provide those fighting to end illegal immigration with the tools and resources necessary to defeat terrorism.

PENSION LAW CHANGES

The SPEAKER pro tempore (Mrs. CAPITO). Pursuant to the order of the House of January 23, 2002, the gentleman from California (Mr. GEORGE MILLER) is recognized during morning hour debates for 5 minutes.

Mr. GEORGE MILLER of California. Madam Speaker, I rise today to announce that later today I will be introducing the Employee Pension Freedom Act, a measure that is urgently needed in light of the recent Enron scandal and other threats to pension security affecting millions of American families. I will be doing that with over 50 original cosponsors.

Over the past month, this Nation has been shocked at the revelations of how the Enron Corporation employees lost their entire savings through the actions of high-ranking company officials and how they lost their future retirement. As the value of the Enron stock plummeted last fall, Enron employees were prohibited from rescuing their own savings, estimated at over $1 billion, by company-imposed lockdowns on the Enron shares and by the outright prohibition of selling company-contributed shares until the employee had reached age 55.

The spectacle of company executives hiding billions of dollars of debt from investors and from employees through the secret offshore partnerships of Enron while simultaneously cashing out company stock for themselves is an audacious assault on our pension security laws and offends the sense of fairness and justice in every American.

These executives ignored their responsibilities to investors and to their own employees by cooking the books, making misleading statements about the company's health, and locking down the ability of employees to save themselves from the Enron collapse.

Employees at other corporations, like Kmart, face other penalties and restrictions on the sale of company stock in their 401(k) plans. For example, in some companies if you sell company stock in your 401(k) plan before a certain age, the company withholds an employer contribution to your plan for 6 months. The question is why should the employer be able to penalize you for exercising dominion over the assets that belong to you. It simply is not fair.

Now the questions of whether Congress will respond or will the employees get rhetoric and a few tweaks that leave the antiquated pension laws pretty much in place to the employees' disadvantage.

Clearly, there are two sets of rules when it comes to company stock. Ken Lay and other executives would get one set of rules, where they can get rid of their stock almost at any time, and the average employees get another more restrictive set of rules when it comes to the company stock and their 401(k)s. The executives are free to rescue their value and their family assets tied up in stock should they smell the company is in for a bad time in the stock market. The employees are artificially locked down. It is money that was given to them for compensation in working for the corporation, yet when they seek to rescue their family's retirement, when they seek to make a decision that maybe this stock should not be held any longer, that maybe they should buy something else or buy a mutual fund, they are prohibited from doing that.

What we really need is freedom for employees to be able to exercise complete and total control over the contributions, the assets, the money in their 401(k) plans so that they can do as we have told them to do, to diversify for the security of their retirement, to make retirement plans and investments based upon their age. The older one gets, the less risk they may want to take. The younger they are, the more risk they may want to take. That is the way it is supposed to be, but that is not the way it is. These companies have come along and placed restrictions and penalties on the ability of the employees to get rid of some of the assets within that plan.

The Employee Pension Freedom Act that I am introducing today with over 50 cosponsors makes several important changes to our pension laws. The most important change my bill makes is to provide employees 100 percent control over their investments and their 401(k) plans. Employees would have total control over the investment of the money they earned and contributed to the retirement plans and that their employer contributed to their plans as part of their compensation.

This change is critical to help avoid the problems we have just witnessed with Enron. It will help provide employees the ability to rescue their nest eggs, to diversify and manage their investments consistent with the advice of financial professional people throughout the country and consistent with the aims of their families.

My bill ensures that employees are informed about the real health of their pensions, it gives them the decision-making power to guide their investment; and it guarantees their representation on boards that guide their future economic security. My bill guarantees the right of employees to make decisions about their pension contribution by repealing current rules that prohibit employees from deciding where to invest the money that belongs to them.

Pension money and assets, whether invested by the employee or contributed by the employer, represent compensation to the employee and the employee is not to be denied the control of that. It is not compensation to the pension plan or manager; it is compensation to the employee for services rendered to the corporation.

I urge my colleagues to join in the cosponsorship of this legislation that is designed to provide employees the pension freedom that they need to secure retirement for their families.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 1 o'clock and 7 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

AFTER RECESS

The recess having expired, the House was called to order at 2 p.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, as a Nation make us strong in virtue and in our desire to do what You require of us as Your people.

Increase our faith, that our defense may be secure and that we may be forthright in the face of enemies.

At the same time hold us in Your truth, that we may never be arrogant in the sight of others but one with them in facing the problems of our times and most caring to those who are suffering, in most need of Your mercy and our attention.

As justice guides our conscience, may compassion draw our hearts to Your charting the course of history.

Bless the Members of Congress today and every day of this session.

Be with all those whom they will welcome to this Chamber this evening.

Guide and protect the President of the United States as he speaks to this body and this Nation. May Your Spirit inspire him as he describes the state of our Union and does all in his power to strengthen the soul of this Nation.

Led by Divine Providence since the founding of this great Nation, we place our trust in You, O Lord, for our destiny and our lasting peace are in Your hands above all, now and forever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Illinois (Mr. DAVIS) come forward and lead the House in the Pledge of Allegiance.

Mr. DAVIS of Illinois led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that the practice of reserving seats prior to the joint session by placard or otherwise will not be allowed. Members may reserve their seats by physical presence only following the security sweep of the Chamber.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 25, 2002.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on January 25, 2002 at 3:06 p.m. and said to contain a message from the President whereby he submits a waiver pursuant to sec. 902 of PL 101-246 concerning China.

With best wishes, I am
Sincerely,

JEFF TRANDAHL,
Clerk of the House.

WAIVER CONCERNING CHINA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107-177)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

Pursuant to the authority vested in me by section 902 of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (Public Law 101-246) (the "Act"), and as President of the United States, I hereby report to the Congress that it is in the national interest of the United States to terminate the suspensions under section 902 of the Act insofar as such suspensions pertain to the export of defense articles or defense services in support of efforts by the Government of Japan to destroy Japanese chemical weapons abandoned during World War II in the People's Republic of China. License requirements remain in place for these exports and require review and approval on a case-by-case basis by the United States Government.

GEORGE W. BUSH.
THE WHITE HOUSE, *January 25, 2002.*

LAID-OFF ENRON EMPLOYEES NEED HELP

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, today we will hear the State of the Union presented by the President of the United States. We all have collectively indicated our support for the effort to fight terrorism and secure our homeland.

But coming from Houston, Texas, I would like to raise another issue, to put a human face on the loss being experienced by the laid-off employees at Enron. And add my sympathy as well to the Baxter family. Some of these Enron employees will be with us today. I would hope that the Congress would act to help to give them relief, individuals who are innocent and have lost much of their livelihood, the ability to protect and provide for their family.

I believe that Congress can act, and Congress and the administration should respond to these individuals, hard-working taxpayers who now have found themselves without any opportunity for work primarily because much of what is owed to them is caught up in the judicial system. Our Congress and the administration can stand up and be counted with these families, and I hope we will do so.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. WALDEN of Oregon). Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken after debate has concluded on all motions to suspend the rules but not before 5 p.m. today.

PERMISSION FOR COMMITTEE ON SCIENCE TO HAVE UNTIL MIDNIGHT, THURSDAY, JANUARY 31, 2002, TO FILE REPORTS ON H.R. 3400, NETWORKING AND INFORMATION TECHNOLOGY RESEARCH ADVANCEMENT ACT, AND H.R. 3394, CYBER SECURITY RESEARCH AND DEVELOPMENT ACT

Mr. WELDON of Florida. Mr. Speaker, I ask unanimous consent that the

Committee on Science have until midnight on Thursday, January 31 to file the reports to accompany H.R. 3400 and H.R. 3394.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

HONORING LIFE OF DAVE THOMAS

Mr. WELDON of Florida. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 336) honoring the life of Rex David "Dave" Thomas and expressing the deepest condolences of the House of Representatives to his family on his death.

The Clerk read as follows:

H. RES. 336

Whereas the House of Representatives has learned with great sadness of the death of Dave Thomas from liver cancer at the age of 69 on January 8, 2002;

Whereas Dave Thomas, born in Atlantic City, New Jersey, on July 2, 1932, and adopted shortly thereafter by Rex and Auleva Thomas, of Kalamazoo, Michigan, was a lifelong advocate and activist for the cause of adoption;

Whereas Dave Thomas, in 1979, was awarded the Horatio Alger Award for dedication, individual initiative, and a commitment to excellence, as exemplified by remarkable achievements accomplished through honesty, hard work, self-reliance, and perseverance;

Whereas from 1990 until 2000 Dave Thomas was the national spokesman for numerous White House adoption and foster care initiatives;

Whereas Dave Thomas received numerous awards, including the Angel in Adoption Award by the Congressional Coalition on Adoption, for generating awareness of the thousands of children waiting for permanent homes and loving families;

Whereas Dave Thomas, in 1992, established the Dave Thomas Foundation for Adoption and donated his speaking fees and profits from sales of his books, "Dave's Way, Well Done!" and "Franchising for Dummies", to adoption causes;

Whereas Dave Thomas established the Dave Thomas Foundation for Adoption to work with national adoption organizations, individuals, and public and private agencies to raise awareness about children awaiting adoption and to provide direct support for programs seeking to find permanent homes for children in foster care;

Whereas Dave Thomas established the Dave Thomas Center for Adoption Law to ease and facilitate the adoption process through education, advocacy, and research;

Whereas Dave Thomas was a constructive force in shaping corporate health policy to cover adoption expenses and, through his efforts, 75 percent of Fortune 1000 companies now offer adoption benefits to their employees;

Whereas Dave Thomas received the 2001 Social Awareness Award from the United States Postal Service for being instrumental in the use of the Adoption Awareness postage stamp as a vehicle for highlighting the cause of adoption;

Whereas Dave Thomas founded Wendy's Old-Fashioned Hamburgers in Columbus, Ohio, on November 15, 1969, and transformed it into one of the most successful food franchises in the country and, in promoting Wendy's, became a national figure representing a friendly face, good food, and a kind sense of humor;

Whereas Dave Thomas, in 1993, 45 years after leaving school, earned his GED certificate and received his high school diploma from Coconut Creek High School in Fort Lauderdale, Florida, securing him as role model to students of all ages; and

Whereas Dave Thomas used his financial success to promote and advance the cause of adoption: Now, therefore, be it

Resolved, That the House of Representatives—

(1) recognizes that America has lost one of its most dedicated and hardest working advocates for adoption, and honors him in his devotion to family, life, and business; and

(2) expresses its deep and heartfelt condolences to the family of Dave Thomas on their loss.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. WELDON) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. WELDON).

GENERAL LEAVE

Mr. WELDON of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 336.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. WELDON of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to have the House consider House Resolution 336, an important resolution introduced by the distinguished gentlewoman from Ohio (Ms. PRYCE). This resolution recognizes and honors the remarkable life of Dave Thomas and expresses the House of Representatives' condolences to his family on his recent death.

Mr. Speaker, Dave Thomas, founder and chairman of Wendy's International, passed away on January 8, 2002, from cancer. Dave Thomas was an extraordinary man. Thomas founded Wendy's Old Fashioned Hamburgers Restaurants in 1969 and named the company after one of his daughters. This restaurant chain grew explosively to more than 6,000 locations worldwide. Dave Thomas was a successful businessman. He also shared his humor, friendliness and humility with the American public which was evident through his television commercials.

But his legacy does not consist of his business success alone. Dave Thomas energetically championed an issue that is close to my heart, adoption. I am the father of two adopted children and a Member of the House Adoption Caucus. I understand Mr. Thomas' passion for making sure that all our children are wanted, loved and provided with a nurturing home.

Thomas was himself adopted, and he became a passionate advocate for adoption. In 1992 he created the Dave Thomas Foundation for Adoption. The foundation's goal was simple and straightforward but profound: Every child will have a permanent home and loving family.

Mr. Thomas has testified before Congress in support of adoption tax credits and adoption legislation, appeared in several television public service announcements, and led an initiative to create the adoption stamp that was issued by the U.S. Postal Service in May 2000. He also established the Dave Thomas Center for Adoption Law to facilitate the adoption process through education advocacy and research.

Dave Thomas worked hard to advance the cause of adoption and heightened awareness in our country about the fact that all children deserve the love and security of a family. For this achievement alone, Mr. Speaker, Dave Thomas earned the respect and gratitude of the American people.

Mr. Speaker, I ask all Members to support this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume. I am pleased to join with the gentleman from Florida, chairman of the Subcommittee on Civil Service and Agency Organization, in consideration of this resolution. I also want to commend the gentlewoman from Ohio (Ms. PRYCE) for her sensitivity in introducing this legislation to the floor.

Mr. Speaker, Dave Thomas, founder of Wendy's Old Fashioned Hamburgers Restaurants, died of cancer on January 8. In a tribute to Thomas, Wendy's web page notes that "Dave was much more than Wendy's founder and senior spokesman. He was a mentor to many hundreds of people he personally helped and thousands who have been inspired by his leadership."

Born in Atlantic City, New Jersey, on July 2, 1932, Mr. Thomas was adopted by Rex and Auleva Thomas of Kalamazoo, Michigan, and became a lifelong advocate and activist for the cause of adoption. Thousands have been inspired by his leadership and personal commitment to finding homes for children in foster care.

Mr. Thomas was a talented and dedicated businessman, but he was also a leader who accepted the challenge of ensuring that every child has a permanent and loving home. Every day in this country, more than three children die as a result of abuse or neglect. In 1997, an estimated 1,197 children died as a result of abuse or neglect. Seventy-seven percent of those children died before reaching their third birthday. Dave Thomas was their advocate and their friend.

An estimated 1.35 million children in the United States are homeless. Children made up 23 percent of the homeless population in 1996, a 10 percent increase since 1987.

□ 1415

Dave Thomas was their advocate. Of the children in foster care in 1998, 110,000 had a goal of adoption. Dave Thomas was a leader and advocate to help these children realize their goal. That is why in July of 1992, Dave Thomas established the Dave Thomas Foundation for Adoption.

The cornerstone of the foundation was to make adoption work for children and parents. The foundation serves an active voice for the more than 134,000 children in the public child welfare system who are waiting for permanent homes and loving families.

Wendy's followed Thomas' lead and officially declared adoption as its charity of choice in 1994. In fact, Wendy's adoption efforts, such as posters, trade liners and public service announcements account for approximately 40 percent of all calls taken at the National Adoption Center's toll-free number, 1–800–TO ADOPT.

Dave Thomas' leadership and advocacy have made a tremendous difference in the lives of children waiting to be adopted in the United States. Mr. Thomas truly lived the motto "If I can help somebody as I pass along, if I can cheer somebody with a word of song."

Dave Thomas was indeed not only a hero to the thousands of children who are in need of adoption, but all of us who need inspiring, who need inspiration and information relative to this great public need.

So, Mr. Speaker, I urge all of my colleagues to join in support of this resolution. Once again, I commend the gentlewoman from Ohio (Ms. PRYCE) for its introduction.

Mr. Speaker, I reserve the balance of my time.

Mr. WELDON of Florida. Mr. Speaker, I ask unanimous consent that the distinguished author of this resolution, the gentlewoman from Ohio (Ms. PRYCE), be permitted to control the remainder of my time.

The SPEAKER pro tempore (Mr. WALDEN of Oregon). Is there objection to the request of the gentleman from Florida?

There was no objection.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Florida for so graciously allowing me to manage the time for this important resolution.

Mr. Speaker, I am very honored to be here today to remember Dave Thomas. My deepest condolences go to Dave's beloved wife, Lorraine, his children, his grandchildren, and to the many, many people who loved him at Wendy's International and across the United States of America. It was easy to love Dave. He was a selfless, kind and thoughtful man whose fun-loving nature and honest disposition made him a friend to so many.

Most of America will remember Dave as the face of Wendy's, that square hamburger made with pride to perfection. I know I remember when the first Wendy's was launched in my hometown of Columbus, Ohio, back in 1969. Today, over 6,000 Wendy's are sprinkled throughout the neighborhoods and cities across the U.S. and in 34 countries.

There is no question, Dave Thomas will be remembered as a man of humble beginnings who created one of the most successful fast-food chains in the entire world. He was indeed a business giant, a remarkable man.

But today I ask that we also remember Dave as a tireless champion for children, for the thousands of children who do not have families to care for them, who do not have permanent homes, and who are waiting to be adopted.

As an adopted child himself, Dave felt so fortunate to have been given a family to care for him, to love him and to support him. Throughout his life, he carried with him an acute awareness for the wonderful and generous gift he was given; and as he grew to manhood, he never forgot his roots, and in time he would find himself fighting to give other parentless children the gift he so cherished and respected.

While Wendy's continued to grow and prosper, Dave knew that he wanted to be more than just a successful businessman. Dave found that he could best give back by using his success, his passion, and his familiar friendly face to raise public awareness about that issue so close to his heart.

His mission took shape in 1990 when President George Bush asked Dave to act as a spokesperson on a new initiative called Adoption Works for Everyone. Dave embraced this honor with enthusiasm and grace, and then he rolled up his sleeves and went to work.

Throughout the next decade, Dave continued his tireless advocacy for children everywhere, and I am proud to have worked shoulder to shoulder with him on many initiatives. He created the Dave Thomas Foundation for Adoption, whose vision it is to see that every child has a permanent home and a loving family.

Through the foundation, Dave hoped to ease the many barriers families so often face when trying to adopt. By making adoption easier and more affordable, fewer children are now trapped in the endless foster care system, and more children will grow up with brothers and sisters and moms and dads who love them.

Dave once said, "If I can get just one child a home, it would be better than selling 1 million hamburgers." Oh, how like Dave.

We will remember Dave for his humility and kindness, for his compassion and warmth, and for his dedication to children everywhere who are awaiting a loving family to take them home.

Mr. Speaker, I urge my colleagues to support this resolution honoring a dear friend and a champion for children, Dave Thomas.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, at a time when we are questioning corporate leadership and corporate responsibility, it is refreshing to know that a man such as Dave Thomas lived; and because of his life and his legacy, every time a child finds a warm inviting home in which to live and grow up with the safety and security of knowing that they are part of a family, we will remember the legacy of this great American.

Mr. Speaker, I yield back the balance of my time.

Ms. PRYCE of Ohio. Mr. Speaker, I am very pleased to yield 7 minutes to the distinguished gentleman from Indiana (Mr. BURTON), the chairman of the Committee on Government Reform, but, more importantly, at this moment a very close friend of Dave Thomas.

Mr. BURTON of Indiana. Mr. Speaker, let me start off by thanking the gentlewoman from Ohio (Ms. PRYCE) for introducing this resolution.

Mr. Speaker, Dave Thomas was one of the finest men that I ever knew. Dave was a personal friend of mine. I stayed with him many times when I was in Florida. We played golf together. He loved to play golf. Although he was not the greatest golfer in the world, he was very enthusiastic about it.

The things I want to talk about today are the things I found out about Dave on a personal level. The gentlewoman from Ohio covered so much of his life very, very well.

Let me just say Dave really was an American success story. When he was about 15 years old, he pretty much was on his own in Fort Wayne, Indiana. He dropped out of school. His real parents he never knew. He was adopted by a husband and wife. His adoptive mother died when he was about 12 years old. His father, because he had to move around for jobs, had to pretty much leave Dave in Fort Wayne when he was 15.

Dave, I believe, stayed at the YMCA and worked as a busboy and worked in a restaurant there. After he became manager of the restaurant, as time went by he was asked if he would like to come to Columbus, Ohio, and take over four Kentucky Fried Chicken franchises for somebody who was about to go bankrupt. The fellow told him if you come over here and work with us, in 3 or 4 years we will either be bankrupt or you will own half of the restaurants.

Dave was such a natural at this business and worked so hard that, after a time, he sold his interest in those four

Kentucky Fried Chicken franchises for $1.5 million and became involved, as I understand it, with Arthur Treacher's Fish and Chips and made some more money and decided to retire at a very young age.

But he wanted one good hamburger restaurant. He said there was not a really good hamburger restaurant that he knew of, so he started one and named it after his daughter, Wendy, in Columbus, Ohio.

The rest is history. As you know, that one restaurant, he only wanted one, ended up being 6,000 restaurants, many of which he owned and his corporation owned, and many franchised out to others. Dave became one of the most successful businessmen in America, and he was a high school dropout.

He owned two jet planes, he had golf courses, he had radio stations, he had everything. He was just an amazing story. In fact, he won the Horatio Alger Award, which, of course, goes to people who have really been a success and realized the American dream. But not only that, he was very concerned about children, as the gentlewoman from Ohio (Ms. PRYCE) talked about.

When he was a young boy, he did not have a family. He was on his own. He knew how important and how valuable family relationships are to kids, so he worked and spent his whole life trying to make sure that children who did not have parents who were in foster homes got loving parents.

In his restaurants, if you looked at the little pads they put out for people to eat their food off of, all of them told about how you could adopt a child and what needed to be done. He even came to the gentlewoman from Ohio (Ms. PRYCE) and me and worked very hard to get an adoptive stamp passed by the Congress and by the Postal Service and the Postal Stamp Commission that depicted children and talked about adoption so that some of the funds raised from those stamps could go to help children get adopted and get into loving homes.

He even started a golf tournament called the Wendy's Three Tour Challenge, where you had the LPGA, the PGA, and Senior PGA play once a year with a series of teams; and all the proceeds from that tournament went to adoption of children, to his adoption foundation.

He was truly a wonderful, wonderful man. His wife, Lorraine, was always very supportive. I got to know her very well. She is a wonderful lady; and, Lorraine, if you happen to be watching today, my sympathy goes out to you and your children. We are all going to miss Dave. He was a wonderful, wonderful man.

A little story, an aside: I was playing golf one day down at Adios, which is a golf course that he helped found with a man named Ed Tutweiler, down in Florida; and Dave was telling me one day, he said, "You know, they want me to do TV commercials, and I don't know if I can do those." I said, "Dave, I think you would do a good job." I really did not know, but I was trying to give him encouragement. And he became one of the best spokesmen in America for his business.

Everybody in this country knew Dave Thomas. As a matter of fact, he would come to Indianapolis; he came up there to visit a number of times on a speaking engagement. He came to Indianapolis one time, and we were sitting having dinner, when he came up, we always had dinner together, and two ladies came over from my congressional district.

They came over to talk to Dave Thomas and he said, "Do you know your Congressman?" They said no, and he introduced my constituents to me. That is how well known he was. He was so well known that people knew him, but they did not even know their own Congressman. He was just an extraordinary man.

I hope that my statements today tell Lorraine and the family and all the people that loved him who are over there in Dublin, Ohio, at the Wendy's headquarters how very much I really loved this guy. What you saw was what you got. When you saw him on TV, he was a lovable guy; and if you got to know him, as I knew him, you knew he was a lovable guy, and he really cared about his fellow man, especially children who did not have parents. The world is going to be a far less place for all of us now that he is gone. It was a far better place for all of us as long as he was here.

The thing that was interesting about Dave is not only was he concerned about adoption, but he was concerned about sending a message to kids that they ought to get a good education. When he was in his sixties, he went back and got his GED; not because he needed it, but because he wanted to set an example for children to get a high school education.

A high school down in Florida where he lived adopted him and had Dave and his wife come as the king and queen of their graduating class at their prom. Dave went with his tuxedo. Here he was, 60-some years old, and he and his wife were the king and queen of the prom. And do you know what? That class voted him the most likely to succeed, and I think it was a good choice.

He was a wonderful man. Dave, I hope you are up there watching us. We love you and we miss you. I am sure that there is a good place in heaven for you.

Ms. PRYCE of Ohio. Mr. Speaker, I am very pleased to yield 1 minute to my neighbor, the distinguished gentleman from Ohio (Mr. TIBERI), another friend of Dave Thomas.

Mr. TIBERI. Mr. Speaker, I would like to thank my colleague for introducing this resolution. Dave was a special person, and it is a privilege for me to have known Dave and to speak on this resolution today.

□ 1430

Much has already been said by the gentlewoman from Ohio (Ms. PRYCE) and others, and the gentleman from Indiana (Mr. BURTON). Dave received so many awards, too many to mention today. He established the Dave Thomas Foundation for Adoption, which is in central Ohio. He did so much not only for our country and our State, but certainly our community in Columbus, Ohio.

Dave was a man that I got to know when I was in the State legislature. He certainly did many things that people are not even aware of. But the Dave that we meet on TV is the Dave we meet in person. He is one and the same, a very simple man.

One of his highlights, as the gentleman from Indiana (Mr. BURTON) said, was after 45 years of leaving high school, he received and earned his GED certificate from a high school in Florida, securing him in his mind as a role model for students. But we all know that Dave was a role model. He will be missed. He leaves a long legacy. He is a gentle giant and a great American.

Ms. PRYCE of Ohio. Mr. Speaker, it is my pleasure to yield 3 minutes to the gentlewoman from Maryland (Mrs. MORELLA), my distinguished colleague.

Mrs. MORELLA. Mr. Speaker, I thank the gentlewoman for yielding me this time. I certainly do rise in recognition of David Thomas and support this resolution honoring his life.

When he passed away on January 8, the world lost a great advocate for children. While so many know him as a dedicated businessman, his greatest accomplishment to many of us was the difference he made in the lives of so many vulnerable children. I thank the gentlewoman from Ohio for introducing this resolution. She indeed knows full well the values of adoption. I as a parent who, with my husband, have raised 9 children, 6 who were the children of my late sister, have become a great advocate for Dave Thomas and for the story and the message that he told that reached millions.

With his corporate relationships, he encouraged the practice of adoption incentives through employee benefits plans. Approximately 50,000 children are adopted nationwide each year. According to the State Department's annual report, the number of international adoptions is steadily increasing every year. According to Adoptions Forever, an adoption agency in Maryland, the average cost of adoption for an international orphan ranges up to $30,000, while a domestic adoption can range up to $12,000. Easing the burden of this cost can make all the difference for families who are considering adoption, and Dave Thomas worked tirelessly to minimize these barriers to helping children in need.

Almost 10 years ago, he founded the Dave Thomas Foundation for Adoption, which continues to serve as the voice for the more than 134,000 children in the public welfare system who are awaiting permanent homes. His foundation also concentrates on children who may be harder to place, older kids, those in sibling groups, minority children, or those with physical or mental handicaps.

Dave Thomas will be missed in Congress as well. His testimony on adoption tax credits, adoption legislation, and his advocacy for the creation of the adoption stamp issued by the U.S. Postal Service in May of 2000 has been key in raising necessary awareness and support. Children have lost a hero in Dave Thomas, but his legacy will live on through his foundation, continuing the mission of ensuring every child has a permanent and loving home.

Children in need are the responsibility of us all. We owe a great deal to Dave Thomas for his dedication to that message. I offer my condolences to his family and I certainly support this resolution, and I encourage my colleagues to do so. Again, I thank the gentlewoman from Ohio (Ms. PRYCE) for introducing it, and certainly the gentleman from Illinois (Mr. DAVIS) for handling it on the Democratic side, and the gentleman from Indiana (Mr. BURTON), and the gentleman from California (Mr. WAXMAN) for having this come out at this time.

Ms. PRYCE of Ohio. Mr. Speaker, I yield myself such time as I may consume.

In closing, I would like to thank the gentleman from Florida (Mr. WELDON), for giving me the opportunity to express my admiration for this extraordinary man. I also want to thank the gentleman from Illinois (Mr. DAVIS) for joining me in honoring Dave's life.

We have lost a good friend, a good friend to this country, a good friend to each of us, and a good friend to so many children waiting for a home. While we mourn his loss, we should feel proud of his accomplishments and empowered by his mission. As a society, we can remember Dave by working towards increasing public awareness of the need for adoption. As Members of Congress, we can continue to look for ways to cut through the red tape that often stands in the way of encouraging families to even consider adoption, and as individuals, we can recognize and appreciate the power of one man's determination to make a difference.

Dave once reminded us that children who do not have families are not somebody else's responsibility, they are our responsibility. If we want to make a difference in a child's life, this is where we must start. Dave's charisma, passion, and dedication help lead us on our way. It is now up to each of us to carry on Dave's mission and to continue fighting for these kids.

Dave, you singlehandedly made this world a better place. We will miss you.

Mr. CRANE. Mr. Speaker, I would like to express my strong support for this Resolution which recognizes Rex David "Dave" Thomas as one of the hardest working advocates for child adoption in our great nation.

Adopted shortly after his birth in 1932, Dave went on to great commercial success after founding Wendy's Old-Fashioned Hamburgers in Columbus, Ohio, in 1969. In promoting Wendy's, Dave became a national figure representing a friendly face, great food, and a kind sense of humor. On a personal note, I would be remiss were I not to mention that my staff and I are particularly grateful to Dave for the advent of the Wendy's Frosty. Much more importantly, however, Dave used his financial success to promote and advance the cause of child adoption. It is for that reason that we honor Dave today.

In 1992, Dave established the Dave Thomas Foundation for Adoption to work with national adoption organizations to promote awareness and to facilitate child adoption. From 1990 until 2000, Dave was the national spokesman for a number of White House adoption and foster-care initiatives. He was a most deserving recipient of the distinguished Angel in Adoption Award from the Congressional Coalition on Adoption, and the Social Awareness Award from the U.S. Postal Service.

Mr. Speaker, I am pleased that we honor Dave today with this Resolution, but it is my belief that we can do Dave no greater honor than by keeping his legacy alive as we in Congress press on towards the common goal we shared with Dave: making sure that every child has the opportunity to grow up in a safe home with loving parents.

My thoughts and prayers are with Dave's family.

Mr. SHAW. Mr. Speaker, today I rise to pay tribute to a great American, Dave Thomas, who passed away at the age of 69 on January 8, 2002. I am honored to be an original cosponsor of this resolution that honors his life and expresses the deepest condolences of the House of Representatives to his family on his death.

I had the privilege of knowing, working with and, in fact, representing Dave Thomas in Congress. But most importantly, I had the honor of calling Dave my friend.

Dave Thomas was the epitome of the American success story. He worked his way from humble roots to be an icon of business achievement. What I admired and respected most about Dave was what he did with his success. Inspired by his own experiences as an adopted child, he poured his heart and his influence into helping children find families. A giant in the arena of adoption, Dave gave a voice to thousands of children looking for loving homes through his Foundation for Adoption and his contributions to the Dave Thomas Center for Adoption Law at Capital University.

As the former Chairman of the Human Resources Subcommittee, I had the honor of having Dave testify before my panel on two occasions. Dave was both an advocate and an authority on adoption, whose input was invaluable as I drafted legislation to improve adoption policies. He was a pioneer in developing adoption friendly corporate practices, giving his employees who adopted children special benefits.

I join his family, the House of Representatives and thousands of children around America who are waiting to be adopted, to honor the life of this great man.

Mr. HOBSON. Mr. Speaker, I rise in support of this resolution, and recognize the accomplishments and life of Dave Thomas.

Throughout his life, Dave Thomas continually displayed the qualities and work ethic that exemplified the American dream. Whether with his family, friends, or his work, Dave Thomas always sought to improve the way of life for those around him. Having been adopted at a young age, Dave Thomas devoted much of his life to raising awareness and creating better opportunities for adopted children everywhere.

As a fellow restauranteur and small businessman, I can certainly appreciate the devotion and hard work necessary to turn the first Wendy's Old Fashion Hamburgers in downtown Columbus, OH, into something people worldwide know and love. Behind his business expertise and a promotional campaign driven by his warm smile, Wendy's has become a standard to which all other restaurants must be compared.

As I travel around Ohio, the birthplace and home of the Wendy's tradition, I will be constantly reminded of just how many lives Dave Thomas has actually touched. Whether I am visiting one of the several Wendy's locations within Ohio's Seventh Congressional District, or affixing an Adoption Awareness stamp on an envelope, Dave Thomas will be in my thoughts and will be missed dearly.

Mr. SMITH of New Jersey. Mr. Speaker, I would like to express my strong support for the resolution before us today, which recognizes the valuable contributions of Wendy's Founder, R. David Thomas.

Born in 1932 in Atlantic City, New Jersey, Dave Thomas never knew his birth parents, and was adopted when he was six weeks young. One of Dave's most cherished childhood memories was eating out at restaurants. Thus, as a young man, he committed himself to opening up his own restaurant where families could enjoy eating and spending time together. On November 15, 1969, Dave Thomas founded Wendy's Old-Fashioned Hamburgers in Columbus, Ohio, and transformed it into one of the most successful food franchises in the country.

Mr. Thomas was much more than a successful businessman, however. He never forgot his roots, and he used his financial success to promote and advocate the cause of adoption. In 1990, Former President George H. W. Bush asked Mr. Thomas to be a spokesperson for his administration's adoption initiative, "Adoption Works . . . For Everyone." Mr. Thomas gracefully accepted the challenge, and began to speak out and encourage people to consider adoption. The Wendy's corporation championed adoption as its national charitable cause, while taking a corporate leadership role in advancing the cause of adoption by encouraging other corporations to offer family leave and adoption benefits to employees who welcomed and adopted a child into their family.

In conjunction with National Adoption Month every November, over 6,000 Wendy's North American restaurants undertake an aggressive advertising campaign advocating the cause of adoption. These widely successful adoption efforts, such as public service announcements tray-liners an posters account for approximately 40 percent of all calls taken at the National Adoption Center's toll free number (1–800–TO–ADOPT).

Dave's personal contributions of time, money and initiative to the cause of adoption have been equally successful. Dave donated all of the proceeds from his 1991 autobiography Dave's Way and his 1995 book Well Done! to the foundation.

Then in 1992, Mr. Thomas founded The Dave Thomas Foundation for Adoption, a nonprofit organization that supports over 134,000 children in America's foster care system waiting for permanent and loving homes.

Virtually every well-conducted social research study that has examined the impact of adoption on a child concludes that adoption is far more preferable than state custody. The adoption of a child into a traditional two-parent, man and woman family, has profoundly positive social benefits for the child and family as well as for our society.

Mr. Speaker, I urge all members of Congress to support the Dave Thomas Resolution. America has lost an important champion for children with the death of Dave Thomas. It is fitting and appropriate that we honor his good deeds today. We all hope and pray that his good work will continue on, despite his passing.

Ms. PRYCE of Ohio. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. WALDEN). The question is on the motion offered by the gentleman from Florida (Mr. WELDON) that the House suspend the rules and agree to the resolution, H. Res. 336.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

HONORING CONTRIBUTIONS OF CATHOLIC SCHOOLS

Mr. TIBERI. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 335) honoring the contributions of Catholic schools.

The Clerk read as follows:

H. RES. 335

Whereas America's Catholic schools are internationally acclaimed for their academic excellence, but provide students more than a superior scholastic education;

Whereas Catholic schools ensure a broad, values-added education emphasizing the lifelong development of moral, intellectual, physical, and social values in America's young people;

Whereas the total Catholic school student enrollment for the 2000–2001 academic year was 2,647,301, the total number of Catholic schools is 8,146, and the student-teacher ratio is 16 to 1;

Whereas Catholic schools provide more than $17,239,224,112 a year in savings to the Nation based on the average public school per pupil cost;

Whereas Catholic schools teach a diverse group of students and over 25 percent of school children enrolled in Catholic schools are minorities;

Whereas the graduation rate of Catholic school students is 95 percent, only 3 percent of Catholic high school students drop out of school, and 83 percent of Catholic high school graduates go on to college;

Whereas Catholic schools produce students strongly dedicated to their faith, values, families, and communities by providing an intellectually stimulating environment rich in spiritual, character, and moral development; and

Whereas in the 1972 pastoral message concerning Catholic education, the National Conference of Catholic Bishops stated, "Education is one of the most important ways by which the Church fulfills its commitment to the dignity of the person and building of community. Community is central to education ministry, both as a necessary condition and an ardently desired goal. The educational efforts of the Church, therefore, must be directed to forming persons-in-community; for the education of the individual Christian is important not only to his solitary destiny, but also the destinies of the many communities in which he lives": Now, therefore, be it

Resolved, That the House of Representatives—

(1) supports the goals of Catholic Schools Week, an event sponsored by the National Catholic Educational Association and the United States Catholic Conference and established to recognize the vital contributions of America's thousands of Catholic elementary and secondary schools; and

(2) congratulates Catholic schools, students, parents, and teachers across the Nation for their ongoing contributions to education, and for the key role they play in promoting and ensuring a brighter, stronger future for this Nation.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. TIBERI) and the gentleman from Michigan (Mr. KILDEE) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. TIBERI).

GENERAL LEAVE

Mr. TIBERI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.Res. 335.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TIBERI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to recognize the contributions of America's Catholic elementary and secondary schools and congratulate these schools, students, teachers, and parents for the dedication to education in our country. I would like to thank the sponsor of the legislation, the gentleman from Colorado (Mr. SCHAFFER) and the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce, for their help in bringing this resolution to the floor today.

This resolution recognizes Catholic schools and Catholic Schools Week. This is an event sponsored by the National Catholic Education Association and the United States Catholic Conference and established to recognize the vital contributions of America's Catholic schools.

Catholic schools are widely acclaimed for their academic success. I am fortunate enough, being from central Ohio, to have one school in my district, a Catholic school, that has been recognized for that success. They are a past recipient of the U.S. Department of Education's Blue Ribbon Schools Award for Excellence. This is the highest award any private or public school can achieve. In fact, St. Francis DeSales, a Catholic high school in Columbus, is a past recipient of that award.

But Catholic schools provide much more than just a superior scholastic education. They ensure a broad values-added education emphasizing the lifelong development of a student of moral, intellectual, physical, and social values in all of our young people. They produce students dedicated to their faith, values and families and communities. Indeed, they are central to building a sense of community in this country that all Americans should have the opportunity to enjoy.

I am proud, Mr. Speaker, to be an original cosponsor of this resolution. I strongly support its adoption.

Mr. Speaker, I reserve the balance of my time.

Mr. KILDEE. Mr. Speaker, I rise in support of this resolution. I yield myself such time as I may consume.

Mr. Speaker, today's resolution recognizes the contributions of Catholic schools. Mr. Speaker, I attended Catholic schools. I received a high quality education from these schools and have benefited greatly. Children all across America have benefited from a Catholic education.

Certainly we can all agree that Catholic schools are a strong and positive force in American education. Fortunately, the truly great aspect of American education is its diversity. We must have an educational structure that can provide anyone in any city in any State with the opportunity to succeed.

The House's recent bipartisan support for the education reforms in H.R. 1, signed into law by President Bush, have strengthened these opportunities. The educational recipe for success in our country certainly includes Catholic schools, schools with other religious backgrounds, nonreligious private schools, along with our public schools. It is this variety, this diversity that truly makes American education powerful and helps make American education successful in its mission.

Mr. Speaker, today we are recognizing the educational and societal contributions that Catholic schools make to our Nation. We must recognize the importance and value that all pieces of our educational structure have in the lives of our children.

Mr. Speaker, in closing, I want to thank the author of this resolution for bringing it to the floor today.

Mr. Speaker, I reserve the balance of my time.

Mr. TIBERI. Mr. Speaker, I yield myself such time as I may consume.

I would just like to point out that Catholic school enrollment continues to increase in the United States of America, with more than 2.6 million students nationwide for this last past academic year. Catholic schools also teach a diverse group of students. Over 25 percent of schoolchildren enrolled in Catholic schools are minorities.

Mr. Speaker, the graduation rate of Catholic school students is 95 percent, and only 3 percent of Catholic high school students drop out of school, and 83 percent of Catholic high school graduates go on to college.

Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Speaker, I thank the gentleman from Ohio for yielding me this time.

Mr. Speaker, I rise in strong support today of House Resolution 335, which recognizes and honors the contributions of Catholic schools in the United States. I commend the gentleman from Colorado (Mr. SCHAFFER) for his leadership in sponsoring this legislation, and I congratulate the gentleman from Ohio (Mr. TIBERI), a member of the committee, for bringing it to the floor today. As we all know, Catholic schools throughout our Nation have a storied and well-earned tradition of academic excellence and I am pleased to join my colleagues in recognizing them.

This resolution is straightforward. We are honoring and we congratulate Catholic schools, students and teachers, for their continued contributions to education and society and the vital role they play in promoting and ensuring a stronger and brighter future for this Nation. This week is the national Catholic Schools Week, and it is fitting that today we are focusing upon the important role that Catholic schools provide in giving us a well-rounded education for America's young people, one that gives special attention to the academic, moral, and social development of our children. The very appropriate theme of this year's week is "Catholic schools: Where Faith and Knowledge Meet."

As Ernestine Sanders, the President and CEO of the Cornerstone Schools Association, a Catholic "mini-district" in Detroit, Michigan, has said, and I quote, "At his core, a citizen is not a good citizen without virtue, without integrity, without honor, without a love for the other."

I am proud of how all Catholic schools emphasize intellectual, spiritual, moral, and social values and produce well-rounded citizens. Catholic schools have found a way to teach students not only academic knowledge, but also real life lessons in service to mankind and respect for one's neighbors.

Mr. Speaker, I can personally attest to the outstanding contributions and dedication of Catholic schools, as I am a proud product of Catholic schools in Ohio, having attended St. Peter and Paul Elementary School in Reading, Ohio, and Archbishop Moeller High School in Cincinnati, Ohio, and then went on to graduate from another Catholic institution, Xavier University, which is also located in Cincinnati.

In the great State of Ohio, Catholic schools have made a positive impact on the lives of hundreds of thousands of students.

□ 1445

For example, Fenway High School in Middletown, Ohio, Chaminade-Julienne High School in Dayton, Ohio, and Badin High School in Hamilton, Ohio, are all excellent schools that have profoundly influenced the lives of their students and continue to make significant contributions to our community.

The top priority of the past year in our Committee on Education and the Workforce was H.R. 1, a landmark reauthorization of the Elementary and Secondary Education Act, which provides services and benefits to both public and private schools.

Across our country, many Catholic schools participate in the programs and activities assisted by these funds. One of the primary goals of H.R. 1 was to improve achievement for all students, and thereby close the achievement gap between disadvantaged students and their peers.

Unfortunately, these gaps have remained stubbornly wide over the last 3 decades. However, without our Nation's Catholic schools and the dedicated teachers who serve them, the achievement gaps today would even be wider. In fact, some data indicates that one of four Catholic school students are from underprivileged backgrounds.

Coupled with the fact, pointed out by the gentleman from Ohio (Mr. TIBERI), that 98 percent of Catholic school students graduate and 83 percent of them go on to pursue a higher education, it is clear that Catholic schools have been very successful in educating all of the students who enter their doors.

Indeed, of the total students enrolled in Catholic schools, almost 14 percent are not of the Catholic faith. These students come from a wide variety of faiths and they have chosen to attend a Catholic school. Catholic schools and educators have had tremendous success in reaching out to all students and their parents who are seeking the best possible education for their children. This is especially true for inner-city schools, where in some cases the majority of students enrolled are non-Catholic.

Malcolm Forbes in his book "What Big Cities Owe to Catholic Schools" said, "Catholic schools provide hugely consequential oases of impact and hope. Their value is literally and figuratively beyond measure."

I strongly concur with this statement, and I urge my colleagues to vote today in support of this resolution.

Mr. KILDEE. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. DAVIS).

Mr. DAVIS of Illinois. Mr. Speaker, I thank the gentleman from Michigan for yielding time to me.

Mr. Speaker, I am pleased to be a cosponsor of House Resolution 335 in recognition of Catholic Schools Week. Catholic schools play a tremendous role in preparing young men and women for meaningful citizenship and to become future leaders.

In fact, the Archdiocese of Chicago, with 267 elementary and 45 secondary schools, 6,000 teachers, and 130,000 students, operates the largest nonpublic school system in the Nation. This is a school system that can claim many noteworthy achievements, including above-average attendance rates, graduation rates, and college attendance rates.

Every year, the U.S. Department of Education designates schools that demonstrate excellence as Blue Ribbon Schools of Excellence. Two of the 29 schools nationwide that have received this designation three times are run by the Archdiocese of Chicago.

Equally noteworthy is the commitment of Catholic schools to educating inner-city students, who oftentimes are left behind. Through the Big Shoulders Fund, scholarships and educational programs are provided to 114 Catholic schools that serve inner-city students. Seventy percent of the elementary and high school students in the Big Shoulders program are minorities, and 36 percent are non-Catholic. Ninety-six percent of the Big Shoulders secondary school students graduate high school, and a remarkable percentage, 88 percent, go on to college.

So on the occasion of Catholic Schools Week, I offer heartfelt appreciation to the Catholic school professionals whose dedication to our Nation's children is enormous. I always say that teaching is one of the most noble of all professions, and I would certainly take my hat off to all of those who help to prepare students through a good Catholic education.

Mr. TIBERI. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. BOEHNER), chairman of the committee.

Mr. BOEHNER. I thank my colleague for yielding time to me.

Mr. Speaker, I failed to mention that we are joined by the president of the Ohio Senate, Mr. Richard Finan. I bring this to the attention of Members because he is a friend to all those who would serve in the State legislature; but he is another fine example of one who was raised by and attended Catholic schools.

As a matter of fact, he is a proud alumnus of the University of Dayton, where he serves on the Board of Directors at UD, a fine Marianist university in Dayton, Ohio.

But he is with us today, and it really goes to show you what a good solid education will do for all of us. As many know, I have 11 brothers and sisters; and my father did not make a lot of money, he owned a bar; but he felt strongly about the need for all of us to get a good education, and made the sacrifice to send all of us to parochial schools, to the point where heaven knows how my mother was ever able to balance the books and make this happen, but I thank them for their commitment to me and my 11 brothers and sisters, because without that commitment, God only knows, I may not be here today.

Mr. KILDEE. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I stand on this floor as a proud graduate of St. George's Elementary School and St. John the Baptist High School and Fordham University. Some might say I am an exception to the rule, since there are so many great graduates of parochial schools, and particularly we talk today about Catholic schools. The Catholic education I received provided me with the tools to not only forge success in life, but gave me an unending desire to serve my fellow man. That is where I learned this, besides, of course, from my home.

I stand before the Members as the father of three sons who also attended Catholic school. Not too long ago in our Nation's history, Roman Catholics were not welcomed in many parts of our society. That has changed. My Catholic education taught me that every American, no matter their religion, their creed, their color, had an equal right and should get an equal chance to the American dream.

When we celebrate the 28th annual Catholic Schools Week, I am proud to report that Catholic schools continue to be a vibrant patch of the American quilt. The 8,146 Catholic schools in this Nation serve more than 2.6 million students. That is a lot of students that would be in the public schools. We support the public schools, but we are here talking about a major portion of our society are in Catholic schools.

As a child and lifelong resident of my major city, Paterson, New Jersey, I am proud to report that 46 percent of the Catholic schools are in urban areas. Many of these schools educate our most vulnerable students.

Catholic schools continue to be as diverse as America. One in every four Catholic students, or students in a Catholic school, are minority. The results continue to be outstanding. Eighty-three percent of the Catholic high school students go on to higher education and only 3 percent drop out, a figure well below the national average.

For the three sons that I sent to Catholic school, I knew, along with learning the three Rs, their spirits would be nurtured. This is the same Catholic spirit I learned in school: a spirit of tolerance, of compassion, and service to our fellow man; a spirit that translates so easily to the secular world of public service this Chamber honors.

I am pleased to add my voice to the chorus of those celebrating the wonderful achievements of these wonderful American institutions.

Mr. TIBERI. Mr. Speaker, I reserve the balance of my time.

Mr. KILDEE. Mr. Speaker, I yield 3 minutes to the gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Speaker, I thank the gentleman for yielding time to me. I thank our ranking member and everyone that is a part of this tribute to Catholic schools and the education, the superb education that they provide for students across our country.

This Congress is devoted to education and to improvement in our public education system. This is something that is a value of the American people; and they want it implemented in classrooms across the country, so I am proud to have been part of the effort to improve public education.

In our country, we also have other institutions of learning. Certainly, Catholic schools have given their best and produced students for the betterment of our Nation. I am a product of a Catholic education, and I am proud of that. I know that my teachers, along with my parents, helped shape me to be who and what I am today.

I am very proud of my children being graduates of Catholic schools. My daughter Karen today is the head of the middle school, St. Joseph's, in Atherton, California. Her husband, Jim, my wonderful son-in-law, is part of a high school faculty at Convent of the Sacred Heart.

So I want to pay tribute to all of the lay people that are part of Catholic education across our Nation, and to the great orders, the sisters. I am a product of the Sisters of Notre Dame de Namur, and my children, of the Religious of the Sacred Heart. To the brothers, to the priests, to the nuns that have made Catholic education what everyone in this country has come to believe it represents, our thanks. They have contributed mightily to the betterment of our Nation and have deepened our spirituality and shaped citizens for decade after decade after decade.

I am very proud that the House of Representatives has chosen for the third year in a row to make this a tradition in the House where we pay tribute to Catholic schools and all that they have done. I thank everyone that is part of this effort.

Mr. PAUL. Mr. Speaker, I am pleased to join the sponsors of the H. Res. 335 in honoring the success of Catholic Schools in providing a quality education to millions of children around the country. However, I am concerned that this resolution also contains language that violates the spirit, if not the letter, of the establishment clause of the first amendment, thus insulting the millions of religious Americans who are struggling to educate their children free from federal control and endangering religious liberty.

The success of Catholic schools has been remarkable. Catholic schools operating in the inner-city have been able to provide an excellent education to students written off by the educational establishment as "unteachable." Contrary to the claims of their critics, Catholic schools do not turn away large numbers of children in order to limit their enrollment to the "best and the brightest." In fact, a few years ago the Archdiocese of New York offered to enroll all students who had been expelled from New York's public schools! Mr. Speaker, I have introduced legislation, the Family Education Freedom Act (H.R. 368) which would help more parents afford to send their children to Catholic, or other religious schools, by providing them with a $3,000 tax credit for K–12 education expenses.

While I join with the sponsors of this legislation in praising Catholic schools, I am disturbed by the language explicitly endorsing the goals of the United States Catholic Conference. The Catholic Conference is an organization devoted to spreading and advancing Catholicism. While the Conference may advance other social goods through its work, these purposes are secondary to its primary function of advancing the Catholic faith. This is especially true in the case of Catholic schools which were founded and are operated with the explicit purpose of integrating Catholic doctrine into K–12 education.

Therefore, even though Congress intends to honor the ways Catholic schools help fulfill a secular goal, the fact is Congress cannot honor Catholic schools without endorsing efforts to promulgate the Catholic faith. By singling out one sect over another, Congress is playing favorites among religions. While this does not compare to the type of religious persecution experienced by many of the founders of this country, it is still an example of the type of federal favoritism among religions that the first amendment forbids.

What is the superintendent of a Baptist private school or a Pentecostal home schooler going to think when reading this resolution? That Congress does not think they provide children with an excellent education or that Congress does not deem their religious goals worthy of federal endorsement? In a free republic the legislature should not be in the business of favoring one religion over another. I would also like to point out the irony of considering government favoritism of religion in the context of praising the Catholic schools, when early in this century Catholic schools were singled out for government-sanctioned discrimination because they were upholding the teachings of the Catholic Church.

Allowing Congress to single out certain religions for honors not only insults those citizens whose faith is not recognized by Congress, it also threatens the religious liberty of those honored by Congress. This is because when the federal government begins evaluating religious institutions, some religious institutions may be tempted to modify certain of their teachings in order to curry favor with political leaders. I will concede that religious institutions may not water down their faith in order to secure passage of "Sense of Congress resolutions," however, the belief that it is proper to judge religious institutions by how effectively they fulfill secular objectives is at the root of the proposals to entangle the federal government with state-approved religions by providing taxpayer dollars to religious organizations in order to perform various social services. Providing taxpayer money to churches creates the very real risk that a church may, for example, feel the need to downplay its teaching against abortion or euthanasia in order to maintain favor with a future pro-abortion administration and thus not lose its federal funding.

Of course, the idea that politicians should bestow favors on religions based on how well they fulfill the aims of the politicians is one that should be insulting to all believers no matter their faith. After all, despite what a few of my colleagues seem to think, Mr. Speaker, we in Congress are neither omnipotent nor divine.

In conclusion, Mr. Speaker, I join the sponsors of H. Res. 335 in their admiration for the work of Catholic schools. However, I also have reservations about the language singling out the religious goals of one faith for praise.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of this measure to recognize the role Catholic Schools have played in the education of America's Children.

This week Catholic elementary and secondary schools nationwide celebrate the 28th annual Catholic Schools Week. Saint Philips High School and Saint Pius High School in my District will be celebrating this week. This event was established to increase support for private Catholic schools and to recognize their accomplishments and contributions to the country.

"Catholic Schools Week" celebrates education that goes beyond preparation for a secular life; it is an education that prepares students for a Christian life. Parents who chose to send their children to Catholic Schools do so because they not only want their children to have an excellent education in reading, writing and arithmetic, they also want them to have a Christian education.

Although public schools can prepare children for a secular life through a good education, they are Constitutionally bound to not extend their role as educators into the area of religious education. I encourage parents who would like the benefits of public education and the rewards of faith based education to make a commitment to work with those religious communities that share their beliefs in the development of after school and weekend parochial programs.

This bill states that Congress supports the goals of Catholic Schools Week, an event sponsored by the National Catholic Educational Association and the U.S. Catholic Conference, and congratulates Catholic schools, students, parents, and teachers for their contributions to education.

Catholic schools teach a diverse group of students, 24 percent of whom are minorities. Moreover, only three percent of Catholic high school students drop out of school and 83 percent go on to attend college.

Finally by providing an intellectually stimulating environment rich in moral guidance, Catholic schools produce students and, ultimately, citizens who are strongly dedicated to their faith and communities.

I offer my heart felt thanks to the Catholic Schools and other religious schools across the nation for their dedication to excellence in the classroom as they prepare young people to achieve excellence in life.

Mr. UNDERWOOD. Mr. Speaker, I rise today in strong support of H. Res. 335, which celebrates the significant contributions that Catholic schools make each and every day throughout the nation. I would like to take this opportunity to thank my colleague Mr. SCHAFFER for continuing in the tradition of recognizing the role of Catholic schools in our nation and around the globe.

My district of Guam is nearly half a world away from Washington, D.C. and is home to more than 100,000 Roman Catholics, who encompass an overwhelming majority of the resident population. Guam has a centuries-old history and tradition of Roman Catholicism since the island was discovered by Ferdinand Magellan in 1521. Magellan, who was voyaging around the world, was the first European to land on Guam. He was accompanied by several of his chaplains when he stepped ashore in the southern village of Umatac. Centuries later, local residents continue to celebrate the history of the discovery of Guam with a re-enactment of Magellan's landing.

The year 1662 ushered the first of multiple arrivals of Spanish missionaries to the island. Over time, various types of Catholic teachings have provided Guam's children with educational skills. The first missionaries began the tradition of "Eskuelan Pale," or Catholicism classes, which taught basic reading and comprehension skills and religious doctrines. Today Guam's Catholic schools strive for academic excellence and continue to instill moral values in their students.

Several religious orders and countless cadres of lay teachers have provided educational guidance and have broadened opportunities for Guam's school children since the end of World War II, when a formal Catholic school system was established. The School Sisters of Notre Dame, Sisters of Mercy, Dominican Sisters, the religious orders of Capuchin, Franciscans, Jesuits, and Marists have all served to educate Guam's school children.

Three institutions offer a Catholic high school education in Guam. These include: Notre Dame High School in Talofofo, which is Guam's only co-ed Catholic High School; the Academy of Our Lady of Guam in Hagatna; and Father Duenas Memorial School in Mangilao, which together serve an enrollment of approximately 1,100 students. There are seven elementary and middle schools, including: Bishop Baumgartner Memorial School in Sinajana; Our Lady of Mt. Carmel School in Agat; Saint Anthony School in Tamuning; Saint Francis School in Yona; San Vicente School in Barrigada; Santa Barbara School in Dededo and Dominican School in Yigo, which together serve an enrollment of 2,300 students. Finally, four Catholic nursery schools in Guam bridge the continuum of education from infancy to elementary. These include: the Dominican Child Care Center in Ordot; the Infant of Prague in Mangilao; Maria Artero in Agana Heights; and Mercy Heights in Tamuning.

As a former educator who was raised in the Catholic faith, I certainly appreciate the education provided by Catholic schools. Three of my five children have attended Catholic schools in Guam and in Virginia and 10 of my 16 staffers in both my District and D.C. offices are products of the Catholic school system in Guam and the Philippines. Additionally, my aunt, Mary Underwood, was instrumental in the establishment of the Catholic school system after World War II. She was also the first native of Guam to commit her life as a nun to the devotion and service of the Catholic church.

Catholic schools continue to provide a broad, value-added education and to shape the life-long development of moral, intellectual, physical and social values of students. This week marks National Catholic Schools Week, which is the culmination of an annual celebration of the significant educational role of Catholic schools across the nation and around the globe.

At this time, I would like to commend the contributions of all Catholic schools, students, parents, teachers and administrators in Guam and across the nation. I would also like to recognize the important contributions of the Archdiocese of Hagatna, which oversees the administration of all of Guam's Catholic schools, and, particularly, to applaud the service of Archbishop Anthony Apuron, for continuing in the tradition of fostering excellence in the education and moral well-being of the children of Guam.

I stand in support of this resolution and urge my colleagues to join in support of the passage of H. Res. 335.

Mr. SMITH of New Jersey. Mr. Speaker, I would like to express my strong support for H. Res. 335, a resolution recognizing the valuable contributions of Catholic Schools.

This week marks the 28th Anniversary of National Catholic Schools Week, a week dedicated to honor the achievements and successes of Catholic Schools throughout the U.S. More than 2.6 million children are enrolled in the 8,146 Catholic Schools in our country.

A Catholic education challenges students through a combination of high standards, strong motivation, effective discipline, and an atmosphere of caring. These characteristics foster excellence in students. In a society where academic and moral standards are constantly being debased and watered down, Catholic schools consistently deliver a level of student performance that is well supported by the evidence. Too often these days, our kids are bombarded with mushy, well-meaning rhetoric that says that everybody can score "above average." Too many school systems have adopted the false notion that filling our children with a bogus sense of self-esteem is more important that actually ensuring that they master their subject material. President Bush rightfully denounces "the soft bigotry of low expectations." Fortunately, Catholic schools are part of the solution of the problem of low expectations.

Catholic school student test performance in the three grade levels of the National Assessment of Educational Progress exceeds public school test results by an average of 4.5 percent in math, 4.8 percent in science, and 12.5 percent in reading. Only 3 percent of Catholic school students drop out of school, compared to a 14 percent dropout rate of students in public schools. In addition, 83 percent of Catholic high school graduates go on to college, as compared to 52 percent of public high school graduates. While there are a variety of factors that can partially account for these differences, sociologists and education theorists cannot explain all of these differences away without acknowledging that challenging our students and expecting more from them inspires students to work harder and take more pride in their academic work.

Catholic schools recognize parents and family as primary educators, while fostering a shared vision among the two. As the father of four children who have attended Catholic schools, I know they strive to create a special bond between families and the school.

As Pope John Paul II said, ". . . and so the purpose of Catholic Education is to communicate Christ to you, so that your attitude toward others will be that of Christ."

Obviously, children do not form their core moral values because of what schools teach them. Respect for life, and for the rights of others, does not start at school. It starts at home. But that does not mean that our schools don't have a role to play in helping parents instill in their children a sense of right and wrong. Schools can help parents, or they can help undermine their efforts. I am proud that Catholic schools are working every day to help parents to instill decency fair play, and respect for others. Parents know their job is not an easy one these days. Their moral lessons are constantly being undermined by contradictory messages that bombard our kids from every possible direction. It's very reassuring to parents of Catholic school students to know that at least their child's school can be counted upon to be an ally in this struggle.

Lastly, in honoring the contributions of Catholic schools, we must not forget or neglect the vital role of our public school system. Both school systems assist and teach each other. Many troubled children have transferred out of the public school system and have been turned around in a Catholic school. This symbiotic relationship strengthens both systems.

Mr. Speaker, I ask that all members lend their support to H. Res. 335, and pass it unanimously.

Mr. CROWLEY. Mr. Speaker, as we celebrate Catholic School Week, I rise today to express my support for H. Res. 335, honoring the contributions of Catholic schools to our children and our country.

For centuries Catholic schools have been a gift to the nation as well as to the Catholic church. They have helped millions of children become informed and caring citizens. In New York, His Eminence Edward Cardinal Eagen, Archdiocese of New York and Bishop Thomas V. Daily, Diocese of Brooklyn and Queens are part of a long standing American tradition of providing quality religious instruction to New York City children, where the Catholic schools are older than the public schools, dating back to the year 1800. I am particularly proud of St. Joseph's in Astoria, whose supportive and dedicated parents I was happy to write a letter in praise of earlier this week.

Mr. Speaker, from Head Start to high school, Catholic schools prepare our children to be positive influences on the lives of others, particularly in urban and inner city areas. They promote academic excellence and spiritual enrichment. Their values-centered instruction produce students strongly dedicated to their faith, their families, and the communities. They provide hope and promise to those who may be bereft of it. Perhaps most importantly, they have created opportunities to integrate the families and children of many nationalities and cultures into America and into New York.

Mr. Speaker, more than 24 percent of school children enrolled in Catholic schools, such as St. Bartholomew's in Elmhurst, are minorities, many new to our country and the English language.

In my district alone, roughly 30 schools serve over 8,000 students, 74 percent of which are minorities, many of whom are immigrants. To these children, Catholic schools perform the tireless work of uplifting all boats, and ensure that no child in their care is left behind. Their value to our education system and to society as a whole is—literally and figuratively—beyond measure. I know these things because I myself am a product of Catholic schools. The dedicated teachers at Power Memorial High School, and the principles of the Church that guided them helped me become the man I am today. In addition three of my relatives received the divine calling to dedicate themselves to the Lord's work. My Uncle, Father John Crowley is currently the Pastor of St. John of the Cross Church in Vero Beach, Florida. Another Uncle, Father Paul Murphy is a Catholic priest in Philadelphia and my Aunt, Sister Mary Rose Crowley, is a member of the Sisters of Notre Dame, in West Palm Beach.

Mr. Speaker, Catholic school and the Church had a profound influence on my family and myself in the way we learned to see the world. But the world today is a lot different than the one most of us grew up in. So perhaps the most significant contribution of Catholic schools remains their dedication to lend purpose and guidance to those lost in poverty and tough neighborhoods.

In my district, Catholic schools initiate school enrichment, in particular "user-friendly" after-school and special education programs benefiting youngsters throughout the Bronx and Queens, providing direction to children who might otherwise be lost to the streets. These programs and the strong support parochial schools provide to children surrounded by urban challenges provided wholesome influences and much needed structure, making an invaluable difference in countless lives.

Mr. Speaker, I ask that you please join me in honoring the 200,000 Catholic educators in our country. They serve the 2.6 million students attending approximately 8,200 Catholic elementary and secondary schools in America. We thank them for their dedication, their service, and their commitment to our children.

Mr. UDALL of New Mexico. Mr. Speaker, I rise today in support of H. Res. 335 that honors the contributions of Catholic Schools throughout our country. Whatever our religious affiliations we can all admit that for many generations our parochial schools have achieved positive results in providing an excellent education.

The graduation rate of Catholic school students is 95 percent, 83 percent of Catholic high school graduates go on to college, and only 3 percent of Catholic high school students drop out of school. The Catholic schools throughout New Mexico have mirrored these national statistics by providing a high standard of excellence in the way they educate their students.

For example, the LaSallian Christian Brothers founded St. Michael's High School, in my Congressional District, in 1859. One hundred and forty-three years later, St. Michael's continues to provide many of the families of northern New Mexico with a parochial education that emphasizes both its religious, academic, and social goals.

Catholic schools, such as St. Michael's, promote positive values, a sense of spirit and support by educating each student in the spirit of faith and of academic excellence.

I encourage my colleagues to support this resolution that honors the contributions Catholic schools have made to our society.

Mr. KILDEE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. TIBERI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. WALDEN of Oregon). The question is on the motion offered by the gentleman from Ohio (Mr. TIBERI) that the House suspend the rules and agree to the resolution, House Resolution 335.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative..

Mr. TIBERI. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 5 p.m.

Accordingly (at 2 o'clock and 57 minutes p.m.), the House stood in recess until 5 p.m.

□ 1700

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SWEENEY) at 5 p.m.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed a concurrent resolution of the following title in which the concurrence of the House is required:

S. CON. RES. 95. Concurrent resolution providing for a conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives.

ELECTION OF MEMBER TO COMMITTEE ON ARMED SERVICES

Mr. ARMEY. Mr. Speaker, I offer a resolution (H. Res. 337) and I ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 337

Resolved, That the following Member be. and is hereby elected to the following standing committee of the House of Representatives:

Armed Services: Mr. WILSON of South Carolina.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONDITIONAL RECESS OR ADJOURNMENT OF SENATE AND CONDITIONAL ADJOURNMENT OF HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore laid before the House the following privileged Senate concurrent resolution (S. Con. Res. 95) providing for a conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 95

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Tuesday, January 29, 2002, it stand recessed or adjourned until noon on Monday, February 4, 2002, or until such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Tuesday, January 29, 2002, it stand adjourned until noon on Monday, February 4, 2002, or until Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble at such place and time as they may designate whenever, in their opinion, the public interest shall warrant it.

The SPEAKER pro tempore. Without objection, the Senate concurrent resolution is concurred in.

There was no objection.

A motion to reconsider was laid on the table.

HOUR OF MEETING ON TUESDAY, FEBRUARY 5, 2002

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, February 4, 2002, it adjourns to meet at 12:30 p.m. on Tuesday, February 5, 2002, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY, FEBRUARY 6, 2002

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, February 6, 2002.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

WISHING ST. LOUIS RAMS WELL ON SUPER BOWL SUNDAY

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that it be the will of this body that the St. Louis Rams have a good day on Sunday next.

The SPEAKER pro tempore. The gentleman's sentiment is noted.

HONORING CONTRIBUTIONS OF CATHOLIC SCHOOLS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the resolution, H. Res. 335.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. TIBERI) that the House suspend the rules and agree to the resolution, H. Res. 335, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 388, nays 0, answered "present" 1, not voting 45, as follows:

[Roll No. 5]

YEAS—388

Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Burr
Burton
Buyer
Callahan
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeGette
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hefley
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hyde
Inslee
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Maloney (CT)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, Gary

Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Neal
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Snyder
Solis
Souder
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

ANSWERED "PRESENT"—1

Paul

NOT VOTING—45

Abercrombie
Becerra
Bryant
Calvert
Capuano
Carson (IN)
DeFazio
Delahunt
Doolittle
English
Gephardt
Gibbons
Gonzalez
Hansen
Hayworth
Hinchey
Hunter
Isakson
Jefferson
Largent
Lewis (CA)
Lipinski
Luther
Maloney (NY)
Manzullo
Murtha
Napolitano
Nethercutt
Ortiz
Pickering
Radanovich
Riley
Rodriguez
Roukema
Roybal-Allard
Simpson
Smith (MI)
Smith (WA)
Spratt
Tiahrt
Toomey
Traficant
Waters
Weldon (PA)
Whitfield

□ 1728

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. TIAHRT. Mr. Speaker, on rollcall No. 5 I was inadvertently detained. Had I been present, I would have voted "yea."

Mr. RILEY. Mr. Speaker, I was unavoidably detained for rollcall No. 5, H. Res. 335, Honoring the contributions of Catholic schools. Had I been present I would have voted "yea."

Ms. ROYBAL-ALLARD. Mr. Speaker, due to a family health emergency, I was unable to be present for rollcall vote 5 on Tuesday, January 29. Had I been present, I would have voted "yea."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SWEENEY). The Chair desires to make an announcement.

After consultation with the majority and minority leaders, and with their consent and approval, the Chair announces that tonight when the two Houses meet in joint session to hear an address by the President of the United States, only the doors immediately opposite the Speaker and those on his left and right will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Due to the large attendance that is anticipated, the Chair feels that the rule regarding the privilege of the floor must be strictly adhered to.

Children of Members will not be permitted on the floor, and the cooperation of all Members is requested.

The practice of reserving seats prior to the joint session by placard will not be allowed. Members may reserve their seats by physical presence only following the security sweep of the Chamber.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 8:40 p.m. for the purpose of receiving in joint session the President of the United States.

Accordingly (at 5 o'clock and 30 minutes p.m.), the House stood in recess until approximately 8:40 p.m.

□ 2051

AFTER RECESS

The recess having expired, the House was called to order at 8 o'clock and 51 minutes p.m.

JOINT SESSION OF THE HOUSE AND SENATE HELD PURSUANT TO THE PROVISIONS OF HOUSE CONCURRENT RESOLUTION 299 TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The Speaker of the House presided.

The Assistant to the Sergeant at Arms, Mr. Bill Sims, announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort the President of the United States into the Chamber:

The gentleman from Texas (Mr. ARMEY);

The gentleman from Oklahoma (Mr. WATTS);

The gentleman from California (Mr. COX);

The gentlewoman from Ohio (Ms. PRYCE);

The gentlewoman from Illinois (Mrs. BIGGERT);

The gentleman from Missouri (Mr. GEPHARDT);

The gentlewoman from California (Ms. PELOSI);

The gentleman from Texas (Mr. FROST);

The gentleman from New Jersey (Mr. MENENDEZ); and

The gentlewoman from California (Ms. MILLENDER-MCDONALD).

The VICE PRESIDENT. The President of the Senate, at the direction of that body, appoints the following Senators as members of the committee on the part of the Senate to escort the President of the United States into the House Chamber:

The Senator from South Dakota (Mr. DASCHLE);

The Senator from Nevada (Mr. REID);

The Senator from Maryland (Ms. MIKULSKI);

The Senator from North Dakota (Mr. DORGAN);

The Senator from Massachusetts (Mr. KERRY);

The Senator from West Virginia (Mr. ROCKEFELLER);

The Senator from Washington (Mrs. MURRAY);

The Senator from Illinois (Mr. DURBIN);

The Senator from California (Mrs. BOXER);

The Senator from Louisiana (Mr. BREAUX);

The Senator from Mississippi (Mr. LOTT);

The Senator from Oklahoma (Mr. NICKLES);

The Senator from Texas (Mrs. HUTCHISON);

The Senator from Idaho (Mr. CRAIG);

The Senator from Tennessee (Mr. FRIST);

The Senator from Texas (Mr. GRAMM);

The Senator from Kentucky (Mr. MCCONNELL); and

The Senator from Maine (Ms. COLLINS).

The Assistant to the Sergeant at Arms announced the Acting Dean of the Diplomatic Corps, His Excellency Roble Olhaye, from the Republic of Djibouti.

The Acting Dean of the Diplomatic Corps entered the Hall of the House of Representatives and took the seat reserved for him.

The Assistant to the Sergeant at Arms announced the Associate Justices of the Supreme Court.

The Associate Justices of the Supreme Court entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

The Assistant to the Sergeant at Arms announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 9 o'clock and 11 minutes p.m., the Sergeant at Arms, the Honorable Wilson Livingood, announced the President of the United States.

The President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

(Applause, the Members rising.)

The SPEAKER. Members of the Congress, I have the high privilege and the distinct honor of presenting to you the President of the United States.

(Applause, the Members rising.)

THE STATE OF THE UNION ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The PRESIDENT. Thank you very much.

Mr. Speaker, Vice President CHENEY, Members of Congress, distinguished guests and fellow citizens:

As we gather tonight, our Nation is at war, our economy is in recession and the civilized world faces unprecedented dangers. Yet the state of our Union has never been stronger.

We last met in an hour of shock and suffering. In 4 short months, our Nation has comforted the victims; begun to rebuild New York and the Pentagon; rallied a great coalition; captured, arrested, and rid the world of thousands of terrorists; destroyed Afghanistan terrorist training camps; saved a people from starvation and freed a country from brutal oppression.

The American flag flies again over our embassy in Kabul. Terrorists who once occupied Afghanistan now occupy cells at Guantanamo. And terrorist leaders who urged followers to sacrifice their lives are running for their own.

America and Afghanistan are now allies against terror. We will be partners in rebuilding that country, and this evening we welcome the distinguished interim leader of a liberated Afghanistan, Chairman Hamid Karzai.

The last time we met in this Chamber, the mothers and daughters of Afghanistan were captives in their own homes, forbidden from working or going to school. Today, women are free and are part of Afghanistan's new government, and we welcome the new Minister of Women's Affairs, Dr. Sima Samar.

Our progress is a tribute to the spirit of the Afghan people, to the resolve of our coalition, and to the might of the United States military. When I called our troops into action, I did so with complete confidence in their courage and skill; and tonight, thanks to them, we are winning the war on terror. The men and women of our Armed Forces have delivered a message now clear to every enemy of the United States: even 7,000 miles away, across oceans and continents, on mountaintops and in caves, you will not escape the justice of this Nation.

For many Americans, these 4 months have brought sorrow and pain that will never completely go away. Every day a retired firefighter returns to Ground Zero to feel closer to his two sons who died there. At a memorial in New York, a little boy left his football with a note for his lost father: "Dear Daddy, please take this to heaven. I don't want to play football until I can play with you again someday."

Last month at the grave of her husband, Michael, a CIA officer and Marine who died in Mazar-e Sharif, Shannon Spann said these words of farewell: "Semper Fi, my love." Shannon is with us tonight.

Shannon, I assure you and all who have lost a loved one that our cause is just, and our country will never forget the debt we owe Michael and all who gave their lives for freedom.

Our cause is just, and it continues. Our discoveries in Afghanistan confirmed our worst fears and showed us the true scope of the task ahead. We have seen the depth of our enemy's hatred in videos where they laugh about the loss of innocent life. And the depth of their hatred is equaled by the madness of the destruction they design. We have found diagrams of American nuclear power plants and public water facilities, detailed instructions for making chemical weapons, surveillance maps of American cities, and thorough descriptions of landmarks in America and throughout the world.

What we have found in Afghanistan confirms that, far from ending there, our war against terror is only beginning. Most of the 19 men who hijacked planes on September 11 were trained in Afghanistan's camps, and so were tens of thousands of others. Thousands of dangerous killers, schooled in the methods of murder, often supported by outlaw regimes, are now spread throughout the world like ticking time bombs, set to go off without warning.

Thanks to the work of our law enforcement officials and coalition partners, hundreds of terrorists have been arrested. Yet tens of thousands of trained terrorists are still at large. These enemies view the entire world as their battlefield, and we must pursue them wherever they are. So long as training camps operate, so long as nations harbor terrorists, freedom is at risk, and America and our allies must not, and will not, allow it.

Our Nation will continue to be steadfast and patient and persistent in the pursuit of two great objectives. First, we will shut down terrorist camps, disrupt terrorist plans and bring terrorists to justice. Second, we must prevent the terrorists and regimes who seek chemical, biological, or nuclear weapons from threatening the United States and the world.

Our military has put the terror training camps of Afghanistan out of business; yet camps still exist in at least a dozen countries. A terrorist underworld, including groups like Hamas, Hezbollah, Islamic Jihad, and Jaish-i-Mohammad, operates in remote jungles and deserts and hides in the centers of large cities.

While the most visible military action is in Afghanistan, America is acting elsewhere. We now have troops in the Philippines helping to train that country's armed forces to go after terrorist cells that have executed an American and still hold hostages. Our soldiers, working with the Bosnian Government, seized terrorists who were plotting to bomb our embassy. Our Navy is patrolling the coast of Africa to block the shipment of weapons and the establishment of terrorist camps in Somalia.

My hope is that all nations will heed our call and eliminate the terrorist parasites who threaten their countries, and our own. Many nations are acting forcefully. Pakistan is now cracking down on terror, and I admire the strong leadership of President Musharraf. But some governments will be timid in the face of terror. And make no mistake about it: if they do not act, America will.

Our second goal is to prevent regimes that sponsor terror from threatening America or our friends and allies with weapons of mass destruction. Some of these regimes have been pretty quiet since September 11, but we know their true nature. North Korea is a regime arming with missiles and weapons of mass destruction, while starving its citizens.

Iran aggressively pursues these weapons and exports terror, while an unelected few repress the Iranian people's hope for freedom.

Iraq continues to flaunt its hostility toward America and to support terror. The Iraqi regime has plotted to develop anthrax and nerve gas and nuclear weapons for over a decade. This is a regime that has already used poison gas to murder thousands of its own citizens, leaving the bodies of mothers huddled over their dead children. This is a regime that agreed to international inspections, then kicked out the inspectors. This is a regime that has something to hide from the civilized world.

States like these, and their terrorist allies, constitute an axis of evil, arming to threaten the peace of the world. By seeking weapons of mass destruction, these regimes pose a grave and growing danger. They could provide these arms to terrorists, giving them the means to match their hatred. They could attack our allies or attempt to blackmail the United States. In any of these cases, the price of indifference would be catastrophic.

We will work closely with our coalition to deny terrorists and their state sponsors the materials, technology and expertise to make and deliver weapons of mass destruction. We will develop and deploy effective missile defenses to protect America and our allies from sudden attack. And all nations should know, America will do what is necessary to ensure our Nation's security.

We will be deliberate; yet time is not on our side. I will not wait on events, while dangers gather. I will not stand by as peril draws closer and closer. The United States of America will not permit the world's most dangerous regimes to threaten us with the world's most destructive weapons.

Our war on terror is well begun, but it is only begun. This campaign may not be finished on our watch; yet it must be, and it will be waged on our watch.

We cannot stop short. If we stopped now, leaving terror camps intact and terror states unchecked, our sense of security would be false and temporary. History has called America and our allies to action, and it is both our responsibility and our privilege to fight freedom's fight.

Our first priority must always be the security of our Nation, and that will be reflected in the budget I send to Congress. My budget supports three great goals for America: we will win this war, we will protect our homeland, and we will revive our economy.

September 11 brought out the best in America, and the best in this Congress, and I join the American people in applauding your unity and resolve. Now Americans deserve to have this same spirit directed toward addressing problems here at home. I am a proud member of my party, yet as we act to win the war, protect our people, and create jobs in America, we must act first and foremost not as Republicans, not as Democrats, but as Americans.

It costs a lot to fight this war. We have spent more than a billion dollars a month, over $30 million a day, and we must be prepared for future operations. Afghanistan proved that expensive precision weapons defeat the enemy and spare innocent lives, and we need more of them. We need to replace aging aircraft and make our military more agile to put our troops anywhere in the world quickly and safely. Our men and women in uniform deserve the best weapons, the best equipment, and the best training, and they also deserve another pay raise. My budget includes the largest increase in defense spending in two decades, because while the price of freedom and security is high, it is never too high. Whatever it costs to defend our country, we will pay.

The next priority of my budget is to do everything possible to protect our citizens and strengthen our Nation against the ongoing threat of another attack. Time and distance from the events of September 11 will not make us safer unless we act on its lessons. America is no longer protected by vast oceans. We are protected from attack only by vigorous action abroad and increased vigilance at home.

My budget nearly doubles funding for a sustained strategy of homeland security, focused on four key areas: bioterrorism, emergency response, airport and border security, and improved intelligence. We will develop vaccines to fight anthrax and other deadly diseases. We will increase funding to help States and communities train and equip our heroic police and firefighters. We will improve intelligence collection and sharing, expand patrols at our borders, strengthen the security of air travel, and use technology to track the arrivals and departures of visitors to the United States.

Homeland security will make America not only stronger but, in many ways, better. Knowledge gained from bioterrorism research will improve public health, stronger police and fire departments will mean safer neighborhoods, and stricter border enforcement will help combat illegal drugs.

And as government works to better secure our homeland, America will continue to depend on the eyes and ears of alert citizens. A few days before Christmas, an airline flight attendant spotted a passenger lighting a match. The crew and passengers quickly subdued the man, who had been trained by al Qaeda and was armed with explosives. The people on that plane were alert and, as a result, likely saved nearly 200 lives, and tonight we welcome and thank flight attendants Hermis Moutardier and Christina Jones.

Once we have funded our national security and our homeland security, the final great priority of my budget is economic security for the American people. To achieve these great national objectives, to win the war, protect the homeland, and revitalize our economy, our budget will run a deficit that will be small and short term so long as Congress restrains spending and acts in a fiscally responsible manner. We have clear priorities and we must act at home with the same purpose and resolve we have shown overseas: we will prevail in the war, and we will defeat this recession.

Americans who have lost their jobs need our help, and I support extending unemployment benefits and direct assistance for health care coverage. Yet American workers want more than unemployment checks, they want a steady paycheck. When America works, America prospers, so my economic security plan can be summed up in one word: jobs.

Good jobs begin with good schools, and here we have made a fine start. Republicans and Democrats worked together to achieve historic education reform so that no child is left behind. I was proud to work with Members of both parties, Chairman JOHN BOEHNER and Congressman GEORGE MILLER, Senator JUDD GREGG; and I was so proud of our work I even had nice things to say about my friend, TED KENNEDY. I know the folks at the Crawford coffee shop could not believe I would say such a thing, but our work on this bill shows what is possible if we set aside posturing and focus on results.

There is more to do. We need to prepare our children to read and succeed in school with improved Head Start and early childhood development programs. We must upgrade our teacher colleges and teacher training and launch a major recruiting drive with a great goal for America: a quality teacher in every classroom.

Good jobs also depend on reliable and affordable energy. This Congress must act to encourage conservation, promote technology, build infrastructure, and it must act to increase energy production at home so America is less dependent on foreign oil.

Good jobs depend on expanded trade. Selling into new markets creates new jobs, so I ask Congress to finally approve trade promotion authority. On these two key issues, trade and energy, the House of Representatives has acted to create jobs, and I urge the Senate to pass this legislation.

Good jobs depend on sound tax policy. Last year, some in this Hall thought my tax relief plan was too small, and some thought it was too big. But when the checks arrived in the mail, most Americans thought tax relief was just about right. Congress listened to the people and responded by reducing tax rates, doubling the child credit, and ending the death tax. For the sake of long-term growth and to help Americans plan for the future, let us make these tax cuts permanent.

The way out of this recession, the way to create jobs, is to grow the economy by encouraging investment in factories and equipment, and by speeding up tax relief so people have more money to spend. For the sake of American workers, let's pass a stimulus package.

Good jobs must be the aim of welfare reform. As we reauthorize these important reforms, we must always remember the goal is to reduce dependency on government and offer every American the dignity of a job.

Americans know economic security can vanish in an instant without health security. I ask Congress to join me this year to enact a Patients' Bill of Rights, to give uninsured workers credits to help buy health coverage, to approve an historic increase in spending for veterans' health, and to give seniors a sound and modern Medicare system that includes coverage for prescription drugs.

A good job should lead to security in retirement. I ask Congress to enact new safeguards for 401(k) and pension plans. Employees who have worked hard and saved all their lives should not have to risk losing everything if their company fails. Through stricter accounting standards and tougher disclosure requirements, corporate America must be made more accountable to employees and shareholders, and held to the highest standards of conduct.

Retirement security also depends upon keeping the commitments of Social Security, and we will. We must make Social Security financially stable and allow personal retirement accounts for younger workers who choose them.

Members, you and I will work together in the months ahead on other issues: productive farm policy; a cleaner environment; broader home ownership, especially among minorities; and ways to encourage the good work of charities and faith-based groups. I ask you to join me on these important domestic issues in the same spirit of cooperation we have applied to our war against terrorism.

During these last few months, I have been humbled and privileged to see the true character of this country in a time of testing. Our enemies believed America was weak and materialistic, that we would splinter in fear and selfishness. They were as wrong as they are evil.

The American people have responded magnificently, with courage and compassion, strength and resolve. As I have met the heroes, hugged the families, and looked into the tired faces of rescuers, I have stood in awe of the American people.

And I hope you will join me in expressing thanks to one American for the strength, and calm, and comfort she brings to our Nation in crisis: our First Lady, Laura Bush.

None of us would ever wish the evil that was done on September 11, yet after America was attacked, it was as if our entire country looked into a mirror and saw our better selves. We were reminded that we are citizens, with obligations to each other, to our country, and to history. We began to think less of the goods we can accumulate, and more about the good we can do.

For too long our culture has said, "If it feels good, do it." Now America is embracing a new ethic and a new creed: "Let's roll." In the sacrifice of soldiers, the fierce brotherhood of firefighters, and the bravery and generosity of ordinary citizens, we have glimpsed what a new culture of responsibility could look like. We want to be a Nation that serves goals larger than self. We have been offered a unique opportunity, and we must not let this moment pass.

My call tonight is for every American to commit at least 2 years, 4,000 hours, over the rest of your lifetime to the service of your neighbors and your Nation.

Many are already serving, and I thank you. If you aren't sure how to help, I've got a good place to start. To sustain and extend the best that has emerged in America, I invite you to join the new USA Freedom Corps. The Freedom Corps will focus on three areas of need: responding in case of crisis at home, rebuilding our communities, and extending American compassion throughout the world.

One purpose of the USA Freedom Corps will be homeland security. America needs retired doctors and nurses who can be mobilized in major emergencies, volunteers to help police and fire departments, transportation and utility workers well-trained in spotting danger.

Our country also needs citizens working to rebuild our communities. We need mentors to love children, especially children whose parents are in prison, and we need more talented teachers in troubled schools. USA Freedom Corps will expand and improve the good efforts of AmeriCorps and Senior Corps to recruit more than 200,000 new volunteers.

And America needs citizens to extend the compassion of our country to every part of the world. So we will renew the promise of the Peace Corps, double its volunteers over the next 5 years, and ask it to join a new effort to encourage development and education and opportunity in the Islamic world.

This time of adversity offers a unique moment of opportunity, a moment we must seize to change our culture. Through the gathering momentum of millions of acts of service and decency and kindness, I know we can overcome evil with greater good.

And we have a great opportunity during this time of war to lead the world toward the values that will bring lasting peace. All fathers and mothers in all societies want their children to be educated and to live free from poverty and violence. No people on Earth yearn to be oppressed or aspire to servitude or eagerly await the midnight knock of the secret police.

If anyone doubts this, let them look to Afghanistan, where the Islamic "street" greeted the fall of tyranny with song and celebration. Let the skeptics look to Islam's own rich history, with its centuries of learning and tolerance and progress.

America will lead by defending liberty and justice because they are right and true and unchanging for all people everywhere. No nation owns these aspirations, and no nation is exempt from them. We have no intention of imposing our culture, but America will always stand firm for the nonnegotiable demands of human dignity, the rule of law, limits on the power of the state, respect for women, private property, free speech, equal justice, and religious tolerance.

America will take the side of brave men and women who advocate these values around the world, including the Islamic world, because we have a greater objective than eliminating threats and containing resentment. We seek a just and peaceful world beyond the war on terror.

In this moment of opportunity, a common danger is erasing old rivalries. America is working with Russia and China and India in ways we have never before to achieve peace and prosperity. In every region, free markets and free trade and free societies are proving their power to lift lives. Together with friends and allies from Europe to Asia from Africa to Latin America, we will demonstrate that the forces of terror cannot stop the momentum of freedom.

The last time I spoke here, I expressed the hope that life would return to normal. In some ways, it has. In others, it never will. Those of us who have lived through these challenging times have been changed by them. We have come to know truths that we will never question: evil is real, and it must be opposed. Beyond all differences of race or creed, we are one country, mourning together and facing danger together. Deep in the American character, there is honor, and it is stronger than cynicism. Many have discovered again that even in tragedy, especially in tragedy, God is near.

In a single instant, we realized that this will be a decisive decade in the history of liberty, that we have been called to a unique role in human events. Rarely has the world faced a choice more clear or consequential.

Our enemies send other people's children on missions of suicide and murder. They embrace tyranny and death as a cause and a creed. We stand for a different choice, made long ago on the day of our founding. We affirm it again today. We choose freedom and the dignity of every life.

Steadfast in our purpose, we now press on. We have known freedom's price. We have shown freedom's power. And in this great conflict, my fellow Americans, we will see freedom's victory. Thank you all. May God bless.

(Applause, the Members rising.)

At 10 o'clock and 4 minutes p.m. the President of the United States, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Assistant to the Sergeant at Arms escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Associate Justices of the Supreme Court.

The Acting Dean of the Diplomatic Corps.

JOINT SESSION DISSOLVED

The SPEAKER. The Chair declares the joint session of the two Houses now dissolved.

Accordingly, at 10 o'clock and 7 minutes p.m., the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

MESSAGE OF THE PRESIDENT REFERRED TO THE COMMITTEE OF THE WHOLE HOUSE ON THE STATE OF THE UNION

Mr. BLUNT. Mr. Speaker, I move that the message of the President be referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

The motion was agreed to.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BECERRA (at the request of Mr. GEPHARDT) for today.

Mr. CAPUANO (at the request of Mr. GEPHARDT) for today on account of personal reasons.

Ms. CARSON of Indiana (at the request of Mr. GEPHARDT) for today on account of official business in the district.

Mrs. NAPOLITANO (at the request of Mr. GEPHARDT) for today on account of illness.

Mr. ORTIZ (at the request of Mr. GEPHARDT) for today on account of important business on behalf of the district.

Mr. SPRATT (at the request of Mr. GEPHARDT) for today on account of illness.

Ms. WATERS (at the request of Mr. GEPHARDT) for today on account of official business in the district.

Mrs. ROUKEMA (at the request of Mr. ARMEY) for today on account of illness.

ENROLLED BILLS SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 400. An act to authorize the Secretary of the Interior to establish the Ronald Reagan Boyhood Home National Historic Site, and for other purposes.

H.R. 700. An act to reauthorize the Asian Elephant Conservation Act of 1997.

H.R. 1913. An act to require the valuation of nontribal interest ownership of subsurface rights within the boundaries of the Acoma Indian Reservation, and for other purposes.

H.R. 1937. An act to authorize the Secretary of the Interior to engage in certain feasibility studies of water resource projects in the State of Washington.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1762. An act to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes.

ADJOURNMENT

Mr. BLUNT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. Pursuant to Senate Concurrent Resolution 95 of the 107th Congress, the House stands adjourned until noon, Monday, February 4, 2002.

Thereupon (at 10 o'clock and 8 minutes p.m.), pursuant to Senate Concurrent Resolution 95, the House adjourned until Monday, February 4, 2002, at noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5237. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Energy Conservation Program for Consumer Products: Test Procedure for Dishwashers [Docket No. EE-RM/TP-99-500] (RIN: 1904-AB04) received January 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5238. A letter from the Assistant General Council for Regulatory Law, Department of Energy, transmitting the Department's final rule—Reporting Fraud, Waste, and Abuse to the Office of Inspector General—received January 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5239. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Cooperation with the Office of Inspector General—received January 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5240. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; New York's Reasonable Further Progress Plans, Transportation Conformity Budgets, Reasonably Available Control Measure Analysis and 1-hour Ozone Attainment Demonstration State Implementation Plan [Region 2 Docket No. NY55-237, FRL-7132-5] received January 18, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5241. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Arthur, North Dakota) [MM Docket No. 01-12, RM-10039] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5242. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Moberly, Malta Bend, Chillicothe, Lee's Summit, La Monte, Warsaw, Nevada, Maryville & Madison, Missouri & Topeka, Junction City, Humboldt, Marysville & Burlington, Kansas, & Auburn, Nebraska) [MM Docket No. 00-129, RM-9909, RM-10017] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5243. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Las Vegas and Pecos, New Mexico) [MM Docket No. 01-141, RM-10146] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5244. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Wadley, Georgia) [MM Docket No. 01-178, RM-10195] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5245. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.606(b), Table of Allotments, Television Broadcast Stations (Boise, Idaho) [MM Docket No. 01-85, RM-9039] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5246. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Mendocine, California) [MM Docket No. 01-168, RM-10187] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5247. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Sykesville, Pennsylvania) [MM Docket No. 01-176, RM-10191] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5248. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Pittsburg, New Hampshire) [MM Docket No. 01-170, RM-10190] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5249. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Kailua-Kona, Hawaii) [MM Docket No. 00-174, RM-9965] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5250. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (St. Augustine and Neptune Beach, Florida) [MM Docket No. 01-101, RM-10097] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5251. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (San Antonio, Texas) [MM Docket No. 00–100, RM–9860] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5252. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Soperton, Swainsboro and East Dublin, Georgia) [MM Docket No. 99–259, RM–9685, RM–9775] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5253. A communication from the President of the United States, transmitting notification terminating the suspensions pertaining to the export of bomb containment and disposal units for use in the prevention of terrorist bombings, pursuant to Public Law 101–246, section 902(b)(2) (104 Stat. 85); to the Committee on International Relations.

5254. A letter from the Secretary, Department of Commerce, transmitting the Export administration's annual report for fiscal year 2001, pursuant to 50 U.S.C. app. 2413; to the Committee on International Relations.

5255. A letter from the Director, Office of Government Ethics, transmitting the Office's final rule—Standards of Ethical Conduct for Employees of the Executive Branch; Definition of Compensation for Purposes of Prohibition on Acceptance of Compensation in Connection with Certain Teaching, Speaking and Writing Activities (RIN: 3209–AA04) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5256. A letter from the Administrator, Office of Management and Budget, transmitting a copy of the report, "Making Sense of Regulation: 2001 Report to Congress on the Costs and Benefits of Regulations and Unfunded Mandates on State, Local and Tribal Entities," pursuant to 2 U.S.C. 1538; to the Committee on Government Reform.

5257. A letter from the Acting Chair, Federal Subsistence Board, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Subsistence Management Regulations for Public Lands in Alaska, Subpart C and Subpart D–2002 Subsistence Taking of Fish and Shellfish Regulations (RIN: 1018–AH77) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5258. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulation; Beaufort Channel, Beaufort, North Carolina [CGD05–01–001] (RIN: 2115–AE47) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5259. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Miami River, Miami, Dade County, FL [CGD07–01–053] (RIN: 2115–AE47) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5260. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Special Local Regulations for Marine Events; Chester River, Kent Island Narrows, Maryland [CGD05–00–044] (RIN: 2115–AE46) January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5261. A letter from the Chief, Regulations and Administrative Law, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Annisquam River, Blynman Canal, MA [CGD01–01–156] received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5262. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Modification to Special Local Regulation (SLR) for Seattle Seafair Unlimited Hydroplane Race [CGD 13–01–004] (RIN: 2115–AE46) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5263. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Certification of Navigation Lights for Uninspected Commercial Vessels and Recreational Vessels [USCG–1999–6580] (RIN: 2115–AF70) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5264. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Regulated Navigation Area; San Francisco Bay, California [CGD 11–01–013] (RIN: 2115–AE84) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5265. A letter from the Attorney, RSPA, Department of Transportation, transmitting the Department's final rule—Pipeline Safety: Pipeline Integrity Management in High Consequence Areas (Repair Criteria) [Docket No. RSPA–99–6355; Amendment 195–74] (RIN: 2137–AD61) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5266. A letter from the Attorney, RSPA, Department of Transportation, transmitting the Department's final rule—Pipeline Safety: Pipeline Integrity Management in High Consequence Areas (Hazardous Liquid Operators With Less Than 500 Miles of Pipelines)[Docket No. RSPA–00–7408; Amdt. No. 195–76] (RIN: 2137–AD49) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5267. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; SOCATA—Groupe Aerospatiale Models TB 9, TB 10, TB 20, TB 21, and TB 200 Airplanes [Docket No. 2001–CE–09–AD; Amendment 39–12502; AD 2001–23–05] (RIN: 2120–AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5268. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747 Series Airplanes [Docket No. 2001–NM–02–AD; Amendment 39–12514; AD 2001–23–15] (RIN: 2120–AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5269. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767 Series Airplanes [Docket No. 2001–NM–311–AD; Amendment 39–12585; AD 2001–26–19] (RIN: 2120–AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5270. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767–200 Series Airplanes [Docket No. 2000–NM–351–AD; Amendment 39–12573; AD 2001–26–09] (RIN: 2120–AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5271. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767 Series Airplanes Powered by Pratt & Whitney Model PW4000 Series Engines [Docket No. 2000–NM–19–AD; Amendment 39–12517; AD 2001–24–01] (RIN: 2120–AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5272. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 707–100, –100B, –300, and –E3A (Military Airplanes); 727–100 and –200; 737–200, –200C, –300, –400, and –500; 747SP and 747SR; 747–100B, –200B, –200C, –200F, –300, –400, and –400D; 757–200 and –200PF; and 767–200 –300 Series Airplanes [Docket No. 2000–NM–115–AD; Amendment 39–12518; AD 2001–24–02] (RIN: 2120–AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5273. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–8 Series Airplanes [Docket No. 2000–NM–283–AD; Amendment 39–12568; AD 2001–26–04] (RIN: 2120–AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5274. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–8 Series Airplanes [Docket No. 2000–NM–281–AD; Amendment 39–12566; AD 2001–26–02] (RIN: 2120–AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5275. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–8 Series Airplanes [Docket No. 2000–NM–282–AD; Amendment 39–12567; AD 2001–26–03] (RIN: 2120–AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5276. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–90–30 Series Airplanes [Docket No. 2000–NM–196–AD; Amendment 39–12520; AD 2001–24–04] (RIN: 2120–AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5277. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes [Docket No. 2001–NM–354–AD; Amendment 39–12574; AD 2001–26–10] (RIN: 2120–AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5278. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes [Docket No. 2000–NM–358–AD; Amendment 39–12521; AD 2001–24–05] (RIN: 2120–AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5279. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the Department's Memorandum of Understanding between the United States and the Government of the Republic of Bolivia concerning the imposition of import restrictions on archaeological material from the pre-Columbian cultures and certain ethnological material from the colonial and republican periods of Bolivia, pursuant to 19 U.S.C. 2602(g)(1); to the Committee on Ways and Means.

5280. A letter from the Secretary, Department of Agriculture, transmitting the FY 2000 activities report on environmental assessment, restoration, and cleanup activities required by Section 120(e)(5) of the Comprehensive Environmental Response, Compensation, and Liability Act; jointly to the Committees on Agriculture and Energy and Commerce.

5281. A letter from the Secretary, Department of Health and Human Services, transmitting a report entitled, "Study of Intravenous Immune Globulin Administration Options: Safety, Access and Cost Issues" submitted in response to requirements of Public Law 106–113; jointly to the Committees on Ways and Means and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. PASCRELL:

H.R. 3639. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers to designate $3 of their income tax liability for purposes of homeland security and further to establish an Office of Homeland Security within the Executive Office of the President; to the Committee on Ways and Means, and in addition to the Committee on Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PASCRELL:

H.R. 3640. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to ensure that individual account plans protect workers by limiting the amount of employer stock each worker may hold and encouraging diversification of investment of plan assets, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GILMAN:

H.R. 3641. A bill to amend the September 11th Victim Compensation Fund of 2001 to delete the collateral compensation limitation; to the Committee on the Judiciary.

By Mr. BONIOR:

H.R. 3642. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to require plan administrators of 401(k) plans to provide semiannual reports to participants and beneficiaries fully and accurately disclosing the financial health of the plan sponsor and promoting diversification of investment of their plan assets; to the Committee on Education and the Workforce.

By Mr. COLLINS (for himself and Mr. BISHOP):

H.R. 3643. A bill to designate the Federal building and United States courthouse located at 120 12th Street in Columbus, Georgia, as the "J. Robert Elliott Federal Building and United States Courthouse"; to the Committee on Transportation and Infrastructure.

By Mr. CONYERS (for himself, Mr. GEPHARDT, Mr. WATT of North Carolina, Ms. JACKSON-LEE of Texas, Ms. WATERS, Mr. MARKEY, Mr. SANDERS, and Mr. STUPAK):

H.R. 3644. A bill to amend title 18, United States Code, to eliminate the securities fraud exception from the civil remedy for racketeering violations; to the Committee on the Judiciary.

By Mr. EVANS (for himself, Mr. FILNER, Mr. GUTIERREZ, Ms. BROWN of Florida, Mr. REYES, Ms. CARSON of Indiana, Mr. LYNCH, Mr. SANDERS, Ms. KAPTUR, Mrs. JONES of Ohio, and Mr. DINGELL):

H.R. 3645. A bill to amend title 38, United States Code, to provide for improved procurement practices by the Department of Veterans Affairs in procuring health-care items; to the Committee on Veterans' Affairs.

By Mr. HILLIARD:

H.R. 3646. A bill to amend the Small Business Act to increase the maximum amount for which a loan can be made under the Microloan Program; to the Committee on Small Business.

By Mr. LAHOOD:

H.R. 3647. A bill to extend the temporary suspension of duty on nicosulfuron formulated product ("Accent"); to the Committee on Ways and Means.

By Mr. LAHOOD:

H.R. 3648. A bill to extend the temporary suspension of duty on DPX-E9260; to the Committee on Ways and Means.

By Mr. LAHOOD:

H.R. 3649. A bill to extend the temporary suspension of duty on DPX-E6758; to the Committee on Ways and Means.

By Mr. LAHOOD:

H.R. 3650. A bill to extend the temporary suspension of duty on Carbamic Acid (U-9069); to the Committee on Ways and Means.

By Mr. LAHOOD:

H.R. 3651. A bill to suspend temporarily the duty on mixtures of N-[(4,6–Dimethoxypyrimidin-2-yl) aminocarbonyl]-3-(ethylsulfonyl)-2-pyridine-sulfonamide; 2-(((((4,6–Dimethoxypyrimidin-2-yl)aminocarbonyl))aminosulfonyl))- N,N-dimethyl-3-pyridinecarboxamide; and application adjuvants; to the Committee on Ways and Means.

By Mr. LAHOOD:

H.R. 3652. A bill to suspend temporarily the duty on mixtures of Methyl 3-[[[[(4-methoxy-6-methyl-1, 3,5-triazin-2-ly)amino[carbonyl] mino]sulfonly]-2-thiophenecarboxylate; Methyl 2-[[[[(4-methoxy-6-methyl-1, 3,5-triazin-2-yl)methylamino]carbonyl]amino]sulfonyl]benzoate; and application adjuvants; to the Committee on Ways and Means.

By Mr. LAHOOD:

H.R. 3653. A bill to suspend temporarily the duty on mixtures of Methyl 3-[[[[(4-methoxy-6- methyl-1,3,5-triazin-2-ly) amino]carbonyl] amino]sulfonyl]- 2-thiophenecarboxylate and application adjuvants; to the Committee on Ways and Means.

By Mr. LAHOOD:

H.R. 3654. A bill to suspend temporarily the duty on mixtures of Methyl 2-[[[[(4-methoxy-6-methyl- 1,3,5-triazin-2-yl) methylamino] carbonyl]amino]sulfonyl]benzoate and application adjuvants; to the Committee on Ways and Means.

By Mr. LAHOOD:

H.R. 3655. A bill to suspend temporarily the duty on mixtures of N-[(4,6–Dimethoxypyrimidin-2-yl) aminocarbonyl]-3-(ethylsulfonyl) -2-pyridine-sulfonamide; Methyl 3-[[[[(4methoxy-6-methyl-1,3,5-triazin-2-ly)amino]carbonyl]amino]sulfonyl]-2- thiophenecarboxylate; and application adjuvants; to the Committee on Ways and Means.

By Mr. LEACH:

H.R. 3656. A bill to amend the International Organizations Immunities Act to provide for the applicability of that Act to the European Central Bank; to the Committee on International Relations.

By Mr. GEORGE MILLER of California (for himself, Mr. GEPHARDT, Ms. PELOSI, Mr. BONIOR, Mr. FROST, Mr. CUMMINGS, Mr. BROWN of Ohio, Mr. BARRETT, Ms. LEE, Mr. STARK, Mr. FRANK, Mr. OWENS, Mr. MCGOVERN, Mr. TIERNEY, Mr. ANDREWS, Ms. MCCOLLUM, Ms. WOOLSEY, Ms. SOLIS, Mr. LAFALCE, Mr. HOLT, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. WYNN, Mrs. TAUSCHER, Ms. WATSON, Mrs. CLAYTON, Ms. BERKLEY, Mr. ACEVEDO-VILA, Mr. HONDA, Mr. PASTOR, Mr. STUPAK, Ms. BALDWIN, Mr. SABO, Ms. MILLENDER-MCDONALD, Mrs. DAVIS of California, Ms. SCHAKOWSKY, Mr. PHELPS, Mr. OLVER, Mr. BACA, Mr. RODRIGUEZ, Mrs. CHRISTENSEN, Mr. SAWYER, Mr. FARR of California, Mr. HINCHEY, Mr. HILLIARD, Mr. SANDLIN, Ms. SLAUGHTER, Mr. LANTOS, Mr. FALEOMAVAEGA, Ms. KAPTUR, Mr. BLAGOJEVICH, Mr. DOGGETT, Mr. ROHRABACHER, Ms. NORTON, Ms. RIVERS, and Mr. DINGELL):

H.R. 3657. A bill to amend the Employee Retirement Income Security Act of 1974 to provide for improved disclosure, diversification, account access, and accountability under individual account plans; to the Committee on Education and the Workforce.

By Mr. MORAN of Virginia (for himself and Mr. MCGOVERN):

H.R. 3658. A bill to direct the Consumer Product Safety Commission to promulgate a consumer products safety standard that requires manufacturers of certain consumer products to establish and maintain a system for providing notification of recalls of such products to consumers who first purchase such a product; to the Committee on Energy and Commerce.

By Mr. MURTHA (for himself, Mrs. LOWEY, Ms. ROYBAL-ALLARD, Mr. STARK, Mr. MORAN of Virginia, Mr. UPTON, Mrs. MORELLA, Mr. ANDREWS, Mr. NORWOOD, and Mr. DOYLE):

H.R. 3659. A bill to provide disadvantaged children with access to dental services; to the Committee on Energy and Commerce.

By Mr. NADLER:

H.R. 3660. A bill to control the sale of gun kits; to the Committee on the Judiciary.

By Mr. NEY:

H.R. 3661. A bill to amend the National Housing Act to simplify the downpayment requirements for FHA mortgage insurance for single family homebuyers; to the Committee on Financial Services.

By Mr. ROTHMAN (for himself, Mr. Owens, Mr. Smith of New Jersey, Mr. Payne, Ms. Carson of Indiana, and Mrs. Clayton):

H.R. 3662. A bill to amend the Electronic Fund Transfer Act to ensure the convenience of automated teller machines and the safety of the machines and the customers by establishing security measures for the machines, and for other purposes; to the Committee on Financial Services.

By Mrs. ROUKEMA:

H.R. 3663. A bill to repeal the provision of the September 11th Victim Compensation Fund of 2001 that requires the reduction of a claimant's compensation by the amount of any collateral source compensation payments the claimant is entitled to receive, and for other purposes; to the Committee on the Judiciary.

By Mr. SHIMKUS:

H.R. 3664. A bill to amend the Intermodal Surface Transportation Efficiency Act of 1991, relating to a rural access project in Mt. Vernon, Illinois; to the Committee on Transportation and Infrastructure.

By Mr. SMITH of New Jersey:

H.R. 3665. A bill to amend the September 11th Victim Compensation Fund of 2001 to ensure equity for victims; to the Committee on the Judiciary.

By Mr. THUNE:

H.R. 3666. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for economic recovery and to provide assistance to displaced workers; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. WOOLSEY:

H.R. 3667. A bill to measure the self-sufficiency of families leaving State programs providing temporary assistance to needy families, and to provide an incentive for States to help move families toward self-sufficiency; to the Committee on Ways and Means.

By Ms. MILLENDER-McDONALD:

H. Con. Res. 309. Concurrent resolution recognizing the importance of good cervical health and of detecting cervical cancer during its earliest stages; to the Committee on Energy and Commerce.

By Mr. ROGERS of Michigan:

H. Con. Res. 310. Concurrent resolution expressing appreciation to the courageous men and women of the Armed Forces and to participating nations for their dedication and sacrifice in Operation Enduring Freedom; to the Committee on Armed Services, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. PRYCE of Ohio (for herself, Mrs. Northup, Mr. Tiberi, Mr. Burton of Indiana, Mr. Shaw, Mr. Oberstar, Mr. Oxley, Mr. Smith of New Jersey, Mr. Brown of Ohio, Mr. Cramer, Mr. King, Mr. Delahunt, Mr. DeMint, Mr. Souder, Mr. Costello, Mr. Hall of Ohio, Mr. LaTourette, Mr. Boehner, Ms. Kaptur, Mr. Chabot, Mr. Traficant, Mr. Gillmor, Mr. Portman, Mr. Pickering, Mr. Phelps, Mr. Sawyer, Mr. Hobson, Mr. Camp, Mr. Skeen, Mr. Strickland, Mr. Matheson, Mr. Matsui, Mr. Kucinich, Mrs. Morella, Mr. Ney, and Mr. Weldon of Florida):

H. Res. 336. A resolution honoring the life of Rex David "Dave" Thomas and expressing the deepest condolences of the House of Representatives to his family on his death; to the Committee on Government Reform. considered and agreed to.

By Mr. ARMEY:

H. Res. 337. A resolution designating majority membership on certain standing committees of the House; considered and agreed to.

By Mr. NADLER (for himself, Mr. Israel, Mr. Engel, Mrs. McCarthy of New York, Mr. Towns, Mrs. Maloney of New York, Mr. Owens, Mr. McNulty, Mr. Rangel, Mr. Serrano, Mr. Ackerman, Ms. Slaughter, Mrs. Lowey, Mr. Hinchey, and Ms. Velázquez):

H. Res. 338. A resolution recognizing the tragic effects of the September 11 attacks on the World Trade Center on New York State and New York City and expressing the renewed commitment of the House of Representatives to rebuild New York; to the Committee on Transportation and Infrastructure, and in addition to the Committees on Armed Services, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. SLAUGHTER (for herself, Mr. Hoeffel, and Mr. Smith of New Jersey):

H. Res. 339. A resolution urging the Government of Ukraine to ensure a democratic, transparent, and fair election process leading up to the March 31, 2002, parliamentary elections; to the Committee on International Relations.

By Mr. SWEENEY:

H. Res. 340. A resolution recognizing and honoring Jack Shea, Olympic gold medalist in speed skating, for his many contributions to the Nation and to his community throughout his life; to the Committee on Government Reform.

By Mr. WELLER:

H. Res. 341. A resolution expressing the support of the House of Representatives for President Bush's tax cut for families and small businesses as embodied in Public Law 107–16 and opposing any effort to delay implementation of this tax cut; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII,

Mr. KANJORSKI introduced A bill (H.R. 3668) for the relief of Charmaine Bieda; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 21: Mr. Petri.

H.R. 122: Mr. Wilson of South Carolina.

H.R. 168: Mr. Wilson of South Carolina.

H.R. 190: Mr. Brady of Texas.

H.R. 218: Mr. Otter, Ms. Carson of Indiana, and Mr. Thune.

H.R. 368: Mr. Wilson of South Carolina.

H.R. 397: Mr. Udall of New Mexico, Mr. Tiberi, Mr. Sanders, and Mrs. Jo Ann Davis of Virginia.

H.R. 399: Mr. Kanjorski, Mr. Mascara, Mr. Serrano, Mr. Smith of Washington, Mr. Gonzalez, Mr. Davis of Florida, Mr. Watt of North Carolina, Mr. Hinchey, and Mr. Green of Texas.

H.R. 491: Mr. Abercrombie, Mr. Bonior, and Ms. Schakowsky.

H.R. 536: Mr. Owens.

H.R. 563: Ms. Norton.

H.R. 594: Mr. Bonior.

H.R. 600: Ms. Carson of Indiana.

H.R. 612: Mr. Wilson of South Carolina.

H.R. 632: Mr. Wilson of South Carolina.

H.R. 633: Mr. Israel.

H.R. 638: Mr. Farr of California.

H.R. 690: Ms. Harman.

H.R. 746: Mr. Wilson of South Carolina.

H.R. 764: Mr. Forbes.

H.R. 792: Mr. Wilson of South Carolina.

H.R. 868: Mr. Wilson of South Carolina.

H.R. 887: Mr. Israel.

H.R. 968: Mr. Wilson of South Carolina.

H.R. 986: Mr. Ehlers and Mr. Johnson of Illinois.

H.R. 1012: Mr. Goodlatte and Mr. Blumenauer.

H.R. 1037: Mr. Souder.

H.R. 1073: Mr. Wilson of South Carolina.

H.R. 1086: Mrs. Morella.

H.R. 1109: Mr. Barr of Georgia, Mr. Jeff Miller of Florida, Mr. Wilson of South Carolina, and Mr. Manzullo.

H.R. 1146: Mr. Bartlett of Maryland.

H.R. 1186: Ms. McKinney, Mr. Brown of Ohio, Mr. Jackson of Illinois, and Ms. Watson.

H.R. 1262: Mr. Mollohan, Mr. Strickland, Mr. Wexler, Mrs. Jones of Ohio, Mr. Hastings of Florida, Ms. DeLauro, Mr. Watt of North Carolina, and Mr. Baird.

H.R. 1296: Mr. Boucher and Mr. Doyle.

H.R. 1297: Mr. Saxton.

H.R. 1354: Mr. Price of North Carolina.

H.R. 1494: Mr. Farr of California.

H.R. 1509: Mr. Baird.

H.R. 1512: Mr. Weiner.

H.R. 1530: Ms. DeLauro.

H.R. 1543: Mr. Isakson.

H.R. 1609: Mr. Davis of Florida and Mr. Wilson of South Carolina.

H.R. 1671: Mr. Owens.

H.R. 1674: Mr. Wilson of South Carolina.

H.R. 1700: Mr. Lynch and Mr. Baird.

H.R. 1723: Mr. Terry, Mr. Sawyer, Mr. Lucas of Kentucky, and Mr. Rothman.

H.R. 1774: Mr. Wilson of South Carolina.

H.R. 1795: Mr. Faleomavaega, Mr. Simpson, Mr. Lipinski, and Mr. McInnis.

H.R. 1808: Ms. Carson of Indiana.

H.R. 1810: Mr. Markey and Mr. Lynch.

H.R. 1919: Mr. Platts and Mr. Otter.

H.R. 2035: Mr. Frank and Ms. McCollum.

H.R. 2073: Mr. Holden.

H.R. 2097: Mr. Blumenauer, Mr. Matsui, Mr. Hinchey, and Mr. Gutierrez.

H.R. 2098: Mr. Toomey.

H.R. 2125: Mr. Bartlett of Maryland and Mr. Gilchrest.

H.R. 2207: Mr. Baird, Mr. McDermott, and Mr. McHugh.

H.R. 2219: Mr. Langevin, Mr. Faleomavaega, and Mr. Holt.

H.R. 2220: Mr. Saxton, Mrs. Clayton, and Mr. Tierney.

H.R. 2335: Mr. Petri, Mr. Peterson of Minnesota, Mr. Blumenauer, and Mr. McNulty.

H.R. 2339: Mr. Wilson of South Carolina.

H.R. 2341: Mr. Hostettler and Mr. Gekas.

H.R. 2349: Mrs. McCarthy of New York.

H.R. 2357: Mr. Wilson of South Carolina.

H.R. 2374: Mr. Otter, Mr. Nussle, and Mr. Goodlatte.

H.R. 2377: Mr. Price of North Carolina and Mr. Waxman.

H.R. 2379: Ms. Ros-Lehtinen and Mr. Baca.

H.R. 2381: Mr. Paul.

H.R. 2419: Mr. Towns and Mr. Faleomavaega.

H.R. 2426: Mr. Vitter.

H.R. 2457: Mr. Pence.

H.R. 2492: Mrs. Wilson of New Mexico.

H.R. 2623: Ms. Carson of Indiana and Ms. McCollum.

H.R. 2628: Mr. Aderholt and Mr. Wicker.

H.R. 2629: Mr. Price of North Carolina, Mr. Etheridge, and Mr. Goodlatte.

H.R. 2630: Mr. Evans.

H.R. 2637: Mr. Wilson of South Carolina. .

H.R. 2638: Mr. Boucher, Mr. Edwards, Ms. McCollum, Mr. Davis of Illinois, Mr. Lampson, Mr. Phelps, Mr. Gibbons, and Mr. Sawyer.

H.R. 2670: Mr. Andrews.

H.R. 2710: Mrs. Wilson of New Mexico.

H.R. 2723: Mr. Stark.

H.R. 2725: Mr. Wilson of South Carolina.

H.R. 2775: Ms. Rivers.

H.R. 2817: Mr. Keller, Mr. Tom Davis of Virginia, Mr. Faleomavaega, Mr. Platts, Mr. McHugh, and Mr. Hostettler.

H.R. 2820: Mr. Goodlatte and Ms. Ros-Lehtinen.

H.R. 2847: Mr. Isakson and Mrs. Christensen.

H.R. 2868; Mr. Holt and Mr. Gilman.

H.R. 2907: Mr. Baird.

H.R. 2908: Ms. Norton, Mr. Matsui, Mr. Clyburn, and Mr. Rodriguez.

H.R. 2957: Mr. Faleomavaega.

H.R. 3007: Mr. Forbes and Mr. Maloney of Connecticut.

H.R. 3025: Mr. Watts of Oklahoma.

H.R. 3041: Mr. Bonilla and Ms. Norton.

H.R. 3105: Mr. Wamp.

H.R. 3113: Mr. Davis of Illinois and Mr. Lantos.

H.R. 3115: Ms. Carson of Indiana.

H.R. 3131: Mr. McKeon.

H.R. 3139: Mr. Brady of Texas.

H.R. 3157: Ms. Norton.

H.R. 3182: Mr. Conyers and Mr. Wexler.

H.R. 3186: Ms. Ros-Lehtinen.

H.R. 3192: Mrs. McCarthy of New York, Mrs. Johnson of Connecticut, Mr. Castle, and Mr. Israel.

H.R. 3244: Mr. Ferguson, Mr. Brown of Ohio, Mr. Inslee, Mr. Lantos, Mrs. Wilson of New Mexico, Mrs. Napolitano, Mr. Blagojevich, Mr. Payne, Mr. Stupak, Mr. Duncan, Mr. Skelton, and Mr. Sununu.

H.R. 3274: Mr. Watt of North Carolina.

H.R. 3278: Mr. Platts, Mr. Borski, Mr. Smith of New Jersey, Mr. Waxman, Mr. Wolf, Ms. Baldwin, Mr. Blumenauer, Mr. Blagojevich, and Mr. Sanders.

H.R. 3281: Ms. Norton.

H.R. 3285: Mr. Meehan.

H.R. 3331: Ms. Norton.

H.R. 3336: Mr. Faleomavaega and Mr. Stark.

H.R. 3337: Mr. Matheson, Mr. Lantos, Mr. Mascara, Mr. Green of Texas, Mr. Blagojevich, Mr. Otter, and Ms. Brown of Florida.

H.R. 3340: Mr. Waxman.

H.R. 3351: Mr. Mascara, Mr. Bartlett of Maryland, Mr. Honda, Mr. Udall of Colorado, Mr. Kind, and Mr. Weldon of Pennsylvania.

H.R. 3354: Mr. Engel, Mr. Pastor, Mr. Filner, Mr. Waxman, and Mr. Kildee.

H.R. 3359: Mr. Brady of Pennsylvania, Mr. Green of Texas, Mr. Crowley, Mr. Costello, Mr. Abercrombie, Mr. Honda, Mr. Cramer, Ms. DeLauro, Ms. Baldwin, and Mr. Jefferson.

H.R. 3368: Mr. Faleomavaega.

H.R. 3389: Mr. Tauzin, Mr. Spratt, and Mr. Clyburn.

H.R. 3414: Mr. Guiterrez, Ms. Harman, and Mr. Baca.

H.R. 3431: Mr. Fattah, Mr. Bonior, Mr. Hayworth, Mr. Quinn, Mr. Frank, Mr. Boehlert, Mr. Hansen, Mr. Houghton, Mr. King, Mr. Sanders, Mr. Young of Florida, and Ms. Ros-Lehtinen.

H.R. 3443: Mr. Frost, Mr. Schrock, Mr. Gibbons, Mr. Wilson of South Carolina, and Ms. Brown of Florida.

H.R. 3453: Ms. Baldwin.

H.R. 3462: Mr. Hayworth, Mr. Frank, and Mr. Sanders.

H.R. 3463: Mr. Abercrombie, Mr. Owens, Mr. Hoeffel, Mr. Luther, Mr. Sanders, Ms. Carson of Indiana, and Ms. Rivers.

H.R. 3465: Mr. Gephardt, Mr. Turner, Mr. Shays, Mr. Hastings of Florida, Ms. DeLauro, Ms. Brown of Florida, Mr. Matheson, and Ms. Berkley..

H.R. 3478: Mr. Issa and Mr. Schrock.

H.R. 3482: Mr. English.

H.R. 3495: Mr. Hostettler.

H.R. 3509: Ms. Rivers.

H.R. 3515: Mr. Baird.

H.R. 3524: Mr. McDermott and Mr. Kucinich.

H.R. 3533: Mr. Sandlin, Mr. Moore, and Mr. Cantor.

H.R. 3555: Mr. Wu.

H.R. 3569: Mr. Goode and Mr. Sanders.

H.R. 3584: Mr. Foley.

H.R. 3595: Ms. Carson of Indiana.

H.R. 3622: Ms. Slaughter.

H.R. 3630: Mr. Shaw.

H. Con. Res. 97: Mr. Costello.

H. Con. Res. 162: Mr. Kennedy of Rhode Island, Mr. Smith of New Jersey, and Ms. Solis.

H. Con. Res. 177: Ms. Brown of Florida, Mr. Clay, and Ms. DeLauro.

H. Con. Res. 290: Ms. DeLauro, Ms. Woolsey, and Ms. Kilpatrick.

H. Con. Res. 303: Mr. Stump, Mr. Sessions, Mr. Crane, Mr. Gibbons, Mr. McKeon, Mr. Oxley, and Mr. Sensenbrenner.

H. Res. 98: Mr. Holt.

H. Res. 120: Mr. Jefferson, Ms. Kilpatrick, Mr. Kennedy of Rhode Island, Mr. Wilson of South Carolina, Mr. Bartlett of Maryland, Mrs. Roukema, Mr. Kildee, and Mr. Ford.

H. Res. 225: Mrs. Clayton, Mr. Ford, Ms. Jackson-Lee of Texas, Ms. Eddie Bernice Johnson of Texas, Mr. Thompson of Mississippi, Mr. Owens, Ms. McKinney, Ms. Waters, Mr. Pastor, Ms. Schakowsky, Mr. Bishop, Mrs. Meek of Florida, and Mr. Clyburn.

H. Res. 313: Mr. Thompson of California, Mr. Hastings of Florida, Mr. Sanders, and Ms. McCollum.

H. Res. 335: Mr. Hoekstra, Mr. English, Mr. Vitter, Mr. Platts, Mr. Baker, Mr. Smith of New Jersey, Mr. Baca, Mr. Bachus, Mr. Davis of Illinois, Mr. Israel, Mr. McInnis, and Mr. Grucci.

SENATE—*Tuesday, January 29, 2002*

The Senate met at 10:30 a.m. and was called to order by the Honorable BENJAMIN E. NELSON, a Senator from the State of Nebraska.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, Sovereign of America, source of our unity, and strength of our lives, we praise You for the privilege of living in this land of freedom and opportunity. On this day of the State of the Union Address by President George W. Bush, we ask for Your continued blessing on him. We thank You for him, his firm faith in You, his courageous leadership in the battle against terrorism, and his commitment to seek what is best for America.

Today, we renew our loyalty to our President as Commander in Chief, our attentiveness to listen to his vision, and our thoughtful reflection on his convictions on issues. Most of all, when he stands before the joint session of Congress and the Nation, may he feel our friendship, esteem, and encouragement. Bless the First Lady, Laura Bush, Vice President CHENEY, the President's Cabinet, and all who work with him in confronting the crises of our world in this turbulent, terrorist-troubled time. Be with the Senators as they affirm their primary commitment to You, their patriotism for America, and their creative debate on the soul-sized issues before our Nation. God, bless America and both Houses of Congress on this important day. Amen.

PLEDGE OF ALLEGIANCE

The ACTING PRESIDENT pro tempore led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, DC, January 29, 2002.*
>
> *To the Senate:*
>
> Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BENJAMIN E. NELSON, a Senator from the State of Nebraska, to perform the duties of the Chair.
>
> ROBERT C. BYRD,
> *President pro tempore.*

Mr. NELSON thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

SCHEDULE

Mr. REID. Mr. President, as the Presiding Officer indicated, we will be in a period of morning business until 11 o'clock this morning. At 11 a.m. the Senate will resume consideration of H.R. 622, the economic stimulus bill, with the Durbin unemployment insurance amendment pending. There will be 30 minutes of debate for that amendment, and at 11:30 we will vote.

The Senate will recess from 12:30 until 2:15 today for weekly party conferences. I advise Members there are some amendments pending. The next two amendments in order will be those from this side of the aisle. I say to anyone who has any debate they want to have in relation to these amendments or the bill itself, this afternoon would be a good time. The leader has not announced whether there will be more votes this afternoon, but there very likely could be more. As we know, this afternoon we have a number of other things going on here.

Tonight is that time of the year when we will have the President coming from 1600 Pennsylvania Avenue to give his State of the Union Address. We anticipate that with relish. We look forward to that, as well as seeing how we can help him in his battle against terrorism and working to defeat the economic crisis we have at home.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I join with the Senator from Nevada in urging people to come to the floor with amendments. I am pleased we have had the opportunity to present amendments. I think the bill initially was not adequate. We do need to do that, and we are going to have an opportunity. I urge all Members to do that. We need also, of course, to give some thought to our spending. It looks as if it will be a real issue. We will be spending out of control if we are not careful.

I yield the floor.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11 a.m. with Senators permitted to speak therein for up to 10 minutes each.

RONALD REAGAN BOYHOOD HOME NATIONAL HISTORIC SITE

Mr. REID. I ask consent the Senate proceed to Calender No. 307, H.R. 400.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

> A bill (H.R. 400) to authorize the Secretary of the Interior to establish the Ronald Reagan Boyhood Home National Historic Site, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. I ask unanimous consent the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to this matter be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The bill (H.R. 400) was read the third time and passed.

The ACTING PRESIDENT pro tempore. The Senator from Utah.

HISTORY STANDARDS IN NEW JERSEY TEXTBOOKS

Mr. BENNETT. Mr. President, yesterday there was an article in the newspaper that caught my attention. I hope sincerely that the article was incorrect. All Members have had the experience of being quoted in the newspaper and wondering where the reporter got the information that was the basis of the story. I hope that is the case with this article.

It was reported in the State of New Jersey a new set of history standards have been adopted and that textbooks in New Jersey high schools dealing with American history will now fail to mention the names of George Washington, Benjamin Franklin, or Thomas Jefferson. Further, it said the word "war" had been removed from the textbooks and in its place we have the word "conflict," and there would be no discussion of wars.

Mr. President, I hope this is incorrect. It indicates that at least someone in New Jersey is prepared to make that

State an isolated island of ignorance about American history. To think we can bring citizens into maturity in this country without their having any understanding of, indeed, no mention of, the names of George Washington, Benjamin Franklin, Thomas Jefferson, and the other Founding Fathers is absurd.

One of the best-selling books currently in the marketplace is the history of John Adams by David McCullough. On the dust jacket of the book, McCullough says, accurately, we as Americans cannot know too much about our Founding Fathers. We must never forget them. We must always learn as much as we possibly can about them.

I would say to those who are supporting this position in New Jersey schools, how are you going to explain to your students the fact that we take the Fourth of July as a holiday in this country if you are not going to tell them anything about the Revolutionary War? If you cannot even use the word "war," how are you going to explain to these students that the country honors those who founded it and who fought that war; if you can't tell them the name of the commander of the Continental Army and the forces on the American side of that war because you think that name somehow no longer matters?

How are you going to describe what happened on the Fourth of July if you cannot use the name of Thomas Jefferson, the author of the Declaration of Independence, that was proclaimed to the country on that day? How are you going to explain to high school students who decide they are going to enter public service, and take an oath of office, that they are swearing to uphold and defend the Constitution of the United States when you will not have been able to describe the Constitutional Convention, the President of which was George Washington, and one of the leading figures in which was Benjamin Franklin, if you have exorcized the names of Washington and Franklin from your textbooks? What meaning does the oath of office have if you cannot explain where the Constitution came from or describe the convention that created it?

How are you going to describe some of the major problems that have existed in this country stemming from the great battle that was the Civil War, that went across five Aprils, and divided this country in a fundamental way that has taken us a century or more to heal?

No, we can't discuss that. We can talk about conflicts, but we will not discuss the leaders of that war. We will not discuss many of the problems of that war because it isn't politically correct to raise those issues anymore.

We have talked about history in this Chamber before. There have been those who have been trying to rewrite our history, trying to change it and shape it and slice it and dice it in ways that become politically correct in today's mode of conversation. You cannot do that and be accurate to the requirement of telling the truth about what really happened.

That is Orwellian. We read the novel by George Orwell, "1984," in which the hero of the novel spent all of his time at his job changing the past. He worked for the Ministry of Truth and his job was to go back and correct the record so as to rob the present society of a true understanding of the past in the name of the state, thus the adjective "Orwellian" entered our language.

What is being proposed in New Jersey is Orwellian. It is stupid and it needs to be condemned.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota.

UNEMPLOYMENT BENEFITS EXTENSION

Mr. DAYTON. Mr. President, I rise today to speak on behalf of the amendment offered by my very distinguished colleague, the Senator from Illinois, Mr. DURBIN, regarding unemployment benefits for Americans who are not now receiving them. The legislation offered by Senator DASCHLE has a very important provision to extend unemployment benefits by 13 weeks for the people in this country who are receiving unemployment now and whose benefits are scheduled to run out in the very near future.

We have lost, in this country, almost 2 million jobs since January of a year ago. Yet we have not done what this Congress has done in most previous recessions, certainly the last two or three recessions, which is to extend unemployment benefits. Already in Minnesota, and I am sure in other States, the unemployment benefits are running out for people who lost their jobs earlier in the year. It is just simple decency, it is simple justice, to be offering that extension now.

In fact, as you know, we have tried to do that in this body, for instance, last September, at the time we passed legislation to prevent a bankruptcy in our Nation's airlines. At that time, many of us wanted to increase the unemployment benefits duration and were then not able to do so.

This is something that is long overdue. I commend our majority leader for making that a keystone of his proposal now on economic stimulus. I was delighted to read the President purportedly will be indicating his support for extending unemployment benefits tonight. So I hope this is something we will be able to address on a bipartisan basis.

Additionally, however, reports are that over half of the Americans who are out of work, who have lost their jobs during this last year, are not receiving any unemployment benefits whatsoever. They are not eligible. Even though they were working Americans, even though they have been in the workforce, because they held only part-time jobs, because maybe they held multiple part-time jobs, they are not receiving any unemployment benefits whatsoever. That is over half of the people who are out of work in this country, including my State of Minnesota.

That is a national disgrace. That totally repudiates the kind of safety net that we say we are going to create for people who, through no fault of their own, who through no choice of their own, are thrown into economic hard times, their families into economic despair. They lose their health benefits; they lose their income; they lose their jobs. No wonder people are devastated by that kind of experience.

The amendment of Senator DURBIN very importantly would extend unemployment coverage for those 13 weeks to men and women throughout this country who have just lost their jobs but are now not receiving any unemployment benefits whatsoever. The Durbin amendment would also slightly increase the amount of money that those who are receiving unemployment benefits will get during those 13 weeks because, again, we are talking about people who, through no fault or choice of their own, are thrown out of the workforce.

In many States, those unemployment benefits are not even enough to reach a bare minimum poverty level. We can afford to be generous. We can't afford not to be generous for people in that circumstance.

I commend Senator DURBIN for this important addition to Senator DASCHLE's amendment. I hope we will receive today the kind of compassion and support the President purportedly will be calling for tonight, and that we can do, in advance of his speech, what we should have done months ago, which is to provide this extension and include others in it.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, it is my understanding, under a previous unanimous consent request, I am recognized now between 11 and 11:30 to share time with those in support and in opposition to my amendment, and at 11:30 there will be a vote on my amendment No. 2714.

The ACTING PRESIDENT pro tempore. The Senator is correct.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mrs. CLINTON). Morning business is closed.

HOPE FOR CHILDREN ACT—Resumed

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

Pending:

Daschle/Baucus amendment No. 2698, in the nature of a substitute.

Durbin amendment No. 2714 (to amendment No. 2698), to provide enhanced unemployment compensation benefits.

Nickles (for Bond) amendment No. 2717, to amend the Internal Revenue Code of 1986 to provide for a temporary increase in expressing under section 179 of such code.

Reid (for Baucus/Torricelli/Bayh) amendment No. 2718 (to amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide for a special depreciation allowance for certain property acquired after December 31, 2001, and before January 1, 2004.

Reid (for Harkin) amendment No. 2719 (to amendment No. 2698), to provide for a temporary increase in the Federal medical assistance percentage for the medicaid program for fiscal year 2002.

Allen amendment No. 2702 (to the language proposed to be stricken by amendment No. 2698), to exclude from gross income certain terrorist attack zone compensation of civilian uniformed personnel.

Reid (for Baucus) amendment No. 2721 (to amendment No. 2698), to provide emergency agriculture assistance.

Bunning/Inhofe modified amendment No. 2699 (to the language proposed to be stricken by amendment No. 2698), to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies.

Hatch/Bennett amendment No. 2724 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to allow the carryback of certain net operating losses for 7 years.

Domenici amendment No. 2723 (to the language proposed to be stricken by amendment No. 2698), to provide for a payroll tax holiday.

Allard/Hatch/Allen amendment No. 2722 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit.

AMENDMENT NO. 2714

The PRESIDING OFFICER. Under the previous order, there shall be 30 minutes of debate on the pending Durbin amendment No. 2714, to be equally divided in the usual form.

Mr. DURBIN. Madam President, this is an amendment to the economic stimulus bill, and it relates to unemployment compensation. There are many arguments that I will make about the justice and fairness of this amendment, but that is not where I am going to start. I want to start with the economics of this amendment.

This is an economic stimulus bill. It is not designed first and foremost to be a bill for restoring justice to unemployment compensation, although I think this amendment achieves that. The first thing it is supposed to do is help the economy move forward. If there is a problem in America's economy today that is easily defined, it is the fact that we have an overcapacity and overproduction of goods and services and limited demand. As a result, businesses across America have said: People are not buying as much as they used to, so we are going to cut back on production. We are going to lay off workers.

That has had a ripple effect in the wrong direction. It has created a recession, which has created unemployment, which has lessened business activity. First and foremost, whatever we do in an economic stimulus package should attack this problem. First and foremost, it should stimulate demand and spending for goods and services. And in stimulating that demand, I believe it will increase the demand for production, and it will increase employment in production industries and start this economy back on the road again.

Here is something that should be kept in mind. For every dollar we put into the economy, we get an impact. We don't know what the impact might be until we see who receives the dollar. If you happen to be a person of great wealth who, frankly, doesn't take each dollar you receive and put it into a purchase, then what they call the multiplier effect might not even be a dollar for a dollar. That dollar may go into a savings account or into an investment. It won't go into the actual demand for goods and services that creates the jobs I mentioned.

We know dollars given to unemployed people are dollars that are spent and respent in a hurry. In fact, the Labor Department has come out with a study that says for every dollar in unemployment benefit we put into the economy, it increases the gross domestic product, the sum total of goods and services in America, by $2.15. These funds are spent and turned over several times in the economy. So if we want to really get the engine roaring when it comes to demand, give the money to the people who are struggling on a daily basis. They will spend it in a hurry. They need to spend it on the obvious necessities of life.

First and foremost, this is an economic stimulus amendment.

Let me speak to the justice and fairness of this amendment. It is a sad reality that only 33 percent of the people who are unemployed receive unemployment insurance. This was not always the case. In fact, not too long ago, 75 percent of unemployed people received unemployment insurance. That was in 1975, 27 years ago. Now it is down to 33 percent. Why the difference? Why is it if you were unemployed in 1975, you were much more likely, more than twice as likely to receive unemployment insurance? Because the nature of employment has changed in America. It is no longer the full-time employee, the 40-hour-a-week employee, who is unemployed. More and more, it is the part-time employee. It is the mother with children, taking a job and only working 4 days a week and who doesn't get any benefits on the job, who finally loses that job and then, unemployed, turns to a system which says: No, the door is closed. We don't have unemployment insurance for part-time workers.

My amendment seeks to do two things: first, to increase unemployment insurance benefits by providing an additional 15 percent or $25, which isn't a huge sum, but it can be helpful to people who are unemployed. Sadly, the unemployment insurance payments to individual workers across America have been falling behind. Take Illinois, for example. The average benefit is only $1,005 a month. The average rent for a two-bedroom apartment is $776 a month. A family couldn't even pay the rent on that money, never mind food, clothes, utilities, and all other family expenses.

Since 1990, we have seen the percentage of lost income replaced by unemployment benefits falling 5 percent. The decline has had a serious impact on a lot of families. Benefits vary by State, but the maximum benefits are as low as $190 a week. Think about keeping a family together with an unemployment payment of $190 a week. What we are trying to do is to give a slight increase, a deserved increase in unemployment insurance benefits.

Secondly, we expand coverage. As I mentioned, take a look at unemployed Americans today compared to 25 years ago. You will find more and more unemployed part-time workers. Because of the calculation of unemployment insurance benefits, they ignore the 6 months before a person loses the job. So many people who have only had a job for a short period of time qualify for nothing. So you have fewer and fewer people with this coverage.

We have to supplement this current unemployment insurance program to provide coverage for welfare-to-work people, women and others who played by the rules and paid into the system. These workers finance the UI fund during many good times, and surely we ought to help them in the bad times.

Women comprise 70 percent of the part-time workforce, 65 percent of service sector workers. They work in the industries hardest hit by the economic downturn. Last year, only 23 percent of unemployed women in America qualified for unemployment insurance benefits.

Remember what we are telling women. We are saying to women: We really would like you to stay home with the kids more. That is kind of our message. Yet many women find they can't keep their family together unless they give a helping hand. Some of them are single mothers. They take a part-time job, maybe the best they can get, maybe all they want, so they can spend more time with the kids. Then they lose their job. Then they get no help from unemployment insurance because they were part-time workers.

This amendment extends unemployment insurance benefits to cover those part-time workers, particularly helping those women who are a disproportionate share of workers affected by it.

According to the GAO, low-wage workers are half as likely to receive benefits than other unemployed workers, even though they are twice as likely to be unemployed. So those are the things we do. We increase the benefits under unemployment insurance. We expand the eligibility so that temporary and part-time workers will at least get a helping hand.

The $15 billion that we estimate this will cost will come entirely out of the unemployment insurance funds in Washington. There is no burden placed on employers or States. It is money collected. It is temporary. It is a kind of helping hand which will stimulate the economy, No. 1, and, No. 2, do the right and fair thing for workers across America.

What does it mean in a few States? Let me give an example. In Illinois, it means that 590,000 unemployed Illinoisans, because of this amendment, will get a helping hand.

Let me pick another State. Let's try Iowa: 157,000 workers in Iowa, under the Durbin amendment, will receive benefits or increased benefits that they otherwise would not have received. Take a look at the part-time workers in the State of Iowa: 11,000 people, unemployed part-time workers in that State will now receive some benefit from unemployment insurance. In my State of Illinois, it is 54,000, a larger State.

I can go through the list, and I am going to put it on the table when we vote. Look at the real numbers of real people who are suffering in your States because of being unemployed and falling through the cracks. This Durbin Amendment tries to close the cracks. I thank Senator WELLSTONE of Minnesota, Senator DAYTON as well, and Senator LANDRIEU and those who have cosponsored this amendment. I will stop now because I want to give some of them an opportunity to speak.

I will yield to the Senator from Iowa or anyone who is going to speak.

Mr. GRASSLEY. Does the Senator from Minnesota want some time?

Mr. DURBIN. The Senator can wait for the Senator from Iowa. We will save some time for important closing remarks.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. First of all, I need to know how much time our side has.

The PRESIDING OFFICER. Fifteen minutes.

Mr. GRASSLEY. Madam President, I will yield myself such time as I might consume. If anybody on my side would like to have some time, I will be glad to share some time with them.

First, I have a philosophical comment based on the history of unemployment compensation legislation. We have set some national policy, but the details of our unemployment compensation regime historically—and I think I would be referring to six or seven decades of American history—have been left to the States to fill in the details. That is because we were then and still are a Nation that is very geographically vast and a country where our population is very heterogeneous—more so now than 70 years ago—to a point where Members of Congress and Presidents have felt it would be wrong to pour one mold in Washington, DC, that we would call an unemployment compensation insurance mold and have our country, which varies from one State to another—and the needs of one State to another, consequently, vary—that it would be wrong to pour that mold in Washington and force every State to treat unemployed workers exactly the same way.

All knowledge doesn't repose here in Washington, DC. There is a great deal of knowledge—maybe more so—with the State legislators than in Washington, DC. Consequently, we have left it to the wisdom of a lot of States to do, in a sense, their own thing with the broad Federal policy—how to treat and compensate the safety net of unemployment insurance. Now we have this approach, which I would not characterize as federalizing unemployment compensation, but obviously it federalizes to a much greater extent than we have right now the unemployment compensation legislation.

Again, we are going to say—if we adopt this—that there is more wisdom in Washington, DC, and in the Congress of the U.S. than in the New York legislature or the Illinois legislature as to how unemployed people in those States ought to be treated or compensated, et cetera. I oppose this amendment on that philosophical ground. But to be more specific, as an example of the wisdom that the Senator from Illinois is saying through his amendment that he knows better how part-time workers ought to be treated than the State legislatures do. Several States do allow part-time workers to be covered. My State of Iowa is one of those States that has decided to cover part-time workers.

So the legislature of my State, a very small State of 3 million people, with a low unemployment rate of 3 and a half percent right now—you might think, what is there about the Iowa legislature that they would cover part-time workers and some other larger State might not. Why did we leave it to the people of my State, the elected legislators, to make that determination? Why is not important. The fact is they did it. They did it because Congress, over several decades, has said we are going to leave that decision to the State legislatures.

Why do we think that we have all the answers here in Washington, DC? So it is fair to say that part-time workers are already eligible for unemployment benefits because there are no States that disqualify unemployed workers merely because they work part time. The issue is whether part-time workers should be allowed to collect unemployment benefits while refusing to accept a full-time job. If a job is available, why should any worker collect unemployment instead of going back to work? Part-time workers—in other words, if there is a job available—should not be on unemployment compensation. Unemployment compensation is not an incentive to keep you out of the workforce. It is historically—and rightfully so—to tide you over from a period of being disconnected with one job until you get back to that job, or until you have an opportunity to take a job someplace else.

Part-time workers are not entitled to benefits simply because their employer paid unemployment taxes. Employers pay unemployment taxes on numerous categories of workers who are not entitled to benefits, for that matter. Such categories would include corporate officers, full-time students, professional athletes, workers who quit their jobs, workers who are not seeking work, workers who are not available for work, and workers who even refuse suitable work. There are a number of States that allow workers to limit their job search to part-time employment and still collect unemployment compensation. If that is what that State decides it wants to do, let that State do it accordingly.

However, this is voluntary State decision. The Federal Government has never dictated such eligibility standards to the States. There is no need for Congress to preempt State decisions on this matter. Expanding eligibility on the basis of part-time work would create new administrative burdens on the respective States. The States would have to decide what hours of the day and what days of the week are suitable for part-time work. As an example, if a worker loses his Monday, Tuesday, Wednesday, noon to 3 p.m. cashier job, can that person still collect unemployment benefits if he refuses to accept a Thursday, Friday, Saturday 3 p.m. to 6 p.m. cashier job?

So State unemployment agencies, right now, lack the resources that it takes to investigate contested claims, like I just described, and others that are too numerous to describe at this point. Thus, it is for that administrative body to make accurate determinations so that you have the enforcement of the unemployment compensation laws done in a fair way. That is why it is wrong, it seems to me, to establish this policy, as if Congress knows what is best for the 50 States and knows that it can be enforced in a certain way, or let the individual State legislatures make the determination on how they want to expand their unemployment compensation laws, and at the same time they will know whether or not they have the administrative capability of enforcing the law the way the State legislature put it.

Case law for part-time workers is going to take years to develop. It is not going to take years in Iowa because we have that decision made and there is a lot of case law there right now. Most part-time workers live with other workers. Thirty-five percent are married with a working spouse. Thirty percent of these part-time workers are children with working parents. Most of the time when workers live with another worker, they will have less incentive to seek new employment—a factor that should be taken into consideration when you start to cover a new class of people at the Federal level without letting the States make that determination. One of the premises of unemployment compensation for anybody is that you be actively seeking a job, that you are out there going door to door to put in your application, asking if there are any vacancies, and to try to benefit yourself during a process in which you are being helped by the unemployment compensation regime to make sure that you have basic necessities while you are trying to make this determination. It is not meant to pay people who are not actively seeking jobs.

So there ought to be some relationship between those and the extent to which we include part-time workers. Without the State making that determination, there might not be that continued relationship that is a basic philosophical underpinning of our unemployment compensation laws.

It seems to me that if we allow this disincentive in accepting new employment, this will lead to longer and more frequent spells of unemployment, more Government spending, and, in the process, reduced economic growth because economic growth is directly related to the productivity of the workers.

Moreover, the provision we are discussing will allow full-time workers to switch to part-time status for unemployment purposes. This will result in even more unemployment and further loss of economic output.

At this point, I am going to yield the floor for colleagues, but I have only spoken to one part of the Durbin amendment, that part dealing with covering part-time workers. There are other parts to it, but I think my underlying philosophical objection will apply to all parts: that all knowledge on unemployment compensation does not rest in the Congress of the United States. We have had this seven-decade tradition of leaving it to the States to fill in the details.

This amendment departs from that tradition. Why should we depart from that tradition? We are departing during a time of 5.8-percent unemployment. We did not depart to this extent when we had 10- and 12-percent unemployment, or at least on all these parts that the Senator from Illinois will try to change. I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Illinois.

Mr. DURBIN. Madam President, I yield 2 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Madam President, I cannot do this in a minute, but I will try.

My colleague from Iowa is grasping at straws. This is not about States rights; it is about workers' rights. This is about helping in Minnesota 217,218 workers. This is about helping working poor part-time workers.

My phone is not ringing off the hook. In fact, we talked to people back home at the State level. Our State governments are not telling us do not give us additional help on unemployment insurance. There is no additional expenditure for the States. States are asking for the help. This is a matter of workers' rights. This is a matter of helping part-time workers, the working poor people, who then consume more which helps the economy. It is win-win-win.

I doubt whether Senators are getting a lot of pressure from the working families in their States, much less State officials, saying: Please, do not help us with unemployment insurance with people flat on their backs through no fault of their own.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DURBIN. Madam President, how much time do I have remaining?

The PRESIDING OFFICER. Four minutes forty-five seconds.

Mr. DURBIN. I yield 2 minutes to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Ms. LANDRIEU. Madam President, I rise to support the Durbin amendment, and I will follow up on what the Senator from Minnesota said in two other ways. No. 1, this amendment is truly a stimulative amendment. Every dollar that will be paid out at no expense to our States will help thousands of people who are unemployed and underemployed by giving them a chance to collect some income while they look for other work and get back into the workforce. Every single dollar is basically going to be circulated back into our economy.

This amendment, as much as it is for unemployed workers, is for grocery stores, for restaurants, and for drugstores. It is for businesses, small businesses in Louisiana, in Illinois, in Minnesota, and in Iowa where the businesspeople are struggling. Why? Because no one is walking into their restaurants to buy the meal or to buy the item.

When we give, through unemployment benefits, dollars for our constituents, what will they do with them? They are not going to put it in their savings account. They most certainly are not going to buy stock. They are going to spend the money at the local restaurant, at the local drugstore, and at the local cleaners. That is why this effort helps us get our economy back. When consumers spend more money, then those business owners will hire another person or two and more people will get back to work.

No. 2, extending these benefits only helps our States. We are picking up the tab for it. Does it cost something? Yes. Is it somewhat expensive? Yes. But we can most certainly afford to help our States at this time since the loss is not due to anything they have done but due to the terrorist attacks and other factors that have affected our economy. I urge my colleagues to support this amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time? The Senator from Oklahoma.

Mr. NICKLES. Madam President, how much time do we have remaining on this side?

The PRESIDING OFFICER. Four minutes eighteen seconds.

Mr. NICKLES. Madam President, I thank my colleague, Senator GRASSLEY, for his statement. I will make a couple of points and echo some of the things he said.

One point my colleague did not mention was how much this is going to cost. I have heard some people say this will cost $8 billion. I have heard other estimates that it will cost $10 billion.

I ask my colleague from Illinois, is that $15 billion in addition to the underlying amendment or $15 billion total? He is indicating it is in addition. Am I correct, in addition?

I do not know, and I will ask my colleague from Illinois if we have a CBO estimate on the cost of the amendment. I have not seen it.

Mr. DURBIN. Will the Senator yield for a moment? I was wrong; it is $15 billion total, not in addition to the underlying amendment.

Mr. NICKLES. If my memory serves me correctly, the Daschle amendment has an unemployment extension of 13 weeks, and that is about $8 billion, I believe. The cost of this is $15 billion. This amendment costs a lot of money, as can be expected, because when we hear people say it is going to benefit thousands of our constituents, from where is the money coming? It is coming from the Federal Government.

This is primarily a State program. We have to decide: Are we going to have the Federal Government take over State management of this program? That is what we are doing with this amendment.

This amendment determines what quarter or what eligibility period. In the past, States have always determined that. So we are going to tell every Governor: You are going to have to use the last quarter. We have not done that in the past. We are going to tell them: This is the quarter to use to determine eligibility and, incidentally, States, you could have provided assistance to temporary workers if you so chose, but now we are telling you you have to provide that assistance.

How do we define "temporary"? My daughter is a senior at Oklahoma State University. She works X number of hours a week. That is temporary. It is not 40 hours a week; it is less than 40 hours. Is she eligible? I think she would be. She might be very displeased with my vote in just a moment.

This amendment costs a lot of money. A temporary worker is going to be eligible to receive the same weekly benefits as a full-time worker. Weekly benefits in New York are a whole lot more than in Oklahoma or a whole lot more than in North Dakota.

In some States, unemployment benefits are as low as $105 and some are $400. I believe New York is closer to $400, and I believe some States are only over $100. Yet we are going to tell those States not only that they have to increase their benefit by at least 15 percent and/or $25, whichever is greater but, yes, now it applies to temporary employees. Do those temporary employees work 10 hours a week, 20 hours a week, 4 hours a week? How far are we going to go in micromanaging who is eligible?

We are going to take a program primarily financed by the States—States have always determined eligibility; States have always determined benefits—and we are going to adjust those figures and say Uncle Sam is going to pick it all up and it is going to cost $15 billion.

I have serious reservations about that. I do not know that my daughter who is working part time to go to school should be qualifying for unemployment compensation. I do not think that is right. If the Federal Government assists her if she gets a student loan to go to school, that is one way. I do not think the unemployment system is the way we should be financing full-time students through part-time work. I think she would be eligible under this proposal. I do not think that is right.

I do not think it is right for us to use the guise of a so-called stimulus package and say let's just expand the program greatly beyond what most States have done. Most States do not pay unemployment compensation for part-time workers. They decided that. They have a State legislature. They meet on this issue. They know how much it costs, and yet we are going to do it very quickly and there are probably not three Senators who know how much this will cost.

We are going to tell the States they have to do it.

I think it is a serious mistake. I urge my colleagues to vote no on the amendment.

To alert my colleagues, I am going to make a budget point of order after the conclusion of the debate.

I reserve the remainder of our time.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. How much time is remaining?

The PRESIDING OFFICER. Two and a half minutes.

Mr. DURBIN. How much time is remaining on the other side?

The PRESIDING OFFICER. There is no time remaining.

Mr. DURBIN. Madam President, I yield 2 minutes to the Senator from Massachusetts.

Mr. KENNEDY. I will be brief.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, since September 11, our Nation's workers have come together in the face of new challenges. Today, more than 8 million of these workers are unemployed and the unemployment rate is 5.8 percent and expected to climb to 6.5 percent. We need an effective economic recovery package to bring the unemployment rate down and help laid-off workers across the Nation.

We see more layoffs every day. United Airlines has laid off nearly 20,000 people since October. Lucent Technologies in North Andover, MA, recently laid off 1,700 workers. Toys R Us has just announced they were closing more than 60 stores and laying off 1,900 employees.

Some say the recession's end is near and recovery is around the corner. Even if those predictions come true, the consequences will linger for working families.

The unemployment rate will continue to rise. Laid-off workers will still have great difficulty finding new jobs, and other workers may still be facing layoffs.

More than 58,000 laid-off Massachusetts workers have exhausted their benefits in the last twelve months. This includes workers like Christina Young of Billerica, MA. Christina was laid off at the end of June and, since then she has been looking for a new job. She recently learned that she is pregnant. Christina's unemployment benefits, her husband's income and their savings were keeping them afloat, paying the mortgage, the expensive winter heating bills, their bills for health care and groceries. But Christina's unemployment benefits have run out, and now she can't afford her pre-natal care.

Selma Burgert of Malden, MA was laid off by Polaroid in May and her unemployment benefits ran out last month. She has been looking for work for months. But every time she applies for a job, she finds herself competing with two hundred to three hundred other applicants. She is fortunate to have savings to get by. Selma knows many people who aren't as fortunate, and have had to sell their homes or cut down on the food they provide for their families.

In communities throughout Massachusetts and the Nation, workers like Christina and Selma are running out of unemployment benefits while competing for the dwindling number of open jobs. How long are we going to wait before we help them? The time to do it is now. The amendment we are debating will make a big difference for these workers.

The American people strongly support our efforts to give workers the support and assistance they deserve. But some of our colleagues in Congress have stalled our efforts to help these courageous workers. Democrats have proposed an effective and balanced plan to stimulate the faltering economy, but our opponents have used procedural maneuvers to block the measure. When House and Senate negotiators tried to reach a compromise, our opponents delayed it at every turn.

They were unwilling to support any recovery package unless it contained tens of billions of dollars for new tax breaks for wealthy individuals and corporations, including $250 million in tax breaks for Enron. It makes no sense to hold laid-off workers hostage to such irresponsible and costly tax breaks.

Our opponents have consistently offered plans that failed the nation's workers. They offered a plan to extend unemployment benefits, but only to laid-off workers in a few states. They offered a plan to use National Emergency Grants for unemployment insurance, health care and job training, guaranteeing that few funds would actually go to unemployment insurance. They offered a plan to provide Reed Act distributions that would primarily be used for State tax cuts and could go into State unemployment trust funds, instead of offering new or extended benefits.

Our amendment demonstrates our commitment to helping workers.

It updates the unemployment insurance system to meet the urgent needs of the economy. By improving unemployment insurance, our amendment both stimulates the economy and helps the families who need help the most. Every dollar invested in unemployment insurance boosts the economy by $2.15. Unemployment insurance also helps to prevent the loss of even more jobs during a recession.

The amendment makes three important changes. First, it extends unemployment benefits for 13 weeks for laid-off workers across the nation. Second, it expands the coverage to include laid-off part-time and low-wage workers who do not currently receive benefits. Third, it increases meager unemployment benefit levels. These changes will help nearly four-fifths of laid-off workers who currently are not receiving benefits.

Even during good times, about a third of those receiving unemployment insurance exhaust their benefits. During recessions, the number rises.

That's why Congress has provided federally-funded extended benefits repeatedly during recessions in the past.

Today, more than two million laid-off workers have already exhausted their benefits. How much longer are we going to wait before we help those workers? The time to help them is now.

Although part-time and low-wage workers are least likely to have savings and other safety-nets to help them, few are eligible for unemployment benefits. Laid-off part-time and low-wage workers have paid into the system, but they often fail to receive the benefits they need. Recent data suggest that only 18 percent of unemployed low-wage workers were collecting benefits. Expanding coverage will benefit more than 600,000 additional unemployed part-time and low-wage workers. The time to do it is now.

It is also time to increase weekly unemployment benefits by the greater of $25 a week, or 15 percent.

This increase in benefits, an average of $150 a month, will be an immediate stimulus to the economy. Unemployed households will spend it to pay the rent or a medical bill, buy groceries, keep the family car running, or hire a baby-sitter during job interviews.

Currently, unemployment benefits do not replace enough lost wages to keep workers out of poverty. In 2000, the national average unemployment benefit only replaced 33 percent of workers' lost income, a major reduction from the 46 percent of workers' wages replaced by jobless benefits during the recessions of the 1970's and 1980's. During an economic crisis, unemployed workers have few opportunities to rejoin a declining workforce. They depend on unemployment benefits. Adding $150 a month to unemployment benefits will stimulate the economy and help these laid-off workers support their families while they look for a new job.

More than three hundred thousand laid-off workers in Massachusetts would benefit from this amendment. At least thirteen million laid-off workers would benefit nationwide.

The American public is ready for honest action that genuinely helps these deserving workers. We passed an airline security bill, without providing any help for workers. We adjourned for the recess without providing any help for workers. We owe it to the millions of Americans who have lost their jobs to act now to provide the support they need and deserve.

In conclusion, Madam President, at the time of September 11, I think most of us believed there was a new spirit and a new atmosphere in this country. We have tried to respond to those who lost loved ones. We have seen generosity in reaching out to families all over this country. There is a new spirit in America for people who are hurting and are in need.

What we are talking about today are men and women who have lost their jobs, often as a result of the terrorist acts. There are other incidents where they might not be directly related, but by and large it is as a result of the terrorist attack. In this Senate, we hear Members nickel and dime American workers who work hard, play by the rules, put in a good day's work, and as a result of economic conditions have lost their jobs.

There is $38 billion that has been paid into a fund that otherwise would have gone to workers' salaries. That fund is out there, and we are using $15 billion. We used it four times in the 1990s, with seldom less than 90 votes—or 80 votes in the Senate. We are reaching out to part-time workers and low-income workers. They, too, have paid into that fund. The money is there for this kind of circumstance. It is there for the Federal Government to act.

Why? Because in many of these States there is an economic pinching. They cannot afford to take the kind of economic action, and that is why this program was developed. Now is the time to take the action. Let us not nickel and dime America's workers who have suffered as a result of the kinds of attacks we saw on this country. That is what this is about. Are we going to stand up for those men and women who want to work and should be able to work? This is what the Durbin amendment is about, and I look forward to supporting it.

Mr. DURBIN. Madam President, how much time is remaining?

The PRESIDING OFFICER. Thirty seconds.

Mr. DURBIN. This is not a State rights issue. It is all Federal money. The Governor of Oklahoma can decline the money. They do not have to help the 78,000 unemployed workers in Oklahoma who would be benefited by this. They can exert their State rights. They would be fools to do it because they know these people need a helping hand in Iowa, in Oklahoma, and in Illinois.

I really am saddened to hear the stereotype that unemployed people are lazy. Could any of us live on $1,000 a month? That is what these people are struggling to get by with. To give them $25 a week is the breaking point for too many Senators. Way too much, $25 a week? This is not even nickels and dimes.

These are women trying to keep their families together. These are mothers and fathers down on their luck. And this Senate cannot spare $25 a week? That is what this vote is all about. I hope the Members of the Senate will support the people who want to get back to work but need a helping hand and support the Durbin amendment.

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from Oklahoma.

Mr. NICKLES. Madam President, I raise a point of order under section 302(f) of the Congressional Budget Act against the pending amendment No. 2714 for exceeding the spending allocations of the Senate Committee on Finance.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Madam President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable section of that act for the purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from California (Mrs. BOXER), and the Senator from Connecticut (Mr. DODD) are necessarily absent.

Mr. NICKLES. I announce that the Senator from Nevada (Mr. ENSIGN), the Senator from New Hampshire (Mr. GREGG), the Senator from Montana (Mr. BURNS), the Senator from Oklahoma (Mr. INHOFE), and the Senator from Tennessee (Mr. THOMPSON) are necessarily absent.

I further announce that if present and voting the Senator from Montana (Mr. BURNS) and the Senator from Oklahoma (Mr. INHOFE) would each vote "no."

The yeas and nays resulted—yeas 57, nays 35, as follows:

[Rollcall Vote No. 6 Leg.]

YEAS—57

Baucus
Bayh
Biden
Bingaman
Breaux
Byrd
Campbell
Cantwell
Carnahan
Carper
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Daschle
Dayton
DeWine
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
McCain
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Smith (OR)
Snowe
Specter
Stabenow
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—35

Allard
Allen
Bennett
Bond
Brownback
Bunning
Chafee
Craig
Crapo
Domenici
Enzi
Fitzgerald
Frist
Gramm
Grassley
Hagel
Hatch
Helms
Hutchinson
Hutchison
Kyl
Lott
Lugar
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Stevens
Thomas
Thurmond

NOT VOTING—8

Akaka
Boxer
Burns
Dodd
Ensign
Gregg
Inhofe
Thompson

The PRESIDING OFFICER (Mrs. CARNAHAN). On this vote, the yeas are 57, the nays are 35. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained, and the amendment falls.

The Senator from Nevada.

Mr. REID. Madam President, just as a note to all Senators, we expect to have another vote very soon.

I would be happy to yield to my friend from Illinois.

Mr. DURBIN. I thank the Senator from Nevada. I would like to announce to the Senate that 57 votes were cast on this last amendment. Three members on the Democratic side were absent because of business they had to attend. It is my intention to reoffer this amendment later in the debate on this economic stimulus package.

Mr. REID. Madam President, I also want to extend my appreciation to the minority. We could have, through procedural means, gotten another vote on this anyway. But rather than go through all of that and waste the time of the Senate, we were told the Senator from Illinois could reoffer his amendment. I very much appreciate that.

AMENDMENT NO. 2717

I ask unanimous consent that there be 15 minutes for debate prior to a vote in relation to the Bond amendment No. 2717 with the time divided as follows: 10 minutes for Senator BOND, and 5 minutes for those who oppose the Bond amendment; and, at that time there be a vote in relation to that amendment with no amendments in order prior to that.

Mr. NICKLES. Madam President, reserving the right to object, I understand there are a couple more people on our side who wish to debate the issue. The chairman of the Finance Committee just suggested 30 minutes on each side. I know the Senator is also trying to work this around the two lunches. If he could modify his request and have 30 minutes on each side, that would be great.

Mr. REID. I suggest to my friend that maybe we ought to have 20 minutes on your side and 10 minutes on our side. In that way, we could be finished at a reasonable time for the conferences, which are kind of important today.

Mr. NICKLES. I will not object to that.

Mr. REID. Madam President, I amend my unanimous consent request to allow the Bond proponents to have 20 minutes and the opposition to have 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. NICKLES. Madam President, I thank my friend and colleague. I say to my colleagues who said they wanted to speak on the amendment, we will now have a vote on the Bond-Collins amendment at 12:35. If they still wish to speak, they need to be coming to the Chamber shortly. I thank my friend from Nevada.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Madam President, I yield myself 5 minutes from the time allotted on the amendment on this side.

The PRESIDING OFFICER. The Senator is recognized.

Ms. COLLINS. Madam President, I ask unanimous consent that the Senator from Kansas, Mr. BROWNBACK, be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. COLLINS. Madam President, I am very pleased to join the Senator from Missouri in strong support of this amendment to help our small businesses. Over 95 percent of the businesses in this Nation qualify as small businesses. They are the businesses that are creating the vast majority of new jobs. Small businesses are the engine of our economy and the backbone of virtually every community in our country. Yet the economic stimulus package put forth by the majority leader does virtually nothing to stimulate this essential part of our economy. The Bond-Collins amendment would rectify this omission by allowing small businesses to expense up to $40,000 worth of new equipment that they placed in service this year, or will next year. That would give a real boost to the economy, and it would encourage those small companies that have put investment plans on hold, in the wake of the attacks on our Nation and the economic downturn, to proceed with their investment plans. That, in turn, would stimulate the production of more equipment and the creation of new jobs.

Let me give you an example from my home State of Maine of the positive impact that this amendment would have.

Terry Skillin, of Skillins Greenhouses, is a fourth-generation Maine family business, founded in 1885. Skillins employs between 70 and 120 employees, depending on the season, for its landscaping, greenhouse, and floral business.

Terry Skillins told me that his company is looking to expand but to do so takes money. From tractors to conveyor belts to machines that build flowerpots automatically, the equipment that he needs to buy is expensive. Terry said that raising the small business expense limit to $40,000 would help enormously, by allowing him to go ahead with a planned expansion.

Terry said something else that I think is very important and that we need to remember. He said it is critical that the increased expensing be available not only for the remainder of this year but for next year as well. He told me that it often takes more than one year for a small business to carry out an expansion plan, and that if the increased expensing were available for two years, his ability to grow Skillins Greenhouses over the entire period would be far greater.

I think we should heed Terry's advice and help small businesses so they can drive our economy back to prosperity.

It seems to me that, if we are striving to reach a consensus on the economic recovery package, as I believe we must do, we should include an amendment that is specifically targeted to helping our small businesses pull through this difficult time. Our amendment has been endorsed by the Nation's largest small business group, the National Federation of Independent Businesses. The NFIB represents 600,000 members nationwide and is key-voting this amendment.

Finally, I note that the idea of an expansion in the small business expensing provision has been common to many of the economic recovery plans that we have debated. It was part of both plans passed by the House of Representatives. It was included in the Centrist Coalition plan that six Members—three Members on each side of the aisle—negotiated this past December. It was also included in the Democrats' plan, which was supported by the Senate Finance Committee. Unfortunately, however, it is not in the plan before us.

The Bond-Collins amendment would seek to remedy that omission by providing the boost to small businesses. I am convinced that if we give tax incentive to small businesses, they will help to pull us through these difficult economic times. Again, it is small businesses that create the vast majority of new jobs in this country, and we need to give them the incentives they need to help boost our economy.

I yield the remainder of my 5 minutes, reserving time for our side.

The PRESIDING OFFICER. Who yields time?

The Senator from Nevada.

Mr. REID. Madam President, I have spoken to the chairman of the Finance Committee. Senator NICKLES indicated there were people from the other side who wanted to speak for maybe more than the 20 minutes. We have 10 minutes. At this date we don't find anyone in opposition to the amendment. So if you need more time, we will be happy to give you some of ours.

The PRESIDING OFFICER. Who yields time?

The Senator from Missouri.

Mr. BOND. Madam President, seeing no one ready to speak from the other side, I will yield myself such time as I may consume. I urge my colleagues who want to speak on the amendment to hurry up and get down here. We have lots of work to do, and we are going to be able to finish debate on this amendment fairly expeditiously. Anybody who wants to say anything about it, we invite them to come.

As my colleague and strong ally, the Senator from Maine, has said, this amendment is very important to help small businesses in their recovery. We know the entire economy took a severe hit on September 11, on top of a recession that has really taken its toll on many small businesses. How we get out of this recession is to encourage small businesses to lead us out.

Small businesses are the dynamic engine that drives the economy. They provide 75 percent of all new jobs. They are the ones that grow when the rest of the economy is stagnant. There is no better vehicle than a stimulus package to include a provision to encourage small businesses to purchase more equipment. This amendment provides a direct stimulus to that small business sector by allowing them to write off new equipment purchases immediately.

If you have ever run a small business, as I have, you know the thought of having to set up a depreciation schedule for a tractor or a piece of equipment and figure out how to depreciate it over several years is a daunting task. If you are a small business person, you don't want to have to have an accounting department. It is usually you and the frog in your pocket who are running the business. If you are an individual proprietor or even if you have several employees, you don't want to go through the time and expense of hiring somebody to set up a depreciation schedule. So direct expenses would allow small businesses to avoid the complexity of depreciation rules as well as the unrealistic recovery period for most assets.

For example, under current law, if you buy a computer, it has to be depreciated over 5 years. People who are very active users of computers tell me that the useful life is 2 to 3 years at best. Something new and something better has come out, but you are still depreciating the old equipment. You haven't been able to write it off on your taxes.

This amendment has several important advantages, especially in light of the current economic conditions. By allowing more equipment purchased to be deducted currently, right now, the year they are put in service, it will provide much-needed capital for small business. With that freed up capital, a business can invest in new equipment which will benefit the small enterprise, but in turn it will stimulate other industries that are producing and selling the equipment they are going to put in service.

Moreover, new equipment will contribute to continued productivity growth in the business community which Federal Reserve Chairman Greenspan has repeatedly stressed is essential to the long-term vitality and health of our economy.

That is what allows us to hire more people and pay better wages—to increase productivity. A healthy and growing business keeps its employees working, and we hope it will lead to new employees being added to the payroll.

Finally, the amendment will simplify the tax law for countless small businesses. Greater expensing means less equipment subject to onerous depreciation. Under this amendment, a business would be able to claim the full $40,000 in expensing if it purchased and put in service no more than $325,000 of property during the year. That is to make sure it applies primarily to small business.

In short, this amendment's equipment expensing changes are a win-win for small business consumers, employees of small businesses, equipment manufacturers, and our national economy.

Some have contended that maybe we ought to think about this only for 1 year. We need to give small businesses not only an initial boost, but we need to keep the support coming to sustain the recovery. If we use the last recession of 1991 as an example, it took 21 months before the unemployment rates started to drop consistently. That is nearly 2 years for small businesses and others to hire the people back who were laid off in the recession. Small businesses represent 99 percent of all employers. They provide about 75 percent of the net new jobs. And with people unemployed, we need to get those producers of the new jobs, the small businesses, into business.

Based on this unemployment data, limiting the amendment or any other small business stimulus to 1 year would not suffice. We need to keep the small business stimulus going for at least 2 years to ensure the recovery in the small business sector and the jobs market is sustained.

Madam President, I ask my colleagues to support the amendment and urge them, if they want to support the amendment Senator COLLINS and many other Senators and I have supported, to come to the Chamber. If they have arguments against it, we will be interested in hearing those as well.

I yield such time as he may require to the distinguished minority whip.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, I wish to compliment my colleagues, Senators COLLINS and BOND, for their leadership and persistence in saying, let's get something in this bill to help create jobs. Both Senators BOND and COLLINS have spoken of the growth in small business and the need for small business to be able to grow. This particular provision will create jobs. I compliment them.

I don't see much in the underlying proposal that will create jobs. This one will create jobs because small business will be able to expense more items up to $40,000. For a person who has a small business that may have a few employees, that is a big deal. I used to have a janitor's service. It was my wife and myself and a few other people. If you allow me to expense everything, I don't have to amortize all the equipment I am purchasing because, frankly, it is less than $40,000.

You get to expense it. You get to write it off when you write the check. Instead of spreading it out over several years, instead of taking 3, 5, 8 years to recoup your investments, you can recoup it in the year that you made the investment. That is a big deal for small business. Most of the jobs that will be created this year will be in small business. It is not going to be General Motors or in the big corporations, it is going to be in small business. You are saying, let's expense up to $40,000, an improvement from $24,000.

It is an excellent amendment. It will help small business. By helping small business, we will be able to create more jobs.

I thank both of my colleagues for their leadership. I believe this amendment is going to pass. I compliment them for that. This is one of the few things we have seen that will actually stimulate the economy. We have seen a lot of proposals. Let's write more checks, let's give people money who didn't pay taxes, expand unemployment compensation, pay people more not for working. This is a proposal that says, let's create an environment that will create jobs so people won't need unemployment compensation, so they won't be asking more from the Government. They will be getting a job.

I thank my colleagues for their excellent proposal. I urge all my colleagues to support it.

The PRESIDING OFFICER. The Senator from Maine.

Ms. COLLINS. Madam President, I thank the Senator from Oklahoma for his kind comments. The Senator from Oklahoma brought up a very important point. It is very burdensome recordkeeping for small businesses to have to deal with depreciation schedules and sometimes very unrealistic recovery periods.

For example, most computers are required to be depreciated over a 5-year period, but we all know from our experience that the usual life of a computer is 2 to 3 years. The Senator from Oklahoma has raised an important point. Not only will this put more cash into the pockets of small businesses and allow them to go ahead with investments that have been put on hold because of this tax incentive, but it will also relieve them from some very burdensome recordkeeping requirements. That simplification is another advantage of the Bond-Collins amendment.

I thank my colleague from Missouri who does such a great job as the ranking minority member of the Senate Small Business Committee. It has been a great pleasure to work with him on this amendment. I believe this is the one provision we have debated that will make a real difference to those entrepreneurs throughout our country, to those small mom-and-pop firms that are creating good jobs in communities throughout our country. So I hope we will have a strong show of support for this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. BOND. Madam President, I gather there are no more people seeking to speak on this amendment. Rather than wait, we can vote. But first, I thank my colleague from Oklahoma, Senator NICKLES, a real champion of making the economy grow by putting people back to work, and Senator COLLINS has been one of our great allies. Anytime I have a small business provision, she wants to be a champion of it because she knows small businesses are driving the Maine economy, as well as in the rest of the country.

We are prepared to yield back all time on this side. I ask for the yeas and nays on this amendment.

Mr. DAYTON. We yield back all our time.

The PRESIDING OFFICER. All time is yielded back. Is there a sufficient second?

There is a sufficient second. The question is on agreeing to the amendment.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from California (Mrs. BOXER), and the Senator from Connecticut (Mr. DODD) are necessarily absent.

Mr. NICKLES. I announce that the Senator from Nevada (Mr. ENSIGN), the Senator from New Hampshire (Mr. GREGG), the Senator from Oklahoma (Mr. INHOFE), the Senator from Tennessee (Mr. THOMPSON), and the Senator from Montana (Mr. BURNS) are necessarily absent.

I further announce that if present and voting the Senator from Oklahoma (Mr. INHOFE), the Senator from Montana (Mr. BURNS), and the Senator from Nevada (Mr. ENSIGN) would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 90, nays 2, as follows:

[Rollcall Vote No. 7 Leg.]

YEAS—90

Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bunning
Byrd
Campbell
Cantwell
Carnahan
Carper
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Domenici
Dorgan
Durbin
Edwards
Enzi
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—2

Chafee
Feingold

NOT VOTING—8

Akaka
Boxer
Burns
Dodd
Ensign
Gregg
Inhofe
Thompson

The amendment (No. 2717) was agreed to.

Mr. REID. I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 having arrived, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:56 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. MILLER).

HOPE FOR CHILDREN ACT—Continued

The PRESIDING OFFICER. The Chair recognizes the Senator from Montana.

AMENDMENT NO. 2718, AS MODIFIED

Mr. BAUCUS. Mr. President, I call up my amendment and send a modification to that amendment to the desk.

The PRESIDING OFFICER. The Senator has a right to modify the amendment.

The amendment, as modified, is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to provide for a special depreciation allowance for certain property acquired after December 31, 2001, and before January 1, 2004, and to increase the Federal medical assistance percentage under the medicaid program for calendar years 2002 and 2003)

Strike titles II and III and insert the following:

TITLE II—TEMPORARY BUSINESS RELIEF PROVISIONS

SEC. 201. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.

(a) In General.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

"(k) Special Allowance for Certain Property Acquired After December 31, 2001, and Before January 1, 2004.—

"(1) Additional allowance.—In the case of any qualified property—

"(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

"(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

"(2) Qualified property.—For purposes of this subsection—

"(A) In general.—The term 'qualified property' means property—

"(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property,

"(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

"(III) which is qualified leasehold improvement property, or

"(IV) which is eligible for depreciation under section 167(g),

"(ii) the original use of which commences with the taxpayer after December 31, 2001,

"(iii) which is—

"(I) acquired by the taxpayer after December 31, 2001, and before January 1, 2004, but only if no written binding contract for the acquisition was in effect before January 1, 2002, or

"(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after December 31, 2001, and before January 1, 2004, and

"(iv) which is placed in service by the taxpayer before January 1, 2004, or, in the case of property described in subparagraph (B), before January 1, 2005.

"(B) Certain property having longer production periods treated as qualified property.—

"(i) In general.—The term 'qualified property' includes property—

"(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

"(II) which has a recovery period of at least 10 years or is transportation property, and

"(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

"(ii) Only pre-January 1, 2004, basis eligible for additional allowance.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before January 1, 2004.

"(iii) Transportation property.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

"(C) Exceptions.—

"(i) Alternative depreciation property.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

"(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

"(II) after application of section 280F(b) (relating to listed property with limited business use).

"(ii) Election out.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

"(D) Special rules.—

"(i) Self-constructed property.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after December 31, 2001, and before January 1, 2004.

"(ii) Sale-leasebacks.—For purposes of subparagraph (A)(ii), if property—

"(I) is originally placed in service after December 31, 2001, by a person, and

"(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

"(E) Coordination with section 280F.—For purposes of section 280F—

"(i) Automobiles.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

"(ii) Listed property.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

"(3) Qualified leasehold improvement property.—For purposes of this subsection—

"(A) In general.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

"(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

"(I) by the lessee (or any sublessee) of such portion, or

"(II) by the lessor of such portion,

"(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

"(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

"(B) Certain improvements not included.—Such term shall not include any improvement for which the expenditure is attributable to—

"(i) the enlargement of the building,

"(ii) any elevator or escalator,

"(iii) any structural component benefiting a common area, and

"(iv) the internal structural framework of the building.

"(C) Definitions and special rules.—For purposes of this paragraph—

"(i) Binding commitment to lease treated as lease.—A binding commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

"(ii) Related persons.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

"(I) members of an affiliated group (as defined in section 1504), and

"(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.

"(D) Improvements made by lessor.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person.".

(b) Allowance Against Alternative Minimum Tax.—

(1) In general.—Section 56(a)(1)(A) (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

"(iii) Additional allowance for certain property acquired after December 31, 2001, and before January 1, 2004.—The deduction under section 168(k) shall be allowed."

(2) Conforming amendment.—Clause (i) of section 56(a)(1)(A) is amended by striking "clause (ii)" both places it appears and inserting "clauses (ii) and (iii)".

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after December 31, 2001, in taxable years ending after such date.

TITLE III—ASSISTANCE FOR MEDICAID COVERAGE

SEC. 301. TEMPORARY INCREASES OF MEDICAID FMAP.

(a) Permitting Maintenance of Fiscal Year 2001 FMAP For Last 3 Calendar Quarters of Fiscal Year 2002.—Notwithstanding any other provision of law, but subject to subsection (g), if the FMAP determined without regard to this section for a State for fiscal year 2002 is less than the FMAP as so determined for fiscal year 2001, the FMAP for the State for fiscal year 2001 shall be substituted for the State's FMAP for the second, third, and fourth calendar quarters in fiscal year 2002, before the application of this section.

(b) Permitting Maintenance of Fiscal Year 2002 FMAP For Fiscal Year 2003.—Notwithstanding any other provision of law, but subject to subsection (g), if the FMAP determined without regard to this section for a State for fiscal year 2003 is less than the FMAP as so determined for fiscal year 2002, the FMAP for the State for fiscal year 2002 shall be substituted for the State's FMAP for each calendar quarter of fiscal year 2003, before the application of this section.

(c) Permitting Maintenance of Fiscal Year 2003 FMAP For First Calendar Quarter of Fiscal Year 2004.—Notwithstanding any other provision of law, but subject to subsection (g), if the FMAP determined without regard to this section for a State for fiscal year 2004 is less than the FMAP as so determined for fiscal year 2003, the FMAP for the State for fiscal year 2003 shall be substituted for the State's FMAP for the first calendar quarter in fiscal year 2004, before the application of this section.

(d) General 1.50 Percentage Points Increase for Calendar Years 2002 and 2003.—Notwithstanding any other provision of law, but subject to subsections (g) and (h), for each State for the second, third, and fourth calendar quarters of fiscal year 2002, each calendar quarter of fiscal year 2003, and the first calendar quarter of fiscal year 2004, the FMAP (taking into account the application of subsections (a), (b), and (c)) shall be increased by 1.50 percentage points.

(e) Further Increase for States With High Unemployment Rates for Calendar Years 2002 and 2003.—

(1) In general.—Notwithstanding any other provision of law, but subject to subsections (g) and (h), the FMAP for a high unemployment State for the second, third, or fourth calendar quarters of fiscal year 2002, any calendar quarter of fiscal year 2003, or the first calendar quarter of fiscal year 2004, (and any subsequent such calendar quarters after the first such calendar quarter for which the State is a high unemployment State regardless of whether the State continues to be a high unemployment State for the subsequent such calendar quarters) shall be increased (after the application of subsections (a), (b), (c), and (d)) by 1.50 percentage points.

(2) High unemployment state.—

(A) In general.—For purposes of this subsection, a State is a high unemployment State for a calendar quarter if, for any 3 consecutive months beginning on or after June 2001 and ending with the second month before the beginning of the calendar quarter, the State has an average seasonally adjusted unemployment rate that exceeds the average weighted unemployment rate during such period. Such unemployment rates for such months shall be determined based on publications of the Bureau of Labor Statistics of the Department of Labor.

(B) Average weighted unemployment rate defined.—For purposes of subparagraph (A), the "average weighted unemployment rate" for a period is—

(i) the sum of the seasonally adjusted number of unemployed civilians in each State and the District of Columbia for the period; divided by

(ii) the sum of the civilian labor force in each State and the District of Columbia for the period.

(f) Increase in Cap on Medicaid Payments To Territories.—Notwithstanding any other provision of law, with respect to the second, third, and fourth calendar quarters fiscal year 2002, each calendar quarter of fiscal year 2003, and the first calendar quarter in fiscal year 2004, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under section 1108 of the Social Security Act (42 U.S.C. 1308) shall each be increased by an amount equal to 6 percentage points of such amounts.

(g) SCOPE OF APPLICATION.—The increases in the FMAP for a State under this section shall apply only for purposes of title XIX of the Social Security Act and shall not apply with respect to—

(1) disproportionate share hospital payments described in section 1923 of such Act (42 U.S.C. 1396r–4); or

(2) payments under titles IV and XXI of such Act (42 U.S.C. 601 et seq. and 1397aa et seq.).

(h) STATE ELIGIBILITY.—A State is eligible for an increase in its FMAP under subsection (d) or (e) or an increase in a cap amount under subsection (f) only if the eligibility under its State plan under title XIX of the Social Security Act (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)) is no more restrictive than the eligibility under such plan (or waiver) as in effect on October 1, 2001.

(i) DEFINITIONS.—In this section:

(1) FMAP.—The term "FMAP" means the Federal medical assistance percentage, as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)).

(2) STATE.—The term "State" has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

Mr. BAUCUS. Mr. President, I ask unanimous consent my amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2719

Mr. BAUCUS. Mr. President, I ask Senator HARKIN be allowed to call up his amendment at this time.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is once again pending.

The Senator from Iowa.

Mr. HARKIN. Parliamentary inquiry: I want to make sure what the business is before the Senate.

The PRESIDING OFFICER. Amendment No. 2719.

Mr. HARKIN. That is the amendment which this Senator offered yesterday; is that correct?

The PRESIDING OFFICER. It was offered by Senator REID on behalf of the Senator from Iowa.

Mr. REID. Mr. President, if the Senator will withhold just for one brief comment, the minority did not have a manager here. This has been cleared. The unanimous consent we just got has been cleared with Senator GRASSLEY. I had also talked to those—I thought—on the other side who knew what we were doing.

If the Senator will withhold proceeding until we make sure someone, a manager on the other side, is here because we don't want to take advantage of them because we got a unanimous consent agreement when no one was on the floor. If the Senator will withhold, the staff has gone to seek someone on the other side.

Mr. HARKIN. I withhold.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. CARNAHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—S. 1630

Mrs. CARNAHAN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 218, S. 1630; that the bill be read three times and passed, and the motion to reconsider be laid upon the table with no intervening action.

The PRESIDING OFFICER. Is there objection?

Mr. CRAIG. Mr. President, on behalf of the Republican leader, I object.

The PRESIDING OFFICER. Objection is heard.

Mrs. CARNAHAN. Mr. President, I am disappointed to hear objection to passing a bipartisan bill to help family farmers. We spent a great deal of time last year trying to pass a farm bill. I supported that effort. I support reviving that effort again this year.

The legislation that I am trying to pass today is also aimed at helping ailing family farmers. The bill would extend chapter 12 of the bankruptcy code for 6 additional months. Chapter 12 offers expedited bankruptcy procedures for family farmers in an effort to accommodate their special needs. It was first enacted in 1986. It has been extended several times since then—most recently earlier this year.

The provisions of chapter 12 allow family farmers to reorganize their debts as opposed to liquidating their assets. These provisions can be invaluable to farmers struggling to stay in business during difficult times. Unfortunately, chapter 12 expired on October 1 last year.

My bill seeks to extend these provisions for six additional months and to reinstate them retroactively to the date when they expired. Retroactivity will ensure that there are no gaps in availability of these procedures. I hope this will be the last extension that is necessary.

The larger bankruptcy reform bill that is currently pending before a House-Senate conference committee includes a permanent extension of chapter 12. Nevertheless, American family farmers should not have to wait for us to complete our work on the bankruptcy reform bill. The very least we can do to assist farmers now is to reenact these noncontroversial procedures. That is why I am so puzzled by this anonymous objection.

Legislation extending these provisions passed the House of Representatives by a vote of 408 to 2 last year and subsequently passed the Senate by unanimous consent. The Judiciary Committee unanimously reported the bill I am seeking to pass today on a voice vote. Furthermore, the bill has several bipartisan cosponsors, including my colleague from Missouri, Senator KIT BOND; the chairman of the Judiciary Committee, Senator LEAHY; and the lead sponsor of the Senate bankruptcy reform bill, Senator GRASSLEY.

I urge any Senator who has any concern about this bill to speak with me. I will be more than happy to work to address any issues my colleagues may have in an effort to secure expedited passage of this bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

HOPE FOR CHILDREN ACT—Continued

AMENDMENT NO. 2719

Mr. HARKIN. Mr. President, as I understand it, the pending business before the floor is amendment No. 2719, offered yesterday by Senator REID on this Senator's behalf. I rise to speak for a few minutes on that amendment.

I thank the Senator from Montana for giving me the courtesy of going first because of the time schedule I have this afternoon.

Senator BAUCUS and Senator DASCHLE have provided great leadership on this important issue of the stimulus. There is one part of the amendment that is before us that is vitally important to all of our States as we are facing this downturn in the economy. That part of the amendment deals with the Federal share for Medicaid recipients in the States. It is called FMAP, the Federal Match for Medicaid Program.

Under the provision in the underlying Daschle amendment, and under the leadership of Senator BAUCUS, they did provide for three things. They provided a 1.5-percent increase to every State in their 2002 Federal match for Medicaid. That would provide about $3.5 billion in additional Federal Medicaid payments to the States.

I have a chart which shows what that would mean for every State and what my amendment would mean for every State. I ask unanimous consent that this chart be printed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HARKIN. Senator BAUCUS and Senator DASCHLE, by their amendment, put in a 1.5-percent increase to all States.

The second part was, because of unemployment measures previously calculated, some States were scheduled to go down in 2002 in their Federal match.

The amendment before us under Senator BAUCUS holds those States harmless. That is about 29 States that would have lost money this year. And under the Baucus amendment, they are held harmless.

The third part is that States with high unemployment would receive an additional 1.5 percent in their 2002 Federal match. This would provide assistance to about 16 States that have very high rates of unemployment. This policy proposal is extremely important for the States.

The pending amendment I have offered would only change one part of that. It would take the 1.5-percent increase for all States and increase it to 3 percent. In other words, it would add 1.5 percent to the Federal match for all States. I believe that is important because when the committee developed this bill and the stimulus package, the National Association of State Budget Officers had predicted a $15 billion shortfall for the States for 2002. That was last fall. By the end of the year, the National Association of State Budget Officers had updated their prediction for the shortfalls in our State budgets to $38 billion—in other words, double. I have heard from my Governor—and I know others have heard from their Governors and their legislatures—about the cuts they are going to have to make in their State budgets.

The problem is, one of the places where they have to cut, because that is the biggest pot for most States, is Medicaid. If a State cuts $1 out of their budget on Medicaid, they may lose $2 or $3 or $4 of Federal money. I don't know what it is for the Presiding Officer's State, and I don't know what the Medicaid match is there. I do know in Iowa it is about 3 to 1. So that for every dollar the State would not have in their budget for Medicaid, they would lose $3 of Federal money. It isn't only that the State cuts its Medicaid budget by $1 and hurts one Medicaid recipient. If it cuts Medicaid by $1, it is hurting three or four times as many people. It has that kind of a multiplier effect.

While I am very supportive of what Chairman BAUCUS and Senator DASCHLE have done, we recognize now that these new projections of the shortfalls in our State budgets command us to put more into the program of reaching these States for their Federal match.

On the other two aspects of the amendment, on the one that holds States harmless, that is still in my amendment. And on the other one that provides the 1.5-percent increase to the States with unusually high unemployment, that is there also. I wanted to make sure that every State received the amount of Federal matching money they need.

Again, another reason why this is so important is because most States have a requirement in their Constitution that they have to balance their budgets. It is a constitutional requirement. They can't get around it. When they start cutting, if they do across-the-board cuts, which seems at first blush to be the most logical, they just do a straight percentage across-the-board cut, Medicaid, being the biggest part of the State budget, gets whacked the most. Then they lose the Federal dollars that come in as a match.

I believe this is critically important for our States. I also believe State fiscal relief is one of the best ways to stimulate the economy. The Federal dollars we send out for Medicaid help to avert State budget cuts or tax increases that could be detrimental to the States in any economic recovery.

People in my State of Iowa and all across the Nation have enough trouble finding affordable, quality health care. They need our help and support during this recession. When it comes to protecting the vulnerable in these difficult times and getting our economy back on track, putting Iowans and all Americans back to work, it is critically important that we make sure that those who are out of work—they may have lost their jobs; Medicaid may be the only source of health care for them and their kids during this period of time, and then looking at the States and facing the budget crunches they have—it became clear that we had to add a little bit more money to this effort.

Again, I thank the chairman for focusing on this issue as he has done and for the work he has done in putting in that 1.5 percent. It has become clear in the last few weeks that the States are going to need more than 1.5 percent. That is why I have offered this amendment in a friendly manner to ensure that we meet our obligations to the States to get the money out there so that these people who are the most vulnerable don't fall through the cracks.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. HARKIN. I yield the floor.

EXHIBIT 1

Comparison of Net FY2002 State Funds Impact of Senate and House Provisions to Harkin Amendment. Harkin: 3% all + 1.5% high unemployment + hold harmless.

FMAP/TEMPORARY HEALTH ASSISTANCE

[Based on FFIS data/estimates, dollars in millions, rounded]

State	Daschle plan	House plan	Harkin plan	Harkin minus Senate	Harkin minus House
Alabama	$75.98	$14.99	$113.97	$37.99	$98.98
Alaska	30.14	13.61	39.24	9.10	25.63
Arizona	114.87	24.01	162.93	48.06	138.92
Arkansas	65.23	10.45	95.05	29.82	84.60
California	821.54	234.55	1,188.31	366.77	953.76
Colorado	47.20	18.73	78.66	31.46	59.93
Connecticut	48.02	30.02	96.04	48.02	66.02
Delaware	8.98	5.17	17.96	8.98	12.79
DC	28.20	5.49	42.30	14.10	36.81
Florida	253.55	71.73	390.93	137.38	319.20
Georgia	101.92	48.69	178.59	76.67	129.90
Hawaii	19.97	5.60	29.95	9.98	24.35
Idaho	24.54	3.77	36.81	12.27	33.04
Illinois	239.91	87.75	359.86	119.95	272.11
Indiana	85.65	25.07	142.28	56.63	117.21
Iowa	30.32	11.70	60.64	30.32	48.94
Kansas	26.02	10.86	51.84	25.82	40.98
Kentucky	112.16	24.87	161.00	48.84	136.13
Louisiana	113.67	24.92	167.42	53.75	142.50
Maine	22.78	7.56	44.26	21.48	36.70
Maryland	52.73	30.17	105.46	52.73	75.29
Massachusetts	122.11	60.98	244.22	122.11	183.24
Michigan	220.34	68.28	322.01	101.67	253.73
Minnesota	100.45	56.98	165.52	65.07	108.54
Mississippi	88.20	13.23	125.49	37.29	112.26
Missouri	73.42	29.07	146.84	73.42	117.77
Montana	10.31	2.77	19.67	9.36	16.90
Nebraska	27.05	12.77	46.20	19.15	33.43
Nevada	23.23	7.34	33.89	10.66	26.55
New Hampshire	12.08	7.74	24.16	12.08	16.42
New Jersey	106.70	57.94	213.40	106.70	155.46
New Mexico	59.43	10.56	84.45	25.02	73.89
New York	1,068.63	287.00	1,602.94	534.31	1,315.94
North Carolina	232.62	72.97	325.71	93.09	252.74
North Dakota	8.99	2.68	15.88	6.89	13.20
Ohio	146.40	68.42	276.88	130.48	208.46
Oklahoma	48.28	14.46	82.74	34.46	68.28
Oregon	92.56	29.03	131.23	38.67	102.20
Pennsylvania	352.78	103.02	529.17	176.39	426.15
Rhode Island	50.17	21.39	69.08	18.91	47.69
South Carolina	116.22	29.06	161.93	45.71	132.87
South Dakota	18.23	6.79	26.06	7.83	19.27
Tennessee	93.22	37.39	179.99	86.77	142.60
Texas	394.12	115.32	570.67	176.55	455.35
Utah	24.05	9.25	38.16	14.11	28.91
Vermont	10.50	3.80	20.00	9.50	16.20
Virginia	77.22	32.64	136.04	58.82	103.40
Washington	174.83	54.78	253.52	78.69	198.74
West Virginia	47.44	7.69	70.60	23.16	62.91
Wisconsin	73.05	38.56	125.70	52.65	87.14
Wyoming	9.70	4.57	13.60	3.90	9.03
Puerto Rico	4.82	0.00	9.64	4.82	9.64
American Samoa	0.10	0.00	0.20	0.10	0.20
Guam	0.15	0.00	0.30	0.15	0.30
Northern Marianas	0.05	0.00	0.10	0.05	0.10
US Virgin Islands	0.15	0.00	0.30	0.15	0.30
Total	6,211	1,976	9,630	3.419	7,654

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I do not know if there are any Senators who wish to debate the current amendment. At the appropriate time, I will ask the Senator from Iowa to acknowledge there is no more debate so we can set aside his amendment and go to the regular order.

The Senator raises a very important point that in the last 2 years, States' economies have generally deteriorated. As a consequence, there is more pressure on their Medicaid budgets. States are losing revenue. States are moving more toward deficit positions. They are not as healthy as they once were.

When States begin to cut spending and cut services, there is a tendency to cut back a bit on Medicaid programs to balance the State budgets.

The Senator is proposing a significant percentage increase in the matches the Federal Government make to States under Medicaid to make up that difference.

That so-called difference, the drop, occurs for a second reason. We have very old data. The reimbursement to States under Medicaid is based on data up through the year 2000. States were doing pretty well in 1999 and 2000. So there is a tendency for the reimbursement rate to be out of whack, out of sync with the current fiscal situation of the States; namely, tougher times, deteriorating surpluses, sometimes potential deficits. The amendment offered by the Senator from Iowa attempts to address that point.

One might question whether the amendment is too rich or not rich enough. It is a question of degree. He essentially wants to add 3 percent to all States' match and an extra 1.5 percent for States with particularly high unemployment. That is an approach I also took in an amendment I will be offering later today. Although the approach is the same, the total percentage amount is not quite as high.

The percentages in the amendment I will be offering later hold States harmless. The percentages offered by the Senator from Iowa, it is my understanding, in the first year go slightly higher for well-intended reasons. I am not going to pass judgment on whether that is a good idea or not, but that is the practical effect of that amendment.

I do not see anybody else wanting to speak on this amendment. The Senator might want to speak some more. Maybe he does not want to speak some more. If not, I ask unanimous consent that, whatever the appropriate order, the amendment be set aside and voted on at the appropriate time and that the pending business be the regular order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I will support the Harkin amendment, No. 2719, in response to the numerous phone calls and letters I have received from my constituents in recent years regarding the increasing cost of health care. Nevertheless, I am concerned with increasing these kinds of mandatory expenditures that are able to bypass the consideration of the Appropriations Committees.

While I believe that this Congress should address the rising cost of health care in the United States, we should avoid band-aid approaches and focus our efforts on more comprehensive solutions.

The PRESIDING OFFICER. The Senator from Nevada.

PROVIDING FOR A CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND HOUSE OF REPRESENTATIVES

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to S. Con. Res. 95, which is at the desk.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

> A concurrent resolution (S. Con. Res. 95) providing for a conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. REID. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table, without any intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 95) was agreed to, as follows:

S. CON. RES. 95

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Tuesday, January 29, 2002, it stand recessed or adjourned until noon on Monday, February 4, 2002, or until such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Tuesday, January 29, 2002, it stand adjourned until noon on Monday, February 4, 2002, or until Members are notified to reassemble pursuant to section 2 of the concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble at such place and time as they may designate whenever, in their opinion, the public interest shall warrant it.

HOPE FOR CHILDREN ACT—Continued

AMENDMENT NO. 2718

Mr. BAUCUS. Mr. President, there was a vote earlier on a small business amendment offered by the Senator from Missouri, Mr. BOND. It was adopted. That shows we are starting to make progress toward an agreement on a bill to stimulate economic recovery. That was the small business expensing amendment which increased the ceiling amount available for business as to expense.

We now have an opportunity to make even more progress by adopting the Baucus-Smith amendment. This amendment makes two important improvements: First, it strikes a balance on the bonus depreciation issue with a 2-year compromise provision. Second, it will help States by increasing the Federal matching payments for Medicaid. As a bonus depreciation, this assistance will be provided for 2 years.

Essentially, I am offering an amendment, joined by my good friend from Oregon, Mr. SMITH, to provide for a 2-year bonus depreciation, as well as a 2-year FMAP payment. I will speak first about bonus depreciation.

I think we all agree that a strong stimulus bill must create tax incentives for business to invest in new equipment. I do not think there is much doubt about that. This amendment creates jobs, lifts the economy, and also increases productivity in the long run. Chairman Greenspan and others have talked a lot about productivity. There is not much doubt that this amendment will help us move in that direction.

Everyone agrees on the concept. The debate, however, has been over the details. The proposal before us is a 10-percent bonus. We have agreed to increase that to 30 percent. The question now is how long should the incentive last.

The Democratic proposal was 1 year; the Republican proposal was 3 years. Our bipartisan compromise amendment, that is the amendment of Senator SMITH from Oregon and myself, is 2 years. This is not simply an effort to split the difference. Instead, if one steps back and thinks about it, a 2-year incentive makes good sense. Three years is too long. It will not encourage business to invest quickly enough. As a result, it will not stimulate businesses to act when we most need them to act.

On the other hand, in the debate last week, Senator SMITH and others made a very good point. They said that a 1-year bonus period might not be long enough because it does not give businesses enough time to make sound investment decisions. Let's not forget the investment to qualify has to be in place, in service within the requisite period.

We have to assume this legislation will not be enacted before March. If we were to stick to the 1-year period, companies would only have a few months left at that point to make purchases and get assets in place, as we are dealing with the calendar year. That is not time enough, especially if we think about the kinds of investments we want to encourage, which is airplanes, heavy machinery, equipment used in manufacturing, locomotives, pipelines, and refineries. In many cases, these assets may take longer to build than 1 year, or the contracts for purchase may take some time to negotiate. This is a legitimate concern.

To address it, our amendment gives companies until December 31, 2003, to make their purchases and get assets in place. Even after that, companies would have an extra year to put the assets in place if they take more than a year to build, so long as they meet a binding contract test.

The amendment will provide economic stimulus. It will work quickly, and it recognizes business realities and gives companies the time they need to make sound investment decisions. That is the first part of the amendment.

The second part relates to the States. The technical term is FMAP. What it is about is helping States by temporarily increasing the rate at which we match State payments under Medicaid. Let me explain why this is important.

Rising Medicaid costs are already contributing to the States' fiscal crisis. Health care costs are increasing rapidly, while rising unemployment is increasing the number of people eligible for Medicaid services. Medicaid spending grew by 11 percent last year. It is likely to increase even faster this year if current economic and budgetary conditions persist.

Many States have already implemented or are now considering implementing significant cuts in Medicaid and the State Children's Health Insurance Program, otherwise known as CHIP, in 2003.

These cuts would affect thousands of children, elderly, and disabled people. For example, Oklahoma and New Mexico may eliminate their CHIP-funded Medicaid expansions to children entirely.

CHIP—that is the State Children's Health Insurance Program—has been very popular. It helps low-income kids get health insurance, health insurance they did not previously have. I think it would be very unfortunate if, due to State budget constraints, they either choose to or believe they are forced to cut back and, in some cases, eliminate those programs that provide health insurance for children.

Tennessee has proposed cutting Medicaid eligibility for 180,000 low-income people in its TennCare Program. Other States will no longer cover disabled workers returning to work or low-income women with breast and cervical cancer. These budget cuts and these tax increases are based on revenue forecasts that do not assume enactment of bonus depreciation provisions. Because most States tie their own tax collections to the Federal tax system, the additional loss of revenues in 2003 that would result from a lengthy bonus depreciation period would increase the likelihood and severity of State actions to cut programs and raise taxes.

The underlying amendment would address this problem by providing a temporary 1-year increase in the Federal matching rate under Medicare. Our amendment goes a bit further by extending the period for 2 years to match the depreciation period.

By doing so, the amendment ensures the amount of aid provided both to States generally and to individual States in particular, will grow if the recession proves deeper than currently projected. That is the second part of the amendment.

All told, the amendment will help businesses, it will help workers, it will help States, and it will help families maintain Medicaid coverage.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I have not fully read the FMAP part of the distinguished Senator's amendment, but I am interested in helping the States at this particular time because many of them are experiencing budget crunches, and it is really causing them a lot of difficulty.

With regard to the CHIP program, which was a Hatch-Kennedy bill that was enacted over 4 years ago, my home State of Utah has now achieved the goal of insuring 27,000 children of people who work but do not have enough money to pay for their children's health insurance. In Utah, we have covered 27,000 kids, but there are at least 3,000 more who need to be covered. Due to State budget concerns, Utah has had to cap its CHIP program at 27,000.

Now that is not right. I cannot blame my State leaders. They have to balance the budget, but it is not right that any child in our society should go without basic health care. The very poor in our society are covered by Medicaid. What we did with the CHIP bill was try to take care of those 7 million young people in the country who are children of the working poor. The parents of these children work but do not earn enough money to pay for health insurance but make too much money to be eligible for the Medicaid program. CHIP has worked immensely well. It has been one of the most successful health care programs in the country.

I have worked on a number of important issues throughout my Senate career, and I think that passage of the CHIP program was one of my top achievements as a United States Senator. Providing access to affordable and quality health coverage to the medically uninsured continues to be a high priority for me. So while I have to read the amendment language, I believe it is an important amendment, and I intend to support it as of this juncture.

With regard to bonus depreciation, I was the first Senator to file a bonus depreciation bill. My bill provided for a 50-percent bonus depreciation deduction rather than the 30 percent in this amendment. But remember, some of the other bills were only at 10-percent bonus depreciation, and I am pleased to see that this amendment would now bring it to 30 percent. I am very happy to see the work of Senator SMITH and the distinguished chairman of the Finance Committee, whom I call a friend, in bringing this bonus depreciation percentage to a reasonable level. I would prefer it to be even higher because that would be even more stimulative over this 2-year period, but this is a good move compared to where we were. If we had gone with the Daschle amendment, as I understand it, it would have been effective only from last September until next September. It would have barely had time to work. So this amendment does bring the bonus depreciation more into the realm of workability.

Bonus depreciation is one of the few things we are doing in this legislation that literally provides for an economic stimulus. It is a very good economic stimulus because a lot of companies are understandably nervous about the economic slow-down and are hesitant to invest in their equipment. With a bonus depreciation incentive, they may be able to pull out of some of their difficulties with this additional help that will be provided.

With regard to the FMAP increase included in this amendment, these provisions will assist those who are suffering in our society today due to the economic downturn. In addition, there are States that are having tremendously difficult times meeting the needs of their citizens. The FMAP increase will provide these States with valuable resources so they can meet these demands more easily.

So I want to commend the distinguished Chairman of the Finance Committee for calling up this amendment. I particularly want to commend him for working with Senator SMITH of Oregon, who brought up the original bonus depreciation amendment but who wanted the incentive to last for 3 years. We compromised on 2 years, which I believe is a decent compromise. I want to pay my respects and compliment both of them for the work they have done on this particular amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH of New Hampshire. Mr. President, I direct a question to the distinguished chairman of the Finance Committee. I have four amendments on which I will be very brief. My intention is, if there is no objection, to offer the four amendments, debate one of them at a time, and if someone else comes and wants to offer another amendment, they can put my amendment aside.

What is the position of the chairman on that suggestion?

Mr. BAUCUS. Mr. President, the Senator from Nevada, Mr. REID, is organizing the sequence of amendments. I think it is fine for the Senator from New Hampshire to offer his package of amendments with the understanding they come up one at a time, and if there is an amendment on this side in the interim, that amendment would be offered and we would go back to one of Senator SMITH's amendments. That is fine.

Mr. SMITH of New Hampshire. I thank the chairman.

AMENDMENTS NOS. 2732 THROUGH 2735, EN BLOC

Mr. SMITH of New Hampshire. Mr. President, I send four amendments to the desk, and I ask unanimous consent that they be called up and temporarily set aside for consideration at the appropriate time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the amendments, en bloc.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH] proposes amendment Nos. 2732 through 2735, en bloc.

The amendments (Nos. 2732 through 2735), en bloc, are as follows:

AMENDMENT NO. 2732

(Purpose: To provide a waiver of the early withdrawal penalty for distributions from qualified retirement plans to individuals called to active duty during the national emergency declared by the President on September 14, 2001, and for other purposes)

At the appropriate place in the bill, insert the following:

SEC. ___. WAIVER OF EARLY WITHDRAWAL PENALTY FOR DISTRIBUTIONS FROM QUALIFIED RETIREMENT PLANS TO INDIVIDUALS CALLED TO ACTIVE DUTY DURING THE NATIONAL EMERGENCY DECLARED BY THE PRESIDENT ON SEPTEMBER 14, 2001.

(a) WAIVER FOR CERTAIN DISTRIBUTIONS.—

(1) IN GENERAL.—Section 72(t)(2) of the Internal Revenue Code of 1986 (relating to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end the following:

"(G) DISTRIBUTIONS TO INDIVIDUALS PERFORMING NATIONAL EMERGENCY ACTIVE DUTY.—Any distribution to an individual who, at the time of the distribution, is a member of a reserve component called or ordered to active duty pursuant to a provision of law referred to in section 101(a)(13)(B) of title 10, United States Code, during the period of the national emergency declared by the President on September 14, 2001.".

(2) WAIVER OF UNDERPAYMENT PENALTY.—Section 6654(e)(3) of such Code (relating to waiver in certain cases) is amended by adding at the end the following:

"(C) CERTAIN EARLY WITHDRAWALS FROM RETIREMENT PLANS.—No addition to tax shall be imposed under subsection (a) with respect to any underpayment to the extent such underpayment was created or increased by any distribution described in section 72(t)(2)(G).".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to distributions made to an individual after September 13, 2001.

(b) CATCH-UP CONTRIBUTIONS ALLOWED.—

(1) INDIVIDUAL RETIREMENT ACCOUNTS.—Section 219(b)(5) of the Internal Revenue Code of 1986 (relating to deductible amount) is amended by adding at the end the following:

"(D) CATCH-UP CONTRIBUTIONS FOR CERTAIN DISTRIBUTIONS.—In the case of an individual who has received a distribution described in section 72(t)(2)(G), the deductible amount for any taxable year shall be increased by an amount equal to—

"(i) the aggregate amount of such distributions (not attributable to earnings) made with respect to such individual, over

"(ii) the aggregate amount of such distributions (not attributable to earnings) previously taken into account under this subparagraph or section 414(w).".

(2) ROTH IRAS.—Section 408A(c) of such Code (relating to treatment of contributions) is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following:

"(7) CATCH-UP CONTRIBUTIONS FOR CERTAIN DISTRIBUTIONS.—Any contribution described in section 219(b)(5)(D) shall not be taken into account for purposes of paragraph (2).".

(3) EMPLOYER PLANS.—Section 414 of such Code (relating to definitions and special rules) is amended by adding at the end the following:

"(w) CATCH-UP CONTRIBUTIONS FOR CERTAIN DISTRIBUTIONS.—

"(1) IN GENERAL.—An applicable employer plan shall not be treated as failing to meet any requirement of this title solely because the plan permits an applicable participant to make additional elective deferrals in any plan year.

"(2) LIMITATION ON AMOUNT OF ADDITIONAL DEFERRALS.—

"(A) IN GENERAL.—A plan shall not permit additional elective deferrals under paragraph (1) for any year in an amount greater than the lesser of—

"(i) the applicable dollar amount, or

"(ii) the excess (if any) of—

"(I) the participant's compensation (as defined in section 415(c)(3)) for the year, over

"(II) any other elective deferrals of the participant for such year which are made without regard to this subsection.

"(B) APPLICABLE DOLLAR AMOUNT.—For purposes of this paragraph, the applicable dollar amount with respect to a participant shall be an amount equal to—

"(i) the aggregate amount of distributions described in section 72(t)(2)(G) (not attributable to earnings) made with respect to such participant, over

"(ii) the aggregate amount of such distributions (not attributable to earnings) previously taken into account under this subsection or section 219(b)(5)(B).

"(3) TREATMENT OF CONTRIBUTIONS.—Rules similar to the rules of paragraphs (3) and (4) of subsection (v) shall apply with respect to contributions made under this subsection.

"(4) DEFINITIONS.—For purposes of this subsection, the terms 'applicable employer plan' and 'elective deferral' have the same meanings given such terms in subsection (v)(6).".

(4) CONFORMING AMENDMENT.—Section 414(v)(2)(A)(ii)(II) of such Code (relating to limitation on amount of additional deferrals) is amended by inserting "(other than deferrals under subsection (w))" after "deferrals".

(5) EFFECTIVE DATE.—The amendments made by this subsection shall apply to contributions in taxable years ending after December 31, 2001.

AMENDMENT NO. 2733

(Purpose: To prohibit a State from imposing a discriminatory tax on income earned within such State by nonresidents of such State)

At the appropriate place in the bill, insert the following:

SEC. ___. PROHIBITION ON IMPOSITION OF INCOME TAXES BY STATES ON NONRESIDENTS.

(a) IN GENERAL.—Chapter 4 of title 4, United States Code, is amended by adding at the end the following:

"§ 116. Prohibition on imposition of income taxes by States on nonresidents

"Except to the extent otherwise provided in any voluntary compact between or among States, a State or political subdivision thereof may not impose a tax on income earned within such State or political subdivision by nonresidents of such State.".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 4 of title 4, United States Code, is amended by adding at the end the following:

"116. Prohibition on imposition of income taxes by States on nonresidents.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of enactment of this Act.

AMENDMENT NO. 2734

(Purpose: To provide that tips received for certain services shall not be subject to income or employment taxes)

At the appropriate place in the bill, insert the following:

SEC. ___. TIPS RECEIVED FOR CERTAIN SERVICES NOT SUBJECT TO INCOME OR EMPLOYMENT TAXES.

(a) IN GENERAL.—Section 102 of the Internal Revenue Code of 1986 (relating to gifts and inheritances) is amended by adding at the end the following new subsection:

"(d) TIPS RECEIVED FOR CERTAIN SERVICES.—

"(1) IN GENERAL.—For purposes of subsection (a), tips received by an individual for qualified services performed by such individual shall be treated as property transferred by gift.

"(2) QUALIFIED SERVICES.—For purposes of this subsection, the term 'qualified services' means cosmetology, hospitality (including lodging and food and beverage services), recreation, baggage handling, transportation, delivery, shoe shine, and other services where tips are customary.

"(3) ANNUAL LIMIT.—The amount excluded from gross income for the taxable year by reason of paragraph (1) with respect to each service provider shall not exceed $10,000.

"(4) EMPLOYEE TAXABLE ON AT LEAST MINIMUM WAGE.—Paragraph (1) shall not apply to tips received by an employee during any month to the extent that such tips—

"(A) are deemed to have been paid by the employer to the employee pursuant to section 3121(q) (without regard to whether such tips are reported under section 6053), and

"(B) do not exceed the excess of—

"(i) the minimum wage rate applicable to such individual under section 6(a)(1) of the Fair Labor Standards Act of 1938 (determined without regard to section 3(m) of such Act), over

"(ii) the amount of the wages (excluding tips) paid by the employer to the employee during such month.

"(5) TIPS.—For purposes of this title, the term 'tip' means a gratuity paid by an individual for services performed for such individual (or for a group which includes such individual) by another individual if such services are not provided pursuant to an employment or similar contractual relationship between such individual."

(b) EXCLUSION FROM SOCIAL SECURITY TAXES.—

(1) Paragraph (12) of section 3121(a) of such Code is amended to read as follows:

"(12)(A) tips paid in any medium other than cash;

"(B) cash tips received by an employee in any calendar month in the course of his employment by an employer unless the amount of such cash tips is $20 or more and then only to the extent includible in gross income after the application of section 102(d).";

(2) Paragraph (10) of section 209(a) of the Social Security Act is amended to read as follows:

"(10)((A) tips paid in any medium other than cash;

"(B) cash tips received by an employee in any calendar month in the course of his employment by an employer unless the amount of such cash tips is $20 or more and then only to the extent includible in gross income after the application of section 102(d) of the Internal Revenue Code of 1986 of such month."; and

(3) Paragraph (3) of section 3231(e) of such Code is amended to read as follows:

"(3) Solely for purposes of the taxes imposed by section 3201 and other provisions of this chapter insofar as they relate to such taxes, the term 'compensation' also includes cash tips received by an employee in any calendar month in the course of his employment by an employer if the amount of such cash tips is $20 or more and then only to the extent includible in gross income after the application of section 102(d).".

(c) Exclusion From Unemployment Compensation Taxes.—Submission(s) of section 3306 of such Code is amended to read as follows:

"(s) Tips Not Treated as Wages.—For purposes of this chapter, the term 'wages' shall include tips received in any month only to the extent includible in gross income after the application of section 102(d) of such month.".

(d) Exclusion From Wage Withholding.—Paragraph (16) of section 3401(a) of such Code is amended to read as follows:

"(16)(A) as tips in any medium other than cash;

"(B) as cash tips to an employee in any calendar month in the course of his employment by an employer unless the amount of such cash tips is $20 or more and then only to the extent includible in gross income after the application of section 102(d)."

(e) Conforming Amendment.—Sections 32(c)(2)(A)(i) and 220(b)(4)(A) of such Code are each amended by striking "tips" and inserting "tips to the extent includable in gross income after the application of section 102(d))".

(f) Effective Date.—The amendments made by this section shall apply to tips received after the calendar month which includes the date of the enactment of this Act.

AMENDMENT NO. 2735

(Purpose: To allow a deduction for real property taxes whether or not the taxpayer itemizes other deductions)

At the appropriate place in the bill, insert the following:

SEC. . REAL PROPERTY TAX DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ITEMIZES OTHER DEDUCTIONS.

(a) In General.—Section 62(a) of the Internal Revenue Code of 1986 (defining adjusted gross income) is amended by inserting after paragraph (18) the following:

"(19) Real property taxes.—The deduction allowed by section 164(a)(1).".

(b) Effective Date.—The amendment made by this section shall apply to any payment due after December 31, 2000.

Mr. SMITH of New Hampshire. Mr. President, these amendments I have offered encompass a number of important issues, including property taxes, commuter taxes, tip taxes for those who work as waiters and waitresses for the most part, and Reservists. Those are the four categories.

Mr. President, I thank my colleagues for their courtesy in allowing me to offer four amendments. I will have a very brief discussion of each of these amendments.

AMENDMENT NO. 2735

The amendment No. 2735 is an amendment dealing with property taxes. It provides an above-the-line deduction for State and local property taxes. Right now, these taxes are only deductible for those who itemize their taxes. The nonitemizers are at the lower income levels. Therefore, this will help stimulate the economy by encouraging home purchases and home ownership for those at the lower income levels that do not itemize their taxes.

As we all know, property taxes tend to fund local education. So providing this tax deduction makes it easier for a local taxpayer to afford the quality education. As a former teacher and a parent, I believe it is very important to our economy.

It is important to understand, if a citizen makes enough money to have enough deductions to itemize taxes, they can deduct property taxes. But what about the senior citizen who has property that has gained in value, they don't want to sell their home, and they are on a fixed income? They could be forced to sell their home to pay the property taxes—which go up every year, usually because of the schools or other costs in the community.

This gives immediate tax relief to every working American or senior citizen or anyone else who owns property, pays property taxes, but does not get a tax deduction because they do not itemize. There is a direct stimulus to the economy. Imagine being able to deduct $2,000 or $3,000 in property taxes and having that cash on hand to be used for something else, whether the purchase of a refrigerator or whatever.

If we want to stimulate the economy and help those who need it most, this is the kind of legislation that does it. I hope my colleagues will look seriously at this matter and pass it as an amendment to the stimulus package.

AMENDMENT NO. 2733

The second amendment I will speak to, No. 2733, involves a commuter tax. This prohibits the imposition of a nonresident income tax unless two States agree to a compact permitting that tax. It happens in New Hampshire; it happens in other States. A State does not have an income tax and a person who lives in a State with no income tax works in another State. That State taxes their income. It is taxation without representation. It is not fair.

This prohibits this tax from being implemented. In the long run, it is fair, and it is best for all people, no matter in what State you live. Even if you are in a State that collects those taxes, it is the issue of fairness. Is it fair for you to collect an income tax from a person who works in your State who gets no benefit? It does not mean only the interstate exchange of goods and services, it also means the exchange of labor.

One of the best ways to stimulate economic growth is allow people to work wherever they want in whatever State they want. Why make it a disincentive for the person living on the border of one State to go to another State. That is what we are doing. It is especially unfair in States such as New Hampshire, where there is no income tax, and there is no reciprocating. In the State of New Hampshire, $2 or $3 million goes out of that State into several of the surrounding States.

We all have constituents who work in neighboring States. In most cases, these constituents pay income taxes to those States; they are called commuter taxes. This is called taxation without representation, where I went to school. This is one of the issues that the colonists in our country fought over when they began to remove themselves from the authority of the King. The Declaration of Independence lists the reasons our country broke away from the Crown, and one of them was imposing taxes without our consent. That is exactly what happens in every State in America where there is an income tax for a person, say, living in Montana, who works in a neighboring State, and they have to pay the tax of that neighboring State.

It is not fair. I understand where politically it is easier for a State legislator to support an income tax on citizens who cannot vote them out of office. There is no way you can vote these people out of office for imposing these taxes, but it goes against the very principles on which our country was founded.

My amendment says if the State consents to allow its citizens to be taxed by a neighboring State, that is OK because now the constituents have an opportunity to either support or not support the legislators who imposed that. It is a very important distinction as to this amendment. If a State consents to allow citizens to be taxed by a neighboring State, fine. But right now that is not the case. They could sign an interstate compact, which would be fine, but it should be up to the States. My amendment preserves the right of citizens to be governed by their own States, not by the tax-hungry legislators of another State.

If you examine this issue, it is a States rights issue, and I urge its adoption.

AMENDMENT NO. 2734

Mr. President, the attacks of September 11 have left a great deal of devastation in their wake. Thousands perished during the attacks while tens of thousands of friends and family members are left to grieve for their loved ones. But the economic impact of those attacks continue to be felt throughout the Nation. With more than 1.6 million working men and women laid off last year, we need to look for ways to provide assistance to working individuals and their families.

The business community, particularly the travel industry, are bearing the brunt of the burden. With airline travel and hotel bookings down sharply, communities which largely depend on tourism and travel as their chief source of revenue will soon, if not already, be in the red and may soon be forced to cut vital services. It is, therefore, imperative that we pass a strong, sensible economic stimulus plan that will provide immediate relief to all Americans and stimulus to local businesses to help them weather this storm and expand employment. However, we must not overlook those who need help the most. The working poor.

Many of the these hardworking Americans supplement their often, minimum wage incomes, with tips received for their excellent service. However, this discriminatory tax is levied against those who can least afford it. Therefore, I am offering an amendment to address this unfairness in the tax code and provide direct relief to hardworking Americans. My amendment is very simple. It recognizes a tip for what it is: a gift. All tips, not exceeding $10,000 annually, would be tax-free. Result: hundreds of dollars a month remains in the pocket of hard working individuals. By exempting these monies from both income and FICA taxes, more money will be returned to the pockets of both employees and employers.

Under current law, service employees who typically receive tips are assumed to have made at least 8 percent of their gross sales in tips. Taxes are applied regardless of the actual level of the tip. The end result for these employees is that they may have to pay taxes on income they didn't receive.

By passing my amendment, the Federal Government will provide direct relief to at least 2.3 million low to middle income individuals who depend on tips to make ends meet. Industry statistics show that most of the employees that will be helped by my amendment are either students, single mothers, or employees at the beginning of their careers. My amendment will benefit millions of Americans directly, substantially, and quickly, while lifting some of the heavy burden of Government off of thousands of small businesses. My amendment eliminates the current cumbersome system under which tips cannot possibly be reported accurately. Hard working, law-abiding citizens who are given tips as a result of their extra effort do not wish to be labeled cheaters by the IRS which does not understand the realities of their work. It is time to change the tax law covering income from tips. My amendment caps the tax-free earnings at $10,000 for the small percentage who make a career of waiting on tables in high-end restaurants and resorts. For States that have a tip credit rule, this bill will not impact the employee's and employer's obligations and contributions up to the minimum wage.

Congress should show the hard working men and women of America that the Federal Government is not out of touch, and that it has some compassion for the struggle facing the millions of citizens in the service industry. By passing my amendment, we pass a common sense proposal that will directly help millions of hard-working Americans.

To reiterate, the third amendment is No. 2734, known as the tip tax. This amendment would consider tips to be gifts for income tax purposes. This would provide a great amount of much needed relief and stimulus to the hospitality and other service sectors of our economy by eliminating the tax burden imposed on these tips.

Think about the types of people who hold these jobs. There are many single mothers, working women, working hard. You have all been to restaurants and you see how hard waiters and waitresses work. Frequently these are single-income mothers who have children at home. They are working hard. This would exempt the first $10,000 of those tips from Federal income tax. That is a pretty good incentive and would help every waitress, every waiter, every person who receives gratuities as the primary source of their income. It would help them tremendously to exempt the first $10,000.

We treat the tip income the same way—the first $10,000 a year tax free. It is good policy and good stimulus, and I urge its adoption.

In summary, again, if you work as a waitress or waiter, the first $10,000 of the money you earn in tips would be exempted from Federal taxes.

AMENDMENT NO. 2732

After the treacherous attacks of September 11, the need to increase security around the country was and continues to be imperative.

Much of the security needs were filled by National Guard and Reserve units. Many were forced to leave high or higher paying jobs than the military was able to pay. In some cases, this caused a financial burden on the men and women who were called to duty.

In order to help the Guard and Reserve units who were called up as a result of the terrorist attacks, my amendment would allow those units to access their retirement plans without paying the 10 percent penalty for early withdrawal.

The legislation would also allow them an underpayment waiver as well as a catch-up contribution without caps up to the amount they withdrew from their retirement fund.

While we have rightfully provided tax relief to the business and families involved in the September 11 attacks, we must also look for ways to provide relief to those brave men and women who have been called up to protect us from further attacks.

I ask the Senate to support the members of our National Guard and Reservists and agree to my amendment.

In conclusion—I may want to speak to these amendments a little bit later—these are four opportunities for us to help people who need help and stimulate the economy at the same time. These are working women, for the most part, single mothers, working women who have children at home, to exempt that first $10,000 in tip income; to help the reservist who is called up on active duty who has a tough time now making payments on the home; third, to help those who work in one State and have to pay taxes in that State even though they do not get any vote on it; and finally, the property tax where with the above-the-line deduction, if you don't itemize, you can deduct your property taxes.

That will help mostly seniors, those people who are on fixed incomes who are basically property poor. They do not want to sell their house. They don't want to mortgage their house. Why should they have to? They have worked all their lives for it. They can't pay the taxes on it. This will give them a chance to deduct it right off their income.

My amendment will provide tax relief to low income homeowners who do not have enough in deductions to itemize.

Giving low income working Americans an above the line tax deduction for their family home will encourage home ownership and provide a much needed economic stimulus in financially challenged neighborhoods.

School districts depend, in large part, on property taxes. Encouraging home ownership will increase greater tax dollars to these school districts and provide greater learning opportunities for our children.

As a former teacher, I believe it is very important to our children and our economy.

I ask that the Senate consider the working poor and agree to this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The amendment offered by the Senator from New Hampshire is the pending business.

Mr. SESSIONS. I ask unanimous consent to lay aside the pending amendment in order that I might introduce my own amendment, along with Senator ALLEN.

The PRESIDING OFFICER (Mr. CARPER). Is there objection?

Mr. REID. Reserving the right to object, what is the consent request?

The PRESIDING OFFICER. The Senator will repeat his request.

Mr. SESSIONS. That we lay aside the pending amendment and I and Senator ALLEN be allowed to offer an amendment.

Mr. REID. I object to that.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, I announce to Members that we are trying to have a consent agreement entered into within the next few minutes to have a vote on or about a quarter to 4 today on the Harkin amendment. We have an agreement that was formalized last night to alternate amendments. And that is what we have been doing. We have a formal agreement that during this stimulus package we are alternating amendments. The next two that were to be in order were two Democratic amendments. We are going to dispose of these. We are going vote on the Harkin amendment and vote on Senator ALLEN's and work our way through this matter. Senator SMITH offered four amendments. The manager on the other side can decide how to handle those. We will do what we have been doing. Unless Senator SMITH combines those into one amendment, we will spread those out, having four amendments on the other side.

I have no objection at this time to Senator SESSIONS offering the amendment in keeping with the agreement that was entered. His amendment would be offered in the normal course of the alternating amendments.

Does the Senator from Iowa agree with me?

Mr. GRASSLEY. Mr. President, if what the Senator is saying is that when it comes to a Member who offered four amendments, we would only vote on one of his amendments and alternate back and forth. Is that your goal?

Mr. REID. Yes. It doesn't matter to me how the manager of the bill handles that. It is strictly up to him.

Mr. GRASSLEY. Since we started the other day with an agreement to go back and forth with one Democratic amendment and one Republican amendment, we will stick with that.

Mr. REID. We entered into that agreement yesterday.

I withdraw my objection to Senator SESSIONS' amendment.

I ask unanimous consent that the Senate vote at 3:45 on or in relation to the Harkin amendment, there be no amendments in order prior to that time, and the time be equally divided.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Alabama.

AMENDMENT NO. 2736

Mr. SESSIONS. Mr. President, I thank the Senator from Nevada for his courtesy which he displays so often.

The American Family Security and Stimulus Act is a stimulus package that I offered along with Senator ALLEN and Senator SMITH. Several other Senators also support it. It is designed to provide a stimulus to this economy and to middle-class working Americans, by emphasizing help to families who tend to be hurt most in an economic slowdown and by trying to get money into this economy in a way that can move us out of here. It is time to blast out of this recession—not ease out of it.

When we look at our budget numbers and our hopes for the future and jobs in America, what we know is that the sooner we get this economy humming again the better. It will even benefit the politicians because we will have more money in our Government Treasury. But, most importantly, it will help create jobs and income for American families and workers.

It is time for us to quit dawdling about and get moving on something that can be reached. I know the great leadership on both sides of the aisle has worked really hard. Sometimes I have been wont to call them masters of the universe, as they told us they were going to work out something. Sooner or later, they were going to get an agreement. But time has gone by and no agreement has been reached. So I suggest the plan that we would offer today—Senator ALLEN and I—is a bipartisan plan that can include much of what is in other people's plans. It also includes some items that would provide stimulus to the economy that are not special interest oriented but family oriented. So everybody should be able to rally behind them.

I will make a few brief remarks and then I will allow Senator ALLEN to make some comments. I hope I might be able to speak on it as the day goes by.

The components of this plan include a number of items. I believe one of them that has not been given sufficient thought in this process is the requirement that we advance payment of the earned-income tax credit—a $31 billion program for low-income workers. They get that earned-income tax credit the year after they work as a refund on their tax return. If we could begin to put it on their paychecks now—it is 5 percent—they would receive maybe a 60-cent, 80-cent, or 90-cent-an-hour increase in their pay. It would advance payment maybe $10 billion or $15 billion in this fiscal year's economy when we need that advanced payment, and it would reduce next year's payment. It would be a one-time infusion of cash for hard-working Americans with low income with no cost to the budget over a 2-year period. In fact, I think that is the right approach.

I do not believe I sent my amendment to the desk. I send it at this time.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alabama [Mr. SESSIONS] for himself, Mr. ALLEN, Mr. SMITH of New Hampshire, and Mr. HUTCHINSON proposes an amendment numbered 2736 to the language proposed to be stricken by amendment No. 2698.

Mr. SESSIONS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. SESSIONS. Mr. President, the cost is $15 billion this year, but it saves the Treasury $15 billion next year because that money would have been paid out earlier than would otherwise have been the case.

I ask that we accelerate the 25-percent individual income tax rate reduction that is now set at 27 to go to 25 by the year 2002, instead of 2006. We would accelerate that to this year providing families a break on their tax return. For example, an individual making $27,000 to $67,000 would receive a 2-percent break on their tax return.

We would allow penalty-free IRA withdrawals for health insurance premiums for unemployed workers. That has the potential to help people who are hurting and need health insurance. We would increase the child tax credit from $500, as it is today for the year 2001, to $1,000 per child, allowing families to receive an additional $500 tax credit on their tax returns for this year. We would do that just for 1 year because it is my belief that we need a stimulus in the economy now. It is going to phase into a $1,000 tax credit for families over 10 years, but for 1 year we would accelerate that in these economic times to provide relief for families.

We would increase from $3,000 to $5,000 the capital loss deduction. A number of plans have had that—both Democrat and Republican.

We provide a 3-month $500 tax credit for the purchase of computers for elementary and secondary students, for which Senator ALLEN is such a passionate proponent, and who will explain in detail.

We will extend the unemployment benefit by 13 weeks and provide the option for States to provide unemployment, if they choose, for part-time workers.

I think that goes beyond Senator DASCHLE's proposal and, I believe, would be very much a compromise that would be acceptable across the aisle.

We would provide $5 billion for national emergency grants to States for people who are hurting and provide temporary business relief by allowing an additional 2-year depreciation deduction of 30 percent of the adjusted basis of certain qualified properties. That is projected at an approximate $38 billion cost, and it would have a cost this year when the money is pumped into the economy. But by allowing people to take that depreciation deduction early, it would be something not available to them in the future, thereby saving Government expenditures or costs in income in the future.

That is a good package. I know Senator ALLEN wants to talk about it. I believe it is a step in the right direction. There is nothing in this that is not bipartisan. There is nothing in this that is special interest. Every bit of it is fair and just, which stimulates the economy, over $100 billion worth, without creating a bureaucracy, without creating a welfare program; and actually doing the things we want it to do.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Virginia.

Mr. ALLEN. Mr. President, I commend Senator SESSIONS for his leadership and echo all of the comments he made in support of this measure. I strongly support, as a cosponsor, this amendment which is entitled the American Family Economic Security and Stimulus Act.

This amendment, due to the great leadership of Senator SESSIONS, as well as his ingenuity, has provided us with what I believe to be a very common sense, compassionate, pro-family package that will help stimulate the economy and help American families and businesses get through the current economic recession.

When one thinks of stimulus or stimulus policy—I know the Presiding Officer remembers the discussion on the concept of stimulus—it should be a change in policy which will induce or spur economic activity, whether it is investment or whether it is spending, that would otherwise not occur but for the change in policy.

This amendment represents a very worker-oriented, pro-family economic aid and stimulus package that will provide immediate financial relief to working families. It will ensure more of their hard-earned money stays in their wallets, and they spend it as they see fit. There is the additional $150 a month in the hands of working Americans through advanced payment on the earned-income tax credit. That is really an immediate 50 to 60 cents per hour pay raise for workers in the lowest income levels.

It increases the child tax credit to $1,000 for the current fiscal year, and it accelerates the rate reduction for the 28 percent tax bracket to 25 percent.

I thank Senator SESSIONS for including the educational opportunity tax credit in this important legislation. This is a concept that I ran on in my campaign. It is one many have heard me discuss. What I am doing in adapting this idea, the education opportunity tax credit, to a stimulus package is to create an immediate incentive for families, parents of children who are in kindergarten through 12th grade, to buy computers, educational software, or computer peripherals. It is a technology-related amendment.

Specifically, what this amendment, the Sessions-Allen amendment, would do is provide parents who have children in kindergarten through 12th grade with an immediate $2,500 tax credit to buy computers, educational software, or peripherals. It would be for only 3 months. It would provide those families with the financial means necessary to provide their children with greater educational choice and opportunities best suited to their individual needs.

Parents know the needs of their children better than anyone. We know in studies about the digital divide that youngsters who have computers at home do better in school. They stay in school. They don't drop out. This is an important way of empowering parents to provide computers and educational software and peripherals to their children.

As far as the economic stimulus of it, if the idea of education and empowering parents is not sufficient to convince my colleagues, let's recognize what this will do for the economy. We can look at the States as our laboratories for a lot of good ideas.

Experience shows in the States that even a small temporary reduction in taxes can bring about huge increases in computer sales. In South Carolina, they had a sales tax holiday on computers for only 3 days. What was the result? Computer sales increased more than tenfold, over 1,000 percent, in those 3 days. In Pennsylvania, they eliminated the sales tax on computers for 1 week. CPU sales increased sixfold in that time.

The PRESIDING OFFICER. All time controlled by the minority has expired.

Mr. ALLEN. Mr. President, I hope the Senate will support this idea of empowering parents, helping with technology, and helping out our economy as well. It is a good, commonsense approach. I thank the Presiding Officer for giving me the additional 30 seconds.

The PRESIDING OFFICER. Who yields time? The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I believe we have consent from the other side to let the Senator from Virginia speak longer.

Mr. ALLEN. I would appreciate that, Mr. President.

Mr. GRASSLEY. I ask unanimous consent to give the Senator 3 additional minutes, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Virginia is recognized for an additional 3 minutes.

Mr. ALLEN. Mr. President, as I was stating, the educational opportunity tax credit, empowering parents with a $500 tax credit for a 3-month period to buy computers and educational software and peripherals for their children, as we see from the States, works very well. It is not just the computers themselves. Again, South Carolina realized about a 664 percent increase in monitor sales and a 700 percent increase in printer sales, with only a 5 percent tax break. Pennsylvania had a similar experience.

The impact of this will be at least $5 billion of stimulus into this sector of the economy while also helping out the education of children in this country.

We know that this will have much more of an impact than that because whoever is fabricating the chips, the semiconductor chips, whoever the contractors and vendors may be, whoever the sales folks are, all of them, the computer software writers, all of those people will benefit from more business investment, more sales in the tech sector. This idea is supported by Information Technology Industries; Global Learning System; ITIC, which is the Information Technology Industry Council; John Chambers with CISCO, who is well known for his efforts in education and technology, Gateway Computers, who have seen the impact of this in the States, the Consumer Electronics Association, Radio Shack, and Circuit City.

This is a good, balanced, pro-family, pro-taxpayer, pro-jump starting, and "stimulating this economy to create more jobs" idea. I hope we will find bipartisan support for this idea that will really allow families to keep more of their money, help educate their children, and also provide the job placement and financial assistance needed to workers during this economic downturn while also making sure that businesses have the capabilities to make investments with accelerated depreciation.

I look forward to working with my colleagues as we move this country forward in a way of trusting free people and free enterprise.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. Mr. President, if I may, I ask unanimous consent to add as cosponsors of the Sessions-Allen amendment Senator TIM HUTCHINSON of Arkansas and Senator BOB SMITH of New Hampshire.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the amendment of the Senator from Virginia be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2700

Mr. GRASSLEY. Mr. President, on behalf of Senator MCCAIN, I call up amendment No. 2700, and I ask unanimous consent that it be explained and then laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for Mr. MCCAIN, for himself, Mr. ALLARD, Mr. LIEBERMAN, Ms. SNOWE, Mr. LEVIN, Mr. MURKOWSKI, Mr. CLELAND, Mr. INHOFE, Ms.

LANDRIEU, Mr. BURNS, Mr. DURBIN, Mr. SESSIONS, Mr. DEWINE, Mr. THURMOND, Mr. SHELBY, Mr. HAGEL, Mr. LUGAR, Mr. KENNEDY, Mr. WARNER, Ms. COLLINS, Mr. HATCH, Mr. HELMS, Mr. ALLEN, Mr. KERRY, Mr. FITZGERALD, Mr. STEVENS, Mr. REID, Mr. MILLER, Mr. ROBERTS, Mr. BAYH, Mr. ENSIGN, Mr. BUNNING, Mr. CAMPBELL, Mr. NELSON of Nebraska, Mr. DODD, Mr. JEFFORDS, Mr. BROWNBACK, Mr. BIDEN, Ms. STABENOW, and Mr. COCHRAN, proposes an amendment numbered 2700 to the language proposed to be stricken by amendment No. 2698.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to provide a special rule for members of the uniformed services and Foreign Service in determining the exclusion of gain from the sale of a principal residence)

At the appropriate place insert the following:

SEC. ___. SPECIAL RULE FOR MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE IN DETERMINING EXCLUSION OF GAIN ON SALE OF PRINCIPAL RESIDENCE.

(a) IN GENERAL.—Section 121(d) (relating to special rules) is amended by adding at the end the following:

"(9) MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE.—

"(A) IN GENERAL.—The running of the 5-year period described in subsection (a) shall be suspended with respect to an individual during any time that such individual or such individual's spouse is serving on qualified official extended duty as a member of a uniformed service or of the Foreign Service.

"(B) QUALIFIED OFFICIAL EXTENDED DUTY.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'qualified official extended duty' means any period of extended duty during which the member of a uniformed service or the Foreign Service is under a call or order compelling such duty at a duty station which is a least 50 miles from the property described in subparagraph (A) or compelling residence in Government furnished quarters while on such duty.

"(ii) EXTENDED DUTY.—The term 'extended duty' means any period of active duty pursuant to a call or order to such duty for a period in excess of 90 days or for an indefinite period.'

"(C) DEFINITIONS.—For purposes of this paragraph—

"(i) UNIFORMED SERVICE.—The term 'uniformed service' has the meaning given such term by section 101(a)(5) of title 10, United States Code.

"(ii) FOREIGN SERVICE OF THE UNITED STATES.—The term 'member of the Foreign Service' has the meaning given the term 'member of the Service' by paragraph (1), (2), (3), (4), or (5) of section 103 of the Foreign Service Act of 1980.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales or exchanges on or after the date of the enactment of this Act.

Mr. McCAIN. Mr. President, I, along with 39 cosponsors, am proud to sponsor amendment 2700 to H.R. 622 to allow members of the Uniformed and Foreign Services, who are deployed or are away on extended active duty, to qualify for the same tax relief on the profit generated when they sell their main residence as other Americans. I am pleased to announce that Secretary of State Colin Powell fully supports this legislation and this legislation enjoys overwhelming support by the senior uniformed military leadership—the Joint Chiefs of Staff—as well as the Office of Management and Budget Director Mitch Daniels, the 31-member associations of the Military Coalition, the American Foreign Service Association, and the American Bar Association.

The average American participates in our Nation's growth through home ownership. Appreciation in the value of a home because of our country's overall economic growth allows everyday Americans to participate in our country's prosperity. Fortunately, the Taxpayer Relief Act of 1997 recognized this and provided this break to lessen the amount of tax most Americans will pay on the profit they make when they sell their homes.

The 1997 home sale provision unintentionally discourages home ownership among members of the Uniformed and Foreign Services, which is bad fiscal policy. Home ownership has numerous benefits for communities and individual homeowners. Owning a home provides Americans with a sense of community and adds stability to our Nation's neighborhoods. Home ownership also generates valuable property taxes for our Nation's communities.

This amendment will not create a new tax benefit. Let me say that again: this bill will not create a new tax benefit, it merely modifies current law to suspend the time members of the Uniformed and Foreign Services are away from home on active duty. In short, this amendment treats service members and foreign service officers fairly, by treating them like all other Americans.

The Taxpayer Relief Act of 1997 delivered sweeping tax relief to millions of Americans through a wide variety of important tax changes that affect individuals, families, investors, and businesses. It was also one of the most complex tax laws enacted in recent history.

As with any complex legislation, there are winners and losers. But in this instance, there are unintended losers: service members and Foreign Service Officers.

The 1997 act gives taxpayers who sell their principal residence a much-needed tax break. Prior to the 1997 act, taxpayers received a one-time exclusion on the profit they made when they sold their principal residence, but the taxpayer had to be at least 55 years old and live in the residence for 2 of the 5 years preceding the sale. This provision primarily benefitted elderly taxpayers, while not providing any relief to younger taxpayers and their families.

Fortunately, the 1997 act addressed this issue. Under this law, taxpayers who sell their principal residence on or after May 7, 1997, are not taxed on the first $250,000 of profit from the sale; joint filers are not taxed on the first $500,000 of profit they make from selling their principal residence. The taxpayer must meet two requirements to qualify for this tax relief. The taxpayer must, first, own the home for at least 2 of the 5 years preceding the sale; and, second, live in the home as their MAIN home for at least 2 years of the last 5 years.

I applaud the bipartisan cooperation that resulted in this much-needed form of tax relief. The home sales provision sounds great and it is. Unfortunately, the second part of this eligibility test unintentionally and unfairly prohibits many of our men and women in the Armed Forces and Foreign services from qualifying for this beneficial tax relief.

Constant travel across the United States and abroad is inherent in the military and Foreign Services. Nonetheless, some service members and Foreign Service Officers choose to purchase a home in a certain locale, even though they will not live there much of the time. Under the new law, if a service member does not have a spouse who resides in the house during his or her absence or the spouse is also in the military and also must travel, that service member will not qualify for the full benefit of the new home sales provision, because no one "lives" in the home for the required period of time. The law is prejudiced against dual-military couples who are often away on active duty, because they would not qualify for the home sales exclusion because neither spouse "lives" in the house for enough time to qualify for the exclusion.

This amendment simply remedies an inequality in the 1997 law. It amends the Internal Revenue Code so that the 5-year time period is suspended while the service member or Foreign Service Officer is ordered, I underscore ordered, away from their primary home of residence. In short, active and reserve service members will still be required to live in their primary residence for 2 years, but the 5-year time period is suspended while they are stationed to such places like Afghanistan, the Philippines, Bosnia, the Persian Gulf, in the "no man's land," commonly called the DMZ between North and South Korea, or anywhere else on active duty orders.

In 1998 alone, the United States had approximately 37,000 men and women deployed to the Persian Gulf region, preparing to go into combat, if so ordered. There were also 8,000 American troops deployed in Bosnia, and another 70,000 U.S. military personnel deployed in support of other commitments worldwide. That is a total of 108,000 men and women deployed outside of the United States, away from their primary home, protecting and furthering the freedoms we Americans hold so dear. Since the September 11th attacks on the United States we have asked well over 110,000 service members to deploy abroad to seek out and destroy the terrorists and their supporting organizations responsible for this barbaric deed.

We cannot afford to discourage military service by penalizing military personnel with higher taxes merely because they are doing their job. Military and Foreign service entails sacrifice, such as long periods of time away from friends and family and the constant threat of mobilization into hostile territory. We must not allow the Tax Code to heap additional burdens upon our men and women in uniform.

In my view, the way to decrease the likelihood of further inequities in the Tax Code, intentional or otherwise, is to adopt a fairer, flatter tax system that is far less complicated than our current system. But, in the meantime, we must insure that the Tax Code is as fair and equitable as possible.

The Taxpayer Relief Act of 1997 was designed to provide sweeping tax relief to all Americans, including our men and women in uniform. It is true that there are winners and losers in any tax code, but this inequity was unintended. Enacting this narrowly-tailored remedy to grant equal tax relief to the members of our Uniformed and Foreign Services restores fairness and consistently to our increasingly complex Tax Code.

I ask unanimous consent that the letters of support from the American Foreign Service Association, the Joint Chiefs of Staff, American Bar Association, the Military Coalition, the Office of Management and Budget, and the Secretary of State be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF STATE,
Washington, DC, November 30, 2001.
The Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: I am writing in support of the legislation you have introduced to provide members of the Foreign Service, as well as military personnel, the same relief extended to other Americans in the sale of their principal residence. Your efforts on behalf of the men and women of the Foreign Service are very much appreciated.

The Tax Relief Act of 1997 has acted to the disadvantage of many members of the Foreign Service by requiring that they must live in their principal residence for two of the five years prior to sale. Much of a Foreign Service member's career is spent serving his or her country far away from that residence, thereby making it impossible for many of them to utilize the capital gains tax exclusion. Not counting the time on extended duty away from the principal residence as part of the five-year period will give to our Foreign Service personnel and their military colleagues the same tax treatment enjoyed by their fellow Americans.

Sincerely,
COLIN L. POWELL.

JOINT CHIEFS OF STAFF,
Washington, DC, November 27, 2001.
The Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: I join the Service Chiefs and strongly endorse the Military Homeowners Equity Act. This legislation would correct an inequity in the Internal Revenue Code of 1997 and would afford Service members the same opportunity to build equity in a home that most other Americans enjoy.

One of the most effective ways to maintain outstanding combat capability in our military personnel is to allow them to concentrate fully on their mission without worrying excessively about the home front. This Bill would be a major step in the right direction.

Thank you for the opportunity to review the legislation, and for your efforts on behalf of our soldiers, sailors, airmen, marines, and coastguardsmen.

Sincerely,
RICHARD B. MYERS,
Chairman.

CHIEF OF NAVAL OPERATIONS,
November 21, 2001.
The Hon. JOHN MCCAIN,
Senate Russell Office Building, Washington, DC.

DEAR SENATOR MCCAIN: Thank you for your efforts on behalf of our service members to correct the disparity created by the Tax Relief Act of 1997. I would like to extend my support for your legislative tax relief proposal, S. 1678 which would help relieve the hardships experienced by military homeowners and encourage more members to purchase homes.

Many military homeowners who sold their homes after the Tax Relief Act of 1997 have been unable to meet the two-year residency requirement. I ask that you also consider adding language to your proposal to make the tax relief retroactive to sales and exchanges that occurred after the 1997 act, adding a specific exception to the statute of limitations period for filing refund claims.

Please let me know if I may be of further assistance.

Sincerely,
VERN CLARK,
Admiral, U.S. Navy.

October 31, 2001.
The Hon. JOHN MCCAIN,
U.S. Senate, Washington, DC.

DEAR SENATOR MCCAIN: Your efforts to improve the quality of service enjoyed by our Navy-Marine Corps team are greatly appreciated. I would like to extend my support for the legislation that you intend to introduce to correct the tax disadvantage created by The Tax Reform Act of 1997.

The Marine Corps has been tracking several bills intended to correct this tax disadvantage. As you know, The Tax Reform Act repealed certain portions of the existing law that allowed military members to maintain the status quo with other taxpayers for exclusion of capital gains. The Act provided for an exclusion, obviously not intended to disadvantage military service members or members of the Foreign Service. In order to qualify, a taxpayer must "own and use" the property for two of the five years preceding the sale. Since our personnel seldom remain in one location for over three years, it is difficult to qualify for the exclusion.

Please let me know if there is any way in which I can be of assistance or service.

Semper Fidelis,
J.L. JONES,
General, U.S. Marine Corps,
Commandant of the Marine Corps.

DEPARTMENT OF THE ARMY,
OFFICE OF THE CHIEF OF STAFF,
Washington, DC, November 27, 2001.
The Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: I strongly support the legislation you have introduced, S. 1678, to correct the inequitable tax consequences suffered by many soldiers when they sell their principal residence.

As you are aware, under the 1997 Tax Relief Act, a homeowner who sells a principal residence can exclude gain of $250,000 ($500,000 for joint fliers) if the taxpayer owned and used the residence for two of the five years immediately preceding the date of sale. Unlike the previous law, the 1997 Tax Relief Act does not recognize an exception for military service. Accordingly, service members making frequent military moves are often unable to meet the two-year residency requirement required for the home sale exclusion.

Your legislation would correct this inequity by permitting service members to apply time served on extended active duty toward the use of a principal residence to qualify for the home sale exclusion. This change would allow many more service members and their families to take advantage of the home ownership tax incentives enjoyed by other Americans.

I greatly appreciate your commitment to enhance the quality of life for service members and their families. Thank you for your continued support.

Sincerely,
JOHN M. KEANE,
General, United States Army,
Vice Chief of Staff.

HQ USAF/CC,
1670 AIR FORCE PENTAGON,
Washington, DC, November 28, 2001.
The Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: Your consistent commitment to improving the quality of life of our Airmen is greatly appreciated. The Air Force fully supports your Military Homeowners' Equity Act—S. 1678. This bill will correct the tax disadvantaged created by the Tax Reform Act of 1997 by allowing members of the Uniformed Services who are deployed or are away on extended active duty to qualify for the same tax relief on the profit generated when they sell their main residence as other Americans. Ideally, this legislation would be retroactive to the effective date of the Tax Reform Act.

The 1997 Tax Reform Act repealed certain portions of the existing law that allowed military members to maintain the status quo with other taxpayers for exclusion of capital gains. The Act provided for an exclusion, obviously not intended to disadvantaged military service members or members of the Foreign Service. In order to qualify, a taxpayer must "own and use" the property for two of the five years preceding the sale. With the frequent moves required by military service, it is often times difficult for our service members to qualify for the exclusion. Your bill corrects that inequity.

Thank you again for your continuing support and leadership.

Sincerely

JOHN P. JUMPER,
General, USAF, Chief of Staff.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, November 15, 2001.

The Hon. GRANT S. GREEN, JR.,
Under Secretary for Management, Department of State, Washington, DC.

DEAR GRANT: Thank you for your letter regarding Senator McCain's tax relief proposal. After careful review, there is a case to be made that the current capital gains tax system poses a burden on servicemen and women and foreign service officers. These men and women spend much of their careers being assigned overseas and moving from post to post. We should not penalize these Americans in effect for serving their country.

The Office of Management and Budget supports Senator McCain's proposal which would allow military and foreign service personnel equitable capital gains tax treatment. I appreciate your persistence on this matter as we continue to ensure that our Foreign Service Officers and Military service men and women enjoy such benefits especially during these difficult times.

Sincerely,

ROBIN CLEVELAND,
Associate Director,
National Security Programs.

THE MILITARY COALITION,
Alexandria VA, November 6, 2001.

The Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: The Military Coalition, a consortium of nationally prominent uniformed services and veterans organizations, representing more that 5.5 million members, plus their families and survivors, is grateful to you for introducing The Military Homeowners Equity Act—a bill that would restore capital gains tax equity for military homeowners.

Your legislation is essential to correct a serious oversight in the Taxpayer Relief Act of 1997, which inadvertently penalizes servicemembers who are assigned away from their principal residence for more than three years on government orders. Very often, servicemembers keep their homes while reassigned overseas or elsewhere in the hopes of returning to their residence. On occasions when this proves impossible, and the home must be sold to permit purchase of a new principal residence, servicemembers find themselves subjected to substantial tax liabilities—all because military orders kept them from occupying their principal residence for at least two of the five years before the sale.

The 1999, both the House and Senate passed corrective legislation (H.R. 865) as part of the Taxpayer Refund and Relief Act of 1999, but the President vetoed this bill over an unrelated issue. Your new bill will be important to resurrect this fairness issue and allow servicemembers to comply with government orders and leave home to serve their country without risking a large capital gains tax liability.

The Military Coalition pledges to work with you to seek inclusion of your bill in the pending economic stimulus package so military members can once again enjoy the same capital gains tax relief already provided to all other Americans.

Sincerely,

The Military Coalition.

AMERICAN FOREIGN SERVICE ASSOCIATION,
Washington, DC, November 5, 2001.

The Hon. JOHN MCCAIN,
Senate Russell Building,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the 23,000 active-duty and retired members of the Foreign Service which the American Foreign Service Association (AFSA) represents, thank you for your leadership and support with your soon-to-be introduced bill extending to the Uniformed Services and Foreign Service the tax treatment enjoyed by all other Americans when they sell their principal residence.

As you know this is an important active-duty issue for the Uniformed Services and the Foreign Service. Your bill, amending section 121(d) of the Internal Revenue Code of 1986, addresses an inequity faced by our members because of the particular nature of our profession. As you are well aware, our careers require us to live for years at a time away from our homes in duty posts around the world in service to our nation. In the case of the Foreign Service, our duty assignments range from 2–4 years. Back-to-back assignments abroad are common. It is no unusual for a member of the Foreign Service to spend six or more years abroad before returning to Washington for an assignment here. With the current two-in-five year occupancy test, many of our members in both the Uniformed Services and the Foreign Service find that we do have the same flexibility in selling our homes as enjoyed by our fellow Americans. After several years abroad, there are many reasons why we may with to sell our homes upon returning home. As with other Americans, we would like our homes to reflect and be suited-to the changes in our lives—the increase or decrease in the size of our families, divorce, retirement, promotions and the ability to pay more for a house, the schools our children would attend, etc. Yet because of current law, we cannot sell our principal residences without living in them again for two years or else pay a serious tax penalty. Your bill, gratefully, addresses these problems.

The members of the Uniformed Services and the Foreign Service have been faced with this problem since the change in the tax code in 1997. We hope that your provision can become law soon. If we can be of any assistance, please do not hesitate to contact me or Ken Nakamura, AFSA's Director of Congressional Relations at (202) 944–5517 or by e-mail at nakamura@afsa.org.

Sincerely,

JOHN K. NALAND,
President.

AMERICAN BAR ASSOCIATION,
GOVERNMENTAL AFFAIRS OFFICE,
November 7, 2001.

The Hon. JOHN MCCAIN,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the American Bar Association, I would like to commend you for your leadership in developing a proposal on the issue of the military homeowners capital gains exemption. Such legislation is needed to correct an inequity that occurred as a result of the Taxpayer Relief Act of 1997 (Public Law No. 105–34).

As you know, Section 121 of the Internal Revenue Code permits a single taxpayer to exclude up to $250,000 of the capital gains on the sale of a principal residence and permits a married couple filing jointly to exclude up to $500,000 on such a sale. Yet in order to qualify for such an exclusion, a taxpayer must have owned and used the home as a principal residence for two out of the five years prior to its sale. Otherwise, a taxpayer must pay taxes on all or a pro rata share of the capital gains on the sale of the home.

Unfortunately, this provision penalizes service members who are unable to use a principal residence for two out of the five years prior to its sale, because they are deployed overseas or required to live in military housing. The ABA urges Congress to amend Section 121 of the IRC to either: (1) treat time spent away from a principal residence while away from home on official active duty as counting towards the ownership and use requirement, or (2) suspend the ownership and use requirement for time spent away from a principal residence due to official active duty. Earlier this year, the ABA submitted comments to the Internal Revenue Service on proposed regulations regarding Section 121. A copy of our comments is enclosed for your review.

We want to thank you for your plans to rectify the inequity created for service members by Section 121. We look forward to working with you to establish a military homeowners capital gains exemption.

Sincerely,

ROBERT D. EVANS.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is set aside.

AMENDMENT NO. 2719

Mr. BAUCUS. Mr. President, what is the regular order?

The PRESIDING OFFICER. The time has arrived for the vote with respect to the amendment of the Senator from Iowa.

Mr. BAUCUS. Is the Chair about to put the question for a vote?

The PRESIDING OFFICER. The Senator is correct.

The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I raise a point of order under section 302(f) of the Congressional Budget Act against the pending amendment, which is No. 2719, for exceeding the spending allocations of the Senate Committee on Finance.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable sections of the act for purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) and the Senator from Connecticut (Mr. DODD) are necessarily absent.

Mr. NICKLES. I announce that the Senator from Montana (Mr. BURNS), the Senator from New Hampshire (Mr. GREGG), and the Senator from Nevada (Mr. ENSIGN) are necessarily absent.

I further announce that if present and voting the Senator from Montana (Mr. BURNS) would vote "no."

The yeas and nays resulted—yeas 54 nays 41, as follows:

[Rollcall Vote No. 8 Leg.]

YEAS—54

Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Campbell
Cantwell
Carnahan
Carper
Cleland
Clinton
Collins
Corzine
Daschle
Dayton
Dorgan
Durbin
Edwards
Feinstein
Graham
Harkin
Hollings
Hutchinson
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Sessions
Shelby
Snowe
Stabenow
Torricelli
Warner
Wellstone
Wyden

NAYS—41

Allard
Allen
Bennett
Bond
Brownback
Bunning
Chafee
Cochran
Conrad
Craig
Crapo
DeWine
Domenici
Enzi
Feingold
Fitzgerald
Frist
Gramm
Grassley
Hagel
Hatch
Helms
Hutchison
Inhofe
Kyl
Lott
Lugar
McCain
McConnell
Nelson (NE)
Nickles
Roberts
Santorum
Smith (NH)
Smith (OR)
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich

NOT VOTING—5

Akaka
Burns
Dodd
Ensign
Gregg

The PRESIDING OFFICER (Mr. EDWARDS). On this vote the yeas are 54, the nays are 41. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The point of order is sustained and the amendment falls.

The Senator from Colorado.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, for the information of Members, we are in the process of arranging a unanimous consent request to have a vote on or about 4:45 p.m. today on the Allen amendment, and the second would be on the Baucus amendment.

While we are doing that, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. I ask unanimous consent the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I say to my friend from Virginia, if he could start his remarks, I ask his permission we be allowed to interrupt him to enter the unanimous consent agreement when that is ready.

Mr. ALLEN. You have my agreement.

The PRESIDING OFFICER. The Senator from Virginia.

AMENDMENT NO. 2702

Mr. ALLEN. Mr. President, I wish to speak to my amendment, the Terrorist Zone Tax Exemption Act, which I believe will be the next measure on which we will be voting.

Last fall the attack on our country represented the worst of mankind, but at the same time it demonstrated the best of the American spirit.

While we as a nation are united and resolved to combat terrorism, unfortunately other things have changed as a result of these attacks. As my colleagues know, this war on terrorism has changed our definition of combatants. For terrorism targets not only military personnel and equipment but innocent men, women, and children at work in office buildings and, as we have seen, on civilian aircraft. So it is also with those tasked to respond to these attacks. Under the threat of terrorism, not only are military personnel tasked to locate and eradicate potential terrorist threats, but civilian fire, police, and rescue personnel are charged with maintaining public safety after a terrorist attack. We read about and heard about the heroic acts of firefighters, rescue personnel, and police officers—whether at the Pentagon or at the World Trade Center—who risked their lives with burning debris, toxic gases and fumes who tried and indeed did save hundreds if not thousands of lives. And like their military counterparts, they too are subject to attack and risks themselves.

As my colleagues know, our tax laws recognize that the income of those brave men and women in military uniforms fighting overseas and serving in a zone designated as a combat zone is exempt from taxation. Recognizing that the war on terrorism has sadly changed the way we look at war, and recognizing that our local and State fire police and rescue personnel are now pressed into homeland defense, we ought to similarly change our tax laws to reflect this new reality.

My Amendment would allow the income of those who are working in designated terrorist attack zones—for example, at the World Trade Center or at the Pentagon, if so designated by the President—to be exempt from Federal taxes.

The fiscal implication of this is about $205 a month for the September attack—a cost of a little over $7 million to the federal government. And it is retroactive to September 11, although we pray we will never need to use this again.

It is supported by many groups—from the International Association of Fire Chiefs, the Fraternal Order of Police with nearly 300,000 members, the National Association of Police Organizations which represents over 220,000 police officers, the Detectives' Endowment Association which represents 7,500 City of New York Detectives, and other organizations, including the Capitol Police Labor Board.

These firefighters and police and rescue personnel are heroes. They are super heroes. Let us give them this recognition to boost their morale and show our appreciation to them as they protect us here in our homeland.

I hope in a bipartisan nature we can work and vote in favor of this logical, commonsense amendment and I ask for my colleagues' support.

Mr. NICKLES. Mr. President, will the Senator yield for a question concerning the cleanup at the Pentagon or at the World Trade Center? They are still cleaning up. Under the Senator's amendment, would that still be classified as a terrorist center, and, therefore, they would still be exempt? If the cleanup lasted a year, would the cleanup crews be exempt from taxation for a year?

Mr. ALLEN. The designation of a terrorist attack zone would be made by the President. Once you get past the rescue mission, the immediate response, and when the zone is designated a recovery scene, the tax exemption ends. The intent is for this to benefit those who rush in when there is still an opportunity to save a life; those first responders who themselves are endangered by the initial attack. I would not imagine that would last for anymore than a month. And again, it is validated on a monthly basis, like the combat zone tax exemption.

Mr. NICKLES. I thank my colleague.

Mr. REID. Mr. President, I appreciate the Senator from Virginia rushing through with his presentation. It was very articulate. I appreciate his recognizing that we are trying to get this agreement before the vote.

Mr. President, I ask unanimous consent that the time until 4:45 p.m. today be equally divided with respect to the Allen amendment No. 2702 and the Baucus amendment No. 2718, that no second-degree amendments be in order to either amendment prior to the vote in relation to each amendment; that the first vote be in relation to the Allen amendment; and that regardless of the outcome there be 4 minutes equally divided prior to the vote in relation to the Baucus amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ALLEN. Mr. President, I ask unanimous consent that Senator HELMS be added as a cosponsor of amendment No. 2702.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLEN. Mr. President, does the Senator from Montana wish to discuss this amendment? I only have maybe 30 seconds, and I would be happy to yield to the Senator from Montana.

Mr. BAUCUS. I thank my good friend. I have looked at the Senator's amendment. It is a good idea. I support it. There are a few little wrinkles that I want to look at to make sure the definitions coincide with the definitions for income taxes excluded for combat zones and make sure all those declarations are the same and equitable. That is just a minor matter. We will work that out.

I commend the Senator for offering this amendment. It is a good idea.

Mr. ALLEN. Mr. President, I thank the Senator from Montana, Mr. BAUCUS, for his support. I look forward to further discussion. If there are some amendments that need to be made in the definitions, we have been working on this for several months, but nevertheless we will continue to work together on it. I conclude by saying very strongly that we need to adapt our tax policy and properly and logically provide similar tax benefits for the fire, rescue, and police personnel who are serving here in our homeland. This is where these terrorist attacks have occurred and we all agree that these heroes have responded in the true spirit of America. Please stand with our heroes, our firefighters, and police and rescue workers.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BAUCUS. Mr. President, we have two amendments pending and at least two votes at approximately 5:45. We have discussed the amendment offered by the Senator from Virginia, which I support.

I don't know whether the Senator wishes to discuss the amendment. If he doesn't, that is fine. Otherwise, I was going to ask my friend from Oregon, Senator SMITH, if he wishes to say a few words before the other votes that will occur following the vote on the amendment offered by the Senator from Virginia. That, of course, is up to my good friends from Virginia and Colorado.

Mr. ALLEN. Mr. President, I would rather make sure there is adequate discussion on the other votes. I believe there is complete agreement on my amendment.

I yield my time to the Senator so he may explain his amendment.

Mr. BAUCUS. I haven't heard anybody speak in opposition to the Senator's amendment. I think he is pretty close to his goal.

Mr. President, I see my friend from Oregon in the Chamber.

The PRESIDING OFFICER. Who is yielding time?

Mr. BAUCUS. I yield such time as my friend from Oregon would desire.

The PRESIDING OFFICER. The Senator from Oregon.

AMENDMENT NO. 2718

Mr. SMITH of Oregon. Mr. President, I thank the Chair and I thank the chairman of the Finance Committee for yielding time.

I learned as a little boy from my mother that if you at first don't succeed you should try and try again.

I come to the Chamber to try again on the issue of accelerated depreciation. I am proud to be joined by Senator BAUCUS. This is the Baucus-Smith amendment now. The point is simply to try and bridge the difference between the two sides on the whole idea of how best to give a meaningful stimulus to business to take advantage of this accelerated depreciation, this bonus depreciation over a period of time that on the one hand will stimulate in a timely way the economy and in another way will help the States to be able to afford this action.

I believe the Baucus-Smith amendment is the compromise that will provide real stimulus to the underlying package that is offered by the majority which, I respectfully say again, is just simply too short a period of time to be meaningful to our economy.

The point was made that my amendment over 3 years was too much time. Then surely 2 years is enough. I believe Senator BAUCUS and I have provided a compromise that will give business people time sufficient—I wish it were more—to be able to buy the equipment, do the planning, do the environmental studies, and make the investments that will allow employers to call employees back to work.

In addition, we are doing something that is very much needed by the States. That is, we will provide an increase in the Federal Medical Assistance Percentage known as FMAP. Most States, mine included, are struggling with how to continue to provide the resources for Medicaid. I understand that very well in my own State. Our State has a budget shortfall that approaches $1 billion. I have been reminded by people in my State that accelerated or bonus depreciation would only make that situation worse. I am not unmindful of that, and Senator BAUCUS and I have a way in this amendment to fix that, not just for my State but for every State.

Senator HARKIN's amendment was just defeated. I suggest that what Senator BAUCUS and I are proposing is in the same spirit of that but within the realm of financial responsibility. It is the moderate view that I believe will find over 60 votes in the Senate. I certainly hope it will.

What this does specifically, the FMAP increase will provide immediate fiscal relief to States such as Oregon which are increasingly cash strapped in the current recession as the demand for State social services rises but State revenues drop.

For example, this provision would bring an additional $97 million to Oregon in the first year. Depending on certain factors, they may get in excess of an additional $105 million in the following year, for a 2-year total of more than $205 million.

I can imagine that my State, as well as the State of the Presiding Officer, could use that assistance in this time of recession. Again, I remind both sides that whether it is former Treasury Secretary Robert Rubin or Chairman Greenspan, they have both said this will be helpful to stimulate the economy. It doesn't go too far. It is not too long. I think for business people who are on their toes and trying to make plans, it will be enough time to have the economic incentives to improve our Nation's economy.

America, moreover, is hungering for a sense that the Senate can get something done. Our proposal is that middle ground that allows us to make progress and to go to the State of the Union tonight well on the way to passing a stimulus package. There is something for both sides. But more importantly, there is something for the American people that provides real health care dollars to people in need in States with shortfalls and real business stimulus to employers so that the best social welfare we could possibly foster will be available, and that is a private sector family wage job,

Again, I believe Senator BAUCUS and I have come upon the right formula to make better the underlying proposal and to find the bipartisan support which will ultimately be essential if we are to get beyond 60 votes and get something to conference and then to the desk of the President. The American people deserve that. We should do no less.

I yield back my time to the manager of this bill.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, this is a good example of how we should pass legislation; that is, working together. Senator SMITH from Oregon and I have come together and crafted an amendment which directly meets concerns of Senators. We have done it together. Is it perfect in the minds of everyone on one side of the aisle? No. Is it perfect in the minds of all Senators on the other side of the aisle? No. But is it good? Is it basically a good idea? I believe the answer is yes.

Essentially, we are going to provide for bonus depreciation for capital investment at 30 percent over a period of 2 years. The big question, I remind the Chair, is, should it be 1 year, 2 years, or 3 years? We have agreed on 30 percent for all intents and purposes. During private conversation on the floor on both sides of the aisle, somewhat presumptuously I will say that I heard, I believe, it should be 2 years. That is what it should be. We debated 3 years. That did not pass. We, in effect, debated 1 year. It did not quite reach fruition, but that certainly is not going to pass.

The PRESIDING OFFICER. The time controlled by the majority has expired.

Mr. BAUCUS. I thank the Chair. Might I ask who controls the remaining time?

The PRESIDING OFFICER. The Senator from Virginia or his designee.

Mr. GRASSLEY. Mr. President, I grant the Senator from Montana 2 more minutes.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I have about 4 minutes to comment on Senator MCCAIN's amendment. I was giving a speech and I could not be here when he brought it up. I would like to be able to use that time, if you don't need all the time. Otherwise, I will wait.

Mr. BAUCUS. That would be fine. I just have 2 minutes. That would be fine with me.

Mr. ALLARD. I would like to have 4 minutes whenever it works out.

Mr. BAUCUS. Mr. President, again, to remind all Senators, this is a compromise. It is an effort on the part of Senator SMITH of Oregon and myself to find the proper number of years of bonus depreciation. It is an effort to find the proper amount of reimbursement to States for lost Medicaid dollars. All Senators agree this is not only in the ballpark, it is probably so close to filling up the ballpark that it really cannot be improved upon a heck of a lot. I think it is a good amendment.

Further, I remind my colleagues, with the split in this body basically 50–50, this is the only way we are going to accomplish anything of consequence. That is, by sitting down and not engaging in rhetoric and preaching to people through the cameras, making them feel good, but, rather, working together to pass legislation that makes people's lives better and significantly better. That is what we are charged to do.

If you were to ask voters, do you want your Senator to make speeches just for the sake of making speeches or do you want your Senator to get something done that really makes sense for us in the State, it may not be all we want but he has done a pretty good job, clearly the answer is the latter. They want us to do something that makes sense. That is what the Senator from Oregon and I are doing.

I strongly urge my colleagues to take a good, strong look at it. It is a bipartisan amendment. It has bipartisan support. More than that, it has the support of the people of the country.

I yield back the remainder of my time.

Mr. HATCH. I rise in support of this amendment, recognizing the need for Congress to undertake immediate corrective measures to help those who have suffered the adverse effects of the recent economic downturn. And while I do support this amendment, there are issues associated with it that are of serious concern, issues which I hope will be addressed in conference.

As we have heard throughout this debate, most states are experiencing serious budget shortfalls. In fact, in my own state of Utah, many vital state programs are slated for reductions this year. I am very concerned about that situation, and sympathetic to the need to work with the States to alleviate these concerns where we are able.

But it is also true that the Federal budget is under severe pressure because of the economic slowdown, and we must be very careful when we move to authorize what amounts to new spending, especially in an entitlement program.

Obviously, we must carefully examine our budget constraints and balance the need to address the economy with the need to restrain the growth of spending.

But as I have said, I share the States' concern about the budgetary impact of the economic downturn. Many important programs are being cut-back, a serious concern to those of us who have worked so hard to weave a strong safety net.

In fact, the Utah CHIP program is no longer enrolling new children because it is running out of money. I cannot tell you how disappointed I am about this situation. Seeing the CHIP program become federal law in 1997 was probably one of my proudest accomplishments as a U.S. Senator.

And, as one of the principal authors of CHIP, it has been my hope that we can expand the program, not scale it back. However, my discussions with our Governor, Mike Leavitt, have made it perfectly clear that the State feels it has no alternative, and I respect that decision, however painful. But, perhaps if we are giving additional funds to the States to assist with the health care needs of the low income, those funds would be better used if they were provided to the CHIP program as well, or instead, since in many cases a CHIP dollar can go so much further than a Medicaid dollar.

I would also point out that increasing the Federal matching percentage for Medicaid is only a short-term solution to a long-term problem. Again, I heartily support efforts to provide greater assistance to families, especially low-income families, who are feeling the ill effects of the economic downturn. That being said, I do question whether expanding this entitlement program is absolutely the best way to address the health care needs of people who have been hurt by the economy. There are literally millions of persons who have no access to health care at all, and their needs must also be factored in to our overall spending plans.

Let me take a moment to address the FMAP funding formula itself.

The FMAP formula is an attempt to direct Federal resources to the States based on their populations in need. It is not a perfect formula, as many of us have widely acknowledged. These structural flaws must be addressed by Congress, and I would not like to see action today which would lock into concrete, in reality or politically, a formula which needs to be reexamined.

As a related issue, we need to look at the effect of providing a 1½-percent across the board FMAP increase to States for a program which is certain to have a disproportionate impact in the various States given their differing matching percentages. For example, some States have a Federal matching percentage which is relatively high, as high as 76 percent. Others have a percentage as low as 50 percent. Obviously, a 1.5 percent increase is a substantially greater proportion of the 24 percent a State with the highest FMAP has to contribute, compared to 1.5 percent of the 50 percent a "richer" State must contribute.

The GAO has produced several reports which make recommendations on how this formula may be improved. Therefore, I believe that it would be prudent for Congress to carefully review the recommendations of the GAO before taking any final actions affecting FMAP policy.

In fact, I believe it might be prudent for the Finance Committee to hold a hearing on this important issue, and I would hope that the chairman might schedule one in the near future.

In addition, while I have not seen any figures on areas which are the most hard hit by the recession, I want to make certain that the areas in which we are targeting the greatest assistance under this amendment are the areas of greatest need during the downturn. Because of the way the formula is structured, these additional FMAP dollars may not be targeted to those whose access to health care was affected by the recession and the events of September 11.

Finally, it is my hope that this amendment does not follow the long tradition whereby Congress authorizes an extension for an entitlement program which for all intents and purposes becomes permanent. I certainly support the intention of this amendment, which is to provide temporary assistance to those who have suffered great hardships due to the recession and the terrorist attacks of last September. However, making these FMAP increases permanent would be a terrible mistake, especially since I believe that we would be, in essence, taking away dollars from other deserving Federal programs.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

AMENDMENT NO. 2700

Mr. ALLARD. Mr. President, I am pleased to join Senator JOHN MCCAIN in sponsoring amendment No. 2700, the military homeowners tax equity amendment, to H.R. 622. This amendment will correct a serious, inadvertent oversight in the Taxpayer Relief Act of 1997 and provide much needed tax equity to our members of the uniformed services and the Foreign Service. The content of this amendment is the exact language as S. 1678, which Senator MCCAIN and I introduced last year.

The Taxpayer Relief Act of 1997 exempted up to $250,000-$500,000 per couple in capital gains from federal income taxes for homes occupied as a principal residence for at least 2 of the last 5 years. Unfortunately, Uniformed and Foreign Service members may have difficulty meeting the 2 year requirement. Service members are directed to move to meet the needs of the U.S. Government and may be directed to move prior to owning a residence for 2 full years. Many service members keep their homes while reassigned overseas or elsewhere in hopes of returning to their residence. On occasions when this proves impossible, the members are subjected to substantial tax liabilities.

Prior to the 1997 law, service members who were assigned overseas or otherwise away from their principal residence on military orders for an extended period of time had a special provision that allowed them to "rollover" capital gains. The 1997 Taxpayer Relief Act made many improvements to the tax code by replacing the capital gain "rollover" rules with the tax exclusion, but failed to provide for those on military orders. This amendment will correct this oversight by providing that absences from the principal residence due to serving on a qualified official duty as a member of a uniformed service or the Foreign Service be treated as using the residence in determining the exclusion of gain from the sale of such residence.

In 1999 both the House and Senate passed the Taxpayer Refund and Relief Act which included language to correct this oversight, but that act was vetoed by then-President Clinton.

S. 1678, which as I stated earlier mirrors our amendment, has support from all four service chiefs, the Chairman of the Joint Chiefs of Staff, the 31 organization members of the Military Coalition, the American Bar Association, the American Foreign Service Association.

Our service men and women face enough challenges today. They should not have to face additional tax liabilities in return for serving their country.

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

VOTE ON AMENDMENT NO. 2702

Mr. ALLEN. Mr. President, I yield back whatever time remains so we can proceed with the vote on amendment No. 2702.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2702. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA), the Senator from Connecticut (Mr. DODD), and the Senator from New Jersey (Mr. TORRICELLI,) are necessarily absent.

Mr. NICKLES. I announce that the Senator from New Hampshire (Mr. GREGG), the Senator from Nevada (Mr. ENSIGN), and the Senator from Montana (Mr. BURNS) are necessarily absent.

I further announce that if present and voting the Senator from Montana (Mr. BURNS) would vote "yea."

The PRESIDING OFFICER (Mr. DAYTON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 92, nays 2, as follows:

[Rollcall Vote No. 9 Leg.]

YEAS—92

Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Byrd
Campbell
Cantwell
Carnahan
Carper
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Domenici
Dorgan
Durbin
Edwards
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thurmond
Voinovich
Warner
Wellstone
Wyden

NAYS—2

Chafee
Thompson

NOT VOTING—6

Akaka
Burns
Dodd
Ensign
Gregg
Torricelli

The amendment (No. 2702) was agreed to.

Mr. ALLEN. Mr. President, I thank my colleagues for their support of the amendment. I ask unanimous consent that Senators COLLINS, HELMS, and JOHN WARNER be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2718

The PRESIDING OFFICER. There are now 4 minutes equally divided prior to a vote in relation to amendment No. 2718. Who yields time? The Senator from North Dakota.

Mr. CONRAD. Mr. President, could I have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I support bonus depreciation. I support Medicaid assistance to the States. But I do not support 2 years of bonus depreciation. I do not support 2 years of additional spending on Medicaid for the States.

The reason is very simple. On the question of bonus depreciation, the whole purpose of this package is to encourage economic recovery, additional economic activity now. A 2-year provision reduces the stimulus, reduces the incentive to act now. That is not only my opinion, that is the opinion of the Congressional Budget Office that examined the various options before us and said: Don't do multiple years; you reduce the incentive to act now. This is the time we need additional economic activity.

Second, the history of fiscal stimulus is always that we have acted too late. We are on the brink of doing that again. A 2-year provision falls right into that trap.

The cost of this provision is $45 billion this year; $37 billion next year. That is digging the hole deeper when we have just been informed by the Congressional Budget Office that every penny of these resources will come out of the Social Security trust fund. For that reason, I will raise a budget point of order against this provision.

The PRESIDING OFFICER. Who yields time? The Senator from Montana.

Mr. BAUCUS. Mr. President, on behalf of myself and also Senator SMITH of Oregon, let me make a couple of quick points.

No. 1, we know our country needs a boost, a shot in the arm. It is not totally clear, but it is far better to provide a little insurance because the economy might go south in the next couple of months or years—more than it has now. Various companies are going bankrupt. We all know about Enron, Kmart, and there will be other companies down the road. Many people are being laid off, particularly in the financial services industry, which we are going to find out about in February because they have 2- or 3-month contracts and they will be laid off a lot later. This is very important.

Second, many States are losing revenue because their economies are down. They will also lose more revenue as a consequence of the 2-year bonus depreciation. It is only proper with the passage of the Medicaid reimbursement amendment States are made whole so they do not have to cut Medicaid payments, so they do not have to cut payments to hospitals, to providers.

This amendment will allow States to refrain from making those cuts to doctors, to hospitals, other providers, and to Medicaid beneficiaries, and also prevent them from having to otherwise cut their budgets.

At the same time, we get a 2-year shot in the arm with bonus depreciation. It is a very modest provision. We all know bonus depreciation should be somewhere between 1 year and 3 years. This is where we all know it makes the most sense, 2 years. It should definitely be enacted.

I yield the remainder of my time to my friend from Oregon.

The PRESIDING OFFICER. The Senator has 11 seconds.

Mr. SMITH of Oregon. I am proud to cosponsor this legislation. If you want the middle ground, we are talking about it right now. This actually does stimulate the economy; it is insurance.

The chair of the Budget Committee, my friend, clearly is concerned about the budget. But if you want to help the budget get back into surplus, let's get our economy going. That is the most sure way to make this happen. What Senator BAUCUS and I have done is make sure that we do not leave the States high and dry.

The PRESIDING OFFICER. The time of the Senator is exhausted; 22 seconds remain.

Mr. NICKLES. I yield my colleague the remainder of my time, the 22 seconds in opposition to the amendment.

Mr. SMITH of Oregon. My last point was you can make these arguments against any expenditure. The point is, we can't leave the States high and dry as we try to stimulate the economy.

This is about real people needing jobs and health care. It is a win-win for Republicans and for Democrats. I urge the overwhelming passage of the amendment.

Mr. NICKLES. I compliment my colleague for making the point of order, and I wish to join him in that point.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, Senator DASCHLE has asked me to announce to the Membership that this will be the last vote of the evening prior to the State of the Union Message.

The leader has indicated there will be votes next Monday.

Mr. CONRAD. Mr. President, I raise a point of order that the pending amendment violates section 311(a)(2)(B) of the Congressional Budget Act of 1974, and I ask for the yeas and nays.

Mr. BAUCUS. Mr. President, on behalf of myself and Senator SMITH of Oregon, pursuant to section 904 of the Congressional Budget Office Act of 1974, I move to waive the applicable sections of the act for the purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. AKAKA) and the Senator from Connecticut (Mr. DODD) are necessarily absent.

Mr. NICKLES. I announce that the Senator from New Hampshire (Mr. GREGG), the Senator from Nevada (Mr. ENSIGN), and the Senator from Nebraska (Mr. HAGEL) and are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted as follows—yeas 62, nays 33.

[Rollcall Vote No. 10 Leg.]

YEAS—62

Allen
Baucus
Bayh
Bennett
Biden
Breaux
Brownback
Burns
Cantwell
Carnahan
Carper
Cleland
Clinton
Cochran
Collins
Corzine
Craig
Crapo
Daschle
DeWine
Domenici
Durbin
Edwards
Feinstein
Fitzgerald
Grassley
Harkin
Hatch
Hollings
Hutchinson
Hutchison
Inouye
Jeffords
Johnson
Kerry
Kohl
Landrieu
Lincoln
Lugar
McCain
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Reid
Roberts
Rockefeller
Schumer
Sessions
Shelby
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—33

Allard
Bingaman
Bond
Boxer
Bunning
Byrd
Campbell
Chafee
Conrad
Dayton
Dorgan
Enzi
Feingold
Frist
Graham
Gramm
Helms
Inhofe
Kennedy
Kyl
Leahy
Levin
Lieberman
Lott
McConnell
Nickles
Reed
Santorum
Sarbanes
Smith (NH)
Thomas
Thompson
Thurmond

NOT VOTING—5

Akaka
Dodd
Ensign
Gregg
Hagel

The PRESIDING OFFICER. On this vote, the yeas are 62, the nays are 33. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to. The point of order falls.

The question is on agreeing to amendment No. 2718, as modified.

The amendment (No. 2718), as modified, was agreed to.

Mr. BAUCUS. Mr. President, I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from South Carolina.

CONGRATULATING SENATOR BAUCUS AND THE MONTANA GRIZZLIES

Mr. HOLLINGS. Mr. President, I congratulate the Senator from Montana for his victory on a very important amendment.

I also congratulate him on an even more important victory of the Montana team and its engagement in the 1 AA college finals last month with my Purple Paladins at Furman University, an outstanding university. In fact, the temptation is for me to challenge him to an academic final.

As far as the football final, I can tell my colleagues, I watched the game and that is a monster team if I have ever seen one. It is well coached and had an outstanding performance.

I lost the bet. The bet was if I lost, I would sing "Up With Montana," their song. Fortunately, the rules of the Senate say no singing.

In congratulating Senator BAUCUS, I will recite this song publicly in the Chamber of the Senate. I want everybody to listen to this:

> Up with Montana, boys, down with the foe,
> Good ol' Grizzlies out for a victory;
> We'll shoot our backs 'round the foeman's line;
> Hot time is coming now, oh, brother mine.
> Up with Montana, boys, down with the foe,
> Good old Grizzlies triumph today;
> And the squeal of the pig will float on the air;
> From the tummy of the Grizzly Bear.

Isn't that something? The Senator says they are reciting this after every game?

Mr. BAUCUS. That is right.

Mr. HOLLINGS. No wonder they play so hard.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, may I say how gracious my good friend from South Carolina has been today. Before we knew the Furman Purple Paladins and the Montana Grizzlies were going to be playing in the 1 AA playoff for the championship of the country, we made a little wager. The wager was whoever loses reads the other team's fight song on the floor of the Senate.

I say to my good friend, I have no idea what the Purple Paladins' fight song is. Had the Grizzlies not won, I certainly would know their fight song.

For many days, the Senator from South Carolina has been talking about this song. He said: Egads, is this your fight song? Is this what I have to read on the floor?

I cannot thank him enough. It was a great game. I watched it on television as well.

Mr. HOLLINGS. It was an outstanding game. I think this was the second year in a row they won the championship.

Mr. BAUCUS. That is right.

Mr. HOLLINGS. It is an outstanding college and outstanding team.

Mr. BAUCUS. I thank the Senator.

HOPE FOR CHILDREN ACT—Continued

Mr. BAUCUS. Mr. President, I thank Senator SMITH of Oregon on the success of the last amendment. Without his help, I doubt the amendment would have been successful. We joined together and, frankly, I urge more of reaching across the aisle and accomplishing objectives that are in the best interest of the country and putting partisan politics aside.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I congratulate the Senator from Montana and suggest that never, ever has the Montana fight song been read quite like it was just read on the Senate floor.

AMENDMENT NO. 2758

Mr. KYL. Mr. President, I ask unanimous consent to lay aside the pending business for the purpose of offering an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. KYL], for himself, Mr. GRAMM, Mr. ENSIGN, Mr. NICKLES, and Mr. HUTCHINSON, proposes an amendment numbered 2758 to the language proposed to be stricken by amendment No. 2698.

Mr. KYL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To remove the sunset on the repeal of the estate tax)

At the end, add the following

SEC. . PERMANENT REPEAL OF ESTATE TAXES.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended—

(1) by striking "this Act" and all that follows through "2010." in subsection (a) and inserting "this Act (other than title V) shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.", and

(2) by striking ", estates, gifts, and transfers" in subsection (b).

Mr. KYL. Mr. President, since the sponsor of the legislation wishes to get on with the conclusion of business tonight, I will simply say this amendment, which I hope will be considered at the beginning of next week, calls for the permanent repeal of the death tax.

As all of our colleagues know, we did repeal the death tax after phasing it down over a period of years, but the repeal only lasts for 1 year before that legislation is sunsetted, and we go right back after 10 years to the death tax as it currently exists.

I do not think any of us who voted for its repeal really intended that effect. We want to make its repeal permanent, and this amendment will do that. We will have the opportunity to vote on that next week as part of the stimulus package. I thank the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

MORNING BUSINESS

Mr. NELSON of Nebraska. Mr. President, I ask unanimous consent that there now be a period for morning business, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

JOINT SESSION OF THE TWO HOUSES—THE STATE OF THE UNION ADDRESS BY THE PRESIDENT OF THE UNITED STATES

Mr. REID. Mr. President, I ask unanimous consent that the Presiding Officer of the Senate be authorized to appoint a committee on the part of the Senate to join with a like committee on the part of the House of Representatives to escort the President of the United States into the House Chamber for the joint session to be held tonight, Tuesday, January 29, 2002, at 9 p.m.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Nebraska is recognized.

STIMULUS LEGISLATION

Mr. NELSON of Nebraska. Mr. President, I rise today to express support for the Daschle consensus stimulus package, and I applaud the action of the Senate in passing the Baucus amendment to provide for accelerated depreciation over 2 years and 30 percent additional depreciation, as well as assisting and holding the States harmless for any lost revenue they might otherwise receive based on the support of the Medicaid Program at the State level.

I think it is clear to most everyone that we need to have some economic stimulus. What does not seem to be clear to everyone is of what that consists. What seems to be further unclear at times is whether we need to do it a certain way for a certain period of time.

I thank Senator DASCHLE for his efforts on this issue, not just for bringing forth the economic stimulus package but doing so in such a constructive way, trying to find that which was common among most of the proposals that have been offered and to bring together consensus where consensus can be achieved.

This legislation is, at the very least, a building block for a package with which most would be hard pressed to disagree. If each of us were to come up with what we thought was the best economic stimulus for the country and put together our own package, we would have had at least 100 different bills.

In fact, if I had my way, I would probably do some of this differently, but I think when a package is put together and we take a close look, as we are, at individual ideas that might differ with the package, that might be supplemental, we are certainly seeing what the Senate is all about, and that is diverse opinions being fully debated to try to help this country out of its economic doldrums. In fact, if I had my way, I would include a provision addressing the net operating losses, or the NOLs, for a longer period of time because I think by extending the period of time it would help business shoulder the burden of the current economic downturn. So I think it is important we consider an NOL extender as well.

Over the past few months, we have heard so much talk from both sides about the need for an economic stimulus. Recently, we had the Chairman of the Fed say perhaps it was not as necessary as it might have been before, and we have heard others say we should have done it last year.

As anyone knows, there were a handful of us—maybe more than a handful—who wanted to do it last year, but that is not a reason not to do something this year in the context of where we are.

I think that is what Senator DASCHLE has offered us, an opportunity to revisit, to rethink, and to package together a stimulus package that would work for the future to help us, if not come out of the deepest of a recession, from falling further into a recession or, if we are already on the way out of the recession, to expedite the return to economic prosperity.

There will be those who will say this package is not perfect. There is not anyone who says that it is. Legislation is never perfect, but it is as close to an agreement that has presented itself.

I certainly hope to thank Senator DASCHLE for taking this action because I think it will, in fact, help us enter a threshold of progress.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Pennsylvania.

INTERROGATION OF AL-QAIDA AND TALIBAN WAR CAPTIVES

Mr. SPECTER. Mr. President, I am writing to the President of the United States today concerning what I consider to be a very important subject, and that is the interrogation of the al-Qaida and Taliban war captives, where an issue has been raised as to whether they are prisoners of war or what is their status, with some people objecting to what is going on in the way they are being handled. There is no doubt that the captives are entitled to humane treatment. There have been inspection tours by national observers and by congressional observers. The reports are uniform that the captives are being treated humanely. They are being fed and clothed. There is medical care. They are permitted to attend to their religious activities. All of this is totally separate and apart from the basic availability of those individuals to be questioned, where information which they might provide could shed light on the possibility of additional terrorist attacks.

Having some experience as an investigator and a prosecutor, I know firsthand the value of interrogation and intensive interrogation. We are facing at this moment an enormous threat from al-Qaida. We saw what happened on September 11. There have been three terrorist alerts since then. The fact is there are al-Qaida spread all over the face of the Earth. They are in Somalia, they are in the Philippines, in Malaysia, in the Sudan. We know their tactics are based on long-term planning projects. We know they have sleeper cells. There is reason to be concerned that at any moment there could be another al-Qaida attack. We do not know where. We do not know when. We do not know if. But we have to be very vigilant.

Where these interrogations of the al-Qaida and Taliban captives might lead to some information, then that ought to be pursued, and it ought to be pursued vigorously.

As a matter of international law, there is a mistaken notion you can only ask a prisoner of war his name, rank, date of birth, and serial number. The international law experts, and I have cited them in my letter to President Bush, are in agreement that other questions may be asked. Certainly there cannot be torture. Certainly there cannot be coercion—physical coercion or mental coercion. But there is no reason why those captives cannot be questioned.

The Supreme Court of the United States has upheld deviations from standard constitutional rights where there is an imminent threat of harm. For example, in the landmark case of *Near* v. *Minnesota*, 283 U.S. 697, the issue came up on the question of prior restraint to stop the publication of a newspaper. And albeit dictum, the Supreme Court of the United States said there could be a curtailment of that kind of a fundamental constitutional right if, for example, the publication of the sailing date of a troop ship would place that ship in jeopardy. The possibility of another attack on the United States, considering what happened on September 11, we know is much more serious than an attack on a troop ship.

The Supreme Court of the United States, in a celebrated case called *New York* v. *Quarles*, 467 U.S. 649, came to the conclusion that the constitutional rights of a suspect under the *Miranda* decision could be circumvented if there was an immediate threat of danger to a police officer or the public. That matter involved a rape. A police officer pursued the suspect, saw the suspect wearing a holster, and without giving him "Miranda" warnings, asked where the gun was. The Supreme Court of the United States said that where there is an imminent threat to public safety, constitutional rights may be abrogated, and statements may be admissible into evidence.

But we know the very major difference between questioning for intelligence purposes and questioning for admissibility in court. I am not proposing this interrogation be continued for the purpose of obtaining evidence to use against these captives, but if there is any chance at all that this interrogation could lead to information which could thwart another terrorist attack, then it is the fundamental duty of the United States Government to pursue that kind of interrogation.

This matter is on the front pages today. It will be the subject of a lot of debate. I think it ought to be known generally that there is solid constitutional authority, international law authority, to question prisoners of war beyond name, rank, and serial number. No torture. Obviously, humane treatment. But if we can get any information which would prevent a terrorist attack, it is our duty to do so.

That is why I am writing to the President and want to make this brief statement.

I yield the floor.

SALUTING COLONEL EDWARD A. RICE, JR.

Mr. DASCHLE. Mr. President, today I want to honor the commanding officer at Ellsworth Air Force Base—who has just returned home after directing Air Force operations over Afghanistan and who will become a brigadier general this week.

This outstanding officer, Colonel Edward A. Rice, Jr., has demonstrated his leadership abilities in a number of settings, and my fellow Senators can expect to hear more of him as he assumes new roles and responsibilities in our nation's service.

As commander of the 28th Air Expeditionary Wing, Colonel Rice directed the main Air Force combat group operating over Afghanistan from late September until mid-January. This force of 1,800 personnel and 30 planes (including B–1 bombers, B–52 bombers, and KC–10 tankers), delivered most of the ordnance that was so effective in shattering the Taliban and al Qaeda forces.

All branches of the military played a role in this first victory in the war against terrorism, but as an Air Force veteran and a South Dakotan, I am particularly proud of the achievements of Colonel Rice and the forces under his command.

Our experience in Afghanistan extends a military trend that began in our war against Iraq—the unprecedented ability of modern air power to achieve strategic objectives. Clearly our planes and munitions were markedly more precise, quicker to hit emerging targets, and generally more effective than the Soviet forces of the 1980s. A recent book labeled this trend "The Transformation of American Air Power," and I believe Afghanistan will become the most recent example, joining the impressive results of the Gulf War, Kosovo, and our other Balkan campaigns.

In addition, the 28th Air Expeditionary Wing broke new ground in several areas.

Its bombers were the first to deliver our near-precision munitions in combat. These use navigational signals from GPS satellites to locate targets. They are much cheaper than laser-guided "precision" munitions and are not hampered by low-visibility weather conditions. Also, in coordination with ground spotters, the bombers were able to use advanced communications to reduce dramatically the time from target identification to target strike.

Despite its controversial and troubled early years, I am also pleased that the B–1 continues its strong combat performance that began during Operation Desert Fox over Iraq and extended into the war in Kosovo. Its range and expansive bomb bays allowed it to make a round trip of nearly 6,000 miles, and also loiter over the battlefield with a variety of munitions, waiting for targets to emerge. Throughout this demanding, round-the-clock operation, Colonel Rice reports, B–1 made all scheduled takeoffs, released all weapons successfully, and delivered ordnance with excellent accuracy.

Colonel Rice returned home from this mission about two weeks ago, just in time to be promoted to brigadier general. The Senate confirmed his nomination on September 26, 2001, and the pinning ceremony occurs Friday, February 1, at Ellsworth Air Force Base.

Since arriving at Ellsworth in May 2000, Colonel Rice's performance has been impressive, and I know that as a general, he will be a tremendous asset for the Air Force. During Rice's tenure, Ellsworth has dramatically improved its maintenance performance, chalked up impressive results in its 2001 Operational Readiness Inspection, and moved to the front of the pack in Air Combat Command assessments of command, control and communication;

bomb removal; and response to nuclear-biological-chemical (NBC) hazards.

The men and women of Ellsworth have also benefitted from the dedicated service of Colonel Rice's wife, Teresa. When base personnel deployed for the war against terrorism. Teresa cohosted a series of town-hall meetings with the acting base commander to update spouses and families on the status of their loved ones and to educate them on the role their family was playing to make America safe. In less stressful times, she volunteers twice a week in the base thrift shop, has been active in the Officer Spouses Club, and has organized and attended holiday parties, retirement ceremonies, promotion celebrations and farewells—too many to count.

In closing, Mr. President, it gives me great pleasure to welcome Colonel Rice back home to Ellsworth after the successful execution of his mission in Operation enduring Freedom. His remaining time in South Dakota grows short, but I know I speak for many South Dakotans when I say it has been an honor to work with him and Teresa and to call them neighbors. They are a credit to their country, and we wish them all the best.

AMERICANS WITH DISABILITIES ACT

Mr. CLELAND. Mr. President, I rise today to bring to the Senate's attention a valuable report on the State of the Union for Americans with Disabilities. As a triple amputee, having lost my right arm and both legs in the Vietnam war, I believe that the Americans with Disabilities Act has not only helped me and others with disabilities but has also enabled society to benefit from the skills and talents of individuals with disabilities. The landmark legislation has also allowed us all to gain from their increased purchasing power and ability to use it, and has led to fuller, more productive lives for all Americans. However, there is still much to be done so I am pleased to highlight the efforts of the National Organization on Disability which celebrates the progress of the nation and works to increase access, opportunity, and inclusion for people with disabilities. I ask unanimous consent to print for the RECORD a copy of the National Organization on Disability's State of the Union 2002 for Americans with Disabilities which provides benchmarks for the current state of disability life in America, and calls for action on improvements that have still to be made.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE STATE OF THE UNION 2002 FOR AMERICANS WITH DISABILITIES

On January 29, President George W. Bush will deliver the State of the Union Address. He surely will focus heavily on the terrible attacks on the country just over four months ago, and the overwhelming national and international response to them. He also can be expected to address the core issues of the nation and his presidency, including the economy; employment; education; access to the goods and services people want and need; and strengthening the social fiber and community life that make people so proud to be Americans. He will strive to reach out to people from diverse parts of American life.

One group that we trust the President will mention—and that surely will be affected—is the disability community. As many as one in five Americans—54 million men, women and children—live with disabilities, as of course do their family members, friends, and service providers. Disabilities run a wide gamut, including mental and physical conditions; visible and non-visible ones; conditions that people are born with, or develop during their lifetimes as a result of illness, age, accident, or attack; and ones that have varying degrees of severity. But all fall within a common definition: They in some way limit people's ability to participate fully in one or more major life activities. Nobody should dismiss disability issues as unimportant to them, for any person can join the disability community in an instant.

As detailed below, Americans with disabilities remain pervasively disadvantaged in all aspects of American life. In his second week in office, President Bush sent a strong message of concern about this situation when he announced the New Freedom Initiative. Coming a decade after his father signed the Americans with Disabilities Act (ADA), the New Freedom Initiative lays out an ambitious agenda for assuring the full participation of people with disabilities in all aspects of American life. The New Freedom Initiative holds much promise. We look forward to working with the government and the American people to bring it to fruition.

The Disability Community in a Changed World September 11 and its aftermath, stunned, shook and saddened the nation. The terrorist attacks made all Americans, especially those touched by disabilities, reevaluate our lifestyles, and consider what we could change to better protect ourselves and our loved ones.

The nation was moved to learn of wheelchair users who perished while awaiting rescue when the World Trade Center towers fell. We also were inspired by the stories of several people who had severe disabilities and survived. One man escaped after walking down dozens of flights of stairs on his artificial leg, and another with the aid of his guide dog. Two wheelchair users were carried to safety by their colleagues.

These survivors, like many of the others who escaped before the towers collapsed, benefited from intensive emergency drills that had been conducted since the World Trade Center bombing in 1993. The survival is testament to how critical emergency planning and preparedness is—whether the emergency is natural, man-made or terrorist-driven. This has inspired a new focus in the disability community on disaster preparedness

According to a late 2001 Harris Poll survey released by the National Organization Disability (N.O.D.), 58 percent of people with disabilities say they do not know whom to contact about emergency plans for their community in the event of a terrorist attack or other crisis. Sixty-one percent say that they have not made plans to quickly and safely evacuate their home. Among those who are employed full or part time, 50 percent say no plans have been made to safely evacuate their workplace.

All these percentages are higher than for those without disabilities. The country as a whole has much catching up to do to be prepared, but people with disabilities lag behind everyone else. This is a critical discrepancy, because those of us with disabilities must in fact be better prepared to not be at a disadvantage in any emergency.

Intense national planning for emergencies is needed. This requires the enthusiastic cooperation of the government, business, and communities. People with disabilities should not be considered only as beneficiaries of emergency preparedness plans devised by others—they belong at the table, contributing their unique perspectives, insights and experiences, so the resultant plans will be the best for all Americans. People with disabilities must be included on community preparedness committees across the national and at the highest levels of government planning. We are pleased that Office of Homeland Security Director Tom Ridge has pledged to appoint at least one person with a disability to a high-level position in his organization.

EMPLOYMENT

The slowing economy was a significant issue before September 11, and this situation became more critical after the terrorist attacks. This is not an easy time for anyone to enter the workforce, but that is what many people with disabilities are desperately trying to do.

Only 32 percent of Americans with disabilities of working age are employed full or part time. That number is in contrast to 81 percent of other Americans, according to the comprehensive 2000 N.O.D./Harris Survey of Americans with Disabilities. It is a national tragedy that, nearly a dozen years after the passage of the Americans with Disabilities Act, the vast majority of Americans with disabilities remain unemployed. This is not by choice; two out of three who are not employed say they would prefer to be working. Any efforts that lead to their becoming employed are good investments that will benefit these individuals, the workforce, and the economy.

President Bush has demonstrated a commitment to greater employment for people with disabilities in the New Freedom Initiative. We now call on the President and the Congress to keep employment a priority and work together toward a national goal of 38 percent employment for people with disabilities by 2005, with continuing progress toward 50 percent in the decade to follow.

Indeed, employment numbers should be increasing, if for no other reason than that there are new ways for people to be employed. Technology offers real hope. Computers and the Internet are opening doors. People who are deaf use "instant messaging" to have real-time conversations; people who are blind use voice-synthesis technology to write the read documents and website information; and people with limited ability to get to an office have new ways to work from home. Use of the Internet by people with disabilities is growing rapidly, in fact at twice the pace of other Americans.

Too often, even when people with disabilities find jobs, they are low-level, low-paying jobs. Yet it is well documented that employers find employees with disabilities excel at all levels. In the healthcare and education sectors, for example, there is room for many more people with disabilities.

The disability community is troubled by two recent employment-related Supreme Court decisions that undercut this group's primary civil rights law, the Americans with Disabilities Act. Last February's Garrett v. Alabama decision threatened the implementation of the ADA. This month's decision in Toyota v. Williams continues a disturbing trend by the Court to narrow the ADA's protections, and caused one of the 1990 law's Congressional authors to suggest revisiting the statute so that it meets the goal of expansive, not restrictive, coverage for workers with disabilities. People with disabilities belong in the workforce, and Congress must indeed make it a priority to strengthen and defend the legislation that affirms employment as a natural expectation. The Supreme Court will hear other cases that test the ADA. The Court must recognize that when it interprets the will of Congress and the Constitution, it has the opportunity to strengthen rather than weaken the ADA—and strengthening it reflects the will of the vast majority of Americans.

INCOME LEVELS

It is not surprising, given the lower rate of employment for people with disabilities, that a significant income gap exist between those with and without disabilities. People who have disabilities are roughly three times as likely to live in poverty, with annual household incomes below $15,000 (29 percent versus 10 percent). Conversely, people with disabilities are less than half as likely to live in households that earn more than $50,000 annually (16 percent versus 39 percent). This income gap contributes to and compounds the disadvantages that people with disabilities face.

ACCESS TO TRANSPORTATION

People who have disabilities often have insufficient access to transportation, with 30 percent citing this as a problem—three times the rate of the non-disabled. This creates a catch-22 situation: How can one have a job if one cannot get to it? How can one afford transportation if one does not have a job? There is an urgent need for more and better disability-friendly transportation in the cities and towns of America.

ACCESS TO HEALTH CARE

Health care is also less accessible to Americans with disabilities, who often are the citizens needing it most. Due in large part to their limited employment and reduced discretionary income, people with disabilities are more than twice as likely to delay needed health care because they cannot afford it (28 percent versus 12 percent of others).

There is a critical need for further legislation to protect people with disabilities who need medical treatment, and aid them in getting their needed medications. Congress and the Administration must pass the patients' bill of rights; expand health insurance coverage to cover all Americans, including those who are not employed; and ensure that peoples' opportunities to fully participate in life activities are not artificially restricted by their limited access to healthcare.

EDUCATION

Opportunity begins, in so many ways, with education. Currently, young people with disabilities are more than twice as likely to drop out of high school (22 percent versus 9 percent), and only half as likely to complete college (12 percent versus 23 percent). Education for students with disabilities is a critical priority. Students with special needs must be given the chance to develop their skills and their minds so they can be prepared for the workforce of the future. In the first decade of the new millennium, America should dramatically close these gaps in opportunities for students with disabilities.

It bodes well that Congress has increased funding for the Individuals with Disabilities Education Act (IDEA) 19 percent this year to $7.5 billion. This investment will pay huge dividends for the students and families impacted by the IDEA, and for the country.

Tremendous progress has been made in "mainstreaming" students with disabilities since the IDEA was first introduced nearly three decades ago. Mainstreaming is a win/win situation that increases opportunities for those students, and also acclimates other students to peer interaction. Youngsters who have friends and acquaintances with disabilities learn to move beyond the disability and judge the real person. They grow up expecting to interact with diverse people in the workforce and in their communities, dissolving prejudices and stereotypes in the process.

COMMUNITY LIFE

It is in the communities of this nation that its 54 million citizens with disabilities go about their daily lives, and this is where these citizens need to be involved. Great progress has been made; commitments from mayors and other leaders have transformed many communities. Disability advocates, no longer willing to be separated from the rest of society, have pushed their communities into becoming more accessible and welcoming places. There is much work still to be done.

Thirty-five percent of people with disabilities say they are not at all involved with their communities, compared to 21 percent of their non-disabled counterparts. Not surprisingly then, those with disabilities are one and a half times as likely to feel isolated from others or left out of their community than those without disabilities.

The current efforts for disaster mobilization are one example of an opportunity for the disability community to remind civic leaders of their responsibility to plan for all citizens. This work may open dialogue in many new and productive directions with regard to overall community efforts.

RELIGIOUS LIFE

Faith and religious life are important for many Americans. Churches, synagogues and mosques need to be accessible to all who wish to worship. With the theme "Access: It begins in the heart," thousands of houses of worship have enrolled in the Accessible Congregations Campaign. Hopefully many other congregations in the country also will commit to identifying and removing barriers of architecture, communications and attitudes that prevent people with disabilities from practicing their faith.

POLITICAL INVOLVEMENT

Citizens with disabilities want to vote, and are doing so at increasing rates. What had been a 20 percentage point participation gap—31 percent versus more than 50 percent—in the 1996 Presidential election was halved when 41 percent of voting-aged citizens with disabilities cast ballots in 2000. This followed a national get-out-the-disability-vote effort. But many polling places remain inaccessible to wheelchair users and others with limited mobility. Once inside the building, others encounter voting machines they cannot use. Persons with limited vision or hand strength are particularly disadvantaged at the polls. People with disabilities want to vote on election day, at the polls, just like everyone else.

Technological improvements now available could make voting at the polls possible for nearly all people with disabilities. All that is needed is the will, or a legal requirement, to put such voting machines into use. The contested 2000 Presidential Election showed that every vote counts. The disability community is determined to have full enfranchisement.

Late in 2001, the House of Representatives passed a bill that did not adequately address the above issues. The Senate's version of the bill, currently under review, is far more promising. Millions of voters and potential voters will be tracking this legislation in the hope that it will improve the voting system for all Americans. None of the barriers that have kept citizens with disabilities from voting should be allowed to remain by the time of the 2004 Presidential election, and the disability community calls on the government at all levels to ensure these obstacles are removed.

THE OVERALL PICTURE

A clear majority of people with disabilities, 63 percent, say that live has improved for the disability community in the past decade. But when asked about life satisfaction, only 33 percent say they are very satisfied with their life in general—half as many as among those without disabilities. There is much room for improvement, and the disability community looks to the President and his Administration, the Congress, and all those in a position of community leadership to work proactively and productively with us to ensure that no person with a disability is left behind.

Anyone with a disability perspective who travels abroad returns impressed by the way America is, in many ways, the world leader in access, opportunity, and inclusion for people with disabilities. Much progress has been made, and many walls of exclusion have been leveled. People with disabilities celebrate the progress of this nation, and also remain dedicated to the vision of a day when all people, no matter how they are born or what conditions they acquire, will be full and equal participants in American life. This is our dream for the State of the Union.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred June 5, 1997 in Washington, D.C. A gay man was attacked by a person yelling anti-gay epithets. The assailant, Bobbie Eugene Ross, 30, was charged with simple assault, making threats of bodily harm, and possession of a prohibited weapon.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

A REPORT ON OUR NATION'S GUN LAWS

Mr. LEVIN. Mr. President, the Brady Campaign to Prevent Gun Violence recently published a report highlighting the progress made in state laws to protect children from guns and gun violence. The evaluation focused on a number of laws addressing juvenile possession of guns, safe storage, childproof guns, background checks and carrying concealed weapons, among other issues. The nation as a whole received a grade of C+. However, 29 States received grades of D or F. The report reveals the fact that our Nation's gun laws are a patchwork providing uneven and often ineffective protection for our Nation's children. In fact, the death rate of youth in the 7 States that received an F grade was 33 percent higher than the average firearms death rate for the 10 States that received an A or a B. This discrepancy illustrates the need for common sense gun safety laws and is a strong argument for Federal action.

Last year, I cosponsored a bill introduced by Senator DURBIN, the Children's Firearm Prevention Act. Under this bill, adults who fail to lock up a loaded firearm or an unloaded firearm with ammunition would be held liable if the weapon is taken by a child and used to kill or injure themselves or another person. The bill also increases the penalties for selling a gun to a juvenile and creates a gun safety education program that includes parent-teacher organizations, local law enforcement and community organizations. This bill is similar to a bill President Bush signed into law during his tenure as the Governor of Texas. I support this bill and hope the Senate will act on it during this Congress.

ENDING THE WORST FORMS OF CHILD LABOR AND FORCED LABOR IN THE COCOA AND CHOCOLATE INDUSTRY WORLDWIDE

Mr. HARKIN. Mr. President, we all know that values matter to Americans. It is also becoming increasingly clear that they matter inside the global marketplace as well as outside. That explains why, according to a recent nationwide poll, 77 percent of Americans said they would likely look for a label when purchasing if there was a label on some products to indicate that they were made without the use of exploitive child labor.

Most Americans also understand that in today's complex, interwoven global economy, some of our cherished values come into conflict with one another in new and different ways and require very difficult trade-offs. For example, more free trade and free enterprise, as practiced in the real world versus more economic fairness, social justice and environmental sustainability. Recognizing this creative tension, 76 percent of Americans in a recent nationwide poll on globalization said they would pay more and buy a piece of clothing for $25 that is certified as not made in a sweatshop instead of buying the same article of clothing for $20 if they were not sure how it was made. Most Americans clearly want to bring our fundamental values—a sense of fair play, universal respect for human rights and worker rights, better stewardship of our shared environment, and more hope and equal opportunity for our children and grandchildren—into the conduct of international business and investment. But so far the global marketplace isn't readily giving American consumers and investors that choice.

Then what were we to do when the Knight-Ridder newspapers in June, 2001 brought us—a nation of chocaholics—face to face with child slavery in the production and harvesting of cocoa beans in the Ivory Coast. This impoverished West African country exports more than 40 percent of the world's supply of this agricultural commodity.

To his credit, Congressman ELLIOTT ENGEL from New York immediately saw the contradiction and reacted with outrage. He took to the House floor last summer and won passage of an amendment to the House version of the fiscal year 2002 Agriculture Appropriations bill on a very lop-sided, bipartisan vote. His amendment would have provided $250,000 for the Food and Drug Administration, FDA, to come up with a label to attach to all chocolate products for sale and distribution in the U.S. within one year to attest that they were made without any child slave labor. While both the FDA and the chocolate companies quickly protested that such a goal was unrealistic and impossible to attain, I shared Congressman ENGEL's resolve that clear and decisive corrective action had to be taken.

Accordingly, I called representatives of the major chocolate companies to a meeting early last July to underscore the seriousness of the forced child labor problem that had been exposed in their chain of production and to determine what they planned to do about it. I also reminded them at that time that U.S. law currently prohibits the importing of any products made, whole or in part, with forced or indentured child labor. And Senator KOHL, our Agriculture Appropriations Subcommittee chairman, and I gave notice of our intent to offer an amendment on the Senate floor, if need be, as early as last September. This set the stage for a series of lengthy, intense negotiations, set in motion by Senator KOHL, between ourselves and representatives of the major chocolate companies and cocoa bean processors.

I insisted from our first meeting that to avoid Senate legislation, the industry would have to meet two requirements:

First, they would have to commit to a set of principles and a time-bound action plan to eliminate the worst forms of child labor, including but not limited to forced child labor, throughout their chain of production and as a matter of the utmost urgency.

Second, if and when we might arrive at a mutually-acceptable framework agreement, they—the industry—would have to take that framework agreement to the other, non-industry stakeholders with an interest and expertise in child labor problem-solving and persuade them to participate as full partners in hammering out and fulfilling all of the requirements in this agreement on a mutually-acceptable basis and according to firm, prescribed deadlines.

I am happy to say these fundamental requirements were met when the Harkin-Engel Protocol on the Worst Forms of Child Labor in the Cocoa and Chocolate Industry was signed and announced publicly last October 1. This unprecedented framework agreement that will result in a credible, public certification system of industry-wide global standards within 4 years to attest that cocoa beans and all of their derivative products have been produced without any of the worst forms of child labor as clearly defined in ILO Convention No. 182.

We knew at the outset that it would not be easy to achieve this breakthrough. While there were strong, initial objections raised about labeling by some industry spokespersons, it also became clear in the course of our negotiations that a reliable labeling system could be developed, given the political will and incentives to do so. Officials of the ILO and some company representatives themselves acknowledged it could be achieved in this far-flung industry in 3–5 years. It was a matter of how quickly industry-wide standards could be defined, implemented, and subjected to effective, independent monitoring, and public reporting by all major stakeholders.

Let me be clear. The Harkin-Engel Protocol on the Worst Forms of Child Labor is a very good agreement, but it is not perfect. It is a breakthrough that sets out a specific, finite timetable during which something will be built incrementally that has never existed before—the capacity to publicly and credibly certify worldwide that cocoa beans and all of the products made from them have been produced and processed free of any of the worst forms of child labor.

Mr. President, I ask unanimous consent to have copies of this unprecedented agreement and its underlying principles re-printed in their entirety in the RECORD following my remarks. It is to be called the Protocol For The Growing And Processing Of Cocoa Beans In A Manner That Complies With ILO Convention 182 Concerning

The Prohibition And Immediate Action For The Elimination Of The Worst Forms Of Child Labor.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. HARKIN. I want to briefly highlight key provisions that together make this framework agreement a real breakthrough:

First, it requires the industry to publicly acknowledge the use of forced child labor and to assume primary responsibility, including financial responsibility, for ending these intolerable practices. This is only fair and right.

Second, it requires the industry to partner and bargain every step of the way with the other major stakeholders cocoa producers, organized labor, nongovernmental organizations, consumer groups and governments among them—who have an interest and expertise in achieving the abolition of the worst forms of child labor in this sector. Last December 1, all of these stakeholders hammered out and signed a mutually-acceptable joint statement that recognizes and affirms their shared commitment to act together with urgency to eliminate the worst forms of child labor in the cocoa and chocolate business. I ask unanimous consent that this public statement also appear in the RECORD at the conclusion of my remarks.

Furthermore, by next May, a binding, public memorandum of cooperation must be agreed among all of the major stakeholders that establishes a joint program of research, information exchange, and action to enforce internationally-recognized standards to eliminate the worst forms of child labor and forced labor from this sector of agriculture and food processing worldwide.

Third, by next July, this industry will have made its initial down-payment of funds to establish a new international foundation to oversee and sustain over time the global effort to eliminate the worst forms of child labor and forced labor in the growing and processing of cocoa beans and their derivative products. This will be a private, non-profit foundation governed and administered by all of the major stakeholders. The support of field projects in the Ivory Coast and other cocoa-exporting countries along with the establishment of a clearinghouse on best practices to eliminate the worst forms of child labor will be among its initial purposes.

Fourth, this framework agreement must yield within 4 years the first-ever global capacity in this sector to publicly and credibly certify that the cocoa and chocolate products we eat and enjoy every day have been produced without any child slavery or use of any of the worst forms of child labor. This will be a giant step forward. A very diverse set of stakeholders has publicly committed ourselves for the first time in America and abroad to rooting out and ending the worst forms of child labor and forced labor, wherever they exist. The resulting system of public certification should take us 99 percent of the way during the next 4 years toward a credible and effective means of empowering consumers to reliably do the right thing. It would be my hope and expectation at that point in time, if not sooner, that one or many of the stakeholder companies will take the final step and decide for itself that it is in their own interest as well as the public interest to give their customers what most consumers in America and around the world want—products with a reliable label ensuring that none of the worst forms of child labor have been associated with their production.

Now I want to conclude my statement by recalling the life and vision of a great American, Milton Hershey, whose legacy from the 20th century is relevant to the 21st century challenge that has brought the Harkin-Engel Protocol into being. He grew up in family in Pennsylvania that was almost always broke and constantly on the move. Neighbors remembered seeing him as a boy going about the streets barefoot, selling berries door-to-door. But as a young man, he started a small company making caramels—The Lancaster Caramel Company—and built it into a thriving interstate business. At the age of 33, he was wealthier than he had ever dreamed. That was even before he started the Hershey Chocolate Company in a back corner of his caramel factory. The rest is history, as he went on to give America our first five-cent milk chocolate candy bar and became fabulously rich.

But it was Hershey's philanthropic example that stands out and is most relevant. In 1909, just 6 years after breaking ground for his first chocolate factory, he and his wife set up a trust fund to found a school for poor, orphaned boys. The Hershey Industrial School continues to flourish today, having provided a good home and a better chance in life for nearly a century for countless thousands of American children in need. In fact, at a comparative young age, he donated his entire estate to the Hershey Trust Fund for the benefit of the school, including land and all of his stock valued at more than $60 million in 1918.

Today, Milton Hershey's remarkable gift is worth more than $5 billion and the school is one of the richest private education institutions in our country. It continues to provide a home and quality education to more than 1,000 students every year—girls and boys of all races and religions who come mostly from broken families in poor inner-city neighborhoods.

If he was alive today, I think he would approve of this unprecedented framework agreement and the collaborative, child labor problem-solving process it has set in motion. He wouldn't see these child slaves in the Ivory Coast as children of a lesser god. Surely, he would open his heart and his wallet to do no less for the impoverished and powerless children of the Ivory Coast, Brazil, Ghana, Indonesia, and all the other cocoa-producing countries. All of the stakeholders in this breakthrough agreement should do no less. Now we have to roll up our sleeves, go to work building certification capacity, and meet all of the deadlines to confidently eliminate the worst forms of child labor and forced labor from the cocoa and chocolate business worldwide once and for all. In so doing, we will have hopefully blazed a new trail and provided a worthy model that is transferable to other industries where millions of child laborers work in darkness and without prospects for a brighter future.

EXHIBIT 1

CHOCOLATE MANUFACTURERS
ASSOCIATION,
Vienna, VA.

PROTOCOL FOR THE GROWING AND PROCESSING OF COCOA BEANS AND THEIR DERIVATIVE PRODUCTS IN A MANNER THAT COMPLIES WITH ILO CONVENTION 182 CONCERNING THE PROHIBITION AND IMMEDIATE ACTION FOR THE ELIMINATION OF THE WORST FORM OF CHILD LABOR

Guiding Principles:

OBJECTIVE—Cocoa beans and their derivative products should be grown and processed in a manner that complies with International Labor Organization (ILO) Convention 182 Concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor. ILO Convention 182 is attached hereto and incorporated herein by reference.

RESPONSIBILITY—Achieving this objective is possible only through partnership among the major stakeholders: governments, global industry (comprised of major manufacturers of cocoa and chocolate products as well as other, major cocoa users), cocoa producers, organized labor, non-governmental organizations, and consumers. Each partner has important responsibilities. This protocol evidences industry's commitment to carry out its responsibilities through continuation and expansion of ongoing programs in cocoa-producing countries and through the other steps described in this document.

CREDIBLE, EFFECTIVE PROBLEM SOLVING—In fashioning a long-term solution, the problem-solving process should involve the major stakeholders in order to maximize both the credibility and effectiveness of the problem-solving action plan that is mutually-agreed upon.

SUSTAINABILITY—A multi-sectoral infrastructure, including but independent of the industry, should be created to develop the action plan expeditiously.

ILO EXPERTISE—Consistent with its support for ILO Convention 182, industry recognizes the ILO's unique expertise and welcomes its involvement in addressing this serious problem. The ILO must have a "seat at the table" and an active role in assessing, monitoring, reporting on, and remedying the worst forms of child labor in the growing and processing of cocoa beans and their derivative products.

Key Action Plan and Steps to Eliminate the Worst Forms of Child Labor:

(1) Public Statement of Need for and Terms of an Action Plan—Industry has publicly acknowledged the problem of forced child labor in West Africa and will continue to commit significant resources to address it. West African nations also have acknowledged the problem and have taken steps under their own laws to stop the practice. More is needed because, while the scope of the problem is uncertain, the occurrence of the worst forms of child labor in the growing and processing of cocoa beans and their derivative products is imply unacceptable. Industry will reiterate its acknowledgment of the problem and in a highly-public way will commit itself to this protocol.

(2) Formation of Mutli-Sectoral Advisory Groups—By October 1, 2001, an advisory group will be constituted with particular responsibility for the on-going investigation of labor practices in West Africa. By December 1, 2001, industry will constitute a broad consultative group with representatives of major stakeholders to advise in the formulation of appropriate remedies for the elimination of the worst forms of child labor in the growing and processing of cocoa beans and their derivative products.

(3) Signed Joint Statement on Child Labor to Be Witnessed at the ILO—By December 1, 2001, a joint statement made by the major stakeholders will recognize, as a matter of urgency, the need to end the worst form of child labor in connection with the growing and processing of West African cocoa beans and their derivative products and the need to identify positive developmental alternatives for the children removed from the worst forms of child labor in the growing and processing of cocoa beans and their derivative products.

(4) Memorandum of Cooperation—By May 1, 2002, there will be a binding memorandum of cooperation among the major stakeholders that establishes a joint action program of research, information exchange, and action to enforce the internationally-recognized and mutually-agreed upon standard to eliminate the worst forms of child labor in the growing and processing of cocoa beans and their derivative products and to establish independent means of monitoring and public reporting on compliance with those standards.

(5) Establishment of Joint Foundation—By July 1, 2002, industry will establish a joint international foundation to oversee and sustain efforts to eliminate the worst forms of child labor in the growing and processing of cocoa beans and their derivative products. This private, not-for-profit foundation will be governed by a Board comprised of industry and other, non-government stakeholders. Industry will provide initial and on-going, primary financial support for the foundation. The foundation's purposes will include field projects and a clearinghouse on best practices to eliminate the worst forms of child labor.

(6) Building Toward Credible Standards—In conjunction with governmental agencies and other parties, industry is currently conducing baseline-investigative surveys of child labor practices in West Africa to be completed by December 31, 2001. Taking into account those surveys and in accordance with the other deadlines prescribed in this action plan, by July 1, 2005, the industry in partnership with other major stakeholders will develop and implement credible, mutually-acceptable, voluntary, industry-wide standards of public certification, consistent with applicable federal law, that cocoa beans and their derivative products have been grown and/or processed without any of the worst forms of child labor.

We, the undersigned, as of September 19, 2001 and henceforth, commit the Chocolate Manufacturers Association, the World Cocoa Foundation, and all of our members wholeheartedly to work with the other major stakeholders, to fulfill the letter and spirit of this Protocol, and to do so in accordance with the deadlines prescribed herein.

Mr. Larry Graham, Chocolate Manufacturers Association.

Mr. William Guyton, World Cocoa Foundation.

WITNESSETH

We hereby witness the commitment of leaders of the cocoa and chocolate industry evidenced on September 19, 2001 and henceforth to fulfill the letter and spirit of this Protocol to eliminate the worst forms of child labor from this sector as a matter of urgency and in accordance with the terms and deadlines prescribed herein.

Senator Tom Harkin, Senator Herbert Kohl, Congressman Eliot Engel.

Ambassador Youssoufou Bamba, Embassy of the Ivory Coast.

Mr. Frans Roselaers, Director, International Labor Organization.

Mr. Ron Oswald, Catering, Tobacco and Allied Workers' Associations (IUF).

Mr. Kevin Bales, Free The Slaves.

Ms. Linda Golodner, National Consumers League.

Ms. Darlene Adkins, The Child Labor Coalition.

We personally support the protocol entered into by industry Protocol for the Growing and Processing of Cocoa Beans and their Derivative products In a Manner that Complies with ILO Convention 182 Concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor and look forward to its successful execution which we support wholeheartedly.

Gary Guittard, Guittard Chocolate Company.

Edmond Opler, Jr., World's Finest Chocolate, Inc.

Bradley Alford, Nestle Chocolate & Confections USA.

Richard H. Lenny, Hershey Food Corporation.

Paul Michaels, M&M/Mars, Inc.

G. Allen Andreas, Archer Daniels Midland Company.

Henry Bloomer, Jr., Bloomer Chocolate Company.

Andreas Schmid, Barry Callebaut AG.

Association of the Chocolate, Biscuit and Confectionery Industries of the EU,
Brussels, Belgium, September 3, 2001.

Protocol for the Growing and Processing of Cocoa Beans and Their Derivative Products in a Manner That Complies With ILO Convention 182 Concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor

CAOBISCO is the Association of the Chocolate, Biscuit and Confectionery industries of the European Union with Association Members in Switzerland, Norway, Hungary and Poland, representing through its National Associations circa 1800 companies in Europe.

CAOBISCO, in addition to its own actions on this important issue, endorses the initiatives taken in the United States by political representatives, the industry and other stakeholders.

CAOBISCO associates itself with the above Protocol. CAOBISCO will also ensure that the appropriate political authorities in Europe are made fully conversant with the guiding principles of this Protocol and that there is complementarity between these principles and parallel actions pursued in Europe.

Hans Rysgaard,
President.
David Zimmer,
Secretary General.

European Cocoa Association,
Brussels, Belgium, September 4, 2001.

Protocol for the Growing and Processing of Cocoa Beans and Their Derivative Products in a Manner that Complies with ILO Convention 182 Concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour

ECA is a trade association representing the European cocoa sector and includes companies from the entire cocoa industry chain. Members are cocoa converters, industrial chocolate producers, traders or are involved in warehousing and/or in related logistical aspects. Together, ECA members represent close to 75% of Europe's cocoa beans grinding, 50% of Europe's industrial chocolate production and 40% of world production of cocoa liquor, butter and powder.

The issue of exploitative child labour clearly requires the commitment of governments as well as co-operation across the entire cocoa chain. In this context, the ECA will continue to play an active role, and hence welcomes the protocol as a valuable step toward the definition of an international response by all concerned parties.

It may be expected that the European regulators and industry, taking into consideration their own external environment and relationship with the West African origin countries, will reach similar conclusions that will comfort the needed global approach. ECA, like Caobisco, will ensure that there is complementarity between the above initiative and parallel actions being pursued in Europe.

Robert A. Zehnder,
Secretary General.

International Cocoa Organization,
London, September 11, 2001.

Protocol for the Growing and Processing of Cocoa Beans and Their Derivative Products in a Manner that Complies with ILO Convention 182 Concerning the Prohibition and Immediate Action for the Elimination of the Worse Forms of Child Labour

The International Cocoa Organisation (ICCO) is an intergovernmental institution created in 1972 under the auspices of the United Nations, with the aim to monitor the international cocoa market, for the benefit of both cocoa exporters and importers.

There are 42 member countries in the Organisation, of which 19 are exporting members and 22 importing members.

Exporting members are: Benin, Brazil, Cameroon, Cote d'Ivoire, Dominican Republic, Ecuador, Gabon, Ghana, Grenada, Jamaica, Malaysia, Nigeria, Papua New Guinea, Peru, Sao Tome and Principe, Sierra Leone, Togo, Trinidad and Tobago, Venezuela.

Importing members are: Austria, Belgium/Luxembourg; Czech Republic, Denmark, Egypt, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Japan, Netherlands, Norway, Portugal, Russian Federation, Slovak Republic, Spain, Sweden, Switzerland, United Kingdom.

The ICCO fully endorses the initiative taken in the United States, by political representatives, the industry and other stakeholders. This is in line with the Resolution adopted in June 2001 by the International cocoa council, on agricultural working practices, and with the provisions of Article 49 of the International cocoa agreement 1993, regarding fair labour standards.

The ICCO supports the above mentioned PROTOCOL.

The ICCO encourages its member Governments to investigate and eradicate any criminal child labour activity that might exist in their territory in the field of agricultural working practices, in close co-operation with UNICEF, ILO, FAO and the private sector.

The ICCO has decided to include in the design of its relevant projects, activities in support of member countries in the eradication of unlawful practices concerning child labour.

KOUAMÉ EDOUARD,
Executive Director.

JOINT STATEMENT, November 30, 2001

The Association of the Chocolate, Biscuit and Confectionery Industries of the EU, the Chocolate Manufacturers Association of the USA, the Confectionery Manufacturers Association of Canada, the Cocoa Association of London and the Federation for Cocoa Commerce, the Cocoa Merchants Association of America, the European Cocoa Association, the International Office of Cocoa, Chocolate and Confectionery, the World Cocoa Foundation, the Child Labor Coalition, Free The Slaves, the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers Associations, and the National Consumers League (sometimes hereinafter the "Signatories") recognize the urgent need to identify and eliminate child labour in violation of International Labour Organization ("ILO") Convention 182 with respect to the growing and processing of cocoa beans and their derivative products. The Signatories also recognize the need to identify and eliminate practices in violation of ILO Convention 29 with equal urgency.

The Signatories affirm their support for the International Labour Organization's (LIO) mission to improve working conditions worldwide, as exemplified in the ILO Declaration on Fundamental Principles and Rights at Work. We also share the view that practices in violation of ILO Conventions 182 (the "worst forms of child labour") and 29 ("forced labour") result from poverty and a complex set of social and economic conditions often faced by small family farmers and agricultural workers, and that effective solutions to address these violations must include action by appropriate parties to improve overall labour standards and access to education.

The Signatories support the framework provided in the Protocol signed by the Chocolate Manufacturers Association and the World Cocoa Foundation on September 19, 2001, which provides for cooperation and for credible, problem solving in West Africa, where a specific program of research, information exchange, and action is immediately warranted. This Joint Statement expresses the shared commitment of the Signatories to work collaboratively toward the goal of eliminating the worst forms of child labour and forced labour in cocoa growing.

The strategies developed as part of this process will only be credible to the public and meet the expectations of consumers if there is committed engagement on the part of governments, global industry (comprised of major manufacturers of cocoa and chocolate products as well as other, major cocoa users), cocoa producers, labour representatives, non-governmental organizations, and consumers that have joined this process.

The Signatories recognize the need to work in concert with the ILO because the ILO will play an important role in identifying positive strategies, including developmental alternatives for children engaged in the worst forms of child labour and adults engaged in forced labour in the growing and processing of cocoa beans and their derivative products.

The strategies to be developed will be effective only if they are comprehensive and part of a durable initiative. The steps to be taken to sustain this initiative include: (i) execution of a binding memorandum of cooperation among the Signatories that establishes a joint action program of research, information exchange, and action to enforce the internationally-recognized and mutually-agreed upon standards to eliminate the worst forms of child labour in the growing and processing of cocoa beans and their derivative products; (ii) incorporation of this research that will include efforts to determine the most appropriate and practicable independent means of monitoring and public reporting in compliance with those standards; and (iii) establishment of a joint foundation to oversee and sustain efforts to eliminate the worst forms of child labour and forced labour in the growing the processing of cocoa beans and their derivative products. The Signatories welcome industry's commitment to provide initial and ongoing, primary financial support for the foundation.

We anticipate that other parties may be able to play a positive role in our important work. Subject to mutual consent by the Signatories, additional parties may be invited to sign onto this statement in the future.

Witnessed by the International Labour Organization this 30th day of November, 2001. Geneva, Switzerland.

Mr. Frans Roselaers, International Labor Organization.

Mr. David Zimmer, CAOBISCO.

Mr. Lawrence Graham, Chocolate Manufacturers Association of the USA.

Mr. John Rowesome, Confectionery Manufacturers Association of Canada.

Mr. Phil Sigley, Federation for Cocoa Commerce.

Mr. Thomas P. Hogan, Cocoa Merchants Association of America.

Mr. Robert Zehnder, European Cocoa Association.

Mr. Tom Harrison, International Office of Cocoa, Chocolate and Confectionery.

Mr. Bill Guyton, World Cocoa Foundation.

Ms. Darlene Adkins, The Child Labor Coalition.

Mr. Kevin Bales, Free the Slaves.

Mr. Ron Oswald, Allied Workers' Associations (IUF).

Ms. Linda Golodner, National Consumers League.

ASSOCIATION OF THE CHOCOLATE, BISCUIT AND CONFECTIONERY INDUSTRIES OF THE EU, CHOCOLATE MANUFACTURERS ASSOCIATION, CONFECTIONERY MANUFACTURERS ASSOCIATION OF CANADA, EUROPEAN COCOA ASSOCIATION,
December 1, 2001.

INTERNATIONAL ALLIANCE JOINS FORCES TO ADDRESS CHILD LABOUR ABUSE IN THE WEST AFRICAN COCOA SECTOR

The global cocoa and chocolate industry today joined a diverse group of partners to sign a joint statement re-affirming the urgent need to end the worse forms of child labour and forced labour in cocoa cultivation and processing in West Africa. The joint statement was signed by representatives of non-governmental organisations, anti-slavery and human rights experts, consumer groups and labour representatives. The International Labor Organization (ILO) witnessed signature of the statement.

The problems of the worst forms of child labour and forced labour are complex and can only effectively be addressed with the commitments of all the partners signing the statement today, together with governments. The global cocoa and chocolate industry is committed to playing an active part in this initiative. A significant effort is under way to asses the precise scope of the problem through independent investigative surveys. The data of the surveys will be analysed by experts during the first quarter of next year.

Today's joint statement is in keeping with the commitments made by industry to address the worst forms of child labour and forced labour. On 19 September this year, industry developed and signed a protocol, which lays out an action plan to combat the problem, with input from governments and human rights experts. Active implementation of the industry Protocol began in October this year.

In addition, industry has constituted a Broad Consultative Group to advise in the formulation of appropriate remedies for the elimination of the worst forms of child labour and forced labour in the growing and processing of cocoa beans. The signatories to the joint statement have been invited to join the Broad Consultative Group.

The signatories to the joint statement are: Cocoa and Chocolate Industry, The Association of the Chocolate, Biscuit and Confectionery Industries of the EU (CAOBISCO), International Labour Organisation (Witnessing); The Chocolate Manufacturers Association of the USA (CMA), Free The Slaves; The Confectionery Manufacturers Association of Canada (CMAC), The Child Labor Coalition; The Cocoa Association of London (CAL), The National Consumers League; The Cocoa Merchants Association of America (CMAA), The Federation for Cocoa Commerce (FCC), The International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers Associations (IUF); The European Cocoa Association (ECA); The World Cocoa Foundation (WCF); The International Office of Cocoa, Chocolate and Confectionery (IOCCC).

CHINESE MILITARY'S USE OF FOREIGN TECHNOLOGY

Mr. KYL. Mr. President, a recent article in the Far Eastern Economic Review on China's use of foreign technology to modernize its military explains the far-reaching impact of China's purchase of foreign technology on that country's military capabilities. For example, it describes Rolls Royce's recent sale to China of 90 Spey jet engines, some of which will likely be used for the Chinese military's JH–7 fighter bombers. The technology used in these engines is admittedly dated; but some are concerned that the sale may represent the beginning of a larger relationship between Rolls Royce and China. The article also details China's growing reliance on Russian-designed aircraft, missiles, and navy destroyers and submarines. A February 2001 article in Jane's Intelligence Review described the relationship further, stating:

> Between 1991 and 1996 Russia sold China an estimated $1 billion worth of military weapons and related technologies each year. That figure doubled by 1997. In 1999 the two governments increased the military assistance package for a second time. There is now a five-year program (until 2004) planning $20 billion worth of technology transfers.

Perhaps of even greater concern is that, according to the Wisconsin Project on Nuclear Arms Control, the United States approved $15 billion in "strategically sensitive exports" to China during the 1990s. These exports included equipment that can be used to design nuclear weapons, build nuclear weapons components, improve missile designs, and build missile components. And it is important to remember China's primary objective in acquiring these and other military technologies, to be able to defeat our long-standing, democratic ally Taiwan in a conflict quickly enough to prevent American military intervention.

Last September, the Senate passed S. 149, the Export Administration Act of 2001. S. 149 was approved despite serious concerns of some, including myself, that the U.S. export control process is ineffective in stopping the export of militarily sensitive technologies to countries, like China, that pose a potential military threat to the United States or to U.S. interests abroad. S. 149, if enacted into law, would allow China to import even more sensitive technology than it has in the past. It would decontrol a number of dual-use technologies, including items used to make nuclear weapons and long-range missiles.

I urge my colleagues to take a moment to read the Far Eastern Economic Review article, and to consider the impact on China's military capabilities of foreign technology purchases and, more importantly, the potential long-term ramifications of further weakening the U.S. export control process.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Far Eastern Economic Review, Jan. 24, 2002]

CHINA—ARMS

(By David Lague in Hong Kong)

Buying Some Major Muscle: The People's Liberation Army is shopping for foreign arms and the latest military technology with a vengeance; Costing tens of billions of dollars a year, this drive will change the face of its forces at war and is unsettling some foreign governments.

In the field of frustration and broken dreams that for many foreign firms is the China market, arms dealers and suppliers of technology to boost military firepower have discovered their El Dorado.

International arms-trade monitors estimate that China is now the world's biggest arms importer as it steps up a drive to re-equip the People's Liberation Army so that, if necessary, it has the strength to recover Taiwan by force and can deter intervention by the United States in a cross-strait conflict.

From supersonic fighters and missiles to computer-aided-design software the PLA and its associated civilian agencies are filling order books across the world.

"In my view, practically every area of PLA modernization is affected by the acquisition, utilization, absorption or development of foreign technology," says PLA watcher Richard Fisher of the Jamestown Foundation in Washington.

The Stockholm International Peace Research Institute in its 2001 yearbook noted that China had become the world's biggest importer of arms in 2000, mainly through deliveries of ships and combat aircraft from Russia. These imports were valued at close to $3 billion, more than twice any other buyer's tally. In the secretive world of the international arms trade, the true value of Chinese offshore orders is difficult to uncover. Defence experts estimate up to half of Russia's $4 billion in military sales last year went to China. When combined with imports of so-called dual-use technology—equipment and know-how with military as well as civilian applications—most analysts expect the total to be much higher.

To pay for what Fisher described as its international military "spending spree," Beijing announced in March last year that its published defence budget was jumping more than 17% to $17.2 billion. Real annual spending, including payments for foreign weapons and technology, is estimated by many analysts at more than $60 billion. The government is already signalling that it plans further defence-budget increases this year.

The main beneficiaries of Chinese spending: Russia and Israel, since the West imposed an arms embargo in retaliation of the 1989 Tiananmen Massacre. U.S. and European makers of nonlethal military hardware and dual-use technology are, however, eager suppliers.

The independent U.S. Wisconsin Project on Nuclear Arms Control calculates that Washington approved some $15 billion in strategically sensitive exports to China in the decade up to 1999. These included advanced computers needed to design and test nuclear weapons, machine tools for making missile parts and specialized equipment used for making military semiconductors.

Some key customers for U.S. technology are the China Precision Machinery Import-Export Corp., a maker of anti-ship missiles, the National University of Defense Technology, which designs weapons, and Huawei Technologies—accused by Washington of helping Iraq improve its air-defense system.

In recent years, much international attention has focused on sensational allegations of Chinese espionage at U.S. nuclear-arms laboratories. But far from having to steal much of the latest military technology, Beijing is simply buying it.

"Western companies want to get into this market," says Taipei-based PLA analyst Tsai Min-yen of the Taiwan Research Institute. "The way they can build contacts with China is to sell these dual-use or nonlethal technologies."

Even such top Western firms as British engine-maker Rolls-Royce are looking for a piece of the action. It sells defense equipment as part of its broader aerospace, marine and energy business in China—though it is reluctant to give details of its military sales.

Rolls-Royce confirmed to the REVIEW that it recently supplied up to 90 Spey jet engines and spares to China that defence analysts believe the PLA intends to fit on to its JH-7 fighter-bombers—also being modified with modern radar and long-range missiles.

Rolls-Royce spokesman Martin Brodie says that the company first supplied this engine type to China in the 1970s and continues to support that original deal. "The details of our support are, as with most companies, a matter of commercial confidence," he says.

The PLA needs more of the reliable Spey engines because it failed to copy those it received earlier and hasn't designed a local replacement. Rolls-Royce argues its Spey engines incorporate 1960s technology, implying they will not significantly boost PLA power. In contrast, Asia-based Western defense officials say the Pentagon objected to the latest deal on the grounds that it would enhance the PLA's capabilities.

Rolls-Royce indicates more defense-related business is on its mind. On a visit in October, Chief Executive John Rose discussed "current cooperation and opportunities for the future" with officials from China's Commission on Science, Technology and Industry for National Defense, according to a company statement.

Earlier British technology sales proved a boost to the PLA. In 1996, Racal Corp., now part of the French Thales Group, sold up to eight Skymaster long-range airborne radars to be fitted on PLA Navy Y-8 aircraft. Britain at the time justified the sale by saying it would help Beijing against rampant smuggling. Since then, the specialist defence press has reported that these aircraft are used to assist Chinese missile warships locate distant targets.

Other British sales are aimed at civilian use but seem to offer clear military advantages. Surrey Satellite Technology, perhaps the world's leading micro-satellite maker, has played a major role developing China's infant micro-satellite industry with technology transferred to China through a joint venture with Beijing's elite Qinghua University. Specialists have warned that this type of technology is vitally important for the Chinese military to mount combined air and sea operations in the Taiwan Strait.

Company spokeswoman Audrey Nice rejects any link between Surrey's technology and the Chinese military. "The PLA does not exist as far as Surrey is concerned," she says. "There are no defence applications whatsoever." However, she is unable to rule out Chinese military access to data from satellites launched as a result of the joint-venture collaboration. "The satellite is owned by Qinghua University," says Nice, adding that any questions should be directed to the university.

To reduce its dependence on foreign suppliers, China is investing heavily in research and development to build a military industrial base. In the meantime, the PLA armoury resembles an overflowing shopping trolley at an international arms bazaar—with imported arms and technology ordered before the Tiananmen embargo being gradually introduced and combined with the newer purchases.

Should China go to war in the near future over Taiwan, its air force will rely on front-line Russian-designed strike aircraft alongside locally built fighters based on an Israeli design partially funded by the U.S.

Other Chinese-made aircraft will carry Russian and Israeli missiles and find their targets with British and Israeli radar and electronics. The navy will deploy a combination of powerful new Russian warships and submarines alongside locally built ships fitted with U.S. and Ukrainian engines and Italian torpedoes. French companies have supplier air-warfare missiles, tactical command-and-control systems and helicopters.

On land, the PLA will field modern Russian tanks and artillery. Many armoured vehicles will be protected with advanced Israeli-designed armour cladding. Older Chinese tanks have Israeli gun and gunsight systems.

Overhead, satellites built with British and German help will keep watch on the battlefield, fix positions for ground forces and feed target data to ships and aircraft. Meanwhile China's nuclear deterrent will be mounted on launchers improved with assistance supplied by the U.S.

Beijing isn't shy about its growing power. When one of the PLA navy's latest class of warship, the sleek 8,000-tonne guided-missile destroyer Shenzhen, berthed in Hong Kong in November after visiting Europe, it was touted as an example of how China was capable of building world-class warships.

That may be an exaggeration with most Western counterparts. But by regional standards, the Shenzhen's Ukrainian gas turbines, French Crotale air-defense missiles, Russian YJ-2 anti-ship missiles and two Russian Ka-28 anti-submarine-warfare helicopters make it formidable vessel.

While the arms merchants pile in, there are clear signs of unease in some foreign capitals about the scale of China's arms-buying bonanza and the danger to regional security. For the U.S. and regional governments, the main concern is that short-term corporate greed is overpowering Western fears of arming a potential enemy of the future to the teeth.

Reflecting such official unease, New York-based satellite-maker Loral Space & Communications agreed with the U.S. Justice Department this month to pay a record $14 million fine to settle charges that it may have illegally given satellite know-how to Beijing.

Hughes Electronics of California is also expected to settle with Washington over its role in similar technology leaks.

A U.S. Congressional committee in 1999 accused both companies of helping overcome serious shortcomings in Chinese rocket launchers following an expensive series of failed satellite launches in the mid-1990s. Since then, China launched more than 30 satellites without a hitch. There are strong suspicions in Washington that the PLA's nuclear missiles carried on the same launchers and aimed at the U.S. are now more reliable because of information from U.S. firms.

At the same time as the probes into Hughes and Loral, Washington forced Israel to cancel a $1.25 billion sale of up to five Russian-built aircraft equipped with Israeli-made Phalcon early warning radar to the PLA. Such aircraft would be crucial in coordinating large-scale operations over the Taiwan Strait.

Anxious to keep its good relations as an arms supplier with Beijing, Tel Aviv is now negotiating to pay compensation to China for backing out of the deal. Diplomats say that discussions between both sides earlier this month in Beijing also covered what other hardware may be supplied by Israel.

But regardless of international pressure on sellers, tension across the Taiwan Strait is likely to prolong the feast for arms makers. As China's power grows, so does Taiwan's demand for yet more weapons to ensure parity. The Bush administration last year agreed to supply Taipei with its biggest arms package in decades, including a group of up to eight submarines that alone will cost more than $4 billion.

Watching the arms race, some analysts are questioning the wisdom of China buying hardware from such a range of suppliers. For a start, the logistical and technical support needed to maintain so many different weapons systems is a major challenge. And it takes more than just advanced hardware to be a military power. Training, military doctrine and the integration of weapons and sensors are also vital. There is also the danger that in trying to keep pace with Western firepower, China might overextend itself financially—as the Soviet Union did.

Nevertheless, analysts such as Tsai in Taipei believe that the sheer pace of its spending is allowing China to close the military gap with the U.S. and the rest of the West fast enough to pose a real security threat for Taiwan. "It is unnecessary for China to catch up with the West in all fields," he says. "They just need enough to deter the U.S. from becoming involved in the Taiwan Strait."

FORMER WISCONSIN GOVERNOR JOHN REYNOLDS

Mr. FEINGOLD. Mr. President, one of Wisconsin's great progressives died a few days ago. Former Wisconsin Governor John Reynolds passed away on January 6. He was 80.

The son of an Attorney General, and the grandson of a Representative in the State Assembly, John Reynolds came from one of Wisconsin's most distinguished political families, and he himself was the model of what public service should mean.

Reynolds, a native of Green Bay, was one of the founding fathers of the modern Democratic Party of Wisconsin, but his roots were in the Progressive Party of Robert and Phil La Follette. His grandfather was elected to the State Assembly as a Progressive Republican, and his father, who served as the State's Attorney General, was chairman of the independent Progressive Party.

John Reynolds, like his father, served as Wisconsin's Attorney General. He was the State's Governor from 1963 to 1965, and was appointed by President Johnson to serve as a Federal Judge in Wisconsin's Eastern District where he served as Chief Judge from 1971 until 1986.

But as impressive as it is, that resume does not do him justice. In memorializing John Reynolds, the Wisconsin State Journal wrote that his true legacy was his support of the rule of law and equal rights under the U.S. Constitution. Indeed, he may be remembered best as a civil rights advocate. His most famous decision as a judge was his 1976 order that Milwaukee schools be desegregated.

As columnist John Nichols wrote of him, "John Reynolds never surrendered the Progressive vision that the political and economic rights of individuals must be protected against encroachments by corporate and political elites bent on self-service."

In 1963, as a sitting Governor, John Reynolds supported civil rights demonstrations. In a statement he made in support of those demonstrations, John Reynolds said: "The time is long past when Americans can be content with foot-dragging in civil rights. Those who have urged caution forget that those who suffer the pains of discrimination suffer them every day."

Those words ring true today. They are a mark of the greatness of John Reynolds, a greatness that did not come from the offices he held, but from his principled compassion and political courage.

NATIVE AMERICAN TRUST FUNDS

Mr. JOHNSON. Mr. President, I rise today to express my deep concern for the outlook of the trust fund management system. I have requested on numerous occasions that the Department of the Interior to consult with tribes on this issue. I understand this is difficult, given the scope and expanse of the approximate 560 Tribes in the United States, but it must be done in a far more meaningful manner than has been the case up until now.

Tribes feel that the Department of the Interior has presented a plan, and are simply going through the motions of "consultation." The very idea of consultation is not to formulate a plan and then impose it upon the interested party. It is to work with the effected parties and formulate a plan together. This is the essence of consultation between the Federal Government and Indian Country; it is at the heart of true government-to-government relationship.

The present and future challenge the Department of the Interior, Bureau of Indian Affairs and the Office of Special Trustee face are a high priority for South Dakota's Indian tribes. As a member of both the Senate Indian Affairs Committee, as well as, the Appropriations Committee, I look forward to working on efforts to improve the quality of services provided by the Department, and to protect the interests of tribes in my state of South Dakota and across the country.

The issue of Trust Fund mismanagement is one of the most urgent problems we are faced with in Indian Country. Of all the extraordinary circumstances we find in Indian Country, and especially in South Dakota, I do not think there is any more complex, more difficult and more shocking then the circumstances we have surrounding trust fund mismanagement.

This problem has persisted literally for generations, and continues today.

Administrations of both political parties have been inadequate in the response, and the level of direction and the resource provided by Congresses over past decades has also been sadly inadequate. The Federal Government, by law, is to be the trustee for Native American people. When the Trust Fund Management Act of 1994 has passed, I was hopeful that this accounting situation would at last be remedied. Unfortunately, this has not been the case.

In 1996, I was appointed by Chairman YOUNG to the Congressional Task Force on Indian Trust Fund Management, to review and study the management and reconciliation of funds administered by the Department of the Interior's Office of Trust Fund Management. Those meetings were informative but far from productive as three years and many millions of dollars later, this problem still persists.

My concern remains, where are we now, and what does the Department hope to accomplish from the creation of another bureau? Far too much time and resources have been exhausted attempting to remedy this deplorable situation, which affects far too many of South Dakota's poorest people.

This is one of the most urgent problems we face in Indian Country, and there are so many more problems that flow from, or the solutions stem from the inability to come to terms with this issue. Congress has reviewed his issue over 10 times in recent years. We should not have to continue to revisit this issue ten more times to get it solved.

On January 21, 2002, The Sioux Falls Argus Leader published an editorial entitled "Tribes Capable of Managing Own Trust Funds." I commend this editorial to my colleagues. It urges Secretary Norton and the Assistant Secretary for Indian Affairs, Neal McCaleb, in the strongest possible terms, to consult with tribes.

The Federal Government is fond of saying that it will operate "government to government" with Indian tribes, but then too often it consults after the fact in an insulting manner. It is time to give tribes greater responsibility over their assets and their budgets.

It is imperative that we remedy this situation. More years will go by and more opportunities to correct this great injustice will be passed unless Congress and the administration at last give resolution of this trust fund crisis the attention and the resources it deserves.

Mr. President, I ask unanimous consent that The Sioux Falls Argus Leader editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Argus Leader, Jan. 21, 2002]

TRIBES CAPABLE OF MANAGING OWN TRUST FUNDS—GOVERNMENT NEEDS COOPERATION

(By the Editorial Staff)

At a meeting in Albuquerque, N.M., tribes vigorously opposed a plan by the Department of Interior and Bureau of Indian Affairs to create a new agency to manage Indian trusts.

The same thing happened at a meeting in Minneapolis.

And again in Oklahoma City.

And most recently in Rapid City.

Each time, the reason was the same. Plans to create the new Bureau of Indian Trust Asset Management were developed by the Interior Department and BIA, without consulting a single tribe.

"Decisions for Indian people should be made by Indian people. Let us do it," said Tom Ranfranz, Flandreau Santee Sioux tribal chairman. "We're good people. We know banking, we know business, we know farming. Let us do it." Amen.

If there's one main problem with white-Native American relations during the years we've been a nation, it's just this: Whites always think they know what's best for Indians.

Guess what, it's not always true. Literally billions of dollars are at stake in whatever is decided. The trust fund is built up from money—about $500 million a year—taken from grazing, agriculture, mining, oil production, logging and right-of-way easements. The BIA has managed the fund and doled out money to tribes and individuals.

We say "managed" in a loose sort of way. The BIA can't account for at least $2.4 billion supposed to have been collected and handed out since 1972. Maybe the money is there and maybe it isn't. No one knows.

That has led to an ongoing lawsuit against the Department of Interior, and each time the parties are in court, revelations of mismanagement seem to get more bizarre. Most recently, it was determined that the computer system used for the trust fund was so horrible just about anybody could hack into it—despite millions of dollars in studies and recommendations on how to fix the problems.

A judge shut down the system entirely, delaying payments to thousands of people around the country.

Now, the government officials who created the mess are telling the tribes they have the solution. Part of it is to put former BIA Director Ross Swimmer in charge of the new agency.

This is the same Swimmer who lost millions of dollars in coal revenue for the Navahos through an unfair agreement he negotiated.

This is the same Ross Swimmer who destroyed a Cherokee Nation corporation by making bad loans to corporation members.

Tribal officials are howling about the appointment of Swimmer, and for good reason.

They've suggested, instead, a task force of tribal representatives from around the country to come up with a better way of doing things. There are some disagreements about how that would work, but it is clearly the right solution.

Interior Secretary Gale Norton and BIA Director Neal McCaleb seem to have good intentions. It appears they want to undo this long-standing mess and replace the current operation with something that works. For that, we praise them.

But whatever they do will never work unless it's done in consultation with the tribes. To even try to do otherwise is ludicrous. If they think tribes will buy in to the current plan, they're deluding themselves.

ORDERS FOR RECESS, JOINT SESSION, ADJOURNMENT, UNTIL MONDAY, FEBRUARY 4, 2002

Mr. REID. Mr. President, I ask unanimous consent that the Senate stand in recess until this evening at 8:30 p.m.; further, that at 8:40 p.m. the Senate proceed to the House Chamber for the joint session, and that following the joint session the Senate adjourn under the provisions of S. Con. Res. 95 until the hour of 1 p.m. Monday, February 4; that immediately following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, and the time for the two leaders be reserved for their use later in the day; that there be a period for morning business until 2 p.m., with Senators permitted to speak for up to 10 minutes each; further, that at 2 p.m. the Senate resume consideration of H.R. 622.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I have conferred with the majority leader and he has indicated there will be votes Monday. They will be after 5 p.m.

ADDITIONAL STATEMENTS

CONGRATULATIONS TO MR. AND MRS. PAVEL

• Mrs. MURRAY. Mr. President, I rise today to pay tribute to Donald and Anne Pavel of Shelton, WA, in celebration of their 50th wedding anniversary on January 31, 2002.

Mr. and Mrs. Pavel are life-long residents of Shelton. Mr. Pavel graduated from Shelton High School and went on to a 20-year career in the U.S. Air Force, which included decorated service during the Korean conflict. In 1969, he retired from the Air Force as a Master Sergeant. Following his service to this country, Mr. Pavel started his own successful dump truck business, Pavel Trucking. His company worked on many major projects in Washington State, including the "Loop" around the Olympic Peninsula. Mr. Pavel operated Pavel Trucking until his retirement.

Mrs. Pavel also graduated from Shelton High School and then received her nursing degree from St. Joseph's Hospital in Tacoma, WA. In addition to raising her family and pursuing her nursing career, Mrs. Pavel, a member of the Skokomish Tribe, was active in tribal politics. She was the Skokomish Tribe's first Judge and served as Chairwoman and General Counsel President of the Tribe for a number of years. Mrs. Pavel also served as the Tribe's first Health Director, overseeing the first dental and health clinics on the reservation.

Mr. and Mrs. Pavel have six children: three daughters, Victoria, Barbara, and Mary; and three sons, Joseph, Michael and Gregg, whom they lost in 1997. They are also blessed with nine grandchildren. All of the Pavel children graduated from Shelton High School and attended college and/or graduate school in Washington State. Today they are engaged in fulfilling careers, ranging from fisheries management to education.

I ask the Senate to join me in sending my warmest congratulations to Mr. and Mrs. Pavel for this very important wedding anniversary. I wish them many more happy years together. It is an honor and a privilege to represent them in the U.S. Senate.●

TRIBUTE TO JAMES RAYMOND TOULOUSE

● Mr. DOMENICI. Mr. President, I rise today to pay tribute to James Raymond Toulouse who passed away on January 24, 2002. My heartfelt sympathies go out to his family and friends.

James was born in Albuquerque, NM, in 1919, and graduated from Albuquerque High School in 1936. He also graduated from the University of New Mexico in 1940 and received a law degree in 1949 from Georgetown Law School. Prior to entering law school, James served during WW II as a Specialist A Second Class in the United States Navy. His education and dedication to his country served him well during his successful law career.

Since 1949, James actively practiced law often representing cases involving civil rights. His work did not go unnoticed. For his work on behalf of the Albuquerque Chapter of the NAACP in 1985, James received their "Keeping the Dream Alive Award." In 1986, the New Mexico Bar Association awarded him the Courageous Advocacy Award. In addition, Rodney Barker in his 1992 book, "The Broken Circle," wrote an account of James' representation of Navajo rights.

New Mexico has lost an invaluable native who advocated for the rights of others. I want to take this opportunity to salute the lifetime achievements of James Raymond Toulouse. I join with his family and friends in mourning his loss.●

TRIBUTE TO ROBERT K. KRICK

● Mr. JEFFORDS. Mr. President, today I honor Mr. Robert K. Krick on his recent retirement from the National Park Service and for his distinguished career as a Civil War historian and preservationist. Mr. Krick joined the National Park Service in 1966, working both at Fort McHenry National Monument and Fort Necessity National Battlefield. In 1972, he became the Chief Historian at Fredericksburg & Spotsylvania National Military Park. It is a position he held for twenty-nine years until his retirement last month.

During his tenure at Fredericksburg & Spotsylvania National Military Park—an area which comprises four battlefields—the total amount of park acreage grew from under 3000 to over 8000 today. Nearly half of all the historians at Civil War battlefield parks learned their trade under Bob Krick. His contributions to the preservation of historic land are numerous. Bob's tireless efforts to expand and improve the National Park Service will continue to be appreciated by the millions of individuals who visit these historic areas each year.

Although preservation of Civil War battlefields was a large part of Bob's career, he found the time to become a distinguished author and scholar. He has written 12 books, including "Stonewall Jackson at Cedar Mountain," and "Conquering the Valley: Stonewall Jackson at Cross Keys and Port Republic, as well as countless articles and book reviews. His works will undoubtedly influence future generations.

More than a decade ago I began touring various battlefields with Bob and several other Civil War historians. We relived Jackson's battles of the 1862 campaign and retraced the Union campaign of 1864. With Bob by my side, I was able to visualize the 1862 battles and could feel Jackson's presence. I came away from the trip with the strong feeling that it was my responsibility as a U.S. Senator to help preserve this part of our national heritage. Since that time I have been dedicated to preserving our Nation's most cherished and sacred lands. As a first step, I introduced legislation that directed the Park Service to undertake a study of Civil War sites. Congress responded by passing legislation, in 1991, that created a national Civil War Sites Advisory Commission. Composed of distinguished historians, supported by a staff of National Park Service experts, the commission for two years studied the remaining Civil War Battlefields. The 1993 report presented a plan of action for protecting what remained of the Civil War Battlefields. Since 1993, I have helped to secure $19 million in Federal funds to preserve these priceless links to America's past.

Although much work has been done in the last decade to preserve battlefields, there is a lot to do as our nation's history is still being demolished and bulldozed at an alarming pace. Bob will continue to be a preservation leader as a Board member of the Richmond Battlefields Association. I look forward to working with and calling upon Bob for advice in the future.●

COMMEMORATING THE LIFE OF THOMAS J. CLEAR, JR.

● Mr. DOMENICI. Mr. President, I rise today to join the people of Albuquerque, NM, in mourning the loss of Thomas J. Clear, Jr. He helped to establish a better way of life for his family and the people of New Mexico. He was a friend to all.

Respected throughout the State, Thomas was known for his friendship and dedication to the things that he loved, his friends and family. He first came to New Mexico as a student at the University of New Mexico where Thomas dedicated his studies to education, but also where he met the love of his life and future wife of 50 years, Iris. After he completed law school, Thomas and Iris again returned to New Mexico in order to begin what would be a long and dedicated legal career serving the people of New Mexico.

Friends say that Thomas was able to serve New Mexicans so well because he truly cared about their best interests, and he served to protect those interests. He will be remembered for more than just his legal and adversarial roles by the people of New Mexico, he will be known for the love and friendship he provided to all of those who he came in contact with.

Thomas died last week surrounded by family and friends, much the same way as he spent his life. He was devoted to the interests of his family and the people of New Mexico. Mr. President, I share the grief of the friends and family of Thomas and my heartfelt condolences go out to them.●

THE RETIREMENT OF ELEANOR TOWNS

● Mr. BINGAMAN. Mr. President, I rise today to pay tribute to a dedicated and distinguished public servant. Eleanor Towns, Regional Forester for the United States Forest Service's Southwestern Region, is retiring at the end of this month. Eleanor "Ellie" Towns will conclude more than two decades of outstanding achievement with the Forest Service.

For the past four years, Ellie has served as the Regional Forester in New Mexico. In this position, she served as one of nine regional foresters in the agency and assumed leadership of 11 National Forests and 4 National Grasslands comprising more than 20 million acres of National Forest System lands in Arizona and New Mexico. Prior to this, Ellie was the Director of Lands for the Forest Service in Washington, DC and director of Lands, Soils, Water, and Minerals for the Rocky Mountain Region, headquartered in Denver, CO. She joined the Forest Service in 1978 and worked in a number of progressively responsible positions. She came to the Forest Service from the Bureau of Land Management. Ellie holds a bachelor's degree from the University of Illinois, a master's degree from the University of New Mexico, and a juris doctor degree from the University of Denver's College of Law.

I am pleased and gratified that my work in the Senate has allowed me to get to know Ellie. We worked together in preserving the Valles Caldera National Preserve and in securing additional funding for hazardous fuels projects to reduce fire threats to communities adjacent to national forests. She also testified before the Energy and Natural Resources Committee several times and I can honestly say that she was one of the best witnesses the Forest Service has ever sent up here.

Ellie's dedication and enthusiasm have provided the Forest Service with effective, professional management and direction. During her tenure, she has been successful in building strong relationships with many Forest Service partners and customers. In so doing, Ellie has garnered the respect, admiration and trust of here employees as well as all of those who have worked with her. She also promoted a collaborative stewardship in caring for the land and serving the people who own them. We will miss her, and I know that the Forest Service will miss her even more.

The Forest Service and the nation owe Ellie Towns a great deal of gratitude for her fine work at the Forest Service, I wish her the best in all of her future endeavors.●

HONORING THE PROMOTION OF COLONEL EDWARD RICE TO BRIGADIER GENERAL

● Mr. JOHNSON. Mr. President, I rise today to congratulate the commander of Ellsworth Air Force Base's 28th Bomber Wing on his promotion to brigadier general.

On February 1, 2002, Colonel Edward A. Rice, Jr., will pin on his first star, and I cannot think of a member of the Air Force more deserving of this promotion. I have known Colonel rice since May 2000, when he took command of the 28th Bomber Wing at Ellsworth, in my home state of South Dakota. Ellsworth is home to one of the Air Force's two B–1B wings, with 26 aircraft and more than 3,500 military and civilian members assigned. Colonel Rice joined a distinguished line of commanders of the wing, and has become the fifth consecutive commander to be promoted to brigadier general.

Colonel Rice has recently returned from Diego Garcia, where he was the commander of the 28th Air Expeditionary Wing, overseeing the entire B–1B operation for the ongoing war against terror, Operation Enduring Freedom. In addition to coordinating bombing missions from the command center on the ground, Colonel Rice added to his more than 3,600 hours of air time in combat aircraft by flying bombing missions against Taliban and al-Quaida controlled strongholds in Afghanistan. I applaud the efforts of Colonel Rice and all of the men and women in Operation Enduring Freedom. Since joining Congress in 1987 I have appreciated the professionalism, hard work, and commitment to excellence of Ellsworth's commanders and personnel. Colonel Rice has added to that tradition, and under his leadership the effectiveness of the B–1B, especially in recent operations in Afghanistan, has proven again why that aircraft is the backbone of our Nation's bomber fleet.

Colonel Rice graduated from the Air Force Academy in Colorado Springs, Colorado, in 1978, and went to flight school to become a B–52 pilot. He also has experience flying aircraft that include the B–1 and the B–2 Stealth bomber.

Throughout his distinguished career, Colonel Rice has held a variety of significant operational positions including commander of the 34th Bomb Squadron at Castle Air Force Base, CA; deputy commander of the 509th Operations Group, at Whiteman Air Force Base in MO; and commander of the 552nd Operations Group, at tinker Air Force Base, OK.

Colonel Rice served as a White House fellow from 1990–1991. The program selects midcareer professionals for a variety of assignments, usually from outside of their normal field of expertise. Colonel Rice worked in the office of the Secretary of Health and Human Services.

In 1994 and 1995, Colonel Rice served on a blue-ribbon government panel examining the military's structure in the post-Cold War era. Colonel Rice moved to the West Wing of the White House in 1997, when he was named deputy executive secretary to the National Security Council. He served in the White House until he was assigned to Ellsworth for his first command of a combat bomb wing.

I would like to take this opportunity to congratulate Colonel Rice, his wife Teresa, and their children, on this well-deserved promotion.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON THE STATE OF THE UNION MESSAGE FROM THE PRESIDENT—PM 65

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was ordered to lie on the table.

To the Congress of the United States:

Mr. Speaker, Vice President CHENEY, Members of Congress, distinguished guests, and fellow citizens:

As we gather tonight, our Nation is at war, our economy is in recession, and the civilized world faces unprecedented dangers. Yet the state of our Union has never been stronger.

We last met in an hour of shock and suffering. In four short months, our Nation has comforted the victims . . . begun to rebuild New York and the Pentagon; rallied a great coalition; captured, arrested, and rid the world of thousands of terrorists; destroyed Afghanistan's terrorist training camps; saved a people from starvation; and freed a country from brutal oppression.

The American flag files again over our embassy in Kabul. Terrorists who once occupied Afghanistan now occupy cells at Guantanamo Bay. And terrorist leaders who urged followers to sacrifice their lives are running for their own.

America and Afghanistan are now allies against terror . . . we will be partners in rebuilding that country . . . and this evening we welcome the distinguished interim leader of a liberated Afghanistan: Chairman Hamid Karzai.

The last time we met in this chamber, the mothers and daughters of Afghanistan were captives in their own homes, forbidden from working or going to school. Today women are free, and are part of Afghanistan's new government, and we welcome the new Minister of Women's Affairs, Doctor Sima Samar.

Our progress is a tribute to the spirit of the Afghan people, to the resolve of our coalition, and to the might of the United States military. When I called our troops into action, I did so with complete confidence in their courage and skill—and tonight, thanks to them, we are winning the war against terror. The men and women of our armed forces have delivered a message now clear to every enemy of the United States: Even seven thousand miles away, across oceans and continents, on mountaintops and in caves—you will not escape the justice of this Nation.

For many Americans, these four months have brought sorrow, and pain that will never completely go away. Every day a retired firefighter returns to Ground Zero, to feel closer to his two sons who died there. At a memorial in new York, a little boy left his football with a note for his lost father: "Dear Daddy, Please take this to Heaven. I don't want to play football until

I can play with you again someday." Last month, at the grave of her husband, Micheal, a CIA officer and Marine who died in Mazar-e Sharif, Shannon Spann said these words of farewell: "Semper Fi, my love." Shannon is with us tonight.

Shannon, I assure you and all who have lost a loved one that our cause is just, and our country will never forget the debt we owe Micheal and all who gave their lives for freedom.

Our cause is just, and it continues. Our discoveries in Afghanistan confirmed our worst fears, and show us the true scope of the task ahead. We have seen the depth of our enemies' hatred in videos where they laugh about the loss of innocent life. And the depth of their hatred is equaled by the madness of the destruction they design. We have found diagrams of American nuclear power plants and public water facilities, detailed instructions for making chemical weapons, surveillance maps of American cities, and thorough descriptions of landmarks in America and throughout the world.

What we have found in Afghanistan confirms that—far from ending there—our war against terror is only beginning. Most of the 19 men who hijacked planes on September 11th were trained in Afghanistan's camps—and so were tens of thousands of others. Thousands of dangerous killers, schooled in the methods of murder, often supported by outlaw regimes, are now spread throughout the world like ticking time bombs—set to go off without warning.

Thanks to the work of our law enforcement officials and coalition partners, hundreds of terrorists have been arrested. Yet tens of thousands of trained terrorists are still at large. These enemies view the entire world as a battlefield, and we must pursue them wherever they are. So long as training camps operate, so long as nations harbor terrorists, freedom is at risk—and America and our allies must not, and will not, allow it.

Our Nation will continue to be steadfast, and patient, and persistent in the pursuit of two great objectives. First, we will shut down terrorist camps, disrupt terrorist plans, and bring terrorists to justice. Second, we must prevent the terrorists and regimes who seek chemical, biological, or nuclear weapons from threatening the United States and the world.

Our military has put the terror training camps of Afghanistan out of business, yet camps still exist in at least a dozen countries. A terrorist underworld—including groups like Hamas, Hezbollah, Islamic Jihad, and Jaish-i-Mohammed—operates in remote jungles and deserts, and hides in the centers of large cities.

While the most visible military action is in Afghanistan, America is acting elsewhere. We now have troops in the Philippines helping to train that country's armed forces to go after terrorist cells that have executed an American, and still hold hostages. Our soldiers, working with the Bosnian government, seized terrorists who were plotting to bomb our embassy. Our navy is patrolling the coast of Africa to block the shipment of weapons and the establishment of terrorist camps in Somalia.

My hope is that all nations will heed our call, and eliminate the terrorist parasites who threaten their countries, and our own. Many nations are acting forcefully. Pakistan is now cracking down on terror, and I admire the leadership of President Musharraf. But some governments will be timid in the face of terror. And make no mistake: If they do not act, America will.

Our second goal is to prevent regimes that sponsor terror from threatening America or our friends and allies with weapons of mass destruction.

Some of these regimes have been pretty quiet since September 11th. But we know their true nature. North Korea is a regime arming with missiles and weapons of mass destruction, while starving its citizens.

Iran aggressively pursues these weapons and exports terror, while an unelected few repress the Iranian people's hope for freedom.

Iraq continues to flaunt its hostility toward America and to support terror. The Iraqi regime has plotted to develop anthrax, and nerve gas, and nuclear weapons for over a decade. This is a regime that has already used poison gas to murder thousands of its own citizens—leaving the bodies of mothers huddled over their dead children. This is a regime that agreed to international inspections—then kicked out the inspectors. This is a regime that has something to hide from the civilized world.

States like these, and their terrorist allies, constitute an axis of evil, arming to threaten the peace of the world. By seeking weapons of mass destruction, these regimes pose a grave and growing danger. They could provide these arms to terrorists, giving them the means to match their hatred. They could attack our allies or attempt to blackmail the United States. In any of these cases, the price of indifference would be catastrophic.

We will work closely with our coalition to deny terrorists and their state sponsors the materials, technology, and expertise to make and deliver weapons of mass destruction. We will develop and deploy effective missile defenses to protect America and our allies from sudden attack. And all nations should know: America will do what is necessary to ensure our Nation's security.

We will be deliberate, yet time is not on our side. I will not wait on events, while dangers gather. I will not stand by, as peril draws closer and closer. The United States of America will not permit the world's most dangerous regimes to threaten us with the world's most destructive weapons.

Our war on terror is well begun, but it is only begun. This campaign may not be finished on our watch—yet it must be and it will be waged on our watch.

We cannot stop short. If we stopped now—leaving terror camps intact and terror states unchecked—our sense of security would be false and temporary. History has called America and our allies to action, and it is both our responsibility and our privilege to fight freedom's fight.

Our first priority must always be the security of our Nation, and that will be reflected in the budget I send to Congress. My budget supports three great goals for America: We will win this war, we will protect our homeland, and we will revive our economy.

September 11th brought out the best in America, and the best in this Congress, and I join the American people in applauding your unity and resolve. Now Americans deserve to have this same spirit directed toward addressing problems here at home. I am a proud member of my party—yet as we act to win the war, protect our people, and create jobs in America, we must act first and foremost not as Republicans, not as Democrats, but as Americans.

It costs a lot to fight this war. We have spent more than a billion dollars a month—over 30 million dollars a day—and we must be prepared for future operations. Afghanistan proved that expensive precision weapons defeat the enemy and spare innocent lives, and we need more of them. We need to replace aging aircraft and make our military more agile to put our troops anywhere in the world quickly and safely. Our men and women in uniform deserve the best weapons, the best equipment, and the best training—and they also deserve another pay raise. My budget includes the largest increase in defense spending in two decades, because while the price of freedom and security is high, it is never too high—whatever it costs to defend our country, we will pay it.

The next priority of my budget is to do everything possible to protect our citizens and strengthen our Nation against the ongoing threat of another attack. Time and distance from the events of September 11th will not make us safer unless we act on its lessons. America is no longer protected by vast oceans. We are protected from attack only by vigorous action abroad, and increased vigilance at home.

My budget nearly doubles funding for a sustained strategy of homeland security, focused on four key areas: bioterrorism, emergency response, airport and border security, and improved intelligence. We will develop vaccines to fight anthrax and other deadly diseases. We will increase funding to help states and communities train and equip our heroic police and firefighters. we will improve intelligence collection and sharing, expand patrols at our borders, strengthen the security of air travel, and use technology to track the arrivals and departures of visitors to the United States.

Homeland security will make America, not only stronger, but in many ways better. Knowledge gained from bioterrorism research will improve public health, stronger police and fire departments will mean safer neighborhoods, stricter border enforcement will help combat illegal drugs.

And as government works to better secure our homeland, America will continue to depend on the eyes and ears of alert citizens. A few days before Christmas, an airline flight attendant spotted a passenger lighting a match. The crew and passengers quickly subdued the man, who had been trained by al-Qaida, and was armed with explosives. The people on that airplane were alert, and as a result, likely saved nearly 200 lives—and tonight we welcome and thank flight attendants Hermis Moutardier and Christina Jones.

Once we have funded our national security and our homeland security, the final great priority of my budget is economic security for the American people. To achieve these great national objectives—to win the war, protect the homeland, and revitalize our economy—our budget will run a deficit that will be small and short term so long as Congress restrains spending and acts in a fiscally responsible way. We have clear priorities and we must act at home with the same purpose and resolve we have shown overseas: We will prevail in the war, and we will defeat this recession.

Americans who have lost their jobs need our help and I support extending unemployment benefits, and direct assistance for health care coverage. Yet American workers want more than unemployment checks—they want a steady paycheck. When America works, America prospers, so my economic security plan can be summed up in one word: jobs.

Good jobs begin with good schools—and here we've made a fine start. Republicans and Democrats worked together to achieve historic education reform so no child in America will be left behind. I was proud to work with Members of both parties—Chairman JOHN BOEHNER and Congressman GEORGE MILLER, Senator JUDD GREGG—and I was so proud of our work I even had nice things to say about my friend TED KENNEDY. The folks at the Crawford coffee shop couldn't quite believe it—but our work on this bill shows what is possible if we set aside posturing and focus on results.

There is more to do. We need to prepare our children to read and succeed in school with improved Head Start and early childhood development programs. We must upgrade our teacher colleges and teacher training and launch a major recruiting drive with a great goal for America: a quality teacher in every classroom.

Good jobs also depend on reliable and affordable energy. This Congress must act to encourage conservation, promote technology, build infrastructure, and it must act to increase energy production at home so America is less dependent on foreign oil.

Good jobs depend on expanded trade. Selling into new markets creates new jobs, so I ask Congress to finally approve Trade Promotion Authority. On these two key issues, trade and energy, the House of Representatives has acted to create jobs—and I urge the Senate to pass this legislation.

Good jobs depend on sound tax policy. Last year, some in this hall thought my tax relief plan was too small—and some thought it was too big. But when those checks arrived in the mail, most Americans thought tax relief was just about right. Congress listened to the people and responded by reducing tax rates, doubling the child credit, and ending the death tax. For the sake of long-term growth and to help Americans plan for the future, let's make these tax cuts permanent.

The way out of this recession, the way to create jobs, is to grow the economy by encouraging investment in factories and equipment, and by speeding up tax relief so people have more money to spend. For the sake of American workers, let's pass a stimulus package.

Good jobs must be the aim of welfare reform. As we re-authorize these important reforms, we must always remember the goal is to reduce dependency on government and offer every American the dignity of a job.

Americans know economic security can vanish in an instant without health security. I ask Congress to join me this year to enact a Patients' Bill of Rights, to give uninsured workers credits to help buy health coverage, to approve an historic increase in spending for veterans' health, and to give seniors a sound and modern Medicare system that includes coverage for prescription drugs.

A good job should lead to security in retirement. I ask Congress to enact new safeguards for 401(k) and pension plans, because employees who have worked hard and saved all their lives should not have to risk losing everything if their company fails. Through stricter accounting standards and tougher disclosure requirements, corporate America must be made more accountable to employees and shareholders and held to the highest standards of conduct.

Retirement security also depends upon keeping the commitments of Social Security—and we will. We must make Social Security financially stable and allow personal retirement accounts for younger workers who choose them.

Members, you and I will work together in the months ahead on other issues: productive farm policy; a cleaner environment; broader home ownership, especially among minorities; and ways to encourage the good work of charities and faith-based groups. I ask you to join me on these important domestic issues in the same spirit of cooperation we have applied to our war against terrorism.

During these last few months, I have been humbled and privileged to see the true character of this country in a time of testing. Our enemies believed America was weak and materialistic, that we would splinter in fear and selfishness. They were as wrong as they are evil.

The American people have responded magnificently, with courage and compassion, strength and resolve. As I have met the heroes, hugged the families, and looked into the tired faces of rescuers, I have stood in awe of the American people.

And I hope you will join me in expressing thanks to one American for the strength, and calm, and comfort she brings to our Nation in crisis: our First Lady, Laura Bush.

None of us would ever wish the evil that was done on September 11th, yet after America was attacked, it was as if our entire country looked into a mirror, and saw our better selves. We were reminded that we are citizens, with obligations to each other, to our country, and to history. We began to think less of the goods we can accumulate, and more about the good we can do.

For too long our culture has said, "If it feels good, do it." Now America is embracing a new ethic and a new creed: "Let's roll." In the sacrifice of soldiers, the fierce brotherhood of firefighters, and the bravery and generosity of ordinary citizens, we have glimpsed what a new culture of responsibility could look like. We want to be a Nation that serves goals larger than self. We have been offered a unique opportunity, and we must not let this moment pass.

My call tonight is for every American to commit at least two years—four thousand hours over the rest of your lifetime—to the service of your neighbors and your Nation.

Many are already serving and I thank you. If you aren't sure how to help, I've got a good place to start. To sustain and extend the best that has emerged in America, I invite you to join the new USA Freedom Corps. The Freedom Corps will focus on three areas of need: responding in case of crisis at home, rebuilding our communities, and extending American compassion throughout the world.

One purpose of the USA Freedom Corps will be homeland security. America needs retired doctors and nurses who can be mobilized in major emergencies, volunteers to help police and fire departments, transportation and utility workers well-trained in spotting danger.

Our country also needs citizens working to rebuild our communities. We need mentors to love children, especially children whose parents are in prison, and we need more talented teachers in troubled schools. USA Freedom Corps will expand and improve the good efforts of AmeriCorps and Senior Corps to recruit more than 200,000 new volunteers.

And America needs citizens to extend the compassion of our country to every part of the world. So we will renew the promise of the Peace Corps, double its volunteers over the next five years, and ask it to join a new effort to encourage development, and education, and opportunity in the Islamic world.

This time of adversity offers a unique moment of opportunity—a moment we must seize to change our culture. Through the gathering momentum of millions of acts of service and decency and kindness, I know: We can overcome evil with greater good.

And we have a great opportunity during this time of war to lead the world toward the values that will bring lasting peace. All fathers and mothers, in all societies, want their children to be educated and live free from poverty and violence. No people on earth yearn to be oppressed, or aspire to servitude, or eagerly await the midnight knock of the secret police.

If anyone doubts this, let them look to Afghanistan, where the Islamic "street" greeted the fall of tyranny with song and celebration. Let the skeptics look to Islam's own rich history—with its centuries of learning, and tolerance, and progress.

America will lead by defending liberty and justice because they are right and true and unchanging for all people everywhere. No nation owns these aspirations, and no nation is exempt from them. We have no intention of imposing our culture—but America will always stand firm for the non-negotiable demands of human dignity: the rule of law, limits on the power of the state, respect for women, private property, free speech, equal justice, and religious tolerance.

America will take the side of brave men and women who advocate these values around the world—including the Islamic world—because we have a greater objective than eliminating threats and containing resentment. We seek a just and peaceful world beyond the war on terror.

In this moment of opportunity, a common danger is erasing old rivalries. America is working with Russia, China, and India in ways we never have before to achieve peace and prosperity. In every region, free markets and free trade and free societies are proving their power to lift lives. Together with friends and allies from Europe to Asia, from Africa to Latin America, we will demonstrate that the forces of terror cannot stop the momentum of freedom.

The last time I spoke here, I expressed the hope that life would return to normal. In some ways, it has. In others, it never will. Those of us who have lived through these challenging times have been changed by them. We've come to know truths that we will never question: Evil is real, and it must be opposed. Beyond all differences of race or creed, we are one country, mourning together and facing danger together. Deep in the American character, there is honor, and it is stronger than cynicism. Many have discovered again that even in tragedy—especially in tragedy—God is near.

In a single instant, we realized that this will be a decisive decade in the history of liberty—that we have been called to a unique role in human events. Rarely has the world faced a choice more clear or consequential.

Our enemies send other people's children on missions of suicide and murder. They embrace tyranny and death as a cause and a creed. We stand for a different choice—made long ago, on the day of our founding. We affirm it again today. We choose freedom and the dignity of every life.

Steadfast in our purpose, we now press on. We have known freedom's price. We have shown freedom's power. And in this great conflict, my fellow Americans, we will see freedom's victory.

Thank you, and may God bless the United States of America.

GEORGE BUSH.
THE WHITE HOUSE, *January 29, 2002.*

MESSAGE FROM THE HOUSE

ENROLLED BILLS SIGNED

At 2:57 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 1762. An act to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes.

H.R. 700. An act to reauthorize the Asian Elephant Conservation Act of 1997.

The enrolled bills were signed subsequently by the President pro tempore (Mr. BYRD).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BREAUX:

S. 1904. A bill to suspend temporarily the duty on railway electric multiple unit (EMU) gallery commuter coaches of stainless steel; to the Committee on Finance.

By Mr. ROCKEFELLER (by request):

S. 1905. A bill to amend title 38, United States Code, to enhance veterans' programs and the ability of the Department of Veterans Affairs to administer them; to the Committee on Veterans' Affairs.

By Mr. CLELAND (for himself and Mr. MILLER):

S. 1906. A bill to designate the facility of the United States Postal Service located at 3698 Inner Perimeter Road in Valdosta, Georgia, as the "Major Lyn McIntosh Post Office Building"; to the Committee on Governmental Affairs.

By Mr. SMITH of Oregon (for himself and Mr. WYDEN):

S. 1907. A bill to direct the Secretary of the Interior to convey certain land to the city of Haines, Oregon; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DASCHLE (for himself and Mr. LOTT):

S. Con. Res. 95. A concurrent resolution providing for conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives; considered and agreed to.

ADDITIONAL COSPONSORS

S. 540

At the request of Mr. DEWINE, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 540, a bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes.

S. 822

At the request of Mrs. MURRAY, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 822, a bill to amend the Internal Revenue Code of 1986 to modify the treatment of bonds issues to acquire renewable resources on land subject to conservation easement.

S. 829

At the request of Mr. BROWNBACK, the name of the Senator from Missouri (Mrs. CARNAHAN) was added as a cosponsor of S. 829, a bill to establish the National Museum of African American History and Culture within the Smithsonian Institution.

S. 1067

At the request of Mr. GRASSLEY, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1067, a bill to amend the Internal Revenue Code of 1986 to expand the availability of Archer medical savings accounts.

S. 1476

At the request of Mr. CLELAND, the names of the Senator from Maryland (Ms. MIKULSKI), the Senator from Oregon (Mr. SMITH), and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of S. 1476, a bill to authorize the President to award a gold medal on behalf of the Congress to Reverend Doctor Martin Luther King, Jr. (posthumously) and his widow Coretta Scott King in recognition of their contributions to the Nation on behalf of the civil rights movement.

S. 1516

At the request of Mr. SANTORUM, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1516, a bill to remove civil liability barriers that discourage the donation of fire equipment to volunteer fire companies.

S. 1566

At the request of Mr. REID, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1566, a bill to amend the Internal Revenue code of 1986 to modify and expand the credit for electricity produced from renewable resources and waste products, and for other purposes.

S. 1644

At the request of Mr. CAMPBELL, the names of the Senator from North Dakota (Mr. CONRAD), the Senator from Kentucky (Mr. MCCONNELL), and the Senator from Florida (Mr. GRAHAM) were added as cosponsors of S. 1644, a bill to further the protection and recognition of veterans' memorials, and for other purposes.

S. 1707

At the request of Mr. JEFFORDS, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 1707, a bill to amend title XVIII of the Social Security Act to specify the update for payments under the medicare physician fee schedule for 2002 and to direct the Medicare Payment Advisory Commission to conduct a study on replacing the use of the sustainable growth rate as a factor in determining such update in subsequent years.

S. 1895

At the request of Mr. FITZGERALD, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 1895, a bill to require investment advisers to make prominent public disclosures of ties with companies being analyzed by them, and for other purposes.

AMENDMENT NO. 2702

At the request of Mr. ALLEN, the names of the Senator from North Carolina (Mr. HELMS), the Senator from Virginia (Mr. WARNER), and the Senator from Maine (Ms. COLLINS) were added as cosponsors of amendment No. 2702.

At the request of Mr. CORZINE, his name was added as a cosponsor of amendment No. 2702 supra.

AMENDMENT NO. 2717

At the request of Ms. COLLINS, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of amendment No. 2717 proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2718

At the request of Mr. BAUCUS, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of amendment No. 2718.

At the request of Mrs. CLINTON, her name was added as a cosponsor of amendment No. 2718 supra.

AMENDMENT NO. 2719

At the request of Mr. JOHNSON, his name was added as a cosponsor of amendment No. 2719.

AMENDMENT NO. 2722

At the request of Mr. ALLARD, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of amendment No. 2722.

At the request of Mr. JOHNSON, his name was added as a cosponsor of amendment No. 2722 supra.

AMENDMENT NO. 2723

At the request of Mr. DOMENICI, the names of the Senator from Missouri (Mr. BOND) and the Senator from Tennessee (Mr. FRIST) were added as cosponsors of amendment No. 2723.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROCKEFELLER (by request):

S. 1905. A bill to amend title 38, United States Code, to enhance veterans' programs and the ability of the Department of Veterans Affairs to administer them; to the Committee on Veterans' Affairs.

Mr. ROCKEFELLER. Mr. President, today I introduce legislation requested by the Secretary of Veterans Affairs, as a courtesy to the Secretary and the Department of Veterans Affairs, VA. Except in unusual circumstances, it is my practice to introduce legislation requested by the Administration so that such measures will be available for review and consideration.

This "by-request" bill would, among other things, include care for newborn children of women veterans provided by a contract provider among those medical services VA is allowed to provide, authorize VA to provide dental care to former Prisoners of War, POW, and change the definition of "minority veterans" to conform to the new Race & Ethnic Standards used in Federal statistical reporting and in the 2000 U.S. Census.

I ask unanimous consent that the text of the bill and Secretary Principi's transmittal letter that accompanied the draft legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1905

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TABLE OF CONTENTS.

(a) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Table of contents.
Sec. 2. References to title 38, United States Code.

TITLE I—VETERANS HEALTH-CARE IMPROVEMENTS

Sec. 101. Care for Newborn Children of Enrolled Women Veterans.
Sec. 102. Outpatient Dental Care for All Former Prisoners of War.
Sec. 103. Pay Comparability for Director, Nursing Service.

TITLE II—VETERANS' BENEFIT PROGRAMS

Sec. 201. Limitation on provision of certain benefits.
Sec. 202. Clarification of procedures regarding disqualification of certain individuals for memorialization in veterans cemeteries.
Sec. 203. Clarification of the period for appealing rulings of the Board of Veterans' Appeals.

TITLE III—VA PROGRAM ADMINISTRATION IMPROVEMENTS

Sec. 301. Repeal of Cap on Number of Non-Career Members of Senior Executive Service Serving in VA.
Sec. 302. Repeal of Preceding-Service Requirement for VA Deputy Assistant Secretaries.
Sec. 303. Revolving Supply Fund Amendments.
Sec. 304. Redefinition of "minority group member" in 38 U.S.C. §544(d).

SEC. 2. REFERENCES TO TITLE 38, UNITED STATES CODE.

Except as otherwise expressly provided, whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—VETERANS HEALTH-CARE IMPROVEMENTS

SEC. 101. CARE FOR NEWBORN CHILDREN OF ENROLLED WOMEN VETERANS.

Section 1701 is amended:

(a) in subsection (6),

(1) by striking out "and" at the end of paragraph (A);

(2) by adding "and" at the end of paragraph (B); and

(3) by adding at the end the following new paragraph:

"(C) care for newborn children."; and

(b) by adding at the end the following new subsection:

"(11) The term "care for newborn children" means care provided to an infant of a woman veteran enrolled in the VA health care system. Such care may be provided until the mother is discharged from the hospital after delivery of the child or for 14 days after the date of birth of the child, whichever period is shorter, and only if the Department contracted for the delivery of the child.".

SEC. 102. OUTPATIENT DENTAL CARE FOR ALL FORMER PRISONERS OF WAR.

Section 1712(a)(1)(F) is amended by striking out "for a period of not less than 90 days".

SEC. 103. PAY COMPARABILITY FOR DIRECTOR, NURSING SERVICE.

(a) Section 7306(a)(5) is amended by adding at the end thereof, "The position shall be exempt from the provisions of section 7451 of this title and shall be paid at the maximum rate payable to a Senior Executive Service employee under 5 U.S.C. §§5304(g) and 5382.".

(b) Section 7404(d) is amended by deleting "section" the first time it appears and inserting in its place "sections 7306(a)(5) and".

TITLE II—VETERANS' BENEFIT PROGRAMS

SEC. 201. LIMITATION ON PROVISION OF CERTAIN BENEFITS.

(a) PROHIBITIONS.—(1) Section 112 is amended by adding at the end the following new subsection:

"(c) A certificate shall not be furnished under this program on behalf of a deceased veteran described in section 2411(b) of this title."

(2) Section 2301 is amended by adding at the end the following new subsection:

"(f) A flag shall not be furnished under this section on behalf of a deceased veteran described in section 2411(b) of this title."

(3) Section 2306 is amended by adding at the end the following new subsection:

"(f)(1) A headstone or marker shall not be furnished under subsection (a) for the unmarked grave of an individual described in section 2411(b) of this title.

"(2) A memorial headstone or marker shall not be furnished under subsection (b) for the purpose of commemorating an individual described in section 2411(b) of this title."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to deaths occurring on or after the date of its enactment.

SEC. 202. CLARIFICATION OF PROCEDURES REGARDING DISQUALIFICATION OF CERTAIN INDIVIDUALS FOR MEMORIALIZATION IN VETERANS CEMETERIES.

Section 2411(a)(2) is amended—

(1) by striking "The prohibition" and inserting "In the case of a person described in subsection (b)(1) or (b)(2), the prohibition"; and

(2) by striking "or finding under subsection (b)" and inserting "referred to in subsection (b)(1) or (b)(2), respectively".

SEC. 203. CLARIFICATION OF THE PERIOD FOR APPEALING RULINGS OF THE BOARD OF VETERANS APPEALS.

(a) CLARIFICATION.—Paragraph (1) of section 7266(a) is amended by striking "notice of the decision is mailed pursuant to section 7104(e) of this title" and inserting "a copy of the decision, pursuant to section 7104(e) of this title, is mailed or sent to the claimant's representative or, if the claimant is not represented, mailed to the claimant".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to Board of Veterans' Appeals decisions made on or after the date of enactment of this Act.

TITLE III—VA PROGRAM ADMINISTRATION IMPROVEMENTS

SEC. 301. REPEAL OF CAP ON NUMBER OF NONCAREER MEMBERS OF SENIOR EXECUTIVE SERVING IN VA.

(a) Section 709(a) is repealed.

(b) Section 709 is amended by re-designating subsections (b) and (c) as subsections (a) and (b), respectively.

SEC. 302. REPEAL OF PRECEDING-SERVICE REQUIREMENT FOR VA DEPUTY ASSISTANT SECRETARIES.

(a) Section 308(d)(2) is repealed.

(b) Section 308 is amended by deleting "(1)" from subsection (d).

SEC. 303. REVOLVING SUPPLY FUND AMENDMENTS.

Section 8121(a) is amended—

(1) by adding "and for medical supplies, equipment, and services for the Department of Defense" after "Department";

(2) in paragraph (2), by adding "of the Department and the Department of Defense" after "appropriations"; and

(3) in paragraph (3), by adding "of the Department and the Department of Defense" after "appropriations".

SEC. 304. REDEFINITION OF "MINORITY GROUP MEMBER" IN 38 U.S.C. §544(d).

Section 544(d) is amended to read as follows:

"(d) In this section, the term "minority group member" means an individual who is—

(1) American Indian or Alaska Native;

(2) Asian;

(3) African American;

(4) Native Hawaiian or other Pacific Islander; or

(5) Hispanic, Spanish, or Latino."

THE SECRETARY OF VETERANS AFFAIRS,
Washington, DC, January 9, 2002.

Hon. RICHARD B. CHENEY,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: I am transmitting a draft bill to enhance a number of veterans' programs and our ability to manage them. Details regarding the context and justification of the bill's 10 provisions are provided in the enclosed section-by-section analysis. If enacted, this legislation would:

Sec. 101—authorize VA to provide medical care for newborn children of enrolled women veterans;

Sec. 102—authorized VA to provide outpatient dental care to more former prisoners of war;

Sec. 103—establish pay comparability for the Director of the Nursing Service with other VHA executives;

Sec. 201—prohibit provision of presidential memorial certificates, burial flags, and headstones and markers on behalf of individuals who have committed capital crimes;

Sec. 202—clarify procedures relating to the prohibition against allowing individuals who had committed capital crimes to be interred or memorialized in national veterans' cemeteries;

Sec. 203—clarify current law regarding the date on which the 120-day period for appeal of a Board of Veterans' Appeals decision to the U.S. Court of Appeals for Veterans Claims begins to run;

Sec. 301—conform the VA 5-percent limitation on non-career SES members to the Government-wide 10-percent limitation;

Sec. 302—eliminate the requirement that at least two-thirds of VA deputy assistant secretaries must have served continuously for 5 years in the Federal civil service immediately prior to their appointments;

Sec. 303—authorize the Department of Defense to purchase medical items and services through VA's Revolving Supply Fund; and

Sec. 304—conform the current-law definition of minority veterans to the new Race & Ethnic Standards used in Federal statistical reporting and in the 2000 U.S. Census.

I request that this bill be promptly considered and enacted.

Advise has been received from the Office of Management and Budget that, from the standpoint of the Administration's program, there is no objection to enactment of this draft bill.

Sincerely yours,
ANTHONY J. PRINCIPI.

Enclosures.

SECTION-BY-SECTION ANALYSIS AND JUSTIFICATION

SECTION 101—CARE FOR NEWBORN CHILDREN OF ENROLLED WOMEN VETERANS

Section 101 would amend the definition of medical services that VA may provide to veterans to include care provided by a contract provider to newborn children of women veterans. To receive this benefit, a veteran must be enrolled in the VA health care system. VA would contract for this care until the mother is discharged from the hospital after delivery of the child or for 14 days after the birth of the child, whichever period is shorter, and only if VA contracted for delivery of the child. After childbirth, some veterans may need this limited benefit to give them time to apply for medical assistance. Offering this care would also be consistent with the normal pregnancy and delivery coverage in the community.

The discretionary-cost estimate for enactment of this proposal is as follows:

Fiscal year	Cost
2002	$5,344,795
2003	5,451,691
2004	5,560,725
2005	5,671,939
2006	5,785,378
2007	5,901,085
2008	6,019,107
2009	6,139,489
2010	6,262,279
2011	6,387,525
Total	55,524,013

SECTION 102—OUTPATIENT DENTAL CARE FOR ALL FORMER PRISONERS OF WAR

Section 102 would authorize VA to provide outpatient dental care to former prisoners of war (POW's), regardless of the length of their detention or internment. Currently, the law only permits VA to provide such care to former POW's who were detained or interned for 90 days or more. This provision is needed to ensure that former POW's receive all needed care for conditions that may be attributable to the privations of their service.

There would be insignificant costs resulting from enactment of this proposal.

SECTION 103—PAY COMPARABILITY FOR DIRECTOR, NURSING SERVICE

This section of the draft bill would amend section 7306(a)(5) to exempt the position of the Director of Nursing Service, VA's chief nurse executive, from the nurse-pay restrictions in section 7451 and require that the Director of Nursing Service be paid at a rate comparable to that of other non-physician (SES) VA executives. The current pay-rate disparity is unjustified.

There are no significant costs associated with this proposal.

SECTION 201—LIMITATION ON PROVISION OF CERTAIN BENEFITS

Section 201 of the draft bill would amend sections 112, 2301, and 2306 of title 38, United States Code, to prohibit VA, in the case of a death occurring after the date of enactment, from furnishing a presidential memorial certificate, a burial flag, a headstone or marker, or a memorial headstone or marker on behalf of a person barred from burial or memorialization in a national cemetery by operation of 38 U.S.C. §2411. Section 112 currently authorizes the Secretary of Veterans Affairs to conduct a program for honoring the memory of deceased veterans by preparing and sending to eligible recipients a certificate bearing the signature of the President and expressing the country's grateful recognition of the veteran's service in the Armed Forces. Section 2301(a) currently requires the Secretary to furnish a burial flag to drape the casket of any deceased veteran who: (1) was a veteran of any war or of service after January 31, 1955; (2) served at least one enlistment; (3) was released from active service for a disability incurred or aggravated in the line of duty; or, (4) was entitled to receive retirement pay at age 60 based on service in the Reserves or National Guard. Section 2306(a) currently requires the Secretary to furnish on request a headstone or marker for the unmarked grave of: (1) any individual buried in a national cemetery; (2) many individuals eligible for burial in a national cemetery but not buried there; (3) Civil War soldiers; (4) spouses, surviving spouses, and children of certain eligible individuals, when buried in a state veterans' cemetery; and (5) certain reservists and retired reservists with 20 years of service. Section 2306(b) currently requires the Secretary to furnish on request a memorial headstone or marker for the purpose of commemorating a veteran or the spouse or surviving spouse of a veteran, whose remains are unavailable.

Section 2411 of title 38, United States Code, prohibits burial in a national cemetery of persons who: (1) have been convicted of a Federal capital crime and sentenced to death or life imprisonment; (2) have been convicted of a State capital crime and sentenced to death or life imprisonment without parole; or, (3) are found administratively by clear and convincing evidence to have committed such a crime but not been convicted due to death or flight to avoid prosecution. This provision would amend sections 112, 2301, and 2306 to prohibit the furnishing of presidential memorial certificates, burial flags, headstones or markers, and memorial headstones or markers by VA on behalf of these three classes of persons. This amendment is a limited and logical extension of the section 2411 prohibition that would avoid placing the United States in the position of honoring at the time of death a person who has committed a heinous crime.

There is no cost associated with this proposal.

SECTION 202—CLARIFICATION OF PROCEDURES REGARDING DISQUALIFICATION OF CERTAIN INDIVIDUALS FOR MEMORIALIZATION IN VETERANS CEMETERIES

Section 202 of the draft bill would amend Section 2411 of title 38, United States Code, to correct a technical defect in the prohibition against the interment or memorialization in a cemetery operated by the National Cemetery Administration (or in Arlington National Cemetery) of certain persons who have committed Federal or state capital crimes. Under Section 2411(a), the Secretary of Veterans Affairs (or the Secretary of the Army, with respect to Arlington National Cemetery) may not inter the remains of or memorialize in such a cemetery: (1) a person who has been convicted of a Federal capital crime for which the person was sentenced to death or life imprisonment; (2) a person who has been convicted of a state capital crime for which the person was sentenced to death or life imprisonment without parole; or (3) a person who is found administratively to have committed a Federal or state capital crime, but to have avoided conviction of such crime by reason of unavailability for trial due to death or flight to avoid prosecution. Administrative findings regarding the third category of persons would be made by the Secretary of Veterans Affairs in the case of a VA national cemetery and the Secretary of the Army in the case of Arlington National Cemetery.

Section 2411(a)(2) provides that the prohibitions against interment and memorialization do not apply unless the appropriate Secretary has received from the Attorney General, in the case of a Federal capital crime, or an appropriate state official, in the case of a state capital crime, written notice of a disqualifying conviction or administrative finding before approval of an application for interment or memorialization. The notification requirement appears to have been included in error with respect to a case involving an administrative finding that an individual had committed a capital offense but was not convicted by reason of unavailability for trial due to death or flight to avoid prosecution. Since the Secretary of Veterans Affairs or the Secretary of the Army would have made the finding in the first place, there would appear to be no reason to require the Attorney General or an appropriate state official provide written notice to the Secretary concerned regarding that Secretary's own finding. Nonetheless, persons requesting interment services may argue that the interment prohibition is inoperative in the absence of such notice. Accordingly, we believe the reference to notification of administrative findings should be removed.

There is no cost associated with this proposal.

SECTION 203—CLARIFICATION OF THE PERIOD FOR APPEALING RULINGS OF THE BOARD OF VETERANS' APPEALS

Section 203 of the draft bill would clarify an ambiguity created by past legislation. Section 7266(a)(1) of title 38, United States Code, provides that, to obtain review by the United States Court of Appeals for Veterans Claims (Court) of a final Board of Veterans' Appeals (Board) decision, a person adversely affected by the decision must file a notice of appeal with the Court within 120 days after the date on which notice of the decision is mailed pursuant to 38 U.S.C. §7104(e). Before its amendment by the Veterans' Benefits Improvements Act of 1996, Pub. L. No. 104–275, 110 Stat. 3322, Section 7104(e) required the Board to promptly mail a copy of its decision to the claimant and the claimant's authorized representative, if any. The Court had construed those provisions as requiring, if a claimant is represented, the accomplishment of both mailings to begin the 120-day appeal period. See Paniag v. Brown, 10 Vet. App. 265, 267 (1997).

As amended by Section 509 of Pub. L. No. 104–275, 110 Stat. at 3344, Section 7104(e) now requires the Board to promptly mail a copy of its written decision to the claimant and, if the claimant has an authorized representative, to mail a copy of its written decision to the authorized representative or send a copy of its written decision to the authorized representative by any means reasonably likely to provide the representative with the decision as timely as if it were mailed first class. Thus, under Section 7104(e) as amended, the Board must still notify a claimant's representative, if any, but such notice may be made by mailing or sending the representative a copy of the decision. Although Section 7104(e) was so amended, no corresponding change was made to Section 7266(a)(1)'s reference to "mail[ing] pursuant to Section 7104(e)." See Dippel v. West, 12 Vet. App. 466, 470 (1999) (noting that Congress did not change Section 7266(a) and that Section 7104(e)'s plain meaning would suggest that Section 7266(a)(1)'s reference to "mail pursuant to Section 7104(e)" does not cover a decision sent pursuant to Section 7104(e)(2)(B)).

The amendment to former Section 7104(e) without a corresponding change to Section 7266(a)(1) has created an ambiguity. It is not clear when the 120-day appeal period prescribed by Section 7266(a)(1) begins if a claimant is represented and the Board mails copies of its decision to the claimant and the claimant's representative, but mails them on different days. Section 7266(a)(1) does not specify whether the appeal period in that situation begins on the date of mailing to the claimant, on the date of mailing to the representative, on the date of the earlier of both mailings, or on the date of the later of both mailings.

The draft bill would clarify that matter. Section 241 of the bill would amend Section 7266(a)(1) to require, for initiation of Court review of a final Board decision, that a notice of appeal be filed within 120 days after a copy of the decision, pursuant to Section 7104(e), is mailed or sent to the claimant's representative or, if the claimant is not represented, mailed to the claimant. Thus, the 120-day appeal period would begin when the Board mails or sends a copy of its decision to the claimant's authorized representative or, if the claimant is not represented, when the Board mails a copy of its decision to the claimant. We have chosen the date of mailing or sending to the representative, if any, because generally a representative stands in the claimant's place for the purpose of receiving notice of the decision. If the appeal period were to begin on the date of mailing to the claimant, a delay in providing notice of the decision to the representative could compromise the representative's ability to timely advise the claimant. Beginning the appeal period on the date of mailing or sending notice to the representative would maximize the time available to the representative to advise the claimant as to the best course of action.

Section 2(b) of the draft bill would make the amendment to Section 7266(a)(1) apply to any Board decision made on or after the date of enactment of this Act.

No costs or savings would result from enactment of this provision.

SECTION 301—REPEAL OF CAP ON NUMBER OF NON-CAREER MEMBERS OF THE SENIOR EXECUTIVE SERVICE SERVING IN VA

Section 301(a) of the bill would repeal the current statutory limitation applicable to VA on the number of non-career members of the SES that may serve in the Department. Currently, that number may not exceed five-percent (5%) of the average number of senior executives employed in Senior Executive Service positions in the Department during the preceding fiscal year. This provision would not affect the Government-wide ten-percent (10%) limitation that generally applies to other agencies and departments. Section 301(b) would also make conforming amendments to 38 U.S.C. 709.

The Department would greatly benefit from being able to avail itself further of the experience and expertise of executive-level professionals from the private sector, as we restructure fundamental Departmental processes to improve the timely delivery of both health care services and benefits to veterans. The proposed flexibility in staffing would better position VA to increase its knowledge of successful private sector business practices, identify those that have application to

VA, and successfully implement them. This, in turn, would enable VA to better meet the expectations of the beneficiaries of VA's programs. The proposal is consistent with the Government's policy of partnering with the private sector to improve Government performance.

VA would remain subject to the ten-percent (10%) Government-wide limitation on non-career SES positions, which OPM administers. The current five-percent (5%) cap on the number of non-career members of the Senior Executive Service is applicable only to VA. While mindful and appreciative of Congress' intention to limit policitization of the Department when it established VA as an Executive Department in 1988, we nonetheless believe that the number of non-career SES members appointed to VA positions should be based on the actual current leadership needs of the Department, as determined by the Administration, subject to the tenpercent (10%) Government-wide limitation. There would be no costs associated with enactment of this provision.

SECTION 302—REPEAL OF PRECEDING-SERVICE REQUIREMENT FOR VA DEPUTY ASSISTANT SECRETARIES

Section 302 of the draft bill would repeal section 308(d)(2), which now requires at least two-thirds of VA's Deputy Assistant Secretaries (DAS's) to have served continuously for five years in the Federal Civil Service in the Executive Branch immediately prior to their appointments. This requirement was established in 1988 to maintain the institutional memory and the Department's tradition of career service. However, this limitation has, in practice, proven to be overly prescriptive. It prevents utilization of highly competent people not meeting the criteria. Because the stringent continuous five-year service requirement applies to all but one-third of the DAS positions, it has required VA to utilize these limited "non-career" DAS slots for "career" appointees who are not political appointees but who simply fail to meet the service requirement. This includes career employees who have moved from the private sector, within the last five years. This limits the pool of candidates from which the Secretary may select his leadership team. We recommend eliminating the existing service requirement. VA could establish its own standards for these high-level positions, addressing Congress' original concerns of institutional memory and the tradition of career service while still providing needed flexibility for selecting the best-qualified persons.

No costs are associated with enactment of this provision.

SECTION 303—REVOLVING SUPPLY FUND AMENDMENTS

Section 303 would expand the services of the Revolving Supply Fund (38 U.S.C. §8121), to permit the Department of Defense (DOD) to enter into interagency agreements with the Revolving Supply Fund (Supply Fund) for the procurement of certain items and services under the purchase authority of the Supply Fund. Purchases would be limited to medical items and services, e.g., pharmaceuticals, medical/surgical supplies, equipment, and systems and consulting services. Currently, only offices funded by VA appropriations may purchase under that authority. DOD and other Federal agencies enter into interagency agreements with the Supply Fund under the Economy Act (31 U.S.C. §1535).

Congress traditionally has favored consolidated purchases because the increased buying power provides additional procurement leverage and resulting cost savings. Most recently, Congress, in §210 of the Veterans Millennium Health Care and Benefits Act (P.L. 106–117), required VA and DOD to jointly report on the cooperation between the two Departments in procuring pharmaceuticals, medical supplies and equipment. It is clear that Congress holds VA and DOD accountable for achieving efficiencies through the consolidation of contracting and logistics responsibilities.

The legislation, if enacted, would provide additional incentives for DOD to purchase medical items and services directly or through joint procurements from the Supply Fund, e.g., the ordering agencies' obligations remain payable in full from the appropriation initially charged irrespective of when performance occurs; and VA Supply Fund program managers are better able to negotiate contracts for bona fide high priority items because frantic year-end spending is eliminated.

The enactment of this proposal would not result in any cost to VA. The Supply Fund operates entirely upon fees assessed for services rendered.

SECTION 304—REDEFINITION OF "MINORITY GROUP MEMBER" IN 38 U.S.C. §544(d)

Section 306 is a technical amendment to 38 U.S.C. §544(d) to change the definition of minority veterans to make it conform to the new Race & Ethic Standards used in Federal statistical reporting and in the 2000 U.S. Census. The amendment would not change eligibility or entitlement to existing or future benefits. No costs would result from enactment of this proposal.

SUBMITTED RESOLUTIONS

SENATE CONCURRENT RESOLUTION 95—PROVIDING FOR CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND A CONDITIONAL ADJOURNMENT OF THE HOUSE OF REPRESENTATIVES

Mr. DASCHLE (for himself and Mr. LOTT) submitted the following current resolution; which was considered and agreed to:

S. CON. RES. 95

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Tuesday, January 29, 2002, it stand recessed or adjourned until noon on Monday, February 4, 2002, or until such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Tuesday, January 29, 2002, it stand adjourned until noon on Monday, February 4, 2002, or until Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble at such place and time as they may designate whenever, in their opinion, the public interest shall warrant it.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2728. Mr. THOMAS submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table.

SA 2729. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2730. Mr. SPECTER (for himself and Mr. SCHUMER) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2731. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2732. Mr. SMITH of New Hampshire proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2733. Mr. SMITH of New Hampshire proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2734. Mr. SMITH of New Hampshire proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2735. Mr. SMITH of New Hampshire proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2736. Mr. SESSIONS (for himself, Mr. ALLEN, Mr. SMITH of New Hampshire, Mr. HUTCHINSON, and Mr. BROWNBACK) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2737. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2738. Mrs. HUTCHISON (for herself and Mr. GRAMM) submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2739. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2740. Mr. GRAMM (for himself, Mr. MILLER, Mr. KYL, and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2741. Mr. GRAMM (for himself, Mr. MILLER, and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2742. Mr. GRAMM (for himself, Mr. MILLER, and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2743. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2744. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R.

622, supra; which was ordered to lie on the table.

SA 2745. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2746. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2747. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2748. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2749. Mr. GRAMM (for himself, Mr. MILLER, Mr. KYL, and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2750. Mr. GRAMM (for himself, Mr. MILLER, and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2751. Mr. GRAMM (for himself, Mr. MILLER, and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2752. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2753. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2754. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2755. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2756. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2757. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2758. Mr. KYL (for himself, Mr. GRAMM, Mr. ENSIGN, Mr. NICKLES, and Mr. HUTCHINSON) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) supra.

SA 2759. Mrs. HUTCHISON (for herself and Mr. GRASSLEY) submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2760. Ms. COLLINS (for herself, Mr. WARNER, and Ms. LANDRIEU) submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2761. Ms. COLLINS (for herself, Mr. WARNER, and Ms. LANDRIEU) submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2728. Mr. THOMAS submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. MODIFICATIONS TO SMALL ISSUE BOND PROVISIONS.

(a) INCREASE IN AMOUNT OF QUALIFIED SMALL ISSUE BONDS PERMITTED FOR FACILITIES TO BE USED BY RELATED PRINCIPAL USERS.—

(1) IN GENERAL.—Clause (i) of section 144(a)(4)(A) (relating to $10,000,000 limit in certain cases) is amended by striking “$10,000,000” and inserting “$20,000,000”.

(2) COST-OF-LIVING ADJUSTMENT.—Section 144(a)(4) is amended by adding at the end the following:

“(G) COST-OF-LIVING ADJUSTMENT.—In the case of a taxable year beginning in a calendar year after 2002, the $20,000,000 amount under subparagraph (A) shall be increased by an amount equal to—

“(i) such dollar amount, multiplied by

“(ii) the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2001’ for ‘calendar year 1992’ in subparagraph (B) thereof.”.

(3) CLERICAL AMENDMENT.—The heading of paragraph (4) of section 144(a) is amended by striking “$10,000,000” and inserting “$20,000,000”.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to—

(A) obligations issued after the date of the enactment of this Act, and

(B) capital expenditures made after such date with respect to obligations issued on or before such date.

(b) DEFINITION OF MANUFACTURING FACILITY.—

(1) IN GENERAL.—Section 144(a)(12)(C) (relating to definition of manufacturing facility) is amended to read as follows:

“(C) MANUFACTURING FACILITY.—For purposes of this paragraph, the term ‘manufacturing facility’ means any facility which is used in—

“(i) the manufacturing or production of tangible personal property (including the processing resulting in a change in the condition of such property),

“(ii) the manufacturing, development, or production of specifically developed software products or processes if—

“(I) it takes more than 6 months to develop or produce such products,

“(II) the development or production could not with due diligence be reasonably expected to occur in less than 6 months, and

“(III) the software product or process comprises programs, routines, and attendant documentation developed and maintained for use in computer and telecommunications technology, or

“(iii) the manufacturing, development, or production of specially developed biobased or bioenergy products or processes if—

“(I) it takes more than 6 months to develop or produce,

“(II) the development or production could not with due diligence be reasonably expected to occur in less than 6 months, and

“(III) the biobased or bioenergy product or process comprises products, processes, programs, routines, and attendant documentation developed and maintained for the utilization of biological materials in commercial or industrial products, for the utilization of renewable domestic agricultural or forestry materials in commercial or industrial products, or for the utilization of biomass materials.

“(D) RELATED FACILITIES.—For purposes of subparagraph (C), the term ‘manufacturing facility’ includes a facility which is directly and functionally related to a manufacturing facility (determined without regard to subparagraph (C)) if—

“(i) such facility, including an office facility and a research and development facility, is located on the same site as the manufacturing facility, and

“(ii) not more than 40 percent of the net proceeds of the issue are used to provide such facility,

but shall not include a facility used solely for research and development activities.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to obligations issued after the date of the enactment of this Act.

SA 2729. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end add the following:

SEC. ___. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.

(a) IN GENERAL.—Subsection (e) of section 170 of the Internal Revenue Code of 1986 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

“(7) SPECIAL RULE FOR CONTRIBUTIONS OF FOOD INVENTORY.—

“(A) CONTRIBUTIONS BY NON-CORPORATE TAXPAYERS.—In the case of a charitable contribution of food, paragraph (3) shall be applied without regard to whether or not the contribution is made by a corporation.

“(B) DETERMINATION OF FAIR MARKET VALUE.—For purposes of this section, in the case of a charitable contribution of food which is a qualified contribution (within the meaning of paragraph (3), as modified by subparagraph (A) of this paragraph) and which, solely by reason of internal standards of the taxpayer, lack of market, or similar circumstances, cannot or will not be sold, the fair market value of such contribution shall be determined—

“(i) without regard to such internal standards, such lack of market, or such circumstances, and

“(ii) if applicable, by taking into account the price at which the same or similar food items are sold by the taxpayer at the time of the contribution (or, if not so sold at such time, in the recent past)."

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

SA 2730. Mr. SPECTER (for himself and Mr. Schumer) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table, as follows:

At the end of title V, add the following:

SEC. . FUNDING FOR RAILROAD TRACK REHABILITATION, PRESERVATION, AND IMPROVEMENT.

There is appropriated to the Department of Transportation for the Federal Railroad Administration for fiscal year 2002, out of any funds in the Treasury not otherwise appropriated, $350,000,000 for capital grants to be made by the Secretary of Transportation for rehabilitation, preservation, or improvement of railroad track (including roadbed, bridges, and related track structures) of class II and class III railroads. Funds appropriated by the preceding sentence shall remain available until expended.

SA 2731. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie to the table; as follows:

At the appropriate place, insert the following:

TITLE —TEMPORARY EXTENDED UNEMPLOYMENT BENEFITS

SEC. 01. SHORT TITLE.

This title may be cited as the "Temporary Extended Unemployment Compensation Act of 2002".

SEC. 02. FEDERAL-STATE AGREEMENTS.

(a) In General.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) Provisions of Agreement.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals—

(1) who—

(A) first exhausted all rights to regular compensation under the State law on or after the first day of the week that includes September 11, 2001; or

(B) have their 26th week of regular compensation under the State law end on or after the first day of the week that includes September 11, 2001;

(2) who do not have any rights to regular compensation under the State law of any other State; and

(3) who are not receiving compensation under the unemployment compensation law of any other country.

(c) Coordination Rules.—

(1) Temporary extended unemployment compensation to serve as second-tier benefits.—Notwithstanding any other provision of law, neither regular compensation, extended compensation, nor additional compensation under any Federal or State law shall be payable to any individual for any week for which temporary extended unemployment compensation is payable to such individual.

(2) Treatment of other unemployment compensation.—After the date on which a State enters into an agreement under this title, any regular compensation in excess of 26 weeks, any extended compensation, and any additional compensation under any Federal or State law shall be payable to an individual in accordance with the State law after such individual has exhausted any rights to temporary extended unemployment compensation under the agreement.

(d) Exhaustion of Benefits.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because the individual has received all regular compensation available to the individual based on employment or wages during the individual's base period; or

(2) the individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(e) Weekly Benefit Amount, Terms and Conditions, Etc. Relating to Temporary Extended Unemployment Compensation.—For purposes of any agreement under this title—

(1) the amount of temporary extended unemployment compensation which shall be payable to an individual for any week of total unemployment shall be equal to the amount of regular compensation (including dependents' allowances) payable to such individual under the State law for a week for total unemployment during such individual's benefit year;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except where inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 03 shall not exceed the amount established in such account for such individual.

SEC. 03. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) In General.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account.

(b) Amount in Account.—

(1) In general.—The amount established in an account under subsection (a) shall be equal to the greater of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law; or

(B) 13 times the individual's weekly benefit amount.

(2) Weekly benefit amount.—For purposes of paragraph (1)(B), an individual's weekly benefit amount for any week is an amount equal to the amount of regular compensation (including dependents' allowances) under the State law payable to the individual for such week for total unemployment.

SEC. 04. PAYMENTS TO STATES HAVING AGREEMENTS UNDER THIS TITLE.

(a) General Rule.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) Determination of Amount.—Sums under subsection (a) payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(c) Administrative Expenses.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

SEC. 05. FINANCING PROVISIONS.

(a) In General.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a))), and the Federal unemployment account (as established by section 904(g) of such Act (42 U.S.C. 1104(g))), of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a))) shall be used, in accordance with subsection (b), for the making of payments (described in section 04(a)) to States having agreements entered into under this title.

(b) Certification.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums described in section 04(a) which are payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification by transfers from the extended unemployment compensation account, as so established (or, to the extent that there are insufficient funds in that account, from the Federal unemployment account, as so established) to the account of such State in the Unemployment Trust Fund (as so established).

SEC. 06. FRAUD AND OVERPAYMENTS.

(a) In General.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received any temporary extended unemployment compensation under this title to which such individual was not entitled, such individual—

(1) shall be ineligible for any further benefits under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received any temporary extended unemployment compensation under this title to which such individuals were not entitled, the State shall require such individuals to repay those benefits to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such benefits was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any regular compensation or temporary extended unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which such individuals were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 07. DEFINITIONS.

In this title, the terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 08. APPLICABILITY.

An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 6, 2003.

TITLE —ASSISTANCE FOR MEDICAID COVERAGE

SEC. 01. TEMPORARY INCREASES OF MEDICAID FMAP.

(a) PERMITTING MAINTENANCE OF FISCAL YEAR 2001 FMAP FOR LAST 3 CALENDAR QUARTERS OF FISCAL YEAR 2002.—Notwithstanding any other provision of law, but subject to subsection (e), if the FMAP determined without regard to this section for a State for fiscal year 2002 is less than the FMAP as so determined for fiscal year 2001, the FMAP for the State for fiscal year 2001 shall be substituted for the State's FMAP for the second, third, and fourth calendar quarters in fiscal year 2002, before the application of this section.

(b) PERMITTING MAINTENANCE OF FISCAL YEAR 2002 FMAP FOR FIRST CALENDAR QUARTER OF FISCAL YEAR 2003.—Notwithstanding any other provision of law, but subject to subsection (e), if the FMAP determined without regard to this section for a State for fiscal year 2003 is less than the FMAP as so determined for fiscal year 2002, the FMAP for the State for fiscal year 2002 shall be substituted for the State's FMAP for the first calendar quarter in fiscal year 2003, before the application of this section.

(c) GENERAL 1.50 PERCENTAGE POINTS INCREASE FOR CALENDAR YEAR 2002.—Notwithstanding any other provision of law, but subject to subsections (f) and (g), for each State for the second, third, and fourth calendar quarters in fiscal year 2002 and the first calendar quarter of fiscal year 2003, the FMAP (taking into account the application of subsections (a) and (b)) shall be increased by 1.50 percentage points.

(d) FURTHER INCREASE FOR STATES WITH HIGH UNEMPLOYMENT RATES FOR CALENDAR YEAR 2002.—

(1) IN GENERAL.—Notwithstanding any other provision of law, but subject to subsections (f) and (g), the FMAP for a high unemployment State for the second, third, and fourth calendar quarters in fiscal year 2002 and the first calendar quarter in fiscal year 2003 (and any subsequent calendar quarter in calendar year 2002 or the first calendar quarter in fiscal year 2003 regardless of whether the State continues to be a high unemployment State for any such calendar quarter) shall be increased (after the application of subsections (a), (b), and (c)) by 1.50 percentage points.

(2) HIGH UNEMPLOYMENT STATE.—

(A) IN GENERAL.—For purposes of this subsection, a State is a high unemployment State for a calendar quarter if, for any 3 consecutive months beginning on or after June 2001 and ending with the second month before the beginning of the calendar quarter, the State has an average seasonally adjusted unemployment rate that exceeds the average weighted unemployment rate during such period. Such unemployment rates for such months shall be determined based on publications of the Bureau of Labor Statistics of the Department of Labor.

(B) AVERAGE WEIGHTED UNEMPLOYMENT RATE DEFINED.—For purposes of subparagraph (A), the "average weighted unemployment rate" for a period is—

(i) the sum of the seasonally adjusted number of unemployed civilians in each State and the District of Columbia for the period; divided by

(ii) the sum of the civilian labor force in each State and the District of Columbia for the period.

(e) INCREASE IN CAP ON MEDICAID PAYMENTS TO TERRITORIES.—Notwithstanding any other provision of law, with respect to the second, third, and fourth calendar quarters fiscal year 2002 and the first calendar quarter in fiscal year 2003, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under section 1108 of the Social Security Act (42 U.S.C. 1308) shall each be increased by an amount equal to 6 percentage points of such amounts.

(f) SCOPE OF APPLICATION.—The increases in the FMAP for a State under this section shall apply only for purposes of title XIX of the Social Security Act and shall not apply with respect to—

(1) disproportionate share hospital payments described in section 1923 of such Act (42 U.S.C. 1396r-4); and

(2) payments under titles IV and XXI of such Act (42 U.S.C. 601 et seq. and 1397aa et seq.).

(g) STATE ELIGIBILITY.—A State is eligible for an increase in its FMAP under subsection (c) or (d) or an increase in a cap amount under subsection (e) only if the eligibility under its State plan under title XIX of the Social Security Act (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)) is no more restrictive than the eligibility under such plan (or waiver) as in effect on October 1, 2001.

(h) DEFINITIONS.—In this section:

(1) FMAP.—The term "FMAP" means the Federal medical assistance percentage, as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)).

(2) STATE.—The term "State" has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

SA 2732. Mr. SMITH of New Hampshire proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the appropriate place in the bill, insert the following:

SEC. . WAIVER OF EARLY WITHDRAWAL PENALTY ,FOR DISTRIBUTIONS FROM QUALIFIED RETIREMENT PLANS TO INDIVIDUALS CALLED TO ACTIVE DUTY DURING THE NATIONAL EMERGENCY DECLARED BY THE PRESIDENT ON SEPTEMBER 14, 2001.

(a) WAIVER FOR CERTAIN DISTRIBUTIONS.—

(1) IN GENERAL.—Section 72(t)(2) of the Internal Revenue Code of 1986 (relating to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end the following:

"(G) DISTRIBUTIONS TO INDIVIDUALS PERFORMING NATIONAL EMERGENCY ACTIVE DUTY.—Any distribution to an individual who, at the time of the distribution, is a member of a reserve component called or ordered to active duty pursuant to a provision of law referred to in section 101(a)(13)(B) of title 10, United States Code, during the period of the national emergency declared by the President on September 14, 2001.".

(2) WAIVER OF UNDERPAYMENT PENALTY.—Section 6654(e)(3) of such Code (relating to waiver in certain cases) is amended by adding at the end the following:

"(C) CERTAIN EARLY WITHDRAWALS FROM RETIREMENT PLANS.—No addition to tax shall be imposed under subsection (a) with respect to any underpayment to the extent such underpayment was created or increased by any distribution described in section 72(t)(2)(G).".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to distributions made to an individual after September 13, 2001.

(b) CATCH-UP CONTRIBUTIONS ALLOWED.—

(1) INDIVIDUAL RETIREMENT ACCOUNTS.—Section 219(b)(5) of the Internal Revenue Code of 1986 (relating to deductible amount) is amended by adding at the end the following:

"(D) CATCH-UP CONTRIBUTIONS FOR CERTAIN DISTRIBUTIONS.—In the case of an individual who has received a distribution described in section 72(t)(2)(G), the deductible amount for any taxable year shall be increased by an amount equal to—

"(i) the aggregate amount of such distributions (not attributable to earnings) made with respect to such individual, over

"(ii) the aggregate amount of such distributions (not attributable to earnings) previously taken into account under this subparagraph or section 414(w).".

(2) ROTH IRAS.—Section 408A(c) of such Code (relating to treatment of contributions) is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following:

"(7) CATCH-UP CONTRIBUTIONS FOR CERTAIN DISTRIBUTIONS.—Any contribution described in section 219(b)(5)(D) shall not be taken into account for purposes of paragraph (2).".

(3) EMPLOYER PLANS.—Section 414 of such Code (relating to definitions and special rules) is amended by adding at the end the following:

"(w) CATCH-UP CONTRIBUTIONS FOR CERTAIN DISTRIBUTIONS.—

"(1) IN GENERAL.—An applicable employer plan shall not be treated as failing to meet any requirement of this title solely because the plan permits an applicable participant to make additional elective deferrals in any plan year.

"(2) LIMITATION ON AMOUNT OF ADDITIONAL DEFERRALS.—

"(A) IN GENERAL.—A plan shall not permit additional elective deferrals under paragraph (1) for any year in an amount greater than the lesser of—

"(i) the applicable dollar amount, or

"(ii) the excess (if any) of—

"(I) the participant's compensation (as defined in section 415(c)(3)) for the year, over

"(II) any other elective deferrals of the participant for such year which are made without regard to this subsection.

"(B) APPLICABLE DOLLAR AMOUNT.—For purposes of this paragraph, the applicable dollar amount with respect to a participant shall be an amount equal to—

"(i) the aggregate amount of distributions described in section 72(t)(2)(G) (not attributable to earnings) made with respect to such participant, over

"(ii) the aggregate amount of such distributions (not attributable to earnings) previously taken into account under this subsection or section 219(b)(5)(B).

"(3) TREATMENT OF CONTRIBUTIONS.—Rules similar to the rules of paragraphs (3) and (4) of subsection (v) shall apply with respect to contributions made under this subsection.

"(4) DEFINITIONS.—For purposes of this subsection, the terms 'applicable employer plan' and 'elective deferral' have the same meanings given such terms in subsection (v)(6).".

(4) CONFORMING AMENDMENT.—Section 414(v)(2)(A)(ii)(II) of such Code (relating to limitation on amount of additional deferrals) is amended by inserting "(other than deferrals under subsection (w))" after "deferrals".

(5) EFFECTIVE DATE.—The amendments made by this subsection shall apply to contributions in taxable years ending after December 31, 2001.

SA 2733. Mr. SMITH of New Hampshire proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. PROHIBITION ON IMPOSITION OF INCOME TAXES BY STATES ON NONRESIDENTS.

(a) IN GENERAL.—Chapter 4 of title 4, United States Code, is amended by adding at the end the following:

"§ 116. Prohibition on imposition of income taxes by States on nonresidents

"Except to the extent otherwise provided in any voluntary compact between or among States, a State or political subdivision thereof may not impose a tax on income earned within such State or political subdivision by nonresidents of such State.".

(b) CONFORMING AMENDMENT.—The table of sections for chapter 4 of title 4, United States Code, is amended by adding at the end the following:

"116. Prohibition on imposition of income taxes by States on nonresidents.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of enactment of this Act.

SA 2734. Mr. SMITH of New Hampshire proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. TIPS RECEIVED FOR CERTAIN SERVICES NOT SUBJECT TO INCOME OR EMPLOYMENT TAXES.

(a) IN GENERAL.—Section 102 of the Internal Revenue Code of 1986 (relating to gifts and inheritances) is amended by adding at the end the following new subsection:

"(d) TIPS RECEIVED FOR CERTAIN SERVICES.—

"(1) IN GENERAL.—For purposes of subsection (a), tips received by an individual for qualified services performed by such individual shall be treated as property transferred by gift.

"(2) QUALIFIED SERVICES.—For purposes of this subsection, the term 'qualified services' means cosmetology, hospitality (including lodging and food and beverage services), recreation, baggage handling, transportation, delivery, shoe shine, and other services where tips are customary.

"(3) ANNUAL LIMIT.—The amount excluded from gross income for the taxable year by reason of paragraph (1) with respect to each service provider shall not exceed $10,000.

"(4) EMPLOYEE TAXABLE ON AT LEAST MINIMUM WAGE.—Paragraph (1) shall not apply to tips received by an employee during any month to the extent that such tips—

"(A) are deemed to have been paid by the employer to the employee pursuant to section 3121(q) (without regard to whether such tips are reported under section 6053), and

"(B) do not exceed the excess of—

"(i) the minimum wage rate applicable to such individual under section 6(a)(1) of the Fair Labor Standards Act of 1938 (determined without regard to section 3(m) of such Act), over

"(ii) the amount of the wages (excluding tips) paid by the employer to the employee during such month.

"(5) TIPS.—For purposes of this title, the term 'tip' means a gratuity paid by an individual for services performed for such individual (or for a group which includes such individual) by another individual if such services are not provided pursuant to an employment or similar contractual relationship between such individual."

(b) EXCLUSION FROM SOCIAL SECURITY TAXES.—

(1) Paragraph (12) of section 3121(a) of such Code is amended to read as follows:

"(12)(A) tips paid in any medium other than cash;

"(B) cash tips received by an employee in any calendar month in the course of his employment by an employer unless the amount of such cash tips is $20 or more and then only to the extent includible in gross income after the application of section 102(d).";

(2) Paragraph (10) of section 209(a) of the Social Security Act is amended to read as follows:

"(10)(A) tips paid in any medium other than cash;

"(B) cash tips received by an employee in any calendar month in the course of his employment by an employer unless the amount of such cash tips is $20 or more and then only to the extent includible in gross income after the application of section 102(d) of the Internal Revenue Code of 1986 of such month."; and

(3) Paragraph (3) of section 3231(e) of such Code is amended to read as follows:

"(3) Solely for purposes of the taxes imposed by section 3201 and other provisions of this chapter insofar as they relate to such taxes, the term 'compensation' also includes cash tips received by an employee in any calendar month in the course of his employment by an employer if the amount of such cash tips is $20 or more and then only to the extent includible in gross income after the application of section 102(d).".

(c) EXCLUSION FROM UNEMPLOYMENT COMPENSATION TAXES.—Submission (s) of section 3306 of such Code is amended to read as follows:

"(s) TIPS NOT TREATED AS WAGES.—For purposes of this chapter, the term 'wages' shall include tips received in any month only to the extent includible in gross income after the application of section 102(d) of such month.".

(d) EXCLUSION FROM WAGE WITHHOLDING.—Paragraph (16) of section 3401(a) of such Code is amended to read as follows:

"(16)(A) as tips in any medium other than cash;

"(B) as cash tips to an employee in any calendar month in the course of his employment by an employer unless the amount of such cash tips is $20 or more and then only to the extent includible in gross income after the application of section 102(d)."

(e) CONFORMING AMENDMENT.—Sections 32(c)(2)(A)(i) and 220(b)(4)(A) of such Code are each amended by striking "tips" and inserting "tips to the extent includable in gross income after the application of section 102(d))".

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to tips received after the calendar month which includes the date of the enactment of this Act.

SA 2735. Mr. SMITH of New Hampshire proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the appropriate place in the bill, insert the following:

SEC. . REAL PROPERTY TAX DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ITEMIZES OTHER DEDUCTIONS.

(a) IN GENERAL.—Section 62(a) of the Internal Revenue Code of 1986 (defining adjusted gross income) is amended by inserting after paragraph (18) the following:

"(19) REAL PROPERTY TAXES.—The deduction allowed by section 164(a)(1).".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to any payment due after December 31, 2000.

SA 2736. Mr. SESSIONS (for himself, Mr. ALLEN, Mr. SMITH of New Hampshire, Mr. HUTCHINSON, and Mr. BROWNBACK) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end, add the following:

DIVISION II—AMERICAN FAMILY ECONOMIC SECURITY AND STIMULUS

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This division may be cited as the "American Family Economic Security and Stimulus Act".

(b) REFERENCES TO INTERNAL REVENUE CODE OF 1986.—Except as otherwise expressly provided, whenever in this division an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; etc.

TITLE I—ADVANCE PAYMENT OF EARNED INCOME CREDIT

Sec. 101. Additional requirements to ensure greater use of advance payment of earned income credit.
Sec. 102. Extension of advance payment of earned income credit to all eligible taxpayers.

TITLE II—INDIVIDUAL PROVISIONS

Sec. 201. Acceleration of 25 percent individual income tax rate.
Sec. 202. Temporary expansion of penalty-free retirement plan distributions for health insurance premiums of unemployed individuals.
Sec. 203. Increase in child tax credit.
Sec. 204. Temporary increase in deduction for capital losses of taxpayers other than corporations.
Sec. 205. Nonrefundable credit for elementary and secondary school expenses.

TITLE III—UNEMPLOYMENT ASSISTANCE

Sec. 301. Short title.
Sec. 302. Federal-State agreements.
Sec. 303. Temporary extended unemployment compensation account.
Sec. 304. Payments to States having agreements for the payment of temporary extended unemployment compensation.
Sec. 305. Financing provisions.
Sec. 306. Fraud and overpayments.
Sec. 307. Definitions.
Sec. 308. Applicability.
Sec. 309. Special Reed Act transfer in fiscal year 2002.

TITLE IV—NATIONAL EMERGENCY GRANTS

Sec. 401. National emergency grant assistance for workers.

TITLE V—TEMPORARY BUSINESS RELIEF PROVISIONS

Sec. 501. Special depreciation allowance for certain property acquired after December 31, 2001, and before January 1, 2004.

TITLE VI—ADDITIONAL PROVISIONS

Sec. 601. Emergency designation.

TITLE I—ADVANCE PAYMENT OF EARNED INCOME CREDIT

SEC. 101. ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt.

Such regulations shall require an employer to provide such an application within 30 days of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. 102. EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting "has 1 or more qualifying children and" before "is not married,".

(2) Section 3507(c)(2)(C) of such Code is amended by striking "the employee" and inserting "an employee with 1 or more qualifying children".

(3) Section 3507(f) of such Code is amended by striking "who have 1 or more qualifying children and".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

TITLE II—INDIVIDUAL PROVISIONS

SEC. 201. ACCELERATION OF 25 PERCENT INDIVIDUAL INCOME TAX RATE.

(a) IN GENERAL.—The table contained in paragraph (2) of section 1(i) (relating to reductions in rates after June 30, 2001) is amended—

(1) by striking "27.0%" and inserting "25.0%", and

(2) by striking "26.0%" and inserting "25.0%".

(b) REDUCTION NOT TO INCREASE MINIMUM TAX.—

(1) Subparagraph (A) of section 55(d)(1) is amended by striking "($49,000 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($49,000 in the case of taxable years beginning in 2001, $52,200 in the case of taxable years beginning in 2002 or 2003, and $50,700 in the case of taxable years beginning in 2004)".

(2) Subparagraph (B) of section 55(d)(1) is amended by striking "($35,750 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($35,750 in the case of taxable years beginning in 2001, $37,350 in the case of taxable years beginning in 2002 or 2003, and $36,600 in the case of taxable years beginning in 2004)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(d) SECTION 15 NOT TO APPLY.—No amendment made by this section shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

SEC. 202. TEMPORARY EXPANSION OF PENALTY-FREE RETIREMENT PLAN DISTRIBUTIONS FOR HEALTH INSURANCE PREMIUMS OF UNEMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Subparagraph (D) of section 72(t)(2) is amended by adding at the end the following new clause:

"(iv) SPECIAL RULES FOR INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION AFTER SEPTEMBER 10, 2001, AND BEFORE JANUARY 1, 2003.—In the case of an individual who receives unemployment compensation for 4 consecutive weeks after September 10, 2001, and before January 1, 2003—

"(I) clause (i) shall apply to distributions from all qualified retirement plans (as defined in section 4974(c)), and

"(II) such 4 consecutive weeks shall be substituted for the 12 consecutive weeks referred to in subclause (I) of clause (i)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions after the date of the enactment of this division.

SEC. 203. INCREASE IN CHILD TAX CREDIT.

(a) IN GENERAL.—The table contained in section 24(a)(2) (relating to per child amount) is amended by striking all matter preceding the second item and inserting the following:

"In the case of any taxable year beginning in—	**"The per child amount is—**
2001	$1,000
2002, 2003, or 2004	600".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 204. TEMPORARY INCREASE IN DEDUCTION FOR CAPITAL LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 1211 (relating to limitation on capital losses for taxpayers other than corporations) is amended by adding at the end the following flush sentence:

"Paragraph (1) shall be applied by substituting '$5,000' for '$3,000' and '$2,500' for '$1,500' in the case of taxable years beginning in 2001 or 2002.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

SEC. 205. NONREFUNDABLE CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

"SEC. 25C. CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual who maintains a household which includes as a member one or more qualifying students (as defined in subsection (b)(1)), there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified elementary and secondary education expenses with respect to such students which are paid or incurred by the taxpayer during such taxable year.

"(b) DOLLAR LIMIT ON AMOUNT CREDITABLE.—The amount of qualified elementary and secondary education expenses paid or incurred during any taxable year which may be taken into account under subsection (a) shall not exceed $500.

"(c) QUALIFYING STUDENT.—For purposes of this section, the term "qualifying student" means a dependent of the taxpayer (within the meaning of section 152) who is enrolled in school on a full-time basis.

"(d) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified elementary and secondary education expenses' means computer technology or equipment expenses.

"(2) COMPUTER TECHNOLOGY OR EQUIPMENT.—The term 'computer technology or equipment' has the meaning given such term by section 170(e)(6)(F)(i) and includes Internet access and related services and computer software if such software is predominately educational in nature.

"(e) SCHOOL.—For purposes of this section, the term 'school' means any public, charter, private, religious, or home school which provides elementary education or secondary education (through grade 12), as determined under State law.

"(f) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any contribution for which credit is allowed under this section.

"(g) ELECTION TO HAVE CREDIT NOT APPLY.—A taxpayer may elect to have this section not apply for any taxable year.

"(h) TERMINATION.—This section shall not apply to expenses paid or incurred after the date which is 90 days after the date of the enactment of this section.".

(b) CONFORMING AMENDMENTS.—

(1) Section 24(b)(3)(B), as added and amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "23 and 25B" and inserting "23, 25B, and 25C".

(2) Section 25(e)(1)(C) is amended by striking "23 and 1400C" and by inserting "23, 25C, and 1400C".

(3) Section 25(e)(1)(C), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by inserting "25C," after "25B,".

(4) Section 25B, as added by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "section 23" and inserting "sections 23 and 25C".

(5) Section 26(a)(1), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "and 25B" and inserting "25B, and 25C".

(6) Section 1400C(d) is amended by inserting "and section 25C" after "this section".

(7) Section 1400C(d), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "and 25B" and inserting "25B, and 25C".

(8) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting before the item relating to section 26 the following new item:

"Sec. 25C. Credit for elementary and secondary school expenses.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this division.

TITLE III—UNEMPLOYMENT ASSISTANCE

SEC. 301. SHORT TITLE.

This title of this division may be cited as the "Temporary Extended Unemployment Compensation Act of 2002".

SEC. 302. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals who—

(1) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before March 15, 2001);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law;

(3) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(4) filed an initial claim for regular compensation on or after March 15, 2001.

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes of any agreement under this title—

(1) the amount of temporary extended unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except—

(A) that an individual shall not be eligible for temporary extended unemployment compensation under this title unless, in the base period with respect to which the individual exhausted all rights to regular compensation under the State law, the individual had 20 weeks of full-time insured employment or the equivalent in insured wages, as determined under the provisions of the State law implementing section 202(a)(5) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note); and

(B) where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 303 shall not exceed the amount established in such account for such individual.

(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that is in an extended benefit period may provide for the payment of temporary extended unemployment compensation in lieu of extended compensation to individuals who otherwise meet the requirements of this section. Such an election shall not require a State to trigger off an extended benefit period.

SEC. 303. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law, or

(B) 13 times the individual's average weekly benefit amount for the benefit year.

(2) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

(3) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

SEC. 304. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the

Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 305. FINANCING PROVISIONS.

(a) In General.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used for the making of payments to States having agreements entered into under this title.

(b) Certification.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

(c) Assistance to States.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

(d) Appropriations for Certain Payments.—There are appropriated from the general fund of the Treasury, without fiscal year limitation, to the extended unemployment compensation account (as so established) of the Unemployment Trust Fund (as so established) such sums as the Secretary estimates to be necessary to make the payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code; and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

SEC. 306. FRAUD AND OVERPAYMENTS.

(a) In General.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of temporary extended unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further temporary extended unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) Repayment.—In the case of individuals who have received amounts of temporary extended unemployment compensation under this title to which they were not entitled, the State shall require such individuals to repay the amounts of such temporary extended unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such temporary extended unemployment compensation was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) Recovery by State Agency.—

(1) In general.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any temporary extended unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) Opportunity for hearing.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) Review.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 307. DEFINITIONS.

In this title, the terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 308. APPLICABILITY.

An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 1, 2003.

SEC. 309. SPECIAL REED ACT TRANSFER IN FISCAL YEAR 2002.

(a) Repeal of Certain Provisions Added by the Balanced Budget Act of 1997.—

(1) In general.—The following provisions of section 903 of the Social Security Act (42 U.S.C. 1103) are repealed:

(A) Paragraph (3) of subsection (a).

(B) The last sentence of subsection (c)(2).

(2) Savings provision.—Any amounts transferred before the date of enactment of this division under the provision repealed by paragraph (1)(A) shall remain subject to section 903 of the Social Security Act, as last in effect before such date of enactment.

(b) Special Transfer in Fiscal Year 2002.—Section 903 of the Social Security Act is amended by adding at the end the following:

"Special Transfer in Fiscal Year 2002

"(d)(1) The Secretary of the Treasury shall transfer (as of the date determined under paragraph (5)) from the Federal unemployment account to the account of each State in the Unemployment Trust Fund the amount determined with respect to such State under paragraph (2).

"(2) The amount to be transferred under this subsection to a State account shall (as determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury) be equal to—

"(A) the amount which would have been required to have been transferred under this section to such account at the beginning of fiscal year 2002 if—

"(i) section 709(a)(1) of the Temporary Extended Unemployment Compensation Act of 2002 had been enacted before the close of fiscal year 2001, and

"(ii) section 5402 of Public Law 105–33 (relating to increase in Federal unemployment account ceiling) had not been enacted,

minus

"(B) the amount which was in fact transferred under this section to such account at the beginning of fiscal year 2002.

"(3)(A) Except as provided in paragraph (4), amounts transferred to a State account pursuant to this subsection may be used only in the payment of cash benefits—

"(i) to individuals with respect to their unemployment, and

"(ii) which are allowable under subparagraph (B) or (C).

"(B)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable as—

"(I) regular compensation, or

"(II) additional compensation, upon the exhaustion of any temporary extended unemployment compensation (if such State has entered into an agreement under the Temporary Extended Unemployment Compensation Act of 2002), for individuals eligible for regular compensation under the unemployment compensation law of such State.

"(ii) Any additional compensation under clause (i) may not be taken into account for purposes of any determination relating to the amount of any extended compensation for which an individual might be eligible.

"(C)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable to 1 or more categories of individuals not otherwise eligible for regular compensation under the unemployment compensation law of such State, including those described in clause (iii).

"(ii) The benefits paid under this subparagraph to any individual may not, for any period of unemployment, exceed the maximum amount of regular compensation authorized under the unemployment compensation law of such State for that same period, plus any additional compensation (described in subparagraph (B)(i)) which could have been paid with respect to that amount.

"(iii) The categories of individuals described in this clause include the following:

"(I) Individuals who are seeking, or available for, only part-time (and not full-time) work.

"(II) Individuals who would be eligible for regular compensation under the unemployment compensation law of such State under an alternative base period.

"(D) Amounts transferred to a State account under this subsection may be used in the payment of cash benefits to individuals only for weeks of unemployment beginning after the date of enactment of this subsection.

"(4) Amounts transferred to a State account under this subsection may be used for the administration of its unemployment compensation law and public employment offices (including in connection with benefits described in paragraph (3) and any recipients thereof), subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to 'subsections (a) and (b)' in subparagraph (D) thereof to include this subsection).

"(5) Transfers under this subsection shall be made by December 31, 2001, unless this paragraph is not enacted until after that date, in which case such transfers shall be made within 10 days after the date of enactment of this paragraph."

(c) LIMITATIONS ON TRANSFERS.—Section 903(b) of the Social Security Act shall apply to transfers under section 903(d) of such Act (as amended by this section). For purposes of the preceding sentence, such section 903(b) shall be deemed to be amended as follows:

(1) By substituting "the transfer date described in subsection (d)(5)" for "October 1 of any fiscal year".

(2) By substituting "remain in the Federal unemployment account" for "be transferred to the Federal unemployment account as of the beginning of such October 1".

(3) By substituting "fiscal year 2002 (after the transfer date described in subsection (d)(5))" for "the fiscal year beginning on such October 1".

(4) By substituting "under subsection (d)" for "as of October 1 of such fiscal year".

(5) By substituting "(as of the close of fiscal year 2002)" for "(as of the close of such fiscal year)".

(d) TECHNICAL AMENDMENTS.—(1) Sections 3304(a)(4)(B) and 3306(f)(2) of the Internal Revenue Code of 1986 are amended by inserting "or 903(d)(4)" before "of the Social Security Act".

(2) Section 303(a)(5) of the Social Security Act is amended in the second proviso by inserting "or 903(d)(4)" after "903(c)(2)".

(e) REGULATIONS.—The Secretary of Labor may prescribe any operating instructions or regulations necessary to carry out this section and the amendments made by this section.

TITLE IV—NATIONAL EMERGENCY GRANTS

SEC. 401. NATIONAL EMERGENCY GRANT ASSISTANCE FOR WORKERS.

(a) ELIGIBILITY FOR GRANTS.—Section 173(a) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(a)) is amended—

(1) in paragraph (2), by striking "and",

(2) in paragraph (3), by striking the period and inserting "; and", and

(3) by adding at the end the following new paragraph:

"(4) from funds appropriated under section 174(c), to a State to provide employment and training assistance and the assistance described in subsections (f) and (g) to dislocated workers affected by a plant closure, mass layoff, or multiple layoffs if the Governor certifies in the application for assistance that the attacks of September 11, 2001, contributed importantly to such plant closures, mass layoffs, and multiple layoffs, and to independently owned businesses and proprietorships.".

(b) USE OF FUNDS.—Section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918) is amended by adding at the end the following new subsections:

"(f) COBRA CONTINUATION COVERAGE PAYMENT REQUIREMENTS.—

"(1) IN GENERAL.—Funds made available to a State under paragraph (4) of subsection (a) may be used by the State to assist a participant in the program under such paragraph by paying up to 75 percent of the participant's and any dependents' contribution for COBRA continuation coverage of the participant and dependents for a period not to exceed 10 months.

"(2) DEFINITION.—For purposes of paragraph (1), the term 'COBRA continuation coverage' means coverage under a group health plan provided by an employer pursuant to title XXII of the Public Health Service Act, section 4980B of the Internal Revenue Code of 1986, part 6 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, or section 8905a of title 5, United States Code.

"(g) GOVERNMENT INTERVENTION SUPPLEMENTS.—

"(1) PERSONAL INCOME.—Using funds made available under subsection (a)(4), a State may provide personal income compensation to a dislocated worker described in such subsection if—

"(A) the worker is unable to work due to direct Federal Government intervention, as a result of a direct response to the terrorist attacks which occurred on September 11, 2001, leading to—

"(i) closure of the facility at which the worker was employed, prior to the intervention; or

"(ii) a restriction on how business may be conducted at the facility; and

"(B) the facility is located within an area in a State in which a major disaster or emergency was certified by the Governor.

"(2) BUSINESS INCOME.—Using funds made available under subsection (a)(4), a State may provide business income compensation to an independently owned business or proprietorship if—

"(A) the business or proprietorship is unable to earn revenue due to direct Federal intervention, as a result of a direct response to the terrorist attacks which occurred on September 11, 2001, leading to—

"(i) closure of the facility at which the business or proprietorship was located, prior to the intervention; or

"(ii) a restriction on how customers may access the facility; and

"(B) the facility is located within an area in a State in which a major disaster or emergency was certified by the Governor.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 174 of the Workforce Investment Act of 1998 (29 U.S.C. 2919) is amended by adding at the end the following new subsection:

"(c) NATIONAL EMERGENCY GRANTS RELATING TO SEPTEMBER 11 ATTACKS.—There are authorized to be appropriated to carry out subsection (a)(4) of section 173 $5,000,000,000 for fiscal year 2002. Funds appropriated under this subsection shall be available for obligation for a period beginning with the date of enactment of such appropriations and ending 18 months thereafter.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this section.

TITLE V—TEMPORARY BUSINESS RELIEF PROVISIONS

SEC. 501. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1986 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

"(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.—

"(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

"(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

"(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

"(2) QUALIFIED PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified property' means property—

"(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property,

"(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

"(III) which is qualified leasehold improvement property, or

"(IV) which is eligible for depreciation under section 167(g),

"(ii) the original use of which commences with the taxpayer after December 31, 2001,

"(iii) which is—

"(I) acquired by the taxpayer after December 31, 2001, and before January 1, 2004, but only if no written binding contract for the acquisition was in effect before January 1, 2002, or

"(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after December 31, 2001, and before January 1, 2004, and

"(iv) which is placed in service by the taxpayer before January 1, 2004, or, in the case of property described in subparagraph (B), before January 1, 2005.

"(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

"(i) IN GENERAL.—The term 'qualified property' includes property—

"(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

"(II) which has a recovery period of at least 10 years or is transportation property, and

"(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

"(ii) ONLY PRE-JANUARY 1, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before January 1, 2004.

"(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

"(C) EXCEPTIONS.—

"(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

"(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

"(II) after application of section 280F(b) (relating to listed property with limited business use).

"(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

"(D) Special rules.—

"(i) Self-constructed property.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after December 31, 2001, and before January 1, 2004.

"(ii) Sale-leasebacks.—For purposes of subparagraph (A)(ii), if property—

"(I) is originally placed in service after December 31, 2001, by a person, and

"(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

"(E) Coordination with section 280F.—For purposes of section 280F—

"(i) Automobiles.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

"(ii) Listed property.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

"(3) Qualified leasehold improvement property.—For purposes of this subsection—

"(A) In general.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

"(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

"(I) by the lessee (or any sublessee) of such portion, or

"(II) by the lessor of such portion,

"(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

"(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

"(B) Certain improvements not included.—Such term shall not include any improvement for which the expenditure is attributable to—

"(i) the enlargement of the building,

"(ii) any elevator or escalator,

"(iii) any structural component benefiting a common area, and

"(iv) the internal structural framework of the building.

"(C) Definitions and special rules.—For purposes of this paragraph—

"(i) Binding commitment to lease treated as lease.—A binding commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

"(ii) Related persons.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

"(I) members of an affiliated group (as defined in section 1504), and

"(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.

"(D) Improvements made by lessor.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person.".

(b) Allowance Against Alternative Minimum Tax.—

(1) In general.—Section 56(a)(1)(A) of the Internal Revenue Code of 1986 (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

"(iii) Additional allowance for certain property acquired after December 31, 2001, and before January 1, 2004.—The deduction under section 168(k) shall be allowed."

(2) Conforming amendment.—Clause (i) of section 56(a)(1)(A) of the Internal Revenue Code of 1986 is amended by striking "clause (ii)" both places it appears and inserting "clauses (ii) and (iii)".

(c) Effective Date.—The amendments made by this section shall apply to property placed in service after December 31, 2001, in taxable years ending after such date.

TITLE VI—ADDITIONAL PROVISIONS

SEC. 602. EMERGENCY DESIGNATION.

Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this division below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this division in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

SA 2737. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after "**SECTION**" and insert the following:

1. SHORT TITLE; ETC.

(a) Short Title.—This Act may be cited as the "Economic Security and Recovery Act of 2002".

(b) References to Internal Revenue Code of 1986.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) Table of Contents.—

TITLE I—ELIMINATION OF SUNSET OF THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001

Sec. 101. Elimination of sunset of the Economic Growth and Tax Relief Reconciliation Act of 2001.

TITLE II—BUSINESS PROVISIONS

Sec. 201. Special depreciation allowance for certain property acquired after September 10, 2001, and before September 11, 2004.

TITLE III—UNEMPLOYMENT ASSISTANCE

Sec. 301. Short title.
Sec. 302. Federal-State agreements.
Sec. 303. Temporary extended unemployment compensation account.
Sec. 304. Payments to States having agreements for the payment of temporary extended unemployment compensation.
Sec. 305. Financing provisions.
Sec. 306. Fraud and overpayments.
Sec. 307. Definitions.
Sec. 308. Applicability.
Sec. 309. Special Reed Act transfer in fiscal year 2002.

TITLE IV—TEMPORARY STATE HEALTH CARE ASSISTANCE

Sec. 401. Temporary State health care assistance.

TITLE V—ADDITIONAL PROVISIONS

Sec. 501. Emergency designation.

TITLE I—ELIMINATION OF SUNSET OF THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001

SEC. 101. ELIMINATION OF SUNSET OF THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.

Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 is repealed.

TITLE II—BUSINESS PROVISIONS

SEC. 201. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.

(a) In General.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

"(k) Special Allowance for Certain Property Acquired After September 10, 2001, and Before September 11, 2004.—

"(1) Additional allowance.—In the case of any qualified property—

"(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

"(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

"(2) Qualified property.—For purposes of this subsection—

"(A) In general.—The term 'qualified property' means property—

"(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property, or

"(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

"(ii) the original use of which commences with the taxpayer after September 10, 2001,

"(iii) which is—

"(I) acquired by the taxpayer after September 10, 2001, and before September 11, 2004, but only if no written binding contract for the acquisition was in effect before September 11, 2001, or

"(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after September 10, 2001, and before September 11, 2004, and

"(iv) which is placed in service by the taxpayer before January 1, 2005, or, in the case of property described in subparagraph (B), before January 1, 2006.

"(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

"(i) IN GENERAL.—The term 'qualified property' includes property—

"(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

"(II) which has a recovery period of at least 10 years or is transportation property, and

"(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

"(ii) ONLY PRE-SEPTEMBER 11, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before September 11, 2004.

"(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

"(C) EXCEPTIONS.—

"(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

"(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

"(II) after application of section 280F(b) (relating to listed property with limited business use).

"(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

"(iii) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—The term 'qualified property' shall not include any qualified leasehold improvement property (as defined in section 168(e)(6)).

"(D) SPECIAL RULES.—

"(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before September 11, 2004.

"(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

"(I) is originally placed in service after September 10, 2001, by a person, and

"(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

"(E) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

"(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

"(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2)."

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Section 56(a)(1)(A) (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

"(iii) ADDITIONAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.—The deduction under section 168(k) shall be allowed."

(2) CONFORMING AMENDMENT.—Clause (i) of section 56(a)(1)(A) is amended by striking "clause (ii)" both places it appears and inserting "clauses (ii) and (iii)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after September 10, 2001, in taxable years ending after such date.

TITLE III—UNEMPLOYMENT ASSISTANCE

SEC. 301. SHORT TITLE.

This title may be cited as the "Temporary Extended Unemployment Compensation Act of 2002".

SEC. 302. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals who—

(1) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before March 15, 2001);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law;

(3) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(4) filed an initial claim for regular compensation on or after March 15, 2001.

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes of any agreement under this title—

(1) the amount of temporary extended unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except—

(A) that an individual shall not be eligible for temporary extended unemployment compensation under this title unless, in the base period with respect to which the individual exhausted all rights to regular compensation under the State law, the individual had 20 weeks of full-time insured employment or the equivalent in insured wages, as determined under the provisions of the State law implementing section 202(a)(5) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note); and

(B) where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 303 shall not exceed the amount established in such account for such individual.

(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that is in an extended benefit period may provide for the payment of temporary extended unemployment compensation in lieu of extended compensation to individuals who otherwise meet the requirements of this section. Such an election shall not require a State to trigger off an extended benefit period.

SEC. 303. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law, or

(B) 13 times the individual's average weekly benefit amount for the benefit year.

(2) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

(3) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

SEC. 304. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 305. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

(c) ASSISTANCE TO STATES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

(d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are appropriated from the general fund of the Treasury, without fiscal year limitation, to the extended unemployment compensation account (as so established) of the Unemployment Trust Fund (as so established) such sums as the Secretary estimates to be necessary to make the payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code; and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

SEC. 306. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of temporary extended unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further temporary extended unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of temporary extended unemployment compensation under this title to which they were not entitled, the State shall require such individuals to repay the amounts of such temporary extended unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such temporary extended unemployment compensation was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any temporary extended unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 307. DEFINITIONS.

In this title, the terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 308. APPLICABILITY.

An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 1, 2003.

SEC. 309. SPECIAL REED ACT TRANSFER IN FISCAL YEAR 2002.

(a) REPEAL OF CERTAIN PROVISIONS ADDED BY THE BALANCED BUDGET ACT OF 1997.—

(1) IN GENERAL.—The following provisions of section 903 of the Social Security Act (42 U.S.C. 1103) are repealed:

(A) Paragraph (3) of subsection (a).

(B) The last sentence of subsection (c)(2).

(2) SAVINGS PROVISION.—Any amounts transferred before the date of enactment of this Act under the provision repealed by paragraph (1)(A) shall remain subject to section 903 of the Social Security Act, as last in effect before such date of enactment.

(b) SPECIAL TRANSFER IN FISCAL YEAR 2002.—Section 903 of the Social Security Act is amended by adding at the end the following:

"Special Transfer in Fiscal Year 2002

"(d)(1) The Secretary of the Treasury shall transfer (as of the date determined under paragraph (5)) from the Federal unemployment account to the account of each State in the Unemployment Trust Fund the amount determined with respect to such State under paragraph (2).

"(2) The amount to be transferred under this subsection to a State account shall (as determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury) be equal to—

"(A) the amount which would have been required to have been transferred under this section to such account at the beginning of fiscal year 2002 if—

"(i) section 309(a)(1) of the Temporary Extended Unemployment Compensation Act of 2002 had been enacted before the close of fiscal year 2001, and

"(ii) section 5402 of Public Law 105–33 (relating to increase in Federal unemployment account ceiling) had not been enacted,

minus

"(B) the amount which was in fact transferred under this section to such account at the beginning of fiscal year 2002.

"(3)(A) Except as provided in paragraph (4), amounts transferred to a State account pursuant to this subsection may be used only in the payment of cash benefits—

"(i) to individuals with respect to their unemployment, and

"(ii) which are allowable under subparagraph (B) or (C).

"(B)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable as—

"(I) regular compensation, or

"(II) additional compensation, upon the exhaustion of any temporary extended unemployment compensation (if such State has entered into an agreement under the Temporary Extended Unemployment Compensation Act of 2002), for individuals eligible for regular compensation under the unemployment compensation law of such State.

"(ii) Any additional compensation under clause (i) may not be taken into account for purposes of any determination relating to the amount of any extended compensation for which an individual might be eligible.

"(C)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable to 1 or more categories of individuals not otherwise eligible for regular compensation under the unemployment compensation law of such State, including those described in clause (iii).

"(ii) The benefits paid under this subparagraph to any individual may not, for any period of unemployment, exceed the maximum amount of regular compensation authorized under the unemployment compensation law of such State for that same period, plus any additional compensation (described in subparagraph (B)(i)) which could have been paid with respect to that amount.

"(iii) The categories of individuals described in this clause include the following:

"(I) Individuals who are seeking, or available for, only part-time (and not full-time) work.

"(II) Individuals who would be eligible for regular compensation under the unemployment compensation law of such State under an alternative base period.

"(D) Amounts transferred to a State account under this subsection may be used in the payment of cash benefits to individuals only for weeks of unemployment beginning after the date of enactment of this subsection.

"(4) Amounts transferred to a State account under this subsection may be used for the administration of its unemployment compensation law and public employment offices (including in connection with benefits described in paragraph (3) and any recipients thereof), subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to 'subsections (a) and (b)' in subparagraph (D) thereof to include this subsection).

"(5) Transfers under this subsection shall be made by December 31, 2001, unless this paragraph is not enacted until after that date, in which case such transfers shall be made within 10 days after the date of enactment of this paragraph."

(c) Limitations on Transfers.—Section 903(b) of the Social Security Act shall apply to transfers under section 903(d) of such Act (as amended by this section). For purposes of the preceding sentence, such section 903(b) shall be deemed to be amended as follows:

(1) By substituting "the transfer date described in subsection (d)(5)" for "October 1 of any fiscal year".

(2) By substituting "remain in the Federal unemployment account" for "be transferred to the Federal unemployment account as of the beginning of such October 1".

(3) By substituting "fiscal year 2002 (after the transfer date described in subsection (d)(5))" for "the fiscal year beginning on such October 1".

(4) By substituting "under subsection (d)" for "as of October 1 of such fiscal year".

(5) By substituting "(as of the close of fiscal year 2002)" for "(as of the close of such fiscal year)".

(d) Technical Amendments.—(1) Sections 3304(a)(4)(B) and 3306(f)(2) of the Internal Revenue Code of 1986 are amended by inserting "or 903(d)(4)" before "of the Social Security Act".

(2) Section 303(a)(5) of the Social Security Act is amended in the second proviso by inserting "or 903(d)(4)" after "903(c)(2)".

(e) Regulations.—The Secretary of Labor may prescribe any operating instructions or regulations necessary to carry out this section and the amendments made by this section.

TITLE IV—TEMPORARY STATE HEALTH CARE ASSISTANCE

SEC. 401. TEMPORARY STATE HEALTH CARE ASSISTANCE.

(a) In General.—Title XXI of the Social Security Act is amended by adding at the end the following new section:

"SEC. 2111. TEMPORARY STATE HEALTH CARE ASSISTANCE.

"(a) In General.—For the purpose of providing allotments to States under this section, there are hereby appropriated, out of any funds in the Treasury not otherwise appropriated, $4,599,667,448. Such funds shall be available for expenditure by the State through the end of 2002. This section constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment to States of amounts provided under this section.

"(b) Allotment.—Funds appropriated under subsection (a) shall be allotted by the Secretary among the States in accordance with the following table:

"State	Allotment (in dollars)
Alabama	50,746,770
Alaska	31,934,026
Arizona	68,594,677
Arkansas	38,203,601
California	482,591,746
Colorado	37,469,775
Connecticut	60,039,005
Delaware	10,355,807
District of Columbia	18,321,834
Florida	164,619,369
Georgia	118,754,564
Hawaii	12,827,163
Idaho	13,031,700
Illinois	175,505,956
Indiana	66,067,368
Iowa	31,521,201
Kansas	27,288,967
Kentucky	82,759,133
Louisiana	83,907,301
Maine	22,650,838
Maryland	60,347,066
Massachusetts	121,971,140
Michigan	156,479,213
Minnesota	113,966,453
Mississippi	55,335,225
Missouri	74,675,436
Montana	10,224,652
Nebraska	31,582,786
Nevada	14,695,973
New Hampshire	15,482,962
New Jersey	115,880,093
New Mexico	39,204,714
New York	573,999,663
North Carolina	189,333,723
North Dakota	8,915,675
Ohio	166,006,936
Oklahoma	48,914,626
Oregon	71,160,353
Pennsylvania	227,183,255
Rhode Island	45,001,680
South Carolina	94,789,740
South Dakota	19,951,788
Tennessee	102,845,128
Texas	289,526,532
Utah	30,860,915
Vermont	10,291,090
Virginia	67,232,217
Washington	110,377,264
West Virginia	31,120,804
Wisconsin	93,089,086
Wyoming	12,030,459

"(c) Use of Funds.—

"(1) In general.—Funds appropriated under this section may be used by a State only to provide health care items and services (other than types of items and services for which Federal financial participation is prohibited under this title or title XIX).

"(2) Limitation.—Funds so appropriated may not be used to match other Federal expenditures or in any other manner that results in the expenditure of Federal funds in excess of the amounts provided under this section.

"(d) Payment to States.—Funds made available under this section shall be paid to the States in a form and manner and time specified by the Secretary, based upon the submission of such information as the Secretary may require. There is no requirement for the expenditure of any State funds in order to qualify for receipt of funds under this section. The previous sections of this title shall not apply with respect to funds provided under this section.

"(e) Definition.—For purposes of this section, the term 'State' means the 50 States and the District of Columbia.".

(b) Repeal.—Effective as of January 1, 2003, section 2111 of the Social Security Act, as inserted by subsection (a), is repealed.

TITLE V—ADDITIONAL PROVISIONS

SEC. 501. EMERGENCY DESIGNATION.

Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this Act below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

SA 2738. Mrs. HUTCHISON (for herself and Mr. Gramm) submitted an amendment intended to be proposed by her to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE —ELIMINATION OF MARRIAGE PENALTY IN 15-PERCENT BRACKET.

SEC. 01. ELIMINATION OF MARRIAGE PENALTY IN 15-PERCENT BRACKET.

(a) In General.—Section 1(f) of the Internal Revenue Code of 1986 (relating to adjustments in tax tables so that inflation will not result in tax increases) is amended by adding at the end the following new paragraph:

"(8) Phaseout of marriage penalty in 15-percent bracket.—

"(A) In general.—With respect to taxable years beginning after December 31, 2001, in prescribing the tables under paragraph (1)—

"(i) the maximum taxable income in the 15-percent rate bracket in the table contained in subsection (a) (and the minimum taxable income in the next higher taxable income bracket in such table) shall be 200 percent of the maximum taxable income in the 15-percent rate bracket in the table contained in subsection (c) (after any other adjustment under this subsection), and

"(ii) the comparable taxable income amounts in the table contained in subsection (d) shall be ½ of the amounts determined under clause (i).

"(B) Rounding.—If any amount determined under subparagraph (A)(i) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.".

(b) Technical Amendments.—

(1) Subparagraph (A) of section 1(f)(2) of the Internal Revenue Code of 1986 is amended by inserting "except as provided in paragraph (8)," before "by increasing".

(2) The heading for subsection (f) of section 1 of such Code is amended by inserting "Elimination of Marriage Penalty in 15-Percent Bracket;" before "Adjustments".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. __02. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.

(a) IN GENERAL.—Paragraph (2) of section 63(c) of the Internal Revenue Code of 1986 (relating to standard deduction) is amended—

(1) by striking “$5,000” in subparagraph (A) and inserting “200 percent of the dollar amount in effect under subparagraph (C) for the taxable year”;

(2) by adding “or” at the end of subparagraph (B);

(3) by striking “in the case of” and all that follows in subparagraph (C) and inserting “in any other case.”; and

(4) by striking subparagraph (D).

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (B) of section 1(f)(6) of the Internal Revenue Code of 1986 is amended by striking “(other than with” and all that follows through “shall be applied” and inserting “(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied”.

(2) Paragraph (4) of section 63(c) of such Code is amended by adding at the end the following flush sentence:

“The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. __03. CONFORMING AMENDMENTS.

Sections 301 and 302 of the Economic Growth and Tax Relief Reconciliation Act of 2001 are repealed.

SA 2739. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. . SENSE OF THE SENATE.

It is the sense of the Senate that the legislative enactment of a Federal tax increase while the economy of the United States is in a recessionary environment would be harmful to the economy and may prolong such environment.

SA 2740. Mr. GRAMM (for himself, Mr. MILLER, Mr. KYL, and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . REPEAL OF SUNSET.

(a) IN GENERAL.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 is repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall take effect on and after the date of the enactment of this Act.

SEC. . REDUCTION OF MAXIMUM CAPITAL GAINS RATES FOR INDIVIDUALS.

(a) IN GENERAL.—Section 1(h) of the Internal Revenue Code of 1986 (relating to maximum capital gains rate) is amended to read as follows:

“(h) MAXIMUM CAPITAL GAINS RATE.—

“(1) IN GENERAL.—If a taxpayer has a net capital gain for any taxable year, the tax imposed by this section for such taxable year shall not exceed the sum of—

“(A) a tax computed on taxable income reduced by the net capital gain, at the rates and in the same manner as if this subsection had not been enacted,

“(B) 7.5 percent of so much of the taxpayer's net capital gain (or, if less, taxable income) as does not exceed the excess (if any) of—

“(i) the amount of taxable income which would (without regard to this paragraph) be taxed at a rate of 15 percent or less, over

“(ii) the amount on which tax is determined under subparagraph (A), plus

“(C) 15 percent of the taxpayer's net capital gain (or, if less, taxable income) in excess of the amount of capital gain on which tax is determined under subparagraph (B).

“(2) NET CAPITAL GAIN TAKEN INTO ACCOUNT AS INVESTMENT INCOME.—For purposes of this subsection, the net capital gain for any taxable year shall be reduced (but not below zero) by the amount which the taxpayer elects to take into account as investment income for the taxable year under section 163(d)(4)(B)(iii).”.

(b) MINIMUM TAX.—

(1) IN GENERAL.—Subparagraph (A) of section 55(b)(1) of the Internal Revenue Code of 1986 (relating to amount of tentative tax) is amended by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively, and by inserting after clause (i) the following new clause:

“(ii) MAXIMUM RATE OF TAX ON NET CAPITAL GAIN.—The amount determined under the first sentence of clause (i) shall not exceed the sum of—

“(I) the amount determined under such first sentence computed at the rates and in the same manner as if this clause had not been enacted on the taxable excess reduced by the net capital gain, plus

“(II) a tax of 15 percent of the lesser of the net capital gain or the taxable excess.”

(2) CONFORMING AMENDMENT.—Section 55(b) of such Code is amended by striking paragraph (3).

(c) CONFORMING AMENDMENTS.—

(1) Section 57(a)(7) of the Internal Revenue Code of 1986 is amended by striking the last sentence.

(2) Paragraph (1) of section 1445(e) of such Code is amended by striking 20 percent” and inserting 15 percent”.

(3)(A) The second sentence of section 7518(g)(6)(A) of such Code is amended by striking 20 percent” and inserting 15 percent”.

(B) The second sentence of section 607(h)(6)(A) of the Merchant Marine Act, 1936 is amended by striking 20 percent” and inserting 15 percent”.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after December 31, 2001.

(2) WITHHOLDING.—The amendment made by subsection (c)(2) shall apply to amounts paid after the date of the enactment of this Act.

SA 2741. Mr. GRAMM (for himself, Mr. MILLER, and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . REPEAL OF SUNSET.

(a) IN GENERAL.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 is repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall take effect on and after the date of the enactment of this Act.

SA 2742. Mr. GRAMM (for himself, Mr. MILLER, and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . REPEAL OF SUNSET ON REDUCTION IN INCOME TAX RATES FOR INDIVIDUALS.

(a) IN GENERAL. Section 901(a) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking “this Act” and inserting “this Act (other than section 101)”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on and after the date of the enactment of this Act.

SA 2743. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . PERMANENT REDUCTION OF CERTAIN MARGINAL RATES.

Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107–16) is repealed in full and replaced by the following:

“SEC. 901. SUNSET OF PROVISIONS OF ACT.

“(a) the provisions of the table in Section 1(i)(2) of the Internal Revenue Code of 1986 (as enacted in this Act) making changes to the 39.6% tax rate shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.

“(b) All other provisions of, and amendments made by, this Act (except the provisions of Section 101 of this Act), shall not apply—

“(1) to taxable, plan, or limitation years beginning after December 31, 2010, or

“(2) in the case of Title V, to estates of decedents dying, gifts made, or generation skipping transfers, after December 31, 2010.

“(c) APPLICATION OF CERTAIN LAWS.—The Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 shall be applied and administered to years, estates, gifts, and transfers described in subsections (a) and (b) as if the provisions and amendments described in those subsections had never been enacted.

SA 2744. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. . PERMANENT REDUCTION OF CERTAIN MARGINAL RATES.

Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107–16) is repealed in full and replaced by the following:

"SEC. 901. SUNSET OF PROVISIONS OF ACT.

"(a) the provisions of the table in Section 1(i)(2) of the Internal Revenue Code of 1986 (as enacted in this Act) making changes to the 39.6% and 36% tax rates shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.

"(b) All other provisions of, and amendments made by, this Act (except the provisions of Section 101 of this Act), shall not apply—

"(1) to taxable, plan, or limitation years beginning after December 31, 2010, or

"(2) in the case of Title V, to estates of decedents dying, gifts made, or generation skipping transfers, after December 31, 2010.

"(c) Application of Certain Laws.—The Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 shall be applied and administered to years, estates, gifts, and transfers described in subsections (a) and (b) as if the provisions and amendments described in those subsections had never been enacted.

SA 2745. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . PERMANENT REDUCTION OF CERTAIN MARGINAL RATES.

Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107–16) is repealed in full and replaced by the following:

"SEC. 901. SUNSET OF PROVISIONS OF ACT.

"(a) the provisions of the table in Section 1(i)(2) of the Internal Revenue Code of 1986 (as enacted in this Act) making changes to the 39.6%, 36%, and 31% tax rates shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.

"(b) All other provisions of, and amendments made by, this Act (except the provisions of Section 101 of this Act), shall not apply—

"(1) to taxable, plan, or limitation years beginning after December 31, 2010, or

"(2) in the case of Title V, to estates of decedents dying, gifts made, or generation skipping transfers, after December 31, 2010.

"(c) Application of Certain Laws.—The Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 shall be applied and administered to years, estates, gifts, and transfers described in subsections (a) and (b) as if the provisions and amendments described in those subsections had never been enacted.

SA 2746. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . PRESERVATION OF THE 10% BRACKET.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking "this Act shall not apply" in subsection (a) and inserting "this Act (other than the provisions enacting Section 1(i)(1) of the Internal Revenue Code of 1986) shall not apply."

SA 2747. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . ACCELERATED REDUCTION OF ALL MARGINAL TAX RATES.

(a) In General.—The table contained in paragraph (2) of section 1(i) (relating to reductions in rates after June 30, 2001) is amended—

(1) by striking the items relating to 2002, 2003, 2004, and 2005; and

(2) by striking "2006 and thereafter" in the last item and inserting "2002 and thereafter".

(b) Reduction Not To Increase Minimum Tax.—

(1) Subparagraph (A) of section 55(d)(1) is amended by striking "($49,000 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($49,000 in the case of taxable years beginning in 2001, $56,000 in the case of taxable years beginning in 2002 or 2003, $51,800 in the case of taxable years beginning in 2004, and $50,600 in the case of taxable years beginning in 2005)".

(2) Subparagraph (B) of section 55(d)(1) is amended by striking "($35,750 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($35,750 in the case of taxable years beginning in 2001, $39,250 in the case of taxable years beginning in 2002 or 2003, $37,150 in the case of taxable years beginning in 2004, and $36,550 in the case of taxable years beginning in 2005)".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(d) Section 15 Not To Apply.—No amendment made by this section shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

SA 2748. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . ACCELERATION OF 25 PERCENT INDIVIDUAL INCOME TAX RATE.

(a) In General.—The table contained in paragraph (2) of section 1(i) (relating to reductions in rates after June 30, 2001) is amended—

(1) by striking "27.0%" and inserting "25.0%", and

(2) by striking "26.0%" and inserting "25.0%".

(b) Reduction Not To Increase Minimum Tax.—

(1) Subparagraph (A) of section 55(d)(1) is amended by striking "($49,000 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($49,000 in the case of taxable years beginning in 2001, $52,200 in the case of taxable years beginning in 2002 or 2003, $50,700 in the case of taxable years beginning in 2004, and $50,100 in the case of taxable years beginning in 2005)".

(2) Subparagraph (B) of section 55(d)(1) is amended by striking "($35,750 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($35,750 in the case of taxable years beginning in 2001, $37,350 in the case of taxable years beginning in 2002 or 2003, $36,600 in the case of taxable years beginning in 2004, and $36,300 in the case of taxable years beginning in 2005)".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(d) Section 15 Not To Apply.—No amendment made by this section shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

SA 2749. Mr. GRAMM (for himself, Mr. MILLER, Mr. KYL, and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . REPEAL OF SUNSET.

(a) In General.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 is repealed.

(b) Effective Date.—The repeal made by subsection (a) shall take effect on and after the date of the enactment of this Act.

SEC. . REDUCTION OF MAXIMUM CAPITAL GAINS RATES FOR INDIVIDUALS.

(a) In General.—Section 1(h) of the Internal Revenue Code of 1986 (relating to maximum capital gains rate) is amended to read as follows:

"(h) Maximum Capital Gains Rate.—

"(1) In general.—If a taxpayer has a net capital gain for any taxable year, the tax imposed by this section for such taxable year shall not exceed the sum of—

"(A) a tax computed on taxable income reduced by the net capital gain, at the rates and in the same manner as if this subsection had not been enacted,

"(B) 7.5 percent of so much of the taxpayer's net capital gain (or, if less, taxable income) as does not exceed the excess (if any) of—

"(i) the amount of taxable income which would (without regard to this paragraph be taxed at a rate of 15 percent or less, over

"(ii) the amount on which tax is determined under subparagraph (A), plus

"(C) 15 percent of the taxpayer's net capital gain (or, if less, taxable income) in excess of the amount of capital gain on which tax is determined under subparagraph (B).

"(2) Net capital gain taken into account as investment income.—For purposes of this subsection, the net capital gain for any taxable year shall be reduced (but not below zero) by the amount which the taxpayer elects to take into account as investment income for the taxable year under section 163(d)(4)(B)(iii).".

(b) Minimum Tax.—

(1) In general.—Subparagraph (A) of section 55(b)(1) of the Internal Revenue Code of

1986 (relating to amount of tentative tax) is amended by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively, and by inserting after clause (i) the following new clause:

"(ii) MAXIMUM RATE OF TAX ON NET CAPITAL GAIN.—The amount determined under the first sentence of clause (i) shall not exceed the sum of—

"(I) the amount determined under such first sentence computed at the rates and in the same manner as if this clause had not been enacted on the taxable excess reduced by the net capital gain, plus

"(II) a tax of 15 percent of the lesser of the net capital gain or the taxable excess."

(2) CONFORMING AMENDMENT.—Section 55(b) of such Code is amended by striking paragraph (3).

(c) CONFORMING AMENDMENTS.—

(1) Section 57(a)(7) of the Internal Revenue Code of 1986 is amended by striking the last sentence.

(2) Paragraph (1) of section 1445(e) of such Code is amended by striking "20 percent" and inserting "15 percent".

(3) (A) The second sentence of section 7518(g)(6)(A) of such Code is amended by striking "20 percent" and inserting "15 percent".

(B) The second sentence of section 607(h)(6)(A) of the Merchant Marine Act, 1936 is amended by striking "20 percent" and inserting "15 percent".

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after December 31, 2001.

(2) WITHHOLDING.—The amendment made by subsection (c)(2) shall apply to amounts paid after the date of the enactment of this Act.

SA 2750. Mr. GRAMM (for himself, Mr. MILLER, and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . REPEAL OF SUNSET.

(A) IN GENERAL.—Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 is repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall take effect on and after the date of the enactment of this Act.

SA 2751. Mr. GRAMM (for himself, Mr. MILLER, and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . REPEAL OF SUNSET ON REDUCTION IN COME TAX RATES FOR INDIVIDUALS.

(a) IN GENERAL.—Section 901(a) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking "this Act" and inserting "this Act (other than section 101)".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effective on and after the date of the enactment of this Act.

SA 2752. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . PERMANENT REDUCTION OF CERTAIN MARGINAL RATES.

Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107-16) is repealed in full and replaced by the following:

"SEC. 901. SUNSET OF PROVISIONS OF ACT.

"(a) the provisions of the table in Section 1(i)(2) of the Internal Revenue Code of 1986 (as enacted in this Act) making changes to the 39.6% tax rate shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.

"(b) All other provisions of, and amendments made by, this Act (except the provisions of Section 101 of this Act), shall not apply—

"(1) to taxable, plan, or limitation years beginning after December 31, 2010, or

"(2) in the case of Title V, to estates of decedents dying, gifts made, or generation skipping transfers, after December 31, 2010.

"(c) APPLICATION OF CERTAIN LAWS.—The Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 shall be applied and administered to years, estates, gifts, and transfers described in subsections (a) and (b) as if the provisions and amendments described in those subsections had never been enacted.

SA 2753. Mr. GRAMM (for himself, and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes, which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . PERMANENT REDUCTION OF CERTAIN MARGINAL RATES.

Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107-16) is repealed in full and replaced by the following:

"SEC. 901. SUNSET OF PROVISIONS OF ACT.

"(a) the provisions of the table in Section 1(i)(2) of the Internal Revenue Code of 1986 (as enacted in this Act) making changes to the 39.6% and 36% tax rates shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.

"(b) All other provisions of, and amendments made by, this Act (except the provisions of Section 101 of this Act), shall not apply—

"(1) to taxable, plan, or limitation years beginning after December 31, 2010, or

"(2) in the case of Title V, to estates of decedents dying, gifts made, or generation skipping transfers, after December 31, 2010.

"(c) APPLICATION OF CERTAIN LAWS.—The Internal Revenue Code of 1986 and the Employment Retirement Income Security Act of 1974 shall be applied and administered to years, estates, gifts, and transfers described in subsections (a) and (b) as if the provisions and amendments described in those subsections had never been enacted.

SA 2754. Mr. GRAMM (for himself, and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes, which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . PERMANENT REDUCTION OF CERTAIN MARGINAL RATES.

Title IX of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107-16) is repealed in full and replaced by the following:

"SEC. 901. SUNSET OF PROVISIONS OF ACT.

"(a) the provisions of the table in Section 1(i)(2) of the Internal Revenue Code of 1986 (as enacted in this Act) making changes to the 39.6% and 36% tax rates shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.

"(b) All other provisions of, and amendments made by, this Act (except the provisions of Section 101 of this Act), shall not apply—

"(1) to taxable, plan, or limitation years beginning after December 31, 2010, or

"(2) in the case of Title V, to estates of decedents dying, gifts made, or generation skipping transfers, after December 31, 2010.

"(c) APPLICATION OF CERTAIN LAWS.—The Internal Revenue Code of 1986 and the Employment Retirement Income Security Act of 1974 shall be applied and administered to years, estates, gifts, and transfers described in subsections (a) and (b) as if the provisions and amendments described in those subsections had never been enacted.

SA 2755. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, appropriate place insert the following:

SEC. . PRESERVATION OF THE 10% BRACKET.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking "this Act shall not apply" in subsection (a) and inserting "this Act (other than the provisions enacting Section 1(i)(1) of the Internal Revenue Code of 1986) shall not apply".

SA 2756. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . ACCELERATED REDUCTION OF ALL MARGINAL TAX RATES.

(a) IN GENERAL.—The table contained in paragraph (2) of section 1(i) (relating to reductions in rates after June 30, 2001) is amended—

(1) by striking the items relating to 2002, 2003, 2004, and 2005; and

(2) by striking "2006 and thereafter" in the last item and inserting "2002 and thereafter".

(b) REDUCTION NOT TO INCREASE MINIMUM TAX.—

(1) Subparagraph (A) of section 55(d)(1) is amended by striking "($49,000 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($49,000 in the case of taxable years beginning in 2001, $56,000 in the case of taxable years beginning in 2002 and 2003, $51,800 in the case of taxable years beginning in 2004, and $50,600 in the case of taxable years beginning in 2005)".

(2) Subparagraph (B) of section 55(d)(1) is amended by striking "($35,750 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($35,750 in the case of taxable years beginning in 2001, $39,250 in the case of taxable years beginning in 2002 or 2003, $37,150 in the case of taxable years beginning in 2004, and $36,550 in the case of taxable years beginning in 2005)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(d) SECTION 15 NOT TO APPLY.—No amendment made by this section shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

SA 2757. Mr. GRAMM (for himself and Mrs. HUTCHISON) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC. . ACCELERATION OF 25 PERCENT INDIVIDUAL INCOME TAX RATE.

(a) IN GENERAL.—The table contained in paragraph (2) of section 1(i) (relating to reductions in rates after June 30, 2001) is amended—

(1) by striking "27.0%" and inserting "25.0%", and

(2) by striking "26.0% and inserting "25.0%.

(b) REDUCTION NOT TO INCREASE MINIMUM TAX—.

(1) Subparagraph (A) of section 55(d)(1) is amended by striking "($49,000 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($49,000 in the case of taxable years beginning in 2001, $52,200 in the case of taxable years beginning in 2002 or 2003, $50,700 in the case of taxable years beginning in 2004, and $50,100 in the case of taxable years beginning in 2005)".

(2) Subparagraph (B) of section 55(d)(1) is amended by striking "($35,750 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting ($35,750 in the case of taxable years beginning in 2001, $37,350 in the case of taxable years beginning in 2002 or 2003, $36,600 in the case of taxable years beginning in 2004, and $36,300 in the case of taxable years beginning in 2005)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(d) SECTION 15 NOT TO APPLY.—NO AMENDMENT MADE BY THIS SECTION SHALL BE TREATED AS A CHANGE IN RATE OF TAX FOR PURPOSES OF SECTION 15 OF THE INTERNAL REVENUE CODE OF 1986.

SA 2758. Mr. KYL (for himself, Mr. GRAMM, Mr. ENSIGN, Mr. NICKLES, and Mr. HUTCHINSON) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end, add the following:

SEC. . PERMANENT REPEAL OF ESTATE TAXES.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended—

(1) by striking "this Act" and all that follows through "2010." in subsection (a) and inserting "this Act (other than title V) shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.", and

(2) by striking ", estates, gifts, and transfers" in subsection (b).

SA 2759. Mrs. HUTCHISON (for Herself and Mr. GRASSLEY) submitted an amendment intended to be proposed by her to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. . 2-YEAR EXTENSION OF CREDIT FOR PRODUCING ELECTRICITY FROM WIND.

Section 45(c)(3)(A) of the Internal Revenue Code of 1986 (relating to wind facility) is amended by striking "January 1, 2002" and inserting "January 1, 2004".

SA 2760. Ms. COLLINS (for herself Mr. WARNER, and Ms. LANDRIEU) submitted an amendment intended to be proposed by her to the bill H.R. 622 to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . ADJUSTED GROSS INCOME DETERMINED BY TAKING INTO ACCOUNT CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Section 62(a)(2) (relating to certain trade and business deductions of employees) is amended by adding at the end the following:

"(D) CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.—The deductions allowed by section 162 which consist of expenses, not in excess of $1,000, paid or incurred by an eligible educator—

"(i) by reason of the participation of the educator in professional development courses related to the curriculum and academic subjects in which the educator provides instruction or to the students for which the educator provides instruction, and

"(ii) in connection with books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by the eligible educator in the classroom.".

(b) ELIGIBLE EDUCATOR.—Section 62 is amended by adding at the end the following:

"(d) DEFINITION; SPECIAL RULES.—

"(1) ELIGIBLE EDUCATOR.—

"(A) IN GENERAL.—For purposes of subsection (a)(2)(D), the term 'eligible educator' means, with respect to any taxable year, an individual who is a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide in a school for at least 900 hours during a school year.

"(B) SCHOOL.—The term 'school' means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.

"(2) COORDINATION WITH EXCLUSIONS.—A deduction shall be allowed under subsection (a)(2)(D) for expenses only to the extent the amount of such expenses exceeds the amount excludable under section 135, 529(c)(1), or 530(d)(2) for the taxable year.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning in calendar years 2002 and 2003.

SA 2761. Ms. COLLINS (for herself, Mr. WARNER, and Ms. LANDRIEU) submitted an amendment intended to be proposed by her to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . ADJUSTED GROSS INCOME DETERMINED BY TAKING INTO ACCOUNT CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) IN GENERAL.—Section 62(a)(2) (relating to certain trade and business deductions of employees) is amended by adding at the end the following:

"(D) CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.—In the case of taxable years beginning during 2002 or 2003, the deductions allowed by section 162 which consist of expenses, not in excess of $250, paid or incurred by an eligible educator in connection with books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by the eligible educator in the classroom.".

(b) ELIGIBLE EDUCATOR.—Section 62 is amended by adding at the end the following:

"(d) DEFINITION; SPECIAL RULES.—

"(1) ELIGIBLE EDUCATOR.—

"(A) IN GENERAL.—For purposes of subsection (a)(2)(D), the term 'eligible educator' means, with respect to any taxable year, an individual who is a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide in a school for at least 900 hours during a school year.

"(B) SCHOOL.—The term 'school' means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.

"(2) COORDINATION WITH EXCLUSIONS.—A deduction shall be allowed under subsection (a)(2)(D) for expenses only to the extent the amount of such expenses exceeds the amount excludable under section 135, 529(c)(1), or 530(d)(2) for the taxable year.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

NOTICES OF HEARINGS/MEETINGS

SUBCOMMITTEE ON NATIONAL PARKS

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on National Parks of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, February 14, 2002, beginning at 2:30 p.m. in room 366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the following bills:

S. 202 and H.R. 2440, to rename Wolf Trap Farm Park as Wolf Trap National Park for the Performing Arts;

S. 1051 and H.R. 1456, to expand the boundary of the Booker T. Washington National Monument, and for other purposes;

S. 1061 and H.R. 2238, to authorize the Secretary of the Interior to acquire Fern Lake and the surrounding watershed in the States of Kentucky and Tennessee for addition to Cumberland Gap National Historical Park, and for other purposes;

S. 1649, to amend the Omnibus Parks and Public Lands Management Act of 1996 to increase the authorization of appropriations for the Vancouver National Historic Reserve and for the preservation of Vancouver Barracks; and

H.R. 2234, to revise the boundary of the Tumacacori National Historical Park in the State of Arizona.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on National Parks, Committee on Energy and Natural Resources, United States Senate, 312 Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact David Brooks of the committee staff at (202) 224-9863.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, January 29, 2002, at 10 a.m. to conduct an oversight hearing on the Financial War on Terrorism and the Administration's Implementation of the Anti-Money Laundering Provisions of the USA Patriot Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, January 29 at 9:30 a.m. The Committee will conduct a hearing to receive testimony on the impact of the Enron collapse on energy markets.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works, Subcommittee on Clean Air, Wetlands, and Climate Change be authorized to meet on Tuesday, January 29, 2002 at 9:30 a.m. to conduct a hearing to hear testimony on compliance options for electric power generators to meet new limits on carbon and mercury emissions contained in S. 556. The hearing will be held in SD-406.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. GRASSLEY. Mr. President, on behalf of Senator MCCAIN, I ask unanimous consent that his legislative fellow, Navy Lieutenant Commander Paul Gronemeyer, be granted the privilege of the floor during consideration of the Adoption Tax Credit Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. I ask unanimous consent that Dana Casterlin, Julius Shapiro, Charles Donefer, and Jonathan Seibald, interns with the Senate Finance Committee, be granted the privilege of the floor during the Senate's consideration of H.R. 622.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLARD. Mr. President, I ask unanimous consent a fellow from my office, Carol Welsch, be granted the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. REID. Mr. President if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in recess under the previous order.

Thereupon, the Senate, at 5:55 p.m., recessed until 8:31 p.m., and reassembled when called to order by the Presiding Officer (Mr. REED).

The PRESIDING OFFICER. The Senator from Michigan.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. LEVIN. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider Calendar No. 540; that the nomination be confirmed; the motion to reconsider be laid on the table; the President be immediately notified of the Senate's action; any statements thereon be printed in the RECORD; and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination was considered and confirmed as follows:

DEPARTMENT OF THE INTERIOR

Steven A. Williams, of Kansas, to be Director of the United States Fish and Wildlife Service.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will return to legislative session.

JOINT SESSION OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF THE UNITED STATES (H. DOC. NO 107-157)

The PRESIDING OFFICER. The Senate will proceed to the Hall of the House of Representatives to hear the address by the President of the United States.

Thereupon, the Senate, preceded by the Assistant Sergeant at Arms, Ann Harkins, the Secretary of the Senate, Jeri Thomson, and the Vice President of the United States, RICHARD B. CHENEY, proceeded to the Hall of the House of Representatives to hear the address by the President of the United States, George W. Bush.

(The address delivered by the President of the United States to the joint session of the two Houses of Congress is printed in the proceedings of the House of Representatives in today's RECORD.)

ADJOURNMENT UNTIL MONDAY, FEBRUARY 4, 2002, AT 1 P.M.

At the conclusion of the joint session of the two Houses, and in accordance with the provisions of H. Con. Res. 95, at 10:07 p.m., the Senate adjourned until Monday, February 4, 2002, at 1 p.m.

NOMINATIONS

Executive nominations received by the Senate January 29, 2002:

DEPARTMENT OF JUSTICE

JOHN SCHICKEL, OF KENTUCKY, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF KENTUCKY

FOR THE TERM OF FOUR YEARS, VICE JOE RUSSELL MULLINS, RESIGNED.

WILLIAM R. WHITTINGTON, OF LOUISIANA, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF LOUISIANA FOR THE TERM OF FOUR YEARS, VICE JAMES ROBERT OAKES, TERM EXPIRED.

STEPHEN GILBERT FITZGERALD, OF WISCONSIN, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF WISCONSIN FOR A TERM OF FOUR YEARS, VICE DALLAS S. NEVILLE, TERM EXPIRED.

J.C. RAFFETY, OF WEST VIRGINIA, TO BE UNITED STATES MARSHAL FOR THE NORTHERN DISTRICT OF WEST VIRGINIA FOR A TERM OF FOUR YEARS, VICE LEONARD TRUPO, TERM EXPIRED.

JAMES ANTHONY ROSE, OF WYOMING, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF WYOMING FOR THE TERM OF FOUR YEARS, VICE JUAN ABRAN DEHERRERA, TERM EXPIRED.

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) DURET S. SMITH, 6254
REAR ADM. (LH) JERRY D. WEST, 5130

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) ROBERT R. PERCY III, 4869

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

SANDRA G. MATHEWS, 2954
MARGARET M. NONNEMACHER, 3315

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

REBECCA A. DOBBS, 8174
MAX S. KUSH, 0033

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

ERNEST H. BARNETT, 1902
RICHARD C. BEAN, 3161
GLENN H. BROWN, 4588
MICHAEL J. CIANCI, 9225
TIMOTHY I. FINAN, 4630
MICHAEL E. IMMLER, 3635
DEXTER A. LEE, 8711
SANDRA K. MEADOWS, 9980
MARK L. POPE, 4538
MARC P. RESNICK, 2975
RONALD W. SCHMIDT, 8268

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

SANDRA H. ALFORD, 4984
DWIGHT F. BUSHUE, 6650
MARILYN M. CHAMBERS, 0578
ROSEMARY J. DURNING, 4171
DOROTHY A. GOULD, 9163
MICHELLE M. HENDRICKS, 1376
BARBARA L. JACOB, 3639
VALERIE S. KNOBLOCH, 6929
CAROL A. LEDBETTER, 4430
CANDACE J. LEE, 1122
DONNA J. MEYERS, 8015
PATRICIA K. MURRAY, 9134
JOSEPH W. OROURKE, 9585
PAULA JAN PEYRE SHERMAN, 7806
CELESTE B. SUMINSBY, 7574
FRANCIS C. ZUCCONI, 6641

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

RAUL A. AGUILAR, 7119
CARLOS W. M. BEDROSSIAN, 2517
JAMES A. BOURGEOIS, 1473
MICHAEL H. COLEMAN, 1037
MATTHEW T. DODDS, 1729
GLENN S. EKBLAD, 9666
ALBERT D. JOHNSON, 5332
BRIAN K. KLINK, 1856
RONALD S. MILLER, 7013
DONALD OSBORNE, 8901
MARIA A. PONS, 0201
GARY M. WALKER, 9049
PHILIP H. WATKINS, 2416
GILBERT L. WERGOWSKE, 1055

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

LARRY W. ALEXANDER, 6668
FRANK E. ANDERSON, 5346
KASSE A. ANDREWSWELLER, 9777
STEPHEN J. ANTHONY, 1613
DONALD A. BAHR, 1973
DAVID J. BEAVIN, 3644
WILLIAM B. BINGER, 8749
ALAN K. BOOKER, 0556
RENE L. BOWARD, 8052
WILLIAM P. BRANDT, 0248
EDWARD C. BRASHER JR., 5076
MARK D. BRINSON, 0098
THOMAS C. BROWN III, 5231
JOHN T. BROWNE, 3206
ROBERT W. BROWNING, 8042
HERMAN C. BRUNKE JR., 1185
LARRY D. BUELOW, 6045
JON S. BURGESS, 3891
MATTHEW B. CAFFREY JR., 5572
NIDIA S. CARRERO, 4006
HORLIN CARTER SR., 8723
MARCUS A. CAUDILL, 2173
STEVEN R. CHARLES, 6562
CATHERINE A. CHILTON, 6891
ARTHUR CHIN, 1748
WILLIAM E. COBURN, 4689
LOUIS J. COCO JR., 9714
MARY L. COLAIANNI, 3770
RICHARD P. CONNIFF JR., 1046
PATRICK A. CORD, 2364
GARY L. CRONE, 9280
ERNEST A. DALPIAS, 8958
MICHAEL C. DAWSON, 0122
THOMAS N. DIETZ, 4766
FRANK DIPIERO, 0894
JOHN W. DOUGLAS, 7787
PHILIP B. EDELEN, 7547
WILLIAM A. EHRENSTROM, 9819
JOHN K. ELLSWORTH, 8421
BARRY FAGAN, 4044
WILLIAM N. FLANIGAN, 3049
CHARLES W. FOX, 4070
ROBERT W. FRENIERE, 4562
RICHARD W. GAULT, 2165
JEFFERY R. GLASS, 8149
TERRY B. GLYMPH, 1794
CHRISTOPHER J. GOLOB, 1144
GUY B. GORDON, 9457
GEORGE A. GORHAM, 9078
SHARON L. GRADY, 0514
RUPERT W. GRAHN, 7346
EUGENE W. GREEN JR., 5836
JOSEPH A. GREGOR, 5657
ROBERT M. HAIRE, 3609
JOHN P. HALL JR., 3003
STAYCE DIAMOND HARRIS, 3892
MICHAEL P. HAYES, 1794
JANE A. HESS, 9020
STEVEN A. HEUER, 4607
THOMAS F. HULSEY, 3601
KARL J. HURDLE, 3776
FREDERICK E. JACKSON, 1200
TILLUS B. JENKINS, 0086
ROBERT T. JUBIN, 5774
BRIAN W. KOWAL, 2578
KEITH D. KRIES, 2201
RONALD L. KRNAVEK, 4478
DOUGLAS J. KUPLIC, 4953
BANCROFT TRACY L. LASSETER, 9984
MICHAEL E. LEBIEDZ, 9446
DOUGLAS D. LEHMAN, 2702
STEVEN L. LESNIEWSKI, 1549
DELBERT D. LEWIS JR., 3723
MARY G. LOCKHART, 1078
ROBERT W. LOTT, 5088
KYLE G. MACDONALD, 9946
CHARLES L. MACRI, 5755
GEORGE M. MADELEN, 7555
NORRIS KATHLEEN A. MAHONEY, 2628
WILLIAM K. MANEY, 0994
STEVEN M. MAURER, 1286
HAROLD L. MAXWELL, 3308
JAMES M. MAXWELL, 4750
SEAMUS P. MCCAFFERY JR., 7646
JOSEPH E. MCCORMICK JR., 0567
NEAL L. MCFEETERS, 7552
JAMES L. MCGINLEY, 8662
THOMAS L. MCGOVERN III, 8078
KENNETH W. MELLOTT, 1466
EDWARD M. MORRIS JR., 1223
JANICE M. MORROW, 5814
JAMES J. MUSCATELL JR., 3045
EUGENE D. MYERS, 2297
ANTHONY NARDONE, 3328
SCOTT E. NIELSON, 7732
HEATH J. NUCKOLLS, 1772
MICHAEL W. OCHS, 8105
DENNIS P. ODONOGHUE, 4292
DAVID C. PETERSON, 6579
BENJAMIN W. PHILLIPS JR., 9751
DONALD W. PITTS, 4475
GERALD H. POUNDS, 2014
DONALD C. RALPH, 5242
WILLIAM A. RANDALL, 9930
SCOTT A. REYNOLDS, 9013
ROBERT C. RICHARDSON IV, 5562
JAMES D. ROBINSON, 5231
ROBERT B. ROSSOW, 5202
ROBERT A. ROWE, 1786
PATRICK M. SAATZER, 5574
GAIL S. SCHIKORA, 1917
RANDALL L. SCHULTZRATHBUN, 3629
DIANA J. SCHULZ, 5682
JUDITH E. SCOTTPETERSON, 2265
JON R. SHASTEEN, 5384
PATRICK J. SHAY, 8560
RICHARD L. SHELTON JR., 5880
LORAINE C. SIMARD, 8090
WILLIAM A. SINGLETON, 0270
DONALD W. SLOAN, 4487
JAMES D. SMITH, 6959
CHARLES M. SOLOMON, 6075
BRIAN R. SPENCER, 2564
KENNETH W. STEERE JR., 6778
RICHARD G. STEPHENS, 7790
PAMELA L. STEWART, 5414
KEVIN D. STUBBS, 1729
ROGER D. SUMMERLIN, 6167
MICHAEL E. SWANEY, 0511
TIMOTHY E. TARCHICK, 0705
PETER D. TRAPP, 1078
LEE G. TUCKER, 7424
JOSEPH A. VIANI, 0643
GERALD E. VOWELL, 9511
HARRY C. WEIRATH, 2106
WILLIAM O. WELCH, 8146
GLENN R. WHICKER, 9617
JON I. WILSON, 1099
DERRICK D. H. WONG, 0533
DOUGLAS J. WREATH, 5401
PETER S. YOGIS, 7093
WINIFRED H. YOUNGBLOOD, 6284
CLAUDIA R. ZIEBIS, 1349

CONFIRMATION

Executive Nomination Confirmed by the Senate January 29, 2002:

DEPARTMENT OF THE INTERIOR

STEVEN A. WILLIAMS, OF KANSAS, TO BE DIRECTOR OF THE UNITED STATES FISH AND WILDLIFE SERVICE.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

TRIBUTE TO TOM RYDER

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. SHIMKUS. Mr. Speaker, I rise to pay tribute to Tom Ryder, and all the great work he did as a member of the Illinois House of Representatives over the last 18 years.

Mr. Ryder was born in 1949, graduated Magna Cum Laude from Northern Illinois University, and received a Juris Doctor degree from Washington and Lee University. Then, in 1983, he was elected to the Illinois General Assembly as the Representative for the 97th District.

There he served with honor and distinction until his recent retirement on November 13, 2001. He was the Deputy Republican Leader of the House and Co-Chairman of the Joint Committee on Administrative Rules. In addition to his leadership responsibilities, he sponsored and cosponsored many important pieces of legislation, such as medical malpractice reform and the deterrence of welfare fraud and abuse.

But his good works were not limited to the House floor—he was also a civic and community leader. Mr. Ryder was an active member of the Peace United Church of Christ, Chairman of the Jerseyville All-Weather Track Committee, founder of the Jersey Community High School Theatre Friends, former chairman of the United Way, and former co-chairman of the Jersey County Cancer Crusade Bike-A-Thon. He is truly a kind and industrious person.

Mr. Speaker, we need more men like Tom Ryder. Not only has he admirably served both his country and his community for almost two decades in the Illinois General Assembly, but he also plans to continue his service after he retires, as Vice President of External Affairs with the Illinois Community College Board. For all of these things, he deserves the gratitude and well wishes of these chambers. May God bless him and grant him fortune in all his future endeavors.

ORZELL BILLINGSLEY, CIVIL RIGHTS HERO

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. HILLIARD. Mr. Speaker, I rise to honor a great hero of the civil rights struggle in Alabama, Orzell Billingsley.

Mr. Billingsley was one of the lead lawyers for Dr. Martin Luther King, Jr. during the Montgomery Bus Boycott in 1955, the struggle which is known as the first act of the modern civil rights movement. This historic movement created the freedom in America which blacks now enjoy.

One of the first ten blacks admitted to the Alabama bar, he then began a series of legal representation during civil rights cases, and was instrumental in taking the movement into the courts.

When Alabama created its "Freedom Democrats," named the National Democratic Party of Alabama (NDPA), Mr. Billingsley was General Counsel for the Party, and was a delegate for the NDPA at the 1968 Democratic National Convention in 1968.

Deeply concerned with real democracy, Mr. Billingsley was instrumental in the creation of over 20 small towns incorporated in Alabama. That these black majority towns were incorporated during the difficult days of the civil rights era shows how important his contribution to freedom and democracy was.

One of his most important cases was that of Caliph Washington, who was in a scuffle in 1957 with a policeman when the policeman's gun accidentally fired. While the officer's wife collected insurance money following what was ruled an accidental death, Mr. Washington was nevertheless charged with capital murder by an all white jury.

Mr. Billingsley fought the conviction through four trials over the next 15 years, finally winning an acquittal for Mr. Washington and ending the era of all white juries in Jefferson County, Alabama.

Through all these years of heroic work, Mr. Billingsley often was unpaid for his services as an attorney, because his clients were impoverished. He simply went on with his life saving work, putting people and freedom before money.

Mr. Billingsley was nationally prominent, and was the recipient of calls from Presidents John Kennedy and Lyndon Johnson during the civil rights crisis in Alabama.

Mr. Billingsley passed away on December 14, 2001. His work for freedom and justice will live on forever.

GIRL SCOUTS GOLD MEDAL RECIPIENT: LAURA MANZI

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. ISRAEL. Mr. Speaker, it is with great pride that I rise today to recognize one of New York's outstanding young students: Laura Manzi. In February, the young women of her troop will honor her by bestowing upon her the Girl Scouts Gold Medal.

Since the beginning of this century, the Girls Scouts of America have provided thousands of youngsters each year the opportunity to make friends, explore new ideas, and develop leadership skills while learning self-reliance and teamwork.

These awards are presented only to those who possess the qualities that make our nation great: commitment to excellence, hard work, and genuine love of community service. The Gold Awards represent the highest awards attainable by junior and high school Girl Scouts.

I ask my colleagues to join me in congratulating the recipient of this award, as her activities are indeed worthy of praise. Their leadership benefits our community and they serve as role models for their peers.

Also, we must not forget the unsung heroes, who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, scout leaders, and countless others who have given generously of their time and energy in support of scouting.

It is with great pride that I recognize the achievements of Laura, and bring the attention of Congress to this successful young woman on her day of recognition.

HONORING ROBERT C. SHINN, JR.

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. SAXTON. Mr. Speaker, I rise today to pay tribute to my good friend, Robert C. Shinn, Jr., who served as the 11th Commissioner of the New Jersey Department of Environmental Protection (DEP) longer than any other commissioner in the DEP's 31-year history. .

Bob Shinn also served as an elected official at the local, county and state levels for 26 years, where much of his effort was devoted to open space, Pinelands and farmland preservation, water supply and solid waste management issues.

Among his legislative accomplishments was authorship of New Jersey's Water Supply Critical Area Law, which gives the state the necessary authority to effectively manage threatened surface and ground water resources. He guided the passage of several key laws, including our state's Mandatory Recycling Act and the revision of the A–901 solid waste hauler screening program, and also authored the law regulating the handling and disposal of medical waste in New Jersey.

On the local level, Bob served as Township Committeeman and Mayor of Hainesport from 1968 to 1977. He served as Burlington County Freeholder from 1977 to 1985, and as Freeholder Director for two years. He was responsible for the formation of the Burlington County Pinelands Conservation Easement Advisory Committee, and was instrumental in securing the first conservation easement in the Pinelands. To that end, he was elected vice-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

chairman of the New Jersey Pinelands Commission from 1979 to 1985.

Mr. Shinn was instrumental in developing Burlington County's Solid Waste Management Plan and its Environmental Complex, which serves as the county's multi-functional resource recovery facility as well as an environmental research and demonstration facility.

Bob Shinn has been a shining star in the annals of New Jersey's history, locally, on the county level, and state-wide through his work with the DEP. His commitment and dedication to our state and its people will be sorely missed.

PERSONAL EXPLANATION

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. OXLEY. Mr. Speaker, I was absent from the House floor during Thursday's rollcall vote on S. 1762, amending the Higher Education Act with respect to student loan interest rates. Had I been present, I would have voted in favor of this measure.

HONORING DR. DOUG LIGON, FINALIST FOR "COUNTRY DOCTOR OF THE YEAR."

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. TANNER. Mr. Speaker, I rise today in recognition of Dr. Doug Ligon, one of only four national finalists for "Country Doctor of the Year 2001." Dr. Ligon is a family doctor at Trinity Hospital in Erin, Tennessee, where his coworkers describe him as a big-city boy with a country heart.

Born and schooled in Nashville, Ligon attended Vanderbilt University and the University of Tennessee Medical School, then planned to stay in an urban area to work as a dermatologist. His plans would change, however, after he accepted what was originally to be a temporary job in the small town of Erin in Houston County.

Almost thirty years later, Dr. Ligon is still working in Erin. He says he could not leave, once he realized how much he was needed at Trinity Hospital, where he worked eighty hours each week as one of only a handful of doctors treating a five-county area. Dr. Ligon also acted as Houston County's medical examiner and county coroner, for which he would not accept pay, saying that the county needed that money more than he did.

Dr. Ligon says he appreciates getting to know his patients and their families over time, following the progress of babies he delivered, some of whom are grown now and have families of their own. He says working in a small town allows him to experience what being a family doctor is all about—getting to know his patients, treating them and being able to watch after their general welfare.

Dr. Ligon says his family has been supportive of his decision to remain in Erin. His wife Betsy is, in fact, the person responsible for nominating Dr. Ligon for the prestigious "Country Doctor of the Year" award, as a way to recognize him for the service he provides to the people of Houston County, Tennessee.

We know many medical professionals care deeply about what they do and the patients they see, but Dr. Ligon's years of free-hearted work have been invaluable to the people of Erin and the surrounding communities. He has proven time and time again that he is a leader among his peers.

Mr. Speaker, I ask that you and our colleagues join me in thanking Dr. Doug Ligon for his years of selfless service and congratulating Dr. Ligon for his distinguished recognition as a national finalist for the title "Country Doctor of the Year."

GIRL SCOUTS GOLD MEDAL RECIPIENT: STEPHANIE ROBEDEE

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. ISRAEL. Mr. Speaker, it is with great pride that I rise today to recognize one of New York's outstanding young students: Stephanie Robedee. In February, the young women of her troop will honor her by bestowing upon her the Girl Scouts Gold Medal.

Since the beginning of this century, the Girl Scouts of America have provided thousands of youngsters each year the opportunity to make friends, explore new ideas, and develop leadership skills while learning self-reliance and teamwork.

These awards are presented only to those who possess the qualities that make our nation great: commitment to excellence, hard work, and genuine love of community service. The Gold Awards represent the highest awards attainable by junior and high school Girl Scouts.

I ask my colleagues to join me in congratulating the recipient of this award, as her activities are indeed worthy of praise. Their leadership benefits our community and they serve as role models for their peers.

Also, we must not forget the unsung heroes, who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, scout leaders, and countless others who have given generously of their time and energy in support of scouting.

It is with great pride that I recognize the achievements of Stephanie, and bring the attention of Congress to this successful young woman on her day of recognition.

A TRIBUTE TO MATT GREENE OF BIRMINGHAM

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. HILLIARD. Mr. Speaker, I rise today to offer a tribute to a fallen youth from my hometown of Birmingham, Matt Greene. Born Matthew James Greene, Matt was the youngest son of Ken and Barbara Greene and the brother of Michael and Laura. Matt was only 17 years old when he tragically died in the early hours of January 12, 2002, at his home in the presence of his family. He was only 30 days shy of reaching his 18th birthday of February 15, which he shared with his twin brother Michael.

Matt was an exceptional young man. He was handsome, tall and a little on the skinny side with a keen interest in having fun. He had a quick sly smile that melted the hearts of girls and guys alike. He always had a twinkle in his eye when he smiled, and had a zest for life that defied rhyme or reason. He was the Master of his own destiny who loved to hunt and fish and reveled in telling a joke. He had great tolerance for all people and all beliefs and his one goal in life was to be loved and liked. He truly had no enemies or malice toward any people. He loved R.&B. music much to the amusement of his friends and frequently to the annoyance of his family, and especially his brother whose bedroom reverberated with the bass of Matt's music into the early hours of most mornings.

The death of Matt is very tragic because for just a few moments, Matt lost sight of his dreams, his future, his family and his friends. Matt forgot the past, denied the future and only focused on the NOW and the pain, which NOW contained. Matt died in an accident that no one had the power to prevent and for which no one should feel guilt. There is no one and nothing to blame, but the blinding light of pain, despair and misplaced loneliness. I say misplaced loneliness, for Matt had many friends, old and young, male and female, rich and poor, black and white. At Matt's funeral mass, over 1,200 people who loved him gathered together and prayed to God for Matt's eternal soul.

It has been said, "wishing on last night's star will not change tomorrow's dawn." However, instead of succumbing to the demons of anger and self-doubt, Matt's family and friends are turning instead to the balm of God's healing and understanding. All of Matt's friends will miss his crooked smile and his frequent requests of "Can you do me a favor, man?" His teachers and fellow students at his high school will miss his antics, and the Rite-Aid Pharmacy where he worked has lost a valuable team player and morale builder. Matt's family and loved ones miss his embrace, his kisses, his loyalty, and his unyielding love. Those people who love Matt have told me they will wait a lifetime to join him again. May the Congress, by these remarks, offer comfort and solace for Matt's family and friends.

TRIBUTE TO THE DISASTER MORTUARY OPERATIONAL RESPONSE TEAM, REGION VI, OF LOUISIANA

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. BAKER. Mr. Speaker, I rise today to pay tribute to the nine Louisiana residents who put fear aside and risked their lives to recover those lost on September 11, 2001, during the tragic attack on the World Trade Center.

The Disaster Mortuary Operational Response Team (DMORT), administered through USPHS and funded through FEMA, provides assistance upon request of local authorities in the event of a mass fatality incident. Regional VI consists of participants hailing from Louisiana, Texas, Arkansas, Oklahoma, and New Mexico. This team was deployed to New York City several days after the terrorist attacks to assist the New York Medical Examiner. Subsequent to this assignment, Region VI was then transferred to the American Aircraft crash in Queens, New York.

Mr. Speaker, Deputy Commander Charles D. Smith, Jr., led Louisiana residents Anthony Buras, Jordan Charlet, Arbie Goings, Shelly Roy, James Brett Smith, Mark Stewart, Dee Wilde and Mike Armanini, of the Disaster Medical Assistance Team, in their mission to recover those lost in the World Trade Center. Smith, who has been in New York for a total of two months, noted that "every member distinguished themselves on this difficult deployment and served the country and the National Disaster Medical System with honor . . . I am proud to report that the state was represented in a splendid manner."

At a time when tragedy was at its greatest, Region VI responded swiftly with deep compassion for those they had never met. Their effort represents not only the spirit of Louisiana, but the spirit of our nation as well.

TRIBUTE TO LARRY W. WHITE

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. BERRY. Mr. Speaker, I rise to pay tribute to a great American citizen, and I am proud to recognize Larry W. White in the Congress for his invaluable contributions and service to Arkansas and our nation.

Larry has spent over 30 years with the Arkansas Soil and Water Conservation Commission (ASWCC), and currently serves as Assistant to the Director for Conservation. His career began in 1963 with the Arkansas Geology Department, and he moved over the ASWCC in 1970 as a Land Resource Specialist.

I served on the Arkansas Soil and Water Conservation Commission from 1986 until 1993, including a term as chairman, so I can personally testify to Larry's professionalism, integrity, and outstanding skills and talents. But you don't have to take my word for it, because last year he was named Outstanding Conservationist by the Arkansas Association of Conservation Districts for "his lifelong contributions and accomplishments to state and national soil and water conservation."

Part of Larry's distinguished record includes participating in the development and biennial update of the Arkansas Conservation Strategic Plan, which led to a 300% increase in funding for conservation districts in 1997; providing leadership in instituting a plan for annual district program evaluations and competitive allocation of funds to districts; providing leadership in the successful implementation of an Emergency Watershed Protection Project that aided poultry farmers after catastrophic losses in 2000; serving as State Floodplain Management Coordinator for 16 years; serving on the Board of Directors of the Association of State Floodplain Managers for two years; and helping to create the Eastern Arkansas Water Conservation Project. He also represents ASWCC on the Arkansas Conservation Partnership and the National Watershed Coalition.

In addition to these conservation responsibilities, Larry also found time to serve on the Arkansas Mental Health Board, as well as the Professional Counseling Associates Board of Directors, including two years as its president. He lives in Lonoke with his lovely wife Annette, and with her he has three daughters, one step-daughter, two step-sons, three granddaughters, two grandsons, three step-grandsons, and one step-granddaughter.

Arkansas is a better place because of Larry White and I am proud to call my friend.

On behalf of the Congress, I extend congratulations and best wishes to this faithful public servant, Larry White, on his successes and achievements.

A TRIBUTE TO THE LATE DR. WILLIAM R. FAIR

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. BURTON of Indiana. Mr. Speaker, I rise today to pay tribute to a great pioneer of medicine, the late Dr. William R. Fair, an accomplished cancer surgeon, who lost his brave battle with colon cancer on January 3, 2002. Dr. Fair was a tireless advocate for the scientific study of complementary medicine.

From 1984 until 1997, Dr. Fair held the position of chairman of urology at Memorial Sloan-Kettering Cancer Center. Dr. Fair was a fruitful researcher who developed surgical techniques and treatments for prostate cancer. In collaboration with his colleagues, specimens of his tumor were used to develop an experimental vaccine for his cancer. Unfortunately, Dr. Fair never had the opportunity to use it.

In 1995, Dr. Fair was diagnosed with colon cancer. In 1997, the cancer returned and according to his own words, "there was little chance of a cure." That's when he embarked on medical approaches outside the confines of conventional cancer treatments. He began a regime of exercise, meditation, herbal treatments and a change in diet. He noted that he felt better and the tumors did shrink, if only for a while. Dr. Fair embraced complementary medicine, which is standard therapy matched with unconventional treatment. This practice, as Dr. Fair used to point out, is different than alternative medicine. As a medical scientist, he tested his approaches and was adamant about holding unconventional therapies to the same high standard as conventional therapies. In 2001, Dr. Fair and his son helped found the complimentary medicine center called Health, which is located in New York City. Dr. Fair firmly believed that unconventional therapies extended his life and to quote him "even if they can't cure, they can certainly help heal." In fact, his own surgeon was astonished as to how long Dr. Fair survived after his 1997 recurrence of cancer.

Dr. Fair was a Member of the White House Commission on Complementary and Alternative Medicine Policy. He received his doctor of medicine degree from Jefferson Medical College in Philadelphia and did his residency in urology at Stanford University. He is survived by his wife, Mary Ann, his son, his brother, Charles, of Norristown, PA, and his sister, Margaret Murtha, of Turnersville, NJ.

I strongly urge my Colleagues to take a closer look at the promise of Complementary Medicine in the treatment of disease, and the work that Dr. Fair brought to this area of discovery. Dr. Fair will be sorely missed.

HONORING THE ACHIEVEMENTS OF MYERS PARSONS

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. GORDON. Mr. Speaker, I rise today to recognize the outstanding contributions that my cousin, Myers Browning Parsons Sr., has made to the Rutherford County community.

Mr. Parsons grew up in Rutherford County, as did I, and has spent most of his life giving back to the community that has given so much to him and his family. Fortunately, I lived near Mr. Parsons, grew up with his children and considered him a second father. A graduate of Christiana High School, Mr. Parsons excelled in basketball and football while attending the University of Tennessee at Martin, where he received the university's Athletic Award.

The World War II veteran has been a teacher, farmer and business owner, prospering in all three vocations. He also has been actively involved in many of the community's civic boards and organizations. Mr. Parsons has served on the Rutherford County Board of Education, the Rutherford County Chamber of Commerce Board of Directors and the Christy-Houston Foundation Board of Directors. He has coached Little League baseball, as well, and is a member of the Kiwanis Club.

For the past 26 years, Mr. Parsons has served as a Rutherford County road commissioner. And he is the chairman of the Rutherford County Equalization Tax Board, representing my hometown of Murfreesboro. This past year he served as the chairman of the Building Committee of the Oaklands Historic House Museum. He is also a member of the University of Tennessee's Institute of Agriculture Development Board.

Constantly striving to help his fellow man, Mr. Parsons has never shirked civic responsibility, even while recovering from lung cancer and a serious heart attack, He now pays close attention to his health and emphasizes the importance of receiving good health care and participating in a quality physical fitness program. As a tribute to his amazing fortitude, the Rutherford County Chapter of the American Heart Association will honor Mr. Parsons on Saturday, February 9, during this year's Heart Ball. I congratulate Mr. Parsons for his unselfish and untiring service to his community and the motivation he has stirred in others.

GIRL SCOUTS GOLD MEDAL RECIPIENT: DANIELLE RUSSO

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. ISRAEL. Mr. Speaker, it is with great pride that I rise today to recognize one of New York's outstanding young students: Danielle Russo. In February, the young women of her troop will honor her by bestowing upon her the Girl Scouts Gold Medal.

Since the beginning of this century, the Girl Scouts of America have provided thousands of youngsters each year the opportunity to make friends, explore new ideas, and develop leadership skills while learning self-reliance and teamwork.

These awards are presented only to those who possess the qualities that make our nation great: commitment to excellence, hard work, and genuine love of community service. The Gold Awards represent the highest awards attainable by junior and high school Girl Scouts.

I ask my colleagues to join me in congratulating the recipient of this award, as her activities are indeed worthy of praise. Her leadership benefits our community and she serves as a role model for her peers.

Also, we must not forget the unsung heroes, who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, scout leaders, and countless others who have given generously of their time and energy in support of scouting.

It is with great pride that I recognize the achievements of Danielle, and bring the attention of Congress to this successful young woman on her day of recognition.

ONE MAN STOOD ALONE AGAINST HATE

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. HILLIARD. Mr. Speaker, I rise today to honor the Honorable Judge and State Representative Charles Nice, Jr.

In the hate-filled atmosphere in the all-white Alabama State legislature after the decision in 1954 known as Brown vs. the Board of Education of Toledo, Kansas, which ruled illegal the segregated school systems of America, Charles Nice was a Democratic freshman Representative from Birmingham. A resolution was introduced which condemned the Supreme Court for the decision, and an amendment to the Alabama constitution was introduced to which would abolish the public school system in any county which was "threatened" with integration.

Charles Nice was the only member of the legislature to have the moral courage to vote against the resolution and the amendment. Had John Kennedy written a book about state government as he did about federal, he would have included Charles Nice in that "Profiles of Courage."

He was not reelected, of course. But he did not quit or ameliorate his morality. Unbending before the gales of hate, he continued his commitment to public service by accepting appointment to the Circuit Court in 1974.

Soon, Alabama reinstituted the death penalty, and Judge Nice presided over four capital cases in which the jury prescribed the death penalty. Again, Charles Nice withstood the storms of hate and vengeance and commuted the sentences to "life in prison without parole."

In a state in which it is common for a judge to give the death penalty to a convicted person whom the jury has recommended for life in prison, he was condemned and transferred to the Family Court of Alabama, where he could hear no capital cases. "At last," the system thought, "Charles Nice could do no good."

However, in this court any juvenile 15 years or older charged with a serious crime could be transferred to adult court for trial as an adult and given the death penalty. Standing firmly on higher ground, Judge Nice refused to transfer juveniles to adult court. "No youth," he said, "should be given the death penalty."

Smeared in the media, he was defeated for reelection in 1998, but remained victorious in principle. This good man continued to be active in the Alabama Democratic Party until his death at 82 on December 5, 2001.

Standing against hate, he planted his feet firmly on higher ground. Now he is pressing on the upward way, going to even higher ground. He will be missed, but never forgotten. His service is printed upon the social system of Alabama. We are not as good as he would have us be, but we are better for his having been by here.

May he be ever honored by those who serve this nation and its highest principles.

LYNNE CHENEY SPEAKS AT PRINCETON UNIVERSITY ON "TEACHING FOR FREEDOM"

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. WOLF. Mr. Speaker, I want to share with our colleagues a speech delivered late last year at Princeton University by Lynne V. Cheney, the wife of the Vice President of the United States, about the importance of knowing history and teaching it well. An expert on education, Mrs. Cheney is a senior fellow at the American Enterprise Institute and holds a doctorate degree from the University of Wisconsin.

"TEACHING FOR FREEDOM", ADDRESS BY LYNNE V. CHENEY, JAMES MADISON PROGRAM, PRINCETON UNIVERSITY, NOVEMBER 29, 2001

It's a great pleasure to be here this afternoon as part of the James Madison Program in American Ideals and Institutions. Professor George, you deserve congratulations for the excellence of this program's efforts, and let me praise Princeton University as well. By giving this program a home, Princeton is setting an example of how people of differing viewpoints can, in a university setting, debate important issues with seriousness and civility.

For someone who loves American history, this part of New Jersey is a remarkable place to be, a place rich with stories of our country's past. Next month, on Christmas night, it will be two hundred twenty-five years since George Washington crossed the Delaware, and in a surprise attack on the Hessian mercenaries manning the British post at Trenton, managed to kill dozens and capture more than nine hundred while sustaining not a single fatality on the American side.

The wonderful painting by Emanuel Leutze of Washington crossing the ice-choked Delaware hints, but barely, at the significance of this victory. The men in the boat with Washington are dressed in a motley assortment of clothes. One does not imagine that Washington has a highly trained and disciplined force. But the men in the boat do not look nearly as ragged and miserable as the historical record suggests Washington's troops were. The painter Charles Wilson Peale, observing Washington's army in early December, as they were retreating before the advancing British, had been struck with horror at the sight of the sick, exhausted, and half-naked men. One soldier approached Peale. He was a man who "had lost all his clothes. He was in an old, dirty blanket jacket, his beard long, and his face so full of sores he could not clean it." Only when the soldier spoke, did Peale realize that it was his much-loved brother James.

These Americans, going up against superior numbers of British forces, who were better equipped and better trained, had, not surprisingly, spent most of the war thus far in retreat. And that is why Trenton mattered so much, because suddenly, in the depths of icy winter, there was a victory, and Washington was determined to build on it. He moved his troops back to Pennsylvania, waited until the commissary wagons could bring provisions, and then on December 30th, crossed the Delaware into New Jersey again and entrenched his troops near Trenton. Since the enlistments of most of his men expired at year's end, his first job was to persuade a significant number of them to stick with him, which he did with rousing speeches—and $50,000 raised by Philadelphia financier Robert Morris.

Some of Washington's men may have regretted the decision to stay on when, on January 2, 1777, General Cornwallis and 5000 well-trained, well-equipped men advanced on Trenton from Princeton. Washington's pickets had to fall back across a creek. With shot and shell flying overhead, scores of men had to make their way across a narrow stone bridge, and while there was no doubt fear, there was no panic. At the end of the bridge, Washington, on horseback, had taken up a position where his men could see him, firm, composed, resolute. One of his men forever remembered pressing "against the shoulder of the General's horse" and touching Washington's boot.

Cornwallis was convinced that he had Washington, whom he called "the old fox," trapped, but Washington, leaving his campfires burning as a diversion, moved most of his men around the British left flank and headed for Princeton. The first encounter between an American brigade approaching Princeton and British troops leaving it to join their main force in Trenton did not go well for the Americans. Many were wounded and killed in a bayonet attack. The survivors fell back, bloody, dazed, confused, but Washington rallied them and after more troops arrived, led them himself toward the British. Displaying astonished bravery, he took his men to within thirty yards of the British lines and ordered them to fire. One staff officer was so sure Washington would be killed that he pulled his hat over his eyes to escape the sight, but when the smoke cleared, the General was unharmed. The staff officer wept in relief. Washington clasped his hand and then led the charge after the fleeing British.

As I'm sure everyone living near Princeton knows, this story has a pretty dramatic ending. The British took refuge in Nassau Hall, which the Americans then fired upon. The result was not only to persuade the British to surrender, but, legend has it, to decapitate, with a well-fired cannonball, a portrait of King George the Second.

Now, I tell this story in part because it is a wonderful story, and it is an important one as well. Demoralized as Washington and his countrymen were, news of these victories, James Thomas Flexner has written, "traveled across America like a rainstorm across a parched land, lifting bowed heads everywhere." But I also tell this story because it makes the point—as so many of the stories of our country's beginnings do—that this nation was not inevitable. The founders had the odds stacked very much against them. No one had ever thrown off a colonial power before. No one had ever established representative government over a vast expanse of land. The Americans were going up against the mightiest military force in the world, and so much of the success they did experience depended on individuals, particularly on Washington, whose legendary bravery—so inspiring to his men—might easily have gotten him killed.

During one battle in the French and Indian War, he had two horses shot out from under him, one bullet had gone through his hat and three ripped through his uniform. A few years later, in 1757, when two detachments of Virginians mistakenly began firing upon one another, he rode his horse between the firing troops and used his sword to knock the gun barrels skyward. Fourteen men were killed, but Washington was untouched. If it had turned out otherwise, who would have commanded our troops in the Revolutionary War? Who could have lent similar prestige to the Constitutional Convention? Who could have been trusted to be the first president—and to give up power at the proper time?

We are very lucky that things turned out as they did, and so is the world. Jefferson believed that the American Revolution would set the ball of liberty so well in motion that it would roll round the globe, and he was right. Inspired by what happened here, people in other parts of the world began to struggle for freedom and many of them succeeded. But freedom, as the study of our history shows, is not our inevitable heritage, nor is it humankind's. This realization should make our freedom all the more precious to us, all the more worth defending. Were we to lose it, liberty might not come our way again.

The concern I would like to bring before you tonight is that we haven't done a very good job of teaching our history. We haven't given young people the knowledge they need in order to appreciate how greatly fortunate we are to live in freedom or, indeed, to have much insight at all into the American past. A 1989 survey of college seniors showed that more than half did not understand the purpose of The Federalist papers. One out of four was unable to distinguish Karl Marx's words from the ideas of the United States Constitution. A 1999 survey of elite college seniors—that is seniors at schools like Princeton and Yale and Stanford—showed that only one out of five knew that the words "government of the people, by the people, for the people" came from the Gettysburg Address. Forty per cent did not know that the Constitution established the division of power between the states and the federal government. To the question of who was the American general in command at Yorktown, the most popular answer was Ulysses S. Grant.

Now one cannot attribute this lack of knowledge solely to a failure of colleges and universities. Indeed, the questions asked on these surveys are the kinds of things we should expect high school seniors to know. But surely a contributing factor to the lack of knowledge highlighted by the survey is that no one—not a single one—of the fifty-five elite colleges and universities whose students were polled required a course in American history.

I have been concerned about lack of historical knowledge for well over a decade, long enough so that I understand that the institutional reforms that would help remedy the problem are difficult to achieve. One important reason that American history is not required is because if it were, faculty members would have to teach it—and there is very little professional incentive for them to do so. Advancement in academia comes from publishing, and there is little market in academic journals for articles on subjects that are broadly conceived. What is wanted are specialized articles that are compatible with teaching specialized courses. In not wanting to take on general education, people in accordance are doing what people in every profession tend to do: avoiding activities for which there are few if any professional incentives.

Changing the reward system of higher education is likely to take a very long time—and that's the optimistic view. So, too, is it likely to take a long time for every state in the union to put in place history standards—and the tests to match them—that will ensure that youngsters in grade school, middle school, and high school gain essential knowledge of our nation's past. The fact that the improvement of historical education in our schools and colleges and universities won't happen overnight is no reason to quit the struggle. I certainly intend to keep working on it—and applauding the efforts of groups like the National Association of Scholars and the American Council of Trustees and Alumni that have spoken out forcefully in favor of well-rounded general education. But we should recognize that until long-term efforts succeed, American history will remain largely mysterious to many graduates of our finest institutions. They will continue to place Ulysses S. Grant at Yorktown—unless we come up with extracurricular ways to encourage them to know the men and women and events and ideas that have shaped this country.

I began thinking about this when I read there were teach-ins on our campuses, not very well attended events, according to what I've read—and little wonder. They fit an old paradigm when this country was involved in a war with which large numbers of Americans disagreed, in which many, rightly or wrongly, thought vital American interests were not at stake. None of that applies now. This is not a war in which we get to choose whether or not to fight. Thousands of Americans were killed on the very first day of conflict here at home. We don't have the luxury of not getting involved.

It's time for gatherings of a new kind, it seems to me, in which we remind ourselves of exactly what it is we are defending, in which we talk about exactly what it is we have at stake. Let us talk to one another about freedom, asking, perhaps as a start, why the founders—Jefferson and Madison, in particular—were so determined that government would have no role in determining how people worship. We might take the Virginia Statute for Religious Freedom for our text. Jefferson wrote it, Madison got it through the Virginia legislature. In this remarkable time in which we live, any of us can get it off the Internet and see that for Jefferson the issue was not just religious freedom, but intellectual freedom. "Truth is great," he wrote, "and will prevail if left to herself. She is the proper and sufficient antagonist to error, and has nothing to fear from the conflict, unless by human interposition (she is) disarmed of her natural weapons, free argument and debate. Let us engage in conversations in which we explore how the clash of ideas has benefitted this country and how the ability to follow a thought wherever it may lead has brought the flourishing of invention and business and art.

We might also meet to talk about valor and use as one of our resources the web site of the Congressional Medal of Honor Society. There are so many stories of heroism on it, so many stories of men throwing themselves on grenades or exposing themselves to enemy fire in order to save those near them. The honor roll of heroes is in the thousands now, but reading through it is a reminder of the enormous sacrifices that have been made for the sake of freedom. And listen to just some of the names: John Ortega, Joshua Chamberlain, Abraham Cohn, Daniel Inouye, Joseph Timothy O'Callahan, Joe Nishimoto, Mitchell Red Cloud, Jr., Riley Pitts, Roy Benavidez, Jack Jacobs, Gary Gordon, Randall Shughart. Our liberty has depended on the valor of Americans whose forebears came from every part of the world. Let us remember their bravery with awe and talk about the inspiration we should take from it, not just to be brave ourselves in the much smaller ways our lives are likely to demand, but also to recognize what they so heroically illustrated: that great deeds are not the province of any particular race, creed, or class. Let us talk about how our nation has grown better and stronger as this realization has become ever more central to our national life, and let us talk about the growing we still have to do.

I have been thinking of these gatherings as teach-ins for freedom, but they needn't take place just on campuses. Public libraries would be a good place for them—and so would homes. Indeed, in their private lives millions of Americans have shown their hunger to know more about our nation's history. They buy Stephen Ambrose's books. They watch TV series like the HBO production of Band of Brothers. Edmund Morris's Theodore Rex is unlikely to make it onto many college or university reading lists, but books of this kind and their older equivalents—I think of Daniel Boorstin's The Americans—can be entryways into our nation's past for young adults as well as their parents.

In the weeks since September 11, I've had some very well-credentialed, relatively recent college graduates confess to me how little they know about American history. "Is there a 'History for Dummies' book?" one asked, half-jokingly. There may well be, but my recommendation would be to start with some of the thoughtful, well-written books that have received wide acclaim. David McCullough's John Adams would be first on my list for the amazing job McCullough does of simultaneously conveying the significance of Adams' accomplishments and the warmth of his humanity.

As for the children, let us continue the efforts to improve history instruction in our schools, but while we work on that, let us also tell them the stories that might otherwise go untold. At our Thanksgiving table we talked to our grandchildren about the pilgrims and how hard it was to cross the ocean to an unfamiliar land and how the difficulty of their voyage was a measure of how much they wanted to worship God as they chose and have their children grow up in a way they thought was right. At our Christmas table, we will, to be sure, talk about the baby born in Bethlehem and the angels who sang and the shepherds and kings who came to visit him. But we will also remember George Washington and how, on a dark December 25th he led his improbable army across an ice-choked river to give a people struggling for independence hope that they might one day be free.

Thank you very much, Professor George, for having me here this afternoon. James Madison told us, in words that I understand are now inscribed in Corwin Hall, that a well-instructed people alone can be permanently a free people. The gatherings you have here at Princeton under the auspices of the James Madison Program in American Ideals and Institutions contribute to our instruction—and to our freedom.

HONORING THE RETIREMENT OF JOHN "CHIP" ROBERTS

HON. THOMAS G. TANCREDO

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. TANCREDO. Mr. Speaker, I rise today to honor the retirement of John "Chip" Roberts, Director of the Colorado Division of State and Veterans Nursing Homes.

John "Chip" Roberts retired on January 15, 2002. He served older Americans for nearly twenty-two years. For the past eleven years, Chip worked for the Colorado Department of Human Services as Director of the Colorado Division of State and Veterans Nursing Homes. Previously, he worked in the private sector as both a nursing home administrator and a regional director. As Division Director of the Colorado State and Veterans Homes, Mr. Roberts oversaw the operations of five State nursing facilities totaling 582 beds. Four of the State homes provide skilled nursing care to military veterans and their spouses and widows. Under Mr. Roberts' leadership, the State homes program made numerous improvements in service delivery. Chip was always quick to credit the dedicated staff at each facility for the overall success of the program.

Since 1997, in response to legislation authorizing the construction of a new State veterans home at the former Fitzsimons Army Medical Center in Aurora, Colorado, Chip was deeply involved in the design and development of the new 180 bed facility. Throughout the project, Chip continually encouraged the need to be highly flexible in the design in order to allow for the future health care needs of the residents. In addition, to skilled nursing care, the Fitzsimons facility will offer dementia services and adult day care.

During his years of service to the State of Colorado, Chip's dedication to veterans and their families was readily apparent. He made frequent presentations to publicize the State and veterans homes programs and to inform various organizations of the services available. He has been steadfast in his commitment to "serve those who have served."

Chip and his wife of twenty-seven years, Judith, are looking forward to retirement with the shared desire to continue serving others, especially in their local church and the city of Arvada. The Roberts' have one daughter, Vanessa, a recent graduate from the University of Colorado at Boulder. Besides volunteer service, Chip is looking forward to enjoying the great Colorado outdoors: hiking, hunting, and fishing. I wish them Godspeed.

IN COMMEMORATION OF INDIA'S REPUBLIC DAY

HON. JOSEPH CROWLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. CROWLEY. Mr. Speaker, it is an honor for me to rise today in commemoration of India's Republic Day. As the adoption of our constitution and declaration of Independence in the 18th Century are among the most important days in the history of the United States, so too is January 26, 1950 in India. In the Central Hall of Parliament in New Delhi, India joined the community of democratic nations by adopting its Constitution that embodied many of the principles, including equality and secularism, put forth by our own founding fathers.

It gives me great pleasure to celebrate this event, as this is not simply a day for Indians, but for Indian-Americans as well. The streets of my district in Jackson Heights, New York will be filled tonight with thousands of my constituents honoring this important day.

The bond that India and the United States share is not simply rooted in the democratic foundations, but also in democratic practices. Allying the world's oldest democracy with the world's largest democracy is a natural fit. I believe that India's Prime Minister Atal Bihari Vajpayee said it best when he spoke of the adoption of India's Constitution: "There is one great test for a Constitution, for any system of Governance. It must deliver and it must be durable. Our Constitution has stood this test. And one reason it has been able to do so is that it embodies a mastery balance: between the rights of the individual and the requirements of collective life; between the States and the Union; between providing a robust structure and flexibility. Our Constitution has served the needs of both India's diversity and her innate unity. It has strengthened India's democratic traditions."

The shared history and common conception for the future of our relationship has allowed our nations to cooperate in times of prosperity and assist each other in times of tragedy. This year's Republic Day is bitter-sweet as it also commemorates the one-year anniversary of the devastating earthquake that struck India on January 26, 2001. The earthquake, centered in India's state of Gujarat and measuring 7.9 on the Richter scale, killed more than 20,000 people. During those difficult times, we were there for India both in spirit and in practice. Shortly after the earthquake, the United States Congress adopted a Resolution expressing condolences for the victims and support for providing assistance. I am proud to report that Congress also responded to my efforts in increasing the funding for the Office of Foreign Disaster Assistance, specifically targeting the efforts in India.

Just as we came to the aid of India, they were among the first to condemn the attacks on the United States on September 11, 2001. Since that horrific day, high-level contacts between the U.S. and India have increased, reflecting the close cooperation between the world's two largest democracies in the struggle against international terrorism. Unfortunately, the scrouge of terrorism is another characteristic that our countries now have in common.

The December 13, 2001 attack on India's Parliament hit very close to home. As nine police officers and a Parliament worker were killed we were forced, once again, to redefine the scope and definition of the war on terrorism. This attack sought to destroy the heart of India's democracy, but will fail in that endeavor.

The common interests of the United States and India transcend the boundaries of the international war on terrorism. There has been ever-increasing cooperation in dealing with the proliferation of nuclear weapons and their means of delivery, preserving stability and growth in the global economy, protecting the environment, combating infectious diseases and expanding trade.

As a member of the Indian Caucus with a growing Indian constituency, my interest in the region has grown exponentially during my time in Congress. I have to say, however, that nothing was more eye-opening than my visit to India a few weeks ago. To get a true sense of the interests of the people and the government on the ground was invaluable, and will surely help me represent the views of my constituents more completely in the future.

With that, I wish to salute India for fifty-one years of work in pursuit of preserving democracy. It is my honor to join you as you continue that journey into the new millennium.

KAHLI RIES: A YOUNG PATRIOT FOR A BETTER FUTURE

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. BARCIA. Mr. Speaker, I rise today to pay tribute to Kahli Ries of Mayville, Michigan, upon the occasion of her winning the 2001–02 statewide Voice of Democracy Program speech-writing contest sponsored by the Department of Michigan Veterans of Foreign Wars of the United States and its Ladies Auxiliary.

At a time when our country is engaged in a war against terrorists who threaten our American way of life, it is especially gratifying to honor Kahlia for displaying in the words she has written a brand of patriotism to which all citizens should aspire. In her award-winning essay, Kahli expresses the hopes and dreams of our nation's younger generation and she calls on her peers to take the responsibility to shape a better future. Her simple yet powerful words are reassuring to those of us in older generations that the future is in good hands.

Kahli, a ninth-grade student at Mayville High School, stands as a shining example of why America has time and again come together in times of crisis and risen to even the most difficult challenges. In her speech, Kahli has reached back in our history to capture the same sense of freedom and responsibility that our forefathers and many patriots since our founding have relied upon to build a better future for their descendants and others who followed.

Let me share an excerpt of her assay: "I hope America will be a place where not only we will be physically safe and morally safe, but our freedoms will be preserved as well. I see a place where people won't be afraid to walk down the streets or open their mail. I believe in our country and our dedication to our rights and values. And I believe that we, as a people, will never give those up."

Kahli's parents, Dave and Tammy, must swell with pride to have such a talented daughter exhibit her deep and sincere love of her country in a public forum. While it is certainly heartwarming to see that displays of patriotism have become more common since September 11, we should all join Kahli in hoping that "this feeling of patriotism that has been reborn in this country will last and stay in our hearts forever."

Finally, Mr. Speaker, I am proud that young people such as Kahli Ries and her family reside in the Fifth Congressional District of Michigan. The recognition that Kahli has received from the Veterans of Foreign Wars Post 10884 and its Ladies Auxiliary of Mayville and from the Department of Michigan Veterans of Foreign Wars of the United States is indeed a fine honor for this outstanding young woman. I ask my colleagues to join me in congratulating Kahli Ries and in wishing her continued success in spreading her patriotic message to our fellow citizens.

EXPRESSING SENSE OF HOUSE OF REPRESENTATIVES REGARDING BENEFITS OF MENTORING

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 23, 2002

Mrs. LOWEY. Mr. Speaker, I rise today in strong support of this resolution calling for the establishment of National Mentoring Month.

I am honored to serve as a member of the Board of Directors of Big Brothers Big Sisters of America, the oldest and largest mentoring organization in the United States. Big Brothers Big Sisters will celebrate its 100th anniversary in 2004. During the past century, Big Brothers Big Sisters has provided the foundation for the mentoring movement. Today, Big Brothers Big Sisters reaches over 210,000 children in over 500 locations in the United States, with the goal of reaching one million children by 2010.

Mentoring is dependent on highly committed volunteers. Volunteers in the Big Brothers Big Sisters program and in other high-quality mentoring programs across the United States devote many hours each week and become role models for children. As the resolution points out, research has proven the tremendous contribution that these volunteers make in the overall positive development of the children with whom they are matched.

Mentoring changes lives, but it is not an easy service to provide. I think it is so important that Congress acknowledge the tremendous contribution being made by today's volunteer mentors, and challenge everyone to make a difference in the lives of America's children.

GIRL SCOUTS GOLD MEDAL RECIPIENT: RACHEL SINK

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. ISRAEL. Mr. Speaker, it is with great pride that I rise today to recognize one of New York's outstanding young students: Rachel Sink. In February, the young women of her troop will honor her by bestowing upon her the Girl Scouts Gold Medal.

Since the beginning of this century, the Girl Scouts of America have provided thousands of youngsters each year the opportunity to make friends, explore new ideas, and develop leadership skills while learning self-reliance and teamwork.

These awards are presented only to those who posses the qualities that make our nation great: commitment to excellence, hard work, and genuine love of community service. The Gold Awards represent the highest awards attainable by junior and high school Girl Scouts.

I ask my colleagues to join me in congratulating the recipient of this award, as her activities are indeed worthy of praise. Their leadership benefits our community and they serve as role models for their peers.

Also, we must not forget the unsung heroes, who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, scout leaders, and countless others who have given generously of their time and energy in support of scouting.

It is with great pride that I recognize the achievements of Rachel, and bring the attention of Congress to this successful young woman on her day of recognition.

RECOGNIZING STUDENTS AT THE ANTIOCH UPPER GRADE SCHOOL IN ILLINOIS' 8TH DISTRICT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. CRANE. Mr. Speaker, I rise today to recognize students at the Antioch Upper Grade School in Illinois' 8th District. Today, as our brave men and women in uniform are deployed throughout the world to protect and defend the freedoms we all hold so dear, we are more aware than ever before of the cost of the freedom.

The students at Antioch Upper Grade School have also been reflecting on the cost of freedom. Samantha Wise, the 8th grade social studies teacher at Antioch Upper Grade School, had each of her students write an essay entitled "Is Freedom Really Free?" Ms. Wise submitted the essays in the local VFW essay contest, and three students won. Joe Barlow won first price representing the Village of Antioch, and third place in the 5th District for the VFW. Justin Kaminsky and Anthony Baschetti, were also runners-up for the Village of Antioch.

All of the students and their teacher should be commended for their work. It makes me proud to see schools like the Antioch Upper Grade School showing their patriotism.

THE VETERANS HEALTH CARE ITEMS PROCUREMENT REFORM AND IMPROVEMENT ACT OF 2002

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. EVANS. Mr. Speaker, the procurement of medical and surgical items is a major expenditure for the Department of Veterans Affairs. During fiscal year 2001, for example, VA reported spending more than $1.3 billion for medical and surgical supplies and equipment. The procurement of medical and surgical supplies and equipment by VA is also an activity in need of significant reform and improvement. To achieve these reforms, I am today introducing "Veterans Health Care Items Procurement Reform Improvement Act of 2002." I urge my colleagues to support and promptly enact this important legislation.

A major provision of the "Veterans Health Care Items Procurement Reform and Improvement Act of 2002" directs the Department of Veterans Affairs, when procuring medical/surgical supplies and equipment, to buy these items from the Federal Supply Schedule (FSS) or from national contracts negotiated by VA. By requiring most VA health medical/surgical supplies and equipment to be purchased from the FSS or national contracts, VA can better leverage the tremendous purchasing power of its annual budget in excess of $1 billion for medical/surgical supplies and equipment. When enacted, this legislation is expected to reduce VA procurement costs by tens of millions of dollars annually.

This legislation also provides for certain limited exceptions to the centralized procurement requirement. For example, it allows emergency purchases of medical/surgical supplies and equipment from other than FSS or national contracts and permits purchases of needed items not listed on the FSS. Other limited exceptions should facilitate greater financial savings from—and greater use of—important initiatives such as VA/DOD sharing and small business procurement.

In a May 15, 2001 assessment entitled, "Evaluation of the Department of Veterans Affairs Purchasing Practices", the VA Office of Inspector General (OIG) reported, "The Department of Veterans Affairs is not leveraging its buying power to obtain the best prices for items purchased." Among the recommendations of the OIG were, "VA facilities be required to purchase items that are on national contracts, such as FSS, and that the FSS and other national contracts be mandatory sources of medical/surgical supplies and equipment" and local procurement contracts be specifically prohibited with very limited exceptions.

This measure will provide strong encouragement to vendors who wish to do business with VA to list their health-care items on part 65 and 66 of the Federal Supply Classification as appropriate or as part of a National contract. This legislation will eliminate existing inefficiencies from the current acquisition system that allows for multiple, locally-negotiated contracts with national vendors and distributors. Despite the enormous volume of health care items procured by VA, these local contracts often do not provide VA purchasers with the best price offered by vendors to other buyers.

In addition, this bill strengthens the contractual management and oversight tools of the Department of Veterans Affairs, It makes pre- and post-award contract audit clauses mandatory for almost all types of procurement contracts for health-care items. This will enable procurement officers, supervisors, the VA Office of the Inspector General, and the GAO to review the true value and cost of an item and assure compliance with contract provisions. In fiscal year 1997 when audit clauses were more common, audits accounted for the recovery of over $35 million dollars—last year with audit clauses less common the total recovery was less than $12 million dollars.

Other important provisions of this legislation will require most VA procurement contracts to include a price reduction clause. With the inclusion of a price reduction clause, when a vendor offers a health-care item at a lower price to another buyer in a commercial contract, VA will benefit from the purchase price reduction and receive the new lower purchase price for a health-care item it has previously agreed to purchase from the vendor.

Mr. Speaker, I encourage my colleagues to support "The Veterans Health Care Items Procurement Reform and Improvement Act of 2002," and seek its quick approval by Congress on behalf of our nation's veterans and taxpayers.

GIRL SCOUT GOLD MEDAL RECIPIENT: AYLSSA WESCOTT

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. ISRAEL. Mr. Speaker, it is with great pride that I rise today to recognize one of New York's outstanding young students: Alyssa Wescott. In February, the young women of her troop will honor her by bestowing upon her the Girl Scouts Gold Medal.

Since the beginning of this century, the Girl Scouts of America have provided thousands of youngsters each year the opportunity to make friends, explore new ideas, and develop leadership skills while learning self-reliance and teamwork.

These awards are presented only to those who posses the qualities that make our nation great: commitment to excellence, hard work, and genuine love of community service. The Gold Awards represent the highest awards attainable by junior and high school Girl Scouts.

I ask my colleagues to join me in congratulating the recipient of this award, as her activities are indeed worthy of praise. Their leadership benefits our community and they serve as role models for their peers.

Also, we must not forget the unsung heroes, who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, scout leaders, and countless others who have given generously of their time and energy in support of scouting.

It is with great pride that I recognize the achievements of Alyssa, and bring the attention of Congress to this successful young woman on her day of recognition.

SIGNIFICANCE OF THE DECLARATION OF INDEPENDENCE

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. HYDE. Mr. Speaker, last year marked the 225th Anniversary of the Declaration of Independence, arguably one of the most important documents ever written. The National Lawyers Association Foundation has honored this anniversary by producing educational materials for elementary school students, a project that I believe is worthy of recognition. I therefore submit the following for your review:

EDUCATING THE PUBLIC ON THE LEGAL AND HISTORICAL SIGNIFICANCE OF THE DECLARATION OF INDEPENDENCE

In 2001, our nation celebrated its 225th anniversary of the Declaration of Independence. By signing this document the Founding Fathers pledged their lives, fortunes and sacred honor to the causes set forth in the Declaration of Independence.

In order to help American children appreciate and understand the significance of the Declaration of Independence, the National Lawyers Association Foundation, a not-for-profit group, has developed an educational program for third, fourth, and fifth graders. This program consists of an entertaining 6-minute video that helps them understand the clear, ringing language in the Declaration. The video introduces students to the concept of the self-evident truths, that all persons ". . . are created equal, and that they are endowed by their Creator with certain unalienable Rights, that among these are life, liberty and the pursuit of Happiness—that to secure these rights, Governments are instituted among Men, deriving their just powers from consent of the governed."

The video helps teachers explain why the Declaration of Independence was written to explain why we sought our freedom from England, that unalienable rights are rights that cannot be taken away from us; and that self-evident truths are principles that will always be true; for example, that all people are created equal.

A lesson plan accompanies that video and encourages the students to think about a situation that they feel is unfair and write their own Declaration of Independence to understand concepts regarding what rights they feel entitled to, why they feel they deserve these rights, and compare them to what the feelings of our Forefathers must have been whey they wrote the Declaration of Independence. Students are also encouraged to display knowledge of when the Declaration of Independence was signed.

The National Lawyers Association Foundation is making the video, lesson plan, as well as replicas of copies of the Declaration of Independence requested by elementary school teachers in school classes, public and private, available at no charge, as long as funds are available. The video and lesson plan is also available to any interested individuals or organizations such as home schoolers, lawyers, bar associations and public service groups who desire to use the video and lesson plan for a nominal fee. Replicas of the Declaration of Independence are also available to the public for a nominal fee as long as funds are available.

The National Lawyers Association Foundation also plans to continue the project to make videos and books regarding the Declaration of Independence available to students in the upper grades, as well as making available to all citizens, copies of the Declaration of Independence and the Constitution. The National Lawyers Association Foundation has been told over 65,000 students across America have benefited from the materials provided by their volunteer efforts. The National Lawyers Association Foundation serves a need of the American public and the world to appreciate how the Founding Fathers of this nation created and established that there are no classes of people in America and all people are endowed with the same unalienable rights by their Creator.

The language in the Declaration of Independence has been quoted and spoken about by may of our American presidents and also needs to be in the hearts and in the vocabulary of our American citizens. The National Lawyers Association Foundation is working to make the words of the Declaration of Independence valued by all Americans and help serve the need for the principles of the Declaration of Independence to be spoken and honored, not only to America, but to the world at large.

URGING THE GOVERNMENT OF UKRAINE TO ENSURE A DEMOCRATIC, TRANSPARENT, AND FAIR ELECTION PROCESS LEADING UP TO THE MARCH 31, 2002, PARLIAMENTARY ELECTIONS

HON. JOSEPH M. HOEFFEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. HOEFFEL. Mr. Speaker, I rise today in strong support of this resolution, which urges the Government of Ukraine to ensure a democratic, transparent, and fair election process leading up to the March 31, 2002, parliamentary elections.

I would first like to thank my colleague, LOUISE SLAUGHTER, for her hard work in initializing the development of this important resolution. I am appreciative of her leadership on issues relating to Ukraine, and I am pleased to have worked so closely with her in crafting this legislation. I would also like to thank my House International Relations Committee colleagues, ELTON GALLEGLY and CHRIS SMITH, for their contributions to this resolution, and to acknowledge their commitment to a meaningful democratization process in Ukraine.

The importance of Ukraine's March 31, 2002 parliamentary elections—the third parliamentary elections since gaining independence over ten years ago—should not be underestimated.

Since the collapse of the Soviet Union in 1991, Ukraine has worked to achieve a more western, democratic approach in its governance, and the upcoming elections mark an historical crossroads for a country undergoing dramatic democratic transformation. Significant challenges remain—restrictions on basic democratic freedoms are alarming; its nuclear plants are in need of clean-up; the media suffers from blatant harassment and government corruption runs rampant.

Ukraine has also come a long way in just a decade. Its economy grew more than six percent last year. It not only voluntarily gave up the third-largest nuclear arsenal in the world, but has also consistently, with the U.S. assistance, sought to eliminate its stockpile of strategic missiles. Basic political reforms have begun in earnest.

The resolution we have introduced today acknowledges the democratic reforms that Ukraine has achieved, but it also sheds light on the vast improvements Ukraine must make in order to become a full-fledged democracy. The resolution encourages the Government of Ukraine to implement basic tools in order to ensure free and fair elections including a transparency of election procedures, access for international election observers, multiparty representation on election commissions and equal access to the media for all election candidates.

Now more than ever, as Ukraine strives to realize a more robust democracy, it needs the encouragement of the United States as well as its scrutiny. I urge my colleagues to join me in supporting this important resolution when it comes before them on the House floor.

CELEBRATING THE 75TH ANNIVERSARY OF FURNACE CREEK INN

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. LEWIS of California. Mr. Speaker, I rise today to celebrate the 75th anniversary of the Furnace Creek Inn, which has provided an oasis of hospitality in the midst of one of the most inhospitable places in the world: Death Valley National Park. The inn, which among other amenities has the first golf course in the California desert, is marking its 75th year in February.

The harsh beauty of Death Valley has been recognized since 1933 when it was designated a National Monument. Within its boundaries are America's lowest point—280 feet below sea level at Badwater—and mountains that rise more than 11,000 feet. While prospectors found gold and silver nearby, the real treasure of the area was borax, which is still mined in the Mojave Desert today for uses ranging from detergents to oven-to-table glass to termite protection for lumber.

Many Americans are familiar with the 20-mule teams that hauled the precious mineral 165 miles to the nearest rail line for the Harmony Borax Works, built by W.T. Coleman in 1882. The works were moved in 1889 to Daggett, but borax mining was resumed in Death Valley in the 1920s by the Pacific Coast Borax Company.

Noting the success of Palm Springs Desert Inn as a resort, Pacific Coast Borax decided to enter the tourism business, and the Furnace Creek Inn opened on February 1, 1927. Los Angeles architect Albert C. Martin designed the mission-style structure set into the low ridge overlooking Furnace Creek Wash. Adobe bricks were hand made by Paiute and Shoshone laborers. A Spanish stonemason named Steve Esteves created the Moorish-influenced stonework, while meandering gardens and Deglet Noor palm trees were planted. The inn had 66 rooms by the time it was completed in 1935, along with a spring-fed swimming pool that has views of the surrounding mountains and valley.

Tourism to Death Valley at the time surged in 1933 with the designation as a national monument. This meant that new, paved roads to and throughout the monument would be constructed, thus heralding automobile and tourist access to the site. In 1994 the area was designated a National Park, making it the largest park in the continental United States.

Mr. Speaker, thousands of guests have experienced the stark grandeur of Death Valley in elegance at the Furnace Creek Inn. The current owner, Amfac Parks and Resorts, Inc., has completely refurbished the Inn and its amenities, preserving this unique hotel for future generations. Please join me in commending them and congratulating them on this historic occasion.

GIRL SCOUT GOLD MEDAL RECIPIENT: KRISTEN VEECK

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. ISRAEL. Mr. Speaker, it is with great pride that I rise today to recognize one of New York's outstanding young students: Kristen Veeck. In February, the young women of her troop will honor her by bestowing upon her the Girl Scouts Gold Medal.

Since the beginning of this century, the Girl Scouts of America have provided thousands of youngsters each year the opportunity to make friends, explore new ideas, and develop leadership skills while learning self-reliance and teamwork.

These awards are presented only to those who posses the qualities that make our nation great: commitment to excellence, hard work, and genuine love of community service. The Gold Awards represent the highest awards attainable by junior and high school Girl Scouts.

I ask my colleagues to join me in congratulating the recipient of this award, as her activities are indeed worthy of praise. Their leadership benefits our community and they serve as role models for their peers.

Also, we must not forget the unsung heroes, who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, scout leaders, and countless others who have given generously of their time and energy in support of scouting.

It is with great pride that I recognize the achievements of Kristen, and bring the attention of Congress to this successful young woman on her day of recognition.

ELIMINATE VICTIMS FUND COLLATERAL COMPENSATION REQUIREMENT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. GILMAN. Mr. Speaker, today I am introducing a bill to revise the victim's compensation fund to eliminate the offset clause which unnecessarily penalizes those men and women who prepared for their future through pension funds, life insurance policies, and other related investments. I believe that such a clause is not in accordance with the spirit of the original legislation which seeks to compensate every victim's family in an impartial manner.

On Thursday January 17th, I joined many of my constituents at the family rally in New York City to call on special master Feinberg to amend the final interim rule under which the fund is currently operating. At the rally, I was pleased to announce that Mr. Feinberg has indicated that he will be accepting comments on the fund for the next several weeks until the final rule is promulgated. However, I now believe that we cannot leave such an important decision to chance.

Accordingly, this legislation will ensure that the victims' families are fairly and individually compensated from this Federal victim's compensation fund without prejudice to any existing collateral payments. It is imperative for the Congress to rectify this matter at this time.

PERSONAL EXPLANATION

HON. ERNIE FLETCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. FLETCHER. Mr. Speaker, I was unable to be present for rollcall vote No. 4 on January 24, 2002. Had I been present for rollcall vote No. 4, I would have voted "Yea," in favor of passage of S. 1762, the Higher Education Act Amendments.

CHILDREN'S DENTAL HEALTH IMPROVEMENT ACT OF 2002

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. MURTHA. Mr. Speaker, dental care is the most frequently cited unmet health need of children. In fact, unmet children's dental care need, is three times greater than the unmet need for children's medical care, four times greater than the unmet need for prescription drugs, and five times greater than the unmet need for children's vision care. Dental decay is the most prevalent chronic disease of childhood.

To help in eradicating this hidden epidemic, Congresswomen LOWEY, ROYBAL-ALLARD, MORELLA and Congressmen UPTON, NORWOOD, STARK, DOYLE, MORAN, ANDREWS and I are introducing the "Children's Dental Health Improvement Act of 2002". With its enactment, this legislation will improve the access and delivery of dental care to low-income children across the country.

In September 2000, the U.S. Surgeon General reported in "Oral Health in America: A Report of the Surgeon General" that 14 percent of children in America were without health insurance coverage and that more than twice that number, 23 million children, were without any level of dental care. Pediatric health care providers and children's hospitals across America see the results of this lack of care every day, as they care for children with serious dental problems that could have easily been avoided had they had access to preventative and routine dental care.

The need to improve the oral health of America's children is well documented. According to the National Health and Nutrition Interview Survey, poor children age 2–9 have twice the levels of untreated decayed teeth as nonpoor children. According the U.S. Surgeon General, "there are at least 2.6 children without dental insurance for each child without medical insurance." Progressive tooth decay causes children to suffer pain and infection, dysfunctions in eating and speech, distraction and irritable behavior and creates attendant learning dysfunctions and limitations. According to the National Institute of Dental and Craniofacial Research reports, 80 percent of tooth decay is isolated in only 25 percent of the children, with the most untreated disease occurring in low-income children. In addition, the social impact of oral disease in children is substantial. More than 51 million school hours are lost each year to dental-related illness in children.

The "Children's Dental Health Improvement Act of 2002", will provide states the flexibility to utilize the Children's Health Insurance Program (CHIP) to provide dental coverage to low-income children (below 200% of poverty) including children who may have limited medical coverage that does not include dental services. The legislation will improve the dental health of uninsured and underinsured low-income children by allowing states the flexibility to utilize CHIP to provide funding for dental coverage to low-income children; providing $40 million to community health centers and public health departments to expand dental health services through the hiring of additional dental-health professionals.

While several factors influence access for low-income groups to dental care, the primary one being limited dentist participation in Medicaid. The primary factor here is in, large part, due to poor reimbursement rates in Medicaid. The legislation seeks to improve dental care access under Medicaid and the Indian Health Service (IHS) by providing $50 million as financial incentives and planning grants to states to improve their Medicaid program in terms of adequate payment rates, access to care and improved service delivery; again, providing $40 million to community and IHS health centers and public health departments to expand dental health services through the hiring of additional dental health professionals.

Despite Medicaid and CHIP, dental care is the least utilized core pediatric health service for low-income children. The Department of Health and Human Services (HHS) Oral Health Initiative (OHI) effort to coordinate dental health service within CMS lacks statutory authority necessary to enforce oral health initiatives. The legislation seeks to remedy this by providing statutory authority for the OHI and authorizes $25 million to improve the oral health of low-income populations.

In addition, the bill contains the following technical provisions:

The bill streamlines the process for the designation of dental health professional shortage areas;

Ensures that entities eligible for funding include both "school-linked" as well as school-based organizations, clarifies that an eligible entitle can be public or non-profit health organization or tribal organization;

Creating authority for HHS to establish demonstration projects to increase access to dental services for children in underserved areas.

This legislation has the endorsement and is fully supported by over 40 national health organizations including, National Association of Children's Hospitals, American Academy of Pediatrics, March of dimes, American Dental Association and Family Voices.

There can be no substitute for providing for our children's health. The "Children's Dental Health Improvement Act of 2002" will go a long way to filling a large gap that exists in our current health programs for children. Clearly, more effort and support is needed. Therefore, I believe that Congress must act now. I ask that all Members of the House and Senate join in to support and vote for passage of the "Children's Dental Health Improvement Act of 2002".

GIRL SCOUT GOLD MEDAL RECIPIENT: DEBORAH VISCO

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. ISRAEL. Mr. Speaker, it is with great pride that I rise today to recognize one of New York's outstanding young students: Deborah Visco. In February, the young women of her troop will honor her by bestowing upon her the Girl Scouts Gold Medal.

Since the beginning of this century, the Girls Scouts of America have provided thousands of youngsters each year the opportunity to make friends, explore new ideas, and develop leadership skills while learning self-reliance and teamwork.

These awards are presented only to those who posses the qualities that make our nation great: commitment to excellence, hard work, and genuine love of community service. The Gold Awards represent the highest awards attainable by junior and high school Girl Scouts.

I ask my colleagues to join me in congratulating the recipient of this award, as her activities are indeed worthy of praise. Their leadership benefits our community and they serve as role models for their peers.

Also, we must not forget the unsung heroes, who continue to devote a large part of their lives to make all this possible. Therefore, I salute the families, scout leaders, and countless others who have given generously of their time and energy in support of scouting.

It is with great pride that I recognize the achievements of Deborah, and bring the attention of Congress to this successful young woman on her day of recognition.

PAYING TRIBUTE TO BILL McCLUSKEY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. MCINNIS. Mr. Speaker, it is with profound sadness that I pay tribute today to Pueblo Police Department Sgt. Bill McCluskey, who recently lost his life to cancer. In his 38 years of dedication to the police force, Bill embodied the ideals of integrity, honesty and courage that we, as Americans, have come to expect from the brave men and women who serve as our law enforcement officers. As his family mourns his loss, I believe it is appropriate to remember Bill and pay tribute to him for his contributions to his city, his state and his country.

Bill McCluskey was not an ordinary police officer. In 1999, he was recognized as the Pueblo Police Department's officer of the year, and during his tenure in the department, he received over 100 letters of commendation. In 1989, he was promoted to sergeant, and through his tireless work ethic and impeccable reputation for honesty and integrity, Bill emerged as the department's patriarch and role model.

It was Bill's dedication and love for his job, his family and his community that distinguished him from, and endeared him to all who knew Bill. He is survived by his wife Sharon, and his two sons Michael and Jonathan. Not only will he be missed by his immediate family, but also by the many brave men and women who served with him in the Pueblo Police Department. He is, without question, one of this country's true heroes. He was a man that served his community with a passion, and helped to make it a much better and safer place. The Pueblo community and I are eternally grateful for his service.

Mr. Speaker, we are all terribly saddened by the loss of Bill McCluskey, but take comfort in the knowledge that our grief is overshadowed only by the legacy of courage, selflessness and love that Bill left with all of us. His life is the very embodiment of all that makes this country great, and I am deeply honored to be able to bring his life to the attention of this body of Congress.

INTRODUCTION OF THE SECURITIES FRAUD PREVENTION ACT OF 2002

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. CONYERS. Mr. Speaker, today I am introducing of the "Securities Fraud Prevention Act of 2002," legislation designed to crack down on securities fraud. I am joined by Minority Leader GEPHARDT along with Representatives WATT, JACKSON-LEE, WATERS, MARKEY and SANDERS.

The last several months have revealed widespread securities fraud at the very highest level of Enron and its advisers. Every day brings a new revelation of the dissemination of misinformation, shredding, obstruction of justice, and insider trading. As more and more companies filer bankruptcy, I am concerned that we may well learn of additional instances of fraud across corporate America.

One step we can take to respond to this outbreak is to empower harmed American investors to obtain justice in these cases. Unfortunately, one of the very first items enacted by the Majority in 1995 as part of the "Contract with American" was legislation making it more difficult for ordinary Americans to bring Racketeer Influenced and Corrupt Organizations (RICO) actions involving securities fraud. This legal loophole for securities fraud was enacted over President Clinton's veto as part of the Private Securities Litigation Reform Act (PSLRA) of 1995.

The PSLRA ended the use of the private civil RICO statue as a means of seeking treble damages and attorneys fees in securities fraud cases, unless preceded by a criminal conviction. In essence, the Congress wrote a special exemption preventing securities fraud cases from being brought under RICO.

In the wake of the Enron debacle, I believe the time is now ripe to protect American investors once again. The Enron cases has established beyond a shadow of a doubt that white collar fraud can be incredibly damaging, in many cases wiping away life savings and costing innocent Americans billions of dollars of their hard earned money. There can be no conceivable justification for shielding corporate wrongdoers from RICO actions in this context. I am hopeful that Congress can move quickly to enact this worthwhile and timely legislation.

IN HONOR OF REVEREND STANLEY SPREWER

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. BONIOR. Mr. Speaker, as the family and friends of Reverend Stanley Sprewer gathered together at memorial services on January 10, 2002, they celebrated the life of a pastor who touched the lives of so many. A "faithful shepherd of God's flock", Rev. Sprewer's love for God, his church, and his family will continue to be remembered and cherished, after his passing from this earth on January 6, 2002.

Born in Wauwatso, Wisconsin to James and Marie Sprewer, Rev. Sprewer was the eighth child of ten in his family. After accepting Christ at a young age, Rev. Sprewer's ambition led him to graduate from North Division High School and enlist in the United States Marine Corps. Following his exceptional service during the Vietnam War, Stanley Sprewer's leadership and thirst for life helped him realize his true calling, and after building a beautiful family of his own, he answered the call to ministry.

Beginning his ministry as an exhorter at Bethel C.M.E. Church Milwaukee, he became licensed as a local preacher and then ordained to elder under the late Bishop Chester K. Kirkendoll. After graduating from St. Martin's Seminary in Milwaukee and earning a Master of Theology degree from Bethany Bible College and Seminary in Dothan, Alabama, Rev. Sprewer began his pastoral journey at Allen Temple C.M.E. Church in Milwaukee, where his ministry flourished as he led an outstanding community-based nutrition program and led a successful church renovation and restoration project. His journey then brought him to Michigan, where he pastored first at the Dozier Memorial C.M.E. Church in Flint and then to Detroit, where he served as pastor of Allen Temple C.M.E. Church, a church in an economically deprived area where he resumed a nutrition and clothing outreach program as well as a nursing home ministry at the Hillcrest Nursing Home. Rev. Sprewer's final stop brought him to Turner Chapel C.M.E. Church in Mount Clemens, where his leadership and dedication brought a community together as the church grew both spiritually and numerically, and where his legacy of love and service will continue to live on.

Rev. Sprewer has always given one hundred percent in every aspect of his life, his work, his community, his family and his friends. Those who had the pleasure of knowing him and the benefit of working with him will surely continue to remember him as a dedicated, faithful pastor and friend to all. He will truly be missed. I invite my colleagues to please join me in paying tribute to Rev. Sprewer, and saluting him for his exemplary years of care and service.

PAYING TRIBUTE TO TOMASA BARGAS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to honor a woman whose passion for life and whose incredible human spirit is an inspiration to us all. Tomasa Bargas, a Pueblo, Colorado resident of over seventy years, recently passed an impressive milestone, celebrating her one-hundredth birthday with four generations of her friends and family.

Tomasa was born December 29, 1901 in Irapuato, Guanajuato, Mexico. She came to the United States at the age of sixteen, settling in Trinidad, Colorado with her husband Joaquin, and later moving to Pueblo, where she still resides today. Incredibly, Tomasa is the matriarch of a family that includes 11 children, 34 grandchildren, 74 great-grandchildren and 37 great-great-grandchildren. It is an impressive lineage of which she is extremely proud, and which, more importantly, is extremely proud of her.

Battling overwhelming odds, Tomasa managed to reach this impressive milestone while battling Alzheimer's disease, a condition that has conquered neither her mind, nor her spirit. Her memories are still very much alive, and her family and friends are all fortunate to be able to share in a life as rich and varied as hers. The remarkable longevity of Tomasa's life is a testament to both her will to survive and her unparalleled passion for life.

Mr. Speaker, it is with great pleasure that I bring to the attention of this body of Congress, the life and spirit of such an incredible woman. Through overwhelming odds, she has managed not only to endure, but to brighten and invigorate the lives of those around her. She is truly an inspiration to all of us, and I, along with the many people whose lives she has touched, am honored to recognize her tremendous accomplishment in reaching her one-hundredth birthday, and more importantly, her passion for life and indomitable human spirit.

JOB CREATION AND ECONOMIC SECURITY ACT

HON. JOHN R. THUNE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. THUNE. Mr. Speaker, while it appears that our economy has begun to pull out of its recent doldrums, people in South Dakota and across our Nation continue to need help.

I have been arguing for months that the best way to address many of the problems facing our nation is to first get our economy back on track. I strongly believe one of the ways to accomplish this goal is to pass an economic security bill.

That's why, Mr. Speaker, today I have introduced the Jobs Creation and Economic Security Act. This legislation is needed to get the economy moving and put people back to work.

Some have argued that our economy doesn't need help or even that putting dollars back into the pockets of American taxpayers actually sent the economy into recession in the first place. Nothing could be further from the truth.

That's an economics I don't understand and frankly one that every expert I've talked to flatly contradicts. They will tell you that getting the money out of Washington and back in the hands of Americans is the best way to create jobs, instill consumer confidence and get the economy moving.

The provisions of my bill include a tax rebate for those who didn't get a rebate last year, reducing the 27.5 percent rate to 25 percent immediately, providing for accelerated depreciation for businesses, including farmers, providing unemployment and health care benefits and providing needed tax relief for farmers.

Passing this legislation will be a great first step in getting our economy moving. However, I believe we can also do more. Congress needs to pass a farm bill as soon as possible so farmers will know what programs to expect when they begin planting. The House has already passed legislation to improve and maintain the necessary farm programs, while adding a counter-cyclinal safety net to help producers when times are tough. It has a strong and balanced conservation title that provides incentives for both idling environmentally sensitive land and for performing conservation practices on working lands.

In addition, it supports value-added agriculture to help producers add value to their raw commodities. Producers will receive more of the value of what they grow, not merely settling for the prices that they are given at market.

Congress should also enact the President's energy bill. Again, the House has already passed a comprehensive national energy policy, because we've become too dependent on foreign oil. The House bill takes a balanced approach toward finding new resources here at home and developing new ideas for the future. It also works to improve conservation today while developing renewable energy sources for tomorrow.

By acting now on each of these measures Congress can put our economy and our nation on the path toward prosperity. Our constituents demand it and deserve nothing less.

THIRTIETH ANNIVERSARY OF THE BANK OF GUAM

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. UNDERWOOD. Mr. Speaker, in Chamorro, we refer to the Bank of Guam as Bangkon Ifit (the Bank of Ifil). Ifil is the hardest wood that can be found on Guam. The Bank of Guam has become synonymous with the strength and durability that the ifil tree represents. More importantly, both the Bank of Guam and the ifil tree represent the soil and soul of Guam.

Responsibility, service and commitment are words that aptly describe the Bank of Guam with regard to our island and the Western Pacific. Chartered for operation on March 13, 1972, the Bank of Guam was a life-long dream of Mr. Jesus S. Leon Guerrero, the institution's founder and Chairman of its Board of Directors.

With an abiding concern for the people of Guam, Mr. Leon Guerrero was determined to establish a responsive, full service banking institution to meet the unique and specialized needs of island residents. Not only did he perceive this type of institution to be sorely lacking on Guam; as a pioneering businessman, he was also driven by a desire to serve his community by utilizing his considerable business acumen.

December 11, 1972, was opening day for the Bank of Guam and its thirteen original staff members. From its humble beginnings in the Santa Cruz area of Hagåtña through its expansion with branches in Saipan, Rota, Tinian, Chuuk, Pohnpei, Majuro, Kwajalein, Palau and San Francisco, the Bank of Guam has progressed at a truly impressive pace. The Bank's services range from full service banking, ATM machines, investment opportunities and even home banking. Currently managed by a cadre of business professionals following in the footsteps of their founder, the bank is fulfilling its promises to the people of Guam and to the people of Micronesia as a responsible banking institution.

In conjunction with the hallmarks of responsibility and service, the Bank of Guam is also known for its sincere commitment to the community as a whole. This commitment has made its successful operation possible during these past thirty years. With competent staff members and an experienced Board of Directors, the Bank of Guam is leading the banking community of the region into the 21st century.

Although this is a brief overview of the Bank of Guam's numerous accomplishments, one can understand the overwhelming positive impact this institution has had, and will continue to have, on the people of Guam and Micronesia. For thirty years, the Bank of Guam has served our island communities. I am sure that it will continue to provide excellent services. In the words of Jesus S. Leon Guerrero, "There are two fundamental reasons why I wanted to take the risk in starting the Bank of Guam. Number one, provide service to the community that was not available, and then, two, back up that service with a commitment to take care of our people." The Bank of Guam had proven on innumerable times it's commitment to this philosophy.

I offer my congratulations to the Bank of Guam for thirty years of dedicated service to the community. The legacy that Jesus S. Leon Guerrero has created will continue to be strong, vibrant and beneficial to the people of Guam for generations to come. We have every confidence that the Bank's current president, Anthony Leon Guerrero, and his excellent staff will continue to build upon this legacy.

Si Yu'os Ma'ase Bangkon Ifit.

RECOGNITION OF JANE HEALY

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. UDALL of Colorado. Mr. Speaker, I rise today to thank Jane Healy for her many years of public service and the contributions she has made to so many people in Colorado. On February 1, 2002, she will be celebrating her 70th birthday. Many of those 70 years have been involved in public service. I wanted to take this opportunity not only to wish her a most happy birthday, but also to highlight her outstanding career and accomplishments.

Upon my election to the 2nd Congressional District in 1998, I was fortunate to have Jane join my staff as the Director of Constituent Services. I was very appreciative because I had learned of her many years of constituent service work for my predecessor, David Skaggs, as well as similar work for other Colorado elected officials including Senator Gary Hart and State Treasurer Gail Schoettler.

Jane's work in these offices earned her a reputation as a caring and extremely effective advocate for individual Coloradans with state and federal agencies. She had developed great expertise in relevant agency rules and procedures and had earned the respect of agency personnel. As a result, she could provide simple, direct advice and was especially helpful to many people who would have been frustrated and confused without her assistance.

Nowhere was this expertise more pronounced than in the complex area of immigration matters and the extensive process of selecting nominees for appointment to the service academies.

On immigration matters, Jane became the "dean" of the Colorado delegation staff—particularly on issues related to visas and the status of foreign nationals lining and working in the United States. Oftentimes, when an issue was too complex for other offices to handle, she would be asked advice on how to proceed. On the service academy selection process, she was especially adroit at making this potentially stressful and unmanageable system of selecting nominees to our armed service academies a smoothly functioning and enjoyable experience, while always underscoring the honorable nature of the effort and treating it with the highest respect and decorum.

When she joined my staff, she helped set the standard of excellence for casework service. She helped train novice staff members in the art of casework service and correspondence. Her knowledge and expertise has served my office well—but more importantly, it has helped countless numbers of people over the years. It is estimated that over the course of her career, she directly helped resolve over 20,000 cases on an impressive array of issues.

Jane's dedication was unequaled. Coworkers would notice that she would frequently leave the office at the end of the day with bags of casework papers on which she continued working at home. My staff and I deeply miss her talents in calligraphy, here editing skills, her love of Ireland, and her chocolate raspberry pies.

On a personal note, Jane also worked as the Colorado State Coordinator for my father's presidential campaign in 1976. She proudly displayed in her office a photo taken during that campaign showing her with my dad.

She also has been involved in many other community activities, such as serving on the Board of North Metro Community services, which provides needed services to disabled citizens in the northern portions of the Denver-metro area. To serve so broadly, so successfully, and with such grace, heart, and spirit is deserving of recognition.

Mr. Speaker, I ask my colleagues to join with me in expressing ourgratitude to Jane Healy for her exemplary public service to the people of Colorado and their elected officials. Her many accomplishments go beyond reckoning, and I wish her good health and happiness in the future.

PAYING TRIBUTE TO LUD E. WASHINGTON

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. McINNIS. Mr. Speaker, it is with profound sadness that I pay tribute to a local hero whose life-long pursuit of improving and enriching the lives of others is an inspiration to us all. Lud E. Washington recently died just short of both his 88th birthday and his 50th wedding anniversary to his wife Marguerite, but his life was one of immense fulfillment and a source of endless joy for those who knew and loved him. As his family mourns the loss, I believe it is appropriate to remember Lud and pay tribute to him for his contributions to his community, his state and his country.

Lud was a true pioneer who fought courageously to break down racial barriers and open doors for future generations of African-Americans and minorities. He gave his time and energy to those who needed him most. He began his career by running the all African-American Lincoln Home, which served as a boarding house for African-Americans of all ages who were in need of a caretaker and mentor. He dedicated his life to ensuring that no child grew up without the proper guidance, love, or care. Lud believed that he could, by offering his help to one child at a time, have a dramatic impact on an entire community.

Lud was the first African-American foreman at the Pueblo Army Depot, breaking down barriers that enabled others who followed him to attain increasingly higher-ranking positions within the military. He, along with long-time friend Linc Wilson, led Pueblo's first and only all African-American Boy Scout Troop in the late 1940's, an undertaking that served as an indispensible resource for the young African-Americans of the Pueblo community. By fostering a spirit of leadership, camaraderie and cooperation, the Troop helped provide the positive reinforcement that so many children had previously not been able to find elsewhere. Lud's efforts and courage in the face of long odds are a testament to his indestructible and benevolent human spirit.

Mr. Speaker, we are all terribly saddened by the loss of Lud Washington, but take comfort in the knowledge that our grief is overshadowed only by the legacy of courage, selflessness and love that Lud left with all of us. His life is the very embodiment of all that makes this country great, and I am deeply honored to be able to bring the attention of this body of Congress to his life. Lud Washington will be deeply missed by his family, his friends and the entire community.

TRIBUTE TO HENRY MESSER AND CARL HOUSE ON THEIR 50 YEARS TOGETHER AND TO THE TRIANGLE FOUNDATION AND ITS 10 YEARS OF ACTIVISM

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. BONIOR. Mr. Speaker, today I rise to recognize the Triangle Foundation, an organization dedicated to the struggle for dignity, justice, and civil rights in Michigan. I also wish to honor the Triangle Foundation's founder Henry Messer and his partner, Carl House, and acknowledge their continued activism and their 50 years together.

The Triangle Foundation of Michigan has been fighting for the rights of gay, lesbian, bisexual, and transgender (GLBT) people in Michigan for ten years. Through the work of a dedicated and highly capable staff, the Triangle Foundation has been the leader on GLBT issues in Michigan. Their efforts have helped to enact anti-discrimination laws in many Michigan cities and turn back unfair and unjust policies in others. The Triangle Foundation's energy on the electoral front has given a voice to those who support civil rights initiatives and who understand that discrimination has no place in America.

The Triangle Foundation's dedication to the struggle for civil rights is a testament to the devotion and involvement of Henry Messer and Carl House. As early as the 1950s, they were helping to organize and support GLBT rights movements in New York City. Dr. Messer, who is a retired Assistant Professor of Neurosurgery at the University of Michigan, was also a member of the Mattachine Society, which, founded in 1951, is often considered a beginning force in the contemporary gay rights movement in the U.S.

In the late 1970s, Henry Messer and Carl House moved to Michigan, but did not leave behind their strong ideals and commitment to justice. Instead they continued their strong activism in state and local politics and issues affecting GLBT people. This culminated in 1991 when Henry Messer, with Carl by his side, founded the Triangle Foundation and propelled Michigan into the GLBT rights movement.

Because of the work of Henry Messer, Carl House, the Triangle Foundation, and many others in the struggle, we have come a long way in our efforts to expand civil rights to everyone—but we still have a long way to go. Through continued activism and education, we can and will reach our goals.

SALUTE TO ELLSWORTH AIR FORCE BASE

HON. JOHN R. THUNE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. THUNE. Mr. Speaker, I rise today to recognize the men and women of Ellsworth Air Force Base in my home state of South Dakota upon their return home from Afghanistan.

Ellsworth Air Force Base is the home of the 28th Bomb Wing of B–1 bombers and more than 3,500 military and civilian members. Each of these men and women proudly serve their country in numerous ways every day. And when duty calls, they are ready and willing to stand in harm's way on behalf of their country.

The people of Ellsworth Air Force Base have a history of performing well in U.S. missions. In Operation Desert Fox during the Gulf War, crews from Ellsworth helped the B–1 make its combat debut, and they also participated in Operation Allied Force in Kosovo.

Most recently, B–1 air and ground crews returned to Ellsworth after participating in Operation Enduring Freedom in Afghanistan. The B–1 and their crews were involved in every aspect of the most precise, intense bombing campaign in history, flattening terrorist targets and taking out Taliban strongholds. These bombers were the key to winning the war in Afghanistan.

I also want to pay tribute to Ellsworth's commander, Brigadier General Edward Rice, Jr., who commanded all B–1 and B–52 operations over the skies of Afghanistan. His recent promotion says more about his value to our nation than any words can say.

Mr. Speaker, the men and women of Ellsworth Air Force Base are tremendous assets to South Dakota and to our country. I am proud of the important role they play both at home and abroad. For all the sophistication of the military hardware in use today, we know it is the individuals, like those at Ellsworth, who truly get the job done.

Mr. Speaker, I salute the men and women of Ellsworth Air Force Base. All of America owes both the B–1 and these people their thanks.

THIRTIETH ANNIVERSARY OF THE GUAM HILTON RESORT AND SPA

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. UNDERWOOD. Mr. Speaker, Conrad Hilton began his famous career by renting out rooms in the San Antonio adobe house where he grew up. He officially entered the hotel business in 1919 when he took over a small hotel in Cisco, Texas. Today, the name "Hilton" has become synonymous to the word "hotel" with their coast-to-coast operations in the United States as well as in Spain, Turkey, Cuba, Egypt, and many other nations.

As with its sister facilities throughout the world, the Hilton Guam Resort and Spa, now celebrating its thirtieth anniversary, has made an indelible mark on the island's tourism industry as well as the local community. A partner in the island's development, Guam Hilton became the first international deluxe hotel to build facilities on the island in 1972, as Guam's tourism industry was still in its earliest stage. Over the next thirty years, the hotel has expanded its operations at its original location in Tumon Bay, the center of the island's tourist trade. From its initial 250 guest rooms with three food and beverage outlets, the Hilton Guam Resort and Spa is now comprised of three main buildings housing 687 guest rooms along with seven Food and Beverage outlets. Nestled on 32 acres of prime beachfront property, the restaurant facilities within the hotel complex offers health conscious menus which has recently been added to their unique tropical cuisine.

Sport enthusiasts for years have taken advantage of the Hilton's sports programs and facilities. Their tennis facilities feature five night lighted courts. A variety of programs are available for novices and advanced players along with supervised activities and exercise programs for all ages. A state-of-the-art fitness club with saunas, a water park, jacuzzi, a children's playground and activities room, jogging and walking trails, and a private beach club offering a variety of watersports equipment rental have also been made available to guests. Major tourist attractions, diving, deep-sea fishing and world class golf facilities may also be conveniently arranged through the hotel's tour desk representatives.

A wide range of spa activities, massage therapies, body treatments and salon services complement the sports and leisure activities. Patrons can relax in idyllic surroundings while trained hands of the Mandara spa staff provide soothing services in an unhurried fashion. Professional consultants from the Adventist Medical Services are also available to administer health programs.

On Valentine's Day of 1997, overlooking a spectacular view of the island's most popular spots, Two Lovers Point and Tumon Bay, the first wedding at the newly opened wedding chapel, St. Grace by the Sea was held. Later that year, the hotel's 25th Anniversary was celebrated by the first ever laser light show on Guam with the event's proceeds going to local non-profit organizations such as Guma Mami, the Guam Chapter of the American Cancer Society and the American Red Cross.

For the past three decades, the Hilton Guam Resort and Spa has been a main contributor in the development and progress of the island's tourism industry. Through the years, Hilton has made great contributions and provided innovations that make Guam extraordinary and more appealing to both its residents and visitors. Under the able leadership of Mr. Manfred Pieper, I expect and I am assured that Hilton will continue to build upon its thirty-year legacy. On behalf of the people of Guam, I offer my congratulations to the management and employees of the Hilton Guam Resort and Spa on their 30th anniversary.

ON NIST'S VALUE TO THE COUNTRY AND ITS CONTRIBUTIONS TO OUR NATIONAL SECURITY

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. UDALL. Mr. Speaker, I rise to call attention to the National Institute of Standards and Technology (NIST) and to its contributions to our national security.

You might have seen NIST in the news lately. Two of my constituents—Dr. Eric Cornell, a researcher at NIST's labs in Boulder, Colorado, and Carl Wieman, a researcher at the University of Colorado—were awarded the Nobel Prize for Physics for their work in creating a new state of matter. The goal of the scientists was to create Bose-Einstein condensation, an extreme state of matter predicted by Indian physicist Satyendra Nath Bose and later expounded upon by Albert Einstein.

I am proud that the work of Dr. Wieman and Dr. Cornell is a result of federally funded research at NIST and at the University of Colorado.

But I am also proud of other work that NIST is doing. I'm including in the RECORD a recent article from the Colorado Daily on NIST's contributions to our homeland security effort. From biometrics and explosives detection to fire-fighting computer modeling tools and new applications for nanotechnology, NIST is playing an important role in bolstering our homeland security.

While NIST is involved in long-term research projects covering all scientific areas, the Institute is also working on security-related projects that will yield more immediate results. As NIST's new director Arden Bement states in the article, "our work is to take technology that's currently ready, make it available, reliable, accurate and a dependable safeguard for the U.S. public."

Commerce Secretary Donald Evans recently praised NIST's relevance to the challenges this country faces, noting that NIST is "one of the real treasures" in the federal government, with a "tremendous track record."

On this, Secretary Evans is exactly right. That's why I hope the Secretary and the rest of the Administration will support my efforts this year to see that NIST gets the funding it deserves and needs.

In particular, funding is needed to address a backlog of critically needed repairs and maintenance at NIST's laboratories in Boulder, Colorado, where a staff of about 530 scientists, engineers, technicians, and visiting researchers conduct research in a wide range of chemical, physical, materials, and information sciences and engineering.

As technology advances, the measurement and standards requirements become more and more demanding, requiring measurement laboratories that are clean, have reliable electric power, are free from vibrations, and maintain constant temperature and humidity. Most of the NIST Boulder labs are 45 years old, many have deteriorated so much that they can't be used for the most demanding measurements needed by industry, and the rest are deteriorating rapidly. Every day these problems go unaddressed means added costs, program delays, and inefficient use of staff time.

Since 1999, I have fought for increased funds for NIST's Boulder labs. I've already begun the fight for FY2003 funding. Along with my colleagues in the Colorado delegation, Sen. ALLARD, Rep. DEGETTE, and Rep. SCHAFFER, I sent a letter in December to OMB Director Daniels asking for his help. I am also including this letter in the RECORD today.

[From UPI Science News, Jan. 18, 2002]

COLORADO DAILY—NIST AIDS SECURITY

(By Scott R. Burnell)

WASHINGTON (UPI).—The National Institute of Standards and Technology, the primary physical science research laboratory in the country, is working to give the homeland security effort as much technology as possible, the institute's director said Wednesday.

Arden Bement, who took the reins at NIST in early December, said many security-related programs were underway before Sept. 11. Bement said he currently devotes about 25 percent of his time to the issue.

"Right now, the immediacy of our work is to take technology that's currently ready, make it available, reliable, accurate and a dependable safeguard for the U.S. public," Bement told reporters. "Our researchers are providing technical support to other agencies . . . we expect this involvement to continue and be amplified in the next few months."

One area NIST researchers are focusing on is biometrics, the science of identifying a person through physical features. Bement said a broad spectrum of applications, including face recognition and retinal scans, is being examined for use in aviation security. One of the technologies should be recommended for widespread use in the next few months, he said.

Another aviation-related area of research involves explosives detection. Researchers are examining the feasibility of an "airflow shower" to capture and identify chemical emissions from explosives or biological agents in carry-on luggage or hidden on a passenger, Bement said.

"We're also (examining) millimeter-wave radiation as a means of detecting any concealed objects on individuals," Bement said.

NIST's computer modeling tools are studying possible ways fire spread through the World Trade Center and contributed to the structure's collapse, Bement said.

"These models are essential to understanding just what temperature the steel experienced," he said. "Such simulations could be used to help train firefighters in judging the likely behavior of future large-scale fires in high-rise buildings."

The results also likely will be incorporated into future building codes, he said. The institute's modeling resources played a key role in verifying that mail possibly infected with anthrax could be sterilized with radiation, he said.

Looking forward, Bement wants to apply his experience with the national power grid toward better safeguards for the vital resource. Electric utilities use disparate systems for collecting and distributing information about power needs, as well as for trading generating capacity among themselves, he said. Standardizing these tools is essential to putting better physical and computer security in front of the industry, he said.

As for the rest of the scientific world, Bement said nanotechnology—the science of physically manipulating matter at the atomic or molecular level—and biotechnology are among the fastest growing areas for commercial development. NIST has to help those industries standardize the tools for accurately measuring the results of their work.

Although this is Bement's first job inside NIST, he has had plenty of experience with the organization as part of several scientific advisory boards. He comes to the directorship from Purdue University, where he headed the School of Nuclear Engineering. He was also director of the Midwest Superconductivity Consortium and the Consortium for the Intelligent Management of the Electrical Power Grid.

CONGRESS OF THE UNITED STATES,
Washington, DC, December 7, 2001.
MITCHELL E. DANIELS, Jr.
Director, Office of Management and Budget, Washington, DC.

DEAR DIRECTOR DANIELS: As you prepare to finalize budget numbers for fiscal year 2003 for the Commerce Department, we strongly urge you to include funding for needed construction and repairs at the Boulder, Colorado laboratories of the National Institute of Standards and Technology (NIST).

Of the many federal research facilities in Colorado, one of the most impressive is the NIST Boulder laboratory complex. Its national importance was highlighted just recently with the awarding of the Nobel Prize in physics to scientists from Colorado's NIST laboratories and from JILA, the joint institute of NIST and the University of Colorado.

But to continue to make these important contributions, NIST's Colorado facilities need help. The National Research Council's Board on Assessment of NIST Programs wrote in its FY99 report about "poor air quality, poor temperature and humidity control, excessive vibration and power fluctuations and other deficiencies" at the Boulder facilities, and went on to note that the "methods used to work around these problems contribute to extra cost, program delays, and inefficient use of staff time." NIST's Visiting Committee on Advanced Technology wrote in its 1999 annual report that "Unless NIST has facilities comparable to or better than those of the industry served, it is not possible to provide state-of-the-art assistance . . . at the level of accuracy required."

The current plan for NIST's Construction of Research Facilities program on NIST's 45-year-old Boulder, Colorado campus is the culmination of a long and thorough effort to ensure that NIST keeps pace with advances in science and technology and the requirements of the country for advanced technical measurements and standards.

The first steps to complete several urgently needed construction and major renovation projects include construction of a central utility plant, construction of a new primary electrical service, the partial renovation of Building 4, the design for the renovation of the main building on campus, Building 1, and the renovation of wings 3 and 4 of this building. Additional renovations and construction needs to Building I (wings 5 and 6), Building 24, and cleanroom facilities in Boulder will be needed in future years to meet the growing scientific requirements placed on these aging facilities.

To begin implementing this plan, we urge that the FY2003 budget include:

Central Utility Plant ($29.7 million)—would supply filtered power, heating, and cooling to all laboratory buildings on the site. An October 1998 study reviewed and updated previous studies of problems with the Boulder laboratories and confirmed that the most effective way to solve them was to build a centralized utility plant and HVAC distribution System at a cost of $29.7 million. The plant will by no means solve all of the campus's environmental control problems. None of these other problems, however, can be solved cost-effectively without a new central plant.

New Primary Electrical Service ($5.4 million)—The NIST Boulder campus experiences frequent power outages and power spikes due to the remaining overhead power lines. Loss of power, even for a few seconds, can cause some research projects requiring long data collection times to have to be completely repeated. Voltage drops can cause delicate microscope probes to crash into expensive samples or produce inaccurate measurement readings lowering the quality of data. NIST plans to alleviate its power continuity and power quality problems by constructing an underground power conduit. Congress appropriated $500 thousand for the design of this project in FY 2001 budget.

Design and Limited Renovation of Building 4 ($3.7 million), Renovation Design of Building 1 ($9.1 million), and Renovation of Wing 3 and 4 of Building 1 ($12.5 million)—Despite the fact that Boulder's Building I is nearly 50 years old, it can still provide quality research space if major renovation is undertaken. The basic building layout of six largely independent on-grade wings provides a large amount of low vibration research space. Most of the building's current vibration problems are caused by aging and poorly located mechanical systems. These problems can be reduced by planned building. renovations that will add service corridors along the sides or ends of the building to house and distribute mechanical services.

NIST has played a critical role in helping build this country's science and technology infrastructure and is poised to contribute to even greater advances in the 21st century. We urge your support to help ensure NIST has the tools it needs to do this vital work.

Thank you for consideration of these matters.

Sincerely,

MARK UDALL,
Member of Congress.
BOB SCHAFFER,
Member of Congress.
WAYNE ALLARD,
U.S. Senate.
DIANNA DEGETTE,
Member of Congress.

TRIBUTE TO WORLD SABBATH DAY OF RELIGIOUS RECONCILIATION

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. BONIOR. Mr. Speaker, today I rise to recognize World Sabbath Day and the hope for religious peace and justice that I believe it will bring. I strongly believe that religious prejudice and violence have no place in our world, and I feel that only through education and tolerance can we make a difference.

This is why World Sabbath Day and the work of Reverend Rodney Reinhart and Reverend Ed Mullins are so important to expanding compassion and freedom in our world. Through the communication and honesty that is brought forth from people of different faiths, we learn about each other, and how to respect our differences.

What World Sabbath Day represents, and what Reverend Reinhart and Reverend Mullins know so well, is that religious persecution of any type should not be tolerated or condoned anywhere. One of the fundamental tenets upon which our country was founded was the freedom to choose one's religion. I believe that we as a nation have a moral obligation to uphold that principle at home as well as abroad. The United States needs to be more aggressive in promoting tolerance of religious minorities throughout the world.

Reverend Reinhart and Reverend Mullins know this, and they have been to Africa, the United Nations, and several other places in North America to promote World Sabbath Day. And although there is much work to be done to end religious bigotry and hatred, World Sabbath Day is a good start.

PAYING TRIBUTE TO HENRY SALAZAR

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. McINNIS. Mr. Speaker, it is with a solemn heart that I rise today to pay tribute to the passing of a great man from the state of Colorado. Henry Salazar passed away on December 22, 2001 after a long battle with Alzheimer's disease. Henry was 85 years old, and as his family and friends mourn his passing, I would like to draw attention to his good deeds and accomplishments throughout his life.

Henry was known as a hardworking and compassionate man who valued education over wealth during his entire life. His eight children were raised with high religious morals, encouraged to receive an education, maintained their integrity, and served the citizens of their community. Seven children, fourteen grandchildren, and his dedicated and loving wife, Emma, survive Henry.

Henry carried on in the family tradition as a rancher on his family's homestead in Los Rincones, Colorado. The homestead has been a part of the Salazar family since the 1850s also a pillar of the San Luis Valley community for over a century. Throughout his life, Henry was dedicated to his community and nation. He served in the army during World War II, attaining the rank of Staff Sergeant. After the war, he worked as a rancher and farmer and served in the Colorado Port of Entry. His community efforts included preservation of local landmarks, most notably the preservation of the Los Cerritos Cemetery where he will be buried. I personally met and spoke to Henry on a number of occasions, including a little over a year ago when Henry spoke at the kick-off ceremony to make the Great Sand Dunes a national park, an undertaking which was greatly appreciated by everyone in the community and in the state. Every time I met with him or his family I felt fortunate.

Mr. Speaker, Henry Salazar was a great and noble man who deserves the recognition and praise by this body of Congress. It is always a sad moment when a loved one passes away from our lives. Henry Salazar was a loved and compassionate man who went out of his way to improve the lives of all those he touched. Those who remember him for his kind words and the good deeds will certainly mourn his passing. My heart goes out to his family and friends during this time of remembrance and bereavement. We'll miss you Henry.

REMEMBERING DEAN L. ANTHONY SUTIN

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. CONYERS. Mr. Speaker, I rise to remember Dean Anthony Sutin who was taken from us in a senseless act of violence at Appalachian Law School on January 16, 2002. Dean Sutin was a renowned legal scholar and public servant who was an invaluable partner to me on judiciary issues while he worked at the Department of Justice. I first met him while he was working on community policing in the Attorney General's office in 1994. I admired his dedication to his tireless work on a program that has impacted the lives of so many Americans.

While I could not do justice to Anthony Sutin's memory by simply reciting all of his many accomplishments, a few highlights deserve notice. Dean Sutin graduated summa cum laude in 1981 from Brandeis University. He received his law degree in 1984 from Harvard, where he served as assistant editor for the Harvard Environmental Law Review and the Harvard Journal on Legislation.

Before joining the Justice Department, he worked as a partner in the Washington, D.C. law firm of Hogan & Hartson, L.L.P. At the Department, he served as Deputy Director and General Counsel of the Office of Community Oriented Policing Services (COPS) from 1994 to 1997. As a testament to his outstanding leadership in this area, in its first year alone, COPS resulted in a three percent national decrease in violent crime.

From January 1997 to April 1998 Dean Sutin served as Deputy Associate Attorney General and Chief of Staff to the Associate Attorney General. He was then appointed by Attorney General Reno to serve as Acting Assistant Attorney General for Legislative Affairs where he worked until November 1998. It was during this historic period in which my staff and I interacted with Dean Sutin on a regular basis.

During his tenure as the head of legislative affairs, Anthony Sutin provided invaluable legal insight to the Judiciary Committee on the historic impeachment debate. During this uncomfortable period in our Nation's history, he was a stabilizing force in communication between the Clinton Administration and Congress. It was also during this period in which he worked with Congress on a number of crime-related issues such as gun control, community policing and hate crimes legislation.

Dean Sutin was lured away from Washington at the height of his career to pursue his dream of teaching law in a small community where he could closely interact with his students and other faculty. As dean of the growing Appalachian Law School, he cultivated ambition and hope in southwest Virginia's struggling coal-mining region.

Even more noteworthy than his academic and professional accomplishments was Dean Sutin's reputation as a kind and compassionate man who dedicated his life to raising his family, teaching his students and serving the country. Shortly before his death, he and his wife Margaret Lawton visited China and adopted a 14-month-old girl. I would like Clara and her brother Henry to know that I was proud to know and work with a man that dedicated his career in public service to making America a safer place for them to grow up and live.

TRIBUTE TO ROBERT K. KRICK

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. GARY MILLER of California. Mr. Speaker, I rise to pay tribute and honor the accomplishments of Robert K. Krick of Fredericksburg, VA.

Bob was raised in central California. He attended college there, and later earned a graduate degree at San Jose State University. Fascinated with military history—in particular the American Civil War in Virginia—he joined the National Park Service in 1966, hoping it would become a gateway to the sites he admired. After working at the Fort McHenry National Monument and Fort Necessity National Battlefield, he moved to Fredericksburg, Virginia in 1972. Bob has been the Chief Historian at Fredericksburg & Spotsylvania National Military Park ever since.

After nearly 30 years of work, his reputation is largely based on two things: his prolific career as a writer and his work as a battlefield preservationist. Bob's first published article appeared in 1973. Since then he has produced almost a dozen books, most of them devoted to the history of individuals and sites associated with the Civil War battles in the East. His published articles, book reviews, and related material number in the hundreds.

He also has considerable experience and success as a Civil War battlefield preservationist. In the 1980's he was a co-founder and vice-president of the Association for the Preservation of Civil War Sites—a group that has evolved from an earnest local organization that met in its members' living rooms into a powerful national presence that saves thousands of battlefield acres annually. Bob has been especially active in protecting historic acreage around Fredericksburg, where the size of the national park increased significantly during his tenure, helping maintain the integrity of these hallowed battlefields and preserving our history for future generations.

I recently had the distinct privilege of viewing the battlefield site in Fredericksburg with Bob. His insight and passion for his work left me captivated. His riveting stories of the small events that turned the tide and determined the final outcome of this battle left me feeling as if these events were actually unfolding before my eyes. It is this zest that Bob has brought to the Park Service for the last thirty years that will have an impact for generations to come. His legacy will be to have passed this knowledge and appreciation to scores of other Americans, who, in turn, will pass it along to their loved ones. Nearly one half of the country's Civil War battlefield parks presently have historians who learned their trade at Fredericksburg while Bob was the chief historian. In retirement his influence will carry on. The Park Service, and indeed our nation, will miss his service.

I would like to wish my friend the very best upon his retirement from the National Park Service.

INTRODUCTION OF THE SEPTEMBER 11TH VICTIM COMPENSATION FUND FAIRNESS ACT

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mrs. ROUKEMA. Mr. Speaker, today I am introducing the September 11th Victim Compensation Fund Fairness Act, which makes an essential change to the provisions of the September 11th Victim Compensation fund in order to justly compensate the thousands of families whose loved ones died in the attack on our nation. Specifically, this legislation will repeal the collateral compensation provision of the September 11th Victims Compensation Fund. The current provision requires the Special Master to reduce the amount of federal compensation by the amount of other compensation the family has received, including life insurance and pension benefits. This provision resulted in unintended consequences that will negatively affect many of the victims' families.

Our Nation is faced with a difficult challenge. Thousands of American families are trying to recover from the horrible loss of their loved ones on September 11th. As a Congress, we have pledged our support to these families, including providing compensation to them for the tremendous sacrifice made by their loved ones. We did this because we recognized that our assistance was essential in helping families recover.

However, the tragic events of this day left us in uncharted territory and we moved forward quickly as a Congress to enact laws to help these families. We must be sure that what we enacted in the days immediately following September 11th provides the best assistance possible to these families who have suffered so much.

The September 11th Victims Compensation Fund was created in the Air Transportation Safety and Stabilization Act, which was enacted on September 22, 2001. This was a mere 11 days after our country suffered the deadliest attack in its history. The Victim Compensation Fund was designed to aid these families fairly and justly. Unfortunately, the full implications of the collateral compensation provision in this fund have only recently become clear. As the regulations of the fund are developed and families receive compensation estimates, many are realizing that they will receive little if any federal support.

I do not believe that this is what Congress intended. Congress created this Fund to compensate families for their losses on September 11th. But because of a provision that reduces the total compensation by the amount of pension benefits and life insurance received, the very families we set out to help have the potential to receive nothing from the Nation's fund. That is not only unfair but also unacceptable. The Victim Compensation Fund inadvertently created a loophole and it is our responsibility to correct it.

The men and women who purchased life insurance or accrued pension funds did so to provide for the future of their families. We must properly and justly compensate families for the sacrifice that their loved ones made for our country. We cannot turn our back on our fellow Americans.

I strongly urge my colleagues to support this important legislation.

PAYING TRIBUTE TO RUDY RUDIBAUGH

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Mr. Rudy Rudibaugh and recognize his contributions to this nation. Now a resident of Parlin, Colorado, Rudy began his service as a sailor during World War II when he joined the Navy and served in the Pacific Theatre. During his tour, Rudy was involved in five allied invasions, including the invasion and subsequent liberation of the Philippines.

Rudy was assigned to Underwater Demolition Team 10, serving as a "frogman" or combat swimmer. As a member of the team, Rudy was a demolition expert assigned to demolish obstacles that would prevent the landing of allied forces on Japanese controlled islands. Rudy's exploits as a frogman were recently brought to light by the Veterans of Foreign Wars organization. A recent surprise ceremony highlighted a mission on the island of Peleliu in the Palau Island Nation chain. It was here that Rudy, along with several UDT demolition experts, cleared underwater obstacles and traps opening a path for occupation of the island by United States Marine forces.

Although Rudy will not brag, he was recently awarded the Bronze Star for his service as a frogman, as well as the Philippine Presidential Unit Citation, the Philippine Liberation Medal, the Asiatic-Pacific Campaign Medal, and the World War II Victory Medal. The surprise ceremony took place at the Colorado Outfitters Convention in Gunnison, Colorado. Rudy and his wife Deb, currently reside in the town of Parlin, where he serves as a local outfitter.

Mr. Speaker, it is a great privilege to recognize Rudy before this body of Congress and thank him for his dedicated service during the war. If it were not for servicemen such as Rudy, America would not enjoy the many freedoms that we have today. He served selflessly in a time of great need, bringing credit to himself and to this great nation. Thanks Rudy for your service.

READY, WILLING, AND NO LESS ABLE: VETERANS WITH PHYSICAL CHALLENGES WINNING IN THE COMPETITION FOR LIFE

HON. CORRINE BROWN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Ms. BROWN of Florida. Mr. Speaker, despite the tragedy of September 11th, last year's Veterans Braintrust, an event that has become one of the traditional highlights of the Congressional Black Caucus Foundation Annual Legislative Conference was a somber occasion. As we commenced the event at a time when our country had experienced one of the more tragic events in its history. We paused for a moment to remember those who lives were lost as we convened for this family affair. While we didn't know what kind of turn out we would get after the terrible disaster we call "911." We want to thank veterans for coming and always giving such tremendous support and participation for veteran's issues and concerns nationally. But last year especially we really appreciated veteran advocates coming that morning.

This Braintrust brought veterans and their families together from throughout the country and gave us an opportunity to discuss critical issues affecting veterans with physical disabilities such as voting rights; wheelchair accessibility; community based care; family support; reasonable employment and expanding entrepreneurial opportunities. Minister Clyde E. Sims of the True Light Baptist Church gave the invocation and I had the very special honor to bring up Ms. Melba Moore, Recording Artist and Tony Award winner who sang 'God Bless America.' Then Hon. SANFORD BISHOP, JR. (D–GA) co-sponsor introduced our keynote speaker who exemplified our theme Ready, Willing, and No Less Able: Sen. MAX CLELAND, Georgia's Senior Senator, disabled Vietnam combat veteran, and former VA Administrator. A hard fighter in defense of veterans programs and services that many African Americans risk their lives to earn. Sen. CLELAND noted, approximately 300,000 to 400,000 Vietnam veterans came back who were wounded from combat. But, the physical wounds healed up fairly quickly. However, then the emotional aftermath began to set in. Quite frankly, it was that emotional aftermath that he had to deal with, and sometimes still deals with decades later. By 1978 we gave it a name PTSD.

Equally important, he said, America's veterans have always taken care of this country, but this country has not always taken care of our veterans. So we are grateful for this burst of national euphoria we haven't seen since Pearl Harbor, and we want to take advantage of this flurry of interest in veterans. Particularly, Tom Brokaw's book, the "Greatest Generation" about WWII and now HBO's special "Band of Brothers." However, the truth of the matter is anybody who has ever served in the military, they are "Our Band of Brothers and Sisters," and we must look at it that way! Afterward Braintrust members Mr. Morocco Coleman, Executive Committee member and Mr. Clyde Poag, MSW made a special presentation as a token of our appreciation to Sen. CLELAND, and it read from the entire body of the Congress Black Caucus Veterans Braintrust in recognition of your outstanding leadership, dedication, and commitment to all veterans on September 28, 2001. As the former Team Leader of the Grand Rapids Vet Center Program and Past Chairman of the National African American Veterans Working Group, Clyde who recently retired from the DVA, thanked him on behalf of all veterans who have received services from the Vet Center Program, and on behalf of all its very dedicated employees, he said to us you will always be Mr. Secretary.

Next Mr. Anthony Hawkins, Acting Director of the Center for Minority Veterans, U.S. Department of Veterans Affairs, our forum moderator speaking from the heart remarked that it is extremely important that Congress keeps focused on the needs of our veterans, because if we don't care for our veterans, we can not expect our children to go forth 'in harms way' and defend America. Only to come back and be treated as second-class citizens. With that said, he introduced our distinguished panelist Hope Cooper, Larry Hughes, Pastor Jerry Cochran, George Brummel, Alvin Jones, Lee Williams, Judge Hughey Walker, and Robert Coward. Although, there were many, many very touching, or compelling stories the common truth for all of us was 'the importance of family and friends.' Because we all have to take responsibility for each other, particularly when anybody goes into the hospital, because if you don't have somebody to look out for you, you don't get good treatment! In closing, Hon. CHARLES RANGEL (D–NY), Dean of the Congressional Black Caucus Veterans Braintrust expressed his deep abiding appreciation for the camaraderie that veterans have displayed year after year not only to the CBC, but to their comrades who can't make it to Washington, DC. He said, you can feel it where ever you go that you say, to this great nation don't ever forget those people of African descent that have really fought for this great country of ours.

Later that evening the Congressional Black Caucus Veterans Braintrust held its 13th annual reception and awards ceremony with the gracious assistance of Mr. Wayne Gatewood, Jr., a Vietnam veteran and owner of Quality Support, Inc., an SBA 8(a) Vietnam veterans owned firm. Whereby, we honored those who made the freedom we enjoy possible. The brave men and women who laid their lives on the line for a country that all too often treated them as second-class citizens.

Then it was my great pleasure to introduce the night's keynote speaker Gordon Mansfield, the Assistant Secretary for Congressional and Legislative Affairs at the Department of Veterans Affairs, or the point man for the department's legislative agenda. He graciously thanked the Veterans Braintrust for inviting him to speak because many of the award recipients are his good friends. He also praised the work we have done on the part of all veterans regardless of race, gender, religion, or disability; and next took this opportunity to introduce, for the first time in Washington, DC, Mr. Del McNeal, the new Executive Director of Paralyzed Veterans of America (PVA). Mr. McNeal is a combat-injured Vietnam veteran, who has been a member of PVA since the 1970's and served as the Executive Director of the Florida Gulf Coast Chapter since 1991.

More importantly, Assistant Secretary Mansfield focused on four key words and they were: Able, Veterans, Challenges and Winning. This focus was done within the purpose of creating a dialogue between the veteran's community, and lawmakers, which can develop into policies that enhance the quality of life for all our nation's veterans. However, winning was the key to his presentation for the night. He stated we know from scientific studies that everyone with a catastrophic disability goes through a number of phases "Anger, Avoidance, Denial, Understanding, and Acceptance." Yet, as you work your way through these stages, you have the opportunity to direct yourself on a path towards winning, or to resign yourself to the unhappy life of being a loser. Although, some days and even some years have been worse than others there are some common threads that contribute toward each of our choosing the winning path. One of the keys to this success has been veterans training, knowledge of teamwork, and group support contributing to reaching goals. Thus, veterans training and consequently learning to deal with adversity and to focus on the mission, or become outcome-oriented were a significantly positive factor. Other threads were hospital rehabilitation time with fellow veterans (or peers) facing similar challenges contributed in a positive manner to his progress, and linking-up with similar minded individuals, as well as having an opportunity to work and to give back to other disabled veterans and disabled people generally. Finally, he asked for our support in efforts to continue the Department of Veterans Affairs (DVA's) work as a leader in the United States and throughout the world in providing rehabilitation assistance and saluted what we have accomplished.

This years Braintrust awards were given to the following exceptional African Americans and veterans who are physically challenged; rehabilitation services providers; supportive personal, home and community care providers and disability advocates: Associate Minister Clyde Sims, Jr.; Larry Hughes; Lee Williams; Hope Cooper; Pastor Jerry Cochran; Alvin Roberts; George Brummel; Judge Hughey Walker; Robert Coward, Jr.; John Walker, MSW; Leon Wilson, MSW; Odell Brown; Dr. Wilbert Tatum; William 'Bill' Demby; Webster Anderson; Kater Cornwell; Carl Brashear; Oliver Kuykendall; Robert Mountain; Winnie Jackson; Staff Sgt. Hilliard Carter; Thomas Duncan, Jr.; Robert White; Dr. Paul Cooke; Robert Muller; Edween Jackson; Tom Brown; Eugene Tatum, Sr.; Henry Tillman, III; Terence Goodman; Horace Grace; Jack Marshall; Henry Verner; the National Veterans Wheelchair Games; Department of Rehabilitation, Social Work & Addictions University of North Texas (UNT); Disabled Business Persons Association (DBA); Roosevelt Institute (Roosevelt Warm Springs Institute for Rehabilitation); World T.E.A.M. Sports; The Rural Institute, University of Montana; Center for Research on Women with Disabilities; and Howard University Research and Training Center for Access to Rehabilitation and Economic Opportunity.

Further, I would like to acknowledge the following individuals and groups for their support: Dr. Ura Jean Oyemade Bailey, Arthur Barham, Robert Blackwell, Ethel Briggs, Constance Burns, Pastor Jerry Cochran, Morocco Coleman, DC Center for Independent Living, Rusty Denman III, Eastern Paralyzed Veterans of America (EPVA), Rep. Lane Evans (D–IL), Venessa K. Franklin, Wayne Gatewood, Jr., Sgt. Maj. Isaac Gillard, Jr., USMC, Ret., Eddie Glenn, Ph.D. Doctoral Fellow, Anthony Hawkins, Dr. Charles Johnson, Col. Clarence Johnson, USAF, Dr. William Lawson, Paul Leung, Ph.D., James Love, Roy Martin, Sandra McClellan, Ruby Miller, Minority Veterans of Texas (MVT), Singer Melba Moore, Delores Monye, National Council on Disabilities (NCD), Jan Northstar, Paralyzed Veterans of America (PVA), Col. Pete Peterson, USA, Ret., Clyde Poag, MSW, Bay Area Western PVA, Eda Robinson, Janet Sims-Wood, Ph.D., Wayne Smith, Wallace Terry, Clifton Toulson, University Legal Services, Marilyn Valiant, Alexander Vernon, Dr. Sylvia Walker, Dr. Celia Williamson, Joann Williams, Julius Williams, Michael Handy, and Rev. Arthur Wright.

Let me also say, as Ranking Democratic member of the House Veterans Affairs Sub-Committee on Oversight and Investigations, I have been on the House committee for ten years, or my entire time in Congress. I am on the committee because I feel it's the right thing to do. And as we prepare for war, I remind my colleagues we cannot forget the men and women that have already paid their dues while serving this great country. During each Veterans Day (which is my birthday) we wrap ourselves in the flag. But how you can really tell, how much we love and support veterans are how we treat you in the budget! So as a female giving you some love, it's not the words, it's the deeds. Consequently, I work very hard to make sure we honor our nation's obligation by being here to listen to your concerns and find out how we can make things better for you. So in this heightened time of patriotism that we are concentrating on the military, the example is how we treat the people who have already served, or been through it. So I am committed to make sure that we honor our words with our deeds. We have a contract with our veterans and we have to make sure that the check that was written never comes up insufficient funds!

Lastly, I would like to thank Ron Armstead, Executive Director who was instrumental in putting together this Braintrust. And I would certainly be remiss without thanking the members of our Congressional staffs Jolanda Williams, Daisy Hannah, Beverly Gilyard, and Nick Martinelli who worked so hard to make this event a success. Again thank you.

GOD is good, all the time. All the time, GOD is good.

And GOD Bless America.

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30 YEARS LATER: REMEMBERING THE VICTIMS OF BLOODY SUNDAY

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. PAYNE. Mr. Speaker, I rise today to ask my colleagues here in the U.S. House of Representatives to join me in remembering one of the most tragic days in the history of Northern Ireland. It was on January 30, 1972, that British soldiers opened fire in a brutal show of force again Irish Catholic protesters which left 13 dead and a number of others wounded. Following the example of Dr. Martin Luther King, Jr., the demonstrators had been engaged in a peaceful protest against a repressive system which deprived them of basic rights in their own country.

As a member of the House International Relations Committee who has visited Northern Ireland a number of times to monitor the Orange Order parades and document civil rights violations against the Catholic residents of Garvaghy Road, I understand the historical roots of the conflict and the intense passions of those on both sides of the divide.

The tragic events of September 11th in our own Nation have drawn us closer to the people of Northern Ireland and other countries where fear of violence and personal harm is a fact of daily life.

As we stand in solidarity with the people of Northern Ireland, I believe the United States should do everything in our power to ensure the success of the peace process which was moved forward through the work of former President Clinton's special envoy, Senator George Mitchell.

In order to continue progressing towards a future of peace and reconciliation, it is important that the disturbing questions of the past be put to rest. Therefore, the new investigation into Bloody Sunday must be far-reaching and complete. There remains a strong sense of outrage regarding the original inquiry into Bloody Sunday, when Lord Widgery's probe hastily concluded that the violence against unarmed civilians was justified.

Mr. Speaker, the history of our Nation is intertwined with that of Northern Ireland, and it is fitting that as we remember the victims of Bloody Sunday and their families, we continue to support the cause of peace and justice in Northern Ireland.

IN HONOR OF HORACE SMITH

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. KUCINICH. Mr. Speaker, I rise today to honor Mr. Horace Smith from my home State of Ohio who in many ways exemplifies the qualities of our great citizens. Horace Smith was a man greatly committed to our community and its people.

Mr. Smith, born August 12, 1917 in Knoxville, Tennessee, moved to the area 45 years ago. Among his honorable achievements, Mr.

Smith received numerous awards as a Staff Sergeant serving in the U.S. Army during World War II. He received the medal for Good Conduct, the American Theater Medal, and Four Bronze Stars.

Horace Smith was dedicated to his job at Virden Lighting for 20 years before retiring in 1978. In addition to his strong dedication to his job, he committed his time to numerous organizations in Cleveland. Mr. Smith was a devoted member of the Morning Star Baptist Church where he served as both a Trustee and Leader of Boy Scout Troup No. 436. Furthermore, he was a member of the 32nd Degree Mason, the Shriners King Solomon Lodge No. 18, and Bezaleel Consistory No. 15.

While serving the people of Cleveland as their mayor, I was honored to have Mr. Smith as a member of the Cleveland Planning Commission. He served Cleveland in countless ways including over 30 years as Precinct Committeeman 8–B, a member of the Cuyahoga County Democratic Party Executive Committee, and a member of the board of Directors of Glenville Y.M.C.A. Mr. Smith also volunteered his time with other local officials during political campaigns including former Congressman Louis Stokes, former Mayor Carl Stokes, and former Mayor Michael White. It has been a great honor for all of us to work with Horace Smith.

My fellow colleagues, please join me in celebrating the life of Staff Sergeant Horace Smith, a highly honored man devoted to our community for over 45 years. His achievements and service to the community, have earned him great respect by his family and all of us in the community.

HILLIARD DELIVERS “STATE OF RURAL AMERICA” SPEECH BEFORE PROGRESSIVE CAUCUS

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. HILLIARD. Mr. Speaker, The State of Rural America is akin to most third world countries. I see poverty everywhere. The Alabama Black Belt, the Mississippi Delta and many reservations, are suffering in far greater degrees than the rest of America in this economical recession.

Agricultural America is suffering in a far greater degree than the rest of the nation. During the Great Depression of 1929, the Deep South suffered earlier than other parts of the nation and more severely.

The reasons for this suffering in rural America are many, but the lack of jobs and economic infrastructure are the primary reasons. Most Americans who live on small farms do not get their income primarily from them—they get it from jobs in the cities and towns, and there are too few jobs in rural areas, and when they exist, they tend to pay poorly.

To deal with this long-time suffering, Congress needs to concentrate on rural development like never before. We need to create increased incentives to bring industry and jobs to rural America. We must realize that small farmers and independent producers recycle wealth into their communities, while large, absentee farmers may not. Investments made in small and independent farmers and businesses stay in the rural areas and grow.

We need to increase educational opportunities there, so that the children do not hit dead ends in their development. We need to see that the children get fully nutritional meals—it is one of the cruelest ironies and greatest injustices in America that the children of farmers are often undernourished.

We need to increase programs that support cooperative arrangements between farmers, making them more sustainable as they work together, purchase and sell together.

Rural areas need micro-loans—they have small economies and the businesses are small. However, we need to make the micro-loans more usable, and the Small Business Administration's micro-loan program needs to be expanded to make the loans available up to $50,000, rather than the $35,000 cap, which is presently active.

The 8A program of the Small Business Administration has been essential in supporting business development in rural areas. It is in danger of being destroyed by the present administration, which has already published proposed rules which will make it unusable. We absolutely must defend the 8A program!”

NUTRITION

“The Food Stamp Program is one that provides a market to many farmers and nutrition to many poor people. The current minimum of $10 is too low, and shows a lack of concern for the hungry Americans who live in the richest nation in the world. People on Food Stamps should get at the very least $120.00 per month.

Further, the Food Stamp Program must be extended to legal immigrants. These workers are legally here, they contribute not only labor but also pay taxes to the American economy, and they should be able to access sufficient food for themselves and their children.

The Women, Infants and Children Program (WIC) should be funded sufficiently to meet the needs of the pregnant women and infants in this nation—this means that it must not be flat-funded in this recession, but expanded. However, the diet it provides, while necessary, is not sufficient in all ways, and is supplemented efficiently by the farmers market nutrition program, which makes available fresh fruits and vegetables necessary for the healthy development of our next generation. It must not be cut to make it seem that food stamps are being maintained.

Finally, we must deal with the crisis affecting black farmers. In 1910, at the worst of times for black Americans since slavery, 100,000 black farmers were landowners. Today there are only about 10,000 farms owned by black farmers—a drop of 90%! We are finding that states have collaborated with rich farmers and with banks to scam black farmers out of their land, and Congress must deal with this. Not only must it cease, but farmers who have been cheated must be made whole. This is no worse than armed robbery!

Despite the settlement of the Black farmers class action lawsuit, Pigford vs. Glickman, which has cost the USDA millions to date. The Department is still making payments and civil rights violations still persist at the Department of Agriculture.

Little or nothing has been done to see to it that the discriminatory practices which led to this lawsuit have ended.

The administration has failed to hold the USDA accountable to producers, to the American people and to Congress. This must be fully resolved, and Congress should make sure that it is resolved.

I think our farmers are heroic, especially our small farmers. But they need more reliable allies, and Congress must join the battle fully. Our food, our children, and our Nation demand it.”

PAYING TRIBUTE TO GOVERNOR JOHN LOVE

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. McINNIS. Mr. Speaker, it is with profound sadness that I rise today to pay tribute to and recognize the passing of a great statesman and national leader. On January 21, 2002, former Colorado Governor John Love, a leader and pillar of the State of Colorado and this nation, passed from us during the night at the age of 86. To many Coloradans, Governor Love will be remembered as a great statesman, but to those who knew him best, he will be remembered as John, a caring and kind soul always willing to lend a helping hand. I would like to take this opportunity, before this body today, to highlight Governor Love's many years of service to this nation.

Born in Illinois, John Love's family came to Colorado in 1919, settling in the city of Colorado Springs. Following high school, he entered the University of Denver, earning a bachelors and law degree by 1941. While the escalation of World War II waged on, John answered his country's call to service and joined the armed forces as a naval aviator. His exemplary service and courage in battle were rewarded with several Air Medals and two Distinguished Flying Crosses, the highest award bestowed to aviators in the arena of flight. Following the war, John returned to Colorado with his wife Ann, whom he married in 1942, and opened a private law practice.

In the years following the war, John stayed active in local politics, served as a member of the Colorado Springs Chamber of Commerce and the GOP Central Committee. Dissatisfied with Colorado's chief executive, and having no political office experience, John considered a bid to run for governor. In 1962, John entered the Colorado gubernatorial race and ran as the “citizen's governor” with a platform of growing the state economy and increasing educational opportunities. He defeated incumbent Steve Nichols, and became Colorado's 36th Governor.

During his three terms as Governor, John was responsible for increasing public support for secondary and higher education, improving health care, reducing state income taxes, eliminating the state property tax, and implementing economic policies that resulted in record growth for the state economy. His efforts drew national attention, resulting in an appointment to Director of the Energy Policy Office for the Nixon Administration, an office that would later become the Department of Energy.

Mr. Speaker, John Love was a great servant and patriot of this nation. His tenure as Governor, role as energy director, and self-sacrifice to defend his nation clearly deserves the recognition of this body of Congress and the thanks of a grateful nation. It has always been known that his greatest passion was his love and dedication to his family. John Love is survived by sons Dan and Andy, and daughter Becky. Ann, his wife and companion for over fifty years, passed from us in 1999. It is with a solemn heart that we say goodbye and pay our respects to a great statesman, and a patriarch of the State of Colorado. John Love dedicated his life to improving the lives of his fellow Americans, and he will be greatly missed.

TRIBUTE TO MR. GEORGE H. SCHNARRE

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. BACA. Mr. Speaker, it is with great pleasure that I rise today to pay tribute to Mr. George H. Schnarre for his service as the President of the San Bernardino Area Chamber of Commerce.

Mr. Schnarre is an individual of great distinction, and we join with his colleagues, family and friends in honoring his remarkable service to the San Bernardino community. He has truly achieved the American dream while retaining a firm commitment to his community exemplified by his work with the Chamber of Commerce.

George Schnarre was born during the Great Depression to Missouri sharecroppers. In the 1940's the Schnarre family migrated to California setting down roots in the San Bernardino area. After graduating from San Bernardino High School, George began studies at Valley College, but they were cut short by the Korean War. George Schnarre answered the call of duty joining the United States Navy as a dental technician. Upon the completion of his duty to his country, George returned to his studies at the University of California at Riverside while working part time in the grocery business. Thus began George's career in the Southern California business community.

While working his way up in the grocery industry, George Schnarre earned his real estate license. After moving back to his roots in San Bernardino, George entered the real estate business full time. Eventually George began his own real estate firm, George H. Schnarre Inc. Real Estate. Over time George's firm grew to encompass 13 offices.

While George built his real estate firm, he always made sure there was time to serve his community and his industry at the local, state and national levels. He obtained lifetime credentials to teach any real estate subject at the Community College level. Among numerous activities within the community, George participated in area little league and girls softball leagues, and is an active Rotarian, Mason, Shriner, and member of the San Bernardino Elks. George Schnarre's dedication to the community and expertise in the business culminated in his service as Director of the San Bernardino Chamber of Commerce as well as on four other local Chambers.

George Schnarre is not only a business and community leader, he is also a family man. We are joined in recognizing the accomplishments of this outstanding individual by his wife, Claudia A. Schnarre, son George W. Schnarre, daughter Cindy Schnarre Healy and grandson David Jones.

And so, Mr. Speaker, I join George's loving family, recognizing George's long and distinguished career in real estate, and we express admiration for his service to the San Bernardino Area Chamber of Commerce.

HONORING DAVE THOMAS

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. RAHALL. Mr. Speaker, "the man who really counts in the world is the doer," President Theodore Roosevelt once wrote, "not the man who only talks or writes about how it ought to be done." Dave Thomas was the definition of a doer. He was one of the youngest soldiers to manage an Enlisted Men's Club for the U.S. Army, and his innate business acumen led to success after success, making him a millionaire by the time he turned thirty-five.

But truly successful people do not hoard their earnings or ignore the pain of others. Dave Thomas believed in civic responsibility and eagerly involved himself in the communities he called home. In Columbus, Ohio, where he founded Wendy's Old Fashioned Hamburgers in 1969, Mr. Thomas supported financially and morally the Children's Hospital, Recreation Unlimited, and the Ohio State University Cancer Research Institute.

I worked with Dave Thomas to further the mission of the St. Jude Children's Research Hospital, on whose Professional Advisory Board I have served since 1996. Located in Memphis, Tennessee, St. Jude was founded by Danny Thomas in 1962. It is one of the world's leading centers of research and treatment for life-threatening childhood illnesses, particularly cancer. Remarkably, no child pays for St. Jude's services. The American Lebanese Syrian Associated Charities raise the funds to cover all costs of patient care.

Dave Thomas served six productive years on the St. Jude's Boards of Directors and Governors, from 1978–81 and from 1994–97. Richard C. Shadyiac, Sr., St. Jude's National Executive Director, "recalled him as a very close personal friend of Danny Thomas." Mr. Shadyiac went on to say that "Mr. Thomas made major contributions and stock gifts to St. Jude's, especially in its early, formative years."

Most Americans know Dave Thomas from his television commercials. They embody his easy demeanor and engaging personality. Not many captains of industry would return to high school, as Dave Thomas did in 1993, to earn a diploma forty-five years after leaving school to work full time. Fewer still would have the grace and humor to attend the prom. Dave Thomas lived a life of purpose and action. He was devoted to his family, committed to his business, and endlessly generous with his time and wealth.

HONORING THE METROPOLITAN HOUSING AND URBAN DEVELOPMENT AGENCY'S EXECUTIVE DIRECTOR GERALD NICELY ON THE OCCASION OF HIS RETIREMENT AFTER THIRTY YEARS OF SERVICE

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. CLEMENT. Mr. Speaker, I rise today to honor Mr. Gerald Nicely, Executive Director of the Metropolitan Development and Housing Agency (MDHA) in Nashville on the occasion of his retirement after more than thirty years of service to Metropolitan/Davidson County Tennessee Government.

I consider Mr. Nicely a longtime friend and have had the opportunity to work with him on housing issues for Tennesseans a number of times. One of the most important projects we worked on together was securing significant federal funding for the revitalization of the Vine Hill Homes through the HOPE VI funding effort. Additionally, our continued cooperation resulted in millions of federal housing dollars being allocated to Middle Tennessee for numerous programs and housing improvements.

His accomplishments include outstanding leadership overseeing key downtown projects such as construction of Adelphia Stadium, the new downtown library, the Country Music Hall of Fame, the convention center, Frist Center for the Visual Arts and Gaylord Entertainment Center Arena. He also directed renovations at the historic Ryman Auditorium and the revitalization of the Riverfront Park area. These marked improvements under Nicely's direction have resulted in the highest praise from his peers and residents of the community as well as awards on the local, state, and national levels.

A native of East Tennessee, Gerald Nicely received his bachelor and masters degrees in Economics from the University of Tennessee. The Metropolitan Planning Commission hired him as Staff Economist in 1968, and by 1979, he was promoted to Director of the Housing Development Division, beginning a twenty-two year run managing MDHA. His tenure as director was interrupted only once, in 1993–1994, when he was named Chief of Staff for then Nashville Mayor Phil Bredesen.

Nicely has always believed in giving back to the community through attendance and service on various boards and civic organizations. For instance, he currently serves as founding board member of the Nashville Housing Fund and the Nashville Homestead Corporation; as charter board member of the Frist Center for the Visual Arts and Affordable Housing of

Nashville, Inc.; and on the board of the Metropolitan Action Commission. A past president of the Public Housing Authorities Directors Association, today he serves as trustee for that organization. Additionally, he served two terms on the board of the Tennessee Housing Development Agency (THDA).

Membership in civic organizations includes the Downtown Rotary Club of Nashville; the Nashville Area Chamber of Commerce; the National Association of Housing and Redevelopment Officials; the Tennessee Association of Housing and Redevelopment Authorities; Urban Land Institute; and Leadership Nashville Alumni Association.

As Director of MDHA, Nicely met the ongoing challenge of overseeing the public housing authority, as well as directing efforts to revitalize and renew urban areas, purchase land and design projects throughout the county. His fortitude, vision, and professionalism as an administrator have helped propel Nashville forward into the 21st Century.

Mr. Speaker, I offer my sincerest wishes for future success to Mr. Nicely and his family on this momentous occasion and I yield back the balance of my time.

TRIBUTE TO COLONEL MICHAEL L. WARNER (RET)

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. SAXTON. Mr. Speaker, few Americans dedicate the majority of their lives to the people of our country and the residents of their State. Even fewer place their own lives in harm's way to protect the values and freedoms we, as Americans, hold dear.

One such person is my friend, Colonel Mike Warner (Ret). Mike has had a distinguished career serving our country in the United States Army. Mike served in the U.S. Army for 27 years as an officer. During his distinguished career as an Active Army officer, Colonel Warner had numerous staff command assignments including assignments in Korea, Germany, and throughout the United States.

Colonel Warner is a highly decorated soldier, receiving two Legions of Merit, two Bronze Stars, a Purple Heart, three Meritorious Service Medals, and the Army Commendation Medal. Additionally, he has received campaign medals for service in Vietnam and overseas service ribbons for his tours of duty in Europe and Korea.

For his final assignment, Mike served as Commander of Fort Dix, in Burlington County, New Jersey. At Fort Dix, Mike was responsible for the 35,000 acre military installation and a $125 million operating budget.

After retiring from Active Duty, Colonel Warner continued to serve the people of the State of New Jersey. Governor Christine Todd Whitman appointed Colonel Warner as the State's third Deputy Commissioner for Veterans Affairs in March of 1994. As Deputy Commissioner, Mike was responsible for providing support for New Jersey's 650,000 veterans and their families, managing a $55 million budget, the operation of three 300-bed nursing homes, and the Nation's largest State veterans cemetery.

Mike Warner is also a dedicated citizen, giving his free time to many charitable and civic organizations. He is a member of the Alumni Associations of Marquette University and the Army War College, the Association of the U.S. Army and Retired Officers Association, the Veterans of Foreign Wars, the American Legion, the Vietnam Veterans of America, and is a lifetime member of the Military Order of the Purple Heart and the Disabled American Veterans. Locally, Mike is a member of the Burlington County Boy Scouts of America Executive Council, the Pemberton Rotary, and serves on the Board of Directors of the USO of Philadelphia.

Our country and communities need dedicated people like Colonel Mike Warner. He is a true American Patriot and it is my pleasure to call him friend.

PAYING TRIBUTE TO DEE WEITZEL

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. McINNIS. Mr. Speaker, it is with profound sadness that I rise today to recognize the life and contributions of DeeAnn "Dee" Frances Weitzel of Grand Junction, Colorado. Dee peacefully left us on a Friday evening, January 11, 2002. Dee was a popular member of the community and was often sought by many in the community for her listening ear, advice, and warm smile.

Over forty years ago, Dee moved to Grand Junction, Colorado where she quickly became an entrepreneur in the Western Slope community. Dee managed to start an employment agency, while raising a family that appreciated and valued the importance of hard work, honor, and perseverance. She raised her sons Scott, Kirk, Clay, and Tim to be respectful men who were determined to succeed in their pursuits. Dee's influence touched many lives outside of her immediate family and she was also a loving grandmother, wife, sister, and friend to many.

Dee's innovation in the business world led to her ownership of Warning Lites & Equipment, Inc. Although she was President and General Manager of her company, Dee and her husband Dewey could often be spotted along the highway working next to their employees and repairing the weather-beaten roads of the Western Slope. Dee was a respected employer and community benefactor who recognized the importance of providing for a community that had offered her a comfortable setting to raise a family and build successful businesses. Dee's business ventures brought jobs, dollars, and security to the community. Additionally, Dee made a number of charitable contributions in the area and donated her time and energy to many community events.

Mr. Speaker, it is my privilege to pay tribute to DeeAnn Weitzel for the great strides she took in establishing herself as a valuable leader in the Grand Junction community. Her dedication to family, friends, work, and the community certainly deserves the recognition of this body of Congress. Although Dee has left us, her good-natured spirit lives on through the lives of those she touched. I would like to extend my regrets and deepest sympathies to Dee's family and friends during this difficult time.

IN MEMORIUM OF THE LATE PRESIDENT LEOPOLD SEDAR SENGHOR

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. RANGEL. Mr. Speaker, I rise today to recognize a great leader, the past President of Senegal, Leopold Sedar Senghor who past away on December 20th, 2001. President Senghor was a educator, poet, statesman, and a friend of the United States of America.

President Senghor was born in a small town of Joal, Senegal in 1906. He received a scholarship to attend school in France where in 1935 he became the first African to receive the "Agrégé" (doctorate degree) in French language and literature.

After teaching for a number of years, he served in the French army during World War II (1935–1945), was captured, and spent two years in German prison camps. It was as a prisoner of war that he managed to write some of his best poetry. After the war, Senghor was recruited by the French Socialist Party and was later elected to represent Senegal in the National Assembly in Paris in which capacity he served until the French territories became independent. In 1960, France granted independence to Senegal and Leopold Senghor was elected its first president.

Few chief of states could match his political skill or his personal charisma. This was especially notable when President John F. Kennedy hosted President Senghor at a state visit in 1961 at the White House. As recorded in the memoirs of Ambassador of Senegal at that time—the Honorable Philip Kaiser—the two gentlemen developed a special bond. Ambassador Kaiser remarked "they were both intellectuals, both highly cultivated, both Catholic in countries predominantly Protestant or Moslem, and not the least of all, both creative, pragmatic politicians."

During the 1960s, President Senghor's friendship with the United States grew and was evident in his support for President Kennedy during the Cuban missile crisis. Washington strategist realized that Moscow could evade the U.S. naval blockade around Cuba by flying Soviet planes, with atomic warheads aboard, to Havana if they were able to land and refuel in Dakar, Senegal's capital. President Senghor agreed to Washington's request to deny the Russians landing rights in Dakar and made it clear that his relationship with President Kennedy was a crucial factor in his decision. President Senghor was also the first African leader to receive Peace Corps volunteers—a program highly touted by President Kennedy.

In 1978, President Senghor won Senegal's first multiparty election easily after successfully introducing amendments to the constitution to foster multiparty politics. He resigned in 1981, thus becoming the first leader of an independent African country to give up power voluntarily.

He has been acclaimed as one of the most astute thinkers of our time. He was one of three to develop the concept of "negritude" which refers to the distinctive culture shared by Africans and people of African ancestry around the world. He won several awards for his poetry including the highly coveted PEN award and had been nominated for the Nobel Prize in Literature several times. He was admitted to Academie Francaise—the first black person to receive France's highest honor for enduring contribution to French life and letters.

Mr. Speaker, I ask that all my colleagues join me in celebrating the life and the political accomplishments of a friend of the United States of America, the late President Leopold Sedar Senghor of Senegal.

TRIBUTE TO MRS. MARIAN M. OLIVER

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Mrs. Marion M. Oliver of South Carolina, a retired educator with numerous years in the public school systems. A dedicated servant to her fellow citizens, she has amassed many years of volunteer service to her community. I join the citizens of Orangeburg and Barnwell Counties in expressing our deep appreciation and gratitude to her for a lifetime of outstanding service.

Mrs. Oliver was born February 17, 1912, in Bamberg County, South Carolina. She attended schools in through high school. After graduating high school she continue her education at Claflin University in Orangeburg, SC. There she received a Bachelor of Arts in Early Childhood Education. After graduation, her desire to help others lead her to a thirty-seven year teaching career in Orangeburg and Barnwell Counties, South Carolina.

Though Mrs. Oliver has no biological children, she has raised two; Dwight and Pearl Ethel, as her own and has been a mentor to many others in her community. She has invested much of her time supporting her church and community through personal involvement and countless fundraisers. In addition to her leadership positions in her church, Sunday School Teacher and President of United Methodist Women, she is an active member of the National Association for the Advancement of Colored People (NAACP).

At age eighty-nine, Mrs. Oliver is still active with United Methodist Women and several other organizations in her community including Cooperative Church Ministries of Orangeburg, American Association of Retired Persons (AARP), Retired Teachers' Association, and a local needbased service group called Senior Support Group. Because of her tireless dedication to church and community, Mrs. Oliver is now reaping the harvest of her efforts through the admiration she receives from her neighbors and appreciation she receives from those whose lives she has touched.

Mr. Speaker, I ask that you and my colleagues join me in honoring Mrs. Marian M. Oliver for the immeasurable service she has offered to her community through her roles as a teacher, civic leader and volunteer. I sincerely thank Mrs. Oliver for her life-long commitment to helping others and wish her good luck and Godspeed.

PAYING TRIBUTE TO GAY CAPPIS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Gay Cappis and thank her for her extraordinary contributions as County Clerk for San Miguel County. Her life-long dedication to both her job and the people of San Miguel County is matched only by the level of integrity and honesty with which she has conducted herself each and every day while at her post. She will always be remembered as an employee with the utmost dedication and talent, and will continue to be known as a leader in her community. As she celebrates her retirement, let it be known that I, along with each and every person with whom she has worked and the people of San Miguel County, are eternally grateful for all that she has accomplished in her more than 50 years of public service.

Gay worked in the San Miguel County office for over 24 years, beginning as a typist at the age of 19 for County Clerk Shelly Clark. Gay was later appointed Deputy County Clerk by Mollie Rae Carver in 1964. She was then appointed County Clerk in 1970 and has run successfully for this important position to this day. For over 50 years, Gay has selflessly given her time, energy and unrelenting commitment to the people of San Miguel County. Although we are sad to lose her services, we are happy that she will now have more time to travel and relax with her husband George and enjoy her well deserved retirment.

Mr. Speaker, it is clear that Gay Cappis is a woman of unparalleled dedication and commitment to both her professional endeavors and the people of her community. It is her unrelenting passion for each and every thing she does, as well as her spirit of honesty and integrity with which she has always conducted herself, that I wish to bring before this body of Congress. She is a remarkable woman, who has achieved extraordinary things in her career and for her community. It is my privilege to extend to her my congratulations on her retirement and wish her the best in her future endeavors.

SLAUGHTER-HOEFFEL-SMITH RESOLUTION ON THE UKRAINIAN PARLIAMENTARY ELECTIONS

HON. LOUISE McINTOSH SLAUGHTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Ms. SLAUGHTER. Mr. Speaker, today I, along with my colleagues Rep. JOSEPH HOEFFEL and Rep. CHRISTOPHER SMITH, introduced a resolution urging the Government of Ukraine to ensure a democratic, transparent, and fair election process leading up to the March 31, 2002 parliamentary elections.

In April 2001, I was troubled to learn about the Ukrainian Parliament's vote to remove reform-minded Prime Minister Viktor Yushchenko. This change in government came in the midst of the ongoing political turmoil resulting from allegations over the involvement of President Leonid Kuchma in the case of murdered journalist Heorhiy Gongadze. Meanwhile, reports of government corruption and harassment of the media have raised concerns about the Ukrainian government's commitment to democratic principles. As a founding member and Co-chair of the Congressional Ukrainian Caucus, I have spoken out for a more democratic Ukraine and expressed my continued concern about the lack of progress in the Gongadze case and recent political instability.

On March 31, 2002, Ukraine will hold its third parliamentary elections since becoming independent more than ten years ago. It is widely believed that the outcome of the parliamentary elections will determine whether Ukraine continues to pursue democratic reforms, or experiences further political turmoil. The intent of my resolution is to make the Government of Ukraine aware that the U.S. Congress is monitoring the conduct of the parliamentary election process closely, and will not just be focusing on Election Day results.

According to the Organization for Security and Cooperation in Europe Office of Democratic Institutions and Human Rights (OSCE/ODIHR) final report on Ukraine's most recent national election, the presidential election of 1999 was marred by violations of Ukrainian election law and failed to meet a significant number of OSCE election commitments. There is now concern that the 2002 parliamentary elections will be compromised by similar violations. Two recent reports on the 2002 parliamentary elections released by the Committee on Voters of Ukraine (CVU), a leading Ukrainian watchdog group on elections, have cited numerous violations in the campaign process.

My resolution urges the Government of Ukraine to enforce impartially the new election law signed by President Kuchma on October 30, 2001, which was cited in a OSCE/ODIHR report dated November 26, 2001 as making improvements in Ukraine's electoral code and providing safeguards to meet Ukraine's commitments on democratic elections. The resolution also urges the Government of Ukraine to meet its commitments on democratic elections and address issues identified by the OSCE in its final report on the 1999 elections, such as state interference in the campaign and pressure on the media. Finally, the resolution calls upon the Government of Ukraine to allow both domestic and international election monitors full access to the parliamentary election process.

It is my hope that this resolution will send a clear message to the Government of Ukraine that the U.S. Congress will not simply rubber stamp funding requests for Ukraine without also considering the serious issues involved in Ukraine's democratic development. In particular, the conduct of the 2002 parliamentary elections will have a major impact on funding considerations when Members of Congress are again confronted with the task of balancing their support of the U.S.-Ukrainian relationship with Ukraine's progress in making democratic reforms.

I urge my colleagues to support the Slaughter-Hoeffel-Smith resolution, and encourage the Government of Ukraine to conduct a democratic, transparent, and fair parliamentary election process.

CONGRESSMAN JOHN LEWIS ON MARTIN LUTHER KING'S SPECIAL BOND WITH ISRAEL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. LANTOS. Mr. Speaker, as a nation we have recently celebrated the contributions of Dr. Martin Luther King, Jr., in the noble crusades of Civil Liberty and Equal Rights, and in a few days we will commence a celebration of the contributions of African-Americans to our nation's history in "Black History Month." Dr. King was an exemplar and a martyr for these causes. As an advocate for an oppressed people, he was in a unique position to offer insights into the suffering of the Jewish people.

My distinguished colleague from Georgia, Mr. John Lewis, recently summarized Dr. King's sentiments of empathy with the Jewish community in an article appearing on January 21, 2001 in the San Francisco Chronicle entitled "King's Special Bond With Israel." Mr. Lewis was a contemporary of Dr. King in the Civil Rights movement of the sixties and has carried King's "Dream" of equality and justice into the twenty-first century. He has maintained an active role in politics and has been an outspoken champion of human rights and progressive social movements. His recent sponsorship of legislation discouraging racial profiling, and his dedicated support of the National Museum of African-American History and Culture, further illustrate his commitment to a society that is truly free of racial inequality.

Mr. Speaker, I would ask that Congressman Lewis's article be placed in the Congressional Record. I encourage my colleagues in the House to consider the position articulated by Dr. King, and in so doing, develop an appreciation for the parallel sufferings of the Jewish and African-American communities.

[From the San Francisco Chronicle, Jan. 21, 2002]

King's Special Bond With Israel

(By John Lewis)

The Rev. Martin Luther King Jr. understood the meaning of discrimination and oppression. He sought ways to achieve liberation and peace, and he thus understood that a special relationship exists between African-Americans and American Jews.

This message was true in his time and is true today.

He knew that both peoples were uprooted involuntarily from their homelands. He knew that both peoples were shaped by the tragic experience of slavery. He knew that both peoples were forced to live in ghettos, victims of segregation.

We knew that both peoples were subject to laws passed with the particular intent of oppressing them simply because they were Jewish or black. He knew that both peoples have been subjected to oppression and genocide on a level unprecedented in history.

King understood how important it is not to stand by in the face of injustice. He understood the cry, "Let my people go."

Long before the plight of the Jews in the Soviet Union was on the front pages, he raised his voice. "I cannot stand idly by, even though I happen to live in the United States and even though I happen to be an American Negro and not be concerned about what happens to the Jews in Soviet Russia. For what happens to them happens to me and you, and we must be concerned."

During his lifetime King witnessed the birth of Israel and the continuing struggle to build a nation. He consistently reiterated his stand on the Israel-Arab conflict, stating "Israel's right to exist as a state in security is uncontestable." It was no accident that King emphasized "security" in his statements on the Middle East.

On March 25, 1968, less than two weeks before his tragic death, he spoke out with clarity and directness stating, "peace for Israel means security, and we must stand with all our might to protect its right to exist, its territorial integrity. I see Israel as one of the great outposts of democracy in the world, and a marvelous example of what can be done, how desert land can be transformed into an oasis of brotherhood and democracy. Peace for Israel means security and that security must be a reality."

During the recent U.N. Conference on Racism held in Durban, South Africa, we were all shocked by the attacks on Jews, Israel and Zionism. The United States of America stood up against these vicious attacks.

Once again, the words of King ran through my memory, "I solemnly pledge to do my utmost to uphold the fair name of the Jews—because bigotry in any form is an affront to us all."

During an appearance at Harvard University shortly before his death, a student stood up and asked King to address himself to the issue of Zionism. The question was clearly hostile. King responded, "When people criticize Zionists they mean Jews, you are talking anti-Semitism."

King taught us many lessons. As turbulence continues to grip the Middle East, his words should continue to serve as our guide. I am convinced that were he alive today he would speak clearly calling for an end to the violence between Israelis and Arabs.

He would call upon his fellow Nobel Peace Prize winner, Yasser Arafat, to fulfill the dream of peace and do all that is within his power to stop the violence.

He would urge continuing negotiations to reduce tensions and bring about the first steps toward genuine peace.

King had a dream of an "oasis of brotherhood and democracy" in the Middle East.

As we celebrate his life and legacy, let us work for the day when Israelis and Palestinians, Jews and Muslims, will be able to sit in peace "under his vine and fig tree and none shall make him afraid."

PAYING TRIBUTE TO LAVELLE CRAIG

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Lavelle Craig and thank him for his contributions to the community of Canon City, Colorado. Lavelle will always be remembered as a dedicated administrator and leader of the community, and as he celebrates his retirement, let it be known that this will be a great loss for a town that has relied on him for his knowledge and wisdom in times of hardship and prosperity.

Lavelle has been a tireless servant of the business and civic community for many years. As a member of the business community, he served as a bank executive with Fremont National Bank. Answering a call to public service in 1995, Lavelle entered into the field of politics. He was elected that year to the City Council and served his district for the next two years. This position laid the groundwork for Lavelle to run for Mayor, a position he has held for the past four years. Following four successful and prosperous years as the town's chief executive, Lavelle now prepares to hand the office to his new successor.

In his service to his community, Lavelle played a crucial role in the maintenance of city values and infrastructure. He negotiated tough contracts with the Royal Gorge Bridge Co., which provide a large amount of revenue to Canon City, thereby allowing for record low real estate taxes in the region. He promoted public work programs such as road building, public recreation facilities, and was at the forefront of decreasing voter apathy and increasing civic involvement, a daunting and often difficult task. As for his future plans, Lavelle intends to remain active in his civic responsibilities as well as enjoy a well-deserved retirement.

Mr. Speaker, it is a great honor to recognize Lavelle Craig and thank him for his contributions to the community of Canon City, the State of Colorado, and this nation. His selfless service and dedication to improving citizen's lives has brought much credit to himself, his family, and the community. His actions and forbearance in preserving our western ideals and lifestyle deserve the recognition and thanks from this body of Congress. Congratulations on your retirement Lavelle, and good luck in your future endeavors.

THANK YOU ANN BROWN AND THE STAFF AND VOLUNTEERS OF SAFE

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. MORAN of Virginia. Mr. Speaker, thank you Ann and all the fine staff and volunteers of SAFE. I am proud to be here today standing along side of this nation's foremost safety advocates.

Ann Brown has dedicated much of her life to our families safety. Her particular emphasis has been on children. Because our children naturally assume that anything, particularly a toy, that their parents give them couldn't possibly cause them harm.

But do you know that more than 1.7 million children under the age of 5 are injured each year by defective or hazardous products. For older children, the figure is almost 5.5 million.

So, as I was saying, Ann Brown is determined, she's tough, and she doesn't give up. And if I'm ever not on her side, I'll know I'm on the wrong side. Because through effective regulatory action, encouraging voluntary steps by companies, and creating unique public-private partnership with industry and other governmental agencies, she has made a major difference in the quality and the safety of our lives.

In fact, no one, before Ann, has been as consistently effective in making more people aware of dangerous and defective consumer products and getting them recalled—300 products were recalled during Ann's 7½ years chairmanship of CPSC. Too many children have been injured, some have even died because people didn't learn about the recall of a dangerous product from television, radio or their daily paper.

Sometimes they don't hear about the recall. Oftentimes, it's not their fault. The way the system works today, it's surprising anyone knows about some of these recalls.

Most companies try to contact people directly about recalled products based on the limited records they've collected from the so-called warranty cards companies send out with products.

These records are grossly inadequate.

Over 90 percent of consumers toss the cards out because they contain marketing and personal questions people just don't want to answer. And they shouldn't have to.

I like Ann's idea that if you could create a simple safety card, like she has shown today, people would be much more likely to send them back.

We want to commend Mattel and BrandStamp for stepping up to the plate to help CPSC test this idea.

Ann Brown and SAFE are right that CPSC should move forward on a proposed rule to improve recall effectiveness.

So we are introducing legislation which would require CPSC, within 9 months to adopt a standard for companies to develop shorter, simpler consumer friendly Product Safety Cards, or online product registration beginning with juvenile products and small electrical appliances, and then other consumer products.

The legislation also encourages companies to look at other new technologies that will help them do the job.

This bill is designed to help the government do what it needs to do to protect American consumers.

I'm proud to be here today, standing alongside Ann Brown, my colleague from Massachusetts, JIM MCGOVERN, and the folks from these good companies who want to save lives and prevent injuries by developing a way to let more people know about dangerous products.

THE EMPLOYEE PENSION FREEDOM ACT

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. GEORGE MILLER of California. Mr. Speaker, the following is a summary of the Employee Pension Freedom Act.

I. IMPROVED DISCLOSURE

Annual Benefit Statements: pension plans would be required to provide annual pension benefit statements to participants and beneficiaries including notification of employee and employer contributions that consist of employer stock and the importance of a well balanced and diversified investment portfolio for long term retirement security.

Accurate Financial Information: in all pension plans where participants make investment decisions, the employer and plan administrator must provide all material investment information to participants as required under securities law to make investment decisions. Prohibits the employer or plan administrator from making any misleading statements to participants regarding the value of employer stock or other investments available under the plan or from omitting information relevant to the value of the stock or other investment options.

II. STRENGTHENED EMPLOYEE DIVERSIFICATION RIGHTS

Unrestricted Employee Choice Over Employee Contributions: in pension plans where participants make investment decisions, participants will have the right to allocate employee contributions to any plan investment option (eliminate current law rule permitting employers to require 10% employer stock holdings).

Unrestricted Employee Choice Over Employer Contributions When Vested: the plan administrator must notify all participants upon vesting of the right to transfer employer stock matching contributions to other plan investment options; the plan administrator would have up to 30 days to effect any requested transfer; in an ESOP, employees may diversify employer matching contributions after 10 years of service.

III. IMPROVED EMPLOYEE ACCOUNT ACCESS

Faster Vesting for Employees: covered employees will be vested in their employer contributions after completion of one year of participation in the plan (many plans currently vest after five or more years and some, like Enron, do not permit employees to transfer employer contributions even following vesting).

30 Days Advance Notice of Plan "Lockdowns": the plan administrator must provide at least 30 days advance written notice of any plan change that would restrict a participant's access to his or her account.

No More Than 10 Business Days for Lockdowns: an employer or plan administrator may not limit participant access to his or her account for a period of more than 10 business days.

IV. ADEQUATE LEGAL PROTECTION FOR EMPLOYEES

Fiduciaries Must Have Insurance or be Bonded: all defined contribution plan fiduciaries shall maintain sufficient fiduciary insurance or bonding to cover financial losses due to breach of fiduciary duty as determined by the Secretary of Labor.

Employee Pension Plan Representation: in pension plans that permit employees to direct control of their pension investments, the plan must include an equal number of employer and employee trustees to oversee the plan. Many plans today have no employee trustees overseeing employees' funds.

No Waivers of Legal Rights: Employers may not require participants to sign waivers of statutory pension rights as part of a termination or severance agreement.

Right to be Made Whole in Court: in cases of fiduciary breach of duty by a fiduciary or knowing participant in a breach, the plan or participants may be made whole by the court.

Improved Labor Department Assistance: the Department of Labor shall establish an office of the Participant Advocate which shall monitor potential abuses of employee pension plan rights and assist pension plan participants in preventing and resolving abuses.

Feasibility Study for Guaranty Insurance: the PBGC shall study and report to Congress no later than 3 years after enactment the options for and feasibility of developing an insurance guarantee system for defined contribution plans.

PAYING TRIBUTE TO RON BERGMANN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Ron Bergmann and thank him for his contributions to the Chaffee County Sheriff's Department and community. Ron will always be remembered as a dedicated leader and guardian of the community, and as he celebrates his retirement, let it be known that this will be a great loss for a community that has relied on him for his knowledge and wisdom in times of hardship and prosperity.

Ron was elected Sheriff of Chaffee County eight years ago and has served in this position with great diligence and commitment to his fellow Coloradans. As a former law enforcement officer, I know the challenges and hardships our peace officers face every day. The greatest honor bestowed on these brave men and women is not awards and promotions, but the maintenance of integrity. Through his responses to render assistance and guidance, Ron has always maintained his composure and served in his capacity with the utmost professionalism and compassion.

Ron has been an active member in the civic community by dedicating his time and energy to noble community activities throughout the area. He serves on the Chaffee County Child Protection and Child Evaluation Teams, as a board member for programs such as "Kid's Campus" and "Build a Generation," and the Chaffee County Fairboard. He continues to serve the area's younger generation as a 4H leader and as coach for a little league baseball team. In addition, Ron can be found training residents in the prevention of wildfires, forming neighborhood watch programs, lecturing about drug use prevention, and teaching First Aid/CPR to local high schools.

Mr. Speaker, I have mentioned several of the many successes and accomplishments in Ron Bergmann's life, but none compare to his character and dedication to the people of Chaffee County. He is known as a kind soul and caring father and his efforts towards improving the community certainly deserve the recognition of this body of Congress, and this nation. I would like to extend my congratulations on Ron's retirement and wish him and his wife, Sarina, the best in their future endeavors.

COMMEMORATING THE 100TH BIRTHDAY OF LANGSTON HUGHES

HON. JIM RYUN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. RYUN of Kansas. Mr. Speaker, I rise today to commemorate the 100th birthday of Langston Hughes, which will take place on February 1, 2002.

Langston Hughes grew up in Topeka, Lawrence and Kansas City, Kansas. His mother, Carrie Hughes, raised him on her own as she worked in the office of Topeka's first African-American lawyer, James H. Guy.

Langston discovered poetry in the eighth grade and published his first poem, "The Negro Speaks of Rivers", shortly after leaving Columbia University. After moving to Harlem he published many works including his first book of poems, "The Weary Blues."

He graduated from Lincoln University in 1929 with a Bachelor of Arts degree. In 1943 he received an honorary doctorate. Both the Guggenheim and Roeswald granted Hughes fellowships and he later accepted assignments as Atlanta University's poet in residence and news correspondent during the Spanish Civil War.

Langston Hughes was a prolific writer. In the forty-odd years between his first book and his death in 1967, he devoted his life to writing and lecturing. He wrote sixteen books of poems, two novels, three collections of short stories and much, much more.

Mr. Speaker, I rise today to commend Mr. Langston Hughes for holding strong the belief in equality, for being an influence in the literary community and for being the people's poet.

PERSONAL EXPLANATION

HON. ROBIN HAYES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. HAYES. Mr. Speaker, let the RECORD reflect that due to a scheduling conflict, I was unable to be present for votes on Wednesday, January 23, 2002. Had I been present I would have voted YEA on the following: H.R. 700, H.R. 2234, and H. Res. 330. Thank you.

HONORING BROWARD COUNTY VETERANS

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. DEUTSCH. Mr. Speaker, I rise today to congratulate Broward County, Florida, World War II Veterans who, on May 1, 2001, received honorary high school diplomas from the Florida Department of Education and Broward County Public Schools. Half a century ago, thousands of young Americans risked their lives to fight for our freedom in World War II, and I applaud the dedication of these veterans during that time of war, as well as their loyalty to the security of the American people.

Many who fought in World War II forfeited their chance to complete high school and continue onto college when, in the prime of their youth, they were asked to save the world. They entered the war as teenagers and those that survived came home as adults. Many veterans had to immediately enter the workforce upon their return to support the families they left behind. Broward County, through this special ceremony, has honored these deserving veterans for their personal sacrifices and their protection of democracy and humanity.

Last year, the State of Florida offered all veterans meeting a general criteria their high school diplomas. Florida's actions are accompanied by similar programs throughout the nation. I commend Broward County Public Schools and the Florida Department of Education on their efforts to honor these World War II Veterans. These institutions further saluted Broward County veterans by arranging a special graduation ceremony at which the diplomas were received.

Mr. Speaker, World War II interrupted the lives of young America in the 1940's, and now the State of Florida has presented a chance to thank these individuals by recognizing this well-deserved and hard-earned accomplishment.

HONORING SGT. 1ST CLASS MICHAEL McELHINEY

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Ms. McCARTHY of Missouri. Mr. Speaker, I rise to honor a heroic native of Kansas City, Missouri, Sergeant 1st Class Michael McElhiney, graduate of Hickman Mills High School and a special honoree tonight at the State of the Union. The US military recently bestowed upon Sgt. McElhiney both a Bronze Star with a "V" for valor and a Purple Heart for his exceptional bravery in battle during the war in Afghanistan. As an officer of the Army's 3rd Battalion, 5th Special Forces Group, Sergeant 1st Class Michael McElhiney has heroically served our country. I am extremely honored to recognize Mr. McElhiney and his wife today for their sacrifices for our country.

During his arduous mission in Afghanistan, Sergeant 1st Class McElhiney and his fellow soldiers successfully rescued citizens who had helped resist the Taliban. Traveling with Hamid Karzai, Afghanistan's interim prime minister, the coalition of Afghan and US soldiers helped force the Taliban to retreat. During a US air strike aimed to weaken the Taliban control of Kandahar, Sergeant 1st Class McElhiney was wounded in "friendly fire," a term used by the military to describe injuries resulting from allies' weapons. As a result of this battle in Kandahar, Sergeant 1st Class McElhiney lost his right hand and suffered a collapsed lung. Sergeant 1st Class McElhiney was reunited with his wife after being airlifted to the Marine Corps base at Camp Rhino and then to a US military base in Germany.

Sergeant 1st Class McElhiney is a hero to residents of both Missouri's fifth district and the country. As part of an assignment on American heroes, fifth grade students at Comanche and Westwood View, two local elementary schools in Johnson County, adopted Mr. McElhiney as their hero. The children have sent numerous letters to Sergeant 1st Class McElhiney to thank him for his courage and integrity in battle. In addition, the students are preparing a book for Mr. McElhiney that will be bound and will include their picture on the cover. The bravery and perseverance shown by Mr. McElhiney in Afghanistan exemplify the sacrifices our Armed Forces make every day for our freedom.

Mr. Speaker, please join me in honoring Sergeant 1st Class Michael McElhiney and his wife as they represent the best of our country. All Americans owe Sergeant 1st Class McElhiney a debt of gratitude for his service to promote freedom and democracy worldwide.

CERVICAL CANCER AWARENESS AND THE IMPORTANCE OF EARLY DETECTION

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Ms. MILLENDER-McDONALD. Mr. Speaker, I rise today to address the issue of Cervical Cancer Awareness and the importance of early detection to prevent deaths as we close the month of January as Cervical Cancer Awareness Month.

In the year 2002, the American Cancer Society estimates that there will be about 13,000 new cases of invasive cervical cancer in the United States and about 4,100 women will die from this disease. Many of these deaths could be avoided by increasing screening rates among all women at risk.

Cervical cancer screening using the Pap test detects not only cancer but also precancerous lesions. Detecting and treating such lesions can actually prevent cervical cancer—and thus can prevent virtually all deaths from this disease.

We should recall that the Labor-HHS Appropriations final bill approved $192.6 million for funding for breast and cervical cancer screening. We hope the administration will implement these appropriations at the level passed by Congress. However, despite the funding approved, public awareness about the importance of early detection of Cervical Cancer still remains very limited. This is especially so among certain minority and ethnic women who have less than a high school education, or who live below the poverty level.

Today I introduce a Concurrent Resolution to recognize the importance of good cervical health and the importance of early detection of cervical cancer. As January is Cervical Cancer month, I would like to encourage you to join me in supporting efforts to promote early detection of cervical cancer so that we can together eradicate this disease that has already taken the lives of many American women.

RECOGNIZING CATHOLIC SCHOOLS WEEK

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. GEKAS. Mr. Speaker, I rise today to honor and recognize the annual celebration of "Catholic Schools Week." Each year, the National Catholic Educational Association and the United States Catholic Conference sponsor a week long celebration recognizing the outstanding educational contributions of America's Catholic school. Catholic schools locally and nationally will mark this festive occasion by hosting many community, parish and school events.

In Pennsylvania alone, Catholic elementary and secondary schools educate approximately 240,000 students yearly. These schools operate with complete devotion to each and every student, providing them with solid values and academic skills needed in becoming responsible citizens of Pennsylvania and the nation. Catholic institutions tout a 95 percent graduation rate, and 83 percent of Catholic school graduates pursue higher degrees. A truly remarkable and impressive statistic.

Not only do Catholic schools boast these high standards and excellent achievements, but fervently instill in their students the idea and necessity for commitment to family and the community. Most, if not all, Catholic students willingly provide countless hours of volunteer service to the local parish as well as the entire community. This only proves that Catholic school students are strongly dedicated to their faith, values, family and community.

President Bush recently signed into law a comprehensive education reform package emphasizing accountability, local control and flexibility, expanded options for parents, and funding for programs that work. Given Catholic schools record of success and standard of excellence, it is only fitting that these private institutions continue to serve as a model for public education reform in America.

Mr. Speaker, it is with great pleasure that I congratulate and express great appreciation to the nation's Catholic schools on the occasion of "Catholic Schools Week." I especially salute the many Catholic school teachers, principals, and school administrators in my Pennsylvania Congressional district of Dauphin, Lebanon, Perry, Cumberland, and Lancaster for their hard work and dedication which has benefitted so many young people. My best to all the students in their continuing academic careers and future endeavors.

HOUSE OF REPRESENTATIVES—*Monday, February 4, 2002*

The House met at noon and was called to order by the Speaker pro tempore (Mr. DREIER).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
February 4, 2002.

I hereby appoint the Honorable DAVID DREIER to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

To You, O Lord God, belong all glory and praise. You fashioned a Nation out of the diverse people You brought forth to this land, as You did the ancient people of Israel.

As out of a desert You led them to this promised land where they declared their independence and constituted from their diversity a new Nation.

Founded upon inalienable rights given to us by You, our Creator, we glory to this very day in our freedom.

Now that these freedoms are under attack, we seek again Your protection, Lord, and Your guidance.

Renew in us the adoption by Your Spirit, that we may affirm our freedom, not only with the conviction in the way we understand others, but in ourselves by actions proven beyond words.

May the freedom of assembly for worship we enjoyed this weekend be reinvigorated in the entire citizenry of this country, that we may be true witnesses of this freedom's importance to the world, and come to love You with all our strength, now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair will lead the House in the Pledge of Allegiance.

The SPEAKER pro tempore led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

COMMUNICATION FROM CHIEF OF STAFF TO THE HONORABLE BOB SCHAFFER, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Brandi Graham, Chief of Staff to the Honorable BOB SCHAFFER, Member of Congress:

HOUSE OF REPRESENTATIVES,
January 31, 2002.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a civil subpoena for documents and testimony issued by the Superior Court of the District of Columbia in a civil case pending there.

After consultation with the Office of General Counsel, I have determined that it is consistent with the precedents and privileges of the House to comply with the subpoena.

Sincerely,

BRANDI GRAHAM,
Chief of Staff to Congressman Bob Schaffer.

REVISIONS TO ALLOCATION FOR HOUSE COMMITTEE ON APPROPRIATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. NUSSLE) is recognized for 5 minutes.

Mr. NUSSLE. Mr. Speaker, I submit for printing in the CONGRESSIONAL RECORD revisions to the 302(a) allocations and budgetary aggregates established by H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002. My authority to make these adjustments is derived from Sec. 101 of Division C of H.R. 3338 (Public Law 107–117), the bill making appropriations for the Department of Defense for fiscal year 2002, Sec. 314 of the Congressional Budget Act, and Sec. 221(c) of H. Con. Res. 83.

P.L. 107–117 increased the discretionary spending limits for fiscal year 2002. It also directed the Chairman of the Budget Committee to increase the budgetary aggregates and allocations to the House Committee on Appropriations, and to publish those revised figures in the CONGRESSIONAL RECORD. The changes in P.L. 107–117 increased the levels in the budget resolution, without changing the operation of other adjustments to the aggregates and allocations. Those changes, which are consistent with H.R. 3084 as reported by the Committee on the Budget, total $4,554,000,000 in new budget authority and $7,735,000,000 in outlays.

In addition, H.R. 2888 (P.L. 107–38), the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States, provided emergency-designated appropriations for fiscal years 2001 and 2002. For fiscal year 2001, those appropriations totaled $20,000,000,000 in new budget authority. Outlays flowing from that budget authority equals $131,000,000 for fiscal year 2001 and $13,397,000,000 for fiscal year 2002. The budgetary aggregates and 302(a) allocation to the House Committee on Appropriations are increased by these amounts.

Further, the conference report on Division B of H.R. 3338 (P.L. 107–17) permits the obligation of emergency-designated funds previously authorized in P.L. 107–38. The fiscal year 2002 allocations to the Appropriations Committee were previously increased by $20,001,000,000 in new budget authority and $9,347,000,000 in outlays to reflect the amounts in the House-reported bill. I am adjusting the budgetary aggregates and the allocation to the House Committee on Appropriations for the difference between the House-reported and conference measures. This adjustment equals −$1,000,000 in new budget authority and −$1,124,000,000 in outlays in fiscal year 2002.

The sum total of these changes raise the 302(a) allocation to the House Committee on Appropriations to $706,000,000,000 in new budget authority and $727,954,000,000 in outlays for fiscal year 2002.

Finally, the Air Transportation and Safety and System Stabilization Act (P.L. 107–42) contained emergency provisions relating to the provision of grants and loan guarantees for airlines. The emergency-designated provisions provided $5,000,000,000 in new budget authority for fiscal year 2001 and $2,000,000,000 in new budget authority for fiscal year 2002. Outlays flowing from that budget authority total $2,300,000,000 in fiscal year 2001, $3,200,000,000 in fiscal year 2002, and $1,500,000,000 in fiscal year 2003. The 302(a) allocation for discretionary action to the House Committee on Transportation and Infrastructure is adjusted by these amounts.

The sum of the changes to the 302(a) allocations of discretionary action increase the budgetary aggregates for fiscal year 2002 to $1,673,188,000,000 in new budget authority and $1,635,652,000,000 in outlays.

Questions may be directed to Dan Kowalski at 67270.

BILLS PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on January 31, 2002 he presented to the President of the United

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☐This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

States, for his approval, the following bills.

H.R. 700. To reauthorize the Asian Elephant Conservation Act of 1997.

H.R 1913. To require the valuation of nontribal interest ownership of subsurface rights within the boundaries of the Acoma Indian Reservation, and for other purposes.

H.R. 1937. To authorize the Secretary of the Interior to engage in certain feasibility studies of water resource projects in the State of Washington.

ADJOURNMENT

The SPEAKER pro tempore. Without objection, the House stands adjourned until 12:30 p.m. tomorrow for morning hour debates.

There was no objection.

Accordingly (at 12 o'clock and 2 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, February 5, 2002, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5282. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Mepiquat; Pesticide Tolerance [OPP–301209; FRL–6 818–7] (RIN: 2070–AB78) received January 18, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5283. A letter from the Lieutenant General, Marine Corps Deputy Commandant for Installations and Logistics, Department of Defense, transmitting notification of the Marine Corps decision to convert the Facility Maintenance, Heating Plants and Motor Vehicle Maintenance functions at the Marine Corps Air Station, Beaufort, South Carolina to contractor performance, pursuant to 10 U.S.C. 2461; to the Committee on Armed Services.

5284. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Control Of Nuclear Explosives During Pantex Plant Operations—received January 14, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

5285. A letter from the Assistant to the Board, Board of Governors of the Federal Reserve System, transmitting the Board's final rule—Capital; Leverage and Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Nonfinancial Equity Investments [Regulations H and Y; Docket No. R–1097] received January 28, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5286. A letter from the Director, Office of Federal Housing Enterprise Oversight, Department of Housing and Urban Development, transmitting the Department's final rule—Prompt Supervisory Response and Corrective Action (RIN: 2550–AA12) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5287. A letter from the Deputy Secretary, Division of Market Regulation, Securities and Exchange Commission, transmitting the Commission's final rule—Amendments to Rule 31–1, Securities Transactions Exempt from Transaction Fees [Release No. 34–45291; File No. S7–02–02] received January 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5288. A letter from the Director, Office of Management and Budget, transmitting a report on the Cost Estimate For Pay-As-You-Go Calculations; to the Committee on the Budget.

5289. A communication from the President of the United States, transmitting a copy of Presidential Determination No. 2001–27: Exempting the United States Air Force's operating location near Groom Lake, Nevada, from any Federal, State, interstate, or local hazardous or solid waste laws that might require the disclosure of classified information concerning that operating location to unauthorized persons, pursuant to 42 U.S.C. 6961(a); to the Committee on Energy and Commerce.

5290. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Transition Implementation Guide—received January 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5291. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Interface with the Defense Nuclear Facilities Safety Board—received January 10, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5292. A letter from the Director, Office of Integrated Analysis and Forecasting, Energy Information Administration, Department of Energy, transmitting a copy of the Energy Information Administration's report entitled "Annual Energy Outlook 2002," pursuant to 15 U.S.C. 790f(a)(1); to the Committee on Energy and Commerce.

5293. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Implementation of Fiscal Year (FY) 2002 Legislative Provisions—received January 14, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5294. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Implementation of Fiscal Year (FY) 2002 Legislative Provisions—received January 14, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5295. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Radioactive Waste Management Manual—received January 14, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5296. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Use of Facility Contractor Employees for Services to DOE in the Washington, D.C., Area—received January 14, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5297. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Accounting—received January 14, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5298. A letter from the Director, Regulations Policy and Management Staff, Department of Health and Human Services, transmitting the Department's final rule—Obstetrical and Gynecological Devices; Classification of the Clitoral Engorgement Device [Docket No. 00P–1282] received January 28, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5299. A letter from the Director, Regulations Policy and Management Staff, Department of Health and Human Services, transmitting the Department's final rule—Regulations on Statements Made for Dietary Supplements Concerning the Effect of the Product on the Structure or Function of the Body [Docket No. 98N–0044] (RIN: 0910–AB97) received January 28, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5300. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Relaxation of Summer Gasoline Volatility Standard for the Denver/Boulder Area [FRL–7130–9] (RIN: 2060–AJ80) received January 18, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5301. A letter from the Acting General Counsel, Federal Energy Regulatory Commission, transmitting the Commission's final rule—Electronic Filing of FERC Form No. 423 [Docket No. RM00–1–000; Order No. 622] received January 29, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5302. A letter from the Acting Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Navy's Proposed Letter(s) of Offer and Acceptance (LOA) to Turkey for defense articles and services (Transmittal No. 02–01), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

5303. A letter from the Acting Director, Defense Security Cooperation Agency, transmitting reports containing the 30 September 2001 status of loans and guarantees issued under the Arms Export Control Act, pursuant to 22 U.S.C. 2765(a); to the Committee on International Relations.

5304. A letter from the Director, International Cooperation, Department of Defense, transmitting a copy of Transmittal No. 02–02 which informs the intent to sign a Project Arrangement between the United States and the United Kingdom concerning Applied Smart Fuze Technology (ASFT), pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

5305. A letter from the Director, International Cooperation, Department of Defense, transmitting a copy of Transmittal No. 03–02 which informs of the intention to sign a Memorandum of Agreement Concerning Research, Development, Test, Evaluation, Production, and Life Cycle Support Activities for Technologies and Systems for AEGIS-equipped Ships between the United States and Spain, pursuant to 22 U.S.C. 2767(f); to the Committee on International Relations.

5306. A letter from the Secretary, Department of Health and Human Services, transmitting a report of surplus real property transferred in FY 2001 for public health purposes, pursuant to 40 U.S.C. 484(o); to the Committee on Government Reform.

5307. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5308. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform

Act of 1998; to the Committee on Government Reform.

5309. A letter from the Attorney/Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5310. A letter from the Director of Communications and Legislative Affairs, Equal Employment Opportunity Commission, transmitting the Commission's annual report on the Government in the Sunshine Act for Calendar Year 2001, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

5311. A letter from the Chairman, Federal Maritime Commission, transmitting a report on the Annual Inventory of Commercial Activities for 2001; to the Committee on Government Reform.

5312. A letter from the Acting Chairman, National Endowment for the Arts, transmitting the FY 2001 Commercial Activities Inventory as required by the Federal Activities Inventory Reform Act of 1998; to the Committee on Government Reform.

5313. A letter from the Chairman and General Counsel, National Labor Relations Board, transmitting the semiannual report on the activities of the Office of Inspector General of the National Labor Relations Board for the period April 1, 2001 through September 30, 2001, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5314. A letter from the Acting Deputy Director, Peace Corps, transmitting the semiannual report on the activities of the Office of Inspector General for the period April 1, 2001 through September 30, 2001, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5315. A letter from the Chairman, United States Merit Systems Protection Board, transmitting the FY 2001 combined report pursuant to the Federal Managers' Financial Integrity Act and the 1988 Amendments to the Inspector General Act, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform.

5316. A letter from the Assistant Secretary Policy, Management and Budget, Department of the Interior, transmitting the Department's final rule—Mining Claims Under the General Mining Laws; Surface Management [WO-300-1990-PB-24 1A] (RIN: 1004-AD44) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5317. A letter from the Senior Transportation Analyst, Department of Transportation, transmitting the Department's final rule—Procedures for Compensation of Air Carriers [Docket OST-2001-10885] (RIN: 2105-AD06) received January 14, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5318. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Reims Aviation S.A. Model F406 Airplanes [Docket No. 99-CE-28-AD; Amendment 39-12504; AD 2001-01-07] (RIN: 2120-AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5319. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Luftfahrt GmbH Model 228-212 Airplanes [Docket No. 2001-CE-29-AD; Amendment 39-12562; AD 2001-25-09] (RIN: 2120-AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5320. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model DHC-8-100, -200, and -300 Series Airplanes [Docket No. 2001-NM-129-AD; Amendment 39-12522; AD 2001-24-06] (RIN: 2120-AA64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5321. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Gulfstream Model G-IV Series Airplanes [Docket No. 2001-NM-361-AD; Amendment 39-12571; AD 2001-26-07] (RIN: 2120-AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5322. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; CFE Company Model CFE738-1-1B Turbofan Engines [Docket No. 2001-NE-28-AD; Amendment 39-12570; AD 2001-26-06] (RIN: 2120-AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5323. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Enstrom Helicopter Corporation Model TH-28 and 480 Helicopters [Docket No. 2001-SW-27-AD; Amendment 39-12554; AD 2001-25-02] (RIN: 2120-AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5324. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Agusta S.p.A. Model A109C, A109E, and A109K2 Helicopters [Docket No. 2001-SW-15-AD; Amendment 39-12523; AD 2001-24-07] (RIN: 2120-AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5325. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Short Brothers Model SD3 Series Airplanes [Docket No. 2001-NM-113-AD; Amendment 39-12525; AD 2001-24-09] (RIN; 2120-AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5326. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB SF340A and SAAB 340B Series Airplanes [Docket No. 2001-NM-91-AD; Amendment 39-12576; AD 2001-23-12 R1] (RIN: 2120-AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5327. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pratt and Whitney PW4000 Series Turbofan Engines [Docket No. 2000-NE-47-AD; Amendment 39-12564; AD 2001-25-11] (RIN: 2120-AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5328. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Hamilton Sundstrand Model 247F Propellers [Docket No. 2001-NE-40-AD; Amendment 39-12569; AD 2001-26-05] (RIN: 2120-AA64) received January 24 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5329. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Guidelines on Awarding Section 319 Grants to Indian Tribes in FY 2002—received January 18, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5330. A letter from the Acting Deputy General Counsel, Small Business Administration, transmitting the Administration's final rule—Business Loans and Development Company Loans (RIN: 3245-AE68) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Small Business.

5331. A letter from the Director, Department of Veterans Affairs, transmitting the Department's final rule—Compensated Work Therapy/Transitional Residences Program (RIN: 2900-AK01) received January 28, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5332. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—Board of Veterans' Appeals: Obtaining Evidence and Curing Procedural Defects Without Remanding (RIN: 2900-AK91) received January 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5333. A letter from the Director, Office of Regulations Management, Department of Veterans' Affairs, transmitting the Department's final rule—Civilian Health and Medical Program of the Department of Veterans' Affairs (CHAMPVA) (RIN: 2900-AK89) received January 28, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5334. A letter from the Chief, Regulations Branch, Department of the Treasury, transmitting the Department's final rule—Extension of Deadline to File a Wool Duty Refund Claim for Claim Year 2000 [T.D. 02-05] (RIN: 1515-AC85) received January 17, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5335. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—LMSB Fast Track Dispute Resolution Pilot Program—received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5336. A letter from the Acting Assistant Secretary, Department of Defense, transmitting a progress report on the use of the $90 million appropriated to increase investment in the optimization of the military's direct care system; jointly to the Committees on Armed Services and Appropriations.

5337. A letter from the Director, Congressional Budget Office, transmitting notification on the growth of real gross national product during the fourth calendar quarter of 2001, pursuant to 2 U.S.C. 904(j); (H. Doc. No. 107—178); jointly to the Committees on the Budget and Rules, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BOEHLERT: Committee on Science. H.R. 3394. A bill to authorize funding for computer and network security research and development and research fellowship programs, and for other purposes (Rept. 107–355 Pt. 1).

DISCHARGE OF COMMITTEE

Pursuant to clause 2 of rule XII the Committee on Education and the Workforce discharged from further consideration. H.R. 3394 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 2 of rule XII the following action was taken by the Speaker:

H.R. 3394. Referral to the Committee on Education and the Workforce extended for a period ending not later than February 4, 2002.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. PORTMAN (for himself and Mr. CARDIN):

H.R. 3669. A bill to amend the Internal Revenue Code of 1986 to empower employees to control their retirement savings accounts through new diversification rights, new disclosure requirements, and new tax incentives for retirement education; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BENTSEN (for himself, Ms. ESHOO, Mr. JEFFERSON, Mr. GEPHARDT, Mr. LEVIN, Mr. MATSUI, Mr. RANGEL, Ms. LOFGREN, Mr. BARCIA, Mr. TURNER, Mr. POMEROY, Mr. MCINTYRE, Mr. GREEN of Texas, Mr. SHOWS, Mr. HONDA, Mr. KENNEDY of Rhode Island, Mr. HASTINGS of Florida, Mr. BALDACCI, and Mr. FARR of California):

H.R. 3670. A bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HASTINGS of Florida:

H.R. 3671. A bill to require investment advisers to make prominent public disclosures of ties with companies being analyzed by them, and for other purposes; to the Committee on Financial Services.

By Mr. LARSON of Connecticut:

H.R. 3672. A bill to authorize the National Science Foundation to carry out research projects to develop and assess novel uses of high-performance computer networks for use in science, mathematics, and. technology education in elementary and secondary schools; to the Committee on Science.

By Mr. HASTINGS of Florida:

H. Con. Res. 311. Concurrent resolution recognizing the Civil Air Patrol for 60 years of service to the United States; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 218: Ms. DELAURO.

H.R. 237: Mr. MORAN of Virginia.

H.R. 992: Mr. JOHNSON of Illinois.

H.R. 1027: Mr. SUNUNU.

H.R. 1214: Mr. TIBERI.

H.R. 1287: Mr. NORWOOD and Mr. TOOMEY.

H.R. 1485: Mrs. CAPPS and Mr. OWENS.

H.R. 1784: Ms. LOFGREN, Mr. BORSKI, Mrs. MINK of Hawaii, Mr. GANSKE, Mr. BRADY of Pennsylvania, and Mr. BLUMENAUER.

H.R. 1990: Mr. LANGEVIN.

H.R. 2840: Mr. WELLER.

H.R. 3236: Mr. PALLONE and Mr. WYNN.

H.R. 3417: Mr. GOODE.

H.R. 3524: Mrs. DAVIS of California.

H.R. 3657: Mrs. JONES of Ohio, Mr. FILNER, Ms. CARSON of Indiana, Ms. SANCHEZ, and Mr. OBERSTAR.

H. Con. Res. 42: Mr. EVANS and Ms. SOLIS.

H. Con. Res. 49: Mr. OTTER.

H. Con. Res. 99: Mr. ALLEN, Ms. RIVERS, Mr. WEINER, Mr. CLAY, and Ms. KILPATRICK.

H. Con. Res. 265: Mr. FALEOMAVAEGA, Mr. CRAMER, and Mr. PLATTS.

H. Con. Res. 269: Ms. HARMAN and Mr. ROTHMAN.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

48. The SPEAKER presented a petition of Mr. Gregory D. Watson of Austin, TX, relative to urging the United States Congress to consider legislation which would change the time of conducting the national general election from the first Tuesday after the first Monday in November of even-numbered years to instead the first full weekend in September of even-numbered years, with a run-off to be held the first full weekend in October if no candidate for the office of U.S. Representative, or for the office of U.S. Senator, or for the offices of U.S. President and Vice-President receives 45% or more of the total vote cast at the general election; which was referred to the Committee on House Administration.

SENATE—*Monday, February 4, 2002*

The Senate met at 1 p.m. and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. The prayer today will be led by our guest Chaplain, Brigadier General David Hicks, Deputy Chief of Chaplains, U.S. Army.

General Hicks, please.

PRAYER

The guest Chaplain, Brigadier General David Hicks, offered the following prayer:

Lord of Hosts, our Nation continues to heal from so recently being attacked. In such a time as this, give us the moral courage to examine both our strengths and our shortcomings. As we recover, make us justly proud of our democratic processes, our history of liberty, and our striving to forge a nation built upon equality. However, make us also bold to confess that we have often been heedless of Your power in giving us these national blessings. Rather than seeking first Your kingdom, we have often tried to add "all these things" unto ourselves through our own strength. Remember not our tendencies to place ourselves before You, O Lord. Rather, as with David, let our prayer for America be that "I have set the Lord always before me and because he is at my right hand, I shall not fall."—Psalm 16:8.

We ask that as Your servants, called upon to lead this Nation, You would always give these Senators "eyes to see" and ears to hear" the way in which You have us to walk as a people. Aid us, O Lord, that we would prosecute this current war with an eye toward establishing a future peace and that through our example other countries would be emboldened to value freedom, to cherish their own people, and to enact Your kingdom through our common lives together. In the power of Your name do I pray. Amen.

PLEDGE OF ALLEGIANCE

The Honorable ROBERT C. BYRD led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 2 o'clock, with Senators permitted to speak therein for up to 10 minutes each.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from Nevada is recognized.

SCHEDULE

Mr. REID. Mr. President, you have announced that until 2 o'clock today there will be a period of morning business. At 2 o'clock the Senate will resume consideration of the economic recovery act, H.R. 622. The majority leader has asked me to announce that at approximately 5:15 p.m. the Senate will vote on a judicial nomination. So there will be a vote today at 5:15 p.m.

MASKING THE TRUE SIZE OF THE DEFICIT

Mr. REID. Mr. President, I take just a minute this morning to talk about something that I think is very important. We had a debate not long ago; there was a movement to have a constitutional amendment to balance the budget. I can remember when I raised the first objection to that during the time Senator Mitchell was majority leader, indicating in my amendment that if we were going to have a constitutional amendment to balance the budget, then we should not count Social Security surpluses. We were able to prevail in defeating that mischievous amendment which would have locked into the Constitution this, in my opinion—it is my word—"phoney" way to balance the budget, using these huge Social Security surpluses for people to say we had a balanced budget when we really did not.

For many, many years the Social Security surpluses were used to mask the deficit. During the last 3 years of the Clinton administration, we decided to no longer do that, that we would have an honest budget process whereby you would not count the Social Security surpluses. We were able to have a balanced budget not using that method of accounting. In fact, we were able to pay down this huge debt that accumulated to some more than $5 trillion. So I have some disappointment that the budget sent to us by President Bush now goes back to using that same method of accounting, using the Social Security surpluses to mask the deficit.

One of the reasons for the deficit is the war. I know that. But it is not the only reason. There are other reasons, and they are economic in nature, for why we have this unbalanced budget.

There will be time spent this week on examining the President's budget just released today. I am very concerned, as I have mentioned, that we are now witnessing a counting of the Social Security trust fund to hide what we are doing here. But it does not really hide it. We all agreed the last few years that the surpluses which we had in the Social Security trust fund would not count against the yearly deficit. It is a surplus that is being run to provide for the retirement of the baby boomers. It was done on purpose. In 1982 there was agreement, and it was bipartisan in nature. President Reagan, Tip O'Neil, and the leadership of which the Presiding Officer was a part in the Senate got together and decided we needed to do something about Social Security, and one of the things we did by a bipartisan vote was to make sure that during the years we did not need that much money—we would have a surplus, we would have more money coming in than we would spend—we would use that for the baby boomers, and that was the way it should have been.

The money from Social Security trust fund was not to be used for other programs. While it has been used in the past to mask the true size of the deficit, we ended that practice in the years of President Clinton. It is regrettable, Mr. President—and everyone should understand—that the Bush administration is now returning to the practice of hiding the true size of the deficit by counting Social Security as part of the inflated budget. I hope that we can all use caution before heading down the road toward raiding the Social Security trust fund to finance the rest of the government. If we are going to do so, let's do it honestly. Let's make sure we understand Social Security is masking the true deficit that we have every year.

The PRESIDENT pro tempore. The Senator from Ohio, Mr. DEWINE, is recognized.

TRIBUTE TO JOHN AND JUDY RUTHVEN

Mr. DEWINE. Mr. President, I rise today to recognize John and Judy Ruthven, from my home State of Ohio, for their tireless work in restoring the U.S. Grant Homestead—the home of our 18th President, Ulysses S. Grant. This was the home Grant knew as a boy. He lived there from the time he was 1½ years old until he left for West Point.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

After years of admiring the home, the Ruthven's purchased it in 1977. When they took possession of the homestead, it was on the National Register. The Ruthvens would need to put in a tremendous amount of work before the homestead would become the National Historic Landmark it is today.

The homestead, originally built in 1823, was already over 150 years old when the Ruthven's took ownership. It had a leaking roof, a collapsing side porch, a missing summer kitchen, a shed that was falling apart, a basement that leaked, chimneys that needed repair, and termites. The task to restore it was challenging, to say the least.

The first thing the Ruthvens did was contact an architect to consult on the restoration. After many meetings, they began the long, arduous process of restoring the homestead.

While challenges were abundant, the Ruthvens were meticulous about every detail and actually found great joy in the more difficult tasks. For example, they meticulously searched for Grant family artifacts and took painstaking measures to ensure that each new structure and piece of furniture matched pictures of the original home. They searched across the State of Ohio looking for old wood and glass for the floorboards and windows. In fact, the wood floors in the new kitchen came from an old 1820's building and the wrinkled glass was from a building being demolished in Lancaster, OH. They even used square-cut, hand-made nails in the process.

After all of the structural work was completed, the Ruthvens and a network of friends scoured the State for furniture from the same time period. Judy was fortunate enough to locate a rocking chair at an auction that had been hand-made by Jesse Grant, Ulysses's father. They also have acquired—on loan from the Ohio Historical Society—a couch and a cradle that had belonged to the Grant family.

In the end, the entire homestead had been scoured and cleaned, new plumbing and waterlines had been installed, old structures had been rebuilt and the homestead was decorated with period furniture. After 5 years of reliving the life of the Grant family, the restoration was finished and the Ulysses S. Grant Homestead was designated a National Historic Landmark. Now, John and Judy Ruthven are in the process of donating the homestead to the State of Ohio, so that all of America can learn the history and enjoy the beauty of this home.

John and Judy Ruthven are generous beyond words. They are a tireless team, giving so much of their own time and money and efforts to restore the Ulysses S. Grant Homestead. I thank them for all of their hard work and for their great gift to the State of Ohio and to our country.

TRIBUTE TO NATHAN CHAPMAN

Mr. DEWINE. Mr. President, I rise today to praise the life of Sergeant 1st Class Nathan Chapman—a brave American who gave his life in Afghanistan to fight against the terrorists who threaten our way of life here at home. Nathan attended high school in my home state of Ohio in Centerville. Nathan Chapman's unmatched work ethic and dedication to people led him down a path of excellence.

Nathan rose rapidly through the army ranks and special units. A member of the Army Rangers and—after only 8 years of service—the elite Green Beret forces, Nathan received 15 military commendations through his tours of duty in Panama, Haiti, and Operation Desert Storm. An accomplished soldier with what his father called "a quiet confidence," Nathan Chapman was a credit to the American citizens he was sworn to protect.

A communications expert, Nathan was known among his colleagues as a highly capable soldier, who always was ready to volunteer for the tough missions. Col. David Fridovich describes Nathan as "a dynamic, outgoing, physically and mentally hard soldier. . .a stellar example of the Special Forces ethos." I add that Nathan is also a stellar example of the American ethos, through his courage, intelligence, honor, and character.

The people of Centerville, Ohio, have nothing but good things to say about Nathan. His old wrestling coach, Rich Miller, said he knew Nathan "felt good about what he was doing and was a real professional." One of Nathan's Centerville friends summed it up best: "Sgt. Chapman was one of us. . . ."

As an Ohioan and an American, I thank Nathan Chapman for the ultimate sacrifice he has made for our country. I offer my condolences to those left behind to cherish and celebrate Nathan's life—his parents, Will and Lynn; his wife, Renae; their two young children, Amanda and Brandon; and his many, many friends.

Amelia Earhart once said that "courage is the price that Life exacts for granting peace." Nathan Chapman worked for peace through his courage and it cost him his life. But Nathan did not die in vain; he gave his life for the good of our Nation, fighting to ensure that his children's future and the future of all Americans would be free from terror.

REMEMBERING CAPTAIN BRIAN RIZZOLI AND 1ST LT. WILLIAM SATTERLY

Mr. DEWINE. Mr. President, in talking about the important role that our service men and women play in protecting our nation, I would also like to take this opportunity to mention two brave men from Ohio's Wright-Patterson Air Force Base who died this weekend in an aircraft accident. I extend my deepfelt condolences to the families of Captain Brian Rizzoli, who had been living in Kettering, and 1st Lt. William Satterly, who had been living in Huber Heights. Their C-21 aircraft crashed near Ellsworth Air Force Base in South Dakota. Few details have been released yet about the accident. In the meantime, though, I offer my prayers and condolences to the friends and families of these two fine men.

The PRESIDENT pro tempore. The Senator from Massachusetts, Mr. KENNEDY, is recognized for 10 minutes.

THE BUDGET

Mr. KENNEDY. Mr. President, the budget President Bush presented today clearly demonstrates that we cannot meet our national security needs in the wake of September 11, and afford to fully implement the enormous tax cuts which were enacted prior to that fateful day, unless we ignore our vital education, health, and human resources needs.

All of us agree that we must spend what is necessary to defend the Nation against the threat of terrorism. These new demands on our resources, coupled with the recession, necessitate a reevaluation of the entire budget picture—including the expenditure of $1.7 trillion to finance the tax cut. Unfortunately, when it comes to the tax cut, the administration is unwilling to admit that the world has changed. If future tax cuts which disproportionately favor our wealthiest citizens are treated as a sacred cow, many of the programs that help our neediest citizens will be sacrificed. The war requires shared sacrifice, not placing all the burden on those families least able to carry it.

Today, we find ourselves in a dramatically different and far less advantageous position than we did one year ago. In January 2001, CBO projected a $5.6 trillion surplus for fiscal years 2002–2011. One year later, the projected surplus for that period is only $1.6 trillion, nearly all of it attributable to Social Security. According to CBO, an on-budget surplus will not reappear until fiscal year 2010. Four trillion dollars of the surplus is gone.

Whatever the merits of last year's tax bill at the time it was enacted, those circumstances clearly no longer exist. In the aftermath of September 11, we are facing major new demands on our national resources which must take priority. We cannot meet these demands and afford such an enormous tax cut without raiding Social Security and Medicare. Jeopardizing the security of millions of senior citizens to finance the full tax cut is not an acceptable price to pay. We cannot now afford the entire tax cut without ignoring critical national needs. Neglecting our children's education and the health and well-being of our families to finance this tax cut is not an acceptable price to pay. Yet, that is what the administration budget would do. At this critical moment, the Senate must transcend the old boundaries of the debate, and act in the nation's best interest.

Social Security is a major victim of the President's budget. His budget does not merely dip into the Social Security Trust Fund for a couple of years when we are experiencing a recession and fighting a war. It proposes to raid Social Security every year through at least 2010, taking a total of $1.464 trillion out of the trust fund. The magnitude of the administration planned raid on Social Security is truly shocking. It would dramatically weaken Social Security's long-term financial stability. This reckless scheme seriously threatens the well-being of every senior citizen and disabled person who will be depending on the program in the years ahead.

Even with the raid on Social Security, the budget does not meet the nation's critical domestic spending needs. Discretionary domestic spending does not even keep pace with the rate of inflation. It receives a real dollar cut.

The only fiscally responsible course of action now is to postpone some future tax cuts that exclusively benefit the wealthiest taxpayers. These future tax breaks are not scheduled to take effect until 2004 and later. However, if they are allowed to take effect, they will cost hundreds of billions of dollars by the end of the decade. By delaying them, we can save approximately $350 billion. More than one trillion dollars of tax cuts will still take effect as scheduled.

Under the plan I have proposed, no taxpayer would pay a higher tax rate than he or she paid last year. In fact, income tax rates for everyone would be lower in 2002 and in succeeding years than they were in 2001. The child tax credit would be increased as planned and marriage penalty relief would be provided as scheduled.

The $350 billion in cost savings would result solely from a delay of future reductions in the tax rate paid by the wealthiest taxpayers in the highest income brackets and from maintaining the estate tax on estates above $4 million. While a small number of the most wealthy taxpayers may receive less of a tax reduction than they anticipated, they will still be receiving billions of dollars in new tax breaks as a result of last year's bill. Especially in a time of national crisis, it is certainly reasonable to ask them to contribute a fair share to keep our Nation strong.

These future tax cuts for those at the top are not part of the fight against the recession. They are not scheduled to occur until long after the economy emerges from the downturn. In fact, taking fiscally responsible action now will actually help the economy—by leading to reductions in long-term interest rates that have remained stubbornly high because of the fear that unaffordable tax cuts will lead to growing Federal deficits throughout the decade. Reducing that threat will reduce the cost of long-term borrowing for businesses, and provide a stimulus for new job creation now.

Such a modest reduction in future tax cuts will help us to meet our responsibility to the American people to improve education all along the continuum from birth through college, to extend better health care to more people, and to ensure that workers can find the training that they'll need to fully participate in the modern world economy. The American people have not made future tax cuts their first priority, and Congress should not either.

At the very least, fairness and fiscal responsibility require that future tax cuts be reduced by the cost of the increased defense and homeland security spending these perilous times require. This would allow our domestic priorities to receive the same funding which all of us agreed last year was the essential minimum.

We have only had the administration's budget for a few hours. However, the disturbing neglect of many of our Nation's most pressing domestic needs is evident. I would like to take just a few moments to describe those to the Senate at this time.

First of all, let us take the area of health care. Support for our public hospitals will be reduced by $27 billion.

The public hospitals in this country are some of the most beleaguered health institutions that we have in this Nation. They are the ones that respond to the pressure when unemployment increases and millions of workers lose their health insurance. Where do laid-off workers go when they get sick? Where do their children go when they get sick? They go to the public hospitals. They are the principal institutions that treat the uninsured and the neediest people in our society.

The idea that we will see additional reductions in terms of support for these major institutions, which are primarily in the great urban areas of our country and operating on such a narrow edge in any event because of the extraordinary kinds of burdens they are facing, is a major mistake from a health policy point of view in terms of caring for our fellow citizens.

Reductions in the support for the training of pediatricians in our children's hospitals by some $85 billion is also a major mistake. We want to make sure we are going to have the best trained pediatricians in the world to care for our children. I think the idea that the budget is going to shortchange the training for those individuals who have made a commitment to making a difference, effectively equals a reduction in the quality of care, and is shortsighted. We are talking about caring for the children of this country.

We see further reductions in support for medical education, which will clearly reflect itself in a reduction of quality. We have many challenges in our health care system, but one of the most important successes of our health care system is the training, the professionalism, and the quality of our health professionals, who are the envy of countries all over the world. Our training of health professionals is a magnificent example of the best we can provide.

We have other challenges in the delivery of health care services. For example, the cost of health care and the fact that we don't pay for prescription drugs, which our elderly desperately need. But the training of well-qualified personnel is something in which all of us take a sense of pride. We should not lose it. We are seeing a significant reduction in terms of support.

We are seeing reductions in health care professionals at a time when we still have a very significant imbalance in underserved areas—both in rural areas and urban areas. To see a reduction in support for that kind of program makes absolutely no sense whatsoever.

Cutting funding in terms of the Child Care Development Block Grant program, at a time when the program is only serving about 12 percent or 15 percent of the need in this country, fails children. Considering the importance of that program for working families, and particularly for the working poor, it also fails workers and families.

Seeing resources cut that help States move individuals from welfare to work, and which can also be used for childcare, training programs, and transportation, undermines our effort to help move people from a sense of dependency into independence.

I am disappointed in the area of education funding after we worked very conscientiously with the Administration to restructure the K–12 program. We are reaching only a third of the children who would be affected by the thrust of the Title I provisions of the reform of education programs. We are effectively going to see the same number of children covered. Because of the recession, an increasing number of children will qualify. One billion dollars of that is going to be cumulative. We are only reaching about a third of the children rather than meeting the needs of all the children who could benefit from that program.

There is effectively an increase of $1 billion in terms of IDEA, which is the program to help local communities all across this country offset some of the burden they are facing in providing educational opportunities for special needs children. At this rate, it will take 15 to 17 years before we meet our responsibilities in assisting local communities and States in this area. We are failing our special needs children by failing to give that program the support it should have.

Finally, in the area of teacher quality, there is only level funding. Similarly, for after school programs and bilingual education, there is no increase.

We spent a great deal of time in the last Congress to make sure we were going to use the best of Republican ideas, Administration ideas, and Democratic ideas to try to bring about changes in our educational system, but we all knew it was going to take a combination of reform and resources. As we pointed out during the course of the debate, just having reform without the resources was not going to be consequential. Just having resources without the reforms was not going to be meaningful. We tried to bring those two elements together. I think we did a good job, but now we see in this budget no increase for many of these provisions—many of which are so important in terms of strengthening academic achievement and accomplishment for our young people.

Finally, about 400,000 children drop out of school every single year. We have the Youth Opportunities Act to try to reach out to those young people, to try to get them back into school, and to try to get them employment. One of the major reforms of the Workforce Investment Act, it is an effort to provide educational opportunities and job training to our most impoverished youth. Effectively, that program has been emasculated. The new Administration budget dramatically cuts funding for the program, beginning it's eventual phase-out.

It makes absolutely no sense. We were trying to get reforms in terms of education, and then with the Youth Opportunities Program we were trying to reach out to children who have dropped out and try to bring them back into the system, either to complete their education or to move them into training programs so they can be productive. That program has been undermined.

There are training programs for workers to get the skills necessary to be able to compete and produce—on-the-job training programs which have really been the result of very strong bipartisan efforts to reform the 128 different job training programs and 12 different agencies.

Republicans and Democrats worked together. We streamlined these programs in a very efficient and effective way to try to help workers develop new skills in order for them to be more competitive. We now find out this program is being significantly undermined.

If you are talking about young people, if you are talking about failing to develop an effective prescription drug program for our seniors, if you are talking about missed opportunities in the area of education and in training for young people, that is all reflected in this budget.

The final point is that we are in danger of using up all of our Social Security funds, paid by working men and women, by transferring them into a tax break for the wealthiest individuals in this country. The tax breaks that will go into effect in 2004 have jeopardized our ability to meet important domestic priorities. There is going to be a battle during the course of this year in terms of priorities. I look forward to being a part of that debate.

I yield the floor.

The PRESIDING OFFICER (Mrs. FEINSTEIN). The Senator from Wyoming is recognized.

Mr. THOMAS. Madam President, I will use the 10 minutes available in morning business.

The PRESIDING OFFICER. The Senator is recognized.

THE BUDGET

Mr. THOMAS. Madam President, one of the issues we are faced with, which will be most controversial, I suppose—and certainly very important—is that budget about which the Senator from Massachusetts has been talking. Obviously, there are different views as to how one deals with the budget. It is always that way.

There are those who think there is a never-ending demand for more spending and, therefore, more taxes, and that the Federal Government ought to be involved in all of our activities in our lives. There are others who believe there are essential elements the Federal Government should address itself to; they change at different times, of course.

So it seems to me, as we take a look at this year's budget and this year's spending and this year's taxes, we have to take a look at the situation we are in and seek to meet the goals of our time. And those goals change from time to time.

America faces a unique moment in our history. Our Nation is at war, our homeland is threatened to be attacked, and our economy is in recession. If those are not factors that ought to be taken into account with respect to a budget, I don't know what would be.

The President's budget has just come to Congress today, so we do not know a great deal about the details. We will be holding hearings starting tomorrow, and we will know more about it. But the outline of the budget, it seems to me, meets the requirements of victory in this war in which we are involved, as well as the tests of responsibility for those areas in which the Federal Government, indeed, has a responsibility.

It holds the Government accountable for results that address the priorities of the American people: Winning the war on terrorism, strengthening the protection of our homeland, revitalizing the economy, and creating jobs.

Defense spending is increased by 12 percent. His budget nearly doubles homeland security spending. So it provides for the kind of safety all of us certainly have put at the top of our priorities at this time. The growth for spending in programs outside of defense, then, are held to 2 percent. We have been having something around 6- and 7-percent growth when we have not had the terrorism threat. So growth in those areas is reduced.

I think one of the interesting issues—and a little different than what we have just heard—is that the President's budget provides significant funding increases for health care, prescription drugs, education, the environment, agriculture, and retirement security, and returns to budget surpluses within 2 or 3 years if, indeed, we have the kind of economic return that we are talking about from the way we spend our dollars. The fact is we do not have the reserves that we did have; in relation to tax decreases it is a relatively small amount, about 14 percent. The remainder of the loss in revenues has been for increased spending in the war on terrorism and the recession.

So if you are talking about surpluses, the way you get to deal with surpluses is to increase this economic movement forward, to increase the growth in the economy. That is where the surpluses came from, certainly not by increasing taxes at a time when we are in a recession.

So the priorities, of course, will be winning the war on terrorism—some $38 billion, a 12-percent increase, to increase the capacity of our military, to improve the living conditions of our military, and so on—and strengthening our homeland security, which, of course, whether it be boundary patrol or whether it be airline security or whether it be bioterrorism or whether it be the emergency improvement of intelligence, are things that clearly must be done.

But, of course, if we are really to deal with this business of budgets and this business of surpluses, we have to deal with the economy. That is what we are going to be dealing with later this afternoon, tomorrow, and the next day in terms of an economic stimulus—to provide more push to those signs of an increased economy that we have before us. Hopefully, we can do that. The best way to guarantee surpluses in the future is to strengthen the economy.

Education: This proposal builds on the successful passage of the No Child Left Behind Act, which the President and the Senator from Massachusetts had a great deal to do with and gave leadership. In fiscal year 2002, it dramatically increases to historic levels the funding for special education with $8.5 billion, boosts funding for low-income students $5 billion, funds important reading initiatives so that every child can read by the third grade, and provides $10 million for a new initiative to recruit librarians. So the idea that we are ignoring education simply is not the fact.

Health care: It provides a refundable tax credit to subsidize up to 90 percent of the cost of health insurance for low- and middle-income Americans. It expands the number of community health centers by 1,200 to serve an additional 6.1 million patients. It doubles NIH medical research spending. That is this budget we are talking about. For prescription drugs, it provides $190 billion to strengthen Medicare with Medicare prescriptions over a period of the next 10 years.

The environment: It provides record funding for EPA's operating budget. It fully funds the land and water conservation fund. It eliminates the park maintenance balance by 2006 if we continue to do it that way.

Energy, of course, is one of the real issues. It provides $9.1 billion for incentives.

At any rate, those are items in the budget. The point is that we really need to look at where we are and how we are going to best manage additional spending on our war on terrorism and providing for our safety and freedom and trying to get the economy moving so that we will have more and more revenue without increasing taxes. I cannot think of a worse time to increase taxes by eliminating tax reductions than at a time of recession.

So these are the issues that each of us will have to deal with as time passes. I think we will be able to do this. Certainly, we have done it before. I think it is very important we have a budget agreed to by the Congress so we have some constraints in spending so we have a budget that says to the appropriators: Here is the amount that can be used for agriculture, and here is the amount that can be used for whatever. Otherwise, of course, there is no end to the amount of spending.

There are a million things that we would like done, but we have to give some thought to what is the appropriate role of the Federal Government in terms of participation in these various programs? What is the State's role? What is the local government's role?

We hear—when I am home, at least—that we have too much Federal Government in our lives, but, on the other hand, we ought to have more money for these things. You have to make decisions between items to decide if you like Government closer to the people, if you like the calls made by the bureaucracy from Washington. These are the kinds of things I believe ought to be decided. So budgets are quite more than the amount of money that is going to be spent, even though, of course, that is the discussion.

Budgets are a matter of determining priorities, a matter of taking a look down the road as to where we want our country to be, what kind of programs we think are best for growth, for creating jobs, so people will be able to work in good jobs, and to be able to decide what the role of the Federal Government is vis-a-vis the other levels of government that are so important to us.

These are all part of the budget. Obviously, it is very difficult to put together a budget for a massive operation such as the Federal Government. But I do believe, as we move to what have to be expenditures for the emergency that is before us, we ought to see if we can have some logical control over the remainder of the spending so this deficit, which hopefully will be a short-term deficit, does not get any larger than it has to be. These are the decisions, these are the judgments we will have to make. Different people have different ideas, but, hopefully, we will come out that way.

I think the President has done a super job of putting together a budget. I think he has recognized our country's needs. I think he has also recognized the reality that we just can't keep endlessly spending and continue to grow the size of Government. It seem to me, asking for more accountability throughout the Federal Government is one of the important aspects of our future.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NELSON of Florida. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON of Florida. Madam President, I request permission to speak on a subject of enormous national importance.

The PRESIDING OFFICER. The Senator is recognized.

Mr. NELSON of Florida. I thank the Chair.

ENRON CORPORATION

Mr. NELSON of Florida. Madam President, I am a member of the Commerce Committee and we were looking forward to the opportunity of questioning the immediate past CEO of the Enron Corporation today. Unfortunately, he did not appear before the committee as had been expected, and I did not have the chance to pose some questions to him.

Specifically, I would have asked about the public institutional investors, like State pension funds, whose retirement funds around this country lost so much money because of their investments in Enron stock. There are more than 20 pension funds—and in the Chair's home State of California there were some 4 or 5 pension funds, not only from cities such as San Francisco, but likewise one of the more major statewide pension funds of California which was the pension fund that was second most in losses as a result of having purchased Enron stock. The specific amount for one California pension fund—and it was just one of about five—was about $145 million.

Far exceeding that was the $335 million that was lost as a result of the Florida public retirement system holding Enron stock and finally selling it for 28 cents a share.

One could wonder, what does this have to do with all of the rumors and rumors of rumors of what was going on? It has to do this: Why would an outside money manager named Alliance Capital Management Company, previously associated with an Enron Corporation board member, purchase almost 3 million shares of Enron stock after October 22, which was the date that the Securities and Exchange Commission announced its investigation?

In addition, the company announced on October 17 a loss of $1.2 billion. As a matter of fact, in a short period of time, just a little over 3 weeks, the stock value of Enron dropped from $32 a share to a month later at $9 a share.

On October 22 when the Securities and Exchange Commission announced that it was going to start its investigation, the stock value started plummeting, and still this money manager continued to buy Enron. Money managers for the Florida pension fund are selected by the State Board of Administration of Florida, which is the board that runs the Florida retirement system. This money manager purchased almost 3 million shares of Enron stock for the Florida Board of Administration—starting at $32 and dropping all the way to $9 per share. Two weeks later when it became apparent that Enron had gone bust, the Florida retirement system sold its shares for 28 cents a share; thus, losing this humongous amount of over $300 million.

What seems to me to be interesting, and the question that I wanted to ask of the immediate past CEO of Enron is: Was there ever any direction, was there any evidence of any direction, was there any information of direction from Enron to public pension funds throughout the country, like the Florida retirement system, to purchase the stock. The stock was falling and I wanted to ask if public pension funds were asked to purchase Enron in order to prop up the value of the shares. I wanted to ask if Enron thought that public pension funds could help stabilize the value of the stock so company loans that were supported by collateral of Enron shares would not be called on for repayment by the company.

What was the motivation that would suddenly cause an institutional investor like a pension fund, known for professionalism, and conservative handling of investments—and when each of the three trustees are sworn under a fiduciary duty to protect the assets of the retirement fund—why would purchases of almost 3 million shares of Enron stock be made within a 3-week period, when the price of the stock is dropping like a rock? I would hope that a public pension fund would purchase mostly solid investments, at very low risk, instead of very risky investments.

Had I been at the Commerce Committee, that is the question I would have asked. Today I have tried to communicate what I would have asked, and I thank the Chair for the privilege of sharing this information with the Senate.

I take this opportunity to comment and illustrate what I wanted to ask the former CEO of Enron by showing a chart, which dramatically illustrates the fact of how the Florida retirement fund purchased shares of Enron stock even while the stock price was dropping like a rock. As mentioned previously, stock prices were $32 on October 17 when Enron announced it had over $1 billion in losses. On October 22, 5 days later, the stock is just below $25 when the Securities and Exchange Commission announces an investigation of Enron.

Lo and behold, at this point, on the day of the announcement of an investigation by the SEC, an outside money manager for the Florida retirement system—which I point out again, is supposed to protect the retirement system's assets for the future and present retirees. Florida's public pension plan is fully funded and guaranteed, not by the shareholders, but by the taxpayers of the State of Florida. We can see from October 22 to November 16 what happened to the value of the stock. In the period of only a little more than 3 weeks, one of Florida's outside money managers, Alliance Capital Management, purchased shares at $22 each, and continued purchasing until the end of November, the money manager purchased shares at $9 each. The chart illustrates that the stock dropped precipitously in that 3-week period in what is supposed to be one of the most conservative of investment portfolios to protect the security of the state and local workers in Florida.

And finally the money manager sold all of the shares for Florida on November 30 at 28 cents a share, with a $335 million loss in the portfolio for Florida state and local workers and retirees. Other public pension funds suffered losses, more than $1 billion overall; however, the biggest loss of $335 million occurred in Florida.

Within this short period of 3 weeks, the purchase of almost 3 million shares after all of this information about the difficulties of the company had been made public, the question is: Why?

If any evidence is ever found that in fact there was some direction for outside money managers like this one for Florida—who, by the way, this outside money manager included a principal executive back last summer who still sits on the Enron board—what was the motivation here? Did they think this was a good stock buy, as they have said? Or was there a motivation that somebody was whispering in their ear, telling them to buy as the stock was getting into trouble? We need further exploration and a through review of Enron's relationships with institutional investors.

It is a dramatic story, that additional shares were purchased as disturbing information starts to come out about the company: 302,000 shares purchased on October 22; 125,000 shares purchased on October 25; 374,000 shares purchased on October 29; 318,000 shares purchased on October 30.

On November 8, Enron admits it has overstated profits by $568 million. On November 13, lo and behold, the Florida pension fund buys another 582,000 shares, just 5 days after Enron admitted publicly that it had overstated its profits by $568 million.

Then, on November 14, the Florida pension fund buys another 479,000 shares. How did this happen? On November 16, the Florida pension fund buys another 210,000 shares. And, sadly, on November 30 the Florida pension fund sells 7.5 million shares at 28 cents a share, thus incurring the $355 million loss.

I know a little bit about this because in my previous life as the elected State Treasurer of Florida, I sat on that pension board. The three-member board of trustees called the State Board of Administration, includes the Governor, the Treasurer, and the Comptroller. The board typically does not involve themselves in the day-to-day activities of the buying and selling. Far from it, in the past, the board—when I was there, we would not touch that with a 10-foot pole. That was left to the professional money managers.

But policy was set by the board. One of the most interesting times on the board that I had was as the swing vote to determine whether or not the Florida retirement system would sell—get rid of—its portfolio of tobacco stocks. Clearly, I knew what I wanted to do because I thought that it made good social policy to get rid of tobacco stocks. But I had a higher duty as a trustee of the State Board of Administration. I had a duty, a fiduciary duty to the retirees and future retirees, to the economic sanctity of the retirement fund. The threshold was very high on what we should and should not do in setting policy. So, too, what the professional, full-time managers should and should not do with regard to the purchase and sale of assets, including stock: a fiduciary duty for only the best, the most safe, and the least risky kind of investments. Why? Because we were trustees for all of the state retirees and future retirees of Florida.

As a former Florida State Treasurer, I want to express my concern openly in the Senate. Clearly when I see activity such as this, where almost 3 million shares are purchased within a 3-week period while the value of the stock is dropping. After the last purchase on November 16, only 2 weeks later the entire portfolio of 7.5 million shares are sold for only 28 cents a share. Why did this happen?

Had the former CEO of Enron appeared in front of the Commerce Committee today I would have asked him that question. I would have asked him if he had no direct knowledge, then who would? Who would have made those choices, and why one of his board members, Mr. Frank Savage, who used to be one of the managers of Alliance Capital Management—why, even though at the time of this purchase in October and November he was not one of the managers—why would such purchases of a risky investment that turned out to be so costly, why would that investment have been made? Had I had the opportunity today in the Commerce Committee, that is what I would have asked. Rhetorically, to the Senate, I ask some of these questions. And as we get into the investigation of this Enron debacle, these questions must be answered.

Thank you for the opportunity to speak to the Senate. I yield the floor.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Madam President, I thank the distinguished Senator from Florida for his comments. The largest retirement pension system in the United States is in the State of California.

Those systems have had very significant losses. I think his comments are very well designed and should be taken as a major indicator of fault and problems. I am sure when the hearings are held that as a member of the Commerce Committee, the Senator will have the good opportunity to point this out very clearly.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

HOPE FOR CHILDREN ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 622, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

Pending:

Daschle/Baucus amendment No. 2698, in the nature of a substitute.

Reid (for Baucus) amendment No. 2721 (to amendment No. 2698), to provide emergency agriculture assistance.

Bunning/Inhofe modified amendment No. 2699 (to the language proposed to be stricken by amendment No. 2698), to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies.

Hatch/Bennett amendment No. 2724 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to allow the carryback of certain net operating losses for 7 years.

Domenici amendment No. 2723 (to the language proposed to be stricken by amendment No. 2698), to provide for a payroll tax holiday.

Allard/Hatch/Allen amendment No. 2722 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit.

Smith of New Hampshire amendment No. 2732 (to the language proposed to be stricken by amendment No. 2698), to provide a waiver of the early withdrawal penalty for distributions from qualified retirement plans to individuals called to active duty during the national emergency declared by the President on September 14, 2001.

Smith of New Hampshire amendment No. 2733 (to the language proposed to be stricken by amendment No. 2698), to prohibit a State from imposing a discriminatory tax on income earned within such State by nonresidents of such State.

Smith of New Hampshire amendment No. 2734 (to the language proposed to be stricken by amendment No. 2698), to provide that tips received for certain services shall not be subject to income or employment taxes.

Smith of New Hampshire amendment No. 2735 (to the language proposed to be stricken by amendment No. 2698), to allow a deduction for real property taxes whether or not the taxpayer itemizes other deductions.

Sessions amendment No. 2736 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide tax incentives for economic recovery and provide for the payment of emergency extended unemployment compensation.

Grassley (for McCain) amendment No. 2700 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide a special rule for members of the uniformed services and Foreign Service in determining the exclusion of gain from the sale of a principal residence.

Kyl amendment No. 2758 (to the language proposed to be stricken by amendment No. 2698), to remove the sunset on the repeal of the estate tax.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Madam President, pursuant to the previous order, the Democrats now will offer the next two or three amendments that are in order.

AMENDMENT NO. 2764

Mr. REID. Madam President, on my behalf, that of Senator KYL, Senator NELSON of Florida, Senator HATCH, and Senator ZELL MILLER, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for himself, Mr. KYL, Mr. NELSON of Florida, Mr. HATCH, and Mr. MILLER, proposes an amendment numbered 2764.

Mr. REID. Madam President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to provide a refundable credit for recreational travel, to modify the business expense limits, and for other purposes)

At the end, add the following:

TITLE —PERSONAL TRAVEL AND BUSINESS EXPENSES

SEC. 01. PERSONAL TRAVEL CREDIT.

(a) In General.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable credits) is amended by redesignating section 35 as section 36 and inserting after section 34 the following new section:

"SEC. 35. PERSONAL TRAVEL CREDIT.

"(a) Allowance of Credit.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified personal travel expenses which are paid or incurred by the taxpayer during the 60-day period beginning on the date of enactment of this section.

"(b) Limitations.—

"(1) Maximum credit.—The credit allowed a taxpayer under subsection (a) for any taxable year shall not exceed $600 ($1,200, in the case of a joint return).

"(2) Per trip limitation.—The expenses taken into account under subsection (a), with respect to any trip, shall not exceed $200.

"(c) Qualified Personal Travel Expenses.—For purposes of this section—

"(1) In general.—The term 'qualified personal travel expenses' means reasonable expenses in connection with a qualifying personal trip for—

"(A) travel by aircraft, rail, watercraft, or commercial motor vehicle, and

"(B) lodging while away from home at any commercial lodging facility.

Such term does not include expenses for meals, entertainment, amusement, or recreation.

"(2) Qualifying personal trip.—

"(A) In general.—The term 'qualifying personal trip' means travel within the United States—

"(i) the farthest destination of which is at least 100 miles from the taxpayer's residence,

"(ii) involves an overnight stay at a commercial lodging facility and

"(iii) which is taken on or after the date of the enactment of this section.

"(B) Only personal travel included.—Such term shall not include travel if, without regard to this section, any expenses in connection with such travel are deductible in connection with a trade or business or activity for the production of income.

"(3) Commercial lodging facility.—The term 'commercial lodging facility' includes any hotel, motel, resort, rooming house, watercraft, or campground.

"(d) Special Rules.—

"(1) Denial of credit to dependents.—No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins.

"(2) Expenses must be substantiated.—No credit shall be allowed by subsection (a) unless the taxpayer substantiates by adequate records the amount of the expenses described in subsection (c)(1).

"(e) Denial of Double Benefit.—No deduction shall be allowed under this chapter for any expense for which credit is allowed under this section.".

(b) Conforming Amendments.—

(1) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period ", or from section 35 of such Code".

(2) The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the last item and inserting the following new items:

"Sec. 35. Personal travel credit.

"Sec. 36. Overpayments of tax.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 02. TEMPORARY INCREASE IN DEDUCTION FOR BUSINESS MEAL EXPENSES.

(a) In General.—Subsection (n) of section 274 of the Internal Revenue Code of 1986 (relating to only 50 percent of meal and entertainment expenses allowed as deduction) is amended by adding at the end the following:

"(4) Temporary increase in limitation.—With respect to any expense for food or beverage paid or incurred on or after the date of enactment of this paragraph, and before the date that is 180 days after such date, paragraph (1) shall be applied by substituting '80 percent' for '50 percent'.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 03. TEMPORARY RESTORATION OF DEDUCTION FOR SPOUSES ACCOMPANYING TAXPAYER ON BUSINESS TRAVEL.

(a) In General.—Section 274(m) of the Internal Revenue Code of 1986 (relating to limitations on travel expenses) is amended by adding at the end the following:

"(4) Temporary repeal of limitation.—With respect to any travel expense paid or incurred on or after the date of enactment of this paragraph, and before the date that is 180 days after such date, paragraph (3) shall not apply.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

Mr. REID. Madam President, prior to September 11, the travel and tourism industry employed more than 18 million people, with an annual payroll of about $160 billion. The industry was the first, second, or third largest employer—I should say the most, not the largest employer, but the first, second, or third most important——

Mr. NELSON of Florida. Industry.

Mr. REID. Industry in some 30 States. I appreciate the Senator from Florida coming up with that word. It is the No. 1, 2, or 3 driving economic force in those States. It is estimated that travel and tourism generated $93 billion in tax revenue during 2000 for Federal, State, and local governments. When our Governors and other State officials find themselves strapped for cash to pay for such basic services as education, $93 billion, and the figure has in the past been going up every year in tax revenues, it takes on increased significance.

During the past decade, travel and tourism has emerged as the Nation's second largest service export, generating an annual trade surplus of about $14 billion. This, of course, is no surprise to the people of the State of California, the State of Florida, and certainly the State of Nevada. Those Senators who are present now recognize the importance of the travel and tourism business.

In the year 2000, 36 million people came to Las Vegas through the airport. It may be surprising, but McCarran Field is busier than L.A. International Airport. It has more people come and go through it than L.A. International. It is the sixth busiest airport in North America, and last year some 36 million people came to Las Vegas through the airport. This contributed about $32 billion to our local economy, sustaining approximately 200,000 hospitality- and tourism-related jobs.

Since September 11, these impressive numbers have declined significantly. According to the Hotel and Restaurant Employees International Union, 41 percent of the hotel and restaurant employees in Washington, DC, have been laid off. In Las Vegas, the fastest growing metropolitan community in America, 30 percent of hotel and restaurant employees have lost their jobs.

There are similar cuts all over America: Phoenix, Orlando, San Francisco. Around the country, more than 450,000 jobs directly related to tourism have been lost, and the forecast for the industry from this point is not much better.

The Travel Industry of America estimates travel by Americans will decrease by about 8½ percent this winter as compared to the months of December, January, and February a year ago, with a decline of 3½ percent for the entire year 2001 when compared to travel during the year 2000. The Travel Industry of America estimates this will result in nearly $43 billion in lost travel expenditures in 1 year.

Because travel and tourism is so important to Nevada and so many other States, I believe that any economic security package must include incentives and other stimulative proposals to get people traveling again. That is why I have joined with Senator KYL, Senator NELSON of Florida, Senator HATCH, and Senator MILLER to move this legislation.

I personally believe there are other things we could do to help travel and tourism. I am one of the original cosponsors of and I am supporting legislation Senator DORGAN has offered. I am supportive also of legislation Senator BOXER has offered. But to have bipartisan support we have this measure now before the Senate, and I think we should move forward.

There are three key components in this legislation. First of all, a $600 tax credit per individual and a $1,200 tax credit per couple, at a maximum of $200 per trip, for the 60 days after date of enactment of this amendment.

What this would mean is if someone is traveling to Miami for a convention, they would get a $200 tax credit. This would stimulate more travel. After the first trip, they would be eligible for a $200 tax credit; after two trips, $400; after three trips, $600.

This proposal provides a genuine incentive to the leisure traveler to encourage Americans to get back on airplanes, rent a car, to stay a few nights in their favorite hotel, enjoy a few meals at their favorite restaurant. Moreover, by capping each trip to $200, our amendment provides an additional incentive for travelers to make multiple trips. The tax credits would be temporary and provide immediate results.

People need to feel good about traveling. I personally feel safer today flying in an airplane than I ever have. It is somewhat inconvenient at the airports. We were at an airport yesterday and I saw someone take off her shoes. My wife said: That has happened to me.

It does not take long to take one's shoes off, and they do not do it to everybody. It is a random search. I think it is good they are doing that.

In short, I think we are really getting it down better at airports. I think we are moving people through more quickly. I was in one of our National Laboratories on Friday at Sandia, and they have a booth that you can walk in and in 5 seconds they can determine if you have been in contact with any type of explosives for many days in the past. The whole walk-through takes 12 seconds, actually takes 5 seconds to do the check to find out if there are any explosives.

We are going to start putting some of these techniques in place at various places around the country, and someday we will have them everyplace.

We have a machine for sniffing explosives. It is like a little scoop. What they have now looks like a shovel.

We are getting things down very well. People should feel good about traveling. We want this legislation to cause people to feel better about traveling.

The second part of this legislation would be an increase in the deduction for business meals and entertainment expenses. It increases the deduction from 50 to 80 percent for 6 months after the date of enactment of this amendment.

I can use, again, myself as an example. After I practiced law for a couple of years, the people who ran the law firm I worked for said they thought I could develop some business and have an expense account. What that meant to me was I could go out and try to get business for my law firm. I could take people to dinner. I did not have the money to do that except for this expense account. With the expense account, I did that. It generated business for the hotels and the restaurants in Las Vegas. As a result of that, people had to prepare meals for me and my prospective clients or clients we already had who we were trying to keep happy.

People had to serve that food. The restaurant had to buy that food. It generated business for everybody. That is what this legislation is about. I never liked that we reduced the meals tax deduction, but it was done, first from 100 percent, to 80 percent, to 50 percent. We want to raise it to 80 percent for 6 months. We call for a temporary increase in the deduction, as I indicated. It would be temporary, but it would be stimulative.

I believe we got this going—people wanted to make it permanent because of the entertainment industry. The restaurant industry would think it was helpful. Increasing the business meals deduction will have an enormous and positive impact on our Nation's restaurants and the millions of Americans they employ.

As I indicated, third, restoration of the spousal deduction provides 100-percent deduction for spouses on business trips 6 months after the date of enactment. This proposal will encourage more spouses to travel. They will spend additional dollars in restaurants, hotels, rental car agencies, and travel-related expenses.

This proposal encourages spouses to travel. It is not only family friendly, but it also encourages the business traveler to spend additional dollars to help stimulate the economy in Nevada and throughout the country.

This has wide-ranging support. I have a letter I received recently, dated February 1. This is from Jonathan Tisch, chairman of the Travel Business Roundtable. Let me name a few of the participants in this Roundtable: Detroit Metro Convention Visitors Bureau, National Restaurant Association, National Hockey League, Omega Travel, United Airlines, Commonwealth of Puerto Rico, Las Vegas Visitors & Convention Authority, Four Seasons Regent Hotels & Resorts, American Airlines, Greater Fort Lauderdale Chamber of Commerce, Six Continents Hotels, Diners Club International, IBM, Wyndham International, American Express, American Resort Development Association—literally dozens of organizations are part of this Roundtable. They have signed on to what we are trying to do.

I ask unanimous consent this letter and the attached member list be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TRAVEL BUSINESS ROUNDTABLE,
February 1, 2002.

Hon. HARRY REID,
U.S. Senate,
Washington, DC.

DEAR SENATOR REID: On behalf of the 70 members of the Travel Business Roundtable, I would like to thank you and Senator Kyl for your leadership in offering an amendment to the economic stimulus bill to provide much-needed stimulus for the travel and tourism industry. We deeply appreciate your efforts over the past several years to call attention to the contributions our diverse industry has brought to the U.S. economy, and we are particularly grateful for your tireless work in recent months to ensure that our concerns are addressed in any economic stimulus package that moves forward in the Congress.

You saw first-hand in your own state the upheaval and economic crisis that hit the hotels, restaurants, casinos, resorts, convention centers, rental car agencies, shopping centers, amusement parks and attractions that make up our industry in the days and weeks following the September 11 terrorist attacks. While there are signs that the U.S. economy as a whole is recovering somewhat, a forecast of the TBR Index of Leading Economic Indicators shows that recovery for our history will be slow over the next two years, and we will still be unable to regain 2000 levels by the end of 2003. Naturally, one of our deepest concerns is the toll this may take on our employees.

While we are still assessing the fourth quarter of 2001, the most recent projections for the U.S. industry show losses of $43 billion for the year in traveler expenditures and the loss of more than 450,000 travel and tourism jobs nationwide. And all the indicators show that there will be further layoffs in the industry this year. A recent Milken Institute study of the impact of the September 11 attacks on the 315 U.S. metropolitan statistical areas (MSAs) shows that areas across the U.S. stand to lose more than 1 million jobs this year in the travel and tourism sector. In the hotel sector alone, PricewaterhouseCoopers is projecting 18,000 layoffs this year—that is on top of the 257,000 hotel workers laid off in the wake of September 11. In addition to those who lost their jobs outright, there are countless other travel and tourism employees who are working reduced hours—and therefore taking home less pay—due to the slowdown in business, and often their willingness to work shorter shifts so that their colleagues will not lost their jobs.

As you are acutely aware, local governments and states are feeling the slowdown in business and leisure travel as well—both because their coffers are emptying from the drastic reduction in tax revenues that tourists provide and because they are struggling to assist displayed workers. A December 2001 report by the U.S. Conference of Mayors showed that requests for emergency food assistance climbed an average of 23 percent, and requests for emergency shelter assistance increased an average of 13 percent in the 27 cities surveyed. They note in their report that declining tourism since September 11 is one of the factors that is driving up these numbers.

Clearly, we must differ with those who say that the urgency for the passage of an economic stimulus bill has passed. Congress' quick enactment of airline assistance and airport security measures have gone a long way toward keeping travelers flying and helping restore traveler confidence. However, keeping the airlines in business alone is not sufficient to stimulate travel spending. We believe that an economic stimuls bill that includes tax incentives for leisure and business travelers and tourism promotion assistance will help provide the final boost that our industry and our workers so badly need.

Again, we thank you, Senator Kyl and your colleagues in the Senate Travel and Tourism Caucus for your diligent efforts on this matter, and we are happy to provide our assistance as the process moves forward.

Sincerely,

JONATHAN TISCH,
Chairman.

Attachment.

MEMBERSHIP

Dieter H. Huckestein, President, Hilton Hotels Corporation.

George L. Hundley, Jr., President & CEO, Northstar Travel Media, LLC.

Noel Irwin-Hentschel, Chairman and CEO, American Tours International, Inc.

Robert E. Juliano, Legislative Representative, Hotel & Restaurant Employee International Union.

Jacki Kelley, Senior Vice President Advertising, USA TODAY.

Brian J. Kennedy, Executive Vice President, The Hertz Corporation.

Thomas A. Kershaw, Owner, The Hampshire House Corporation.

George D. Kirkland, President & CEO, LA. Convention & Visitors Bureau.

Fred Kleisner, Chairman and CEO, Wyndham International.

Werner G. Kunz, Vice President-Marketing and Sales, Lufthansa Systems North America.

Jonathan S. Linen, Vice Chairman, American Express Company.

Joseph A. McInerney, President, American Hotel & Lodging Association.

David Meyer, Editor-In-Chief, Business Travel News.

Scott D. Miller, President, Hyatt Hotels Corporation.

Sandy Miller, Chairman & CEO, Budget Group, Inc.

Marc Morial, Mayor, City of New Orleans.

Steven C. Morris, President and CEO, Seattle's Convention and Visitors Bureau.

Patrick B. Moscaritolo, President and CEO, Greater Boston Convention & Visitors Bureau.

Devon Murphy, President and CEO, Carey International Limousine.

Craig M. Nash, Chairman & CEO, Interval International.

David G. Neeleman, CEO, Jetblue Airways Corporation.

Curtis Nelson, President & CEO, Carlson Hospitality Worldwide.

Cristyne L. Nicholas, President & CEO, NYC & Company.

Howard C. Nusbaum, President, American Resort Development Association.

Michael S. Olson, CAE, President and CEO, American Society of Association Executives.

William J. Overend, Dir., Global Travel Ind. Sales & Marketing, The Coca-Cola Company.

Paul S. Pressler, Chairman, Walt Disney Parks and Resort.

Lalia Rach, Associate Dean, New York University.

Barbara J. Richardson, Executive Vice President, Amtrak.

John T. Riordan, Vice Chairman, International Council of Shopping Centers.

Robert Rosenberg, President and CEO, Newport County, CVB.

Fred Schwartz, President, American Asian Hotel Owners Association.

Lamar Smith, Senior Vice President of Government Affairs, Visa U.S.A. Inc.

Randell A. Smith, Chief Executive Officer, Smith Travel Research.

Barry Sternlicht, Chairman & CEO, Starwood Hotels & Resorts.

Paul Tagliabue, Commissioner, National Football League.

William D. Talbert, III, President & CEO, Greater Miami CVB.

Robert S. Taubman, CEO/President, Taubman Centers, Inc.

Jonathan M. Tisch, Chairman & CEO, Loews Hotels.

Daniel R. Tishman, President & COO, Tishman Construction Co.

Ron Wagner, President, Association of Corporate Travel Executives.

Paul Whetsell, Chairman & CEO, MeriStar Hotels & Resorts, Inc.

Tom Williams, Chairman and Chief Executive Officer, Universal Studios Recreation Group.

Scott Yohe, Senior Vice President of Government Affairs, Delta Air Lines, Inc.

Tim Zagat, Co-Chair and Publisher, Zagat Survey, LLC.

Larry Alexander, President and CEO, Detroit Metro Convention and Visitors Bureau.

Steven C Anderson, President and CEO, National Restaurant Association.

Sean Anderson, Chief Executive Officer, WH Smith USA Travel Research.

Adam M. Aron, Chairman & CEO, Vail Resorts, Inc.

Gary Bettman, Commissioner, National Hockey League.

Gloria Bohan, President, Omega World Travel, Inc.

Christopher Bowers, Senior VP, North America, United Airlines.

Melinda Bush, President & CEO, HRW Holdings, LLC.

Chris J. Cahill, President & COO, Fairmont Hotels & Resorts.

Sila M. Calderon Serra, Governor, Commonwealth of Puerto Rico.

Thomas J. Corcoran, Jr., President and CEO, FelCor Lodging Trust.

Manuel Cortez, President/CEO, Las Vegas Convention & Visitors Authority.

John F. Davis, III, CEO & Chairman of the Board, Pegasus Solutions, Inc.

William Diffenderffer, Vice President, Global Travel and Transportation, BIS, IBM.

Roger J. Dow, SVP, General Sales Manager, Marriott International, Inc.

William H. Friesell, Chairman, Diners Club International.

Michael Gehrisch, President and CEO, LACVB.

Laurence S. Geller, CEO, Strategic Hotel Capital Incorporated.

Vicki Gordon, Senior Vice President, Americas Administration, Six Continents Hotels, Inc.

Nicki E. Grossman, President, Greater Fort Lauderdale CVB.

Michael W. Gunn, Executive Vice President, American Airlines.

Bjorn Hanson, Global Industry Leader—Hospitality and Leisure, PricewaterhouseCoopers, LLP.

Wolf H. Hengst, President & COO, Four Seasons Regent Hotels & Resorts.

Stephen P. Holmes, Vice Chairman, Cendant Corporation.

The PRESIDING OFFICER (Mrs. CARNAHAN). The Senator from Florida.

Mr. NELSON of Florida. Madam President, I had the privilege of being a cosponsor of the amendment with the Senator from Nevada. It is instructive to lay out the reasons as to why so long after September 11 that the Senator from Nevada and others, including myself, are offering such an amendment with regard to stimulation of the economy and tourism.

Travel and tourism encompasses 5 percent of the GDP. It generates more than $578 million in revenues. Travel and tourism, as an industry, supports more than 17 million jobs. It provides more than $14 million in trade surplus, and more than 95 percent of the businesses in travel and tourism are small- to medium-sized businesses. That begins to tell the story of why this amendment is important to the economy.

Do we think we are in a recession? Yes. All economic indicators are pointing to the fact that we are in a recession right now. What would this amendment do, and why is the travel and tourism industry suffering a recession right now?

Take, for example, the No. 1 tourist destination in the world which happens to be Orlando, FL. Last week, National Public Radio reported since September 11 unemployment in the Orlando area of central Florida has doubled to a 7-year high and that it is likely to continue rising for some period of time. At the same time that tourism is down, the corollary central Florida convention business faces a 5- to 15-percent drop in convention attendance as companies are cutting back in their travel budgets.

If we want to do something about stimulus, this amendment helps with a tax credit to encourage people to take leisure trips just for the next 2 months after the enactment of the bill. That, to me, is clearly a stimulus-type activity for the economy.

If, for 6 months, the bill says we are going to encourage people to go into the restaurants by being able to deduct business meals as a stimulus, not just at the 50-percent level but at an 80-percent level, then clearly that is stimulus in the short time frame of six months.

With regard to the matter before the Senate, I add to the remarks of the Senator from Nevada my support for this amendment to the stimulus bill. This is of limited duration. Part of this amendment lasts just 60 days. It will give us an economic jolt as we attempt to jump-start the economy and get us out of the recession and back into economic recovery.

Mrs. FEINSTEIN. Madam President, I want to repeat something that I stated over the weekend. It will be my intent to vote against any large stimulus package at this time. I do so because I believe a stimulus package right now is not necessary. I believe, when compounded with the President's budget and other items, it actually works as a significant detriment to us doing what we need to do, which is have a balanced budget.

In his remarks last month before the Senate Budget Committee, Federal Reserve Chairman Alan Greenspan said an interesting thing. I would like to quote him. He said:

> There have been signs recently that some of the forces that have been restraining the economy over the past year are starting to diminish and that activity is beginning to firm.

And it appears the economy is stabilizing without the need for a stimulus.

Among the positive signs the distinguished Mr. Greenspan cited are that businesses are working off their inventories of unsold goods, freeing them to increase production and hire more workers.

According to the latest economic reports, the moving 4-week average of jobless rates continues to dip while the pace of manufacturing activity throughout our country surges. Unemployment appears to have stabilized. The manufacturing index is up. The consumer confidence index is up. Orders for durable goods are up. Most importantly, we notice a slight increase in gross domestic product. Although it may not be much, it signals that the worst may well be over.

I agree with Chairman Greenspan's assessment that "while 3 months ago, it was clearly a desirable action" to pass a stimulus measure, we did not, and, "fortunately, it turned out we didn't need that particular [action]."

If you sort of put this in context, the House has passed a very large stimulus package. The debate is going on in this Chamber on two stimulus packages. They then need to go to conference, and the differences would have to be resolved. It is very clear to me that by the time the stimulus package goes into effect, it really would have negligible effect.

Although there is still a ways to go before the economy is fully stabilized and is growing again, I believe we are moving in the right direction.

I want to point out that now the President's budget has come to the Hill with very large increases in defense, the end program, if we begin them, is that we must continue them over the next 5-year period, and large increases in homeland security, some of which will be new expenditures and will need continuation in this post 9-11 era. Making large cuts in many domestic programs with dollars being spent on a so-called stimulus, to me, becomes even more questionable.

In fact, many of the measures which have been proposed by the President and which have been under discussion in the Congress over the past few months are not, to my mind, well calibrated to provide a real stimulus impact. They add to the tax package we passed this past June. I voted for it because I felt at the time it was well deserved. The economy was strong, the surplus was up, and it is not unreasonable to expect when both of those are present that the taxpayers should be enabled to keep more of their money. I basically believe that is good public policy.

However, in September we began to see an unprecedented event add to our problems. That unprecedented event, of course, has brought on the need for homeland security and increased defense allocation. Downstream, this means that these two items can well crowd out also vitally needed domestic programs. The transportation budget has been cut dramatically, I understand. Transportation is a stimulus. Transportation puts people to work. The transportation budget provides good jobs. I suspect, if that cut goes through, we will find those jobs will diminish.

There are many elements of the plan the majority leader has proposed which I believe are important—not for their stimulative impact but as an issue of basic fairness and past practice for those of us in this body.

The first is the 13-week extension of unemployment insurance. I would support this as, again, a matter of the practice of this body. I was present in the 1990s when we extended unemployment insurance at least twice that I can remember. That was during the periods of recession.

According to the Department of Labor, every dollar used for unemployment benefit results in a $2.15 increase in the gross domestic product. That is the sum total of goods and services in our country.

Today, over 1 million people are unemployed. In my State, that is over 13 percent of the country's total unemployment. Since September 11, unemployment benefits have run out for 190,000 Californians. Since September 11, over 900,000 Californians have started receiving unemployment benefits, which shows the impact of that dastardly event on September 11.

It is estimated that 300,000 people in California alone would be helped by this 13-week extension. Nationally, extending unemployment coverage will benefit more than 600,000 people, and again continue to revive the economy.

I think we should do it because we have done it before, because it is the right thing to do, and because it is the fair thing to do.

There is one other part of the leader's package that I would support. That is the temporary change in the Federal Medicaid Assistance Program, known as FMAP. That is a formula that provides States with additional funds to make sure that health care is available to those in need. It is a measure supported by virtually all of our country's Governors. It is supported because the recession essentially has pushed more people into Medicaid. In fact, one study has found that just an increase in unemployment from 4.5 to 6.5 percent, which is what transpired last year, adds 800,000 adults, 260,000 disabled, and 2.1 million children to the Medicaid rolls of our 50 States.

I would support the 1-year increase in the Medicaid assistance, or FMAP, by 1.5 percent to every State, and an additional 1.5 percent to States with higher than average unemployment. This is essentially the same proposal that is in the majority leader's stimulus package.

I have submitted an amendment which would do only those two things. I hope, if the time is appropriate, that I will be able to offer that amendment. I think these are two elements of the Daschle package which are worthy of support.

Madam President, I say these words because I have said them in other places, and I think I ought to say them in this Senate Chamber. It would be my hope that we could pass the extension of unemployment insurance and the FMAP Medicaid changes—the FMAP amounts to about $5 billion—and do so as a matter of fairness.

I thank the Chair and yield the floor.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRASSLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. LINCOLN). Without objection, it is so ordered.

Mr. GRASSLEY. Madam President, as people who are watching know, we are in debate on the economic stimulus package with Members on both the Republican side, as well as the Democratic side, offering amendments to the underlying bill the Senate majority leader put down about a week ago. We are going to work our way through those amendments.

I go back to what I call square one and remind our colleagues and the people of this country there has already been a bill passed in the House of Representatives, a bill the President said he would sign, a bill I hope we get a chance to vote on before we finish work on the economic stimulus package, a bill I hope will become the law of this land, one that is truly bipartisan and truly is a stimulus. I call that the White House-centrist stimulus plan.

This bill that has passed the House of Representatives, that the President said he would sign, is something for the most part that has been worked out by Members of this body, not the other body, people who are Republican and Democrat, in the middle of the political spectrum of the Senate. Since it is bipartisan, since the President had an opportunity to meet with a bipartisan group and said he would sign it, before the holidays the House of Representatives went ahead and passed the bill. We did not have an opportunity to vote on it before the holidays because of the fact the majority leader sets the agenda for the Senate, and he did not see fit to bring it up. I will explain this plan so people know we do have a bipartisan proposal, not only a bipartisan proposal that would have bipartisan support in the Senate but one that has passed the House of Representatives and that would be signed by the President of the United States.

As we think of the 800,000 people who are unemployed since the September 11 terrorist attacks, there would be some hope for those people in this legislation. I will name just a couple before I go into greater detail. One, a 13-week extension on unemployment benefits, beyond the 26 weeks that States otherwise provide. Second, provision of health insurance benefits for those people who would have had health insurance where they were last employed, even for people who did not have health insurance before they were laid off. They would get some benefit of that program, as well.

If we can get this passed, it will take a lot of anxiety out of the daily lives of those unemployed people. A bipartisan benefit is needed to help dislocated workers. Another has tax provisions and investment provisions that would actually stimulate the economy to create jobs.

The plan's unemployment insurance proposal represents an unprecedented commitment to American workers. It provides up to 13 weeks of additional unemployment benefits to eligible workers. An estimated 3 million unemployed workers would qualify for benefits, averaging $230 a week. These benefits would be 100-percent federally funded, meaning the States and the businesses in the respective States that support the unemployment trust fund would not have to have any tax increase as a result of what we are doing in mandating an additional 13 weeks.

The plan transfers an additional $9 billion from Federal funds to State unemployment trust funds. This transfer provides the States with the flexibility to pay administrative costs and provide these additional benefits. Obviously, the intended purpose is to avoid raising their unemployment taxes during the current recession. We know it is bad to have a policy of a tax increase during a recession. That tends to make the recession worse.

Also, in regard to the bipartisan White House-centrist plan is the plan's commitment to provide health care for dislocated workers. This is something that has never been done at a time this country has been in recession. This would be quite a departure from past social policies of our Government for a social contract with our people. It goes further and wider than any other proposal and gets more help to more people more quickly than any other proposal. When I say "any other proposal," I mean all of these proposals are precedent-breaking for social policy of our Federal Government in helping unemployed people get partial payment or support for their health insurance.

Several proposals have been put forth before the body. This White House-centrist proposal actually gets help almost immediately to those people who need it by getting a certificate at the time they apply for unemployment that can be used kind of like a voucher to buy health insurance. It commits over $19 billion to this health insurance assistance. This is over six times as much money for the temporary health insurance assistance that was provided under the original stimulus proposals.

The White House-centrist plan takes a three-pronged approach to getting health insurance assistance to the people in need. First, the plan provides a refundable, advanceable tax credit to all displaced workers eligible for unemployment insurance. This goes beyond the present policy, COBRA insurance, that people can pay out of their own pocket once they are laid off, continuing, though, the insurance they had where they last worked for 18 months. We are through this legislation allowing the unemployed who had insurance where they previously worked to continue that health insurance and to have some help for the first time in paying for it, but it will go to those who were not covered by the COBRA policy, as well.

The value of the credit would be 6 percent of the premium. The credit has no cap, so regardless of what the cost was to the employee and the employer where they previously worked, they will be able to continue to pay that full policy. Of course, this is available to individuals for a total of 12 months during their unemployment if that should happen anytime between the years 2002 and 2003. Individuals can stay with their employer COBRA coverage or they can choose policies in the individual market that may better fit their family needs. Obviously, this makes sense. If you want to lock people just into their COBRA policies, it forces people to stay with those policies that could be too expensive to keep when they are unemployed, even considering subsidy.

The White House-centrist bipartisan bill also includes a major new insurance reform to protect people who have had employer-sponsored coverage and go out into the private market for the first time after being laid off. It makes

COBRA protections available to people who have had only 12 months of employer-sponsored coverage rather than 18 months as under current law. By doing this, we greatly expand the group of displaced workers who cannot be turned down for coverage or excluded because of preexisting conditions. The new 12-month standard is especially important for people with chronic conditions who have difficulty affording coverage on their own without the Federal law helping these people get coverage that perhaps they otherwise would not get.

The second prong of the White House-centrist bipartisan proposal is $4 billion for the States for enhanced national emergency grants which can be used to help all workers, not just those eligible for tax credits, to pay for health insurance.

Finally, the third prong of the proposal includes $4.3 billion for one-time temporary State health care assistance payments to the States to help bolster their Medicaid Programs. We know the Medicaid Program is an important safety net for low-income children and families and disabled individuals.

I detract a bit for a moment from my remarks, specifically about the White House-centrist bipartisan proposal that I hope we get a vote on, to speak about this $4.3 billion one-time temporary State health care assistance to help the Medicaid Program. We had a debate last week on two amendments that were put forth to supplement Federal Medicaid payments to the States because States in financial trouble are having difficulty keeping their commitments under the Medicaid Program. Even though the amendments offered last week were a little bit more money than what we are talking in the bill that passed the House, and that the President would have signed if the Senate acted on it before Christmas, the fact is that the States would have $4.3 billion in their treasuries right now to take care of some of these needs, except for the fact that we were not able to bring this bill up on the floor of the Senate prior to the Christmas holidays.

This seems to be very important because, at the time before the holidays, the National Governors Association was asking for $5.1 billion of temporary help to the States for their Medicaid Programs. Obviously, $4.3 billion is not $5.1 billion. But the fact is, we could have had this $4.3 billion in the State treasuries right now, rather than having to debate that either in the White House-centrist bipartisan bill or in the amendments that were offered to the underlying bill last week.

For instance, I met with legislators in my State of Iowa during the interim between adjournment on December 21 and our reconvening on January 23. During that period of time, they were bringing this up with me, speaking with me about the problems they were going to have keeping their Medicare commitments and that they really wished they had help from the Federal Government in this regard.

I had an opportunity to remind them that I had a telephone conference call with a lot of Republican and Democrat legislative leaders, along with some administration people of my Governor, Vilsack, as well as Governor Vilsack himself, to discuss this very issue early last December at the time the National Governors Association was lobbying for that $5.1 billion of Medicaid supplement.

I obviously had sympathy for our legislators, knowing that we had an opportunity to pass this bipartisan White House-centrist plan with the $4.3 billion in it that would have been in the treasuries of the States at that particular time. I reminded them that maybe Governors, instead of working with those of us in Congress who were sympathetic to their cause, probably should have spent their time talking to the Senate majority leader about bringing that bill up before Christmas so this $4.3 billion could have already been in the State treasuries.

With that parenthetical on a very small issue of this White House-centrist bipartisan plan—that could have passed the Senate because it had bipartisan support, if we would have been able to bring it up last Christmas—I now move to discuss the individual income-tax reductions in this White House-centrist plan.

This is really the stimulus part of this bill. The other part obviously addressed the need to help dislocated workers, people who are anxious because they are laid off. There are about 800,000 people who would probably not otherwise have been unemployed except for the September 11 terrorist attacks on New York and the Pentagon.

This White House-centrist plan would accelerate the reduction of the 27-percent income-tax rate to 25 percent. Otherwise, this 25-percent rate is not scheduled to go into effect until the year 2007. Remember, the President signed a tax bill on June 7, last year, which was the largest tax reduction passed by the Congress in 20 years. That bill, signed by the President, did reduce some rates immediately. But it also scheduled various rate reductions in the year 2004 and 2006, both for all the rates except for the 10-percent rate and also the 15-percent rate, which were already low and had the benefit of other tax reductions, such as marriage penalty and child credit, and the refundable tax credit as well.

So what we do as an economic stimulus in the White House-centrist plan is speed up from the year 2007 to immediately, the year 2002, that 25-percent bracket but only that bracket. We do not touch the 35-percent bracket, for instance, which will not materialize until the year 2007.

The reduction of the 27-percent rate is going to benefit singles with taxable incomes as low as $27,000, heads of households with taxable income as low as $36,000, and married couples with taxable incomes as low as $45,000.

Obviously, what we are trying to do by gearing this rate reduction to make it permanent immediately, from 27 percent down to 25, is to make sure that people with incomes as low as $27,000, $36,000, and $45,000 have an opportunity to have less money taken from their paycheck. They would have that money in their pocket. They could spend it or invest it. Whatever they do with it, it would be a stimulus to the economy and probably much more beneficial as a stimulus to the economy than any of the other things we are doing, particularly including speeding up the accelerated depreciation for corporations and even small businesses.

I hope it is very clear from my concentrating on the lowest income that this is applicable to, for the 25-percent bracket, that these are not wealthy individuals. These are middle-class, working Americans. The Treasury Department has estimated that the White House-centrist plan's acceleration of the 27-percent rate reduction will yield $17.9 billion of tax relief in the year 2002 for over 36 million taxpayers, or approximately one-third of all income level taxpayers.

Also, business owners and entrepreneurs account for about 10 million of those benefiting from rate reduction. When you can do things to help small businesses, particularly small businesses that are not incorporated, you are helping the people who create jobs in America. So these small business people will benefit from this rate reduction from 27 percent down to 25 percent as well.

The White House-centrist plan also provides cash supplements to lower income persons who did not participate in last year's tax rebate. The amounts would be the same as the rebate that was signed by the President on June 7 last year: $300 for each individual, $600 for married filing jointly, and $500 for heads of household.

The advantage of the tax rebate in this instance, on the stimulus plan, is philosophically exactly the same as we had in mind last spring when we passed the bill signed by the President with the tax rebates in it. That was to get money out immediately, particularly to lower income people who maybe have a tendency to spend it more than people who get rebates—people who have higher incomes, and stimulate the economy for the benefit of the demand side of the equation because that also creates jobs.

So we are talking about individual rate reductions for middle-income people as a stimulus to the economy, we are talking about tax rebates for lower income people as a stimulus to the economy, and soon I am going to be speaking about bonus depreciation for businesses to encourage investment in businesses, large and small, to have another way of stimulating the economy.

The 30-percent bonus depreciation is one way of doing it. The small business expensing amount from $24,000 to $35,000 is the second way of doing it through business investment. This will further stimulate purchasing by small businesses.

The bipartisan White House-centrist plan also expands the net operating loss carryback period from 3 years to 5 years. This will allow businesses that are experiencing losses to improve their cashflow by reclaiming taxes paid to prior profitable years.

The plan also eliminates components of the alternative minimum tax that most often causes corporation taxes to increase during an economic downturn. Oddly enough, under the alternative minimum tax, when a corporation's income goes down, it can actually be penalized through having additional taxes applied to them through the alternative minimum tax.

I want to make very clear that this bill does not refund any alternative minimum tax credits that were accumulated over prior years. For instance, last fall you heard about the first bill to pass the House of Representatives. That bill has been shoved to the side. It is not the bill I am talking about here—the White House-centrist plan that for a second time passed the House of Representatives before Christmas. But that first proposal in the House of Representatives would have given cash refunds all at once for the alternative minimum tax credits.

You have recently been reading—and have discussed, I presume—about that plan which would have given Enron hundreds of millions of dollars for previous alternative minimum tax credits.

The White House-centrist plan, which passed the House of Representatives, as I said, as differentiated from that first bill that passed the House of Representatives, does not have the refund of those accumulated tax credits. So Enron would not benefit to the great extent you have been reading about in the papers. That is not stimulative. We didn't leave that out because of Enron. Enron was not an issue at the time this White House-centrist plan was written. We did it because refunding those tax credits is not a stimulus to the economy. We want this bill to be a stimulus to the economy as well as to dislocated workers through their time of anxiety and unemployment.

The White House-centrist package is a solid economic stimulus plan. It is a compassionate plan that puts displaced workers first, and it is a bipartisan plan that has votes of enough Republicans and Democrats to pass. Albeit, I confess, if somebody wants to say they don't want anything going through the Senate that doesn't have at least 60 votes to stop a filibuster, this would not have 60 votes. It seems to me that should not have been an issue prior to the holidays when we weren't allowed to bring this bill up, when you consider that the former Secretary of Treasury under the Clinton administration was saying we ought to have a stimulus package. Alan Greenspan, Fed Chairman, was saying we ought to have a stimulus package. The President of the United States and leaders of both political parties in the House of Representatives and in the Senate were saying we ought to have a stimulus package. Albeit, what kind of a stimulus package? There was some disagreement over that. But at the time of adjournment just before the holidays we had a bipartisan vote to get this bill to the President, and we weren't able to bring it up.

That was a time of anxiety. We could have put that anxiety behind for all of these people who are unemployed and we would not be debating this issue right now.

We have lost, I suppose, 5 or 6 weeks since our adjournment prior to Christmas. Here we are debating a stimulus package. I hope we have a chance to reach an agreement and get this completed and hopefully avoid a conference with the House. But if we have to go to conference with the House, we will have a stimulus package.

Quite frankly, there are Members of this body who probably thought before Christmas that we would definitely need a stimulus package who now may have some question about it, considering the fact that unemployment last month was stable and because of the fact that we had a two-tenths percent growth of gross domestic product the last quarter of last year. Economists tell us they think the economy is turning around. I tend to see those as good prospects for the continued growth of the economy.

But the reason I want a stimulus package even in light of all of that is the fact that most recessions after an uptick—in other words, in a recovery, there is growth but then there is a downtick somewhere along the line. Two or three-quarters out, there is a downturn in the economy, not having an official recession, which is a two-quarters downturn. If we can pass a stimulus package even in light of what we hope is an improving economy, it seems to me that we could have an insurance policy against having a downtick in the recovery as we have had in most recoveries in recent decades.

We have an opportunity to do for the unemployed workers two things: One, help them during this time of unemployment with additional unemployment compensation of 13 weeks, and to help with their insurance costs that they might not otherwise be able to keep during their time of unemployment. But most importantly, because workers would rather have a job than have unemployment checks, we have an opportunity through the tax rebate for low-income people, through the 25-percent bracket for middle-income taxpayers, and through the accelerated depreciation for corporations and the expensing for small businesses, to create jobs. These workers, then, would get their paychecks from their own productivity. That is what the workers of America want.

That is why we should have an opportunity to pass this White House-centrist bipartisan bill that has passed the House of Representatives. It can be brought up in the Senate at any time, and we can get it to the President with the assurance that the President will sign it. That is what the President said he would do.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2766 TO AMENDMENT NO. 2698

(Purpose: To provide enhanced unemployment compensation benefits)

Mr. REID. Madam President, I send an amendment to the desk—this is the Democrats' next in order—on behalf of SENATORS DURBIN, WELLSTONE, DAYTON, LANDRIEU, and LINCOLN.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. DURBIN, for himself, Mr. WELLSTONE, Mr. DAYTON, Ms. LANDRIEU, and Mrs. LINCOLN, proposes an amendment numbered 2766 to amendment No. 2698.

Mr. REID. Madam President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mrs. LINCOLN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. LINCOLN. Madam President, I ask unanimous consent that the pending amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2767 TO AMENDMENT NO. 2698

Mrs. LINCOLN. Madam President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mrs. LINCOLN], for herself, Mr. GRAHAM, Mr. NELSON of Florida, Mr. MILLER, Mr. CORZINE, Mr. DAYTON, Mr. KERRY, Mrs. MURRAY, Mr. TORRICELLI, Mrs. CLINTON, and Mr. SCHUMER, proposes an amendment numbered 2767 to amendment No. 2698.

Mrs. LINCOLN. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To delay until at least June 30, 2002, any changes in medicaid regulations that modify the medicaid upper payment limit for non-State Government-owned or operated hospitals)

At the appropriate place, insert the following:

SEC. ____. DELAY IN MEDICAID UPL CHANGES FOR NON-STATE GOVERNMENT-OWNED OR OPERATED HOSPITALS.

(a) CONGRESSIONAL FINDINGS.—Congress finds the following:

(1) The Secretary of Health and Human Services, in regulations promulgated on January 12, 2001, provided for an exception to the upper limits on payment under State medicaid plans so to permit payment to city and county public hospitals at a rate up to 150 percent of the medicare payment rate.

(2) The Secretary justified this exception because these hospitals—

(A) provide access to a wide range of needed care not often otherwise available in underserved areas;

(B) deliver a significant proportion of uncompensated care; and

(C) are critically dependent on public financing sources, such as the medicaid program.

(3) There has been no evidence presented to Congress that has changed this justification for such exception.

(b) MORATORIUM ON UPL CHANGES.—The Secretary of Health and Human Services may not implement any change in the upper limits on payment under title XIX of the Social Security Act for services of non-State government-owned or operated hospitals published after October 1, 2001, before the later of—

(1) June 30, 2002; or

(2) 3 months after the submission to Congress of the plan described in subsection (c).

(c) MITIGATION PLAN.—The Secretary of Health and Human Services shall submit to Congress a report that contains a plan for mitigating the loss of funding to non-State government-owned or operated hospitals as a result of any change in the upper limits on payment for such hospitals published after October 1, 2001. Such report shall also include such recommendations for legislative action as the Secretary deems appropriate.

Mrs. LINCOLN. Madam President, I offer this amendment along with Senators GRAHAM, NELSON of Florida, MILLER, CORZINE, DAYTON, KERRY, MURRAY, TORRICELLI, CLINTON, and SCHUMER. Our amendment will place a 6-month moratorium on the final rule issued last month with regard to Medicaid upper payment limits.

On January 18, the Centers for Medicare and Medicaid Services published a rule that would eliminate a critical payment source for America's public safety net hospitals.

One year ago, we adopted a bipartisan legislative and regulatory compromise on this matter. This new rule flys in the face of that very compromise we made last year.

We have already closed the loopholes that some States were using to abuse this aspect of the Medicaid Program. We accomplished this in last year's Medicaid UPL rule by creating three separate aggregate upper limits, one each for private, State, and non-State government-operated facilities.

While ending abuses of the system, the rule also allowed a higher, 150-percent payment limit, for payments to non-State-owned government hospitals. This policy was developed after a lengthy negotiation process to allow States to pay these public hospitals a UPL of 150 percent of what the Medicare Program would pay for the comparable services.

The intent behind this policy was to help compensate the safety net hospitals for the added costs associated with treating the large number of America's most vulnerable, low-income and uninsured patients.

CMS has the tools and the oversight authority to make certain that Medicaid funds are spent appropriately. Current Medicaid UPL policy requires State Medicaid Programs to submit detailed reports on how these funds are to be used. Now CMS says it is curbing the payment ceiling because of the potential abuse of the system, but no one—not CMS, not the General Accounting Office, and not the Office of the Inspector General—has reported any known abuse of the current 150 percent UPL policy. In fact, only a few States, Arkansas and Mississippi among them, are operating under the new rule.

The 150-percent limit has strong support in Congress. We stated as much in last year's Labor-HHS appropriations report, which pointed out that eliminating the higher payment category compromise would be disastrous for all safety net hospitals that participate in the Medicaid Program. Congress also directed the Secretary of Health and Human Services to refrain from issuing that regulation.

CMS is issuing this change in spite of clear opposition from Congress, the National Governors Association, and the hospitals that serve our Nation's most vulnerable citizens. As many of my colleagues, I hold that the Senate should take a hard look at this issue before we go back on the agreement we made last year.

The Senate Committee on Finance should have a hearing on this issue as soon as possible, and we should work together quickly to consider and enact alternative ways in which Congress can assist the public hospitals that serve such a large percentage of low-income and uninsured patients.

In fact, the second part of my amendment asks the Secretary of Health and Human Services to tell Congress what measures we can take to mitigate the lost funding that will ensue from this new rule. Simply put, if we are cutting off the Medicaid UPL program, we must do more to ensure Medicaid Programs that assist these hospitals are working properly and that their payments are adequate. With this amendment, Congress will formally ask HHS for assistance in this task.

I do not know about other people's States, but I have had a multitude of my smaller hospitals that are now covering even five and six counties because other close-by hospitals have already closed. They are in dire straits, and if we put one more thing on their back, which would be to take away this 150 percent, we are going to put even those hospitals out of business. This is something that is unbelievable in light of the economic development in rural America.

I know Finance Committee Chairman BAUCUS is interested in holding hearings on the Medicaid UPL. In fact, he had scheduled a hearing on this issue on September 13. Unfortunately, the horrible events of September 11 prevented us from having that hearing as we turned to more immediate concerns.

Some may argue this amendment is not germane to an economic stimulus package. I wholeheartedly disagree. The public safety net hospitals in my State and across this country have told me that elimination of the higher payment limitation or payment limit category will be disastrous. The No. 1 cause of bankruptcy in Arkansas is unpaid medical bills. In some parts of my State, such as the rural delta region, the uninsured population among working adults is as high as 28 percent. What better way is there to stimulate the economy than helping people avoid bankruptcy, providing health care in an area where it may not otherwise be provided?

What industry is going to locate in an area that has no health care provider? They do not want that liability. Their employees do not want that lack of quality of life. What better way is there to keep our small towns and rural areas healthy than to ensure that these hospitals stay open? In our rural communities, access to dependable medical care is just as important as a strong public education system. Towns without hospitals fail to attract a workforce for the economic growth necessary to keep their economy vibrant and growing.

Last summer, CMS approved the Arkansas Medicaid UPL Program. The supplemental payments flow directly to the participating hospitals where they are used exclusively for health care and Medicaid purposes. These payments have literally been the difference for some Arkansas hospitals between continued operation or closing their doors. We cannot tell these hospitals we are going back on our agreement at a time when they face increased demands as a result of a slowing economy and a rising unemployment rate and a rising uninsured rate.

Madam President, we depend on our hospitals in times of personal crisis. We depend on our providers. Now they are asking for our help. We must not turn our backs on them.

I urge all colleagues to join me today in voting for this amendment, supporting this amendment; to look to your States and see how desperately you will be affected if this is allowed to happen. I encourage all colleagues to join me in this effort. Health care is probably going to be, if not already, one of the foremost issues we will deal with in this next year. This is only the tip of the iceberg. Our hope is through this amendment we can do some good in beginning to deal with the problems we will be facing in this new year.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Madam President, I come to the Chamber to talk briefly about our current circumstances legislatively and see if we might clarify where we are. It is important for everyone to understand how we reached this point.

Last fall, the Democratic and Republican leadership, in concert with the administration, worked very closely together to come up with a legislative agenda that addressed the needs in the aftermath of the tragedy of September 11. We worked together and passed a supplemental appropriations bill that dealt directly with the needs of our armed services, as well as the needs of New York. We passed it virtually unanimously.

We took up legislation to deal with the use of force authority that the President felt he needed. Working on that, along with appropriate Members in both the House and the Senate, Republican and Democrat, working collectively, we passed the use of force resolution almost immediately—and unanimously.

We then took up the airline subsidy legislation. Again, we had to work through some very difficult questions regarding what kind of assistance, how fast, and what the criteria would be. We passed along with it a victims fund for the victims of New York and the Pentagon. Again, working with that working group and those who were directly involved legislatively, we passed that nearly unanimously. We had suggested in addition, of course, we try to provide benefits for dislocated workers. Our Republican colleagues said: No, let's save that for another time. We are supportive, we just don't want to do it now.

So we backed away.

We then took up the airport security bill. Again, working collectively, it came to the floor, and we passed it nearly unanimously. Again, many of our colleagues raised the concern about the degree to which employees were still at the end of the line.

We helped airlines. We helped airports. We helped the Defense Department. We had done as much as we could to respond, but again our Republican colleagues said: No, let's wait until the end of the line.

We said: OK, we will wait.

We did have a cloture vote, but we pulled the amendment after we failed to get cloture.

We then took up the counterterrorism legislation. Again, we worked collectively. It was beginning to be a model that seemed to work fairly well as we responded to each and every one of the stated needs and the agenda that both parties shared with regard to responding to the disaster.

I recall vividly in early meetings at the White House, in discussions with the joint leadership, that is what we needed to do on economic stimulus: Let's take a model that worked. If it had worked for all of those legislative items, it would work for economic stimulus as well. So let's do it there as well. We could move ahead, we could negotiate, we could come to the floor. If people had amendments, we could do that.

I recall vividly our Republican colleagues saying: No, on this one we have to draw the line; we are not going to negotiate. We are going to use what is called regular order. We are going to send you something from the House, and you can take it up and deal with it here in the Senate.

I felt it coming. I knew why we were going to go to "regular order." The reason is because there was an agenda. That agenda had many pieces with which they knew we would not be in agreement. They did not want to negotiate those out before they could roll out that so-called agenda, and that is exactly what has happened.

The House acted. We had hoped we could get bipartisan consensus here in the Senate before we moved to legislation. Those were blocked. Negotiations broke off. We had no option other than to move forward without the benefit of a bipartisan consensus even here in the Senate.

I find it all the more ironic that some of us are accused of obstructing when it was we who clearly made the outreach effort at every level, at every stage, with every group. Republicans refused to negotiate for 3 weeks last fall. Time was wasting. We had no other choice but to move forward with the hope that at some point our Republican colleagues could join us. We now know that never happened.

In the negotiations after we began moving our legislation forward—and, by the way, we talked to the experts, Alan Greenspan, Bob Rubin, so many experts during that period from September through October. The Budget Committee on a bipartisan basis was doing about the same thing. I found it remarkable, and I remember commenting at the time, based upon the negotiations and the discussions we had, how clear it was that the economists, regardless of party, had specific recommendations on which they were in agreement. It was clear that the stimulus package ought to be temporary. It was clear that it ought to be cost contained. It was clear that it had to be truly stimulative if it were going to be of any value. Those were the goals. They specified with some frequency that those goals had to be in place.

I found it all the more disconcerting that when we finally saw the Republican proposal, there was very little temporary. It was all permanent. There was very little immediately stimulative. A lot of it was delayed many years. And while we had all agreed that maybe a $60 billion to $70 billion stimulus package made the most sense, theirs was about $180 billion, more than twice what was the agreed-upon amount.

They insisted on eliminating the corporate alternative minimum tax. That was one of those issues they were just determined would be in any economic stimulus package. They insisted on rate acceleration, even though the CBO has reported that both rate acceleration and alternative minimum tax repeal have very little stimulative value. That is not a Democratic Policy Committee review. That is not a partisan analysis. That is the Congressional Budget Office. So overlooking the advice of the economic experts, ignoring the evaluative report of the Congressional Budget Office, our Republican colleagues have insisted on a nonstimulative, permanent tax change that is very costly.

We were at this for several months last year. We laid down a bill. They made a point of order stopping the process from going forward. They could have amended it, but they made a point of order instead and stopped the legislation from going forward. Yet Democrats were accused of obstructing.

In as genuine an effort as I knew how to make, over the period between the first and the second session, I thought:

How are we going to break this impasse? We could go back and have another rehash of all the old debate of November and December. We could have brought a bill to the floor that we knew didn't have the 60 votes. Some suggested that we take up the House bill. We knew it didn't have 60 votes. That was not going to break the logjam.

So the idea we came up with was simply to take the components—admittedly, they were not word for word but they were components found in both bills—components dealing with extending unemployment benefits—both parties profess to be supportive of that. After all, in 1992 we extended benefits for up to 59 weeks. In 1982, we extended benefits for up to 49 weeks. And in 1974, we extended benefits for up to 65 weeks. Today, we are talking about extending benefits for an additional 13 weeks. Both parties agreed to that.

Both parties agreed to a bonus depreciation. Both parties believed it was important to have a bonus depreciation. We differed in the years, but that was the second component.

The third component was a recognition about the rebate—that some got it; others didn't. Why not provide a tax rebate to those who got no help the first time, last year? Both parties addressed that as something they could support.

And both parties acknowledged in different ways that States are going to be exposed to huge costs, first, with the bonus depreciation, $5 billion, and, second, costs they will incur in additional Medicaid benefits they are going to have to pay out as a result of people losing their jobs and incomes going down. So there was a recognition, No. 4, that we would provide some assistance to those States.

This is the third week on this bill. One of our Republican colleagues said no bill is better than the bill DASCHLE laid down. Madam President, I don't know where we go. Our colleagues have chosen not to try to amend the pending legislation, this proposal, but the underlying bill. Why? I don't know. And they are rejecting this common ground proposal and have suggested, now, other amendments that have nothing to do with stimulus in the short term—absolutely nothing.

A couple of examples: Some want to make the estate tax repeal permanent. That takes place, not now in 2002, but in 2010. The Bush tax cut passed last year. Some suggest we make that permanent.

That is not a stimulative approach to the economic circumstances we are facing right now. You can argue philosophically whether they are good or bad, but what that tells me is that our Republican colleagues are not interested in an economic stimulus bill right now. I am not sure why. If they were interested, we would come up with stimulative proposals that do not permanently amend the Tax Code.

The economic experts told us: Don't do anything permanent, don't do anything long term, don't do anything that takes place a decade from now; do something that affects the economy now.

They also said: Try to contain the cost. But making the estate tax repeal permanent costs $104 billion over 10 years. It would not take effect until the year 2010. Making the Bush tax cut permanent costs $350 billion over the first 10 years and $4 trillion over the next 10. That wouldn't take effect until 2011.

Here you have the economic experts saying do something stimulative, do something immediate, do something that doesn't exacerbate the long-term fiscal picture. Yet Republican colleagues are doing just the opposite. They are doing something that takes effect in 2011. They are not doing something temporary. They are doing something permanent. They are racking up debt.

On those two issues alone, we are talking about $350 billion in the first 10 years alone and $4 trillion in the second 10 years when the baby boomers retire. That is just permanent tax cuts, and much of this is Social Security and Medicare money that we are talking about.

We only have two choices. The first choice is to pass them. The second choice is to block them. Those are the only two choices.

It appears the Republicans want to block them. You don't need to be on an economic stimulus bill for 3 weeks. They all tell me it is important for us to take up the agriculture bill. I am told it is important to take up the election reform bill. We all heard the passionate speeches about taking up the energy bill. The longer we are on the economic stimulus bill, the longer it will be before we can take up these other very important pieces of legislation.

I know there is plenty of opportunity for the blame game. How easy it is to say, well, they haven't taken up these bills, and it is their fault. We will take our share of the responsibility, but I don't want to hear that in the Senate Chamber. It isn't us holding up this bill for 3 weeks.

I have no other choice but to file cloture today for a vote on Wednesday on this bill. That is the only way I know to bring this to a close. If the cloture motion is agreed to, we will finish the bill this week. Regrettably, it will probably take most of the week. If we fail to get cloture, I will have no other choice but to pull the bill and to move to other legislation. It will then become clear that we will not have a stimulus bill in the short term. I believe it will become clear who it is that doesn't want one.

We have done all we know how to do. In good faith, I have put a bill down. In good faith, I offered it for debate. In good faith, we have entertained amendments on both sides. In good faith, we have had little schedule to accommodate Senators who have other scheduling priorities. We have little time left and much to do. I am hopeful that beginning Wednesday we will know what it is we will be able to do.

CLOTURE MOTION

Madam President, I send the cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the Daschle and others substitute amendment No. 2698 for Calendar No. 71, H.R. 622, the adoption credit bill:

Max Baucus, Mark Dayton, Richard J. Durbin, Harry Reid, Tim Johnson, John F. Kerry, Daniel K. Inouye, Patrick J. Leahy, Patty Murray, Byron L. Dorgan, Jack Reed, Deborah Ann Stabenow, Thomas R. Carper, Maria Cantwell, John B. Breaux, Jean Carnahan, Herb Kohl.

Mr. DASCHLE. Madam President, pursuant to past practice, I ask unanimous consent that the live quorum with respect to the cloture vote be waived.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DASCHLE. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Madam President, it is really above my pay grade to respond to what the distinguished Senate majority leader said because there are other Republicans who are likely to do that. I don't do it as a leader, but I want to observe some things which have been said and to respond to them kind of in the sense of how I see it as one Senator, the Senator from Iowa.

I happen to be the ranking Republican on the Senate Finance Committee that has jurisdiction over tax legislation, tax credits, health insurance, unemployment compensation, and most issues that deal with the stimulus package.

My involvement, particularly with Senator BAUCUS as chairman of the committee, and obviously the top Democrat on the committee, has been in trying to arrive at some sort of bipartisan agreement on a stimulus package. We are not given much credit for what we have tried to do, if you compare the environment laid out by the Senate majority leader.

For instance, I don't think it takes into consideration the fact that sometimes during our negotiations Senator BAUCUS was under an unwritten rule laid down by the Senate majority leader that if two-thirds of the Democrat caucus didn't agree with what he was negotiating or what he had agreed to, then it could not be accepted. That probably wasn't meant as a hard and fast rule, but it was surely interpreted as putting Senator BAUCUS in an impossible position to negotiate.

If Senator LOTT, as my leader, told me to not negotiate for anything if you do not have two-thirds of the Republican caucus behind it, effectively that would end negotiations. I wouldn't want to be negotiating under those circumstances. I do not know how you can arrive at agreement.

If both political parties had a rule that you couldn't negotiate anything unless at least two-thirds of each caucus was behind it, that would be like saying you ought to have two-thirds of the Senate to pass any bill. We have some very conservative Members in the Republican Party—one-third of our group would be about 16 or 17 people—who could nullify anything I was negotiating because I am not as conservative as they are. If they had a veto over it, nothing could be done. On the same hand, there are probably 16 to 17 very liberal Members of the Democrat Party. If they have a veto over some of the things we are trying to get and which the center core of the Senate can agree to, nothing is going to be negotiated on that side either. That was the situation we had sometimes during the debate last fall.

Mr. REID. Madam President, could I ask my friend to yield for a brief second?

Mr. GRASSLEY. I yield without giving up the floor.

Mr. REID. Of course.

Madam President, no one questions the fairness of the Senator from Iowa. I was present in the LBJ Room when Senator DASCHLE explained to the Democrat Senators the process that was taking place to try to come up with a consensus on the stimulus package. He said he wanted to make sure when negotiations take place it comes back here and by more than a majority. I may be paraphrasing. The two-thirds was never mentioned. That is something that just kind of developed. I was there, and I think the Presiding Officer was there. But "two-thirds" has come up, and it is really not valid.

Maybe Senator DASCHLE could be criticized for saying he needed more than a majority, I say to my friend from Iowa, in that the procedure was a little unique, but Senator DASCHLE—I really can't speak for him, but I was at the meeting—wanted to make sure that everyone understood that this was an unusual process, and he would make sure, when he brought it back, that he would go over it with everybody before it was approved.

Again, I say to my friend from Iowa, there was no two-thirds rule that Senator DASCHLE set. I was at the meeting.

Mr. GRASSLEY. Madam President, whether it is a majority or whether it is two-thirds, if I had to go back to my Republican caucus to find out that I had a certain percentage of the caucus behind me, there would be no point in negotiating.

I do not dispute what the Senator from Nevada just said, because he is an honest person and he would state it as he sees it, but it was widely interpreted and it was printed in the press as "two-thirds." Even some people from the other side of the aisle seemed to indicate that in the press. So that is what my statements are based on.

The point is, a caucus appoints people to negotiate something that can get through the Senate. That means 51 votes. Whatever restrictions were put on—the specific percentage aside—it is an impossible situation in which to negotiate. That was the environment that was present during these negotiations, during this period of time that the Senate majority leader is trying to use as an excuse when nothing could get done and saying that Republicans were holding it up.

Another comment that was made during the debate, within the last couple weeks this bill has been up, is when the Senate majority leader referred to Republicans offering amendments. We had this agreement between the two sides to have an even number of amendments offered: Republicans will offer amendments, Democrats will offer amendments. A Republican would offer an amendment and then a Democrat would offer an amendment. This is so we each have an equal opportunity to get our ideas on the Senate floor for debate. That isn't something used just for this bill. It is done quite often in this body, just so this body functions and functions in a fair way.

There may not be, at this point, as many Democrat amendments filed as Republican amendments, but under the procedure in which we are operating there can surely be an equal number of amendments if the Democrats want to have an equal number of amendments.

I would like to respond to the argument that Republicans are delaying and not cooperating. I would like to put that proposition to the test and look at each side and their movement.

We had a stimulus package, suggested by the President of the United States, in early October, which was before there was a consensus even within this body that the Finance Committee or those of us who lead that committee ought to be working on one.

The President, as a Republican—but he did not do it because he is a Republican; he did it because of the anxiety that had been in the country at that time, and is still there because of the September 11 terrorist attack—needed to do what he could to stimulate the economy as well as helping people who were unemployed and who had health care problems. So the President put a proposal on the table.

I would like to have you look at the President's proposal. President Bush took issues off the table that maybe just Republicans would want more than Democrats. For instance, he took the capital gains reduction off the table. At the same time he was taking issues off the table, he purposely put some on the table that appealed to Democrats, such as the extended 13 weeks of unemployment benefits and rebates for payroll taxpayers.

What I am speaking about occurred in October when he first put his proposition on the table. That was not well received in the Congress, even among Republicans. So the President has moved a long ways to do even more than what he suggested.

But I want to say upfront, the President of the United States was trying to be as bipartisan as he could by suggesting things that he knew Democrats would want.

In early December, he encouraged the centrists—they are a group of Democrats and Republicans who are more in the center of the political spectrum—to push to get a compromise package and indicated that he would work with them. They came up with something. The President met with them, both before it was finalized and after it was finalized. The President said: If the Senate passes it and if the House passes it, I will sign it.

So I think the President of the United States—albeit he is a Republican—was out in front on this issue, both from the standpoint of the original proposals and from the standpoint of trying to get something that could pass the Senate that he could sign.

We heard from the distinguished majority leader a little earlier about how Republicans objected to help for unemployed workers and having health insurance for unemployed workers coming up on the airline bailout bill. But we were following the consensus of people who were suggesting that if we were going to have a stimulus package, that there should not be anything in it that was industry specific—industry specific meaning helping just unemployed people in the airline industry when you have other unemployed people who would not get help. Consequently, we were following the advice of people such as Chairman Greenspan to be very generic in our approach to helping business or to helping individuals.

On the other hand, I do not like the accusation that somehow helping the airline industry did not help the workers. If those airlines had gone under, instead of there being 30,000 people unemployed, there would have been 330,000 people unemployed. Keeping the airlines flying kept workers on the job and less of them laid off.

We recognize that laid-off workers need help. Obviously, that is why the President came out with a proposal. It was not an industry-specific proposal but was a generic approach to help workers—and not just from the airline industry but from all industries—with the additional 13 weeks of unemployment benefits.

It was also said that Republicans refused to negotiate for 3 weeks. This was that period of time when there were shackles put on Democrat negotiators when we negotiated with them. That was part of it. But also that does not give credit to the hours and hours that Senator BAUCUS and I spent negotiating prior to a bill ever coming up on the floor of the Senate. It does not take into consideration, also, the fact that, at the instigation of the majority leader, the Senate Finance Committee met, and contrary to how we normally do our business in a bipartisan way, there was a push to get a very partisan bill out of the Senate Finance Committee. And it did come out on a party-line vote.

So it seems to me that if we are going to be accusatory, we ought to take into consideration that when there was an opportunity to develop a bill in a committee—the Senate Finance Committee, which almost always does things in a bipartisan way—there was an effort to go strictly partisan and the result was to go strictly partisan.

We have the President of the United States pushing more than anyone else, and the House Republicans passed a bill in early fall. That was a bill not very many people liked. The House accepted that. They scaled the bill back and agreed to go to conference a quasi-conference, not a formal conference such as we used to have.

The House of Representatives, in this informal setting, along with representatives of the White House, made this deal with the Senate centrists, what I call the White House-centrist bipartisan package that would have a majority vote of the Senate, albeit not the 60 votes that are required.

The bottom line is that the President of the United States, in saying he would sign the bill, and the House of Representatives, in passing it, took up the challenge and did what needed to be done. Here we are, once again, in the Senate ignoring something that had a majority bipartisan vote in December before we went home for the holidays. Here we are again. Presumably, it has the same bipartisan votes we had then.

Look with me at the other side of the aisle. I already mentioned the partisan bill in the Finance Committee. I already mentioned the intractable position in conference over non-COBRA eligible, meaning when you are unemployed, you only have to take the insurance from where you were laid off, and if you did not have that insurance, you would not be able to get any other insurance under that proposal.

We allow people to continue the insurance from where they worked with 60-percent credit, but we also allow people who are unemployed who did not have insurance where they last worked to get the same 60-percent credit. But there was an ideological block to that on the part of Democrats who were negotiating. Then we had the refusal of a vote in December on the White House-centrist agreement.

I think the Democratic leadership has resisted movement to the center represented by a bipartisan group of Republicans and Democrats who call themselves the centrists. Even though I am more conservative, I have bought into that plan as one we ought to pass in the Senate. Many amendments have been filed, debated, and voted on, so we have been trying to move this bill along.

I am going to finish where I started last December. Let's have a vote on the White House-centrist agreement. If we pass it, the President will sign it. The unemployed will get their unemployment checks, payroll taxpayers will get rebate checks from the Federal Treasury, middle-income taxpayers will get more money in their paychecks, and the unemployed will get help with health care.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to executive session at 5:15 p.m. today to consider Executive Calendar No. 643, the nomination of Callie V. Granade, to be United States District Judge; that there be 15 minutes equally divided between the chairman and ranking member of the Judiciary Committee or their designees, for debate on the nomination; that at 5:30 p.m., the Senate vote on the nomination; that the motion to reconsider be laid upon the table; that any statements related to the nomination be printed in the RECORD; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. As in executive session, I ask unanimous consent that it be in order to request the yeas and nays on the nomination at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

HOPE FOR CHILDREN ACT—Continued

Mr. REID. Madam President, I have the greatest respect for my friend from Iowa. He is a person who has always been very deliberate and never hides his positions. I have no doubt if he were the one calling the shots and, as he said—and I am using his words—if it was in his pay grade, I am confident this legislation, the economic recovery bill, would have moved much further along.

I have to say in response to my friend from Iowa that he is really looking at this matter, as he set out on the record, with a pair of glasses that do not magnify properly. They want to do what they want rather than go through the regular process and have legislation that we can amend, the so-called centrist package. The problem in all this—and the majority leader laid this out very well earlier this afternoon—in the Senate, whether we like it or not, it takes 60 votes to pass legislation. If someone opposes what you are trying to do, then you have to have 60 votes to break a filibuster and, in some cases, to overcome a point of order.

The fact is, the items the Senator from Iowa mentioned, about which he feels so strongly, do not have 60 votes. The two leaders know that.

Senator DASCHLE, after literally months of wrangling on this, said: OK, all this out here we do not agree on, but there are four things on which we can agree; why don't we pass something that has those four measures in it?

That is what we have been debating since we came back into session on January 23. It does not matter what we try to do, it is not quite right with the other side. Even though these four matters in Senator DASCHLE's bill are matters everyone is saying publicly they agree on, they will not allow us to move forward on this legislation.

They are even offering their amendments to the underlying measure so that at some time they can raise a point of order again on Senator DASCHLE's measure that is before the Senate.

To show how sincere the majority has been on this issue, they raised a point of order to knock down our economic stimulus package, and because it did not have 60 votes, it worked.

We could have, if we did not want to do an economic recovery package, raised a point of order on their legislation, but we chose not to do that because we wanted to keep this before the Senate. We wanted to do something with the stimulus package. Had we not wanted to, we could have raised a point of order on their legislation, and it would have fallen just like ours.

I understand the majority leader's frustration.

It does not matter what he comes up with, it is not quite good enough. I suggest when the political scientists, the historians, go over what has happened on the economic stimulus package late last year and this year, the record will be clear to the effect that Senator DASCHLE has been unable to move not because of anything he has done or not done but simply because the minority has not wanted to move forward.

In the Senate, if there are 49 people, 45 people, 41 people who do not want to move legislation, legislation cannot be moved. That is the problem we have had.

So I hope when we vote on cloture on Wednesday, my friends on the minority side will join with us to bring debate to a close on this so we can move forward with the legislative package that will stimulate the economy.

It may not satisfy everything that everyone wants. For example, today I offered an amendment, which I think is tremendously important to this country, dealing with stimulating tourism, not in the year 2009 like their death and estate tax proposal but today and tomorrow, something that would stimulate the economies all over America because it would give people an economic incentive to fly. It would give people an economic incentive to buy dinners, to go places, have vacations, activities that would stimulate the economy.

I indicated earlier today almost a half million people have been laid off in the travel and tourism business since September 11. These are people who have no jobs. A lot of these people are people who are on the Welfare-to-Work Program. They were trained because they could no longer be on welfare. I support the Welfare-to-Work Program. They were trained to be a housekeeper, a maid, maybe a cook, an assistant to a cook in a restaurant. Many of these people had never worked before in their life. They had a job, but they lost those jobs and now they have fallen through the cracks. They did not qualify for unemployment insurance, and they are really out on the street.

All we are trying to do is move forward on legislation to stimulate this economy. We have so many more important things to do. We have to finish the farm bill. We have to do something about election reform. We have a bipartisan bill to do that. We also have energy legislation that must go forward in the immediate future. So I hope when the vote is called on cloture on Wednesday that my colleagues on the other side of the aisle will vote in favor of cloture and bring debate to a close on this economic stimulus package so we can move forward with the legislation.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CARPER). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THOMAS. Mr. President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2728

Mr. THOMAS. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Wyoming [Mr. THOMAS] proposes an amendment numbered 2728 to the language proposed to be stricken by amendment No. 2698.

Mr. THOMAS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to modify the qualified small issue bond provisions)

At the appropriate place, insert the following:

SEC. ___ . MODIFICATIONS TO SMALL ISSUE BOND PROVISIONS.

(a) INCREASE IN AMOUNT OF QUALIFIED SMALL ISSUE BONDS PERMITTED FOR FACILITIES TO BE USED BY RELATED PRINCIPAL USERS.—

(1) IN GENERAL.—Clause (i) of section 144(a)(4)(A) (relating to $10,000,000 limit in certain cases) is amended by striking "$10,000,000" and inserting "$20,000,000".

(2) COST-OF-LIVING ADJUSTMENT.—Section 144(a)(4) is amended by adding at the end the following:

"(G) COST-OF-LIVING ADJUSTMENT.—In the case of a taxable year beginning in a calendar year after 2002, the $20,000,000 amount under subparagraph (A) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2001' for 'calendar year 1992' in subparagraph (B) thereof.".

(3) CLERICAL AMENDMENT.—The heading of paragraph (4) of section 144(a) is amended by striking "$10,000,000" and inserting "$20,000,000".

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to—

(A) obligations issued after the date of the enactment of this Act, and

(B) capital expenditures made after such date with respect to obligations issued on or before such date.

(b) DEFINITION OF MANUFACTURING FACILITY.—

(1) IN GENERAL.—Section 144(a)(12)(C) (relating to definition of manufacturing facility) is amended to read as follows:

"(C) MANUFACTURING FACILITY.—For purposes of this paragraph, the term 'manufacturing facility' means any facility which is used in—

"(i) the manufacturing or production of tangible personal property (including the processing resulting in a change in the condition of such property),

"(ii) the manufacturing, development, or production of specifically developed software products or processes if—

"(I) it takes more than 6 months to develop or produce such products,

"(II) the development or production could not with due diligence be reasonably expected to occur in less than 6 months, and

"(III) the software product or process comprises programs, routines, and attendant documentation developed and maintained for use in computer and telecommunications technology, or

"(iii) the manufacturing, development, or production of specially developed biobased or bioenergy products or processes if—

"(I) it takes more than 6 months to develop or produce,

"(II) the development or production could not with due diligence be reasonably expected to occur in less than 6 months, and

"(III) the biobased or bioenergy product or process comprises products, processes, programs, routines, and attendant documentation developed and maintained for the utilization of biological materials in commercial or industrial products, for the utilization of renewable domestic agricultural or forestry materials in commercial or industrial products, or for the utilization of biomass materials.

"(D) RELATED FACILITIES.—For purposes of subparagraph (C), the term 'manufacturing facility' includes a facility which is directly and functionally related to a manufacturing facility (determined without regard to subparagraph (C)) if—

"(i) such facility, including an office facility and a research and development facility, is located on the same site as the manufacturing facility, and

"(ii) not more than 40 percent of the net proceeds of the issue are used to provide such facility,

but shall not include a facility used solely for research and development activities.".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to obligations issued after the date of the enactment of this Act.

Mr. THOMAS. Mr. President, one of the things we are seeking to do, of course, in an economic stimulus package is to cause some jobs to be created. The amendment which I have offered increases the expenditure limitation on small issue bonds for manufacturing facilities. This is an amendment which would go back and readjust the limits that are in law which allow for issuing of bonds for manufacturing facilities. The amount of the bonds that can be issued in any one particular time were set in 1977 and 1978 so, obviously, things have changed since that time—in fact, many times over—as the equivalent has been changed.

This amendment would make adjustments to industrial revenue bonds, the rules and regulations for manufacturing facilities. The amendment would not increase the amount of bonding capacity available to individual States. In other words, it would not be an increase of expenditures but, rather, would give more flexibility to those who are making grants to make them for a larger amount.

Actually, the industrial revenue bonding capacity available to an individual State is the greater of an amount equal to $75 per State resident or $225 million. The formula is not affected by this amendment. Therefore, the amount of bonding available would not be affected.

The maximum bond capital expenditure limitation on small issue bonds for manufacturing facilities has been $10 million. This amendment moves it to $20 million. It does not change the amount of money available. It simply makes more flexible the amount that could be offered for a particular facility. It provides for an inflation adjustment. This was established in 1978. The purchasing power of $10 million today is much higher, of course. This amendment provides that inflation adjuster we discussed.

We have had some experience with this in our State where people seek to develop new facilities, new manufacturing facilities, which create new jobs. This allows the builder to issue bonds which are then guaranteed, which gives them a much lower rate, and encourages the development of new businesses and new bonds. It is designed primarily for software biotech manufacturing and production. It is something we ought to consider. It is not an expense but, rather, an adjustment to an existing program that makes it more consistent with today's change in the value of dollars.

It addresses the financial problems caused by inflation. It amends the definition of manufacturing facilities to include a new economy, biotech and software. It allows companies to use industrial revenue bonds for research and development facilities which is a critical component.

I think this can be accepted by both sides. It does not affect the cost of this bill. It does make what is available now much more flexible.

I yield the floor.

The PRESIDING OFFICER. The deputy whip.

EXECUTIVE SESSION

NOMINATION OF CALLIE V. GRANADE, OF ALABAMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF ALABAMA

Mr. REID. The Senator from Alabama is here to speak on behalf of the judge he worked so hard to nominate. I ask unanimous consent we immediately move to the matter relating to the nomination of Judge Callie V. Granade.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read the nomination of Callie V. Granade, of Alabama, to be United States District Judge for the Southern District of Alabama.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. I thank the Senator from Nevada for his courtesy. I will speak about Callie—known as Ginny—Granade, who will be voted on shortly for the U.S. district judgeship for the southern district of Alabama. Ginny Granade is a nominee of the highest order. President Bush has nominated her to be the judge in the southern district of Alabama. She has the temperament, integrity, legal knowledge, and experience that will make her an outstanding jurist on the Federal bench. I know this from firsthand experience.

She served as assistant U.S. attorney when I was U.S. attorney for 12 years. She had been originally appointed assistant U.S. attorney by my predecessor in the late 1970s. She served with great skill and distinction. I was there when she was named one of the first senior litigation counsels in the Department of Justice, a position that recognized her extraordinary skill and integrity in prosecuting throughout the country.

Later, she became the chief of the criminal section of the U.S. Attorney's Office under my tenure, and then she became the acting U.S. attorney, until recently, when the new U.S. attorney was confirmed by the Senate.

Ginny is levelheaded, fair minded, trustworthy, and very smart. She has tremendous capabilities. She graduated from the University of Texas School of Law. After graduation she served as a law clerk to the Honorable John Godbold for the U.S. Court of Appeals for the Fifth Circuit. Judge Godbold was chief judge of the Fifth Circuit. When the Fifth Circuit split, he became chief judge of the Eleventh Circuit. He was one of the great jurists in America. This old Fifth Circuit is the same circuit in which her grandfather served, one of the grand judges of the old Fifth Circuit. He is widely credited as being part of a group of judges on that court who wrestled with and moved the South out of its days of segregation into a new day of race relations. He certainly is a champion of those causes.

As Senator DURBIN recognized in the hearings, his was a contribution to harmony and integration in the South.

Her experience has been particularly valuable for her to serve on the bench. She served for 20 years in the U.S. Attorney's Office where she practiced on a regular basis, in the very same district court for which she has been nominated, as well as her experience in appellate work in the Eleventh Circuit where she always wrote her briefs and argued her cases. The cases she tried have given her extraordinary exposure to understand how a Federal district court works, and more importantly, how a Federal district judge should conduct herself.

Since Ginny joined the U.S. Attorney's Office in 1977 as the first female assistant U.S. attorney in the southern district of Alabama, she has proven her merit as an extraordinary prosecutor and leader. Her abilities in the courtroom have been demonstrated time and again in her prosecution of complex white-collar fraud cases, tax cases, public corruption cases, cases of every kind—cases she not only tried but supervised.

I remember one case very distinctly. It was the longest criminal case to my knowledge ever tried in the district, 11 weeks. She was the lead attorney. It was a very intense case, with prominent attorneys on the defense side representing prominent defendants. It was well and intensely litigated.

At the end of the case, she made, without a doubt in my mind, the finest closing argument I have ever heard. It was down to earth, simple, not emotional, but logical. She took every allegation, every contention of the Government's case and explained patiently and in detail, with that incredibly bright mind of hers, why the allegations in the indictment were true, and obtained a conviction in that case.

To me, that is an unusual skill. It is an unusual ability she possesses. I have never in my many years of practice seen anything better.

The American Bar Association has unanimously rated her well qualified, the highest rating one can receive. I thought that was a great testament to her reputation with the attorneys in the southern district of Alabama. They know her. They know her reputation. They are the ones to whom the Bar Association talks. It was a tremendous affirmation of the excellence of her career and the integrity she displayed year after year after year.

Former Senator Howard Heflin of Alabama, who also was chief justice of the State of Alabama, and a Democrat, is a fan of Ginny Granade and has supported her and stated he knows of no opposition to her appointment. Her litigation skills, as well as a command of the complex issues, has won her respect and admiration and overwhelming support throughout her area of practice.

I am glad we are moving on this nomination. We have a judicial crisis in the southern district of Alabama where I practiced for many years. I received a letter from our chief district judge, Judge Charles Butler, who underscored the need to get this position filled.

He is the only active judge who is serving now in that district. The district is authorized three judges with a fourth approved by the Judicial Conference of the United States. One of these vacancies—the one being filled today—will be the longest district court emergency vacancy in the country, one that is a crisis because we have so few judges and such a heavy caseload. So I really appreciate the willingness of the Senate to move this nomination forward today.

One of the things I think is most valuable as a judicial characteristic is that a judge should have good judgment at the basic level.

You can tell people who have good judgment. When people have good judgment, people ask them for their opinion. They seek out their judgment. When I was U.S. attorney and I had a tough question and a difficult matter to wrestle with, and I often did, I went to Ginny Granade's office and asked her opinion, as did every other lawyer in the office. In fact, judges were even aware of that. Young lawyers also sought her opinion before they went to court, to ask how they should handle a case or what she thought was the legal answer to this, or is this evidence admissible, or is that evidence going to be excluded. They would get her opinion first.

The story is often told that young assistant U.S. attorneys who appeared before Federal judges in the district, who were cornered about the way the Federal judge thought about the law, would say, "Well, Ginny told me that is what it was." That was generally enough to get at least a respectful hearing by the judge.

I suggest in the filling of this vacancy with Ginny Granade as a Federal judge, we are going to have done a good day's work. The district will have a person of integrity and ability, a person who has never been politically engaged in any way but who always has loved the law, has been a person of absolute integrity, a person who worked exceedingly hard, who I know respects the position of a Federal judge, who will work to master it in every conceivable way, and once that is done will preside with the most wonderful temperament but in charge at all times. She has had the experience to do this.

I am excited for her. I am excited for the attorneys in the Southern District of Alabama who will have the honor to practice before her.

In my view, a highly important characteristic of a judge is he or she is a judge you look forward to appearing before. Some judges, will give a lawyer a headache just thinking of going into their court. Other judges make the practice of law a delight. Her experience and practice make me confident that the lawyers and the litigants in the Southern District of Alabama will enjoy and appreciate their opportunity to be in the courtroom she will control and preside over. She will represent the Federal Government and the laws of the United States in an exemplary manner. I am delighted her nomination will be before this body shortly. I am confident she will receive the same unanimous vote that the ABA gave her, with their highest recommendation.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. Mr. President, I begin by thanking the nominees' home State Senators for working with us on this nomination and by commending the majority leader and our assistant majority leader for bringing this matter to successful conclusion today.

Callie Granade is the second nominee for a judicial emergency vacancy to be considered by the Senate in the last several weeks, and the second nominee to be confirmed for Alabama since November. On November 6, the Senate confirmed Judge Karon Bowdre by a vote 98 to zero to a longstanding vacancy and judicial emergency on the Northern District of Alabama District Court. Today the Senate will take final action to fill a longstanding vacancy on the Southern District of Alabama District Court.

This nomination was received on September 5 and reported favorably to the Senate by the Judiciary Committee just a few days before the Senate adjourned last December. It is being taken up in the first days of our return. These Alabama district court vacancies have persisted for years while Senators were unable to agree on acceptable nominees with the previous administration. Unlike the nomination of Ken Simon, which languished for more than 6 months in 2000 without a hearing, both Karon Bowdre and Callie Granade have been considered promptly. I congratulate the nominee and her family on her confirmation today.

Confirmation of Ms. Granade will be the seventh confirmation filling a vacancy designated as a judicial emergency since I became chairman last summer. Unfortunately, the White House has yet to work with home-State Senators to send nominees for an additional 15 judicial emergency vacancies and 31 federal trial court vacancies.

With today's confirmation, the Senate has confirmed three additional judges since returning late last month. The Senate will have confirmed 31 judges since the change in majority last summer.

Of course, I have yet to chair the Judiciary Committee for a full year; it has been barely 6 months. But the confirmations we have achieved in those 6 months are already comparable to the year-end totals for 1997, 1999 and 2000 and nearly twice as many as were confirmed under a Republican majority in the Senate in 1996.

The 1996 session was the second year of the last Republican chairmanship. In that 1996 session, only 17 judges were confirmed all year and none were confirmed to the Court of Appeals—none. I expect and intend to work hard on additional judicial nominations through this session and to exceed the number of judges confirmed during the 1996 session.

The Judiciary Committee held its first hearing of the session on our second day in session, January 24, for Judge Michael Melloy, a nominee to the 8th Circuit from Iowa, and district court nominees from Arizona, Iowa, Texas, Louisiana and the District of Columbia, a total of six judicial nominations.

I have set another hearing on the nomination of Judge Charles Pickering for the 5th Circuit for this Thursday, February 7, 2002.

I am working to hold another confirmation hearing for judicial nominations, as well, before the end of February, even though it is a short month with a week's recess.

I noted on January 25 in my statement to the Senate that we inherited a frayed process and are working hard to repair the damage of the last several years.

I have already laid out a constructive program of suggestions that would help in that effort and help return the confirmation process to one that is a cooperative, bipartisan effort. I have included suggestions for the White House, that it work with Democrats as well as Republicans, that it encourage rather than forestall the use of bipartisan selection commissions, and that it consider carefully the views of home-State Senators.

This past summer, by the time I became chairman of the Judiciary Committee, Federal court vacancies already topped 100 and were rising to 111. Since July, we have worked hard and the Senate has been diligent in considering and confirming 31 judges, thereby beginning the process of lowering the vacancies on our federal courts. Since I became chairman, 26 additional vacancies have arisen. Still, we have been able to outpace this high level of attrition and lower the vacancies to under 100.

During the last 6½ years when a Republican majority controlled the process, the vacancies rose from 65 to over 100, an increase of almost 60 percent.

By contrast, we are now working to keep these numbers moving in the right directions. Our majority leader, with the help of the assistant majority leader, is clearing the calendar of judicial nominations and the Senate has proceeded to vote on every one of them. This is one of the reforms that signals a return to normalcy for the Senate, which had gotten away from such practices over the past 6 years. Since the change in majority, judicial nominees have not been held on the calendar for months and months or held over without action or returned to the President without action.

I have observed that to make real progress will take the cooperation of the White House. The most progress can be made most quickly if the White House would begin working with home-State Senators to identify fair-minded, nonideological, consensus nominees to fill these court vacancies. One of the reasons that the committee was able to work as quickly as it has and the Senate has been able to confirm 31 judges in the last few months is because those nominations were strongly supported as consensus nominees.

I have heard of too many situations in too many States involving too many reasonable and moderate home-State Senators in which the White House has demonstrated no willingness to work with home-state Senators to fill judicial vacancies cooperatively. As we move forward, I urge the White House to show greater inclusiveness and flexibility and to help make this a truly bipartisan enterprise. Logjams exist in a number of settings.

To make real progress, repair the damage that has been done over previous years, and build bridges toward a more cooperative process, there is much that the White House could do to work more cooperatively with all home-State Senators, including Democratic Senators.

Of course, more than two-thirds of the Federal court vacancies continue to be on the district courts. The administration has been slow to make nominations to the vacancies on the Federal trial courts. In the last 5 months of last year, the Senate confirmed a higher percentage of the President's trial court nominees, 22 out of 36, than a Republican majority had confirmed in the first session of either of the last two Congresses with a Democratic President.

Last year the President did not make nominations to almost 80 percent of the current trial court vacancies. As we began this session, 55 out of 69 vacancies were without a nominee. In late January, the White House finally sent nominations for another 24 of those trial court vacancies.

After the committee receives the indication that the nominees have the support of their home-State Senators and after the committee has received ABA peer reviews, these recent nominations will then be eligible to be included in committee hearings. Because the White House shifted the time at which the ABA does its evaluation of nominees to the post-nomination period, these 24 nominees are unlikely to have completed files ready for evaluation until after the Easter recess. Even then, over two and one-half dozen of the Federal trial court vacancies, 31, may still be without eligible nominees.

We have accomplished more, and at a faster pace, than in years past. We have worked harder and faster than previously on judicial nominations, despite the unprecedented difficulties being faced by the Nation and the Senate.

I am encouraged that this confirmation today was not delayed by extended, unexplained, anonymous holds on the Senate Executive Calendar, the type of hold that characterized so much of the previous 6½ years. Majority Leader DASCHLE has moved swiftly on judicial nominees reported to the calendar.

I thank all Senators who have helped in our efforts and assisted in the hard work to review and consider the dozens of judicial nominations we have reported and confirmed. I thank, in particular, the Senators who serve on the Judiciary Committee. I thank them not only for their kind words, but for their helpful action since this summer.

As our action today demonstrates, again, we are moving ahead to fill judicial vacancies with nominees who have strong bipartisan support.

Mr. President, I ask unanimous consent to print in the RECORD an editorial from the Washington Post.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Jan. 27, 2002]

MR. LEAHY AND JUDGES

> Sen. Patrick Leahy, Democratic chairman of the Senate Judiciary Committee, gave a speech on the Senate floor Friday that, on the surface, seemed like another round of partisan warfare over judges. But embedded within the rhetoric was a significant step toward bringing some comity back to the judicial nominations process. Mr. Leahy promised "steadiness in the hearing process" and "regular hearings" on judges at a pace faster than the Senate has managed in recent years. He promised also that these hearings would not be weighted too heavily toward relatively uncontroversial district judges but would give appeals court judges a fair shake too—including specifically a number of court of appeals nominees whom liberals oppose.
>
> One can quibble about the names the senator left off his list; he did not, for example, promise a hearing for D.C. Circuit nominee John Roberts. But the overall message was positive. If Mr. Leahy sticks to the plans he laid out, this could be a fair and productive year for judicial nominations.
>
> Mr. Leahy also asked that President Bush do more to accommodate the concerns of Senate Democrats in making nominations. It is a message that Mr. Bush should take to heart. In two courts of appeals in particular, the 6th and 4th circuits, Republicans blocked President Clinton's nominees for years, keeping seats open that Mr. Bush is now keen to fill. Democratic senators from Michigan and North Carolina want a say in who gets nominated and are blocking Mr. Bush's nominees. Mr. Bush has the right to name whomever he wants, but the Democratic grievance is legitimate, and the process would benefit greatly if these logjams could be broken in a fashion acceptable to both parties. It's hard to imagine that nowhere in these two states are there potential judicial candidates whose records and qualifications stand above politics.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Callie V. Granade, of Alabama, to be United States District Judge for the Southern District of Alabama? The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from New Jersey (Mr. CORZINE), the Senator from Iowa (Mr. HARKINS), the Senator from Hawaii (Mr. INOUYE), the Senator from Massachusetts (Mr. KERRY), the Senator from Georgia (Mr. MILLER), the Senator from New York (Mr. SCHUMER), the Senator from New Jersey (Mr. TORRICELLI), and the Senator from Minnestoa (Mr. WELLSTONE) are necessarily absent.

Mr. CRAIG. I announce that the Senator from Missouri (Mr. BOND), the Senator from Kansas (Mr. BROWNBACK), the Senator from Mississippi (Mr. COCHRAN), the Senator from Wyoming (Mr. ENZI), the Senator from Tennessee (Mr. FRIST), the Senator from Texas (Mr. GRAMM), the Senator from Utah (Mr. HATCH), the Senator from Texas (Mrs. HUTCHISON), the Senator from Mississippi (Mr. LOTT), the Senator from Arizona (Mr. MCCAIN), the Senator from Kentucky (Mr. MCCONNELL), the Senator from Oklahoma (Mr. NICKLES), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Alaska (Mr. STEVENS), the Senator from Tennessee (Mr. THOMPSON), and the Senator from Virginia (Mr. WARNER) are necessarily absent.

I further announce that if present and voting the Senator from Pennsylvania (Mr. SPECTER), would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 75, nays 0, as follows:

[Rollcall Vote No. 11 Ex.]

YEAS—75

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Boxer
Breaux
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Collins
Conrad
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Feingold
Feinstein
Fitzgerald
Graham
Grassley
Gregg
Hagel
Helms
Hollings
Hutchinson
Inhofe
Jeffords
Johnson
Kennedy
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lugar
Mikulski
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Roberts

Rockefeller
Sarbanes
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stabenow
Thomas
Thurmond
Voinovich
Wyden

NOT VOTING—25

Bond
Brownback
Cochran
Corzine
Enzi
Frist
Gramm
Harkin
Hatch
Hutchison
Inouye
Kerry
Lott
McCain
McConnell
Miller
Nickles
Santorum
Schumer
Specter
Stevens
Thompson
Torricelli
Warner
Wellstone

The nomination was confirmed.

• Mr. WELLSTONE. Mr. President, I ask that the RECORD show that I was necessarily absent for this evening's vote on the nomination of Callie Granade to be U.S. district judge for the Southern District of Alabama. I was attending the visitation for Minnesota State Representative Darlene Luther, who passed away last week. Had I been present, I would have voted in favor of the nomination.•

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, what is the current order of business?

The PRESIDING OFFICER. Under the previous order, the President will be notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

HOPE FOR CHILDREN ACT—Continued

The PRESIDING OFFICER. The Senator from Idaho.

AMENDMENT NO. 2770

Mr. CRAIG. Mr. President, I have an amendment which I send to the desk.

The PRESIDING OFFICER. The clerk will report.

The senior assistant bill clerk read as follows:

The Senator from Idaho [Mr. CRAIG], for himself, Mr. TORRICELLI, Mr. GRASSLEY, Mr. SANTORUM, Mr. FRIST, Mr. ENSIGN, and Mr. HUTCHINSON, proposes an amendment numbered 2770 to the language proposed to be stricken by amendment No. 2698.

Mr. CRAIG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to expand the availability of Archer medical savings accounts)

At the appropriate place, insert the following:

SEC. ___. EXPANSION OF AVAILABILITY OF ARCHER MEDICAL SAVINGS ACCOUNTS.

(a) REPEAL OF LIMITATIONS ON NUMBER OF MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Subsections (i) and (j) of section 220 of the Internal Revenue Code of 1986 are hereby repealed.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 220(c) of such Code is amended by striking subparagraph (D).

(B) Section 138 of such Code is amended by striking subsection (f).

(b) AVAILABILITY NOT LIMITED TO ACCOUNTS FOR EMPLOYEES OF SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.—

(1) IN GENERAL.—Subparagraph (A) of section 220(c)(1) of such Code (relating to eligible individual) is amended to read as follows:

"(A) IN GENERAL.—The term 'eligible individual' means, with respect to any month, any individual if—

"(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and

"(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—

"(I) which is not a high deductible health plan, and

"(II) which provides coverage for any benefit which is covered under the high deductible health plan.".

(2) CONFORMING AMENDMENTS.—

(A) Section 220(c)(1) of such Code is amended by striking subparagraph (C).

(B) Section 220(c) of such Code is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).

(C) Section 220(b) of such Code is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(c) INCREASE IN AMOUNT OF DEDUCTION ALLOWED FOR CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Paragraph (2) of section 220(b) of such Code is amended to read as follows:

"(2) MONTHLY LIMITATION.—The monthly limitation for any month is the amount equal to 1/12 of the annual deductible (as of the first day of such month) of the individual's coverage under the high deductible health plan.".

(2) CONFORMING AMENDMENT.—Clause (ii) of section 220(d)(1)(A) of such Code is amended by striking "75 percent of".

(d) BOTH EMPLOYERS AND EMPLOYEES MAY CONTRIBUTE TO MEDICAL SAVINGS ACCOUNTS.—Paragraph (4) of section 220(b) of such Code (as redesignated by subsection (b)(2)(C)) is amended to read as follows:

"(4) COORDINATION WITH EXCLUSION FOR EMPLOYER CONTRIBUTIONS.—The limitation which would (but for this paragraph) apply under this subsection to the taxpayer for any taxable year shall be reduced (but not below zero) by the amount which would (but for section 106(b)) be includible in the taxpayer's gross income for such taxable year.".

(e) REDUCTION OF PERMITTED DEDUCTIBLES UNDER HIGH DEDUCTIBLE HEALTH PLANS.—

(1) IN GENERAL.—Subparagraph (A) of section 220(c)(2) of such Code (defining high deductible health plan) is amended—

(A) by striking "$1,500" in clause (i) and inserting "$1,000"; and

(B) by striking "$3,000" in clause (ii) and inserting "$2,000".

(2) CONFORMING AMENDMENT.—Subsection (g) of section 220 of such Code is amended to read as follows:

"(g) COST-OF-LIVING ADJUSTMENT.—

"(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1998, each dollar amount in subsection (c)(2) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which such taxable year begins by substituting 'calendar year 1997' for 'calendar year 1992' in subparagraph (B) thereof.

"(2) SPECIAL RULES.—In the case of the $1,000 amount in subsection (c)(2)(A)(i) and the $2,000 amount in subsection (c)(2)(A)(ii), paragraph (1)(B) shall be applied by substituting 'calendar year 2000' for 'calendar year 1997'.

"(3) ROUNDING.—If any increase under paragraph (1) or (2) is not a multiple of $50, such increase shall be rounded to the nearest multiple of $50.".

(f) PROVIDING INCENTIVES FOR PREFERRED PROVIDER ORGANIZATIONS TO OFFER MEDICAL SAVINGS ACCOUNTS.—Clause (ii) of section 220(c)(2)(B) of such Code is amended by striking "preventive care if" and all that follows and inserting "preventive care."

(g) MEDICAL SAVINGS ACCOUNTS MAY BE OFFERED UNDER CAFETERIA PLANS.—Subsection (f) of section 125 of such Code is amended by striking "106(b),".

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(i) EMERGENCY DESIGNATION.—Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this section below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

Mr. CRAIG. Mr. President, I come this evening to add to the underlying legislation that we are now calling a stimulus package, or at least an effort on the part of Congress and this Senate to produce a Senate version of stimulus that we might get to the House and into conference, an amount that I think is a clear and important part of that stimulus package.

As President Bush has said, Americans know economic security can vanish in an instant without health security. Today nearly 40 million Americans lack health insurance, a crisis that can only worsen today's climate of job loss and double-digit health premium increases.

In 1997, Congress launched a test program to see if medical savings accounts could provide families with health security. That program has succeeded. Despite unnecessary restrictions, over one-third of the participants were previously uninsured. A medical savings account effort to extend coverage to the uninsured at a fraction of the cost of government health care programs has worked in this economy. Rather than letting this promising reform program expire this year, my colleague from New Jersey and I have introduced an amendment to make medical savings accounts permanent and widely available. That is the thrust of this amendment.

I have some great accounts of our country's citizens who have used this advantage, many of them hard-working men and women, middle or lower middle class Americans. Let me cite an example. These are the women. Kay Heine, Kristina Anderson Wright, and Rebecca Turner had this to say for the Wisconsin State Journal:

> All three of us are working, middle-class mothers. Two of us are single moms. We all have medical savings accounts that provide health insurance for our families. Our message to people in Washington in plain, unmistakable English, is that MSAs work for working families.

So I hope as we consider the stimulus package, my colleagues would consider this amendment, make it a part of the stimulus package to not allow this very important program to expire and for these citizens to lose it, and, more importantly, that we should be adding citizens by giving them the opportunity to have medical savings accounts as a part of their insurance portfolio.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. REED). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2764, AS MODIFIED

Mr. REID. Mr. President, I ask that amendment No. 2764 that I offered earlier today be the pending matter.

Mr. President, I send a modification to the desk.

The PRESIDING OFFICER. The Senator has that right. The amendment is so modified.

The amendment, as modified, is as follows:

(Purpose: To amend the Internal Revenue Code of 1986 to provide a nonrefundable credit for recreational travel, to modify the business expense limits, and for other purposes)

At the end, add the following:

TITLE ___—PERSONAL TRAVEL AND BUSINESS EXPENSES

SEC. ___01. PERSONAL TRAVEL CREDIT.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

"SEC. 25C. PERSONAL TRAVEL CREDIT.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified personal travel expenses which are paid or incurred by the taxpayer during the 60-day period beginning on the date of the enactment of this section.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—The credit allowed a taxpayer under subsection (a) for any taxable year shall not exceed $600 ($1,200, in the case of a joint return).

"(2) PER TRIP LIMITATION.—The expenses taken into account under subsection (a), with respect to any trip, shall not exceed $200.

"(c) QUALIFIED PERSONAL TRAVEL EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified personal travel expenses' means reasonable expenses in connection with a qualifying personal trip for—

"(A) travel by aircraft, rail, watercraft, or commercial motor vehicle, and

"(B) lodging while away from home at any commercial lodging facility.

Such term does not include expenses for meals, entertainment, amusement, or recreation.

"(2) QUALIFYING PERSONAL TRIP.—

"(A) IN GENERAL.—The term 'qualifying personal trip' means travel within the United States (including the Commonwealth of Puerto Rico and the possessions of the United States)—

"(i) the farthest destination of which is at least 100 miles from the taxpayer's residence,

"(ii) involves an overnight stay at a commercial lodging facility and

"(iii) which is taken on or after the date of the enactment of this section.

"(B) ONLY PERSONAL TRAVEL INCLUDED.—Such term shall not include travel if, without regard to this section, any expenses in connection with such travel are deductible in connection with a trade or business or activity for the production of income.

"(3) COMMERCIAL LODGING FACILITY.—The term 'commercial lodging facility' includes any hotel, motel, resort, rooming house, watercraft, or campground.

"(d) SPECIAL RULES.—

"(1) DENIAL OF CREDIT TO DEPENDENTS.—No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins.

"(2) EXPENSES MUST BE SUBSTANTIATED.—No credit shall be allowed by subsection (a) unless the taxpayer substantiates by adequate records the amount of the expenses described in subsection (c)(1).

"(e) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any expense for which credit is allowed under this section.".

(b) CONFORMING AMENDMENTS.—

(1) Section 24(b)(3)(B) of the Internal Revenue Code of 1986 is amended by striking "23 and 25B" and inserting "23, 25B, and 25C".

(2) Section 25(e)(1)(C) of such Code is amended by inserting "25C," after "25B,".

(3) Section 25B of such Code is amended by striking "section 23" and inserting "sections 23 and 25C".

(4) Section 26(a)(1) of such Code is amended by striking "and 25B" and inserting "25B, and 25C".

(5) Section 1400C(d) of such Code is amended by striking "and 25B" and inserting "25B, and 25C".

(6) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting before the item relating to section 26 the following new item:

"Sec. 25C. Personal travel credit.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. ___02. TEMPORARY INCREASE IN DEDUCTION FOR BUSINESS MEAL EXPENSES.

(a) IN GENERAL.—Subsection (n) of section 274 of the Internal Revenue Code of 1986 (relating to only 50 percent of meal and entertainment expenses allowed as deduction) is amended by adding at the end the following:

"(4) TEMPORARY INCREASE IN LIMITATION.—With respect to any expense for food or beverage paid or incurred on or after the date of enactment of this paragraph, and before the date that is 180 days after such date, paragraph (1) shall be applied by substituting '80 percent' for '50 percent'.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. ___03. TEMPORARY RESTORATION OF DEDUCTION FOR SPOUSES ACCOMPANYING TAXPAYER ON BUSINESS TRAVEL.

(a) IN GENERAL.—Section 274(m) of the Internal Revenue Code of 1986 (relating to limitations on travel expenses) is amended by adding at the end the following:

"(4) TEMPORARY REPEAL OF LIMITATION.—With respect to any travel expense paid or incurred on or after the date of enactment of this paragraph, and before the date that is 180 days after such date, paragraph (3) shall not apply.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, is it necessary for me to ask unanimous consent to set the pending amendment aside?

The PRESIDING OFFICER. For the purposes of calling up a new amendment, it is necessary to set the pending amendment aside.

Mr. GRASSLEY. I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2773

(Purpose: To amend the Internal Revenue Code of 1986 to provide a nonrefundable credit for recreational travel, to modify the business expense limits, and for other purposes)

Mr. GRASSLEY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Iowa [Mr. GRASSLEY], for himself, Ms. SNOWE, and Mr. LOTT, proposes an amendment numbered 2773 to the language proposed to be stricken by amendment No. 2698.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

CLOTURE MOTION

Mr. GRASSLEY. I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the pending Grassley amendment:

Charles E. Grassley, Bob Smith, Craig Thomas, Pat Roberts, Jeff Sessions, Ben Nighthorse Campbell, George Allen, Larry E. Craig, Jim Bunning, Robert Bennett, Jon Kyl, John Ensign, Michael D. Crapo, Frank Murkowski, Olympia J. Snowe, and Don Nickles.

Mr. GRASSLEY. Mr. President, is the amendment filed and the cloture motion filed?

The PRESIDING OFFICER. Yes, the amendment and the cloture motion have been received.

Mr. GRASSLEY. For the sake of my colleagues, the amendment that I sent to the desk is the White House-centrist bipartisan bill that was pending in the Senate—not pending but was filed after it passed the House of Representatives before the holidays with one slight modification that represents the Bond amendment on expensing, which was adopted. Otherwise, the amendment is the same as what has passed the House of Representatives and the President said he would sign.

I hope we have an opportunity to get 60 votes for cloture on the amendment and that we are able to get that amendment adopted, get the bill to the President for signature, and consequently, then, immediately—not 3 or 4 months down the road when we have a conference committee trying to reach some agreement—get help to stimulate the economy through accelerated depreciation for business, through middle-income-tax reduction, making it permanent the 27-percent bracket down to 25-percent bracket, and tax rebates for low-income people to stimulate the economy on the demand side, consumer spending. All three are meant to create jobs and will create jobs.

Also, this amendment is for the displaced workers; those mostly affected because of what happened on September 11 will get an increase of unemployment compensation of 13 weeks and a 60-percent tax credit for health insurance, and we do it in a way that people can have the option, if they do not want COBRA, to have other insurance, and also to help those who did not have any COBRA insurance where last employed.

It is a well-rounded stimulus package that will get the job done. The fact that it passed the House of Representatives and will be signed by the President is reason enough for this body to adopt it, particularly because in this body nothing gets done that is not bipartisan. This has bipartisan support.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to a period of morning business with Senators allowed to speak for a period not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALLIANCE FOR YOUTH PROGRAM

Mr. ROCKEFELLER. Mr. President, last Friday the children in my State of West Virginia had reason to celebrate. I am delighted to announce that the Communities in Schools Program and America's Promise have joined to form a new partnership aimed at giving our children resources that help them to stay in school and be successful in life. This exciting new program, launched on January 31, 2002, is called the Alliance for Youth.

Bill Milliken, Communities in Schools CEO and West Virginia Governor Bob Wise joined together last week to signal the start of a major initiative to help students. The Alliance for Youth combines the missions of education and community service with the goal of making each more accessible to students in West Virginia. Through the Alliance, children can connect with concerned adults and have a safe place where they can develop useful life skills, have a wholesome start in life, and have the opportunity to become involved in their communities. As a former VISTA worker, I personally know how public service can change and improve someone's life. Providing more opportunities for public service will help both the communities served and the students involved. By helping to shape the lives of our children, the Alliance for Youth Program is making the most important investment in our future.

Years ago, the National Commission on Children which I chaired, challenged society in general to create a moral climate for our children. The Alliance for Youth Program responds to this challenge. We all understand that the chances for children's success are tied to quality education, strong child development, and strong support from family and caring adults. It is my hope that the Alliance for Youth will continue the worthy and important work of providing children with extra support for a successful start in life. I applaud this new partnership, and I look forward to seeing the results of its valuable work.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred August 30, 1997 in Chicago, IL. A woman and two gay men were attacked by several men who were shouting anti-gay epithets. The assailants, Matthew W. Polley, 21, Jason C. Polley, 22, and Kenneth A. Schultz, 20 were each charged with a felony hate crime in connection with the incident.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

CONGRATULATIONS TO SOUTH DAKOTA'S SUPER BOWL XXXVI PARTICIPANTS

Mr. JOHNSON. Mr. President, today I congratulate Adam Vinatieri of the New England Patriots. Adam, a native of Rapid City and a South Dakota State University graduate, was instrumental in the Patriot victory in Super Bowl XXXVI. With :07 left in the fourth quarter and the score tied at 17, Adam kicked the game winning 48-yard field goal.

Adam has had a long and very successful football career. During his NFL tenure, Adam has been to two Super Bowls and numerous playoff games. Prior to Adam's professional career, he played for the Jackrabbits from 1991-1994 and was all-North Central Conference punter and kicker from 1992-1994. Also, during Adam's early athletic years at Central High School in Rapid City, I was pleased to have nominated him for a service academy appointment.

Although Adam will be remembered for his Super Bowl winning kick, his two field goals during the playoff game against the Oakland Raiders may have been even more impressive. During a snowstorm, he kicked a 45-yard field goal to send the game to overtime, and then kicked the game winning field goal in overtime to win the Divisional Playoff game. Without his leadership and resolve, the New England Patriots would not have been in a position to play in the Super Bowl, let alone win it. Adam reflects the best of South Dakota, and I know I speak for the entire State when I say congratulations on the great victory. We are all very proud of you.

Also, I would like to congratulate several other particpants from Super Bowl XXXVI who have South Dakota ties, including Adam Timmerman, a guard for the St. Louis Rams and a SDSU graduate; Matt Chatham, a University of South Dakota standout and backup linebacker for the Patriots; Brad Seely, a Baltic native and Special Teams coach for the New England Patriots; and Mike Martz who was born in Sioux Falls and is the head coach of the Rams.

It is very satisfying to know that even though South Dakota has no professional or Division I sports, we were very well represented in the biggest sporting event in America. Congratulations to all who played and participated in one of the best Super Bowls ever played.

BLACK HISTORY MONTH

Mr. SMITH of Oregon. Mr. President, I rise today to honor February as Black History Month. Each February since 1926, our Nation has paused to recognize the contributions of black Americans to the history of our Nation. This is no accident, February is a significant month in black American history. Abolitionist Frederick Douglass, President Abraham Lincoln, and scholar and civil rights leader W.E.B. DuBois were born in the month of February. The 15th Amendment to the Constitution was ratified 132 years ago this month, giving black Americans the right to vote. The National Association for the Advancement of Colored People was founded in February in New York City. Last Friday, February 1, was the forty-second anniversary of the Greensboro Four's historic sit-in. And on February 25, 1870, this body welcomed its first black Senator, Hiram R. Revels of Mississippi.

I want to take time during this important month to celebrate some of the contributions made by black Americans in my home State of Oregon. Since Marcus Lopez, who sailed with Captain Robert Gray in 1788, become the first person of African descent to set foot in Oregon, a great many black Americans have helped shape the history of my State. Throughout this month, I will come to the floor to highlight some of their stories.

One important story in the history of the Pacific Northwest belongs to a black pioneer named George W. Bush. George Washington Bush, a veteran of the War of 1812, headed west on the Oregon Trail in 1844 hoping to leave the racism of Missouri behind him. A wealthy farmer, Bush purchased six wagons, packed up his friends and family, including his Irish wife, and settled in The Dalles. Upon arrival, Bush discovered that the racism he was trying to escape was, tragically, alive and well in the Oregon Territory.

While slavery was illegal in Oregon, my State shamefully tried to drive out blacks through the enactment of exclusion laws, including a disgraceful "lash law." The lash law required that a black person be whipped twice a year "until [they] shall quit the territory." As a result of this law, Bush was forced to move across the Columbia River to live under the more hospitable rule of the Hudson's Bay Company. Bush thrived as a farmer and rancher in the Puget Sound area, and his success attracted a large number of settlers to the Northwest. Because his prosperity helped spur the tremendous growth of settlements north of the Columbia, Bush, one of the first black Oregonians, is now credited by some historians for bringing the land north of the Columbia River, present-day Washington State, into the United States.

Bush might never have completed his journey to Oregon had it not been for one of the first Oregon Trail guides, a black man named Moses Harris. Harris spent years trapping in the Northwest, and was one of the explorers who christened Independence Rock in what is now the State of Wyoming. Harris was renowned for his knowledge of the region, and, on more than one occasion, saved lost or stranded wagon parties from certain death along the treacherous route to Oregon. He guided thousands to the Pacific Northwest, including the famous Whitman party, and did so until his death of cholera in 1849. Without Moses Harris, and people like him, Oregon, as we know it, would not exist today.

Moses Harris and George Bush are only two early examples of the black men and women who changed the course of history in Oregon and in the United States. During the remainder of Black History Month, I will return to the floor to celebrate more Oregonians like Harris and Bush, whose contributions, while great, have not received the attention they deserve.

ADDITIONAL STATEMENTS

MAJOR STEWART H. HOLMES

• Mr. COCHRAN. Mr. President, I am pleased to congratulate Major Stewart H. Holmes upon the completion of his career of service in the United States Marine Corps. Throughout his 22 years military career, Major Holmes served with distinction and dedication.

He joined the Marine Corps when he was 17 years of age and rose from private to major, serving in a wide variety of assignments along the way. He served as the Marine Corps Appropriations liaison to both the U.S. Senate and U.S. House of Representatives, and he has been a legislative fellow in my office. He has carried out his responsibilities with great ability and dedication.

His parents, Wilhelmina and Jacob Holmes, and his fellow Marines can be proud of his distinguished service. Major Holmes, and his wife Deborah, have made many sacrifices during his Marine career, and we appreciate their contribution of conscientious service to our country.

I am also pleased that Major Holmes will continue his work in my office as a Legislative Assistant with responsibilities for defense and military programs and issues. I look forward to having the continued benefit of his dependable counsel and assistance.●

TRIBUTE TO VICTOR SWENSON

• Mr. JEFFORDS. Mr. President, for more than twenty-eight years it has been my pleasure to know and work with Victor Swenson in many efforts to promote the humanities at the State and national levels. On February 1, 2002, Victor retired as the Executive Director of the Vermont Council on the Humanities, a leadership role he has effectively filled since the Council's inception in 1974. Today, I rise to express my gratitude for his dedication and service to all Vermonters.

Every State has a humanities council, but few are as innovative, creative, and self-sufficient as the Vermont council on the Humanities. Early on, under Victor's stewardship, the Vermont Council determined that the first step in broadening Vermonters' participation in humanities programming was ensuring that all Vermonters were able to read. This undertaking, creating a state in which every individual reads, participates in public affairs, and continues to learn throughout life, involves an enormous commitment. It is a self-imposed and ambitious challenge that the Council has taken on completely. The Council has distinguished itself as a national leader in promoting reading.

Victor's work with the Council has been so successful and has enjoyed such a long tenure that it would be impossible to discuss one without a complete mention of the other. Throughout this long association, Victor has held an unfading belief that the humanities can and must be used to improve life in meaningful ways. Victor believes rightly that all Vermonters benefit from any investment in the humanities, and the Council has been his vehicle for advancement. In January 1974, Victor set up office in Hyde Park, VT, with a budget of $140,000. His first two grants were to the Crossroads Humanities Council in Rutland, VT, and to the Vermont Historical Society. As with those first two grants, the Council has used its position to challenge the people of Vermont to enrich their lives locally through the humanities. The

Council has worked for the preservation of historic papers and documents, the creation of reading programs, initiatives to improve teachers' abilities in teaching the humanities and many, many other meaningful projects.

The importance of Victor's influence in Vermont for more than a quarter of a century cannot be overemphasized. I congratulate Victor on his retirement and I sincerely wish him the best of luck in whatever he may do next.●

REPORT RELATIVE TO EXTENDING THE AGREEMENT OF JUNE 24, 1985 TO JULY 1, 2004, CONCERNING FISHERIES OFF THE COASTS OF THE UNITED STATES—MESSAGE FROM THE PRESIDENT—PM 66

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation.

To the Congress of the United States:

In accordance with the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 *et seq.*), I transmit herewith an Agreement between the United States of America and the Government of the People's Republic of China extending the Agreement of June 24, 1985, Concerning Fisheries Off the Coasts of the United States, with annex, as extended (the "1985 Agreement"). The present Agreement, which was effected by an exchange of notes in Beijing on April 6, and July 17, 2001, extends the 1985 Agreement to July 1, 2004.

In light of the importance of our fisheries relationship with the People's Republic of China, I urge that the Congress give favorable consideration to this Agreement.

GEORGE W. BUSH.
THE WHITE HOUSE, *February 4, 2002.*

PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT—PM 67

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I am providing a 6-month periodic report prepared by my Administration on the national emergency with respect to Iraq that was declared in Executive Order 12722 of August 2, 1990.

GEORGE W. BUSH.
THE WHITE HOUSE, *February 4, 2002.*

REPORT OF THE BUDGET MESSAGE FOR FISCAL YEAR 2003—MESSAGE FROM THE PRESIDENT—PM 68

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; referred jointly, pursuant to the order of January 30, 1975 as modified by the order of April 11, 1986, to the Committees on Appropriations; and the Budget.

To the Congress of the United States:

Americans will never forget the murderous events of September 11, 2001. They are for us what Pearl Harbor was to an earlier generation of Americans: a terrible wrong and a call to action.

With courage, unity, and purpose, we met the challenges of 2001. The budget for 2003 recognizes the new realities confronting our nation, and funds the war against terrorism and the defense of our homeland.

The budget for 2003 is much more than a tabulation of numbers. It is a plan to fight a war we did not seek—but a war we are determined to win.

In this war, our first priority must be the security of our homeland. My budget provides the resources to combat terrorism at home, to protect our people, and preserve our constitutional freedoms. Our new Office of Homeland Security will coordinate the efforts of the federal government, the 50 states, the territories, the District of Columbia, and hundreds of local governments: all to produce a comprehensive and far-reaching plan for securing America against terrorist attack.

Next, America's military—which has fought so boldly and decisively in Afghanistan—must be strengthened still further, so it can act still more effectively to find, pursue, and destroy our enemies. The 2003 Budget requests the biggest increase in defense spending in 20 years, to pay the cost of war and the price of transforming our Cold War military into a new 21st Century fighting force.

We have priorities at home as well—restoring health to our economy above all. Our economy had begun to weaken over a year before September 11th, but the terrorist attack dealt it another severe blow. This budget advances a bipartisan economic recovery plan that provides much more than greater unemployment benefits: it is a plan to speed the return of strong economic growth, to generate jobs, and to give unemployed Americans the dignity and security of a paycheck instead of an unemployment check.

The plan also calls for maintaining low tax rates, freer trade, restraint in government spending, regulatory and tort reform, promoting a sound energy policy, and funding key priorities in education, health, and compassionate social programs.

It is a bold plan—and it is matched by a bold agenda for government reform. From the beginning of my Administration, I have called for better management of the federal government. Now, with all the new demands on our resources, better management is needed more sorely than ever. Just as the No Child Left Behind Act of 2001 asks each local school to measure the education of our children, we must measure performance and demand results in federal government programs.

Where government programs are succeeding, their efforts should be reinforced—and the 2003 Budget provides resources to do that. And when objective measures reveal that government programs are not succeeding, those programs should be reinvented, redirected, or retired.

By curtailing unsuccessful programs and moderating the growth of spending in the rest of government, we can well afford to fight terrorism, take action to restore economic growth, and offer substantial increases in spending for improved performance at low-income schools, key environmental programs, health care, science and technology research, and many other areas.

We live in extraordinary times—but America is an extraordinary country. Americans have risen to every challenge they have faced in the past. Americans are rising again to the challenges of today. And once again, we will prevail.

GEORGE W. BUSH.
February 4, 2002.

MESSAGE FROM THE HOUSE

ENROLLED BILLS SIGNED

Under the authority of the order of the Senate of January 3, 2001, the Secretary of the Senate, on February 1, 2002, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bills:

H.R. 400. An act to authorize the Secretary of the Interior to establish the Ronald Reagan Boyhood Home National Historic Site, and for other purposes.

H.R. 1913. An act to require the valuation of nontribal interest ownership of subsurface rights within the boundaries of the Acoma Indian Reservation, and for other purposes.

H.R. 1937. An act to authorize the Secretary of the Interior to engage in certain feasibility studies of water resource projects in the State of Washington.

Under the authority of the order of the Senate of January 3, 2001, the enrolled bills were signed by the President pro tempore (Mr. BYRD) on February 1, 2002.

MEASURE REFERRED

The Committee on Armed Services was discharged from further consideration of the following measure, which was referred to the Committee on Environment and Public Works:

H.R. 2595. An act to direct the Secretary of the Army to convey a parcel of land to Chatham County, Georgia.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on January 30, 2002, she had presented to the President of the United States the following enrolled bill:

S. 1762. An act to amend the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers, to extend current law with respect to special allowances for lenders, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-5248. A communication from the Deputy Secretary of Defense, transmitting, a report on the approval of a retirement; to the Committee on Armed Services.

EC-5249. A communication from the Director of the Congressional Budget Office, transmitting, pursuant to law, a report relative to the growth of real gross national product during the fourth calendar quarter of 2001; to the Committee on the Budget.

EC-5250. A communication from the Director of the Policy Directives and Instructions Branch, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, the report of a rule entitled “New Classification for Victims of Sever Forms of Trafficking in Persons; Eligibility for “T” Nonimmigrant Status” (RIN1115-AG19) received on January 31, 2002; to the Committee on the Judiciary.

EC-5251. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the report of a rule entitled “Interpretation of Allocation of Candidate Travel Expenses” received on February 1, 2002; to the Committee on Rules and Administration.

EC-5252. A communication from the Director of Financial Management, General Accounting Office, transmitting, pursuant to law, the Annual Report of the Comptrollers' General Retirement System for Fiscal Year 2001; to the Committee on Governmental Affairs.

EC-5253. A communication from the Secretary, Division of Market Regulation, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled “Amendments to Rule 31-1 under the Securities Exchange Act of 1934” (RIN3235-AI38) received on January 31, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-5254. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Bifenazate; Pesticide Tolerance” (FRL6818-3) received on January 30, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5255. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Zeta-Cypermethrin and its Inactive R-isomers; Pesticide Tolerance” (FRL6818-8) received on January 30, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-5256. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Acquisition Regulation: Empower Procurement Officials and Miscellaneous Technical Amendments” (FRL7128-7) received on January 30, 2002; to the Committee on Environment and Public Works.

EC-5257. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Approval and Promulgation of Air Quality Implementation Plans; Alabama Update to Materials Incorporated by Reference” (FRL7131-5) received on January 30, 2002; to the Committee on Environment and Public Works.

EC-5258. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Approval and Promulgation of Implementation Plans; Ohio” (FRL7114-1) received on January 30, 2002; to the Committee on Environment and Public Works.

EC-5259. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Approval and Promulgation of State Implementation Plans; State of Alaska; Fairbanks” (FRL7133-1) received on January 30, 2002; to the Committee on Environment and Public Works.

EC-5260. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Approval of Section 112(l) Authority for Hazardous Air Pollutants; State of Maryland; Department of the Environment” (FRL7135-9) received on January 30, 2002; to the Committee on Environment and Public Works.

EC-5261. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Clean Air Act Full Approval of Operating Permit Program; District of Columbia; Correction” (FRL7136-3) received on January 30, 2002; to the Committee on Environment and Public Works.

EC-5262. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Clean Air Act Approval and Promulgation of State Implementation Plan; Wyoming; Revisions to Air Pollution Regulations” (FRL7130-3) received on February 1, 2002; to the Committee on Environment and Public Works.

EC-5263. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Clean Air Act Final Full Approval of Operating Permit Program; State of New York” (FRL7137-7) received on January 31, 2002; to the Committee on Environment and Public Works.

EC-5264. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled “Revisions to the California State Implementation Plan, Imperial County Air Pollution Control District” (7134-1) received on January 31, 2002; to the Committee on Environment and Public Works.

EC-5265. A communication from the President of the United States, transmitting, pursuant to law, Presidential Determination Number 99-28, relative to Air Force operations near Groom Lake, Nevada; to the Committee on Environment and Public Works.

EC-5266. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled “Kentucky Regulatory Program” (KY-220-FOR) received on January 31, 2002; to the Committee on Energy and Natural Resources.

EC-5267. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled “Alabama Regulatory Program” (AL-071-FOR) received on January 31, 2002; to the Committee on Energy and Natural Resources.

EC-5268. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled “Individual Civil Penalties—Change of Address for Appeals” (RIN1029-AC02) received on January 31, 2002; to the Committee on Energy and Natural Resources.

EC-5269. A communication from the Chairman of the Federal Energy Regulatory Commission, transmitting, pursuant to law, a report entitled “Report on the Economic Impacts on Western Utilities and Ratepayers of Price Caps on Spot Market Sales”; to the Committee on Energy and Natural Resources.

EC-5270. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives: Rolls Royce plc. RB 211 Trent 800 Series Turbofan Engines” ((RIN2120-AA64)(2002-0044)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5271. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Airworthiness Directives: McDonnell Douglas Model DC 8 Series Airplanes” ((RIN2120-AA64)(2002-0045)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5272. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Standard Instrument Approach Procedures; Miscellaneous Amendments (6); Amdt. No. 2087” ((RIN2120-AA65)(2002-0001)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5273. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled “Criminal History Records Checks; FAA 2001-10999; 1-25/1-31—Reopening of the final rule Comment Period” ((RIN2120-AH53)(2002-0001)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC-5274. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A300 B2 Series Airplanes and Model A300 B4–2C, B4–103, and B4–203 Series Airplanes" ((RIN2120–AA64)(2002–0047)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5275. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Pilatus Aircraft Ltd. Models PC 12 and PC 12/45 Airplanes" ((RIN2120–AA64) (2002–0048)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5276. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC 9–10, 20, 30, and 40 Series Airplanes and C 9 Airplanes" ((RIN2120–AA64) (2002–0049)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5277. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: SAAB Model SF340A and 340B Series Airplanes" ((RIN2120–AA64) (2002–0050)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5278. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Turbomeca S A Arrius 1 A Turboshaft Engines" ((RIN2120–AA64) (2002–0051)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5279. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Bombardier Model CL–600–2B19 Series Airplanes" ((RIN2120–AA64) (2002–0052)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5280. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Airbus Model A319, A320, and A321 Series Airplanes" ((RIN2120–AA64) (2002–0053)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5281. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of Class E Airspace; Peninsula Regional Medical Center Heliport, Fruitland, MD" ((RIN2120–AA66) (2002–0002)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5282. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment of Class E Airspace; Dayton, TN" ((RIN2120–AA66) (2002–0003)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5283. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of a Class E Enroute Domestic Airspace Area, Iron Mountain, CA; Direct Final Rule, Request for Comments" ((RIN2120–AA66) (2002–0004)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5284. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment of Class E Airspace; Dayton, TN; Correction" ((RIN2120–AA66) (2002–0005)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5285. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Legal Description of Multiple Federal Airways in the Vicinity of Salt Lake City, UT" ((RIN2120–AA66) (2002–0006)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5286. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Establishment of a Class E Enroute Domestic Airspace Areas, Bristol Mountains, CA" ((RIN2120–AA66) (2002–0007)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5287. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Amendment to Class E Airspace: Ankeny, IA; Direct Final Rule; Confirmation of Effective Date" ((RIN2120–AA66) (2002–0008)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5288. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (120); Amdt. No. 2084" ((RIN2120–AA65) (2002–0002)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5289. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (30); Amdt. No. 2085" ((RIN2120–AA65) (2002–0003)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5290. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (29); Amdt. 2086" ((RIN2120–AA65) (2002–0004)) received on January 31, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5291. A communication from the President of the United States, transmitting, pursuant to law, a report entitled "Annual Report to the Congress on Foreign Economic Collection and Industrial Espionage"; to the Committee on Intelligence.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LIEBERMAN, from the Committee on Governmental Affairs:

Special Report entitled "Phony Identification And Credentials Via The Internet" (Rept. No. 107–133).

By Mr. BAUCUS, from the Committee on Finance, with an amendment in the nature of a substitute:

S. 1209: A bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes. (Rept. No. 107–134).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. BUNNING:

S. 1908. A bill to exclude the receipts and disbursements of the Abandoned Mine Reclamation Fund from the budget of the United States Government, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

By Mr. BOND:

S. 1909. A bill to amend title 10, United States Code, to require the establishment of a unified combatant command for homeland security of the United States, and for other purposes; to the Committee on Armed Services.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for himself, Mr. KERRY, and Mr. REED):

S. Res. 202. A resolution congratulating the New England Patriots for winning Super Bowl XXXVI; considered and agreed to.

By Mr. DASCHLE:

S. Res. 203. A resolution making temporary majority appointments to the Select Committee on Ethics; considered and agreed to.

ADDITIONAL COSPONSORS

S. 170

At the request of Mr. REID, the name of the Senator from Kentucky (Mr. MCCONNELL) was added as a cosponsor of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 640

At the request of Mr. THOMPSON, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 640, a bill to amend the Internal Revenue Code of 1986 to include wireless telecommunications equipment in the definition of qualified technological equipment for purposes of determining the depreciation treatment of such equipment.

S. 694

At the request of Mr. LEAHY, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 694, a bill to amend the Internal Revenue Code of 1986 to provide that a deduction equal to fair market value shall be allowed for charitable contributions of literary, musical, artistic, or scholarly compositions created by the donor.

S. 795

At the request of Mr. THOMPSON, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 795, a bill to amend the Internal Revenue Code of 1986 to permit the consolidation of life insurance companies with other companies.

S. 808

At the request of Mr. BAUCUS, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 808, a bill to amend the Internal Revenue Code of 1986 to repeal the occupational taxes relating to distilled spirits, wine, and beer.

S. 1022

At the request of Mr. WARNER, the names of the Senator from Georgia (Mr. CLELAND) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 1022, a bill to amend the Internal Revenue Code of 1986 to allow Federal civilian and military retirees to pay health insurance premiums on a pretax basis and to allow a deduction for TRICARE supplemental premiums.

S. 1058

At the request of Mr. HUTCHINSON, the names of the Senator from Missouri (Mrs. CARNAHAN) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 1058, a bill to amend the Internal Revenue Code of 1986 to provide tax relief for farmers and the producers of biodiesel, and for other purposes.

S. 1140

At the request of Mr. HATCH, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 1140, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1209

At the request of Mr. BINGAMAN, the names of the Senator from Maryland (Mr. SARBANES), the Senator from Hawaii (Mr. INOUYE), and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1274

At the request of Mr. KENNEDY, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1274, a bill to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke.

S. 1482

At the request of Mr. HARKIN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1482, a bill to consolidate and revise the authority of the Secretary of Agriculture relating to protection of animal health.

S. 1644

At the request of Mr. CAMPBELL, the names of the Senator from Louisiana (Ms. LANDRIEU), the Senator from Alaska (Mr. MURKOWSKI), and the Senator from New Hampshire (Mr. SMITH) were added as cosponsors of S. 1644, a bill to further the protection and recognition of veterans' memorials, and for other purposes.

S. 1707

At the request of Mr. JEFFORDS, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1707, a bill to amend title XVIII of the Social Security Act to specify the update for payments under the medicare physician fee schedule for 2002 and to direct the Medicare Payment Advisory Commission to conduct a study on replacing the use of the sustainable growth rate as a factor in determining such update in subsequent years.

S. 1792

At the request of Mr. BAYH, the name of the Senator from Missouri (Mrs. CARNAHAN) was added as a cosponsor of S. 1792, a bill to further facilitate service for the United States, and for other purposes.

S. 1828

At the request of Mr. LEAHY, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1828, a bill to amend subchapter III of chapter 83 and chapter 84 of title 5, United States Code, to include Federal prosecutors within the definition of a law enforcement officer, and for other purposes.

S. 1838

At the request of Mrs. BOXER, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1838, a bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to ensure that individual account plans protect workers by limiting the amount of employer stock each worker may hold and encouraging diversification of investment of plan assets, and for other purposes.

S. 1839

At the request of Mr. ALLARD, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 1839, a bill to amend the Bank Holding Company Act of 1956, and the Revised Statures of the United States to prohibit financial holding companies and national banks from engaging, directly or indirectly, in real estate brokerage or real estate management activities, and for other purposes.

S. 1873

At the request of Ms. SNOWE, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 1873, a bill to amend the Internal Revenue Code of 1986 to allow credits for the installation of energy efficiency home improvements, and for other purposes.

S. 1881

At the request of Mr. DODD, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1881, a bill to require the Federal Trade Commission to establish a list of consumers who request not to receive telephone sales calls.

S. RES. 109

At the request of Mr. REID, the names of the Senator from Indiana (Mr. BAYH), the Senator from Louisiana (Ms. LANDRIEU) and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. Res. 109, a resolution designating the second Sunday in the month of December as "National Children's Memorial Day" and the last Friday in the month of April as "Children's Memorial Flag Day."

S. RES. 182

At the request of Mrs. FEINSTEIN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. Res. 182, a resolution expressing the sense of the Senate that the United States should allocate significantly more resources to combat global poverty.

S. CON. RES. 84

At the request of Mr. SCHUMER, the names of the Senator from New Jersey (Mr. CORZINE), the Senator from Vermont (Mr. JEFFORDS), and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S. Con. Res. 84, a concurrent resolution providing for a joint session of Congress to be held in New York City, New York.

AMENDMENT NO. 2700

At the request of Mr. SARBANES, his name was added as a cosponsor of amendment No. 2700 proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2722

At the request of Mr. ALLARD, the names of the Senator from Idaho (Mr. CRAIG) and the Senator from New Hampshire (Mr. SMITH) were added as cosponsors of amendment No. 2722 proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2738

At the request of Mrs. HUTCHISON, the name of the Senator from Idaho (Mr.

Craig) was added as a cosponsor of amendment No. 2738 intended to be proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUNNING:

S. 1908. A bill to exclude the receipts and disbursements of the Abandoned Mine Reclamation Fund from the budget of the United States Government, and for other purposes; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one committee reports, the other committee have thirty days to report or be discharged.

Mr. BUNNING. Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1908

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ABANDONED MINE RECLAMATION FUND.

(a) Exclusion From Budget.—Notwithstanding any other provision of law, the receipts and disbursements of the Abandoned Mine Reclamation Fund shall not be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of—

(1) the budget of the United States Government as submitted by the President;

(2) the congressional budget; or

(3) the Balanced Budget and Emergency Deficit Control Act of 1985.

(b) Availability of Funds.—Section 401(d) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231(d)) is amended to read as follows:

"(d) All amounts in the fund at the end of any fiscal year shall be immediately available for obligation or expenditure, without further appropriation, for the purposes of this title at the commencement of the next fiscal year.".

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 202—CONGRATULATING THE NEW ENGLAND PATRIOTS FOR WINNING SUPER BOWL XXXVI

Mr. KENNEDY. (for himself, Mr. Kerry, and Mr. Reed) submitted the following resolution; which was considered and agreed to:

S. Res. 202

Whereas, yesterday, the New England Patriots pulled off a thrilling 20-17 victory over the St. Louis Rams in Super Bowl XXXVI;

Whereas, the victory is the first world championship for the Patriots, and it could not have come at a more poignant time for our country;

Whereas, at a time when our entire country is banding together, the Patriots set a wonderful example of self-sacrifice and unity, showing us all what is possible when we work together, believe in each other, and collaborate for the greater good;

Whereas, coach Bill Belichick stressed teamwork, saying that only by working together could the Patriots overcome their opponent, the best team in the NFL's regular season, the St. Louis Rams;

Whereas, the team was led by Tom Brady, Ty Law, Tedy Bruschi, Mike Vrabel, and Troy Brown, but played together to forge a victory for the whole team;

Whereas, the Patriots showed their true spirit, using running back Kevin Faulk, receiver Troy Brown, and intelligent play from Brady to drive from inside their own 20 yard line to give kicker Adam Vinatieri the chance to win the game with only 7 seconds left on the clock.

Whereas, the Patriots won the game as the clock expired;

Whereas, all of us in Massachusetts, and indeed all who live in New England, are proud of the Patriots and their extraordinary season;

Whereas, eight years ago Bob Kraft bought the Patriots, and today he brings the Lombardi trophy home to fans who have been waiting for 42 years;

Whereas, in Massachusetts, April 15th is Patriot's Day—a day when we celebrate the brave men and women who fought for our nation's independence—but, for generations of New England sports fans, yesterday will always be our Patriot's Day; now therefore, be it

Resolved, That the Senate commends the World Champion New England Patriots for their extraordinary victory in Super Bowl XXXVI.

SENATE RESOLUTION 203—MAKING TEMPORARY MAJORITY APPOINTMENTS TO THE SELECT COMMITTEE ON ETHICS

Mr. DASCHLE submitted the following resolution; which was considered and agreed to:

S. Res. 203

Resolved, That for matters before the Select Committee on Ethics involving the investigation of Senator Torricelli, and the Senator from Nevada (Mr. Reid) and the Senator from Hawaii (Mr. Akaka) be replaced by the Senator from Hawaii (Mr. Inouye) and the Senator from Rhode Island (Mr. Reed) with the Senator from Hawaii (Mr. Inouye) acting as Chairman in matters regarding such investigation.

That for all other matters before the Select Committee on Ethics the committee membership shall be unchanged.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2762. Mr. ENZI (for himself, Mr. Cochran, and Mr. Craig) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table.

SA 2763. Mr. ENZI (for himself, Mr. Cochran, and Mr. Craig) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2764. Mr. REID (for himself, Mr. Kyl, Mr. Nelson, of Florida, Mr. Hatch, and Mr. Miller) proposed an amendment to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra.

SA 2765. Mr. GREGG submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2766. Mr. REID (for Mr. Durbin (for himself, Mr. Wellstone, Mr. Dayton, Ms. Landrieu, and Mrs. Lincoln)) proposed an amendment to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra.

SA 2767. Mrs. LINCOLN (for herself, Mr. Graham, Mr. Nelson, of Florida, Mr. Miller, Mr. Corzine, Mr. Dayton, Mr. Kerry, Mrs. Murray, Mr. Torricelli, Mrs. Clinton, and Mr. Schumer) proposed an amendment to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra.

SA 2768. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2769. Mr. ENZI submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2770. Mr. CRAIG (for himself, Mr. Torricelli, Mr. Grassley, Mr. Santorum, Mr. Frist, Mr. Ensign, and Mr. Hutchinson) proposed an amendment to the bill H.R. 622, supra.

SA 2771. Mr. DORGAN (for himself, Mr. Smith, of Oregon, and Mr. Reid) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2772. Mr. DORGAN submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2773. Mr. GRASSLEY (for himself, Ms. Snowe, and Mr. Lott) proposed an amendment to the bill H.R. 622, supra.

SA 2774. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2775. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2776. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2777. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2778. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2762. Mr. ENZI (for himself, Mr. Cochran, and Mr. Craig) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert:

SECTION 1. REPEAL OF OCCUPATIONAL TAXES RELATING TO DISTILLED SPIRITS, WINE, AND BEER.

(a) Repeal of Occupational Taxes.—

(1) In general.—The following provisions of part II of subchapter A of chapter 51 of the Internal Revenue Code of 1986 (relating to occupational taxes) are hereby repealed:

(A) Subpart A (relating to proprietors of distilled spirits plants, bonded wine cellars, etc.)

(B) Subpart B (relating to brewer).

(C) Subpart D (relating to wholesale dealers) (other than sections 5114 and 5116).

(D) Subpart E (relating to retail dealers) (other than section 5124).

(E) Subpart G (relating to general provisions) (other than sections 5142, 5143, 5145, and 5146).

(2) Nonbeverage domestic drawback.—Section 5131 of such Code is amended by striking ", on payment of a special tax per annum,".

(3) Industrial use of distilled spirits.—Section 5276 of such Code is hereby repealed.

(b) Conforming Amendments.—

(1)(A) The heading for part II of subchapter A of chapter 51 of such Code and the table of subparts for such part are amended to read as follows:

"Part II—Miscellaneous Provisions

"Subpart A. Manufacturers of stills.
"Subpart B. Nonbeverage domestic drawback claimants.
"Subpart C. Recordkeeping by dealers.
"Subpart D. Other provisions."

(B) The table of parts for such subchapter A is amended by striking the item relating to part II and inserting the following new item:

"Part II. Miscellaneous provisions."

(2) Subpart C of part II of such subchapter (relating to manufacturers of stills) is redesignated as subpart A.

(3)(A) Subpart F of such part II (relating to nonbeverage domestic drawback claimants) is redesignated as subpart B and sections 5131 through 5134 are redesignated as sections 5111 through 5114, respectively.

(B) The table of sections for such subpart B, as so redesignated, is amended—

(i) by redesignating the items relating to sections 5131 through 5134 as relating to sections 5111 through 5114, respectively, and

(ii) by striking "and rate of tax" in the item relating to section 5111, as so redesignated.

(C) Section 5111 of such Code, as redesignated by subparagraph (A), is amended—

(i) by striking "and rate of tax" in the section heading.

(ii) by striking the subsection heading for subsection (a), and

(iii) by striking subsection (b).

(4) Part II of subchapter A of chapter 51 of such Code is amended by adding after subpart B, as redesignated by paragraph (3), the following new subpart:

"Subpart C—Recordkeeping by Dealers

"Sec. 5121. Recordkeeping by wholesale dealers.
"Sec. 5122. Recordkeeping by retail dealers.
"Sec. 5123. Preservation and inspection of records, and entry of premises for inspection."

(5)(A) Section 5114 of such Code (relating to records) is moved to subpart C of such part II and inserted after the table of sections for such subpart.

(B) Section 5114 of such Code is amended—

(i) by striking the section heading and inserting the following new heading:

"SEC. 5121. RECORDKEEPING BY WHOLESALE DEALERS.",

and

(ii) by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) Wholesale Dealers.—For purposes of this part—

"(1) Wholesale dealer in liquors.—The term "wholesale dealer in liquors" means any dealer (other than a wholesale dealer in beer) who sells, or offers for sale, distilled spirits, wines, or beer, to another dealer.

"(2) Wholesale dealer in beer.—The term "wholesale dealer in beer" means any dealer who sells, or offers for sale, beer, but not distilled spirits or wines, to another dealer.

"(3) Dealer.—The term "dealer" means any person who sells, or offers for sale, any distilled spirits, wines, or beer.

"(4) Presumption in case of sale of 20 wine gallons or more.—The sale, or offer for sale, of distilled spirits, wines, or beer, in quantities of 20 wine gallons or more to the same person at the same time, shall be presumptive evidence that the person making such sale, or offer for sale, is engaged in or carrying on the business of a wholesale dealer in liquors or wholesale dealer in beer, as the case may be. Such presumption may be overcome by evidence satisfactorily showing that such sale, or offer for sale, was made to a person other than a dealer."

(C) Paragraph (3) of section 5121(d) of such Code, as so redesignated, is amended by striking "section 5146" and inserting "section 5123".

(6)(A) Section 5124 of such Code (relating to records) is moved to subpart C of part II of subchapter A of chapter 51 of such Code and inserted after section 5121.

(B) Section 5124 of such Code is amended—

(i) by striking the section heading and inserting the following new heading:

"SEC. 5122. RECORDKEEPING BY RETAIL DEALERS.",

(ii) by striking "section 5146" in subsection (c) and inserting "section 5123", and

(iii) by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c) Retail Dealers.—For purposes of this section—

"(1) Retail dealer in liquors.—The term "retail dealer in liquors" means any dealer (other than a retail dealer in beer) who sells, or offers for sale, distilled spirits, wines, or beer, to any person other than a dealer.

"(2) Retail dealer in beer.—The term "retail dealer in beer" means any dealer who sells, or offers for sale, beer, but not distilled spirits or wines, to any person other than a dealer.

"(3) Dealer.—The term "dealer" has the meaning given such term by section 5121(c)(3)."

(7) Section 5146 of such Code is moved to subpart C of part II of subchapter A of chapter 51 of such Code, inserted after section 5122, and redesignated as section 5123.

(8) Part II of subchapter A of chapter 51 of such Code is amended by inserting after subpart C the following new subpart:

"Subpart D—Other Provisions

"Sec. 5131. Packaging distilled spirits for industrial uses.
"Sec. 5132. Prohibited purchases by dealers."

(9) Section 5116 of such Code is moved to subpart D of part II of subchapter A of chapter 51 of such Code, inserted after the table of sections, redesignated as section 5131, and amended by inserting "(as defined in section 5121(c))" after "dealer" in subsection (a).

(10) Subpart D of part II of subchapter A of chapter 51 of such Code is amended by adding at the end thereof the following new section:

"SEC. 5132. PROHIBITED PURCHASES BY DEALERS.

"(a) In General.—Except as provided in regulations prescribed by the Secretary, it shall be unlawful for a dealer to purchase distilled spirits from any person other than a wholesale dealer in liquors who is required to keep the records prescribed by section 5121.

"(b) Penalty and Forfeiture.—

"For penalty and forfeiture provisions applicable to violations of subsection (a), see sections 5687 and 7302."

(11) Subsection (b) of section 5002 of such Code is amended—

(A) by striking "section 5112(a)" and inserting "section 5121(c)(3)",

(B) by striking "section 5112" and inserting "section 5121(c)."

(C) by striking "section 5122" and inserting "section 5122(c)."

(12) Subparagraph (A) of section 5010(c)(2) of such Code is amended by striking "section 5134" and inserting "section 5114".

(13) Subsection (d) of section 5052 of such Code is amended to read as follows:

"(d) Brewer.—For purposes of this chapter, the term "brewer" means any person who brews beer or produces beer for sale. Such term shall not include any person who produces only beer exempt from tax under section 5053(e)."

(14) The text of section 5182 of such Code is amended to read as follows:

"For provisions requiring recordkeeping by wholesale liquor dealers, see section 5112, and be retail liquor dealers, see section 5122."

(15) Subsection (b) of section 5402 of such Code is amended by striking "section 5092" and inserting "section 5052(d)".

(16) Section 5671 of such Code is amended by striking "or 5091".

(17)(A) Part V of subchapter J of chapter 51 of such Code is hereby repealed.

(B) The table of parts for such subchapter J is amended by striking the item relating to part V.

(18)(A) Sections 5142, 5143, and 5145 of such Code are moved to subchapter D of chapter 52 of such Code, inserted after section 5731, redesignated as sections 5732, 5733, and 5734, respectively, and amended by striking "this part" each place it appears and inserting "this subchapter".

(B) Section 5732 of such Code, as redesignated by subparagraph (A), is amended by striking "(except the tax imposed by section 5131)" each place it appears.

(C) Subsection (c) of section 5733 of such Code, as redesignated by subparagraph (A), is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(D) The table of sections for subchapter D of chapter 52 of such Code is amended by adding at the end thereof the following:

"Sec. 5732. Payment of tax.
"Sec. 5733. Provisions relating to liability for occupational taxes.
"Sec. 5734. Application of State laws."

(E) Section 5731 of such Code is amended by striking subsection (c) and by redesignating subsection (d) as subsection (c).

(19) Subsection (c) of section 6071 of such Code is amended by striking "section 5142" and inserting "section 5732".

(20) Paragraph (1) of section 7652(g) of such Code is amended—

(A) by striking "subpart F" and inserting "subpart B", and

(B) by striking "section 5131(a)" and inserting "section 5111(a)".

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act, but shall not apply to taxes imposed for periods before such date.

SA 2763. Mr. ENZI (for himself, Mr. Cochran and Mr. Craig) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert:

SECTION 1. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT ACCOUNTS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subsection (d) of section 408 of the Internal Revenue Code of 1986 (relating to individual retirement accounts) is amended by adding at the end the following new paragraph:

"(8) DISTRIBUTIONS FOR CHARITABLE PURPOSES.—

"(A) IN GENERAL.—No amount shall be includible in gross income by reason of a qualified charitable distribution from an individual retirement account to an organization described in section 170(c).

"(B) SPECIAL RULES RELATING TO CHARITABLE REMAINDER TRUSTS, POOLED INCOME FUNDS, AND CHARITABLE GIFT ANNUITIES.—

"(i) IN GENERAL.—No amount shall be includible in gross income by reason of a qualified charitable distribution from an individual retirement account—

"(I) to a charitable remainder annuity trust or a charitable remainder unitrust (as such terms are defined in section 664(d)),

"(II) to a pooled income fund (as defined in section 642(c)(5)), or

"(III) for the issuance of a charitable gift annuity (as defined in section 501(m)(5)).

The preceding sentence shall apply only if no person holds an income interest in the amounts in the trust fund, or annuity attributable to such distribution other than one or more of the following: the individual for whose benefit such account is maintained, the spouse of such individual, or any organization described in section 170(c).

"(ii) DETERMINATION OF INCLUSION OF AMOUNTS DISTRIBUTED.—In determining the amount includible in the gross income of any person by reason of a payment or distribution from a trust referred to in clause (i)(I) or a charitable gift annuity (as so defined), the portion of any qualified charitable distribution to such trust or for such annuity which would (but for this subparagraph) have been includible in gross income—

"(I) shall be treated as income described in section 664(b)(1), and

"(II) shall not be treated as an investment in the contract.

"(iii) NO INCLUSION FOR DISTRIBUTION TO POOLED INCOME FUND.—No amount shall be includible in the gross income of a pooled income fund (as so defined) by reason of a qualified charitable distribution to such fund.

"(C) QUALIFIED CHARITABLE DISTRIBUTION.—For purposes of this paragraph, the term "qualified charitable distribution" means any distribution from an individual retirement account—

"(i) which is made on or after the date that the individual for whose benefit the account is maintained has attained age 59½, and

"(ii) which is made directly from the account to—

"(I) an organization described in section 170(c), or

"(II) a trust, fund, or annuity referred to in subparagraph (B).

"(D) DENIAL OF DEDUCTION.—The amount allowable as a deduction under section 170 to the taxpayer for the taxable year shall be reduced (but not below zero) by the sum of the amounts of the qualified charitable distributions during such year which would be includible in the gross income of the taxpayer for such year but for this paragraph.".

"(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after the date of the enactment of this Act.

SA 2764. Mr. REID (for himself, Mr. KYL, Mr. NELSON of Florida, Mr. HATCH, and Mr. MILLER) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end, add the following:

TITLE —PERSONAL TRAVEL AND BUSINESS EXPENSES

SEC. 01. PERSONAL TRAVEL CREDIT.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

"SEC. 25C. PERSONAL TRAVEL CREDIT.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified personal travel expenses which are paid or incurred by the taxpayer during the 60-day period beginning on the date of the enactment of this section.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—The credit allowed a taxpayer under subsection (a) for any taxable year shall not exceed $600 ($1,200, in the case of a joint return).

"(2) PER TRIP LIMITATION.—The expenses taken into account under subsection (a), with respect to any trip, shall not exceed $200.

"(c) QUALIFIED PERSONAL TRAVEL EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified personal travel expenses' means reasonable expenses in connection with a qualifying personal trip for—

"(A) travel by aircraft, rail, watercraft, or commercial motor vehicle, and

"(B) lodging while away from home at any commercial lodging facility.

Such term does not include expenses for meals, entertainment, amusement, or recreation.

"(2) QUALIFYING PERSONAL TRIP.—

"(A) IN GENERAL.—The term 'qualifying personal trip' means travel within the United States (including the Commonwealth of Puerto Rico and the possessions of the United States)—

"(i) the farthest destination of which is at least 100 miles from the taxpayer's residence,

"(ii) involves an overnight stay at a commercial lodging facility and

"(iii) which is taken on or after the date of the enactment of this section.

"(B) ONLY PERSONAL TRAVEL INCLUDED.—Such term shall not include travel if, without regard to this section, any expenses in connection with such travel are deductible in connection with a trade or business or activity for the production of income.

"(3) COMMERCIAL LODGING FACILITY.—The term 'commercial lodging facility' includes any hotel, motel, resort, rooming house, watercraft, or campground.

"(d) SPECIAL RULES.—

"(1) DENIAL OF CREDIT TO DEPENDENTS.—No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins.

"(2) EXPENSES MUST BE SUBSTANTIATED.—No credit shall be allowed by subsection (a) unless the taxpayer substantiates by adequate records the amount of the expenses described in subsection (c)(1).

"(e) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any expense for which credit is allowed under this section.".

(b) CONFORMING AMENDMENTS.—

(1) Section 24(b)(3)(B) of the Internal Revenue Code of 1986 is amended by striking "23 and 25B" and inserting "23, 25B, and 25C".

(2) Section 25(e)(1)(C) of such Code is amended by inserting "25C," after "25B,".

(3) Section 25B of such Code is amended by striking "section 23" and inserting "sections 23 and 25C".

(4) Section 26(a)(1) of such Code is amended by striking "and 25B" and inserting "25B, and 25C".

(5) Section 1400C(d) of such Code is amended by striking "and 25B" and inserting "25B, and 25C".

(6) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting before the item relating to section 26 the following new item:

"Sec. 25C. Personal travel credit.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 02. TEMPORARY INCREASE IN DEDUCTION FOR BUSINESS MEAL EXPENSES.

(a) IN GENERAL.—Subsection (n) of section 274 of the Internal Revenue Code of 1986 (relating to only 50 percent of meal and entertainment expenses allowed as deduction) is amended by adding at the end the following:

"(4) TEMPORARY INCREASE IN LIMITATION.—With respect to any expense for food or beverage paid or incurred on or after the date of enactment of this paragraph, and before the date that is 180 days after such date, paragraph (1) shall be applied by substituting '80 percent' for '50 percent'.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 03. TEMPORARY RESTORATION OF DEDUCTION FOR SPOUSES ACCOMPANYING TAXPAYER ON BUSINESS TRAVEL.

(a) IN GENERAL.—Section 274(m) of the Internal Revenue Code of 1986 (relating to limitations on travel expenses) is amended by adding at the end the following:

"(4) TEMPORARY REPEAL OF LIMITATION.—With respect to any travel expense paid or incurred on or after the date of enactment of this paragraph, and before the date that is 180 days after such date, paragraph (3) shall not apply.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SA 2765. Mr. GREGG submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end add the following:

SEC. ___. TEMPORARY REDUCTION IN CAPITAL GAINS RATE.

(a) REDUCTION IN MAXIMUM RATE.—Section 1(h)(1)(C) (relating to maximum capital gains rate) is amended by inserting "(15 percent in the case of 2002 and 2003)" after "20 percent".

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 55(b)(3) is amended by striking "20 percent)" and inserting "the percentage in effect under section 1(h)(1)(C))".

(2) Paragraph (1) of section 1445(e) by striking "20 percent)" and inserting "the percentage in effect under section 1(h)(1)(C))".

(3)(A) The second sentence of section 7518(g)(6)(A) is amended by striking "20 percent" and inserting "the percentage in effect under section 1(h)(1)(C)".

(B) The second sentence of section 607(h)(6)(A) of the Merchant Marine Act, 1936 is amended by striking "20 percent" and inserting "the percentage in effect under section 1(h)(1)(C)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or exchanges made after December 31, 2001.

SA 2766. Mr. REID (for Mr. DURBIN (for himself, Mr. WELLSTONE, Mr. DAYTON, Ms. LANDRIEU, and Mrs. LINCOLN)) proposed an amendment to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

Strike title IV and insert the following:

TITLE IV—TEMPORARY ENHANCED UNEMPLOYMENT BENEFITS

SEC. 401. SHORT TITLE.

This title may be cited as the "Temporary Unemployment Compensation Act of 2002".

SEC. 402. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 31 days' written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—

(1) IN GENERAL.—Any agreement under subsection (a) shall provide that the State agency of the State will make—

(A) payments of temporary enhanced unemployment compensation to individuals; and

(B) payments of temporary supplemental unemployment compensation to individuals who—

(i) have—

(I) exhausted all rights to regular compensation under the State law (or, as the case may be, all rights to temporary enhanced unemployment compensation); or

(II) received 26 weeks of regular compensation under the State law (or, as the case may be, 26 weeks of temporary enhanced unemployment compensation);

(ii) do not have any rights to regular compensation under the State law of any other State (or to temporary enhanced unemployment compensation); and

(iii) are not receiving compensation under the unemployment compensation law of any other country.

(2) SPECIAL RULES REGARDING TEMPORARY ENHANCED UNEMPLOYMENT COMPENSATION.—

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), eligibility for, and the amount of, temporary enhanced unemployment compensation shall be determined in the same manner as eligibility for, and the amount of, regular compensation is determined under the State law.

(B) ELIGIBILITY FOR TEUC.—In the case of an individual who is not eligible for regular compensation under the State law because—

(i) of the use of a definition of base period that does not count wages earned in the most recently completed calendar quarter, then eligibility for temporary enhanced unemployment compensation under subparagraph (A) shall be determined by applying a base period ending at the close of the calendar quarter most recently completed before the date of the individual's application for benefits, except that this clause shall not apply unless wage data for that quarter has been reported to the State or supplied to the State agency on behalf of the individual; or

(ii) such individual does not meet requirements relating to availability for work, active search for work, or refusal to accept work, because such individual is seeking, or is available for, only part-time (and not full-time) work, then eligibility for temporary enhanced unemployment compensation under subparagraph (A) shall be determined without regard to the fact that such individual is seeking, or is available for, only part-time (and not full-time) work, except that this clause shall not apply unless—

(I) the individual's employment on which eligibility for the temporary enhanced unemployment compensation is based was part-time employment; or

(II) the individual can show good cause for seeking, or being available for, only part-time (and not full-time) work.

(C) INCREASED BENEFITS.—

(i) INDIVIDUALS ELIGIBLE FOR REGULAR COMPENSATION.—In the case of an individual who is eligible for regular compensation (including dependents' allowances) under the State law without regard to this paragraph, the amount of temporary enhanced unemployment compensation payable to such individual for any week shall be an amount equal to the greater of—

(I) 15 percent of the amount of such regular compensation payable to such individual for the week; or

(II) $25.

(ii) INDIVIDUALS NOT ELIGIBLE FOR REGULAR COMPENSATION BUT ELIGIBLE FOR TEUC BY REASON OF SUBPARAGRAPH (B).—In the case of an individual who is eligible for temporary enhanced unemployment compensation under this paragraph by reason of either clause (i) or (ii) of subparagraph (B), the amount of temporary enhanced unemployment compensation payable to such individual for any week shall be equal to the amount of compensation payable to such individual (as determined under subparagraph (A)) for the week, plus an amount equal to the greater of—

(I) 15 percent of the amount so determined; or

(II) $25.

(iii) ROUNDING.—For purposes of determining the amount under clause (i)(I) or (ii)(I), such amount shall be rounded to the dollar amount specified under the State law.

(c) NONREDUCTION RULE.—Under an agreement entered into under this title, subsection (b)(2)(C) shall not apply (or shall cease to apply) with respect to a State upon a determination by the Secretary that the method governing the computation of regular compensation under the State law of that State has been modified in a way such that the average weekly amount of regular compensation which will be payable during the period of the agreement (determined disregarding any temporary enhanced unemployment compensation) will be less than the average weekly amount of regular compensation which would otherwise have been payable during such period under the State law, as in effect on September 11, 2001.

(d) COORDINATION RULES.—

(1) REGULAR COMPENSATION PAYABLE UNDER A FEDERAL LAW.—Rules similar to the rules under subsection (b)(2) shall apply in determining the amount of benefits payable under any Federal law to the extent that those benefits are determined by reference to regular compensation payable under the State law of the State involved.

(2) TEMPORARY SUPPLEMENTAL UNEMPLOYMENT COMPENSATION TO SERVE AS SECOND-TIER BENEFITS.—Notwithstanding any other provision of law, neither regular compensation, temporary enhanced unemployment compensation, extended compensation, nor additional compensation under any Federal or State law shall be payable to any individual for any week for which temporary supplemental unemployment compensation is payable to such individual.

(3) TREATMENT OF OTHER UNEMPLOYMENT COMPENSATION.—After the date on which a State enters into an agreement under this title, any regular compensation (or, as the case may be, temporary enhanced unemployment compensation) in excess of 26 weeks, any extended compensation, and any additional compensation under any Federal or State law shall be payable to an individual in accordance with the State law after such individual has exhausted any rights to temporary supplemental unemployment compensation under the agreement.

(e) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(B)(i)(I), an individual shall be considered to have exhausted such individual's rights to regular compensation (or, as the case may be, rights to temporary enhanced unemployment compensation) under a State law (or agreement under this title) when—

(1) no payments of regular compensation (or, as the case may be, rights to temporary enhanced unemployment compensation) can be made under such law (or such agreement) because the individual has received all such compensation available to the individual based on employment or wages during the individual's base period; or

(2) the individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(f) WEEKLY BENEFIT AMOUNT, TERMS AND CONDITIONS, ETC. RELATING TO TEMPORARY SUPPLEMENTAL UNEMPLOYMENT COMPENSATION.—For purposes of any agreement under this title—

(1) the amount of temporary supplemental unemployment compensation which shall be payable to an individual for any week of total unemployment shall be equal to—

(A) the amount of regular compensation (including dependents' allowances) payable to such individual under the State law for a week for total unemployment during such individual's benefit year; plus

(B) the amount of any temporary enhanced unemployment compensation payable to such individual for a week for total unemployment during such individual's benefit year;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary supplemental

unemployment compensation and the payment thereof, except where inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary supplemental unemployment compensation payable to any individual for whom a temporary supplemental unemployment compensation account is established under section 403 shall not exceed the amount established in such account for such individual.

SEC. 403. TEMPORARY SUPPLEMENTAL UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) In General.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary supplemental unemployment compensation, a temporary supplemental unemployment compensation account.

(b) Amount in Account.—

(1) In general.—The amount established in an account under subsection (a) shall be equal to the greater of—

(A) 50 percent of—

(i) the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law; plus

(ii) the amount of any temporary enhanced unemployment compensation payable to the individual during the individual's benefit year under the agreement; or

(B) 13 times the individual's weekly benefit amount.

(2) Weekly benefit amount.—For purposes of paragraph (1)(B), an individual's weekly benefit amount for any week is an amount equal to—

(A) the amount of regular compensation (including dependents' allowances) under the State law payable to the individual for such week for total unemployment; plus

(B) the amount of any temporary enhanced unemployment compensation under the agreement payable to the individual for such week for total unemployment.

SEC. 404. PAYMENTS TO STATES HAVING AGREEMENTS UNDER THIS TITLE.

(a) General Rule.—There shall be paid to each State which has entered into an agreement under this title an amount equal to—

(1) 100 percent of any temporary enhanced unemployment compensation made payable to individuals by such State;

(2) 100 percent of any regular compensation which would have been temporary enhanced unemployment compensation under this title but for the fact that its State law contains provisions comparable to the provisions in clauses (i) and (ii) of section 402(b)(2)(B); and

(3) 100 percent of the temporary supplemental unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) Determination of Amount.—Sums under subsection (a) payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(c) Administrative Expenses, Etc.—There is hereby appropriated, without fiscal year limitation, out of the employment security administration account of the Unemployment Trust Fund (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a))) $500,000,000 to reimburse States for the costs of the administration of agreements under this title (including any improvements in technology in connection therewith) and to provide reemployment services to unemployment compensation claimants in States having agreements under this title. Each State's share of the amount appropriated by the preceding sentence shall be determined by the Secretary according to the factors described in section 302(a) of the Social Security Act (42 U.S.C. 501(a)) and certified by the Secretary to the Secretary of the Treasury.

SEC. 405. FINANCING PROVISIONS.

(a) In General.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a))), and the Federal unemployment account (as established by section 904(g) of such Act (42 U.S.C. 1104(g))), of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a))) shall be used, in accordance with subsection (b), for the making of payments (described in section 404(a)) to States having agreements entered into under this title.

(b) Certification.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums described in section 404(a) which are payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification by transfers from the extended unemployment compensation account, as so established (or, to the extent that there are insufficient funds in that account, from the Federal unemployment account, as so established) to the account of such State in the Unemployment Trust Fund (as so established).

SEC. 406. FRAUD AND OVERPAYMENTS.

(a) In General.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received any temporary enhanced unemployment compensation or temporary supplemental unemployment compensation under this title to which such individual was not entitled, such individual—

(1) shall be ineligible for any further benefits under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) Repayment.—In the case of individuals who have received any temporary enhanced unemployment compensation or temporary supplemental unemployment compensation under this title to which such individuals were not entitled, the State shall require such individuals to repay those benefits to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such benefits was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) Recovery by State Agency.—

(1) In general.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any regular compensation, temporary enhanced unemployment compensation, or temporary supplemental unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary enhanced unemployment compensation or the temporary supplemental unemployment compensation to which such individuals were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) Opportunity for hearing.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) Review.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 407. DEFINITIONS.

In this title the terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970.

SEC. 408. APPLICABILITY.

(a) In General.—An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 6, 2003.

(b) Specific Rules.—

(1) In general.—Under such an agreement, the following rules shall apply:

(A) Alternative base periods.—The payment of temporary enhanced unemployment compensation by reason of section 402(b)(2)(B)(i) (relating to alternative base periods) shall not apply except in the case of initial claims filed on or after the first day of the week that includes September 11, 2001.

(B) Part-time employment and increased benefits.—The payment of temporary enhanced unemployment compensation by reason of subparagraphs (B)(ii) and (C) of section 402(b)(2) (relating to part-time employment and increased benefits, respectively) shall apply to weeks of unemployment described in subsection (a), regardless of the date on which an individual's initial claim for benefits is filed.

(C) Eligibility for temporary supplemental unemployment compensation.—The payment of temporary supplemental unemployment compensation pursuant to section 402(b)(1)(B) shall not apply except in the case of individuals who first meet either the condition described in subclause (I) or (II) of clause (i) of such section on or after the first day of the week that includes September 11, 2001.

(2) Reapplication process.—

(A) Alternative base periods.—In the case of an individual who filed an initial claim for regular compensation on or after the first day of the week that includes September 11, 2001, and before the date that the State entered into an agreement under subsection (a)(1) that was denied as a result of the application of the base period that applied under the State law prior to the date on which the State entered into the agreement, such individual—

(i) may file a claim for temporary enhanced unemployment compensation based on section 402(b)(2)(B)(i) (relating to alternative base periods) on or after the date on which the State enters into such agreement and before the date on which such agreement terminates; and

(ii) if eligible, shall be entitled to such compensation only for weeks of unemployment described in subsection (a) beginning on or after the date on which the individual files such claim.

(B) Part-time employment.—In the case of an individual who before the date that the State entered into an agreement under subsection (a)(1) was denied regular compensation under the State law's provisions relating to availability for work, active search for work, or refusal to accept work, solely by virtue of the fact that such individual is seeking, or available for, only part-time (and not full-time) work, such individual—

(i) may file a claim for temporary enhanced unemployment compensation based on section 402(b)(2)(B)(ii) (relating to part-time employment) on or after the date on which the State enters into the agreement under subsection (a)(1) and before the date on which such agreement terminates; and

(ii) if eligible, shall be entitled to such compensation only for weeks of unemployment described in subsection (a) beginning on or after the date on which the individual files such claim.

(3) No retroactive payments for weeks prior to agreement.—No amounts shall be payable to an individual under an agreement entered into under this title for any week of unemployment prior to the week beginning after the date on which such agreement is entered into.

SEC. 409. RULE OF CONSTRUCTION REGARDING CHANGES TO STATE LAW.

Nothing in this title shall be construed as requiring a State to modify the laws of such State in order to enter into an agreement under this title or to comply with the provisions of the agreement described in section 102(b).

SA 2767. Mrs. LINCOLN (for herself, Mr. Graham, Mr. Nelson of Florida, Mr. Miller, Mr. Corzine, Mr. Dayton, Mr. Kerry, Mrs. Murray, Mr. Torricelli, Mrs. Clinton, and Mr. Schumer) proposed an amendment to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. ___. DELAY IN MEDICAID UPL CHANGES FOR NON-STATE GOVERNMENT-OWNED OR OPERATED HOSPITALS.

(a) Congressional Findings.—Congress finds the following:

(1) The Secretary of Health and Human Services, in regulations promulgated on January 12, 2001, provided for an exception to the upper limits on payment under State medicaid plans so to permit payment to city and county public hospitals at a rate up to 150 percent of the medicare payment rate.

(2) The Secretary justified this exception because these hospitals—

(A) provide access to a wide range of needed care not often otherwise available in underserved areas;

(B) deliver a significant proportion of uncompensated care; and

(C) are critically dependent on public financing sources, such as the medicaid program.

(3) There has been no evidence presented to Congress that has changed this justification for such exception.

(b) Moratorium on UPL Changes.—The Secretary of Health and Human Services may not implement any change in the upper limits on payment under title XIX of the Social Security Act for services of non-State government-owned or operated hospitals published after October 1, 2001, before the later of—

(1) June 30, 2002; or

(2) 3 months after the submission to Congress of the plan described in subsection (c).

(c) Mitigation Plan.—The Secretary of Health and Human Services shall submit to Congress a report that contains a plan for mitigating the loss of funding to non-State government-owned or operated hospitals as a result of any change in the upper limits on payment for such hospitals published after October 1, 2001. Such report shall also include such recommendations for legislative action as the Secretary deems appropriate.

SA 2768. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the bill, insert the following:

SEC. ___. EXTENSION OF GENERALIZED SYSTEM OF PREFERENCES.

(a) Extension of Duty-Free Treatment Under System.—Section 505 of the Trade Act of 1974 (19 U.S.C. 2465(a)) is amended by striking "September 30, 2001" and inserting "December 31, 2002".

(b) Retroactive Application for Certain Liquidations and Reliquidations.—

(1) In general.—Notwithstanding section 514 of the Tariff Act of 1930 or any other provision of law, and subject to paragraph (2), the entry—

(A) of any article to which duty-free treatment under title V of the Trade Act of 1974 would have applied if the entry had been made on September 30, 2001,

(B) that was made after September 30, 2001, and before the date of the enactment of this Act, and

(C) to which duty-free treatment under title V of that Act did not apply,

shall be liquidated or reliquidated as free of duty, and the Secretary of the Treasury shall refund any duty paid with respect to such entry. As used in this subsection, the term "entry" includes a withdrawal from warehouse for consumption.

(2) Requests.—Liquidation or reliquidation may be made under paragraph (1) with respect to an entry only if a request therefor is filed with the Customs Service, within 180 days after the date of the enactment of this Act, that contains sufficient information to enable the Customs Service—

(A) to locate the entry; or

(B) to reconstruct the entry if it cannot be located.

SA 2769. Mr. ENZI submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

TITLE —EMERGENCY AGRICULTURE ASSISTANCE

SEC. 01 LIVESTOCK ASSISTANCE PROGRAM.

(a) In General.—The Secretary of Agriculture (referred to in this title as the "Secretary") shall use $500,000,000 of the funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received an emergency designation by the President or the Secretary after January 1, 2001, of which $12,000,000 shall be made available for the American Indian livestock program under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

(b) Administration.—The Secretary shall make assistance available under this section in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

SEC. 02 COMMODITY CREDIT CORPORATION.

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this title.

SEC. 03 REGULATIONS.

(a) In General.—The Secretary may promulgate such regulations as are necessary to implement this title.

(b) Procedure.—The promulgation of the regulations and administration of this title shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SEC. 04 EMERGENCY DESIGNATION.

Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(a) An amount equal to the amount by which revenues are reduced by this title below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(b) Amounts equal to the amounts of new budget authority and outlays provided in this title in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

SA 2770. Mr. CRAIG (for himself, Mr. TORRICELLI, Mr. GRASSLEY, Mr. SANTORUM, Mr. FRIST, Mr. ENSIGN, and Mr. HUTCHINSON) proposed an amendment to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes, as follows:

At the appropriate place, insert the following:

SEC. ___. EXPANSION OF AVAILABILITY OF ARCHER MEDICAL SAVINGS ACCOUNTS.

(a) REPEAL OF LIMITATIONS ON NUMBER OF MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Subsections (i) and (j) of section 220 of the Internal Revenue Code of 1986 are hereby repealed.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 220(c) of such Code is amended by striking subparagraph (D).

(B) Section 138 of such Code is amended by striking subsection (f).

(b) AVAILABILITY NOT LIMITED TO ACCOUNTS FOR EMPLOYEES OF SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.—

(1) IN GENERAL.—Subparagraph (A) of section 220(c)(1) of such Code (relating to eligible individual) is amended to read as follows:

"(A) IN GENERAL.—The term 'eligible individual' means, with respect to any month, any individual if—

"(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and

"(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—

"(I) which is not a high deductible health plan, and

"(II) which provides coverage for any benefit which is covered under the high deductible health plan.".

(2) CONFORMING AMENDMENTS.—

(A) Section 220(c)(1) of such Code is amended by striking subparagraph (C).

(B) Section 220(c) of such Code is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).

(C) Section 220(b) of such Code is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(c) INCREASE IN AMOUNT OF DEDUCTION ALLOWED FOR CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Paragraph (2) of section 220(b) of such Code is amended to read as follows:

"(2) MONTHLY LIMITATION.—The monthly limitation for any month is the amount equal to 1/12 of the annual deductible (as of the first day of such month) of the individual's coverage under the high deductible health plan.".

(2) CONFORMING AMENDMENT.—Clause (ii) of section 220(d)(1)(A) of such Code is amended by striking "75 percent of".

(d) BOTH EMPLOYERS AND EMPLOYEES MAY CONTRIBUTE TO MEDICAL SAVINGS ACCOUNTS.—Paragraph (4) of section 220(b) of such Code (as redesignated by subsection (b)(2)(C)) is amended to read as follows:

"(4) COORDINATION WITH EXCLUSION FOR EMPLOYER CONTRIBUTIONS.—The limitation which would (but for this paragraph) apply under this subsection to the taxpayer for any taxable year shall be reduced (but not below zero) by the amount which would (but for section 106(b)) be includible in the taxpayer's gross income for such taxable year.".

(e) REDUCTION OF PERMITTED DEDUCTIBLES UNDER HIGH DEDUCTIBLE HEALTH PLANS.—

(1) IN GENERAL.—Subparagraph (A) of section 220(c)(2) of such Code (defining high deductible health plan) is amended—

(A) by striking "$1,500" in clause (i) and inserting "$1,000"; and

(B) by striking "$3,000" in clause (ii) and inserting "$2,000".

(2) CONFORMING AMENDMENT.—Subsection (g) of section 220 of such Code is amended to read as follows:

"(g) COST-OF-LIVING ADJUSTMENT.—

"(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1998, each dollar amount in subsection (c)(2) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which such taxable year begins by substituting 'calendar year 1997' for 'calendar year 1992' in subparagraph (B) thereof.

"(2) SPECIAL RULES.—In the case of the $1,000 amount in subsection (c)(2)(A)(i) and the $2,000 amount in subsection (c)(2)(A)(ii), paragraph (1)(B) shall be applied by substituting 'calendar year 2000' for 'calendar year 1997'.

"(3) ROUNDING.—If any increase under paragraph (1) or (2) is not a multiple of $50, such increase shall be rounded to the nearest multiple of $50.".

(f) PROVIDING INCENTIVES FOR PREFERRED PROVIDER ORGANIZATIONS TO OFFER MEDICAL SAVINGS ACCOUNTS.—Clause (ii) of section 220(c)(2)(B) of such Code is amended by striking "preventive care if" and all that follows and inserting "preventive care."

(g) MEDICAL SAVINGS ACCOUNTS MAY BE OFFERED UNDER CAFETERIA PLANS.—Subsection (f) of section 125 of such Code is amended by striking "106(b),".

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(i) EMERGENCY DESIGNATION.—Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this section below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

SA 2771. Mr. DORGAN (for himself, Mr. SMITH of Oregon, and Mr. REID) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ___. 5-YEAR EXTENSION OF CREDIT FOR PRODUCING ELECTRICITY FROM WIND.

Section 45(c)(3)(A) of the Internal Revenue Code of 1986 (relating to wind facility) is amended by striking "January 1, 2002" and inserting "January 1, 2007".

SA 2772. Mr. DORGAN submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ___. CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 5 YEARS.

(a) IN GENERAL.—Paragraph (1) of section 172(b) of the Internal Revenue Code of 1986 (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

"(H) In the case of a taxpayer which has a net operating loss for any taxable year ending in 2000, 2001, or 2002, subparagraph (A)(i) shall be applied by substituting '5' for '2' and subparagraph (F) shall not apply.".

(b) ELECTION TO DISREGARD 5-YEAR CARRYBACK.—Section 172 of the Internal Revenue Code of 1986 (relating to net operating loss deduction) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) ELECTION TO DISREGARD 5-YEAR CARRYBACK FOR CERTAIN NET OPERATING LOSSES.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year.".

(c) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYBACKS.—Subparagraph (A) of section 56(d)(1) of the Internal Revenue Code of 1986 (relating to general rule defining alternative tax net operating loss deduction) is amended to read as follows:

"(A) the amount of such deduction shall not exceed the sum of—

"(i) the lesser of—

"(I) the amount of such deduction attributable to net operating losses (other than the deduction attributable to carrybacks described in clause (ii)(I)), or

"(II) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

"(ii) the lesser of—

"(I) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending in 2000, 2001, or 2002, or

"(II) alternative minimum taxable income determined without regard to such deduction reduced by the amount determined under clause (i), and".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to net operating losses for taxable years ending after 1999.

SA 2773. Mr. GRASSLEY (for himself, Ms. SNOWE, and Mr. LOTT) proposed an amendment to the bill H.R.

622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end, add the following:

TITLE I—INDIVIDUAL PROVISIONS

SEC. 101. SUPPLEMENTAL STIMULUS PAYMENTS.

(a) IN GENERAL.—Section 6428 (relating to acceleration of 10 percent income tax rate bracket benefit for 2001) is amended by adding at the end the following new subsection:

"(f) SUPPLEMENTAL STIMULUS PAYMENTS.—

"(1) IN GENERAL.—Each individual who was an eligible individual for such individual's first taxable year beginning in 2000 and who, before October 16, 2001, filed a return of tax imposed by subtitle A for such taxable year shall be treated as having made a payment against the tax imposed by chapter 1 for such first taxable year in an amount equal to the supplemental refund amount for such taxable year.

"(2) SUPPLEMENTAL REFUND AMOUNT.—For purposes of this subsection, the supplemental refund amount is an amount equal to the excess (if any) of—

"(A)(i) $600 in the case of taxpayers to whom section 1(a) applies,

"(ii) $500 in the case of taxpayers to whom section 1(b) applies, and

"(iii) $300 in the case of taxpayers to whom subsections (c) or (d) of section 1 applies, over

"(B) the taxpayer's advance refund amount under subsection (e).

"(3) TIMING OF PAYMENTS.—In the case of any overpayment attributable to this subsection, the Secretary shall, subject to the provisions of this title, refund or credit such overpayment as rapidly as possible.

"(4) NO INTEREST.—No interest shall be allowed on any overpayment attributable to this subsection."

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (A) of section 6428(d)(1) is amended by striking "subsection (e)" and inserting "subsections (e) and (f)".

(2) Subparagraph (B) of section 6428(d)(1) is amended by striking "subsection (e)" and inserting "subsection (e) or (f)".

(3) Paragraph (3) of section 6428(e) is amended by inserting before the period "(or, if earlier, the date of the enactment of the Economic Security and Worker Assistance Act of 2002)".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 102. ACCELERATION OF 25 PERCENT INDIVIDUAL INCOME TAX RATE.

(a) IN GENERAL.—The table contained in paragraph (2) of section 1(i) (relating to reductions in rates after June 30, 2001) is amended—

(1) by striking "27.0%" and inserting "25.0%", and

(2) by striking "26.0%" and inserting "25.0%".

(b) REDUCTION NOT TO INCREASE MINIMUM TAX.—

(1) Subparagraph (A) of section 55(d)(1) is amended by striking "($49,000 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($49,000 in the case of taxable years beginning in 2001, $52,200 in the case of taxable years beginning in 2002 or 2003, and $50,700 in the case of taxable years beginning in 2004)".

(2) Subparagraph (B) of section 55(d)(1) is amended by striking "($35,750 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($35,750 in the case of taxable years beginning in 2001, $37,350 in the case of taxable years beginning in 2002 or 2003, and $36,600 in the case of taxable years beginning in 2004)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(d) SECTION 15 NOT TO APPLY.—No amendment made by this section shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

TITLE II—BUSINESS PROVISIONS

SEC. 201. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.

(a) IN GENERAL.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

"(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.—

"(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

"(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

"(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

"(2) QUALIFIED PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified property' means property—

"(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property, or

"(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

"(ii) the original use of which commences with the taxpayer after September 10, 2001,

"(iii) which is—

"(I) acquired by the taxpayer after September 10, 2001, and before September 11, 2004, but only if no written binding contract for the acquisition was in effect before September 11, 2001, or

"(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after September 10, 2001, and before September 11, 2004, and

"(iv) which is placed in service by the taxpayer before January 1, 2005, or, in the case of property described in subparagraph (B), before January 1, 2006.

"(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

"(i) IN GENERAL.—The term 'qualified property' includes property—

"(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

"(II) which has a recovery period of at least 10 years or is transportation property, and

"(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

"(ii) ONLY PRE-SEPTEMBER 11, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before September 11, 2004.

"(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

"(C) EXCEPTIONS.—

"(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

"(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

"(II) after application of section 280F(b) (relating to listed property with limited business use).

"(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

"(iii) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—The term 'qualified property' shall not include any qualified leasehold improvement property (as defined in section 168(e)(6)).

"(D) SPECIAL RULES.—

"(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before September 11, 2004.

"(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

"(I) is originally placed in service after September 10, 2001, by a person, and

"(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

"(E) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

"(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

"(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2)."

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Section 56(a)(1)(A) (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

"(iii) ADDITIONAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001, AND BEFORE SEPTEMBER 11, 2004.—The deduction under section 168(k) shall be allowed."

(2) CONFORMING AMENDMENT.—Clause (i) of section 56(a)(1)(A) is amended by striking "clause (ii)" both places it appears and inserting "clauses (ii) and (iii)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after September 10, 2001, in taxable years ending after such date.

SEC. 202. [RESERVED]

SEC. 203. ALTERNATIVE MINIMUM TAX REFORM.

(a) REPEAL OF PREFERENCE FOR DEPRECIATION.—

(1) Paragraph (1) of section 56(a) is amended by adding at the end the following new subparagraph:

"(E) Termination.—This paragraph shall not apply to property placed in service in taxable years beginning after December 31, 2001."

(2) Paragraph (5) of section 56(a) is amended by adding at the end: "This paragraph shall not apply to property placed in service in taxable years beginning after December 31, 2001."

(b) Repeal of 90 Percent Limitation on Foreign Tax Credits.—

(1) Subsection (a) of section 59 is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(2) Subclause (II) of section 53(d)(1)(B)(i) is amended by striking "and if section 59(a)(2) did not apply".

(c) Repeal of 90 Percent Limitation on Net Operating Loss Deduction.—Subparagraph (A) of section 56(d)(1), as amended by section 204, is amended to read as follows:

"(A) the amount of such deduction shall not exceed alternative minimum taxable income determined without regard to such deduction, and".

(d) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 204. CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 5 YEARS.

(a) In General.—Paragraph (1) of section 172(b) (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

"(H) In the case of a taxpayer which has a net operating loss for any taxable year ending during 2001 or 2002, subparagraph (A)(i) shall be applied by substituting '5' for '2' and subparagraph (F) shall not apply."

(b) Election To Disregard 5-Year Carryback.—Section 172 (relating to net operating loss deduction) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) Election To Disregard 5-Year Carryback for Certain Net Operating Losses.—Any taxpayer entitled to a 5-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year."

(c) Temporary Suspension of 90 Percent Limit on Certain NOL Carrybacks.—

(1) In general.—Subparagraph (A) of section 56(d)(1) (relating to general rule defining alternative tax net operating loss deduction) is amended to read as follows:

"(A) the amount of such deduction shall not exceed the sum of—

"(i) the lesser of—

"(I) the amount of such deduction attributable to net operating losses (other than the deduction attributable to carrybacks described in clause (ii)(I)), or

"(II) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

"(ii) the lesser of—

"(I) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2001 or 2002, or

"(II) alternative minimum taxable income determined without regard to such deduction reduced by the amount determined under clause (i), and".

(2) Effective date.—The amendment made by this subsection shall apply to taxable years beginning before January 1, 2002.

(d) Effective Date.—Except as provided in subsection (c), the amendments made by this section shall apply to net operating losses for taxable years ending after December 31, 2000.

SEC. 205. RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN LEASEHOLD IMPROVEMENTS.

(a) 15-Year Recovery Period.—Subparagraph (E) of section 168(e)(3) (relating to 15-year property) is amended by striking "and" at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ", and", and by adding at the end the following new clause:

"(iv) any qualified leasehold improvement property."

(b) Qualified Leasehold Improvement Property.—Subsection (e) of section 168 is amended by adding at the end the following new paragraph:

"(6) Qualified leasehold improvement property.—

"(A) In general.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

"(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

"(I) by the lessee (or any sublessee) of such portion, or

"(II) by the lessor of such portion,

"(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

"(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

"(B) Certain improvements not included.—Such term shall not include any improvement for which the expenditure is attributable to—

"(i) the enlargement of the building,

"(ii) any elevator or escalator,

"(iii) any structural component benefiting a common area, and

"(iv) the internal structural framework of the building.

"(C) Definitions and special rules.—For purposes of this paragraph—

"(i) Commitment to lease treated as lease.—A commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

"(ii) Related persons.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

"(I) members of an affiliated group (as defined in section 1504), and

"(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.

"(D) Improvements made by lessor.—

"(i) In general.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person.

"(ii) Exception for changes in form of business.—Property shall not cease to be qualified leasehold improvement property under clause (i) by reason of—

"(I) death,

"(II) a transaction to which section 381(a) applies, or

"(III) a mere change in the form of conducting the trade or business so long as the property is retained in such trade or business as qualified leasehold improvement property and the taxpayer retains a substantial interest in such trade or business.

"(iii) Treatment of failures to maintain substantial interest in trade or business.—In the case of property to which clause (ii)(III) would apply but for the failure of the taxpayer to retain a substantial interest in a trade or business, the remaining adjusted basis of such property shall be depreciated under this section over 39 years."

(c) Requirement To Use Straight Line Method.—Paragraph (3) of section 168(b) is amended by adding at the end the following new subparagraph:

"(G) Qualified leasehold improvement property described in subsection (e)(6)."

(d) Alternative System.—The table contained in section 168(g)(3)(B) is amended by adding at the end the following new item:

"(E)(iv) .... 15".

(e) Effective Date.—The amendments made by this section shall apply to qualified leasehold improvement property placed in service after September 10, 2001.

TITLE III—EXTENSIONS OF CERTAIN EXPIRING PROVISIONS

Subtitle A—Extensions

SEC. 301. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) In General.—Paragraph (2) of section 26(a) is amended—

(1) by striking "RULE FOR 2000 AND 2001.—" and inserting "RULE FOR 2000, 2001, 2002, AND 2003.—", and

(2) by striking "during 2000 or 2001," and inserting "during 2000, 2001, 2002, or 2003,".

(b) Conforming Amendments.—

(1) Section 904(h) is amended by striking "during 2000 or 2001" and inserting "during 2000, 2001, 2002, or 2003".

(2) The amendments made by sections 201(b), 202(f), and 618(b) of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to taxable years beginning during 2002 and 2003.

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 302. CREDIT FOR QUALIFIED ELECTRIC VEHICLES.

(a) In General.—Section 30 is amended—

(1) in subsection (b)(2)—

(A) by striking "December 31, 2001," and inserting "December 31, 2003,", and

(B) in subparagraphs (A), (B), and (C), by striking "2002", "2003", and "2004", respectively, and inserting "2004", "2005", and "2006", respectively, and

(2) in subsection (e), by striking "December 31, 2004" and inserting "December 31, 2006".

(b) Conforming Amendments.—

(1) Subparagraph (C) of section 280F(a)(1) is amended by adding at the end the following new clause:

"(iii) Application of subparagraph.—This subparagraph shall apply to property placed in service after August 5, 1997, and before January 1, 2007."

(2) Subsection (b) of section 971 of the Taxpayer Relief Act of 1997 is amended by striking "and before January 1, 2005".

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 303. CREDIT FOR ELECTRICITY PRODUCED FROM RENEWABLE RESOURCES.

(a) IN GENERAL.—Subparagraphs (A), (B), and (C) of section 45(c)(3) are each amended by striking "2002" and inserting "2004".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 304. WORK OPPORTUNITY CREDIT.

(a) IN GENERAL.—Subparagraph (B) of section 51(c)(4) is amended by striking "2001" and inserting "2003".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 305. WELFARE-TO-WORK CREDIT.

(a) IN GENERAL.—Subsection (f) of section 51A is amended by striking "2001" and inserting "2003".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 306. DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN REFUELING PROPERTY.

(a) IN GENERAL.—Section 179A is amended—

(1) in subsection (b)(1)(B)—

(A) by striking "December 31, 2001," and inserting "December 31, 2003,", and

(B) in clauses (i), (ii), and (iii), by striking "2002", "2003", and "2004", respectively, and inserting "2004", "2005", and "2006", respectively, and

(2) in subsection (f), by striking "December 31, 2004" and inserting "December 31, 2006".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 307. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) IN GENERAL.—Subparagraph (H) of section 613A(c)(6) is amended by striking "2002" and inserting "2004".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

SEC. 308. QUALIFIED ZONE ACADEMY BONDS.

(a) IN GENERAL.—Paragraph (1) of section 1397E(e) is amended by striking "2000, and 2001" and inserting "2000, 2001, 2002, and 2003".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 309. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) IN GENERAL.—Paragraph (1) of section 7652(f) is amended by striking "January 1, 2002" and inserting "January 1, 2004".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 310. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) IN GENERAL.—Subsection (f) of section 9812, as amended by the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002, is amended to read as follows:

"(f) APPLICATION OF SECTION.—This section shall not apply to benefits for services furnished—

"(1) on or after September 30, 2001, and before January 1, 2002, and

"(2) after December 31, 2003."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to plan years beginning after December 31, 2000.

SEC. 311. TEMPORARY SPECIAL RULES FOR TAXATION OF LIFE INSURANCE COMPANIES.

(a) REDUCTION IN MUTUAL LIFE INSURANCE COMPANY DEDUCTIONS NOT TO APPLY IN CERTAIN YEARS.—Section 809 (relating to reduction in certain deductions of material life insurance companies) is amended by adding at the end the following:

"(j) DIFFERENTIAL EARNINGS RATE TREATED AS ZERO FOR CERTAIN YEARS.—Notwithstanding subsection (c) or (f), the differential earnings rate shall be treated as zero for purposes of computing both the differential earnings amount and the recomputed differential earnings amount for a mutual life insurance company's taxable years beginning in 2001, 2002, or 2003."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 312. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) IN GENERAL.—Paragraphs (2) and (3)(B) of section 220(i) (defining cut-off year) are each amended by striking "2002" each place it appears and inserting "2003".

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 220(j) is amended by striking "1998, 1999, or 2001" each place it appears and inserting "1998, 1999, 2001, or 2002".

(2) Subparagraph (A) of section 220(j)(4) is amended by striking "and 2001" and inserting "2001, and 2002".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 313. INCENTIVES FOR INDIAN EMPLOYMENT AND PROPERTY ON INDIAN RESERVATIONS.

(a) EMPLOYMENT.—Subsection (f) of section 45A is amended by striking "December 31, 2003" and inserting "December 31, 2004".

(b) PROPERTY.—Paragraph (8) of section 168(j) is amended by striking "December 31, 2003" and inserting "December 31, 2004".

SEC. 314. SUBPART F EXEMPTION FOR ACTIVE FINANCING.

(a) IN GENERAL.—

(1) Section 953(e)(10) is amended—

(A) by striking "January 1, 2002" and inserting "January 1, 2007", and

(B) by striking "December 31, 2001" and inserting "December 31, 2006".

(2) Section 954(h)(9) is amended by striking "January 1, 2002" and inserting "January 1, 2007".

(b) LIFE INSURANCE AND ANNUITY CONTRACTS.—

(1) IN GENERAL.—Subparagraph (B) of section 954(i)(4) is amended to read as follows:

"(B) LIFE INSURANCE AND ANNUITY CONTRACTS.—

"(i) IN GENERAL.—Except as provided in clause (ii), the amount of the reserve of a qualifying insurance company or qualifying insurance company branch for any life insurance or annuity contract shall be equal to the greater of—

"(I) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

"(II) the reserve determined under paragraph (5).

"(ii) RULING REQUEST, ETC.—The amount of the reserve under clause (i) shall be the foreign statement reserve for the contract (less any catastrophe, deficiency, equalization, or similar reserves), if, pursuant to a ruling request submitted by the taxpayer or as provided in published guidance, the Secretary determines that the factors taken into account in determining the foreign statement reserve provide an appropriate means of measuring income."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 315. REPEAL OF REQUIREMENT FOR APPROVED DIESEL OR KEROSENE TERMINALS.

(a) IN GENERAL.—Subsection (e) of section 4101 is hereby repealed.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 2002.

Subtitle B—Temporary Assistance for Needy Families

SEC. 321. REAUTHORIZATION OF TANF SUPPLEMENTAL GRANTS FOR POPULATION INCREASES FOR FISCAL YEAR 2002.

Section 403(a)(3) of the Social Security Act (42 U.S.C. 603(a)(3)) is amended by adding at the end the following:

"(H) REAUTHORIZATION OF GRANTS FOR FISCAL YEAR 2002.—Notwithstanding any other provision of this paragraph—

"(i) any State that was a qualifying State under this paragraph for fiscal year 2001 or any prior fiscal year shall be entitled to receive from the Secretary for fiscal year 2002 a grant in an amount equal to the amount required to be paid to the State under this paragraph for the most recent fiscal year in which the State was a qualifying State;

"(ii) subparagraph (G) shall be applied as if '2002' were substituted for '2001'; and

"(iii) out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal year 2002 such sums as are necessary for grants under this subparagraph.".

SEC. 322. 1-YEAR EXTENSION OF CONTINGENCY FUND UNDER THE TANF PROGRAM.

Section 403(b) of the Social Security Act (42 U.S.C. 603(b)) is amended—

(1) in paragraph (2), by striking "and 2001" and inserting "2001, and 2002"; and

(2) in paragraph (3)(C)(ii), by striking "2001" and inserting "2002".

TITLE IV—TAX BENEFITS FOR AREA OF NEW YORK CITY DAMAGED IN TERRORIST ATTACKS ON SEPTEMBER 11, 2001

SEC. 401. TAX BENEFITS FOR AREA OF NEW YORK CITY DAMAGED IN TERRORIST ATTACKS ON SEPTEMBER 11, 2001.

(a) IN GENERAL.—Chapter 1 is amended by adding at the end the following new subchapter:

"Subchapter Y—New York Liberty Zone Benefits

"Sec. 1400L. Tax benefits for New York Liberty Zone.

"SEC. 1400L. TAX BENEFITS FOR NEW YORK LIBERTY ZONE.

"(a) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001.—

"(1) ADDITIONAL ALLOWANCE.—In the case of any qualified New York Liberty Zone property—

"(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of such property, and

"(B) the adjusted basis of the qualified New York Liberty Zone property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

"(2) QUALIFIED NEW YORK LIBERTY ZONE PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified New York Liberty Zone property' means property—

"(i)(I) to which section 168 applies (other than railroad grading and tunnel bores), or

"(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

"(ii) substantially all of the use of which is in the New York Liberty Zone and is in the active conduct of a trade or business by the taxpayer in such Zone,

"(iii) the original use of which in the New York Liberty Zone commences with the taxpayer after September 10, 2001,

"(iv) which is acquired by the taxpayer by purchase (as defined in section 179(d)) after September 10, 2001, but only if no written binding contract for the acquisition was in effect before September 11, 2001, and

"(v) which is placed in service by the taxpayer on or before the termination date.

The term 'termination date' means December 31, 2006 (December 31, 2009, in the case of nonresidential real property and residential rental property).

"(B) EXCEPTIONS.—

"(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified New York Liberty Zone property' shall not include any property to which the alternative depreciation system under section 168(g) applies, determined—

"(I) without regard to paragraph (7) of section 168(g) (relating to election to have system apply), and

"(II) after application of section 280F(b) (relating to listed property with limited business use).

"(ii) 30 PERCENT ADDITIONAL ALLOWANCE PROPERTY.—Such term shall not include property to which section 168(k) applies.

"(iii) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—Such term shall not include any qualified leasehold improvement property (as defined in section 168(e)(6)).

"(iv) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

"(C) SPECIAL RULES.—

"(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iv) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before the termination date.

"(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(iii), if property—

"(I) is originally placed in service after September 10, 2001, by a person, and

"(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

"(D) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—The deduction allowed by this subsection shall be allowed in determining alternative minimum taxable income under section 55.

"(b) 5-YEAR RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN LEASEHOLD IMPROVEMENTS.—

"(1) IN GENERAL.—For purposes of section 168, the term '5-year property' includes any qualified New York Liberty Zone leasehold improvement property.

"(2) QUALIFIED NEW YORK LIBERTY ZONE LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this section, the term 'qualified New York Liberty Zone leasehold improvement property' means qualified leasehold improvement property (as defined in section 168(e)(6)) if—

"(A) such building is located in the New York Liberty Zone,

"(B) such improvement is placed in service after September 10, 2001, and before January 1, 2007, and

"(C) no written binding contract for such improvement was in effect before September 11, 2001.

"(3) REQUIREMENT TO USE STRAIGHT LINE METHOD.—The applicable depreciation method under section 168 shall be the straight line method in the case of qualified New York Liberty Zone leasehold improvement property.

"(4) 9-YEAR RECOVERY PERIOD UNDER ALTERNATIVE SYSTEM.—For purposes of section 168(g), the class life of qualified New York Liberty Zone leasehold improvement property shall be 9 years.

"(c) INCREASE IN EXPENSING UNDER SECTION 179.—

"(1) IN GENERAL.—For purposes of section 179—

"(A) the limitation under section 179(b)(1) shall be increased by the lesser of—

"(i) $35,000, or

"(ii) the cost of section 179 property which is qualified New York Liberty Zone property placed in service during the taxable year, and

"(B) the amount taken into account under section 179(b)(2) with respect to any section 179 property which is qualified New York Liberty Zone property shall be 50 percent of the cost thereof.

"(2) RECAPTURE.—Rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified New York Liberty Zone property which ceases to be used in the New York Liberty Zone.

"(d) TAX-EXEMPT BOND FINANCING.—

"(1) IN GENERAL.—For purposes of this title, any qualified New York Liberty Bond shall be treated as an exempt facility bond.

"(2) QUALIFIED NEW YORK LIBERTY BOND.—For purposes of this subsection, the term 'qualified New York Liberty Bond' means any bond issued as part of an issue if—

"(A) 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of such issue are to be used for qualified project costs,

"(B) such bond is issued by the State of New York or any political subdivision thereof,

"(C) the Governor of New York designates such bond for purposes of this section, and

"(D) such bond is issued during calendar year 2002, 2003, or 2004.

"(3) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

"(A) AGGREGATE AMOUNT DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under this subsection shall not exceed $15,000,000,000.

"(B) SPECIFIC LIMITS.—For purposes of subparagraph (A), the aggregate face amount of bonds issued which are to be used for—

"(i) costs for property located outside the New York Liberty Zone, shall not exceed $7,000,000,000,

"(ii) costs for residential rental property, shall not exceed $3,000,000,000, and

"(iii) costs for property used for retail sales of tangible property, shall not exceed $1,500,000,000.

"(C) MOVABLE FIXTURES AND EQUIPMENT.—No bonds shall be issued which are to be used for movable fixtures and equipment.

"(4) QUALIFIED PROJECT COSTS.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified project costs' means the cost of acquisition, construction, reconstruction, and renovation of—

"(i) nonresidential real property and residential rental property (including fixed tenant improvements associated with such property) located in the New York Liberty Zone, and

"(ii) public utility property located in the New York Liberty Zone.

"(B) COSTS FOR CERTAIN PROPERTY OUTSIDE ZONE INCLUDED.—Such term includes the cost of acquisition, construction, reconstruction, and renovation of nonresidential real property (including fixed tenant improvements associated with such property) located outside the New York Liberty Zone but within the City of New York, New York, if such property is part of a project which consists of at least 100,000 square feet of usable office or other commercial space located in a single building or multiple adjacent buildings.

"(5) SPECIAL RULES.—In applying this title to any qualified New York Liberty Bond, the following modifications shall apply:

"(A) Section 146 (relating to volume cap) shall not apply.

"(B) Section 147(c) (relating to limitation on use for land acquisition) shall be determined by reference to the aggregate authorized face amount of all qualified New York Liberty Bonds rather than the net proceeds of each issue.

"(C) Section 147(d) (relating to acquisition of existing property not permitted) shall be applied by substituting '50 percent' for '15 percent' each place it appears.

"(D) Section 148(f)(4)(C) (relating to exception from rebate for certain proceeds to be used to finance construction expenditures) shall apply to available construction proceeds of bonds issued under this section.

"(E) Financing provided by such a bond shall not be taken into account under section 168(g)(5)(A) with respect to property substantially all of the use of which is in the New York Liberty Zone and is in the active conduct of a trade or business by the taxpayer in such Zone.

"(F) Repayments of principal on financing provided by the issue—

"(i) may not be used to provide financing, and

"(ii) must be used not later than the close of the 1st semiannual period beginning after the date of the repayment to redeem bonds which are part of such issue. The requirement of clause (ii) shall be treated as met with respect to amounts received within 10 years after the date of issuance of the issue (or, in the case of refunding bond, the date of issuance of the original bond) if such amounts are used by the close of such 10 years to redeem bonds which are part of such issue.

"(G) Section 57(a)(5) shall not apply.

"(6) SEPARATE ISSUE TREATMENT OF PORTIONS OF AN ISSUE.—This subsection shall not apply to the portion of an issue which (if issued as a separate issue) would be treated as a qualified bond or as a bond that is not a private activity bond, if the issuer elects to so treat such portion.

"(e) EXTENSION OF REPLACEMENT PERIOD FOR NONRECOGNITION OF GAIN.—Notwithstanding subsections (g) and (h) of section 1033, clause (i) of section 1033(a)(2)(B) shall be applied by substituting '5 years' for '2 years' with respect to property which is compulsorily or involuntarily converted as a result of the terrorist attacks on September 11, 2001, in the New York Liberty Zone but only if substantially all of the use of the replacement property is in the City of New York, New York.

"(f) NEW YORK LIBERTY ZONE.—For purposes of this section, the term 'New York Liberty Zone' means the area located on or south of Canal Street, East Broadway (east of its intersection with Canal Street), or Grand Street (east of its intersection with East Broadway) in the Borough of Manhattan in the City of New York, New York."

(b) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by adding at the end the following new item:

"Subchapter Y. New York Liberty Zone Benefits."

TITLE V [RESERVED]

TITLE VI—MISCELLANEOUS AND TECHNICAL PROVISIONS

Subtitle A—General Miscellaneous Provisions

SEC. 601. ALLOWANCE OF ELECTRONIC 1099'S.

Any person required to furnish a statement under any section of subpart B of part III of subchapter A of chapter 61 of the Internal Revenue Code of 1986 for any taxable year ending after the date of the enactment of this Act, may electronically furnish such statement (without regard to any first class mailing requirement) to any recipient who has consented to the electronic provision of the statement in a manner similar to the one permitted under regulations issued under section 6051 of such Code or in such other manner as provided by the Secretary.

SEC. 602. EXCLUDED CANCELLATION OF INDEBTEDNESS INCOME OF S CORPORATION NOT TO RESULT IN ADJUSTMENT TO BASIS OF STOCK OF SHAREHOLDERS.

(a) IN GENERAL.—Subparagraph (A) of section 108(d)(7) (relating to certain provisions to be applied at corporate level) is amended by inserting before the period ", including by not taking into account under section 1366(a) any amount excluded under subsection (a) of this section".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendment made by this section shall apply to discharges of indebtedness after October 11, 2001, in taxable years ending after such date.

(2) EXCEPTION.—The amendment made by this section shall not apply to any discharge of indebtedness before March 1, 2002, pursuant to a plan of reorganization filed with a bankruptcy court on or before October 11, 2001.

SEC. 603. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) IN GENERAL.—Paragraph (5) of section 448(d) is amended to read as follows:

"(5) SPECIAL RULE FOR CERTAIN SERVICES.—

"(A) IN GENERAL.—In the case of any person using an accrual method of accounting with respect to amounts to be received for the performance of services by such person, such person shall not be required to accrue any portion of such amounts which (on the basis of such person's experience) will not be collected if—

"(i) such services are in fields referred to in paragraph (2)(A), or

"(ii) such person meets the gross receipts test of subsection (c) for all prior taxable years.

"(B) EXCEPTION.—This paragraph shall not apply to any amount if interest is required to be paid on such amount or there is any penalty for failure to timely pay such amount.

"(C) REGULATIONS.—The Secretary shall prescribe regulations to permit taxpayers to determine amounts referred to in subparagraph (A) using computations or formulas which, based on experience, accurately reflect the amount of income that will not be collected by such person. A taxpayer may adopt, or request consent of the Secretary to change to, a computation or formula that clearly reflects the taxpayer's experience. A request under the preceding sentence shall be approved if such computation or formula clearly reflects the taxpayer's experience.".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period of 4 years (or if less, the number of taxable years that the taxpayer used the method permitted under section 448(d)(5) of such Code as in effect before the date of the enactment of this Act) beginning with such first taxable year.

SEC. 604. EXCLUSION FOR FOSTER CARE PAYMENTS TO APPLY TO PAYMENTS BY QUALIFIED PLACEMENT AGENCIES.

(a) IN GENERAL.—The matter preceding subparagraph (B) of section 131(b)(1) (defining qualified foster care payment) is amended to read as follows:

"(1) IN GENERAL.—The term 'qualified foster care payment' means any payment made pursuant to a foster care program of a State or political subdivision thereof—

"(A) which is paid by—

"(i) a State or political subdivision thereof, or

"(ii) a qualified foster care placement agency, and".

(b) QUALIFIED FOSTER INDIVIDUALS TO INCLUDE INDIVIDUALS PLACED BY QUALIFIED PLACEMENT AGENCIES.—Subparagraph (B) of section 131(b)(2) (defining qualified foster individual) is amended to read as follows:

"(B) a qualified foster care placement agency."

(c) QUALIFIED FOSTER CARE PLACEMENT AGENCY DEFINED.—Subsection (b) of section 131 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) QUALIFIED FOSTER CARE PLACEMENT AGENCY.—The term 'qualified foster care placement agency' means any placement agency which is licensed or certified by—

"(A) a State or political subdivision thereof, or

"(B) an entity designated by a State or political subdivision thereof,

for the foster care program of such State or political subdivision to make foster care payments to providers of foster care."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 605. INTEREST RATE RANGE FOR ADDITIONAL FUNDING REQUIREMENTS.

(a) AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.—

(1) SPECIAL RULE.—Clause (i) of section 412(l)(7)(C) (relating to interest rate) is amended by adding at the end the following new subclause:

"(III) SPECIAL RULE FOR 2002 AND 2003.—For a plan year beginning in 2002 or 2003, notwithstanding subclause (I), in the case that the rate of interest used under subsection (b)(5) exceeds the highest rate permitted under subclause (I), the rate of interest used to determine current liability under this subsection may exceed the rate of interest otherwise permitted under subclause (I); except that such rate of interest shall not exceed 120 percent of the weighted average referred to in subsection (b)(5)(B)(ii)."

(2) QUARTERLY CONTRIBUTIONS.—Subsection (m) of section 412 is amended by adding at the end the following new paragraph:

"(7) SPECIAL RULES FOR 2002 AND 2004.—In any case in which the interest rate used to determine current liability is determined under subsection (l)(7)(C)(i)(III)—

"(A) 2002.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2002, the current liability for the preceding plan year shall be redetermined using 120 percent as the specified percentage determined under subsection (l)(7)(C)(i)(II).

"(B) 2004.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2004, the current liability for the preceding plan year shall be redetermined using 105 percent as the specified percentage determined under subsection (l)(7)(C)(i)(II)."

(b) AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) SPECIAL RULE.—Clause (i) of section 302(d)(7)(C) of such Act (29 U.S.C. 1082(d)(7)(C)) is amended by adding at the end the following new subclause:

"(III) SPECIAL RULE FOR 2002 AND 2003.—For a plan year beginning in 2002 or 2003, notwithstanding subclause (I), in the case that the rate of interest used under subsection (b)(5) exceeds the highest rate permitted under subclause (I), the rate of interest used to determine current liability under this subsection may exceed the rate of interest otherwise permitted under subclause (I); except that such rate of interest shall not exceed 120 percent of the weighted average referred to in subsection (b)(5)(B)(ii)."

(2) QUARTERLY CONTRIBUTIONS.—Subsection (e) of section 302 of such Act (29 U.S.C. 1082) is amended by adding at the end the following new paragraph:

"(7) SPECIAL RULES FOR 2002 AND 2004.—In any case in which the interest rate used to determine current liability is determined under subsection (d)(7)(C)(i)(III)—

"(A) 2002.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2002, the current liability for the preceding plan year shall be redetermined using 120 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II).

"(B) 2004.—For purposes of applying paragraphs (1) and (4)(B)(ii) for plan years beginning in 2004, the current liability for the preceding plan year shall be redetermined using 105 percent as the specified percentage determined under subsection (d)(7)(C)(i)(II)."

(c) PBGC.—Clause (iii) of section 4006(a)(3)(E) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)(E)) is amended by adding at the end the following new subclause:

"(IV) In the case of plan years beginning after December 31, 2001, and before January 1, 2004, subclause (II) shall be applied by substituting '100 percent' for '85 percent'. Subclause (III) shall be applied for such years without regard to the preceding sentence. Any reference to this clause by any other sections or subsections shall be treated as a reference to this clause without regard to this subclause."

SEC. 606. ADJUSTED GROSS INCOME DETERMINED BY TAKING INTO ACCOUNT CERTAIN EXPENSES OF ELEMENTARY AND SECONDARY SCHOOL TEACHERS.

(a) In General.—Section 62(a)(2) (relating to certain trade and business deductions of employees) is amended by adding at the end the following:

"(D) Certain expenses of elementary and secondary school teachers.—In the case of taxable years beginning during 2002 or 2003, the deductions allowed by section 162 which consist of expenses, not in excess of $250, paid or incurred by an eligible educator in connection with books, supplies (other than nonathletic supplies for courses of instruction in health or physical education), computer equipment (including related software and services) and other equipment, and supplementary materials used by the eligible educator in the classroom.".

(b) Eligible Educator.—Section 62 is amended by adding at the end the following:

"(d) Definition; Special Rules.—

"(1) Eligible educator.—

"(A) In general.—For purposes of subsection (a)(2)(D), the term 'eligible educator' means, with respect to any taxable year, an individual who is a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide in a school for at least 900 hours during a school year.

"(B) School.—The term 'school' means any school which provides elementary education or secondary education (kindergarten through grade 12), as determined under State law.

"(2) Coordination with exclusions.—A deduction shall be allowed under subsection (a)(2)(D) for expenses only to the extent the amount of such expenses exceeds the amount excludable under section 135, 529(c)(1), or 530(d)(2) for the taxable year.".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

Subtitle B—Technical Corrections

SEC. 611. AMENDMENTS RELATED TO ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001.

(a) Amendments Related to Section 101 of the Act.—

(1) In general.—Subsection (b) of section 6428 is amended to read as follows:

"(b) Credit Treated as Nonrefundable Personal Credit.—For purposes of this title, the credit allowed under this section shall be treated as a credit allowable under subpart A of part IV of subchapter A of chapter 1.".

(2) Conforming amendments.—

(A) Subsection (d) of section 6428 is amended to read as follows:

"(d) Coordination with Advance Refunds of Credit.—

"(1) In general.—The amount of credit which would (but for this paragraph) be allowable under this section shall be reduced (but not below zero) by the aggregate refunds and credits made or allowed to the taxpayer under subsection (e). Any failure to so reduce the credit shall be treated as arising out of a mathematical or clerical error and assessed according to section 6213(b)(1).

"(2) Joint returns.—In the case of a refund or credit made or allowed under subsection (e) with respect to a joint return, half of such refund or credit shall be treated as having been made or allowed to each individual filing such return.".

(B) Paragraph (2) of section 6428(e) is amended to read as follows:

"(2) Advance refund amount.—For purposes of paragraph (1), the advance refund amount is the amount that would have been allowed as a credit under this section for such first taxable year if—

"(A) this section (other than subsections (b) and (d) and this subsection) had applied to such taxable year, and

"(B) the credit for such taxable year were not allowed to exceed the excess (if any) of—

"(i) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(ii) the sum of the credits allowable under part IV of subchapter A of chapter 1 (other than the credits allowable under subpart C thereof, relating to refundable credits)."

(b) Amendment Related to Section 201 of the Act.—Subparagraph (B) of section 24(d)(1) is amended by striking "amount of credit allowed by this section" and inserting "aggregate amount of credits allowed by this subpart".

(c) Amendments Related to Section 202 of the Act.—

(1) Corrections to credit for adoption expenses.—

(A) Paragraph (1) of section 23(a) is amended to read as follows:

"(1) In general.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter the amount of the qualified adoption expenses paid or incurred by the taxpayer."

(B) Subsection (a) of section 23 is amended by adding at the end the following new paragraph:

"(3) $10,000 credit for adoption of child with special needs regardless of expenses.—In the case of an adoption of a child with special needs which becomes final during a taxable year, the taxpayer shall be treated as having paid during such year qualified adoption expenses with respect to such adoption in an amount equal to the excess (if any) of $10,000 over the aggregate qualified adoption expenses actually paid or incurred by the taxpayer with respect to such adoption during such taxable year and all prior taxable years."

(C) Paragraph (2) of section 23(a) is amended by striking the last sentence.

(D) Paragraph (1) of section 23(b) is amended by striking "subsection (a)(1)(A)" and inserting "subsection (a)".

(E) Subsection (i) of section 23 is amended by striking "the dollar limitation in subsection (b)(1)" and inserting "the dollar amounts in subsections (a)(3) and (b)(1)".

(F) Expenses paid or incurred during any taxable year beginning before January 1, 2002, may be taken into account in determining the credit under section 23 of the Internal Revenue Code of 1986 only to the extent the aggregate of such expenses does not exceed the applicable limitation under section 23(b)(1) of such Code as in effect on the day before the date of the enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001.

(2) Corrections to exclusion for employer-provided adoption assistance.—

(A) Subsection (a) of section 137 is amended to read as follows:

"(a) Exclusion.—

"(1) In general.—Gross income of an employee does not include amounts paid or expenses incurred by the employer for qualified adoption expenses in connection with the adoption of a child by an employee if such amounts are furnished pursuant to an adoption assistance program.

"(2) $10,000 exclusion for adoption of child with special needs regardless of expenses.—In the case of an adoption of a child with special needs which becomes final during a taxable year, the qualified adoption expenses with respect to such adoption for such year shall be increased by an amount equal to the excess (if any) of $10,000 over the actual aggregate qualified adoption expenses with respect to such adoption during such taxable year and all prior taxable years."

(B) Paragraph (2) of section 137(b) is amended by striking "subsection (a)(1)" and inserting "subsection (a)".

(3) Effective date.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 2002; except that the amendments made by paragraphs (1)(C), (1)(D), and (2)(B) shall apply to taxable years beginning after December 31, 2001.

(d) Amendments Related to Section 205 of the Act.—

(1) Section 45F(d)(4)(B) is amended by striking "subpart A, B, or D of this part" and inserting "this chapter or for purposes of section 55".

(2) Section 38(b)(15) is amended by striking "45F" and inserting "45F(a)".

(e) Amendments Related to Section 301 of the Act.—

(1) Section 63(c)(2) is amended—

(A) in subparagraph (A), by striking "subparagraph (C)" and inserting "subparagraph (D)",

(B) by striking "or" at the end of subparagraph (B),

(C) by redesignating subparagraph (C) as subparagraph (D), and

(D) by inserting after subparagraph (B) the following new subparagraph:

"(C) one-half of the amount allowable under subparagraph (A) in the case of a married individual filing a separate return, or".

(2) Section 63(c)(7) is amended by adding at the end the following:

"If any amount determined under the preceding table is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.".

(f) Amendment Related to Section 401 of the Act.—Section 530(d)(4)(B)(iv) is amended by striking "because the taxpayer elected under paragraph (2)(C) to waive the application of paragraph (2)" and inserting "by application of paragraph (2)(C)(i)(II)".

(g) Amendment Related to Section 511 of the Act.—Section 2511(c) is amended by striking "taxable gift under section 2503," and inserting "transfer of property by gift,".

(h) Amendment Related to Section 532 of the Act.—Section 2016 is amended by striking "any State, any possession of the United States, or the District of Columbia,".

(i) Amendments Relating to Section 602 of the Act.—

(1) Subparagraph (A) of section 408(q)(3) is amended to read as follows:

"(A) Qualified employer plan.—The term 'qualified employer plan' has the meaning given such term by section 72(p)(4)(A)(i); except that such term shall also include an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).".

(2) Section 4(c) of Employee Retirement Income Security Act of 1974 is amended—

(A) by inserting "and part 5 (relating to administration and enforcement)" before the period at the end, and

(B) by adding at the end the following new sentence: "Such provisions shall apply to such accounts and annuities in a manner similar to their application to a simplified employee pension under section 408(k) of the Internal Revenue Code of 1986.".

(j) AMENDMENTS RELATING TO SECTION 611 OF THE ACT.—

(1) Section 408(k) is amended—

(A) in paragraph (2)(C) by striking "$300" and inserting "$450", and

(B) in paragraph (8) by striking "$300" both places it appears and inserting "$450".

(2) Section 409(o)(1)(C)(ii) is amended—

(A) by striking "$500,000" both places it appears and inserting "$800,000", and

(B) by striking "$100,000" and inserting "$160,000".

(3) Section 611(i) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by adding at the end the following new paragraph:

"(3) SPECIAL RULE.—In the case of plan that, on June 7, 2001, incorporated by reference the limitation of section 415(b)(1)(A) of the Internal Revenue Code of 1986, section 411(d)(6) of such Code and section 204(g)(1) of the Employee Retirement Income Security Act of 1974 do not apply to a plan amendment that—

"(A) is adopted on or before June 30, 2002,

"(B) reduces benefits to the level that would have applied without regard to the amendments made by subsection (a) of this section, and

"(C) is effective no earlier than the years described in paragraph (2).".

(k) AMENDMENTS RELATING TO SECTION 613 OF THE ACT.—

(1) Section 416(c)(1)(C)(iii) is amended by striking "EXCEPTION FOR FROZEN PLAN" and inserting "EXCEPTION FOR PLAN UNDER WHICH NO KEY EMPLOYEE (OR FORMER KEY EMPLOYEE) BENEFITS FOR PLAN YEAR".

(2) Section 416(g)(3)(B) is amended by striking "separation from service" and inserting "severance from employment".

(l) AMENDMENTS RELATING TO SECTIONS 614 and 616 OF THE ACT.—

(1) Section 404(a)(12) is amended by striking "(9)," and inserting "(9) and subsection (h)(1)(C),".

(2) Section 404(n) is amended by striking "subsection (a)," and inserting "subsection (a) or paragraph (1)(C) of subsection (h)".

(3) Section 402(h)(2)(A) is amended by striking "15 percent" and inserting "25 percent".

(4) Section 404(a)(7)(C) is amended to read as follows:

"(C) PARAGRAPH NOT TO APPLY IN CERTAIN CASES.—

"(i) BENEFICIARY TEST.—This paragraph shall not have the effect of reducing the amount otherwise deductible under paragraphs (1), (2), and (3), if no employee is a beneficiary under more than 1 trust or under a trust and an annuity plan.

"(ii) ELECTIVE DEFERRALS.—If, in connection with 1 or more defined contribution plans and 1 or more defined benefit plans, no amounts (other than elective deferrals (as defined in section 402(g)(3))) are contributed to any of the defined contribution plans for the taxable year, then subparagraph (A) shall not apply with respect to any of such defined contribution plans and defined benefit plans.".

(m) AMENDMENT RELATING TO SECTION 618 OF THE ACT.—Section 25B(d)(2)(A) is amended to read as follows:

"(A) IN GENERAL.—The qualified retirement savings contributions determined under paragraph (1) shall be reduced (but not below zero) by the aggregate distributions received by the individual during the testing period from any entity of a type to which contributions under paragraph (1) may be made. The preceding sentence shall not apply to the portion of any distribution which is not includible in gross income by reason of a trustee-to-trustee transfer or a rollover distribution.".

(n) AMENDMENTS RELATING TO SECTION 619 OF THE ACT.—

(1) Section 45E(e)(1) is amended by striking "(n)" and inserting "(m)".

(2) Section 619(d) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking "established" and inserting "first effective".

(o) AMENDMENTS RELATING TO SECTION 631 OF THE ACT.—

(1) Section 402(g)(1) is amended by adding at the end the following:

"(C) CATCH-UP CONTRIBUTIONS.—In addition to subparagraph (A), in the case of an eligible participant (as defined in section 414(v)), gross income shall not include elective deferrals in excess of the applicable dollar amount under subparagraph (B) to the extent that the amount of such elective deferrals does not exceed the applicable dollar amount under section 414(v)(2)(B)(i) for the taxable year (without regard to the treatment of the elective deferrals by an applicable employer plan under section 414(v)).".

(2) Section 401(a)(30) is amended by striking "402(g)(1)" and inserting "402(g)(1)(A)".

(3) Section 414(v)(2) is amended by adding at the end the following:

"(D) AGGREGATION OF PLANS.—For purposes of this paragraph, plans described in clauses (i), (ii), and (iv) of paragraph (6)(A) that are maintained by the same employer (as determined under subsection (b), (c), (m) or (o)) shall be treated as a single plan, and plans described in clause (iii) of paragraph (6)(A) that are maintained by the same employer shall be treated as a single plan.".

(4) Section 414(v)(3)(A)(i) is amended by striking "section 402(g), 402(h), 403(b), 404(a), 404(h), 408(k), 408(p), 415, or 457" and inserting "section 401(a)(30), 402(h), 403(b), 408, 415(c), and 457(b)(2) (determined without regard to section 457(b)(3))".

(5) Section 414(v)(3)(B) is amended by striking "section 401(a)(4), 401(a)(26), 401(k)(3), 401(k)(11), 401(k)(12), 403(b)(12), 408(k), 408(p), 408B, 410(b), or 416" and inserting "section 401(a)(4), 401(k)(3), 401(k)(11), 403(b)(12), 408(k), 410(b), or 416".

(6) Section 414(v)(4)(B) is amended by inserting before the period at the end the following: ", except that a plan described in clause (i) of section 410(b)(6)(C) shall not be treated as a plan of the employer until the expiration of the transition period with respect to such plan (as determined under clause (ii) of such section)".

(7) Section 414(v)(5) is amended—

(A) by striking ", with respect to any plan year," in the matter preceding subparagraph (A),

(B) by amending subparagraph (A) to read as follows:

"(A) who would attain age 50 by the end of the taxable year,", and

(C) in subparagraph (B) by striking "plan year" and inserting "plan (or other applicable) year".

(8) Section 414(v)(6)(C) is amended to read as follows:

"(C) EXCEPTION FOR SECTION 457 PLANS.—This subsection shall not apply to a participant for any year for which a higher limitation applies to the participant under section 457(b)(3).".

(9) Section 457(e) is amended by adding at the end the following new paragraph:

"(18) COORDINATION WITH CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS AGE 50 OR OLDER.— In the case of an individual who is an eligible participant (as defined by section 414(v)) and who is a participant in an eligible deferred compensation plan of an employer described in paragraph (1)(A), subsections (b)(3) and (c) shall be applied by substituting for the amount otherwise determined under the applicable subsection the greater of—

"(A) the sum of—

"(i) the plan ceiling established for purposes of subsection (b)(2) (without regard to subsection (b)(3)), plus

"(ii) the applicable dollar amount for the taxable year determined under section 414(v)(2)(B)(i), or

"(B) the amount determined under the applicable subsection (without regard to this paragraph).".

(p) AMENDMENTS RELATING TO SECTION 632 OF THE ACT.—

(1) Section 403(b)(1) is amended in the matter following subparagraph (E) by striking "then amounts contributed" and all that follows and inserting the following:

"then contributions and other additions by such employer for such annuity contract shall be excluded from the gross income of the employee for the taxable year to the extent that the aggregate of such contributions and additions (when expressed as an annual addition (within the meaning of section 415(c)(2))) does not exceed the applicable limit under section 415. The amount actually distributed to any distributee under such contract shall be taxable to the distributee (in the year in which so distributed) under section 72 (relating to annuities). For purposes of applying the rules of this subsection to contributions and other additions by an employer for a taxable year, amounts transferred to a contract described in this paragraph by reason of a rollover contribution described in paragraph (8) of this subsection or section 408(d)(3)(A)(ii) shall not be considered contributed by such employer.".

(2) Section 403(b) is amended by striking paragraph (6).

(3) Section 403(b)(3) is amended—

(A) in the first sentence by inserting the following before the period at the end: ", and which precedes the taxable year by no more than five years", and

(B) in the second sentence by striking "or any amount received by a former employee after the fifth taxable year following the taxable year in which such employee was terminated".

(4) Section 415(c)(7) is amended to read as follows:

"(7) SPECIAL RULES RELATING TO CHURCH PLANS.—

"(A) ALTERNATIVE CONTRIBUTION LIMITATION.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subsection, at the election of a participant who is an employee of a church or a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such participant, when expressed as an annual addition to such participant's account, shall be treated as not exceeding the limitation of paragraph (1) if such annual addition is not in excess of $10,000.

"(ii) $40,000 AGGREGATE LIMITATION.—The total amount of additions with respect to any participant which may be taken into account for purposes of this subparagraph for all years may not exceed $40,000.

"(B) NUMBER OF YEARS OF SERVICE FOR DULY ORDAINED, COMMISSIONED, OR LICENSED MINISTERS OR LAY EMPLOYEES.—For purposes of this paragraph—

"(i) all years of service by—

"(I) a duly ordained, commissioned, or licensed minister of a church, or

"(II) a lay person,

as an employee of a church, a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), shall be considered as years of service for 1 employer, and

"(ii) all amounts contributed for annuity contracts by each such church (or convention or association of churches) or such organization during such years for such minister or lay person shall be considered to have been contributed by 1 employer.

"(C) Foreign missionaries.—In the case of any individual described in subparagraph (D) performing services outside the United States, contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such employee, when expressed as an annual addition to such employee's account, shall not be treated as exceeding the limitation of paragraph (1) if such annual addition is not in excess of the greater of $3,000 or the employee's includible compensation determined under section 403(b)(3).

"(D) Annual addition.—For purposes of this paragraph, the term 'annual addition' has the meaning given such term by paragraph (2).

"(E) Church, convention or association of churches.—For purposes of this paragraph, the terms 'church' and 'convention or association of churches' have the same meaning as when used in section 414(e).".

(5) Section 457(e)(5) is amended to read as follows:

"(5) Includible compensation.—The term 'includible compensation' has the meaning given to the term 'participant's compensation' by section 415(c)(3).".

(6) Section 402(g)(7)(B) is amended by striking "2001." and inserting "2001).".

(q) Amendments Relating to Section 643 of the Act.—

(1) Section 401(a)(31)(C)(i) is amended by inserting "is a qualified trust which is part of a plan which is a defined contribution plan and" before "agrees".

(2) Section 402(c)(2) is amended by adding at the end the following flush sentence:

"In the case of a transfer described in subparagraph (A) or (B), the amount transferred shall be treated as consisting first of the portion of such distribution that is includible in gross income (determined without regard to paragraph (1)).".

(r) Amendments Relating to Section 648 of the Act.—

(1) Section 417(e) is amended—

(A) in paragraph (1) by striking "exceed the dollar limit under section 411(a)(11)(A)" and inserting "exceed the amount that can be distributed without the participant's consent under section 411(a)(11)", and

(B) in paragraph (2)(A) by striking "exceeds the dollar limit under section 411(a)(11)(A)" and inserting "exceeds the amount that can be distributed without the participant's consent under section 411(a)(11)".

(2) Section 205(g) of the Employee Retirement Income Security Act of 1974 is amended—

(A) in paragraph (1) by striking "exceed the dollar limit under section 203(e)(1)" and inserting "exceed the amount that can be distributed without the participant's consent under section 203(e)", and

(B) in paragraph (2)(A) by striking "exceeds the dollar limit under section 203(e)(1)" and inserting "exceeds the amount that can be distributed without the participant's consent under section 203(e)".

(s) Amendment Relating to Section 652 of the Act.—Section 404(a)(1)(D)(iv) is amended by striking "Plans maintained by professional service employers" and inserting "Special rule for terminating plans".

(t) Amendments Relating to Section 657 of the Act.—Section 404(c)(3) of the Employee Retirement Income Security Act of 1974 is amended—

(1) by striking "the earlier of" in subparagraph (A) the second place it appears, and

(2) by striking "if the transfer" and inserting "a transfer that".

(u) Amendments Relating to Section 659 of the Act.—

(1) Section 4980F is amended—

(A) in subsection (e)(1) by striking "written notice" and inserting "the notice described in paragraph (2)",

(B) by amending subsection (f)(2)(A) to read as follows:

"(A) any defined benefit plan described in section 401(a) which includes a trust exempt from tax under section 501(a), or", and

(C) in subsection (f)(3) by striking "significantly" both places it appears.

(2) Section 204(h)(9) of the Employee Retirement Income Security Act of 1974 is amended by striking "significantly" both places it appears.

(3) Section 659(c)(3)(B) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking "(or" and inserting "(and".

(v) Amendments Relating to Section 661 of the Act.—

(1) Section 412(c)(9)(B) is amended—

(A) in clause (ii) by striking "125 percent" and inserting "100 percent", and

(B) by adding at the end the following new clause:

"(iv) Limitation.—A change in funding method to use a prior year valuation, as provided in clause (ii), may not be made unless as of the valuation date within the prior plan year, the value of the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (7)(B)).".

(2) Section 302(c)(9)(B) of the Employee Retirement Income Security Act of 1974 is amended—

(A) in clause (ii) by striking "125 percent" and inserting "100 percent", and

(B) by adding at the end the following new clause:

"(4v) A change in funding method to use a prior year valuation, as provided in clause (ii), may not be made unless as of the valuation date within the prior plan year, the value of the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (7)(B)).".

(w) Amendments Relating to Section 662 of the Act.—

(1) Section 404(k) is amended—

(A) in paragraph (1) by striking "during the taxable year",

(B) in paragraph (2)(B) by striking "(A)(iii)" and inserting "(A)(iv)",

(C) in paragraph (4)(B) by striking "(iii)" and inserting "(iv)", and

(D) by redesignating subparagraph (B) of paragraph (4) (as amended by subparagraph (C)) as subparagraph (C) of paragraph (4) and by inserting after subparagraph (A) the following new subparagraph:

"(B) Reinvestment dividends.—For purposes of subparagraph (A), an applicable dividend reinvested pursuant to clause (iii)(II) of paragraph (2)(A) shall be treated as paid in the taxable year of the corporation in which such dividend is reinvested in qualifying employer securities or in which the election under clause (iii) of paragraph (2)(A) is made, whichever is later.".

(2) Section 404(k) is amended by adding at the end the following new paragraph:

"(7) Full vesting.—In accordance with section 411, an applicable dividend described in clause (iii)(II) of paragraph (2)(A) shall be subject to the requirements of section 411(a)(1).".

(x) Effective Date.—Except as provided in subsection (c), the amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.

SEC. 612. AMENDMENTS RELATED TO COMMUNITY RENEWAL TAX RELIEF ACT OF 2000.

(a) Amendment Related to Section 101 of the Act.—Section 469(i)(3)(E) is amended by striking clauses (ii), (iii), and (iv) and inserting the following:

"(ii) second to the portion of such loss to which subparagraph (C) applies,

"(iii) third to the portion of the passive activity credit to which subparagraph (B) or (D) does not apply,

"(iv) fourth to the portion of such credit to which subparagraph (B) applies, and".

(b) Amendment Related to Section 306 of the Act.—Section 151(c)(6)(C) is amended—

(1) by striking "For earned income credit.—For purposes of section 32, an" and inserting "For principal place of abode requirements.—An", and

(2) by striking "requirement of section 32(c)(3)(A)(ii)" and inserting "principal place of abode requirements of section 2(a)(1)(B), section 2(b)(1)(A), and section 32(c)(3)(A)(ii)".

(c) Amendment Related to Section 309 of the Act.—Subparagraph (A) of section 358(h)(1) is amended to read as follows:

"(A) which is assumed by another person as part of the exchange, and".

(d) Amendments Related to Section 401 of the Act.—

(1)(A) Section 1234A is amended by inserting "or" after the comma at the end of paragraph (1), by striking "or" at the end of paragraph (2), and by striking paragraph (3).

(B)(i) Section 1234B is amended in subsection (a)(1) and in subsection (b) by striking "sale or exchange" the first place it appears in each subsection and inserting "sale, exchange, or termination".

(ii) Section 1234B is amended by adding at the end the following new subsection:

"(f) Cross Reference.—

"For special rules relating to dealer securities futures contracts, see section 1256."

(2) Section 1091(e) is amended—

(A) in the heading, by striking "Securities.—" and inserting "Securities and Securities Futures Contracts To Sell.—",

(B) by inserting after "closing of a short sale of" the following: "(or a securities futures contract to sell)",

(C) in paragraph (2), by inserting after "short sale of" the following: "(or securities futures contracts to sell)", and

(D) by adding at the end the following:

"For purposes of this subsection, the term 'securities futures contract' has the meaning provided by section 1234B(c).".

(3) Section 1233(e)(2) is amended by striking "and" at the end of subparagraph (C), by striking the period and inserting "; and" at the end of subparagraph (D), and by adding at the end the following:

"(E) entering into a securities futures contract (as so defined) to sell shall be treated as entering into a short sale, and the sale, exchange, or termination of a securities futures contract to sell shall be treated as the closing of a short sale.”.

(e) Effective Date.—The amendments made by this section shall take effect as if included in the provisions of the Community Renewal Tax Relief Act of 2000 to which they relate.

SEC. 613. AMENDMENTS RELATED TO THE TAX RELIEF EXTENSION ACT OF 1999.

(a) Amendments Related to Section 545 of the Act.—Section 857(b)(7) is amended—

(1) in clause (i) of subparagraph (B), by striking “the amount of which” and inserting “to the extent the amount of the rents”, and

(2) in subparagraph (C), by striking “if the amount” and inserting “to the extent the amount”.

(b) Effective Date.—The amendments made by this section shall take effect as if included in section 545 of the Tax Relief Extension Act of 1999.

SEC. 614. AMENDMENTS RELATED TO THE TAXPAYER RELIEF ACT OF 1997.

(a) Amendments Related to Section 311 of the Act.—Section 311(e) of the Taxpayer Relief Act of 1997 (Public Law 105–34; 111 Stat. 836) is amended—

(1) in paragraph (2)(A), by striking “recognized” and inserting “included in gross income”, and

(2) by adding at the end the following new paragraph:

“(5) Disposition of interest in passive activity.—Section 469(g)(1)(A) of the Internal Revenue Code of 1986 shall not apply by reason of an election made under paragraph (1).”.

(b) Effective Date.—The amendments made by this section shall take effect as if included in section 311 of the Taxpayer Relief Act of 1997.

SEC. 615. AMENDMENT RELATED TO THE BALANCED BUDGET ACT OF 1997.

(a) Amendment Related to Section 4006 of the Act.—Section 26(b)(2) is amended by striking “and” at the end of subparagraph (P), by striking the period and inserting “, and” at the end of subparagraph (Q), and by adding at the end the following new subparagraph:

“(R) section 138(c)(2) (relating to penalty for distributions from Medicare+Choice MSA not used for qualified medical expenses if minimum balance not maintained).”.

(b) Effective Date.—The amendment made by this section shall take effect as if included in section 4006 of the Balanced Budget Act of 1997.

SEC. 616. OTHER TECHNICAL CORRECTIONS.

(a) Coordination of Advanced Payments of Earned Income Credit.—

(1) Section 32(g)(2) is amended by striking “subpart” and inserting “part”.

(2) The amendment made by this subsection shall take effect as if included in section 474 of the Tax Reform Act of 1984.

(b) Disclosure by Social Security Administration to Federal Child Support Agencies.—

(1) Section 6103(l)(8) is amended—

(A) in the heading, by striking “state and local” and inserting “federal, state, and local”, and

(B) in subparagraph (A), by inserting “Federal or” before “State or local”.

(2) The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(c) Treatment of Settlements Under Partnership Audit Rules.—

(1) The following provisions are each amended by inserting “or the Attorney General (or his delegate)” after “Secretary” each place it appears:

(A) Paragraphs (1) and (2) of section 6224(c).

(B) Section 6229(f)(2).

(C) Section 6231(b)(1)(C).

(D) Section 6234(g)(4)(A).

(2) The amendments made by this subsection shall apply with respect to settlement agreements entered into after the date of the enactment of this Act.

(d) Amendment Related to Procedure and Administration.—

(1) Section 6331(k)(3) (relating to no levy while certain offers pending or installment agreement pending or in effect) is amended to read as follows:

“(3) Certain rules to apply.—Rules similar to the rules of—

“(A) paragraphs (3) and (4) of subsection (i), and

“(B) except in the case of paragraph (2)(C), paragraph (5) of subsection (i),

shall apply for purposes of this subsection.”.

(2) The amendment made by this subsection shall take effect on the date of the enactment of this Act.

(e) Modified Endowment Contracts.—Paragraph (2) of section 318(a) of the Community Renewal Tax Relief Act of 2000 (114 Stat. 2763A–645) is repealed, and clause (ii) of section 7702A(c)(3)(A) shall read and be applied as if the amendment made by such paragraph had not been enacted.

SEC. 617. CLERICAL AMENDMENTS.

(1) The subsection (g) of section 25B that relates to termination is redesignated as subsection (h).

(2) Section 51A(c)(1) is amended by striking “51(d)(10)” and inserting “51(d)(11)”.

(3) Section 172(b)(1)(F)(i) is amended—

(A) by striking “3 years” and inserting “3 taxable years”, and

(B) by striking “2 years” and inserting “2 taxable years”.

(4) Section 351(h)(1) is amended by inserting a comma after “liability”.

(5) Section 741 is amended by striking “which have appreciated substantially in value”.

(6) Section 857(b)(7)(B)(i) is amended by striking “subsection 856(d)” and inserting “section 856(d)”.

(7) Section 1394(c)(2) is amended by striking “subparagraph (A)” and inserting “paragraph (1)”.

(8)(A) Section 6227(d) is amended by striking “subsection (b)” and inserting “subsection (c)”.

(B) Section 6228 is amended—

(i) in subsection (a)(1), by striking “subsection (b) of section 6227” and inserting “subsection (c) of section 6227”,

(ii) in subsection (a)(3)(A), by striking “subsection (b) of”, and

(iii) in subsections (b)(1) and (b)(2)(A), by striking “subsection (c) of section 6227” and inserting “subsection (d) of section 6227”.

(C) Section 6231(b)(2)(B)(i) is amended by striking “section 6227(c)” and inserting “section 6227(d)”.

(9) Section 1221(b)(1)(B)(i) is amended by striking “1256(b))” and inserting “1256(b)))”.

(10) Section 618(b)(2) of the Economic Growth and Tax Relief Reconciliation Act of 2001 (Public Law 107–16; 115 Stat. 108) is amended—

(A) in subparagraph (A) by striking “203(d)” and inserting “202(f)”, and

(B) in subparagraphs (C), (D), and (E) by striking “203” and inserting “202(f)”.

(11)(A) Section 525 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106–170; 113 Stat. 1928) is amended by striking “7200” and inserting “7201”.

(B) Section 532(c)(2) of such Act (113 Stat. 1930) is amended—

(i) in subparagraph (D), by striking “341(d)(3)” and inserting “341(d)”, and

(ii) in subparagraph (Q), by striking “954(c)(1)(B)(iii) and inserting “954(c)(1)(B)”.

SEC. 618. ADDITIONAL CORRECTIONS.

(a) Amendments Related to Section 202 of the Economic Growth and Tax Relief Reconciliation Act of 2001.—

(1) Subsection (h) of section 23 is amended—

(A) by striking “subsection (a)(1)(B)” and inserting “subsection (a)(3)”, and

(B) by adding at the end the following new flush sentence:

“If any amount as increased under the preceding sentence is not a multiple of $10, such amount shall be rounded to the nearest multiple of $10.”

(2) Subsection (f) of section 137 is amended by adding at the end the following new flush sentence:

“If any amount as increased under the preceding sentence is not a multiple of $10, such amount shall be rounded to the nearest multiple of $10.”

(b) Amendments Related to Section 204 of the Economic Growth and Tax Relief Reconciliation Act of 2001.—Section 21(d)(2) is amended—

(1) in subparagraph (A) by striking “$200” and inserting “$250”, and

(2) in subparagraph (B) by striking “$400” and inserting “$500”.

(c) Effective Date.—The amendments made by this section shall take effect as if included in the provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 to which they relate.

TITLE VII—UNEMPLOYMENT ASSISTANCE

SEC. 701. SHORT TITLE.

This title may be cited as the “Temporary Extended Unemployment Compensation Act of 2002”.

SEC. 702. FEDERAL-STATE AGREEMENTS.

(a) In General.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the “Secretary”). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) Provisions of Agreement.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals who—

(1) have exhausted all rights to regular compensation under the State law or under Federal law with respect to a benefit year (excluding any benefit year that ended before March 15, 2001);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law;

(3) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(4) filed an initial claim for regular compensation on or after March 15, 2001.

(c) Exhaustion of Benefits.—For purposes of subsection (b)(1), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on

employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes of any agreement under this title—

(1) the amount of temporary extended unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except—

(A) that an individual shall not be eligible for temporary extended unemployment compensation under this title unless, in the base period with respect to which the individual exhausted all rights to regular compensation under the State law, the individual had 20 weeks of full-time insured employment or the equivalent in insured wages, as determined under the provisions of the State law implementing section 202(a)(5) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note); and

(B) where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 703 shall not exceed the amount established in such account for such individual.

(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that is in an extended benefit period may provide for the payment of temporary extended unemployment compensation in lieu of extended compensation to individuals who otherwise meet the requirements of this section. Such an election shall not require a State to trigger off an extended benefit period.

SEC. 703. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law, or

(B) 13 times the individual's average weekly benefit amount for the benefit year.

(2) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

(3) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

SEC. 704. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 705. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

(c) ASSISTANCE TO STATES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

(d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are appropriated from the general fund of the Treasury, without fiscal year limitation, to the extended unemployment compensation account (as so established) of the Unemployment Trust Fund (as so established) such sums as the Secretary estimates to be necessary to make the payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code; and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

SEC. 706. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of temporary extended unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further temporary extended unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of temporary extended unemployment compensation under this title to which they were not entitled, the State shall require such individuals to repay the amounts of such temporary extended unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such temporary extended unemployment compensation was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any temporary extended unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 707. DEFINITIONS.

In this title, the terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 708. APPLICABILITY.

An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 1, 2003.

SEC. 709. SPECIAL REED ACT TRANSFER IN FISCAL YEAR 2002.

(a) REPEAL OF CERTAIN PROVISIONS ADDED BY THE BALANCED BUDGET ACT OF 1997.—

(1) IN GENERAL.—The following provisions of section 903 of the Social Security Act (42 U.S.C. 1103) are repealed:

(A) Paragraph (3) of subsection (a).

(B) The last sentence of subsection (c)(2).

(2) SAVINGS PROVISION.—Any amounts transferred before the date of enactment of this Act under the provision repealed by paragraph (1)(A) shall remain subject to section 903 of the Social Security Act, as last in effect before such date of enactment.

(b) SPECIAL TRANSFER IN FISCAL YEAR 2002.—Section 903 of the Social Security Act is amended by adding at the end the following:

"Special Transfer in Fiscal Year 2002

"(d)(1) The Secretary of the Treasury shall transfer (as of the date determined under paragraph (5)) from the Federal unemployment account to the account of each State in the Unemployment Trust Fund the amount determined with respect to such State under paragraph (2).

"(2) The amount to be transferred under this subsection to a State account shall (as determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury) be equal to—

"(A) the amount which would have been required to have been transferred under this section to such account at the beginning of fiscal year 2002 if—

"(i) section 709(a)(1) of the Temporary Extended Unemployment Compensation Act of 2002 had been enacted before the close of fiscal year 2001, and

"(ii) section 5402 of Public Law 105-33 (relating to increase in Federal unemployment account ceiling) had not been enacted,

minus

"(B) the amount which was in fact transferred under this section to such account at the beginning of fiscal year 2002.

"(3)(A) Except as provided in paragraph (4), amounts transferred to a State account pursuant to this subsection may be used only in the payment of cash benefits—

"(i) to individuals with respect to their unemployment, and

"(ii) which are allowable under subparagraph (B) or (C).

"(B)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable as—

"(I) regular compensation, or

"(II) additional compensation, upon the exhaustion of any temporary extended unemployment compensation (if such State has entered into an agreement under the Temporary Extended Unemployment Compensation Act of 2002), for individuals eligible for regular compensation under the unemployment compensation law of such State.

"(ii) Any additional compensation under clause (i) may not be taken into account for purposes of any determination relating to the amount of any extended compensation for which an individual might be eligible.

"(C)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable to 1 or more categories of individuals not otherwise eligible for regular compensation under the unemployment compensation law of such State, including those described in clause (iii).

"(ii) The benefits paid under this subparagraph to any individual may not, for any period of unemployment, exceed the maximum amount of regular compensation authorized under the unemployment compensation law of such State for that same period, plus any additional compensation (described in subparagraph (B)(i)) which could have been paid with respect to that amount.

"(iii) The categories of individuals described in this clause include the following:

"(I) Individuals who are seeking, or available for, only part-time (and not full-time) work.

"(II) Individuals who would be eligible for regular compensation under the unemployment compensation law of such State under an alternative base period.

"(D) Amounts transferred to a State account under this subsection may be used in the payment of cash benefits to individuals only for weeks of unemployment beginning after the date of enactment of this subsection.

"(4) Amounts transferred to a State account under this subsection may be used for the administration of its unemployment compensation law and public employment offices (including in connection with benefits described in paragraph (3) and any recipients thereof), subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to 'subsections (a) and (b)' in subparagraph (D) thereof to include this subsection).

"(5) Transfers under this subsection shall be made by December 31, 2001, unless this paragraph is not enacted until after that date, in which case such transfers shall be made within 10 days after the date of enactment of this paragraph."

(c) LIMITATIONS ON TRANSFERS.—Section 903(b) of the Social Security Act shall apply to transfers under section 903(d) of such Act (as amended by this section). For purposes of the preceding sentence, such section 903(b) shall be deemed to be amended as follows:

(1) By substituting "the transfer date described in subsection (d)(5)" for "October 1 of any fiscal year".

(2) By substituting "remain in the Federal unemployment account" for "be transferred to the Federal unemployment account as of the beginning of such October 1".

(3) By substituting "fiscal year 2002 (after the transfer date described in subsection (d)(5))" for "the fiscal year beginning on such October 1".

(4) By substituting "under subsection (d)" for "as of October 1 of such fiscal year".

(5) By substituting "(as of the close of fiscal year 2002)" for "(as of the close of such fiscal year)".

(d) TECHNICAL AMENDMENTS.—(1) Sections 3304(a)(4)(B) and 3306(f)(2) of the Internal Revenue Code of 1986 are amended by inserting "or 903(d)(4)" before "of the Social Security Act".

(2) Section 303(a)(5) of the Social Security Act is amended in the second proviso by inserting "or 903(d)(4)" after "903(c)(2)".

(e) REGULATIONS.—The Secretary of Labor may prescribe any operating instructions or regulations necessary to carry out this section and the amendments made by this section.

TITLE VIII—DISPLACED WORKER HEALTH INSURANCE CREDIT

SEC. 801. DISPLACED WORKER HEALTH INSURANCE CREDIT.

(a) IN GENERAL.—Subchapter B of chapter 65 is amended by inserting after section 6428 the following new section:

"SEC. 6429. DISPLACED WORKER HEALTH INSURANCE CREDIT.

"(a) IN GENERAL.—In the case of an individual, there shall be allowed as a credit against the tax imposed by subtitle A an amount equal to 60 percent of the amount paid during the taxable year for coverage for the taxpayer, the taxpayer's spouse, and dependents of the taxpayer under qualified health insurance during eligible coverage months.

"(b) ONLY 12 ELIGIBLE COVERAGE MONTHS.—The number of eligible coverage months taken into account under subsection (a) for all taxable years shall not exceed 12.

"(c) ELIGIBLE COVERAGE MONTH.—For purposes of this section—

"(1) IN GENERAL.—The term 'eligible coverage month' means any month during 2002 or 2003 if, as of the first day of such month—

"(A) the taxpayer is unemployed,

"(B) the taxpayer is covered by qualified health insurance,

"(C) the premium for coverage under such insurance for such month is paid by the taxpayer, and

"(D) the taxpayer does not have other specified coverage.

"(2) SPECIAL RULES.—

"(A) TREATMENT OF FIRST MONTH OF EMPLOYMENT.—The taxpayer shall be treated as meeting the requirement of paragraph (1)(A) for the first month beginning on or after the date that the taxpayer ceases to be unemployed by reason of beginning work for an employer.

"(B) INITIAL CLAIM MUST BE AFTER MARCH 15, 2001.—The taxpayer shall not be treated as meeting the requirement of paragraph (1)(A) with respect to any unemployment if the initial claim for regular compensation for such unemployment is filed on or before March 15, 2001.

"(C) JOINT RETURNS.—In the case of a joint return, the requirements of paragraph (1) shall be treated as met if at least 1 spouse satisfies such requirements.

"(3) OTHER SPECIFIED COVERAGE.—For purposes of this subsection, an individual has other specified coverage for any month if, as of the first day of such month—

"(A) SUBSIDIZED COVERAGE.—

"(i) IN GENERAL.—Such individual is covered under any qualified health insurance under which at least 50 percent of the cost of coverage (determined under section 4980B) is paid or incurred by an employer (or former employer) of the taxpayer or the taxpayer's spouse.

"(ii) TREATMENT OF CAFETERIA PLANS AND FLEXIBLE SPENDING ACCOUNTS.—For purposes of clause (i), the cost of benefits—

"(I) which are chosen under a cafeteria plan (as defined in section 125(d)), or provided under a flexible spending or similar arrangement, of such an employer, and

"(II) which are not includible in gross income under section 106,

shall be treated as borne by such employer.

"(B) COVERAGE UNDER MEDICARE, MEDICAID, OR SCHIP.—Such individual—

"(i) is entitled to benefits under part A of title XVIII of the Social Security Act or is enrolled under part B of such title, or

"(ii) is enrolled in the program under title XIX or XXI of such Act.

"(C) CERTAIN OTHER COVERAGE.—Such individual—

"(i) is enrolled in a health benefits plan under chapter 89 of title 5, United States Code, or

"(ii) is entitled to receive benefits under chapter 55 of title 10, United States Code.

"(4) DETERMINATION OF UNEMPLOYMENT.—For purposes of paragraph (1), an individual shall be treated as unemployed during any period—

"(A) for which such individual is receiving unemployment compensation (as defined in section 85(b)), or

"(B) for which such individual is certified by a State agency (or by any other entity designated by the Secretary) as otherwise being entitled to receive unemployment compensation (as so defined) but for—

"(i) the termination of the period during which such compensation was payable, or

"(ii) an exhaustion of such individual's rights to such compensation.

"(d) QUALIFIED HEALTH INSURANCE.—For purposes of this section, the term 'qualified health insurance' means insurance which constitutes medical care; except that such term shall not include any insurance if substantially all of its coverage is of excepted benefits described in section 9832(c).

"(e) COORDINATION WITH ADVANCE PAYMENTS OF CREDIT.—

"(1) RECAPTURE OF EXCESS ADVANCE PAYMENTS.—If any payment is made by the Secretary under section 7527 during any calendar year to a provider of qualified health insurance for an individual, then the tax imposed by this chapter for the individual's last taxable year beginning in such calendar year shall be increased by the aggregate amount of such payments.

"(2) RECONCILIATION OF PAYMENTS ADVANCED AND CREDIT ALLOWED.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit (other than the credit allowed by subsection (a)) allowable under part IV of subchapter A of chapter 1.

"(f) SPECIAL RULES.—

"(1) COORDINATION WITH OTHER DEDUCTIONS.—Amounts taken into account under subsection (a) shall not be taken into account in determining any deduction allowed under section 162(l) or 213.

"(2) MSA DISTRIBUTIONS.—Amounts distributed from an Archer MSA (as defined in section 220(d)) shall not be taken into account under subsection (a).

"(3) DENIAL OF CREDIT TO DEPENDENTS.—No credit shall be allowed under this section to any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins.

"(4) CREDIT TREATED AS REFUNDABLE CREDIT.—For purposes of this title, the credit allowed under this section shall be treated as a credit allowable under subpart C of part IV of subchapter A of chapter 1.

"(5) REGULATIONS.—The Secretary may prescribe such regulations and other guidance as may be necessary or appropriate to carry out this section and section 7527.".

(b) INCREASED ACCESS TO HEALTH INSURANCE FOR INDIVIDUALS ELIGIBLE FOR TAX CREDIT.—Notwithstanding any other provision of law, in applying section 2741 of the Public Health Service Act (42 U.S.C. 300gg–41)) and any alternative State mechanism under section 2744 of such Act (42 U.S.C. 300gg–44)), in determining who is an eligible individual (as defined in section 2741(b) of such Act) in the case of an individual who may be covered by insurance for which credit is allowable under section 6429 of the Internal Revenue Code of 1986 for an eligible coverage month, if the individual seeks to obtain health insurance coverage under such section during an eligible coverage month under such section—

(1) paragraph (1) of such section 2741(b) shall be applied as if any reference to 18 months is deemed a reference to 12 months, and

(2) paragraphs (4) and (5) of such section 2741(b) shall not apply.

(c) INFORMATION REPORTING.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 (relating to information concerning transactions with other persons) is amended by inserting after section 6050S the following new section:

"SEC. 6050T. RETURNS RELATING TO DISPLACED WORKER HEALTH INSURANCE CREDIT.

"(a) REQUIREMENT OF REPORTING.—Every person—

"(1) who, in connection with a trade or business conducted by such person, receives payments during any calendar year from any individual for coverage of such individual or any other individual under qualified health insurance (as defined in section 6429(d)), and

"(2) who claims a reimbursement for an advance credit amount,

shall, at such time as the Secretary may prescribe, make the return described in subsection (b) with respect to each individual from whom such payments were received or for whom such a reimbursement is claimed.

"(b) FORM AND MANNER OF RETURNS.—A return is described in this subsection if such return—

"(1) is in such form as the Secretary may prescribe, and

"(2) contains—

"(A) the name, address, and TIN of each individual referred to in subsection (a),

"(B) the aggregate of the advance credit amounts provided to such individual and for which reimbursement is claimed,

"(C) the number of months for which such advance credit amounts are so provided, and

"(D) such other information as the Secretary may prescribe.

"(c) STATEMENTS TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each individual whose name is required to be set forth in such return a written statement showing—

"(1) the name and address of the person required to make such return and the phone number of the information contact for such person, and

"(2) the information required to be shown on the return with respect to such individual.

The written statement required under the preceding sentence shall be furnished on or before January 31 of the year following the calendar year for which the return under subsection (a) is required to be made.

"(d) ADVANCE CREDIT AMOUNT.—For purposes of this section, the term 'advance credit amount' means an amount for which the person can claim a reimbursement pursuant to a program established by the Secretary under section 7527."

(2) ASSESSABLE PENALTIES.—

(A) Subparagraph (B) of section 6724(d)(1) (relating to definitions) is amended by redesignating clauses (xi) through (xvii) as clauses (xii) through (xviii), respectively, and by inserting after clause (x) the following new clause:

"(xi) section 6050T (relating to returns relating to displaced worker health insurance credit),".

(B) Paragraph (2) of section 6724(d) is amended by striking "or" at the end of subparagraph (Z), by striking the period at the end of subparagraph (AA) and inserting ", or", and by adding after subparagraph (AA) the following new subparagraph:

"(BB) section 6050T (relating to returns relating to displaced worker health insurance credit).".

(3) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6050S the following new item:

"Sec. 6050T. Returns relating to displaced worker health insurance credit."

(d) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period ", or from section 6429 of such Code".

(2) The table of sections for subchapter B of chapter 65 is amended by adding at the end the following new item:

"Sec. 6429. Displaced worker health insurance credit."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 802. ADVANCE PAYMENT OF DISPLACED WORKER HEALTH INSURANCE CREDIT.

(a) IN GENERAL.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

"SEC. 7527. ADVANCE PAYMENT OF DISPLACED WORKER HEALTH INSURANCE CREDIT.

"(a) GENERAL RULE.—The Secretary shall establish a program for making payments on behalf of eligible individuals to providers of health insurance for such individuals.

"(b) ELIGIBLE INDIVIDUAL.—For purposes of this section, the term 'eligible individual' means any individual for whom a qualified health insurance credit eligibility certificate is in effect.

"(c) QUALIFIED HEALTH INSURANCE CREDIT ELIGIBILITY CERTIFICATE.—For purposes of this section, a qualified health insurance credit eligibility certificate is a statement certified by a State agency (or by any other entity designated by the Secretary) which—

"(1) certifies that the individual was unemployed (within the meaning of section 6429) as of the first day of any month, and

"(2) provides such other information as the Secretary may require for purposes of this section."

(c) CLERICAL AMENDMENT.—The table of sections for chapter 77 is amended by adding at the end the following new item:

"Sec. 7527. Advance payment of displaced worker health insurance credit."

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

TITLE IX—EMPLOYMENT AND TRAINING ASSISTANCE AND TEMPORARY HEALTH CARE COVERAGE ASSISTANCE

SEC. 901. EMPLOYMENT AND TRAINING ASSISTANCE AND TEMPORARY HEALTH CARE COVERAGE ASSISTANCE.

(a) In General.—Section 173(a) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(a)) is amended—

(1) in paragraph (2), by striking ‘‘and’’ at the end;

(2) in paragraph (3), by striking the period at the end and inserting ‘‘; and’’; and

(3) by adding at the end the following:

‘‘(4) to the Governor of any State or outlying area who applies for assistance under subsection (f) to provide employment and training assistance and temporary health care coverage assistance to workers affected by major economic dislocations, such as plant closures, mass layoffs, or multiple layoffs, including those dislocations caused by the terrorist attacks of September 11, 2001.’’.

(b) Requirements.—Section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918) is amended by adding at the end the following:

‘‘(f) Additional Relief for Major Economic Dislocations.—

‘‘(1) Grant recipient eligibility.—

‘‘(A) In general.—To be eligible to receive a grant under subsection (a)(4), a Governor shall submit an application, for assistance described in subparagraph (B), to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

‘‘(B) Types of assistance.—

‘‘(i) In general.—Assistance described in this subparagraph is—

‘‘(I) employment and training assistance, including employment and training activities described in section 134; and

‘‘(II) temporary health care coverage assistance described in paragraph (4).

‘‘(ii) Minimum allocation to temporary health care coverage assistance.—Not less than 30 percent of the cost of assistance requested in any application submitted under this subsection shall consist of the cost for temporary health care coverage assistance described in paragraph (4).

‘‘(iii) Encouragement of certain types of health care coverage.—In publishing requirements for applications under this subsection, the Secretary shall encourage the use of private health coverage alternatives.

‘‘(C) Minimum award requirement for eligible States and outlying areas.—

‘‘(i) Requirements.—In any case in which the requirements of this section are met in connection with one or more applications of the Governor of any State or outlying area for assistance described in subparagraph (B), the Governor—

‘‘(I) shall be awarded at least 1 grant under subsection (a)(4) pursuant to such applications, and

‘‘(II) except as provided in clause (ii), shall be awarded not less than $5,000,000 in total grants awarded under (a)(4).

‘‘(ii) Exception to minimum grant requirements.—The Secretary may award to a Governor a total amount less than the minimum total amount specified in clause (i)(II), as appropriate, if the Governor—

‘‘(I) requests less than such minimum total amount, or

‘‘(II) fails to demonstrate to the Secretary that there are a sufficient number of eligible recipients to justify the awarding of grants in such minimum total amount.

‘‘(2) State administration.—The Governor may designate one or more local workforce investment boards or other entities with the capability to respond to the circumstances relating to the particular closure, layoff, or other dislocation to administer the grant under subsection (a)(4).

‘‘(3) Participant eligibility.—An individual shall be eligible to receive assistance described in paragraph (1)(B) under a grant awarded under subsection (a)(4) if such individual is a dislocated worker and the Governor has certified that a major economic dislocation, such as a plant closure, mass layoff, or multiple layoff, including a dislocation caused by the terrorist attacks of September 11, 2001, contributed importantly to the dislocation.

‘‘(4) Temporary health care coverage assistance.—

‘‘(A) In general.—Temporary health care coverage assistance described in this paragraph consists of health care coverage premium assistance provided to qualified individuals under this paragraph with respect to premiums for coverage for themselves, for their spouses, for their dependents, or for any combination thereof, other than premiums for excluded health insurance coverage.

‘‘(B) Qualified individuals.—For purposes of this paragraph—

‘‘(i) In general.—Subject to clause (ii), a qualified individual is an individual who—

‘‘(I) is a dislocated worker referred to in paragraph (3) with respect to whom the Governor has made the certification regarding the dislocation as required under such paragraph, and

‘‘(II) is receiving or has received employment and training assistance as described in paragraph (1)(B)(i)(I).

‘‘(ii) Limitation.—An individual shall not be treated as a qualified individual if—

‘‘(I) such individual is eligible for coverage under the program under title XIX of the Social Security Act applicable in the State or outlying area, or

‘‘(II) such individual is eligible for coverage under the program under title XXI of such Act applicable in the State or outlying area,

unless such eligibility is effective solely in connection with eligibility for health care coverage premium assistance under a program established by the Governor in connection with temporary health care coverage assistance received under this subsection.

‘‘(iii) Construction.—

‘‘(I) Permitting coverage through enrollment in medicaid or SCHIP.—Nothing in this subsection shall be construed as preventing a State from using funds made available by reason of subsection (a)(4) to provide health care coverage through enrollment in the program under title XIX (relating to medicaid) or in the program under title XXI (relating to SCHIP) of the Social Security Act, but only in the case of individuals who are not otherwise eligible for coverage under either such program.

‘‘(II) Not affecting eligibility for assistance.—An individual shall not be treated for purposes of this subsection as being eligible for coverage under either such program (and thereby not eligible for assistance under this subsection) merely on the basis that the State provides assistance under this subsection through coverage under either such program.

‘‘(C) Limitation on entitlement.—Nothing in this subsection shall be construed as establishing any entitlement of qualified individuals to premium assistance under this subsection.

‘‘(D) Concurrence and consultation.—In connection with any temporary health care coverage assistance provided pursuant to this paragraph—

‘‘(i) if the Secretary determines that health care coverage premium assistance provided through title XIX or XXI of the Social Security Act is a substantial component of the assistance provided, the Secretary shall act in concurrence with the Secretary of Health and Human Services, and

‘‘(ii) in any other case, the Secretary shall consult with the Secretary of Health and Human Services to the extent that such assistance affects programs administered by or under the Secretary of Health and Human Services.

‘‘(E) Use of funds.—Temporary health care coverage assistance provided pursuant to this subsection shall supplement and may not supplant any other State or local funds used to provide health care coverage and may not be included in determining the amount of non-Federal contributions required under any program.

‘‘(F) Definitions.—For purposes of this paragraph—

‘‘(i) Excluded health care coverage.—The term ‘excluded health care coverage’ means coverage under—

‘‘(I) title XVIII of the Social Security Act,

‘‘(II) chapter 55 of title 10, United States Code,

‘‘(III) chapter 17 of title 38, United States Code,

‘‘(IV) chapter 89 of title 5, United States Code (other than coverage which is comparable to continuation coverage under section 4980B of the Internal Revenue Code of 1986), or

‘‘(V) the Indian Health Care Improvement Act.

Such term also includes coverage under a qualified long-term care insurance contract and excepted benefits described in section 733(c) of the Employee Retirement Income Security Act of 1974.

‘‘(ii) Premium.—The term ‘premium’ means, in connection with health care coverage, the premium which would (but for this section) be charged for the cost of coverage.

‘‘(5) Appropriations.—

‘‘(A) In general.—There is hereby appropriated, from any amounts in the Treasury not otherwise appropriated, $4,000,000,000 for the period consisting of fiscal years 2002, 2003, and 2004 for the award of grants under subsection (a)(4) in accordance with this section.

‘‘(B) Availability.—Amounts appropriated pursuant to subparagraph (A) for each fiscal year—

‘‘(i) are in addition to amounts made available under section 132(a)(2)(A) or any other provision of law to carry out this section; and

‘‘(ii) notwithstanding section 189(g)(1), shall remain available for obligation by the Secretary from the date of the enactment of this subsection through each succeeding fiscal year, except that, notwithstanding section 189(g)(2), no funds are hereby available for expenditure after June 30, 2004.’’.

TITLE X—TEMPORARY STATE HEALTH CARE ASSISTANCE

SEC. 1001. TEMPORARY STATE HEALTH CARE ASSISTANCE.

(a) In General.—Title XXI of the Social Security Act is amended by adding at the end the following new section:

‘‘SEC. 2111. TEMPORARY STATE HEALTH CARE ASSISTANCE.

‘‘(a) In General.—For the purpose of providing allotments to States under this section, there are hereby appropriated, out of any funds in the Treasury not otherwise appropriated, $4,599,667,448. Such funds shall be available for expenditure by the State through the end of 2002. This section constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment to States of amounts provided under this section.

"(b) ALLOTMENT.—Funds appropriated under subsection (a) shall be allotted by the Secretary among the States in accordance with the following table:

"State	Allotment (in dollars)
Alabama	50,746,770
Alaska	31,934,026
Arizona	68,594,677
Arkansas	38,203,601
California	482,591,746
Colorado	37,469,775
Connecticut	60,039,005
Delaware	10,355,807
District of Columbia	18,321,834
Florida	164,619,369
Georgia	118,754,564
Hawaii	12,827,163
Idaho	13,031,700
Illinois	175,505,956
Indiana	66,067,368
Iowa	31,521,201
Kansas	27,288,967
Kentucky	82,759,133
Louisiana	83,907,301
Maine	22,650,838
Maryland	60,347,066
Massachusetts	121,971,140
Michigan	156,479,213
Minnesota	113,966,453
Mississippi	55,335,225
Missouri	74,675,436
Montana	10,224,652
Nebraska	31,582,786
Nevada	14,695,973
New Hampshire	15,482,962
New Jersey	115,880,093
New Mexico	39,204,714
New York	573,999,663
North Carolina	189,333,723
North Dakota	8,915,675
Ohio	166,006,936
Oklahoma	48,914,626
Oregon	71,160,353
Pennsylvania	227,183,255
Rhode Island	45,001,680
South Carolina	94,789,740
South Dakota	19,951,788
Tennessee	102,845,128
Texas	289,526,532
Utah	30,860,915
Vermont	10,291,090
Virginia	67,232,217
Washington	110,377,264
West Virginia	31,120,804
Wisconsin	93,089,086
Wyoming	12,030,459

"(c) USE OF FUNDS.—

"(1) IN GENERAL.—Funds appropriated under this section may be used by a State only to provide health care items and services (other than types of items and services for which Federal financial participation is prohibited under this title or title XIX).

"(2) LIMITATION.—Funds so appropriated may not be used to match other Federal expenditures or in any other manner that results in the expenditure of Federal funds in excess of the amounts provided under this section.

"(d) PAYMENT TO STATES.—Funds made available under this section shall be paid to the States in a form and manner and time specified by the Secretary, based upon the submission of such information as the Secretary may require. There is no requirement for the expenditure of any State funds in order to qualify for receipt of funds under this section. The previous sections of this title shall not apply with respect to funds provided under this section.

"(e) DEFINITION.—For purposes of this section, the term 'State' means the 50 States and the District of Columbia.".

(b) REPEAL.—Effective as of January 1, 2003, section 2111 of the Social Security Act, as inserted by subsection (a), is repealed.

TITLE XI—SOCIAL SECURITY HELD HARMLESS; BUDGETARY TREATMENT OF ACT

SEC. 1101. NO IMPACT ON SOCIAL SECURITY TRUST FUNDS.

(a) IN GENERAL.—Nothing in this Act (or an amendment made by this Act) shall be construed to alter or amend title II of the Social Security Act (or any regulation promulgated under that Act).

(b) TRANSFERS.—

(1) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this Act has on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401).

(2) TRANSFER OF FUNDS.—If, under paragraph (1), the Secretary of the Treasury estimates that the enactment of this Act has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act (42 U.S.C. 401), the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of this Act.

SEC. 1102. EMERGENCY DESIGNATION.

Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this Act below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

SA 2774. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ____. REPEAL OF SUNSET ON MODIFICATIONS TO COVERDELL EDUCATION SAVINGS ACCOUNTS AND QUALIFIED TUITION PROGRAMS.

Section 901(a) of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended by striking "this Act" and inserting "this Act (other than sections 401 and 402)".

SA 2775. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ____. DEDUCTION FOR 100 PERCENT OF HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Paragraph (1) of section 162(l) of the Internal Revenue Code of 1986 is amended to read as follows:

"(1) ALLOWANCE OF DEDUCTION.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to 100 percent of the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer and the taxpayer's spouse and dependents.".

(b) CLARIFICATION OF LIMITATIONS ON OTHER COVERAGE.—The first sentence of section 162(l)(2)(B) of the Internal Revenue Code of 1986 is amended to read as follows: "Paragraph (1) shall not apply to any taxpayer for any calendar month for which the taxpayer participates in any subsidized health plan maintained by any employer (other than an employer described in section 401(c)(4)) of the taxpayer or the spouse of the taxpayer.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2776. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ____. CREDIT FOR FIRST-TIME HOMEBUYERS.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to nonrefundable personal credits) is amended by inserting before section 26 the following new section:

"SEC. 25C. PURCHASE OF A NEW PRINCIPAL RESIDENCE BY FIRST-TIME HOMEBUYER.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual who is a first-time homebuyer of a new principal residence in the United States during any taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to 10 percent of the purchase price of the residence.

"(b) LIMITATIONS.—

"(1) MAXIMUM CREDIT.—The credit allowed under subsection (a) shall not exceed $6,500.

"(2) LIMITATION TO ONE RESIDENCE.—The credit under this section shall be allowed with respect to only one residence of the taxpayer.

"(3) MARRIED INDIVIDUALS FILING JOINTLY.—In the case of a husband and wife who file a joint return, the credit under this section is allowable only if both the husband and wife are first-time homebuyers, and the amount specified under paragraph (1) shall apply to the joint return.

"(4) MARRIED INDIVIDUALS FILING SEPARATELY.—In the case of a married individual filing a separate return, the credit under this section is allowable only if the individual is a first-time homebuyer, and subsection (a) shall be applied by substituting '$3,250' for '$6,500'.

"(5) OTHER TAXPAYERS.—If 2 or more individuals who are not married purchase a new principal residence, the amount of the credit allowed under subsection (a) shall be allocated among such individuals in such manner as the Secretary may prescribe, except that the total amount of the credits allowed to all such individuals shall not exceed $6,500.

"(c) DEFINITIONS.—For purposes of this section—

"(1) FIRST-TIME HOMEBUYER.—

"(A) IN GENERAL.—The term 'first-time homebuyer' means any individual is such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence in the United States during the 3-year period ending on the date of the purchase of the principal residence to which this section applies.

"(B) ONE-TIME ONLY.—If an individual is treated as a first-time homebuyer with respect to any principal residence, such individual may not be treated as a first-time homebuyer with respect to any other principal residence.

"(2) NEW PRINCIPAL RESIDENCE.—The term 'new principal residence' means a principal residence the original use of which begins with the first-time homebuyer.

"(3) PRINCIPAL RESIDENCE.—The term 'principal residence' has the same meaning as when used in section 121.

"(4) PURCHASE AND PURCHASE PRICE.—The terms 'purchase' and 'purchase price' have the meanings provided by section 1400C(e).

"(d) CARRYFORWARD OF UNUSED CREDIT.—If the credit allowable under subsection (a) for any taxable year exceeds the limitation imposed by section 26(a) for such taxable year reduced by the sum of the credits allowable under this subpart (other than this section and sections 23, 24, 25, 25B, and 1400C) and section 27, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.

"(e) REPORTING.—If the Secretary requires information reporting under section 6045 by a person described in subsection (e)(2) thereof to verify the eligibility of taxpayers for the credit allowable by this section, the exception provided by section 6045(e)(5) shall not apply.

"(f) DENIAL OF DOUBLE BENEFIT.—No credit shall be allowed under subsection (a) if the credit under section 1400C is allowed.

"(g) BASIS ADJUSTMENT.—For purposes of this subtitle, if a credit is allowed under this section with respect to the purchase of any residence, the basis of such residence shall be reduced by the amount of the credit so allowed.

"(h) PROPERTY TO WHICH SECTION APPLIES.—The provisions of this section apply to a new principal residence if the taxpayer enters into, on or after January 1, 2002, and before January 1, 2003, a binding contract to purchase the residence, and purchases and occupies the residence before July 1, 2003.".

(b) CONFORMING AMENDMENTS.—

(1) Subsection (a) of section 1016 of the Internal Revenue Code of 1986 (relating to general rule for adjustments to basis) is amended by striking "and" at the end of paragraph (27), by striking the period at the end of paragraph (28) and inserting ", and", and by adding at the end the following new paragraph:

"(29) in the case of a residence with respect to which a credit was allowed under section 25C, to the extent provided in section 25C(g).".

(2) Section 23(b)(4)(B) of such Code is amended by inserting "and section 25C" after "this section".

(3) Section 24(b)(3)(B) of such Code is amended by striking "23 and 25B" and inserting "23, 25B, and 25C".

(4) Section 25(e)(1)(C) of such Code is amended by inserting "25C," after "25B,".

(5) Section 25B of such Code is amended by striking "section 23" and inserting "sections 23 and 25C".

(6) Section 1400C(d) of such Code is amended by striking "and 25B" and inserting "25B, and 25C".

(7) The table of sections for subpart A of part IV of subchapter A of chapter 1 of such Code is amended by inserting before the item relating to section 26 the following new item:

"Sec. 25C. Purchase of a new principal residence by first-time homebuyer.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2777. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC.   . TEMPORARY REPEAL OF 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS.

(a) RESTORATION OF PRIOR LAW FORMULA.—Subsection (a) of section 86 of the Internal Revenue Code of 1986 is amended to read as follows:

"(a) IN GENERAL.—Gross income for the taxable year of any taxpayer described in subsection (b) (notwithstanding section 207 of the Social Security Act) includes social security benefits in an amount equal to the lesser of—

"(1) one-half of the social security benefits received during the taxable year, or

"(2) one-half of the excess described in subsection (b)(1)."

(b) REPEAL OF ADJUSTED BASE AMOUNT.—Subsection (c) of section 86 of such Code is amended to read as follows:

"(c) BASE AMOUNT.—For purposes of this section, the term 'base amount' means—

"(1) except as otherwise provided in this subsection, $25,000,

"(2) $32,000 in the case of a joint return, and

"(3) zero in the case of a taxpayer who—

"(A) is married as of the close of the taxable year (within the meaning of section 7703) but does not file a joint return for such year, and

"(B) does not live apart from his spouse at all times during the taxable year."

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (A) of section 871(a)(3) of such Code is amended by striking "85 percent" and inserting "50 percent".

(2)(A) Subparagraph (A) of section 121(e)(1) of the Social Security Amendments of 1983 (Public Law 98-21) is amended—

(i) by striking "(A) There" and inserting "There";

(ii) by striking "(i)" immediately following "amounts equivalent to"; and

(iii) by striking ", less (ii)" and all that follows and inserting a period.

(B) Paragraph (1) of section 121(e) of such Act is amended by striking subparagraph (B).

(C) Paragraph (3) of section 121(e) of such Act is amended by striking subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(D) Paragraph (2) of section 121(e) of such Act is amended in the first sentence by striking "paragraph (1)(A)" and inserting "paragraph (1)".

(d) MAINTENANCE OF TRANSFERS TO HOSPITAL INSURANCE TRUST FUND.—There are hereby appropriated to the Hospital Insurance Trust Fund established under section 1817 of the Social Security Act amounts equal to the reduction in revenues to the Treasury by reason of the enactment of this section. Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had this section not been enacted.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 2001, and before January 1, 2004.

(2) SUBSECTION (c)(1).—The amendment made by subsection (c)(1) shall apply to benefits paid after December 31, 2001, and before January 1, 2004.

(3) SUBSECTION (c)(2).—The amendments made by subsection (c)(2) shall apply to tax liabilities for taxable years beginning after December 31, 2001, and before January 1, 2004.

SA 2778. Mr. HUTCHINSON submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC.   . REPEAL OF 1993 INCOME TAX INCREASE ON SOCIAL SECURITY BENEFITS.

(a) RESTORATION OF PRIOR LAW FORMULA.—Subsection (a) of section 86 of the Internal Revenue Code of 1986 is amended to read as follows:

"(a) IN GENERAL.—Gross income for the taxable year of any taxpayer described in subsection (b) (notwithstanding section 207 of the Social Security Act) includes social security benefits in an amount equal to the lesser of—

"(1) one-half of the social security benefits received during the taxable year, or

"(2) one-half of the excess described in subsection (b)(1)."

(b) REPEAL OF ADJUSTED BASE AMOUNT.—Subsection (c) of section 86 of such Code is amended to read as follows:

"(c) BASE AMOUNT.—For purposes of this section, the term 'base amount' means—

"(1) except as otherwise provided in this subsection, $25,000,

"(2) $32,000 in the case of a joint return, and

"(3) zero in the case of a taxpayer who—

"(A) is married as of the close of the taxable year (within the meaning of section 7703) but does not file a joint return for such year, and

"(B) does not live apart from his spouse at all times during the taxable year."

(c) CONFORMING AMENDMENTS.—

(1) Subparagraph (A) of section 871(a)(3) of such Code is amended by striking "85 percent" and inserting "50 percent".

(2)(A) Subparagraph (A) of section 121(e)(1) of the Social Security Amendments of 1983 (Public Law 98-21) is amended—

(i) by striking "(A) There" and inserting "There";

(ii) by striking "(i)" immediately following "amounts equivalent to"; and

(iii) by striking ", less (ii)" and all that follows and inserting a period.

(B) Paragraph (1) of section 121(e) of such Act is amended by striking subparagraph (B).

(C) Paragraph (3) of section 121(e) of such Act is amended by striking subparagraph (B) and by redesignating subparagraph (C) as subparagraph (B).

(D) Paragraph (2) of section 121(e) of such Act is amended in the first sentence by striking "paragraph (1)(A)" and inserting "paragraph (1)".

(d) MAINTENANCE OF TRANSFERS TO HOSPITAL INSURANCE TRUST FUND.—There are hereby appropriated to the Hospital Insurance Trust Fund established under section 1817 of the Social Security Act amounts equal to the reduction in revenues to the Treasury by reason of the enactment of this section. Amounts appropriated by the preceding sentence shall be transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers which would have occurred to such Trust Fund had this section not been enacted.

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(2) SUBSECTION (c)(1).—The amendment made by subsection (c)(1) shall apply to benefits paid after December 31, 2001.

(3) SUBSECTION (c)(2).—The amendments made by subsection (c)(2) shall apply to tax liabilities for taxable years beginning after December 31, 2001.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a Full Committee hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, February 6, at 9:30 a.m. in a location to be announced.

The hearing will examine the effects of Subtitle B of S. 1766, Amendments to the Public Utility Holding Company Act, on energy markets and energy consumers.

Those wishing to submit written statements on this subject should address them to the Committee on Energy and Natural Resources, Attn: Leon Lowery, U.S. Senate, Washington, DC 20510.

For further information, please call Leon Lowery at 202/224–2209 or Jonathan Black at 202/224–6722.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for my colleagues and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The purpose of this hearing is to receive testimony on the FY 2003 budget requests for the Department of the Interior, the U.S. Forest Service, and the Department of Energy.

The hearing will take place on Tuesday, February 12, 2002 at 9:30 a.m. in Room SD–366 of the Dirksen Senate Office Building, First and C Streets, NE., Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510, Attention: Sam Fowler.

For further information, please contact Sam Fowler 202/224–7571 or Amanda Goldman 202/224–4103 of the Committee Staff.

COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Thursday, February 7, 2002, at 10 a.m. in room 485 Russell Senate Building to conduct an oversight hearing on Legislative Proposals relating to the statute of limitations on claims against the United States related to the management of Indian tribal trust fund accounts.

Those wishing additional information may contact the Indian Affairs Committee at (202) 224–2251.

PRIVILEGES OF THE FLOOR

Mr. GRASSLEY. Madam President, I ask unanimous consent that Dariusz Marzec, Stephen Seale, and Jeffrey Griswold, interns from the Senate Finance Committee, be granted the privilege of the floor during debate on the economic stimulus bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Madam President, I ask unanimous consent that Elmer Ransom, a fellow on the Finance Committee staff, be accorded floor privileges for the remainder of Senate consideration of H.R. 622.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. I ask unanimous consent the Senate proceed to executive session to consider Calendar No. 634; that the nomination be confirmed, the motion to reconsider be laid on the table, the President be immediately notified of the Senate's action, that any statements be printed in the RECORD, and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination was considered and confirmed as follows:

DEPARTMENT OF STATE

Francis Joseph Ricciardone, Jr., of New Hampshire, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Phillippines and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Palau.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent the Senate proceed to executive session at 10:15 a.m. tomorrow to consider Executive Calendar No. 646, the nomination of Philip Martinez to be United States District Judge; that there be 15 minutes equally divided between the chairman and ranking member of the Judiciary Committee for debate on the nomination; that at 10:30 a.m. tomorrow the Senate vote on the nomination, the motion to reconsider be laid on the table, any statements be printed in the RECORD, the President be immediately notified of the Senate's action, and thereafter the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, as in executive session, I ask unanimous consent it be in order to request the yeas and nays on the nomination at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. REID. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

CONGRATULATING THE NEW ENGLAND PATRIOTS FOR WINNING SUPER BOWL XXXVI

Mr. REID. Mr. President, I ask unanimous consent the Senate proceed to S. Res. 202 submitted earlier today by Senators KENNEDY, KERRY, and REED.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 202) congratulating the New England Patriots for winning Super Bowl XXXVI.

There being no objection, the Senate proceeded to consider the resolution.

Mr. KENNEDY. Mr. President, yesterday, the New England Patriots pulled off a thrilling 20–17 victory over the St. Louis Rams in Super Bowl XXXVI. The victory is the first world championship for the Patriots, and it could not have come at a more poignant time for our country.

Since September 11, the courageous acts of countless Americans have set a new standard for the Nation. Indeed, a new American spirit has been forged. That sprit is characterized by sacrifice, humility, and a refusal to quit in the face of adversity. At a time when our entire country is banding together and facing down indivualism, the Patriots set a wonderful example, showing us all what is possible when we work together, believe in each other, and sacrifice for the greater good.

That example came from the top, and it came from the start of the season. Choosing to be introduced before the game as a team, not as individuals, the Patriots set the tone for their victory. Coach Bill Belichick stressed teamwork, saying that only by working together could the Patriots overcome their opponent, the best team in the NFL's regular season, the St. Louis Rams.

The coach put his faith in second year quarterback Tom Brady, the youngest quarterback ever to win a Super Bowl, and the eventual MVP of the game. At the same time, Drew Bledsoe, team captain and the consummate team player, cheered him—and the entire team—from the sideline.

But this was not a game won by a star quarterback alone, it was a team effort. No one player rose above the rest—but together, they excelled and defied long odds. The defense, a no-name bunch forced to depend on each other, stifled the high-octane Rams offense. It was this defense, led by Ty Law, Teddy Bruschi, Mike Vrabel, and rookie Richard Seymour, that got the Patriots ahead early in the game.

The second half saw a Rams comback, and a lesser team could have fallen under such dire circumstances. But these Patriots once again banded together, for one final drive. With the game tied, momentum on the side of the Rams, and overtime seemingly inevitable, the Patriots showed their true spirit, using running back Kevin Faulk, receiver Troy Brown, and intelligent play from Brady to drive from inside their own 20 yard line to give kicker Adam Vinatieri a chance to win the game with only 7 seconds left on the clock. As his kick sailed through the uprights, the Patriots completed their unthinkable task: they defeated the Rams, and won their world championship.

All of us in Massachusetts, and indeed all who live in New England, are proud of the Patriots and their extraordinary season. They finished the season with 9 straight victories, a feat that could only be accomplished by a team using all 53 players on its roster. The Patriots had to win two tough playoff games to make the Super Bowl. And even after these improbable victories over the Oakland Raiders and Pittsburgh Steelers, they were big underdogs to the Rams yesterday. Unfazed by these odds, the Patriots won again, defying their critics and naysayers.

Eight years ago Bob Kraft bought the Patriots, and today he will bring the Lombardi trophy home to fans who have been waiting for 42 years. Congratulations.

The Rams also deserve credit, as they had a spectacular season and played a wonderful game. They are certainly an impressive team.

The Patriots' hard work and dedication encapsulates the new spirit in America. I urge the Senate to approve this well-deserved resolution, which I will offer today.

In Boston, April 15 is Patriots' Day—a day when we celebrate the brave men and women who fought for our Nation's independence. But, for generations of New England sports fans—from Bangor to Boston—yesterday will always be our Patriots' Day.

Today, the New England Patriots are the true patriots all over the land. Their perseverance, teamwork, and devotion represent the best of America, and I'm proud to call them not only my home team, but also world champions.

• Mr. KERRY. Mr. President, today I salute the New England Patriots for their amazing win in Super Bowl XXXVI. We are so proud of our Patriots for bringing home this championship and for the manner in which they achieved it: through determination, class and teamwork. Some followers of the Pats through their startling season have deemed New England a team of destiny. I agree with that characterization if one defines team of destiny as a collection of individuals who worked together as an efficient, loyal combination in the face of adversity and doubt.

From Fort Kent, ME, to Waterbury, CT, from Williamstown to Wellfleet, New England sports fans have hungered for a sports title since 1986. Few would have guessed that it would be the Patriots who would end this drought by bringing home their first championship. Although blessed with four decades of star players such as Gino Cappelletti, Jim Nance and Babe Parilli in the 1960s; Sam (Bam) Cunningham, Russ Francis, and Jim Plunkett in the 1970s; John Hannah, Mike Haynes, and Stanley Morgan in the 1980s; and Irving Fryar, Curtis Martin, and Chris Slade in the 1990s, the Patriots had never won the big game.

Thanks to the dedicated ownership of longtime season ticket holder and local philanthropist Bob Kraft and his family, however, the Patriots became a better, stronger franchise both off and on the field. Faced with an untenable stadium situation, Kraft, using his own money, eventually built a wonder in CMGI Field, which will open this fall as the new home of the new world champions. Forced to replace the legendary coach Bill Parcells, Kraft eventually hired Bill Belichick, a low-key mastermind who has justly earned a reputation for devising pro football's most devious defensive schemes.

Still, in spite of Coach Belichick and his team of heady assistants coordinated by Romeo Crennel and Charlie Weis, few expected the Patriots, 5–11 last season, to even contend for pro football's ultimate prize. Indeed, the Pats stumbled to an 0–2 start, lost franchise quarterback Bledsoe, and appeared, behind unheralded Tom Brady, a sixth round draft choice who had begun 2001 as a third-string quarterback who had thrown but three passes as a rookie, about to fall to 1–4 against San Diego. But Brady led a remarkable comeback to overcome San Diego and its Massachusetts quarterback Doug Flutie of Natick and Boston College.

This turnaround heralded a season in which the Patriots would overcome obstacles in step-by-step fashion. After falling to the St. Louis Rams 24–17 in Foxboro, the Pats refused to lose again, reeling off six regular season and three playoff wins in shockingly methodical succession. Rather than serving as a distraction, a healthy Bledsoe served as a rallying point for Belichick to demonstrate his decisiveness, Brady to show his skills, and Bledsoe to reveal his class.

Haunted by the phantom roughing-the-passer call against Sugar Bear Hamilton in a 1976 playoff and the paralyzing of Darryl Stingley in a 1978 exhibition, the Patriots overcame their old AFL foe the Oakland Raiders at Foxboro Stadium's final contest. Truly a win for the ages and the region, the overtime thriller took place in several inches of snow and ended in the Pats' favor thanks to the clutch receiving of East Boston's Jermaine Wiggins and the boot of Adam Vinatieri, pro football's best pressure kicker whose playoff beard had begun to resemble that of former Boston Bruins great Raymond Bourque. As the clock neared midnight on that snowy Saturday, the Patriots celebrated their 16–13 sudden-death comeback with long snapper Lonie Paxton making snow angels in the end zone.

In spite of these heroics, critics downplayed the Pats' chances against the number-one-ranked defense of the Pittsburgh Steelers in Heinz Field, their fine new facility. The all-around special play of the overlooked but record-setting receiver and returner Troy Brown put the Patriots on the scoreboard first, but then disaster seemed to strike in the form of an ankle injury to Brady. Fortunately, Bledsoe, although inactive for more than four months, came off the bench to spark the Patriots to an upset that returned them to the Super Bowl in New Orleans for the third time.

Backed by Bledsoe and Brady, the strongest QB combination that the NFL had seen since the Rams rotated Norm Van Brocklin and Bob Waterfield in the late 1940s and early 1950s, the Patriots nevertheless found themselves an overwhelming underdog to lose by double digits to the record-setting St. Louis Rams and their offensive machine. But Tedy Bruschi, Ty Law, and Lawyer Milloy led a hard-hitting defense. Brady, David Patten, and Antowain Smith controlled the ball on offense, and the Patriots led their fine and worthy opponent for most of the game. When the Rams tied the score with 90 seconds to go, other teams might have lost their composure and the game. But not this club.

The Patriots played with poise, relying on the youthful Brady to sling the short passes that put the Pats in position for another heart stopping kick by Vinatieri. For the first time in Super Bowl history, a game ended with a winning offensive play, a field goal. While worth just three points, this kick meant so much more, a Super Bowl win for the players, coaches, owners, and fans of the Patriots, and a reminder of the timeless value of believing in yourselves and your teammates.

Mr. President, I commend the champion Patriots and the runner-up Rams for their achievements.●

Mr. REID. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to en bloc, the motion to reconsider be laid on the table, and that any statements relating thereto be printed in the RECORD, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 202) was agreed to.

The preamble was agreed to.

(The resolution, with its preamble, is printed in today's RECORD under "Submitted Resolutions.")

TEMPORARY MAJORITY APPOINTMENTS TO THE SELECT COMMITTEE ON ETHICS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to S. Res. 203 submitted earlier today by Senator DASCHLE; that the resolution be agreed to, and the motion to reconsider be laid on the table with no intervening action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 203) was agreed to.

(The text of the resolution is printed in today's RECORD under "Submitted Resolutions.")

DISCHARGE AND REFERRAL OF H.R. 2595

Mr. REID. Mr. President, I ask unanimous consent that the Armed Services Committee be discharged from further consideration of H.R. 2595, and that the bill be referred to the Committee on Environment and Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, FEBRUARY 5, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10 a.m., Tuesday, February 5; that following the prayer and pledge the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and that there be a period of morning business until 10:15 a.m., with Senators permitted to speak for up to 5 minutes each; further, that the Senate recess from 12:30 p.m. until 2:15 p.m. for the weekly party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Mr. President, the next rollcall vote will occur at 10:30 tomorrow morning regarding the nomination of Philip Martinez to be U.S. District Judge for the Western District of Texas.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:30 p.m., adjourned until Tuesday, February 5, 2002, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 4, 2002:

DEPARTMENT OF STATE

FRANCIS JOSEPH RICCIARDONE, JR., OF NEW HAMPSHIRE, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF THE PHILIPPINES AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PALAU.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

CALLIE V. GRANADE, OF ALABAMA, TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF ALABAMA.

EXTENSIONS OF REMARKS

HONORING CONTRIBUTIONS OF CATHOLIC SCHOOLS

SPEECH OF

HON. SAM GRAVES

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. GRAVES. Mr. Speaker, I rise before you today in support of House Resolution 335, honoring the commitment of our Nation's Catholic Schools to excellence. Catholic schools continue to enrich the lives of our children by providing excellent education as well as spiritual enrichment.

The numbers speak for themselves. Catholic schools boast a 95 percent graduation rate, with 83 percent of students continuing on to higher education. But the Catholic school experience fosters more than just scholastic excellence. Catholic schools provide spiritual guidance to students, instilling in them fundamental values that are crucial to the overall development of these students. Catholic schoolchildren gain an appreciation of the importance of family values, community service, and faith in their lives. This, in turn, shapes Catholic school students into leaders of tomorrow.

I am proud of the Catholic schools in my district that continue to establish such high standards—Saint John LaLande in Blue Springs, Bishop Hogan Memorial in Chillicothe, Saint Andrew the Apostle in Gladstone, Saint Patrick and Saint Therese in Kansas City; Saint James in Liberty, Saint Gregory Barbarigo in Maryville, Saint Charles Borromeo in Oakview, Bishop LeBlond High School, Co-Cathedral, Our Lady of Guadalupe, Saint Francis Xavier, Saint James and Saint Patrick in Saint Joseph.

Mr. Speaker, I am pleased to recognize the contributions of our Catholic schools and look forward to their continued achievement.

HOUSE CONCURRENT RESOLUTION HONORING THE SIXTIETH ANNIVERSARY OF THE CIVIL AIR PATROL

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to introduce a House Concurrent Resolution honoring the Civil Air Patrol for sixty years of service to the nation.

Founded on December 1, 1941, the Civil Air Patrol was originally charged with mobilizing civilian pilots in domestic defense and rescue missions under the Office of Civilian Defense during World War II. CAP pilots would serve with distinction logging over 500,000 hours of flying time, sinking two German U-boats, and performing hundreds of search and rescue missions.

With the end of hostilities, CAP's responsibilities only grew. On July 1, 1946, President Harry Truman signed Public Law 476, incorporating CAP as a benevolent, nonprofit organization. And on May 26, 1948, Congress passed Public Law 557 which permanently established CAP as the Auxiliary of the newly created U.S. Air Force. For the next fifty-four years CAP would mobilize its resources to fulfil its Congressionally mandated mission of providing aerospace education, cadet programs and emergency services to the American public.

The CAP cadet program has trained over 750,000 youth in leadership and life skills over the course of the past sixty years. During that same period, CAP pilots have flown over one million hours on search and rescue missions, saving several thousand lives. In 1951, CAP initiated its aerospace educations program which has since trained over 300,000 teachers in math and science, as they relate to aviation. These teachers have, in turn, taught over 18 million students.

I humbly urge my colleagues to join me in honoring the Civil Air Patrol on this, their sixtieth anniversary.

HONORING NURSE EXECUTIVE LORNA BONYHADI

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. RADANOVICH. Mr. Speaker, I rise today to honor Lorna Bonyhadi on the occasion of her retirement as Nurse Executive for the Department of Veterans Affairs. Ms. Bonyhadi has served veterans for the past 38 years and has been an advocate for both patients and nurses.

Ms. Bonyhadi completed her bachelor's degree at Ohio State University in Columbus and graduated Summa Cum Laude. She received her master's degree from California State University in Fresno with distinction.

Ms. Bonyhadi's career working in VA hospitals has taken her all across the country. The majority of her career however, has been spent in Fresno. From 1967–1973 she served in the VA Medical Center in Fresno, working in the orthopedic ward and anesthesia unit. She returned to the VA Medical Center in 1990 as the Associate Chief of Nursing Service for the Ambulatory and Critical Care units. Since 1997, Ms. Bonyhadi has been the Nurse Executive of the VA Central California Health Care System. Outside Fresno, Ms. Bonyhadi served as Head Nurse, Clinical Coordinator, Clinical Specialist, Educational Coordinator, and other positions in a variety of VA Medical centers in Ohio, San Francisco, Minnesota, Georgia, and Illinois.

Mr. Speaker, I rise today to congratulate Ms. Bonyhadi on her retirement and thank her for her tireless service to our nation's veterans. I urge my colleagues to join me in honoring Ms. Bonyhadi for a job well done and wishing her many more years of continued success.

TRIBUTE TO GERALD W. ADAMS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. SKELTON. Mr. Speaker, let me take this means to congratulate and pay tribute to Jerry Adams, who recently retired from the U.S. Army Corps of Engineers where he served as Executive Officer of the Kansas City District. He has distinguished himself, the Corps and our nation with dedicated service.

Mr. Adams began his career with the Corps in 1966 in the drafting section, where he worked with draftsmen and mathematicians on channel stabilization projects. Soon he became leader of this group. In 1975, Mr. Adams served as supervisor and project manager of the Corps' part in the celebration of the nation's bicentennial. In this role, Mr. Adams directed the operation and manning of the *Sergeant Floyd* and two mobile displays. The *Sergeant Floyd,* a 1932 channel reconnaissance boat, was converted into a floating museum telling the 200-year history of the Corps. Its 13-man crew traveled more than 20,000 miles over 18 months. The *Floyd's* multimedia theater was duplicated in two mobile displays that traveled America for 14 months, visiting many of the country's landmarks. Under Mr. Adams' leadership, the Corps won the Silver Anvil Award from the Public Relations Society for the bicentennial effort.

Following the bicentennial project, Mr. Adams was appointed chief of the District's Emergency Management section. During his 12 year tenure, the one-person office became a stand-alone division with six full-time employees. Mr. Adams office was regarded as the premier emergency management office in the Corps. Mr. Adams established associations with the American Red Cross and the Salvation Army which brought great credit upon the Corps and the District.

In 1989 Mr. Adams assumed duties as the Executive Officer. In this position Mr. Adams was an active member of the senior staff and participated in numerous organization and events. He helped to organize employees' donations to the combined federal campaign. Mr. Adams was also involved in supporting the creation of Day of Caring, today a nation wide volunteering event. Mr. Adams is a member of the Society of Government Meeting Planners,

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

having served as president, the Mid-America Regional Council, chairing the Emergency Preparedness Committee, and is active in the Boy Scouts. He is the holder of the Bronze deFleury Medal and numerous other awards from local commanders, community leaders and members of Congress.

Mr. Speaker, Jerry Adams has dedicated over 35 years to the U.S. Army Corps of Engineers. As he prepares for this next stage in his life, I am certain that my colleagues will join me in wishing Jerry all the best.

PERSONAL EXPLANATION

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. MANZULLO. Mr. Speaker, I rise to inform you that I was unavoidably detained during two votes:

H. Res. 330—rollcall 3—Expressing the Sense of the House Regarding the Benefits of Mentoring. Had I been present I would have voted "yea."

S. 1762—rollcall 4—Extending the Current Index for Student Loan Interest Rates and Extending Current Law with Respect to Special Allowance for Lenders. Had I been present I would have voted "yea."

TRIBUTE TO DEREK E. BROOMES, CPA

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to Mr. Derek E. Broomes, CPA, an esteemed administrator and public policy expert who is being honored on February 1 by the Caribbean American Chamber of Commerce and Industry, Inc. (CACCI) and The Friends of Derek E. Broomes at a Special Black History Month Tribute program in the Bronx.

Mr. Broomes is an influential leader in the Bronx's economic business development, particularly in the area of minority business. Since 1995, when he became the first Chief Financial Officer of the Bronx Overall Economic Development Corporation (BOEDC), Mr. Broomes has been the key component to the bolstering of economic development programs and small business initiatives for the Bronx. Among his many accomplishments is the role that he played in the establishment of the first SBA 504 Certified Development Company in the Bronx, the Bronx Initiative Corporation (BIC). The revitalization of the Bronx is also significantly due to the organizational and financial structure that Mr. Broomes developed for the Bronx Empowerment Zone. The Bronx Empowerment Zone is one of approximately 9 such Zones in the United States. The Empowerment Zone initiative aims to bring communities together through public and private partnerships in order to attract the investment necessary for sustainable economic and community development. Mr. Broomes took this initiative and made it a reality in the Bronx. He helped Bronx leaders identify the specific problems that the community's businesses faced and acted as a consultant to the Bronx borough president to actively address and alleviate these problems.

Mr. Speaker, Mr. Broomes has held myriad important positions throughout his illustrious career. He has served as the Deputy Commissioner and Chief Contracting Officer for the New York City Human Resources administration. He also held the position of Inspector General with the New York City's Department of Investigation. Beyond Mr. Broomes' extensive professional feats, he also possesses a distinguished list of honors and credentials. Originally from Guyana, Mr. Broomes spent his young adulthood being educated at London's esteemed institutions. He received a diploma in Economics and Finance from London's School of Economics and diplomas in Mathematics and Physics from the University of London. Mr. Broomes continued his education in the United States by earning a Masters of Science/CPA degree in Public Accounting and Finance from the Graduate School of the City University of New York and also attending New York University Graduate School of Business.

In 2000, I presented Mr. Broomes with the Congressional Outstanding Achievement Award to commend and thank him for all that he has done to promote economic progress in the Bronx. I feel it necessary to honor him once again for all of the work that he has done in the past two years and for being recognized by the reputable CACCI, an organization that also elected him as Chairman of the Board in 2000. He was also recently appointed Finance Chairman for the Lehman Center for the Performing Arts of Lehman College of City University of New York.

There is no question in my mind as to why Mr. Broomes is being honored by his colleagues and neighbors this February 1. I urge my esteemed colleagues to join me in commending Mr. Derek E. Broomes for his outstanding achievements and invaluable contributions to the Bronx.

HONORING MR. HENRY BROWN, BROWARD COUNTY'S TEACHER OF THE YEAR AND STATE OF FLORIDA'S TEACHER OF THE YEAR 2002

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. HASTINGS of Florida. Mr. Speaker, I rise before you today to honor Mr. Henry Brown, Broward County's Teacher of the Year 2002 and the State of Florida's Teacher of the Year 2002, being named a finalist for the National Teacher of the Year Award.

Mr. Speaker, Mr. Brown is one of only four teachers from around the United States named as a finalist for the title of the nation's top teacher! This is the first time in Broward's history—and only the seventh time for the State—that a Florida teacher has made it to the national level.

Considered an at-risk student when he was in elementary school, Mr. Brown experienced many of the same problems today's students face. It wasn't until the day when a teacher saw a spark in young Henry and took an interest that he turned his life around.

Because Mr. Brown has "been there, done that," he understands how to connect with students. It's his ability to reach students and provide a rich learning environment that makes Mr. Brown an outstanding choice for National Teacher of the Year 2002.

Mr. Brown's career began eight years ago as a mathematics teacher at Hallandale Adult/Community Center. Over the years, Mr. Brown has learned that the best way to reach students is to give them a sense of industry rather than a sense of inferiority.

Having a classroom filled with students facing a wide variety of challenges, Mr. Brown learned early on that he needed different ways of teaching different students. Some of the "real world" activities he uses include resume writing, practicing interviewing skills and calculating sales tax and sales prices using newspaper ads. His approach has proven successful, with his students increasing standardized test scores by an average of 22 percent.

Mr. Speaker, one thing is clear. Mr. Brown is a shining example that no student is a lost cause and that every student can learn and turn their lives around, given the opportunity. All it takes is a good teacher to see a spark and nurture it until it becomes a fire.

HONORING HIS EMINENCE METROPOLITAN MAR ENOCH

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. RADANOVICH. Mr. Speaker, I rise today to honor His Eminence Mar Enoch on the occasion of the 5th anniversary of his Episcopacy. Mar Enoch serves the Fresno area and the entire Central Valley in his position as Metropolitan Mar Enoch of the Mar Thoma Orthodox Church.

The Mar Thoma Orthodox Church is associated with the Diocese of Thoziyur, India, and the Indian Orthodox Church. Mar Enoch has devoted his life to his faith and the pastoral service of those in the Orthodox Church. However, Mar Enoch's service extends beyond members of his own faith, to his community and the entire nation.

Mr. Speaker, I rise today to congratulate His Eminence Mar Enoch on this anniversary of his Episcopal elevation. I invite my colleagues to join me in thanking Mar Enoch for his community service and wishing him many more years of continued success.

TRIBUTE TO LAFAYETTE COUNTY C-1 MIDDLE SCHOOL

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. SKELTON. Mr. Speaker, I take this means to honor Lafayette County C–1 Middle

School for raising $8,500 for the victims of the tragedy on September 11. These patriotic students and teachers designed, produced and sold t-shirts to honor the victims in New York City and Washington, DC.

After the attacks of September 11, Rhonda Boedeker and Paulette Augustine, teachers at Lafayette County C–1 and Cassie Schmidt, owner of Special Tees decided they wanted to do something to help their fellow Americans. With the help of fifteen local art students, the group worked tirelessly to make their project successful. The students and volunteers donated over 180 hours of their time and sold 2,700 t-shirts. These efforts raised $8,500 that was donated to the American Red Cross.

Mr. Speaker, these philanthropists dedicated their time and efforts to help those in need in New York City and Washington, DC. I know that Members of the House will join me in paying tribute to their outstanding commitment to public service.

PERSONAL EXPLANATION

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. MANZULLO. Mr. Speaker, due to a family health emergency, I was unable to be present for rollcall vote number 5 on Tuesday, January 29, 2002. Had I been present, I would have voted "yea."

HONORING CONTRIBUTIONS OF CATHOLIC SCHOOLS

SPEECH OF

HON. TIM ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. ROEMER. Mr. Speaker, I rise in strong support of H. Res. 355, honoring the contributions of Catholic schools. I am pleased to have voted for this bipartisan resolution when it was passed unanimously by the House of Representatives on January 29, 2002.

The successes of Catholic schools can be seen around the country and particularly in my home district. They traditionally have a stronger academic curriculum, greater parental involvement, and few disciplinary problems. Catholic schools teach students not only of the importance of academic achievement, but also provide them with a perspective on life that promotes justice, responsibility and social service. Moreover, catholic schools have considerable ethnic and racial diversity with 25 percent of school children enrolled in Catholic schools are minorities. More children in Catholic schools, go to college, and give back to the community through volunteer service.

While we are honoring the achievements of Catholic schools, we must also look at the reasons that students in Catholic schools are succeeding at greater rates than children in public schools. Dr. Maureen Hallinan with the Institute of Educational Initiatives at the University of Notre Dame is working to do just that. Dr. Hallinana is conducting a comparative analysis of public and non-public schools and their effects on student achievement. This research will identify the characteristics of those schools that successfully promote student achievement, especially for at-risk students. The results will provide immediate and practical input for school personnel in both the public and private sector in helping them design and implement educational reforms to improve the academic performance of all students.

Mr. Speaker, for these reasons, I support this important resolution and encourage catholic schools to continue contributing to the development of strong moral, intellectual and social values in America's young people.

THE INDEPENDENT INVESTMENT ADVISORS ACT OF 2002

HON. ALCEE L. HASTINGS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. HASTINGS of Florida. Mr. Speaker, I rise today to introduce the Independent Investment Advisors Act of 2002.

The sudden and unexpected bankruptcy of the Enron Corporation has raised a multitude of questions and concerns regarding current auditor independence laws. Furthermore, it highlighted the obvious conflict of interest that arises when an auditor has a financial interest in the company he or she is auditing.

In November, 2001, days before filing for Chapter 11, Enron disclosed to the public that it had overstated its profits by more than $580 million since 1997. This means that for five years, the Enron Corporation lied to its investors and employees about its earnings. At the same time, the company's auditor, Arthur Andersen, entrusted with the responsibility of providing investors with an accurate and honest evaluation of Enron's financial situation, failed to expose Enron's ongoing lies. Though Congressional and judicial investigations may yield otherwise, it is, nonetheless, fair to assume that the millions of dollars Enron was paying Arthur Andersen undoubtedly played a role in the firm's decision not to expose Enron's ongoing lies. In 2000 alone, Enron paid Arthur Andersen more than $55 million for its audit work and consulting fees.

The most stirring fact surrounding the investigation of Arthur Andersen's failures with Enron is that concerns about auditor independence is nothing new. In a 1984 opinion, the U.S. Supreme Court stated, "It is . . . not enough that financial statements be accurate; the public must also perceive them as being accurate. Public faith in the reliability of a corporation's financial statements depends upon the perception of the outside auditor as an independent professional." Former Chairman of the Securities and Exchange Commission (SEC), Arthur Levitt, echoed the need for auditor independence during a Senate hearing on January 24, 2002. He noted, "Any reforms must recognize the importance of gatekeepers (auditors) in safeguarding the interests of investors and the fundamental need to preserve and enhance these gatekeepers' independence."

Using the model that Mr. Levitt proposed to a Congressional oversight committee in 2000, I come to the floor today to introduce the Independent Investment Advisors Act of 2002. My bill instructs the SEC to, within 60 days, revise current auditor independence laws to require that investment advisors (individuals or firms) provide full public disclosure of any financial ties to any company he, she, or it, is auditing. In addition, it also bans auditors from purchasing, selling, or engaging in any financial transactions with respect to the company being audited 30 days prior to and 30 days following the release of any financial statement regarding that company.

Mr. Speaker, as the American public continues to deal with the economic affects of September 11 and the ongoing recession, it is essential that Congress do everything it can to restore the public's confidence in the ability of an auditor to provide an independent, accurate, and reliable evaluation of publicly owned enterprises. The Independent Investment Advisors Act of 2002 is a good start in accomplishing this difficult task, and I urge the House to pass it quickly.

HONORING JEFFREY DONALD GWARTNEY

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. RADANOVICH. Mr. Speaker, I rise today to honor Jeffrey Gwartney on the occasion of the end of his term as President of the Chowchilla Chamber of Commerce. Mr. Gwartney has served on the Chowchilla Chamber since 1998. Prior to taking office as President in 2001, Mr. Gwartney first served as the Vice President in 2000.

Mr. Gwartney demonstrated his commitment to his community by returning to where he was raised to serve as a professional photographer. He participated in and studied photography and journalism during his years at Chowchilla Union High School and California State University, Fresno, and on into the business world. While his management positions in the photo labs of Wal-Mart took him to Southern California for a time, Mr. Gwartney moved back to Chowchilla at the earliest opportunity.

Mr. Gwartney opened his own photography studio in Chowchilla in 1998. He continues to be actively involved in his community. His service on the Chowchilla Chamber of Commerce is a testament to his professionalism and commitment to the community. Jeffrey Gwartney and his wife, Jennifer, are the proud parents of three sons, Jonathan, Jordan, and Joshua.

Mr. Speaker, I rise today to recognize Jeffrey Gwartney, for his contribution to Chowchilla and the San Joaquin Valley. I invite my colleagues to join me in wishing him many more years of continued success.

FOXBORO HAILS PATRIOTS SUPER BOWL WIN

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. FRANK. Mr. Speaker, sometimes we get blamed for things that are not our fault. This is however often offset by occasions when we can bask in the reflected glory generated by the great deeds of others.

As the House Member representing Foxboro where the New England Patriots play their home games, I am in that happy latter situation today. So I express my congratulations to the Patriots for their incredible season, topped off by their dramatic last-minute examples of how to perform under the greatest pressure. The people in the Fourth Congressional District appreciate being the home of the Super Bowl Champs.

DISABILITIES

HON. JAMES R. LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. LANGEVIN. Mr. Speaker, I rise today to bring to the House's attention a valuable report on the state of the union for Americans with Disabilities.

As a quadriplegic since the age of 16, I believe that the Americans with Disabilities Act has not only helped me and others with disabilities, but has also enabled society to benefit from the skills and talents of the 54 million individuals with disabilities. The landmark legislation has also provided people with disabilities the chance to lead more productive and satisfying lives that include integration into America's social infrastructure.

However, there is still much to be done so I am pleased to highlight the efforts of the National Organization on Disability, which celebrates the progress of the nation and works to increase access, opportunity, and inclusion for people with disabilities. I would like to submit for the RECORD a copy of the National Organization on Disability's State of the Union 2002 for Americans with Disabilities which provides benchmarks for the current state of disability life in America, and calls for action on improvements that have still to be made:

THE STATE OF THE UNION 2002 FOR AMERICANS WITH DISABILITIES

The State of the Union Address that President George W. Bush delivered on January 29, 2002, focused on the terrible attacks on the country just over four months ago, and the overwhelming national and international response to them. The President also spoke to the country about the core issues of the nation and his presidency, especially the economy; employment; education; access to the goods and services people want and need; and strengthening the social fiber, commitment to service, and protection of civil rights that are core elements of our national pride.

One large segment of the population that is directly impacted by the issues raised in the President's speech, and the country's approach to those issues, is the disability community. As many as one in five Americans—54 million men, women and children—live with disabilities, as of course do their family members, friends, and service providers. Disabilities run a wide gamut, including mental and physical conditions; visible and non-visible ones; conditions that people are born with, or develop during their lifetimes as a result of illness, age, accident, or attack; and ones that have varying degrees of severity. But all fall within a common definition: They in some way limit people's ability to participate fully in one or more major life activities. Nobody should dismiss disability issues as unimportant to them, for any person can join the disability community in an instant.

As detailed below, Americans with disabilities remain pervasively disadvantaged in all aspects of American life. In his second week in office, President Bush sent a strong message of concern about this situation when he announced the New Freedom Initiative. Coming a decade after his father signed the Americans with Disabilities Act (ADA), the New Freedom Initiative lays out an ambitious agenda for assuring the full participation of people with disabilities in all aspects of American life. The New Freedom Initiative holds much promise. We look forward to working with the government and the American people to bring it to fruition.

The Disability Community in a Changed World

September 11 and its aftermath stunned, shook and saddened the nation. The terrorist attacks made all Americans, especially those touched by disabilities, reevaluate our lifestyles, and consider what we could change to better protect ourselves and our loved ones.

The nation was moved to learn of wheelchair users who perished while awaiting rescue when the World Trade Center towers fell. We also were inspired by the stories of several people who had severe disabilities and survived. One man escaped after walking down dozens of flights of stairs on his artificial leg, and another with the aid of his guide dog. Two wheelchair users were carried to safety by their colleagues.

These survivors, like many of the others who escaped before the towers collapsed, benefited from intensive emergency drills that had been conducted since the World Trade Center bombing in 1993. Their survival is testament to how critical emergency planning and preparedness is—whether the emergency is natural, man-made or terrorist-driven. This has inspired a new focus in the disability community on disaster preparedness.

According to a late 2001 Harris Poll survey released by the National Organization on Disability (N.O.D.), 58 percent of people with disabilities say they do not know whom to contact about emergency plans for their community in the event of a terrorist attack or other crisis. Sixty-one percent say that they have not made plans to quickly and safely evacuate their home. Among those who are employed full or part time, 50 percent say no plans have been made to safely evacuate their workplace.

All these percentages are higher than for those without disabilities. The country as a whole has much catching up to do to be prepared, but people with disabilities lag behind everyone else. This is a critical discrepancy, because those of us with disabilities must in fact be better prepared to not be at a disadvantage in an emergency.

Intense national planning for emergencies is needed. This requires the enthusiastic cooperation of the government, business, and communities. People with disabilities should not be considered only as beneficiaries of emergency preparedness plans devised by others—they belong at the table, contributing their unique perspectives, insights and experiences, so the resultant plans will be the best for all Americans. People with disabilities must be included on community preparedness committees across the nation and at the highest levels of government planning. We are pleased that Office of Homeland Security Director Tom Ridge has pledged to appoint at least one person with a disability to a high-level position in his organization.

Employment

The slowing economy was a significant issue before September 11, and this situation became more critical after the terrorist attacks. This is not an easy time for anyone to enter the workforce, but that is what many people with disabilities are desperately trying to do.

Only 32 percent of Americans with disabilities of working age are employed full or part time. That number is in contrast to 81 percent of other Americans, according to the comprehensive 2000 N.O.D./Harris Survey of Americans with Disabilities. It is a national tragedy that, nearly a dozen years after the passage of the Americans with Disabilities Act, the vast majority of Americans with disabilities remain unemployed. This is not by choice; two out of three who are not employed say they would prefer to be working. Any efforts that lead to their becoming employed are good investments that will benefit these individuals, the workforce, and the economy.

President Bush has demonstrated a commitment to greater employment for people with disabilities in the New Freedom Initiative. We now call on the President and the Congress to keep employment a priority and work together toward a national goal of 38 percent employment for people with disabilities by 2005, with continuing progress toward 50 percent in the decade to follow.

Indeed, employment numbers should be increasing, if for no other reason than there are new ways for people to be employed. Technology offers real hope. Computers and the Internet are opening doors. People who are deaf use "instant messaging" to have real-time conversations; people who are blind use voice-synthesis technology to write and read documents and website information, and people with limited ability to get to an office have new ways to work from home. Use of the Internet by people with disabilities is growing rapidly, in fact at twice the pace of other Americans.

Too often, even when people with disabilities find jobs, they are low-level, low-paying jobs. Yet it is well documented that employers find employees with disabilities excel at all levels. In the healthcare and education sectors, for example, there is room for many more people with disabilities.

The disability community is troubled by two recent employment-related Supreme Court decisions that undercut this group's primary civil rights law, the Americans with Disabilities Act. Last February's Barrett v. Alabama decision threatened the implementation of the ADA. This month's decision in Toyota v. Williams continues a disturbing trend by the Court to narrow the ADA's protections, and caused one of the 1990 law's Congressional authors to suggest revisiting the statute so that it meets the goal of expansive, not restrictive, coverage for workers with disabilities. People with disabilities belong in the workforce, and Congress must indeed make it a priority to strengthen and defend the legislation that affirms employment as a natural expectation. The Supreme Court will hear other cases that test the ADA. The Court must recognize that when it interprets the will of Congress and the Constitution, it has the opportunity to strengthen rather than weaken the ADA—and strengthening it reflects the will of the vast majority of Americans.

Income Levels

It is not surprising, given the lower rate of employment for people with disabilities, that a significant income gap exists between those with and without disabilities. People who have disabilities are roughly three times as likely to live in poverty, with annual household incomes below $15,000 (29 percent versus 10 percent). Conversely, people with disabilities are less than half as likely to live in households that earn more than $50,000 annually (16 percent versus 39 percent). This income gap contributes to and compounds the disadvantages that people with disabilities face.

Access to Transportation

People who have disabilities often have insufficient access to transportation, with 30 percent citing this as a problem—three times the rate of the non-disabled. This creates a catch-22 situation: How can one have a job if one cannot get to it? How can one afford transportation if one does not have a job? There is an urgent need for more and better disability-friendly transportation in the cities and towns of Americans.

Access to Health Care

Health care is also less accessible to Americans with disabilities, who often are the citizens needing it most. Due in large part to their limited employment and reduced discretionary income, people with disabilities are more than twice as likely to delay needed health care because they cannot afford it (28 percent versus 12 percent of others).

There is a critical need for further legislation to protect people with disabilities who need medical treatment, and aid them in getting their needed medications. Congress and the Administration must pass the patients' bill of rights; expand health insurance coverage to cover all Americans, including those who are not employed; and ensure that peoples' opportunities to fully participate in life activities are not artificially restricted by their limited access to healthcare.

Education

Opportunity begins, in so many ways, with education. Currently, young people with disabilities are more than twice as likely to drop out of high school (22 percent versus 9 percent), and only half as likely to complete college (12 percent versus 23 percent). Education for students with disabilities is a critical priority. Students with special needs must be given the chance to develop their skills and their minds so they can be prepared for the workforce of the future. In the first decade of the new millennium, America should dramatically close these gaps in opportunities for students with disabilities.

It does well that Congress has increased funding for the Individuals with Disabilities Education Act (IDEA) 19 percent this year to $7.5 billion. This investment will pay huge dividends for the students and families impacted by the IDEA, and for the country.

Tremendous progress has been made in "mainstreaming" students with disabilities since the IDEA was first introduced nearly three decades ago. Mainstreaming is a win/win situation that increases opportunities for those students, and also acclimates other students to peer interaction. Youngsters who have friends and acquaintances with disabilities learn to move beyond the disability and judge the real person. They grow up expecting to interact with diverse people in the workforce and in their communities, dissolving prejudices and stereotypes in the process.

Community Life

It is in the communities of this nation that its 54 million citizens with disabilities go about their daily lives, and this is where these citizens need to be involved. Great progress has been made; commitments from mayors and other leaders have transformed many communities. Disability advocates, no longer willing to be separated from the rest of society, have pushed their communities into becoming more accessible and welcoming places. There is much work still to be done.

Thirty-five percent of people with disabilities say they are not at all involved with their communities, compared to 21 percent of their non-disabled counterparts. Not surprisingly then, those with disabilities are one and a half times as likely to feel isolated from others or left out of their community than those without disabilities.

The current efforts for disaster mobilization are one example of an opportunity for the disability community to remind civic leaders of their responsibility to plan for all citizens. This work may open dialogue in many new and productive directions with regard to overall community efforts.

Religious Life

Faith and religious life are important for many Americans. Churches, synagogues and mosques need to be accessible to all who wish to worship. With the theme "Access: It begins in the heart," thousands of houses of worship have enrolled in the Accessible Congregations Campaign. Hopefully many other congregations in the country also will commit to identifying and removing barriers of architecture, communications and attitudes that prevent people with disabilities from practicing their faith.

Political Involvement

Citizens with disabilities want to vote, and are doing so at increasing rates. What had been a 20 percentage point participation gap—31 percent versus more than 50 percent—in the 1996 Presidential election was halved when 41 percent of voting-aged citizens with disabilities cast ballots in 2000. This followed a national get-out-the-disability-vote effort. But many polling places remain inaccessible to wheelchair users and others with limited mobility. Once inside the building, others encounter voting machines they cannot use. Persons with limited vision or hand strength are particularly disadvantaged at the polls. People with disabilities want to vote on election day, at the polls, just like everyone else.

Technological improvements now available could make voting at the polls possible for nearly all people with disabilities. All that is needed is the will, or a legal requirement, to put such voting machines into use. The contested 2000 Presidential Election showed that every vote counts. The disability community is determined to have full enfranchisement.

Late in 2001, the House of Representatives passed a bill that did not adequately address the above issues. The Senate's version of the bill, currently under review, is far more promising. Millions of voters and potential voters will be tracking this legislation in the hope that it will improve the voting system for all Americans. None of the barriers that have kept citizens with disabilities from voting should be allowed to remain by the time of the 2004 Presidential election, and the disability community calls on the government at all levels to ensure these obstacles are removed.

The Overall Picture

A clear majority of people with disabilities, 63 percent, say that life has improved for the disability community in the past decade. But when asked about life satisfaction, only 33 percent say they are very satisfied with their life in general—half as many as among those without disabilities. There is much room for improvement, and the disability community looks to the President and his Administration, the Congress, and all those in a position of community leadership to work proactively and productively with us to ensure that no person with a disability is left behind.

Anyone with a disability perspective who travels abroad returns impressed by the way America is, in many ways, the world leader in access, opportunity, and inclusion for people with disabilities. Much progress has been made, and many walls of exclusion have been leveled. People with disabilities celebrate the progress of this nation, and also remain dedicated to the vision of a day when all people, no matter how they are born or what conditions they acquire, will be full and equal participants in American life. This is our dream for the State of the Union.

TRIBUTE TO MANHATTAN BEER DISTRIBUTORS

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, February 4, 2002

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to Manhattan Beer Distributors, the first private, non-utility company in the Bronx to use heavy duty Compressed Natural Gas (CNG) trucks to make deliveries. Manhattan Beer Distributors will roll out its first CNG delivery trucks at a ceremony on Monday, February 4, 2002.

Mr. Speaker, Manhattan Beer Distributors first established a facility in the Bronx in 1979. The Bronx site is located on Walnut Avenue, in the industrialized and heavily trafficked area of the Bronx known as Port Morris. Today, the company employs 468 people at its Bronx facility, operates 95 vehicles and has an estimated 30 percent share of the beer market in the New York metropolitan area.

Under the leadership of its President, Simon Bergson, and Vice President Mike McCarthy, Manhattan Beer Distributors will begin the transformation of its fleet with 15 heavy-duty vehicles that will operate exclusively on CNG. The dispatch of these first fifteen could be the ground-breaking catalyst for changing the infrastructure of the South Bronx, from one where pollutant emissions from multitudes of vehicles threaten the delicate health of our children to one where commercial operations can harmoniously co-exist with adjacent residential communities. Manhattan Beer Distributors deserves tribute for its initiative in this project and I hope that many other companies will do the same.

Mr. Speaker, Manhattan Beer Distributors' use of alternative fuel contributes toward several local, regional and national interests. By reducing pollutant emissions through the use of CNG to power delivery trucks, Manhattan Beer Distributors helps improve our air quality. In addition, using CNG helps reduce our nation's dependence on foreign oil, which strengthens our nation's energy security and reduces our nation's trade deficit. Because it has installed a permanent CNG station, it is likely that the Manhattan Beer fleet will evolve into a total clean fuel fleet. The success of this project will demonstrate that other truck-based businesses in the Bronx can make similar improvements. These are the kinds of contributions to environmental quality and economic development that inspired me to introduce legislation providing tax incentives for businesses that use alternative fuels in federal empowerment zones.

Mr. Speaker, our nation must do all that it can to support businesses like Manhattan Beer Distributors, who willingly exercise good corporate citizenship. I heartily urge all of my esteemed colleagues to join me in honoring this bold, conscientious and innovative enterprise.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, February 5, 2002 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 6

9 a.m.

Governmental Affairs

To hold hearings to examine the nomination of Jeanette J. Clark, to be an Associate Judge of the Superior Court of the District of Columbia.

SD–342

9:30 a.m.

Aging

Health, Education, Labor, and Pensions

Aging Subcommittee

To hold joint hearings to examine women and aging, focusing on long term care.

SD–106

Energy and Natural Resources

To hold hearings on S. 1766, to provide for the energy security of the Nation, focusing on the effects of Subtitle B, amendments to the Public Utility Holding Company Act on energy markets and energy consumers.

SD–366

10 a.m.

Banking, Housing, and Urban Affairs

To continue hearings to examine the state of financial literacy and education in America.

SD–538

Judiciary

To hold hearings to examine accountability issues surrounding the fall of Enron Corporation.

SD–226

Budget

To hold hearings to examine the President's proposed budget request for fiscal year 2003.

SD–608

Finance

To hold hearings to examine the status of ongoing U.S. trade negotiations.

SD–215

Intelligence

To hold hearings to examine issues surrounding world threats.

SH–216

10:15 a.m.

Foreign Relations

To hold hearings to examine a new strategic framework, focusing on implications for U.S. security.

SD–419

2:30 p.m.

Foreign Relations

African Affairs Subcommittee

To hold hearings to examine U.S. policy options in Somalia.

SD–419

Intelligence

To hold closed hearings to examine issues surrounding world threats.

SH–219

FEBRUARY 7

9:30 a.m.

Armed Services

To hold hearings to examine the conduct of Operation Enduring Freedom; to be followed by closed hearings (in Room SH–219).

SH–216

10 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 2003 for the Department of Transportation.

SD–124

Judiciary

Business meeting to consider pending calendar business.

SD–226

Health, Education, Labor, and Pensions

To hold hearings to examine the fall of the Enron Corporation, focusing on protecting pensions of working Americans.

SD–106

Indian Affairs

To hold oversight hearings on legislative proposals relating to the statute of limitations on claims against the United States related to the management of Indian tribal trust fund accounts.

SR–485

Budget

To hold hearings to examine the President's proposed budget request for fiscal year 2003 and revenue proposals.

SD–608

Banking, Housing, and Urban Affairs

To hold hearings to examine the analysis of the failure of Superior Bank, FSB, Hinsdale, Illinois.

SD–538

10:15 a.m.

Foreign Relations

To hold hearings to examine the future of the War on Terrorism.

SD–419

10:30 a.m.

Governmental Affairs

To hold hearings on S. 1867, to establish the National Commission on Terrorist Attacks Upon the United States.

SD–342

2 p.m.

Judiciary

To hold hearings on the nomination of Charles W. Pickering, Sr., of Mississippi, to be United States Circuit Judge for the Fifth Circuit.

SD–226

FEBRUARY 8

9:30 a.m.

Governmental Affairs

To hold hearings on the nomination of Nancy Dorn, of Texas, to be Deputy Director of the Office of Management and Budget.

SD–342

10:30 a.m.

Governmental Affairs

To hold hearings on the nomination of John L. Howard, of Illinois, to be Chairman of the Special Panel on Appeals; and the nomination of Dan Gregory Blair, of the District of Columbia, to be Deputy Director of the Office of Personnel Management.

SD–342

FEBRUARY 12

9:30 a.m.

Governmental Affairs

International Security, Proliferation and Federal Services Subcommittee

To hold hearings to examine multilateral non-proliferation regimes, weapons of mass destruction technologies, and the War on Terrorism.

SD–342

Energy and Natural Resources

To hold hearings to examine the President's proposed budget request for fiscal year 2003 for the Department of the Interior, the U.S. Forest Service, and the Department of Energy.

SD–366

10 a.m.

Banking, Housing, and Urban Affairs

To hold oversight hearings to examine accounting and investor protection issues raised by Enron and other public companies.

SD–538

3 p.m.

Judiciary

Immigration Subcommittee

To hold hearings to examine issues surrounding the U.S. Refugee Program.

SD–226

FEBRUARY 13

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings on the nominations of Thomas C. Dorr, of Iowa, to be Under Secretary of Agriculture for Rural Development, and Nancy Southard Bryson, of the District of Columbia, to be General Counsel of the Department of Agriculture; and the nominations of Grace Trujillo Daniel, of California, and Fred L. Dailey, of Ohio, both to be Members of the Board of Directors of the Federal Agricultural Mortgage Corporation, both of the Farm Credit Administration.

SH–216

2 p.m.

Indian Affairs

To hold oversight hearings on the implementation of the Native American Housing Assistance and Self-Determination Act.

SR–485

FEBRUARY 14

9:30 a.m.

Armed Services

To hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on the results of the Nuclear Post Review; to be followed by closed hearings (in Room SH–219).

SH–216

10 a.m.

Veterans' Affairs

To hold hearings to examine the President's proposed budget request for fiscal year 2003 for veterans' programs.

SR–418

2:30 p.m.

Energy and Natural Resources

National Parks Subcommittee

To hold hearings on S. 202 and H.R. 2440, to rename Wolf Trap Farm Park for the Performing Arts as "Wolf Trap National Park for the Performing Arts"; S. 1051 and H.R. 2440, to expand the boundary of the Booker T. Washington National Monument; S. 1061 and H.R. 1456, to authorize the Secretary of the Interior to acquire Fern Lake and the surrounding watershed in the States of Kentucky and Tennessee for addition to Cumberland Gap National Historic Park; S. 1649, to amend the Omnibus Parks and Public Lands Management Act of 1996 to increase the authorization of appropriations for the Vancouver National Historic Reserve and for the preservation of Vancouver Barracks; S. 1894, to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park; and H.R. 2234, to revise the boundary of the Tumacacori National Historical Park in the State of Arizona.

SD–366

FEBRUARY 26

10 a.m.

Indian Affairs

To hold hearings on rulings of the United States Supreme Court affecting tribal government powers and authorities.

SD–106

FEBRUARY 27

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Disabled American Veterans and the Veterans of Foreign Wars.

345 Cannon Building

2 p.m.

Indian Affairs

To hold oversight hearings on the management of Indian Trust Funds.

SD–106

MARCH 5

10 a.m.

Indian Affairs

To hold hearings on the President's proposed budget request for fiscal year 2003 for Indian programs.

SR–485

MARCH 7

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Paralyzed Veterans of America, Jewish War Veterans, Blinded Veterans Association, the Non-Commissioned Officers Association, and the Military Order of the Purple Heart.

345 Cannon Building

Indian Affairs

To resume hearings on the President's proposed budget request for fiscal year 2003 for Indian programs.

SR–485

MARCH 14

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Gold Star Wives of America, the Fleet Reserve Association, the Air Force Sergeants Association, and the Retired Enlisted Association.

345 Cannon Building

MARCH 20

2 p.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of American Ex-Prisoners of War, the Vietnam Veterans of America, the Retired Officers Association, the National Association of State Directors of Veterans Affairs, and AMVETS.

345 Cannon Building

HOUSE OF REPRESENTATIVES—*Tuesday, February 5, 2002*

The House met at 12:30 p.m. and was called to order by the Speaker pro tempore (Mr. BALLENGER).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
February 5, 2002.

I hereby appoint the Honorable CASS BALLENGER to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

MORNING HOUR DEBATES

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member, except the majority leader, the minority leader, or the minority whip, limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Oregon (Mr. DEFAZIO) for 5 minutes.

THE BUSH BUDGET

Mr. DEFAZIO. Mr. Speaker, we have gotten the President's glossified 2003 budget, complete with color photos, for the first time. What a difference a year makes, not only in the format but in the content. A year ago, the President and the Office of Management and Budget said, there are surpluses as far as the eye can see, at least for the next 10 years, huge and growing surpluses.

A few of us were dubious about predicting the economy 10 years out and about this rosy scenario, but in any case they persisted. They went on to also say, "We're going to create a lockbox for all of the Social Security surplus, $2.5 trillion. We're going to create a lockbox for all of the Medicare trust fund surplus." And they were concerned that we would retire the $6 trillion national debt too quickly. They were worried about that.

Well, here we are a year later and rather than paying down the debt too quickly, as was projected last year, the Bush budget will create an additional $2 trillion of deficit by 2012, if you do not take the Social Security and Medicare trust funds and spend them, which, of course, he proposes to do. The President's budget would divert all of the Medicare surplus and 60 percent, or $1.5 trillion, that is $1,500 billion for those who cannot go to the Ts, of the Social Security surplus to pay for other government programs.

What are the causes of this? We would be led to believe there is only one cause, the attacks on America. Let us look at the real underlying causes. Actually, the disappearance of the surplus is due to, and these are figures from the Congressional Budget Office which is headed by a Republican, 41 percent are due to the tax cut, 23 percent are due to the recession, 10 percent increased military spending, 8 percent increased spending for homeland security, and 16 percent technical adjustments.

What is the reaction down at the White House? The reaction at the White House is, "Let's make those tax cuts," which are contributing 41 percent of the increase in deficit, "let's make them permanent. Let's in fact expand them." That is what the President's budget proposes. So that those who earn over $383,000 a year and those with estates over $5 million will be assured that the laughable assumption in last year's budget that their tax cuts will be sunseted after 10 years and everything, all the tax cuts, will be going away; let's make those permanent with the strange exception of one that would particularly benefit the middle class, which has to do with a complicated computation of an alternative tax for individuals, that one does not get made permanent.

But the exemption of estates over $5 million does, and the huge reduction in rates for people who earn over $383,000. At what cost? At tremendous cost. The cost is a whole host of reductions in worthy domestic programs which the President has proposed in this year's budget hidden sort of in the appendices and the asterisks and some obfuscation here and there; but there are cuts in education, there are cuts in needed social programs. There is inadequate funding for a prescription drug benefit for people on Medicare, with no cost controls on the pharmaceutical industry. Basically, the program would tend to very, very few seniors' needs. But all this is being done so that the tax cuts can be made permanent.

Usually, when a country is under attack, Presidents call for sacrifice; and many Americans and many in Congress agree with that, homeland security, necessary expenditures to arm our young men and women serving so valiantly in the military. There is tremendous agreement on those. But let us also make our economic future secure. Unfortunately, the only security in the President's budget goes to, again, those at the very top, those who earn over $383,000 a year, and those who have estates worth more than $5 million.

If you just froze the benefits for those people, the elite of the elite, the richest of the rich, those who do not care about Social Security, do not care about a prescription drug benefit, do not care about education funding because their kids go to private schools, if you just froze those people in place so they contributed a little bit more in this time of sacrifice and attack on the United States of America, then you could reduce substantially the draw on the Social Security trust funds and the increase in the deficit.

But the President and his advisers say, no, absolutely not, those people, those $5 million-plus estates, those people who earn over $383,000, they need every penny of that tax cut because they will spend the money in ways that might put some people to work at a minimum wage which could then pay taxes which would help defray the deficit and the economy will be growing into the future.

I would hope that the Congress rejects these assumptions, these priorities, and substantially rewrites this budget.

INTRODUCTION OF ULTRASOUND LEGISLATION

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, I come to the floor this morning to alert Members to a piece of legislation that I will introduce today, and I hope they will consider it. It is a bill that will be of benefit to health clinics all over this country. Many health clinics that wish to provide medical services to unprepared pregnant women are prohibited from doing so because of the lack of funds to purchase medical equipment. The mother is, therefore, forced to wander from one clinic to another in search of the services she so desperately needs. Enabling these health clinics to purchase ultrasound equipment would be a persuasive push in the direction of transitioning from a health clinic to a medical facility.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. Speaker, the advantages of ultrasound machines are many. It is fast and relatively cheap, costing as little as $50 per exam. Ultrasound exams are performed at about 10 to 14 weeks of the pregnancy and are considered the best way to gauge growth and anatomy before birth. Ultrasound can diagnose heart problems in this country in the unborn child, find neural tube defects, including spina bifida, and determine the position of the placenta. There is now even ultrasound equipment that can provide a three-dimensional image that can rotate 360 degrees to see all the sides of the baby.

For this reason, Mr. Speaker, I plan to introduce a bill today that will authorize Health and Human Services to establish grants for which nonprofit health clinics could apply and, if awarded, purchase needed ultrasound equipment. This legislation will ensure that doctors can provide critical information to mothers in their decision-making process regarding their pregnancies. Nothing in this bill makes ideology regarding abortion a condition of the grant. Whether a center offers abortion or abortion alternatives, the clinic is still eligible.

In the fiery controversy over abortion in America, emotionally charged rhetoric clouds the issue and does damage to the efforts made on behalf of mother and child. No matter what one's conviction is concerning abortion, we can all agree that the mother deserves as much information as is available in making this solemn decision. Information is the best weapon in defusing the volatile discussion and returning us to our first concern, which is the health of the mother and the child. The ultrasound is a valuable tool in expanding the debate beyond traditional platitudes on both sides of the argument.

Modern medicine has provided us with a window into the womb. These advances in technology empower women with as much information as possible regarding her pregnancy. The goal of this legislation is to provide women who find themselves with an unplanned pregnancy with the full scope of information such that they may make a fully informed decision.

This bill is about the dissemination of information. This bill is about extending more free services to women and about making available this vital technology to the poor and, of course, to the rich.

Mr. Speaker, there are times when people of good faith who differ on an issue can come together and find a place to agree. I believe this legislation brings us beyond the shrill arguments regarding abortion and makes a meaningful step forward, a meaningful effort to care for the mother and child and bring more information to the woman.

I urge the Members to support my bill.

TIME FOR CONGRESS TO REIN IN SPENDING

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, the President released his budget yesterday. Congress and probably many in America and throughout the world are starting to analyze just what this budget does.

I compliment the President for sending out a warning to Congress that he is not going to stand for excessive discretionary domestic spending for additional social programs. I think most of us agree that his increase in spending for defense and national security is not only reasonable but is required, realizing what happened on September 11 and the fact of what we have discovered in Afghanistan, that there are many terrorists throughout the world dedicated to cause the same kind of damage that those 19 individuals did on September 11. We are faced with the fact that thousands of individuals went through that same kind of perverted religious indoctrination and eventually the training on how to be terrorists with a dedication to injure the people of the free world, especially in the United States, and destroy some of our symbols of the freedom and liberty that we have in this country. It is a $2.13 trillion budget, a budget that has continued to grow faster than inflation for the last 40 years.

Mr. Speaker, my particular concern is the fact that government is growing so rapidly. And I would hope that we could comply with the President's suggestion that we hold down the discretionary domestic spending so that the deficit is minimized, or hopefully there will be no deficit this year in terms of all funds coming into the Federal Government versus the funds going out of the Federal Government.

It was only a short time ago that both Republicans and Democrats in this Chamber pledged not to spend the Social Security surplus money. Maybe, maybe the kind of war that we are in justifies spending that money. But if I had had my druthers, I would have preferred that the President gave us a budget that was balanced, at least in the unified sense of total revenues coming in versus total expenditures going out. The reason for that is I think by the President suggesting that maybe it is okay this year to have an $80 billion deficit, it is going to open the door for spenders, it is going to open the door for individual Members of the House and the Senate to suggest that as long as the President says it is okay to have a little deficit spending, let us have more deficit spending for some of these, quote-unquote, important programs that we think should go back to my particular district.

Pork-barrel spending has increased tremendously. I think that is because when Members learn that most of the other Members are getting things for their district, it is only fair for them in the treatment of their particular constituents to try to get pork-barrel spending for their particular district.

☐ 1245

I think pork-barrel spending has got to stop. It is my hope and my encouragement to the leadership of this House on both sides of the aisle that this Chamber pass a budget resolution that is in balance; that we say here is the possibility of the $80 billion that might go into a stimulus tax cut package to stimulate the economy, but, if that does not happen, we are going to balance the budget. The challenge now is holding the line on spending.

Let me give one example of what has happened in the last 5 years. In 1998 Congress said we promise to balance the budget by 2002. That balanced budget was predicated on an estimate by both OMB and CBO that there would be approximately $1.4 trillion of revenue by 2002.

Guess what the revenue actually is going to be in 2002, this fiscal year ending next October? The actual revenue is going to be $1.9 trillion. So my point is, Mr. Speaker, that revenues are much larger than we anticipated, but what happened is spending increased significantly more, so that we have ended up with a great deal of deficit spending. The difference between $1.4 trillion and $1.9 trillion in revenues, between the $1.4 trillion we estimated 5 years ago and the $1.9 trillion that is actually going to happen, even takes into consideration the tax cut we did last spring.

I would suggest that it behooves the United States to have the kind of economic expansion we want by not going deeper into debt, causing extra demand by the government in the money that is available for borrowing, which is ultimately going to increase interest rates and ultimately going to have a depressive effect on the economy.

I would close by again urging my Republican and Democratic friends to work towards a total unified balanced budget.

RECESS

The SPEAKER pro tempore (Mr. BALLENGER). Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 12 o'clock and 48 minutes p.m.), the House stood in recess until 2 p.m.

☐ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. OTTER) at 2 p.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God, ever present to Your people and closest to those in most need of Your mercy, we commend to You this day the Members of the United States House of Representatives with all their prayerful concerns.

Last week both Republican and Democratic Members set time aside to be on retreat, Lord.

As they drew away from the daily routine to gain deeper perspective, hopefully Your presence was made known to them.

As they examined issues facing this Nation and they crafted plans for the future, unexpectedly, Your provident love lifted their hearts to greater service to Your people.

As they became more aware of different opinions and the many possibilities open to achieve a common purpose, surprisingly Your spirit invited them to be respectful of others in every debate, patient in listening, as well as committed to finding solid resolve.

May personal convictions always be refined when civility reigns.

May partisan formulations always give way to what You require of this Nation.

For You are the eternal guide and strength for each Member personally and for the House as a whole both now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New Mexico (Mr. UDALL) come forward and lead the House in the Pledge of Allegiance.

Mr. UDALL of New Mexico led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

PRIVATE CALENDAR

The SPEAKER pro tempore. This is Private Calendar day. The Clerk will call the bill on the Private Calendar.

NANCY B. WILSON

The Clerk called the bill (H.R. 392) for the relief of Nancy B. Wilson.

Mr. COBLE. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The SPEAKER pro tempore. This concludes the call of the Private Calendar.

MORE CRITICISMS OVER YUCCA MOUNTAIN: WHEN WILL THE DOE RESPOND?

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, last week the Nuclear Waste Technical Review Board joined an ever-expanding list of independent experts who are criticizing the science being touted by the Department of Energy regarding the Yucca Mountain Project.

In its report the board called the DOE's science "weak to moderate."

Board member and hydrologist Paul Craig added that "many of the DOE's assumptions regarding Yucca Mountain are extreme and unrealistic."

John Bartlett, former Director of DOE's Office of Civilian Radioactive Waste Management, stated that "the documentation does not provide a sound foundation for the basis of a site recommendation."

Moreover, the GAO has raised its own concerns with the Yucca Mountain Project, stating that "making a site recommendation at this time would not be prudent or practical."

Mr. Speaker, when will the DOE begin to answer the serious questions being raised about its failed science? Hopefully they will do that before going any further into the site recommendation process and before the lives of millions of Americans are jeopardized.

ANNIVERSARY OF SIGNING OF TREATY OF GUADALUPE HIDALGO

(Mr. UDALL of New Mexico asked and was given permission to address the House for 1 minute.)

Mr. UDALL of New Mexico. Mr. Speaker, February 2, 1848, marks the anniversary of the signing of the Treaty of Guadalupe Hidalgo.

This is a treaty between Mexico and the United States which guaranteed Mexican citizens who remained in the United States certain property rights. One of the promises was to secure and protect the property rights of Mexican and Spanish citizens that have been granted land grants from Spanish and Mexican Governments.

The U.S. violated these promises. The General Accounting Office is looking into this historic wrong, and I have introduced a bill to remedy the situation and to correct these injustices. I urge my colleagues to help me in this effort. Please review my legislation and take a good hard look at it.

NO SPECIAL TREATMENT FOR JOHN WALKER LINDH

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, much has been said about John Walker Lindh, the 20-year-old Californian who joined forces with the Taliban. Some observers have suggested that we cut him some slack since he is only 20 years of age.

There were 20-year-olds who showed up for work on 9/11 at the World Trade Center. Who cut them slack? There are 20-year-olds fighting in Afghanistan today, 20-year-old firefighters, 20-year-old policemen, 20-year-old EMS personnel who responded on 9/11. Who cut them slack? No. This young man should be prosecuted, and if convicted, appropriate punishment should be forthcoming.

Our Attorney General said it more eloquently than I, but I paraphrase: Simply because an accused is of tender years, Mr. Speaker, he is worthy of no special defense when he has committed criminal acts. No special treatment should be available to this young man or to others like him.

CAROL WRIGHT

(Mr. MATHESON asked and was given permission to address the House for 1 minute.)

Mr. MATHESON. Mr. Speaker, with the Salt Lake City Winter Olympic Games just a few days away, today the Olympic torch will pass through Parowan, Utah.

Parowan is the hometown of Alma Richards, Utah's first Olympic gold medalist. When it passes through that southern Utah town, it will be held by one of Parowan's greatest daughters, my great aunt, 93-year-old Carol Wright.

Aunt Carol has lived in Parowan her whole life and is the second cousin of Alma Richards, the 1912 gold medalist in the high jump. She made a career in the banking industry and today holds a place of honor as the one selected to run the torch to Alma Richards' home. The torch will stop at his home for 2 minutes as the community holds a ceremony honoring Alma, Aunt Carol and the Olympic spirit.

Parowan is a small town. In small towns everybody knows everybody. Aunt Carol was chosen to run the torch not only because of her relation to Utah's first Olympic gold medalist, but also because she is well respected and, indeed, beloved in her community.

So I am proud of my aunt and proud of Parowan, the place where my Utah roots began, a city with a long tradition of Olympic spirit, and I am very grateful for this honor. I ask that the Members of the House of Representatives join me today in honoring Carol

Wright and the city of Parowan as the Olympic torch passes through that city.

ECONOMIC STIMULUS

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, it has been 10 months since this recession began, and it has been nearly that long since President Bush created a plan to boost the American economy. The House of Representatives passed that plan. It was a good one. It would have put people back to work, but there are two halves to Congress, and the other half did not like the plan, so we compromised.

We passed a new plan. This one was reported to have the votes to pass both Chambers, but the vote has not been allowed on the other side.

Mr. Speaker, hundreds of thousands of Americans are out of work. Several major employers have gone bankrupt. Pension funds have shriveled up. The American people need an economic stimulus package, and they need it now.

I do not know what more we can do on this side of the Rotunda to make that happen, and I think we are all getting tired of waiting for the other side, and the American people are, too.

DELTA DAYS

(Mr. DAVIS of Illinois asked and was given permission to address the House for 1 minute.)

Mr. DAVIS of Illinois. Mr. Speaker, today is part of what is called Delta Days, and although my wife is an active, delightful AKA, if my colleagues have seen a group of ladies wearing red, they are Deltas, and I simply want to welcome them to the Nation's Capital and commend them for their interest in public policy decisionmaking. They are indeed a wonderful group of ladies, and we welcome them for Delta Days.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 4, 2002.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on February 4, 2002 at 12:52 p.m. and said to contain a message from the President whereby he submits his Budget of the United States Government for Fiscal Year 2003.

With best wishes, I am
Sincerely,

JEFF TRANDAHL,
Clerk of the House.

FISCAL YEAR 2003 BUDGET OF THE U.S. GOVERNMENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–159)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

Americans will never forget the murderous events of September 11, 2001. They are for us what Pearl harbor was to an earlier generation of Americans: a terrible wrong and a call to action.

With courage, unity, and purpose, we met the challenges of 2001. The budget for 2003 recognizes the new realities confronting our nation, and funds the war against terrorism and the defense of our homeland.

The budget for 2003 is much more than a tabulation of numbers. It is a plan to fight a war we did not seek—but a war we are determined to win.

In this war, our first priority must be the security of our homeland. My budget provides the resources to combat terrorism at home, to protect our people, and preserve our constitutional freedoms. Our new Office of Homeland Security will coordinate the efforts of the federal government, the 50 states, the territories, the District of Columbia, and hundreds of local governments: all to produce a comprehensive and far-reaching plan for securing America against terrorist attack.

Next, America's military—which has fought so boldly and decisively in Afghanistan—must be strengthened still further, so it can act still more effectively to find, pursue, and destroy our enemies. The 2003 Budget requests the biggest increase in defense spending in 20 years, to pay the cost of war and the price of transforming our Cold War military into a new 21st Century fighting force.

We have priorities at home as well—restoring health to our economy above all. Our economy had begun to weaken over a year before September 11th, but the terrorist attack dealt it another severe blow. This budget advances a bipartisan economic recovery plan that provides much more than greater unemployment benefits: it is a plan to speed the return of strong economic growth, to generate jobs, and to give unemployed Americans the dignity and security of a paycheck instead of an unemployment check.

The plan also calls for maintaining low tax rates, freer trade, restraint in government spending, regulatory and tort reform, promoting a sound energy policy, and funding key priorities in education, health, and compassionate social programs.

It is a bold plan—and it is matched by a bold agenda for government reform. From the beginning of my Administration, I have called for better management of the federal government. Now, with all the new demands on our resources, better management is needed more sorely than ever. Just as the No Child Left Behind Act of 2001 asks each local school to measure the education of our children, we must measure performance and demand results in federal government programs.

Where government programs are succeeding, their efforts should be reinforced—and the 2003 Budget provides resources to do that. And when objective measures reveal that government programs are not succeeding, those programs should be reinvented, redirected, or retired.

By curtailing unsuccessful programs and moderating the growth of spending in the rest of government, we can well afford to fight terrorism, take action to restore economic growth, and offer substantial increases in spending for improved performance at low-income schools, key environmental programs, health care, science and technology research, and many other areas.

We live in extraordinary times—but America is an extraordinary country. Americans have risen to every challenge they have faced in the past. Americans are rising again to the challenges of today. And once again, we will prevail.

GEORGE W. BUSH.
THE WHITE HOUSE, *February 4, 2002.*

☐ 1415

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives.

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 5, 2002.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on February 5, 2002 at 10:12 a.m. and said to contain a message from the President whereby he submits the Economic Report of the President.

With best wishes, I am
Sincerely,

JEFF TRANDAHL,
Clerk of the House.

ECONOMIC REPORT OF THE PRESIDENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–158)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Joint Economic Committee and ordered to be printed.

To the Congress of the United States:

Since the summer of 2000, economic growth has been unacceptably slow. This past year the inherited trend of deteriorating growth was fed by events, the most momentous of which was the terrorist attacks of September 11, 2001. The painful upshot has been the first recession in a decade. This is cause for compassion—and for action.

Our first priority was to help those Americans who were hurt most by the recession and the attacks on September 11. In the immediate aftermath of the attacks, my Administration sought to stabilize our air transportation system to keep Americans flying. Working with the Congress, we provided assistance and aid to the affected areas in New York and Virginia. We sought to provide a stronger safety net for displaced workers, and we will continue these efforts. Our economic recovery plan must be based on creating jobs in the private sector. My Administration has urged the Congress to accelerate tax relief for working Americans to speed economic growth and create jobs.

We are engaged in a war against terrorism that places new demands on our economy, and we must seek out every opportunity to build an economic foundation that will support this challenge. I am confident that Americans have proved they will rise to meet this challenge.

We must have an agenda not only for physical security, but also for economic security. Our strategy builds upon the character of Americans: removing economic barriers to their success, combining our workers and their skills with new technologies, and creating an environment where entrepreneurs and businesses large and small can grow and create jobs. Our vision must extend beyond America, engaging other countries in the virtuous cycle of free trade, raising the potential for global growth, and securing the gains from worldwide markets in goods and capital. We must ensure that this effort builds economic bonds that encompass every American.

American faces a unique moment in history: Our Nation is at war, our homeland was attacked, and our economy is in recession. In meeting these great challenges, we must draw strength from the enduring power of free markets and a free people. We must also look forward and work toward a stronger economy that will buttress the United States against an uncertain world and lift the fortunes of others worldwide.

GEORGE W. BUSH.

THE WHITE HOUSE, *February 2002.*

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. OTTER). Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record votes on motions to suspend the rules ordered prior to 6:30 p.m. will be taken today. Record votes on remaining motions to suspend the rules will be taken tomorrow.

PRESIDENTIAL LIBRARY CONTRIBUTION DISCLOSURE ACT

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 577) to require any organization that is established for the purpose of raising funds for the creation of a Presidential archival depository to disclose the sources and amounts of any funds raised, as amended.

The Clerk read as follows:

H.R. 577

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REQUIREMENT TO DISCLOSE SOURCES AND AMOUNTS OF FUNDS RAISED FOR PRESIDENTIAL ARCHIVAL DEPOSITORY.

(a) IN GENERAL.—Section 2112 of title 44, United States Code, is amended by adding at the end the following new subsection:

“(h)(1) Any organization that is established for the purpose of raising funds for creating, maintaining, expanding, or conducting activities at a Presidential archival depository or any facilities relating to a Presidential archival depository, shall submit to the Administration, the Committee on Governmental Reform of the House of Representatives, and the Committee on Governmental Affairs of the Senate on an annual basis, by not later than the applicable date specified in paragraph (2), information with respect to every contributor who, during the year—

“(A) with respect to a Presidential archival depository of a President who currently holds the Office of President or for which the Archivist has not accepted, taken title to, or entered into an agreement to use any land or facility, gave the organization a contribution or contributions (whether monetary or in-kind) totaling $200 or more for the year; or

“(B) with respect to a Presidential archival depository of a President who no longer holds the Office of President and for which the Archivist has accepted, taken title to, or entered into an agreement to use any land or facility, gave the organization a contribution or contributions (whether monetary or in-kind) totaling $5000 or more for the year.

“(2) For purposes of paragraph (1), the applicable date—

“(A) with respect to information required under paragraph (1)(A), shall be January 31 of each year; and

“(B) with respect to information required under paragraph (1)(B), shall be May 31 of each year.

“(3) As used in this subsection, the term ‘information’ means the following:

“(A) The amount or value of each contribution made by a contributor referred to in paragraph (1) in the year covered by the submission.

“(B) The source of each such contribution, and the address of the entity or individual that is the source of the contribution.

“(C) If the source of such a contribution is an individual, the occupation of the individual.

“(D) The date of each such contribution.

“(4) The Archivist shall make available to the public through the Internet (or a successor technology readily available to the public) any information that is submitted in accordance with paragraph (1).

“(5)(A) It shall be unlawful for any person who makes a contribution described in paragraph (1) to knowingly and willfully submit false material information or omit material information with respect to the contribution to an organization described in such paragraph.

“(B) The penalties described in section 1001 of title 18, United States Code, shall apply with respect to a violation of subparagraph (A) in the same manner as a violation described in such section.

“(6)(A) It shall be unlawful for any organization described in paragraph (1) to knowingly and willfully submit false material information or omit material information under such paragraph.

“(B) The penalties described in section 1001 of title 18, United States Code, shall apply with respect to a violation of subparagraph (A) in the same manner as a violation described in such section.

“(7)(A) It shall be unlawful for a person to knowingly and willfully—

“(i) make a contribution described in paragraph (1) in the name of another person;

“(ii) permit his or her name to be used to effect a contribution described in paragraph (1); or

“(iii) accept a contribution described in paragraph (1) that is made by one person in the name of another person.

“(B) The penalties set forth in section 309(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)) shall apply to a violation of subparagraph (A) in the same manner as if such violation were a violation of section 316(b)(3) of such Act.

“(8) The Archivist shall promulgate regulations for the purpose of carrying out this subsection.”.

(b) APPLICABILITY.—Section 2112(h) of title 44, United States Code (as added by subsection (a))—

(1) shall apply to an organization established for the purpose of raising funds for creating, maintaining, expanding, or conducting activities at a Presidential archival depository or any facilities relating to a Presidential archival depository before, on, or after the date of the enactment of this Act; and

(2) shall only apply with respect to contributions (whether monetary or in-kind) made after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from California (Mr. WAXMAN) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HORN).

GENERAL LEAVE

Mr. HORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 577, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

Presidential libraries are a valuable resource for historians, faculty professors, and the public. Over the years, Presidential libraries have evolved into elaborate institutions. They house the official papers of a former President. They have museums. They have conference facilities and classrooms.

The cost of building and maintaining these facilities can be substantial. The George Bush Library, located at Texas A&M University, cost $22 million from citizens and foundations. Former President Clinton's library foundation is attempting to raise $200 million to cover the cost of his library complex.

To establish a Presidential library, representatives of a sitting President can set up a private foundation to receive contributions, obtain a site, and build a facility. After it is built, the structure is deeded over to the Federal Government, along with an operating fund, in some cases, and is run by the National Archives.

Through their private foundations, Presidents and their associates are free to raise unlimited amounts of money for their libraries. There are no limits on contributions. There is no public disclosure. This secretive fund-raising process can become an invitation for abuse or accusations of influence peddling.

H.R. 577, introduced by our distinguished colleague, the gentleman from Tennessee (Mr. DUNCAN), would change that. It would make the fund-raising process for Presidential libraries transparent and open to public scrutiny. It would amend the Presidential Libraries Act to require the disclosure of the sources and amounts of funds raised for the Presidential libraries.

The vast majority of individuals who contribute to Presidential libraries are well-meaning, public-spirited people. They believe that these libraries are a positive contribution to society. They are right. However, there are also those who make contributions for less public spirited reasons: to gain access and influence. That is why we need public disclosure. We have laws requiring public disclosure of political contributions. For the same reason, contributions to Presidential libraries should be disclosed.

H.R. 577 would not prohibit or limit contributions to Presidential library foundations. This bill simply requires disclosure. It would require Presidential library foundations to disclose to Congress and the National Archives the amount, source, and date of the contributions they receive. The National Archives would be required to make the information publicly available over the Internet.

While a President is in office, or until his library is turned over to the National Archives, the foundation would be required to disclose contributions totaling $200 or more. After a President leaves office and the archivist has accepted title to the facility, the foundation would be required to disclose contributions totaling $5,000 or more.

This bill would make it illegal for either a contributor or a foundation to submit false information about a contribution. It would also be unlawful for a person to make a contribution in the name of another. The bill would apply to all Presidential library foundations. But disclosure would only have to be made for contributions received after enactment of the legislation.

A hearing was held on the bill of the gentleman from Tennessee (Mr. DUNCAN) last April, before the Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations, which I chair. The subcommittee heard from a number of witnesses, including election law experts who supported full disclosure of contributions to Presidential libraries. They likened fund-raising for Presidential libraries to fund-raising for political campaigns.

Last May, the bill was approved unanimously by the Committee on Government Reform. I hope it will receive the strong bipartisan support it deserves on the floor today.

Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. BURTON), the chairman of the Committee on Government Reform.

Mr. BURTON of Indiana. I thank the gentleman for yielding me this time, and I hope we are not infringing on the minority's time by going ahead.

Mr. Speaker, I rise in strong support of this bill, and I want to thank the gentleman from Tennessee (Mr. DUNCAN) for his hard work on this legislation. He has worked on it for a long time, hit a few bumps in the road, but it is a good bill and it should pass. I want to personally thank him for being a new and more valuable member of our committee. He has worked very hard with us.

I also want to thank the gentleman from California (Mr. HORN), who is one of the unsung heroes of the Committee on Government Reform. He works probably as hard or harder than anybody on the committee. He shepherded this bill through the subcommittee and full committee, and I appreciate all the hard work he has been doing for us. We will miss him when he leaves next year. He has been a great chairman.

Mr. Speaker, our Presidential libraries are a valuable part of our society. They are monuments to our Presidents. They are places where young people can go to learn about history. They are places where scholars do serious research. We should be proud of each and every one of them.

However, Presidential libraries cost a lot of money, and that money has to be raised from private sources. We all know that when money and politics cross paths there is always the potential for mischief, and that is why I think public disclosure is so important and why I support this bill. When there is secrecy in government, people have doubts; and when there is openness in government, people have confidence in their government.

The vast majority of people who give money to Presidential libraries do it for the right reasons: they admire the President; they want to make a contribution to his legacy; they want to see history preserved. And they should be proud of their contributions. But there is always going to be those who make contributions for other reasons: to gain access to the President and staff; to gain influence. And that is why we need public disclosure.

Right now, you can contribute $1 million to a Presidential library while the President is in office and nobody would know about it. That is not good for our democracy, and it is not good for the reputations of Presidential libraries. That is why we need this legislation.

We have tried not to make this bill overly burdensome. While a President is in office, contributions over $200 have to be disclosed. That matches campaign finance law. Once a President is out of office and once the library has been turned over to the archives, only contributions over $5,000 have to be reported. Those contributions already have to be reported every year to the IRS, so the foundations already have to keep that information; and we are not asking them to create any more work for themselves.

I am sure that everyone remembers the controversy over President Clinton's pardon last year. He pardoned a man named Marc Rich, who was an international fugitive. Marc Rich's wife gave $450,000 to President Clinton's library foundation. Nobody knew it at the time. So this is a perfect example of why we need public disclosure.

But let us be fair. This is not a Democrat problem, and it is not a Republican problem. This system we have is an invitation to abuse no matter what party you are from or who occupies the White House. Having unlimited contributions in complete secrecy is a recipe for scandal, and we are doing the right thing by addressing it today.

Let me close by repeating what I said in the beginning. We should be proud of our Presidential libraries. They should be places of honor. We wanted people to contribute to them and be proud of their contributions. We do not want our Presidential libraries to be tainted by accusations of influence peddling or frauds. Public disclosure is the right thing to do; and, therefore, I urge all of my colleagues to support this bill.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of H.R. 577. This bill began with the principle that all contributions to foundations that support Presidential libraries should be made public. That is a principle that I strongly support.

□ 1430

Mr. Speaker, this bill is a bipartisan product. The gentleman from Indiana (Mr. BURTON) and the gentleman from California (Mr. HORN) have worked with us to produce a bill both sides can support. The gentlewoman from Illinois (Ms. SCHAKOWSKY), the ranking member of the subcommittee, made an especially valuable contribution. The gentlewoman's amendment lowered the threshold for reporting to $200 during the years of active fund-raising.

Unfortunately, this bill does not include a provision that would apply these principles of disclosure to foundations in the names of Members of Congress. Such an amendment was considered and adopted in committee. However, it was dropped from the version that we are considering today. The gentleman from Indiana (Mr. BURTON) has agreed to work with us to develop that concept as stand alone legislation, and I look forward to bringing it to the floor later this year.

We live in an era where large corporations and wealthy individuals use money to gain access to policymakers. That access can easily turn into influence, and the process of developing public policy can become distorted. Today's bill is a step forward in curbing these trends. H.R. 577 provides the public the information it needs to judge the behavior of those it elects. I urge my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. HORN. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee (Mr. DUNCAN), the author of this very fine piece of legislation.

Mr. DUNCAN. Mr. Speaker, I thank the gentleman from California (Mr. HORN) for yielding me this time, and for the gentleman's very strong support of this legislation. As the gentleman from Indiana (Mr. BURTON) mentioned, the gentleman from California (Mr. HORN) has shepherded this through the legislative process in the Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations and in the Committee on Government Reform. The gentleman has been an outstanding Member of this body for many years. I thank the gentleman from Indiana (Mr. BURTON) for his support and the gentleman from California (Mr. WAXMAN), the ranking member, for his support of this legislation.

I rise to urge support for the Presidential library contribution disclosure bill that I first introduced in the last Congress. I believe this is commonsense legislation. It simply requires disclosure, public disclosure, of donations and donors to Presidential libraries.

I first introduced this bill in 1999, many months before anyone heard of Marc Rich or the Presidential pardons that the gentleman mentioned a few minutes ago. I introduced this bill because I felt the public should be made aware of possible conflicts of interest the sitting Presidents could have while raising funds for their libraries. In most cases we do not know who these donors are or what interests they may have on any pending policy decisions.

This bill will shed light on an otherwise secretive process. With disclosure, the public is able to draw its own conclusions about whether conflicts of interest are present. Without it, the appearance of impropriety could often exist.

This bill is not aimed at any one President in particular. This is a problem that can be faced by Democrat and Republican Presidents alike. This bill does not prohibit or limit contributions to these organizations. It simply requires disclosure of the name of the donor and the amount donated.

Mr. Speaker, no one should be against this bill unless for some reason they want to keep this process secret.

I also want to say that I understand the concerns of those who say it is impossible to influence a deceased President, and I agree. We may be able to address this concern and the concern that the gentleman from California (Mr. WAXMAN) mentioned later on.

As others have mentioned, these Presidential libraries serve a good and noble purpose in our Nation. However, they should not serve as a way for Presidential foundations to peddle influence to the highest bidder.

Mr. Speaker, the organization Vote.com ran a poll and received almost 26,000 votes over the Internet, and 94 percent of those 26,000 who voted on this issue voted for it in a poll that ended September 13, 2001. Ninety-four percent supported this bill. Larry Noble, executive director of the Center for Responsive Politics, at our hearing that we held on this bill in the subcommittee said, "The potential for real and apparent corruption that this fundraising brings is obvious. The public, however, is still in the dark with regard to several back-door ways of buying influence in Washington. One of them is the funding of Presidential libraries."

Scott Harshbarger, president of Common Cause, said, "Presidents should not be in the business of raising funds for their libraries while in office. Gifts to the library can be a powerful means to secure access and influence at the White House, especially with a President eager to burnish his legacy."

Kenneth Gross, who is an attorney who is a specialist in this type of fundraising, said, "The bill will prevent donors from sidestepping disclosure by agreeing, pledging or promising, while the President remains in office, to make contributions to a Presidential library after the term has expired."

Mr. Speaker, I think this is good legislation. I think it is legislation that almost all of our colleagues can and should support. As I said, it just sheds lights on an otherwise secretive process, and I urge support for H.R. 577.

Mr. WAXMAN. Mr. Speaker, I reserve the balance of my time.

Mr. HORN. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. SHAYS), a key member of the Committee on Government Reform.

Mr. SHAYS. Mr. Speaker, I rise in strong support of H.R. 577. I wish I was a cosponsor of the bill. I commend the gentleman from Tennessee (Mr. DUNCAN) and my colleagues on the other side of the aisle for working to pass this legislation.

Presidential libraries date back to the Rutherford B. Hayes Memorial Library's completion in Fremont, Ohio, in 1914, and since that time have become an important part of our national heritage and history. Their value to students, historians and visitors from all over America and the world is tremendous.

Since the completion of the Hayes library, the size, popularity and cost of Presidential libraries has increased exponentially. Libraries have evolved into elaborate centers that, in addition to housing the official papers and records of former Presidents, often include museums, conference facilities and classrooms. As a result, the need for donations for their creation and maintenance has increased, but disclosure of these donations has not.

In my judgment, the more information the public has, particularly of sitting Presidents, the better. Under this bill, a sitting President would be required to disclose library contributions of $200 or more annually to Congress and to the National Archives. In addition, under the bill, once a President has left office, library contributions of $5,000 or more must be reported. Just as we need to know who is giving campaign contributions to politicians, so, too, the public needs to know who is contributing to sitting Presidents.

Our hearings on Marc Rich last year, which were bipartisan, obviously pointed out the need to carry forward with this bill. It gave us the added impetus to move forward, and I thank Members on both sides of the aisle for supporting it.

Mr. WAXMAN. Mr. Speaker, I reserve the balance of my time.

Mr. HORN. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. OSE), a very able chairman of the Subcommittee on Efficiency, Financial Management, and Intergovernmental Relations.

Mr. OSE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of H.R. 577, a bill to require the annual disclosure of the sources and amount of funds raised to create, maintain or expand a Presidential library. In addition, the bill requires the National Archives and Records Administration, known as NARA, to post this information on the Internet. The transparency provisions in this good government bill should help ensure that donors are not afforded an unfair advantage in the policymaking process or other governmental benefits.

On March 15, 2001, I introduced a companion bill, H.R. 1081, Accountability for Presidential Gifts Act. Its prime objective is to establish responsibility in one agency, NARA, for the receipt, valuation and disposition of Presidential gifts. It, too, seeks to ensure that there is no unfair advantage to donors in the policymaking process or in the receipt of other governmental benefits.

Common Cause president Scott Harshbarger and Dr. Paul Light, director, Center for Public Service of the Brookings Institution, testified in favor of the disclosure provisions of H.R. 577 at the April 5 hearing of the Committee of Government Reform, Subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations.

Mr. Speaker, I agree with these good government advocates, and I applaud the initiative of the gentleman from Tennessee (Mr. DUNCAN) in pursuing this important change in law.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I underscore my support for this legislation because I believe there ought to be full reporting by those who give donations, whether it is to campaigns or even to libraries. We need disclosure because some may have political hope that in exchange for their contribution or gift, they may receive some influence.

That is why I strongly support, and hope my colleagues who are going to support this bill will join me in supporting, similar legislation regarding Members of Congress, when they set up foundations or libraries or other attributes to themselves and receive contributions from outside sources. They also should be required to report donations. At one point we had such reporting in this legislation, but we did not want to in any way endanger this piece of legislation because it is a good bill. It is the right thing to do to pass this bill. But I hope to get full disclosure of those donations to Members of Congress, just as we want full disclosure of those donations to Presidential libraries. All foundation donations, all donations similar to campaign contributions, should be disclosed because the giver may hope to gain some influence. All donations ought to be on the table, ought to be publicly disclosed.

Mr. Speaker, I join my colleagues today in supporting the bill that is before us. I hope later in the year we will be able to carry the other bill to the House floor so we will follow in the path that is being set in this legislation, that the public has the right to know who is funding what when it comes to anything to do with politics. I think that is the way to assure the American people that they have all information and the American people will make of it what they will.

Mr. HORN. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee (Mr. DUNCAN) to thank the staff who worked on this legislation.

Mr. DUNCAN. Mr. Speaker, I rise today to thank Bert Robinson of my staff, who has done an outstanding job on this bill. He has been working on it for many, many months. I also want to thank those on the committee staff who have helped us with this legislation, Jim Wilson, Kevin Binger, David Kass, Randy Kaplan, and Russell George; and Michelle Ash and David McMillen from the minority staff. All have been very, very helpful on this legislation, and I thank them at this time.

Ms. SCHAKOWSKY. Mr. Speaker, I rise in support of H.R. 577, a bill to Require Disclosure of the funding sources for Presidential Libraries. I want to congratulate and thank the author of this measure, the Chairman of the Government Reform Committee, the Chairman of the Government Efficiency Subcommittee, and our ranking member, the gentleman from California for his efforts to improve this legislation. The improvements that were made to this bill prior to floor consideration are due in large part to his efforts and he should be commended.

While I rise in support of this measure today, I do not believe this bill goes far enough. I am disappointed that one of the amendments I offered in the Government Reform Committee and which was included in the Committee-passed bill, is not a part of the measure we are debating today. The provision would have made congressional foundations disclose funding sources as well. I offered that provision because I believe that members of Congress should be at least as accountable to the public as we expect the President to be. Congressional foundations and the members that run them should make public the sources of major funding they receive to prevent any accusations of undue influence on the legislative process.

H.R. 577 requires the disclosure of the sources and amounts of donations made to foundations raising money to build and maintain presidential libraries. I am pleased that the measure we are debating includes an amendment of mine that passed in Committee to reduce the disclosure requirement for donations to $200 or more. That is the same level of the requirement that currently exists for congressional campaigns and it is a valuable component of the legislation we are debating today. The bill provides that once the National Archives and Records Administration assumes the responsibility for the presidential library in question, the threshold for such disclosure would be raised to $5,000.

Again, Mr. Speaker, I support the goals of H.R. 577 but believe the Congress needs to go further. I hope that this year, my colleagues on both sides of the aisle will support standalone legislation I plan to introduce that will impose funding disclosure requirements on congressional foundations.

I urge all members to vote in support of H.R. 577 and look forward to working with my colleagues on related issues in the time to come.

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Mr. WAXMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HORN. Mr. Speaker, I urge the adoption of this measure.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. OTTER). The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the bill, H.R. 577, as amended.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. HORN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

MOURNING THE PASSING OF WAUKEGAN MAYOR DAN DREW

(Mr. KIRK asked and was given permission to address the House for 1 minute.)

Mr. KIRK. Mr. Speaker, I rise today to mark the life of Dan Drew, our mayor of Waukegan, Illinois. Dan died of a heart attack, and he was only 53 years old.

Last year, Dan ran for mayor. It was a hotly fought contest. He won by the slimmest of margins, six votes. He took over a city beset with problems, environmental cleanups, the loss of key industries, a crisis of confidence in the city administration. But Dan proved he was the right leader for these challenges. He brought confidence, commitment, and boundless energy as mayor.

Despite his narrow victory, he became a mayor of all of Waukegan and showed us that the city faced better days ahead.

I worked with Dan only a short time. After one city meeting I said that all I needed from his office was a mayor ready to quickly sign any Federal grant application that could benefit Waukegan. He replied, "My pen is ready." I can count at least seven major projects we were working on for the city of Waukegan.

Mayor Drew's sudden death shocked us all. It was only after he passed away that I learned about his long struggle with diabetes. Tall, skinny, and with a quick smile, Dan looked the picture of health as he led Waukegan down Sheridan Road in the Fourth of July parade. His fellow Bears season ticket holders sent a wreath to his wake that said, "Good-bye, Slim."

Dan's family will bury him today in a sad funeral. The crowd at last night's wake stretched around the church many times. We will sorely miss Dan's smile and humor. He became Waukegan's brightest political star. All of us, his fellow Democrats, we Republicans, white, African Americans, Hispanics, young and old, will miss him. Dan Drew was the right man for the right job who left us at the wrong time.

On behalf of Congress, I want to express my sorrow to his wife and family and the people of Waukegan. Our mission now is to pick up from his vision for the city as we see it through as Dan would have wished.

HORATIO KING POST OFFICE BUILDING

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 970) to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the "Horatio King Post Office Building".

The Clerk read as follows:

S. 970

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. HORATIO KING POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, shall be known as the "Horatio King Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Horatio King Post Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HORN).

GENERAL LEAVE

Mr. HORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

S. 970, introduced by the distinguished Senator from Maine, SUSAN COLLINS, designates the facility of the United States Postal Service located at 39 Tremont Street in Paris Hill, Maine, as the "Horatio King Post Office Building."

Mr. Speaker, Horatio King was a former Postmaster General of the United States and a native of Paris, Maine. Mr. King's long career with the postal service began in 1839. In 1850, he became affiliated with the foreign mail service and was instrumental in its development. In 1854, Mr. King was appointed First Assistant Postmaster General. And in 1861, he was appointed the 22nd Postmaster General of the United States by President Buchanan. In 1863, President Lincoln appointed Mr. King, a Democrat who was loyal to the Union, to the commission responsible for implementing the Emancipation Proclamation in Washington, D.C.

In addition to his public service, Mr. King lectured and hosted literary events at his Washington home and published numerous magazine articles. Today, his birthplace is preserved as the King's Hill Inn in Paris, Maine.

Mr. Speaker, I urge adoption of S. 970.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a member of the Committee on Government Reform, I am pleased to join with the gentleman from California (Mr. HORN) in consideration of S. 970, legislation naming a postal facility in Paris Hill, Maine, after Horatio King. S. 970 was introduced by Senator SUSAN COLLINS on May 25, 2001.

The Honorable Horatio King, a former newspaper publisher and postal employee, began his career with the postal service in 1839. In 1854, he was appointed assistant Postmaster General, a post he held until becoming Postmaster General in 1861. Two years later, President Lincoln named Mr. King to a commission charged with carrying out the Emancipation Proclamation in the District of Columbia.

A man of letters, Horatio King was noted for hosting intimate literary evenings in Washington, D.C.

Mr. Speaker, today the birthplace of Horatio King is well preserved as the King's Hill Inn. It is indeed most appropriate that Congress recognize Horatio King's contributions to our country and the postal service by naming a postal facility in the town of his birth. I urge the swift passage of this bill and note that the gentleman from Maine (Mr. BALDACCI) wishes to support our efforts by submitting a statement in the CONGRESSIONAL RECORD which I will read:

> Mr. Speaker, I strongly support passage of S. 970, legislation to designate the Paris Hill, Maine, post office as the Horatio King Post Office Building. This bill is a fitting tribute to a former Postmaster General and advocate of national unity during one of our Nation's most trying times.
>
> Horatio King was born on his family farm in Paris Hill, Maine, in 1811. His family had fought for freedom against the British. Horatio had a deep sense of commitment to his community, first serving as the editor and owner of a local paper in Paris, Maine.
>
> In 1839, Horatio King began his career in the United States Postal Service. In 1861, President Buchanan named him Postmaster General of the United States.
>
> Mr. King maintained a deep interest in politics throughout his life. He was a contemporary and close friend of Hannibal Hamlin, who served as President Lincoln's Vice President in his first administration.
>
> Horatio himself became an ardent advocate of national unity. Although a Democrat, he supported Abraham Lincoln because of the candidate's conviction that the Republic must be saved. Mr. King continued at his post under President Lincoln for a short period of time. Although he could not serve in a military capacity during the Civil War, his son did join the Army and received a Medal of Honor for his service.
>
> Mr. Speaker, I urge my colleagues to support S. 970 as an appropriate tribute to Horatio King for his many dedicated years of service to the United States Postal Service and for the patriotism he exhibited throughout his adult life.

I note again, Mr. Speaker, that this is the statement of the gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Speaker, I strongly support passage of S. 970, legislation to designate the Paris Hill, Maine, Post Office as the Horatio King Post Office Building. This bill is a fitting tribute to a former Postmaster General and advocate of national unity during one of our nation's most trying times.

Horatio King was born on his family farm in Paris Hill, Maine in 1811. His family had fought for freedom against the British. Horatio had a deep sense of commitment to his community, first serving as the editor and owner of a local paper in Paris, Maine.

In 1839, Horatio King began his career in the United States Postal Service. In 1861, President Buchanan named him Postmaster General of the United States.

Mr. King maintained a deep interest in politics throughout his life. He was a contemporary and close friend of Hannibal Hamlin, who served as President Lincoln's Vice President in his first administration.

Horatio himself became an ardent advocate of national unity. Although a Democrat, he supported Abraham Lincoln because of the candidate's conviction that the Republic must be saved. Mr. King continued at his post under President Lincoln for a short period of time. Although he could not serve in a military capacity during the Civil War, his son did join the army, and received a Medal of Honor for his service.

Mr. Speaker, I urge my colleagues to support S. 970 as an appropriate tribute to Horatio King for his many dedicated years of service to the Untied States Postal Service and for the patriotism he exhibited throughout his adult life.

Mr. DAVIS of Illinois. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HORN. Mr. Speaker, I urge the adoption of S. 970.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the Senate bill, S. 970.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. HORN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

JOSEPH E. DINI, JR. POST OFFICE

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 737) to designate the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the "Joseph E. Dini, Jr. Post Office".

The Clerk read as follows:

S. 737

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. JOSEPH E. DINI, JR. POST OFFICE.

(a) DESIGNATION.—The facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, shall be known and designated as the "Joseph E. Dini, Jr. Post Office".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Joseph E. Dini, Jr. Post Office.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California (Mr. HORN) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from California (Mr. HORN).

GENERAL LEAVE

Mr. HORN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 737 was introduced by the distinguished Senator from Nevada, HARRY REID. This bill designates the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the "Joseph E. Dini Post Office Building." A bill for the same purpose was introduced by my distinguished colleague, the gentleman from Nevada (Mr. GIBBONS).

Mr. Speaker, Joseph E. Dini was born and raised in the small town of Yerington, Nevada. Mr. Dini was first elected to the Nevada State Assembly in 1966 and is currently the longest-serving member of the State Assembly in Nevada history. Mr. Dini has served Nevada as speaker pro tempore, majority leader, and speaker of the State Assembly. During his tenure, Mr. Dini became the legislature's leading authority on Western water issues.

In addition, Mr. Dini is an active participant in many community service organizations throughout Nevada.

Mr. Speaker, I urge adoption of S. 737.

Mr. Speaker, I reserve the balance of my time.

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Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a member of the Committee on Government Reform, I am again pleased to join with my colleague, the gentleman from California (Mr. HORN), in consideration of S. 737, a bill which designates the post office in Yerington, Nevada, after Joseph E. Dini, Jr. S. 737 was introduced on April 6, 2001, by Senator HARRY REID of Nevada.

Born on March 28, 1929, in Yerington, Nevada, Joseph Dini was educated in the Yerington public schools and at the University of Nevada. He went on to represent his hometown of Yerington well in the Nevada Assembly, where he amassed several impressive records. Not only did he serve the longest of any member in the Nevada Assembly, from 1967 to 2001, but also he served as speaker of the Assembly more sessions than anyone else in Nevada history. For an unparalleled eight times he was elected speaker by his Assembly peers. In 2001, Joe Dini became the speaker emeritus.

Joe Dini devoted much time to numerous community service organizations, including the Yerington Rotary Club, the Yerington Volunteer Fire Department, the Nevada American Revolution Bicentennial Commission, the Yerington Lions Club, the Yerington Rotary Club, among other organizations.

The awards that Mr. Dini has earned are quite impressive and numerous. Let me just mention a few. He was designated as the Outstanding Senior Advocate by the Governor's Conference on Aging, the Citizen of the Year by the Nevada Judges Association, and Man of the Year by the Yerington Kiwanis Club. He received the Outstanding Citizen Award by the Nevada Education Association, the Excellence in Public Service Award by the Nevada Trial Lawyer Association, and the Friend of Education Award from the Nevada State Education Association. Of course, we could go on and on listing Mr. Dini's awards.

Mr. Speaker, Mr. Joseph E. Dini, Jr., is the epitome of what a public servant should be; a man who has honored his State of Nevada, his hometown of Yerington, and, yes indeed, his country, the United States of America, through his years of dedicated service.

By naming the post office at 811 South Main Street in Yerington, Nevada, for Joseph E. Dini, Jr., we will not only be honoring a man, but also we will be honoring a building, a building that serves the citizens each and every day. I would urge swift passage of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. HORN. Madam Speaker, I yield 3 minutes to the gentleman from Nevada (Mr. GIBBONS).

Mr. GIBBONS. Madam Speaker, I also would like to thank my colleagues who have allowed me time to speak on this very important bill. It brings me a great deal of pleasure to offer my full support of this legislation here that is before us today, S. 737.

As you know, this legislation, as has been described, will designate a facility of the United States Postal Service located in Yerington, Nevada, as the Joseph E. Dini, Jr., Post Office.

Madam Speaker, it was my great honor and great privilege to work with Speaker Dini when we served together in the Nevada State Legislature. As a freshman legislator, I can speak from experience and fact that very early in my political career, Speaker Dini taught me some very valuable lessons about the passage of legislation, about bipartisanship and all the things that are important to doing a job as a public servant in a legislative body.

I can remember how well Speaker Dini worked with those from both sides of the aisle, focusing more on the legislative accomplishments than on one's personality or partisanship.

Still to this day, after serving in our State legislature since 1967, Speaker Dini maintains his ability to put people before politics. Mr. Dini certainly is a natural leader. He has achieved one success after another, as you heard my colleague the gentleman from Illinois (Mr. DAVIS) say, and he has avoided the political grandstanding that tends to stymie the legislative process.

Madam Speaker, Speaker Dini has not only served his constituents in the Nevada Assembly, district 38, with distinction and class, but he has served and continues to serve the entire State of Nevada in the same fashion.

Madam Speaker, I would ask all my colleagues to join me today in honoring one of our country's, and, yes, Nevada's, finest public servants by supporting Senate bill 737.

Mr. DAVIS of Illinois. Madam Speaker, I yield such time as she may consume to the gentlewoman from the First District of Nevada (Ms. BERKLEY).

Ms. BERKLEY. Madam Speaker, I thank the gentleman for yielding me time.

Madam Speaker, I am going to join my colleague from Nevada (Mr. GIBBONS) in praising Assemblyman Joe Dini. This is an extraordinary man. We know him very, very well. I am very proud to stand here and speak on his behalf.

Assemblyman Dini, as we have heard, was born in Yerington, Nevada, in 1929. He went through school in Yerington. He went to the University of Nevada in Reno. He is truly a homegrown and cherished possession of the State of Nevada. He has served his constituents in Yerington very well. He has served the people of the great State of Nevada very well.

I, too, have a number of remembrances of Joe Dini, having also served in the Nevada State Legislature with him, but I would like to harken back to the time that I was a freshman.

Mr. Dini had already been speaker of the Nevada State Assembly, and he was going to become speaker again. But during my first term as a young assemblywoman in Nevada in the early 1980s, he did not speak to me very much during the session. Every time I saw him, I was a bit in awe, and I used to step back, and I thought perhaps the less interaction we had, the better. He observed me and he watched me, and we kept our distance. He was certainly somebody that I would want to impress and want to do well for.

I did not hear from him the entire session. Towards the very end of the session, the end of May, he came over to where I was sitting. He sat down, he looked at me and spoke to me for the first time, and he said, "You did a good job. I am proud of you."

Those words meant everything in the world to me. It was more affirmation that I could actually do the job that I had been elected to, and there was somebody from the State of Nevada that was such an icon and such a respected member not only of his community of Yerington, but of the entire State of Nevada that I felt that what I was doing had been appreciated, and it gave me inspiration to continue and do other things.

I am sure that I am not an isolated incident, and I suspect there are literally thousands of young Nevadans that Joe Dini has significantly impacted on their lives and made a significant difference.

So I am delighted to be here today. This is a much-deserved honor. The people of Yerington, the people of the great State of Nevada, are very grateful for this honor for our homegrown native son, Assemblyman Joe Dini.

Mr. DAVIS of Illinois. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HORN. Madam Speaker, I urge adoption of this measure, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. MORELLA). The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the Senate bill, S. 737.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 4, 2002.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on February 4, 2002 at 12:52 p.m. and said to contain a message from the President whereby he transmits a 6-month periodic report on the national emergency with regard to Iraq.

With best wishes, I am
Sincerely,

JEFF TRANDAHL,
Clerk of the House.

PERIODIC REPORT ON NATIONAL EMERGENCY WITH RESPECT TO IRAQ—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–179)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed:

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I am providing a 6-month periodic report prepared by my Administration on the national emergency with respect to Iraq that was declared in Executive Order 12722 of August 2, 1990.

GEORGE W. BUSH.
THE WHITE HOUSE, *February 4, 2002.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 4, 2002.

Hon. J. DENNIS HASTERT,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on February 4, 2002 at 12:52 p.m. and said to contain a message from the President whereby he transmits an extension of an Agreement between the United States and the People's Republic of China extending the Agreement of June 24, 1985, Concerning Fisheries Off the Coasts of the United States.

With best wishes, I am
Sincerely,

JEFF TRANDAHL,
Clerk of the House.

EXTENDING AGREEMENT BETWEEN THE UNITED STATES AND CHINA CONCERNING FISHERIES OFF THE COASTS OF THE UNITED STATES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 107–180)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Resources and ordered to be printed:

To the Congress of the United States:

In accordance with the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1801 *et seq.*), I transmit herewith an Agreement between the United States of America and the Government of the People's Republic of China extending the Agreement of June 24, 1985, Concerning Fisheries Off the Coasts of the United States, with annex, as extended (the "1985 Agreement"). The present Agreement, which was effected by an exchange of notes in Beijing on April 6 and July 17, 2001, extends the 1985 Agreement to July 1, 2004.

In light of the importance of our fisheries relationship with the People's Republic of China, I urge that the Congress give favorable consideration to this Agreement.

GEORGE W. BUSH.
THE WHITE HOUSE, *February 4, 2002.*

COMMUNICATION FROM SENIOR ACCOUNTANT, OFFICE OF FINANCE, OFFICE OF CHIEF ADMINISTRATIVE OFFICER

The SPEAKER pro tempore laid before the House the following communication from Philip J. Berisko, Senior Accountant, Office of Finance, Office of Chief Administrative Officer of the House of Representatives:

OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER, HOUSE OF REPRESENTATIVES,
Washington, DC, February 4, 2002.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you pursuant to Rule VIII of the Rules of the House that I have received a subpoena for certification of documents issued by the United States District Court for the Northern District of Ohio.

After consultation with the Office of General Counsel, I will make the determinations required by Rule VIII.

Sincerely,

PHILIP J. BERISKO,
Senior Accountant, Office of Finance.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 6:30 p.m.

Accordingly (at 3 o'clock and 12 minutes p.m.), the House stood in recess until approximately 6:30 p.m.

☐ 1830

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. ISAKSON) at 6 o'clock and 30 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 8, rule XX, the Chair will now put the question on motions to suspend the rules on which further proceedings were postponed earlier today.

Votes will be taken in the following order:

H.R. 577, by the yeas and nays; and

S. 970, by the yeas and nays.

The Chair will reduce to 5 minutes the time for the second vote in this series.

PRESIDENTIAL LIBRARY CONTRIBUTION DISCLOSURE ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 577, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the bill, H.R. 577, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 392, nays 3, not voting 39, as follows:

[Roll No. 6]

YEAS—392

Abercrombie
Ackerman
Aderholt
Akin
Andrews
Armey
Bachus
Baird
Baker
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frost
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Menendez
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Putnam
Quinn
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn

NAYS—3

Flake
Mink
Paul

NOT VOTING—39

Allen
Baca
Baldacci
Blagojevich
Bonior
Bono
Brown (FL)
Conyers
Cooksey
Frelinghuysen
Gallegly
Granger
Hall (TX)
Hinojosa
Jefferson
LaFalce
Lampson
Lipinski
Lucas (OK)
Luther
Lynch
McCollum
Meeks (NY)
Millender-McDonald
Miller, George
Pryce (OH)
Radanovich
Riley
Rodriguez
Roukema
Ryan (WI)
Shaw
Slaughter
Souder
Stump
Traficant
Waters
Young (AK)
Young (FL)

☐ 1851

Mr. ACKERMAN changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title was amended so as to read: "A bill to amend title 44, United States Code, to require any organization that is established for the purpose of raising funds for creating, maintaining, expanding, or conducting activities at a Presidential archival depository or any facilities relating to a Presidential archival depository to disclose the sources and amounts of any funds raised, and for other purposes.".

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. ISAKSON). Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

HORATIO KING POST OFFICE BUILDING

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the Senate bill, S. 970.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California (Mr. HORN) that the House suspend the rules and pass the Senate bill, S. 970, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 394, nays 0, not voting 40, as follows:

[Roll No. 7]

YEAS—394

Abercrombie
Ackerman
Aderholt
Akin
Andrews
Armey
Bachus
Baird
Baker
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Camp
Cannon
Cantor
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frost
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Menendez
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Putnam
Quinn
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stearns
Stenholm
Strickland
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn

NOT VOTING—40

Allen
Baca
Baldacci
Blagojevich
Bonior
Bono
Brown (FL)
Calvert
Capito
Cooksey
Frelinghuysen
Gallegly
Granger
Hall (TX)
Hinojosa
Jefferson
LaFalce
Lipinski
Lucas (OK)
Luther
Lynch
McCollum
Meeks (NY)
Millender-McDonald
Miller, George
Pryce (OH)
Radanovich
Riley
Rodriguez
Roukema
Ryan (WI)
Shaw
Slaughter
Souder
Stump
Taylor (NC)
Traficant
Waters
Young (AK)
Young (FL)

□ 1901

So (two-thirds having voted in favor thereof), the rules were suspended and the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mrs. CAPITO. Mr. Speaker, on rollcall No. 7 I was unavoidably detained. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, I was unable to be present for rollcall vote Nos. 6 and 7. Had I been present, I would have voted "yea" on rollcall vote Nos. 6 and 7.

PERSONAL EXPLANATION

Mr. RILEY. Mr. Speaker, I was unavoidably detained for rollcall No. 6, H.R. 577, to require any organization that is established for the purpose of raising funds for the creation of a Presidential archival depository to disclose the sources and amounts of any funds raised. Had I been present I would have voted "yea."

I was also unavoidably detained for rollcall No. 7, S. 970, to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the Horatio King Post Office Building. Had I been present I would have voted "yea."

PERSONAL EXPLANATION

Mr. HINOJOSA. Mr. Speaker, I regret that I was attending a funeral and was unable to return in time for votes. Had I been present, I would have voted "yea" on rollcalls 6 and 7.

□ 1900

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 107–356) on the resolution (H. Res. 342) providing for consideration of motions to suspend the rules, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 3394, CYBER SECURITY RESEARCH AND DEVELOPMENT ACT

Mr. DIAZ-BALART, from the Committee on Rules, submitted a privileged report (Rept. No. 107–357) on the resolution (H. Res. 343) providing for consideration of the bill (H.R. 3394) to authorize funding for computer and network security research and development and research fellowship programs, and for other purposes, which was referred to the House Calendar and ordered to be printed.

TECHNICAL CORRECTION OF ERROR IN THE CODIFICATION OF TITLE 36

Mr. SENSENBRENNER. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1888) to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code.

The Clerk read as follows:

S. 1888

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TECHNICAL CORRECTION OF ERROR IN THE CODIFICATION OF TITLE 36.

Section 2320(e)(1)(B) of title 18, United States Code, is amended by striking "section 220706 of title 36" and inserting "section 220506 of title 36".

The SPEAKER pro tempore (Mr. ISAKSON). Pursuant to the rule, the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from California (Mr. BERMAN) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. SENSENBRENNER).

GENERAL LEAVE

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 1888.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SENSENBRENNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 1888, legislation to correct a technical error in the Federal Criminal Code concerning the protection of certain Olympic trademarks.

As you know, a great tradition resumes this week. The Winter Olympic Games begin in Salt Lake City, Utah. The tradition of the Olympics is more important than ever. Amateur athletes from around the world come together to compete in goodwill and strive towards excellence in their sport. They are an inspiration to us all.

Since the tragedies of September 11, it is more important than ever that the nations of the world are united in peaceful exhibition. Surely my colleagues join me in the pride that our country hosts the games this winter.

The Departments of Justice and the Treasury and the U.S. Olympic Committee have recently notified Congress that an incorrect citation was made when a recodification of certain laws was passed in 1998. This typographical error, the insertion of the number 7 instead of 5, inadvertently undermines the protection of Olympic trademarks such as the Olympic rings. This legislation corrects the error.

The need to protect trademarks and other intellectual property is stronger today than ever. There are disturbing reports detailing how the proceeds of counterfeit and pirated goods are used to fund a variety of dangerous criminal enterprises including terrorism. It is important that we safeguard the integrity of the goodwill of the Olympics as well as our public safety by giving Federal law enforcement the tools to go after wrongdoers and to protect these important trademarks.

I would also like to say a few words about something that is very disturbing to me. When I was driving in from the airport today, the radio carried a report that the International Olympic Committee had denied the request of the United States Olympic team to carry as the American flag that flag which had been recovered from the wreckage of the World Trade Center. Today we are talking about legislation relating to the meaning of symbols, the Olympic rings in particular, and how important symbols are to the fight against evil and for good, and how important symbols are in terms of preventing criminals and terrorists from appropriating those symbols for their own use.

I was honestly shocked to hear that the bureaucrats of the International Olympic Committee are denying the American team the right to carry the flag that they wanted to as a symbol of the solidarity of the world against the events of September 11. And while we are passing legislation today protecting one of the symbols of both the International and U.S. Olympic Committees, I would hope that the IOC would reciprocate and would reconsider the very foolish decision that they made, if this radio report was accurate, denying American Olympic athletes the right to carry the flag that they want to carry.

One must remember that there were citizens of 86 countries that died in the World Trade Center on September 11. So that flag is not just an American symbol, it is a symbol that is being carried in memory of those citizens of most of the countries participating in the Olympics, and it ought to be present when the games open up in Salt Lake City later this week.

Mr. Speaker, I reserve the balance of my time.

Mr. BERMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to join the distinguished gentleman from Wisconsin (Mr. SENSENBRENNER), the Chairman of the Committee on the Judiciary and support passage of S. 1888.

S. 1888 appears to be a wholly technical, noncontroversial bill. Thus, while the Committee on the Judiciary did not consider and report out the bill, I believe it is appropriate to move this bill on suspension today. In essence, S. 1888 corrects a drafting error made when Congress passed H.R. 1085 in 1998. H.R. 1085 codified into title 36 of the U.S. Code certain preexisting provisions of U.S. law, including those which gave the United States Olympic Committee exclusive use of Olympic symbols such as the five interlocking rings.

It is somewhat important to move this legislation now before the Olympics in Salt Lake City begin. U.S. Customs officials have expressed concern that they will not be able to prosecute infringement of the Olympic symbols in Salt Lake City unless this legislation is passed.

In conclusion, Mr. Speaker, it is apparent that while technical in nature, S. 1888 is an important piece of legislation. It is also apparent that its passage is somewhat time-sensitive with the Olympics shortly due to begin.

I have much more to say on this legislation, Mr. Speaker, but given the critical importance of the special order which will commence as soon as we are done with this bill, I will yield back the balance of my time.

Mr. Speaker, I yield back the balance of my time, and I urge an aye vote.

Mr. SENSENBRENNER. Mr. Speaker, I yield such time as he may consume to the gentleman from Utah (Mr. CANNON).

Mr. CANNON. Mr. Speaker, I would like to begin by associating myself with the comments of the gentleman from Wisconsin (Mr. SENSENBRENNER), the Chairman of the Committee on the Judiciary, as regards the choice of flag that the American team proposes to carry and would also encourage the IOC to reconsider their decision.

I rise in support of this small but vital technical correction to the trademark law. This legislation would fix a drafting error which would otherwise allow unauthorized use of the protected Olympic symbols.

As Utah and America prepare to welcome the rest of the world this weekend to the Salt Lake City Winter Olympics, we must close a loophole that would let counterfeiters of Olympic merchandise of the games go unpunished.

Congress clearly intended to protect against the unauthorized use of Olympic-related symbols, logos, slogans and other marks without permission from the Olympic governing bodies. Such protected and familiar symbols include the Olympic rings and even the title "Olympics." Revenues generated by the Olympic trademarks go to support the games and American athletes.

Title 36, section 220501 of the U.S. Code provides these protections and makes available the remedies under the Lantham Act for trademark counterfeiting to criminally prosecute counterfeiters of Olympic marks.

Unfortunately, the necessary cross-reference to the section entitled title 18, section 2320 of the U.S. Code, which sets forth the actual criminal penalties, mistakenly references another section of title 36. Rather than protecting Olympics trademarks, the erroneously cross-referenced section deals with the powers of a federally chartered, nonprofit veterans society of World War II submariners. This error must be corrected today.

Section 2320 of title 18 is the primary basis for criminal prosecutions of those who traffic in counterfeit Olympic goods. The start of the Salt Lake City Winter Olympics later this week is already producing a sharp spike in the amount of trafficking in phony Olympic goods and services.

The Customs officers and other law enforcement officials who have been trained to intercept fake merchandise are currently relying upon a section of the U.S. Code that does not actually provide any criminal penalties for Olympic-related counterfeiting. They are, in effect, enforcing a law that does not exist because of a typographical error.

The bill today simply corrects the cross-reference in title 18 to refer to the intended section of title 36 dealing with Olympic marks. S. 1888 passed the Senate by unanimous consent on December 20. House action today can ensure that this bill reaches the President for enactment prior to the start of the Salt Lake Winter Olympic Games.

Mr. Speaker, I am grateful to the gentleman from Wisconsin (Mr. SENSENBRENNER) and the gentleman from Texas (Mr. ARMEY) for recognizing the urgency of the problem and acting quickly to bring this bill to the floor.

I want to take this opportunity to thank all my colleagues for their steadfast support of the Salt Lake Olympic Games. The response from this body on nearly every Winter Olympic request, especially on increased Federal security measures, has been one of unqualified support. It is a direct result of that support that the Salt Lake Winter Olympics will be the most secure and successful in history.

I hope all of the Members will get a chance to watch some of the Winter Olympic Games over the next few weeks. It will be a heck of a show and one that demonstrates the resilience of the American spirit.

Mr. SENSENBRENNER. Mr. Speaker, I urge an aye vote.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the Senate bill, S. 1888.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SENSENBRENNER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SPECIAL ORDERS

□ 1915

The SPEAKER pro tempore (Mr. ISAKSON). Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

HONORING COLONEL FRANCIS GABRESKI

(Mr. GRUCCI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRUCCI. Mr. Speaker, I rise today to celebrate the life of Colonel Francis "Gabby" Gabreski, our Nation's highest-ranking fighter ace, who passed away Thursday, January 31.

Gabby Gabreski amassed 28 downed German aircraft in World War II and 6.5 enemy MiG fighters in the Korean War, becoming America's greatest living ace.

Gabreski graduated in 1941 from Knoxville Army Air Field as a second lieutenant and was assigned to the 45th Fighter Squadron in Hawaii where he witnessed the attack on Pearl Harbor.

In June of 1944, Gabreski led his squadron in a long fighter sweep over the beaches of Normandy. Three weeks later he surpassed Eddie Rickenbacker's World War I record and on July 5 scored his 28th victory after 193 missions, making him America's leading ace, earning him a leave back to the United States.

After pleading with his superiors to forgo his leave and fly just one more final mission, Gabreski was shot down over Europe. He spent the final 8 months as a POW.

Gabreski once again took the skies during the Korean War as commander of the 51st Fighter Wing where he helped develop tactics for jet fighters.

He retired from the Air Force as a colonel in 1967 and spent the next 20 years working in the aviation industry. Gabreski was inducted into the National Aviation Hall of Fame and later served as the president of the Long Island Railroad system.

I am proud that the home of the Air National Guards' 106th Rescue Wing in my congressional district bears his name.

Mr. Speaker, today I rise and ask my colleagues to join me in honoring a true American hero, Colonel Francis "Gabby" Gabreski.

HONORING ROSS BEACH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. MORAN) is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, I am here tonight following the 141st anniversary of Kansas' entry into the Union to honor a great Kansan, Mr. Ross Beach. A business leader, philanthropist and lifelong Kansan, Mr. Beach was recognized on January 25 of this year as the Kansan of the Year. There is no one more deserving than Mr. Beach of this recognition.

In his lifetime, Mr. Beach has changed the Kansas landscape, helping to make the State an even better place to live. A pioneer and leader in the oil and gas industry, banking, radio and television, his work has brought economic progress and jobs to our State of Kansas. In recognition of this success, Mr. Beach has been inducted into the Kansas Business Hall of Fame. Today he continues to influence Kansas as president of the Kansas Natural Gas Corporation and as chairman of the Douglas County Bank.

In my hometown of Hays, where Mr. Beach resides, his generosity has made possible the creation of two of the community's most cherished assets, a world class performing arts center and museum of natural history. The philanthropic works of Mr. Beach and his talented and gracious wife, Marianna, extend far beyond our community of Hays, enhancing the lives of Kansans across our State through the Marianna Kistler Beach Museum of Art at Kansas State University and the Beach Center on Disability at the University of Kansas. These are the gifts that Mr. Beach and Mrs. Beach have made known to our State. Many of his most important acts of generosity have been performed in anonymity.

It is with this spirit of commitment to unity and State that Ross Beach has lived his life. Not long after graduating from Kansas State University, he served in World War II as a naval aviator. Since that time Mr. Beach has repeatedly demonstrated his willingness to serve not only through his gifts but also with his time and talents, providing leadership to numerous organizations, including the Kansas 4-H and the Eisenhower Foundation. Mr. Beach has also chaired the Kansas Fish and Game Commission and served as president of the Kansas State Chamber of Commerce.

Knowing Ross Beach as a businessman, it is clear to me why he has had such a successful career. Knowing him as a friend, it is no surprise that he has used his success to benefit his fellow Kansans. I commend Ross Beach for his many accomplishments, his philanthropy and his recent and most highly deserved recognition as Kansan of the Year.

CONGRATULATING NANCY PELOSI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. STARK) is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, as dean of the California delegation, I often wonder what it gets one besides old age and the infirmities that come with that, but I must say that it is a great pleasure today as dean because I have the honor to recognize officially the true accomplishment of the gentlewoman from California (Ms. PELOSI) as she takes over the position of minority whip and becomes the highest-ranking woman ever in the U.S. House of Representatives. I offer my congratulations to her and her family on this tremendous achievement.

Our State is proud of NANCY, as are all the women and men throughout the country. NANCY's a trail blazer for women and for our State, but she is not the first. She joins a long line of women leaders from the State of California.

Throughout American history, California has sent more women to Congress than any other State. The first woman, Mae Ella Nolan, was elected to replace her late husband and sworn in January of 1923, shortly before I got here.

In 1925 California elected Florence Prag Kahn, the State's second woman to serve in the House. She served for 12 years in the House and was the first Jewish woman to serve in Congress.

In January of 1945, Helen Gahagan Douglas became the third California woman and, of course, as my colleagues know, set the foil for our former President, Mr. Nixon.

In 1972, the year that I was first elected, California elected its fourth woman member, Yvonne Brathwaite Burke. Congressman Brathwaite had her own couple of firsts. She was the first African American woman to represent California and also was the first woman to give birth to a child while serving in Congress.

So California has a rich tradition of sending women to Washington, D.C. In my 30 years I have been proud to serve with several women leaders from our great State. The gentlewoman from California (Ms. PELOSI), however, has risen to the top, the best of the best.

The occasion we mark today raises the bar for women and men everywhere. She has succeeded through the power of her ideas and the strength of her convictions. She will be a formidable and fabulous whip. She will even be able to keep me in line; and I congratulate her and I applaud her, and I am proud to call her my colleague and friend.

PLIGHT OF THE PEOPLE OF KLAMATH BASIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. WALDEN) is recognized for 5 minutes.

Mr. WALDEN of Oregon. Mr. Speaker, it is not the first time I have come to the well to address the House and my colleagues about the terrible plight of the people of the Klamath Basin in Oregon and northern California.

Mr. Speaker, as my colleagues know, on April 6 of last year, the water was cut off to the farmers at Klamath Basin. Some 1,400 farms were affected. The decision was unprecedented. Never in the near-hundred-year history of this water project run by the Bureau of Reclamation had the water been totally cut off; but a new scientific analysis and decisions by the various agencies, the Fish and Wildlife Service, the National Marines Fisheries Service, said, sorry, there is not enough water for the farmers. We have to maintain the highest lake levels we have ever maintained to protect sucker fish, and then we have to release water later on in greater amounts than we have before to provide water for the Koho salmon, which are in danger.

Mr. Speaker, a number of us, especially the farmers and ranchers in the basin, argued against that, saying that there was no scientific evidence to prove that this was necessary; but those arguments fell on deaf ears. Later in the spring, the chairman of the House Committee on Resources agreed to let us have a field hearing in the Klamath Basin. Thousands of people turned out. Thousands of people turned out for that hearing, Mr. Speaker; and at that time we raised these issues and said the science just did not add up to the decisions that were being made.

We called for the Department of the Interior to get peer review of that science. We also held a rally where close to 18,000 people, in a county of 60,000, turned out. They called it the "bucket brigade," where we talked about the farm families. The veterans who were lured to this area by the same Federal Government with a promise of water for life, they were asked to come settle this project, this reclaimed land, guaranteed water to grow their crops to expand the Nation; but no water did they get this year, virtually none.

So the fields dried up. We can see the sand here and a wheel line in the sand. There was so much sand and dust that there were traffic accidents that came about, but the biggest accident that came about were the bankruptcies and the losses that devastated this area. Oregon State University said $134 million of potential economic loss. Bankruptcies like the Carleton family, third generation in the basin, they had farmed there three generations.

This administration, this Congress responded with a little bit of economic assistance, saying, here we will help a little bit, $20 million into the basin and $134 to $200 million economic hit. This poor gentleman, when he got that, the money went to the bankruptcy court. He got stuck with a $60,000 tax bill out of $122,000 in emergency aid.

I tell my colleagues that just to show the devastation not only to the environment of the farm country but the families who lived there; but the most important fact came out this weekend, Mr. Speaker, when the National Academy of Sciences finally finished their review of the data and the decisions.

Do my colleagues know what that showed, Mr. Speaker? It showed there was no scientific justification for the high lake levels or for dumping the water in the Klamath River. This is the article out of the Herald and News, irrigation cut off was not justified.

The damage done to these people is extraordinary. Some of it can never be undone. The decisions were flawed. They were based on science that did not add up to the decisions that were made.

Further, had we not had this outside peer review by the National Academy of Sciences, we would have continued down a road of dumping potentially lethally hot water into the Klamath River, killing the very Koho salmon this whole plan was supposed to fix and help. The National Academy of Sciences said one of the reasons that these Koho are surviving in this rather warm river complex to begin with is probably due to natural seepage and some cold water springs where they can go off into micro-habitat and survive.

The plan that the National Marine Fisheries Service wanted us to follow which denied water to the farmers said dump warm reservoir water into this same river system. In effect, pollute this river with warm water at the worst time of the year, providing lethal water to the salmon.

Mr. Speaker, if there was ever a poster child for the need for reforming of the Endangered Species Act to have precisely this kind of peer review of the science, it is the Klamath Basin.

□ 1930

Beyond that, Mr. Speaker, if this government owes any debt to anyone, it is to the farmers and ranchers in this basin whose livelihoods were robbed from them, whose fields turned up dry, some of whom left; and I have not even talked about the farm-worker families that had to leave.

During the bucket brigade rally, where 18,000 showed up, a Hispanic farm worker came up to me in the high school ball field where we had all gathered, tears in his eyes, and told me he had come to this country some 20, 25 years before and gotten a job on a farm in this basin the next day. He had raised his family, educated his kids, and worked every day since, until that week, when he had lost his job.

A terrible wrong has been committed here. We have an obligation and a responsibility to make it right.

CONGRATULATIONS TO THE HONORABLE NANCY PELOSI, MEMBER OF CONGRESS, NEW MINORITY WHIP

The SPEAKER pro tempore (Mr. BROWN of South Carolina). Under a previous order of the House, the gentlewoman from California (Ms. LEE) is recognized for 5 minutes.

Ms. LEE. Mr. Speaker, as we celebrate and honor our new minority whip, the gentlewoman from California (Ms. PELOSI), I also must really thank her for being such a role model. As a wife, a mother, a grandmother, a friend to many, a great humanitarian and a phenomenal leader, Ms. PELOSI has really demonstrated that women can do it all at the same time.

NANCY PELOSI's congressional district is right across the Bay Bridge from my district. Her constituents have recognized her intellect, her passion, and her coalition-building ability by electing her to the House of Representatives eight times. Now, as minority whip, these same attributes and values will be brought to our leadership team to meet the challenges of this new millennium.

No one is more qualified to lead than Ms. PELOSI. She understands that education is the soundest investment we can make as a Nation to secure our future. She understands that access to quality health care, affordable housing, job and pension security, and a commitment to fighting the global HIV/AIDS pandemic are essential to our economic and national security. And she knows that job security and economic security are not Democratic or Republican issues, but American issues that deserve bipartisan support.

As a true leader on international issues, Ms. PELOSI cares about our foreign policy and fights to ensure that our foreign aid is directed toward the betterment of humankind. She has been a powerful and relentless ally in the fight to eradicate HIV/AIDS in San Francisco as well as in Africa and throughout the world. Her deep commitment to civil rights and civil liberties here at home and her unwavering support for human rights abroad have given us all a standard for justice and equality.

On October 10, 2001, exactly 90 years to the day after women won the right to vote in California, the gentlewoman from California (Ms. PELOSI) was elected by her colleagues to become our Democratic House whip, the highest ranking woman in the 212-year history of this institution.

This victory is really a great triumph for our Nation. Ms. PELOSI has broken through a glass ceiling that has long kept women from reaching the upper echelons of power in this House. As she said shortly after being elected, "We made history; now we have to make progress."

NANCY, congratulations on earning this place in history. Congratulations and Godspeed as you accept this place of distinction in the people's House. I know that there are many girls and young women throughout the world who are saying, "When I grow up, I want to be just like Congresswoman PELOSI."

Mr. Speaker, I yield to the gentlewoman from Ohio (Mrs. JONES).

Mrs. JONES of Ohio. Mr. Speaker, I would like to associate myself with the comments of my colleague, the gentlewoman from California (Ms. LEE), and I stand here to congratulate the new minority whip of the House of Representatives, the gentlewoman from California (Ms. PELOSI).

This is my second term in the U.S. Congress, and I have to express the fact that the joy I have had serving in the Congress I partly owe to NANCY PELOSI and the guidance she has given me as a colleague throughout these 3, almost 4, years in the House of Representatives.

The wonderful thing is that the world is very small, because I came to know NANCY PELOSI through some friends of mine from Cleveland, the Sklars; and so I stand here celebrating with them as well this great opportunity.

I also have to say that there was no greater joy than being a monitor in the room when those votes were counted and I was able to say, yes, I have been a part of history being made as those votes were counted on behalf of NANCY PELOSI. I am looking forward to her leadership and the opportunity to be there to help her lead this Congress and lead this Democratic Party into this new century and to have an opportunity to say to the world that "a woman's place is in the House, the House of Representatives of the U.S. Congress."

Congratulations NANCY PELOSI, and I am here to let you know I am here for you.

MINNESOTA MOURNS THE DEATH OF STATE REPRESENTATIVE DARLENE LUTHER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. RAMSTAD) is recognized for 5 minutes.

Mr. RAMSTAD. Mr. Speaker, the people of Minnesota are in mourning because we have had a death in the family. Minnesota State Representative Darlene Luther, wife of our good friend and colleague Bill Luther, passed away last week after a courageous battle with cancer.

Today in St. Paul, Minnesota, Darlene's family and hundreds of her friends and constituents attended her funeral mass at the Cathedral of St. Paul. From Governor and Mrs. Ventura, to members of Minnesota's congressional delegation, the Minnesota legislature, and supreme court; from Darlene's constituents in Brooklyn Park, Minnesota, to Darlene and Bill's legions of friends across Minnesota, we said farewell to a loving and committed wife, a caring and loyal friend, and a compassionate and dedicated public servant.

Just as we mourned a great loss, we also celebrated a life of love and a life of service, a life of passionate advocacy and genuine empathy for people, especially people in need. Mr. Speaker, Darlene Luther was truly a loving daughter and sister to the Dunphy family; a loving wife and mother to Bill, Alicia and Alex; and friend to us all. She will be sorely missed by all of us who knew and loved her, by all of us whose lives she touched.

Most of all, Darlene loved her husband, Bill, and their children, Alicia and Alex, as deeply and as dearly as any wife and mother ever could. She was so proud of them, as she told me countless times. I will never forget how proud she was of Bill when he was sworn in as a new Member of Congress. Darlene ran over to me and proclaimed, "Not bad for a kid from Fergus Falls, huh, Jim?" I know Darlene also made Bill very proud, and their love for each other will continue to inspire us all.

I will never forget Darlene's pride when Alicia was accepted by Boston College. "I am so proud of Alicia," she told me, "and she did it despite a letter of recommendation from a Republican Member of Congress." Darlene was so proud of the wonderful young woman Alicia has become and so grateful for the loving daughter she has always been.

Mr. Speaker, I will never forget how proud Darlene was at Alex's very first Special Olympics, as we were there to cheer him on. And I will never forget Darlene's pride and her tears of joy when Alex moved into his new apartment. Alex Luther showed all of us what the dignity of independent living is all about.

Mr. Speaker, the loss of Representative Darlene Luther is a great loss for Minnesota. We have lost our leader for people who need life-saving organ donations. We have lost a tireless advocate for early childhood education and kids with special needs. We have lost a true champion for health care and people with disabilities. We have lost a legislator with a big heart who made a big difference in the lives of so many Minnesotans.

Darlene Luther represented the best in public service because she always put people first. As her friends and constituents know, Darlene never took herself too seriously, but she took her job very seriously. And Darlene loved her job, just as she loved her colleagues and the staff of the Minnesota legislature, just as she loved Bill's colleagues and staff, just as she loved her constituents in Brooklyn Park.

As we celebrate Darlene's life of love and service, let us honor her legacy by keeping her passions alive. And may the tender strength of her love and her kind and gentle spirit live forever in the hearts of each of us.

TRIBUTE TO THE NEW MINORITY WHIP, NANCY PELOSI

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. ESHOO) is recognized for 5 minutes.

Ms. ESHOO. Mr. Speaker, it is really a privilege and a joy to be on the floor this evening and rise to honor our colleague, the gentlewoman from California (NANCY PELOSI).

I want to make my remarks tonight really in the form of a story. I do not have any notes in front of me, but I would like to hearken back to over 25 years ago. So that is more than a quarter of a century, which certainly says something about my age, but that is how long I have known NANCY PELOSI.

Neither one of us were in elected public service at the time, but she was very well known throughout the State of California for the work that she was doing in her beloved adopted city of San Francisco, having been brought to San Francisco by a great San Franciscan, Paul Pelosi. And out of that marriage, that wonderful, wonderful marriage, have come five magnificent children.

First, let me say something about Paul. We all love him and respect him. He is one of the most gentle individuals, who always has a smile on his face and has done so much for so many of us. It is his singular joy to welcome us to his home to do kind deeds for each one of us over the years. So this is a great party celebrated around the two of them and not just NANCY.

Five children: Nancy Corinne, Christine, Jacqueline, Paul, Jr., and Alexandra. Two magnificent sons-in-law, Jeff Prowda and Michael Kenneally; and five extraordinary grandchildren, Alexander, Liam, Madeleine, Sean, and Ryan. So you can see that there is both the Gaelic and the garlic that has been blended in this magnificent family.

NANCY PELOSI is recognized a leader not only in her own community but throughout the State of California. She has been a leader in the Democratic Party, and that came to her from her magnificent mother and father, whom I think tonight and tomorrow and all days are watching NANCY and guiding her from heaven.

Her father served in this House of Representatives. He served as a member of the Committee on Appropriations, as his daughter does today. And her mother was a champion for housing, for the underemployed, for the unemployed, for those that did not have a voice in our society. Her father went on to become Mayor of Baltimore. Her brother, Tommy, has served as Mayor of Baltimore.

So as we Californians like to say, NANCY PELOSI was born and bred for public service and understanding what the best of it represents. Her devotion, her family's devotion to a party to give birth to ideas and to bring people forward for the best of our Nation is the tradition not only of the D'alesandro family, but the Pelosi family as well.

□ 1945

Mr. Speaker, tonight we rise to pay tribute to her. Not only on the occasion of becoming elected whip, but how proud we are as Californians that we have helped to bring forward this woman for this post. She has always, always been respected by everyone here on both sides of the aisle. The gentlewoman always has a friend in her voice. The gentlewoman from California (Ms. PELOSI) does not make enemies. Why? Because she knows what is at stake, and what is at stake is the business, the blessed and very precious business of our Nation and a better world.

We are so proud that this woman has created another first. We saw her do it in California, and we see her do it here all over again. Whether Members supported her in the race for whip, all of that has really gone away. Tomorrow we present our gift as a caucus to the Nation, and how proud we are that she is yet another first. I think that we have helped to create and present as a party not only a gift to the House of Representatives, to the Congress, but to our Nation, because that is why we are here. I think Americans will come to know her and respect her as we do for what she believes in, for the faith that shapes all that she believes in, because she is a deeply spiritual and faith-filled woman.

Mr. Speaker, the commute across the country every week is not the easiest, but I could not wait to get up this morning to make that flight across the country and join my colleagues and so many other Californians who have flown across the country, who have come here to witness the swearing in and the celebration of the gentlewoman from California (Ms. PELOSI) becoming the whip of the Democrats and a gift to the Nation.

TRIBUTE TO NEW MINORITY WHIP, THE HONORABLE NANCY PELOSI

The SPEAKER pro tempore (Mr. BROWN of South Carolina). Under a previous order of the House, the gentleman from California (Mr. FARR) is recognized for 5 minutes.

Mr. FARR of California. Mr. Speaker, I rise tonight to also pay tribute to the gentlewoman from California (Ms. PELOSI). Forty years ago in this city a beautiful young woman graduated from Trinity College. Today she becomes the highest ranking woman in the United States House of Representatives. The gentlewoman from California (Ms. PELOSI), now a San Francisco Congresswoman, is the pride of our great State. Born in Baltimore to a family of public servants, her father has been mentioned, Thomas D'Alesandro, served as mayor of Baltimore for 12 years after representing the city in this House of Representatives for five terms where he, like the gentlewoman, served on the Committee on Appropriations. Her brother, Thomas D'Alesandro, III, served as mayor of Baltimore.

She met her husband Paul here in Washington, D.C., in Georgetown where he was a student at Georgetown University. They moved to California, and I think at that time Paul Pelosi changed the definition of the State slogan which is printed on our State library in Sacramento. That slogan reads, "Bring us men to match our mountains." Paul Pelosi brought us women to match our mountains.

The gentlewoman gave birth to five children, Nancy Corinne, Christine, Jacqueline, Paul, and Alexandra. While raising her five children, she got involved in San Francisco Democratic politics, became northern chair of the State party, and chair of the 1984 Democratic National Convention Host Committee when that convention was held in San Francisco.

The gentlewoman from California (Ms. PELOSI) became known as a national committeewoman from California and served in that position for 20 years. She is a champion of the people's issues. She is a respected mother, a San Francisco socialite, a Congresswoman, and now Democratic whip of the House of Representatives.

As a native of California, fifth generation, this is one of the proudest moments I have had in public life, to see one of our own public servants rise to this position, and I now serve along with the gentlewoman as chair of the Democratic delegation from California. That is no small issue. We have 32 members of the 52-member delegation that are Democrats. Of those 32 members, 16 are women, 16 are men. It has the highest number of African Americans, Hispanics, Asians, and, as I like to say, return Peace Corps volunteers in that delegation. Every one of the Members in that delegation and the history it is making as a delegation of parity and a delegation of broad representation pays tribute to the gentlewoman from California (Ms. PELOSI) for getting them elected to Congress.

Mr. Speaker, we gather on this floor of this great institution to pay tribute to a woman who has already made history, but in the years ahead will make even more.

TRIBUTE TO NEW MINORITY WHIP, THE HONORABLE NANCY PELOSI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HONDA) is recognized for 5 minutes.

Mr. HONDA. Mr. Speaker, it is a great privilege and a joy for me to be able to praise and recognize our new whip, the gentlewoman from California (Ms. PELOSI). The gentlewoman from California (Ms. PELOSI) has been a role model for anyone interested in entering politics and is a shining example of effective leadership. I can think of no better Member to galvanize our efforts here in Congress during these trying yet promising times.

The gentlewoman is true to her convictions, whether that be fighting for human rights in China, defending a woman's right to choose, or looking after the well-being of working families, and she will not back down on these critical issues.

As whip of our party, it will be the gentlewoman's job to corral votes, listen to Members' concern, and help point this Congress in the direction that will take our Nation to a better future for our children.

Mr. Speaker, when I was a candidate with aspirations to become a Member of Congress, I was fortunate to have the gentlewoman from California (Ms. PELOSI) there for me. My colleagues from California know how helpful she can be, and now the entire party will benefit from her advice and counsel.

History will show that to date there have been over 12,000 Members in the United States Congress, of which a little over 200 have been women. And here we are today honoring the gentlewoman from California (Ms. PELOSI), the first woman to the second highest post in our party. It is about time.

While breaking new ground and shattering stereotypes of who the leaders of this Nation are, the gentlewoman will bring about a much-needed change and invigorate the political process in a civil way without creating the acrimony and ill will that has all too often defined the partisan politics we have seen in this House.

Mr. Speaker, I congratulate the gentlewoman from California (Ms. PELOSI) and look forward to her leadership as the House Democratic whip.

Mr. Speaker, I yield to the gentleman from California (Mr. BECERRA).

Mr. BECERRA. Mr. Speaker, I have three words for the gentlewoman: Grit, guts and grace. I think the gentlewoman from California (Ms. PELOSI) does a tremendous job of demonstrating what an elected official should represent. I have had nothing but pleasure in seeing her operate and seeing the gentlewoman just move forward an issue, whether it is an issue on trade, or an issue of a woman's right to choose, or just her campaign to become historically the next Democratic whip here in the House of Representatives. I think we have someone who handles herself in a way that makes all of us proud.

For a Californian, for someone who is a minority, for someone who believes in progressive politics, we have a great deal of pride seeing that the next whip for the Democratic Caucus here in the House of Representatives will be the gentlewoman from California (Ms. PELOSI). I wish I could claim she was from Los Angeles where I hail from and represent instead of San Francisco.

Mr. Speaker, I join my colleagues in saying not just to the gentlewoman from California (Ms. PELOSI) and Paul Pelosi, who deserves a great deal of the credit as well for supporting the gentlewoman, but to all the world, let it be known that we are very proud of the Member that we elected as the next whip in the House, and very proud to be able to display her, because what we will do now under the gentlewoman's leadership will demonstrate that we knew how to choose right. I say congratulations once again.

Mr. HONDA. Mr. Speaker, I yield to the gentlewoman from California (Ms. SOLIS).

Ms. SOLIS. Mr. Speaker, I want to take this moment, this fine opportunity to celebrate with the country the new Democratic whip, the gentlewoman from California (Ms. PELOSI). I have come to know the gentlewoman over the last year serving with her in this distinguished House. She is truly a pioneer. She is a new face for California and for the United States. She gives hope and aspirations to many young people, and people who look like many of us here who now occupy seats here in this House.

She has distinguished herself for many, many years. I recall meeting the gentlewoman once at one of our State conventions in California when I was just getting involved in the Democratic Party. The gentlewoman is a true leader for women's rights and issues. I know that the gentlewoman will be shattering the glass ceiling that is here and will help to forge new, triumphant roads for women and other people who need to have their voices heard. She is a champion.

PASS ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT OF 2001

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. WELLER) is recognized for 5 minutes.

Mr. WELLER. Mr. Speaker, we have an important vote in this body tomorrow, an important vote that has a major economic impact. Our Nation is in a recession. When President Bush became President, he inherited a weakening economy. In fact, his White House housewarming was essentially a weakening economy, and it turned into a recession.

Under the President's leadership, we passed a tax cut. We decided to take 20 percent of the budget surplus that resulted from our efforts to balance the budget and take that 20 cents on the dollar, the surplus, and give it back to the American people in tax relief. That tax cut was signed into law in June. By August, economists were noting that the economy was beginning to get better, and then the tragedy of the terrorist attack on September 11 occurred, the terrorist attack that cost thousands of lives, and since September 11 has cost over a million Americans their jobs.

This House has responded, and of course we twice have passed an economic stimulus plan. I would note that on December 21 this House passed and sent to the Senate an economic stimulus plan to revive our economy. Unfortunately, the Senate failed to act. The bad news today is, and it was announced by the Senate majority leader, that the Senate was going to shelve any effort to revitalize this economy. That is bad news.

Tomorrow we have another important vote that is going to have an impact on the economy, and that is regarding a proposed tax increase which Senator KENNEDY, Senator JEFFORDS and others have begun advocating. Some have been advocating that we suspend, repeal, or delay.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Will the gentleman from Illinois suspend.

Members are reminded to refrain from referring to Members of the other body by name, except as provided in clause 1 of Rule XX.

Mr. WELLER. Mr. Speaker, some have advocated repealing, delaying, or killing the implementation of these tax cuts. That is bad news for the economy. If Members look at what is in the tax cuts that are before us today, what begins getting phased in in the tax cut, because we were unable to do it all in the same year, are some pretty important provisions.

One is our efforts to eliminate the marriage tax penalty. I think Members agree that under our Tax Code, it is unfair that married working couples pay more in taxes than two single people living together. We essentially wipe out the marriage tax penalty in the President's cut.

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We help small business by eliminating the death tax, which takes away up to 55 percent of the family business when the founder passes on. The Bush tax cut also included additional retirement savings benefits which are phased in over the next few years. And, of course, we double the child tax credit, currently $500, raising that to $1,000. And for those in the top two tax brackets, the 39 percent and the 28 percent, we lower those tax brackets from 39 to 35 and from 28 to 25. Those are all in jeopardy if we go along with those who want to raise taxes by suspending those tax cuts. I have yet to find a real-world economist who tells us that it is a good idea to raise taxes during a recession.

Some of those who have advocated suspending, killing, repealing, stopping the Bush tax cuts say it is really not a tax increase because those tax cuts have not gone into effect yet; but they were the same ones who a few years ago said that if you slow down the rate of growth on Medicare, that it is a Medicare cut, so we are using the same definition. The bottom line is suspending, stalling, repealing, delaying the Bush tax cut is a tax increase.

I would note a couple of key things: The Secretary of the Treasury was before the House Committee on Ways and Means today. When asked what is the economic impact of a tax increase, of delaying, stalling, repealing or killing the Bush tax cut, he said it would be devastating to the economy. Over a million Americans have lost their jobs and more would lose their jobs with a tax increase.

I would note on the rate reductions that 17 million small business owners and entrepreneurs pay taxes under the individual income tax rates, the two top brackets that are going to be phased in. Think about it. Who is it that is going to bring about the revival of this economy? It is not the major corporations, the big guys. It is the little guys and gals, the entrepreneurs, the small businesspeople. Eighty percent of those who pay taxes under the top two brackets, the two brackets being phased in, are small businesspeople and entrepreneurs. We know they generate the most jobs. We think as Members of this House about our neighbors, if every small business on Main Street or Liberty Street in my hometown of Morris, Illinois, hired one more worker, what that would mean. And, of course, raising taxes on those small businesspeople will make it much harder to provide those jobs.

From a consumer's standpoint, if you raise taxes, you take money out of their pocket. When consumers have less money to meet the needs of their families, they are not able to spend it in our local stores, in our local businesses, buying products and services. When a consumer buys a pickup truck, there is an autoworker who makes it. When a consumer buys a PC, a personal computer or a laptop, there is a worker somewhere that produces that; and a tax increase will make it much more difficult.

Mr. Speaker, we have the opportunity tomorrow to go on the record: Are you for continuing the tax cut, or are you for raising taxes? Tomorrow this House will have the opportunity to vote for keeping the tax cut or for raising taxes. It is a simple choice. Everyone will have the opportunity to go on the record. I urge and ask bipartisan support for preserving the tax cut and ensuring that we get this economy moving forward again and give hundreds of thousands of Americans the opportunity to go back to work.

CONGRATULATING THE HONORABLE NANCY PELOSI ON HER ELECTION TO MINORITY WHIP

The SPEAKER pro tempore (Mr. BROWN of South Carolina). Under a previous order of the House, the gentleman from California (Mr. SCHIFF) is recognized for 5 minutes.

Mr. SCHIFF. Mr. Speaker, I yield to the gentlewoman from California.

Ms. WOOLSEY. I thank the gentleman for yielding. I want to tell our colleague and the gentlewoman from California (Ms. PELOSI) that every single day she teaches me something. In my 1992 campaign, the gentlewoman from California showed me that senior Members, important Members, actually help candidates. In fact, I learned how to run my first race by watching her first race in San Francisco. After I was elected, NANCY showed me and the rest of my class that more senior Members step aside and push junior Members forward to give them the exposure that they need and to give them the guidance that is so important in getting your feet on the ground around here.

NANCY has shown us what a real Democrat is, what it is all about, while at the same time how to get bipartisan support. That is no easy task. She has shown us how to run a whip campaign, how to win, and how to bring the caucus back together at the end of that race. Finally, now that NANCY is the whip-elect and when she takes over tomorrow, she is going to show us how to fill the position of the highest-elected office for any woman in the history of the United States, while remaining the same gracious, genteel, fair and generous person that she is. I think that is the most important lesson of all that I have learned from the gentlewoman from California. You can actually be all of that and be successful.

Mr. SCHIFF. Mr. Speaker, I yield to the gentleman from New York.

Mr. OWENS. NANCY PELOSI is a national political leader and has deep practical political roots, while at the same time she maintains bright, widespread idealistic wings. I can think of no better trait for leadership than to have roots and wings. She is optimistic and idealistic, but she also is a great political strategist.

Last year she led the congressional delegation from California to victories which were greater than all the other combined Democratic Caucus members together. As a compassionate idealist, NANCY refuses to adopt a position that certain vitally needed reforms are impossible. We are proud to follow a great leader that has roots and wings, NANCY PELOSI.

Mr. SCHIFF. Mr. Speaker, NANCY has asked us all to be brief and therefore I will be. After all, she is the whip.

NANCY, you are the greatest. Thank you for the passion you bring to your office. Thank you for all you have done to improve the quality of life for America's families and our most precious resource, our children. Thank you for all you have contributed to the Congress, for your advice and counsel to Members, old and new.

And, America, get ready. If you do not know NANCY PELOSI yet, you are going to love what you see.

Congratulations, NANCY. You make us all proud.

Mr. Speaker, I yield to the gentleman from Texas.

Mr. SANDLIN. I thank the gentleman for yielding. Focused, organized, hard working and goal oriented: those are words that spring to my mind when describing our new whip, NANCY PELOSI. As will no doubt be mentioned many times tonight, NANCY PELOSI's election is historic and an indication of positive change to come. NANCY's leadership will complement our current leadership. She will bring a new energy, a new vision to our caucus and to our country. Her leadership may be to the same destination, but I suspect that she will have a few new road maps for us to follow.

I am proud of our caucus, particularly the men of our caucus, that we were able to be a part of breaking the glass ceiling for women in leadership. And make no mistake about it, that glass ceiling is shattered forever.

This is important to men and women all across the country, and it is important to me personally. I am the father of four children, two boys and two girls. I want to make sure that my daughters have the same hope, the same opportunity, the same vision as my sons. NANCY PELOSI will guarantee that. We all congratulate NANCY PELOSI; and I say thank you for including us all at the table, from left to right, region to region, persuasion to persuasion, but most of all thank you for your years of hard work, your dedication and your preparation in earning this leadership position.

The country will be better for the leadership of NANCY PELOSI.

STAY THE COURSE ON TAX RELIEF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. BACHUS) is recognized for 5 minutes.

Mr. BACHUS. Mr. Speaker, when Congress makes a commitment to give Americans tax relief, it should honor that commitment. To put it plainly, Americans should get the tax cuts that they have been promised. Americans should have the tax relief that they desperately need.

Passage of President Bush's tax cut late last year was a historic bipartisan achievement. Only three times since World War II have we had an across-the-board tax cut: President Kennedy's tax cut in the 1960s, President Reagan's tax cut in the 1980s, and now President George W. Bush's tax cut. But now some want to break the agreement.

Some argue that we should repeal or delay the tax cuts. The gentleman from Illinois who addressed the House a few minutes ago and I believe that this is a debate worthy of having. If Members of Congress truly believe we should raise taxes, our resolution gives them an opportunity to record their votes in favor of a tax increase. Our resolution states, the tax cuts should not be repealed or delayed. If they want to raise taxes, they need to vote against the resolution offered by the gentleman from Illinois and me. Every American deserves to know where their Representative and Senators stand on this important issue.

Some in Congress, Mr. Speaker, lately have tried to maneuver and scheme for political advantage by blaming the President's tax relief package for the deficit and recession. They are not telling the truth. These tax supporters try to sell the myth that we must increase taxes just 6 months after we promised Americans they would start receiving their rebate income tax checks in the mail. The ink on the new tax relief package has barely dried. Now they want to repeal it or, as they say, delay or postpone it. They said the same thing about the economic stimulus package: let's take a long look. Let's delay it a week. Let's postpone it a month. Today they killed it, which really killed the chances that many of my constituents and their companies have to rebound from this recession.

As the chart I prepared shows, economic conditions account for 72 percent of projected 2002 deficits. Spending accounts for 16 percent. Tax relief only contributed 12 percent. Yet there is a growing cry to delay or postpone, we know in Washington that means kill, the tax cuts.

We have got to revitalize our economy. Tax cuts spur economic growth and create jobs. The bottom line for President Bush and this Congress ought to be jobs, preserving jobs and creating good jobs. Senate inaction on the economic stimulus plan cost us 800,000 jobs. The House passed a stimulus many months ago; but it is not only stuck in the Senate, it is dead in the Senate today. Now these same obstructionists want to repeal the tax cuts we have passed last year.

Our resolution reaffirms that promise to the American people. It reaffirms the tax relief. It reaffirms the tax cuts. We cut taxes because it is the right thing to do, it is the fair thing to do, it is the compassionate thing to do for families struggling from paycheck to paycheck.

In conclusion, Mr. Speaker, as the gentleman from Illinois has so adequately said, our choice is simple. Do we leave the money in the pockets of the American workers and families, or do we bring it up here and spend it as we see fit?

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair reminds all Members to refrain from characterizing the action or inaction of the Senate.

TRIBUTE TO NANCY PELOSI

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. ROYBAL-ALLARD) is recognized for 5 minutes.

Ms. ROYBAL-ALLARD. Mr. Speaker, I join my colleagues today in celebration of the official swearing-in of the Democratic whip, my colleague and friend, NANCY PELOSI.

Today, we celebrate a historic event. NANCY PELOSI is the highest-ranking woman ever to serve in the U.S. House of Representatives. Her success is also a tribute to the women who came before her. From the election of Representative Jeanette Rankin to the House in 1916, to today, when a record number of 75 women serve in the 107th Congress, women Members of Congress have made significant contributions to the legislative accomplishments of the House and Senate. They have served with distinction as chairs of committees and subcommittees, members of our most powerful committees, and in leadership positions within the Democratic caucus and the Republican conference.

But, today is notable because NANCY has been elevated by her peers to one of the top two positions that the history books recognize as the key party leadership posts. So it is fitting that we gather today to recognize the leadership exemplified by our new Democratic whip, NANCY PELOSI, and to celebrate the accomplishments that have earned this great distinction.

NANCY was a leader in California and in the California Democratic party for many years before her election to Congress in 1987. In many ways, her political experience provided a model for me in becoming the first Mexican-American woman to be elected to Congress, and I have appreciated the many ways she has supported me both before and after I joined her here in the House in 1993.

She has also provided additional leadership to me as I have followed her to the House Appropriations Committee. I believe it is NANCY's service on that committee that demonstrated her leadership abilities to the members of our caucus. First, NANCY serves on the Labor, Health and Human Services, and Education Subcommittee, which may recognize as the most problematic appropriations bill passed by Congress each year. The bill's long list of worthy programs necessitate hard work and numerous, bipartisan compromises in order to produce the final version that is enacted into law. NANCY's contribution to that process each year has been essential in protecting health and education programs that benefit millions of Americans.

In addition, as ranking Democrat on the Foreign Operations Subcommittee, NANCY has been the Democratic floor manager for that bill since 1995. From that position, she has been instrumental in advocating our caucus's position with regard to programs that address global poverty, international family planning, and global environmental issues while working with her Republic chairman to fashion a compromise bill that can withstand scrutiny by the House. She has worked uncomplainingly in the spirit of compromise each year to produce legislation the House can support.

NANCY's race for whip pitted her against one of the Democratic Caucus' most active and distinguished members, our colleague STENY HOYER, who has been one of my mentors on the Appropriations Committee. STENY's outstanding credentials as our former caucus chair, as a chairman and now ranking member of the Treasury-Postal Appropriations Subcommittee, and as chief recruiter for our party of congressional challengers, made the race for whip a difficult decision for everyone in our caucus. But we all recognized that with choices such as NANCY and STENY for this coveted leadership position, the Democratic Caucus, as well as the entire House, would be well-served by the victor. NANCY's tough but successful race against STENY represented another example of leadership—not just of her ability to mobilize the diverse elements of our caucus, but also her ability to organize in the systematic manner essential to the success of any party's whip.

As Californians and as members of the Appropriations Committee, NANCY and I share many experiences. But we also share a distinction enjoyed by only a handful of women Members of Congress over the history of Congress because each of our fathers served in the House before us. NANCY's father, Representative Thomas D'Alesandro, served in the House from Maryland from 1939 to 1947. My father, Representative Edward Roybal, served an area of Los Angeles near my current district from 1963 to 1993. I know that the model of public service provided by our fathers was essential to each of us as we decided upon the course of our careers.

I congratulate NANCY PELOSI as she officially assumes her leadership duties today. She takes her place today among a long line of outstanding Democratic whips that go before her in the House's history, including Representative DAVID BONIOR, whom she succeeds. I pledge to work with her and our other Democratic leaders, indeed all the leaders of the House, in going forward with our work in a manner that best reflects the American people and that always strives to make the House of Representatives truly "the people's House."

CONGRATULATING THE HONORABLE NANCY PELOSI ON HER ELECTION TO MINORITY WHIP

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon (Mr. BLUMENAUER) is recognized for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, I join my colleagues, and the fact that so many remain here this evening to laud our newly elected whip, NANCY PELOSI, is testimony to the fact that she will be a strong and forceful voice for our party. She is good news for my special passion in Congress, for she understands better than anybody I have met here that the Federal Government can be a better partner to make our communities more livable, to make our families safe, healthy and more economically secure.

But the best news, Mr. Speaker, is for the American people and for this Chamber. It seems that at times we have forgotten how to work together to solve problems here in this House. But the gentlewoman from California's special skills not only as the only Westerner in leadership, not only as the first and only woman in either party to reach this exalted level but as somebody who embodies what it means to be a legislator, her insight, intelligence, grace and tenacity will help us do our job better for the American public.

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We all welcome this gift from California and the Pelosi family, and I hope we are equal to the challenge.

I would like to yield to the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Speaker, I feel privileged and honored to join my colleagues on the House floor to mark an historic day for this body, for Democrats, for women and for America. Tomorrow, the distinguished gentlewoman from California (Ms. PELOSI) will be sworn in as the Democratic whip. This occasion is cause for celebration and is a sign of great progress.

The gentlewoman from California's election to whip is an historic landmark in the evolution of our great democracy. She will now emerge more fully as a leading voice on the national stage for the Democratic Party and for the Congress, and she will motivate women of all ages, because of her eloquence, her competence, her confidence and her passion, to strive for new heights and to participate more fully and completely in politics and policy.

We are witnessing a shift in the national political landscape. It is a movement. Women do not want to just be at the table, we want to be at the head of the table. Because of the gentlewoman from California (Ms. PELOSI), we are energized and empowered. Our new Democratic whip was not elected because she was a woman. That she is one is a real benefit, and she will send a strong message as an inspiration for aspiring women throughout the country.

Her election is a demonstration of the reality that the Democratic Party is a party of diversity, inclusion and opportunity. She has made great efforts to reach out to members from all parts of the Democratic Party and is committed to the needs and values of this caucus and our diverse constituencies.

But to me she is not just the whip; she is an inspiration, a mentor, a dear friend and a true leader in every sense of the word. I look forward to following her to advance an agenda we can all be proud of. I join my colleagues in congratulating her and wishing her well.

Mr. BLUMENAUER. Mr. Speaker, I yield to the gentlewoman from California (Ms. WATSON).

Ms. WATSON of California. Mr. Speaker, when I think of the gentlewoman from California (Ms. PELOSI), these words come to mind: N, never fearing to move; A, aggressively; N and C, sensitive to needed causes; Y, yielding a great foresight; P, progressive; E, energizing; L, loving; O, overwhelmingly; S, spelling; and I, intellect. That is our "NANCY PELOSI."

I am so happy to be from the State of California that produced this woman that will guide this country in the future. I salute the gentlewoman from California (Ms. PELOSI), our newest whip.

Mr. BACA. Mr. Speaker, while she's already been on the job for about three weeks now, tomorrow my colleagues, my fellow Californian, my friend, NANCY PELOSI will be sworn in to her new post as the democratic whip, and it's going to be a big day for America.

NANCY is the highest-ranking woman in the United States Congress . . . ever! As a Hispanic member of Congress, I can not be prouder of this moment. When the barriers of achievement and opportunity fall for one, they fall for all of us.

NANCY has her work cut out for her. She has dedicated herself to tackling the tough issues facing our economy. There are going to be some rough battles, but NANCY's unique blend of grace and determination will serve her well in the Whip post.

It's hard not to admire NANCY PELOSI. She is a gracious, engaging woman who has raised five children, Chaired the California Democratic Party, served eight terms in Congress, doggedly advocated increased funding for healthcare and breast cancer research, and fought for human rights at home and abroad.

It was her courageous fight against PNTR and for human rights in China, that first introduced me to NANCY when I came to Congress two years ago. I fought along side NANCY as she championed U.S. global leadership for human rights and sustainable development.

NANCY is a loyal friend. I'll never forget how NANCY stepped forward on my behalf during my bid for a position on the rules committee. NANCY PELOSI is always willing to go to bat for her friends. This is the NANCY I know! NANCY has been going to bat for the people of California for 16 years and now she is going to bat for the Democratic Party and the entire nation.

I look forward to NANCY's truly groundbreaking leadership as she leads our party and our nation into the twenty-first century.

Mr. CLEMENT. Mr. Speaker, I rise to pay tribute to a Member of the House, whom I consider not only a gifted leader but a dear friend. History is being made as NANCY PELOSI is officially sworn in as the new Democratic Whip.

But history will ultimately cite not only the election of the highest-ranking women in the U.S. House of Representatives, it will sit in judgment of the effectiveness of her tenure as Whip. The work has only just begun. And I have every confidence that history will judge this election not only as a landmark event in American history, but a turning point for the Democratic Party and democratic principles. The reason for my optimism is pretty simple. NANCY is a born leader. A lot can be said of her skills, her knack for organizing, her perseverance, and her personal commitment to excellence. But of all the positive things that can be said on her skills and talent, one word always comes to mind when you think of NANCY PELOSI: leadership. NANCY is a leader when she speaks out for the underprivileged and the disenfranchised. NANCY is a leader in the way she brings people and causes together in a collective and collaborative process. NANCY's leadership drives her to focus on goals and results.

Integrity, honesty, and hard work are the pillars of her success. And I know that she will work tirelessly to forward democratic causes. And working with the Democratic Leader—DICK GEPHARDT—have every confidence that the Democratic Caucus and Party are on the cusp of a new and exciting era.

So to NANCY PELOSI I say you have my every confidence and my total support. Now—let's get to work. Congratulations!

Ms. LOFGREN. Mr. Speaker, we are all here today to honor our colleague and friend NANCY PELOSI. As a fellow Californian and a friend, it is hard for me to hide my delight at NANCY's election as Democratic Whip. For nearly fifteen years, NANCY has done a wonderful job representing the city of San Francisco in Congress. From education, health care, housing, and the economy, she has worked to improve the quality of life for Californians—and all Americans.

On October 10, 2001, the Democratic Caucus made history. We made history by electing NANCY to the highest position ever held by a woman in Congress. Electing a woman to a leadership position was long overdue. And while the Democratic Party continues to be the party of progress, our work is not yet complete.

NANCY, with your election as House Democratic Whip, we made history, we've made progress, and now we will work together to improve American government and to better the lives of the American people. Thank you NANCY for your leadership and your friendship. Congratulations!

RESPONDING TO HUGE TAX BREAKS GIVEN TO AMERICA'S RICH

The SPEAKER pro tempore (Mr. BROWN of South Carolina). Under a previous order of the House, the gentleman from Vermont (Mr. SANDERS) is recognized for 5 minutes.

Mr. SANDERS. Mr. Speaker, I also want to congratulate the gentlewoman from California (Ms. PELOSI) and wish her the very best, but the issue that I want to focus on is a very important piece of legislation which is going to surface tomorrow, and that is the issue of how Congress responds to the huge tax breaks that the President and the Republican leadership have given to the wealthiest 1 percent of the population.

Mr. Speaker, this country has a $6 trillion national debt, and, for the first time now in several years, we are running a deficit.

Mr. Speaker, despite all of the great speeches here about lockboxes and our great love for Social Security, everybody understands that Congress is now dipping into and raiding the Social Security fund.

Further, Mr. Speaker, most people in this country understand that we have many enormous social needs. In my State of Vermont, every week when I go out and speak to senior citizens, they demand of me that Congress do something about the outrageously high cost of prescription drugs and the fact that we do not have a strong prescription drug benefit under Medicare.

Mr. Speaker, what the issue tomorrow is going to be about is do we give huge tax breaks to the wealthiest people in this country? Forty percent of the President's tax breaks go to the wealthiest 1 percent, people who have a minimum income of $370,000 a year and average over $1 million a year in income. So the choice that Congress faces is, do you give huge tax breaks in the future to those people, or do you provide a strong prescription drug benefit under Medicare?

Mr. Speaker, not only is the President and the Republican leadership not going to provide a strong prescription drug benefit under Medicare, in fact in many ways they are going to cut back on Medicare. At a time when we need to strengthen Social Security, at a time that we need to raise the COLA, the President and the Republican leadership are dipping into the Social Security Trust Fund.

Mr. Speaker, let us get our priorities right. I speak to veterans virtually every week in the State of Vermont. We have many town meetings. What they tell me is when they apply for a benefit it takes 6, 7, 8, 10 months for them to get that benefit processed, and the reason is that in many instances the Veterans Administration is understaffed and is unable to process those claims.

Is it more important to give tax breaks to millionaires and billionaires, or is it more important to make sure that our veterans get the benefits to which they are entitled?

Mr. Speaker, just this last week, a couple of days ago, there was a front page story in the New York Times which talked about how middle class parents are finding it harder and harder to pay for the college costs of their kids. The average American young person graduating from a 4-year college ends up $20,000 in debt excluding the debt incurred, and the growing debt incurred, by their parents.

Is it more important to protect the middle class and make sure that the young people of this country can go to the college that they want and do that by significantly expanding Pell grants and other financial aid programs, or is it more important to give tax breaks to millionaires and billionaires, to people who provide huge campaign contributions to Members of this Congress and the White House?

Mr. Speaker, all over this country we are facing a disaster in terms of child care. Working families are unable to find affordable quality child care. We have people who are paying too much and getting too little, and the children are suffering. Yet the Federal commitment to child care is minimal.

Is it more important that we take care of the youngest children in this society and protect working families who want quality child care for their kids, or is it more important that we give huge tax breaks to the wealthy and the powerful?

Mr. Speaker, in my State and all over this country there is a terrible housing crisis.

The bottom line is let us repeal the tax breaks for the richest 1 percent, let us lower the deficit, and let us take care of the middle class of this country.

FISCAL RESPONSIBILITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. TURNER) is recognized for 60 minutes as the designee of the minority leader.

Mr. TURNER. Mr. Speaker, this evening during this hour the Blue Dog Democrat coalition in the House is going to talk about the issue of fiscal responsibility, an issue that we think is very important to address tonight in light of the President's recent budget submission to this Congress.

The President and the Congress are united in the war on terrorism. Members on both sides of the aisle stand together in our commitment to defeat the terrorists and to do whatever is necessary and pay whatever price may be required to preserve our national security and to ensure that we protect the homeland.

There is no division that the current tax cuts that we have enjoyed in the form of the rebates have been important to the American people, and there is no suggestion, contrary to some on the Republican side tonight, that there should be any tax increase in the time of a recession, because we firmly believe that the recession needs to be addressed by this Congress in a responsible way, and tax cuts, tax cuts which have already been given and which already are being implemented in this current recession, are important to the recovery.

So when we debate the resolution on the floor of the House tomorrow, let there be no misunderstanding: Democrats understand that in a recession it would be wrong to increase taxes.

We passed a record tax decrease in June. The tax rebates were good for the American people. But back in June the Congressional Budget Office projected a 10-year surplus of over $5 billion. Just 7 months later, these projections of a surplus are gone. We find that as a result of the tax cut, as a result of the recession, as a result of the war, we no longer are able to project future surpluses, and, in fact, we can only project future deficits.

We are once again confronted with a pattern of spending that was engaged in for over 30 years by this Congress that was ended in 1996–1997 when this Congress voted for the Balanced Budget Act, an act that put us on the road to fiscal responsibility, that resulted in 3 years of surpluses at the Federal level.

But once again we now see the President of the United States submitting a budget to this Congress that will return us to deficit spending. We believe as Blue Dog Democrats that we can win the war against terrorism, we can protect our homeland, without raiding the Social Security Trust Fund and increasing the national debt that we pass on to our children.

We notice in the President's budget submission of today that the national debt, which was projected back in April of last year to actually disappear over the 10-year period, in fact turn to a surplus, has now evaporated, and, based on the projections now contained in the President's budget, we will once again see $2.7 trillion in debt by the year 2011.

□ 2030

So in just 7 short months, we went from projections of a surplus over the next 10 years to ever-increasing national debt. These figures show the debt that will be held by the public, the debt that we owe to people who buy those Treasury bills and Treasury bonds, a large portion of which are owned by foreign investors, moving from a surplus to a debt of $2.7 trillion.

Just look at the interest costs that this new debt will bring to the American people. We projected that over the next 10 years, back in April, that we could eliminate our debt and, over the period of 10 years, we would have to pay $709 billion in interest. With the new President's budget, we now see that these interest payments will equal 1.8, almost $1.8 trillion. That is just in interest that we will have to pay over the next 10 years. That is an increase in interest payments alone of about $1.1 trillion over the next 10 years.

Now, to put that in perspective, what could we do with $1.1 trillion in interest costs if we could simply return to the surpluses that we had anticipated back last April? Mr. Speaker, $1.1 trillion will fund the President's defense budget request for not just one year, but for 3 years. Mr. Speaker, $1.1 trillion would fund the President's budget request for defense for 3 years. That is why we need to be sure that we do not go back deeper into deficit spending, increase that national debt, and waste the resources of our taxpayers on interest servicing our national debt.

We know as Democrats that raiding Social Security is the wrong thing to do. Raiding Social Security will result in debts that will fall on the backs of our children. The American people know or deserve to know the truth. They understand that raiding Social Security and increasing our national debt will ultimately result in higher taxes for our children.

We have called on young men and women who wear the uniform of our great Nation to sacrifice, even to risk their lives in the defense of freedom. We all know that we are at war, but no one has told the American people that each of us must be willing to sacrifice as well. We have been told that we can have it all. We have been told that we can win the war, we can increase spending, we can have our taxes cut, that it will all be possible.

During World War II, every American sacrificed. During World War II, every American did their part. In the current war, we have been led to believe that we do not have to sacrifice. By doing so, we are entering, once again, into a period of deficit spending and growing national debt that, after 3 short years of fiscal responsibility, we will pass on to our children the cost of paying for this war.

I believe that is wrong. Blue Dog Democrats believe that is wrong. We believe that it is important to be honest with the American people about our finances in Washington. We believe it is important to preserve the principle that was voted on repeatedly on the floor of this House to lock box the Social Security trust funds. We, once again, under the President's budget, will be spending Social Security money to operate the rest of the government. Our children will pay the price of our fiscal irresponsibility. We believe as Blue Dogs it is time to get our house in order and to be honest with the American people.

We have several members of the Blue Dog Coalition who are here with us tonight who will address these issues. The first member of the coalition is the gentleman from California (Mr. SCHIFF). The gentleman has been very active in fighting for fiscal responsibility, for paying down the debt; and I am happy to yield to him to speak on this subject tonight.

Mr. SCHIFF. Mr. Speaker, I thank the gentleman for yielding. Tonight I join my colleagues in expressing my concern about the President's budget proposal. We applaud the President for outlining the priorities of beefing up homeland security and strengthening our national defense. What our troops have done halfway around the world in Afghanistan is nothing short of miraculous, and it is our obligation and our responsibility to make sure that the men and women in uniform have every tool at their disposal to win the war on terrorism and win it convincingly.

But the President has also proposed in his budget new levels of domestic spending and more than half a trillion dollars of additional tax cuts. One critical issue has been left out of this budget and that is, how do we pay for all of this? So many American families are facing the challenge of making ends meet, especially during this recession. American families are struggling to live within their means, and it is our responsibility as the Federal Government to do the same. We must find a way to balance the budget and remain steadfast in our commitment to fiscal discipline.

The new budget reports indicate that the government will return to deficit spending and raid all of the Medicare surplus and further raid the Social Security trust fund by more than $1.5 trillion over the next 10 years. This should be cause for great concern for our Nation's long-term economic well-being.

We are, I fear, at risk of making the same mistakes we made 2 decades ago when we began a vicious cycle of deficit spending and burdened ourselves with terrible debt and crushing debt service. We are at risk of ignoring the lessons of our protracted climb out of debt during the 1980s and 1990s and the enormous economic benefits that the return to fiscal responsibility brought this Nation. Having failed to learn from that history, we are now perilously close to repeating it.

Even now, credible voices within the administration are saying that debt simply does not matter. How soon we forget. During the debate last year, Congress and the President agreed that the Social Security trust fund surplus would be put in a lock box and saved to prepare for the retirement of the baby boomers. The new projections show that this promise will not be kept. Unfortunately, the new projections show return of budget deficits, of borrowing from Social Security, and a rapidly increasing national debt. Soon, very soon, the administration will be before this Congress asking us to raise the limit on the national debt; for permission, in effect, to open the Social Security lock box and throw away the key until one day, too far in the haze of our tomorrows to see now, we may find that key again.

Now, it is reasonable and appropriate to run temporary deficits during a recession and wartime, and we all fully support the President's efforts in this war on terrorism. However, under responsible fiscal policy, the temporary deficits incurred during a period of economic weakness and war must be offset by a return to budget surpluses when conditions improve. The government is projected to run on budget deficits that will require the government to raid the Social Security and Medicare trust funds for the rest of the decade, even before, even before additional spending increases for defense and homeland security are even counted.

We need a plan for the long-term budget that brings us back to fiscal responsibility. We are spending money now faster than it is coming in; and in doing so, we are risking the long-term solvency of the Federal budget and, worse, we are simply mortgaging our children's future.

Because our great Nation is faced with the challenges of protecting our national security, both at home and abroad during this time of war, we need to make tough choices in addressing the budget outlook. We need simply a wartime budget, one that meets our national defense and homeland security needs, and one, like in past wars, that calls on Americans for something they are willing to give, if asked; something they, in fact, yearn to be asked for in plain and candid terms, and that is sacrifice. Yet, this administration and this Congress has not called on the American people for sacrifice; not yet. Not with a budget that says we can have our cake and eat it too. We must keep our Nation strong, and we will; but we should not force our children to pay for it.

The price of freedom is high, as President Kennedy once said; and Americans have always been willing to pay it. We pay it still. We must sacrifice now for our children's future so we do not mortgage that future. While we stand in support of the President's efforts in this war on terrorism, we also must challenge our colleagues in Congress and in the administration to effectively address these economic circumstances and, working together in a bipartisan way, to return to a balanced budget, responsible fiscal discipline, and keep that Social Security trust fund sacred.

Mr. TURNER. Mr. Speaker, I thank the gentleman from California (Mr. SCHIFF) for his remarks. Another member of the Blue Dog Democrat Coalition who has been an outstanding leader in trying to urge this Congress to maintain and stay the course of fiscal responsibility has been the gentleman from Illinois (Mr. PHELPS). We are proud to have him on the floor tonight to share his thoughts with us.

Mr. PHELPS. Mr. Speaker, I thank the gentleman from Texas (Mr. TURNER), a vibrant leader of our caucus; and we appreciate his leadership in every way in trying to bring out the truth in honest budgeting, and that is truly what we need here in Washington.

I join my fellow Blue Dog colleagues in voicing my concerns with the President's budget. I support the President's outline for handling the war on terrorism, but I have concerns that the domestic priorities are being somewhat ignored. We can strike a fair balance and reasonable balance between our commitment to deal with terrorism and recognizing our needs for the economy.

Under the President's budget policies, the 10-year budget surplus is reduced by almost $5 trillion from what was expected a year ago. No doubt some of this is caused by the war on terrorism and the economic downturn. However, the President's budget cuts critical domestic funding for education, health care, and farmers for this year in order to reward corporate interests down the road. Even more, in order to avoid reporting deficits, the budget dips into the Social Security and Medicare trust funds, something he agreed during the election would not happen. As we Blue Dogs feared, this budget will start the public debt to rise again after reductions over the past 4 years and, as we expected, has already resulted in a request by the administration to raise the statutory debt ceiling.

In my congressional district of central and southern Illinois, domestic priorities such as creating jobs, providing affordable health care, improving schools and helping farmers are critical, especially during a recession. I am concerned that if we shortchange these critical domestic needs while running deficits and increasing the national debt, we will jeopardize our long-term fiscal health and will hamper our ability to meet future obligations to Social Security and Medicare, as well as our ability to pay for the next unforeseeable crisis our Nation might encounter.

Mr. Speaker, I thank the gentleman for this opportunity, and I appreciate his leadership.

Mr. TURNER. Mr. Speaker, I thank the gentleman for his remarks. I appreciate the leadership that he has given to our Blue Dog group as we work on these and other issues in this Congress.

I would like to yield now to the gentleman from Mississippi (Mr. TAYLOR). The gentleman has been a leader in strengthening our military, serving as the ranking Democrat on the Subcommittee on Procurement of the Committee on Armed Services. But while working to strengthen defense, he has also been an outspoken advocate of fiscal responsibility. I am proud to yield to a fellow Blue Dog Democrat, the gentleman from Mississippi (Mr. TAYLOR).

□ 2045

Mr. TAYLOR of Mississippi. Mr. Speaker, I thank the gentleman from Texas (Mr. TURNER) for this opportunity to speak to the American people tonight. I would ask Members to try to remember back a year ago. A year ago right now the President of the United States was saying that we were going to have surpluses as far as the eye could see, that nothing that could happen in Washington could keep that from happening, and, doggone it, there ought to be tax breaks because we have all these surpluses.

Washington is awash in money. His words, not mine. Back then I said it was not true. I knew it was not true then. It is certainly not true now.

A year ago in August, just think back to August, the President wanted to give 3 million illegal aliens amnesty coming to the country. Now he is on the right track saying we need to tighten our borders. I want to commend him for that.

A year ago the President had waited until the last day of July to submit his budget for defense to the Committee on Armed Services. Most Presidents, including President Clinton who was never accused of being pro-defense, would do it in February so we would have a chance to look at it, to scrub it, to try to make it better.

President Bush chose to make it his lowest priority, I am sorry to say. I want to commend him when this year he makes it his highest priority. I want to commend him for getting right on tightening our borders and not letting illegal aliens in and giving them amnesty.

There is one thing that the President continues to do that I need to point out and say, Mr. President, you have changed your tune on two things for the better; I am hoping you will change your tune on the third.

Mr. President, after some soul searching a couple of years ago I voted to impeach a guy who I felt lied under oath. We do not need to get into the details of that, but I felt like he lied under oath and he did not deserve to be President anymore. When someone talks about non-existent surpluses, it is probably just as good you did not say that under oath. When somebody talks about that we can go back temporarily to deficit spending, it is okay, it is probably just as good you did not say that under oath because I do not think that is true.

You see, Mr. President, what you totally ignored a year ago, and you cannot ignore now is right now, as we speak, our Nation owes the men and women of America, the working people that we all profess to represent, $1,210,000,000,000.

Let us remember a million is a thousand thousand. A billion is a thousand million. A trillion is a thousand billion. It is pretty mind boggling. We have a tendency here in Washington to think of something as 1.2 apples. No, it is 1 trillion, 200 billion, hundreds of millions of dollars that right now hard-working Americans have had taken out of their paychecks since the 1980's and even before with the promise as recently as the Reagan administration when Social Security taxes were increased with a Democratic House, a Republican Senate, a Republican President. They raised the amount that was taken out of people's paychecks for Social Security with a solemn promise that that money would be set aside to use for nothing but Social Security.

The much-discussed lock box on this House floor, if you could get to that lock box and open it up, all you would find is an IOU for 1 trillion, 210 billion, hundreds of millions of dollars. They did the same thing with Medicare. Again, the taxes went up on individuals. The taxes went up on employers. This happened during a Republican President, Reagan, a Democratic House, a Republican Senate, with the promise that that money would be set aside to pay nothing but Medicare bills for when people get 65 years old and when they get sick and need some help.

If you were to find that nonexistent lock box, all you would find is an IOU for $249,700,000,000. It is not there, not one penny of it.

We take money out of the folks who work for our Nation, not just the folks here on this House floor but the folks who are out there every day being park rangers, the folks being border policemen, INS agents, Customs Service agents. A little bit of money is taken out of their paycheck every month with the promise that it is set aside for their retirement. They have been doing it for a long time. If you would finally go through the hoops and find that account and open up that box, all you would find is an IOU for $537,500,000,000. There is nothing there.

For our military retirees it is a little bit different. They invest with their lives. They invest with their time away from their families. They invest with the thought that they could be killed any day at any moment, even in so-called safe places like the Pentagon, which we learned tragically in September are not safe places for America's military personnel.

So although they do not pay directly out of their paychecks, there is a line in the defense budget every year that contributes money to their retirement account, again, with the promise that it is going to be set aside and used for no other purpose but to pay their retirement. If you were to find that account all you would find is an IOU for $173,700,000,000.

So when the President and the talking heads in the media and other folks last year were talking about Washington being awash in money, I think they were fibbing to the American people. Either they did not know the truth, or they were misleading the American people. And that is not a good thing for either one of them to do. That is why a group of us said last year is it not more important to honor the promises, now that we have finally broke even and started having small surpluses, to pay those bills back?

That is why a group of us last year initiated the effort to increase defense spending. It started with the Blue Dog Coalition. Thank goodness the President got on the right side of that issue later in the year. But I certainly feel like we helped steer him in the right direction.

Remember, even with the increases in last year's defense budget, the procurement accounts were short-changed again. They were no better than under Bill Clinton; and as a matter of fact, the Bush budget asked for fewer ships for the United States Navy than even Bill Clinton did. Once again, this year the Bush budget despite the huge increases asked for even fewer ships than last year. The Bush budget only asked for five ships for the U.S. Navy. The typical life expectancy of a U.S. Navy ship is 30 years. Quick math, 150-ship Navy.

Just a few years ago Ronald Reagan was trying to get us to a 600-ship Navy. Just a few years ago we had a 400-ship Navy. Today our Naval fleet is 318 ships and only 100 of them are combatants. If we accept the Bush budget, we will have a Navy fleet in short order of only 150 ships.

I do not think those are good priorities. I think the priority ought to be honesty to the American people. Remember all the talk about Washington is awash in money? Please, someone, explain to me if Washington is awash in money, the debt this year compared to the debt last year has increased by $281 billion in 12 months.

Now, folks will say September 11 threw us out of whack. I will remind you that our Nation's budget runs from the first of October to the end of September. The events of September 11 took place exactly 20 days before the end of the fiscal year. No one on Earth with a straight face is going to tell you that almost a $100 billion deficit occurred in the last 20 days of the year, because it did not.

One of the things I will encourage the American people to do, because a lot of the numbers get thrown around in Washington, I want you to check my numbers. I want you to check my sources. I hope you look at http/www.publicdebttreasurygov/. You can look it up on your computer. They track it by the month. You can see on September 1 our Nation was well on its way to about a $90 billion annual operating deficit. It got bigger each month of the year. That is the truth to the American people.

Please check my figures because very few people in Washington will encourage you to do so. That is one of the reasons why tomorrow, when people say, if you vote against this motion tomorrow you voted for a tax increase, you know what, if that guy said that under oath, I would have to impeach him because that is a lie. It is not a tax increase. It is a tax decrease that has not taken place yet. It is a tax decrease that those people who voted for it knew automatically sunsets 5 years from now. They all go away. All the taxes that were in place 18 months ago come right back.

So using their line of thought, those people who voted for it, voted for a tax increase because they all come back in 9 years.

The much talk about the estate tax relief that they make mention of does not really kick in until the ninth year and goes away entirely. That means it comes back the tenth year. Are we going to encourage people to commit suicide the ninth year because that is the only year that has meaningful change?

We propose giving people $4 million in their estate tax free. That is a heck of a lot of money in Mississippi. Even in Texas that is a lot of money. That is a lot of money in Florida. That is a lot of money in Illinois. I think that is fair. Because remember, a guy who is out there earning $40,000, paid taxes on everything he earns. Why does it have to be so magical about money you are given?

In fact, some of the most conservative commentators in America said it is really not conservative to tell people that a gift ought to be tax exempt when earnings are not. Why should earnings be taxed higher than things you are given, things that you have earned?

I want to encourage people to work. I want people to have faith that when they go to work and pay their Social Security taxes, that it really will be set aside for their Social Security; when they pay their Medicare taxes, it really will be set aside for that. For folks who work for us here, who work for the INS, the Customs Service, Federal firefighters on our military bases, I want them to know that their retirement is going to be there.

If we continue along this path of deficit after deficit, there is no guarantee it will be there. In fact, the chances are that it will not. I will remind people the most common question asked of me is Where does the money go? And their jaws hit their chest when they say the biggest expense of this Nation is not welfare. It is not foreign aid. It is not health care. It is not taking care of kids. It is not building roads. The biggest expense to this Nation on an annual operating basis is interest on the national debt, and it is $1 billion a day. The war against terrorism is $1 billion a month. The cost of incompetence in spending money we do not have is $1 billion a day. It continues and only gets worse as long as we continue to borrow money.

Mr. President, two things I think you ought to know. We are approaching the $5,950,000,000,000, mark which the law says is the Federal debt limit. You are rapidly getting there. This Member will not vote to raise the debt limit. If we have to tweak other budgets, if we have to suspend some of the tax breaks that have not taken place yet in order to fund the war on terror, I will help you do that. But I will not ask my kids and your kids and our grandkids that have yet to have been born to pay our bills, because no other generation of Americans has done that, and this generation of America cannot start that bad trend.

All the way from George Washington through the Carter presidency, this Nation only borrowed $1 trillion. That doubled in the 8 years of the Democratic House, Republican Senate and Ronald Reagan was President. Look where it is now.

As the gentleman from Texas (Mr. STENHOLM) jokingly says, Confucius says, "When you find yourself in a hole, quit digging." It is time for our Nation to quit digging. It is time for our Nation to get serious about paying our bills. It is time for your generation and my generation to get serious about paying our bills.

Mr. President, if you send us a budget that is not in balance, that does not pay for this year's needs with this year's revenues, I cannot support it. We know how to balance the budget. You know how to balance the budget. This war is only costing one-twentieth of what we are squandering on interest on the national debt. It is not the reason the budget is out of balance

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BROWN of South Carolina). Members are reminded that the remarks in debate should be addressed to the Chair. It is not in order to direct remarks directly to the President.

Mr. TURNER. Mr. Speaker, I thank the gentleman from Mississippi (Mr. TAYLOR) for his presentation. The gentleman has been one of the foremost advocates of fiscal responsibility, balancing the budget and paying down the debt, and we are grateful for his membership in the Blue Dog Democratic Coalition.

Another Member who has been very active in leading the Blue Dogs and serves as a co-chair of the coalition is our friend, the gentleman from Florida (Mr. BOYD). It is my pleasure to yield time to him.

Mr. BOYD. Mr. Speaker, I thank the gentleman from Texas (Mr. TURNER) for organizing this Special Order to give the members of the Blue Dog Coalition a chance to talk a bit about fiscal responsibility.

I also want to thank the previous speaker, the gentleman from Mississippi (Mr. TAYLOR). He has been a forceful and long-time advocate for a strong national defense and also for fiscal responsibility. So we appreciate the gentleman's long work here in the House of Representatives.

Mr. Speaker, tonight I have a feeling inside somewhat like I had about 13 years ago. Before I entered elected public service, I was a business person running a family business that I had spent 25 years in. I was extremely concerned about the future economic health and viability of our Nation.

Let me remind the Members about where we were in 1988. We had annual deficits, annual deficits running in the hundreds of billions of dollars. That means that the government was spending hundreds of billions of dollars on an annual basis more than it was taking in in revenue. And that deficit was only counted after you spent all of the Social Security money, after you spent all the Social Security money which was supposed to be set aside for future retirees. Our accounting practices were really messed up. We did not count a deficit until we spent everything, what we call the operating money, off-budget money, and then all of the Social Security money too.

□ 2100

In 1992, President George Bush was running for reelection. This country that fiscal year had a $290 billion deficit. President Bush, if my colleagues will remember where we were back then, we had just come out of the Desert Storm, the Persian Gulf conflict in which the Iraqi government had threatened some neighbors and America came to their defense and again showed us leadership around the world and doing what was right.

President Bush did a great job prosecuting that war. That happened I think in 1990 or so, but the election in 1992 really became about the economy and the fact that we had a $290 billion annual deficit, even after spending all the Social Security surpluses; and unemployment was high, interest rates were high, jobs were not being created. The economy was generally fairly stagnant.

That election, as I said, was much about the economy; and of course, President Bush lost that election, and in the next 8 or 10 years the administration, in concert with the Congress, I think because the country demanded it, began to work together to solve the economic problem, to solve this deficit problem that we had in this country.

I ran in 1996 for the U.S. House of Representatives, and I remember the cornerstone of that campaign was about the economy, was about the deficit, the fact that this country was not able to balance its books. So a lot of that conversation and debate that we had during the 1996 campaign was about that.

When I got to Washington I was anxious to become part of a group that was interested in fiscal responsibility, and so that is why I joined the Blue Dogs; and as my colleagues know, the leadership of the United States Congress, which was Republican in both the House and the Senate, and working in a bipartisan way with President Clinton's administration, developed a plan, actually it was a seven year plan in 1997, which would take our Nation out of deficit spending and carry us back into fiscal responsibility. I think the Blue Dogs played a very important role in that debate or that deal that was cut, and it just showed what can happen when the country comes together. We have a problem, we figure out a way to solve it, set aside our partisan differences and work together.

That plan was really a pretty simple plan, if put in place. Spending caps, it required that we ratchet down our spending as we went along and that if the economy would continue to grow we would be able to get in a surplus situation.

Guess what happened. The business community had great confidence that the government was doing its part, that we were doing our best to hold down spending and that in the long run we would get out of that deficit situation. As a result, the business community began to invest. The economy began to boom. We had a lot of people who had capital who were willing to risk that capital in new ideas and creative ideas. Next thing we know interest rates begin to go down. Employment was higher. New job creation. We had rising markets everywhere.

Of course, everybody knows that in 1992 the stock market was in the 3,000 range and maybe even below, and it went up in 2000, 2001 era, went up to 11,000.

When we got to balance, there was a lot of talk about lock boxes. This Congress had many debates. I know we have taken numerous votes on the lock boxes. That was a good idea; and that idea was simply this, that we use whatever surplus money we had to pay off the Federal debt. The Federal debt was running in the five and a half trillion dollar range. That Federal debt, to service it, was costing us, as my colleagues heard the gentleman from Mississippi (Mr. TAYLOR) say, the largest single expense item of the Federal budget, costing us in the neighborhood of $325 to $350 billion.

My contention is, as a businessperson, that a debt that is of that high percentage of an annual budget, it was in the neighborhood of 15 to 16 percent I believe, would really drag us down over a period of time, and we had to figure out a way to reduce that debt. So the lock box idea was a very good idea, which we would be forced to put Social Security surpluses into reducing Federal debt and any other surpluses that we might have into reducing Federal debt.

2000 Presidential election came along. OMB and CBO and others were forecasting just a year ago that we would have a $5.6 trillion surplus over the next 10 years, a $5.6 trillion surplus. Given the current laws that we are operating on, the current expected spending or revenues that we are going to get in and the spending requirements we have, we were looking at about a $5.6 trillion dollar surplus over the next 10 years, and if we had that kind of surplus we could almost pay off the total Federal debt. That was 1 year ago, January 2001.

What is that projection or forecast today about surpluses? Four billion dollars of that surplus has disappeared over the last year, projected surplus, $4 billion. There are lots of reasons for that. We all know what they are. Some have to do with the natural downturn in the economy that happened, some have to do with the September 11 tragedy and the effect it has had on our economy, and certainly a portion has to do with the economic policy that this Congress and administration put in place a year ago.

I would submit to my colleagues that there are three very good reasons not to go back to deficit spending. Number one is, and I think they are all equally important, but number one, the best way to continue our economic prosperity or economic boom that we experienced in the 1990s is to continue to run a surplus and to continue to pay down our Federal debt. Take pressure off the capital markets, interest rates stay low. The investment community, people who have money to invest will continue to have confidence that the economy is going to continue to be good and they will invest in it.

Secondly, I think the second reason is and certainly one some others have spoken about very eloquently is that when we borrow money to pay for programs that we want today, we are just mortgaging the future of our children and that is not fair. That really is an unfair thing to do.

Thirdly, certainly a situation that those of us here in Washington have been unable to face squarely is the Social Security issue. We all know that we are running surpluses in the Social Security trust fund now on an annual basis, but soon that will change. Within about 10 years we will not run an annual surplus in the Social Security trust fund. We will begin to draw out of that IOU that the gentleman from Mississippi (Mr. TAYLOR) talked about that is in that box, and we know the box is not locked by now. We do.

We expect the baby boomers to retire, and our economists and forecasters tell us that there is going to be a tremendous amount of pressure on our Federal Treasury to meet the requirements under the current Social Security and Medicare law. We have to prepare that, and we have not done a good job of that. One of the things that I hope this administration and this Congress can do this year is begin to address the long-term Social Security reform.

I think the last issue that I would like to talk about is one of the debt lending. I think the gentleman from Mississippi (Mr. TAYLOR) has addressed it in a very adequate way; but I said on this floor last year, as others did, and we heard arguments, as we presented our Blue Dog budget, which we thought was a good budget that would have kept us out of this mess that we are in now, some argued against that budget and ultimately defeated it on the basis that we would pay off the Federal debt too quickly, that this United States Government that would pay off, if we went into the surplus and began to pay down some of the debt, that we would pay off the debt too quickly and have to pay some kind of penalty. I wish we could even think that today.

The same folks who may have argued a year ago that we could not pay down the surplus because we might have to pay off the debt too quickly today might ask us to raise the debt ceiling. I have to agree with the gentleman from Mississippi (Mr. TAYLOR). I am not going to vote to raise the Federal debt ceiling until we put a good plan in place. I think we need to go back, like we did in 1997, and the President and the administration and the congressional leaders need to sit together and we need to figure out how to get out of this mess together.

I want to thank the gentleman from Texas (Mr. TURNER) for his work. I know that he and others have organized this event tonight; and I want to say to the leadership, the Republican and Democratic leadership, and to the administration, the Blue Dogs stand ready to work in a bipartisan way to help us find the solutions to these problems that we are facing today. We are ready. We have got a lot of good folks who understand that the country has many needs, who understand where its priorities are, and we want to work with the President and the congressional leadership to get those problems solved.

I yield back to the gentleman from Texas (Mr. TURNER) and thank him for allowing me to speak.

Mr. TURNER. Mr. Speaker, I appreciate the gentleman from Florida's remarks and appreciate his commitment to fiscal discipline and fiscal responsibility. It does seem somewhat surprising that in just a year's time or less than a year that our Federal financial picture could have changed so much.

I think one of the most difficult things at work in this Congress today is to acknowledge that the circumstances have changed. There is going to be a resolution on the floor tomorrow. It is not a law. It does not have any effect. It is what we call a sense of the House. It is simply an effort by the Republican leadership to try to put folks on record as to whether or not they are committed to the tax cut that was passed last June.

I was pleased to be one who supported the tax cut last June, but I also understand that since last June we are now at war again. We are now in a posture where we are seeing record projections of deficits rather than surpluses, and I think even though all of us understand that we must not raise taxes in the current recession, the long term does require an intelligent and a careful discussion of the direction this country has taken; and to blindly follow a path toward fiscal irresponsibility is going to result in debts on the backs of our children that all of us will be ashamed to see.

Our Federal debt, almost $6 trillion today, is increasing daily because of the deficit spending, and as the gentleman from Florida (Mr. BOYD) pointed out, the President, through the Secretary of the Treasury, has asked this Congress to raise the debt ceiling $700 billion. We were told back last June that it would not be necessary to raise the Federal debt ceiling for at least 6 or 7 years; but all of a sudden, just before the Christmas recess, we were told that we are now going to have to raise the debt ceiling sometime in late February or early March.

I agree with the gentleman from Mississippi (Mr. TAYLOR) and the gentleman from Florida (Mr. BOYD), we do not need to vote to increase the national debt of this country, to raise the ceiling of that debt until we have some firm commitments regarding a return to fiscal responsibility. As we said earlier, if we continue along the path of the Republican's budget plans over the next 10 years, based on the best estimates we have from the Congressional Budget Office, we will increase the amount of interest that we pay on our national debt by a trillion dollars, over a trillion dollars.

There is a lot we could do with that trillion dollars. As I said, we could fund the President's defense budget request for 3 years straight if we could save that trillion dollars.

We already spend a billion dollars a day on interest on our Federal debt. We were told earlier that the war is costing us a billion dollars a month, contrast that, and it is very expensive to fight this war, and all of us believe we need to spend every dollar necessary to win this war; and it is currently costing us a billion dollars a day, but we are paying a billion dollars every time, billion dollars every month, but it is costing us a billion dollar every day just to pay the interest on our national debt.

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Clearly, our national debt has grown too large. The interest consumes too much of our Federal budget, and we are going in the wrong direction.

If we had a trillion dollars in interest savings by not increasing our national debt, by proceeding on the path we were on and thought we were on last June, where we are not increasing the national debts and in fact were headed towards paying it off, we could take that trillion dollars and save it, and we could pay for 20 years of war at $1 billion a month.

We are clearly moving back to deficit spending, to raiding Social Security, and toward reckless fiscal policies that our children will have to pay for someday. All we are asking of our Republican leaders and of the President is to be honest with the American people; to be sure that they are told the straight story and that they too understand that it is not just the men and women in uniform who are having to sacrifice and risk their lives in fighting this war, but that every American has a role to play and we all have to be willing to sacrifice.

Yes, we need to cut spending in areas where we can cut it. But when we sit down to draw up the Federal budget for the American family, we ought to do it just like we do at home, and that is we ought to measure our revenues and balance those against our expenses. And if we do not have enough income to cover our expenses, we need to cut our expenses and balance our budget. Washington has not learned that. Apparently, even after 3 years of returning to fiscal responsibility and having surpluses in our Federal budget, we once again are turning a blind eye to the importance of balancing our budget.

We believe that the President and the leadership of this House have a responsibility to submit to us a balanced budget and a plan to keep us on the road to fiscal responsibility. That is the only way to preserve the long-term prosperity for the American people. We want to look to the longer term, to be sure our children and grandchildren do not inherit the reckless fiscal policies of the current generation.

I thank the Blue Dog Democrats who have joined me on the floor tonight for this discussion on the importance of fiscal responsibility. I look forward to the opportunity to debate this issue in the days ahead as we continue to work to balance the budget and to pay down our debt and to protect the Social Security trust fund for the future.

In closing tonight, the Blue Dogs would like to close this hour in memory of Darlene Luther, the wife of our friend and colleague, Bill Luther. Both Bill and Darlene have been known throughout the years as public servants, a family that served their constituents, who worked hard together to make America a better place, and our hearts go out tonight to Bill and his family in the loss of Darlene.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BACA (at the request of Mr. GEPHARDT) for today on account of inclement weather and snow conditions canceling his flight.

Mr. HALL of Texas (at the request of Mr. GEPHARDT) for today on account of airport delays in Dallas.

Ms. MILLENDER-MCDONALD (at the request of Mr. GEPHARDT) for today on account of official business in the district.

Mr. UNDERWOOD (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. FRELINGHUYSEN (at the request of Mr. ARMEY) for today and February 6 on account of personal reasons.

Mr. LUCAS of Oklahoma (at the request of Mr. ARMEY) for today on account of weather delay.

Mrs. ROUKEMA (at the request of Mr. ARMEY) for today and the balance of the week on account of illness.

Mr. RYAN of Wisconsin (at the request of Mr. ARMEY) for today and the balance of the week on account of the birth of his first child, Elizabeth Anne.

Mr. SHAW (at the request of Mr. ARMEY) for today and the balance of the week on account of family medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. STARK) to revise and extend their remarks and include extraneous material:)

Ms. NORTON, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Mr. BERMAN, for 5 minutes, today.

Ms. ESHOO, for 5 minutes, today.

Mr. FARR of California, for 5 minutes, today.

Mr. HONDA, for 5 minutes, today.

Ms. LOFGREN, for 5 minutes, today.

Ms. ROYBAL-ALLARD, for 5 minutes, today.

Ms. SANCHEZ, for 5 minutes, today.

Mr. SHERMAN, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

Mrs. DAVIS of California, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mrs. MEEK of Florida, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

Ms. WOOLSEY, for 5 minutes, today.

Mrs. CAPPS, for 5 minutes, today.

Mr. SCHIFF, for 5 minutes, today.

Mr. FILNER, for 5 minutes, today.

Mr. WEINER, for 5 minutes, today.

Mr. SANDLIN, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. BLUMENAUER, for 5 minutes, today.

Mr. OWENS, for 5 minutes, today.

Ms. SCHAKOWSKY, for 5 minutes, today.

(The following Members (at the request of Mr. RAMSTAD) to revise and extend their remarks and include extraneous material:)

Mr. MORAN of Kansas, for 5 minutes, today.

Mr. GANSKE, for 5 minutes, February 6 and 7.

Mr. WALDEN of Oregon, for 5 minutes, today.

Mr. KIRK, for 5 minutes, today.

Mr. RAMSTAD, for 5 minutes, today.

Mr. HERGER, for 5 minutes, February 6.

Mr. DIAZ-BALART, for 5 minutes, February 6.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. WELLER, for 5 minutes, today.

Mr. BACHUS, for 5 minutes, today.

Mr. SANDERS, for 5 minutes, today.

BILL PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on February 5, 2002 he presented to the President of the United States, for his approval, the following bill.

H.R. 400. To authorize the Secretary of the Interior to establish the Ronald Reagan Boyhood Home National Historic Site, and for other purposes.

ADJOURNMENT

Mr. TURNER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 18 minutes p.m.), the House adjourned until tomorrow, Wednesday, February 6, 2002, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5338. A letter from the Legislative and Regulatory Activities Division, Department of the Treasury, transmitting the Department's final rule—Capital; Leverage and Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Nonfinancial Equity Investments [Docket No. 02–01] (RIN: 1557–AB14) received January 29, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5339. A letter from the Legislative and Regulatory Activities Division, Department of the Treasury, transmitting the Department's final rule—International Banking Activities: Capital Equivalency Deposits [Docket No. 02–02] (RIN: 1557–AC05) received January 29, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5340. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Section 112(I) Authority for Hazardous Air Pollutants and the Chemical Accident Prevention Provisions; Allegheny County; Health Department [PA001–1002; FRL–7135–3] received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5341. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Section 112(I) Authority for Hazardous Air Pollutants; City of Philadelphia; Department of Public Health Air Management Services [PA001–1001; FRL–7134–9] received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5342. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Interim Final Determination that State has Corrected the Deficiencies in California, Yolo-Solano Air Quality Management District [CA 254–0318c; FRL–7132–1] received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5343. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the California State Implementation Plan, Yolo-Solano Air Quality Management District [CA 254–0318a; FRL–7131–9] received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5344. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of State Plans for Designated Facilities and Pollutants; States of Kansas, Missouri, and Nebraska [FRL–7134–7] received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5345. A letter from the Associate Chief, Accounting Policy Division, Federal Communications Commission, transmitting the Commission's final rule—Billed Party Preference for InterLATA 0 Calls [CC Docket No. 92–77] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5346. A letter from the Acting Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Part 2 of the Commission's Rules to Allocate Spectrum Below 3 GHz for Mobile and Fixed Services to Support the Introduction of New Advanced Wireless Services, including Third Generation Wireless Systems [ET Docket No. 00–258]; Amendment of the U.S. Table of Frequency Allocations to Designate the 2500–2520/2670–2690 MHz Frequency Bands for the Mobile-Satellite Service [RM–9911] received January

16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5347. A letter from the Senior Legal Advisor, WTB, Federal Communications Commission, transmitting the Commission's final rule—Revision of Part 22 and Part 90 Of the Commission's Rules to Facilitate Future Development of Paging Systems [WT Docket No. 96–18]; Implementation of Section 309(j) Of the Communications Act—Competitive Bidding [PR Docket No. 93–253] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5348. A letter from the Acting Chief, Policy and Rules Division, Federal Communications Commission, transmitting the Commission's final rule—Authorization and Use of Software Defined Radios [ET Docket No. 00–47] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5349. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.606(b), Table of Allotments, Television Broadcast Stations (Destin, Florida) [MM Docket No. 01–171, RM–10158] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5350. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (Calumet, Michigan) [MM Docket No. 01–166, RM–10182] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5351. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.622(b), Table of Allotments, Digital Television Broadcast Stations (New Orleans, Louisiana) [MM Docket No. 01–164, RM–10135] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5352. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.606(b), Table of Allotments, Television Broadcast Stations (International Falls and Chisholm, Minnesota) [MM Docket No. 01–87, RM–10092] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5353. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Nogales, Vail and Patagonia, Arizona) [MM Docket No. 00–31, RM–9815, RM–10014, RM–10095] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5354. A letter from the Senior Legal Advisor to Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Barnwell, South Carolina, and Pembroke, Douglas, Willacooche, Statesboro, Pulaski, East Dublin, Swainsboro and Twin City Georgia) [MM Docket No. 00–18, RM–9790] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5355. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Detroit Lakes and Barnesville, Minnesota, and Enderlin, North Dakota) [MM Docket No. 00–53, RM–9823, RM–9950] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5356. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Paonia and Olathe, Colorado) [MM Docket No. 98–188, RM–9346, RM–9656, RM–9657] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5357. A letter from the Acting Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Endangered Status for Carex lutea (Golden Sedge)(RIN: 1018–AF68) received January 22, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5358. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Economic Exclusive Zone Off Alaska; Trawl Gear in the Gulf of Alaska [Docket No. 010112013–1013–01; I.D. 101901D] received January 25, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5359. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model EC 120 Helicopters [Docket No. 2001–SW–23–AD; Amendment 39–12524; AD 2001–24–08] (RIN: 2120–AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5360. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter France Model AS 332C, L, L1, and L2 Helicopters [Docket No. 99–SW–78–AD; Amendment 39–12560; AD 2001–25–07] (RIN: 2120–AA64) received January 24, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5361. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Criminal History Records Checks [Docket No. FAA–2001–10999; Amdt. Nos. 107–14 and 108–19] (RIN: 2120–AH53) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5362. A letter from the Director, Office of Regulations Management, Department of Veterans' Affairs, transmitting the Department's final rule—Diseases Specific to Radiation-Exposed Veterans (RIN: 2900–AK64) received January 23, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5363. A letter from the Chief, Regulations Division, ATF, Department of Treasury, transmitting the Department's final rule—Hard Cider, Semi-Generic Wine Designations, and Wholesale Liquor Dealers' Signs (97–2523) [T.D. ATF–470 RE: T.D. ATF–398, Notice No. 859, Notice No. 869, T.D. ATF–418, Notice No. 881 and T.D. ATF–430] received January 25, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 342. Resolution providing for the consideration of motions to suspend the rules (Rept. 107–356). Referred to the House Calendar.

Mr. DIAZ-BALART: Committee on Rules. House Resolution 343. Resolution providing for consideration of the bill (H.R. 3394) to authorize funding for computer and network security research and development and research fellowship programs, and for other purposes (Rept. 107–357). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. SAXTON:

H.R. 3673. A bill to amend the Federal Water Pollution Control Act relating to marine sanitation devices; to the Committee on Transportation and Infrastructure.

By Mr. CANNON:

H.R. 3674. A bill to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code; to the Committee on the Judiciary.

By Ms. DEGETTE (for herself, Mr. PALLONE, Mr. BALDACCI, Mr. SERRANO, Mr. HINCHEY, Mrs. CAPPS, Ms. ROYBAL-ALLARD, Mr. CROWLEY, Ms. LEE, Mr. THOMPSON of California, Mrs. MALONEY of New York, Mr. TOWNS, Ms. BROWN of Florida, Ms. JACKSON-LEE of Texas, Mrs. MCCARTHY of New York, Ms. WOOLSEY, Ms. NORTON, Mr. ABERCROMBIE, Mr. BERMAN, and Mr. MCGOVERN):

H.R. 3675. A bill to amend titles XIX and XXI of the Social Security Act to improve the coverage of needy children under the State Children's Health Insurance Program (SCHIP) and the Medicaid Program; to the Committee on Energy and Commerce.

By Ms. DEGETTE (for herself and Mrs. BONO):

H.R. 3676. A bill to amend titles V, XVIII, and XIX of the Social Security Act to promote tobacco use cessation under the Medicare Program, the Medicaid Program, and the maternal and child health program; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ENGLISH:

H.R. 3677. A bill to amend title I of the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to provide new protections under applicable fiduciary rules for participants and beneficiaries under 401(k) plans and to provide for

3-year vesting of elective deferrals under such plans; to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GRAHAM:

H.R. 3678. A bill to amend the Fair Labor Standards Act of 1938 to clarify the exemption from the minimum wage and overtime compensation requirements of that Act for certain construction engineering and design professionals; to the Committee on Education and the Workforce.

By Mr. GUTIERREZ:

H.R. 3679. A bill to prohibit the possession or transfer of junk guns, also known as Saturday Night Specials; to the Committee on the Judiciary.

By Ms. HART:

H.R. 3680. A bill to amend the Federal Election Campaign Act of 1971 to require persons who make disbursements for certain electioneering communications and certain mass communications to file information with the Federal Election Commission regarding the source of the funds used for the disbursements, and for other purposes; to the Committee on House Administration.

By Ms. HOOLEY of Oregon (for herself and Mr. Walden of Oregon):

H.R. 3681. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to make volunteer members of the Civil Air Patrol eligible for Public Safety Officer death benefits; to the Committee on the Judiciary.

By Ms. LEE:

H.R. 3682. A bill to establish a living wage, jobs for all policy for all peoples in the United States and its territories, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committees on the Budget, Armed Services, and Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MATHESON:

H.R. 3683. A bill to authorize the national Institute of Standards and Technology to assist in the development of reliable and valid tests for banned performance-enhancing substances and to establish a research program on the long-term consequences of the use of such performance-enhancing substances; to the Committee on Science, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SIMMONS (for himself, Ms. Hart, Mr. Kolbe, Mr. Manzullo, Mr. LaTourette, Mr. Forbes, and Mr. Platts):

H.R. 3684. A bill to amend the Social Security Act establish an outpatient prescription drug assistance program for low-income Medicare beneficiaries; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of New Jersey:

H.R. 3685. A bill to amend the Internal Revenue Code of 1986 to allow a refundable credit against income tax for educational expenses incurred for each qualifying child of the taxpayer in attending public or private elementary or secondary school; to the Committee on Ways and Means.

By Mr. STEARNS (for himself, Mr. Pitts, Mr. Smith of New Jersey, Mr. DeMint, Mr. Schaffer, Mr. Pickering, Ms. Millender-McDonald, Mr. Forbes, Mr. Taylor of Mississippi, Mr. Ferguson, Mrs. Jo Ann Davis of Virginia, Mr. Faleomavaega, Mr. Wilson of South Carolina, Mr. Pence, Mr. Baker, Mr. Vitter, Mr. Underwood, and Mr. Foley):

H.R. 3686. A bill to authorize the Secretary of Health and Human Services to make grants to nonprofit tax-exempt organizations for the purchase of ultrasound equipment to provide free examinations to pregnant women needing such services, and for other purposes; to the Committee on Energy and Commerce.

By Mr. COX (for himself, Mr. Armey, Mr. Burton of Indiana, Mr. Shadegg, Mr. Sessions, Mr. Vitter, Mr. Flake, Mr. Bartlett of Maryland, Mr. Gary G. Miller of California, Mr. Pence, Mr. Stearns, Mr. Otter, Mr. Graham, Mr. Keller, Mr. Sam Johnson of Texas, Mr. Tancredo, Mr. Smith of New Jersey, Mr. Schaffer, Mr. Skeen, Mr. Tiahrt, Mr. Crane, Mr. DeLay, Mr. Jones of North Carolina, Mr. Buyer, Ms. Hart, Mr. Akin, Mr. Chabot, Mr. Ryun of Kansas, Mr. Rohrabacher, Mr. Hoekstra, Mr. Barr of Georgia, Mr. Green of Wisconsin, Mr. Hayworth, Mr. DeMint, Mr. Foley, Mr. Saxton, Mr. Brown of South Carolina, Mrs. Cubin, Mr. Cantor, Mr. Jeff Miller of Florida, Mr. Hunter, Mr. Fossella, Mr. Souder, Mr. Boozman, Mr. Issa, Mrs. Jo Ann Davis of Virginia, Mr. King, Mr. Tiberi, Mr. Culberson, Mr. Kerns, Mr. Camp, Mr. Peterson of Minnesota, Mr. Sweeney, Mr. Hosteller, Mr. Gutknecht, Mr. Farr of California, Mr. Thomas, Mrs. Biggert and Mr. Royce):

H.J. Res. 82. Joint resolution recognizing the 91st birthday of Ronald Reagan; to the Committee on Government Reform.

By Mr. BACHUS (for himself, Mr. Weller, Mr. Armey, Mr. DeLay, Mr. Watts of Oklahoma, Ms. Pryce of Ohio, Mrs. Cubin, Mr. Cox, Mr. Tom Davis of Virginia, Mr. Blunt, Ms. Dunn, Mr. Graham, Mr. Wicker, Mr. Stump, Mr. Sessions, Mr. Crane, Mr. Gibbons, Mr. McKeon, Mr. Oxley, Mr. Sensenbrenner, Mr. Platts, Mr. Knollenberg, Mr. Goodlatte, Mr. Schrock, Mr. Grucci, Mr. Tiberi, Mr. Brown of South Carolina, Mr. Riley, Mr. Shaw, Mr. Crenshaw, Mr. Barr of Georgia, Mrs. Wilson of New Mexico, Mr. Kennedy of Minnesota, Mr. Frelinghuysen, Mr. Cantor, Ms. Hart, Mrs. Biggert, Mr. Kirk, Mr. Boozman, Mr. DeMint, Mr. Jones of North Carolina, Mr. Ganske, Mr. Wilson of South Carolina, and Mr. Jeff Miller of Florida):

H. Con. Res. 312. Concurrent resolution expressing the sense of the House of Representatives that the scheduled tax relief provided for by the Economic Growth and Tax Relief Reconciliation Act of 2001 passed by a bipartisan majority in Congress should not be suspended or repealed; to the Committee on Ways and Means.

By Mr. CROWLEY (for himself, Mr. Diaz-Balart, Mr. Ballenger, Mr. Foley, Mr. Ramstad, Mr. Portman, Mr. Hastings of Florida, Mr. Hoeffel, Mr. Leach, Mr. Smith of New Jersey, Mr. Ackerman, Mr. Honda, Mr. Lantos, Mr. Weiner, Mr. Wexler, Ms. Roybal-Allard, Ms. Kaptur, and Mr. Cantor):

H. Con. Res. 313. Concurrent resolution expressing the sense of Congress regarding the crash of Transporte Aereo Militar Ecuatoriano (TAME) Flight 120 on January 28, 2002; to the Committee on International Relations.

By Mr. GRUCCI:

H. Con. Res. 314. Concurrent resolution recognizing the members of AMVETS for their service to the Nation and supporting the goal of AMVETS National Charter Day; to the Committee on Veterans' Affairs.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 15: Mr. Barr of Georgia.

H.R. 154: Mr. Wilson of South Carolina.

H.R. 162: Mr. Davis of Florida.

H.R. 183: Mr. Israel, Ms. Brown of Florida, and Mr. Stark.

H.R. 394: Mr. Wilson of South Carolina and Mr. Forbes.

H.R. 440: Mr. Thompson of California, Mr. Oberstar, and Mr. McInnis.

H.R. 488: Mr. Barrett, Mr. Kildee, Ms. Lofgren, and Ms. Woolsey.

H.R. 632: Ms. Kilpatrick and Ms. Brown of Florida.

H.R. 656: Mr. Otter.

H.R. 658: Mr. Nethercutt, Mr. Barcia, Mr. Tanner, and Mr. Green of Wisconsin.

H.R. 664: Mr. Vitter, Mr. Forbes, Mr. Wilson of South Carolina, and Mrs. Northup.

H.R. 747: Mr. Frank.

H.R. 774: Mr. Wilson of South Carolina and Mr. Kildee.

H.R. 776: Mr. Wilson of South Carolina.

H.R. 826: Mr. Reynolds, Mr. Doolittle, and Mr. Otter.

H.R. 854: Mr. Davis of Florida, Mr. Oxley, Mr. Wilson of South Carolina, Mr. Cunningham, and Mr. Udall of Colorado.

H.R. 948: Mr. Schiff, Mr. Honda, Mr. Langevin, Mr. Watt of North Carolina, and Mrs. Napolitano.

H.R. 951: Mr. Wilson of South Carolina, Mr. Cunningham, and Mr. Quinn.

H.R. 952: Mr. Cramer.

H.R. 990: Mr. Wilson of South Carolina and Mr. Forbes.

H.R. 997: Mr. Shows.

H.R. 1172: Mrs. Northrup.

H.R. 1247: Mr. Davis of Illinois.

H.R. 1296: Mr. Stump and Mrs. Thurman.

H.R. 1307: Mr. Israel.

H.R. 1322: Mrs. Lowey, Mr. Rothman, and Mr. Hoeffel.

H.R. 1354: Ms. Millender-McDonald and Mr. Fattah.

H.R. 1377: Mr. Wilson of South Carolina and Ms. Harman.

H.R. 1421: Mr. English, Mr. Weldon of Pennsylvania, Mr. Tiberi, Mr. Greenwood, Ms. Velázquez, Ms. Norton, and Mr. Reyes.

H.R. 1520: Mr. King, Mr. Bentsen, Mr. Matsui, Ms. DeLauro, Mr. Bachus, Ms. Lee, and Mr. Oberstar.

H.R. 1556: Mr. Cunningham and Mr. Schaffer.

H.R. 1609: Mr. Graves.

H.R. 1711: Mr. Inslee, Mr. Blumenauer, and Mr. Dicks.

H.R. 1764: Mr. Gutierrez.

H.R. 1779: Mr. Ferguson.

H.R. 1786: Mr. Bereuter.

H.R. 1795: Mr. Shimkus, Mr. Tiberi, Mr. Turner, Mr. Doyle, Mr. Upton, Mr. Weller, and Mr. Johnson of Illinois.

H.R. 1797: Mr. Foley.

H.R. 1828: Mr. Snyder.

H.R. 1841: Mr. Israel and Mr. Weiner.

H.R. 2037: Mr. Lampson, Mr. Thornberry, Mr. Callahan, Mr. Nussle, Mr. LoBiondo, Mr. Tanner, and Mr. Green of Texas.

H.R. 2074: Mr. Abercrombie.

H.R. 2207: Mr. Visclosky.

H.R. 2308: Mr. Cramer.

H.R. 2339: Mr. Abercrombie.

H.R. 2340: Ms. Norton.

H.R. 2341: Mr. Tom Davis of Virginia.

H.R. 2484: Mr. Kildee, Mr. Matsui, Ms. Norton, Mrs. Mink of Hawaii, and Mr. Simmons.

H.R. 2550: Mr. Blagojevich and Ms. Schakowsky.

H.R. 2629: Mr. Matsui, Mr. Quinn, Mr. Wilson of South Carolina, Mr. Kennedy of Rhode Island, and Mr. Doyle.

H.R. 2674: Mr. Frank, Mr. Larson of Connecticut, Mr. Holt, Mr. Andrews, Mr. Traficant, Mr. Oberstar, Mr. Boucher, and Mr. Wynn.

H.R. 2695: Mr. Tom Davis of Virginia, Mr. McInnis, Mr. Weller, Mr. Cunningham, Mr. Chambliss, Mr. Otter, Mr. Sam Johnson of Texas, and Mr. Simpson.

H.R. 2723: Mr. Baca.

H.R. 2795: Mr. Hastings of Washington and Mr. Otter.

H.R. 2817: Mr. English.

H.R. 2820: Mr. Neal of Massachusetts, Mr. Crowley, Mrs. Jones of Ohio, Mr. Schrock, Mrs. Emerson, Mr. Ackerman, Mr. Frost, Mr. Farr of California, Mr. Gordon, and Mr. Deutsch.

H.R. 2822: Mr. Weldon of Florida.

H.R. 2823: Mr. Weldon of Florida.

H.R. 2824: Mr. Weldon of Florida.

H.R. 2846: Mr. Souder.

H.R. 2931: Mr. Manzullo, Mr. Barr of Georgia, and Mr. Ryun of Kansas.

H.R. 3058: Mr. Israel, Mr. Rangel, Mr. Tiberi, Mr. Hastings of Florida, Mr. Luther, Mr. Coyne, Mrs. Myrick, and Mr. Jackson of Illinois.

H.R. 3068: Mr. Ehrlich.

H.R. 3113: Mr. Watt of North Carolina, Ms. Watson of California, Mr. Thompson of Mississippi, Ms. Jackson-Lee of Texas, and Ms. Kilpatrick.

H.R. 3130: Mr. Holt.

H.R. 3131: Mr. Coble, Mr. Boucher, Mr. Kucinich, Mr. Ramstad, and Mr. Coyne.

H.R. 3149: Mr. Hoekstra and Mr. Turner.

H.R. 3192: Mr. LaTourette, Mr. Wicker, Mr. Crane, Mr. Regula, Mr. Skeen, Mr. Culberson, Mr. Brown of South Carolina, Mr. Herger, Mr. Oxley, Mr. Platts, and Mr. Walden of Oregon.

H.R. 3215: Mr. Barr of Georgia.

H.R. 3229: Mr. Stenholm.

H.R. 3230: Ms. Harman.

H.R. 3231: Mr. Bachus, Mr. Frelinghuysen, Mr. Linder, Mr. Bonilla, Mr. Callahan, and Mr. Lewis of Kentucky.

H.R. 3236: Mr. Rahall and Mr. Langevin.

H.R. 3238: Mr. Larson of Connecticut, Mr. Langevin, Mr. Rothman, Mr. Udall of Colorado, and Mr. Markey.

H.R. 3250: Ms. Kaptur.

H.R. 3279: Ms. Schakowsky.

H.R. 3280: Ms. Lee.

H.R. 3289: Mr. Kucinich and Mr. Gibbons.

H.R. 3328: Mr. Turner.

H.R. 3331: Mr. Faleomavaega.

H.R. 3337: Mr. Clay, Mr. Fossella, Ms. McKinney, Mr. Tiberi, and Mr. Pastor.

H.R. 3352: Mr. Stupak and Mr. Lucas of Kentucky.

H.R. 3368: Mrs. Maloney of New York.

H.R. 3414: Mr. Snyder and Mr. Underwood.

H.R. 3424: Mr. Mica, Mr. Wolf, Mr. Doolittle, Ms. Millender-McDonald, Mr. Shuster, Mr. Berman, Mr. Hinojosa, Mr. Farr of California, Mr. Petri, Mr. Radanovich, Mrs. Northup, Mr. Matsui, Ms. Norton, and Mr. Wexler.

H.R. 3437: Ms. Millender-McDonald, Mr. Wilson of South Carolina, and Mr. Lampson.

H.R. 3450: Mr. Udall of Colorado, Mr. Lantos, Mr. Gutierrez, Mr. Brady of Pennsylvania, Ms. Solis, Mr. Clyburn, Mr. Engel, Mr. Hinchey, Mr. Price of North Carolina, Mrs. Johnson of Connecticut, Mrs. Maloney of New York, Mr. Matsui, Mr. Underwood, Mr. Wamp, Mr. Wexler, Mr. Kildee, Mr. Wynn, Mr. Dicks, Ms. Watson of California, Mr. Hastings of Florida, Mr. Langevin, Ms. Pelosi, Mr. Goode, Mr. Nussle, Mr. Putnam, and Mr. Foley.

H.R. 3475: Mr. Barr of Georgia.

H.R. 3498: Mrs. Thurman.

H.R. 3505: Ms. Eshoo, Ms. Harman, Ms. Lofgren, and Mr. Lantos.

H.R. 3524: Ms. McKinney.

H.R. 3565: Mr. McNulty, Mr. Abercrombie, Mr. Stupak, Mr. Doyle, Mr. Wynn, and Ms. Norton.

H.R. 3569: Mr. LaTourette, Mr. Gilchrest, Mr. Paul, and Mr. Oberstar.

H.R. 3580: Mr. Pickering and Mr. Engel.

H.R. 3584: Mr. Shays.

H.R. 3618: Mr. Etheridge and Mrs. Thurman.

H.R. 3623: Mr. Frank and Mr. Frost.

H.R. 3624: Mr. Souder, Mr. Crowley, Mr. Saxton, Ms. Berkley, Ms. Hart, Mr. Schrock, Mr. Bartlett of Maryland, Mr. Platts, Mr. Pence, Mr. Israel, Mr. English, Mr. Frost, Mr. Reynolds, Mr. Ferguson, and Mr. Weller.

H.R. 3626: Mr. Snyder and Mr. Pallone.

H.R. 3644: Mrs. Jones of Ohio.

H.R. 3645: Mrs. Mink of Hawaii and Mr. Brown of Ohio.

H.R. 3661: Mr. Brady of Texas, Mr. Wilson of South Carolina, Mr. Kildee, Mr. LaTourette, Mr. Graves, and Mr. Foley.

H.R. 3670: Mr. Blumenauer, Mr. Inslee, Mr. George Miller of California, Mr. Frost, Mr. Stenholm, Mr. Crowley, Mr. Abercrombie, Mr. Strickland, Mr. Moran of Virginia, Mr. Becerra, Ms. Norton, Ms. Kaptur, Mr. Boucher, and Mr. Costello.

H.J. Res. 6: Mr. Israel.

H.J. Res. 23: Mr. Bachus and Mr. Portman.

H. Con. Res. 99: Mr. Oberstar and Ms. Jackson-Lee of Texas.

H. Con. Res. 104: Mr. Udall of Colorado and Mr. Menendez.

H. Con. Res. 164: Mr. Costello and Mr. Holt.

H. Con. Res. 177: Mr. Costello and Mr. Filner.

H. Con. Res. 238: Mr. Filner.

H. Con. Res. 269: Mr. Coyne, Ms. Berkley, Mr. Doyle, and Mr. Holt.

H. Con. Res. 284: Mr. Baldacci.

H. Con. Res. 285: Ms. Carson of Indiana, Ms. Schakowsky, Mr. Dingell, Mr. Sabo, Mr. Lantos, and Ms. McCollum.

H. Con. Res. 290: Mrs. Clayton.

H. Con. Res. 298: Mr. McNulty.

H. Con. Res. 305: Mr. Ney and Ms. Dunn.

H. Res. 295: Mr. Tom Davis of Virginia.

H. Res. 325: Mr. McGovern and Mr. Frost.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 3394

OFFERED BY: MR. HASTINGS OF FLORIDA

AMENDMENT NO. 1: At the end of the bill, insert the following new section:

SEC. 13. MINORITY PARTICIPATION.

In carrying out the programs authorized by this Act and the amendments made by this Act, the Director and the Director of the National Institute of Standards and Technology shall ensure that—

(1) at least 10 percent of the fellowships awarded to individuals are awarded to individuals who are a member of an underrepresented minority; and

(2) at least 5 percent of the grants made to institutions of higher education are made to historically black colleges and universities.

SENATE—*Tuesday, February 5, 2002*

The Senate met at 10 a.m. and was called to order by the Honorable HERB KOHL, a Senator from the State of Wisconsin.

The PRESIDING OFFICER. The Senate will be led in prayer by our guest Chaplain, CPT Leroy Gilbert, Chaplain of the U.S. Coast Guard.

PRAYER

The guest Chaplain offered the following prayer:

Let us pray.

Eternal God, before the United States Senate begins its deliberation, we pause to give You thanks and invoke Your blessings and presence upon the Senators, their staffs, and all those who work in the Senate, as they transact the business of our Nation.

Lord, we are thankful for our system of government where opinions and divergent views are discussed and analyzed to form synergistic policies that are best for our country.

Dear God, may the words of the psalmist, "blessed is the nation whose God is the Lord" (Psalm 33:12), remind us that America has a divine calling to be a "nation under God." May we never forget the foundation upon which this Nation was built, sustained, and blessed, because Your word gives us wisdom to know that "all the nations that forget God return to the grave."—Psalm 9:17. We come before You today, dear God, as a nation that has not forgotten its allegiance and motto, "In God We Trust." May every decision made in the Senate bring honor to God and make of us a stronger, better, and safer Nation.

Lord, this Nation is faced with new and unexpected challenges that jeopardize the American way of life, our safety, and liberty. Many have said that after September 11, America will never be the same. If this great Nation has to change, then Lord, mold America and make it even greater. Change us to bring out the best in us for the good of humanity. Bless the Senators with spiritual wisdom and insight to make good decisions to keep America united, strong, efficient, and equal to her tasks.

As we resolve to stand united as a country, dear Lord, we pray the prayer that is written in the hearts of every American: "God bless America, land that I love, stand beside her and guide her, through the night with the light from above. From the mountain to the prairies, to the ocean white with foam. God bless America our home sweet home." In Thy name we pray. Amen.

PLEDGE OF ALLEGIANCE

The Honorable HERB KOHL led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 5, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HERB KOHL, a Senator from the State of Wisconsin, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KOHL thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

SCHEDULE

Mr. REID. Mr. President, this morning, after a brief period of morning business, at 10:15 a.m. the Senate will proceed to executive session to consider the nomination of Philip Martinez to be a United States district judge. Debate on the nomination is limited to 15 minutes equally divided. At 10:30 a.m., the Senate will vote on the confirmation of this nomination.

Following that vote, the Senate will resume debate on the economic recovery stimulus package. Other votes are expected today with respect to that bill. As a reminder to Members, cloture has been filed on the Daschle and others substitute amendment. All first-degree amendments must be filed by 12:30 p.m. today. In addition, the Senate will recess at 12:30 p.m. for the weekly party conferences.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:15 a.m., with Senators permitted to speak therein for up to 5 minutes each.

The Chair recognizes the Senator from Nevada.

Mr. REID. Mr. President, I ask unanimous consent that the next 10 minutes be equally divided between the minority and majority.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask the Chair to inform me when I have used the 5 minutes.

The ACTING PRESIDENT pro tempore. The Chair will do so.

THE BUDGET

Mr. REID. Mr. President, I think it is important to note, with the President having submitted to us his budget, that we have had a $5 trillion surplus disappear in the last 8 months.

Earlier this month, the Congressional Budget Office confirmed that since passage of the tax cut in May, the surplus projected for the period of 2002 to 2011 declined by $4 trillion. The President's new tax-and-spend proposals would consume another $1.3 trillion or more over this period.

I acknowledge that some of this is as a result of the war being conducted, but that is just some of it. As all political scientists and economists have reported in the last few months, the majority of the problem is other economic problems that have developed since this administration took office. It is clear that the Republican fiscal management forces a $1.5 trillion raid of the Social Security trust funds. There is also a raid on the Medicare trust funds of some $300 billion.

So I think we must acknowledge we have some serious problems that are going to have to be talked about in the next month or so as we get ready to do a budget for this Congress.

We have what should be called deceptive bookkeeping. We have broken the bipartisan commitment to save Social Security trust fund surpluses. The administration has submitted to us an unbalanced budget. Clearly it is unbalanced. And they have used the Social Security surpluses to mask the unprecedented fiscal reversal seen in the last 8 months and to pay for exploding tax cuts that primarily benefit a wealthy few while jeopardizing retirement security for all Americans.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

In addition to this deceptive accounting practice, the administration's budget breaks with a decade-long tradition by only providing details for the next 5 years, even as the administration offers new tax-and-spend proposals with enormous costs that are not felt until later years. The reason they are not doing the 10-year forecast is that the deficits explode in those outyears. This gimmick hides the full budgetary impact and irresponsibility of the administration's fiscal proposals.

The budget also resorts to other—for lack of a better description—gimmicks. Examples include unrealistic restraints on future nondefense discretionary spending, unspecified future Medicare cuts, and proposing budget cuts that have been repeatedly rejected.

Mr. President, I reserve the remainder of the majority's time.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I would like to make some comments in relation to the remarks the Senator from Nevada just made—not in disagreement with anything he said, but to supplement them and to put them in proper perspective.

In regard to tax cuts and the war on terrorism and their impact on the deficit, even after the tax cuts of last year, we are still going to have a level of taxation that is as high as we had in World War II. The war on terrorism is taking our resources because, obviously, we have to put every resource we can into winning the war or it might not be won. And we are still going to have a level of taxation that was similar to the times of other wars. The benchmark we use is World War II, when taxes were at about 20.6 percent of gross national product.

I ought to correct myself. At the end of 10 years, we would probably still have taxes a bit less than they were in World War II. But right now, they are at that level, even considering the tax cuts we passed.

The war on terrorism has been one of the reasons we are in deficit. Also, the tax cuts are a reason there will be deficits. There are deficits because of the recession we are in right now, most of which was caused by the war acts of September 11, but also remember that the downturn in the economy, as far as manufacturing is concerned, started 19 months ago, in March of the last year of President Clinton's administration. Also remember that 50 percent of the loss of the Nasdaq took place in the last year of the Clinton administration. As far as the economy is concerned, the downturn started before President Bush ever took office, before we ever knew that the dastardly acts which occurred on September 11 would ever happen to us.

I want to comment on a fact that is true, that this does affect Social Security. In a unified budget, Social Security is considered part of the deficit or part of the surplus, but it is wrong to refer to a situation for Social Security different now than a year ago when we anticipated a $5.8 trillion surplus.

This is a historical fact about Social Security that has never changed since 1936: Whether we have a unified budget, which we have had since 1967 when President Johnson instituted it, or whether we have separate pots of money—some for Social Security, some for Medicare, some for disability, some for highways, some for airports—our different trust funds, the way Social Security has been accounted for has not changed since 1936. It is this simple: Since 1936, the Social Security payroll money has been paid into a trust fund. That trust fund has had some sort of a surplus since 1936 except for the years 1982 and 1983. My colleagues will remember, at that particular time when we did not have a surplus, we borrowed money from Medicare to keep Social Security checks going until we bailed it out.

Since 1936, Social Security moneys have always been handled the same way. They have been put in the Social Security trust fund and the surplus has been invested in non-marketable Government securities. That has not changed since 1936, whether we have had unified accounting or whatever the situation has been.

I yield the floor.

Mr. THOMAS. Mr. President, has the time for morning business expired?

The ACTING PRESIDENT pro tempore. Under morning business, the time for the minority has expired.

Mr. THOMAS. I thank the Chair.

Mrs. HUTCHISON. Mr. President, is it in order now to talk about Judge Phil Martinez?

EXECUTIVE SESSION

NOMINATION OF PHILIP R. MARTINEZ TO BE UNITED STATES DISTRICT JUDGE

The ACTING PRESIDENT pro tempore. The Senate will now proceed to executive session to consider the following nomination, which the clerk will report.

The assistant legislative clerk read the nomination of Philip R. Martinez, of Texas, to be United States District Judge for the Western District of Texas.

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be 15 minutes evenly divided between the chairman and ranking member of the Judiciary Committee.

Who yields time?

The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I am sure the distinguished chairman of the committee will be here shortly. I am very pleased that I am the first person to speak on behalf of Judge Phil Martinez to be a United States District Judge for the Western District of Texas.

Of all the courts in the country that are desperate for judges, those on the United States-Mexico border have the most critical need. According to statistics from 2000, the Western District of Texas handles the most criminal cases in the country, 4,434 per year, while the Southern District of Texas, for which Randy Crane awaits confirmation, has the third highest level after California's Southern District.

Currently, the Western District of Texas is facing a criminal caseload of 1,983 pending cases and 2,758 defendants waiting for trial because we do not have these judgeships filled.

In El Paso, 884 cases are pending overall, more than any other region in the district. Each day, more cases are added, overwhelming an already overburdened Western District. Relief is needed.

Our war against terrorism is heating up as well as our war on drugs. Therefore, it is more crucial that we have highly qualified judges and law enforcement officials in charge of our justice system along the United States-Mexico border. This is a decisive time for our Nation and our borders.

Senator DIANNE FEINSTEIN and I have introduced a bill to expand the number of Federal courts along the border. While I encourage Senators to support that bill, I also urge my colleagues to expedite the confirmation of border prosecutors and other judges such as Judge Martinez and Randy Crane.

At the same time, certainly we must be very careful with the selection of U.S. district judges because, as we all know, they have lifetime appointments. That is why I am very pleased to recommend Judge Martinez.

Judge Martinez has presided over a State district court in El Paso since 1991. Previously, he was a judge of a county court at law, having been elected by the people of El Paso. He has also been a practicing lawyer with the firm of Kemp, Smith, an excellent firm in El Paso. He has more than 10 years of experience at the trial court level, presiding over felony, juvenile, and civil cases. In 1979, Judge Martinez graduated from the University of Texas-El Paso with highest honors, receiving his law degree in 1982 from Harvard University.

In addition, he has been a director of the El Paso Legal Assistance Society, the El Paso Holocaust Museum, the El Paso Cancer Treatment Center, and the Hispanic Leadership Institute. He was named the 1991–1992 El Paso Young Lawyers Association's "Outstanding Young Lawyer" after winning its 1990 Outstanding Achievement Award.

Judge Martinez is known in El Paso as a brilliant thinker and an effective and hard worker. He is known to make fair and thoughtful judgment based on principle. I cannot think of anyone to better fill the pending judicial vacancy in El Paso at a pivotal time for this court.

I am very pleased to recommend to my colleagues Judge Phil Martinez to be a United States district judge for the Western District in El Paso.

Thank you, Mr. President. I yield the floor.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Utah.

Mr. HATCH. Mr. President, I join in the remarks of the distinguished Senator from Texas, and I rise also to express my enthusiastic support for Philip R. Martinez who has been nominated to be a U.S. District Court judge for the Western District of Texas.

Judge Martinez is an extremely well-qualified nominee who has distinguished himself with hard work, and he has a fine intellect. He will do great service for the citizens of our country.

Judge Martinez graduated from Harvard Law School in 1982 and thereafter developed a commercial litigation practice involving antitrust, securities fraud, deceptive trade practices, contract, and, of course, banking issues. He was elected to serve as a judge in El Paso County Court of Law No. 1 for a 4-year term beginning in January 1991, and he resigned this position in October 1991 to accept appointment by the Governor to the 327th Judicial District Court. He was subsequently elected to this position for a 2-year term beginning in January 1993 and reelected for consecutive terms thereafter. Clearly, he has the experience and temperament required for this position.

While I am speaking about Judge Martinez's qualifications, I would be remiss not to make an observation or two about how judge Martinez's nomination fits into the bigger picture of how the Senate is treating judicial nominees this year. As I mentioned 10 days ago, I think we started off the session with appropriate diligence. Chairman LEAHY scheduled a hearing the first week we were in session on one circuit court nominee and five district court nominees. That same week we voted on two district court nominees that had been held over from the end of the last session.

Yesterday we had a vote on Callie V. Granade, and after today there will be no more holdovers from last year. So I commend the chairman and the Democratic leader for getting off to a good start.

Judge Martinez's nomination also provides a useful example of how, contrary to some unsupported insinuations, the White House has worked with us, consulted appropriately, and reached across the aisle to find good bipartisan nominees. Judge Martinez, who belongs to the El Paso County Democratic Party, received strong support from both of his home State Senators. He is a highly qualified Hispanic of Mexican descent who will add an important point of view to the bench.

I sincerely hope that our record so far this year is not a false start. The Judiciary Committee in the Senate should continue to step up the pace of hearings and votes on judicial nominees. No one can dispute that we have plenty of work to do.

Taking account of today's vote, there are 98 vacancies on the Federal judiciary. We have received 24 new nominations already this year. Added to the 34 nominees after today who saw no committee action last session, we will now have a total of 59 nominees pending in the Senate. I am optimistic that we will confirm all of these and then some. Our yardstick for 2002, President Bush's second year in office, is 1994, the second year of President Clinton's first term. That year the Senate confirmed 100 judicial nominees. I am confident the Republicans and Democrats can work together to achieve and perhaps even hopefully exceed 100 confirmations in 2002.

So I look forward to working together with Chairman LEAHY and my colleagues on both sides of the aisle and on both sides of the committee to accomplish this goal. I appreciate the work of my colleagues on the other side in doing this work, because the Federal judiciary is in a crisis and we have to do something about it. The best we can do is take these nominees up and vote on them and hopefully get them confirmed so they can get on the bench and help us during this time of crisis where we do have an awful lot of pressure on the Federal judiciary.

I appreciate, Mr. President, that you are a member of Judiciary Committee, and I just want to remark on your fine work on the committee through the years.

With that, I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. THOMAS. Mr. President, I ask we move forward with the vote.

The ACTING PRESIDENT pro tempore. All time having expired, the question is, Will the Senate advise and consent to the nomination of Philip R. Martinez, to be a U.S. District Judge for the Western District of Texas? On this question, the yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KERRY) and the Senator from Georgia (Mr. MILLER) are necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Mississippi (Mr. LOTT), and the Senator from Mississippi (Mr. COCHRAN) are necessarily absent.

The result was announced—yeas 93, nays 0, as follows:

[Rollcall Vote No. 12 Ex.]

YEAS—93

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lugar
McConnell
Mikulski
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Stabenow
Stevens
Thomas
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NOT VOTING—7

Cochran
Kerry
Lott
McCain
Miller
Specter
Thompson

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is laid on the table. The President shall be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent to speak in morning business for about 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION OF THE ENERGY BILL

Mr. MURKOWSKI. Mr. President, as ranking member of the Energy and Natural Resources Committee, I bring to the attention of my colleagues a situation which I think bears some light.

We have a unique set of circumstances surrounding the manner in which the energy bill is likely to come up before the Senate. I understand that unofficially a date has been set for February 11.

What we have before us is a bill that has been proposed by the majority leader with the assistance of the chairman of the committee, Senator BINGAMAN. The problem with the process is that bill has not been referred to the committee of jurisdiction; that is, the Energy and Natural Resources Committee.

The question is, Why in the normal course of events would a bill under the jurisdiction of the committee not be referred to that committee? To suggest that there is an effort to obstruct the process by giving Members input on the bill through the normal process of amendments is a travesty of the process associated with the traditions of the Senate.

Let me outline where the inconsistencies are.

The Commerce Committee is holding markups on aspects of the energy bill concerning CAFE standards, as they should. Senator HOLLINGS, chairman of that committee, insisted that prior to any developed input on an energy bill CAFE standards be addressed in the committee of jurisdiction; namely, Commerce. I have no objection to that. That is quite appropriate. But it brings me back to the reality that the committee of jurisdiction on the underlying bill has not been given the opportunity. In fact, the majority leader has indicated to the chairman of the Energy Committee that the matter not be taken up before the Energy Committee. One can only wonder why.

Obviously, there are portions of the energy bill with which the majority leader disagrees. I can understand that. But to circumvent the committee process is what I find unacceptable.

Let me give you another example of an inconsistency associated with the energy bill; that is, certain tax incentives that are proposed to expand our energy production, particularly in the area of renewables and new technology.

The Finance Committee, which Senator BAUCUS chairs, is in the process of holding markups, in detail, on portions of energy-related tax matters. So here we have two committees, neither of which have the underlying jurisdiction associated with the energy bill, and their chairmen are proceeding with hearings on their portions of the energy bill; namely, those associated with tax provisions in the Finance Committee and those associated with CAFE standards in the Commerce Committee.

So I would ask the majority leader why he refuses to allow the committee of jurisdiction to hold markups to encourage the participation of members of the committee to review, if you will, or have any input in the bill that is before the Senate as submitted by the majority leader.

This bill has had no referrals to the Energy Committee. It has had absolutely no input from the minority side—Republican members—of that committee. I fail to understand the rationale of the majority leader in refusing to allow the committee of jurisdiction to hold a markup. Perhaps there is a concern the majority leader has relative to how any votes would go outside of the parameters of the legislation which he and Senator BINGAMAN have introduced.

I think it is also a reflection on myself, as the ranking member, and Senator BINGAMAN, as the chairman of the committee, to have our committee circumvented by the dictate of the majority leader. Yet at the same time the majority leader, I assume, is knowledgeable and allows the Committee of Commerce and the Committee of Finance to address their portions of legislation that would be included in the underlying bill.

I bring this matter to the attention of other Members because I think it suggests that clearly the majority leader is attempting to obstruct the legislative process. This bill belongs in the Energy Committee. The Energy Committee has every right to proceed to discuss and consider aspects of this very important legislation. After all, this is one of the President's underlying priorities, along with trade legislation and stimulus. And now that the majority leader has given us an opportunity to have a date to take up energy—namely, the date of February 11—we find ourselves in the position where we have had absolutely no input in this legislation.

We have had a bill in since over a year ago, a comprehensive energy bill. We can look forward to the debate and proceed with amendments to the majority leader's bill. We can consider substitutions. But I want my colleagues to know that the committee of jurisdiction has been circumvented, with no reasonable explanation. Yet the other committees have been allowed to proceed.

I do not know whether to pursue this further, in the sense of asking my colleagues, collectively, if this is the way they believe the Senate should be run or whether we should proceed with a sense of the Senate relative to one committee, for all practical purposes, ostracized by the majority leader by not allowing the committee of jurisdiction to take up this matter. But I communicate to my colleagues that I believe this is a grave injustice. It is a reflection on myself and it is a reflection on the committee chairman, inasmuch as our responsibility has been circumvented. The majority leader has simply decided, without the input of the committee of jurisdiction, to proceed with this legislation coming up on the floor.

I encourage my colleagues to reflect on what is happening. I think it is a retreat from tradition. I find it very objectionable, and I cannot understand why the majority leader would obstruct the process associated with the responsibility of a committee of jurisdiction.

Mr. President, I am going to have more to say about this matter as time goes on, but I do appreciate the opportunity, in morning business, to bring this matter to the attention of my colleagues.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Will the Senator withhold for a unanimous consent request?

Mr. KYL. Certainly.

The PRESIDING OFFICER. The Senator from Nevada.

MORNING BUSINESS

Mr. REID. Mr. President, I have been speaking at some length this morning with Senator NICKLES. We also spent some time with Senator GRASSLEY and the majority leader. It would be in everyone's interest for the next hour to continue with discussions off the floor dealing with the stimulus package and also with the agriculture bill, which we hope can be brought up in the near future. Those discussions are ongoing.

I think the discussions have been conducted in good faith. We have spent a lot of time on this economic stimulus bill, and not being in the Chamber debating and offering amendments I do not think is going to take away from our ability to do the bill or not do the bill. We already have pending—I do not know the exact number—probably 20 amendments we have not disposed of.

Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business, with Senators permitted to speak for up to 10 minutes each, until 12:30 p.m. when we recess for our party conferences.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, at this time, I tell my friend and colleague, I will not object because I have a great deal of respect for him. We are ready to proceed with a lot of amendments on the stimulus bill. My colleague from Arizona has an amendment to make the estate tax elimination permanent. As people know, it is effective for 1 year and goes off the books; it sunsets. It should be made permanent. We have other amendments dealing with net offset carryback for 5 years. We would like to have a vote on that amendment. We have amendments that we believe will help stimulate the economy. We would like to have votes on them.

I guess we can go into a period for morning business, have the caucuses, and people can strategize. Democrats and Republicans do have several amendments pending. Frankly, a lot of us would like to vote on those amendments to improve the package the majority leader introduced, which we believe comes up a little short.

I am not going to object to his request for a period for morning business. My understanding is we can debate the stimulus package through that period. But I hope we will have a chance for Democrats and Republicans to offer their amendments later today and tomorrow. So I mention to my colleague, who is my very good friend, that we want to have some votes to improve this package today, but I shall not object to his request.

Mr. KYL. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I have a question for the Senator from Nevada. We are going back on the bill immediately after our respective caucuses; is that correct?

Mr. REID. That is the regular order.

Mr. KYL. I do not object.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Arizona.

REPEAL OF THE DEATH TAX

Mr. KYL. Mr. President, given the fact we are in morning business, I wish to speak to the question of the repeal of the death tax to which the Senator from Oklahoma just referred. As my colleagues will remember, of course, the repeal of the death tax was part of the tax package that was passed earlier in the year, but because of the unique procedures of the Senate and the rules under which we operate, we could only look to a 10-year period, as a result of which, perversely, we phase down the death tax and end up repealing it in the ninth year, so it is only effective for 1 year before the whole thing sunsets and we go right back to the current situation with respect to the application of the death tax.

I do not think most Americans realize that is what has happened, but people who have to plan for their estates do realize it has happened. This is why a permanent repeal of the death tax now would be so helpful as a stimulus to the economy because all of the estate tax planning, the insurance, and all the other activities people have to do to provide against the possibility of paying the death tax must continue, as it has in the last many years, with the uncertainty of knowing whether or not, if ever, it is going to be permanently repealed and the expenses of all that have to continue to be incurred, expenses that could be put into investments so we could create jobs for our economy, precisely what the President has talked about doing with his stimulus package.

It is time for us to complete the job we began and see to it that the repeal of the death tax is, in fact, permanent and, therefore, meaningful.

Let me note some of the uncertainty that the lack of total repeal causes our family businesses, our farms, and individuals.

As I said, the business owners are going to continue to have to do the estate planning that is costly, cumbersome, and time consuming. If we repeal permanently the death tax, then these resources can be reinvested directly into these businesses, thus creating new job opportunities and providing a much needed boost to local economies.

In June 2001, a bipartisan majority of Congress did, in fact, act responsibly and provided this repeal of the death tax, much needed relief to our American families, with that historic tax package. But if we do not finish the job, we are going to be held in limbo with respect to the death tax because it comes right back into play after the end of the 10-year period.

The amendment I have offered will not be voted on until perhaps this afternoon. It will repeal the death tax forever so that our children and grandchildren will not have to worry about it or plan to have to pay for it.

Actually, last year's tax legislation has had the perverse result that more planning is necessary to deal with the death tax than currently is the case. Accountants, lawyers, and insurance companies are having a field day, frankly, with the uncertainty that is encapsulated in the current state of the death tax legislation.

More planning is needed now because nobody knows for sure if and when it will ever be fully repealed.

The sunset provision adds to the complexity of future death tax planning, increasing wasteful costs that are an unproductive drag on our economy. Until permanent repeal is certain, family businesses, farms, and ranches must continue to pay the high cost of life insurance policies, death tax planners, and tax attorneys. These expenses total more than $12 billion a year according to CONSAD Research Corporation in a study, "The Federal Estate Tax: An Analysis of Three Prominent Issues." That is money that could be saved, could be reinvested in these businesses to create the kinds of job opportunities the President is talking about in urging us to move on with an economic stimulus and job creation package.

Clearly, burying the death tax will enable family businesses, farms, and ranches to begin investing those billions and start providing more stimulus. A more efficient utilization of these resources will result in an immediate stimulus for the economy. More workers will be hired, more capital assets purchased, and more productive goods produced if we eliminate the confusion over the death tax's repeal.

I think we all understand why we repealed the death tax in the first instance. In addition to the fact that a huge amount of money is spent on estate tax planning, studies indicate we spend about the same amount each year on the estate tax planning as is paid in estate taxes altogether. So it is really a double taxation. We are paying an amount of money to deal with the eventuality of paying an estate tax, and that is paid by a lot of people who do not end up paying the tax but end up having to pay the expenses of dealing with the existence of a death tax, and then an equal amount of money is spent in the estate tax itself.

In 2009, families, frankly, who are grieving their lost ones will be faced with a potentially high 45-percent death tax rate. Fortunately, they are going to be able to utilize a $3.5 million death tax exemption which was enacted into law last year, but in 2010 families grieving for lost ones will avoid the death tax entirely. They will only have a total of $5.6 million of stepped-up basis, but that will effectively exempt them from all future capital gains tax, a tax in any event of which they would control the timing.

Then in 2011, families grieving their lost ones will feel the wrath of a resurrected death tax returned to its 2001 rate potency. Rates will be as high as 60 percent with a paltry $675,000 death tax exemption. That is the way our repeal, at midpoint of last year, worked. So it is a very unfair and arbitrary treatment for the death of family members, as well as, as I said before, creating perverse economic incentives.

One can only imagine the extremes to which a family will go to keep fatally ill family members alive in 2009. Nobody wants to predict or argue for anyone to die in any particular year, and that is exactly the perverse nature of the code that we have created now. Unless one dies in the year 2010, they have a big problem. And for heaven's sake, do not wait to die until the year

2011. Now what kind of tax policy is that, where we say if one dies in the year 2010 they get full benefits of repeal but if they hang on to life and die a year later they are right back to where they were a year ago with a 60-percent tax rate and an exemption that does not cover most of the family farmers and businesses that we are talking about? That is horrible moral policy. It is horrible economic policy. It cannot be the policy of the U.S. Government and yet that is exactly what our repeal last year resulted in, the reinstitution of the tax in the year 2010. It is an outrage that our Tax Code would incorporate such arbitrary and immoral incentives.

Of course that is not what we intended when we repealed the tax. It is not what we intended when a bipartisan majority voted on that repeal and passed it. We really wanted it to be forever, but again it was the rules of the Senate that limited us to a 10-year program. So the best solution would be to finish the job and permanently repeal the death tax effective January 1, 2002. By making the tax repeal permanent in 2010, Congress can keep the promise it made last year. I think this is the only moral way we can respond to this very immoral tax.

I will have more to say when we actually debate the amendment, but I close by asking my colleagues to allow us to present this amendment and have an up-or-down vote on it without playing parliamentary games. It is possible that somebody could second degree this amendment. We could play the game by second degreeing it. We could second degree somebody else's amendment with this amendment. We can do all of those things, but I think the American people would like for us not to be playing games.

When I go home, that is what I hear all the time: Why do you guys go back to Washington and play all of these, as they say, partisan games?

The repeal of the death tax and the passage of the tax bill was a successful bipartisan effort. So I think it is important the majority of us who approved that tax package, including the death tax provisions, be given an opportunity to vote up-or-down on this amendment, which finishes the job we started, and enable us to vote to repeal the death tax permanently. If we cannot get that kind of a vote, then all we are doing is hiding from the American people our views with respect to this issue and allow a lot of people to say, oh, sure, yes, I voted for repealing the death tax knowing full well that it was not an effective appeal because it only existed for 1 year.

One better not wait to die the following year if they want to get the advantage of what we did. That is a perverse policy. So I urge my colleagues to allow this vote, up or down, on the death tax amendment. We will be bringing it up this afternoon.

I am looking forward to a spirited debate on it. At the conclusion of that debate, we need to stand up for what is right and true and vote yes or no. If my colleagues do not want to make it permanent, then stand up and say so and let everybody know exactly where they stand.

I think the majority of us are going to want to finish the job we started, make this tax cut permanent, allow the people who otherwise would have to spend $12 billion a year or more on estate planning to put that money into more productive enterprises, to create jobs and help us get out of the economic doldrums our country is in today.

It is good policy for the economy but, more importantly, it is good policy for small businesses, farms, and the American people.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Is there a time limit on morning business?

The PRESIDING OFFICER. Up to 10 minutes.

Mr. GRASSLEY. I ask unanimous consent to have 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

BENEFITS OF THE 2001 TAX RELIEF BILL

Mr. GRASSLEY. Mr. President, I refer to an article on page 6 of the Washington Post this morning where there is a quote from colleagues in this body and in the other body about the President's budget. I refer to this comment from the ranking Democrat on the House Budget Committee, Congressman SPRATT:

> When it comes to waging a war on terrorism, the President has our total support, but national security and homeland security need not come at the expense of Social Security.

Philosophically, that is a good argument. It is an accurate argument for us to be using, but the inference is that with the President's new budget there is some sort of a new game in town, that because we do not have a general fund surplus, because we have to spend more money because of the war on terrorism, as well as the domestic aspect of the war on terrorism, we are going to take Social Security money to finance that because there is otherwise a debt. The implication is this is some new policy.

The point I make is that this kind of talk is misleading because seniors become frightened that they might not receive their Social Security payments. Conservatives may feel as if there is not any fiscal discipline in Washington. Compared to the last 4 years, we have paid down on the national debt in the last 4 years on a relative basis. But conservatives might be concerned that there is no concern about fiscal discipline when it comes to Social Security. But, in fact, there is no new policy in town.

The point I make is since Social Security was started in 1936, except for about 18 months in the years 1982 and 1983, it has had a positive cashflow, more money coming in from the Social Security payroll tax than has been paid out in benefits. As we anticipate that for the future, that will be true for another 14 years, or so.

So for people who read this statement by Congressman SPRATT—and I quote: When it comes to waging war on terrorism, the President has our total support, but national security and homeland security need not come at the expense of Social Security—I say it is not coming at the expense of Social Security. Nothing has changed on Social Security since 1936. We have a positive cashflow today. We have had a positive cashflow every year except for 18 months in 1982 and 1983, and we will have a positive cashflow in Social Security for at least another 13 or 14 years. National security and homeland security are not coming at the expense of Social Security, I say to the distinguished Congressman in the other body.

Since we still have a positive cashflow in the year 2002, and we had a positive cashflow starting when the tax was first implemented, except for those 2 years, what happens with Social Security money? The disposition of Social Security money is the same today, last year, and years we have been running a surplus in the unified budget, and for a long time back. The surplus is invested in Treasury bonds because those are considered the safest investment for retirees. They draw interest. The interest accrues to the benefit of Social Security. That positive cashflow invested in Treasury bonds, plus the interest that is accrued, is going to be used to pay Social Security benefits when there is a negative cashflow in some future year. That is the way Social Security was set up. That is the way it has been operated since it was implemented in 1936. That is the way I believe it will be for a long time into the future.

National security and homeland security is not coming at the expense of Social Security. Let me give a parallel analysis. I will use the highway trust fund. In my State, it is the road use tax fund. At the Federal level it is the highway trust fund. All of the gas tax money goes into the highway trust fund. It is paid out of that highway trust fund for transportation, mostly for highways. It is not used for anything else. There are times, though, that the Federal Government decided they did not want to spend all the highway trust fund money. It was invested in Treasury bonds, as well. And it was not used to buy bombs and guns and pay military pay. Over a period of years a lot of money accumulated.

In the last highway bill, Congress decided we ought to spend down that money that accumulated in the highway trust fund, and we spent it down. Not entirely, but we are spending it down. Consequently, if you can take that money that accumulated in the highway trust fund, that was not spent on roads on a current basis, but later was and is being spent for highways, it is exactly the same for Social Security. Moneys accumulate, with interest accruing to the trust fund, to be spent when it is needed, in the same way that the gas money, when it was not spent on highways, accumulated and later Congress decided we ought to spend more money on highways and we spent more money on highways.

It is one of the facts of trust fund accounting. The problem comes when we put Social Security in the context of a unified budget that it somehow gets lost in the public's mind. I assure the public that the implication of the statement by the ranking Democrat on the House Budget Committee, Congressman SPRATT, that the President's war on terrorism, the American people's war on terrorism could somehow be paid for by Social Security. In fact, it is not being financed by Social Security money.

TAX RELIEF

Mr. GRASSLEY. Mr. President, I will comment also on the tax relief bill signed by the President of the United States on June 7, the tax bill that Senator BAUCUS and I wrote in a bipartisan way, to get passed last year. I will concentrate on the stimulative impact on the tax bill of last year because now, being in a recession and being on another stimulus package, I don't think we ought to lose sight of the fact that the tax bill of last year is having some economic good at a time most needed, in a time of recession.

It does contain a significant number of tax reduction and tax relief provisions that will go into effect and should help build consumer confidence. Part of the economy may be uncertain, but the tax outlook is clear: Under the law we passed, Federal income taxes have declined and will continue to decline over the next 10 years. Taxpayers can take that knowledge to the bank, regardless of Senator KENNEDY's suggestion that we not allow the remaining provisions of the tax bill to go into effect.

Obviously, I don't think Congress should stop here. Our huge economy needs a shot in the arm. The tax bill of last year will help to provide that shot in the arm. It contains a generous amount of relief for individual taxpayers. Some of the measure's tax cuts went into effect last year and many other provisions became effective January 1 of this year. Those are the provisions I will address.

There is a new 10-percent rate bracket. The act created a new 10-percent regular income tax bracket for a part of taxable income that had otherwise been taxed at a higher rate of 15 percent. The 10-percent bracket applies to the first $6,000 of taxable income for single individuals; $10,000 of taxable income for heads of household; and $12,000 for married couples filing jointly. This is effective beginning after December 31, 2000. That money is out there to stimulate the economy right now, but it will continue this year and next year and into the future.

We had a reduction in other individual tax rates, the regular income tax rates phased down over 6 years. So effective July 1 of last year through 2003, the 28-percent rate is cut to 27 percent. We hope in this economic stimulus package to speed that one rate up, it be reduced to 25 percent right now to help middle-income taxpayers and to stimulate the economy at the same time. However, as written in last year's tax bill, the 31-percent rate is cut to 30 percent right now. The 36-percent rate is cut to 35 percent right now. The 39.6-percent rate is cut to 38.6 percent.

Eventually, all these separate rates, after this phase-in period is done, will become 25 percent, 28 percent, 33 percent, and 35 percent, respectively.

An increase and expansion of the child tax credit is surely going to help families, particularly middle-income families, particularly those in the $30,000-a-year income tax range, with their family needs, putting more money in their pockets. It is going to be a stimulus to the economy. The child credit was expanded to $600 per child, immediately through the year 2004; it goes up to $700 through the year 2008; $800 through the year 2009; and finally, $1,000 in 2010. But, more important, the child credit was made refundable to the extent of 10 percent of the taxpayer's earned income in excess of $10,000 for the years 2001 through 2004, and this is increased to 15 percent after the year 2005.

I emphasize that because of all the people who say the Tax Relief Act of last year was for the wealthy. A refundable credit is helping people of the lower income tax bracket very much. For example, in the year 2001, a single mother with two children, making $15,000, received a credit of $500. This single mother likely now will receive a bigger tax refund check when she files her 2001 tax return by April 15. This expansion of the child credit will ensure that millions of low-income families, not rich people, will now receive the benefit of this child credit. For those people who spend so much of their income, maybe all of it in some cases, they are going to have more money to spend, and that is going to stimulate the economy.

Then we have the extension and expansion of the adoption tax credit, not so much as a stimulus to the economy but because stable families are very important to our society. Moving children out of foster care into a home where they can actually have a mom and dad is very important social policy. So we move the tax credit from $5,000 to $10,000. Today, in the case of the special needs child, that tax credit is $6,000. This provision significantly eases the financial burden of adoption and encourages adoption. This is in effect for taxable income starting this year.

We have a tax credit, then, for employers who provide child care for their employees. In my State of Iowa, 72 percent of the households have both spouses working, the highest percentage of any State in the Nation. For those families who have children, the need for dependable child care is very important. Getting that from the employer is even better for those families. So this new tax credit provides an incentive for employer-provided on-site daycare facilities. This is effective for taxable years beginning right now.

We have marriage penalty relief, and it relates to the earned-income tax credit. That earned-income tax credit, which is available only to low-income families, phases out for married couples. We increased that phaseout by $1,000 immediately and ultimately increase it to $3,000. So those families who would otherwise have that earned-income tax credit phased out, not having the money, not being able to stimulate the economy, now are going to have up to another $1,000 immediately available. Again, being low-income families, that ought to help stimulate the economy starting right now for the year we are in.

Mr. President, I see the Senator from Vermont. Is it possible for me to have another 5 minutes?

Mr. LEAHY. Of course.

Mr. GRASSLEY. I ask unanimous consent if I may have 5 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. If I might then be recognized after the Senator?

Mr. GRASSLEY. I add that to my unanimous consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. I thank the Chair.

So, obviously, this is going to help stimulate the economy because this $1,000 is going to go to low-income families who do not have very much discretionary income and can use it to improve their lot. But at the same time it will stimulate the economy—whether it is spent or whether they save it.

We have improvements in the education savings accounts, or what we might call education individual retirement accounts, individual education IRAs. The annual limit on contributions to the education savings account increases from $500 to $2,000. The definition of qualified education expenses that may be paid tax free from the education savings account is expanded to include elementary and secondary school expenses. The phaseout ranges—for married taxpayers filing joint returns, it is increased to become twice the rate of single taxpayers, so more families can take advantage of this. Corporations and other entities, including tax-exempt groups, are permitted to make contributions to education savings accounts. These changes are effective right now, this taxable year.

Then we have expanded consideration of prepaid tuition programs. Several provisions will encourage participation in prepaid tuition programs for higher education. Investment gains will be tax free, and private colleges and universities happen to be offering these plans. This provision goes into effect now.

There is an exclusion for employer-provided educational assistance. This extends the exclusion to graduate education and makes the exclusion for undergraduate and graduate education permanent, effective right now.

Then we have improvement in the student loan interest deduction. This eliminates the 60-month limit on the deduction of interest from a student loan. The income phaseout ranges, for eligibility for the student loan interest deduction, increasing it from $50,000 to $65,000 for individuals and from $100,000 to $130,000 for married taxpayers on joint returns. We repeal the restriction that voluntary payments of interest are not deductible. These provisions are effective right now.

Then we have tax benefits for governmental bonds for public school construction. These benefits are effective for bonds issued starting this year.

There is a deduction for college tuition, a provision allowing above-the-line deduction for college tuition expenses. It is intended to help low- and middle-income families pay for college.

In the years 2002 and 2003, individuals with adjusted gross incomes of $65,000 may deduct $3,000. In the years 2004 and 2005, for those same individuals it would be $4,000. In the case of taxpayers with adjusted gross income that does not exceed $80,000, the deduction would be $2,000.

I just read a lot of provisions that were taken from the tax bill. I started my remarks by talking about the stimulus impact of the tax bill we passed 7 months ago, the impact it is going to have at a time of recession. People might raise some question about the education provisions to which I just referred, of their stimulative impact. In a time of recession, obviously beyond the good that education does generally to help people in their lives in the future, we have a situation where maybe in a recession, families would shy away from going to college—their kids going to college, or adults, independent adults going to college. As they look at the provisions of last year's tax bill and the benefits that come from it, they might see the advantage of continuing their education, even at a time of recession.

Any of that money that is spent as a result of that would obviously have some impact as stimulus in the economy. But for the long haul, it is a stimulus, too, because as people are better educated, they are more productive; they earn more money. It helps the long-term recovery of our economy.

I want to make some reference to the estate and gift tax provisions. These have a beneficial impact, but they are not entirely stimulative for right now. Again, we have small business people who tend to be the most harmed by not being able to pass on the family business to their next generation. There is always a lot of anxiety during times of recession and during times of economic downturn.

We ought to do whatever we can to relieve the anxiety of small business people who are under very tough constraints because of the recession. We ought to relieve that anxiety to the greatest extent possible.

It gives me a chance to say what Senator KYL said just before I took the floor; that is, that we have an opportunity on this economic stimulative package to make sure that the estate tax provisions of the bill the President signed last June be made permanent.

I am going to yield the floor at this point. I thank my colleagues for their attention to some provisions of an old story—the tax bill of last year, a tax bill that is going to have beneficial impacts well into the future but, most importantly, has some impact right now as we are in a time of recession.

The PRESIDING OFFICER (Mrs. CLINTON). The Senator from Vermont.

Mr. LEAHY. Madam President, I ask unanimous consent to speak as in morning business.

The PRESIDING OFFICER. The Senate is in morning business.

Mr. LEAHY. I thank the Chair.

NEW YORK

Mr. LEAHY. Madam President, I compliment the distinguished Presiding Officer, and her distinguished colleague, Senator SCHUMER, for not only the State of New York but for the City of New York.

I had the privilege of attending the economic summit in New York City this weekend. I saw the distinguished Presiding Officer on several occasions. In fact, I was beginning to think that somehow she had been cloned because she was attending and speaking and was involved in so many different events.

I know the economic summit came to New York City as a gesture of solidarity with the city after the terrible events of last fall. They came there knowing that not only would they bring people from around the world as well as from our own country, but they would bring the press from around the world to show the world that New York City is open, and New York City is in a position to handle, as it always has, any group of any size for any purpose. I want to say that New York City did.

I was extraordinarily impressed with the level of everything from communications, certainly to law enforcement—New York's finest was there—to the continuing work at ground zero. My wife and I and our daughter visited to see again the work that continues by these brave men and women from the New York Fire Department, who are still working there. The police department is still working there, and other agencies as well as volunteers.

I was gratified to see while we were there a number of foreign visitors going to ground zero. Anybody has to be moved just reading the notes that have been left there by family members. While we were there, foreign delegations were laying wreaths and paying homage.

The point, though, is that New York City reflects, really, what is best in America. We have seen a major city of commerce, of education, of entertainment, and of history badly damaged that came right back, and was able to demonstrate that to the rest of the world.

As one coming from the State of Vermont, I sometimes hear regional accents at their best when I go to New York City. I am sure that New Yorkers feel the same way when they come to Vermont. But the accent I heard was one of hope, of excitement, of all the best things that are reflected by that city.

I commend not only the two Senators, my two friends from New York, but everybody—from the mayor to the Governor, and everyone who has worked so hard on this. New York City is open for business, as it was for some members of the Leahy family. It was a pleasure to be there.

ON THE CONFIRMATION OF JUDGE PHILIP MARTINEZ

Mr. LEAHY. I commend the Majority Leader and our Assistant Majority Leader for bringing the confirmation of Judge Martinez of Texas to a successful conclusion today. I also want to thank Senator DURBIN for having chaired the hearing in December that laid the groundwork for the confirmation of Judge Martinez and four other federal judges.

At the Committee meeting at which we considered the nomination of Judge Martinez, I inserted in the RECORD a letter I had recently received from Congressman SILVESTRE REYES of Texas strongly endorsing him. Congressman REYES noted that the court to which Judge Martinez is nominated is facing a criminal caseload of over 2,000 cases with a single active judge in the El Paso region personally trying to manage over 1,100 criminal cases. I say to Congressman REYES and Judge Briones, help should be on the way very soon in the person of Judge Martinez.

It was not so long ago, when the Senate was under Republican control, that it took 943 days to confirm Judge Hilda Tagle to the United States District Court for the Southern District of Texas. She was first nominated in August 1995, but not confirmed until March 1998. When the final vote came, she was confirmed by unanimous consent and without a single negative vote, after having been stalled for almost three years.

I recall that the nomination of Michael Schattman to a vacancy on the Northern District of Texas never got a hearing and was never acted upon, while his nomination languished for over two years. I recall just two years ago when Ricardo Morado, who had served as Mayor of San Benito, Texas, and was nominated for a vacancy in the Southern District of Texas, never got a hearing and was never acted upon.

These are district court nominations that could have helped solve problems in the trial courts if acted upon by the Senate over the last several years. In addition to these nominees, the Republican-led Senate failed to provide a hearing and failed to take action on the nominations of Jorge Rangel and Enrique Moreno to the same emergency vacancy on the Fifth Circuit Court of Appeals over the last four years.

In contrast, we are moving expeditiously to consider and confirm Judge Martinez, who was nominated in October, received his ABA peer review in November, participated in a hearing in early December, was reported by the Committee on December 13 and is today being confirmed. In addition, Randy Crane, a nominee to a vacancy on the Southern District of Texas District Court will be having a confirmation hearing in the near future.

Just as we have worked hard since July and paid attention to the needs of the district courts in Montana, Kentucky, Kansas and Alabama, whose Chief Judges wrote asking for prompt attention to serious problems, we are responding to the needs of our courts throughout the country.

The first two confirmations to the district courts last summer were Judge Cebull and Judge Haddon to the District Court in Montana. The Chief Judge of that court had written to us asking for our immediate attention and help because he had no active associate judge in that district. We responded. Working with Senator BAUCUS and Senator BURNS, a Democrat and a Republican, the two nominees were included in our very first hearing, which held the day after Committee members were assigned. They were both confirmed the following week, on July 20, 2001.

Similarly, we heard from the Chief Judge of the District Court for the Eastern District of Kentucky. We responded by holding hearings for three judicial nominees to vacancies in that Court and proceeded to confirm two so quickly that they had to delay being sworn in to wind down their legal practices.

Likewise, when we heard from the Chief Judge of the District Court for Kansas, we responded. We moved expeditiously to hold a hearing, report and confirm Judge Robinson to alleviate the emergency situation that the Chief Judge indicated existed in Topeka.

Yesterday, as the Senate confirmed the second district court judge for courts in Alabama since November, we learned from Senator SESSIONS that the Chief Judge of the Southern District of Alabama had written to him to urge action in filling the vacancy in that court and noted that he was the only active judge left.

Similarly, today we provide relief to the district courts in Texas.

I congratulate the nominee and his family on his confirmation today.

With today's confirmation, the Senate has confirmed four additional judges since returning late last month. The Senate will have confirmed 32 judges since the change in majority last summer. One-quarter of the judges confirmed have been for judicial emergency vacancies, eight so far. Unfortunately, the White House has yet to work with home State Senators to send nominees for an additional 15 judicial emergency vacancies and 31 federal trial court vacancies.

Of course, I have yet to chair the Judiciary Committee for a full year; it has been barely six months. But the confirmations we have achieved in those six months are already comparable to the year totals for 1997, 1999 and 2000 and almost twice as many as a Republican majority in the Senate allowed to be confirmed in 1996.

The 1996 session was the second year of the last Republican chairmanship. In that 1996 session, only 17 judges were confirmed all year and none were confirmed to the Court of Appeals—none. I expect and intend to work hard on additional judicial nominations through this session and to exceed the total from the 1996 session of only 17 confirmations. In that 1996 session, the fourth judicial confirmation did not occur until April. By contrast, we will have confirmed four additional judges by the middle of the first full week in session this year.

The Judiciary Committee held its first hearing of the session on our second day in session, January 24, for Judge Michael Melloy, a nominee to the 8th Circuit from Iowa, and district court nominees from Arizona, Iowa, Texas, Louisiana and the District of Columbia, a total of six judicial nominations.

I have set another hearing on the nomination of Judge Charles Pickering for the 5th Circuit for this Thursday, February 7, 2002.

I am working to hold another confirmation hearing for judicial nominations, as well, before the end of February, even though it is a short month with a week's recess.

I noted on January 25 in my statement to the Senate that we inherited a frayed process and are working hard to repair the damage of the last several years. I have already laid out a constructive program of suggestions that would help in that effort and help return the confirmation process to one that is a cooperative, bipartisan effort. I have included suggestions for the White House, that it work with Democrats as well as Republicans, that it encourage rather than forestall the use of bipartisan selection commissions, that it consider carefully the views of home State Senators.

This past summer, by the time I became chairman of the Judiciary Committee, federal court vacancies already topped 100 and were rising to 111. Since July, we have worked hard and the Senate has been diligent in considering and confirming 32 judges, thereby beginning the process of lowering the vacancies on our federal courts. Since I became Chairman, 26 additional vacancies have arisen. Still, we have been able to outpace this high level of attrition and lower the vacancies to under 100.

During the last six and one-half years when a Republican majority controlled the process, the vacancies rose from 65 to over 100, an increase of almost 60 percent. By contrast, we are now working to keep these numbers moving in the right directions.

Our Majority Leader, with the help of the Assistant Majority Leader, is clearing the calendar of judicial nominations and the Senate has proceeded to vote on every one of them. This is one of the reforms that signals a return to normalcy for the Senate, which had gotten away from such practices over the past six years. Since the change in majority, judicial nominees have not been held on the calendar for months and months or held over without action or returned to the President without action.

I have observed that to make real progress will take the cooperation of the White House. The most progress can be made most quickly if the White House would begin working with home State Senators to identify fair-minded, nonideological, consensus nominees to fill these court vacancies. One of the reasons that the Committee was able to work as quickly as it has and the Senate has been able to confirm 32 judges in the last few months is because those nominations were strongly supported as consensus nominees.

I have heard of too many situations in too many States involving too many reasonable and moderate home State Senators in which the White House has demonstrated no willingness to work with home State Senators to fill judicial vacancies cooperatively. As we move forward, I urge the White House to show greater inclusiveness and flexibility and to help make this a truly bipartisan enterprise. Logjams exist in a number of settings.

To make real progress, repair the damage that has been done over previous years, and build bridges toward a more cooperative process, there is much that the White House could do to work more cooperatively with all home State Senators, including Democratic Senators.

Of course, more than two-thirds of the federal court vacancies continue to be on the district courts. The Administration has been slow to make nominations to the vacancies on the federal trial courts. In the last five months of last year, the Senate confirmed a higher percentage of the President's trial court nominees, 22 out of 36, than a Republican majority had allowed the Senate to confirm in the first session of either of the last two Congresses with a Democratic President. Last year the President did not make nominations to almost 80 percent of the current trial court vacancies. As we began this session, 55 out of 69 vacancies were without a nominee.

In late January, the White House finally sent nominations for another 24 of those trial court vacancies. After the Committee receives the indication that the nominees have the support of their home State Senators and after the Committee has received ABA peer reviews, these recent nominations will then be eligible to be included in Committee hearings. Because the White House shifted the time at which the ABA does its evaluation of nominees to the post-nomination period, these 24 nominees are unlikely to have completed files ready for evaluation until after the Easter recess. Even then, over two and one-half dozen of the federal trial court vacancies, 31, may still be without eligible nominees.

We have accomplished more, and at a faster pace, than in years past. We have worked harder and faster than previously on judicial nominations, despite the unprecedented difficulties being faced by the nation and the Senate. I am encouraged that this confirmation today was not delayed by extended, unexplained, anonymous holds on the Senate Executive Calendar, the type of hold that characterized so much of the previous six and one-half years. Majority Leader DASCHLE has moved swiftly on judicial nominees reported to the calendar.

I thank all Senators who have helped in our efforts and assisted in the hard work to review and consider the dozens of judicial nominations we have reported and confirmed. I thank, in particular, the Senators who serve on the Judiciary Committee for their helpful action since this summer. As our action today demonstrates, again, we are moving ahead to fill judicial vacancies with nominees who have strong bipartisan support.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. In my capacity as a Senator from New York, I ask unanimous consent that the order for the quorum call be rescinded.

Without objection, it is so ordered.

RECESS

The PRESIDING OFFICER. The time of 12:30 p.m. having arrived, the Senate will now stand in recess until the hour of 2:15 p.m. today.

Thereupon, the Senate, at 12:31 p.m., recessed until 2:15 p.m., and reassembled when called to order by the Presiding Officer (Mr. JOHNSON).

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, is the Senate currently in morning business?

The PRESIDING OFFICER. No, it is not.

Mr. DORGAN. What is currently pending?

The PRESIDING OFFICER. The regular order is to have the clerk report the pending business.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak in morning business for 10 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ENRON CORPORATION CEO SUBPOENAED

Mr. DORGAN. Mr. President, I come to the floor of the Senate to discuss, just for a few minutes, the action taken this morning in the Senate Commerce Committee. We voted unanimously to support a subpoena being delivered to Mr. Kenneth Lay, who is the former chairman and CEO of the Enron Corporation. I want to describe for my colleagues what brought us to this point and why we believed we had to vote to authorize a subpoena being issued.

About 4 to 6 weeks ago, Mr. Lay's attorneys told us that Mr. Lay would be willing to appear before the Senate Commerce Committee. That was in response to a request by us as we began to investigate what happened with respect to the Enron Corporation. As you know, this is the largest bankruptcy in American history. There is substantial information that has been available for some while now, prior to and since the bankruptcy, about things that had happened inside the corporation that cause a great deal of concern.

A memo by one of the vice presidents of Enron was presented to the CEO, Mr. Lay, in August of last year. That memo by Vice President Watkins talked about accounting hoaxes and irregularities of sorts, and warned about what people would find if they dug into the partnerships that were being created in this corporation.

Then, in November and December, that company's auditors, Arthur Andersen and Company, talked about possible illegal acts with respect to that corporation and the review of some documents.

Then, last Saturday, a report that was commissioned by the board of directors of the Enron Corporation, the Powers report, described a broad range of very serious problems that went on inside that corporation.

At any rate, during this period of time we had requested the testimony before the subcommittee and the full committee of the Commerce Committee by Mr. Lay. His attorneys said he would be made available on February 4 at 9:30 in the morning. They continued to say that even through last Friday and Saturday.

On the Sunday evening before Mr. Lay's scheduled appearance, we were called his attorneys. They told us that Mr. Lay had changed his mind and he would no longer be available to testify and would therefore not appear on Monday morning.

Mr. Lay's attorneys wrote a letter saying the problem was that Mr. Lay had heard comments about his company that concerned him. They felt it would probably be a prosecutorial kind of environment in the committee hearing on Monday, and therefore he did not want to appear.

The fact is, the comments that were made by a number of Members of the Senate prior to Sunday were no different than the assertions made to the CEO of Enron by his own employee last August, by his accounting firm in November and December, and especially by his own company's board of directors on Saturday last.

Mr. Lay, in my judgment, following the report by the board of directors of this corporation, decided that he did not want to talk to anybody publicly and decided to lay it off on some Members of Congress, saying that is the reason he did not want to come and testify.

Let me tell you what was in that report, just to give one small example. This report says that in this corporation, one of the corporate officers, Mr. Fastow, in creating one of the partnerships—incidentally, there were a lot of secret partnerships created here—Mr. Fastow invested $25,000 of his own money in a partnership in a corporation of which he was an officer. Sixty days later, that $25,000 was $4.5 million to Mr. Fastow.

Does anybody in this room know of investments like that? Would you like to make a $25,000 investment that, in 60 days, becomes $4.5 million? Where can you do that? The lottery, but that is not a sure thing.

No, this wasn't gambling inside the corporation. This was just people playing fast and loose with the truth and with other people's money. When someone takes $25,000 and turns it into $4.5 million in 2 months, in my judgment, that is stealing. That is just stealing—yes, quote unquote, stealing—from investors who own the shares in that corporation.

At the same time that you have an officer of the company taking $25,000 and in 60 days turning it into $4.5 million, at the same time that is happening, one of my constituents in North Dakota is writing a two-page letter to me. That letter, an anguished cry from this family, asks the following question:

> What on Earth has happened? I worked for this company's subsidiary for many, many years and have put away $300,000 into a retirement account. Do you know what my retirement account is worth today?—$1,700; from $300,000 to $1,700.

He and his family have lost it all. But inside that corporation we had people making millions.

Was that a corporate culture of corruption? You bet your life it was. And the reason Mr. Lay has decided not to come to the Congress to testify was not because of anything anyone has said. It is because of what this Powers report has found that went on inside this company. I will give another example.

This company decided to create a little partnership called Braveheart to accommodate some business they were going to do with the Blockbuster Corporation. They were actually going to have Blockbuster be the repository of movies. They were going to stream these videos or movies to consumers around the country. It was going to be a big business. It was announced in March of 2000. By February of the next year it was gone. But in the meantime they created a little partnership called Braveheart to take care of all this.

Do you know what Braveheart did? Braveheart borrowed roughly $112 million from a Canadian bank. Then it sold its assets to the Enron Corporation for slightly over $100 million. The Enron Corporation booked it as a business profit, when in fact all it was a bank loan from a Canadian bank, run through a partnership that wasn't doing any business at all—just a few test markets with a few customers. You tell me whether that is honest business.

It is not. Can someone come to the Congress and defend that? They can't. That is why we have people who were at the head of this corporation who were unwilling to talk.

I just wanted to make the point that the assertions by attorneys on behalf of principals in this corporation are suggesting that they have been offended because they might find a prosecutorial approach at some of these hearings. No one suggested that a hearing before this Congress would ever be a walk in the park, especially when you have a record inside this corporation of financial manipulation, of dishonest accounting, and of personal enrichment of officers and directors.

I wanted to make that point about what we had to do this morning. We issued a subpoena for Mr. Lay. It was issued on a unanimous vote by the Senate Commerce Committee. That is nearly unprecedented. We don't issue subpoenas in the Commerce Committee. We have the power and authority to do so, but we don't do it very often. But we did it because we felt we had no choice.

Mr. President, I had asked permission to speak in morning business. I have just a couple of other things to mention very briefly, and I want to do that in a separate section of morning business. How much time is remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 1½ minutes remaining.

Mr. DORGAN. Let me ask if I can extend that by 2 minutes by consent.

The PRESIDING OFFICER. Is there objection?

Mr. SESSIONS. I will not object to that at this point. I know Senator TORRICELLI has some brief remarks. I know they both are very interested in these issues and it is time we talk about them, but we have a stimulus package on the floor and we want to get to that as soon as possible.

Is 5 minutes all right for Senator TORRICELLI?

The PRESIDING OFFICER. The Senator from North Dakota has the floor. Is there objection to his request?

Mr. TORRICELLI. Reserving the right to object, Mr. President, I request at the conclusion of Senator DORGAN that I be recognized for 10 minutes.

Mr. SESSIONS. I have to object to 10 minutes.

Mr. TORRICELLI. The Senator has 5 minutes. Mr. President, I hate to get into a bidding process, but I would like to have a reasonable amount of time to be recognized after Senator DORGAN.

Mr. SESSIONS. We have business on the floor, and I know people would like to change the focus of our debate on the stimulus package, which is overdue in my view. I was willing to let the Senator have a few more minutes. I would not object to 5 minutes.

Mr. TORRICELLI. I withdraw my objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Dakota.

Mr. DORGAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Two and one-half minutes.

Mr. DORGAN. Mr. President, I asked for 2 minutes in addition to the minute and a half remaining at that point. I expect I will have 3 and a half minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE STIMULUS PACKAGE

Mr. DORGAN. Mr. President, I'd like to talk a moment about several items I think ought to be included in the economic recovery package.

One, I have filed an amendment that would provide for a 5-year extension of the wind energy production tax credit. We really must get that done. Regrettably, this credit was allowed to expire at the end of last year. As a result, many lenders have stopped providing financing for new wind energy projects. Wind development projects underway have come to a screeching halt.

Extending the wind energy production tax credit would provide an immediate boost to the economy. We have a lot of projects on the books that aren't moving because the credit expired. A long-term extension will jump-start development activity, create jobs and help this country meet its future energy needs. Each new wind turbine placed into service creates about $1 million in economic activity.

I would like to make the wind energy production tax credit permanent. My proposal today would extend it for 5 years. Clearly, a shorter term extension will not provide developers the certainty and stability they need to plan and finance new wind energy projects. I think Congress must act quickly to ensure the availability of the wind energy tax credit over the long term. If we don't act now, many wind energy initiatives will be scrapped at a time when this country can least afford it.

Second, I intend to offer and have filed an amendment to permit companies that have recently suffered net operating losses to carry back those losses for 5 years for federal income tax purposes. I will not go into a lengthy description of why we ought to do that. But my amendment should provide some needed financial help for those companies that have been hurt most during the current economic downturn. It will increase cash flow for many of these firms and help them make payroll, avoid additional layoffs and, hopefully, encourage new hiring. It will also help them to make investments in equipment and machinery they need to rebuild, grow and prosper.

There is bipartisan support in both the Senate and the House of Representatives for net operating loss carry-back relief proposals. We ought to include in a 5-year net operating loss carry-back provision in the economic recovery package.

Finally, I've filed an amendment that would provide tax relief for many S-corporations that sell "built-in" gain assets and reinvest the proceeds from those sales back into their companies. Today, there are hundreds of thousands of firms that operate as S corporations that would have a huge tax impediment if they were to sell certain appreciated business assets. The taxes they would be required to pay on that gain, even if they reinvest it, would be prohibitive. As a result, many S-corporations are forced to keep these assets—even if they are no longer productive and could be converted into assets that generate new growth and jobs.

The amendment I filed today would allow those who are involved in these S-corporations to sell built-in gain assets without facing a massive federal tax bill, provided they reinvest the proceeds into the business within a two-year period. That, too, is stimulative.

Many of these companies are the job-producing companies in this country. To allow them to sell less productive assets and reinvest into more productive assets will be very stimulative to this country's economy. It will produce jobs and economic growth and opportunity. But they are locked out of that at the present time by the Tax Code. My amendment proposes to change that result and I hope we will get an opportunity to consider it during the debate on the economic stimulus package.

One final point: The Kyl amendment, of which I am supportive, dealing with tourism is an amendment to which I want to offer a second-degree amendment dealing with loan guarantees. It would cost $200 million or $300 million over the 10-year period. It deals with a subject about which I have spoken with Senator KYL and Senator REID.

Many of the businesses connected to the airports and the airlines that were shut down post-September 11 are in desperate condition. A program of loan guarantees dealing with the most fragile of those businesses which were shut down through no fault of their own—through edict by the Federal Government—would be appropriate in those unusual circumstances and would be guaranteed by an amendment attached to the Kyl amendment.

I hope to be able to offer that as a second-degree amendment dealing with travel agents, car rentals, and others attached to airports which suffered just as much as the airlines did when the airlines were ordered to be shut down and there was no travel anywhere in the country for a specific period.

As I indicated, I noticed the previous amendments yesterday. I wanted to indicate that I would be prepared to offer a second-degree amendment to Senator KYL's amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

VOICE OF INQUIRY

Mr. TORRICELLI. Mr. President, the President of the United States has challenged the Nation to commit an additional $120 billion in resources for our Armed Forces. Indeed, when the Nation is attacked, that is as it should be. The President has asked us to commit $40 billion to deal with internal security in our country. With the loss of life we have suffered and all of our apprehension about terrorism, that is as it should be. It is, however, an extraordinary request.

While our willingness to commit resources is endless to guarantee the security of our country, our national curiosity about these circumstances and how our country was so vulnerable seems to be very limited indeed.

It has been 5 months since the lives of our people were taken in the most devastating attack on America in history. There have been words of rage and revenge, vows to strengthen our security and to commit endless resources. There has been everything except a voice of inquiry.

On September 10, this Nation was not without resources, with a $320 billion defense establishment larger than a dozen other industrial nations combined; a massive internal law enforcement apparatus; and, by press accounts, a $30 billion intelligence establishment.

The terrorist attack on September 11 apparently was waged with the combined financial resources of $250,000. It was implemented by 19 people. Why is it I believe that probably financial resources were not determinative in the success of this evil attack? Why is it that I suspect it was probably not the numbers of personnel available? The country was not without resources on September 10. But something went terribly wrong. The allocation of resources, quality of leadership, strategy—I don't know. The real point is neither does anybody else, including the President of the United States and Members of the Senate.

At some point, 260 million Americans, with all the rage they feel against our enemy, with all the anger they feel, and with all the sympathy they feel for the victims, are going to want to know what happened and why.

There is no limit to the resources that I will vote to make available to the Commander in Chief to defend this Nation. But there is no limit to the efforts I will make to get accountability in this Government for our people.

In my State, there are hundreds—indeed, there are several thousands—of widows and orphans. As much as any American, as much as history itself, these people are going to demand answers in the course of their lives.

The President has suggested his preference is that we hold private hearings in the intelligence community. That is not how we conduct this Government. There was not an attack on the intelligence committee, nor is it their responsibility alone. Our accountability is to the people of the country. Yet the administration claims that such hearings or inquiries would be a distraction from the war on terrorism. That is not our history or how we conduct our Government.

Ten days after Pearl Harbor, with half of the American fleet in ruins and with fears of an attack on California by the Imperial Japanese Navy, FDR ordered an inquiry into how indeed we were so undefended. The *Challenger* lay in ruins with all of our ambitions for a space program, and Ronald Reagan did the same for NASA. This instance deserves no less. Accountability is at the core of any representative government.

On behalf of the people of my State and the victims—their wives, husbands, parents, and children—I demand it now. This Nation needs a board of inquiry to determine the events of September 11—how it occurred and why; where we succeeded and why we failed—not for the sake of revenge, not to cast blame, but to ensure that it never happens again. Armed only with that knowledge—more than any funding or any new weapon—can we genuinely assure our people that those events will not be repeated.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. REID. Mr. President, during the conferences we have had, it has been determined we could have a voice vote on the Bunning amendment. So I ask unanimous consent that after the Chair reports the bill, we move to the Bunning amendment, followed by the Reid for Baucus amendment. It is not a Reid amendment; I just offered it for Senator BAUCUS.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

HOPE FOR CHILDREN ACT—Resumed

The PRESIDING OFFICER. The clerk will report the bill.

The bill clerk read as follows:

A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

Pending:

Daschle/Baucus amendment No. 2698, in the nature of a substitute.

Reid (for Baucus) amendment No. 2721 (to amendment No. 2698), to provide emergency agriculture assistance.

Bunning/Inhofe modified amendment No. 2699 (to the language proposed to be stricken by amendment No. 2698), to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies.

Hatch/Bennett amendment No. 2724 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to allow the carryback of certain net operating losses for 7 years.

Domenici amendment No. 2723 (to the language proposed to be stricken by amendment No. 2698), to provide for a payroll tax holiday.

Allard/Hatch/Allen amendment No. 2722 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit.

Smith of New Hampshire amendment No. 2732 (to the language proposed to be stricken by amendment No. 2698), to provide a waiver of the early withdrawal penalty for distributions from qualified retirement plans to individuals called to active duty during the national emergency declared by the President on September 14, 2001.

Smith of New Hampshire amendment No. 2733 (to the language proposed to be stricken by amendment No. 2698), to prohibit a State from imposing a discriminatory tax on income earned within such State by nonresidents of such State.

Smith of New Hampshire amendment No. 2734 (to the language proposed to be stricken by amendment No. 2698), to provide that tips received for certain services shall not be subject to income or employment taxes.

Smith of New Hampshire amendment No. 2735 (to the language proposed to be stricken by amendment No. 2698), to allow a deduction for real property taxes whether or not the taxpayer itemizes other deductions.

Sessions amendment No. 2736 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide tax incentives for economic recovery and provide for the payment of emergency extended unemployment compensation.

Grassley (for McCain) amendment No. 2700 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide a special rule for members of the uniformed services and Foreign Service in determining the exclusion of gain from the sale of a principal residence.

Kyl amendment No. 2758 (to the language proposed to be stricken by amendment No. 2698), to remove the sunset on the repeal of the estate tax.

Reid modified amendment No. 2764 (to amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide a refundable credit for recreational travel, and to modify the business expense limits.

Reid (for Durbin) amendment No. 2766 (to amendment No. 2698), to provide enhanced unemployment compensation benefits.

Lincoln amendment No. 2767 (to amendment No. 2698), to delay until at lease June 30, 2002, any changes in medicaid regulations that modify the medicaid upper payment limit for non-State Government-owned or operated hospitals.

Thomas amendment No. 2728 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to modify the qualified small issue bond provisions.

Craig amendment No. 2770 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to expand the availability of Archer medical savings accounts.

Grassley amendment No. 2773 (to the language proposed to be stricken by amendment No. 2698), to provide tax incentives for economic recovery and assistance to displaced workers.

AMENDMENT NO. 2699, AS MODIFIED

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2699, as modified.

Mr. REID. Mr. President, I ask unanimous consent the yeas and nays on the Bunning amendment, which have been previously ordered, be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to amendment No. 2699, as modified.

The amendment (No. 2699), as modified, was agreed to.

Mr. REID. I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2721

Mr. REID. Mr. President, it is my understanding we are now on the Baucus amendment, which has been previously debated.

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. It is my understanding there are others who wish to speak on this amendment. I ask all those within the sound of my voice to come over and renew the debate.

AMENDMENT NO. 2807 TO AMENDMENT NO. 2721

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I believe we are on the Baucus amendment. On behalf of Senator KYL, I call up amendment No. 2758 as a second-degree amendment.

Mr. REID. Mr. President, does it take unanimous consent to move off the Baucus amendment to the Kyl amendment?

Mr. SESSIONS. I offer this as a second-degree amendment.

The PRESIDING OFFICER. Second-degree amendments are in order.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. SESSIONS], for Mr. KYL, proposes an amendment numbered 2807 to the amendment No. 2721.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To remove the sunset on the repeal of the estate tax)

At the end, add the following:

SEC. . PERMANENT REPEAL OF ESTATE TAXES.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended—

(1) by striking "this Act" and all that follows through "2010" in subsection (a) and inserting "this Act (other than title V) shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.", and

(2) by striking ", estates, gifts, and transfers" in subsection (b).

Mr. REID. Mr. President, will the Senator yield for the purpose of a unanimous consent request? This will require no debate. There is an amendment Senator KYL and I filed on which Senator DORGAN wants to offer a second-degree amendment. He says he does not need to debate it at this time.

I ask unanimous consent that we be allowed to move off the pending amendment temporarily so that Senator DORGAN can offer his amendment to the Reid-Kyl amendment, and then we will be right back on the second-degree amendment of the Senator from Arizona.

Mr. SESSIONS. Do we have a time agreement? How quickly will we be back on the Kyl amendment?

Mr. REID. Two minutes?

Mr. DORGAN. Yes, Mr. President, that will be fine.

Mr. SESSIONS. Will the Senator from Nevada restate the unanimous consent request?

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the Reid-Kyl amendment, which is two amendments down the line, and that Senator DORGAN offer a second-degree amendment, be allowed to speak for 2 minutes, and then we immediately return to the Kyl second-degree amendment to the underlying Baucus amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I wish to offer a second-degree amendment. I ask unanimous consent that we be on amendment No. 2764 which has been proposed by Senator REID and Senator KYL.

Mr. KYL. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. The point of the unanimous consent request of the Senator from Nevada was to allow the second-degree amendment to the Reid-Kyl amendment and to allow the Senator from

North Dakota to speak about that amendment for 2 minutes and immediately return to the pending business, which is the Baucus amendment with the second-degree amendment, offered by the Senator from Alabama on behalf of myself, pending; is that correct?

Mr. REID. The Senator from Arizona is correct.

The PRESIDING OFFICER. The last request of the Senator from North Dakota is consistent with the order of the Senator from Arizona.

Mr. KYL. Mr. President, I ask the Senator from North Dakota to restate his request. I obviously misunderstood.

Mr. DORGAN. Mr. President, I ask unanimous consent that the amendment proposed by Senator REID and Senator KYL, amendment No. 2764, which had previously been offered but set aside, be brought back so I can offer a second-degree amendment to it. I ask that amendment No. 2764 be the pending business.

Mr. SESSIONS. Reserving the right to object, my concern is that has already been taken care of by Senator REID. It might confuse matters. I object.

The PRESIDING OFFICER. Objection is heard.

AMENDMENT NO. 2808 TO AMENDMENT NO. 2764

Mr. DORGAN. Mr. President, I send an amendment to the desk. This is an amendment I had filed. It is called the travel industry stabilization amendment. I offer it as a second-degree amendment to the Reid-Kyl amendment that was offered previously.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] proposes an amendment numbered 2808 to amendment No. 2764.

Mr. DORGAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To preserve the continued viability of the United States Travel industry)

At the end, add the following:

TITLE —TRAVEL INDUSTRY STABILIZATION

SECTION 01. SHORT TITLE.

This title may be cited as the "American Travel Industry Stabilization Act".

SEC. 02. TRAVEL INDUSTRY DISASTER RELIEF.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President shall take the actions described in subsection (b) to compensate eligible travel-related businesses.

(b) ACTIONS DESCRIBED.—

(1) IN GENERAL.—Subject to such terms and conditions as the President deems necessary, and upon application, the President is authorized to issue Federal credit instruments to eligible travel-related businesses described in subsection (c) that do not, in the aggregate, exceed **$2,000,000,000** and provide the subsidy amounts necessary for such instruments in accordance with the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(2) TIME FOR APPLICATION.—An application for a Federal credit instrument shall be filed by an eligible travel-related business not later than 1 year after the promulgation of regulations.

(3) TERMS OF CREDIT INSTRUMENTS.—A loan guaranteed under this title may be used exclusively for the purpose of meeting obligations and expenses to the extent that an applicant demonstrates—

(A) business operations were directly and adversely affected by the events of September 11, 2001;

(B) the loan guarantee is necessary to meet such obligations;

(C) the inability of the applicant to meet such obligations or expenses is directly attributable to the impact of September 11, 2001; and

(D) the applicant has the ability to repay the loan.

(c) DEFINITIONS.—In this title:

(1) BOARD.—The term "Board" means the Air Transportation Stabilization Board established under the Air Transportation Safety and System Stabilization Act (49 U.S.C. 40101 note; P.L. 107–42).

(2) ELIGIBLE TRAVEL-RELATED BUSINESS.—The term "eligible travel-related business" means a business that was injured by the Government shutdown of the airline industry following the terrorist attacks on the United States that occurred on September 11, 2001, and that on such date—

(A) had a contractual arrangement with an air carrier to provide goods or services, including those with a contractual relationship with the Airline Reporting Corporation; or

(B) was a nonaeronautical for-profit business operating at an airport engaged in the sale of consumer goods or services to the public under an arrangement with the airport or the airport's governing body.

(3) FEDERAL CREDIT INSTRUMENT.—The term "Federal credit instrument" means any guarantee or other pledge by the Board issued under section 02(b) to pledge the full faith and credit of the United States to pay all or part of any of the principal of and interest on a loan or other debt obligation issued by an obligor and funded by a lender.

(4) FINANCIAL OBLIGATION.—The term "financial obligation" means any note, bond, debenture, or other debt obligation issued by an obligor in connection with financing under this section and section 02(b).

(5) LENDER.—The term "lender" means any non-Federal qualified institutional buyer (as defined by section 230.144A(a) of title 17, Code of Federal Regulations (or any successor regulatory) known as rule 144A(a) of the Securities and Exchange Commission and issued under the Securities Act of 1933), including—

(A) a qualified retirement plan (as defined in section 4974(c) of the Internal Revenue Code of 1986 (26 U.S.C. 4974(c))) that is a qualified institutional buyer; and

(B) a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986 (26 U.S.C. 414(d))) that is a qualified institutional buyer.

(6) OBLIGOR.—The term "obligor" means a party primarily liable for payment of the principal of, or interest on, a Federal credit instrument, which party may be a corporation, partnership, joint venture, trust, or governmental entity, agency, or instrumentality.

(d) EMERGENCY DESIGNATION.—Congress designates the amount of new budget authority and outlays in all fiscal years resulting from this title as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(e)). Such amount shall be available only to the extent that a request, that includes designation of such amount as an emergency requirement as defined in such Act, is transmitted by the President to Congress.

SEC. 03. ADDITIONAL FUNCTIONS FOR THE AIRLINE STABILIZATION BOARD.

(a) ADDITIONAL FUNCTIONS TO STABILIZE THE TRAVEL INDUSTRY.—The Board shall review and make recommendations to the President with respect to applications for Federal credit instruments submitted under section 02(b).

(b) FEDERAL CREDIT INSTRUMENTS.—

(1) IN GENERAL.—The Board may enter into agreements with 1 or more obligors to issue Federal credit instruments under section 02(b) if the Board determines, in its discretion, that—

(A) the obligor is an entity in a travel-related business for which credit is not reasonably available at the time of the transaction;

(B) the intended obligation by the obligor is prudently incurred; and

(C) such agreement is a necessary part of maintaining a safe, efficient, and viable travel industry in the United States.

(2) TERMS AND LIMITATIONS.—

(A) FORMS, TERMS, AND CONDITIONS.—A Federal credit instrument shall be issued under section 02(b) in such form and such terms and conditions and contain such covenants, representatives, warranties, and requirements (including requirements for audits) as the Board determines appropriate, provided that—

(i) a loan shall be repaid over a period not to exceed 5 years from the date that the loan is guaranteed under this title;

(ii) the Government guarantee shall cover not less than 80 percent of the value of the loan;

(iii) loan guarantees under this title shall be extended based upon the ability of the eligible travel-related business to repay the loan without regard to collateral; and

(iv) any loan origination fee may not exceed 1 percent of the loan value.

(B) PROCEDURES.—Not later than 14 days after the date of enactment of this title, the Director of the Office of Management and Budget, in consultation with the Board, shall issue regulations setting forth procedures for application and minimum requirements.

(c) FINANCIAL PROTECTION OF GOVERNMENT.—

(1) IN GENERAL.—To the extent feasible and practicable, as provided in paragraphs (2) and (3), the Board shall ensure that the Government is compensated for the risk assumed in making guarantees under this title.

(2) GOVERNMENT PARTICIPATION IN GAINS.—To the extent to which any participating corporation accepts financial assistance, in the form of accepting the proceeds of any loans guaranteed by the Government under this title, the Board is authorized to enter into contracts under which the Government, contingent on the financial success of the participating corporation, would participate in the gains of the participating corporation or its security holders through the use of such instruments as warrants, stock options, common or preferred stock, or other appropriate equity instruments.

(3) DEPOSIT IN TREASURY.—All amounts collected by the Secretary of the Treasury under this subsection shall be deposited in the Treasury as miscellaneous receipts.

(e) AUTHORIZATION OF FUNDS.—Congress authorizes and hereby appropriates such sums as are necessary to carry out the purposes of this title.

Mr. DORGAN. Mr. President, I will not take 2 minutes because I will speak on this at another time. I indicated previously I support the underlying Reid-Kyl amendment which deals with travel and tourism-related issues. The amendment I have offered is an amendment that deals with some loan guarantees to those businesses that have a connection to the airports and the airlines that had been shut down by the Federal Government post-September 11. Many of them remain in very difficult straits. They face some very difficult financial troubles.

The Federal Government did provide loan guarantees and grants to the airlines. I was supportive of that. But there were ancillary businesses that are related to the airlines and related to the airports that suffered substantial losses as a result of actions by the Federal Government to shut down air service.

This is legislation I have written to address that situation in the form of loan guarantees. I have spent time with my colleague from Nevada, Senator REID, and others of my colleagues who are supportive of this approach.

I offer it as a second-degree amendment because I believe it is appropriately something that should be attached to the Reid-Kyl amendment which I intend to support as well.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I appreciate the spirit in which the Senator from North Dakota proposed the second-degree amendment. I am hopeful we will be able to adopt the Reid-Kyl amendment at a later time.

AMENDMENT NO. 2807

Mr. KYL. Mr. President, what is pending before the Senate is my second-degree amendment to the Baucus amendment, which for those who are interpreting this means we are back on the question of whether we can repeal permanently the estate tax or, as it is frequently called, the death tax.

As we all will recall, last year when we passed the Tax Reform Act, one of the provisions that was incorporated within that bill was a gradual reduction of the estate tax rates and enlargement of the exemption, and finally, in the ninth year, an actual repeal of the existing death tax.

We were joined in a bipartisan coalition to support that. There were literally scores and scores of organizations—and I am going to ask unanimous consent after a bit to print in the RECORD the list of organizations that supported the repeal of the death tax—and we even defeated an amendment of Senator CONRAD of North Dakota that would have put the Senate on record as saying we should not make it permanent.

Clearly, the intention was to make it permanent; the desire was to make it permanent. I do not think anybody would have stood before the Senate and said we wanted to repeal the estate tax for 1 year. They would have been laughed out of the body. Yet that is precisely what the effect of our action was.

There is a rule in the Senate that does not allow us to work in more than a 10-year window without a 60-vote majority. There is a rule that required us to change the procedure, and by making the procedure for 10 years, the effect is to sunset the repeal. That means we go right back to where it was last year with a 60-percent rate of the death tax and only a $675,000 exemption.

If one wants to see how this works, in the year 2010 you do not have to pay any death tax if you die. It basically pays you to die in that year, but do not try to live a day into the next year because you are then going to have to pay the entire death tax as it existed in 2001.

We go way back, in other words, to a punitive, destructive death tax. Clearly, we did not mean for this to be the way it was. Clearly, we would like to make it permanent, and this is the time to do it because there is significant evidence that making the death tax repeal permanent will significantly stimulate the economy and create jobs. That is the reason for bringing it up at this time.

We are talking about the stimulus package. The President is talking about creating jobs, and by repealing the death tax permanently we can achieve those objectives.

How is that so? In simple terms, people still have to plan for the death tax. They still have to buy the insurance. They still have to pay the lawyers. They still have to pay the estate tax planners, the accountants, and all the rest of it unless they are absolutely sure they are going to die during one of the 365 days of the 10th year. If they cannot be sure they are going to die during that period of time, then they need to plan because the tax is back in effect.

Who, after all, except someone who would be deliberately taking their life, can predict when they are going to die? One sure does not want to be lucky enough to live beyond the 10th year because then they are going to get stuck with the death tax with its punitive rates, just as it was last year. That is why there is a huge expense involved in the existing law, and that expense every year, by farmers and small businessmen and other people in this country, is money that is spent on an unproductive enterprise that could be spent in creating jobs.

Let us get to a couple of specifics, and then I will ask some of my colleagues to join in this debate. A December 1998 report by the Joint Economic Committee concluded the existence of the death tax in this century has reduced the stock of capital in the economy by nearly half a trillion dollars. By repealing the death tax and putting those resources to better use, i.e., investment, the Joint Committee estimates as many as 240,000 jobs could be created over the next 7 years, and Americans would have an additional $24.4 billion in disposable personal income. That is stimulus.

You want to stimulate the economy? You want to create jobs? You want investment in capital and other businesses? Permanently repealing the death tax will do that.

Last year, Dr. Wilbur Steger, a Ph.D. president of CONSAD Research Corporation, and an adjunct professor of policy science at the Heinz School of Carnegie Mellon University, testified before the Senate Finance Committee and disputed the death tax supporters' arguments that only 2 percent of Americans are affected by the tax. Rather than affecting less than 500 family businesses in a typical year, he said the total number of taxable estates that consist largely of family-owned businesses likely exceeds 10,000 families annually. He went on to state an immediate death tax repeal would provide a $40 billion automatic stimulus to the economy.

So what we could do best to stimulate the economy and create jobs is to ensure that the death tax repeal we voted for last year is in fact made permanent.

I am going to provide some additional evidence that we can create jobs and stimulate the economy with the permanent repeal of the death tax, but at this time I yield to my colleague from Oklahoma, who I know wanted to make a few remarks before he has to leave.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I ask unanimous consent to be made a cosponsor of Senator KYL's amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, this amendment is a very positive amendment. The Senator from Montana, Mr. BAUCUS, introduced an amendment that would add another $2.3 billion in emergency spending for agriculture. We debated that last week. We defeated it. We defeated it on a budget point of order. I made that motion because we have had a lot of emergency spending for agriculture. As a matter of fact, the last couple of years it has just ballooned. We averaged less than a billion or two for decades, and then all of a sudden the last couple of years we start doing $12 billion, $13 billion, $14 billion of emergency spending.

The Senator from Montana said we have more problems; let's add another

$2 billion or $3 billion—not in the context of the farm bill or the budget but just another couple billion dollars. Now that we are in deficits, I question that. My colleague from Arizona offered an amendment that my farmers have been talking to me about for the last 20-some years, and that is to repeal the death tax. Why in the world should agriculture, or anybody who has a business, have to sell the business because somebody happens to pass away? Somebody passes away and all of a sudden the Government says it wants 55 percent of their farm, 55 percent of their business. I happen to think that is wrong.

In the tax bill we passed last year, we reduced the estate tax and we increased the exemptions. We increased the exemption from $675,000 to a million dollars beginning January 1 of 2002. So that is a positive thing, a good thing. Over the course of the tax bill, over the next 10 years, we eliminated the death tax, increased the exemption from $1 million to $2 million to $4 million, where in the year 2010 the death tax is repealed. That entire bill was sunsetted. People who do not follow the Senate and do not know our rules ask why did we sunset it? We sunsetted it because of the reconciliation bill. The reconciliation bill, by law, has to be within a 10-year timeframe. We could not make permanent tax law changes. We could change the law in 10 years. So that is exactly what we did.

The Senator from Arizona says in this particular case the sunset does not work. When people are doing estate planning, they want to know what their tax liability is when they die and, if they have an estate, they can plan accordingly. Maybe they can give their property to a son or a grandson, a grandchild, a granddaughter, or maybe they want to give it to a trust or they want to give it to a charity or they want to break it up. Whatever they want to do, they should have those options. They should not be faced with the current situation of well, OK, we are going to reduce the death tax for years, increase the exemption up to $4 million, in effect reducing the death tax, but in the year 2011 it reverts back and all of a sudden you are looking at an enormous tax rate, a tax rate that would be as high as 50 percent. That is wrong.

So the Senator from Arizona says: Let us fix it. Let us make it permanent. That was the intent of the bill that we passed last year. I believe that is where the votes are in the Senate. If they believe in free enterprise, if they believe in agriculture, if they believe in family farms, if they do not want an enterprise, whether it be a farm or a business, if they do not want somebody to have to sell it because someone passes away, to give Government half of it, then support the amendment of Senator KYL.

If my colleagues really want to do something, let us make this tax change, which, because we were under reconciliation last year had to be temporary, had to be sunsetted. We are not under reconciliation now so we do not have those constrictions imposed upon us as Members of the Senate. We are not under those rules, so I encourage my colleagues to not say, oh, yes, they supported elimination of the death tax, and in the year 2011 it is reinstated at the previously higher rates. That would be grossly unfair and grossly inequitable.

For people who are trying to do estate planning and trying to estimate what their tax liability would be for their kids or for their grandkids, it is tremendously unfair. It might be great for the estate lawyers, for estate planners and others because the more Congress changes this, the more they get to do in writing wills and rewriting estates and how planning should be done. So the way to solve this problem is to pass the amendment of the Senator from Arizona. That is the best thing we could do for agriculture, not another $2 billion, $3 billion in emergency assistance.

Every Congressman and every Senator knows if we could go back and tell our agricultural community, the Farm Bureau, the farmers union, the wheat growers, the cattlemen, and so on, that we repealed the death tax, we know we would get a standing ovation because of the very fact that many of those farms are second and third generation. They are wealthy on paper but they are cash poor.

So if they pass away now, they know their survivors will have to sell the operation to pay the death tax, to pay the tax that will be owed the Federal Government. When the Government comes in and says they want half, they will have to sell it; they will have to break it up. In the process, it will cost a lot of jobs.

The amendment of Senator KYL creates jobs. It will help maintain small businesses so they do not have to break up. It will help maintain farms and ranches so they will not have to break them up into smaller units or sell them for the taxman.

So I again compliment my colleague from Arizona. I think he has an excellent amendment. He has added it to the amendment of Senator BAUCUS. I encourage people on both sides of the aisle to vote in favor of the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I ask unanimous consent that I be named as a cosponsor of Senator KYL's amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, when I first came to the Senate and I met with farm people in my State, this was their No. 1 issue—to eliminate the death tax. It is savaging closely held enterprises all over America, particularly farms. It is something that touches people in a very real way. The way this elimination has occurred as part of the budget reconciliation, as Senator NICKLES so ably described, we will have elimination of the death tax 1 year, and a reimposition of it the next year, leaving estate planning problems for people trying to wrestle with that. It has human consequences.

I remember being on an airplane not too long ago with a professional woman. She told me about her grandfather dying back in the 1980s. A tax change in the death tax was passed during the Reagan years. It was to take effect January 1. The family was home for Christmas. He was dying of cancer. He had terminal cancer. Each morning he asked what day it was. He died 11 a.m., January 1—his last contribution to his family. This is personal. It is real. It savages businesses.

Let me try to explain why I believe we have a particularly pernicious consequence as a result of the death tax that has not been sufficiently discussed and is causing damages to our economy far greater than a lot of people thought. This is the reason. I thought about farmers in Alabama. Maybe they own a couple thousand acres, and maybe some of that land is near an airport or town and the value on paper is high but they don't want to sell it. Compare that to an international paper company that may own 600,000 acres of land, 200,000 or 100,000 acres of land. They compete against one another. If they are timber producing, and both grow timber, they compete against one another.

The big multinational corporation that does business all over the world is never impacted adversely by the estate tax. People who own stock in it may be, but not that corporation. But the individual competitor, the competitor of the big international corporations, builds up a little capital, equity, and realizes some success, and they can get savaged, each generation, by a 50-percent tax. This makes them uncompetitive. Is there any doubt why farmers getting to the end of their lives, small businessmen wanting to pass on their business to their family, have to sit down and discuss what they are going to do? They have to sit down and decide if they can pay that generational tax and still operate the business. What if the business has a lot of investment, a lot of capital, hiring a lot of people, but they do not have a lot of cash? How can each generation pay this huge death tax to the Government? Yet the big business competitor, a broadly held international corporation, with which they compete, does not ever become impacted by the death tax.

That is happening in America. We need to encourage locally owned corporations. We need to nurture them, not oppress them. We need more competition in the American economy.

It is troubling that virtually every bank in my home State of Alabama has been sold and bought up by a bigger bank, and they get bought up by bigger banks. Why? One reason is families who used to routinely own banks, that were tied to the community, supporting Boy Scouts, schools and the United Way, cannot compete. They are looking at the death tax coming down on them. They figure they can protect themselves against it more effectively by selling off their small business to a larger corporation that does not have to pay that tax.

I thank Senator KYL for his leadership. I believe we ought to consider that the death tax is an anticompetitive activity that hurts competition by damaging small businesses and farms in a way that does not occur to larger, wealthier international enterprises.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. I ask unanimous consent to have printed for the RECORD a 3-page listing of a variety of organizations, all of which support repeal of the estate tax.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

THE FAMILY BUSINESS ESTATE TAX COALITION

Air Conditioning Contractors of America, American Business Press, American Consulting Engineers Council, American Council for Capital Formation, American Family Business Institute, American Farm Bureau Federation, American Forest and Paper Association, American Forest Resources Council, American Hotel & Lodging Association, American International Automobile Dealers Association, American Supply Association, American Wholesale Marketers Association, American Vintners Association, Americans for Fair Taxation, Associated Builders & Contractors, Associated Equipment Distributors, Associated General Contractors, Association for Manufacturing Technology, Citizens Against Government Waste, and Citizens for a Sound Economy.

Communicating For Agriculture, Construction Industry Manufacturers Association, Farm Credit Council, Fierce and Isakowitz, Food Distributors International, Food Marketing Institute, Guest & Associates, Independent Community Bankers of America, Independent Insurance Agents of America, International Council of Shopping Centers, Kessler & Associates, National Association of Beverage Retailers, National Association of Convenience Stores, National Association of Home Builders, National Association of Manufacturers, National Association of Plumbing-Heating-Cooling Contractors, National Association of Realtors, National Association of Wholesaler-Distributors, National Automobile Dealers Association, and National Beer Wholesalers Association.

National Cattlemen's Beef Association, National Corn Growers Association, National Cotton Council, National Electrical Contractors Association, National Federation of Independent Business, National Grocers Association, National Licensed Beverage Association, National Lumber and Building Material Dealers Association, National Marine Manufacturers Association, National Newspaper Association, National Restaurant Association, National Roofing Contractors Association, National Small Business United, National Taxpayers Union, National Telephone Cooperative Association, National Tooling & Machining Association, National Utility Contractors Association, Newspaper Association of America, Ocean Spray Cranberries, Inc, and Organization for the Promotion & Advancement of Small Telecommunications Companies (OPASTCO).

Painting & Decorating Contractors of America, Petroleum Marketers Association of America, Printing Industries of America, Rock Hill Telephone Company, Safeguard America's Family Enterprises, Society of American Florists, Southeastern Lumber Manufacturers, Texas and Southwestern Cattle Raisers Association, Textile Rental Services Association, Tire Association of North America, United States Telecom Association, U.S. Business & Industry Council, U.S. Chamber of Commerce, Wine and Spirits Wholesalers of America, and Wine Institute.

MEMBERS OF THE SMALL BUSINESS LEGISLATIVE COUNCIL (71)

Air Conditioning Contractors of America, Alliance of Independent Store Owners and Professionals, Alliance of Affordable Services, American Bus Association, American Consulting Engineers Council, American Council of Independent Laboratories, American Machine Tool Distributors Association, American Moving and Storage Association, American Nursery and Landscape Association, American Road & Transportation Builders Association, American Society of Interior Designers, American Society of Travel Agents, Inc., American Subcontractors Association, Associated Landscape Contractors of America, Association of Small Business Development Centers, Association of Sales and Marketing Companies, Automotive Recyclers Association, Bowling Proprietors Association of America, Building Service Contractors Association International, and Business Advertising Council.

CBA, Council of Fleet Specialists, Council of Growing Companies, Cremation Association of North America, Direct Selling Association, Electronics Representatives Association, Health Industry Representatives Association, Helicopter Association International, Independent Community Bankers of America, Independent Electrical Contractors, Inc., Independent Medical Distributors Association, International Association of Refrigerated Warehouses, International Association of Used Equipment Dealers, International Business Brokers Association, International Franchise Association, Machinery Dealers National Association, Mail Advertising Service Association, Manufacturers Agents for the Food Service Industry, Manufacturers Agents National Association, and Manufacturers Representatives of America, Inc.

National Association for the Self-Employed, National Association of Plumbing-Heating-Cooling Contractors, National Association of Realtors, National Association of RV Parks and Campgrounds, National Association of Small Business Investment Companies, National Community Pharmacists Association, National Electrical Contractors Association, National Electrical Manufacturers Representatives Association, National Lumber & Building Material Dealers Association, National Ornamental & Miscellaneous Metals Association, National Paperbox Association, National Private Truck Council, National Retail Hardware Association, National Tooling and Machining Association, National Wood Flooring Association, Painting and Decorating Contractors of America, Petroleum Marketers Association of America, Printing Industries of America, Inc., Professional Lawn Care Association of America, and Promotional Products Association International.

The Retailer's Bakery Association, Saturation Mailers Coalition, Small Business Council of America, Inc., Small Business Exporters Association, SMC Business Councils, Society of American Florists, Specialty Equipment Market Association, Tire Association of North America, Turfgrass Producers International, United Motorcoach Association, and Washington Area New Automobile Dealers Association.

Mr. KYL. Mr. President, let me give a sense of the businesses and organizations involved—everything from the American Council for Capital Formation, American Family Business Institute, Hotel & Lodging Association, the National Automobile Dealers Association, Citizens Against Government Waste, Citizens for a Sound Economy, a long list of agricultural organizations, Independent Insurance Agents of America, National Association of Home Builders, National Association of Manufacturers, National Cattlemen's Beef Association, National Corn Growers Association, National Taxpayers Union, Chamber of Commerce, and on and on, a whole number of businesses and organizations. As we recall from the debate we had last year, a group of environmental organizations, as well, were involved because of the pro-environmental ramifications of repealing the death tax permanently.

It is very important to focus for a moment on why we are proposing this amendment on this bill at this time. President Bush's budget for the next fiscal year incorporates a permanent repeal of the estate tax. This is something the President knows will benefit our economy and create jobs. That is why it is included within his fiscal year 2003 budget sent here yesterday. This is propitious timing. We have the opportunity to act on this now.

Earlier I indicated the reason this has such a stimulative effect is that there is such a large amount of money being spent on lawyers and estate planning and insurance that could be more productively put into investment in companies for the creation of jobs.

To give an idea of the magnitude of the money we are talking about, I will cite a study done for last year. Alicia Munnell, a member of President Clinton's Council of Economic Advisers, estimates the cost of complying with death tax laws is roughly at the same magnitude as the revenue raised by the tax itself.

In 1998, that was about $23 billion. In other words, for every dollar the death tax raises for the Treasury, it almost costs Americans that same amount of money to prepare to deal with the death tax when their time comes. It is literally a double tax. Half of it is totally unproductive.

I am a lawyer. I don't mean to suggest that paying money to lawyers is a bad thing. But one can hardly argue that it creates new jobs. Perhaps one could say we need to have more lawyers. As long as we keep this law on the books and we do not permanently repeal the death tax, we can put a few more lawyers to work. It is a stretch to argue that justifies keeping this unfair law on the books.

No, the reality is that we can create a lot more jobs, 240,000 jobs over the next 7 years, by a repeal of the estate tax. We can provide another almost $25 billion in disposable personal income, according to the Joint Economic Committee. These numbers do not lie. We have an opportunity to do something positive for our economy, for job creation, for investment. That is why the President has included this permanent repeal in his budget for this year.

Let me show how this works and how unfair it is. Somebody dies in the year 2009. None of us can predict when we will die. If you die in the year 2009, those in your family who succeed you will be faced with a potentially high 45-percent death tax rate. The good news is they have a $3.5 million exemption because that is the way we structured it under our tax bill last year. If you are lucky enough to die in the year 2010, assuming that dying is a good thing—when I say "if you are lucky enough," I don't mean it that way—if you can avoid dying in the year 2009 and stretch your life into 2010, you will be able to have your loved ones avoid the death tax entirely as a result of the bill we passed last year. However, if you are able, through good medicine and health care and the like, to extend your life to the following year, the year 2011, your family is in a world of hurt. Because you lived a little bit longer, they are going to go back to the days when we had a 60-percent death tax rate and an exemption of only $675,000.

What is a sensible small business person, farmer—whoever—going to do, given the fact that it is pretty difficult to predict when you are going to die? And you clearly do not want to take the chance that the only year that you are likely to die in is 2010. What you are going to do is pay lawyers and accountants and estate planners and buy the insurance that needs to be purchased to reduce that death tax liability to as little as possible. That is the expenditure we are talking about that is unproductive. That is to say it does not create any new jobs, it doesn't stimulate the economy; all it does is continue the status quo of a death tax that is going to take effect when you die.

This is the reason it is not only unfair, but what we accomplished last year is really, in some respects, a cruel hoax. I know a lot of people I talk to back home believe we actually repealed the death tax. There was some bragging about the tax bill last year. It was a great bill. The problem with it is, as the Senator from Oklahoma said, because it was done as part of a reconciliation package, it could not exceed a 10-year time span.

I have tried to go back home and explain to people what we did was really good. We established the principle that we did not want the death tax anymore and we had a bipartisan coalition of Senators who voted overwhelmingly for that. But we now have to finish the business we started. As the President is proposing in his budget, we have to make that repeal permanent. Otherwise, we not only have a very unfair situation, but we have a very inefficient and I would say uneconomical situation here.

We have the opportunity to put that money to work that otherwise would simply go—again, I don't mean to denigrate lawyers—to pay those lawyers to figure out how to enable you to maximize the reduction in your death tax when you die.

Mr. SESSIONS. Will the Senator yield for a question?

Mr. KYL. I am happy to yield.

Mr. SESSIONS. First I want to express my personal appreciation to Senator KYL for his leadership on this issue since I have been in the Senate. There is no one here who understands it more than he, or has fought more effectively to see it become more a reality, the elimination of the tax.

But, I say to Senator KYL, what I was thinking about was the circumstance of a small business seeing a death on the horizon and a death tax coming up. The fact that they know they have to make a payment of significance to Uncle Sam—would that not perhaps cause them to hesitate to invest in new equipment, to modernize or expand their business, knowing that that might cause them to use up their cash or even borrow money, and in fact make the economy less vibrant than it otherwise would be?

Mr. KYL. Mr. President, I say to the Senator from Alabama, that is another entirely separate argument for eliminating the tax and making its repeal permanent. The Senator is absolutely correct.

In addition to the wasteful money we spend trying to avoid the liability or reduce it as much as possible, rather than putting that into productive assets, the Senator is pointing out that because of the possibility—it is almost like a black cloud hanging over your head—if you think you are going to die, you are not going to make that new investment, you are not going to revitalize your plant and equipment or hire that other team that is going to produce a new product, or maybe go out of your way to market the product—all of those things that will be an investment in our economy. You are going to defer that because you know you are going to need it for something else; namely, to pay the grim reaper, because you know you are going to pass away.

I think of an example back home of a company that became very successful. One entrepreneur moved to our State and over time built up a wonderful business employing over 200 people. He was a great contributor to the charities in our community. He was one of those pillars of the community that you just like to think of but he died. His family had a terrible time. The tax liability there was so great that they ended up having to sell this business.

The idea of a death tax is to prevent an accumulation of wealth. That is the theory of it. What happened here? They had to sell to a big company, the kind of big corporation the Senator from Alabama was just talking about. Instead of this small—I would say, with 200 employees, it is getting to be a medium-size business, but it was still a sole proprietorship basically. But instead of having the business in our town, employing all those people from town, contributing to the charities and the local economy, and so on, this big corporation came in. Are they still employing that number of people? No. Are they contributing to the community as did our friend Jerry? No. These people are not making the kind of investment—and I don't denigrate them at all, but they are trying to run a business, and that is fine, but there is a difference here.

The small businessman who built up his business continued to plow everything he had back into the business, which is exactly the point the Senator from Alabama is making here. You put it back into the business so it can continue to grow because it is a family-owned business. You do not have to take out all the money and send it someplace else. Because they did that, they were asset rich and cash poor. You do not want to find yourself in that position if you are going to die, because you cannot pay the taxes. That is why his family had to end up selling the business.

Mr. SESSIONS. I would like to follow up on that. The company that bought them, bought your friend Jerry's business, presuming they were a broadly held stock corporation, maybe of national size—that corporation would never have to plan its economic future with the fear of having to pay an estate tax because corporations do not pay death taxes; is that correct? Isn't that a factor, an economic incentive we have created for small businesses to sell out to big businesses when really they ought to be competing against them and keeping them honest?

Mr. KYL. I say the Senator from Alabama is exactly correct. It is an unfairness for the small business because the small businessmen are taxed in this fashion. The big corporation—I am all for big corporations, too, but they don't have to worry about this kind of thing. So there is, in effect, a perverse incentive working here, but it is one of the things that is not only bad for the economy but it makes it unfair. It is not really an American way of looking at things, to my way of thinking.

If the Senator from Nevada would like to speak, we have had our chance here, so the Senator is welcome to the floor.

The PRESIDING OFFICER. The deputy majority leader.

Mr. REID. Mr. President, I hope people are beginning to see what Senator DASCHLE has put up with now for months on the stimulus package—months. It is never quite right. There is always something just a little bit lacking.

Remember, there were rules set down for what a stimulus package should be. I may not have it down exactly right, but it is supposed to be fiscally responsible, supposed be short term, and would have no effect on the deficit. That is what we were supposed to do to get a stimulus package. And we have tried very hard.

But what are we working on today, now, to divert attention from what the underlying Daschle bill does? We are now talking about something 10 years from now. I don't know if any of the unemployed are watching. There are probably some watching TV because they are not working, so maybe some of them slipped onto C-SPAN. I hope the unemployed understand what is going on here. The minority is now focusing again on the wealthy. We can have all the stories about the poor family farmers, and I understand that. I think the estate tax needs some revision, and we were willing to do that, to work with the minority to do that.

Say what you want to say. This affects the top one-half percent of the people in America as it relates to income. We were willing to change it from the standard before. But no matter how you twist and turn it, this relates to people who have assets—a lot of assets.

How do the unemployed feel? We have given them nothing—zero. Since September 11, we have taken care of the airlines. We have focused on the insurance industry. We have done all kinds of things for corporate America but very little for consuming America.

We talk about meeting the qualifications for having something stimulative. Studies have shown that every dollar invested in unemployment insurance produces $2.52 in gross domestic product. Those unemployed out there should understand that we want to help. We have tried to help.

Part of Senator DASCHLE's legislation deals with extended unemployment benefits. During the previous Bush administration, we extended unemployment benefits five times. We did it during the Reagan years. But now we are not doing it. We are not messing around with something to help the unemployed.

In Nevada, over 100,000 jobs have been lost because of September 11. Indirectly, in the service industry—people who wait tables, waiters, waitresses, park cars—over 30,000 jobs were lost. Those people are now without unemployment benefits. Their time has run out.

I think we should extend it. They did not do anything wrong. We have done it in the past. It is not as if they are not willing to work. They are on the union lists. If something picks up, they will be rehired. In the meantime, they need help.

I was a big supporter of Welfare to Work. I think we did good work during the Clinton years to get Welfare to Work. As you recall, President Clinton didn't accept proposals that were sent to him. He kept vetoing them until he got it just right. He improved it by his veto.

There are people in Nevada who are working in the service industry. Some of those 30,000 people are people who went into Welfare to Work. These people may be dishwashers. They may be people who assist maids in cleaning up the hotel rooms in Las Vegas and Reno. They may be someone working in some other rather low-paying job, but they get paid certainly a lot better than being on welfare. Those people are out of work and haven't been on the job long enough to qualify for unemployment benefits. We want to give them some help. But no, this isn't quite the right time to do this.

There was the Department of Labor study done in 1999. This is not some new study to justify an unemployment insurance extension. This was done in 1999. Every dollar invested in unemployment insurance extension generates $2.52 in gross domestic product.

Another study by the Department of Labor estimated that unemployment insurance mitigates real loss in gross domestic product by 15 percent. In the last five recessions, the average peak number of jobs saved was 131,000.

Joseph Stiglitz, co-winner of the Nobel Peace Prize in economics last year, stated that we should extend the duration and magnitude of the benefits we provide to our unemployed. This is not only the fairest proposal but also the most effective. People who become unemployed cut back their expenditures. Giving them more money directly would increase expenditures.

But here we are not doing what is called for by the President of the United States, saying that if we are going to do something on an economic recovery plan, it should be short term, fiscally responsible, and it should do anything for the deficit. This amendment fails on all three.

The Congressional Research Service concurs with Joseph Stiglitz. They say that extending unemployment compensation is in fact likely to be a more successful policy for stimulating aggregate demand than any other tax or transfer charge.

There is a time and place to debate whether or not the estate tax repeal should be made permanent. I acknowledge that. There is a time and place to do it. But it is not on this legislation. This is another effort to allow the minority and the President of the United States and the people around him to blame Senator DASCHLE and the Democrats, that we didn't do anything to pass an economic stimulus package.

But the American people aren't that stupid. They know that we have done it. It was laid out here yesterday in detail by Majority Leader DASCHLE. He has tried to get an economic stimulus package passed.

What did he ask for? What does the underlying bill call for? It calls for extended unemployment benefits. It calls for tax rebates for those people who didn't get tax rebates during the first round. Remember, the most successful part of President Bush's tax cut program was our program that he stole from us. I was glad he did. But that was our program. We called for rebates. That was us. We asked for that because we knew those people would spend that money quickly. They have.

Also, part of Senator DASCHLE's legislation was bonus depreciation. What is that? The bill would increase the bonus depreciation deduction for the cost of any capital asset purchased between September 10, 2001, and September 11, 2002, and it would be certified by the end of 2002.

One of the amendments offered by the chairman of the Finance Committee, Senator BAUCUS, extended that. So Senator DASCHLE's 1-year proposal has been extended. The bonus depreciation up to 30 percent of the cost of the asset would be in addition to the normal first year depreciation. Leaseholds would qualify for the bonus depreciation deduction. This would really help small business. It would help big business, but it would really help small business. That is why the majority leader included this in his legislation.

Finally, a provision in his legislation would provide temporary increases for a Federal Medicaid matching rate, called FMAP. The Federal Government matches between 50 and 83 percent of the cost of Medicaid in each State depending on the State's per capita income. Medicaid matching rates for fiscal year 2002 are based on a State's per capita income in 1997, 1998, and 1999, in which the economy was very strong. The most recent economic trends do not reflect a new matching rate. Senator DASCHLE wanted to adjust that.

Why did he pick these four things: Extended unemployment benefits, tax rebates, bonus depreciation, and fiscal relief for the States? The reason he did it is people believed these things would be stimulative to the economy. But he narrowed it down to four things he had heard speeches about given by the majority and the minority in the Senate saying we think this should be done. There was general agreement on the four things he put in this legislation. But, no, it is not quite the right time. No matter what happens, it really is not quite the right time to do it.

Now we are in a debate about making the estate tax repeal permanent. Let us see. Does that stimulate the economy? No. Is it short term? No. Is it fiscally responsible? No. But again it deals with the rich people. I am all for helping rich people. I think it is something we have an obligation to do. I think helping rich people helps everybody. But there is a limit.

I say to those unemployed watching C-SPAN today, keep in mind that we are trying to help. We have tried and tried and tried. This has been going on for months now. On this particular legislation, we tried again after the Christmas break, starting January 23. This is the third week we have been on this. It is never quite right. There just isn't anything we can quite do to get to finality.

Under the Senate rules, it is not like the House of Representatives. If you have one more than a majority over there, you can ram anything through. It is like the British Parliament. When you are in the majority in the British Parliament, you march down the road and get anything you want. But that is not the way it is in the Senate.

For 200-plus years, the Senate has had certain rules. They work well. But it does not make things easy in passing legislation. And you usually have to have 60 votes.

Senator DASCHLE thought he had 60 votes for everything that was done here. But, no, it is not quite the right time to do an economic stimulus package today. Maybe tomorrow. Maybe the next day.

But what we are faced with is a farm bill we would like to complete, we have election reform we would like to complete, and we have energy legislation we would like to work on prior to a week from this Friday. It leaves the majority leader with very few alternatives because it is obvious this is a slow walk—this has been a slow walk since January 23—because no matter what the leader does, it is not quite good enough.

So I respect the feelings, the passion that my friend from Arizona, Mr. KYL, has. He is very good at expressing how strongly he feels about that. I understand the strength of his feelings. My counterpart, Senator NICKLES, I understand the strength of his feelings in repealing the death tax. The manager of the bill today, Senator SESSIONS from Alabama, makes a very good point on why he feels as strongly as he does. And I appreciate that.

But I say to my friends—and all three are my friends—it is so obvious what is happening here. This stimulus bill, which we have been trying to pass since January 23, is going no place. Everyone can see that. We are going to have a cloture vote on it tomorrow to try to get 60 votes. It seems pretty clear to me the minority is not going to allow debate to stop on this legislation. That being the case, it is up to the majority leader how we will proceed. He is the only one who has that decisionmaking power.

We have other things we have to get to, such as the farm bill. Nevada is not really a State that depends heavily on agriculture. We grow garlic. We are the largest producer of white onions in America. We grow a few potatoes. We have many cows. We have some large dairies to supply some very thirsty people in Las Vegas. We even supply Carolina some milk. But we are not a State dependent on agriculture as are so many States.

But the farm bill is very important to many Senators. Of course, that is something we could not complete. We could not stop the filibuster on that at year's end.

We thought we had a bipartisan agreement on election reform, and I think we do. There has been tremendous work done by Senator DODD, Senator BOND, and others—bipartisan legislation—so we don't have the problems we had in the last Presidential election.

I am not necessarily picking on Florida. I think if a lot of States had been looked at with a magnifying glass like Florida was looked at in the last election, we would all have problems. But this is a bipartisan effort to try to make that no longer the case—that we would have certain standards for elections and that the Federal Government would assist States in obtaining and then maintaining those standards. So we need to do that.

Of course, energy legislation is something for which there has been a hue and cry from the minority, and rightfully so. We need to get to that legislation. Senator DASCHLE, last year, made a commitment that we would get there before the Presidents' Day recess. The Presidents' Day recess starts next Friday, so that leaves very little time.

With all due respect to the fervency of the feelings of those who want to repeal and make permanent the death tax, keep in mind that at this stage it is only an effort to divert attention from what we are really trying to do; that is, pass a bill that will stimulate the economy, will be short term, will have no effect on the deficit, and be fiscally responsible—not legislation that, once again, has the unemployed getting zilch, zero, nothing, and the wealthy, again, getting the largest amount that we throw to them. And even though they deserve attention—and we have given them plenty—I think the time has come to help those people who need help: the unemployed, the underemployed, small business people, and helping States that are having difficult times because of the Medicaid matching funds.

Of course, as I have indicated earlier, we really need to do something to help small business. And in the process, we would be helping big business with this bonus depreciation.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I thank my colleague for his speech. I think we all share some frustration—obviously, from different viewpoints—about the stimulus bill. I would just like to suggest there is a solution to the problem; and that is, we could have a unanimous consent agreement where we would let our Democrat colleagues put together a stimulus package, we would put together a stimulus package, we would have a unanimous consent agreement to vote on both of them, and if they both got over 50 votes, then the one that got the highest number of votes we would take to conference with the House. And we would, therefore, be on our way to have a stimulus package.

Our Democrat colleagues are not going to accept that proposal because the problem is, we have a majority vote for a bipartisan agreement that was put together by Senator SNOWE and Senator BREAUX it has nice rhythm: SNOWE and BREAUX and it is supported by moderates on both sides of the aisle and has very strong support among Republicans in general.

I remind my colleagues the sad history of the stimulus package is that the President met with Democrats and met with Republicans, took some Democrat ideas, took some Republican ideas, and made a bipartisan proposal, which I believe the President earnestly thought, in the aftermath of September 11, we would adopt.

What happened—almost immediately—is that our Democrat colleagues said: We will take the half of the bill that is ours, but not the half of the bill that came from the White House and from Republicans.

We can go back and forth and make our arguments. We have clever people on both sides of the aisle. We can argue we don't see any stimulus in the Democrat package. Obviously, they can make the same argument. I don't know who would be convinced on either side.

But when that effort failed, Democrats and Republicans in the Senate got together and put forth the only bipartisan proposal for a stimulus package that has been put forward in the

Senate. At that point, we clearly had more than 51 votes for a stimulus package. This was way back before Congress adjourned in December.

In an extraordinary action, the President said: Take that bipartisan compromise. Let's agree on it. I will sign it into law. He asked the House of Representatives to take a bill written by the Senate, to introduce the bill in the House, and pass it, and send it to the Senate.

At that point, as the session drew to a close last year, the majority leader, Senator DASCHLE, knew that the bill that had been passed by the House, and had come over here, and was waiting at the desk, that there were a majority of the Members of the Senate—Democrats and Republicans—who would vote for that bipartisan proposal if it were brought to the floor of the Senate.

No one can dispute those facts.

What did the majority leader do? He refused to bring it to the floor of the Senate.

When we came back into session, the majority leader took three provisions from the President's proposal—some in a slightly different form than the President had put in his proposal—because Democrats had proposed them, threw the rest of the package out, and then made up a fourth proposal that no one had seen, and brought that forward as a stimulus package.

He has every right to do that. He is the majority leader. But we have a right to offer our amendments. We have offered amendments. Some have been adopted. Some have been rejected. We have had an orderly debate. We have been willing to set time limits on votes. And now the Democrat floor leader says that we are getting nowhere and that this is not a real effort.

We ought to have an opportunity to vote on a bipartisan proposal. I believe it would pass. It looks as if we are not going to do that.

We want an opportunity to vote on some things we believe will stimulate the economy. I will, before I address the amendment before us, sum up the point I made earlier.

The majority leader has some choices. He can bring up his bill and give us the right to try to improve it. That is what we are trying to do. He says now he is going to pull down the bill because we are trying to improve it. He has the right to do that.

A second alternative is to bring up the bipartisan bill and give Senator DASCHLE a chance to amend it. I think we can work out an agreement to do that, but I do not believe Senator DASCHLE is going to do that because the bipartisan bill will pass.

A final proposal, which I repeat in case anybody is interested in a compromise, is let the Democrats sit down and write the best bill they can write. We are going to take the bipartisan bill. It is not the best bill we can write, but it is a bill that has over 51 votes. It is not wonderful, but it would help the economy both in the short term and in the long term. We are going to take that bill. Let the Democrats bring forward their proposal as to how we stimulate the economy, and let us bring ours forward. We will vote on both of them, and the so-called "king of the hill" parliamentary procedure that we could put into place by unanimous consent is the one that gets the most votes will be deemed passed, and then we can go to conference with the House, and perhaps we might get a stimulus bill.

I do not see how anybody can say that is unfair. Senator DASCHLE could get a vote on his stimulus package. We could get a vote on the bipartisan one, and majority would rule.

I do not think that is going to happen because the Daschle package would get fewer votes. We all know it. The bipartisan bill would pass, and I believe that would be objected to.

What does this all boil down to? The one bill that can pass the Senate, the majority leader will not allow to be voted on.

You can say that is a good thing and you can say that is a bad thing, but it is a fact, and that is the impasse in which we find ourselves.

We now have a bill that very few people are for, and we just want to try to amend it.

We have an amendment before the Senate which is a very important amendment. When we passed the tax cut last year, we faced a parliamentary problem that most people do not understand; that is, we were operating under a process called reconciliation. That is a budget process. It means the things you do under that process can extend no longer than the budget unless you can waive a point of order and get 60 votes.

Some will sadly remember that the tax cut received 58 votes in the Senate. We did not have the votes to waive this process so the tax cut could last only as long as the budget, and the budget was only 10 years long.

It produced this incredible situation that stuns the American people when we tell them. The tax cuts that we passed—eliminating the marriage penalty, eliminating the death tax, reducing tax rates dramatically—all of those provisions go away in 10 years.

Nothing is more destabilizing to the economy than having a temporary tax system. There is no doubt that we affect behavior when people do not know what the system is going to be in the future. This is especially true with regard to the so-called death tax.

As our dear colleague from Arizona has pointed out very clearly, we have this incredible anomaly that if you die, depending on in what year you die, between now and the 10th year of the tax cut, the taxes you pay will vary. If you die in the 10th year, your family will inherit your business or your farm or your assets tax free. If you die in the 11th year, they are going to have to sell your business or sell your farm, sell or mortgage your life's work to give the Government 55 percent of every dollar you accumulated worth of value on your farm, your business, your assets in your lifetime.

Needless to say, that is an absurd circumstance. I, quite frankly, am concerned that people who have some kind of serious illness might actually choose to end their lives in the 10th year. That is not beyond my imagination.

We had a strong consensus on repealing the death tax. I know our dear colleague talked about rich people, but, we had a consensus that if somebody works their whole life, they pay taxes on every penny they earn and they skimp, they save, and they sacrifice and they build up a family farm, it is not right that their children have to sell the family farm to give Government a double taxation by paying 55 cents out of every dollar they accumulate in their life back to the Government.

The same is true for small business. The National Federation of Independent Businesses, in surveying companies, found that the No. 1 reason small businesses do not survive into the second and third generation is death taxes.

I rejoice. I know some of my colleagues view the whole world as a class struggle. They believe all of existence is a conflict between the rich and the poor. I always get confused about who is who because it changes so often.

I liken the stimulus package to the coldest week of the year, it is snowing, it is sleeting, it is freezing, and a breeze comes along and blows a roof off an apartment building. Logical people say: Why don't we rebuild this roof?

We have colleagues who say: Wait, won't people make money rebuilding this roof? There will be a profit, and don't rich people tend to live on the higher floors of this apartment building? Won't they benefit more by having a roof than the poor people who live in the basement and on the first and second floors?

Really, wasn't that what the stimulus debate was all about? Honest to God, what we do, remarkable as it sounds, is we end up buying a bunch of blankets, stockpiling penicillin, we hire a bunch of doctors and nurses, and we spend a whole winter treating people for exposure rather than rebuilding the roof on the apartment building.

On the death tax—and I am sure my colleague from Arizona will concur—I have never spoken on this subject in my State to any audience no matter what their background, what their education, no matter what their income, no matter what their wealth that did not believe that it was fundamentally wrong to force a family to destroy their life's work in a business or a farm to pay taxes when somebody died. People fundamentally think it is wrong to tax death. You have to die anyway. That is never a happy event. Why should we compound it by rushing in and collecting a tax at that moment?

I have found in watching audiences, when I have spoken on this subject, it does not seem to matter whether it is a local banker or whether it is a guy who works at the filling station. Nobody believes, at least in my State, that it is right when somebody has paid taxes their whole lives, has built up a farm or a business, to take it away from their children when they die.

We reached a bipartisan consensus on that principle, but because of this fluke in the budget process the death tax comes back in 10 years. So we have 1 year where it is repealed. The Senator from Arizona, in an amendment I am proud to support, has proposed we make the repeal of the death tax permanent.

My guess is we are not going to get to vote on that this evening. I assume the Senator from Arizona would love to vote on it today. Our Democrat leader, our dear friend, has said there is a stall underway.

We would like to vote on this amendment now. At some point, the Senator from Arizona might ask unanimous consent that we have an opportunity to vote on this amendment this afternoon. What I am fearful is going to happen is we are going to have a vote on cloture—and nobody knows what that means except people in the Senate, but that means no more amendments can be voted on, the Daschle proposal has to be voted on by a yes or no. If that is defeated, as I believe, A, it should be and, B, it will be, then in listening to Senator REID it sounds to me as if the majority leader is saying he will pull down the bill and we will never get a chance on this bill to vote on making the death tax repeal permanent.

I think this is an important issue. I would like to vote on it. Perhaps if people want to get on with writing the bill, if we could make the death tax repeal permanent, as bad as I believe the Daschle proposal is, I believe it does absolutely nothing for the economy, I would have a hard time not voting for it if we were making the death tax repeal permanent.

Quite frankly, if Senator DASCHLE wanted to pass his bill he could probably pick up at least two votes by supporting our amendment. So, A, I hope we can vote on this today. B, I hope we can vote on it someday. C, I believe when the American people understand we did not really repeal the death tax unless you die 10 years from now and if you do not die in that year it comes back, I think they are going to demand it be repealed, and I believe it will be repealed. I do not have any doubt in my mind we will repeal the death tax.

I thank the Senator from Arizona. I urge him to talk to the majority leader about having a vote this afternoon. We would like to vote. Every Senator in the Chamber right now, except Senator REID, is convinced, and the Presiding Officer, and we are ready to vote. We would like to have a vote on this issue. Perhaps if we could adopt this amendment, we might be moving toward a stimulus package that would be truly bipartisan.

I thank my colleague for his leadership, and I yield the floor.

The PRESIDING OFFICER (Mr. DAYTON). The Senator from Arizona.

Mr. KYL. I thank the Senator from Texas very much for his great set of comments, and also for what he said personally. I agree, when the assistant majority leader says there is an attempt to slow walk this bill, that is simply not the case. In fact, I will not do it right now because he is preoccupied, but at some time when we have the Senator's full attention—he has had a chance perhaps to talk with others on his side—I will propound a unanimous consent to vote as soon as we can, to vote this hour, to vote next hour, to vote sometime this evening, to vote sometime before the cloture vote, on this amendment. If we could vote before 4:30, we would be prepared to do that. Or if there is an effort to get a little bit more debate before the vote, that is fine, too, but there is no effort to draw this out. I am ready to vote right now on this amendment and move on.

The Senator from Nevada made the point that this amendment offered by the Senator from Arizona shows how hard it has been for the majority leader, what he has had to put up with for many months; that it does not matter quite what he does, the bill is never quite right and amendments are offered.

There are three responses to that. First, there have not been that many amendments offered to this bill, certainly not that many which have been debated and voted on, only a handful. Secondly, I think the Senator from Nevada must concur the bill is not quite right because he and I have an amendment which we both think is a pretty darn good amendment that would make the underlying bill a lot better. Senator REID himself proposed that amendment on our behalf. I believe it was yesterday. So, no, we do not think the bill is quite right either.

Of course, when Senators do not think it is quite right, then we have an opportunity to offer an amendment. Frankly, there are a lot of things I do not like about it. I would love to propose a lot of amendments, but I selected only two: this very important death tax repeal because of the effect it will have in stimulating the economy, and the other is the amendment that Senator REID and I sponsored, which also would have a direct stimulative effect on the economy because it helps the precise industry that was most dramatically affected, the air travel industry. We can relate it to the travel industry generally after September 11.

So, no, there is no effort to slow walk this bill or to prevent it from ever being considered or voted on. We are simply trying to do what Senator REID himself has tried to do, and that is make it better.

I dare say the amendment I have offered would make the bill a whole lot better. As the Senator from Texas said, even though I am not much in favor of the underlying bill, if we were able to adopt this death tax repeal and make that permanent, I would be sorely tempted to vote for the majority leader's bill.

The other point I wanted to make with respect to this business of slow walking is exactly what the Senator from Texas said. We could vote on the Centrist Coalition proposal right now. I think everybody recognizes that would pass. We could be out of here by 5 tonight by allowing the bipartisan Centrist Coalition bill, which President Bush has endorsed, to come to the floor. It is, in fact, the only bill that can pass this body.

So if we are talking about getting something passed and getting it to conference so we can actually have a stimulus package bill, we all know the formula for that. It does not have to take but another few minutes and we could be done with it. We offered to do that. I offered to be sorely tempted to vote for the underlying bill if my death tax amendment is adopted, and I probably would. We can get all this done very quickly.

One other thing I wanted to respond to that my friend from Nevada argued, and it is the same old argument that was made when we considered the death tax repeal the first time around—it was wrong then and it is wrong now—is that the death tax only applies to the top 1½ percent and therefore it is a tax on the rich, and who would care about the rich?

Well, there are really three responses to that. The first is that it is just not true. As I noted before in my earlier comments, Dr. Wilbur Steger, who is a Ph.D. and president of CONSAD Research Corporation, and a professor, has noted this argument that it only applies to the top 1½ or 2 percent is wrong.

He says that, in fact, in a typical year, the total number of taxable estates that consist largely of family owned businesses likely exceeds 10,000.

What does that number really mean? First of all, that is 10,000 businesses. Multiply by that the number of employees who work in each business. Pick any number. One certainly has to say the people who work for those businesses are directly affected. If the business goes out of business because the death tax has to be paid, that directly affects every employee in that business, times the number of family members with each one of those employees, times the number of stores that they buy things from and all the rest of it.

A lot more people are affected by the death tax than just the number of people who happen to die each year who end up paying the tax, in addition to which everybody who might have to pay the tax has to be worried every year about the estate planning. They, too, are directly affected.

As I pointed out before, they end up paying at least $23 billion a year, and the lawyers, accountants, estate planners, insurance, and other expenses of estate planning that enable them to deal with this future contingency. They may not die this year, but they are having to shell out a lot of money this year in order to deal with their potential future estate liability.

It turns out a lot of people are affected by the existence of the death tax. What the Senator from Texas pointed out a while ago is the clincher. There is nothing more destabilizing to an economy than having a temporary tax, especially one which no one can predict with any degree of certainty is going to apply in the future. I refer specifically to the estate tax. We phase it down a little bit over the next 8 years. Then we repeal it altogether. Then it goes right back into existence as it was last year with a 60-percent rate. How can I plan against that if I don't know when I am going to die? Do I plan for it in the eighth year, in the seventh year, or maybe in the year that it is repealed altogether? That would be great if I died that year; at least my heirs would not be burdened. But if I live an extra year, they have big problems. What about beyond that? Nobody knows.

As the Senator from Alabama argued earlier, you do not know whether to invest in the plant equipment or put the money away because you have to pay the estate tax with it. It is very destabilizing. In the meantime, you keep shelling out that money to the estate planning folks rather than investing it in your business. That is why it belongs on this bill.

We know it will create jobs, 240,000 jobs in 7 years. Americans would have $25 billion in additional disposable personal income. This is from a report of the Joint Economic Committee, not my numbers. We have other estimates that back up this point. As a matter of fact, Dr. Steger, who I quoted earlier, indicates an immediate death tax repeal would provide a $40 billion automatic stimulus to the economy. That is because of the pent-up capital that citizens do not deal with because of the potential tax liability that exists; a $40 billion automatic stimulus to the economy at virtually no cost to the Treasury. Talk about getting the bang for the buck, I don't think there is anything we can do that would have a greater immediate impact on our economy than the repeal of the death tax.

We talk about extending unemployment benefits for 13 weeks. Does that stimulate the economy in any way? No. Does that create any jobs? No. But it is a central feature of the stimulus bill that is before the Senate.

We may want to extend unemployment benefits for the people currently out of work. But I don't think anyone can argue that stimulates the economy. To anyone who says, Senator KYL, how come you are offering the death tax repeal on the stimulus bill? I say, how come you are offering or supporting the unemployment extension? That does not create a single job. I know people would rather have a paycheck than an unemployment check. Let's do something that would stimulate the economy, create jobs, provide that investment, take the $40 billion in pent-up capital, and get it into our economy, create the 240,000 jobs.

I have heard the arguments in response. I cannot imagine the Senate, which passed the death tax repeal before, would not want to finish the job of making that permanent, given the fact that it does not do a whole lot of good, except if you die in the 10th year, to do the partial repeal, the temporary repeal, the confusing and destabilizing repeal that we effected last year, without going into the final step and making it permanent. It seems to me to make so much sense.

The Senator from Texas made a comment; he thought maybe the effort would be to deny a vote. I certainly hope that is not the case. I think the American public deserves to know where their Senators stand on this issue. Do you believe in making the death tax repeal permanent or not? Do you believe it can help stimulate the economy and create jobs or not?

There are those who are going to differ on this. That is what the Senate is all about. That is fine. Take the vote. Stand where you want to stand on the issue. But we can do that quickly. We can move on to the next amendment. We can consider a whole number of amendments before we have the vote on cloture sometime tomorrow. That would be my proposal.

As Senator GRAMM said, perhaps what we should do, and I will wait until the assistant majority leader is on the floor, perhaps we should ask unanimous consent, and I will indicate at the appropriate time when someone from the other side is here to respond other than the Senator from Minnesota, who just walked on the floor, we will ask unanimous consent to be able to vote for this at a time of their choosing prior to the cloture vote.

The Senator from Minnesota has arrived. If he wishes to speak to this, I am happy to defer to him.

Mr. WELLSTONE. I thank my colleague. I say to the Senator from Arizona, I thank him for his graciousness.

I do not know what the dynamic is here. I know there is an amendment I want to do again with Senator DURBIN and Senator DAYTON. My understanding is we may not be able to do that so there may be some problems in terms of what amendments we are able to vote on before cloture tomorrow.

However, I want to make it clear, and I assume this would make the Senator from Arizona feel better, I do want to go on record as to where I stand whether there is a vote or not. I am in very strong opposition to the amendment of the Senator from Arizona.

The good news is that in the short run, just a complete repeal of the estate tax would be over the first 10 years about $55 billion. The bad news is, over the second 10 years, when many will be 65 years of age and over, and we will all be looking to see what is in the Social Security trust fund and what is in Medicare, this amendment will cost $800 billion.

I say to the presiding Chair, I had interesting discussions with business people in Minnesota who say I am wrong. They need some help for when we pass our business to our children. I said: How about up to $5 million? And they say that would be reasonable.

But that is not what we are talking about. We are talking about an amendment that does away with all of the estate tax. I have a figure that actually 636 Minnesotans paid the estate tax in 1999.

When we hear about small farmers and small businesspeople, we are talking about the top, of the top, of the top, of the top of the population. For example, I don't pick on Bill Gates. I think he just did a good thing, talking about where is the United States and other countries in terms of our commitment to developing nations. But I don't think the Gates family really needs any help. And I think it is a little outrageous to take $800 billion out of the Social Security trust fund at the very time that many of the baby boom generation are going to be turning 65 years of age and over. That is exactly what we got in the President's budget.

I say to my colleague from Arizona, whether there is a vote or not, I am on record opposed to this, and pleased to be opposed to it. I find absolutely incredible the situation now. We have a budget that comes out from the President. We find we are going to eliminate the empowerment zones in our city. In Minneapolis, they are extremely important. The budget will actually eliminate the grants to the empowerment zones. What is supposed to be for additional child care or affordable housing will not be there, and the budget will cut the 7(a) program in the State of Minnesota. Since 1996, we leveraged $1 billion to small businesses in the State of Minnesota. We will cut the 7(a) program in half. That is $1 billion of capital we have been able to leverage to small business. It will cut the 7(a) program by 50 percent.

I hear Secretary Paige say in order to figure out how to make up for potential cuts in the Pell Program, because we keep the maximum at $4,000 a year, we will take away from true north in Minnesota. It also affects telework, people trying to find jobs and develop businesses at a time when our steelworkers are losing their jobs. Then we will go after child care. Then we go after homeless votes. Then we will cut counselors and there is no additional money for affordable child care, no additional money for Head Start. My gosh.

I hear this administration; they love the children. They are all for the small children. I am sorry to be cynical, but in the words of Fannie Lou Hamer, who once said, "I am sick and tired of being sick and tired," I am sick and tired of this symbolism.

Then, I say to the Presiding Officer, we are still waiting. The Senate did a good job; Republicans did a good job—bipartisan. We were going to make the program for children, for special education, mandatory over 6 years, full funding. It would have helped our State $45 million this year, $2 billion, I say to Senator DAYTON, over the next 10 years. None of that is in the budget. But now what we have is a proposal that over the next 10 years—I mean the first 10 years, $55 billion—is bad enough. The next 10 years, when we are not going to have money because the administration has taken the money out of the Social Security and Medicare trust funds, put us into deficit, and then by the Kyl amendment, over the second 10 years, it is $800 billion. This is simply unacceptable, and I want to make clear how strongly I am in opposition.

Mr. REID. Will the Senator yield for a question?

Mr. WELLSTONE. I am pleased to.

Mr. REID. My good friend from the State of Arizona, Senator KYL, said that unemployment insurance extension does not create a single job to stimulate the economy.

Does the Senator from Minnesota, who has spent a lifetime dealing with those who are not privileged, including the unemployed—would the Senator agree with that statement? Or would the Senator agree with the statement from Joseph Stiglitz, Nobel Prize winner in economics, who says:

> . . . we should extend the duration and magnitude of the benefits we provide to our unemployed. This is not only the fairest proposal, but also the most effective. People who become unemployed cut back on their expenditures. Giving them money will directly increase expenditures.

Would the Senator agree with that statement or the one from our friend from Arizona, Senator KYL, who said unemployment extension does not create a single job to stimulate the economy?

Mr. WELLSTONE. Mr. President, I say to my colleague from Nevada, the truth is—first of all, even if I did think extending unemployment insurance was not a stimulus to the economy, I would be for it because we ought to help people who are flat on their backs through no fault of their own.

Second of all, Joseph Stiglitz, who was with the World Bank, a fine economist, is exactly right. It is not just him, it is just about every economist you talk with, much less people back in Minnesota, talking to people in their homes and coffee shops, who all know, by definition, if you are going to extend unemployment insurance to people and put some additional dollars in their pockets, they have to go out and buy necessities for their families. They are living month to month trying to pay their bills, so of course they are going to use that money to consume, and of course it is going to stimulate the economy as opposed to—here is the interesting question, I say to my colleague—ending all of the estate tax, which, by the way, again, 636 Minnesotans pay; you have to be super, super wealthy, rich. What we are going to do instead is end that for everyone—not target it, not $5 million or $6 million, just end it for Bill Gates, who is doing good work right now, again dealing with the developing world. We are going to give it to him, and that is somehow going to stimulate the economy. But extending unemployment insurance for people who are out of work, that is not going to stimulate the economy? I think that argument is profoundly mistaken.

Mr. REID. Will the Senator respond to one more question? The minority all afternoon has said they want to vote on the package that came from the House. They said it can get more than 50 votes.

Is the Senator from Minnesota aware that just in recent days we, over here, many times have gotten more than 50 votes? On the farm bill, 53 to 45, 54 to 43, 54 to 43; unemployment insurance, we got 56 votes on that; on the Social Security lockbox, we got 53; on the Durbin unemployment insurance amendment, we got 56 or 57 votes; on the Baucus farm amendment, 57 votes.

The Senator from Minnesota and I have been in the Senate a number of years. It is very frustrating to recognize you need 60 votes to pass things here, but that is how much it takes, doesn't it, generally speaking?

Mr. WELLSTONE. That is correct.

Mr. REID. If we used the logic of the minority, we would have passed several Democratic amendments by this point because they received 50 plus votes. I ask my friend, is the minority's argument sound, when we have had a tradition of more than 200 years that you need more than 50 votes; in fact, you need 60 to get things going—is that a fair statement?

Mr. WELLSTONE. There are two points I would like to make for my colleague. I don't know if he would agree with the second point, but we could have a good colloquy about this.

First of all, the Senate is designed as a deliberative body. There is going to be debate. That is part of what makes the Senate unique. Sometimes it can drive you crazy, but what makes the Senate unique is the unlimited amendments and unlimited debate. So you have the 60-vote requirement, quite often, on all pieces of legislation. That is the Senate. That is the way the Senate operates.

But my second point is a little bit different, which is, frankly, I hate to say this, however many votes you get in the Senate, sometimes there is a disconnect between the Senate votes and the people we represent.

I have to tell you this. The House proposal that comes over here, that House proposal is a proposal that repeals the alternative minimum tax. That House proposal is a proposal that gives away money, gives tax breaks to companies such as Enron. It gives $1 billion General Electric, for this multinational corporation. By the way, that is in the President's budget proposal: $13 billion of tax breaks for the Enrons of this world, yet we don't have the money for children in education; we are cutting the Low Income Energy Assistance Program; we don't have the money for affordable housing.

I say to my colleague again, if you talked to the vast majority of people in the country, they would say: What in the world are you doing? If you are going to have an economic recovery package, at least extend unemployment insurance, at least help the people who need the help, at least get the money in the hands of people who will consume.

Yes, there is a 60-vote requirement, and then there is the substance. I am sorry to say this. I am well aware that up until very recently the Enrons of this world have had way too much influence here, and I am well aware of the fact that some of these other big multinationals are big givers, heavy hitters, investors, and have a lot of clout. But the truth is, the vast majority of people in Minnesota and the rest of the country cannot understand this at all. They don't know what in the world giving tax breaks and tax loopholes for these big multinational corporations has to do with fairness, or has to do with economic recovery, or has to do with helping people who are unemployed, or underemployed, or subemployed, or among the ranks of the working poor.

Mr. REID. Will the Senator indicate how many millions of people live in the State of Minnesota?

Mr. WELLSTONE. Close to 5.

Mr. REID. The Senator from Minnesota said that last year approximately 650 people paid estate tax?

Mr. WELLSTONE. It was 636.

Mr. REID. So 636 people paid estate tax. How many people would you estimate are now unemployed in the State of Minnesota?

Mr. WELLSTONE. We are up to about—the percentage is about 4.5 or 5 percent, I think, unemployment in Minnesota right now.

Mr. REID. So it is tens of thousands of people?

Mr. WELLSTONE. Oh, yes.

I think it is about 5-percent unemployment, which is quite high for our State. That is the official definition of unemployment. That doesn't include the people who quit looking for work because they are discouraged, or people who are working part time because they cannot find a full-time job, or people working way under the wages they would normally make in a better economy, or people who work but still have poverty wages.

There was a report last week indicating that almost a third of adult Minnesotans are working jobs at under $10 an hour.

Mr. REID. The last question I ask my friend is this: Doesn't it seem we should be spending time on the tens of thousands of people in Minnesota who are out of work, or are no longer looking for work, or those people who are underemployed? Wouldn't it be better if we were spending some time dealing with them rather than something that is going to happen 10 years from now for the wealthiest people in America?

Mr. WELLSTONE. Of course. The Senator's words are near and dear to my heart. The answer is yes. That is why I decided to come out on the floor. I was thinking to myself: We are trying to have a simple extension of unemployment insurance; are we not down to 13 additional weeks?

In my State of Minnesota, we are focused on what is going on with education, what is happening to our children, what is happening to our schools, and where the resources are. Why can't we get the money for special education? Why can't we do better making sure the kids come to kindergarten ready to learn? Why can't we do more with afterschool programs?

Look at this budget from the administration. What you find from what the President is proposing is all of these discussions about priorities and values. But we are not going to have the money for prescription drug benefits. We are going to say in Minnesota if you are an individual with an income of $13,000 or under, or a couple with an income of $17,000 or under, you are eligible, but the rest of you aren't. We have about over 600,000, and closer to 700,000, Medicare recipients. The income profile is not high. Many of them have incomes over this, but they cannot afford prescription drug benefits. They are out.

The small business 7(a) program is cut in half. They are out. One would eliminate homeless programs for veterans. That is out. One would eliminate true north economic development work on the Iron Range in Minnesota. That is out. One would eliminate help in funding for childcare in Minneapolis. That is out. They want to go after empowerment zones and enterprise zones in Minneapolis. That is now out. They want to go after affordable housing. That is out. Help for school counselors is out. Rural education is out—all for the sake of Robin-Hood-in-reverse tax cuts giving away money to the wealthiest citizens in the country.

These are distorted priorities. This is a no-brainer. I think I am going to make this point over and over again. Let me frame the issue differently.

What we have out here is an amendment that says eliminate the estate tax for the wealthiest citizens in the country—I mean the very wealthy. It is not targeted. I would be for actually targeting this. I wouldn't mind at all doing something that would help our family farms and small businesses. We should do that. That is not what this amendment does.

We have an amendment targeted to the wealthiest citizens in the United States of America which will deplete this economy over the next 10 years at the very time baby boomers are 65 years of age and over. I am one of them. This amendment further depletes the Social Security trust fund.

That is one of the issues that people have to understand. With the President's budget proposal, we are talking about over the next 10 years taking close to $1 trillion out of the Social Security trust fund, and now another $855 billion over the next 20 years, all for the sake of tax breaks for the very wealthy, the very powerful, and the very well connected.

My colleagues on the other side of the aisle don't want to move forward with—I don't even know what you call it anymore—lifeline legislation, some help for people who are out of work, some extension of unemployment benefits. They don't want to do that.

I would like to have included coverage for the working poor and part-time workers. I would like to have increased benefits. I would certainly like to have included some help for COBRA and health care coverage. Most of that is not in here. It is just a simple extension of unemployment insurance. It is hardly anything else.

They oppose that but instead come out here with a $855 billion program over the next 20 years with all of it going to the wealthiest of Americans. That is basically the choice we have.

I would love to do a poll in coffee shops in Minnesota and across the country as to what people think about these choices.

Judge me by what I do. Judge me by my budget—not by my words.

When you start to look at the details of this budget, it is breathtaking. I am for homeland defense. I think we need to do a lot better. We need to do a lot better with our northern border control. We need to get the public health infrastructure out there. God forbid there is a terrorist attack. We need to be prepared. First of all, we need to try to prevent it. If it happens, we need to be prepared. I am for strong defense.

I hope Senators will carefully scrutinize this budget. We have before us—between the dramatic increase in the Pentagon budget and all of these tax cuts with about 40 or 50 percent going to the top 1 percent of the population—I am now talking about tax cuts that have already passed. Now we have this estate tax. With this House proposal, they want to repeal the alternative minimum tax. I don't think they want to reach back to the mid-1980s. That is too embarrassing. Ronald Reagan was for it. The whole idea in 1986 was not to make these multinational corporations pay any taxes when all the other people in the country were.

You have $13 billion in tax breaks for multinational corporations. You have Robin-Hood-in-reverse tax cuts with about 40 or 50 percent going to the top 1 percent of the population.

You have a $855 billion reckless proposal to do away with the estate tax for the richest and wealthiest Americans in the country while at the same time cutting homeless vets programs; cuts in small business programs; cuts in childcare; cuts in empowerment zone; cuts in economic development programs for the Iron Range; cuts in counselor programs; not live up to your commitment and promise on special education, helping our kids, helping our school districts, and helping our children; don't live up to your commitment on the Pell grant program; cuts in job training during a recession and during hard economic times when people in northeast Minnesota, or in greater Minnesota, or in metro Minnesota, many of them are going back to school, or trying to go into a job training program for skills development. They have been spit out of the economy. They are looking for training so they can get back to work—cut those programs.

My party needs to find its voice. Majority Leader DASCHLE has been out there and he has been vilified. I smile. I think sometimes it is an effort to make him out to be a Newt Gingrich of the left. It is outrageous. But this party, my party, the Democratic Party, is supposed to be the party of the people. If there ever were a time for us to find our voice and for us to speak out and for our country to have a real debate about these values, it is now. In the words of Rabbi Hillel: If not now, when?

Personally, I think the thing I feel worse about is the children in relation to the education piece. I am going to be one of these people, in not too many years, who is going to be over 65 years old. Lord, we have six grandchildren. I just took our granddaughter Cari to see "Fiddler on the Roof." There is that song: "Sunrise, Sunset." I don't know what has happened to the time.

I believe that ultimately the way we are judged is in relation to what we have done for our children, what we have done for our grandchildren. Have we made this country better and this world better for them? I think that is how we are judged. I think that is how we are judged as parents and I think that is how we are judged as adults. I think that is how we are judged as Senators. I think that is how we are judged as Representatives. I think that is how we are judged as a nation.

How have we done for our children? We are not doing very well. In this budget, we flat-lined affordable child care. I think only about 10 percent of low-income families are able to participate in affordable child care right now because that is all the funding there is.

We say we love the little children and are concerned about the development of the brain and that we want children to read better, but we have funded Early Head Start at about the 3- or 4-percent level.

We could be a real player for children prekindergarten. We could make a real difference. We could do so much more for our schools. We could live up to our commitment on special education. For title I—I am sorry, I have indignation—they make the claim we have added $1 billion and that this is great. In real dollar terms, there is no additional money because there are more children who are eligible for title I.

We are going to test these children, all in the name of rigor. So you go to a Bancroft Elementary School and, big surprise, 80, 90 percent of them are on a free or reduced school lunch program; 60 percent of them are in homes where English is the second language; and 20, 25 percent of them move several times during the year for lack of affordable housing. There is a key education program, and there is no more funding for that. In fact, they are cutting funding for affordable housing, and we are surprised these children do not do as well? And we do not give them any more help to do better.

I think this is a debate about values. Everybody wants to talk about family values. This is a family value. How are we doing for our children? How are we doing for our grandchildren? Are we making life better for them? Are we going to make it possible for them to be good leaders in the future?

I think we have some seriously distorted priorities out there. I hope my party will directly challenge them.

A reporter said to me: The President is very popular. Does that make it hard for Democrats to be critical?

I said: Look, it is good for people to do well. The President is doing well in terms of the polls. Fine. But the real issue is whether or not we are willing to speak up for what we think is right, for what we believe in, for what we think is best for States and best for the country.

That is what people want us to do. It is important, as Democrats, that we find our voice.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the Kyl second-degree amendment.

VISIT TO THE SENATE BY THE PRESIDENT OF MACEDONIA

Mr. HELMS. Mr. President, I wish to present the distinguished President of Macedonia, the Honorable Boris Trajkovski, who is a very fine gentleman with whom I have met and with whom the President has met.

RECESS

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate stand in recess for 6 minutes.

There being no objection, the Senate, at 4:45 p.m., recessed until 4:51 p.m. and reassembled when called to order by the Presiding Officer (Mr. DAYTON).

ORDER OF BUSINESS

Mr. REID. Mr. President, the majority leader has asked me to announce to all Senators that there will be no more rollcall votes today.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to a period for morning business, with Senators allowed to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ECONOMIC STIMULUS

Mr. AKAKA. Mr. President, I rise in support of the compromise economic stimulus package we are now considering.

The slowdown of our Nation's economy has been a matter of increasing concern following the terrorist attacks on September 11th. Millions of Americans are dealing with the economic repercussions of the attacks on our Nation. Hundreds of thousands of workers have lost their jobs, and consumer and business confidence has eroded during this time of uncertainty. The decrease in economic activity is affecting companies ranging from small businesses to corporations, not to mention entire industries such as the airlines and the travel and hospitality industry.

The slowdown in our Nation's economy is reflected in the State of Hawaii, where as of January 26, 2002, 56,313 people have filed unemployment claims since September 11th. This is almost double the amount of claims filed for the same time period as last year. In the weeks after the terrorist attacks most of those filing unemployment claims worked in the visitor industry. However, state labor department officials have advised me that claims are coming in from workers laid off from a wide range of industries and small businesses in Hawaii. In 2001, our visitor industry experienced a $1 billion decline from the previous year. After September 11th, domestic travel to Hawaii fell 30 percent and international travel dropped by 50 percent. The number of visitors to Hawaii declined by 600,000. Our Governor and State Legislature are considering ways to deal with a $300 million budget shortfall.

The economic stimulus proposal that we are currently considering includes important provisions such as extending unemployment insurance benefits for an additional 13 weeks for those individuals who have exhausted their regular, state-funded benefits. With the Hawaii State Department of Business, Economic Development, and Tourism predicting that a full recovery will not occur until the last half of 2003, it is imperative that we pass responsible economic stimulus legislation. Hawaii's economy and working families cannot afford another long and disastrous recovery, especially since the State was just beginning to recover from a nine-year economic recession.

Temporarily extending unemployment insurance benefits will help the American people and revitalize consumer confidence. As recent research has shown, the Unemployment Insurance system is eight times as effective as the entire tax system in mitigating the impact of a recession. In addition, the Unemployment Insurance system is able to target the very sector of society that needs the most economic stimulus. I would like to remind my colleagues that in every recession during the past 30 years, including the 1990–1991 recession, Unemployment Insurance benefits were extended.

There is no doubt that extended unemployment insurance benefits and the other elements that make up the core of this short-term economic stimulus package would help to boost Hawaii's and our Nation's weak economy. There are faint signs of recovery and resilience nationwide which underscore that we may, I repeat may, have seen the worst from the current recession. A well-defined, short-term stimulus package that is limited and specifically targeted for maximum effectiveness can play an important role in promoting economic recovery.

Clearly, there are contrasting views among Members of Congress as to what provisions should be included in a stimulus package to maximize the stimulative effect on the economy. I believe that the economic stimulus package should encourage increased spending as soon as possible to rejuvenate the economy, assist people who are most vulnerable during the economic slowdown, and restore business and consumer confidence. However, it is important that fiscal discipline over the long-term be maintained in order to ensure economic growth in the future.

I commend the majority leader for his efforts to fashion a bipartisan compromise and move this important legislation. In addition to extended unemployment benefits, the compromise package includes three components that both parties included in their stimulus bills last year, including tax rebates, bonus depreciation, and fiscal relief for states through a temporary increase in the Federal Medical Assistance Percentage, FMAP, rate.

Last month, I attended the opening of the Hawaii State Legislature and Governor Ben Cayetano's State of the State address. I am not exaggerating when I say that increased Federal Medicaid assistance to the states is critical to my State and States across the Nation that are facing tremendous revenue shortfalls because of the recession, the repercussions of September 11th, and Federal tax changes enacted last year.

I strongly support the component of the stimulus package that would temporarily increase the FMAP rate for States. Medicaid matching rates for fiscal year 2002 are based on State per capita income data from 1997, 1998, and 1999—years in which the national economy was strong. Consequently, matching rates are slated to be reduced for 29 States in 2002. The reduction in FMAP rates has worsened an already bleak fiscal outlook for many States. In August 2001, the Congressional Budget Office projected that Medicaid expenditures in 2002 would be 9 percent higher in 2002 than in 2001, while States projected that their revenues would rise just 2.4 percent.

Rising Medicaid expenditures have long been a serious concern to States. The repercussions of the terrorist attacks on September 11 are leading most analysts to expect even higher State Medicaid costs because the economic downturn will make more people eligible for Medicaid and lower State revenues. It is during difficult financial times that the Medicaid program becomes a primary target of state budget cuts. Yet, people need Medicaid during these times more than ever.

The Federal Government matches between 50 to 83 percent of the cost of Medicaid in each state. On average, the Federal Government pays 57 percent. The FMAP formula is based on the State's per capita income in the 3 calendar years that are most recently available. For years, Hawaii received the lowest Federal match—50 percent. Recognizing that increasing the FMAP rates would ease States' financial constraints, I have long worked to increase Hawaii's FMAP rate.

The temporary increase in the FMAP is an important component of our Nation's economic stimulus policy. Medicaid is the largest Federal grant-in-aid to States. Temporarily increasing the Federal matching rate could have broad positive ramifications for State budgets, the impact of which would be rapid and would not require additional Federal or State bureaucracy. These changes would provide much needed health care to people in need by providing States the resources to do so.

It is clear that an economic stimulus package is needed to support our economy during these uncertain times and to promote a rapid recovery. We saw the Federal Reserve Board cut interest rates 11 times in a row last year with limited economic effect. Congress has also taken actions to provide some of that stimulus through emergency spending for recovery efforts and to assist the airline industry. It is critical that Congress promptly pass an economic stimulus package that will rejuvenate our faltering economy while assisting households who have been especially hard hit by the downturn in the economy. I hope the Senate will complete action on this legislation this week so that the Congress can send a measure to the President by the Presidents' Day holiday.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CORZINE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ESTATE TAX REPEAL

Mr. CORZINE. Mr. President, I rise today to talk about the stimulus package, one that I firmly believe we should have as a nation. It is clear to me that while we may have a stronger economy today than we had 3 months ago or 6 months ago, we still are in a period of very slow growth, if at all, and one where I think we need an insurance policy to make sure our economy does turn around, it does pick up, and does better in the new year. We have real needs of the unemployed to address and their loss of benefits in our society.

There are plenty of reasons to believe we ought to encourage business investment through a bonus depreciation plan, and we need to help our States that are running huge deficits with Medicaid matches and in other areas.

For the life of me, I do not understand why we would think that making permanent an estate tax cut 10 years in the future is going to do a doggone thing to stimulate the economy now. While I have great respect for the distinguished Senator from Arizona, I think this idea of calling for the permanent repeal of the estate tax is just a bad idea.

Last year, I did believe there was a need for some reform with respect to the estate tax. I thought it was onerous on many small family farmers and also for small businesses and some individuals who were trying to deal with relatively limited estates. I thought it was burdensome on these folks.

I strongly opposed before I was here and I strongly oppose now the complete repeal of the estate tax. Those Americans who have done well and have had the benefit of the American promise in its greatest format I think have a responsibility to give some contribution back to the country that gave them the opportunity to do so well. We are all a part of that community. It seems reasonable that an estate tax fits within that concept.

We can talk about the rates and about some elements of it, but it seems to me there is reason to believe those who have benefited so much have a responsibility to their community and society. Furthermore, it is a gift from one generation to the next, and if we are going to be consistent in how we treat various parts of our Tax Code, gifts are taxable and so, too, should be estates.

That is not the issue today. The issue is: Is this stimulative to the economy? Is it something that makes any sense in the short term to get America's economy moving again?

For the life of me, I just do not understand it. Whatever one might think, there is just no credible argument that would show it is going to do anything to stimulate the economy today.

So I firmly want to speak out against this particular amendment because we have limited resources in this country. We have a fiscal structure that is very dangerous with regard to our needs not only in this decade but certainly in succeeding decades when the estate tax will really have a bite, as opposed to in the short run coming in, in a 10-year time frame. We have a demographic bubble that is going to change the underlying demands on Social Security. The number of people drawing it down will bankrupt it, or at least the resources will not be available to pay the benefits at a time many folks would expect them to come forward with their Social Security payments.

To complicate that problem further by making permanent this estate tax repeal is difficult to understand, particularly since it is implausible to believe anybody is going to change one whit their spending patterns today based on an estate tax repeal that is going to get implemented 10 years from now. So it is an amendment that I think has no place on a stimulus package or a stimulus bill that we might be working on today.

Again, I question whether we need a repeal under any circumstances for in fact it provides a huge windfall for a very small number of estates at the expense of the greater population. The estates of fewer than 48,000 people had to pay any tax at all in 1998. That is less than 2 percent of all estates. The beneficiaries of that estate tax, those burdened with that estate tax, are some of the wealthiest folks in America.

I think it is fine to be wealthy, but the fact is we have great needs in this country. We are making choices about whether we are going to fund an additional 2 million new teachers so we can lower class sizes in this country. We have a Social Security system that everyone says is going to be stretched to meet its needs as we go through the 21st century. We have great demands on our homeland security, on national security. It does not make sense that we should be putting this in place right now.

Also, it is dangerous for something that is really important to all Americans, and that is our charitable and philanthropic efforts in this country. It is hard to imagine what kind of impact the repeal of the estate tax is going to have on so much of the roughly $6 billion worth of charitable contributions the Treasury Department estimates we would be receiving. I am concerned about our ability to continue to make sure we have the community-based support that is operated through our philanthropic efforts. If we have ever seen the value of that, we have seen it in the days that have followed the September 11 tragedy as Americans have reached out to help others. Certainly that has been benefited by the view that charitable contributions and estates provide a basis for a lot of the charitable giving.

So while this permanent repeal of the estate tax may cost $55 billion in 2011, and that is a lot of money, I think the real issue is we ought to worry about what it is going to cost in the second decade. I have an estimate that it may be over $800 billion in the second decade from 2012 to 2021. I find it hard to believe we want to take that bet at this point in time, when we have such a serious issue coming with baby boomers and the demographics that I spoke about before, and the real need to protect and provide security to Social Security and Medicare for our seniors. I guess that is before we have a prescription drug benefit for seniors and other things we have talked about.

I do not have a clue how we could put this together and call this significant stimulus. I think there are fundamental reasons to believe that it is not a good policy in the long run. So I strongly urge my colleagues to oppose the amendment. I think there will be reason for further debate about this as we go forward in the future.

KENNEDY PROPOSAL TO REPEAL LAST YEAR'S TAX CUTS

Mr. GRASSLEY. Mr. President, I would like to address a proposal by the Democrat leadership to repeal the future individual income tax reductions enacted in last year's historic tax cut bill.

At this time last year, the CBO reported that, as a percentage of GDP, Federal taxes took 20.6 percent of GDP, a record post World War II level.

Individual income taxes were at even more dramatic levels. CBO reported individual income taxes were at 10.2 percent of GDP.

Even after last year's tax cut is fully in effect, however, the CBO estimates that Federal taxes will still take between 19.2 percent and 19.9 percent of GDP over the next 10 years.

That is still way above historically average levels of Federal taxation. Just look at the chart behind me.

This chart shows total Federal tax receipts as a percentage of gross domestic product over that past 40 years, and it projects tax receipts over the next 10 years as a result of last year's tax cut.

As you can see, even after last year's tax cut, the level of taxation remains at historically high levels of GDP.

As this chart shows, tax receipts have fluctuated frequently since 1960, but have escalated significantly since 1993. They will remain at historically high levels for the next 10 years. Now look at the history on this chart.

The most shocking spike in tax receipts began in 1993. The CBO's January 2001 report to Congress shows that in 1992, total tax receipts were around 17.2 percent of GDP. Since that time, Federal receipts climbed rapidly.

By the year 2000, Federal receipts had exploded to an astronomical 20.6 percent of GDP.

The significance of this percentage can only be appreciated by historical comparison. In 1944, at the height of our buildup during World War II, taxes as a percentage of GDP were 20.9 percent—only ½ percent higher than they are today. By 1945, those taxes had dropped to 20.4 percent of GDP.

Even after last year's tax cut is fully phased in, taxes will still average around 19.4 percent over the next 10 years. As you can see from this chart, it is still higher than most of the levels over the past 40 years.

Taxes were higher during the years 1993 through 2000, which were attributable to the tax increases forced through by President Clinton in 1993.

Similarly, the increase in receipts from 1965 to 1969 was attributable to the Vietnam conflict. The runup in receipts from 1976 to 1981 was caused by "bracket creep," which occurs when inflation causes wages to increase, forcing people into ever higher rates brackets. We corrected that problem years ago.

So as you can see, while the Democrats rail against last year's tax cut, it was actually rather modest. When compared to the levels of taxation imposed over the last 40 years, we still remain at historically high levels of taxation even after last year's tax cut.

We hear now a great hue and cry from some on the other side of the aisle that last year's tax cut should be repealed. But I ask: Are high taxes the only way to balance our budget?

One of the most ardent advocates of repealing last year's tax cut is my good friend Senator KENNEDY. I have been pleased to work with Senator KENNEDY on many bipartisan proposals and look forward to continuing those efforts.

Senator KENNEDY is an important leader. Whenever he speaks, I pay close attention because he's a serious and effective legislator who often reflects the heart and soul of the Democratic caucus.

Last year's tax cut legislation carried the support of over one-fourth of the Democratic caucus. Although the tax relief has been defined by its harshest critics in terms of its budget effects, it's important to look behind the numbers and consider what this legislation means to the American people.

Before I get to that point, however, I want to make clear that those of us who support bipartisan tax relief and accelerating reduction of the 27 percent rate do not agree with a fundamental premise of Senator KENNEDY's proposal.

Senator KENNEDY and the Democrat leadership are arguing that the budget effects of the bipartisan tax relief deny the Congress and the President the resources to tackle other domestic priorities such as a prescription drug benefit for Medicare, Social Security reform, and education reform. This argument, however, is based on a couple of critical assumptions with which I disagree.

The first assumption is that the tax relief measures beyond 2004 will have no effect on the growth of our economy.

So, for instance, bringing the top tax rate for successful small businesses to a level equal to that of America's largest corporations at 35 percent is assumed to have no effect on the economy. That assumption flies in the face of economic theory and more importantly, the anecdotal evidence I gathered from some small business folks in

Iowa. From my vantage point, the best way to bolster Federal revenues is to put policies in place to grow the economy.

The second assumption is that the only way to approach Federal budget policy is to maintain record levels of Federal taxation on the American people. That view is reflected in the chart behind me.

Senator KENNEDY's proposal assumes even higher taxes are necessary to address all of our priorities. So in facing budget choices, Federal spending goes unchecked.

The assumption is there are no savings to be made on the spending side of the ledger. Implicit in this assumption is growth in both federal revenue and Federal spending as a share of our economy is a desirable objective.

To a certain extent, the proposal that Senator KENNEDY and the Democratic leadership have put forward is a reversal of their previous support for significant tax relief.

Last year, Senate Democrats proposed a tax cut of about $1.26 trillion. That compares with a bipartisan tax cut that we enacted that came out at $1.35 trillion.

Their proposal was only about 6.7 percent less than the cut that was enacted. To hear the Democratic budget people describe it, however, you would believe it was a 67 percent difference.

Keep in mind that 48 of 49 Democrats, including Senator KENNEDY, supported their alternative.

Now, I know that despite votes for long-term tax relief, many of the opponents of the bipartisan tax relief now think that we should keep the rebate and repeal the long-term tax relief.

Nothing could be worse for a slumping economy.

Do we really want to send a signal to workers, investors, and business people that their taxes are going to go up? Even if the Democrats are talking about a repeal that takes effect in 2005, higher taxes in the future are higher taxes.

If the Democrats believe that the only way to solve our budget problems is to raise taxes, instead of reducing spending, what will they do to make up the difference?

Let's start with the basis for the rebate. That is, the new 10 percent bracket. The revenue loss for this part of the package is $421 billion over 10 years. It is the biggest tax cut in the bill, by the way. I can not believe or any other member of the Senate wants to dismantle that piece.

Where do we go next? The marginal tax rate cuts lose almost $421 billion over 10 years. It appears some folks think 35 percent is too low a top rate. Well, guess what. As I alluded to above, repealing the marginal rate cuts hits small business, the biggest job generator in our economy, the hardest.

According to the Treasury Department, small business gets about 80 percent of the benefits of the cut in the marginal rates. Do we want to raise the tax rates of small businesses in a slumping economy? Does that make any sense?

Where do we go next? Do the opponents want to repeal the proposal to double the child tax credit? Or how about the refundable piece that helps 16 million kids and their families? That proposal loses $172 billion over 10 years. Does the Democratic leadership really want to deny American families the increase in the child tax credit that kicks in, in 2005?

How about the death tax relief package? That package scores at $138 billion over 10 years. Most of the revenue loss is attributable to increasing the exemption amount and dropping the rate to 45 percent on already taxed property. Is it unreasonable to provide additional relief from the death tax?

Let's take a look at the marriage penalty piece. It is the first marriage penalty relief we've delivered in over 30 years. This proposal scores at $63 billion over 10 years. Again, I do not think many folks would want to raise taxes on folks because they decide to get married. Under Senator KENNEDY's proposal, most of the marriage tax relief would be eliminated.

Continuing on through the bipartisan tax relief package, let's take a look at the retirement security provisions. This package, which will help Americans save more for retirement, scores at $50 billion over 10 years. With the aging of the baby boomers, does anyone really believe we should reduce incentives for savings? Under Senator KENNEDY's proposal, workers who want to put an additional $1,000 in an IRA or section 401(k) plan would lose that right beginning in 2005.

Finally, let's talk about education. The bipartisan tax relief package includes $29 billion in tax incentives for higher education. In this era of rising higher education costs, should we gut tax benefits for families to send their kids off to college? Do the Democrats really want to cut back on these bipartisan investments in higher education?

Now, I have just gone through about $1.3 trillion of tax relief. It sounds like a lot in abstraction, but it provides relief to every American who pays income tax. I would ask any of those who want to "adjust" or "restructure" the bipartisan tax relief, including the Democrat leadership, why would you cut the tax relief package?

I think the American people would like an answer to that question.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CORZINE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATUS OF ECONOMIC STIMULUS

Mr. GRASSLEY. Mr. President, I think sometime tomorrow we are going to have some cloture votes. Who knows what happens after you are involved with cloture votes? I suppose it depends on how the cloture vote turns out. But it also depends somewhat on what the majority leader decides to do. I did not hear him this morning or this afternoon. It was suggested that if we don't get cloture, then we may go on to other legislation.

I want to speak procedurally, not so much on the substance of the underlying bill as I have done a couple of times this afternoon but about where we are and some of the irony of our being here; particularly, some of the irony about how some things are said and other things are done by the leaders who decide the agenda for the Senate. I will take a few minutes to talk about where we are on the economic stimulus bill before tomorrow's cloture vote.

The good news is that there is bipartisan recognition of the need to help unemployed workers with an extension of unemployment compensation. There is bipartisan agreement that recognizes the need to provide taxpayers with a payroll tax rebate so we are able to help stimulate consumer spending and create jobs. There is bipartisan recognition of the need to provide bonus depreciation. I suppose there are some others as well.

Kind of summing up in regard to that, there is kind of bipartisan agreement on the part of the Republicans for what Democrats want in this area, but in areas where Republicans want to add some things there is not bipartisan agreement on the other side for those things.

That brings us to the bad news as a result of that situation. We are, in fact, stuck in a procedural quagmire. Yesterday the distinguished majority leader claimed that Republicans were slowing down the stimulus bill through filing of many amendments. I think it is a bit ironic today that we have amendments pending on which the majority leader seemingly does not want to vote. If he wanted to move this process to conclusion with a bill that the President has said he would sign, that could be done very easily. We could have a vote on that. There is bipartisan support for it. That bill would be down to the White House I believe faster than you could say Jack Robinson. Instead, the only votes that it seems we are going to be able to get are votes on dueling cloture motions. One vote will be on the majority leader's amendment. That vote is a take-it-or-leave-it vote, I believe.

I call upon all of my colleagues, Democrats and Republicans, to pay close attention. A vote for cloture tomorrow means all amendments offered or filed that have not received a vote will not get a vote. That is a very important point. A vote for cloture on the underlying amendment filed by the majority leader means all of the following amendments will not receive a vote. I will go through those.

Senator BUNNING, a foster care amendment; Senator BAUCUS, emergency agriculture funding; a second-degree amendment to that amendment by Senator KYL for permanent repeal of estate tax; Senator HATCH's amendment for a longer net operating loss carryback provision; Senator REID's amendment on travel and tourism; a second-degree amendment to that by Senator DORGAN on travel industry stabilization; and Senator DOMENICI on a payroll tax holiday, which is probably the most stimulative idea that has been presented to the Senate. We will not have an opportunity to vote on that. Senator DURBIN has an unemployment insurance amendment; Senator ALLARD, a research and development amendment, what we call permanent R&D; Senator LINCOLN, Medicaid Upper Payment Limit payments to hospitals; Senator SMITH of New Hampshire, an active duty waiver of IRA withdrawal penalty; Senator SMITH again, ban on interstate commuter taxes; Senator SMITH again, income tax waiver on tip income; Senator SMITH again, above-the-line deduction for real property taxes; Senator SESSIONS, tax incentives in regard to unemployment compensation; Senator MCCAIN, sale of principal residence for uniformed services, something our military people would benefit from very much; Senator KYL again, a repeat of his second-degree amendment which would be a permanent repeal of the estate tax; Senator THOMAS, small issue bond provisions; and an amendment I have offered which will also have a cloture vote for the bipartisan White House-centrist package, the bill that I said has bipartisan support in the Senate. If we could get it up for a vote, we would have a bill down to the President and signed. It would be an enacted economic stimulus package faster than you can say Jack Robinson.

All of those amendments will not come to a vote if the cloture vote tomorrow on the Senate majority leader's motion carries.

We are in the mode of a lot of Senators trying to put together a bill that can get a majority vote in the Senate and go to conference. Some of these amendments have to be agreed to to get that kind of bipartisan support. If you do not get a chance to vote on them, how do you ever get to a bipartisan bill? It takes that sort of bipartisanship to get anything done in the Senate.

Let me make very clear that Members who vote for the cloture on that cloture motion, if they want to vote on these amendments, they will be foreclosed.

I said there is going to be another cloture vote tomorrow. It arose out of necessity—not a necessity that I like. But the majority leader forced a vote on the White House-centrist bipartisan amendment that I offered because of his own cloture motion.

The other cloture vote—in relation to the cloture motion I filed—will be on the White House-centrist agreement on stimulus. If cloture is invoked and that amendment passes, the President says that bill will be signed. The bill has already passed the House of Representatives.

That means, bottom line, the following things will happen when the President signs the bill—and there is little disagreement that these things ought to happen—workers will get unemployment checks. Low-income people, qualifying for rebates, will get rebates to spend money. Spending that money will create jobs. Middle-income taxpayers will get more income tax relief. Those who are unemployed for the first time will get help with their health care insurance. And business will get accelerated depreciation. By doing that—investing more, increasing productivity—it will increase the number of jobs.

That is what a stimulus package is all about—two things—one, responding to the needs and the anxiety of the unemployed workers through improved unemployment benefits and for the first time, health care benefits. Currently there are 800,000 of more workers who are unemployed because of September 11; and there is probably more unemployment to come. We are all encouraged that during January unemployment was flat, there was no an increase in the rate—and helping those dislocated workers with additional unemployment benefits and with health insurance is greatly needed. The second thing objective of the economic stimulus bill, in various ways, is to stimulate the economy to create jobs.

For those who say, "Maybe the economy is turning around; we don't need it," we at least have an insurance policy against the usual downtick that comes after you have been a few quarters into a recovery.

But if we want a strong economy, and a certainty of that strong economy, we are going to have to get a stimulus bill passed. So I hope tomorrow we have an opportunity not to have cloture on the underlying Daschle amendment and that we are able to then move towards a vote on the White House-centrist bipartisan package that has passed the House, has bipartisan support in the Senate, and the President has said he will sign.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. NICKLES. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PASSING A STIMULUS PACKAGE

Mr. NICKLES. Madam President, I regret to state to my colleagues it is pretty obvious the Democratic majority leader does not want to pass a stimulus package. We needed to amend the package. We have a lot of amendments that were pending and we have not had a vote all day. We had amendments this morning on which we were willing to vote, amendments this afternoon on which we were willing to vote. That was how we would work our way through and have a bill that would pass and go to conference.

Obviously, for some reason, the majority leader decided, no, he would file cloture, have cloture on his underlying proposal, which many Members believe falls far short of providing any stimulus. It provides a lot of spending. The majority leader's underlying proposal has spending for rebate, $14 billion for people who did not pay taxes. They certainly did not pay any income tax or they would have gotten a tax cut last year. They may have paid payroll taxes, but likely they are available for an earned-income tax credit, and in many cases three or four times the payroll tax they paid. So basically, $14 billion in welfare reform payments that many were trying to call a tax cut or rebate, but it was not a rebate.

There is another $5 billion for an entitlement program for States, supposedly to help pay for health care costs, but it was in the form of an entitlement. So it would not be $5 billion for 1 year, although it was sunsetted in 1 year, but in all likelihood will be continued indefinitely and probably cost more like $50 or $60 billion over 10 years.

He had unemployment compensation extension at about $8 billion. And I notice our colleagues on the Democratic side said: That is not good enough. We need to expand that and have that apply to temporary workers.

The Federal Government has never paid unemployment compensation for temporary workers. Some people, perhaps, want to take advantage of the fact there is a recession, so just expand Federal entitlements. That was going to cost about $16 billion.

Then the majority leader introduced the only stimulus piece, accelerated depreciation. That was 30 percent. Most people said for a year. We found out the commitment had to be made by September 10 of this year. That is not 12 months; that is more like 8 months from now.

So the stimulative side of his proposal is very small. The spending side was very big. I thought, well, I don't like starting with that. I would have preferred starting with the bipartisan bill on which Senator BREAUX and Senator COLLINS and Senator SNOWE and Senator GRASSLEY and others worked. That was a bill that most, if you count both sides, thought there was a majority vote for. That should be underlying, but we did not get that.

So we thought: We will amend the majority leader's proposal and improve it and come up with a bill worthy of passing to conference. We had several amendments. Some amendments that were adopted made the bill better. Some on our side would actually have stimulus impact. We had an expensing amendment that Senator BOND and Senator HUTCHINSON and Senator COLLINS passed. That would allow small business to expense immediately items up to $40,000. Right now the level is $24,000. That would have created jobs. That was a positive amendment.

Senator GORDON SMITH had an amendment dealing with accelerated depreciation, 30 percent for 3 years. The point of order was made and it was not successful. He came back with one that was 2 years at 30 percent. That passed and would have created jobs.

We had an amendment by Senator KYL to make the death tax repeal that we passed last year permanent. That would have been positive. You say: How could that make a difference? It makes a difference because there are farms and ranches in Missouri, Oklahoma, and all across the country that would not have to be broken up to pay the death tax. Maybe some small businesses would decide not to be so small because they could agree and know they could grow without the Federal Government getting half of it. A lot of businesses almost suffocate. Owners know if they grow the business any more, the Government will get so much, so why grow it? Why work and expand and build and create more jobs if Uncle Sam will come in and get half?

So if we passed the death tax repeal proposed by the Senator from Arizona, it would have had a positive stimulative impact on the economy.

Unfortunately, our colleagues on the Democratic side do not want to vote on that amendment. They wanted to have other amendments. They wanted amendments to increase agricultural emergency spending. Senator BAUCUS had that amendment. We defeated that amendment sometime last week. It was offered again. Senator KYL offered a second-degree amendment in addition to that to provide death tax repeal, permanent repeal. To me, that would have been positive for agriculture.

Unfortunately, our colleagues on the Democratic side did not want to vote on that amendment. They have not allowed a vote on the amendment. In other words, they are saying: We will vote on what we think is stimulative, but we don't want you to vote on your amendments. We will vote on spending increases.

They had an amendment to increase the Medicaid Federal share. I don't know what is stimulative about that, but it certainly increases Federal Government costs. Medicaid is a Federal-State program, presumably the idea of 50/50. But in many cases the Federal ratio is 70 percent, not 50 percent, and this amendment would increase the Federal ratio by another 3 percent and cost $10 billion for a couple years and in all likelihood be extended indefinitely. It would have cost $50 billion or $60 billion. That was an amendment by our colleagues on the Democratic side: Increase the Federal share on Medicaid, and instead of 70 percent, make it 73 percent; or 60 percent, make it 63 percent. The State would pay the balance.

Then they had an amendment to increase unemployment compensation, including temporary workers, and make that an entitlement. Maybe my daughter, who works part-time while she is a college student, if she changes jobs, could draw unemployment compensation. She might be appreciative, but that is an enormously expensive amendment. Every State has determined unemployment eligibility. Now we will say: States, you do or we will do it for you. And decide to do temporary workers. Some States do temporary workers; most States do not. Most States do not for a reason. But, no, we will do that.

I look at the amendments of our colleagues on the Democratic side, and I don't see anything stimulative. I see a lot of spending—agriculture, Medicaid, unemployment compensation, extend and expand entitlement programs, and do nothing to stimulate the economy, do nothing that would help create jobs.

On the other hand, on the Republican side we have more amendments that we want to offer to stimulate the economy. I mentioned Senator KYL's amendment. Senator DOMENICI has an amendment calling for a payroll tax holiday. Some Democrats say they like it. They are cosponsors of it. Guess what. We are not going to get a vote on it. The amendment offered by Senator DOMENICI might be a substitute for the entire package, it may well have a majority vote, but we are not going to get a vote on it. Why? Because cloture was filed. If we invoke cloture, this amendment falls.

There is an amendment Senator ALLARD has making R&D tax credits permanent to encourage investment in research and development. We are not going to get a vote on it.

There is a bipartisan package on which many Senators have worked. I mentioned earlier that Senator BREAUX and Senator COLLINS and Senator SNOWE and Senator GRASSLEY—several Senators worked on it, Democrats and Republicans. We are not going to get a vote on it, even though we had a majority vote in December, probably still have a majority vote for it, the President said he would sign it, it would become law, could become law this week if we pass the bill the House passed.

The House has actually passed a couple of stimulus packages. Let's pass the last one and let it become law.

No, some people do not want to pass that one either. So we are not even going to get a vote on it.

I think it is very disappointing, to use a word my colleague from South Dakota uses on occasion, to see that cloture was being called up so early. I can just see the plan. We will have a cloture vote on the Daschle underlying bill. It will not pass. It should not pass. I certainly hope it does not pass because I do not think the underlying bill is worth passing. And I do not think all these amendments I mentioned which would have a stimulative impact on our economy should be closed out. I do not think this side of the aisle should be foreclosed from offering amendments.

We did not object to having an amendment on the emergency agriculture bill of Senator BAUCUS—emergency spending. It was not really relevant to the underlying bill, but we did it. We made a point of order. They can make a point of order on Senator KYL's amendment.

I would much prefer to have an up-or-down vote but no, "We don't want to vote on his amendment, we don't want to vote on Senator DOMENICI's amendment; we don't want a vote on the bipartisan stimulus package. No, we are going to file cloture and pull the whole bill down. If we don't get cloture, we are still going to pull the bill down. We'll give a cloture vote on the bipartisan substitute"—because we filed cloture on it just so we can get a vote. The idea being, we will vote on cloture twice, and if we don't get cloture, we will just pull the bill down.

I hope that is not the case.

I think our economy needs a little shot in the arm. It is not in great shape. We have a lot of people who are still hurting, and if we could craft a positive stimulus bill that would create jobs, we would do something positive for America.

I think what we have instead, we have the majority leader and unfortunately most Democrats—we will find out tomorrow—who are going to say we want to have our own little package. We want to have it our way. We can't consider other amendments. We will have it our way or we will pull the bill down.

Tomorrow, when we vote on this—and I expect we will be voting on it at maybe 10:30 or 11:30 tomorrow—I urge our colleagues to vote no on the cloture vote and let us consider these amendments.

We are more than willing on this side to have a limitation on amendments. For anybody on the other side of the aisle to say Republicans are filibustering this bill is totally false. People are entitled to their own opinions, but they are not entitled to their own facts. We are willing to consider these amendments. We are willing to enter into time limits on these amendments. We are willing to pass this bill tomorrow night—tomorrow night. We are willing to finish this package. Let's just allow our colleagues to have votes on their amendments that they believe would stimulate the economy, and we will vote on amendments, as our Democrat friends have offered, to spend more money.

Let's vote on both. Let's vote on these amendments. Let's see how the votes come out and let's pass a bill. Let's pass a bill that would help the economy. Let's pass a bill that would create jobs. I hope we will.

I urge my colleagues to vote no on the cloture vote. Let's allow these amendments to have their fair day in the Senate. People worked hard on these amendments. They may well do some good.

I looked at several of these that were offered on the Republican side, some of which—several of which have Democrat cosponsors—that I think could help the economy. So I would love for our colleagues to get a chance to vote on these amendments.

We will be very cooperative working with the majority leader and others on the Democrat side to limit amendments, to try to see if we cannot get a stimulus bill that would actually help the economy.

I yield the floor.

JUDICIAL CONFIRMATIONS

Mr. HATCH. Madam President, earlier today I spoke with praise for the way in which the Chairman of the Judiciary Committee and the Democratic Leader have been handling judicial nominations in the past few weeks. One of the reasons I did so was that I detected, in a speech 11 days ago, the possibility that the Judiciary Committee may be headed in a new direction as we begin a new Session of Congress. I sensed a chance that, after eight months of Democratic control, the leaders were growing beyond their previous role of critics focused on the past. I perceived that the leaders might now understand the value of looking forward through the windshield rather than steering a course with their eyes glued to the rear-view mirror.

I have not given up this hope; it is still early enough to start this Session out on the right foot. But I now have some reason to question my optimism. Comments were made here on the floor earlier today that have put me in the position, once again, of having to set the record straight on a number of events that occurred between 84 and 14 months ago. I do not regard this recurring debate over the past as germane to the present or important to our course for the future. Nevertheless, I am compelled to make sure that the historical record is correct.

One comment that particularly surprised me was the attempt to blame the previous, Republican-controlled Senate for the creation of the current number of judicial vacancies. The fact is that the Republican Senate confirmed essentially the same number of judges for President Clinton, 377, as the Republican Senate did for President Reagan, 382, so there is simply no basis for the Democrat's allegations. Interestingly, the Democrats who controlled the Senate during the first President Bush's Administration left more judicial vacancies and allowed more nominees to go without Senate action when the first President Bush left office than the Republicans did when President Clinton left office. The bottom line is that, at the close of the 106th Congress, there were only 67 vacancies in the Federal judiciary. In the space of one Democratic-controlled congressional session, that number had shot up to nearly 100.

How did this happen? The answer is simple: The pace of hearings and confirmations under the Democratic-controlled Senate last year did not keep up with the pace of vacancies. We were moving so slowly that we were actually falling behind. When our friends across the aisle took control of the Senate on June 5 of last year, President Bush had already sent 18 judicial nominees to the Senate. All told for the year, President Bush nominated 66 highly qualified individuals to fill vacancies in the federal judiciary. But rather than focusing on the work ahead, our Democratic colleagues looked back at the year 1993 to mimic the old route taken then. After delaying their first nominations hearing by over a month, during which time they held numerous hearings on other matters, our Democratic colleagues confirmed precisely 28 judges, exactly one more federal judge than President Clinton saw confirmed during his first year in office. This transparent tit-for-tat exchange of confirmations is rear-view-mirror driving at its worst.

In the first 4 months of Democratic control of the Senate last year, only 6 federal judges were confirmed. At several hearings, the Judiciary Committee considered only one or two judges at a time. The Committee voted on only 6 of 29 Circuit Court nominees in 2001, a rate of 21 percent, leaving 23 of them without any action at all. Eight of the first eleven judges that President Bush nominated on May 9 of last year have still not even had a hearing. In contrast, there were only 2 Circuit Court nominees at the end of President Clinton's first year left in Committee.

If the Democratic leaders can take their eyes off the rear-view-mirror and take a look at what is ahead, they will see the rather obvious need to speed up the pace of hearings and votes on judicial nominees. We have lots of work to do. There are 98 vacancies in the federal judiciary, a vacancy rate of nearly 12 percent. We have 58 nominees pending in the Senate. Twenty-three of those nominees are slated to fill positions which have been declared judicial emergencies by the Administrative Office of the Courts. Of those, 13 are court of appeals nominees. Particularly important are those areas with a high concentration of judicial emergencies, such as the 4th Circuit Court of Appeals with 2 nominees; 5th Circuit Court of Appeals, where 2 nominees are pending; the 6th Circuit Court of Appeals with 7 nominees pending; and the District of Arizona, where 2 nominees are pending. Let's roll up our sleeves and get to work on these.

Another issue that was raised today was the role of the White House in this process. The fact is that the Bush administration has worked more closely with home State senators than any other administration since I have been in the Senate. Now, I know there were a couple of instances very early last year where communication could have been better, but that is bound to happen with a brand new administration. Since that time, the Bush White House has been making unusually great efforts to consult with home State senators prior to making nominations. I do not know exactly from where the complaints, if any, are coming, but I have a suspicion that some of my colleagues are forgetting the difference between the President's power to make nominations, and the Senate's role to provide advice and consent. Some Senators may wish they could exercise the President's constitutional role instead of their own, but there is no reason to blame the White House for sticking with the allocation of power established by the Framers. If there are any real problems, I invite my colleagues to let me know about them, and I pledge to do my utmost to assist in working through them.

Today's comments concerning the need for more "consensus nominees" from the White House are ironic in light of my colleague's discussion of several specific Clinton nominees for the districts in Texas. My colleague rhetorically asked why those nominees did not get a hearing, but he knows full well that at least a couple of the situations he mentioned were caused by serious problems created by the Clinton Administration's lack of consultation with, and failure to obtain the support of, home State senators.

In contrast, President Bush's nominees, with only a couple of early exceptions, as I noted, enjoy the full support of both home State senators. We should hold hearings and votes on those without delay. Let me mention one in particular that means a great deal to me: Michael McConnell, a nominee for the Tenth Circuit Court of Appeals.

Professor McConnell is a consensus pick not only between his home State Senators but also among many others who know his scholarship, his temperament, and his commitment to the rule of law. His nomination has been applauded by legal scholars and lawyers from across the political spectrum. Professors Laurence Tribe, Charles Fried, Cass Sunstein, Akhil Amar, Larry Lessig, Sanford Levinson, Douglas Laycock, and Dean John Sexton are among those who have praised McConnell's integrity, ability, and fairminded approach to legal issues. He enjoys broad support among the bar and the academy in his home State of Utah.

On a broader level, McConnell is regarded as fairminded and nonpartisan. He publicly opposed the impeachment of President Clinton, and wrote in support of the position taken by Justices Souter and Breyer in Bush v. Gore. He was part of the volunteer legal team that successfully defended Chicago Mayor Harold Washington, the city's first African American mayor, in a dispute with the Board of Aldermen. McConnell wrote an article in the Wall Street Journal suggesting the nomination of Stephen Breyer to the Supreme Court, and supported a number of Clinton judicial nominations. These facts are among the reasons that McConnell's appointment has been praised by a number of former Clinton administration officials, including Acting Solicitor General Walter Dellinger, Deputy White House Counsel William Marshall, Domestic Policy Advisors Bill Galston and Elena Kagan, and Associate Attorney General John Schmidt.

Professor McConnell is best known in academic circles for his scholarship in the area of Free Exercise. He has generally sided with the "liberal" wing of the Supreme Court on this issue, arguing for a vigorous protection for the rights of religious minorities. In one opinion, Supreme Court Justice Antonin Scalia described McConnell as "the most prominent scholarly critic" of Scalia's more limited view of Free Exercise rights. In the related area of Establishment of Religion, McConnell has argued that religious perspectives should be given equal—but not favored—treatment in the public sphere. Thus, he has testified against a School Prayer amendment, while supporting the rights of religious citizens and groups to receive access to public resources on an equal basis. This record indicates a thoughtful and principled approach that is worthy of great respect from all sides. Professor McConnell will be a careful, thoughtful and unquestionably fair judge when he is confirmed to the Tenth Circuit. We should have voted to confirm him last summer. There is certainly no reason to put off his hearing any further.

As I said at the beginning of my remarks, I am optimistic that the committee will continue the good start we have made in the past 2 weeks. There is no reason not to. We have plenty of work ahead of us. For those who look to the past for guidance, note that in 1994, the second year of President Clinton's first term, the Senate confirmed 100 judicial nominees. I am confident that Republicans and Democrats can work together to achieve, or even hopefully exceed, 100 confirmations in 2002—President Bush's second year in office. I look forward to working together with Chairman LEAHY and my colleagues on both sides of the aisle to accomplish this goal.

THE DISASTER IN NIGERIA

Mr. FEINGOLD. Madam President, I rise to express my concern regarding recent events in Nigeria. On January 27, an armory of the Nigerian military located within the massive city of Lagos erupted in a series of explosions, prompting desperate residents to flee the area. Reports indicate that more than 1,000 Nigerians were killed that night, many trampled to death or drowned in nearby canals as they tried to escape the disaster. Many of those who escaped with their lives lost their possessions and remain displaced. Disturbingly, reports quickly surfaced suggesting that child traffickers attempted to take advantage of the tragedy, raising questions about the fate of the missing. The entire episode, is horrifying, and my deepest sympathies go out to the families of the area.

But, I fear that this incident, whatever its precise cause, is only one more in a series of horrors visited on the Nigerian people. My colleagues have undoubtedly read about soaring levels of communal violence in this critically important African state. Such violence now grips parts of Lagos, adding to the sense of insecurity and fear in a city that just suffered such a terrible series of blasts. Yet sadly, reports of fighting in Lagos sound all too familiar, given recent history in Jos, in Kano, in Nasarawa, in Bauchi, and in the delta region.

In some cases, the government failed to act. For example, Human Rights Watch recently released a report indicating that the Nigerian authorities could have done more to prevent the massacres in Jos in September, where as many as a thousand Nigerians may have been killed in one week.

Yet in other cases, security forces have turned on civilians, as is alleged to have happened in Benue in October. Consistent and reliable reports indicated that many unarmed civilians were killed and a great deal of private property destroyed when members of the armed forces sought revenge for the murder of their fellow soldiers by a local militia group. The facts surrounding this incident are still in dispute, but coming in the wake of the 1999 incident in Odi, where the Nigerian military massacred hundreds of civilians, this incident calls into question the wisdom of continued engagement with the Nigerian military. If that force is truly committed to reform, those responsible for killing civilians in Benue must be held accountable for their actions.

In addition, the manner in which sharia, or Islamic law, is being implemented in parts of northern Nigeria calls into question the country's commitment to fundamental and universal human rights. The case, recently highlighted by the New York Times, of a woman sentenced to be stoned to death after having been found guilty of adultery, raises a number of important questions. In her case, her pregnancy was evidence of her guilt in the eyes of the court, although the alleged father of the baby was set free after the same court concluded it lacked sufficient evidence to prosecute him. The relationship between the court's decision, the sentence, and the protections contained in Nigeria's constitution is utterly unclear. The Nigerian government's silence on these pressing issues is baffling.

It is not my intention to encourage pessimism about Africa in this body. And no one wants Nigeria's democracy to succeed more than I do. But all is not well in Nigeria, and we do our Nigerian partners no favors when we pretend that the situation is better than it is. The Nigerian people want what all people want—a chance to improve their lives and the lives of their children. It is no surprise that many are dissatisfied, as it is hard to seize opportunities in a context of violence and corruption. Elections were an important first step in Nigeria's transition from the dark days of military rule. But for too many Nigerians, the days are still quite dark.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred in March 1996 in La Verne, CA. The president of a gay students' organization was attacked by two men. The assailants, Eric Britton, 20, and David Riffle, 19, were each charged with battery and civil rights violations in connection with the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

NATIONAL FARMERS UNION PRESIDENT LEE SWENSON

Mr. JOHNSON. Madam President, I rise today to honor an individual for his extraordinary leadership for family farmers and ranchers in South Dakota and across the entire country. Mr. Leland Swenson has been the president of the National Farmers Union (NFU) for the past fourteen years, and the president of the South Dakota Farmers Union (SDFU) for 7 years prior to that. For the past 20 years, Lee has been the leading voice for family farm agriculture in the country. During his tenure in these positions, Lee has provided immeasurable service, support, and leadership for family farmers and ranchers in efforts to maintain prosperity of rural communities.

A native of Minnesota, Lee was recruited to begin his career with South Dakota Farmers Union in 1971 as the Secretary/Treasurer. Lee was a very successful organizer, resulting in an increase in membership for 6 out of his 8 years at this post. Because of his talent, initiative, and ingenuity, Lee joined the National Farmers Union headquarters in Denver, CO as Field Services Coordinator. Lee's dedication to building a membership base and maintaining that base is something to be admired. Returning to South Dakota, Lee was elected the president of SDFU in 1981. During his swearing in ceremony, Mr. Swenson pledged to "preserve, protect and defend the family farm system of agriculture." Lee has fulfilled that promise time and time again.

While farm prices were dropping and interest rates were rising in the 1980's, Lee rose to the challenge of preserving the family farm in his role as president. In response to a veto of an emergency credit bill by President Reagan in 1985, Lee organized over 8,000 farmers and ranchers to gather for a "Farm Alliance Rally" in Pierre, SD. This was the second largest farm rally ever to be held at the state capital. Two other organizations were involved in gathering attendants, resulting in 25 Jackrabbit Line busses bringing the farmers and ranchers to South Dakota's capital city. The overwhelming number of constituents rallying could not be ignored by the state legislators, therefore the state legislature appropriated funds to send the 105 member body plus the governor to Washington, DC to lobby Congress for the restructuring of farm and ranch debt at serviceable interest rates. This first rally served as a stepping stone for Lee to organize another rural rally 15 years later in Washington. In 2000, bus loads of farmers, ranchers, church leaders, labor organizations, and rural community leaders gathered at the nation's capital to rally for the sustainability of rural America. Without the experience, dedication, or conviction of Lee Swenson this rally would not have been a success.

For the last 100 years, the primary goal of National Farmers Union has been to sustain and strengthen family farm and ranch agriculture. The key to this goal has been Farmers Union's grassroots structure in which policy positions are initiated locally. National Farmers Union believes that good opportunities in production agriculture are the foundation of strong farm and ranch families and that strong farm and ranch families are the basis for thriving rural communities. In order for these goals and values to be carried out consistently, a well-respected, talented, and dedicated leader is vital. That is exactly what Lee Swenson provided to the organization.

Lee Swenson has achieved a number of other accomplishments during his tenure with the National Farmers Union. Bringing the states of Alaska, California, and Missouri into the organization, organizing the single largest farm rally in Washington, DC and expanding the government relations, communications and education departments of the NFU.

As National Farmers Union celebrates their 100th anniversary this year, and Lee steps down from his post as president, the delegation body can look back on prior accomplishments and be nothing but proud. Proud of their organization, proud of their commitment to family farmers and ranchers, and proud of their outgoing leader.

Finally, Lee has always been dedicated to family agriculture, and I know he will continue to contribute to not only the state of South Dakota, but family agriculture across the country. Therefore, I wish him all the best and I will continue to rely upon his valuable insight on the sustainability of rural America. On behalf of the people of South Dakota, I want to thank Lee for being a true public servant who has helped improve the quality of life for thousands of rural Americans.

ADDITIONAL STATEMENTS

AMERICAN ASSOCIATION ON MENTAL RETARDATION AWARD WINNERS

• Mr. DURBIN. Madam President, I am pleased today to join the Illinois chapter of the American Association on Mental Retardation in recognizing the recipients of the 2001 Direct Service Professional Award. These individuals are being honored for their outstanding devotion to the effort to enrich the lives of people with developmental disabilities in Illinois.

These recipients have displayed a strong sense of humanity and professionalism in their work with persons with disabilities. Their efforts have inspired the lives of those whom they care for, and they are an inspiration to me as well. They have set a fine example of community service for all Americans to follow.

These honorees spend more than 50 percent of their time in direct, personal involvement with their clients. They are not primarily managers or supervisors. They are direct service workers at the forefront of America's effort to care for people with special needs. They go to work every day with little recognition, providing much needed and greatly valued care and assistance.

It is my pleasure to acknowledge the contributions of the following Illinois direct service professionals: James Adams, Louise Adams, Sue Bailey, Chequel Banks, Sharon Brand, Gwen Condon, Dawn DeLeon, John Ferro, Jenny Hoffman, Orrin Holman, Chau Le, Veronica Mayweather, Paul McPherson, Herminia Ortiz, Isabelle Ptak, Kay Quinn, Sarah Redner, Dorothy Rendleman, Robin Roux, Edward Schultz, Jenny Schwartz, Barbara Stroud, and Sandy Verschoore.

I know my fellow Senators will join me in congratulating the winners of the 2001 Direct Service Professional Award. I applaud their dedication and thank them for their service.•

RETIREMENT OF ELEANOR S. TOWNS

• Mr. DOMENICI. Madam President, President, today I recognize the retirement of a dedicated public servant and to thank her for her contributions to our Nation. Since 1998, Eleanor S. Towns has been the Regional Forester for the U.S. Forest Service's Southwest Region located in Albuquerque, NM, and in that capacity, has been responsible for the management of 22 million acres of National Forests in the Southwest.

Eleanor Towns brought to her work a rich and diversified educational background and varied work experiences. Born in Rockford, IL, she received her undergraduate education at the University of Illinois, graduating in 1965 with an A.B. in communications. She received her master's in guidance & counseling from the University of New Mexico in 1968, and her juris doctor from the University of Denver College of Law in 1982. She worked with the Bureau of Land Management before transferring to the Forest Service in 1978 as Director of Civil Rights in the Rocky Mountain Regional Office in Denver. She held progressively more responsible positions before becoming the Rocky Mountain Region's Director of Lands, Water, Soils and Minerals in 1994. In 1995, she was admitted to the Federal Senior Executive Service and assumed the position of Forest Service Director of Lands in Washington. In April 1998, she was promoted to Regional Forester for the Southwest Region.

My office has had the pleasure of working with Eleanor Towns since her arrival at regional headquarters in Albuquerque. Despite deteriorating facilities when she first arrived, a situation that has since been rectified, she remained attentive to the multiple issues of concern to New Mexico and the Forest Service. Whatever the complex and contentious area of public land stewardship, I have found her to be professional, responsive and decisive. For example, she gave our office tremendous help during the creation of the Valles Caldera National Preserve and the development of what we called the "Happy Forests" legislation.

Throughout her Federal career, Eleanor Towns was an effective manager of critically important program areas, and was often called upon to tackle some of the more difficult problems of the Department of Agriculture and the Forest Service, including western water rights and employee discrimination cases. Her greatest assets have been her interpersonal skills. Known as "Ellie" to her friends and colleagues, she was a bridge builder—between management and employees, between the government and the public, and among divergent interest groups. Her qualities of good humor, common sense, adroit communication skills, coupled with technical expertise, have made her one of the most effective managers in the Federal Civil Service. Our Nation and its resources are the better because of Eleanor Towns, and the Forest Service is a more effective organization. On behalf of the Senate, I want to thank her for her service to the Nation and wish her and her family all the best in retirement.•

HONORING ELIZABETH BROWN CALLETON

• Mrs. BOXER. Madam President, I would like to take a moment to reflect on the tremendous accomplishments of Elizabeth Brown Calleton during her tenure at Planned Parenthood of Pasadena.

During the past 40 years, Ms. Calleton has made a major contribution to Planned Parenthood of Pasadena's 69-year history, ultimately serving as its President and CEO. A women's health care advocate, she established Planned Parenthood Community Orientation Luncheons and a community-wide research network to provide women with access to health care. Ms. Calleton served on the committee that created the North West Community Healthcare Alliance Program, a program geared to the needs of low-income, uninsured individuals. The Peer Educator Program more than doubled in size during Ms. Calleton's tenure.

In addition to her extraordinary work at Planned Parenthood, Ms. Calleton has served with a variety of community organizations including the League of Women Voters, the Pasadena Commission on the Status of Women and Women at Work. Awards she has received from the Magna Carta Business and Professional Women and the Young Women's Christian Association are a testament to her great dedication.

"Celebrating the Past, Looking Towards the Future" pays a fine tribute to Ms. Calleton's legacy. Ms. Calleton has much to celebrate and, I know, looks forward to new challenges in her future endeavors. Her work will serve the community for generations to come.•

RECOGNITION OF SUCCESS BY 6 PARTNERSHIP

• Mr. BUNNING. Madam President, it is with great pleasure and honor that I rise today to duly recognize the Success By 6 Partnership initiative for its tireless work in the area of early childhood development for the community of Gainesway in Lexington, KY.

Less than a year ago, a unique partnership was formed between the United Way of the Bluegrass and LexLinc, which aimed to address the many educational and social needs of Kentucky children from birth to age 6. The Success By 6 initiative attempts to ready parents and children for school by the time the schools are ready for them by focusing on communication as the primary tool for problem solving. This initiative, adopted in more than 300 communities nationwide, does a phenomenal job of bringing together area leaders and families in order to properly identify the needs of parent, child, and teacher. Success By 6 has already helped organize a citywide safety seat giveaway program in Gainesway and has sparked awareness in the community of the importance of early childhood learning.

On January 8, 2002, President George W. Bush signed into law the No Child Left Behind Act, and I think initiatives such as this will work hand-in-hand with this Act to insure families that no child will be left without access to an education.

I would like to personally thank all of the participants and organizers of the Success By 6 initiative for their strong and diligent commitment to the future generations of the Commonwealth of Kentucky. Education can never be taken serious enough by either members of Congress or area leaders, and I sincerely applaud the progressive steps taken by this initiative program.

I believe that soon communities throughout Kentucky will see not only the educational advantages but also the social benefits of this program and begin measures to work this initiative into their educational agendas.•

TRIBUTE TO THOMAS STEPHEN COOK

• Mr. JEFFORDS. Madam President, today I rise to recognize and honor the life of Thomas Stephen Cook of West Enosburg, VT, who died Wednesday, November 21, after a 4-year fight with leukemia.

Thomas, who was only 12, inspired those who witnessed his strength and courage as he battled against his sickness. I have known Thomas since his birth, and as his cousin, I can honestly say he was one of the most extraordinary young people I've had the pleasure to meet. In April, as the 2001 Children's Miracle Network Champion from Vermont, Thomas visited my Washington office. He was on his way to meet President Bush, before heading to Walt Disney World to participate in the national Children's Miracle Network telethon. When you met Thomas, you could see that, even though he was young, he had been through a lot. More than that, Thomas was tough. Only his positive and optimistic attitude towards life was greater than his determination to fight his disease.

Thomas took his responsibilities with the Children's Miracle Network very seriously. He was also a fan of University of Vermont basketball. For four seasons, Thomas served the Catamounts as the ball boy for the men's basketball team. A column from the Burlington Free Press by Patrick Garrity about Thomas' role and influence on the team says:

> Thomas Cook would have been pleased with the effort.
>
> He would have loved T.J. Sorrentine's slashing drives. He would have loved Grant Anderson's blue-collar play underneath. He would have loved David Hehn's baseline-to-baseline energy and Trevor Gaines' work on the offensive boards.
>
> Thomas wasn't at Patrick Gymnasium to see the University of Vermont men's basketball team's near-upset of Cleveland State on Saturday. He lost a long fight with leukemia last week. He died at age 12.
>
> His customary position for Catamounts home games was down the team's bench near the baseline, where he served the past four seasons as a ball boy. As he battled his disease and endured the cruel roller coaster of hope and despair the disease became, Thomas fought alongside the Cats, too.
>
> He came to the sidelines four years ago soon after UVM coach Tom Brennan learned of the little boy from Enosburg Falls who had been diagnosed with a disease that kills 22,000 Americans each year. What began with a hospital visit from then-freshman guard Tony Orciari blossomed into a brotherhood between the two that seeped into the hearts of every player on the team.
>
> "He was a lot stronger than all of us," said senior captain Corry McLaughlin. "Our lives

are cake compared to what his was. To see him battling every day, to come out here and be with us, let alone to make it through every day, he was just a really strong kid.

"From his attitude, you would have never known he was sick. He was happy every day, jovial and upbeat."

Here's hoping the next one goes in. For Thomas.

Thomas will be fondly remembered by everyone who was fortunate to have known him.●

TESTIMONY OF RICHARD J. SANTOS

● Mr. DOMENICI. Madam President, I ask that testimony inserted into the Budget Committee record from Richard J. Santos, the National Commander of the American Legion, be printed in the RECORD.

The testimony follows.

WRITTEN STATEMENT OF RICHARD J. SANTOS, NATIONAL COMMANDER, THE AMERICAN LEGION TO THE COMMITTEE ON THE BUDGET, U.S. SENATE CONCERNING THE FISCAL YEAR (FY) 2003 BUDGET RESOLUTION

Mr. Chairman and Members of the Budget Committee: The American Legion welcomes the opportunity to present its views on the FY 2003 Budget Resolution. As you and your colleagues consider the President's recent budget request, I share the views of the nation's largest wartime veterans' service organization.

The American Legion's reputation as an advocate for maintaining a strong national defense is well documented, dating back to its very beginning in 1919 in Paris, France. As veterans of the War to End All Wars, The American Legion founders established an organization:

To uphold and defend the Constitution of the United States of America;

To maintain law and order;

To foster and perpetuate a one-hundred percent Americanism;

To preserve the memories and incidents of our associations in the Great Wars;

To inculcate a sense of individual obligation to the community, state, and nation;

To combat autocracy of both the classes and the masses;

To make right the master of might;

To promote peace and good will on earth;

To safeguard and transmit to posterity the principles of justice, freedom and democracy;

To consecrate and sanctify our comradeship by our devotion to mutual helpfulness.

The only common bond of all Legionnaires is honorable military service during a period of armed conflict. Legionnaires are men and women that belong to an organization based upon comradeship. This group of veterans is devoted to fair and equitable treatment of their fellow veterans, especially the service-connected disabled. Another group of veterans honored by The American Legion is those fallen comrades that are killed in action (KIA), missing in action (MIA), or those held as prisoner of war (POW). These service members often leave spouses and children behind. For those who have paid the ultimate sacrifice for freedom, The American Legion will honor their service by making sure this nation fulfills its promises to their survivors. For those listed as MIA or POW, The American Legion will continue to demand the fullest possible accounting of each and every comrade.

NATIONAL SECURITY

The deep-rooted interest of The American Legion in the security of the nation was born in the hearts and minds of its founders and sustained by its current membership. The bitter experiences of seeing comrades wounded or killed through lack of proper training crystallized the determination of Legionnaires to fight for a strong, competent defense establishment capable of protecting the sovereignty of the United States. The tragic events of World War I, largely precipitated by unprepared military, were still vivid in the minds of combat veterans that founded The American Legion. After 22 years of repeated warnings by The American Legion, Pearl Harbor dramatically illustrated the cost of failed vigilance and complacency.

For over 83 years, The American Legion's drumbeat on defense issues has remained constant. With the evolution of space age technology and scientific advancement of conventional and nuclear weapons, The American Legion continues to insist on a well-equipped, fully manned, and a properly trained fighting force to deter aggressors. The events surrounding September 11, 2001 publicly exposed a soft underbelly of America to acts of terrorism, especially the vulnerability to nuclear, biological, and chemical (NBC) warfare.

America's armed forces must be well manned and equipped, not to pursue war, but to preserve the hard-earned peace. The American Legion is fully aware of what can happen when diplomacy and deterrence fail. Many military experts believe that the current national security is based on budgetary concerns rather than real threat levels to America and its allies. As the world's remaining superpower, America's armed forces need to be more fully structured, equipped, and budgeted.

Defense budget, military manpower, and force structure are currently improving over the FY 2001 levels. The current operational tempo of active-duty and Reserve and Guard forces remains extremely high and very demanding. The American Legion recommends:

Active-duty personnel level should not be less than 1.6 million.

The Army must maintain 12 fully manned, equipped, and trained combat divisions.

The Navy must maintain 12 aircraft carrier battle groups and a viable strategic transport capability.

The Air Force must maintain, at a minimum, 15 fighter wings, a strategic bombing capability, its Intercontinental Ballistic Missile capability and a global strategic transport capability.

Deployment of a national missile defense system.

The defense budget should equal 3-4 percent of the Gross Domestic Product.

The current active-duty personnel level is approximately 1.37 million. Military leaders are making up the difference by increasing the operations tempo and by over-utilizing the Reserve components. Currently, American military personnel are deployed to over 140 countries worldwide. Overseas deployments have increased well over 300 percent in the past decade. Many of these personnel continue to come from the Reserve and Guard components.

Cuts in force structure cannot be rapidly reconstituted without the costly expenditures of time, money, and human lives. Modernization of weapon systems is vital to properly equipping the armed forces, but are totally ineffective without adequate personnel to effectively operate the state-of-the-arts weaponry. The American Legion strongly recommends adequate funding for modernization of the services. America is losing its technological edge. No American soldier, sailor, airman, or Marine should be ordered into battle with obsolete weapons, supplies, and equipment. America stands to lose its service members on the battlefield and during training exercises due to aging equipment. The current practice of trading off force structures and active-duty personnel levels to recoup modernization resources must be discontinued.

The American Legion recommends restoring the force structure to meet the threat level and to increase active-duty personnel levels. Ensuring readiness also requires retaining the peacetime Selective Service System to register young men for possible military service in case of a national emergency. Military history repeatedly demonstrates that it is far better to err on the side of preserving robust forces to protect America's interest than to suffer the consequences of ill preparedness. America needs a more realistic strategy with an appropriate force structure, weaponry, equipment, and active-duty personnel leave to achieve its objectives.

A major national security concern is the enhancement of the quality-of-life issues for service members, Reservists, National Guard, military retirees, and their families. During the First Session, President Bush and Congress made marked improvements in an array of quality-of-life issues for military personnel and their families. These efforts are visual enhancements that must be sustained. The cost of freedom is on going, from generation to generation.

The President and Congress addressed improvements to the TRICARE system to meet the health care needs of the military beneficiaries; enhanced the Montgomery GI Bill educational benefits; and homelessness throughout the veterans community. For these actions, The American Legion applauds your strong leadership, dedication, and commitment. However, one issue still remains unresolved: the issue of concurrent receipt of full military retirement pay and VA disability compensation without the current dollar-for-dollar offset. The issue of concurrent receipt appeared in the FY 2002 budget resolution and the FY 2002 defense authorization act. Every day, new severely disabled military retirees are joining the ranks of American heroes being required, by law, to forfeit military retirement pay.

Recently, 14 soldiers and 2 airmen were awarded Purple Hearts from the War on Terrorism. These newest American heroes would be the latest victims of this injustice should their war wounds result in debilitating medical conditions. During the State of the Union Address, one such future recipient, SFC Ronnie Raikes, was sitting next to the First Lady. Concurrent receipt legislation in both chambers (S. 170 and H.R. 303) has overwhelming support by your colleagues. With the President's proposed $48 billion increase in defense spending, The American Legion believes now is the time to correct this terrible injustice. Enactment of corrective legislative and fully funding concurrent receipt are actions to properly reward heroism and courage under fire.

If America is to continue as the world's remaining superpower, it must operate from a position of strength. This strength can only be sustained through meaningful leadership and adequate funding of the armed forces.

VETERANS' HEALTH CARE

The American Legion believes that the primary mission of the Department of Veterans Affairs (VA) is to meet the health care needs of America's veterans. The American Legion believes that the VA should continue to receive appropriate funding in order to maximize its ability to provide world-class health care to the large number of aging veterans, while still maintaining services to a younger cohort of veterans who are using VA for the first time. The American Legion greatly appreciates the actions of all Members of Congress regarding the increase in VA Medical Care funding for FY 2002. Now, please focus your attention to the increases in FY 2003.

Just like the Medicare and Medicaid programs, the VA health care budget requires an annual increase to maintain its existing service level and to fund new mandates. For years, VA managers wee asked to do more with less. The recent funding increase now allows the Veterans Health Administration (VHA) to catch up with the growing demands placed upon the system and repair some of the problems related to long patient waiting times and limitations on access to care.

The American Legion felt that the President's budget request last year failed to accurately reflect VA's FY 2002 health care funding needs. VA's projections misrepresented the actual number of veterans seeking care. It appears that the President's budget request was based on a much lower number of patients projection (less than 3 percent) than the actual number of users (closer to 11 percent). Fortunately, Congress added over $300 million to the President's original request; however, VHA is now faced with dealing with an inadequate FY 2002 budget. The American Legion believes that close to 5 million veterans will seek care in VHA medical facilities in FY 2003. Last year, The American Legion requested $21.6 billion in FY 2002; however, this year we recommend $23.1 billion for VA medical care.

Many factors are driving more veterans to use VHA as their primary health care provider:

Many Medicare+Choice health maintenance organizations (HMOs) withdrew from the program;

Many HMOs collapsed;

VHA has opened community based outpatient clinics;

Double-digit increase in health care premiums;

The dramatic fluctuations in the national economy make VHA a more cost-effective option for veterans; and

VHA's reputation for quality of care and patient safety is attracting new patients.

Where comparable data exist, VHA continues to outperform the private sector in all indicators in health promotion and disease prevention. The American Legion adamantly believes VHA is the best health care investment of tax dollars. The average cost per patient treated within VHA is unmatched by any other major health care delivery system, especially with comparable quality of care.

Mr. Chairman and Members of the Committee, the reason VHA medical care continues to increase annually is not because of uncontrollable cost increases nor poor cost estimations, but rather because thousands of veterans are voting with their feet. More and more veterans are choosing to use their earned benefit—access to VHA. However, enrollment in VHA is limited to existing discretionary appropriations. The American Legion urges Congress to evaluate several options that would assure every veteran that wants to enroll in VHA can enjoy that earned benefit. The key factor driving the increases in medical care funding requirements has not been uncontrolled cost increases, nor has it been poor cost estimation processes—it has been the unexpected and dramatic increase in demand for care from the VA system.

The overall guiding principle for VA must be improved services to veterans, their dependents, and survivors. This will require improving access and timeliness of veterans' health care; increasing quality and timeliness in the benefit claims process; and enhancing access to national and state cemeteries. Specific American Legion objectives for Congress include:

Sound VHA funding for long-term strategic planning and program performance measurement,

Additional revenue for staff and construction,

Medicare subvention,

Pilot programs for certain dependents of eligible veterans,

VA and DoD sharing,

Reduce the claims backlog,

Repeal bar to service-connection for tobacco-related illnesses,

Increase the rate of beneficiary travel reimbursement, and

Allow all third-party reimbursements collected by VA to supplement, rather than offset, the annual Federal discretionary appropriations.

The American Legion created the GI Bill of Health as a blueprint for meeting the current and future health care requirements of the nation's veterans and for supplementing VA's annual health care appropriation. The GI Bill of Health, once fully implemented, would expand VHA's patient base and increase its non-appropriated funding through new revenue sources.

As VHA continues to re-invent itself, change is not a defining event, but rather a series of small steps. Despite its recent successes, VHA still faces numerous future challenges.

The American Legion believes VHA's long-term future must be clearly defined to be responsive to those who have "borne the battle." All individuals, who enter military service, should be assured that there is a health care system dedicated to serving their needs upon leaving the military. That concept is especially important to disabled veterans and to retired service members. The GI Bill of Health would ensure that all honorably discharged veterans would be eligible for VA health care, as they will fall into one of the core entitlement categories and into a health insurance or buy-in category. A unique feature of the GI Bill of Health is that it will also permit certain dependents of veterans to enroll in the VA health care system.

The American Legion commends VA for the changes made within VHA over the past few years. These changes include eligibility reform, enrollment, the reorganization of the 172 medical centers into 22 integrated operating units, the elimination of certain fiscal inefficiencies, and the expansion of community based outpatient clinics. In some cases, The American Legion believes VA has gone too far in attempting to improve fiscal efficiency. Veterans should not have to increase their travel time for the benefit of the Department. Rather, VHA needs to improve its cooperation with other Federal, state, and private health care providers to improve the quality and timeliness of care for veterans and their families. The American Legion encourages VHA to continue to provide health care that is the highest quality to all veterans at the most reasonable cost.

Two additional significant steps required to re-engineer VHA are Medicare subvention and permitting certain dependents of veterans to utilize the system.

Unlike in the private sector, Medicare-eligible veterans cannot use their Medicare benefits in a VHA facility for treatment of nonservice-connected conditions. When Medicare-eligible veterans receive health care treatment for any medical condition in the private sector, the federal government reimburses the health care provider for a portion of that service. When Medicare-eligible veterans receive health care treatment for the same medical conditions (nonservice-connected) within VHA, the federal government will not reimburse VHA for any portion of that service. This equates to a restriction on a veteran's right to access health care of his or her choice and using his or her Medicare benefit. The American Legion believes that Medicare subvention will result in more accessible, quality health care for all Medicare-eligible veterans. Furthermore, Medicare subvention should greatly reduce incidents of fraud, waste, and abuse in billing because it will occur between two Federal agencies with congressional oversight. Today's fiscal realities requires VHA to seek other revenue streams to supplement the growing demand for service and not simply rely on saving more dollars to serve more veterans. The American Legion strongly recommends allowing Medicare subvention for Priority Group 7 Medicare-eligible veterans enrolled in VHA.

Allowing certain veterans' dependents access to health care within VHA will also help develop new revenue streams and will ultimately improve recruitment and retention within the armed forces. Service members need to know that their dependents have access to quality health care while serving on active duty. The American Legion believes that VHA can and should play a larger role in the provision of this care to active duty service members. Additionally, when service members leave active duty, this health care coverage should continue. VHA has the capacity and the capability to play a much larger role in the provision of health care to the beneficiaries of DoD health care system.

VHA has six strategic goals through the year 2006:

Put quality first.

Provide easy access to medical knowledge, expertise and care.

Enhance, preserve and restore patient function.

Exceed customers' expectations.

Save more dollars to serve more veterans.

Build healthy communities.

Unfortunately, nowhere in the list of VHA priorities are the goals of Medicare-subvention, the treatment of veterans' dependents, expanding the non-appropriated funding revenue base, and greater cooperation with the private sector and with DoD health care system.

VETERANS' BENEFITS

Given the number of veterans and other claimants who file claims each year and with an annual expenditure of over $25 billion in compensation and pension payments, it is imperative that Congress maintain strong oversight of the operations of Veterans Benefit Administration's (VBA's) Compensation and Pension Service.

Over the last several years, the backlog of pending claims and appeals has increased dramatically and now exceeds over 660,000 cases. It routinely takes six months to a year or more to process disability compensation claims. In addition, annually, some 60,000 to 70,000 new appeals are initiated. After a wait of over two years for an appeal to reach the Board of Veterans Appeals (BVA or the Board), more than 20 percent will be allowed and more than 22 percent will be sent back to the regional office for further required development and readjudication.

Remanded cases may be pending for another year or two, in the regional office before returning to the Board. Sometimes, cases are remanded two and three times because the specified corrective action had not been completed, which adds several more years to the appeal.

Unfortunately, there is a pattern of recurring issues, which continue to have a direct and adverse effect on the quality and timeliness of regional office claims adjudication. They relate to budget, staffing, training, quality assurance, accountability, and attitude. These findings confirm our long-held view that quality must be VBA's highest priority. Without guaranteed quality, thousands of claims will continue to process unnecessarily through the system: much of VBA's valuable financial and personnel resources will be wasted; and veterans will not receive the benefits and services they are entitled to and that Congress intended they should have.

The American Legion believes VBA is committed to bringing about much needed change to the claims adjudication system with the overall goal of providing quality, timely service to veterans and its other stakeholders. In recent years, VBA's strategic plans have made many promises and we have, in fact, seen the implementation of a variety of programmatic and procedural changes. However, it is obvious that progress toward major improvements in service continues to be slow and that much remains to be done. The overall quality of regional office decision making remains problematic.

Secretary Principi has identified many problems and is working diligently to find solutions that will provide improved service to veterans and their families. There are a spectrum of ongoing and planned initiatives, such as the Pre-Discharge Examinations, Personnel Information Exchange System (PIES), Electronic Burial Claims, Virtual VBA, Decision Review Officer (DRO) Program, and personal hearing teleconferencing, just to name a few. In addition, VBA has begun implementing the recent recommendations of the Secretary's Claims Processing Task Force focusing on improving the operating efficiency of the process and procedures by which claims are adjudicated. These involve special initiatives to better manage the claims and appeals. There will be an emphasis on better training for the newly hired adjudicators. Performance standards are being implemented that provide for personal and organization accountability. VBA is continuing the development of its information technology program.

While we support these much-needed changes, we are concerned that they only indirectly address the core problem of continued poor quality decision making. Without a vigorous, comprehensive quality assurance program, thousands of claims will continue to process needlessly through the regional offices, the Board of Veterans Appeals, and the courts wasting time, effort and taxpayers' money. Veterans have a right to a fair, proper, and timely decision. They should not have to endure financial hardship and delay before receiving the benefits to which they are entitled by law.

The workload and budgetary requirements of National Cemetery Administration (NCA) will continue to grow over the next 15–20 years. The death rate of World War II veterans will peak in 2008, but the annual death rate of veterans will not return to 1995 levels under 2020. The death rates of Korean and Vietnam Era veterans will greatly accelerate thereafter. The American Legion continues to fully support the further development of the State Cemetery Grants Program.

The Veterans Millennium Health Care and Benefits Act (Public Law 106–117) requires VA to provide long-term nursing care to veterans rated 70 percent disabled or greater. The new law also requires VA to provide long-term nursing care to all other veterans for service-connected disabilities and to those willing to make a co-payment to offset the cost of care. Further, it requires VA to provide veterans' greater access to alternative community-based long-term care programs. These long-term care provisions will place greater demand on VA and on the State Veterans Home Program for years to come.

The American Legion believes that it makes economic sense for VA to look to States governments to help fully implement the provisions of PL 106–117. VA spends on average $225 per day to care for each of their nursing care patients and pays private-sector contract facilities an average per diem of $149 per contract veteran. The national average daily cost of care for a State Veterans Home nursing care resident is about $140. VA reimburses State Veterans Homes a per diem of $40 per nursing care resident. Over the long term, VA saves millions of dollars through the State Veterans Home Program.

The American Legion supports the State Veterans Home Program and believes the federal government must provide sufficient construction funding to allow for the expected increase in long-term care veteran patients.

On September 11, 2001, I was about to present testimony before a Joint Session of the Veterans' Affairs Committees, when we were directed to evacuate the Cannon House Office Building. Like Americans around the world, I was shocked by the barbaric, terrorist actions taken against innocent airline passengers, those in the World Trade Towers, and those in the Pentagon. My heart swelled with pride as fearless rescue workers, fellow service members, and private citizens rushed to assist the victims, only to experience the heartache as the Twin Towers collapsed turning heroes into victims in a matter of seconds. At that specific moment, the importance of that testimony paled in comparison. The American Legion's efforts, like the rest of America, shifted to what we do best—helping at the community, state, and national level.

SUMMARY

Since I was unable to formally present my testimony, I did submit The American Legion's recommendations for the VA budget for FY 2003 for the record. Today, it is important that I share that information to this Committee:

Program	P.L. 106–377	P.L. 107–73	Legion's FY 2003 request
Medical Care	$20.2 billion	$21.3 billion	$23.1 billion.
Medical and Prosthetics Research	350 million	371 million	420 million.
Construction:			
Major	66 million	183 million	310 million.
Minor	170 million	211 million	219 million.
State Veterans' Home	100 million	100 million	110 million.
State Veterans' Cemeteries	25 million	25 million	30 million.
NCA	110 million	121 million	140 million.
General Administration	1 billion	1.2 billion	1.3 billion.

The American Legion believes that the true character of any democracy is best reflected in the way it treats its veterans of the armed forces—the true preservers and defenders of liberty.

Mr. Chairman, and Members of the Committee, that concludes my written statement.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL MESSAGES

The following presidential messages were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

PM–69. A message from the President of the United States, transmitting, pursuant to law, the Economic Report of the President along with the Annual Report of the Council of Economic Advisers for 2002; to the Joint Economic Committee.

ECONOMIC REPORT OF THE PRESIDENT

To the Congress of the United States:

Since the summer of 2000, economic growth has been unacceptably slow. This past year the inherited trend of deteriorating growth was fed by the events, the most momentous of which was the terrorist attacks of September 11, 2001. The painful upshot has been the first recession in a decade. This is cause for compassion—and for action.

Our first priority was to help those Americans who were hurt most by the recession and the attacks on September 11. In the immediate aftermath of the attacks, my Administration sought to stabilize our air transportation system to keep Americans flying. Working with the Congress, we provided assistance and aid to the affected areas in New York and Virginia. We sought to provide a stronger safety net for displaced workers, and we will continue these efforts. Our economic recovery plan must be based on creating jobs in the private sector. My Administration has urged the Congress to accelerate tax relief for working Americans to speed economic growth and create jobs.

We are engaged in a war against terrorism that places new demands on our economy, and we must seek our every opportunity to build an economic foundation that will support this challenge. I am confident that Americans have proved they will rise to meet this challenge.

We must have an agenda not only for physical security, but also for economic security. Our strategy builds upon the charter of Americans: removing economic barriers to their success, combining our workers and their skills with new technologies, and creating an environment where entrepreneurs and businesses large and small can grow and create jobs. Our vision must extend beyond America, engaging other countries in the virtuous cycle of free trade, raising the potential for global growth, and securing the gains from worldwide markets in goods and capital. We must ensure that this effort builds economic bonds that encompass every American.

America faces a unique moment in history: our Nation is at war, our homeland was attacked, and our economy is in recession. In meeting these great challenges, we must draw strength from the enduring power of free markets and a free people. We must also look forward and work toward a stronger economy that will buttress the United States against an uncertain world and lift the fortunes of others worldwide.

GEORGE W. BUSH.
THE WHITE HOUSE, *February 2002.*

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–5292. A communication from the Secretary of State, transmitting, pursuant to Section 1006(b) of the USA PATRIOT Act, P.L. No. 107–56, a report relative to a worldwide watchlist of known or suspected money launderers, for the purpose of enforcing the new money-laundering inadmissibility; to the Committee on Foreign Relations.

EC–5293. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the Agency's Report on the Implementation and Enforcement of the Combined Sewer Overflow (CSO) Control Policy; to the Committee on Environment and Public Works.

EC–5294. A communication from the Legislative and Regulatory Activities Division, Comptroller of the Currency, Administrator of National Banks, transmitting, pursuant to law, the report of a rule entitled "International Banking Activities: Capital Equivalency Deposits" (12 CFR Part 28) received on January 28, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–5295. A communication from the Legislative and Regulatory Activities Division, Comptroller of the Currency, Administrator of National Banks, transmitting, pursuant to law, the report of a rule entitled "Capital; Leverage and Risk-Based Capital Guidelines; Capital Adequacy Guidelines; Capital Maintenance: Nonfinancial Equity Investments" (12 CFR Part 3); to the Committee on Banking, Housing, and Urban Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 1910. A bill to suspend temporarily the duty on certain extruders, castings, TDO Tenders, Transport/winders, and slitters; to the Committee on Finance.

By Mr. INHOFE (for himself and Mr. CLELAND):

S. 1911. A bill to amend the Community Services Block Grant Act to reauthorize national and regional programs designed to provide instructional activities for low-income youth; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SMITH of Oregon:

S. 1912. A bill to amend the Endangered Species Act of 1973 to require the Secretary of the Interior and the Secretary of Commerce to give greater weights to scientific or commercial data that is empirical or has been field-tested or peer-reviewed, and for other purposes; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DEWINE (for himself, Mr. CHAFEE, Mr. DODD, Mr. KERRY, Mr. LOTT, Mr. DORGAN, Mr. HAGEL, Mr. DAYTON, Mr. SARBANES, and Mr. BINGAMAN):

S. Res. 204. A resolution expressing the sense of the Senate regarding the importance of United States foreign assistance programs as a diplomatic tool for fighting global terrorism and promoting United States security interests; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 358

At the request of Mr. FRIST, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 358, a bill to amend the Social Security Act to establish a Medicare Prescription Drug and Supplemental Benefit Program and for other purposes.

S. 682

At the request of Mr. MCCAIN, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. 682, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 686

At the request of Mrs. LINCOLN, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 686, a bill to amend the Internal Revenue Code of 1986 to provide a credit against tax for energy efficient appliances.

S. 866

At the request of Mr. REID, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 866, a bill to amend the Public Health Service Act to provide for a national media campaign to reduce and prevent underage drinking in the United States.

S. 1062

At the request of Mr. DURBIN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1062, a bill to amend the Public Health Service Act to promote organ donation and facilitate interstate linkage and 24-hour access to State donor registries, and for other purposes.

S. 1209

At the request of Mr. BINGAMAN, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1456

At the request of Mr. BENNETT, the names of the Senator from Arkansas (Mr. HUTCHINSON) and the Senator from Virginia (Mr. ALLEN) were added as cosponsors of S. 1456, a bill to facilitate the security of the critical infrastructure of the United States, to encourage the secure disclosure and protected exchange of critical infrastructure information, to enhance the analysis, prevention, and detection of attacks on critical infrastructure, to enhance the recovery from such attacks, and for other purposes.

S. 1478

At the request of Mr. SANTORUM, the names of the Senator from Oregon (Mr. WYDEN) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 1478, a bill to amend the Animal Welfare Act to improve the treatment of certain animals, and for other purposes.

S. 1558

At the request of Mr. SANTORUM, the name of the Senator from Virginia (Mr.

WARNER) was added as a cosponsor of S. 1558, a bill to provide for the issuance of certificates to social security beneficiaries guaranteeing their right to receive social security benefits under title II of the Social Security Act in full with an accurate annual cost-of-living adjustment.

S. 1675

At the request of Mr. BROWNBACK, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 1675, a bill to authorize the President to reduce or suspend duties on textiles and textile products made in Pakistan until December 31, 2004.

S. 1678

At the request of Mr. MCCAIN, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 1678, a bill to amend the Internal Revenue Code of 1986 to provide that a member of the uniformed services or the Foreign Service shall be treated as using a principal residence while away from home on qualified official extended duty in determining the exclusion of gain from the sale of such residence.

S. 1680

At the request of Mr. WELLSTONE, the names of the Senator from Illinois (Mr. DURBIN), the Senator from Delaware (Mr. BIDEN), the Senator from Delaware (Mr. CARPER), the Senator from Nevada (Mr. REID), the Senator from New York (Mr. SCHUMER), the Senator from South Dakota (Mr. JOHNSON), the Senator from Missouri (Mr. BOND), and the Senator from New York (Mrs. CLINTON) were added as cosponsors of S. 1680, a bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to provide that duty of the National Guard mobilized by a State in support of Operation Enduring Freedom or otherwise at the request of the President shall qualify as military service under that Act.

S. 1712

At the request of Mr. GRASSLEY, the names of the Senator from Alabama (Mr. SESSIONS) and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 1712, a bill to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes.

S. 1749

At the request of Mr. KENNEDY, the names of the Senator from New Jersey (Mr. TORRICELLI) and the Senator from Utah (Mr. BENNETT) were added as cosponsors of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1897

At the request of Mrs. CARNAHAN, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1897, a bill to require disclosure of the sale of securities by an affiliate of the issuer of the securities to be made available to the Commission and to the public in electronic form, and for other purposes.

S. 1899

At the request of Mr. BROWNBACK, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Iowa (Mr. GRASSLEY) were added as cosponsors of S. 1899, a bill to amend title 18, United States Code, to prohibit human cloning.

AMENDMENT NO. 2722

At the request of Mr. ALLARD, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of amendment No. 2722 proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2728

At the request of Mr. THOMAS, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of amendment No. 2728 proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2740

At the request of Mr. GRAMM, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of amendment No. 2740 intended to be proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2749

At the request of Mr. GRAMM, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of amendment No. 2749.

AMENDMENT NO. 2763

At the request of Mr. ENZI, the name of the Senator from Texas (Mr. GRAMM) was added as a cosponsor of amendment No. 2763 intended to be proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2764

At the request of Mr. JOHNSON, his name was added as a cosponsor of amendment No. 2764.

At the request of Mr. REID, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of amendment No. 2764 supra.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 1910. A bill to suspend temporarily the duty on certain extruders, castings, TDO Tenders, Transport/winders, and slitters; to the Committee on Finance.

Mr. HOLLINGS. Madam President, today, I, along with Senator THURMOND, introduce duty suspension legislation designed to permit imports of machinery into the United States duty free. This machinery is not made in the United States. Therefore, their importation will not displace domestic sourcing. Moreover, because of the nature of the products at issue, they will assist in the creation of additional jobs in the United States.

I believe that this is the most appropriate use of such legislation. The imported product will not displace any that is manufactured in the United States. Moreover, the imported product will assist in enhancing American productive capacity. I am therefore hopeful that this new capacity can be used to supply both domestic and foreign needs and will increase employment in the United States.

By Mr. INHOFE (for himself and Mr. CLELAND):

S. 1911. A bill to amend the Community Services block Grant Act to reauthorize national and regional programs designed to provide instruction activities for low-income youth; to the Committee on Health, Education, Labor, and Pensions.

Mr. INHOFE. Madam President, every summer since 1968 the National Youth Sports Program, NYSP, has enabled thousands of children, ages ten to sixteen, the opportunity to develop their athletic, academic and leadership skills in a character-building environment. Utilizing both private and public resources, the NYSP successfully partners with the National Collegiate Athletic Association, NCAA, the U.S. Department of Health and Human Services, HHS, the U.S. Department of Housing and Urban Development, HUD, and 200 institutions of higher learning across the country to provide an enriching summer experience for kids from disadvantaged backgrounds.

Each participant in the National Youth Sports Program engages with a caring, dedicated adult volunteer while being exposed to the skills, discipline, and self-esteem that organized sports provide. Each student also receives academic enrichment in the classroom, instruction on healthy living and drug and alcohol abuse prevention, leadership training, and a comprehensive medical exam. Collegiate athletes and others from the community volunteer for the five-week program to nurture kids and promote their development of body and mind. The improvement of physical fitness through a variety of daily activities from swimming to soccer is a key component of the program. Using the vehicle of high-energy sports, each student is able to learn valuable life lessons. The academic portion of the National Youth Sports Program has evolved since its beginnings to include special enrichment for math and science and useful computer training. To encourage life-long health and physical fitness, substance abuse prevention training is incorporated at several program sites, and every child receives a thorough medical exam by a local doctor. Quality medical attention is a luxury that many of these children do not otherwise have.

President Bush has encouraged our Nation to come together to build communities of character. The National Youth Sports Program is truly a nation-wide community effort. In forty-nine states, the District of Columbia, and Puerto Rico, volunteers give their time to help young people strive for their best, develop body and mind, and build strong character.

In support of the continued success and vision of the National Youth Sports Program, today I am introducing the K.I.D.S. Act: Keeping Inspiration and Development Strong. This bill amends the Community Services Block Grant Act to reauthorize appropriations for the National Youth Sports Program at $20 million for Fiscal Year 2003 and provides for its authorization through Fiscal Year 2008. I urge my colleagues to join me in support of this legislation and to make the development of our Nation's greatest resource, children, a national priority.

I ask unanimous consent that the bill be printed in the RECORD.

Their being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1911

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Keep Inspiration and Development Strong Act" or the "KIDS Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) since 1968, when the National Youth Sports Program (referred to in this Act as the 'Program') began, the Program has provided a character-building environment for low-income children to develop athletic, educational, and leadership skills;

(2)(A) the Program utilizes community resources, private funding, and public funding to carry out the Program's goals; and

(B) for every $1 in Federal funds appropriated for the Program, the Program receives nearly $3 from private sources, through cash contributions or services provided at Program sites;

(3)(A) the continued investment of Federal resources in the Program is in the Nation's best interest, especially given a recent increase in child obesity in the United States; and

(B) the Surgeon General's report to the President, published in the fall of 2000 and entitled "Promoting Better Health for Young People Through Physical Activity and Sports", indicated that child obesity had doubled in the preceding 20 years;

(4)(A) the Program enhances the health of children by providing quality medical care; and

(B) in 2001, 77,106 medical examinations were administered at Program sites for children who might otherwise not have visited a doctor;

(5) the Program encourages educational growth in children by exposing the children to a collegiate atmosphere at an early age and establishing higher education as a natural life goal for the children;

(6) the Program is truly a national program, expanding in 2001 to college and university campuses in 49 States, the District of Columbia, and the Commonwealth of Puerto Rico; and

(7) the Nation can best prepare the children of the United States to embrace their future by encouraging healthy bodies and healthy minds.

SEC. 3. REAUTHORIZATION.

Section 682(g) of the Community Services Block Grant Act (42 U.S.C. 9923(g)) is amended to read as follows:

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $20,000,000 for fiscal year 2003 and such sums as may be necessary for each of fiscal years 2004 through 2008.".

Mr. CLELAND. Madam President, the National Youth Sports Program, NYSP, is an educational partnership that has worked successfully for 33 years. It provides at-risk children, ages 10–16, a 5-week summer program offering sports and academic enrichment at U.S. colleges and universities nationwide. Begun in 1969 as a sports enrichment program, the NYSP now reaches beyond athletics to offer academic instruction, substance abuse prevention, and character education. Originally offered at two higher educational institutions, last year the program served over 73,000 participants at 196 host colleges and universities in 49 States, the District of Columbia, and Puerto Rico. For many of these young people, it was their first opportunity to experience a college or university campus from the inside.

In order to enhance the educational commitment of the NYSP, selected programs at 123 sites across the Nation now include special emphasis on math and science skills. In addition, NYSP programs serving older participants, those from ages 13–16, help them enhance their computer skills and academic performance through reading and writing activities that offer mentoring opportunities to younger NYSP participants.

For over three decades the National Youth Sports Program has been a model of what a successful collaboration should be. The U.S. Department of Health and Human Services, the U.S. Department of Housing and Urban Development, HUD, the U.S. Department of Agriculture, USDA, which provides a hot, USDA-approved meal to NYSP students each day, and the National Collegiate Athletic Association, NCAA, have worked together to provide a wholesome summer experience to over 1.7 million participants who have passed through the program since its inception. And over time, local medical communities have joined in. In 2000, over 74,300 medical examinations were administered free of charge or at a reduced rate. If a health problem is found, as is the case in approximately one-third of the examinations, the child is referred for adequate follow-up treatment. During the summer session, children who are injured or become ill during NYSP activities are covered by health insurance and treated by a certified medical professional.

The National Youth Sports Program is a vital and effective investment in our youth. This program has successfully leveraged Federal funding to secure substantial matching community investments. For every one dollar provided by the Federal Government, two dollars are provided by participating colleges and universities, local public and private businesses, the National Collegiate Athletic Association, the National Youth Sports Program Fund and other National Governing Bodies of amateur sport.

Today I join my distinguished colleague from Oklahoma, Senator INHOFE, in introducing legislation to reauthorize the National Youth Sports Program and to increase its funding authorization to $20 million. This increase in funding will allow 4,500 additional at-risk youth to participate in this effective program and 15 new program sites to serve communities where disadvantaged youth are in need of nurturing and support. In addition, a $3 million increase in NYSP funding will increase the number of program sites offering math and science instruction as well as expand the NYSP's highly successful senior program, which emphasizes and encourages leadership skills and character education.

The NYSP is a program which, year after year, has provided our Nation's youth with the opportunity to utilize the best resources our colleges and universities have to offer and to develop the skills necessary to succeed. At a time when President Bush has called for a renewed commitment to national service, the NYSP, with almost 1500 volunteers, is an outstanding example of what community service is all about. For three decades the National Youth Sports Program has provided a positive and enriching experience and a safe haven for some of this Nation's most vulnerable youth. This highly effective and successful program is deserving of Congress' support.

By Mr. SMITH of Oregon:

S. 1912. A bill to amend the Endangered Species Act of 1973 to require the Secretary of the Interior and the Secretary of Commerce to give greater weights to scientific or commercial data that is empirical or has been field-tested or peer-reviewed, and for other purposes; to the Committee on Environment and Public Works.

Mr. SMITH of Oregon. Madam President, today I am introducing legislation that, if enacted, could prevent another tragic situation like the farmers and ranchers of the Klamath Basin experienced last year. The Act, the "Sound Science for Endangered Species Decisionmaking Act of 2002," would require independent scientific peer review of certain actions taken by the regulatory agencies under the Endangered Species Act. In addition, it would require the Secretary of the Interior and the Secretary of Commerce to give greater weight to scientific or commercial data that is empirical or has been field-tested or peer-reviewed.

As many of you may recall, I have come to the floor of the Senate on many occasions over the last year to plead the case of the farmers and ranchers in the Klamath Basin. Last year, field-level biologists with the U.S. Fish and Wildlife Service and the National Marine Fisheries Service developed two separate biological opinions on the operation of the Klamath Project, as it related to suckers and coho salmon, respectively.

Taken together, these two biological opinions sought to both raise the lake level of Upper Klamath Lake and increase flows in the Klamath River, at the time the Basin was experiencing a severe drought. On April 6, the Bureau of Reclamation announced that the agency would deliver no water to most of the agricultural lands that had received irrigation water from the Federal project for almost one hundred years.

I cannot begin to describe for you the human toll that these biological opinions exacted on the farmers and ranchers in the Klamath Basin. Suicides and foreclosures have both occurred. Those who still have their farms lost most of their farm income last year, many depleting their life savings to hold onto their land. Ranchers were forced to sell off livestock herds. Stable farm worker communities were decimated as families moved to find work.

The real tragedy is that none of this had to occur.

Just this week, the National Research Council found that key decisions regarding the operation of the federal Klamath Project had no clear scientific or technical support. In fact, the Council went so far as to say that, "the committee concludes that there is no substantial scientific foundation at this time for changing the operation of the Klamath Project to maintain higher water levels in Upper Klamath Lake for the endangered sucker populations or higher minimum flows in the Klamath River mainstem for the threatened coho population."

In other words, the two key decisions that deprived farmers of their water were not justified by the science.

This situation should never be repeated. Decisions of this magnitude under the Endangered Species Act must be peer reviewed, and some standard for the science used in these decisions must be established.

I was in Klamath Falls the day after the decision was made to cut off water to the farmers. I will never forget the anguish on the faces of the people I met with that day. Many were World War II veterans who received homesteads in this Basin after the war.

Our constituents deserve better from their government. They will get it if this bill is enacted. I urge my colleagues to join me in cosponsoring this bill. I've submitted for the RECORD an editorial from today's Oregonian newspaper that describes this situation, and expresses support for the House companion bill. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

VICTORY FOR KLAMATH FARMERS

Scientists find no basis for decision to withhold water from farms for threatened fish during historic drought

Klamath Basin farmers insisted throughout last year's bitter drought and intense environmental battle that the government had no good reason to hold back their irrigation water for federally protected fish.

Now it seems they were right. A panel of top scientists convened by the National Academy of Sciences has concluded in an interim report that there was "no sound scientific basis" for withholding irrigation water from more than 1,000 farmers last summer.

The report by the independent panel of 12 scientists changes dramatically the national debate over the Klamath Basin. Suddenly, the farmers are on the high ground, having endured a summer of emotional stress and financial loss due to the federal government's decision to keep extra water in Klamath Lake for endangered suckers and in the Klamath River for threatened coho salmon.

The scientists said there is no evidence that to protect the suckers it was necessary to hold back irrigation water and keep the level of Klamath Lake relatively high. Further, they said a second decision to send warm lake water downriver, rather than to irrigators, may have actually harmed coho by increasing the river's temperature.

These findings aren't a green light to open wide the irrigation headgates, in good water years and bad ones. However, President George W. Bush vowed in an appearance in Portland last month that he would get more water to farmers—and now he's got a stronger hand to do so.

The scientists suggested that in the short term that lake and river levels be held to standards in place from 1990 to 1999. They also emphasized that the U.S. Bureau of Reclamation, which recently proposed a farmer-first, fish-and-wildlife-second water plan for the Klamath Basin, should not draw down the lake and river below levels of the last decade.

Now the burden of recovering fish shifts from the farmers to where it really belongs—to a broad effort to improve fish habitat and water quality throughout the Klamath Basin, restore wetlands that naturally filter the water and install screens to protect fish from getting sucked into canals.

The report also should help persuade Congress to approve pending bills to fund Klamath projects and provide more relief to farmers. Too, it may provide impetus for a bill proposed by Rep. Greg Walden, R-Ore., to require independent scientific review of all government decisions to protect endangered species.

The federal biologist who ordered the withholding of Klamath water said last summer they were required by law to err on the side of imperiled species. While that's true, what happened in the Klamath last summer is beginning to look like an awful and avoidable error.

The decision to keep extra water in Klamath Lake and Klamath River cost the regional economy $134 million, according to a report from Oregon State university and University of California at Berkeley. It wiped out thousands of jobs, shoved farms into bankruptcy and foreclosure, and caused tremendous stress and uncertainty in families throughout the Klamath country.

For these farmers and their families, it must be small consolation to be told now that they were right all along.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 204—EXPRESSING THE SENSE OF THE SENATE REGARDING THE IMPORTANCE OF UNITED STATES FOREIGN ASSISTANCE PROGRAMS AS A DIPLOMATIC TOOL FOR FIGHTING GLOBAL TERRORISM AND PROMOTING UNITED STATES SECURITY INTERESTS

Mr. DEWINE (for himself, Mr. CHAFEE, Mr. DODD, Mr. KERRY, Mr. LOTT, Mr. DORGAN, Mr. HAGEL, Mr. DAYTON, Mr. SARBANES, and Mr. BINGAMAN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 204

Whereas the international community faces a continuing epidemic of ethnic, sectarian, and criminal violence;

Whereas poverty, hunger, political uncertainty, and social instability are the principal causes of violence and conflict around the world;

Whereas broad-based, equitable economic growth and agriculture development facilitates political stability, food security, democracy, and rule of law;

Whereas democratic governments are more likely to advocate and observe international laws, protect civil and human rights, pursue free market economies, and avoid external conflicts;

Whereas the United States Agency for International Development has provided critical democracy and governance assistance to a majority of the nations that successfully made the transition to democratic governments during the past two decades;

Whereas 43 of the top 50 consumer nations of American agricultural products were once United States foreign aid recipients;

Whereas in the past 50 years, infant child death rates in the developing world have been reduced by 50 percent, and health conditions around the world have improved more during this period than in any other period;

Whereas the United States Agency for International Development child survival programs have significantly contributed to a 10 percent reduction in infant mortality rates worldwide in just the past eight years;

Whereas investments by the United States and other donors in better seeds and agricultural techniques over the past two decades have helped make it possible to feed an additional 1,000,000,000 people in the world;

Whereas, despite this progress approximately 1,200,000,000 people, one-quarter of the world's population, live on less than $1 per day, and approximately 3,000,000,000 people live on only $2 per day;

Whereas 95 percent of new births occur in developing countries, including the world's poorest countries; and

Whereas only one-half of one percent of the Federal budget is dedicated to international economic and humanitarian assistance: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) United States foreign assistance programs should play an increased role in the global fight against terrorism to complement the national security objectives of the United States;

(2) the United States should lead coordinated international efforts to provide increased financial assistance to countries with impoverished and disadvantaged populations that are the breeding grounds for terrorism;

(3) consistent with United States foreign policy, economic incentives should be used to end state support or tolerance of terrorism; and

(4) the United States Agency for International Development and the Department of Agriculture should substantially increase humanitarian, economic development, and agricultural assistance to foster international peace and stability, and the promotion of human rights.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2779. Mr. KERRY submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table.

SA 2780. Mr. BROWNBACK submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2781. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 2764 proposed by Mr. Reid to the amendment SA 2698 submitted by Mr. Reid and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2782. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2783. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2784. Mr. THOMAS (for himself and Mr. Enzi) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2785. Mr. HARKIN submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2786. Mr. DORGAN (for himself and Mr. Kerry) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2787. Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2788. Mr. HATCH (for himself and Mr. Bennett) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2789. Mr. HATCH (for himself and Mr. Bennett) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2790. Mr. NICKLES (for Mr. McCain (for himself, Mr. Allard, Mr. Lieberman, Ms. Snowe, Mr. Levin, Mr. Murkowski, Mr. Cleland, Mr. Inhofe, Ms. Landrieu, Mr. Burns, Mr. Durbin, Mr. Sessions, Mr. DeWine, Mr. Thurmond, Mr. Shelby, Mr. Hagel, Mr. Lugar, Mr. Kennedy, Mr. Warner, Ms. Collins, Mr. Hatch, Mr. Helms, Mr. Allen, Mr. Kerry, Mr. Fitzgerald, Mr. Stevens, Mr. Reid, Mr. Miller, Mr. Roberts, Mr. Bayh, Mr. Ensign, Mr. Bunning, Mr. Campbell, Mr. Nelson, of Nebraska, Mr. Dodd, Mr. Jeffords, Mr. Brownback, Mr. Biden, Ms. Stabenow, Mr. Cochran, and Mr. Sarbanes)) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2791. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2792. Mr. LUGAR (for himself and Mr. Leahy) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2793. Mr. GRAMM (for himself and Mrs. Hutchison) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2794. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2795. Mr. BOND submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2796. Mr. BUNNING submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2797. Mr. BOND submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2798. Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2799. Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2800. Mr. FRIST submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2801. Mr. SCHUMER (for himself and Mrs. Clinton) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2802. Mr. CRAIG submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2803. Mr. THURMOND submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2804. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2805. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2806. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2807. Mr. SESSIONS (for Mr. Kyl (for himself, Mr. Nickles, and Mr. Sessions)) proposed an amendment to amendment SA 2721 submitted by Mr. Reid and intended to be proposed to the amendment SA 2698 proposed by Mr. Daschle to the bill (H.R. 622) supra.

SA 2808. Mr. DORGAN (for himself, Mr. Reid, Mr. Inouye, and Mr. Conrad) proposed an amendment to amendment SA 2764 submitted by Mr. Reid and intended to be proposed to the amendment SA 2698 proposed by Mr. Daschle to the bill (H.R. 622) supra.

SA 2809. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. Grassley and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2810. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. Grassley and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2811. Mr. NICKLES (for Mr. McCain (for himself, Mr. Allard, Mr. Lieberman, Ms. Snowe, Mr. Levin, Mr. Murkowski, Mr. Cleland, Mr. Inhofe, Ms. Landrieu, Mr. Burns, Mr. Durbin, Mr. Sessions, Mr. DeWine, Mr. Thurmond, Mr. Shelby, Mr. Hagel, Mr. Lugar, Mr. Kennedy, Mr. Warner, Ms. Collins, Mr. Hatch, Mr. Helms, Mr. Allen, Mr. Kerry, Mr. Fitzgerald, Mr. Stevens, Mr. Reid, Mr. Miller, Mr. Roberts, Mr. Bayh, Mr. Ensign, Mr. Bunning, Mr. Campbell, Mr. Nelson of Nebraska, Mr. Dodd, Mr. Jeffords, Mr. Brownback, Mr. Biden, Ms. Stabenow, Mr. Cochran, and Mr. Sarbanes)) submitted an amendment intended to be proposed to amendment SA 2700 submitted by Mr. McCain and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2812. Mr. NICKLES (for Mr. McCain (for himself, Mr. Allard, Mr. Lieberman, Ms. Snowe, Mr. Levin, Mr. Murkowski, Mr. Cleland, Mr. Inhofe, Ms. Landrieu, Mr. Burns, Mr. Durbin, Mr. Sessions, Mr. DeWine, Mr. Thurmond, Mr. Shelby, Mr. Hagel, Mr. Lugar, Mr. Kennedy, Mr. Warner, Ms. Collins, Mr. Hatch, Mr. Helms, Mr. Allen, Mr. Kerry, Mr. Fitzgerald, Mr. Stevens, Mr. Reid, Mr. Miller, Mr. Roberts, Mr. Bayh, Mr. Ensign, Mr. Bunning, Mr. Campbell, Mr. Nelson, of Nebraska, Mr. Dodd, Mr. Jeffords, Mr. Brownback, Mr. Biden, Ms. Stabenow, Mr. Cochran, and Mr. Sarbanes)) submitted an amendment intended to be proposed to amendment SA 2790 submitted by Mr. Nickles and intended to be proposed to the amendment SA 2698 proposed by Mr. Daschle to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2813. Mr. BOND submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2779. Mr. KERRY submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, insert the following:

TITLE VI—SMALL BUSINESS EMERGENCY RELIEF

SEC. 601. SHORT TITLE.

This title may be cited as the "American Small Business Emergency Relief and Recovery Act of 2001".

SEC. 602. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the Nation's 25,000,000 small businesses employ more than 58 percent of the private workforce, and create 75 percent of all net new jobs;

(2) as a result of the terrorist attacks perpetrated against the United States on September 11, 2001, many small businesses nationwide suffered—

(A) directly because—

(i) they are, or were as of September 11, 2001, located in or near the World Trade Center or the Pentagon, or in a disaster area declared by the President or the Administrator of the Small Business Administration;

(ii) they were closed or their business was suspended for National security purposes at the mandate of the Federal Government; or

(iii) they are, or were as of September 11, 2001, located in an airport that has been closed; and

(B) indirectly because—

(i) they supplied or provided services to businesses that were located in or near the World Trade Center or the Pentagon;

(ii) they are, or were as of September 11, 2001, a supplier, service provider, or complementary industry to any business or industry adversely affected by the terrorist attacks perpetrated against the United States on September 11, 2001, in particular, the financial, hospitality, and travel industries; or

(iii) they are, or were as of September 11, 2001, integral to or dependent upon a business or business sector closed or suspended for national security purposes by mandate of the Federal Government; and

(3) small business owners adversely affected by the terrorist attacks are finding it difficult or impossible—

(A) to make loan payments on existing debts;

(B) to pay their employees;

(C) to pay their vendors;

(D) to purchase materials, supplies, or inventory;

(E) to pay their rent, mortgage, or other operating expenses; or

(F) to secure financing for their businesses.

(b) PURPOSE.—The purpose of this title is to strengthen the loan, investment, procurement assistance, and management education programs of the Small Business Administration, in order to help small businesses meet their existing obligations, finance their businesses, and maintain and create jobs, thereby providing stability to the national economy.

SEC. 603. DEFINITIONS RELATING TO TERRORIST ATTACKS.

Section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following:

"(r) DEFINITIONS RELATING TO TERRORISM RELIEF.—In this Act, the following definitions shall apply with respect to the provision of assistance under this Act in response to the terrorist attacks perpetrated against the United States on September 11, 2001, pursuant to the American Small Business Emergency Relief and Recovery Act of 2001:

"(1) DIRECTLY AFFECTED.—A small business concern is directly affected by the terrorist attacks perpetrated against the United States on September 11, 2001, if it—

"(A) is, or was as of September 11, 2001, located in or near the World Trade Center or the Pentagon, or in a disaster area declared by the President or the Administrator related to those terrorist attacks;

"(B) was closed or its business was suspended for national security purposes at the mandate of the Federal Government; or

"(C) is, or was as of September 11, 2001, located in an airport that has been closed.

"(2) INDIRECTLY AFFECTED.—A small business concern is indirectly affected by the terrorist attacks perpetrated against the United States on September 11, 2001, if it—

"(A) supplied or provided services to any business that was located in or near the World Trade Center or the Pentagon, or in a disaster area declared by the President or the Administrator related to those terrorist attacks;

"(B) is, or was as of September 11, 2001, a supplier, service provider, or complementary industry to any business or industry adversely affected by the terrorist acts perpetrated against the United States on September 11, 2001, in particular, the financial, hospitality, and travel industries; or

"(C) it is, or was as of September 11, 2001, integral to or dependent upon a business or business sector closed or suspended for national security purposes by mandate of the Federal Government.

"(3) ADVERSELY AFFECTED.—The term 'adversely affected' means having suffered economic harm to or disruption of the business operations of a small business concern as a direct or indirect result of the terrorist attacks perpetrated against the United States on September 11, 2001.

"(4) SUBSTANTIAL ECONOMIC INJURY.—As used in section 7(b)(4), the term 'substantial economic injury' means an economic harm to a small business concern that results in the inability of the small business concern—

"(A) to meet its obligations on an ongoing basis;

"(B) to pay its ordinary and necessary operating expenses; or

"(C) to market, produce, or provide a product or service ordinarily marketed, produced, or provided by the small business concern.".

SEC. 604. DISASTER LOANS AFTER TERRORIST ATTACKS.

(a) IN GENERAL.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately before the undesignated material following paragraph (3) the following:

"(4) DISASTER LOANS AFTER TERRORIST ATTACKS OF SEPTEMBER 11, 2001.—

"(A) LOAN AUTHORITY.—In addition to any other loan authorized by this section, the Administration may make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) to a small business concern that has been directly affected and suffered, or that is likely to suffer, substantial economic injury as the result of the terrorist attacks on September 11, 2001, including due to the closure or suspension of its business for National security purposes at the mandate of the Federal Government.

"(B) DEFERMENT OF LOAN PAYMENTS.—

"(i) IN GENERAL.—Notwithstanding any other provision of law, payments of principal and interest on a loan made under this paragraph (other than a refinancing under subparagraph (D)) or paragraph (1) as a result of the terrorist attacks on September 11, 2001, shall be deferred, and no interest shall accrue with respect to such loan, during the 2-year period following the date of issuance of such loan.

"(ii) RESUMPTION OF PAYMENTS.—At the end of the 2-year period described in clause (i), the payment of periodic installments of principal and interest shall be required with respect to such loan, in the same manner and subject to the same terms and conditions as would otherwise be applicable to any other loan made under this subsection.

"(C) REFINANCING DISASTER LOANS.—

"(i) IN GENERAL.—Any loan made under this subsection that was outstanding as to principal or interest on September 11, 2001, may be refinanced by a small business concern that is also eligible to receive a loan under this paragraph, and the refinanced amount shall be considered to be part of the new loan for purposes of this clause.

"(ii) NO EFFECT ON ELIGIBILITY.—A refinancing under clause (i) by a small business concern shall be in addition to any other loan eligibility for that small business concern under this Act.

"(D) REFINANCING BUSINESS DEBT.—

"(i) IN GENERAL.—Any business debt of a small business concern that was outstanding as to principal or interest on September 11, 2001, may be refinanced by the small business concern if it is also eligible to receive a loan under this paragraph. With respect to a refinancing under this clause, payments of principal shall be deferred, and interest may accrue notwithstanding subparagraph (B), during the 1-year period following the date of refinancing.

"(ii) RESUMPTION OF PAYMENTS.—At the end of the 1-year period described in clause (i), the payment of periodic installments of principal and interest shall be required with respect to such loan, in the same manner and subject to the same terms and conditions as would otherwise be applicable to any other loan made under this subsection.

"(E) TERMS.—A loan under this paragraph shall be made at the same interest rate as economic injury loans under paragraph (2). Any reasonable doubt concerning the repayment ability of an applicant under this paragraph shall be resolved in favor of the applicant.

"(F) NO DISASTER DECLARATION REQUIRED.—For purposes of assistance under this paragraph, no declaration of a disaster area is required for those small business concerns directly affected by the terrorist attacks on September 11, 2001.

"(G) SIZE STANDARD ADJUSTMENTS.—Notwithstanding any other provision of law, for purposes of providing assistance under this paragraph to businesses located in areas of New York, Virginia, and the contiguous areas designated by the President or the Administrator as a disaster area following the terrorist attacks on September 11, 2001, a business shall be considered to be a 'small business concern' if it meets otherwise applicable size regulations promulgated by the Administration, and, with respect to the applicable size standard, it is—

"(i) a restaurant having not more than $8,000,000 in annual receipts;

"(ii) a law firm having not more than $8,000,000 in annual receipts;

"(iii) a certified public accounting business having not more than $8,000,000 in annual receipts;

"(iv) a performing arts business having not more than $8,000,000 in annual receipts;

"(v) a warehousing or storage business having not more than $25,000,000 in annual receipts;

"(vi) a contracting business having a size standard under the North American Industry Classification System, Subsector 235, and having not more than $15,000,000 in annual receipts;

"(vii) a food manufacturing business having not more than 1,000 employees;

"(viii) an apparel manufacturing business having not more than 1,000 employees; or

"(ix) a travel agency having not more than $2,500,000 in annual receipts.

"(5) AUTHORITY TO INCREASE OR WAIVE SIZE STANDARDS AND SIZE REGULATIONS.—

"(A) IN GENERAL.—At the discretion of the Administrator, the Administrator may increase or waive otherwise applicable size standards or size regulations with respect to businesses applying for assistance under this Act in response to the terrorist attacks on September 11, 2001.

"(B) EXEMPTION FROM ADMINISTRATIVE PROCEDURES.—The provisions of subchapter II of chapter 5, of title 5, United States Code, shall not apply to any increase or waiver by the Administrator under subparagraph (A).

"(6) INCREASED LOAN CAPS.—

"(A) AGGREGATE LOAN AMOUNTS.—Except as provided in subparagraph (B), and in addition to amounts otherwise authorized by this Act, the loan amount outstanding and committed to a borrower may not exceed—

"(i) with respect to a small business concern located in the areas of New York, Virginia, or the contiguous areas designated by the President or the Administrator as a disaster area following the terrorist attacks on September 11, 2001—

"(I) $6,000,000 in total obligations under paragraph (1); and

"(II) $6,000,000 in total obligations under paragraph (4); and

"(ii) with respect to a small business concern that is not located in an area described in clause (i) and that is eligible for assistance under paragraph (4), $5,000,000 in total obligations under paragraph (4).

"(B) WAIVER AUTHORITY.—The Administrator may, at the discretion of the Administrator, waive the aggregate loan amounts established under subparagraph (A).

"(7) EXTENDED APPLICATION PERIOD.—Notwithstanding any other provision of law, the Administrator shall accept applications for assistance under paragraphs (1) and (4) until September 10, 2002, with respect to applicants for such assistance as a result of the terrorist attacks on September 11, 2001.

"(8) LIMITATION ON SALES OF LOANS.—No loan under paragraph (1) or (4), made as a result of the terrorist attacks on September 11, 2001, shall be sold until 4 years after the date of the final loan disbursement.".

(b) CLERICAL AMENDMENTS.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended in the undesignated matter at the end—

(1) by striking ", (2), and (4)" and inserting "and (2)"; and

(2) by striking ", (2), or (4)" and inserting "(2)".

SEC. 605. EMERGENCY RELIEF LOAN PROGRAM.

(a) LOAN PROGRAM.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

"(31) TEMPORARY LOAN AUTHORITY FOLLOWING TERRORIST ATTACKS.—

"(A) IN GENERAL.—During the 1-year period beginning on the date of enactment of this paragraph, the Administration may make loans under this subsection to a small business concern that has been, or that is likely to be directly or indirectly adversely affected.

"(B) LOAN TERMS.—With respect to a loan under this paragraph—

"(i) for purposes of paragraph (2)(A), participation by the Administration shall be equal to 85 percent of the balance of the financing outstanding at the time of disbursement of the loan;

"(ii) the Administrator shall collect an annual fee in an amount equal to 0.25 percent of the outstanding balance of the deferred participation share of the loan, notwithstanding paragraph (23)(A);

"(iii) no fee may be collected or charged under paragraph (18);

"(iv) the applicable rate of interest shall not exceed a rate that is 2 percentage points above the prime lending rate;

"(v) no such loan shall be made if the total amount outstanding and committed (by participation or otherwise) to the borrower under this paragraph—

"(I) would exceed $1,000,000; or

"(II) at the discretion of the Administrator, and upon notice to the Congress, would exceed $2,000,000, as necessary to provide relief in high-cost areas or to high-cost industries that have been adversely affected; or

"(vi) no such loan shall be made if the gross amount of the loan would exceed $3,000,000;

"(vii) upon request of the borrower, repayment of principal due on a loan made under this paragraph may be deferred during the 1-year period beginning on the date of issuance of the loan; and

"(viii) any reasonable doubt concerning the repayment ability of an applicant for a loan under this paragraph shall be resolved in favor of the applicant.

"(C) APPLICABILITY.—The loan terms described in subparagraph (B) shall apply to a loan under this paragraph notwithstanding any other provision of this subsection, and except as specifically provided in this paragraph, a loan under this paragraph shall otherwise be subject to the same terms and conditions as any other loan under this subsection.

"(D) TRAVEL AGENCIES.—For purposes of loans made under this paragraph, the size standard for a travel agency shall be $2,500,000 in annual receipts.".

(b) CONFORMING AMENDMENT.—Section 7(a)(23)(A) of the Small Business Act (15 U.S.C. 636(a)(23)(A)) is amended by inserting "other than a loan under paragraph (31) or a loan described in paragraph (2)(E)," after "this subsection,".

SEC. 606. BUSINESS LOAN ASSISTANCE FOLLOWING TERRORIST ATTACKS.

(a) ONE-YEAR WAIVER OF SECTION 7(a) FEES.—Section 7(a)(18) of the Small Business Act (15 U.S.C. 636(a)(18)) is amended by adding at the end the following:

"(C) ONE-YEAR WAIVER OF FEES FOLLOWING TERRORIST ATTACKS.—For loans approved during the 1-year period following the date of enactment of the American Small Business Emergency Relief and Recovery Act of 2001, a fee equal to not more than one half of the amount otherwise required by this paragraph shall be collected or charged under this paragraph.".

(b) ONE-YEAR INCREASE IN PARTICIPATION LEVELS.—Section 7(a)(2) of the Small Business Act (15 U.S.C. 636(a)(2)) is amended—

(1) in subparagraph (A), by striking "subparagraph (B)" and inserting "subparagraphs (B) and (E)"; and

(2) by adding at the end the following:

"(E) TEMPORARY PARTICIPATION LEVELS FOLLOWING TERRORIST ATTACKS.—For loans under this subsection, other than paragraph (31), that are approved during the 1-year period following the date of enactment of the American Small Business Emergency Relief and Recovery Act of 2001—

"(i) the guarantee percentage specified by clause (i) of subparagraph (A) shall be increased to 85 percent (except with respect to loans approved under the SBA Express Pilot Program); and

"(ii) the Administrator shall collect an annual fee in an amount equal to 0.25 percent of the outstanding balance of the deferred participation share of the loan, notwithstanding paragraph (23)(A).".

(c) REDUCTION OF SECTION 504 FEES.—

(1) IN GENERAL.—Section 503 of the Small Business Investment Act of 1958 (15 U.S.C. 697) is amended—

(A) in subsection (b)(7)(A)—

(i) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively, and moving the margins 2 ems to the right;

(ii) by striking "not exceed the lesser" and inserting "not exceed—

"(i) the lesser"; and

(iii) by adding at the end the following:

"(ii) 50 percent of the amount established under clause (i) in the case of a loan made during the 1-year period following the date of enactment of the American Small Business Emergency Relief and Recovery Act of 2001, for the life of the loan; and"; and

(B) by adding at the end the following:

"(i) ONE-YEAR WAIVER OF FEES FOLLOWING TERRORIST ATTACKS.—The Administration may not assess or collect any up front guarantee fee with respect to loans made under this title during the 1-year period following the date of enactment of the American Small Business Emergency Relief and Recovery Act of 2001.".

(2) USE OF FUNDS FOR SECTION 504 PROGRAM.—The provisions of subsections (b)(7)(A), (d)(2), and (i) of section 503 of the Small Business Investment Act of 1958, as amended by this subsection, shall be effective only to the extent that funds are made available under appropriations Acts, which funds shall be utilized to offset the cost (as such term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of making guarantees under those amended provisions.

(d) BUDGETARY TREATMENT OF LOANS AND FINANCINGS.—Assistance made available under any loan made or approved by the Small Business Administration under section 7(a) or 7(b)(4) of the Small Business Act (15 U.S.C. 636(a)) or financings made under title III or V of the Small Business Investment Act of 1958 (15 U.S.C. 697a), during the 1-year period beginning on the date of enactment of this Act, shall be treated as separate programs of the Small Business Administration for purposes of the Federal Credit Reform Act of 1990 only.

(e) USE OF FUNDS FOR 7(a) AND 7(a) EMERGENCY RELIEF LOAN PROGRAMS.—The provisions of paragraphs (2), (18), and (31) of section 7(a) of the Small Business Act, as amended by this title, shall be effective only to the extent that funds are made available under appropriations Acts, which funds shall be utilized to offset the cost (as such term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of making guarantees under those amended provisions.

SEC. 607. APPROVAL PROCESS.

Notwithstanding any other provision of law, the Administrator of the Small Business Administration may adopt such approval processes as the Administrator determines, after consultation with the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives, to be appropriate in order to make assistance under this title and the amendments made by this title available to all eligible small business concerns.

SEC. 608. OTHER SPECIALIZED ASSISTANCE AND MONITORING AUTHORIZED.

(a) ADDITIONAL SBDC AUTHORITY.—

(1) IN GENERAL.—Section 21(c)(3) of the Small Business Act (15 U.S.C. 648(c)(3)) is amended—

(A) in subparagraph (S), by striking "and" at the end;

(B) in subparagraph (T), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(U) providing individualized assistance with respect to financing, refinancing of existing debt, and business counseling to small business concerns adversely affected, directly or indirectly, by the terrorist attacks on September 11, 2001.".

(2) WAIVER OF MATCHING REQUIREMENTS.—Section 21(a)(4) of the Small Business Act (15 U.S.C. 648(a)(4)) is amended by inserting before the period the following: ", except that the matching requirements of this paragraph do not apply with respect to any assistance provided under subsection (c)(3)(U)".

(b) ADDITIONAL SCORE AUTHORITY.—Section 8(b)(1)(B) of the Small Business Act (15 U.S.C. 637(b)(1)(B) is amended—

(1) by inserting "(i)" after "(B)"; and

(2) by adding at the end the following:

"(ii) The functions of the Service Corps of Retired Executives (SCORE) shall include the provision of individualized assistance with respect to financing, refinancing of existing debt, and business counseling to small business concerns adversely affected by the terrorist attacks on September 11, 2001.".

(c) ADDITIONAL MICROLOAN PROGRAM AUTHORITY.—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended by adding at the end the following:

"(14) ASSISTANCE AFTER TERRORIST ATTACKS OF SEPTEMBER 11, 2001.—Amounts made available under this subsection may be used by intermediaries to provide individualized assistance with respect to financing, refinancing of existing debt, and business counseling to small business concerns adversely affected by the terrorist attacks on September 11, 2001.".

(d) ADDITIONAL WOMEN'S BUSINESS DEVELOPMENT CENTER AUTHORITY.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by striking "and" at the end;

(B) in paragraph (3), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(4) individualized assistance with respect to financing, refinancing of existing debt, and business counseling to small business concerns owned and controlled by women that were adversely affected by the terrorist attacks on September 11, 2001."; and

(2) in subsection (c), by adding at the end the following:

"(5) WAIVER OF MATCHING REQUIREMENTS.—A recipient organization shall not be subject to the non-Federal funding requirements of paragraph (1) with respect to assistance provided under subsection (b)(4).".

(e) ADDITIONAL SBIC AUTHORITY.—Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended by adding at the end the following:

"(k) AUTHORITY AFTER TERRORIST ATTACKS OF SEPTEMBER 11, 2001.—Small business investment companies are authorized and encouraged to provide equity capital and to make loans to small business concerns pursuant to sections 304(a) and 305(a) of the Small Business Investment Act of 1958, respectively, for the purpose of providing assistance to small business concerns adversely affected by the terrorist attacks on September 11, 2001.".

SEC. 609. STUDY AND REPORT ON EFFECTS ON SMALL BUSINESS CONCERNS.

(a) STUDY.—

(1) IN GENERAL.—The Office of Advocacy of the Small Business Administration shall conduct annual studies for a 5-year period on the impact of the terrorist attacks perpetrated against the United States on September 11, 2001, on small business concerns, and the effects of assistance provided under this title on such small business concerns.

(2) CONTENTS.—The study conducted under paragraph (1) shall include information regarding—

(A) bankruptcies and business failures that occurred as a result of the events of September 11, 2001, as compared to those that occurred in 1999 and 2000;

(B) the loss of jobs, revenue, and profits in small business concerns as a result of those events, as compared to those that occurred in 1999 and 2000;

(C) the impact of assistance provided under this title to small business concerns adversely affected by those attacks, including information regarding whether—

(i) small business concerns that received such assistance would have remained in business without such assistance;

(ii) jobs were saved due to such assistance; and

(iii) small business concerns that remained in business had increases in employment and sales since receiving assistance.

(b) REPORT.—The Office of Advocacy shall submit a report to Congress on the studies required by subsection (a)(1), specifically addressing the requirements of subsection (a)(2) in September of each of fiscal years 2002 through 2006.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $500,000 for each of fiscal years 2002 through 2006.

SEC. 610. EMERGENCY EQUITABLE RELIEF FOR FEDERAL CONTRACTORS.

(a) GUIDANCE REQUIRED.—

(1) IN GENERAL.—Under guidance issued by the Administrator for Federal Procurement Policy in conjunction with the Administrator of the Small Business Administration, the head of a contracting agency of the United States may increase the price of a contract entered into by the agency that is performed by a small business concern (as defined in section 3 of the Small Business Act) to the extent determined equitable under this section on the basis of loss resulting from security measures taken by the Federal Government at Federal facilities as a result of the terrorist attacks on September 11, 2001.

(2) EXPEDITED ISSUANCE.—Guidance required by paragraph (1) shall be issued under expedited procedures, not later than 20 days after the date of enactment of this Act.

(b) EXPEDITED PROCEDURES.—

(1) IN GENERAL.— The Administrator for Federal Procurement Policy shall prescribe expedited procedures for considering whether to grant an equitable adjustment in the case of a contract of an agency under subsection (a).

(2) REQUIREMENTS.—The procedures required by paragraph (1) shall provide for—

(A) an initial review of the merits of a contractor's request by the contracting officer concerned with the contract;

(B) a final determination of the merits of the contractor's request, including the value of any price adjustment, by the Head of the Contracting Agency, in consultation with the Administrator of the Small Business Administration, taking into consideration the initial review under subparagraph (A); and

(C) payment from the fund established under subsection (d) for the contract's price adjustment.

(3) TIMING.—The procedures required by paragraph (1) shall require completion of action on a contractor's request for adjustment not later than 30 days after the date on which the contractor submits the request to the contracting officer concerned.

(c) AUTHORIZED REMEDIES.—In addition to making a price adjustment under subsection (a), the time for performance of a contract may be extended under this section.

(d) PAYMENT OF ADJUSTED PRICE.—

(1) FUND ESTABLISHED.—The Administrator of the Small Business Administration shall establish a fund for the payment of contract price adjustments under this section. Payments of amounts for price adjustments shall be made out of the fund.

(2) AVAILABILITY.—Notwithstanding any other provision of law, amounts in the fund under this subsection shall remain available until expended.

(e) TERMINATION OF AUTHORITY.—

(1) REQUESTS.—No request for adjustment under this section may be accepted more than 330 days after the date of enactment of this Act.

(2) TERMINATION.—The authority under this section shall terminate 1 year after the date of enactment of this Act.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Small Business Administration to carry out this section, $100,000,000, including funds for administrative expenses and costs. Any funds remaining in the fund established under subsection (d) 1 year after the date of enactment of this Act shall be transferred to the disaster loan account of the United States Small Business Administration.

SEC. 611. REPORTS TO CONGRESS.

(a) REPORTS REQUIRED.—The Administrator of the Small Business Administration shall submit regular reports to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives regarding the implementation of this title and the amendments made by this title, including program delivery, staffing, and administrative expenses related to such implementation.

(b) FREQUENCY OF REPORTS.—The reports required by subsection (a) shall be submitted 20 days after the date of enactment of this Act and monthly thereafter until 1 year after the date of enactment of this Act, at which time the reports shall be submitted on a quarterly basis through December 31, 2003.

SEC. 612. EXPEDITED ISSUANCE OF IMPLEMENTING GUIDELINES.

Not later than 20 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall issue interim final rules and guidelines to implement this title and the amendments made by this title.

SEC. 613. SPECIAL AUTHORIZATIONS OF APPROPRIATIONS.

Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by adding at the end the following:

"(j) Special Authorizations of Appropriations Following Terrorist Attacks.—In addition to any other amounts authorized by this Act for any fiscal year, there are authorized to be appropriated to the Administration, to remain available until expended—

"(1) for fiscal year 2002 and each fiscal year thereafter, such sums as may be necessary to carry out paragraph (4) of section 7(b), including necessary loan capital and funds for administrative expenses related to making and servicing loans pursuant to that paragraph;

"(2) for fiscal year 2002, $25,000,000, to be used for activities of small business development centers pursuant to section 21(c)(3)(U)—

"(A) $2,500,000 of which shall be used to assist small business concerns (as that term is defined for purposes of section 7(b)(4)) located in the areas of New York and the contiguous areas designated by the President as a disaster area following the terrorist attacks on September 11, 2001; and

"(B) $1,500,000 of which shall be used to assist small business concerns located in areas of Virginia and the contiguous areas designated by the President as a disaster area following those terrorist attacks;

"(3) for fiscal year 2002, $2,000,000, to be used under the Service Corps of Retired Executives program authorized by section 8(b)(1) for the activities described in section 8(b)(1)(B)(ii);

"(4) for fiscal year 2002, $5,000,000 for microloan technical assistance authorized under section 7(m)(14);

"(5) for fiscal year 2002, $2,000,000 to be used for activities of women's business centers authorized by section 29(b)(4);

"(6) for fiscal year 2002 and each fiscal year thereafter, such sums as may be necessary to carry out paragraphs (2)(E), (18)(C), and (31) of section 7(a), including any funds necessary to offset fees and amounts waived or reduced under those provisions, necessary loan capital, and funds for administrative expenses; and

"(7) for fiscal year 2002, and each fiscal year thereafter, such sums as may be necessary to carry out the 1-year suspension of fees under subsections (b)(7)(A), (d)(2), and (i) of section 503 of the Small Business Investment Act of 1958, in response to the terrorist attacks on September 11, 2001, including any funds necessary to offset fees and amounts waived under those provisions and including funds for administrative expenses.".

SA 2780. Mr. BROWNBACK submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

Strike clause (iii) of section 168(k)(2)(B) of the Internal Revenue Code of 1986, as added by section 201(a), and insert the following:

"(iii) Transportation property.—For purposes of this subparagraph, the term 'transportation property' means tangible property used in the transportation of persons or property in the ordinary course of business.

SA 2781. Mr. DORGAN submitted an amendment intended to be proposed to amendment SA 2764 proposed by Mr. Reid to the amendment SA 2698 submitted by Mr. Reid and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE —TRAVEL INDUSTRY STABILIZATION

SECTION 01. SHORT TITLE.

This title may be cited as the "American Travel Industry Stabilization Act".

SEC. 02. TRAVEL INDUSTRY DISASTER RELIEF.

(a) In General.—Notwithstanding any other provision of law, the President shall take the actions described in subsection (b) to compensate eligible travel-related businesses.

(b) Actions Described.—

(1) In general.—Subject to such terms and conditions as the President deems necessary, and upon application, the President is authorized to issue Federal credit instruments to eligible travel-related businesses described in subsection (c) that do not, in the aggregate, exceed $2,000,000,000 and provide the subsidy amounts necessary for such instruments in accordance with the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(2) Time for application.—An application for a Federal credit instrument shall be filed by an eligible travel-related business not later than 1 year after the promulgation of regulations.

(3) Terms of credit instruments.—A loan guaranteed under this title may be used exclusively for the purpose of meeting obligations and expenses to the extent that an applicant demonstrates—

(A) business operations were directly and adversely affected by the events of September 11, 2001;

(B) the loan guarantee is necessary to meet such obligations;

(C) the inability of the applicant to meet such obligations or expenses is directly attributable to the impact of September 11, 2001; and

(D) the applicant has the ability to repay the loan.

(c) Definitions.—In this title:

(1) Board.—The term "Board" means the Air Transportation Stabilization Board established under the Air Transportation Safety and System Stabilization Act (49 U.S.C. 40101 note; P.L. 107-42).

(2) Eligible travel-related business.—The term "eligible travel-related business" means a business that was injured by the Government shutdown of the airline industry following the terrorist attacks on the United States that occurred on September 11, 2001, and that on such date—

(A) had a contractual arrangement with an air carrier to provide goods or services, including those with a contractual relationship with the Airline Reporting Corporation; or

(B) was a nonaeronautical for-profit business operating at an airport engaged in the sale of consumer goods or services to the public under an arrangement with the airport or the airport's governing body.

(3) Federal credit instrument.—The term "Federal credit instrument" means any guarantee or other pledge by the Board issued under section 02(b) to pledge the full faith and credit of the United States to pay all or part of any of the principal of and interest on a loan or other debt obligation issued by an obligor and funded by a lender.

(4) Financial obligation.—The term "financial obligation" means any note, bond, debenture, or other debt obligation issued by an obligor in connection with financing under this section and section 02(b).

(5) Lender.—The term "lender" means any non-Federal qualified institutional buyer (as defined by section 230.144A(a) of title 17, Code of Federal Regulations (or any successor regulatory) known as rule 144A(a) of the Securities and Exchange Commission and issued under the Securities Act of 1933), including—

(A) a qualified retirement plan (as defined in section 4974(c) of the Internal Revenue Code of 1986 (26 U.S.C. 4974(c))) that is a qualified institutional buyer; and

(B) a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986 (26 U.S.C. 414(d))) that is a qualified institutional buyer.

(6) Obligor.—The term "obligor" means a party primarily liable for payment of the principal of, or interest on, a Federal credit instrument, which party may be a corporation, partnership, joint venture, trust, or governmental entity, agency, or instrumentality.

(d) Emergency Designation.—Congress designates the amount of new budget authority and outlays in all fiscal years resulting from this title as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(e)). Such amount shall be available only to the extent that a request, that includes designation of such amount as an emergency requirement as defined in such Act, is transmitted by the President to Congress.

SEC. 03. ADDITIONAL FUNCTIONS FOR THE AIRLINE STABILIZATION BOARD.

(a) Additional Functions To Stabilize the Travel Industry.—The Board shall review and make recommendations to the President with respect to applications for Federal credit instruments submitted under section 02(b).

(b) Federal Credit Instruments.—

(1) In general.—The Board may enter into agreements with 1 or more obligors to issue Federal credit instruments under section 02(b) if the Board determines, in its discretion, that—

(A) the obligor is an entity in a travel-related business for which credit is not reasonably available at the time of the transaction;

(B) the intended obligation by the obligor is prudently incurred; and

(C) such agreement is a necessary part of maintaining a safe, efficient, and viable travel industry in the United States.

(2) Terms and limitations.—

(A) Forms, terms, and conditions.—A Federal credit instrument shall be issued under section 02(b) in such form and such terms and conditions and contain such covenants, representatives, warranties, and requirements (including requirements for audits) as the Board determines appropriate, provided that—

(i) a loan shall be repaid over a period not to exceed 5 years from the date that the loan is guaranteed under this title;

(ii) the Government guarantee shall cover not less than 80 percent of the value of the loan;

(iii) loan guarantees under this title shall be extended based upon the ability of the eligible travel-related business to repay the loan without regard to collateral; and

(iv) any loan origination fee may not exceed 1 percent of the loan value.

(B) Procedures.—Not later than 14 days after the date of enactment of this title, the

Director of the Office of Management and Budget, in consultation with the Board, shall issue regulations setting forth procedures for application and minimum requirements.

(c) Financial Protection of Government.—

(1) In general.—To the extent feasible and practicable, as provided in paragraphs (2) and (3), the Board shall ensure that the Government is compensated for the risk assumed in making guarantees under this title.

(2) Government participation in gains.—To the extent to which any participating corporation accepts financial assistance, in the form of accepting the proceeds of any loans guaranteed by the Government under this title, the Board is authorized to enter into contracts under which the Government, contingent on the financial success of the participating corporation, would participate in the gains of the participating corporation or its security holders through the use of such instruments as warrants, stock options, common or preferred stock, or other appropriate equity instruments.

(3) Deposit in treasury.—All amounts collected by the Secretary of the Treasury under this subsection shall be deposited in the Treasury as miscellaneous receipts.

(e) Authorization of Funds.—Congress authorizes and hereby appropriates such sums as are necessary to carry out the purposes of this title.

SA 2782. Mr. WYDEN submitted an amendment intended to be proposed by him to the bill H.R. 622 to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ___. TREATMENT OF PAYMENTS UNDER EMERGENCY SUPPLEMENTAL ACT, 2000.

(a) In General.—Chapter 2 of title II of the Emergency Supplemental Act, 2000 (Public Law 106–246; 114 Stat. 547) is amended by adding at the end the following new section:

"Sec. 2205. Treatment of Certain Payments. (a) Payments Excluded From Gross Income.—

"(1) In general.—For purposes of the Internal Revenue Code of 1986, gross income shall not include any amount of any payment under this chapter with respect to west coast groundfish fishery not otherwise excludable from gross income under such Code.

"(2) Denial of double benefit.—Paragraph (1) shall not apply to any amount if under such Code—

"(A) a deduction or credit is allowed with respect to such amount, or

"(B) an increase in the adjusted basis of any property results from such amount.

"(b) Payments Disregarded in the Administration of Federal Programs and Federally Assisted Programs.—Any payment described in subsection (a)(1) shall not be taken into account as income or receipts for purposes of determining the eligibility of such individual or any other individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.".

(b) Effective Date.—The amendment made by this section shall take effect as if included in the enactment of the Emergency Supplemental Act, 2000.

SA 2783. Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE VI—EXTENSIONS OF CERTAIN EXPIRING PROVISIONS

Subtitle A—Extensions

SEC. 601. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) In General.—Paragraph (2) of section 26(a) is amended—

(1) by striking "RULE FOR 2000 AND 2001.—" and inserting "RULE FOR 2000, 2001, AND 2002.—", and

(2) by striking "during 2000 or 2001," and inserting "during 2000, 2001, or 2002,".

(b) Conforming Amendments.—

(1) Section 904(h) is amended by striking "during 2000 or 2001" and inserting "during 2000, 2001, or 2002".

(2) The amendments made by sections 201(b), 202(f), and 618(b) of the Economic Growth and Tax Relief Reconciliation Act of 2001 shall not apply to taxable years beginning during 2002.

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 602. CREDIT FOR QUALIFIED ELECTRIC VEHICLES.

(a) In General.—Section 30 is amended—

(1) in subsection (b)(2)—

(A) by striking "December 31, 2001," and inserting "December 31, 2002,", and

(B) in subparagraphs (A), (B), and (C), by striking "2002", "2003", and "2004", respectively, and inserting "2003", "2004", and "2005", respectively, and

(2) in subsection (e), by striking "December 31, 2004" and inserting "December 31, 2005".

(b) Conforming Amendments.—

(1) Subparagraph (C) of section 280F(a)(1) is amended by adding at the end the following new clause

"(iii) Application of subparagraph.—This subparagraph shall apply to property placed in service after August 5, 1997, and before January 1, 2006."

(2) Subsection (b) of section 971 of the Taxpayer Relief Act of 1997 is amended by striking "and before January 1, 2005".

(c) Effective Date.—The amendments made by this section shall apply with respect to property placed in service after December 31, 2001.

SEC. 603. CREDIT FOR ELECTRICITY PRODUCED FROM RENEWABLE RESOURCES.

(a) In General.—Subparagraphs (A), (B), and (C) of section 45(c)(3) are each amended by striking "2002" and inserting "2003".

(b) Effective Date.—The amendments made by this section shall apply with respect to property placed in service after December 31, 2001.

SEC. 604. WORK OPPORTUNITY CREDIT.

(a) In General.—Subparagraph (B) of section 51(c)(4) is amended by striking "2001" and inserting "2002".

(b) Increase in Age Ceiling for Qualified Food Stamp Recipients.—Section 51(d)(8)(A)(i) (defining qualified food stamp recipient) is amended by striking "age 25" and inserting "age 51".

(c) Effective Date.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 605. WELFARE-TO-WORK CREDIT.

(a) In General.—Subsection (f) of section 51A is amended by striking "2001" and inserting "2002".

(b) Effective Date.—The amendment made by subsection (a) shall apply to individuals who begin work for the employer after December 31, 2001.

SEC. 606. DEDUCTION FOR CLEAN-FUEL VEHICLES AND CERTAIN REFUELING PROPERTY.

(a) In General.—Section 179A is amended—

(1) in subsection (b)(1)(B)—

(A) by striking "December 31, 2001," and inserting "December 31, 2002,", and

(B) in clauses (i), (ii), and (iii), by striking "2002", "2003", and "2004", respectively, and inserting "2003", "2004", and "2005", respectively, and

(2) in subsection (f), by striking "December 31, 2004" and inserting "December 31, 2005".

(b) Effective Date.—The amendments made by subsection (a) shall apply with respect to property placed in service after December 31, 2001.

SEC. 607. TAXABLE INCOME LIMIT ON PERCENTAGE DEPLETION FOR OIL AND NATURAL GAS PRODUCED FROM MARGINAL PROPERTIES.

(a) In General.—Subparagraph (H) of section 613A(c)(6) is amended by striking "2002" and inserting "2003".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001.

SEC. 608. QUALIFIED ZONE ACADEMY BONDS.

(a) In General.—Paragraph (1) of section 1397E(e) is amended by striking "2000, and 2001", and inserting "2000, 2001, and 2002".

(b) Effective Date.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 609. COVER OVER OF TAX ON DISTILLED SPIRITS.

(a) In General.—Paragraph (1) of section 7652(f) is amended by striking "January 1, 2002" and inserting "January 1, 2003".

(b) Effective Date.—The amendment made by subsection (a) shall apply to articles brought into the United States after December 31, 2001.

SEC. 610. PARITY IN THE APPLICATION OF CERTAIN LIMITS TO MENTAL HEALTH BENEFITS.

(a) In General.—Subsection (f) of section 9812, as amended by the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002, is amended to read as follows:

"(f) Application of Section.—This section shall not apply to benefits for services furnished—

"(1) on or after September 30, 2001, and before January 1, 2002, and

"(2) after December 31, 2002."

(b) Effective Date.—The amendment made by subsection (a) shall apply to plan years beginning after December 31, 2000.

SEC. 611. TEMPORARY SPECIAL RULES FOR TAXATION OF LIFE INSURANCE COMPANIES.

(a) Reduction in Mutual Life Insurance Company Deductions Not To Apply in Certain Years.—Section 809 (relating to reduction in certain deductions of material life insurance companies) is amended by adding at the end the following:

"(j) Differential Earnings Rate Treated as Zero for Certain Years.—Notwithstanding subsection (c) or (f), the differential earnings rate shall be treated as zero for purposes of computing both the differential earnings amount and the recomputed differential earnings amount for a mutual life insurance company's taxable years beginning in 2001 or 2002."

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 612. AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) In General.—Paragraphs (2) and (3)(B) of section 220(i) (defining cut-off year) are each amended by striking "2002" each place it appears and inserting "2003".

(b) Conforming Amendments.—

(1) Paragraph (2) of section 220(j) is amended by striking "1998, 1999, or 2001" each place it appears and inserting "1998, 1999, 2001, or 2002".

(2) Subparagraph (A) of section 220(j)(4) is amended by striking "and 2001" and inserting "2001, and 2002".

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 613. SUBPART F EXEMPTION FOR ACTIVE FINANCING.

(a) In General.—

(1) Section 953(e)(10) is amended—

(A) by striking "January 1, 2002" and inserting "January 1, 2003", and

(B) by striking "December 31, 2001" and inserting "December 31, 2002".

(2) Section 954(h)(9) is amended by striking "January 1, 2002" and inserting "January 1, 2003".

(b) Life Insurance and Annuity Contracts.—

(1) In general.—Subparagraph (B) of section 954(i)(4) is amended to read as follows:

"(B) Life insurance and annuity contracts.—

"(i) In general.—Except as provided in clause (ii), the amount of the reserve of a qualifying insurance company or qualifying insurance company branch for any life insurance or annuity contract shall be equal to the greater of—

"(I) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

"(II) the reserve determined under paragraph (5).

"(ii) Ruling request, etc.—The amount of the reserve under clause (i) shall be the foreign statement reserve for the contract (less any catastrophe, deficiency, equalization, or similar reserves), if, pursuant to a ruling request submitted by the taxpayer or as provided in published guidance, the Secretary determines that the factors taken into account in determining the foreign statement reserve provide an appropriate means of measuring income."

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 614. REPEAL OF REQUIREMENT FOR APPROVED DIESEL OR KEROSENE TERMINALS.

(a) In General.—Subsection (e) of section 4101 is hereby repealed.

(b) Effective Date.—The amendment made by subsection (a) shall take effect on January 1, 2002.

Subtitle B—Temporary Assistance for Needy Families

SEC. 621. REAUTHORIZATION OF TANF SUPPLEMENTAL GRANTS FOR POPULATION INCREASES FOR FISCAL YEAR 2002.

Section 403(a)(3) of the Social Security Act (42 U.S.C. 603(a)(3)) is amended by adding at the end the following:

"(H) Reauthorization of grants for fiscal year 2002.—Notwithstanding any other provision of this paragraph—

"(i) any State that was a qualifying State under this paragraph for fiscal year 2001 or any prior fiscal year shall be entitled to receive from the Secretary for fiscal year 2002 a grant in an amount equal to the amount required to be paid to the State under this paragraph for the most recent fiscal year in which the State was a qualifying State;

"(ii) subparagraph (G) shall be applied as if '2002' were substituted for '2001'; and

"(iii) out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal year 2002 such sums as are necessary for grants under this subparagraph.".

SEC. 622. 1-YEAR EXTENSION OF CONTINGENCY FUND UNDER THE TANF PROGRAM.

Section 403(b) of the Social Security Act (42 U.S.C. 603(b)) is amended—

(1) in paragraph (2), by striking "and 2001" and inserting "2001, and 2002"; and

(2) in paragraph (3)(C)(ii), by striking "2001" and inserting "2002".

SA 2784. Mr. THOMAS (for himself and Mr. Enzi) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ____. INVOLUNTARY CONVERSION RELIEF FOR PRODUCERS FORCED TO SELL LIVESTOCK DUE TO WEATHER-RELATED CONDITIONS OR FEDERAL LAND MANAGEMENT AGENCY POLICY OR ACTION.

(a) Income Inclusion Rules.—Subsection (e) of section 451 of the Internal Revenue Code of 1986 (relating to general rule for taxable year of inclusion) is amended to read as follows:.

"(e) Special Rule for Proceeds from Livestock Sold on Account of Weather-Related Conditions or Federal Land Management Agency Policy or Action.—

"(1) In general.—In the case of income derived from the sale or exchange of livestock in excess of the number the taxpayer would sell if he followed his usual business practices, a taxpayer may elect to include such income for the taxable year following two full taxable years in which the weather-related conditions or forced sales caused by Federal land management agency policy or action which resulted in such sale or exchange do not exist if such taxpayer establishes that, under his usual business practices, the sale or exchange would not have occurred in the taxable year in which it occurred if it were not for—

"(A) the weather-related conditions that resulted in the area being designated as eligible for assistance by the Federal Government, or

"(B) forced sales resulting from Federal land management agency policy or action.

"(2) Limitation.—Paragraph (1) shall apply only to a taxpayer whose principal trade or business is farming (within the meaning of section 6420(c)(3)).

"(3) Special rules for drought designations.—For purposes of this subsection, areas may be designated as eligible for drought condition assistance—

"(A) by Federal Government declaration, or

"(B) through Farm Service Agency flash reports as verified and approved by the Farm Service Agency director of the State in which such condition exists.".

(b) Rules for Replacement of Involuntarily Converted Livestock.—

(1) In general.—Section 1033(a)(2)(B) of the Internal Revenue Code of 1986 (relating to period within which property must be replaced) is amended by redesignating clause (ii) as clause (iii) and by inserting after clause (i) the following new clause:

"(ii) in the case of an involuntary conversion described in subsection (e), 2 years after the close of the taxable year following the year in which any part of the gain upon the conversion is realized and in which weather-related conditions or forced sales resulting from Federal land management agency policy or action have ended, or".

(2) Involuntary conversion described.—Subsection (e) of section 1033 of such Code (relating to involuntary conversions) is amended to read as follows:

"(e) Livestock Sold on Account of Weather-Related Conditions or Federal Land Management Agency Policy or Action.—For purposes of this subtitle, the sale or exchange of livestock (other than poultry) held by a taxpayer in excess of the number the taxpayer would sell if he followed usual business practices, shall be treated as an involuntary conversion to which this section applies if such livestock are sold or exchanged by the taxpayer solely on account of weather-related conditions or forced sales caused by Federal land management agency policy or action.".

(3) Conversion by heirs.—Section 1033(a)(2) of such Code is amended by adding at the end the following new subparagraph:

"(F) Conversion of certain property by heirs.—In the case of an involuntary conversion of property described in subsection (e), if the taxpayer dies during the period specified in subparagraph (B), the requirements of subparagraph (A) shall be satisfied if the decedent's—

"(i) personal representative,

"(ii) the beneficiary of the converted property, if no personal representative exists, or

"(iii) the trustee in the case of a trust,

replaces the property within such period.".

(c) Effective Date.—The amendments made by this section shall apply with respect to sales or exchanges after the date of the enactment of this Act.

SA 2785. Mr. HARKIN submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 101(e) of the amendment and all that follows through title III and insert the following:

(e) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) Technicals.—The amendments made by subsection (b) shall take effect as if included in the amendment made by section 101(b)(1) of the Economic Growth and Tax Relief Reconciliation Act of 2001.

TITLE II—TEMPORARY BUSINESS RELIEF PROVISIONS

SEC. 201. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.

(a) In General.—Section 168 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

“(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.—

“(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

“(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

“(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

“(2) QUALIFIED PROPERTY.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified property’ means property—

“(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property,

“(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

“(III) which is qualified leasehold improvement property, or

“(IV) which is eligible for depreciation under section 167(g),

“(ii) the original use of which commences with the taxpayer after December 31, 2001,

“(iii) which is—

“(I) acquired by the taxpayer after December 31, 2001, and before January 1, 2004, but only if no written binding contract for the acquisition was in effect before January 1, 2002, or

“(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after December 31, 2001, and before January 1, 2004, and

“(iv) which is placed in service by the taxpayer before January 1, 2004, or, in the case of property described in subparagraph (B), before January 1, 2005.

“(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

“(i) IN GENERAL.—The term ‘qualified property’ includes property—

“(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

“(II) which has a recovery period of at least 10 years or is transportation property, and

“(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

“(ii) ONLY PRE-JANUARY 1, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before January 1, 2004.

“(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term ‘transportation property’ means tangible personal property used in the trade or business of transporting persons or property.

“(C) EXCEPTIONS.—

“(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term ‘qualified property’ shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

“(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

“(II) after application of section 280F(b) (relating to listed property with limited business use).

“(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

“(D) SPECIAL RULES.—

“(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer’s own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after December 31, 2001, and before January 1, 2004.

“(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

“(I) is originally placed in service after December 31, 2001, by a person, and

“(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

“(E) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

“(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

“(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

“(3) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified leasehold improvement property’ means any improvement to an interior portion of a building which is nonresidential real property if—

“(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

“(I) by the lessee (or any sublessee) of such portion, or

“(II) by the lessor of such portion,

“(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

“(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

“(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

“(i) the enlargement of the building,

“(ii) any elevator or escalator,

“(iii) any structural component benefiting a common area, and

“(iv) the internal structural framework of the building.

“(C) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

“(i) BINDING COMMITMENT TO LEASE TREATED AS LEASE.—A binding commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

“(ii) RELATED PERSONS.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term ‘related persons’ means—

“(I) members of an affiliated group (as defined in section 1504), and

“(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase ‘80 percent or more’ shall be substituted for the phrase ‘more than 50 percent’ each place it appears in such subsection.

“(D) IMPROVEMENTS MADE BY LESSOR.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person.”.

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Section 56(a)(1)(A) (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

“(iii) ADDITIONAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.—The deduction under section 168(k) shall be allowed.”

(2) CONFORMING AMENDMENT.—Clause (i) of section 56(a)(1)(A) is amended by striking “clause (ii)” both places it appears and inserting “clauses (ii) and (iii)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2001, in taxable years ending after such date.

TITLE III—ASSISTANCE FOR MEDICAID COVERAGE

SEC. 301. TEMPORARY INCREASES OF MEDICAID FMAP FOR FISCAL YEARS 2002 AND 2003.

(a) PERMITTING MAINTENANCE OF FISCAL YEAR 2001 FMAP FOR FISCAL YEAR 2002.—Notwithstanding any other provision of law, but subject to subsection (f), if the FMAP determined without regard to this section for a State for fiscal year 2002 is less than the FMAP as so determined for fiscal year 2001, the FMAP for the State for fiscal year 2001 shall be substituted for the State’s FMAP for fiscal year 2002, before the application of this section.

(b) PERMITTING MAINTENANCE OF FISCAL YEAR 2002 FMAP FOR FISCAL YEAR 2003.—Notwithstanding any other provision of law, but subject to subsection (f), if the FMAP determined without regard to this section for a State for fiscal year 2003 is less than the FMAP as so determined for fiscal year 2002, the FMAP for the State for fiscal year 2002 shall be substituted for the State’s FMAP for each calendar quarter of fiscal year 2003, before the application of this section.

(c) GENERAL 3 PERCENTAGE POINTS INCREASE.—Notwithstanding any other provision of law, but subject to subsections (f) and (g), for each State for each calendar quarter in fiscal years 2002 and 2003, the FMAP (taking into account the application of subsections (a) and (b)) shall be increased by 3 percentage points.

(d) FURTHER INCREASE FOR STATES WITH HIGH UNEMPLOYMENT RATES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, but subject to subsections (f) and (g), the FMAP for a high unemployment State for a calendar quarter in fiscal year 2002 or fiscal year 2003 (and any subsequent such calendar quarters after the first such calendar quarter for which the State is a high unemployment State regardless of whether the State continues to be a high unemployment State for the subsequent such calendar quarters) shall be increased (after the application of subsections (a), (b), and (c)) by 1.50 percentage points.

(2) HIGH UNEMPLOYMENT STATE.—

(A) IN GENERAL.—For purposes of this subsection, a State is a high unemployment

State for a calendar quarter if, for any 3 consecutive month period beginning on or after June 2001 and ending with the second month before the beginning of the calendar quarter, the State has an average seasonally adjusted unemployment rate that exceeds the average weighted unemployment rate during such period. Such unemployment rates for such months shall be determined based on publications of the Bureau of Labor Statistics of the Department of Labor.

(B) AVERAGE WEIGHTED UNEMPLOYMENT RATE DEFINED.—For purposes of subparagraph (A), the "average weighted unemployment rate" for a period is—

(i) the sum of the seasonally adjusted number of unemployed civilians in each State and the District of Columbia for the period; divided by

(ii) the sum of the civilian labor force in each State and the District of Columbia for the period.

(e) 1-YEAR INCREASE IN CAP ON MEDICAID PAYMENTS TO TERRITORIES.—Notwithstanding any other provision of law, with respect to fiscal years 2002 and 2003, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under section 1108 of the Social Security Act (42 U.S.C. 1308) shall each be increased by an amount equal to 6 percentage points of such amounts.

(f) SCOPE OF APPLICATION.—The increases in the FMAP for a State under this section shall apply only for purposes of title XIX of the Social Security Act and shall not apply with respect to—

(1) disproportionate share hospital payments described in section 1923 of such Act (42 U.S.C. 1396r-4); or

(2) payments under titles IV and XXI of such Act (42 U.S.C. 601 et seq. and 1397aa et seq.).

(g) STATE ELIGIBILITY.—A State is eligible for an increase in its FMAP under subsection (c) or (d) or an increase in a cap amount under subsection (e) only if the eligibility under its State plan under title XIX of the Social Security Act (including any waiver under such title or under section 1115 of such Act (42 U.S.C. 1315)) is no more restrictive than the eligibility under such plan (or waiver) as in effect on October 1, 2001.

(h) DEFINITIONS.—In this section:

(1) FMAP.—The term "FMAP" means the Federal medical assistance percentage, as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)).

(2) STATE.—The term "State" has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(i) IMPLEMENTATION.—The Secretary of Health and Human Services shall increase payments to States under title XIX for the second, third, and fourth calendar quarters of fiscal year 2002 to take into account the increases in the FMAP provided for in this section for fiscal year 2002 (including the first quarter of such fiscal year) and shall increase payments to States under such title for each calendar quarter of fiscal year 2003 to take into account the increases in the FMAP provided for in this section for fiscal year 2003.

SA 2786. Mr. DORGAN (for himself and Mr. KERRY) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ____. EXCEPTION FROM TAX ON RECOGNIZED BUILT-IN GAIN OF S CORPORATIONS.

(a) IN GENERAL.—Section 1374 of the Internal Revenue Code of 1986 (relating to tax imposed on certain built-in gains) is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) EXCEPTION FOR REINVESTED AMOUNTS.—

"(1) IN GENERAL.—If an existing S corporation has a net recognized built-in gain for any taxable year in the recognition period and elects the application of this subsection—

"(A) the tax (if any) imposed by subsection (a) on such gain shall not be imposed until the second succeeding taxable year, and

"(B) the amount of such gain on which tax is imposed by subsection (a) for such second succeeding taxable year shall not exceed the amount equal to the excess of—

"(i) the amount realized on the disposition of those assets that resulted in such gain, over

"(ii) the excess of—

"(I) the aggregate qualified expenditures made by the S corporation during the nonrecognition period, over

"(II) the portion (if any) of such expenditures previously taken into account under this subsection.

"(2) QUALIFIED EXPENDITURES.—For purposes of this subsection, the term 'qualified expenditures' means—

"(A) amounts chargeable to capital account for property used in a trade or business of the S corporation,

"(B) payments of principal and interest on pre-effective date debt of the S corporation, and

"(C) amounts distributed to shareholders to the extent such amounts do not exceed the aggregate of such shareholders' tax imposed by this chapter (and State and local taxes) on amounts attributable to the disposition of those assets that resulted in such net recognized built-in gain.

Payments of principal as part of a refinancing of pre-effective date debt shall not be taken into account under subparagraph (B).

"(3) NONRECOGNITION PERIOD.—For purposes of this subsection, the term 'nonrecognition period' means, with respect to a taxable year for which an S corporation has a net recognized built-in gain, such taxable year and the first and second succeeding taxable years.

"(4) PRE-EFFECTIVE DATE DEBT.—For purposes of paragraph (2)(B), the term 'pre-effective date debt' means—

"(A) debt incurred before the date of the enactment of this paragraph, and

"(B) debt incurred on or after such date to refinance debt described in subparagraph (A) (or refinanced indebtedness meeting the requirements of this subparagraph) to the extent that (immediately after the refinancing) the principal amount of the indebtedness resulting from the refinancing does not exceed the principal amount of the refinanced indebtedness (immediately before the refinancing).

"(5) ANTI-ABUSE RULE.—Solely for purposes of determining the treatment of distributions to shareholders under section 1368 during the recognition period—

"(A) any increase in the accumulated adjustment account and shareholder basis by reason of the disposition of those assets that resulted in the net recognized built-in gain shall not exceed the amounts described in paragraph (2)(C), and

"(B) any increase in such account and shareholder basis which is not permitted under subparagraph (A) shall occur immediately after the recognition period.

"(6) EXISTING S CORPORATION.—The term 'existing S corporation' means any S corporation for which an election under section 1362 is filed before October 12, 2001.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SA 2787. Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. . INCLUSION OF KENTUCKY IN LIST OF STATES PERMITTED TO OPERATE A SEPARATE RETIREMENT SYSTEM.

Section 218(d)(6)(C) of the Social Security Act (42 U.S.C. 418(d)(6)(C)) is amended by inserting "Kentucky," after "Illinois,".

SA 2788. Mr. HATCH (for himself and Mr. BENNETT) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ____. CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 7 YEARS.

(a) IN GENERAL.—Paragraph (1) of section 172(b) of the Internal Revenue Code of 1986 (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

"(H) SPECIAL RULE FOR CERTAIN LOSSES.—

"(i) IN GENERAL.—In the case of a taxpayer which has a net operating loss for any taxable year ending during 2000, 2001, or 2002, subparagraph (A)(i) shall be applied by substituting '7' for '2' and subparagraph (F) shall not apply.

"(ii) PER YEAR LIMITATION.—For purposes of the 6th and 7th taxable year preceeding the taxable year of such loss, the amount of net operating losses to which clause (i) may apply for any taxable year shall not exceed $50,000,000."

(b) ELECTION TO DISREGARD 7-YEAR CARRYBACK.—Section 172 of the Internal Revenue Code of 1986 (relating to net operating loss deduction) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) ELECTION TO DISREGARD 7-YEAR CARRYBACK FOR CERTAIN NET OPERATING LOSSES.—Any taxpayer entitled to a 7-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year."

(c) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYBACKS.—

(1) IN GENERAL.—Subparagraph (A) of section 56(d)(1) of the Internal Revenue Code of 1986 (relating to general rule defining alternative tax net operating loss deduction) is amended to read as follows:

"(A) the amount of such deduction shall not exceed the sum of—

"(i) the lesser of—

"(I) the amount of such deduction attributable to net operating losses (other than the deduction attributable to carrybacks described in clause (ii)(I)), or

"(II) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

"(ii) the lesser of—

"(I) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2000, 2001, or 2002, or

"(II) alternative minimum taxable income determined without regard to such deduction reduced by the amount determined under clause (i), and".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning before January 1, 2003.

(d) EFFECTIVE DATE.—Except as provided in subsection (c), the amendments made by this section shall apply to net operating losses for taxable years ending after December 31, 1999.

SA 2789. Mr. HATCH (for himself, and Mr. BENNETT) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC.   . CARRYBACK OF CERTAIN NET OPERATING LOSSES ALLOWED FOR 7 YEARS.

(a) IN GENERAL.—Paragraph (1) of section 172(b) of the Internal Revenue Code of 1986 (relating to years to which loss may be carried) is amended by adding at the end the following new subparagraph:

"(H) SPECIAL RULE FOR CERTAIN LOSSES.—

"(i) IN GENERAL.—In the case of a taxpayer which has a net operating loss for any taxable year ending during 2000, 2001, or 2002, subparagraph (A)(i) shall be applied by substituting '7' for '2' and subparagraph (F) shall not apply.

"(ii) PER YEAR LIMITATION.—For purposes of the 6th and 7th taxable year preceeding the taxable year of such loss, the amount of net operating losses to which clause (i) may apply for any taxable year shall not exceed $50,000,000."

(b) ELECTION TO DISREGARD 7-YEAR CARRYBACK.—Section 172 of the Internal Revenue Code of 1986 (relating to net operating loss deduction) is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

"(j) ELECTION TO DISREGARD 7-YEAR CARRYBACK FOR CERTAIN NET OPERATING LOSSES.—Any taxpayer entitled to a 7-year carryback under subsection (b)(1)(H) from any loss year may elect to have the carryback period with respect to such loss year determined without regard to subsection (b)(1)(H). Such election shall be made in such manner as may be prescribed by the Secretary and shall be made by the due date (including extensions of time) for filing the taxpayer's return for the taxable year of the net operating loss. Such election, once made for any taxable year, shall be irrevocable for such taxable year."

(c) TEMPORARY SUSPENSION OF 90 PERCENT LIMIT ON CERTAIN NOL CARRYBACKS.—

(1) IN GENERAL.—Subparagraph (A) of section 56(d)(1) of the Internal Revenue Code of 1986 (relating to general rule defining alternative tax net operating loss deduction) is amended to read as follows:

"(A) the amount of such deduction shall not exceed the sum of—

"(i) the lesser of—

"(I) the amount of such deduction attributable to net operating losses (other than the deduction attributable to carrybacks described in clause (ii)(I)), or

"(II) 90 percent of alternative minimum taxable income determined without regard to such deduction, plus

"(ii) the lesser of—

"(I) the amount of such deduction attributable to carrybacks of net operating losses for taxable years ending during 2000, 2001, or 2002, or

"(II) alternative minimum taxable income determined without regard to such deduction reduced by the amount determined under clause (i), and".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to taxable years beginning before January 1, 2003.

(d) TEMPORARY FOREIGN TAX CREDIT CLARIFICATION.—

(1) IN GENERAL.—Section 904(c) (relating to carryback and carryover of excess tax paid) is amended by striking "Any amount" and by inserting "(1) GENERAL RULE.—Any amount" and by adding new paragraph (2) to read as follows:

"(2) TEMPORARY RULE FOR CARRYBACK AND CARRYFORWARD OF EXCESS FOREIGN TAXES.—For purposes of any taxable year ending in 2000, 2001 or 2002 and any of the preceeding 7 taxable years, the provisions of paragraph (1) shall apply, except that the carryforward period shall extend to the tenth succeeding taxable year instead of the fifth succeeding taxable year.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply upon enactment.

(e) EFFECTIVE DATE.—Except as provided in subsections (c) and (d), the amendments made by this section shall apply to net operating losses for taxable years ending after December 31, 1999.

SA 2790. Mr. NICKLES (for Mr. MCCAIN (for himself, Mr. ALLARD, Mr. LIEBERMAN, Ms. SNOWE, Mr. LEVIN, Mr. MURKOWSKI, Mr. CLELAND, Mr. INHOFE, Ms. LANDRIEU, Mr. BURNS, Mr. DURBIN, Mr. SESSIONS, Mr. DEWINE, Mr. THURMOND, Mr. SHELBY, Mr. HAGEL, Mr. LUGAR, Mr. KENNEDY, Mr. WARNER, Ms. COLLINS, Mr. HATCH, Mr. HELMS, Mr. ALLEN, Mr. KERRY, Mr. FITZGERALD, Mr. STEVENS, Mr. REID, Mr. MILLER, Mr. ROBERTS, Mr. BAYH, Mr. ENSIGN, Mr. BUNNING, Mr. CAMPBELL, Mr. NELSON of Nebraska, Mr. DODD, Mr. JEFFORDS, Mr. BROWNBACK, Mr. BIDEN, Ms. STABENOW, Mr. COCHRAN, and Mr. SARBANES)) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SEC.   . SPECIAL RULE FOR MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE IN DETERMINING EXCLUSION OF GAIN ON SALE OF PRINCIPAL RESIDENCE.

(a) IN GENERAL.—Section 121(d) (relating to special rules) is amended by adding at the end the following:

"(9) MEMBERS OF UNIFORMED SERVICES AND FOREIGN SERVICE.—

"(A) IN GENERAL.—The running of the 5-year period described in subsection (a) shall be suspended with respect to an individual during any time that such individual or such individual's spouse is serving on qualified official extended duty as a member of a uniformed service or of the Foreign Service.

"(B) QUALIFIED OFFICIAL EXTENDED DUTY.—For purposes of this paragraph—

"(i) IN GENERAL.—The term 'qualified official extended duty' means any period of extended duty during which the member of a uniformed service or the Foreign Service is under a call or order compelling such duty at a duty station which is a least 50 miles from the property described in subparagraph (A) or compelling residence in Government furnished quarters while on such duty.

"(ii) EXTENDED DUTY.—The term 'extended duty' means any period of active duty pursuant to a call or order to such duty for a period in excess of 90 days or for an indefinite period.

"(C) DEFINITIONS.—For purposes of this paragraph—

"(i) UNIFORMED SERVICE.—The term 'uniformed service' has the meaning given such term by section 101(a)(5) of title 10, United States Code.

"(ii) FOREIGN SERVICE OF THE UNITED STATES.—The term 'member of the Foreign Service' has the meaning given the term 'member of the Service' by paragraph (1), (2), (3), (4), or (5) of section 103 of the Foreign Service Act of 1980.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales or exchanges on or after the date of the enactment of this Act.

SA 2791. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SECTION 1. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT ACCOUNTS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subsection (d) of section 408 of the Internal Revenue Code of 1986 (relating to individual retirement accounts) is amended by adding at the end the following new paragraph:

"(8) DISTRIBUTIONS FOR CHARITABLE PURPOSES.—

"(A) IN GENERAL.—No amount shall be includible in gross income by reason of a qualified charitable distribution from an individual retirement account to an organization described in section 170(c).

"(B) SPECIAL RULES RELATING TO CHARITABLE REMAINDER TRUSTS, POOLED INCOME FUNDS, AND CHARITABLE GIFT ANNUITIES.—

"(i) In general.—No amount shall be includible in gross income by reason of a qualified charitable distribution from an individual retirement account—

"(I) to a charitable remainder annuity trust or a charitable remainder unitrust (as such terms are defined in section 664(d)),

"(II) to a pooled income fund (as defined in section 642(c)(5)), or

"(III) for the issuance of a charitable gift annuity (as defined in section 501(m)(5)).

The preceding sentence shall apply only if no person holds an income interest in the amounts in the trust, fund, or annuity attributable to such distribution other than one or more of the following: the individual for whose benefit such account is maintained, the spouse of such individual, or any organization described in section 170(c).

"(ii) Determination of inclusion of amounts distributed.—In determining the amount includible in the gross income of any person by reason of a payment or distribution from a trust referred to in clause (i)(I) or a charitable gift annuity (as so defined), the portion of any qualified charitable distribution to such trust or for such annuity which would (but for this subparagraph) have been includible in gross income—

"(I) shall be treated as income described in section 664(b)(1), and

"(II) shall not be treated as an investment in the contract.

"(iii) No inclusion for distribution to pooled income fund.—No amount shall be includible in the gross income of a pooled income fund (as so defined) by reason of a qualified charitable distribution to such fund.

"(C) Qualified charitable distribution.—For purposes of this paragraph, the term 'qualified charitable distribution' means any distribution from an individual retirement account—

"(i) which is made on or after the date that the individual for whose benefit the account is maintained has attained age 59½, and

"(ii) which is made directly from the account to—

"(I) an organization described in section 170(c), or

"(II) a trust, fund, or annuity referred to in subparagraph (B).

"(D) Denial of deduction.—The amount allowable as a deduction under section 170 to the taxpayer for the taxable year shall be reduced (but not below zero) by the sum of the amounts of the qualified charitable distributions during such year which would be includible in the gross income of the taxpayer for such year but for this paragraph.".

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001, and before January 1, 2004.

SA 2792. Mr. LUGAR (for himself and Mr. Leahy) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD.

(a) In General.—Subsection (e) of section 170 of the Internal Revenue Code of 1986 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

"(7) Special rule for contributions of food inventory.—For purposes of this section—

"(A) In general.—In the case of a charitable contribution of apparently wholesome food by a taxpayer—

"(i) paragraph (3)(A) shall be applied without regard to whether or not the contribution is made by a C corporation, and

"(ii) in the case of a taxpayer other than a C corporation, the total deductions under subsection (a) with respect to such contributions for any taxable year shall not exceed the percentage specified in subsection (b)(2) of the taxpayer's net income from the trade or business, computed without regard to this section.

"(B) Limit on reduction.—In the case of a charitable contribution of apparently wholesome food which is a qualified contribution (within the meaning of paragraph (3)(A), as modified by subparagraph (A) of this paragraph), the amount of the reduction determined under paragraph (3)(B) shall not exceed the amount determined under clause (ii) thereof.

"(C) Determination of basis.—For purposes of this paragraph, if a taxpayer—

"(i) does not account for inventories under section 471, and

"(ii) is not required to capitalize indirect costs under section 263A,

the taxpayer may elect, solely for purposes of paragraph (3)(B)(ii), to treat the basis of any qualified contribution of such taxpayer as being equal to 25 percent of the fair market value of such contribution.

"(D) Determination of fair market value.—In the case of a charitable contribution of apparently wholesome food which is a qualified contribution (within the meaning of paragraph (3), as modified by subparagraphs (A) and (B) of this paragraph) and which, solely by reason of internal standards of the taxpayer or lack of market, cannot or will not be sold, the fair market value of such contribution shall be determined—

"(i) without regard to such internal standards or such lack of market and

"(ii) by taking into account the price at which the same or substantially the same food items are sold by the taxpayer at the time of the contribution (or, if not so sold at such time, in the recent past).

"(E) Apparently wholesome food.—For purposes of this paragraph, the term 'apparently wholesome food' has the meaning given such term by section 22(b)(2) of the Bill Emerson Good Samaritan Food Donation Act (42 U.S.C. 1791(b)(2)), as in effect on the date of the enactment of this paragraph.

"(F) Termination.—This paragraph shall not apply to any contribution made during any taxable year beginning after December 31, 2004.".

(b) Effective Date.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2793. Mr. GRAMM (for himself, and Mrs. Hutchison) submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. Daschle and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ____. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

(a) In General.—Part II of subchapter O of chapter 1 of the Internal Revenue Code of 1986 (relating to basis rules of general application) is amended by inserting after section 1021 the following new section:

"SEC. 1022. INDEXING OF CERTAIN ASSETS FOR PURPOSES OF DETERMINING GAIN OR LOSS.

"(a) General Rule.—

"(1) Indexed basis substituted for adjusted basis.—Except as provided in paragraph (2), if an indexed asset which has been held for more than 1 year is sold or otherwise disposed of, then, for purposes of this title, the indexed basis of the asset shall be substituted for its adjusted basis.

"(2) Exception for depreciation, etc.—The deductions for depreciation, depletion, and amortization shall be determined without regard to the application of paragraph (1) to the taxpayer or any other person.

"(b) Indexed Asset.—

"(1) In general.—For purposes of this section, the term 'indexed asset' means—

"(A) stock in a corporation, and

"(B) tangible property (or any interest therein), which is a capital asset or property used in the trade or business (as defined in section 1231(b)).

"(2) Certain property excluded.—For purposes of this section, the term 'indexed asset' does not include—

"(A) Creditor's interest.—Any interest in property which is in the nature of a creditor's interest.

"(B) Options.—Any option or other right to acquire an interest in property.

"(C) Net lease property.—In the case of a lessor, net lease property (within the meaning of subsection (h)(1)).

"(D) Certain preferred stock.—Stock which is preferred as to dividends and does not participate in corporate growth to any significant extent.

"(E) Stock in certain corporations.—Stock in—

"(i) an S corporation (within the meaning of section 1361),

"(ii) a personal holding company (as defined in section 542), and

"(iii) a foreign corporation.

"(3) Exception for stock in foreign corporation which is regularly traded on national or regional exchange.—Clause (iii) of paragraph (2)(E) shall not apply to stock in a foreign corporation the stock of which is listed on the New York Stock Exchange, the American Stock Exchange, or any domestic regional exchange for which quotations are published on a regular basis other than—

"(A) stock of a foreign investment company (within the meaning of section 1246(b)), and

"(B) stock in a foreign corporation held by a United States person who meets the requirements of section 1248(a)(2).

"(c) Indexed Basis.—For purposes of this section—

"(1) General rule.—The indexed basis for any asset is—

"(A) the adjusted basis of the asset, increased by

"(B) the applicable inflation adjustment.

"(2) Applicable inflation adjustment.—The applicable inflation adjustment for any asset is an amount equal to—

"(A) the adjusted basis of the asset, multiplied by

"(B) the percentage (if any) by which—

"(i) the chain-type price index for GDP for the last calendar quarter ending before the asset is disposed of, exceeds "(ii) the chain-type price index for GDP for the last calendar quarter ending before the asset was acquired by the taxpayer.

The percentage under subparagraph (B) shall be rounded to the nearest $\frac{1}{10}$ of 1 percentage point.

"(3) CHAIN-TYPE PRICE INDEX FOR GDP.—The chain-type price index for GDP for any calendar quarter is such index for such quarter (as shown in the last revision thereof released by the Secretary of Commerce before the close of the following calendar quarter).

"(d) SPECIAL RULES.—For purposes of this section—

"(1) TREATMENT AS SEPARATE ASSET.—In the case of any asset, the following shall be treated as a separate asset:

"(A) a substantial improvement to property,

"(B) in the case of stock of a corporation, a substantial contribution to capital, and

"(C) any other portion of an asset to the extent that separate treatment of such portion is appropriate to carry out the purposes of this section.

"(2) ASSETS WHICH ARE NOT INDEXED ASSETS THROUGHOUT HOLDING PERIOD.—

"(A) IN GENERAL.—The applicable inflation ratio shall be appropriately reduced for calendar months at any time during which the asset was not an indexed asset.

"(B) CERTAIN SHORT SALES.—For purposes of applying subparagraph (A), an asset shall be treated as not an indexed asset for any short sale period during which the taxpayer or the taxpayer's spouse sells short property substantially identical to the asset. For purposes of the preceding sentence, the short sale period begins on the day after the substantially identical property is sold and ends on the closing date for the sale.

"(3) TREATMENT OF CERTAIN DISTRIBUTIONS.—A distribution with respect to stock in a corporation which is not a dividend shall be treated as a disposition.

"(4) SECTION CANNOT INCREASE ORDINARY LOSS.—To the extent that (but for this paragraph) this section would create or increase a net ordinary loss to which section 1231(a)(2) applies or an ordinary loss to which any other provision of this title applies, such provision shall not apply. The taxpayer shall be treated as having a long-term capital loss in an amount equal to the amount of the ordinary loss to which the preceding sentence applies.

"(5) ACQUISITION DATE WHERE THERE HAS BEEN PRIOR APPLICATION OF SUBSECTION (a)(1) WITH RESPECT TO THE TAXPAYER.—If there has been a prior application of subsection (a)(1) to an asset while such asset was held by the taxpayer, the date of acquisition of such asset by the taxpayer shall be treated as not earlier than the date of the most recent such prior application.

"(6) COLLAPSIBLE CORPORATIONS.—The application of section 341(a) (relating to collapsible corporations) shall be determined without regard to this section.

"(e) CERTAIN CONDUIT ENTITIES.—

"(1) REGULATED INVESTMENT COMPANIES; REAL ESTATE INVESTMENT TRUSTS; COMMON TRUST FUNDS.—

"(A) IN GENERAL.—Stock in a qualified investment entity shall be an indexed asset for any calendar month in the same ratio as the fair market value of the assets held by such entity at the close of such month which are indexed assets bears to the fair market value of all assets of such entity at the close of such month.

"(B) RATIO OF 90 PERCENT OR MORE.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 90 percent or more, such ratio for such month shall be 100 percent.

"(C) RATIO OF 10 PERCENT OR LESS.—If the ratio for any calendar month determined under subparagraph (A) would (but for this subparagraph) be 10 percent or less, such ratio for such month shall be zero.

"(D) VALUATION OF ASSETS IN CASE OF REAL ESTATE INVESTMENT TRUSTS.—Nothing in this paragraph shall require a real estate investment trust to value its assets more frequently than once each 36 months (except where such trust ceases to exist). The ratio under subparagraph (A) for any calendar month for which there is no valuation shall be the trustee's good faith judgment as to such valuation.

"(E) QUALIFIED INVESTMENT ENTITY.—For purposes of this paragraph, the term 'qualified investment entity' means—

"(i) a regulated investment company (within the meaning of section 851),

"(ii) a real estate investment trust (within the meaning of section 856), and

"(iii) a common trust fund (within the meaning of section 584).

"(2) PARTNERSHIPS.—In the case of a partnership, the adjustment made under subsection (a) at the partnership level shall be passed through to the partners.

"(3) SUBCHAPTER S CORPORATIONS.—In the case of an electing small business corporation, the adjustment under subsection (a) at the corporate level shall be passed through to the shareholders.

"(f) DISPOSITIONS BETWEEN RELATED PERSONS.—

"(1) IN GENERAL.—This section shall not apply to any sale or other disposition of property between related persons except to the extent that the basis of such property in the hands of the transferee is a substituted basis.

"(2) RELATED PERSONS DEFINED.—For purposes of this section, the term 'related persons' means—

"(A) persons bearing a relationship set forth in section 267(b), and

"(B) persons treated as single employer under subsection (b) or (c) of section 414.

"(g) TRANSFERS TO INCREASE INDEXING ADJUSTMENT OR DEPRECIATION ALLOWANCE.—If any person transfers cash, debt, or any other property to another person and the principal purpose of such transfer is—

"(1) to secure or increase an adjustment under subsection (a), or

"(2) to increase (by reason of an adjustment under subsection (a)) a deduction for depreciation, depletion, or amortization,

the Secretary may disallow part or all of such adjustment or increase.

"(h) DEFINITIONS.—For purposes of this section—

"(1) NET LEASE PROPERTY DEFINED.—The term 'net lease property' means leased real property where—

"(A) the term of the lease (taking into account options to renew) was 50 percent or more of the useful life of the property, and

"(B) for the period of the lease, the sum of the deductions with respect to such property which are allowable to the lessor solely by reason of section 162 (other than rents and reimbursed amounts with respect to such property) is 15 percent or less of the rental income produced by such property.

"(2) STOCK INCLUDES INTEREST IN COMMON TRUST FUND.—The term 'stock in a corporation' includes any interest in a common trust fund (as defined in section 584(a)).

"(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section."

(b) CLERICAL AMENDMENT.—The table of sections for part II of subchapter O of such chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 1021 the following new item:

"Sec. 1022. Indexing of certain assets for purposes of determining gain or loss."

(c) ADJUSTMENT TO APPLY FOR PURPOSES OF DETERMINING EARNINGS AND PROFITS.—Subsection (f) of section 312 of the Internal Revenue Code of 1986 (relating to effect on earnings and profits of gain or loss and of receipt of tax-free distributions) is amended by adding at the end thereof the following new paragraph:

"(3) EFFECT ON EARNINGS AND PROFITS OF INDEXED BASIS.—

"For substitution of indexed basis for adjusted basis in the case of the disposition of certain assets after December 31, 2001, see section 1022(a)(1)."

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to the disposition of any property the holding period of which begins after the date of the enactment of this Act.

(2) CERTAIN TRANSACTIONS BETWEEN RELATED PERSONS.—The amendments made by this section shall not apply to the disposition of any property acquired after the date of the enactment of this Act from a related person (as defined in section 1022(f)(2) of the Internal Revenue Code of 1986, as added by this section) if—

(A) such property was so acquired for a price less than the property's fair market value, and

(B) the amendments made by this section did not apply to such property in the hands of such related person.

SA 2794. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Terrorism Risk Insurance Act of 2001".

SEC. 2. CONGRESSIONAL FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) property and casualty insurance firms are important financial institutions, the products of which allow mutualization of risk and the efficient use of financial resources and enhance the ability of the economy to maintain stability, while responding to a variety of economic, political, environmental, and other risks with a minimum of disruption;

(2) the ability of businesses and individuals to obtain property and casualty insurance at reasonable and predictable prices, in order to spread the risk of both routine and catastrophic loss, is critical to economic growth, urban development, and the construction and maintenance of public and private housing, as well as to the promotion of United States exports and foreign trade in an increasingly interconnected world;

(3) the ability of the insurance industry to cover the unprecedented financial risks presented by potential acts of terrorism in the

United States can be a major factor in the recovery from terrorist attacks, while maintaining the stability of the economy;

(4) widespread financial market uncertainties have arisen following the terrorist attacks of September 11, 2001, including the absence of information from which financial institutions can make statistically valid estimates of the probability and cost of future terrorist events, and therefore the size, funding, and allocation of the risk of loss caused by such acts of terrorism;

(5) a decision by property and casualty insurers to deal with such uncertainties, either by terminating property and casualty coverage for losses arising from terrorist events, or by radically escalating premium coverage to compensate for risks of loss that are not readily predictable, could seriously hamper ongoing and planned construction, property acquisition, and other business projects, generate a dramatic increase in rents, and otherwise suppress economic activity; and

(6) the United States Government should provide temporary financial compensation to insured parties, contributing to the stabilization of the United States economy in a time of national crisis, while the financial services industry develops the systems, mechanisms, products, and programs necessary to create a viable financial services market for private terrorism risk insurance.

(b) Purpose.—The purpose of this Act is to establish a temporary Federal program that provides for a transparent system of shared public and private compensation for insured losses resulting from acts of terrorism, in order to—

(1) protect consumers by addressing market disruptions and ensure the continued widespread availability and affordability of property and casualty insurance for terrorism risk; and

(2) allow for a transitional period for the private markets to stabilize, resume pricing of such insurance, and build capacity to absorb any future losses, while preserving State insurance regulation and consumer protections.

SEC. 3. DEFINITIONS.

In this Act, the following definitions shall apply:

(1) Act of terrorism.—

(A) Certification.—The term "act of terrorism" means any act that is certified by the Secretary, in concurrence with the Secretary of State, and the Attorney General of the United States—

(i) to be a violent act or an act that is dangerous to—

(I) human life;

(II) property; or

(III) infrastructure;

(ii) to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel described in paragraph (3)(A)(ii); and

(iii) to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

(B) Limitation.—No act or event shall be certified by the Secretary as an act of terrorism if—

(i) the act or event is committed in the course of a war declared by the Congress; or

(ii) losses resulting from the act or event, in the aggregate, do not exceed $5,000,000.

(C) Determinations final.—Any certification of, or determination not to certify, an act or event as an act of terrorism under this paragraph shall be final, and shall not be subject to judicial review.

(2) Business interruption coverage.—The term "business interruption coverage"—

(A) means coverage of losses for temporary relocation expenses and ongoing expenses, including ordinary wages, where—

(i) there is physical damage to the business premises of such magnitude that the business cannot open for business;

(ii) there is physical damage to other property that totally prevents customers or employees from gaining access to the business premises; or

(iii) the Federal, State, or local government shuts down an area due to physical or environmental damage, thereby preventing customers or employees from gaining access to the business premises; and

(B) does not include lost profits, other than in the case of a small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632) and applicable regulations thereunder) in any case described in clause (i), (ii), or (iii) of subparagraph (A).

(3) Insured loss.—The term "insured loss"—

(A) means any loss resulting from an act of terrorism that is covered by primary property and casualty insurance, including business interruption coverage, issued by a participating insurance company, if such loss—

(i) occurs within the United States; or

(ii) occurs to an air carrier (as defined in section 40102 of title 49, United States Code) or to a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; and

(B) excludes any life or health insurance coverage.

(4) Market share.—

(A) In general.—The "market share" of a participating insurance company shall be calculated using the total amount of direct written property and casualty insurance premiums for the participating insurance company during the 2-year period preceding the year in which the subject act of terrorism occurred (or during such other period for which adequate data are available, as determined by the Secretary), as a percentage of the aggregate of all such property and casualty insurance premiums industry-wide during that period.

(B) Adjustments.—The Secretary may adjust the market share of a participating insurance company under subparagraph (A), as necessary to reflect current market participation of that participating insurance company.

(5) NAIC.—The term "NAIC" means the National Association of Insurance Commissioners.

(6) Participating insurance company.—The term "participating insurance company" means any insurance company, including any subsidiary or affiliate thereof—

(A) that—

(i) is licensed or admitted to engage in the business of providing primary insurance in any State, and was so licensed or admitted on September 11, 2001, or had pending on that date an application for such license or admission; or

(ii) is not licensed or admitted as described in clause (i), if it is an eligible surplus line carrier listed on the Quarterly Listing of Alien Insurers of the NAIC, or any successor thereto;

(B) that receives direct premiums for any type of commercial property and casualty insurance coverage or that, not later than 21 days after the date of enactment of this Act, submits written notification to the Secretary of its intent to participate in the Program with regard to personal lines of property and casualty insurance; and

(C) that meets any other criteria that the Secretary may reasonably prescribe.

(7) Participating insurance company deductible.—The term "participating insurance company deductible" means—

(A) a participating insurance company's market share, multiplied by $10,000,000,000, with respect to insured losses resulting from an act of terrorism occurring during the period beginning on the date of enactment of this Act and ending at midnight on December 31, 2002; and

(B) a participating insurance company's market share, multiplied by $15,000,000,000, with respect to insured losses resulting from an act of terrorism occurring during the period beginning on January 1, 2003 and ending at midnight on December 31, 2003, if the Program is extended in accordance with section 6.

(8) Person.—The term "person" means any individual, business or nonprofit entity (including those organized in the form of a partnership, limited liability company, corporation, or association), trust or estate, or a State or political subdivision of a State or other governmental unit.

(9) Program.—The term "Program" means the Terrorism Insured Loss Shared Compensation Program established by this Act.

(10) Property and casualty insurance.—The term "property and casualty insurance"—

(A) means commercial lines of property and casualty insurance;

(B) includes personal lines of property and casualty insurance, if a notification is made in accordance with paragraph (6)(B); and

(C) does not include—

(i) Federal crop insurance issued or reinsured under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); or

(ii) private mortgage insurance, as that term is defined in section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901).

(11) Secretary.—The term "Secretary" means the Secretary of the Treasury.

(12) State.—The term "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and each of the United States Virgin Islands.

(13) United states.—The term "United States" means the several States, and includes the territorial sea of the United States.

SEC. 4. TERRORISM INSURED LOSS SHARED COMPENSATION PROGRAM.

(a) Establishment of Program.—

(1) In general.—There is established in the Department of the Treasury the Terrorism Insured Loss Shared Compensation Program.

(2) Authority of the secretary.—Notwithstanding any other provision of State or Federal law, the Secretary shall administer the Program, and shall pay the Federal share of compensation for insured losses in accordance with subsection (e).

(b) Conditions for Federal Payments.—No payment may be made by the Secretary under subsection (e), unless—

(1) a person that suffers an insured loss, or a person acting on behalf of that person, files a claim with a participating insurance company;

(2) the participating insurance company provides clear and conspicuous disclosure to

the policyholder of the premium charged for insured losses covered by the Program and the Federal share of compensation for insured losses under the Program—

(A) in the case of any policy covering an insured loss that is issued on or after the date of enactment of this Act, in the policy, at the time of offer, purchase, and renewal of the policy; and

(B) in the case of any policy that is issued before the date of enactment of this Act, not later than 90 days after that date of enactment;

(3) the participating insurance company processes the claim for the insured loss in accordance with its standard business practices, and any reasonable procedures that the Secretary may prescribe; and

(4) the participating insurance company submits to the Secretary, in accordance with such reasonable procedures as the Secretary may establish—

(A) a claim for payment of the Federal share of compensation for insured losses under the Program;

(B) written verification and certification—

(i) of the underlying claim; and

(ii) of all payments made for insured losses; and

(C) certification of its compliance with the provisions of this subsection.

(c) MANDATORY PARTICIPATION; MANDATORY AVAILABILITY.—Each insurance company that meets the definition of a participating insurance company under section 3—

(1) shall participate in the Program;

(2) shall make available in all of its property and casualty insurance policies (in all of its participating lines), coverage for insured losses; and

(3) shall make available property and casualty insurance coverage for insured losses that does not differ materially from the terms, amounts, and other coverage limitations applicable to losses arising from events other than acts of terrorism.

(d) PARTICIPATION BY SELF INSURED ENTITIES.—

(1) DETERMINATION BY THE SECRETARY.—The Secretary may, in consultation with the NAIC, establish procedures to allow participation in the Program by municipalities and other governmental or quasi-governmental entities (and by any other entity, as the Secretary deems appropriate) operating through self insurance arrangements that were in existence on September 11, 2001, but only if the Secretary makes a determination with regard to participation by any such entity before the occurrence of an act of terrorism in which the entity incurs an insured loss.

(2) PARTICIPATION.—If the Secretary makes a determination to allow an entity described in paragraph (1) to participate in the Program, all reports, conditions, requirements, and standards established by this Act for participating insurance companies shall apply to any such entity, as determined to be appropriate by the Secretary.

(e) SHARED INSURANCE LOSS COVERAGE.—

(1) FEDERAL SHARE.—

(A) IN GENERAL.—Subject to the cap on liability under paragraph (2) and the limitation under paragraph (6), the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on the date of enactment of this Act and ending at midnight on December 31, 2002—

(i) shall be equal to 80 percent of that portion of the amount of aggregate insured losses that—

(I) exceeds the participating insurance company deductibles required to be paid for those insured losses; and

(II) does not exceed $10,000,000,000; and

(ii) shall be equal to 90 percent of that portion of the amount of aggregate insured losses that—

(I) exceeds the participating insurance company deductibles required to be paid for those insured losses; and

(II) exceeds $10,000,000,000.

(B) EXTENSION PERIOD.—If the Program is extended in accordance with section 6, the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on January 1, 2003 and ending at midnight on December 31, 2003, shall be calculated in accordance with clauses (i) and (ii) of subparagraph (A), subject to the cap on liability in paragraph (2) and the limitation under paragraph (6).

(C) PRO RATA SHARE.—If, during the period described in subparagraph (A) (or during the period described in subparagraph (B), if the Program is extended in accordance with section 6), the aggregate insured losses for that period exceed $10,000,000,000, the Secretary shall determine the pro rata share for each participating insurance company of the Federal share of compensation for insured losses calculated under subparagraph (A).

(D) PROHIBITION ON DUPLICATIVE COMPENSATION.—The Federal share of compensation for insured losses under the Program shall be reduced by the amount of compensation provided by the Federal Government for those insured losses under any other Federal insurance or reinsurance program.

(2) CAP ON ANNUAL LIABILITY.—Notwithstanding paragraph (1), or any other provision of Federal or State law, if the aggregate insured losses exceed $100,000,000,000 during any period referred to in subparagraph (A) or (B) of paragraph (1)—

(A) the Secretary shall not make any payment under this Act for any portion of the amount of such losses that exceeds $100,000,000,000; and

(B) participating insurance companies shall not be liable for the payment of any portion of the amount that exceeds $100,000,000,000.

(3) NOTICE TO CONGRESS.—The Secretary shall notify the Congress if estimated or actual aggregate insured losses exceed $100,000,000,000 in any period described in paragraph (1), and the Congress shall determine the procedures for and the source of any such excess payments.

(4) FINAL NETTING.—The Secretary shall have sole discretion to determine the time at which claims relating to any insured loss or act of terrorism shall become final.

(5) DETERMINATIONS FINAL.—Any determination of the Secretary under this subsection shall be final, and shall not be subject to judicial review.

(6) IN-FORCE REINSURANCE AGREEMENTS.—For policies covered by reinsurance contracts in force on the date of enactment of this Act, until the in-force reinsurance contract is renewed, amended, or has reached its 1-year anniversary date, any Federal share of compensation due to a participating insurance company for insured losses during the effective period of the Program shall be shared—

(A) with all reinsurance companies to which the participating insurance company has ceded some share of the insured loss pursuant to an in-force reinsurance contract; and

(B) in a manner that distributes the Federal share of compensation for insured losses between the participating insurance company and the reinsurance company or companies in the same proportion as the insured losses would have been distributed if the Program did not exist.

SEC. 5. GENERAL AUTHORITY AND ADMINISTRATION OF CLAIMS.

(a) GENERAL AUTHORITY.—The Secretary shall have the powers and authorities necessary to carry out the Program, including authority—

(1) to investigate and audit all claims under the Program; and

(2) to prescribe regulations and procedures to implement the Program.

(b) INTERIM RULES AND PROCEDURES.—The Secretary shall issue interim final rules or procedures specifying the manner in which—

(1) participating insurance companies may file, verify, and certify claims under the Program;

(2) the Secretary shall publish or otherwise publicly announce the applicable percentage of insured losses that is the responsibility of participating insurance companies and the percentage that is the responsibility of the Federal Government under the Program;

(3) the Federal share of compensation for insured losses will be paid under the Program, including payments based on estimates of or actual aggregate insured losses;

(4) the Secretary may, at any time, seek repayment from or reimburse any participating insurance company, based on estimates of insured losses under the Program, to effectuate the insured loss sharing provisions contained in section 4;

(5) each participating insurance company that incurs insured losses shall pay its pro rata share of insured losses, in accordance with section 4; and

(6) the Secretary will determine any final netting of payments for actual insured losses under the Program, including payments owed to the Federal Government from any participating insurance company and any Federal share of compensation for insured losses owed to any participating insurance company, to effectuate the insured loss sharing provisions contained in section 4.

(c) SUBROGATION RIGHTS.—The United States shall have the right of subrogation with respect to any payment made by the United States under the Program.

(d) CONTRACTS FOR SERVICES.—The Secretary may employ persons or contract for services, as may be necessary to implement the Program.

(e) CIVIL PENALTIES.—The Secretary may assess civil money penalties for violations of this Act or any rule, regulation, or order issued by the Secretary under this Act relating to the submission of false or misleading information for purposes of the Program, or any failure to repay any amount required to be reimbursed under regulations or procedures described in section 5(b). The authority granted under this subsection shall continue during any period in which the Secretary's authority under section 6(d) is in effect.

SEC. 6. TERMINATION OF PROGRAM; DISCRETIONARY EXTENSION.

(a) TERMINATION OF PROGRAM.—

(1) IN GENERAL.—The Program shall terminate at midnight on December 31, 2002, unless the Secretary—

(A) determines, after considering the report and finding required by this section, that the Program should be extended for one additional year, until midnight on December 31, 2003; and

(B) promptly notifies the Congress of such determination and the reasons therefor.

(2) Determination final.—The determination of the Secretary under paragraph (1) shall be final, and shall not be subject to judicial review.

(3) Termination after extension.—If the Program is extended under paragraph (1), the Program shall terminate at midnight on December 31, 2003.

(b) Report to Congress.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit a report to Congress—

(1) regarding—

(A) the availability of insurance coverage for acts of terrorism;

(B) the affordability of such coverage, including the effect of such coverage on premiums; and

(C) the capacity of the insurance industry to absorb future losses resulting from acts of terrorism, taking into account the profitability of the insurance industry; and

(2) that considers—

(A) the impact of the Program on each of the factors described in paragraph (1); and

(B) the probable impact on such factors and on the United States economy if the Program terminates at midnight on December 31, 2002.

(c) Finding Required.—A determination under subsection (a) to extend the Program shall be based on a finding by the Secretary that—

(1) widespread market uncertainties continue to disrupt the ability of insurance companies to price insurance coverage for losses resulting from acts of terrorism, thereby resulting in the continuing unavailability of affordable insurance for consumers; and

(2) extending the Program for an additional year would likely encourage economic stabilization and facilitate a transition to a viable market for private terrorism risk insurance.

(d) Continuing Authority To Pay or Adjust Compensation.—Following the termination of the Program under subsection (a), the Secretary may take such actions as may be necessary to ensure payment, reimbursement, or adjustment of compensation for insured losses arising out of any act of terrorism occurring during the period in which the Program was in effect under this Act, in accordance with the provisions of section 4 and regulations promulgated thereunder.

(e) Repeal; Savings Clause.—This Act, other than section 10, is repealed at midnight on the final termination date of the Program under subsection (a), except that such repeal shall not be construed—

(1) to prevent the Secretary from taking, or causing to be taken, such actions under subsection (d) of this section and sections 4(e)(4), 4(e)(5), 5(a)(1), 5(c), 5(d), and 5(e) (as in effect on the day before the date of such repeal), and applicable regulations promulgated thereunder, during any period in which the authority of the Secretary under subsection (d) of this section is in effect; or

(2) to prevent the availability of funding under section 9(b) during any period in which the authority of the Secretary under subsection (d) of this section is in effect.

(f) Sense of the Congress.—It is the sense of the Congress that the Secretary should make any determination under subsection (a) in sufficient time to enable participating insurance companies to include coverage for acts of terrorism in their policies for 2003.

(g) Study and Report on Scope of the Program.—

(1) Study.—The Secretary, after consultation with the NAIC, representatives of the insurance industry, and other experts in the insurance field, shall conduct a study of the potential effects of acts of terrorism on the availability of life insurance and other lines of insurance coverage.

(2) Report.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit a report to the Congress on the results of the study conducted under paragraph (1).

(h) Reports Regarding Terrorism Risk Insurance Premiums.—

(1) Report to the NAIC.—Beginning 6 months after the date of enactment of this Act, and every 6 months thereafter, each participating insurance company shall submit a report to the NAIC that states the premium rates charged by that participating insurance company during the preceding 6-month period for insured losses covered by the Program, and includes an explanation of and justification for those rates.

(2) Reports forwarded.—The NAIC shall promptly forward copies of each report submitted under paragraph (1) to the Secretary, the Secretary of Commerce, the Chairman of the Federal Trade Commission, and the Comptroller General of the United States.

(3) Agency reports to congress.—

(A) In general.—The Secretary, the Secretary of Commerce, and the Chairman of the Federal Trade Commission shall submit joint reports to Congress and the Comptroller General of the United States summarizing and evaluating the reports forwarded under paragraph (2).

(B) Timing.—The reports required under subparagraph (A) shall be submitted—

(i) 9 months after the date of enactment of this Act; and

(ii) 12 months after the date of submission of the first report under clause (i).

(4) GAO evaluation and report.—

(A) Evaluation.—The Comptroller General of the United States shall evaluate each report submitted under paragraph (3), and upon request, the Secretary, the Secretary of Commerce, the Chairman of the Federal Trade Commission, and the NAIC shall provide to the Comptroller all documents, records, and any other information that the Comptroller deems necessary to carry out such evaluation.

(B) Report to congress.—Not later than 90 days after receipt of each report submitted under paragraph (3), the Comptroller General of the United States shall submit to Congress a report of the evaluation required by subparagraph (A).

(i) Study of Reserves for Certain Types of Insurance for Terrorist or Other Catastrophic Events.—

(1) In general.—The Secretary shall conduct a study of issues relating to permitting insurance companies that provide property and casualty insurance, life insurance, and other lines of insurance coverage to establish deductible reserves against losses for future acts of terrorism, including—

(A) whether such tax-favored reserves would promote—

(i) insurance coverage of risks of terrorism; and

(ii) the accumulation of additional resources needed to satisfy potential claims resulting from such risks;

(B) the lines of business for which such reserves would be appropriate, including whether such reserves for property and casualty insurance should be applied to personal or commercial lines of business;

(C) how the amount of such reserves would be determined;

(D) how such reserves would be administered;

(E) a comparison of the Federal tax treatment of such reserves with other insurance reserves permitted under Federal tax laws;

(F) an analysis of the use of tax-favored reserves for catastrophic events, including acts of terrorism, under the tax laws of foreign countries; and

(G) whether it would be appropriate to permit similar reserves for other future catastrophic events, such as natural disasters, taking into account the factors under the preceding paragraphs.

(2) Report.—Not later than 6 months after the date of enactment of this Act, the Secretary shall submit a report to Congress on the results of the study under paragraph (1), together with recommendations for amending the Internal Revenue Code of 1986, or other appropriate action.

SEC. 7. PRESERVATION OF STATE LAW.

Nothing in this Act shall affect the jurisdiction or regulatory authority of the insurance commissioner (or any agency or office performing like functions) of any State over any participating insurance company or other person—

(1) except as specifically provided in this Act; and

(2) except that—

(A) the definition of the term "act of terrorism" in section 3 shall be the exclusive definition of that term for purposes of compensation for insured losses under this Act, and shall preempt any provision of State law that is inconsistent with that definition, to the extent that such provision of law would otherwise apply to any type of insurance covered by this Act;

(B) during the period beginning on the date of enactment of this Act and ending at midnight on December 31, 2002, rates for terrorism risk insurance covered by this Act and filed with any State shall not be subject to prior approval or a waiting period, under any law of a State that would otherwise be applicable, except that nothing in this Act affects the ability of any State to invalidate a rate as excessive, inadequate, or unfairly discriminatory; and

(C) during the period beginning on the date of enactment of this Act and for so long as the Program is in effect, as provided in section 6 (including any period during which the authority of the Secretary under section 6(d) is in effect), books and records of any participating insurance company that are relevant to the Program shall be provided, or caused to be provided, to the Secretary or the designee of the Secretary, upon request by the Secretary or such designee, notwithstanding any provision of the laws of any State prohibiting or limiting such access.

SEC. 8. SENSE OF THE CONGRESS REGARDING CAPACITY BUILDING.

It is the sense of the Congress that the insurance industry should build capacity and aggregate risk to provide affordable property and casualty insurance coverage for terrorism risk.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS; PAYMENT AUTHORITY.

(a) Administrative Expenses.—There are authorized to be appropriated to the Secretary, out of funds in the Treasury not otherwise appropriated, such sums as may be necessary for administrative expenses of the Program, to remain available until expended.

(b) Payment Authority.—This Act constitutes payment authority in advance of appropriation Acts, and represents the obligation of the Federal Government to provide for the Federal share of compensation for insured losses under the Program.

SEC. 10. PROCEDURES FOR CIVIL ACTIONS.

(a) FEDERAL CAUSE OF ACTION.—

(1) IN GENERAL.—There shall exist a Federal cause of action for property damage, personal injury, or death arising out of or resulting from an act of terrorism, which shall be the exclusive cause of action and remedy for claims for such property damage, personal injury, or death, except as provided in subsection (d).

(2) PREEMPTION OF STATE ACTIONS.—All State causes of action of any kind for property damage, personal injury, or death arising out of or resulting from an act of terrorism that are otherwise available under State law, are hereby preempted, except as provided in subsection (d).

(b) GOVERNING LAW.—The substantive law for decision in an action described in subsection (a)(1) shall be derived from the law, including applicable choice of law principles, of the State in which the act of terrorism giving rise to the action occurred, except to the extent that—

(1) the law, including choice of law principles, of another State is determined to be applicable to the action by the district court hearing the action; or

(2) otherwise applicable State law (including that determined pursuant to paragraph (1), is inconsistent with or otherwise preempted by Federal law.

(c) PUNITIVE DAMAGES.—Any amounts awarded in a civil action described in subsection (a)(1) that are attributable to punitive damages shall not count as insured losses for purposes of this Act.

(d) CLAIMS AGAINST TERRORISTS.—Nothing in this section shall in any way be construed to limit the ability of any plaintiff to seek any form of recovery from any person, government, or other entity that was a participant in, or aider and abettor of, any act of terrorism.

(e) EFFECTIVE PERIOD.—This section shall apply only to actions described in subsection (a)(1) arising out of or resulting from acts of terrorism that occur during the effective period of the Program, including, if applicable, any extension period provided for under section 6.

SA 2795. Mr. BOND submitted an amendment intended to be proposed by him to the bill H.R. 622 to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ___. TREATMENT OF CERTAIN INDIVIDUALS PERFORMING SERVICES IN CERTAIN HAZARDOUS DUTY AREAS.

(a) GENERAL RULE.—For purposes of the following provisions of the Internal Revenue Code of 1986, a qualified hazardous duty area shall be treated in the same manner as if it were a combat zone (as determined under section 112 of such Code):

(1) Section 2(a)(3) (relating to special rule where deceased spouse was in missing status).

(2) Section 112 (relating to the exclusion of certain combat pay of members of the Armed Forces).

(3) Section 692 (relating to income taxes of members of Armed Forces and victims of certain terrorist attacks on death).

(4) Section 2201 (relating to combat zone-related deaths of members of the Armed Forces and deaths of victims of certain terrorist attacks).

(5) Section 3401(a)(1) (defining wages relating to combat pay for members of the Armed Forces).

(6) Section 4253(d) (relating to the taxation of phone service originating from a combat zone from members of the Armed Forces).

(7) Section 6013(f)(1) (relating to joint return where individual is in missing status).

(8) Section 7508 (relating to time for performing certain acts postponed by reason of service in combat zone).

(b) QUALIFIED HAZARDOUS DUTY AREA.—For purposes of this section, the term "qualified hazardous duty area" means Somalia, if for the period beginning on December 3, 1992, and ending before March 31, 1995, any member of the Armed Forces of the United States was entitled to special pay under section 310 of title 37, United States Code (relating to special pay; duty subject to hostile fire or imminent danger) for services performed in such country. Such term includes such country only during the period such entitlement was in effect.

(c) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The provisions of this section shall take effect on the date of the enactment of this Act.

(2) SPECIAL RULE.—If refund or credit of any overpayment of tax resulting from the application of this section is prevented at any time on or before April 15, 2003, by the operation of any law or rule of law (including res judicata), refund or credit of such overpayment (to the extent attributable to the application of this section) may, nevertheless, be made or allowed if claim therefor is filed on or before April 15, 2003.

SA 2796. Mr. BUNNING submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title V add the following:

SEC. ___. EXCLUSION FOR FOSTER CARE PAYMENTS TO APPLY TO PAYMENTS BY QUALIFIED PLACEMENT AGENCIES.

(a) IN GENERAL.—The matter preceding subparagraph (B) of section 131(b)(1) (defining qualified foster care payment) is amended to read as follows:

"(1) IN GENERAL.—The term 'qualified foster care payment' means any payment made pursuant to a foster care program of a State or political subdivision thereof—

"(A) which is paid by—

"(i) a State or political subdivision thereof, or

"(ii) a qualified foster care placement agency, and".

(b) QUALIFIED FOSTER INDIVIDUALS TO INCLUDE INDIVIDUALS PLACED BY QUALIFIED PLACEMENT AGENCIES.—Subparagraph (B) of section 131(b)(2) (defining qualified foster individual) is amended to read as follows:

"(B) a qualified foster care placement agency."

(c) QUALIFIED FOSTER CARE PLACEMENT AGENCY DEFINED.—Subsection (b) of section 131 is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) QUALIFIED FOSTER CARE PLACEMENT AGENCY.—The term 'qualified foster care placement agency' means any placement agency which is licensed or certified by—

"(A) a State or political subdivision thereof, or

"(B) an entity designated by a State or political subdivision thereof, for the foster care program of such State or political subdivision to make foster care payments to providers of foster care."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2797. Mr. BOND submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. ___. TREATMENT OF CERTAIN INDIVIDUALS PERFORMING SERVICES IN CERTAIN HAZARDOUS DUTY AREAS.

(a) GENERAL RULE.—For purposes of the following provisions of the Internal Revenue Code of 1986, a qualified hazardous duty area shall be treated in the same manner as if it were a combat zone (as determined under section 112 of such Code):

(1) Section 2(a)(3) (relating to special rule where deceased spouse was in missing status).

(2) Section 112 (relating to the exclusion of certain combat pay of members of the Armed Forces).

(3) Section 692 (relating to income taxes of members of Armed Forces and victims of certain terrorist attacks on death).

(4) Section 2201 (relating to combat zone-related deaths of members of the Armed Forces and deaths of victims of certain terrorist attacks).

(5) Section 3401(a)(1) (defining wages relating to combat pay for members of the Armed Forces).

(6) Section 4253(d) (relating to the taxation of phone service originating from a combat zone from members of the Armed Forces).

(7) Section 6013(f)(1) (relating to joint return where individual is in missing status).

(8) Section 7508 (relating to time for performing certain acts postponed by reason of service in combat zone).

(b) QUALIFIED HAZARDOUS DUTY AREA.—For purposes of this section, the term "qualified hazardous duty area" means Somalia, if for the period beginning on December 3, 1992, and ending before March 31, 1995, any member of the Armed Forces of the United States was entitled to special pay under section 310 of title 37, United States Code (relating to special pay; duty subject to hostile fire or imminent danger) for services performed in such country. Such term includes such country only during the period such entitlement was in effect.

(c) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The provisions of this section shall take effect on the date of the enactment of this Act.

(2) SPECIAL RULE.—If refund or credit of any overpayment of tax resulting from the application of this section is prevented at any time on or before April 15, 2003, by the operation of any law or rule of law (including res judicata), refund or credit of such overpayment (to the extent attributable to the application of this section) may, nevertheless, be made or allowed if claim therefor is filed on or before April 15, 2003.

SA 2798. Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end of the bill insert the following:

TITLE ___—TRAVEL AND TOURISM PROMOTION

SEC. 01. SHORT TITLE.

This title may be cited as the "Rediscover America Act of 2002".

SEC. 02. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the revitalization of the travel and tourism industry following the September 11, 2001, terrorist attacks on the United States is a national economic necessity;

(2) in light of the effect that the attacks have had on the tourism industry, it is important to put measures immediately into place to restore consumer confidence in travel and in the economy;

(3) safety and security in travel is of utmost importance in order to restore consumer confidence in the industry;

(4) the travel and tourism industry has a large impact on the U.S. economy—adding nearly 5 percent to the GDP, generating more than $578,000,000 in revenues, supporting more than 17,000,000 million jobs, and providing a $14,000,000 trade surplus for the country; and

(5) more than 95 percent of the businesses in travel and tourism are small to medium sized enterprises.

(b) PURPOSE.—The purpose of this title is to assist the travel and tourism industry in its effort to restore consumer confidence in the wake of the September 11, 2001, terrorist attacks on the United States.

SEC. 03. UNITED STATES TRAVEL AND TOURISM PROMOTION BUREAU.

(a) ESTABLISHMENT.—The Secretary of Commerce shall designate an employee of the Department of Commerce to be responsible for establishing a Travel and Tourism Promotion Board.

(b) PURPOSE.—The Bureau shall—

(1) work to help restore consumer confidence in travel in the two years following the September 11, 2001, terrorist attacks on the United States; and

(2) work in conjunction with private industry and industry employee representatives to design and implement public service announcements and advertising to promote tourism, encouraging Americans and foreign visitors to rediscover the nation's treasures.

(c) POWERS.—To carry out the purposes of this title, the Bureau may—

(1) distribute funds to any travel and tourism related organization or association;

(2) enter into contracts with private organizations or business;

(3) utilize up to three existing employees of the Department of Commerce, as may be assigned by the Secretary; and

(4) conduct any and all acts necessary and proper to carry out the purposes of this title.

SEC. 04. UNITED STATES TRAVEL AND TOURISM PROMOTION BUREAU ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—There is established a United States Travel and Tourism Promotion Bureau Advisory Committee for the purpose of recommending activities to the Bureau.

(b) MEMBERS.—Within 30 days after enactment of this Act, the Secretary of Commerce shall appoint the members of the Advisory Committee as follows:

(1) 1 member representing the aviation industry;

(2) 1 member representing airline workers;

(3) 1 member representing the hotel industry;

(4) 1 member representing hotel workers;

(5) 1 member representing the restaurant industry;

(6) 1 member representing restaurant workers;

(7) 1 member representing amusement parks; and

(8) 1 member of the Rural Tourism Foundation;

(c) CHAIR.—The Advisory Committee shall elect a Chair for an initial term of 6 months. After such initial term, the Chair shall be elected for such term as the Committee may designate.

(d) VACANCIES.—If a vacancy occurs in the membership of the Committee, the Secretary of Commerce shall fill the vacancy, provided that the membership of the Committee remains consistent with subsection (b).

SEC. 05. QUARTERLY REPORTING PROVISION.

Not less than once every 90 days, the Bureau shall report to the U.S. Senate Committee on Commerce, Science and Transportation and the U.S. House of Representatives Committee on Energy and Commerce on—

(1) the Bureau's activities to promote travel and tourism; and

(2) the state of the travel and tourism industry.

SEC. 06. SUNSET.

The provisions of this title shall terminate two years after the date of enactment of this Act.

SEC. 07. AUTHORIZATION OF APPROPRIATIONS.

(a) APPROPRIATION.—Of the funds provided in Public Law 107–38, not less than $60,000,000 shall be used for the purpose of carrying out this title.

(b) AVAILABILITY OF FUNDS.—The funds made available pursuant to subsection (a) shall be available to be expended in fiscal years 2002, 2003, and 2004.

SA 2799. Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. . METHOD OF ACCOUNTING FOR DEPOSITS RECEIVED BY ACCRUAL BASIS TOUR OPERATORS.

In the case of a tour operator using an accrual method of accounting, amounts received from or on behalf of passengers in advance of the departure of a tour arranged by such operator—

(1) shall be treated as properly accounted for under the Internal Revenue Code of 1986 if they are accounted for under a method permitted by section 3 of Revenue Procedure 71–21, and

(2) for purposes of Revenue Procedure 71–21, shall be deemed earned as of the date the tour departs.

SA 2800. Mr. FRIST submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end add the following:

SEC. ___. ACCESS TO UNUSED ACCOUNT BALANCES IN FLEXIBLE SPENDING ARRANGEMENTS BY INVOLUNTARILY SEPARATED EMPLOYEES.

(a) IN GENERAL.—Section 125 of the Internal Revenue Code of 1986 (relating to cafeteria plans) is amended by redesignating subsections (h) and (i) as subsections (i) and (j), respectively, and by inserting after subsection (g) the following:

"(h) ACCESS TO UNUSED ACCOUNT BALANCE IN FSA BY CERTAIN INVOLUNTARILY SEPARATED EMPLOYEES.—

"(1) IN GENERAL.—For purposes of this title, a plan or other arrangement shall not fail to be treated as a flexible spending or similar arrangement solely because under such arrangement an individual (or any designated heir of such individual) during a qualified period has the option of—

"(A) receiving as a cash payment any unused account balance in such arrangement with respect to such individual remaining on the date of an involuntary separation of employment, the receipt of which is includible in gross income, or

"(B) applying such unused account balance to the payment of any premium for health insurance coverage of such individual (including any premium required for coverage described in section 4980B(f)) in the same manner as the payment of any allowable expense under such arrangement prior to such qualified period, the receipt of which is not includible in gross income.

"(2) DEFINITIONS.—For purposes of this subsection—

"(A) INVOLUNTARY SEPARATION FROM EMPLOYMENT.—The term 'involuntary separation from employment' includes separation caused by disability or death.

"(B) QUALIFIED PERIOD.—The term 'qualified period' means a period beginning on the date of an involuntary separation from employment and ending on the earlier of—

"(i) the date which is 60 days after such date of involuntary separation, or

"(ii) the last day of the calendar year in which such date of involuntary separation occurs.

"(C) UNUSED ACCOUNT BALANCE.—The term 'unused account balance' means the excess (if any) of—

"(i) an amount equal to—

"(I) 1/12 of the agreed upon foregone remuneration of the individual for the calendar year under a flexible spending or similar arrangement, times

"(II) the number of months in such calendar year ending with the month in which the date of the involuntary separation from employment of such individual occurs, over

"(ii) the amount of allowable expenses of such individual for such calendar year paid or accrued under such arrangement prior to such date.".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to involuntary separations after December 31, 2001.

SA 2801. Mr. SCHUMER (for himself, and Mrs. CLINTON) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE VI—TAX INCENTIVES FOR NEW YORK CITY

SEC. 601. TAX BENEFITS FOR AREA OF NEW YORK CITY DAMAGED IN TERRORIST ATTACKS ON SEPTEMBER 11, 2001.

(a) IN GENERAL.—Chapter 1 is amended by adding at the end the following new subchapter:

“Subchapter Y—New York Liberty Zone Benefits

“Sec. 1400L. Tax benefits for New York Liberty Zone.

“SEC. 1400L. TAX BENEFITS FOR NEW YORK LIBERTY ZONE.

“(a) EXPANSION OF WORK OPPORTUNITY TAX CREDIT.—

“(1) IN GENERAL.—For purposes of section 51, a New York Liberty Zone business employee shall be treated as a member of a targeted group.

“(2) NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘New York Liberty Zone business employee’ means, with respect to any taxable year which includes any portion of the period beginning after September 10, 2001, and ending before January 1, 2004, any employee of a New York Liberty Zone business if—

“(i) substantially all the services performed during such portion of such taxable year by such employee for such business are performed in an area described in subparagraph (B) in a trade or business of such business,

“(ii) the annual rate of remuneration received by such employee for such services during such portion of such taxable year does not exceed $200,000, and

“(iii) with respect to any employee of such business described in subparagraph (B)(i)(II), such employee is designated by such business as a New York Liberty Zone business employee for purposes of this subsection, except that the total employees so designated for any taxable year shall not exceed the lesser of 250 employees or the excess of—

“(I) the number of employees of such business on September 11, 2001, in the New York Liberty Zone, over

“(II) the number of employees of such business treated as New York Liberty Zone business employees for such taxable year with respect to any business located in the New York Liberty Zone.

The Secretary may require any business to have the number determined under clause (iii)(I) verified by the New York State Department of Labor.

“(B) NEW YORK LIBERTY ZONE BUSINESS.—The term ‘New York Liberty Zone business’ means any business which is—

“(i) located in the New York Liberty Zone, or

“(ii) located in the City of New York, New York, outside the New York Liberty Zone, as the result of the physical destruction or damage of such place of business by the September 11, 2001, terrorist attack.

“(C) SPECIAL RULES FOR DETERMINING AMOUNT OF CREDIT.—For purposes of applying subpart E of part IV of subchapter B of this chapter to wages paid or incurred to any New York Liberty Zone business employee—

“(i) section 51(a) shall be applied by substituting ‘qualified wages’ for ‘qualified first-year wages’,

“(ii) the rules of section 52 shall apply for purposes of determining the number of employees under subparagraph (A)(iii),

“(iii) subsections (c)(4) and (i)(2) of section 51 shall not apply, and

“(iv) in determining qualified wages, the following shall apply in lieu of section 51(b):

“(I) QUALIFIED WAGES.—The term ‘qualified wages’ means the wages paid or incurred by the employer for work performed during the period beginning on September 11, 2001, and ending on December 31, 2004, to individuals who are New York Liberty Zone business employees of such employer.

“(II) ONLY FIRST $6,000 OF WAGES PER TAXABLE YEAR TAKEN INTO ACCOUNT.—The amount of the qualified wages which may be taken into account with respect to any individual shall not exceed $6,000 per taxable year of the employer.

“(b) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER SEPTEMBER 10, 2001.—

“(1) ADDITIONAL ALLOWANCE.—In the case of any qualified New York Liberty Zone property—

“(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of such property, and

“(B) the adjusted basis of the qualified New York Liberty Zone property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

“(2) QUALIFIED NEW YORK LIBERTY ZONE PROPERTY.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘qualified New York Liberty Zone property’ means property—

“(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property,

“(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection, or

“(III) which is nonresidential real property or residential rental property which is described in subparagraph (B),

“(ii) substantially all of the use of which is in the New York Liberty Zone and is in the active conduct of a trade or business by the taxpayer in such Zone,

“(iii) the original use of which in the New York Liberty Zone commences with the taxpayer after September 10, 2001,

“(iv) which is acquired by the taxpayer by purchase (as defined in section 179(d)) after September 10, 2001, but only if no written binding contract for the acquisition was in effect before September 11, 2001, and6

“(v) which is placed in service by the taxpayer on or before the termination date.

The term ‘termination date’ means December 31, 2006 (December 31, 2009, in the case of nonresidential real property and residential rental property).

“(B) ELIGIBLE REAL PROPERTY.—Nonresidential real property or residential rental property is described in this subparagraph if it rehabilitates property damaged, or replaces property destroyed or condemned, as a result of the September 11, 2001, terrorist attack. For purposes of the preceding sentence, property shall be treated as replacing property so destroyed if, as part of an integrated plan, such property replaces property which is included in a continuous area which includes property so destroyed.

“(C) EXCEPTIONS.—

“(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term ‘qualified New York Liberty Zone property’ shall not include any property to which the alternative depreciation system under section 168(g) applies, determined—

“(I) without regard to paragraph (7) of section 168(g) (relating to election to have system apply), and

“(II) after application of section 280F(b) (relating to listed property with limited business use).

“(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

“(D) SPECIAL RULES.—

“(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iv) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after September 10, 2001, and before the termination date.

“(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(iii), if property—

“(I) is originally placed in service after September 10, 2001, by a person, and

“(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

“(E) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—The deduction allowed by this subsection shall be allowed in determining alternative minimum taxable income under section 55.

“(c) TAX-EXEMPT BOND FINANCING.—

“(1) IN GENERAL.—For purposes of this title, any qualified New York Liberty Bond shall be treated as an exempt facility bond.

“(2) QUALIFIED NEW YORK LIBERTY BOND.—For purposes of this subsection, the term ‘qualified New York Liberty Bond’ means any bond issued as part of an issue if—

“(A) 95 percent or more of the net proceeds (as defined in section 150(a)(3)) of such issue are to be used for qualified project costs,

“(B) such bond is issued by the State of New York or any political subdivision thereof (or any agency, instrumentality or constituted authority on behalf thereof),

“(C) the Governor of the State of New York or the Mayor of the City of New York, designates such bond for purposes of this section, and

“(D) such bond is issued during calendar year 2002, 2003, or 2004.

“(3) LIMITATIONS ON AMOUNT OF BONDS.—

“(A) AGGREGATE AMOUNT DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under this subsection shall not exceed $8,000,000,000, of which not to exceed $4,000,000,000 may be designated by the Governor of the State of New York and not to exceed $4,000,000,000 may be designated by the Mayor of the City of New York.

“(B) SPECIFIC LIMITATIONS.—The aggregate face amount of bonds issued which are to be used for—

“(i) costs for property located outside the New York Liberty Zone shall not exceed $2,000,000,000,

“(ii) costs with respect to residential property—

“(I) shall not exceed $1,600,000,000, and

“(II) shall not include, on a project by project basis, per-unit qualified project costs that exceed the maximum per-unit allowable costs within the discretionary authority of the Secretary of Housing and Urban Development under section 221(a)(3)(ii) of the National Housing Act (12 U.S.C. 17151(d)(3)(ii)), and

“(iii) costs with respect to property used for retail sales of tangible property and functionally related and subordinate property shall not exceed $800,000,000.

The limitations under clauses (i), (ii), and (iii) shall be applied proportionately to the bonds designated under this subsection by the Governor of the State of New York and the Mayor of the City of New York.

"(C) MOVABLE PROPERTY.—No bonds shall be issued which are to be used for movable fixtures and equipment.

"(4) QUALIFIED PROJECT COSTS.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified project costs' means the cost of acquisition, construction, reconstruction, rehabilitation, and renovation of—

"(i) nonresidential real property and residential property (including fixed tenant improvements associated with such property) located in the New York Liberty Zone, and

"(ii) public utility property (as defined in section 168(i)(10)) located in the New York Liberty Zone.

"(B) COSTS FOR CERTAIN PROPERTY OUTSIDE ZONE INCLUDED.—Such term includes the cost of acquisition, construction, reconstruction, and renovation of nonresidential real property (including fixed tenant improvements associated with such property) located outside the New York Liberty Zone but within the City of New York, New York, if—

"(i) such property is part of a project which consists of at least 100,000 square feet of usable office or other commercial space located in a single building or multiple adjacent buildings, or

"(ii) such property consists of electric generation facilities of not more than 150 mw to provide additional energy capacity in the New York Liberty Zone.

"(5) SPECIAL RULES.—In applying this title to any qualified New York Liberty Bond, the following modifications shall apply:

"(A) Section 146 (relating to volume caps) shall not apply.

"(B) Section 147(d) (relating to acquisition of existing property not permitted) shall be applied by substituting '50 percent' for '15 percent' each place it appears.

"(C) Section 148(f)(4)(C) (relating to exception from rebate for certain proceeds to be used to finance construction expenditures) shall apply to the available construction proceeds of bonds issued under this section.

"(D) Repayments of principal on financing provided by the issue—

"(i) may not be used to provide financing, and

"(ii) must be used not later than the close of the 1st semiannual period beginning after the date of the repayment to redeem bonds which are part of such issue.

The requirement of clause (ii) shall be treated as met with respect to amounts received within 10 years after the date of issuance of the issue (or, in the case of refunding bond, the date of issuance of the original bond) if such amounts are used by the close of such 10 years to redeem bonds which are part of such issue.

"(E) Section 57(a)(5) shall not apply.

"(6) SEPARATE ISSUE TREATMENT OF PORTIONS OF AN ISSUE.—This subsection shall not apply to the portion of an issue which (if issued as a separate issue) would be treated as a qualified bond or as a bond that is not a private activity bond (determined without regard to paragraph (1)), if the issuer elects to so treat such portion.

"(d) ADVANCE REFUNDINGS OF CERTAIN TAX-EXEMPT BONDS.—

"(1) IN GENERAL.—With respect to a bond described in paragraph (2) issued as part of an issue 90 percent (95 percent in the case of a bond described in paragraph (2)(C)) or more of the net proceeds (as defined in section 150(a)(3)) of which were used to finance facilities located within the City of New York, New York (or functionally related and subordinate to such facilities for the furnishing of water), one additional advanced refunding after December 31, 2001, and before January 1, 2005, shall be allowed under the applicable rules of section 149(d) if the requirements of paragraphs (3) and (4) are met.

"(2) BONDS DESCRIBED.—A bond is described in this paragraph if such bond was outstanding on September 11, 2001, and is—

"(A) a State or local bond (as defined in section 103(c)(1)) which is a general obligation of the City of New York, New York,

"(B) a State or local bond (as so defined) other than a private activity bond (as defined in section 141(a)) issued by the New York City Municipal Water Finance Authority or the Metropolitan Transportation Authority (MTA) of the State of New York, or

"(C) a qualified 501(c)(3) bond (as defined in section 145(a)) which is a qualified hospital bond (as defined in section 145(c)) issued by or on behalf of either the State of New York or the City of New York, New York, or political subdivisions, agencies, or instrumentalities thereof.

"(3) APPROVAL; AGGREGATE LIMIT.—Paragraph (1) shall not apply to the advance refunding of any bond—

"(A) unless Governor of the State of New York or the Mayor of the City of New York designates the bond for purposes of this subsection, and

"(B) to the extent the aggregate face amount of the advance refunding bond, when added to the aggregate face amount of advance refunding bonds previously issued under this subsection, exceeds $9,000,000,000.

The limitation under subparagraph (B) shall be applied equally between the bonds designated under subparagraph (A) by the Governor of the State of New York and by the Mayor of the City of New York.

"(4) ADDITIONAL REQUIREMENTS.—The requirements of this paragraph are met if—

"(A) all advance refundings of a bond described in paragraph (2) allowed under any provision of law other than the advance refunding allowed under paragraph (1) were utilized before September 12, 2001,

"(B) the advance refunding bond allowed under paragraph (1) is the only other outstanding bond with respect to the refunded bond described in paragraph (2), and

"(C) the requirements of section 148 are met with respect to all bonds issued under this subsection.

"(e) INCREASE IN EXPENSING UNDER SECTION 179.—

"(1) IN GENERAL.—For purposes of section 179—

"(A) the limitation under section 179(b)(1) shall be increased by the lesser of—

"(i) $35,000, or

"(ii) the cost of section 179 property which is qualified New York Liberty Zone property placed in service during the taxable year, and

"(B) the amount taken into account under section 179(b)(2) with respect to any section 179 property which is qualified New York Liberty Zone property shall be 50 percent of the cost thereof.

"(2) QUALIFIED NEW YORK LIBERTY ZONE PROPERTY.—For purposes of this subsection, the term 'qualified New York Liberty Zone property' has the meaning given such term by subsection (b)(2).

"(3) RECAPTURE.—Rules similar to the rules under section 179(d)(10) shall apply with respect to any qualified New York Liberty Zone property which ceases to be used in the New York Liberty Zone.

"(f) EXTENSION OF REPLACEMENT PERIOD FOR NONRECOGNITION OF GAIN.—Notwithstanding subsections (g) and (h) of section 1033, clause (i) of section 1033(a)(2)(B) shall be applied by substituting '5 years' for '2 years' with respect to property which is compulsorily or involuntarily converted as a result of the terrorist attacks on September 11, 2001, in the New York Liberty Zone but only if substantially all of the use of the replacement property is in the City of New York, New York.

"(g) NEW YORK LIBERTY ZONE.—For purposes of this section, the term 'New York Liberty Zone' means the area located on or south of Canal Street, East Broadway (east of its intersection with Canal Street), or Grand Street (east of its intersection with East Broadway) in the Borough of Manhattan in the City of New York, New York.".

(b) CREDIT ALLOWED AGAINST REGULAR AND MINIMUM TAX.—

(1) IN GENERAL.—Subsection (c) of section 38 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) SPECIAL RULES FOR NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE CREDIT.—

"(A) IN GENERAL.—In the case of the New York Liberty Zone business employee credit—

"(i) this section and section 39 shall be applied separately with respect to such credit, and

"(ii) in applying paragraph (1) to such credit—

"(I) the tentative minimum tax shall be treated as being zero, and

"(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the New York Liberty Zone business employee credit).

"(B) NEW YORK LIBERTY ZONE BUSINESS EMPLOYEE CREDIT.—For purposes of this subsection, the term 'New York Liberty Zone business employee credit' means the portion of work opportunity credit under section 51 determined under section 1400L(a).".

(2) CONFORMING AMENDMENT.—Subclause (II) of section 38(c)(2)(A)(ii) is amended by inserting "or the New York Liberty Zone business employee credit" after "employment credit".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years ending after September 11, 2001.

(c) CLERICAL AMENDMENT.—The table of subchapters for chapter 1 is amended by adding at the end the following new item:

"Subchapter Y—New York Liberty Zone Benefits.".

SA 2802. Mr. CRAIG submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . EXPANSION OF AVAILABILITY OF ARCHER MEDICAL SAVINGS ACCOUNTS.

(a) REPEAL OF LIMITATIONS ON NUMBER OF MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Subsections (i) and (j) of section 220 of the Internal Revenue Code of 1986 are hereby repealed.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 220(c) of such Code is amended by striking subparagraph (D).

(B) Section 138 of such Code is amended by striking subsection (f).

(b) AVAILABILITY NOT LIMITED TO ACCOUNTS FOR EMPLOYEES OF SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.—

(1) IN GENERAL.—Subparagraph (A) of section 220(c)(1) of such Code (relating to eligible individual) is amended to read as follows:

"(A) IN GENERAL.—The term 'eligible individual' means, with respect to any month, any individual if—

"(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and

"(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—

"(I) which is not a high deductible health plan, and

"(II) which provides coverage for any benefit which is covered under the high deductible health plan.".

(2) CONFORMING AMENDMENTS.—

(A) Section 220(c)(1) of such Code is amended by striking subparagraph (C).

(B) Section 220(c) of such Code is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).

(C) Section 220(b) of such Code is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(c) INCREASE IN AMOUNT OF DEDUCTION ALLOWED FOR CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Paragraph (2) of section 220(b) of such Code is amended to read as follows:

"(2) MONTHLY LIMITATION.—The monthly limitation for any month is the amount equal to 1/12 of the annual deductible (as of the first day of such month) of the individual's coverage under the high deductible health plan.".

(2) CONFORMING AMENDMENT.—Clause (ii) of section 220(d)(1)(A) of such Code is amended by striking "75 percent of".

(d) BOTH EMPLOYERS AND EMPLOYEES MAY CONTRIBUTE TO MEDICAL SAVINGS ACCOUNTS.—Paragraph (4) of section 220(b) of such Code (as redesignated by subsection (b)(2)(C)) is amended to read as follows:

"(4) COORDINATION WITH EXCLUSION FOR EMPLOYER CONTRIBUTIONS.—The limitation which would (but for this paragraph) apply under this subsection to the taxpayer for any taxable year shall be reduced (but not below zero) by the amount which would (but for section 106(b)) be includible in the taxpayer's gross income for such taxable year.".

(e) REDUCTION OF PERMITTED DEDUCTIBLES UNDER HIGH DEDUCTIBLE HEALTH PLANS.—

(1) IN GENERAL.—Subparagraph (A) of section 220(c)(2) of such Code (defining high deductible health plan) is amended—

(A) by striking "$1,500" in clause (i) and inserting "$1,000"; and

(B) by striking "$3,000" in clause (ii) and inserting "$2,000".

(2) CONFORMING AMENDMENT.—Subsection (g) of section 220 of such Code is amended to read as follows:

"(g) COST-OF-LIVING ADJUSTMENT.—

"(1) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 1998, each dollar amount in subsection (c)(2) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which such taxable year begins by substituting 'calendar year 1997' for 'calendar year 1992' in subparagraph (B) thereof.

"(2) SPECIAL RULES.—In the case of the $1,000 amount in subsection (c)(2)(A)(i) and the $2,000 amount in subsection (c)(2)(A)(ii), paragraph (1)(B) shall be applied by substituting 'calendar year 2000' for 'calendar year 1997'.

"(3) ROUNDING.—If any increase under paragraph (1) or (2) is not a multiple of $50, such increase shall be rounded to the nearest multiple of $50.".

(f) PROVIDING INCENTIVES FOR PREFERRED PROVIDER ORGANIZATIONS TO OFFER MEDICAL SAVINGS ACCOUNTS.—Clause (ii) of section 220(c)(2)(B) of such Code is amended by striking "preventive care if" and all that follows and inserting "preventive care."

(g) MEDICAL SAVINGS ACCOUNTS MAY BE OFFERED UNDER CAFETERIA PLANS.—Subsection (f) of section 125 of such Code is amended by striking "106(b),".

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(i) EMERGENCY DESIGNATION.—Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this section below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

SA 2803. Mr. THURMOND submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. . TEMPORARY INCREASE IN DEDUCTION FOR CAPITAL LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 1211 of the Internal Revenue Code of 1986 (relating to limitation on capital losses for taxpayers other than corporations) is amended by adding at the end the following flush sentence:

"Paragraph (1) shall be applied by substituting '$4,000' for '$3,000' and '$2,000' for '$1,500' in the case of taxable years beginning in 2001, and by substituting '$5,000' for '$3,000' and '$2,500' for '$1,500' in the case of taxable years beginning in 2002.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

SA 2804. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

Strike all after "**SECTION**" and insert the following:

1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the "American Family Economic Security and Stimulus Act".

(b) REFERENCES TO INTERNAL REVENUE CODE OF 1986.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; etc.

TITLE I—ADVANCE PAYMENT OF EARNED INCOME CREDIT

Sec. 101. Additional requirements to ensure greater use of advance payment of earned income credit.
Sec. 102. Extension of advance payment of earned income credit to all eligible taxpayers.

TITLE II—INDIVIDUAL PROVISIONS

Sec. 201. Acceleration of 25 percent individual income tax rate.
Sec. 202. Temporary expansion of penalty-free retirement plan distributions for health insurance premiums of unemployed individuals.
Sec. 203. Increase in child tax credit.
Sec. 204. Temporary increase in deduction for capital losses of taxpayers other than corporations.
Sec. 205. Nonrefundable credit for elementary and secondary school expenses.

TITLE VII—UNEMPLOYMENT ASSISTANCE

Sec. 301. Short title.
Sec. 302. Federal-State agreements.
Sec. 303. Temporary extended unemployment compensation account.
Sec. 304. Payments to States having agreements for the payment of temporary extended unemployment compensation.
Sec. 305. Financing provisions.
Sec. 306. Fraud and overpayments.
Sec. 307. Definitions.
Sec. 308. Applicability.
Sec. 309. Special Reed Act transfer in fiscal year 2002.

TITLE IV—NATIONAL EMERGENCY GRANTS

Sec. 401. National emergency grant assistance for workers.

TITLE V—TEMPORARY BUSINESS RELIEF PROVISIONS

Sec. 501. Special depreciation allowance for certain property acquired after December 31, 2001, and before January 1, 2004.

TITLE VI—ADDITIONAL PROVISIONS

Sec. 601. Emergency designation.

TITLE I—ADVANCE PAYMENT OF EARNED INCOME CREDIT

SEC. 101. ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue

Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt.

Such regulations shall require an employer to provide such an application within 30 days of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. 102. EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting "has 1 or more qualifying children and" before "is not married,".

(2) Section 3507(c)(2)(C) of such Code is amended by striking "the employee" and inserting "an employee with 1 or more qualifying children".

(3) Section 3507(f) of such Code is amended by striking "who have 1 or more qualifying children and".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

TITLE II—INDIVIDUAL PROVISIONS

SEC. 201. ACCELERATION OF 25 PERCENT INDIVIDUAL INCOME TAX RATE.

(a) IN GENERAL.—The table contained in paragraph (2) of section 1(i) (relating to reductions in rates after June 30, 2001) is amended—

(1) by striking "27.0%" and inserting "25.0%", and

(2) by striking "26.0%" and inserting "25.0%".

(b) REDUCTION NOT TO INCREASE MINIMUM TAX.—

(1) Subparagraph (A) of section 55(d)(1) is amended by striking "($49,000 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($49,000 in the case of taxable years beginning in 2001, $52,200 in the case of taxable years beginning in 2002 or 2003, and $50,700 in the case of taxable years beginning in 2004)".

(2) Subparagraph (B) of section 55(d)(1) is amended by striking "($35,750 in the case of taxable years beginning in 2001, 2002, 2003, and 2004)" and inserting "($35,750 in the case of taxable years beginning in 2001, $37,350 in the case of taxable years beginning in 2002 or 2003, and $36,600 in the case of taxable years beginning in 2004)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

(d) SECTION 15 NOT TO APPLY.—No amendment made by this section shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

SEC. 202. TEMPORARY EXPANSION OF PENALTY-FREE RETIREMENT PLAN DISTRIBUTIONS FOR HEALTH INSURANCE PREMIUMS OF UNEMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Subparagraph (D) of section 72(t)(2) is amended by adding at the end the following new clause:

"(iv) SPECIAL RULES FOR INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION AFTER SEPTEMBER 10, 2001, AND BEFORE JANUARY 1, 2003.—In the case of an individual who receives unemployment compensation for 4 consecutive weeks after September 10, 2001, and before January 1, 2003—

"(I) clause (i) shall apply to distributions from all qualified retirement plans (as defined in section 4974(c)), and

"(II) such 4 consecutive weeks shall be substituted for the 12 consecutive weeks referred to in subclause (I) of clause (i)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions after the date of the enactment of this Act.

SEC. 203. INCREASE IN CHILD TAX CREDIT.

(a) IN GENERAL.—The table contained in section 24(a)(2) (relating to per child amount) is amended by striking all matter preceding the second item and inserting the following:

"In the case of any taxable year beginning in—	**"The per child amount is—**
2001	$1,000
2002, 2003, or 2004	600".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 204. TEMPORARY INCREASE IN DEDUCTION FOR CAPITAL LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 1211 (relating to limitation on capital losses for taxpayers other than corporations) is amended by adding at the end the following flush sentence:

"Paragraph (1) shall be applied by substituting '$5,000' for '$3,000' and '$2,500' for '$1,500' in the case of taxable years beginning in 2001 or 2002.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

SEC. 205. NONREFUNDABLE CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

"SEC. 25C. CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual who maintains a household which includes as a member one or more qualifying students (as defined in subsection (b)(1)), there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified elementary and secondary education expenses with respect to such students which are paid or incurred by the taxpayer during such taxable year.

"(b) DOLLAR LIMIT ON AMOUNT CREDITABLE.—The amount of qualified elementary and secondary education expenses paid or incurred during any taxable year which may be taken into account under subsection (a) shall not exceed $500.

"(c) QUALIFYING STUDENT.—For purposes of this section, the term "qualifying student" means a dependent of the taxpayer (within the meaning of section 152) who is enrolled in school on a full-time basis.

"(d) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified elementary and secondary education expenses' means computer technology or equipment expenses.

"(2) COMPUTER TECHNOLOGY OR EQUIPMENT.—The term 'computer technology or equipment' has the meaning given such term by section 170(e)(6)(F)(i) and includes Internet access and related services and computer software if such software is predominately educational in nature.

"(e) SCHOOL.—For purposes of this section, the term 'school' means any public, charter, private, religious, or home school which provides elementary education or secondary education (through grade 12), as determined under State law.

"(f) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any contribution for which credit is allowed under this section.

"(g) ELECTION TO HAVE CREDIT NOT APPLY.—A taxpayer may elect to have this section not apply for any taxable year.

"(h) TERMINATION.—This section shall not apply to expenses paid or incurred after the date which is 90 days after the date of the enactment of this section.".

(b) CONFORMING AMENDMENTS.—

(1) Section 24(b)(3)(B), as added and amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "23 and 25B" and inserting "23, 25B, and 25C".

(2) Section 25(e)(1)(C) is amended by striking "23 and 1400C" and by inserting "23, 25C, and 1400C".

(3) Section 25(e)(1)(C), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by inserting "25C," after "25B,".

(4) Section 25B, as added by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "section 23" and inserting "sections 23 and 25C".

(5) Section 26(a)(1), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "and 25B" and inserting "25B, and 25C".

(6) Section 1400C(d) is amended by inserting "and section 25C" after "this section".

(7) Section 1400C(d), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "and 25B" and inserting "25B, and 25C".

(8) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting before the item relating to section 26 the following new item:

"Sec. 25C. Credit for elementary and secondary school expenses.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

TITLE III—UNEMPLOYMENT ASSISTANCE

SEC. 301. SHORT TITLE.

This title may be cited as the "Temporary Extended Unemployment Compensation Act of 2002".

SEC. 302. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this title with the Secretary of Labor (in this title referred to as the "Secretary"). Any State which is a party to an agreement under this title may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals who—

(1) have exhausted all rights to regular compensation under the State law or under

Federal law with respect to a benefit year (excluding any benefit year that ended before March 15, 2001);

(2) have no rights to regular compensation or extended compensation with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law;

(3) are not receiving compensation with respect to such week under the unemployment compensation law of Canada; and

(4) filed an initial claim for regular compensation on or after March 15, 2001.

(c) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to such individual based on employment or wages during such individual's base period; or

(2) such individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(d) WEEKLY BENEFIT AMOUNT, ETC.—For purposes of any agreement under this title—

(1) the amount of temporary extended unemployment compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to such individual during such individual's benefit year under the State law for a week of total unemployment;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except—

(A) that an individual shall not be eligible for temporary extended unemployment compensation under this title unless, in the base period with respect to which the individual exhausted all rights to regular compensation under the State law, the individual had 20 weeks of full-time insured employment or the equivalent in insured wages, as determined under the provisions of the State law implementing section 202(a)(5) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note); and

(B) where otherwise inconsistent with the provisions of this title or with the regulations or operating instructions of the Secretary promulgated to carry out this title; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 303 shall not exceed the amount established in such account for such individual.

(e) ELECTION BY STATES.—Notwithstanding any other provision of Federal law (and if State law permits), the Governor of a State that is in an extended benefit period may provide for the payment of temporary extended unemployment compensation in lieu of extended compensation to individuals who otherwise meet the requirements of this section. Such an election shall not require a State to trigger off an extended benefit period.

SEC. 303. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this title shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account with respect to such individual's benefit year.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to the lesser of—

(A) 50 percent of the total amount of regular compensation (including dependents' allowances) payable to the individual during the individual's benefit year under such law, or

(B) 13 times the individual's average weekly benefit amount for the benefit year.

(2) REDUCTION FOR EXTENDED BENEFITS.—The amount in an account under paragraph (1) shall be reduced (but not below zero) by the aggregate amount of extended compensation (if any) received by such individual relating to the same benefit year under the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

(3) WEEKLY BENEFIT AMOUNT.—For purposes of this subsection, an individual's weekly benefit amount for any week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

SEC. 304. PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this title an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) TREATMENT OF REIMBURSABLE COMPENSATION.—No payment shall be made to any State under this section in respect of any compensation to the extent the State is entitled to reimbursement in respect of such compensation under the provisions of any Federal law other than this title or chapter 85 of title 5, United States Code. A State shall not be entitled to any reimbursement under such chapter 85 in respect of any compensation to the extent the State is entitled to reimbursement under this title in respect of such compensation.

(c) DETERMINATION OF AMOUNT.—Sums payable to any State by reason of such State having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

SEC. 305. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a)) of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a)) shall be used for the making of payments to States having agreements entered into under this title.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as so established) to the account of such State in the Unemployment Trust Fund (as so established).

(c) ASSISTANCE TO STATES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this title.

(d) APPROPRIATIONS FOR CERTAIN PAYMENTS.—There are appropriated from the general fund of the Treasury, without fiscal year limitation, to the extended unemployment compensation account (as so established) of the Unemployment Trust Fund (as so established) such sums as the Secretary estimates to be necessary to make the payments under this section in respect of—

(1) compensation payable under chapter 85 of title 5, United States Code; and

(2) compensation payable on the basis of services to which section 3309(a)(1) of the Internal Revenue Code of 1986 applies.

Amounts appropriated pursuant to the preceding sentence shall not be required to be repaid.

SEC. 306. FRAUD AND OVERPAYMENTS.

(a) IN GENERAL.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received an amount of temporary extended unemployment compensation under this title to which he was not entitled, such individual—

(1) shall be ineligible for further temporary extended unemployment compensation under this title in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) REPAYMENT.—In the case of individuals who have received amounts of temporary extended unemployment compensation under this title to which they were not entitled, the State shall require such individuals to repay the amounts of such temporary extended unemployment compensation to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such temporary extended unemployment compensation was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) RECOVERY BY STATE AGENCY.—

(1) IN GENERAL.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any temporary extended unemployment compensation payable to such individual under this title or from any unemployment compensation payable to such individual under any Federal

unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which they were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) OPPORTUNITY FOR HEARING.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) REVIEW.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 307. DEFINITIONS.

In this title, the terms "compensation", "regular compensation", "extended compensation", "additional compensation", "benefit year", "base period", "State", "State agency", "State law", and "week" have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 308. APPLICABILITY.

An agreement entered into under this title shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 1, 2003.

SEC. 309. SPECIAL REED ACT TRANSFER IN FISCAL YEAR 2002.

(a) REPEAL OF CERTAIN PROVISIONS ADDED BY THE BALANCED BUDGET ACT OF 1997.—

(1) IN GENERAL.—The following provisions of section 903 of the Social Security Act (42 U.S.C. 1103) are repealed:

(A) Paragraph (3) of subsection (a).

(B) The last sentence of subsection (c)(2).

(2) SAVINGS PROVISION.—Any amounts transferred before the date of enactment of this Act under the provision repealed by paragraph (1)(A) shall remain subject to section 903 of the Social Security Act, as last in effect before such date of enactment.

(b) SPECIAL TRANSFER IN FISCAL YEAR 2002.—Section 903 of the Social Security Act is amended by adding at the end the following:

"Special Transfer in Fiscal Year 2002

"(d)(1) The Secretary of the Treasury shall transfer (as of the date determined under paragraph (5)) from the Federal unemployment account to the account of each State in the Unemployment Trust Fund the amount determined with respect to such State under paragraph (2).

"(2) The amount to be transferred under this subsection to a State account shall (as determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury) be equal to—

"(A) the amount which would have been required to have been transferred under this section to such account at the beginning of fiscal year 2002 if—

"(i) section 709(a)(1) of the Temporary Extended Unemployment Compensation Act of 2002 had been enacted before the close of fiscal year 2001, and

"(ii) section 5402 of Public Law 105–33 (relating to increase in Federal unemployment account ceiling) had not been enacted,

minus

"(B) the amount which was in fact transferred under this section to such account at the beginning of fiscal year 2002.

"(3)(A) Except as provided in paragraph (4), amounts transferred to a State account pursuant to this subsection may be used only in the payment of cash benefits—

"(i) to individuals with respect to their unemployment, and

"(ii) which are allowable under subparagraph (B) or (C).

"(B)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable as—

"(I) regular compensation, or

"(II) additional compensation, upon the exhaustion of any temporary extended unemployment compensation (if such State has entered into an agreement under the Temporary Extended Unemployment Compensation Act of 2002), for individuals eligible for regular compensation under the unemployment compensation law of such State.

"(ii) Any additional compensation under clause (i) may not be taken into account for purposes of any determination relating to the amount of any extended compensation for which an individual might be eligible.

"(C)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable to 1 or more categories of individuals not otherwise eligible for regular compensation under the unemployment compensation law of such State, including those described in clause (iii).

"(ii) The benefits paid under this subparagraph to any individual may not, for any period of unemployment, exceed the maximum amount of regular compensation authorized under the unemployment compensation law of such State for that same period, plus any additional compensation (described in subparagraph (B)(i)) which could have been paid with respect to that amount.

"(iii) The categories of individuals described in this clause include the following:

"(I) Individuals who are seeking, or available for, only part-time (and not full-time) work.

"(II) Individuals who would be eligible for regular compensation under the unemployment compensation law of such State under an alternative base period.

"(D) Amounts transferred to a State account under this subsection may be used in the payment of cash benefits to individuals only for weeks of unemployment beginning after the date of enactment of this subsection.

"(4) Amounts transferred to a State account under this subsection may be used for the administration of its unemployment compensation law and public employment offices (including in connection with benefits described in paragraph (3) and any recipients thereof), subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to 'subsections (a) and (b)' in subparagraph (D) thereof to include this subsection).

"(5) Transfers under this subsection shall be made by December 31, 2001, unless this paragraph is not enacted until after that date, in which case such transfers shall be made within 10 days after the date of enactment of this paragraph."

(c) LIMITATIONS ON TRANSFERS.—Section 903(b) of the Social Security Act shall apply to transfers under section 903(d) of such Act (as amended by this section). For purposes of the preceding sentence, such section 903(b) shall be deemed to be amended as follows:

(1) By substituting "the transfer date described in subsection (d)(5)" for "October 1 of any fiscal year".

(2) By substituting "remain in the Federal unemployment account" for "be transferred to the Federal unemployment account as of the beginning of such October 1".

(3) By substituting "fiscal year 2002 (after the transfer date described in subsection (d)(5))" for "the fiscal year beginning on such October 1".

(4) By substituting "under subsection (d)" for "as of October 1 of such fiscal year".

(5) By substituting "(as of the close of fiscal year 2002)" for "(as of the close of such fiscal year)".

(d) TECHNICAL AMENDMENTS.—(1) Sections 3304(a)(4)(B) and 3306(f)(2) of the Internal Revenue Code of 1986 are amended by inserting "or 903(d)(4)" before "of the Social Security Act".

(2) Section 303(a)(5) of the Social Security Act is amended in the second proviso by inserting "or 903(d)(4)" after "903(c)(2)".

(e) REGULATIONS.—The Secretary of Labor may prescribe any operating instructions or regulations necessary to carry out this section and the amendments made by this section.

TITLE IV—NATIONAL EMERGENCY GRANTS

SEC. 401. NATIONAL EMERGENCY GRANT ASSISTANCE FOR WORKERS.

(a) ELIGIBILITY FOR GRANTS.—Section 173(a) of the Workforce Investment Act of 1998 (29 U.S.C. 2918(a)) is amended—

(1) in paragraph (2), by striking "and",

(2) in paragraph (3), by striking the period and inserting "; and", and

(3) by adding at the end the following new paragraph:

"(4) from funds appropriated under section 174(c), to a State to provide employment and training assistance and the assistance described in subsections (f) and (g) to dislocated workers affected by a plant closure, mass layoff, or multiple layoffs if the Governor certifies in the application for assistance that the attacks of September 11, 2001, contributed importantly to such plant closures, mass layoffs, and multiple layoffs, and to independently owned businesses and proprietorships.".

(b) USE OF FUNDS.—Section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918) is amended by adding at the end the following new subsections:

"(f) COBRA CONTINUATION COVERAGE PAYMENT REQUIREMENTS.—

"(1) IN GENERAL.—Funds made available to a State under paragraph (4) of subsection (a) may be used by the State to assist a participant in the program under such paragraph by paying up to 75 percent of the participant's and any dependents' contribution for COBRA continuation coverage of the participant and dependents for a period not to exceed 10 months.

"(2) DEFINITION.—For purposes of paragraph (1), the term 'COBRA continuation coverage' means coverage under a group health plan provided by an employer pursuant to title XXII of the Public Health Service Act, section 4980B of the Internal Revenue Code of 1986, part 6 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, or section 8905a of title 5, United States Code.

"(g) GOVERNMENT INTERVENTION SUPPLEMENTS.—

"(1) PERSONAL INCOME.—Using funds made available under subsection (a)(4), a State may provide personal income compensation to a dislocated worker described in such subsection if—

"(A) the worker is unable to work due to direct Federal Government intervention, as a result of a direct response to the terrorist attacks which occurred on September 11, 2001, leading to—

"(i) closure of the facility at which the worker was employed, prior to the intervention; or

"(ii) a restriction on how business may be conducted at the facility; and

"(B) the facility is located within an area in a State in which a major disaster or emergency was certified by the Governor.

"(2) BUSINESS INCOME.—Using funds made available under subsection (a)(4), a State may provide business income compensation to an independently owned business or proprietorship if—

"(A) the business or proprietorship is unable to earn revenue due to direct Federal intervention, as a result of a direct response to the terrorist attacks which occurred on September 11, 2001, leading to—

"(i) closure of the facility at which the business or proprietorship was located, prior to the intervention; or

"(ii) a restriction on how customers may access the facility; and

"(B) the facility is located within an area in a State in which a major disaster or emergency was certified by the Governor.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 174 of the Workforce Investment Act of 1998 (29 U.S.C. 2919) is amended by adding at the end the following new subsection:

"(c) NATIONAL EMERGENCY GRANTS RELATING TO SEPTEMBER 11 ATTACKS.—There are authorized to be appropriated to carry out subsection (a)(4) of section 173 $5,000,000,000 for fiscal year 2002. Funds appropriated under this subsection shall be available for obligation for a period beginning with the date of enactment of such appropriations and ending 18 months thereafter.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this section.

TITLE V—TEMPORARY BUSINESS RELIEF PROVISIONS

SEC. 501. SPECIAL DEPRECIATION ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.

(a) IN GENERAL.—Section 168 of the Internal Revenue Code of 1986 (relating to accelerated cost recovery system) is amended by adding at the end the following new subsection:

"(k) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.—

"(1) ADDITIONAL ALLOWANCE.—In the case of any qualified property—

"(A) the depreciation deduction provided by section 167(a) for the taxable year in which such property is placed in service shall include an allowance equal to 30 percent of the adjusted basis of the qualified property, and

"(B) the adjusted basis of the qualified property shall be reduced by the amount of such deduction before computing the amount otherwise allowable as a depreciation deduction under this chapter for such taxable year and any subsequent taxable year.

"(2) QUALIFIED PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified property' means property—

"(i)(I) to which this section applies which has a recovery period of 20 years or less or which is water utility property,

"(II) which is computer software (as defined in section 167(f)(1)(B)) for which a deduction is allowable under section 167(a) without regard to this subsection,

"(III) which is qualified leasehold improvement property, or

"(IV) which is eligible for depreciation under section 167(g),

"(ii) the original use of which commences with the taxpayer after December 31, 2001,

"(iii) which is—

"(I) acquired by the taxpayer after December 31, 2001, and before January 1, 2004, but only if no written binding contract for the acquisition was in effect before January 1, 2002, or

"(II) acquired by the taxpayer pursuant to a written binding contract which was entered into after December 31, 2001, and before January 1, 2004, and

"(iv) which is placed in service by the taxpayer before January 1, 2004, or, in the case of property described in subparagraph (B), before January 1, 2005.

"(B) CERTAIN PROPERTY HAVING LONGER PRODUCTION PERIODS TREATED AS QUALIFIED PROPERTY.—

"(i) IN GENERAL.—The term 'qualified property' includes property—

"(I) which meets the requirements of clauses (i), (ii), and (iii) of subparagraph (A),

"(II) which has a recovery period of at least 10 years or is transportation property, and

"(III) which is subject to section 263A by reason of clause (ii) or (iii) of subsection (f)(1)(B) thereof.

"(ii) ONLY PRE-JANUARY 1, 2004, BASIS ELIGIBLE FOR ADDITIONAL ALLOWANCE.—In the case of property which is qualified property solely by reason of clause (i), paragraph (1) shall apply only to the extent of the adjusted basis thereof attributable to manufacture, construction, or production before January 1, 2004.

"(iii) TRANSPORTATION PROPERTY.—For purposes of this subparagraph, the term 'transportation property' means tangible personal property used in the trade or business of transporting persons or property.

"(C) EXCEPTIONS.—

"(i) ALTERNATIVE DEPRECIATION PROPERTY.—The term 'qualified property' shall not include any property to which the alternative depreciation system under subsection (g) applies, determined—

"(I) without regard to paragraph (7) of subsection (g) (relating to election to have system apply), and

"(II) after application of section 280F(b) (relating to listed property with limited business use).

"(ii) ELECTION OUT.—If a taxpayer makes an election under this clause with respect to any class of property for any taxable year, this subsection shall not apply to all property in such class placed in service during such taxable year.

"(D) SPECIAL RULES.—

"(i) SELF-CONSTRUCTED PROPERTY.—In the case of a taxpayer manufacturing, constructing, or producing property for the taxpayer's own use, the requirements of clause (iii) of subparagraph (A) shall be treated as met if the taxpayer begins manufacturing, constructing, or producing the property after December 31, 2001, and before January 1, 2004.

"(ii) SALE-LEASEBACKS.—For purposes of subparagraph (A)(ii), if property—

"(I) is originally placed in service after December 31, 2001, by a person, and

"(II) sold and leased back by such person within 3 months after the date such property was originally placed in service,

such property shall be treated as originally placed in service not earlier than the date on which such property is used under the leaseback referred to in subclause (II).

"(E) COORDINATION WITH SECTION 280F.—For purposes of section 280F—

"(i) AUTOMOBILES.—In the case of a passenger automobile (as defined in section 280F(d)(5)) which is qualified property, the Secretary shall increase the limitation under section 280F(a)(1)(A)(i) by $4,600.

"(ii) LISTED PROPERTY.—The deduction allowable under paragraph (1) shall be taken into account in computing any recapture amount under section 280F(b)(2).

"(3) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

"(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

"(I) by the lessee (or any sublessee) of such portion, or

"(II) by the lessor of such portion,

"(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

"(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

"(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any improvement for which the expenditure is attributable to—

"(i) the enlargement of the building,

"(ii) any elevator or escalator,

"(iii) any structural component benefiting a common area, and

"(iv) the internal structural framework of the building.

"(C) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

"(i) BINDING COMMITMENT TO LEASE TREATED AS LEASE.—A binding commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

"(ii) RELATED PERSONS.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term 'related persons' means—

"(I) members of an affiliated group (as defined in section 1504), and

"(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase '80 percent or more' shall be substituted for the phrase 'more than 50 percent' each place it appears in such subsection.

"(D) IMPROVEMENTS MADE BY LESSOR.—In the case of an improvement made by the person who was the lessor of such improvement when such improvement was placed in service, such improvement shall be qualified leasehold improvement property (if at all) only so long as such improvement is held by such person.".

(b) ALLOWANCE AGAINST ALTERNATIVE MINIMUM TAX.—

(1) IN GENERAL.—Section 56(a)(1)(A) of the Internal Revenue Code of 1986 (relating to depreciation adjustment for alternative minimum tax) is amended by adding at the end the following new clause:

"(iii) ADDITIONAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED AFTER DECEMBER 31, 2001, AND BEFORE JANUARY 1, 2004.—The deduction under section 168(k) shall be allowed."

(2) CONFORMING AMENDMENT.—Clause (i) of section 56(a)(1)(A) of the Internal Revenue Code of 1986 is amended by striking "clause

(ii)'' both places it appears and inserting ''clauses (ii) and (iii)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2001, in taxable years ending after such date.

TITLE VI—ADDITIONAL PROVISIONS

SEC. 602. EMERGENCY DESIGNATION.

Congress designates as emergency requirements pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 the following amounts:

(1) An amount equal to the amount by which revenues are reduced by this Act below the recommended levels of Federal revenues for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011, provided in the conference report accompanying H. Con. Res. 83, the concurrent resolution on the budget for fiscal year 2002.

(2) Amounts equal to the amounts of new budget authority and outlays provided in this Act in excess of the allocations under section 302(a) of the Congressional Budget Act of 1974 to the Committee on Finance of the Senate for fiscal year 2002, the total of fiscal years 2002 through 2006, and the total of fiscal years 2002 through 2011.

SA 2805. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2698 submitted by Mr. DASCHLE and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

Add at the end of title V of the amendment, add the following:

SEC. ___. ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt.

Such regulations shall require an employer to provide such an application within 30 days of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. ___. EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting ''has 1 or more qualifying children and'' before ''is not married,''.

(2) Section 3507(c)(2)(C) of such Code is amended by striking ''the employee'' and inserting ''an employee with 1 or more qualifying children''.

(3) Section 3507(f) of such Code is amended by striking ''who have 1 or more qualifying children and''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2806. Ms. LANDRIEU submitted an amendment intended to be proposed by her to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE VI—REFUNDABLE HEALTH INSURANCE COSTS CREDIT

SEC. 601. REFUNDABLE HEALTH INSURANCE COSTS CREDIT.

(a) ALLOWANCE OF CREDIT.—

(1) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 (relating to refundable personal credits) is amended by redesignating section 35 as section 36 and inserting after section 34 the following:

''SEC. 35. HEALTH INSURANCE COSTS.

''(a) ALLOWANCE OF CREDIT.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the amount paid by the taxpayer during such taxable year for qualified health insurance for the taxpayer and the taxpayer's spouse and dependents.

''(b) LIMITATIONS.—

''(1) MAXIMUM DOLLAR AMOUNT.—

''(A) IN GENERAL.—The amount allowed as a credit under subsection (a) to the taxpayer for the taxable year shall not exceed the sum of the monthly limitations for coverage months during such taxable year.

''(B) MONTHLY LIMITATION.—The monthly limitation for each coverage month during the taxable year is an amount equal to 75 percent of the amount paid for qualified health insurance for such month.

''(2) 12-MONTH LIMITATION.—For purposes of paragraph (1), the total number of coverage months taken into account with respect to each qualifying event of the individual shall not exceed the lesser of—

''(A) the total number of consecutive coverage months starting with the first coverage month with respect to the event, or

''(B) 12.

''(c) DEFINITIONS.—For purposes of this section—

''(1) COVERAGE MONTH.—

''(A) IN GENERAL.—The term 'coverage month' means, with respect to an individual, any month if—

''(i) as of the first day of such month such individual is covered by qualified health insurance, and

''(ii) the premium for coverage under such insurance, or any portion of the premium, for such month is paid by the taxpayer.

''(B) EXCLUSION OF MONTHS IN WHICH INDIVIDUAL IS IMPRISONED.—Such term shall not include any month with respect to an individual if, as of the first day of such month, such individual is imprisoned under Federal, State, or local authority.

''(2) ELIGIBLE INDIVIDUAL.—

''(A) IN GENERAL.—The term 'eligible individual' means an individual who is—

''(i) a covered employee (as defined in section 4980B(f)) of the plan sponsor of the qualified health insurance, and

''(ii) eligible for continuation coverage by reason of a qualifying event which occurs after September 11, 2001.

''(B) DEPENDENTS OF TERRORIST VICTIMS.—The term 'eligible individual' shall include the spouse, child, or other individual who—

''(i) was an insured under health insurance coverage of an individual who was killed as a result of the terrorist-related aircraft crashes on September 11, 2001, or as a result of any other terrorist-related event occurring during the period beginning on September 11, 2001, and ending on December 31, 2002, and

''(ii) is eligible for continuation coverage by reason of the death of such individual.

''(C) CERTAIN COVERAGE TREATED AS CONTINUATION COVERAGE.—If an individual during the period beginning on September 11, 2001, and ending on December 31, 2002—

''(i) elects to take a voluntary leave program offered by such individual's employer after the employer has announced that employee separations will occur as a result of the terrorist-related aircraft crashes on September 11, 2001, or as a result of any other terrorist-related event occurring during such period; and

''(ii) is eligible under such voluntary leave program, and has elected, to continue their health insurance coverage under a group health plan through payment of 100 percent of the premium for such coverage,

then, for purposes of this section, such individual shall be treated as an eligible individual and such coverage shall be treated as qualified health insurance.

''(3) QUALIFIED HEALTH INSURANCE.—The term 'qualified health insurance' means health insurance coverage under—

''(A) a COBRA continuation provision (as defined in section 9832(d)(1)), or

''(B) section 8905a of title 5, United States Code.

Such term includes such continuation coverage provided in a State that has enacted a law that requires such coverage even though the coverage would not otherwise be required under the provisions of law referred to in subparagraph (A).

''(4) QUALIFYING EVENT.—The term 'qualifying event' means an event described in section 4980B(f)(3)(B), except that such term shall not include a voluntary termination.

''(d) SPECIAL RULES.—

''(1) COORDINATION WITH MEDICAL EXPENSE DEDUCTION.—The amount which would (but for this paragraph) be taken into account by the taxpayer under section 213 for the taxable year shall be reduced by the credit (if any) allowed by this section to the taxpayer for such year.

''(2) COORDINATION WITH ADVANCE PAYMENT.—Rules similar to the rules of section 32(g) shall apply to any credit to which this section applies.

''(e) EXPENSES MUST BE SUBSTANTIATED.—A payment for insurance to which subsection (a) applies may be taken into account under this section only if the taxpayer substantiates such payment in such form as the Secretary may prescribe.

''(f) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.

''(g) TERMINATION.—This section shall not apply to any amount paid after December 31, 2002.''.

(b) INFORMATION REPORTING.—

(1) IN GENERAL.—Subpart B of part III of subchapter A of chapter 61 (relating to information concerning transactions with other persons) is amended by inserting after section 6050S the following:

"SEC. 6050T. RETURNS RELATING TO PAYMENTS FOR QUALIFIED HEALTH INSURANCE.

"(a) IN GENERAL.—Any person who, in connection with a trade or business conducted by such person, receives payments during any calendar year from any individual for coverage of such individual or any other individual under creditable health insurance, shall make the return described in subsection (b) (at such time as the Secretary may by regulations prescribe) with respect to each individual from whom such payments were received.

"(b) FORM AND MANNER OF RETURNS.—A return is described in this subsection if such return—

"(1) is in such form as the Secretary may prescribe, and

"(2) contains—

"(A) the name, address, and TIN of the individual from whom payments described in subsection (a) were received,

"(B) the name, address, and TIN of each individual who was provided by such person with coverage under creditable health insurance by reason of such payments and the period of such coverage,

"(C) the aggregate amount of payments described in subsection (a),

"(D) the qualified health insurance credit advance amount (as defined in section 7527(e)) received by such person with respect to the individual described in subparagraph (A), and

"(E) such other information as the Secretary may reasonably prescribe.

"(c) CREDITABLE HEALTH INSURANCE.—For purposes of this section, the term 'creditable health insurance' means qualified health insurance (as defined in section 35(c)).

"(d) STATEMENTS TO BE FURNISHED TO INDIVIDUALS WITH RESPECT TO WHOM INFORMATION IS REQUIRED.—Every person required to make a return under subsection (a) shall furnish to each individual whose name is required under subsection (b)(2)(A) to be set forth in such return a written statement showing—

"(1) the name and address of the person required to make such return and the phone number of the information contact for such person,

"(2) the aggregate amount of payments described in subsection (a) received by the person required to make such return from the individual to whom the statement is required to be furnished,

"(3) the information required under subsection (b)(2)(B) with respect to such payments, and

"(4) the qualified health insurance credit advance amount (as defined in section 7527(e)) received by such person with respect to the individual described in paragraph (2).

The written statement required under the preceding sentence shall be furnished on or before January 31 of the year following the calendar year for which the return under subsection (a) is required to be made.

"(e) RETURNS WHICH WOULD BE REQUIRED TO BE MADE BY 2 OR MORE PERSONS.—Except to the extent provided in regulations prescribed by the Secretary, in the case of any amount received by any person on behalf of another person, only the person first receiving such amount shall be required to make the return under subsection (a).".

(2) ASSESSABLE PENALTIES.—

(A) Subparagraph (B) of section 6724(d)(1) (relating to definitions) is amended by redesignating clauses (xi) through (xvii) as clauses (xii) through (xviii), respectively, and by inserting after clause (x) the following:

"(xi) section 6050T (relating to returns relating to payments for qualified health insurance),".

(B) Paragraph (2) of section 6724(d) is amended by striking "or" at the end of the next to last subparagraph, by striking the period at the end of the last subparagraph and inserting ", or", and by adding at the end the following:

"(BB) section 6050T(d) (relating to returns relating to payments for qualified health insurance).".

(3) CLERICAL AMENDMENT.—The table of sections for subpart B of part III of subchapter A of chapter 61 is amended by inserting after the item relating to section 6050S the following:

"Sec. 6050T. Returns relating to payments for qualified health insurance.".

(c) CRIMINAL PENALTY FOR FRAUD.—Subchapter B of chapter 75 (relating to other offenses) is amended by adding at the end the following:

"SEC. 7276. PENALTIES FOR OFFENSES RELATING TO HEALTH INSURANCE TAX CREDIT.

"Any person who knowingly misuses Department of the Treasury names, symbols, titles, or initials to convey the false impression of association with, or approval or endorsement by, the Department of the Treasury of any insurance products or group health coverage in connection with the credit for health insurance costs under section 35 shall on conviction thereof be fined not more than $10,000, or imprisoned not more than 1 year, or both.".

(d) CONFORMING AMENDMENTS.—

(1) Section 162(l) is amended by adding at the end the following:

"(6) ELECTION TO HAVE SUBSECTION APPLY.—No deduction shall be allowed under paragraph (1) for a taxable year unless the taxpayer elects to have this subsection apply for such year.".

(2) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period ", or from section 35 of such Code".

(3) The table of sections for subpart C of part IV of subchapter A of chapter 1 is amended by striking the last item and inserting the following:

"Sec. 35. Health insurance costs.

"Sec. 36. Overpayments of tax.".

(4) The table of sections for subchapter B of chapter 75 is amended by adding at the end the following:

"Sec. 7276. Penalties for offenses relating to health insurance tax credit.".

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 2001, without regard to whether final regulations to carry out such amendments have been promulgated by such date.

(2) PENALTIES.—The amendments made by subsections (c) and (d)(4) shall take effect on the date of the enactment of this Act.

SEC. 602. ADVANCE PAYMENT OF CREDIT TO ISSUERS OF QUALIFIED HEALTH INSURANCE.

(a) IN GENERAL.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end the following:

"SEC. 7527. ADVANCE PAYMENT OF HEALTH INSURANCE CREDIT FOR PURCHASERS OF QUALIFIED HEALTH INSURANCE.

"(a) GENERAL RULE.—Every plan sponsor of a group health plan providing, or qualified health insurance issuer of, qualified health insurance to an eligible individual shall—

"(1) make qualified premium payments with respect to such individual in an amount equal to the qualified health insurance credit advance amount, and

"(2) treat such payments in the manner provided in subsection (g).

"(b) ELIGIBLE INDIVIDUAL.—For purposes of this section, the term 'eligible individual' means any individual—

"(1) who purchases qualified health insurance (as defined in section 35(c)), and

"(2) for whom a qualified health insurance credit eligibility certificate is in effect.

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED HEALTH INSURANCE ISSUER.—The term 'qualified health insurance issuer' means a health insurance issuer described in section 9832(b)(2) (determined without regard to the last sentence thereof) offering coverage in connection with a group health plan.

"(2) GROUP HEALTH PLAN.—The term 'group health plan' has the meaning given such term by section 5000(b)(1) (determined without regard to subsection (d) thereof).

"(3) QUALIFIED PREMIUM PAYMENTS.—The term 'qualified premium payments' means any amount paid or incurred, cost incurred, or health coverage value provided, with respect to qualified health insurance for an eligible individual and the individual's spouse and dependents. For purposes of the preceding sentence, in the case of a group health plan, the health coverage value is equal to the applicable premium under the plan for the qualified health insurance coverage provided to an eligible individual and the individual's spouse and dependents, as determined under section 4980B.

"(d) QUALIFIED HEALTH INSURANCE CREDIT ELIGIBILITY CERTIFICATE.—For purposes of this section, a qualified health insurance credit eligibility certificate is a statement furnished by an individual to a plan sponsor of a group health plan or qualified health insurance issuer which—

"(1) certifies that the individual will be eligible to receive the credit provided by section 35 for the taxable year,

"(2) estimates the amount of such credit for such taxable year, and

"(3) provides such other information as the Secretary may require for purposes of this section.

"(e) QUALIFIED HEALTH INSURANCE CREDIT ADVANCE AMOUNT.—For purposes of this section, the term 'qualified health insurance credit advance amount' means, with respect to any plan sponsor of a group health plan providing, or qualified health insurance issuer of, qualified health insurance, the amount of credit allowable under section 35 to the individual for the taxable year which is attributable to the insurance provided to the individual by such sponsor or issuer.

"(f) REQUIRED DOCUMENTATION FOR RECEIPT OF PAYMENTS OF ADVANCE AMOUNT.—No payment of a qualified health insurance credit advance amount with respect to any eligible individual may be made under subsection (a) unless the plan sponsor of the group health plan or qualified health insurance issuer provides to the Secretary—

"(1) the qualified health insurance credit eligibility certificate of such individual, and

"(2) the return relating to such individual under section 6050T.

"(g) QUALIFIED PREMIUM PAYMENTS TO BE TREATED AS PAYMENTS OF WITHHOLDING AMOUNTS AND CERTAIN EMPLOYER TAX.—

"(1) IN GENERAL.—For purposes of this title, qualified premium payments made or costs incurred by the sponsor of a group health plan, or any entity designated by the sponsor to make such payments or incur such costs—

"(A) shall not be treated as compensation, and

"(B) shall be treated, in such manner as provided by the Secretary, as made out of—

"(i) amounts required to be deposited by the taxpayer as estimated income tax under section 6654 or 6655,

"(ii) amounts required to be deducted and withheld under section 3401 (relating to wage withholding),

"(iii) amounts of the taxes imposed under section 3111(a) or 50 percent of taxes imposed under section 1401(a) (relating to FICA employer taxes), or

"(iv) amounts required to be deducted under section 3102 with respect to taxes imposed under section 3101(a) or 50 percent of taxes imposed under section 1401(a) (relating to FICA employee taxes),

as if such sponsor, or such designated entity, had paid to the Secretary an amount equal to such payments.

"(2) Qualified premium payments exceed taxes due.—In the case of any entity, if for any time period the aggregate qualified premium payments exceed the amounts described in paragraph (1)(B), the Secretary shall reduce amounts described in such paragraph for any succeeding time period as necessary to reflect such excess.

"(3) Failure to make qualified premium payments.—For purposes of this title (including penalties), failure to make a qualified premium payment with respect to an eligible individual at the time provided therefor shall be treated as the failure at such time to deduct and withhold under chapter 24 of such Code in an amount equal to the amount of such qualified premium payments.

"(g) Regulations.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.".

(b) Clerical Amendment.—The table of sections for chapter 77 is amended by adding at the end the following:

"Sec. 7527. Advance payment of health insurance credit for purchasers of qualified health insurance.".

(c) Effective Date.—The amendments made by this section shall take effect on January 1, 2002, without regard to whether final regulations to carry out such amendments have been promulgated by such date.

SEC. 603. COBRA NOTIFICATION REQUIREMENTS.

(a) Change in COBRA Notice.—

(1) General notice.—For purposes of this section—

(A) In general.—Any notice required to be provided under section 4980B(f)(6) of the Internal Revenue Code of 1986, section 2206 of the Public Health Service Act (42 U.S.C. 300bb-6), section 606 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1166), or section 8905a(f)(2)(A) of title 5, United States Code, with respect to an eligible individual shall include an additional notification to the recipient of the availability of qualified premium payments for such coverage under section 7527 of the Internal Revenue Code of 1986.

(B) Alternative notice.—In the case of COBRA continuation coverage to which the notice provision under such sections does not apply, the Secretary of the Treasury, in consultation with the Secretary of Labor, shall, in coordination with administrators of the group health plans (or other entities) that provide or administer the COBRA continuation coverage involved, assure the provision of such notice.

(C) Form.—The requirement of the additional notification under this paragraph may be met by amendment of existing notice forms or by inclusion of a separate document with the notice otherwise required.

(2) Specific requirements.—Each additional notification under paragraph (1) shall include the following:

(A) The forms necessary for establishing eligibility for, and making a designation to request, qualified premium payments under section 7527 of the Internal Revenue Code of 1986.

(B) The following displayed in a prominent manner:

(i) The name, address, and telephone number necessary to contact the employer, administrator, and any other person maintaining relevant information in connection with how to request such qualified premium payments.

(ii) The toll-free telephone number and Internet website address established under paragraph (4)(A)(i).

(iii) The name, address, and telephone number for the group health plan (including a multiemployer plan), issuer of health insurance coverage, administrator, an employer, or other entity (as appropriate with respect to the individual) that will collect the monthly premium for such coverage, specifying that the forms described in subparagraph (A) are to be completed by the individual and sent to such entity.

(iv) The following statement:

"You may be eligible to receive qualified premium payments for payment of 75 percent of your COBRA continuation coverage premiums and with temporary medicaid coverage for the remaining premium portion for a duration of not to exceed 12 months. This assistance will not be available after December 31, 2002. Return the enclosed forms as soon as possible to the address specified.".

(C) The dollar amount equal to 25 percent of the monthly 2002 premium that would be owed during 2002 by the individual for the coverage if the individual is eligible for, and requests, qualified premium payments.

(3) Supplemental notice for individuals previously provided notice or whose election period is temporarily extended.—In the case of notices described in paragraph (1) which were transmitted before the date of enactment of this Act to an eligible individual who has elected (or is still eligible to elect, including as a result of section 604) COBRA continuation coverage as of the date of enactment of this Act, the employer, administrator, or other entity involved, or the Secretary of the Treasury, in consultation with the Secretary of Labor (in the case described in the paragraph (1)(B)), shall provide (within the period required under paragraph (4)(B)(i)) for the additional notification required to be provided under this subsection.

(4) Required timeline.—

(A) In general.—Not later than 15 days after the date of enactment of this Act, the Secretary of the Treasury shall—

(i) establish a toll-free telephone number and an Internet website to provide information and answer inquiries about the qualified premium payments available under section 7527 of the Internal Revenue Code of 1986;

(ii) prescribe models for the additional notification required under this subsection and the forms necessary for establishing eligibility, and requesting, such qualified premium payments;

(iii) notify each covered employer, plan sponsors of a group health plan providing qualified health insurance, and qualified health insurance issuers of qualified health insurance of such qualified premium payments, and notify each covered employer of the additional notification required under this subsection;

(iv) make the model notification and forms under clause (ii) available to each such covered employer; and

(v) provide, in consultation with the Secretary of Labor, the additional notification required for individuals described in paragraph (1)(B).

(B) Covered employers.—Not later than 15 days after the model notification and forms are made available under subparagraph (A)(iv), each covered employer or their designee shall—

(i) provide the additional notification required under this subsection; and

(ii) be able to comply with such additional notification requirement in the case of any individual described in paragraph (1)(A).

(C) Definition of covered employer.—For purposes of this section, the term "covered employer" means, for any calendar year, any person on whom an excise tax is imposed under section 3111 or 1401 of the Internal Revenue Code of 1986 with respect to having an individual in the person's employ to whom wages are paid by such person during such calendar year.

(5) Eligible individual.—For purposes of this subsection, the term "eligible individual" has the meaning given such term by section 35(c)(2) of the Internal Revenue Code of 1986.

(b) Effective Date.—This section shall not apply with respect to qualified premium payments made after December 31, 2002.

SEC. 604. TEMPORARY EXTENSION OF ELECTION PERIOD FOR CERTAIN SEPARATED INDIVIDUALS.

(a) Temporary Extension of Election Period for Certain Separated Individuals.—Notwithstanding any other provision of law, the election period for COBRA continuation coverage with respect to any eligible individual (as defined in section 35(c)(2) of the Internal Revenue Code of 1986) for whom such period has expired as of the date of enactment of this Act, shall not end before the date that is 60 days after the date the individual receives the supplemental notice required under section 603(a)(3).

(b) Preexisting Conditions.—If an individual is entitled to a supplemental notice under section 603(a)(3), any period before the receipt of such notice shall be disregarded for purposes of determining the 63-day periods referred to in section 701(c)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181(c)(2)), section 2701(c)(2) of the Public Health Service Act (42 U.S.C. 300gg(c)(2)), and section 9801(c)(2) of the Internal Revenue Code of 1986.

SA 2807. Mr. SESSIONS (for Mr. KYL (for himself, Mr. NICKLES, and Mr. SESSIONS)) proposed an amendment to amendment SA 2721 submitted by Mr. REID and intended to be proposed to the amendment SA 2698 proposed by Mr. DASCHLE to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end, add the following:

SEC. . PERMANENT REPEAL OF ESTATE TAXES.

Section 901 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended—

(1) by striking "this Act" and all that follows through 2010." in subsection (a) and inserting "this Act (other than title V) shall not apply to taxable, plan, or limitation years beginning after December 31, 2010.", and

(2) by striking ", estates, gifts, and transfers" in subsection (b).

SA 2808. Mr. DORGAN (for himself, Mr. REID, Mr. INOUYE, and Mr. CONRAD) proposed an amendment to amendment SA 2764 submitted Mr. REID and intended to be proposed to the amendment SA 2698 proposed by Mr. DASCHLE to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

At the end, add the following:

TITLE ___—TRAVEL INDUSTRY STABILIZATION

SECTION 01. SHORT TITLE.

This title may be cited as the "American Travel Industry Stabilization Act".

SEC. 02. TRAVEL INDUSTRY DISASTER RELIEF.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President shall take the actions described in subsection (b) to compensate eligible travel-related businesses.

(b) ACTIONS DESCRIBED.—

(1) IN GENERAL.—Subject to such terms and conditions as the President deems necessary, and upon application, the President is authorized to issue Federal credit instruments to eligible travel-related businesses described in subsection (c) that do not, in the aggregate, exceed $2,000,000,000 and provide the subsidy amounts necessary for such instruments in accordance with the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).

(2) TIME FOR APPLICATION.—An application for a Federal credit instrument shall be filed by an eligible travel-related business not later than 1 year after the promulgation of regulations.

(3) TERMS OF CREDIT INSTRUMENTS.—A loan guaranteed under this title may be used exclusively for the purpose of meeting obligations and expenses to the extent that an applicant demonstrates—

(A) business operations were directly and adversely affected by the events of September 11, 2001;

(B) the loan guarantee is necessary to meet such obligations;

(C) the inability of the applicant to meet such obligations or expenses is directly attributable to the impact of September 11, 2001; and

(D) the applicant has the ability to repay the loan.

(c) DEFINITIONS.—In this title:

(1) BOARD.—The term "Board" means the Air Transportation Stabilization Board established under the Air Transportation Safety and System Stabilization Act (49 U.S.C. 40101 note; P.L. 107–42).

(2) ELIGIBLE TRAVEL-RELATED BUSINESS.—The term "eligible travel-related business" means a business that was injured by the Government shutdown of the airline industry following the terrorist attacks on the United States that occurred on September 11, 2001, and that on such date—

(A) had a contractual arrangement with an air carrier to provide goods or services, including those with a contractual relationship with the Airline Reporting Corporation; or

(B) was a nonaeronautical for-profit business operating at an airport engaged in the sale of consumer goods or services to the public under an arrangement with the airport or the airport's governing body.

(3) FEDERAL CREDIT INSTRUMENT.—The term "Federal credit instrument" means any guarantee or other pledge by the Board issued under section 02(b) to pledge the full faith and credit of the United States to pay all or part of any of the principal of and interest on a loan or other debt obligation issued by an obligor and funded by a lender.

(4) FINANCIAL OBLIGATION.—The term "financial obligation" means any note, bond, debenture, or other debt obligation issued by an obligor in connection with financing under this section and section 02(b).

(5) LENDER.—The term "lender" means any non-Federal qualified institutional buyer (as defined by section 230.144A(a) of title 17, Code of Federal Regulations (or any successor regulatory) known as rule 144A(a) of the Securities and Exchange Commission and issued under the Securities Act of 1933), including—

(A) a qualified retirement plan (as defined in section 4974(c) of the Internal Revenue Code of 1986 (26 U.S.C. 4974(c))) that is a qualified institutional buyer; and

(B) a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986 (26 U.S.C. 414(d))) that is a qualified institutional buyer.

(6) OBLIGOR.—The term "obligor" means a party primarily liable for payment of the principal of, or interest on, a Federal credit instrument, which party may be a corporation, partnership, joint venture, trust, or governmental entity, agency, or instrumentality.

(d) EMERGENCY DESIGNATION.—Congress designates the amount of new budget authority and outlays in all fiscal years resulting from this title as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(e)). Such amount shall be available only to the extent that a request, that includes designation of such amount as an emergency requirement as defined in such Act, is transmitted by the President to Congress.

SEC. 03. ADDITIONAL FUNCTIONS FOR THE AIRLINE STABILIZATION BOARD.

(a) ADDITIONAL FUNCTIONS TO STABILIZE THE TRAVEL INDUSTRY.—The Board shall review and make recommendations to the President with respect to applications for Federal credit instruments submitted under section 02(b).

(b) FEDERAL CREDIT INSTRUMENTS.—

(1) IN GENERAL.—The Board may enter into agreements with 1 or more obligors to issue Federal credit instruments under section 02(b) if the Board determines, in its discretion, that—

(A) the obligor is an entity in a travel-related business for which credit is not reasonably available at the time of the transaction;

(B) the intended obligation by the obligor is prudently incurred; and

(C) such agreement is a necessary part of maintaining a safe, efficient, and viable travel industry in the United States.

(2) TERMS AND LIMITATIONS.—

(A) FORMS, TERMS, AND CONDITIONS.—A Federal credit instrument shall be issued under section 02(b) in such form and such terms and conditions and contain such covenants, representatives, warranties, and requirements (including requirements for audits) as the Board determines appropriate, provided that—

(i) a loan shall be repaid over a period not to exceed 5 years from the date that the loan is guaranteed under this title;

(ii) the Government guarantee shall cover not less than 80 percent of the value of the loan;

(iii) loan guarantees under this title shall be extended based upon the ability of the eligible travel-related business to repay the loan without regard to collateral; and

(iv) any loan origination fee may not exceed 1 percent of the loan value.

(B) PROCEDURES.—Not later than 14 days after the date of enactment of this title, the Director of the Office of Management and Budget, in consultation with the Board, shall issue regulations setting forth procedures for application and minimum requirements.

(c) FINANCIAL PROTECTION OF GOVERNMENT.—

(1) IN GENERAL.—To the extent feasible and practicable, as provided in paragraphs (2) and (3), the Board shall ensure that the Government is compensated for the risk assumed in making guarantees under this title.

(2) GOVERNMENT PARTICIPATION IN GAINS.—To the extent to which any participating corporation accepts financial assistance, in the form of accepting the proceeds of any loans guaranteed by the Government under this title, the Board is authorized to enter into contracts under which the Government, contingent on the financial success of the participating corporation, would participate in the gains of the participating corporation or its security holders through the use of such instruments as warrants, stock options, common or preferred stock, or other appropriate equity instruments.

(3) DEPOSIT IN TREASURY.—All amounts collected by the Secretary of the Treasury under this subsection shall be deposited in the Treasury as miscellaneous receipts.

(e) AUTHORIZATION OF FUNDS.—Congress authorizes and hereby appropriates such sums as are necessary to carry out the purposes of this title.

SA 2809. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

Add at the end of subtitle A of title VI of the amendment, add the following:

SEC. ___. ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt.

Such regulations shall require an employer to provide such an application within 30 days of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. ___. EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting "has 1 or more qualifying children and" before "is not married,".

(2) Section 3507(c)(2)(C) of such Code is amended by striking "the employee" and inserting "an employee with 1 or more qualifying children".

(3) Section 3507(f) of such Code is amended by striking "who have 1 or more qualifying children and".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2810. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title VI of the amendment, add the following:

SEC. ___. ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt.

Such regulations shall require an employer to provide such an application within 30 days of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. ___. EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting "has 1 or more qualifying children and" before "is not married,".

(2) Section 3507(c)(2)(C) of such Code is amended by striking "the employee" and inserting "an employee with 1 or more qualifying children".

(3) Section 3507(f) of such Code is amended by striking "who have 1 or more qualifying children and".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. ___. TEMPORARY EXPANSION OF PENALTY-FREE RETIREMENT PLAN DISTRIBUTIONS FOR HEALTH INSURANCE PREMIUMS OF UNEMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Subparagraph (D) of section 72(t)(2) is amended by adding at the end the following new clause:

"(iv) SPECIAL RULES FOR INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION AFTER SEPTEMBER 10, 2001, AND BEFORE JANUARY 1, 2003.—In the case of an individual who receives unemployment compensation for 4 consecutive weeks after September 10, 2001, and before January 1, 2003—

"(I) clause (i) shall apply to distributions from all qualified retirement plans (as defined in section 4974(c)), and

"(II) such 4 consecutive weeks shall be substituted for the 12 consecutive weeks referred to in subclause (I) of clause (i)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions after the date of the enactment of this division.

SEC. ___. INCREASE IN CHILD TAX CREDIT.

(a) IN GENERAL.—The table contained in section 24(a)(2) (relating to per child amount) is amended by striking all matter preceding the second item and inserting the following:

"In the case of any taxable year beginning in—	**"The per child amount is—**
2001	$1,000
2002, 2003, or 2004	600".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. ___. TEMPORARY INCREASE IN DEDUCTION FOR CAPITAL LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 1211 (relating to limitation on capital losses for taxpayers other than corporations) is amended by adding at the end the following flush sentence:

"Paragraph (1) shall be applied by substituting '$5,000' for '$3,000' and '$2,500' for '$1,500' in the case of taxable years beginning in 2001 or 2002.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

SEC. ___. NONREFUNDABLE CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

"SEC. 25C. CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual who maintains a household which includes as a member one or more qualifying students (as defined in subsection (b)(1)), there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified elementary and secondary education expenses with respect to such students which are paid or incurred by the taxpayer during such taxable year.

"(b) DOLLAR LIMIT ON AMOUNT CREDITABLE.—The amount of qualified elementary and secondary education expenses paid or incurred during any taxable year which may be taken into account under subsection (a) shall not exceed $500.

"(c) QUALIFYING STUDENT.—For purposes of this section, the term "qualifying student" means a dependent of the taxpayer (within the meaning of section 152) who is enrolled in school on a full-time basis.

"(d) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified elementary and secondary education expenses' means computer technology or equipment expenses.

"(2) COMPUTER TECHNOLOGY OR EQUIPMENT.—The term 'computer technology or equipment' has the meaning given such term by section 170(e)(6)(F)(i) and includes Internet access and related services and computer software if such software is predominately educational in nature.

"(e) SCHOOL.—For purposes of this section, the term 'school' means any public, charter, private, religious, or home school which provides elementary education or secondary education (through grade 12), as determined under State law.

"(f) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any contribution for which credit is allowed under this section.

"(g) ELECTION TO HAVE CREDIT NOT APPLY.—A taxpayer may elect to have this section not apply for any taxable year.

"(h) TERMINATION.—This section shall not apply to expenses paid or incurred after the date which is 90 days after the date of the enactment of this section.".

(b) CONFORMING AMENDMENTS.—

(1) Section 24(b)(3)(B), as added and amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "23 and 25B" and inserting "23, 25B, and 25C".

(2) Section 25(e)(1)(C) is amended by striking "23 and 1400C" and by inserting "23, 25C, and 1400C".

(3) Section 25(e)(1)(C), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by inserting "25C," after "25B,".

(4) Section 25B, as added by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "section 23" and inserting "sections 23 and 25C".

(5) Section 26(a)(1), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "and 25B" and inserting "25B, and 25C".

(6) Section 1400C(d) is amended by inserting "and section 25C" after "this section".

(7) Section 1400C(d), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "and 25B" and inserting "25B, and 25C".

(8) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting before the item relating to section 26 the following new item:

"Sec. 25C. Credit for elementary and secondary school expenses.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this division.

SA 2811. Mr. NICKLES (for Mr. MCCAIN (for himself, Mr. ALLARD, Mr. LIEBERMAN, Ms. SNOWE, Mr. LEVIN, Mr.

Murkowski, Mr. Cleland, Mr. Inhofe, Ms. Landrieu, Mr. Burns, Mr. Durbin, Mr. Sessions, Mr. DeWine, Mr. Thurmond, Mr. Shelby, Mr. Hagel, Mr. Lugar, Mr. Kennedy, Mr. Warner, Ms. Collins, Mr. Hatch, Mr. Helms, Mr. Allen, Mr. Kerry, Mr. Fitzgerald, Mr. Stevens, Mr. Reid, Mr. Miller, Mr. Roberts, Mr. Bayh, Mr. Ensign, Mr. Bunning, Mr. Campbell, Mr. Nelson of Nebraska, Mr. Dodd, Mr. Jeffords, Mr. Brownback, Mr. Biden, Ms. Stabenow, Mr. Cochran, and Mr. Sarbanes)) submitted an amendment intended to be proposed to amendment SA 2700 submitted by Mr. McCain and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

Strike subsection (b) of the amendment and insert the following:

(b) Effective Date; Special Rule.—

(1) Effective date.—The amendment made by this section shall take effect as if included in the amendments made by section 312 of the Taxpayer Relief Act of 1997.

(2) Waiver of limitations.—If refund or credit of any overpayment of tax resulting from the amendment made by this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

SA 2812. Mr. NICKLES (for Mr. McCain (for himself, Mr. Allard, Mr. Lieberman, Ms. Snowe, Mr. Levin, Mr. Murkowski, Mr. Cleland, Mr. Inhofe, Ms. Landrieu, Mr. Burns, Mr. Durbin, Mr. Sessions, Mr. DeWine, Mr. Thurmond, Mr. Shelby, Mr. Hagel, Mr. Lugar, Mr. Kennedy, Mr. Warner, Ms. Collins, Mr. Hatch, Mr. Helms, Mr. Allen, Mr. Kerry, Mr. Fitzgerald, Mr. Stevens, Mr. Reid, Mr. Miller, Mr. Roberts, Mr. Bayh, Mr. Ensign, Mr. Bunning, Mr. Campbell, Mr. Nelson of Nebraska, Mr. Dodd, Mr. Jeffords, Mr. Brownback, Mr. Biden, Ms. Stabenow, Mr. Cochran, and Mr. Sarbanes)) submitted an amendment intended to be proposed to amendment SA 2790 submitted by Mr. Nickles and intended to be proposed to the amendment SA 2698 proposed by Mr. Daschle to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

Strike subsection (b) of the amendment and insert the following:

(b) Effective Date; Special Rule.—

(1) Effective date.—The amendment made by this section shall take effect as if included in the amendments made by section 312 of the Taxpayer Relief Act of 1997.

(2) Waiver of limitations.—If refund or credit of any overpayment of tax resulting from the amendment made by this section is prevented at any time before the close of the 1-year period beginning on the date of the enactment of this Act by the operation of any law or rule of law (including res judicata), such refund or credit may nevertheless be made or allowed if claim therefor is filed before the close of such period.

SA 2813. Mr. BOND submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. . MODIFICATION OF UNRELATED BUSINESS INCOME LIMITATION ON INVESTMENT IN CERTAIN DEBT-FINANCED PROPERTIES.

(a) In General.—Section 514(c)(6) of the Internal Revenue Code of 1986 (relating to acquisition indebtedness) is amended—

(1) by striking "include an obligation" and inserting "include—

"(A) an obligation",

(2) by striking the period at the end and inserting ", or", and

(3) by adding at the end the following:

"(B) indebtedness incurred by a small business investment company licensed under the Small Business Investment Act of 1958 which is evidenced by a debenture—

"(i) issued by such company under section 303(a) of such Act, or

"(ii) held or guaranteed by the Small Business Administration.".

(b) Effective Date.—The amendments made by subsection (a) shall apply to acquisitions made on or after the date of the enactment of this Act.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HARKIN. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will conduct a Nomination hearing on February 13, 2002, in SH–216 at 9:30 a.m. The purpose of this hearing will be to consider the following nominations: Thomas Dorr the nominee for Under Secretary of Rural Development; Nancy Bryson, the administrations nominee to serve as general counsel for USDA; and Grace Daniel and Fred Dailey who are nominated to serve on the board of Federal Agricultural Mortgage Corporation.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that an additional bill has been added to the hearing agenda for the hearing that was previously scheduled before the Subcommittee on National Parks of the Committee on Energy and Natural Resources on Thursday, February 14, 2002, beginning at 2:30 p.m., in room 366 of the Dirksen Senate Office Building in Washington, DC.

The additional measure to be considered is S. 1894, to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the sustainability and feasibility of its inclusion in the National Park System as part of Biscayne National Park.

For further information, please contact Shelley Brown of the committee staff at (202–224–5915).

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, February 5, 2002, at 9:30 a.m., in open session to receive testimony on the Defense authorization request for fiscal year 2003 and the future years Defense program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, February 5, 2002, at 4:30 p.m. in executive session to meet with members of the Canadian Senate Committee on National Security and Defense.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, February 5, 2002, at 9:30 a.m., to conduct the first in a series of hearings on "The State of Financial Literacy and Education in America."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, February 5, 2002, at 9:30 a.m., on pending committee business

Executive Session Agenda

1. To authorize the issuance of a subpoena to compel testimony from Mr. Kenneth L. Lay, former Chairman and Chief Executive Officer and current board member of the Enron Corporation (Kevin Kayes, Jeanne Bumpus).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, February 5, 2002, at 2:30 p.m., on implementation of the Aviation and Transportation Security Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. DORGAN. Mr. President, I ask unanimous consent that the Senate Committee on Finance be authorized to meet during the session of the Senate on Tuesday, February 5, 2002, at 2:30 p.m., to hear testimony on the President's fiscal year 2003 budget and tax proposals.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN AFFAIRS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, February 5, 2002, at 10:15 a.m., to hold a hearing entitled, "Foreign Policy Overview and the President's Fiscal Year 2003 Foreign Affairs Budget Request."

Witness: The Honorable Colin L. Powell, Secretary of State, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Tuesday, February 5, 2002, at 9:30 a.m., to hold a hearing entitled, "Retirement Insecurity: 401(k) Crisis at Enron."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on "Human Cloning: Must We Sacrifice Medical Research in the Name of a Total Ban?" on Tuesday, February 5, 2002, at 2 p.m., in Dirksen room 226.

Witness List

Panel I: The Honorable Dave Weldon and the Honorable James C. Greenwood.

Panel II: Dr. Irving L. Weissman, Chair, Panel on Scientific and Medical Aspects of Human Cloning, the National Academy of Sciences and Professor, Stanford University School of Medicine, Stanford, CA; Professor Henry T. Greely, Stanford University Law School, Stanford, CA; Professor R. Alta Charo, University of Wisconsin Law School, Madison, WI; Kris Gulden, Coalition for the Advancement of Medical Research, Washington, DC; Andrew Kimbrell, Executive Director, International Center for Technology Assessment, Washington, DC; and Father Kevin T. FitzGerald, Georgetown University Medical Center, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. DORGAN. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology, and Space of the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, February 5, 2002, at 9:30 a.m., on Fighting Bioterrorism: Using America's Scientists and Entrepreneurs to find Solutions.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Nevada.

UNANIMOUS CONSENT REQUEST—S. 180

Mr. REID. Madam President, I ask unanimous consent the Chair lay before the Senate a message from the House on S. 180; that the Senate disagree to the House amendment, agree to the request for conference on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Is there objection?

Mr. NICKLES. Madam President, I object.

The PRESIDING OFFICER. Objection is heard.

ORDERS FOR WEDNESDAY, FEBRUARY 6, 2002

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10:30 a.m., Wednesday, February 6; that following the prayer and pledge the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and there be a period of morning business until 11:30 a.m., with Senators permitted to speak for up to 10 minutes each, with the time equally divided between the two leaders or their designees; further, at 11:30 a.m., the Senate resume consideration of H.R. 622 and vote on cloture on the Daschle substitute amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Madam President, the next rollcall vote will occur tomorrow morning at 11:30 a.m. on cloture on the Daschle economic recovery amendment. Additional rollcall votes are expected throughout the day tomorrow.

ADJOURNMENT UNTIL 10:30 A.M. TOMORROW

Mr. REID. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:26 p.m., adjourned until Wednesday, February 6, 2002, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate February 5, 2002:

DEPARTMENT OF ENERGY

GUY F. CARUSO, OF VIRGINIA, TO BE ADMINISTRATOR OF THE ENERGY INFORMATION ADMINISTRATION, VICE JAY E. HAKES, RESIGNED.

INTER-AMERICAN FOUNDATION

JOSE A. FOURQUET, OF NEW JERSEY, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING SEPTEMBER 20, 2004, VICE MARK L. SCHNEIDER, TERM EXPIRED.

ADOLFO A. FRANCO, OF VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR THE REMAINDER OF THE TERM EXPIRING SEPTEMBER 20, 2002, VICE JEFFREY DAVIDOW, RESIGNED.

ADOLFO A. FRANCO, OF VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING SEPTEMBER 20, 2008. (REAPPOINTMENT)

ROGER FRANCISCO NORIEGA, OF KANSAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING SEPTEMBER 20, 2006, VICE HARRIET C. BABBITT, TERM EXPIRED.

DEPARTMENT OF LABOR

EUGENE SCALIA, OF VIRGINIA, TO BE SOLICITOR FOR THE DEPARTMENT OF LABOR, VICE HENRY L. SOLANO, RESIGNED, TO WHICH POSITION HE WAS APPOINTED DURING THE RECESS OF THE SENATE FROM DECEMBER 20, 2001, TO JANUARY 23, 2002.

DEPARTMENT OF VETERANS AFFAIRS

DANIEL L. COOPER, OF PENNSYLVANIA, TO BE UNDER SECRETARY FOR BENEFITS OF THE DEPARTMENT OF VETERANS AFFAIRS FOR A TERM OF FOUR YEARS, VICE JOSEPH THOMPSON, RESIGNED.

IN THE COAST GUARD

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS COMMANDANT OF THE UNITED STATES COAST GUARD AND TO THE GRADE INDICATED UNDER TITLE 14, U.S.C., SECTION 44:

To be admiral

VICE ADM. THOMAS H. COLLINS, 9096

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR REGULAR APPOINTMENT TO THE GRADES INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTIONS 531 AND 5582:

To be lieutenant

GREGORY W. KIRWAN, 0601

To be lieutenant junior grade

ARSENIO S. FRANCISCO, 7232
JOHN E. GAY, 6483

To be ensign

MATTHEW M. SCOTT, 6502

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 531:

To be lieutenant

MICHAEL J. ADAMS, 2359
MATTHEW L. BERAN, 1637
JAMES H. BURNS, 6470
JOSEPH F. CARILLI JR., 6141
TRACY L. CLARK, 1423
KEVIN W. MESSER, 2191
ROBERT P. MONAHAN, 0790
NELL A. OSGOOD, 3463
SCOTT A. SUOZZI, 0012

CONFIRMATION

Executive Nomination Confirmed by the Senate February 5, 2002:

THE JUDICIARY

PHILIP R. MARTINEZ, OF TEXAS, TO BE UNITED STATES DISTRICT JUDGE FOR THE WESTERN DISTRICT OF TEXAS.

EXTENSIONS OF REMARKS

PERSONAL EXPLANATION

HON. MAURICE D. HINCHEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. HINCHEY. Mr. Speaker, I regret that I was unavoidably detained in traffic on Tuesday, January 29 while returning to the Capitol from my congressional district. This forced me to miss the vote on House Resolution 335, a resolution commending Catholic schools. Had I been present, I certainly would have voted for the bill.

As a graduate of Catholic elementary school and one well aquainted with the many first-rate Catholic educational institutions in my congressional district, I would have been delighted to vote for a resolution that "congratulates Catholic schools, students, parents and teachers across the nation for their ongoing contributions to education." I regret that I missed this opportunity to celebrate the merits of a Catholic education.

INTRODUCTION OF THE IMMEDIATE HELPING HAND DRUG ASSISTANCE ACT OF 2002

HON. ROB SIMMONS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. SIMMONS. Mr. Speaker, I believe most of us agree that the modernization of the Medicare program must include prescription drug coverage for seniors. Senior citizens are right to be concerned about having to pay for prescription drugs out of their own pockets and they are right to wonder when lawmakers will take action.

Congress seems poised to take action. But what if? What if Congress doesn't pass a Medicare reform bill that includes a drug benefit? What if partisan politics cause inaction? Then what?

I believe the solution lies in my legislation, the "Immediate Helping Hand Prescription Drug Assistance Act of 2002," which closely mirrors the plan President Bush put forth in early 2001. My bill will provide $48 billion over seven years to States to help seniors afford prescription drug coverage. This national program is similar to the State of Connecticut's "ConnPACE" program and other State-funded prescription subsidy plans that help seniors purchase medication at a low cost.

Under my legislation, States would receive block grants to provide a drug benefit for low-income Medicare beneficiaries, either through the creation of new State drug assistance programs or through the expansion of existing programs. With this targeted approach, States would be able to provide much-needed dollars to drug programs, allowing more of our Nation's seniors to afford prescription drugs.

While I would prefer adding a prescription drug benefit to a modernized Medicare system, election-year politics may make this task virtually impossible. We cannot wait any longer—we must act now to provide seniors with a "helping hand" toward providing real prescription drug coverage.

Mr. Speaker, I am proud to introduce this bill with three of my colleagues—Mrs. HART, and Messrs. KOLBE and MANZULLO. I urge others who truly care about providing prescription drug coverage to our low-income seniors to cosponsor my Immediate Helping Hand legislation.

ESTABLISHING FIXED INTEREST RATES FOR STUDENT AND PARENT BORROWERS

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of S. 1762. This bill helps expand opportunities for higher education by establishing fixed interest rates for student and parent borrowers.

Our country is the land of opportunity, where one can go from rags to riches. A few land unique and rare opportunities for successful ventures that reap them financial security. The majority of the population, however, rely on a college, or more advanced, education.

The future or our Nation lies in educating the next generation of young people. But the cost of an education these days is phenomenal—tens of thousands of dollars per year for tuition alone. Add in the cost of books, room and board, and maybe a movie now and again. And for those who continue on to law or medical school, a significant amount of expenses is added on.

Most students get through college by working and taking out loans. Education loans are good investment in our economy and in our citizens. College graduates earn an average of 80 percent more than individuals with only a high school diploma. Over a lifetime, the earnings difference individuals with high school and college degrees can be more than $1 million.

Education loans give everyone and anyone the opportunity to a college education because they are guaranteed. This legislation is crucial to ensure that education loans are accessible to help future generations realize the American Dream.

IN HONOR OF DAVID P. LEMAGNE

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. MENENDEZ. Mr. Speaker, I rise today to honor a true hero. On the tragic day of September 11, 2001, David P. Lemagne of New Jersey, working along side the Port Authority Police of New York and New Jersey, sacrificed his own life for the lives and well being of others. Today, I would like us to join together in a moment of silence to recognize the life of a truly outstanding man.

Since childhood, David Lemagne has helped those in need. In 1985, he worked as an Explorer in Post 525 with the Union City Volunteer Ambulance Corp. This was just the beginning of a career dedicated to assisting others. In 1990, he received his EMT Certification from the Bergen County EMS Training Academy and started working with the Union City Volunteer Ambulance Corp. Upon completion of high school, he was hired as an EMT with the Jersey City Medical Center, and worked as an EMT for the University of Medicine and Dentistry of New Jersey through 1993.

David studied hard and worked his way through the ranks, earning him respect, seniority, and greater responsibilities, including: a position as a Paramedic with the Jersey City Medical Center; as Ride Master of UMDNJ EMS Bike Team in 1995, where he served through 1999; as Tour Chief of the New Jersey Medical Center in charge of Emergency Services; and as a Team Paramedic of the NJSEA Meadowlands Arena. David saved countless lives throughout his selfless service to the community.

David Lemagne graduated from Hudson Catholic High School in 1992; received an Associates Degree in ParaMedicine from UMDNJ in 1994; and began studying Sports Medicine at Kean University.

David is survived by his parents, Ruth Myriam and Prudencio, his sister, Magaly, his brother-in-law, Salvatore Alfano, and his grandmother Lupe, and grandfather Guillermo.

Today, I ask my colleagues to join me in honoring and celebrating the life of David P. Lemagne, forever a hero in the eyes of all Americans.

TRIBUTE TO MS. CLAIRE SALVIANO

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention the work of a woman I

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

am proud to represent in Congress and even more honored to call my friend, Ms. Claire Salviano. Claire was recognized on Thursday, January 31, 2002 for her 25 years of dedicated service at the Department of Transportation for the Paterson Board of Education.

It is only fitting that she be honored, in this, the permanent record of the greatest freely elected body on earth, for she has a long history of caring, leadership, and commitment to the children of her hometown.

Claire Salviano was born in Paterson, New Jersey to Herbert and Clara Huntington. After graduating from a local high school, Claire married Virgil Salviano and raised five children. Once her children were grown, Claire decided to continue her education at Rutgers University and William Paterson University.

Her intense involvement in the Paterson community began while her children were in elementary school. Claire served on the School #9 PTA as a member, organizer and a 10-year officer. As Claire's interest in serving the needs of children grew, she became deeply engaged in the Paterson Boys Club. She founded the New Jersey Auxiliaries of Boys Clubs and was the first woman to serve on the Board of Directors for the Boys Club. During her tenure as a board member, Claire led the fight to admit school-aged girls as full members of the club. She was successful in her crusade, thus beginning a new era, the Paterson Boys and Girls Club.

Claire Salviano's service to the City of Paterson continued to grow as she founded and organized the South Paterson Neighborhood Association and the citywide neighborhood Crime Watch Program.

In 1977, Claire was appointed to serve as a Commissioner on the Paterson Board of Education. As a member and later President, she brought honor and distinction to the Board. Her efforts there did not go unnoticed as the Federation of Italian Societies recognized Claire as the Outstanding Woman of the Year.

Claire initially served as the Supervisor and eventually became the Director of the Department of Transportation for the Board of Education. In this new position, she was responsible for overseeing the transportation of 7,500 students. She joined the School Transportation Supervisors Association and was President from 1995–1997. As President she chaired the annual state conference and was elected to represent the Eastern Division of the State Directors Association.

The job of a United States Congressman involves so much that is rewarding, yet nothing compares to recognizing the accomplishments of individuals like Claire Salviano. Her concern for the safety and well being of children is unparalleled and we are grateful for her years of dedication and hard work on behalf of the Children of Paterson.

Mr. Speaker, I ask that you join our colleagues, the City of Paterson. Claire's family and friends, all those who have been touched by Claire and me in recognizing the outstanding and invaluable service of Ms. Claire Salviano.

HONORING OLIVER GALE AS A GREAT LIVING CINCINNATIAN

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PORTMAN. Mr. Speaker, I rise today to honor a friend and constituent, Oliver Gale, who will be formally honored on February 20 by the Greater Cincinnati Chamber of Commerce as a Great Living Cincinnatian. The recipients of this prestigious award are selected on the basis of special achievement in the world of work, but the criteria also includes an awareness of the needs of others; civic service; leadership; and distinctive accomplishments.

Oliver Gale is a 92-year old Cincinnati legend—and Cincinnati is his adopted hometown! He has been a major force behind every Cincinnati civic improvement project over the past forty years. After graduating from Choate in 1937 and Harvard in 1941, Oliver began his career as a reporter and writer for the Boston Herald. He spent twenty years at Proctor & Gamble, joining the company in 1937 and rising to becoming an assistant to the company's legendary president, Neil NcElroy. In 1957, Oliver became a special assistant during Mr. McElroy's tenure as U.S. Secretary of Defense under President Eisenhower.

In November, 1960, Oliver turned his attention to assisting Cincinnati landmark institutions. He has served as trustee and president for the Cincinnati Zoological Society at the time when the Cincinnati Zoo became internationally recognized. Oliver led the effort to join the Cincinnati Historical Society with the Museum of Natural History to establish the Cincinnati Museum Center at historic Union Terminal. With the Museum of Natural History, Oliver served as trustee, secretary, president and chairman. He served on the Museum Center board for twelve years, and he remains an honorary board member.

His civic associations do not end there. Oliver also dedicated his talent to the Cincinnati Ballet Company, the Oral History Foundation and the Friends of the Parks.

All of us in Greater Cincinnati thank Oliver for his service to our community, and congratulate him for being named a Great Living Cincinnatian.

HONORING THE 32 YEARS OF SERVICE OF TED EILERMAN TO SAINT ELIZABETH'S MEDICAL CENTER

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. COSTELLO. Mr. Speaker, I rise today to ask my colleagues to join me in recognizing the 32 years of service of Ted Eilerman to Saint Elizabeth's Medical Center in Granite City, Illinois.

Ted Eilerman's accomplishments are considerable. He has served for more than 32 years as an administrator at St. Elizabeth's Medical Center, including 17 years as President and CEO. He has also served on the boards of Union Planters Bank, the Southern Illinois University at Edwardsville Foundation, Junior Achievement and FOCUS St. Louis.

He is past president of the Granite City Optimist Club, past Chairman of the Southern Illinois Industrial Association and Tri-City Civic Alliance and the Tri-Cities Area United Way Campaign. He is also the past president of the Leadership Council of Southern Illinois and is past chairman of the Board of Trustees of the Illinois State Hospital Association. Ted's awards include the Jaycees Distinguished Service Award in 1970; the Illinois Hospital Association's Outstanding Public Service Award in 1979 (this award was given out only 5 times in the Association's history); the Department of Health Care Administration's Honorary Membership Award-St. Louis University in 1986; the De La Roche Award from the Board of Directors at St. Elizabeth's Medical Center in 1991; and most recently the Chamber of Commerce of Southwestern Madison County's Citizen of the Year in 2001.

Last year, St. Elizabeth's Medical Center treated more than 27,000 people in the hospital's Emergency Room. The hospital is a 193-bed full-service medical center and provides medical care for the entire metro-east area.

Ted Eilerman's leadership has been outstanding. His vision, commitment and tenacity have made him a local, regional and statewide health care advocate. His commitment to providing quality health care to all people, regardless of their ability to pay, leaves a legacy of caring in Granite City, Illinois and all surrounding communities.

Ted will continue to serve as a consultant to the hospital, which is now under the management of Community Health Systems.

Mr. Speaker, I ask my colleagues to join me in honoring the 32 years of service of Ted Eilerman to St. Elizabeth's Medical Center and wish both he and his family the very best for the future.

HONORING SGT. DWIGHT MORGAN

HON. MIKE THOMPSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. THOMPSON of California. Mr. Speaker, last September 14th I spoke on this floor and said that my dream as a Member of Congress was to never have to vote to send our American men and women into combat. At that time, our nation had just been victim to a horrific attack, and I joined my colleagues in Congress in voting to authorize our government to use military force to prevent the terrorists from striking again. I return to the floor today, saddened but proud, to honor a brave young man from my district who gave his life to protecting our nation.

Dwight Morgan, a Sergeant in the U.S. Marine Corps, died in a helicopter crash near Bagram Air Base in Afghanistan. Dwight was only 24 years old, and was a native of Napa and Willits, California. He was a proud, hard-working Marine. His life-long gift for mechanics led him to be a specialist in helicopter hydraulics and electronics.

All those who knew Sergeant Morgan praised his work ethic, his sincerity, and his dedication to his family. School principals, football coaches, and teachers who had the opportunity to have Dwight under their guidance are unanimous in their respect for the way he conducted himself as a student, an athlete, and a young man.

Before Dwight died aboard a CH–53E "Super Stallion" helicopter, the Marine Corps had nominated him for a promotion to Staff Sergeant, which will now be awarded posthumously. His promotion is testament to his dedication to the Marine Corps. Since high school, his dream was to be a United States Marine. He served for over 5 years, and was most recently a member of the Flying Tigers, a helicopter squadron based at Marine Corps Air Station Miramar.

Dwight was highly regarded by those who knew him because of his commitment to his family. Soon after high school, Dwight married Teresa Morgan, who is pregnant with their second child. One of Dwight's greatest joys was being a father to their son, Alex.

Mr. Speaker, please join me in honoring Sergeant Dwight Morgan for sacrificing his life to protect the citizens of the United States. At a time when all citizens are being asked to be vigilant in a war that has struck our homeland, we should have a high regard for the courage and dedication of Dwight Morgan.

A TRIBUTE TO THE VICTIMS OF SEPTEMBER 11TH

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. HORN. Mr. Speaker, the tragedy of September 11th touched all Americans in some way. Many of us in Congress lost people from the districts we represent.

Today, I would like to recognize one such man, John Hofer of Bellflower, California. Mr. Hofer was a passenger aboard American Airlines Flight 11, the hijacked flight that hit the north tower of the World Trade Center. He was on his way home to California from a golfing tournament on Cape Cod, Massachusetts. It was his first trip to the East Coast and he was excited about seeing a Boston Red Sox baseball game at Fenway Park.

John was known for his love of golf and was traveling with one of his golfing buddies, John Wenckus, 46, of Torrance, when their plane hit the World Trade tower. The two of them were regulars on the Skylinks Golf Course in Long Beach, California.

Mr. Hofer also was a businessman in his hometown of Bellflower. He owned John's Sharpening Center, a small business that sharpened pet-grooming tools. Mr. Hofer is survived by a daughter.

TRIBUTE TO MATT SMITH

HON. GREG WALDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. WALDEN of Oregon. Mr. Speaker, I rise today to thank publicly a member of my District Office staff for years of exceptional service to me and to the residents of the Second Congressional District of Oregon.

Matt Smith has been steadfastly true to a legacy of selfless public service that has long been a tradition in the Smith family. As the son of Kaye and Chairman Robert F. (Bob) Smith, who served Oregon so effectively as a leader for 36 years in the Oregon House and Senate and then in the U.S. Congress, Matt was raised with the knowledge that the most meaningful rewards in life come from helping others. Countless Oregonians have benefited from Matt's advocacy on their behalf and from his role as an integral participant in helping me address issues in the district that have directly impacted thousands of hard-working Second District residents.

Whether stepping in to save a rancher's grazing permit or helping to hone the finer details of my legislation to save the Steens Mountain area from unwarranted national monument status, I have counted on Matt to get the job done. He has been a loyal and dedicated public servant on such issues as saving the Elk Creek Dam from wasteful demolition and protecting lives and resources by keeping the Medford Air Tanker Base open.

Matt has brought to his work a bright mind and a natural ability to work well with others. Not only have the people I represent placed great faith in his abilities, but so have his coworkers. Matt has been a team player in every respect and could always be counted on to solve tough problems and help others to reach their potential. Perhaps most importantly, Matt is a dependable friend with a great sense of humor.

Mr. Speaker, I am proud of what Matt has accomplished and am proud to have had him on my staff. For someone who looks up to his father as much as I do, it has been a delight to watch Matt grow and mature into a man who must make his father very proud. Matt's stellar career has not gone unnoticed by others and many new opportunities have presented themselves. This month Matt is going to follow his expanded horizons by taking a position with Smith-West, a distinguished government relations firm. I have every confidence that in Matt's new job he will continue his own strong record of public service.

Matt Smith will continue to help others and make Oregon a better place. He will continue to be an impact player and make a difference. I am sorry to see Matt leave and lose his invaluable assistance, but I am so very proud of what he has accomplished and the good work I know he will continue to perform.

I join Matt's coworkers in saying thank you and congratulations for a job well done. We will miss you as a colleague, Matt, but we know in our hearts that you will always be our friend.

OUR FRIENDS IN CANADA

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mrs. WILSON of New Mexico. Mr. Speaker, as Americans, we were all deeply moved when, during the days following September 11th our friends in Canada extended a helping hand to our shaken Nation. Our neighbors to the north deserve our thanks and praise for their enduring friendship.

The world watched as trans-Atlantic flights were diverted to Canadian airports in Newfoundland and Nova Scotia. Personal accounts from constituents of mine, stranded in Canada because of the events of September 11th, show how remarkable the response was from the Canadian citizens who helped to care for stranded passengers. There were hot meals, showers, cots, blankets, and TV sets to watch the first news of what was happening back home. There were also teddy bears and "field trips" to local sights.

It is during these troubled times that you find out who your real friends are. Thanks to the service men and women, and also to the citizens of the great Nation of Canada for their kindness. Your hospitality will not soon be forgotten.

WASHINGTON, DC,
February 4, 2002.

Lt. Cmdr. M.A. MORRIS,
Commanding Officer, HMCS Cabot,
St. John's, Newfoundland.

DEAR COMMANDER MORRIS: No one expected on the morning of September 11th what that day would be like. I expect that is especially true of you.

Ash and Susan Collins, two constituents of mine from Placitas, New Mexico, told me of your professionalism and kindness following the diversion of so many guests to your station.

I wanted to thank you for all you did for them and others in the same situation.

It is in the tough times that you find out who your real friends are. Thank you and your service men and women for your hospitality and kindness. We won't soon forget it.

Warm Regards,

HEATHER WILSON,
Member of Congress.

HOUSE OF REPRESENTATIVES,
Washington, DC, February 4, 2002.

Hon. MICHAEL F. KERGIN,
Ambassador, Canadian Embassy,
Washington, DC.

DEAR MR. AMBASSADOR: I had read a few stories in the paper about how well Americans were treated by our Canadian friends in the days following September 11th. Two of my constituents, Ash and Susan Collins of Placitas, New Mexico, took the time to tell me of their personal experience.

It is in the tough times that we find out who our real friends are. Please accept my thanks to you and your countrymen for your kindness and friendship. We won't soon forget it.

Warm Regards,

HEATHER WILSON.

ASHTON B. COLLINS, Jr.,
Placitas, NM, October 29, 2001.

Hon. HEATHER WILSON,
House of Representatives, Cannon House Office Building, Washington, DC.

DEAR HEATHER: It was certainly good to be with you and Jay on Friday night. We appreciate your interest in our comments about the extraordinary response and support by Canadians on September 11.

On September 11, 2001, when U.S. and offshore airspace areas were closed, trans-Atlantic flights were diverted to Canadian airports in Newfoundland and Nova Scotia. More than 17,000 persons from 136 planes landed in Newfoundland alone. We enclose a photo of the Halifax, Nova Scotia airport to illustrate the dimensions.

We were on one of the 27 wide-body airliners with a total of approximately 4,300 passengers and crews landing at St. John's, Newfoundland. The St. John's airport was under major construction and normally receives one jumbo jet daily. Passengers were held for several hours on their planes while Canadian authorities developed plans.

Ultimately, we were allowed to carry only wallets for men, purses for women and passports into the terminal. Upon deplaning in darkness, we were each greeted with a warm, "Welcome to Canada", a sandwich, liquids, and solid assurance that we would be cared for. And we were cared for with astonishing efficiency on the part of all Canadian authorities, agencies, public institutions, businesses, and individuals.

The Canadians' sense of solidarity with their American neighbors was and is an indelible memory. A lot of Americans learned a lot about their neighbors to the North in a hurry.

Here are a few highlights:

Individuals from all over Newfoundland pitched in, each in his own way. We "airplane people" slept in churches, convents, schools, e.g., we stayed at the HMCS Cabot naval reserve station on cots in a classroom. (We enclose a letter just written to Lieutenant Commander Margaret Morris, Commander of the Cabot facility for further detail.)

Teddy bears were bought by private citizens and delivered to children at various sites.

A cab driver offered us his home and a home-cooked meal.

Prescriptions were refilled and supplied gratis by the Red Cross.

The Canadian flags were flown at half-staff. This gesture, alone, moved many Americans to tears.

Sympathy cards to the United States handmade by Nova Scotia school children were posted on walls at the Halifax airport.

Newspapers were dominated by stories of events at home and Canadian support. (We enclose examples.)

Words cannot adequately express our appreciation, respect and admiration for our Canadian friends.

We will be glad to give further details should that be helpful.

Special thanks to you for your consideration of a reference to Canadian support and HMCS Cabot in the Congressional Record . . . and a mention to the U.S. Ambassador.

Sincerely,

ASH AND SUSAN COLLINS.

ASHTON B. COLLINS, Jr.,
Placitas, NM, October 29, 2001.

LCDR M.A. MORRIS,
Commanding Officer, HMCS Cabot,
St. John's, Newfoundland.

DEAR COMMANDER MORRIS: Some time has passed since we were with you and your HMCS Cabot personnel, as your guests in the days following the tragedies of September 11.

We will never be able adequately to express our gratitude for the extraordinary qualities of welcome, warmth, empathy, support, and solidarity that you gave us . . . all the "airplane people" . . . so generously and spontaneously.

We also will never know how, when so many people descended on HMCS Cabot so unexpectedly, you were able to anticipate so efficiently . . . and gracefully their needs, ranging from the obvious, such as hot meals (and the quality of which was outstanding!), cots and blankets, hot showers, and a variety of amenitfes to the less obvious but vital such as TV sets strategically placed so we could get our first news of the unfolding events and analysis.

And you were superb in your information flow to us . . . letting us know when you knew of potential and actual plan for ultimate departure.

Your people also were great about keeping track of all of their new "guests" and were sources of all manner of helpful information about St. John's and Newfoundland.

It is clear to us that this quality of response to extraordinary events comes from the heart, and from outstanding leadership. You exhibited both, in high measure; we salute you.

We Americans learned a lot about our great neighbors to the North, in a short time. And it was all of the best.

Now, in a modest turnabout, we enclose a small token of our New Mexico, with the sincere invitation to you to visit us in our home (photo enclosed) to let us show you something of our American Southwest.

We also enclose a check for your discretionary use in behalf of all the great people of HMCS Cabot.

Sincerely,

ASH COLLINS.

ALARMING DEVELOPMENTS FOR RELIGIOUS FREEDOM IN KAZAKHSTAN

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. SMITH of New Jersey. Mr. Speaker, troubling amendments to the current Kazakh law on religion await President Nursultan Nazarbayev's signature to enter into force. Both the lower and upper houses of the Kazakh parliament passed the amendments without any substantive modifications. As a result, if President Nazarbayev signs the legislation into law during the ten-day window, Kazakhstan would seriously undermine its commitments as a participating State in the Organization for Security and Cooperation in Europe (OSCE) to ensure the freedom of the individual to profess and practice their religion or belief.

Introduced without public consultation in late November 2001, the amendments passed the lower house on January 17 and the upper house on January 31 of this year. The sudden rush to passage was surprising. Kazakhstan had been working with the OSCE Advisory Panel of Experts for Freedom of Religion or Belief to craft a law in harmony with its OSCE commitments. In fact, an earlier draft heavily criticized by the Advisory Panel was withdrawn in August 2001. The Advisory Panel issued a report on the latest draft on January 16, 2002, highlighting serious deficiencies in the text. However, it appears little heed was given to their critique. Reportedly, the executive branch pushed vigorously for legislation providing stricter controls on minority religious groups, which would explain the rapid consideration.

In response to these unfolding events, myself, Chairman BEN NIGHTHORSE CAMPBELL and six other Commissioners of the Commission on Security and Cooperation in Europe, the Helsinki Commission, wrote President Nazarbayev last week about these developments. The text of that letter which I am submitting for the RECORD, highlights several, but not all problematic elements of the recently passed legislation. Of particular note are the increased hurdles for registration and vaguely worded articles, which could allow for arbitrary denials of registration for religious groups, and consequently their legal existence. Accordingly, there is great concern for the future of religious freedom in Kazakhstan, whether for Muslims or Christians.

Mr. Speaker, in the letter we respectfully asked President Nazarbayev not to sign the amendments into law.

Our concerns are not based on mere supposition; related laws and regulations have been utilized to suppress faith communities in Kazakhstan. For example, this past summer Article 375 of the Administrative Code was introduced, requiring the registration of all religious groups and including language penalizing unregistered religious groups. Police have since justified several raids on religious meetings citing Article 375, resulting in harassment and imprisonment as well as reported beatings and torture. Actions late last year against unregistered Baptist pastors is an illustrative example.

On October 27, 2001, Pastor Asylbek Nurdanov, a Baptist leader in the Kyzyl-Orda regional city of Kazalinsk, went to a police station after his church was raided for failing to register. Once there, he was reportedly severely beaten and stripped, with one officer attempting to strangle him with a belt. Another threatened to cut off his tongue with scissors if he did not renounce his faith. It was also reported that on November 10, Pastor Nurdanov was forcibly taken and detained in a psychiatric hospital in Kyzyl-Orda. While he was released on November 16, such abuse is unacceptable. Other reports of police harassment and detention of Baptist pastors who have not registered their faith communities also exist. For example, on September 25, 2001, the Aktobe public prosecutor initiated legal proceedings against Baptist Pastor Vasily Kliver on the charge of "evading the registration of a religious community." In October, Baptist pastor Valery Pak was jailed in Kyzyl-Orda for five days on the same charge.

These reports of harassment, torture and detention indicate a serious failure to uphold Kazakhstan's human rights commitments as an OSCE participating State. As is evident, our concerns about Kazakh authorities utilizing the proposed amendment's restrictive nature to harass, if not condemn, religious groups are borne out by past practice in Kazkahstan. Mr. Speaker, it is my hope that President

Nazarbayev will honor the obligations his nation freely chose to uphold as a participating OSCE state and not sign the amendments into law.

Mr. Speaker, I request that the text of the letter sent to President Nazarbayev last week be included in the RECORD.

January 30, 2002.

His Excellency NURSULTAN NAZARBAYEV,
President of the Republic of Kazakhstan, Astana, Kazakhstan.

DEAR PRESIDENT NAZARBAYEV: We write today to express our concern over the proposed amendments to the Law on Freedom of Religion and Religious Associations. We view the amendments, scheduled for consideration by the Senate on January 31st, as problematic, since they would seriously undermine Kazakhstan's commitments to human rights as a participating State in the Organization for Security and Cooperation in Europe (OSCE). Therefore, should the Kazakh Senate approve the amendments, we respectfully ask that you not sign them into law.

The OSCE Advisory Panel of Experts on Freedom of Religion and Belief issued a review of the proposed amendments on January 16, 2002. The review found the proposed amendments, while an improvement from an earlier draft withdrawn in August 2001, seriously deficient in many respects. In addition, the OSCE Centre in Almaty has stated the current religion law meets international standards and found no justification for initiating the new provisions. Therefore, we believe the remarks contained in the OSCE Advisory Panel critique should be followed fully.

Problematic areas include, but are not limited to, permitting the registration of Muslim groups and the building of mosques only after a recommendation of the Spiritual Administration of Muslims of Kazakhstan. In addition, the number of individuals required to form a religious association would increase from 10 to 50, regardless of religion. Furthermore, the proposed amendments would permit dissolution of a religious group should individual members of the group commit repeated violations of the law. Each of these examples would allow the government to arbitrarily deny registration, and thereby legal existence, on specious legal grounds not in harmony with OSCE commitments.

Reportedly, your government's justification for the new requirements in the current amendments, which create hurdles for registration, is to combat religious extremism. Yet the definition of "religious extremism" in the amendments is vague and inherently problematic, potentially categorizing and prohibiting groups on the basis of their beliefs, rather than on their having committed illegal actions. Such vague language would allow the arbitrary interpretation of a group's beliefs and uneven implementation of the law.

Our fear of Kazakh authorities harshly employing new requirements against religious groups is not unfounded. While the existing religion law does not require registration of faith communities, Article 375 of the Administrative Code, a provision added last year, requires the registration of faith communities. Since the promulgation of that article, we have received several reports of unregistered groups being penalized through criminal sanctions, as well as individuals being beaten while in custody. The harassment, detention and beating of individuals for merely belonging to unregistered religious groups, as well as disproportionate criminal charges for an administrative violation, are in direct violation of OSCE commitments.

In calling for these actions, we remind you of the 1991 Moscow Document in which the OSCE participating States declared that "issues relating to human rights, fundamental freedoms, democracy and the rule of law are of international concern" and "are matters of direct and legitimate concern to all participating States and do not belong exclusively to the internal affairs of the State concerned." It is in this light that these requests are made.

Last autumn, your government made a wise decision by choosing to honor its OSCE commitments and withdrawing the earlier version of the amendments. Recognizing the crucial importance that the very highest standards of religious freedom and human rights agreed to and proclaimed in various Helsinki documents be upheld, we respectfully urge you to take similar steps and not sign the amendments into law, should they pass the Senate without substantive modification.

Sincerely,

Ben Nighthorse Campbell, U.S.S. Chairman, Steny H. Hoyer, M.C., Zach Wamp, M.C., Alcee L. Hastings, M.C., Christopher H. Smith, M.C. Co-Chairman, Joseph R. Pitts, M.C., Robert B. Aderholt, M.C., Louise McIntosh Slaughter, M.C.

TRIBUTE TO OFFICER WILLIAM JIMENO

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PASCRELL. Mr. Speaker, I am honored to call to your attention the story of an American hero, Officer William Jimeno of the Port Authority Police Department. Officer Jimeno of Clifton, New Jersey miraculously survived being buried for fourteen hours in the rubble of the World Trade Center after heroically responding to the scene on the morning of September 11, 2001.

September 11, 2001 has emblazoned so many unforgettable images in our minds. Perhaps none is more vivid, however, then that of courageous men and women in uniform working so valiantly to save the lives of others. It is therefore only fitting that Officer Jimeno be honored, in this, the permanent record of the greatest freely elected body on earth.

A member of the Port Authority Police Department for only nine-months at the time of the attack, Officer Jimeno and two fellow officers immediately rushed from the Port Authority Bus Terminal to the Twin Towers after the first plane hit. Soon joined by two additional officers, Will and his colleagues secured axes, air packs, and helmets to help evacuate the buildings.

The officers were in the lobby of Tower Two on their way back to Tower One when an indescribable noise pierced through the air. Tower Two was coming down.

Officer Jimeno found himself and four others from the PAPD, Sergeant John McLoughlin, Officer Dominick Pezzulo, Officer Antonio Rodriguez, and Officer Chris Amoroso, buried alive, crushed under steel and concrete and surviving inside an air pocket made by part of an elevator.

After fourteen hours, and after losing three of his fellow officers who had been trapped near him, Will was pulled from the rubble.

Officer Jimeno's actions that day, and everyday of his recovery since, are a testament to his character and spirit. Rather than be daunted by the tragedy that occurred, he is steadfast and resolute in his commitment to serve others.

As Will himself has said, "As soon as I'm better I'll put my uniform back on and go back to work."

Those who attacked us on September 11 thought our commitment to freedom and to each other made us weak. They never met Will Jimeno. The bravery and love he exhibited in the face of terror make him an example for us all.

Mr. Speaker, I ask that you join our colleagues, the City of Clifton, Will's family and friends, myself, and a truly grateful nation in honoring a great American, Port Authority Police Officer William Jimeno.

HONORING EMILY WATKINS SPICER AS A GREAT LIVING CINCINNATIAN

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PORTMAN. Mr. Speaker, I rise today to recognize Emily Watkins Spicer, an educator and community leader, who will be honored on February 20 by the Greater Cincinnati Chamber of Commerce as a Great Living Cincinnatian. The recipients for this prestigious award are selected on the basis of their achievement in the world of work, but the criteria also includes an awareness of others; civic service; leadership; and distinctive accomplishments.

Emily Watkins Spicer grew up in Cincinnati during the 1940s—a time when many young African-American women were not able to realize their career goals. At Withrow High School and later at the University of Cincinnati, she remembers some teachers would not call on her in class. Never allowing herself to become bitter, Emily turned her formidable energy and talent to becoming a teacher, her lifelong dream.

After graduating from Withrow in 1944, Emily earned a bachelor's degree in teaching from the University of Cincinnati in 1948. She worked for the Cincinnati Recreation Commission for ten years, then accepted a job teaching physical education at Lincoln Heights High School. While earning her master's degree in guidance counseling at U.C., she taught health and physical education at Heinold Junior High. Completing her master's degree in 1963, she held teaching and counseling positions at Aiken High and Woodward High. In 1971, she was named assistant principal at Woodward.

In 1976, Emily became principal of Merry Junior High in Mt. Adams, where she had the task of supervising 1,000 seventh and eighth graders who were bused from other parts of the city. Her accomplishments were noticed by the Superintendent of Cincinnati Public Schools, James N. Jacobs, who named Emily principal of Taft High School. Emily's appointment marked the first time a woman was named senior high school principal for the Cincinnati Public Schools. At Taft, Emily was credited with giving the high school—then in deplorable physical condition—a new spirit as well as a new look.

Although she retired in 1983, Emily remains active in community and educational pursuits. She served four years on the Greenhills-Forest Park School Board, and helped open a charter school, the Hamilton County Math and Science Academy. In 1979, Emily was recognized as a "Woman of the Year" by the Cincinnati Enquirer.

All of us in Cincinnati area are grateful for Emily Watkins Spicer's dedication to our community, and congratulate her on being recognized as a Great Living Cincinnatian.

HONORING THE REVEREND DONALD PIERCE WEEKS

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. COSTELLO. Mr. Speaker, I rise today to ask my colleagues to join me in honoring the Reverend Donald Pierce Weeks. He has been an outstanding member of the clergy, working tirelessly for the people of his community and our nation.

Reverend Weeks served in East St. Louis, Illinois at the Holy Angels Shelter for Women and Children from 1981 to 1988, by giving advice and sharing personal experiences. In October 1986, St. Clair County dedicated this month to him in recognition of his work. He also traveled to Cairo, Illinois to teach individuals how to read and write, so they could pass voter tests administered years ago.

After his service in Illinois, he was sent to work at Saint Patrick's Abbey in Oakland, California. While there, he was elected the Benedictine Monk in 1999 and has served in this position ever since. His dedication to fairness and justice is demonstrated daily by continually helping men and women recover from their alcohol and drug addictions. In addition, Reverend Weeks selflessly serves his community be feeding and counseling homeless men, women and children suffering from AIDS and other communicable diseases. his graciousness and unfailing courtesy have set a high standard for all of us to follow.

Mr. Speaker, Reverend Weeks has achieved impressive levels of achievement and accomplishment. He is an extraordinary individual, and I know my colleagues join me in expressing our appreciation for his dedication to service and our very best wishes as he continues his work.

RECOGNIZING MR. JOHN DANIEL MORGAN OF WAUCONDA, WASHINGTON

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. SCHAFFER. Mr. Speaker, I ask the House to join me in paying its respects to the late Mr. John Daniel Morgan, a former resident of Colorado. Mr. Morgan was a member of what television journalist Tom Brokaw named "the Greatest Generation," and serves as a source of pride for all generations. Today, we recognize and mourn the passing of this great man and to celebrate all he has contributed to this great nation.

I wish at this time to enter into the RECORD a letter I received from his son. Mr. Morgan embodied the spirit of an upstanding and honorable American. He was both a veteran of the Second World War and the father of eight children. In his retirement, he worked to restore the pristine forests of his state. A devout Christian and family man, the success of all his children is a testament to the strong character of Mr. Morgan.

America was built by men like him and it is truly an honor for me to recognize his accomplishments today before my esteemed colleagues. I wish to encourage all Americans to recognize the accomplishments of those who came before them, and to look to such role models as Mr. John Daniel Morgan. On behalf of the citizens of Colorado, I ask the House to join me in extending appreciation to Mr. John Daniel Morgan and his family.

To: President George Bush and Members of the 107th Congress.

From: Bill L. Morgan.

Re the loss of a great American and father.

My name is Bill Morgan and my father, John Daniel Morgan, has recently been diagnosed with advanced acute leukemia. This letter however, is not to inform you of his impending death, but to tell you of the life he has lived and the service he has provided this country. He has always been my role model as an American and given me the pride I feel for this great country.

Dad was born May 30th, 1921 to William Lloyd and Mary Ellen (O'Brien) Morgan in Victoria B.C., Canada. Both his parents were of old Spokane, Washington families. After graduating from Victoria High School, Dad moved to California where he worked for Douglas Aircraft just prior to World War II and attended both the Cumnock School and City College of Los Angeles. In early 1942 he volunteered for the US Army at Fort Bliss, TX. Shortly thereafter Dad was among the early volunteers for the parachute troops, training at Fort Benning, GA in the 551st Parachute Infantry Battalion. He saw service in the Caribbean Theater preparing for an assault drop on enemy-held French Martinique. After returning to the U.S., Dad was injured in a parachute training accident and transferred to a Tank Destroyer Unit that saw action in Germany during the final months of World War II. He was among the U.S. troops liberating Dachau Concentration Camp in southern Germany, and remained there until late 1945 as rescue and rehabilitation efforts continued for the released prisoners.

Following his release from the Army in 1946, my Dad first attended Gonzaga University in Spokane and then later graduated from the School of Foreign Service, Georgetown University, in Washington, D.C. in 1950. At Georgetown he participated in the ROTC program and was commissioned in the Air Force Reserve in 1949 at Lowry AFB, CO.

Most of Dad's work and military career was in the field of national intelligence, including the Central Intelligence Agency, both in Washington, D.C. and the Far East. He also served at the Army Missile Intelligence Command at Huntsville, AL, and numerous Air Force assignments throughout the US. In 1970 he entered the US Customs Service and worked various posts in the Port of Seattle, including temporary assignments at Nighthawk near Loomis, WA.

It was during his assignments at Nighthawk that Dad "discovered" the Okanogan region and began planning to retire in this area. After his retirement from both his military service and his Customs inspector position in December, 1977, Dad moved to Wauconda, Washington, and built a home on Mount Toroda. He established the Morning Song Reforestation Project to demonstrate ecologically sound practices to reclaim overlogged land and establish a sustainable forest operation.

Additionally, during his "retirement" years, Dad wrote eleven books ranging from the definitive history of the 551st Parachute Infantry Battalion to poetry and personal memoirs. He created a series of videos of music and scenes for meditation. He produced many original watercolors and stained glass windows.

Dad was a life-long member of the Catholic Church and a Secular Franciscan for more than forty years. He was a past officer of the 551st Parachute Infantry Association and a member of the Veterans of Foreign Wars. Dad belonged for many years to the Washington Society of the Sons of the American Revolution, based on descent from Private Jonas Morgan of the Virginia Continental Line.

Of the eight children he and my mother raised, five have served in the Armed Forces. Daniel, the oldest was in the Air Force during the Vietnam War. Ric, the third oldest, retired from the Navy as a Commander in 1999. During his distinguished career in Naval Intelligence, Ric participated in virtually all United States Navy campaigns since the Iran Hostage Crisis. Ric now serves as the Veterans Affairs Officer in Elbert County, CO, and is attending law school in hopes of becoming a "country lawyer" upon his graduation. Suzy, my oldest sister, served with the United States Army as a nurse, and later transferred to the Air Force. She was well known and respected for her knowledge and professional capabilities at Fort Bragg and Fairchild AFB. Mary, the youngest sister, once served as an enlisted computer technician assigned to the 9th S.R.W. at Beale AFB, CA. Her efforts helped insure that the reconnaissance missions of the SR-7 Blackbird, U-2, and TR-1 aircraft were a success. She left active duty long enough to get her nursing degree and re-enlisted as an Air Force Officer. She now serves as an emergency care nurse at Travis AFB, CA. As for myself, the youngest of the bunch, I served with the 1st Special Operations Wing at Hurlburt Field, FL. As an Aircraft Pneudraulics Technician, I helped maintain the AC-130H Gunship, MC-130E Talon II, and MH-53-H helicopters now being used in Operation Enduring Freedom in Afghanistan. During my tenure at the 1st S.O.W., I served in direct or support roles for Operation Urgent Fury, Operation Just Cause, and Desert

Storm. I am currently enrolled in paralegal courses and on my graduation hope to help my brother Ric in his legal practice.

My other brother and sisters have become a computer engineer, a licensed mid-wife and apple grower in Washington State, and an owner of a book store respectively. As you can see, my father did not raise underachievers. We have all grown to serve our community and nation as we best saw fit.

But working for the United States government and raising a family was not enough for Dad. In 1976, he purchased 220 acres in north central Washington State. This land was heavily logged and left to erode and fend for itself. Working either by himself or with help from my brothers and sisters, he cleaned up the slash piles left behind, thinned the undergrowth that takes over in these kind of lumber operations, and planted more trees. Today, the land that was once an eyesore to all who saw it, is a beautiful, wooded piece of land for our future generations to enjoy and appreciate. The "Morning Song Project" now encompasses over 600 acres and has had a lasting, positive impact of the population of Wauconda, WA.

In the mid 1970's, Dad started contacting members of the 551st Parachute Infantry Battalion, which was his unit early in WWII. This unit, all but annihilated during the Battle of the Bulge, was disbanded after the battle and its surviving members distributed among other units. Through my father's efforts and other unit members he located, the veterans of this unit were able to come together again a hold an annual reunion. He, along with a few other members of the Battalion, were able to restore and preserve the history of this heroic fighting unit. Throughout their efforts there is a now memorial at both Fort Bragg and Bastogne, France commemorating the men of the 551st Airborne Infantry Battalion, a unit otherwise lost to history. In October, 1999 the 551st Parachute Infantry Battalion was awarded the Presidential Unit Citation with Valor, for their extraordinary courage during the most difficult phases of the Battle of the Bulge, which wiped out their unit. My Dad was the principal driving force behind this belated recognition of American heroism on distant battlefields.

I felt it important to let you, the Government of the greatest nation on earth, know that in these trying times, there are still people who cherish the freedoms that come with being a United States citizen, and go above and beyond to ensure that future generations will be able to enjoy these same freedoms. My Dad will be gone soon, but not too soon to recognize the courage reflected in his life, and the great heritage which he, and countless other great Americans of his generation have preserved for us all, and for which we are most deeply indebted. One of God's greatest blessings, to this great nation is the patriotism and devotion to duty characterizing his life, and the lives of millions of his countrymen, that has wrought such remarkable benefits for this great nation, and future generations across the globe.

Most sincerely yours,

BILL L. MORGAN.

HONORING DELTA SIGMA THETA

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BARR of Georgia. Mr. Speaker, In 1916, twenty-two women came together at Howard University in Washington, D.C. to establish an organization of motivated African-American women. These women believed not only in the ideals of high morality, but also the maintenance of scholastic achievement and philanthropy among women. As a result of this meeting, Delta Sigma Theta Sorority was established.

To date, Delta Sigma Theta has over 200,000 members worldwide, with branches of sisterhood reaching as far as West Germany and Korea. The women of Delta Sigma Theta have continued their founders' initial pledge to serve others, carrying out the tradition of acting as a public service organization rather than a social club. Realizing the issues reach across the globe, the members of Delta Sigma Theta have outlined five points to which they hold themselves and each other accountable. These goals include educational development, economic development, international awareness and involvement, physical and mental health, and—particularly poignant of all of us—political awareness and involvement.

I am pleased to say some years ago, Atlanta area alumnae of Delta Sigma Theta realized the need for a solid alumnae presence, so on February 22, 1986 the Marietta-Roswell Alumnae Chapter set its charter. It has grown to over 300 members. At the core of this alumnae group is support for their collegiate sisters, bringing to light the scholarship program. Funds for the prize monies are raised through its annual dinner dance, "An Affair of the Heart," and the debutante cotillion program.

My fellow members of the House, I am happy to report the Marietta-Roswell alumnae chapter of Delta Sigma Theta will be giving out more than $25,000 in collegiate scholarships awards on February 16, 2002, saluting promising African American women leaders of tomorrow. I ask you to join me in applauding the past and present efforts and activities of Delta Sigma Theta. Their outstanding leadership and true community spirit of both alumnae and active members are to be commended and exemplified.

CELEBRATING THE 50TH ANNIVERSARY OF THE ASHLAND LIONS CLUB

HON. ERIC CANTOR

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. CANTOR. Mr. Speaker, I rise today to recognize the 50th Anniversary of the Ashland Lions Club. The club began serving Hanover County, Virginia on February 26, 1952.

The Ashland Lions Club's 50 years of community service is a remarkable accomplishment. Many dedicated members have volunteered their time over the past 50 years to serve the citizens of Hanover County. The Lions Club's generosity is invaluable and something for which we are all extremely grateful. I am honored that such an exceptional organization resides in the seventh district of Virginia.

Mr. Speaker, please join me in congratulating the Ashland Lions Club for its 50 years of service.

IN MEMORY OF LOWELL F. RUPP

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Ms. KAPTUR. Mr. Speaker, today I rise to pay homage to a man of my district, Lowell F. Rupp, who passed from this life on Monday, January 7, 2002 at the youthful age of 73. Mr. Rupp was a long time and much loved civic and business leader in Fulton County, Ohio.

Born on a family farm still operational in Fulton County, Mr. Rupp eventually purchased the farm from his father. He produced corn, soybeans, and wheat, selling the seed as well. Even though I came to know him through politics, for me the picture of Mr. Rupp remains with the land, for he was a farmer in his very soul.

Entering German Township politics, he "sought elective office out of a love for people and a desire to make a difference in their lives." That, indeed, he did. After serving for ten years as a German Township Trustee, Mr. Rupp was elected a Fulton County Commissioner. He served in that position for sixteen years, retiring at the end of his final term in 1994. His tenure as commissioner brought a great deal to the residents of Fulton County: he most assuredly did make a difference in their lives, improving their livelihoods, bringing positive progress to the county and always moving forward. Under his stewardship, he helped establish the Fulton County Courthouse Plaza, a new county health department building and senior centers in four regions of the county. He helped to obtain expansion for water lines into the county and improvements to its fairgrounds.

Those who worked with Mr. Rupp in pursuit of projects benefiting the county—myself included—found him to be a most able and honorable man. One of his colleagues describes him as a "rock-ribbed Republican" who never let partisanship get in the way of doing the best job he could for the public good and noted, "He was a gentleman to work with. We were both opinionated and agreed to disagree." Mr. Rupp practiced a style of politics from which all could take a lesson, and though driven to achieve what he thought was right, still understood the art of compromise.

A man of great yet quiet faith who lived his beliefs, Mr. Rupp was a lifelong member of the Evangelical Mennonite Church. He was also a member of Gideons International and the Archbold Rotary.

Lowell Rupp and his wife Ardith celebrated nearly 53 years of marriage together. As deeply as he surely loved them, words can do little to assuage the grief felt now by Mrs. Rupp, their children Beverly, Pamela, Bruce, Larry, and Leslie, sister, brother, and grandchildren. May the tangible legacy he leaves behind in what his public service gave to his community help them as they find their way now. Lowell Rupp's memory, his talent, his energy, and his service are the gifts he has left to his family, and to us. While we are saddened at his passing, we are grateful for his life.

TRIBUTE TO THE SHEA FAMILY

HON. JOHN B. LARSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. LARSON of Connecticut. Mr. Speaker, I rise today to pay tribute to 2002 Winter Olympian Jim Shea, Jr., of West Hartford, Connecticut. Shea Jr. took second place at a World Cup race in December earning him one of the three spots on the U.S. Men's Skeleton Team in the Winter Olympic Games.

This recent victory and the gaining of a berth on the Olympic team are only the latest accomplishments in a distinguished athletic career. He won a gold medal at the National Championships in 1996. Shea was the top finisher for the U.S. in every race of the 1998–1999 season. He was first American to win a gold in the Skeleton World Cup in 1998 and the first American to win the Skeleton World Championships in 1999. He also won gold at the Inaugural Winter Goodwill Games in Lake Placid in 2000. Shea finished third in the overall World Cup standings for 2000–2001.

Perhaps even more captivating than Shea's athletic record is his family history. When Jim Shea Jr. qualified for the Olympic team, the Sheas became the first family in American history to send 3 generations to the Winter Olympics. The Nelson family accomplished the same feat with the Summer Olympics in the sport of cycling. Jim's father, Jim Shea Sr., competed in Nordic skiing in the 1964 Olympic Games. Jack Shea, Jim Jr.'s grandfather, won two gold medals in speed skating at the 1932 Olympic Games in Lake Placid. Jack was also selected to compete in the 1936 Winter Olympics, to be held in Germany, but refused to participate in protest to Hitler's persecution of the Jews. Jack symbolized true Olympic sportsmanship, and in Jim Jr.'s words, Jack "always felt it was not who won the gold; it was about bringing the world together in a peaceful setting."

Unfortunately, Jack Shea will not be able to see his grandson compete in the Games. Jack was killed in a drunk driving accident in his hometown of Lake Placid last week. I would like to honor the Shea family for their great spirit of participation and sportsmanship, and I wish Jim Jr. good luck in Salt Lake City.

IN HONOR OF JOHN "JACK" PHIPPS, SR.

HON. JOSEPH M. HOEFFEL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. HOEFFEL. Mr. Speaker, I rise today to honor John "Jack" Phipps Sr. who will be retiring from the Harmonville Fire Company No. 1 in Montgomery County, Pennsylvania after twenty-one years of service as Fire Chief.

Since 1960, Jack has served the Harmonville Fire Company with pride and distinction. In 1963, he was a member of the SCUBA team which at the time had the most complete fire and rescue operations in the area. He was elected Financial Secretary in 1963 and held this position for nine years until 1971. Jack advanced to fire line officer when he was elected to be Battalion Chief in 1976 and 1977. He became Fire Chief in 1981. Jack has held the position of Fire Chief of the Harmonville Fire Company longer than any other person in the history of the fire company.

Jack has been involved in his community as a member of the Pennsylvania Turnpike Commission, the Plymouth Township Relief Association, and numerous other civic activities. He has selflessly given his time and energy to projects such as the building of a substation in Plymouth Valley. In addition, Jack played a crucial role in obtaining a rescue helicopter for Montgomery County.

I am pleased and honored to recognize Jack Phipps on his great career of service. His dedication to his community has been truly outstanding.

TRIBUTE TO OFFICER PAUL LASZCZYNSKI

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PASCRELL. Mr. Speaker, I am honored to call to your attention the life of an American hero, Officer Paul Laszczynski of the Port Authority Police Department. Officer Laszczynski of Paramus, New Jersey, was killed in the Line of Duty while heroically responding to the attack on the World Trade Center on September 11, 2001.

September 11, 2001 has emblazoned so many unforgettable images in our minds. Perhaps none is more vivid, however, then that of courageous men and women in uniform working so valiantly to save the lives of others. It is therefore only fitting that Officer Laszczynski be honored, in this, the permanent record of the greatest freely elected body on earth.

A sixteen-year veteran of the Port Authority Police Department and member of the Port Authority's Emergency Services Unit, Officer Laszczynski was no stranger to emergency response. Having repelled down elevator shafts, climbed the top cables of the George Washington Bridge, and rescued people from burning buildings throughout his distinguished career, Paul Laszczynski once again placed the lives of others ahead of his own on September 11th.

Trained in hazardous materials response, Officer Laszczynski was a member of the PAPD's Chemical Identification Response Team. Always one to take on additional tasks, Officer Laszczynski also served as the PATH Command's Fitness Coordinator, a Police Academy Pistol Range Instructor, and as a member of the Honor Guard.

During the bombing of the World Trade Center on February 26, 1993, Officer Laszczynski helped rescue a handicapped man by carrying him to safety from the 72nd floor. His efforts that day earned him two distinguished citations: The Meritorious Citation for Exemplary Police Actions and the Individual Valor Award.

Paul Laszczynski's dedication to serving others and the community at large did not stop with his service at the PAPD. He was a proud member of a motorcycle club made up of fellow officers that organizes charity rides for sick children and meets other community needs.

He has touched countless lives for the better, and we are all better for having him as part of our American family.

On Tuesday, September 11th that family was attacked in a way we had only seen in our very worst nightmares. The actions carried out on the people of this nation were unspeakable acts of war, targeting the very foundation of what makes us Americans. That day we all witnessed the very worst of mankind.

What the perpetrators of these acts did was not realize the unwavering commitment to liberty and humankind felt by Paul Laszczynski and his fellow heroes. The bravery and love he exhibited in the face of terror make him an example for us all.

We will honor Officer Paul Laszczynski by trying to live our lives as he lived his. We will honor Paul by loving his family as he did, and continuing his work to make our community a better place.

Mr. Speaker, I ask that you join our colleagues, Paul's family and friends, myself, and a truly grateful nation in honoring the life of a great American, Port Authority Police Officer Paul Laszczynski.

HONORING LYLE EVERINGHAM AS A GREAT LIVING CINCINNATIAN

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PORTMAN. Mr. Speaker, I rise today to recognize a friend and constituent, Lyle Everingham, who will be honored by the Greater Cincinnati Chamber of Commerce on February 20 as a Great Living Cincinnatian. The recipients of this prestigious award are selected on the basis of special achievement in the world of work, but the criteria also includes an awareness of the needs of others; civic service; leadership; and distinctive accomplishments.

Lyle Everingham's success is a classic American story of "working your way to the top." Fresh from a tour of duty with the U.S. Army in the South Pacific, twenty-one year old Lyle applied for a temporary position stocking shelves at a Kroger store in Adrian, Michigan. He thought it would be a nice summer job until school started that fall. Instead, he stayed on with the company, and decades later, oversaw the Kroger Company's entire operation—retiring as Chairman of the Board in 1991. Along the way, he assumed greater responsibility—as store manager, district manager, general district manager and manager of operations. He served as manager of merchandising in the company's Toledo Division, and it was there that he sharpened his administrative skills. Under Lyle's leadership, Kroger became one of the nation's largest food chains and retained its ownership, fending off a hostile takeover attempt by two out-of-town investors. He consistently championed innovative ideas to improve the customer's experience—such as incorporating bank branches right into the Kroger store.

Kroger is truly all in the family for the Everinghams. Lyle's brother, Bob, four sisters, mother and wife Rlene have all worked for Kroger. Rlene and Lyle have three children and six grandchildren.

Lyle's volunteer activities are many. He led the first capital campaign for Hospice of Cincinnati and the second capital campaign for St. Rita's School for the Deaf. He served on the Smale Infrastructure Commission, the Buenger Education Commission, and was active in United Way. A past president of the Commercial Club and a past co-chair of the Cincinnati Business Committee, Lyle also served as a trustee of the University of Cincinnati and on the board of Bethesda, Inc.

All of us in the Cincinnati area salute Lyle Everingham as he is recognized as a Great Living Cincinnatian.

HONORING THE AMERICAN HERITAGE ACADEMY, CHEROKEE COUNTY, GEORGIA

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BARR of Georgia. Mr. Speaker, in 1999, a private school opened its doors to the north Georgia community in Cherokee County. Since its inception the American Heritage Academy has become an integral component of Georgia's education system, becoming a home to advanced and gifted students, motivating new goals, and challenging students to entertain a wide range of various ideas.

The school operates on a college prep format and combines a versatile range of racial, ethnic, and religious backgrounds; giving its students a diversified look at the world from the start. At the heart of the American Heritage curriculum lies a balanced combination of academic development, community service, and individual creativity. Each class holds a maximum of 15 students, ensuring personal attention and the opportunity for every student's voice to be heard. For now, the school operates on a preschool through middle school scale, but soon it will unveil its newest extension. Students will be able to begin their formative school years at American Heritage, and continue on through high school, right up until they graduate and depart for the next phase of their education.

American Heritage has become a flagship school to Cherokee County. Its presence has initiated a partnership between public and private schools that provides an important choice to parents. The school has grown not only in numbers, but also in reputation, in just a short while; it will no doubt continue to do so in the future.

TRIBUTE TO MRS. VIRGINIA STRICKLAND ROGERS

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. THOMPSON of Mississippi. Mr. Speaker, I am pleased to honor a native of Como, Mississippi who celebrates her centennial birthday today. In 1902, the year Mrs. Rogers was born, Theodore Roosevelt was our nation's twenty-sixth President. Throughout his tenure as President, he prided himself as a "steward of the people". Mrs. Virginia Strickland Rogers, whether consciously or not, has lived and continues to live by this motto as well. She has been a public servant and a distinguished member of her community for most of her lifetime. She is an active member of her church, the Cistern Hill Missionary Baptist Church, where she sits on the church's Board of Mothers and February Club. When she is not in church, Mrs. Rogers, who is a retired food service worker, drives the elderly in the community to their doctors' appointments and escorts them on shopping excursions. The latter of these tasks she does not mind though, because she reportedly is an "avid shopper". Also, in her spare time, Mrs. Rogers loves to show off her "green thumb". She enjoys gardening and is known to tinker around in her garden for hours at a time.

I cannot even begin to imagine the volumes of historically significant events Mrs. Virginia Rogers has witnessed with her own eyes over her lifetime. The town of Como is lucky to have such a resident who is so involved and committed to community. I hope that other members follow her example as well.

Among the celebrants at Mrs. Rogers' "centennial bash" will be her friends in the community and also her 10 grandchildren, 34 great grandchildren, and 35 great great grandchildren.

Happy one-hundredth birthday Mrs. Rogers! I wish you the best on your day and hope you see many more.

A TRIBUTE TO ROBERT HERTZBERG

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. FARR of California. Mr. Speaker, today California says goodbye to Assembly Speaker Robert Hertzberg and says hello to incoming Speaker Herb Wesson. Speaker Hertzberg served in this position with abundant personal energy and unbridled enthusiasm. He clearly loved this job and worked hard for the people of California.

Hertzberg is affectionately known as "Speaker Hugsberg" for his propensity to enthusiastically embrace friends, foes, and strangers. Indeed these famous hugs have spread beyond California to many of us on Capitol Hill and most recently to members of the Hazardous Materials team charged with decontaminating the Hart Senate Office building.

These hugs will never end, but Hertzberg's term-limited position as Speaker ends today. Speaker Hertzberg will also leave the Assembly seat he has represented in the Legislature since 1996 at the end of the year. Speaker Hertzberg's presence in the institution will far outlast his two years as Speaker and he leaves a permanent mark on the State Capitol.

Hertzberg instituted some groundbreaking changes during his brief tenure. He opened an on-site childcare center and upgraded technology throughout the Assembly. He founded the Capitol Institute, which now bears his name, to establish innovative training courses for freshman Members and legislative staff. California is the world's fifth largest economy and Speaker Hertzberg opened the Speaker's Office of International Relations. He injected a humorous touch of his heritage into the Capitol's culture by publishing a guide on Yiddish, so everyone in the Legislature and Capitol Press Corps could translate the colorful phrases he so frequently uttered during floor sessions.

Hertzberg understood working together means just that and maintained a continuous presence in Washington, D.C. through an Office of Federal Relations. He was quick to point out that what happens in Washington, D.C. matters in California. He frequently led delegations of legislators to D.C. to discuss state issues with federal officials. Hertzberg was determined to work with all of us in Washington, D.C. to maximize California's share of federal dollars.

Hertzberg is a gifted and tireless legislator, who worked to enact long-needed reforms of California's foster care system, significantly expand access to low-cost health insurance for working families, and help pass the two largest park bonds in state history. He was also the lead negotiator during extended discussions that led to the passage of the largest school construction bond in state history.

After September 11, he moved quickly to establish a statewide task force to assess the impact of terrorism on California's economy and to recommend steps to improve public safety and restore public confidence. He visited Washington to meet with federal officials and coordinate terrorism preparedness and response activities. In December, he led a delegation to Taiwan and Japan, to address post-September 11 tourism and to promote trade with California.

As we celebrate Speaker Hertzberg's achievements, I wish him all the best in his next endeavor. I know he will be extremely successful. All the best for the bright future to Speaker Robert Hertzberg, his wife Dr. Cynthia Telles-Hertzberg, and sons Daniel, David, and Raymond.

REMEMBERING SUKHBIR SINGH OSAN

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BURTON of Indiana. Mr. Speaker, I was saddened to hear of the passing of Khalistani journalist Sukhbir Singh Osan. He died of a heart attack on January 19, 2002. Mr. Osan was only 31 years of age.

Mr. Osan was a terrific reporter who exposed many scandals through his website, Burning Punjab. He reported many stories showing India's pattern of terrorism against its own people. In addition to running his website, he wrote for several Indian newspapers.

The Indian government had banned the viewing of Burning Punjab in Punjab and a few neighboring states. When that did not shut down the site, India brought a fake criminal case against Burning Punjab, falsely claiming it was a "newspaper" operating out of Punjab. These actions make it clear that Mr. Osan's reports were greatly disturbing to the Indian government.

Sukhbir Singh Osan was a courageous reporter, one of the few who would stand up to the Indian government. He will be greatly missed by the people whose interests he served, the Sikhs of Punjab, Khalistan, and by all the people who care about freedom in South Asia.

The Council of Khalistan put out an excellent press release on Mr. Osan's passing. I am placing it in the RECORD in his memory. In addition, I would also like to insert a February 1, 2002, article from PPA News regarding the killing of Kashmiris by Indian soldiers.

IN MEMORY OF S. SUKHBIR SINGH OSAN

LONGTIME JOURNALIST, FOUNDER OF BURNING PUNJAB, EXPOSED HUMAN RIGHTS VIOLATIONS, REPORTED ON FREEDOM STRUGGLE—GOVERNMENT HAD FILED FALSE CASE AGAINST BURNING PUNJAB, BANNED IT

WASHINGTON, DC, January 21, 2002.—Sukhbir Singh Osan, 31, journalist and founder of the website Burning Punjab (http://www.burningpunjab.com), died of a heart attack over the weekend. Sardar Osan also wrote for several Indian newspapers.

"The passing of Sardar Osan is a great loss for the Sikh Nation," said Dr. Gurmit Singh Aulakh, President of the Council of Khalistan. The Council of Khalistan is the government pro tempore of Khalistan and leads the struggle to liberate the Sikh homeland, Khalistan, which declared its independence from India on October 7, 1987. "He was an excellent reporter and a stalwart Sikh who exposed the human-rights violations against the Sikhs by the Indian government and reported on the sikh freedom struggle," he said. "His website, Burning Punjab, is one of the best sources available for news from Punjab, Khalistan." Osan was also a lawyer.

Recently, the Indian government filed a false case against Burning Punjab, falsely claiming it was a "newspaper." The Indian government had banned the viewing of Burning Punjab in Punjab and elsewhere in northwest India. A Deputy Inspector General was specifically assigned to "deal with" Sardar Osan. "I think the stress from that false case may have brought about his heart attack," said Dr. Aulakh.

"Sardar Osan was one of the leading voices in exposing the Indian government's repression of the Sikhs," Aulakh said. "He exposed phony Sikh leaders such as S.S. Mann, Dr. Jagjit Singh Chohan, Didar Singh Bains, and others. This was an extremely important service," said Dr. Aulakh.

According to a report in May by the Movement Against State Repression, India admitted that 52,268 Sikh political prisoners are rotting in Indian jails without charge or trial. Many have been in illegal custody since 1984. The Indian government has murdered over 250,000 Sikhs since 1984. Over 75,000 Kashmiri Muslins have been killed since 1988. In May, Indian troops were caught red-handed trying to set fire to a Gurdwara (a Sikh temple) and some Sikh houses in Kashmir. Two independent investigations have proven that the Indian government carried out the March 2000 massacre of 35 Sikhs in Chithisinghpora. In August 1999, U.S. Congressman Dana Rohrabacher said that for Sikhs, Kashmiri Muslims, and other minorities "India might as well be Nazi Germany."

"The service Sardar Osan gave to the Sikh Nation was immense," said Dr. Aulakh. "He is one of the few people in Punjab who was not afraid to tell the truth. The Sikh Nation will miss him very much," Dr. Aulakh said. "On behalf of the Sikh diaspora, I would like to offer my condolences to Sardar Osan's family. I can only hope that Burning Punjab will be continued in his memory."

[From the PPA News, Feb. 1, 2002]

INDIAN SOLDIERS KILL 376 KASHMIRIS IN JANUARY 2002, 107 WOMEN, CHILDREN AMONG KILLED IN POLICE CUSTODY

ISLAMABAD (PPA).—The Indian army during its genocidal operations in the month of January 2002, killed 376 innocent citizens in held Kashmir including 107 killed in custody.

According to statistical data compiled by the Research Section of the Kashmir Media Service, those who fell victim to Indian army's brutalities included 246 men, 11 women and 12 kids.

During the month under review, 625 common people were tortured or critically injured by the Indian troops in the course of crackdowns upon villages, towns and cities. 630 people were arrested during the outgoing month without any valid charge against them while 139 houses and shops were arsoned by setting them on fire on using dynamite blasts.

Twenty-one persons had been kidnapped or reported missing. Relatives of these persons forcibly disappeared by the Indian army have no access to them and they are worried about their missing loved ones.

Molestation of women is one of the weapons being used by the Indian forces to terrorize people and 32 cases of gang rape and molestation were recorded during the month under review. Police and civilian authorities are reluctant to register complaints in this behalf and the victims are left to suffer their fate. The army personnel even threaten their victims of dire consequences if the matter was reported to the authorities.

TRIBUTE TO OFFICER JOHN SKALA

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. PASCRELL. Mr. Speaker, I am honored to call to your attention the life of an American hero, Officer John Skala of the Port Authority Police Department. Officer Skala of Clifton, New Jersey, was killed in the Line of Duty while heroically responding to the attack on the World Trade Center on September 11, 2001.

As the tragic events of that fateful morning unfolded, Officer Skala was assigned to the Lincoln Tunnel Command. He immediately responded to help evacuate the towers after the first plane struck World Trade Center Tower One.

September 11, 2001 has emblazoned so many unforgettable images in our minds. Perhaps none is more vivid, however, than that of courageous men and women in uniform working so valiantly to save the lives of others. It is therefore only fitting that Officer Skala be honored, in this, the permanent record of the greatest freely elected body on earth.

John Skala was born in Passaic, New Jersey and attended high school at nearby Clifton High. At the age of twenty-two, he received an appointment to the Port Authority Police Department. His distinguished career in law enforcement showed him to be a man with the courage of a lion, yet also someone who had a kind and gentle heart, willing to help anyone in need.

A recipient of two Meritorious Service Awards, Officer Skala exhibited the high standards of excellence associated with the traditions of the PAPD. From assisting in the arrest of armed suspects to the performance of first aid during extreme conditions, John Skala was a public servant in every sense of the word.

Officer Skala's dedication to serving the community at large extended far beyond his work at the PAPD. He dedicated his free time to serving as a paramedic with the Passaic-Clifton Mobile Intensive Care Unit, as a member of the Ukrainian American Youth Association, and as a volunteer with the New Jersey Special Olympics and the Juvenile Diabetes Foundation. John Skala was a hero, both on the front lines and behind the scenes.

He has touched countless lives for the better, and we are all better for having him as part of our American family.

On Tuesday, September 11, our American family was attacked in a way we had only seen in our very worst nightmares. The actions carried out on the people of this nation were unspeakable acts of war, targeting the very foundation of what makes us Americans. That day we all witnessed the very worst of mankind.

What the perpetrators of these acts did not realize was the unwavering commitment to liberty and humankind felt by Officer Skala and his fellow heroes. The bravery and love he exhibited in the face of terror make him an example for us all.

We will honor Officer John Skala by trying to live our lives as he lived his. We will honor John by loving his family as he did, and continuing his work to make our community a better place.

Mr. Speaker, I ask that you join our colleagues, the City of Clifton, John's family and friends, myself, and a truly grateful nation in honoring the life of a great American, Port Authority Police Officer John Skala.

REWARDS THAT FOLLOW GENEROUS HEARTS

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BARR of Georgia. Mr. Speaker, something wonderful recently occurred for many folks in Rome and Floyd County, Georgia. Steve Edwards, owner of a local insurance company in Rome, and his wife Marie, read of the plight of 1200 families in Floyd County who had their gas service discontinued for lack of payment of the previous year's gas bills.

Steve and Marie read of the plight of these families and knew they had to do something. They could not save every family, but they could save at least one. They made a gift to the local Salvation Army for one family's unpaid gas bill. The sense of reward was so powerful, the Edwards decided other families might want to experience it as well. With no budget and no organization, Steve began to challenge families within the First Baptist Church of Rome each to pay for one family's gas bill. The response to his challenge was overwhelming. His vision quickly spread beyond their congregation and beyond Baptists. He believed there were enough generous Christians in Floyd County to turn on the heat for the remaining 1180 families. Steve called an impromptu meeting of various helping organizations, and "One Family helping One Family" was born.

Joel Snider, Pastor of the First Baptist Church of Rome, expressed the enormity of the situation when he stated, "Imagine being 80 years old and in poor health. All your income is represented by the $600 per month Social Security check that arrives each month. You pay $150 a month for the portion of your prescriptions not covered by Medicare. The remaining $450 covers rent, groceries, phone, utilities, and everything else. Then one day, you receive a gas bill for $800. The meter is running on your current bill also. What do you do? How do you ever scrape together enough money to catch up?"

"One Family Helping One Family," while working with Good Neighbor Ministries, the Salvation Army, and Floyd County Baptist Association, have helped 167 families as of January 18, 2002. Four hundred and seventeen total donations had been received by these agencies. Many contributions came from individuals and families; however, some contributions represented the combined efforts of Sunday School classes and student groups. The total amount given up until that date was $112,522. Every penny has gone to help a family in need.

The entire community, including the staff at Rome Housing Authority, Atlanta Gas Light Company, the staff of the "Rome News-Tribune", Rome/Carrollton District of the United Methodist Church, Good Neighbor Ministries, Major Kerns of the Salvation Army, Lynne Barton at Info Line, Bruce Day at Floyd County Baptist Association, Susan Seagraves, John Pinson, Armin Maier, Mary and Allen Shropshire, Doug Walker, and many others, have pulled together.

Imagine, if you will, what might happen if each and every community had a "Steve Edwards?" We owe a debt of gratitude to each person who has contributed to this effort. As Pastor Snider so eloquently phrased it in the "Rome News-Tribune" in December, "On behalf of all the families that are warm today because of your gift, I ask God to grant you the richest blessings of this holiday season. May the rewards that follow generous hearts be yours into the New Year." Amen.

TRIBUTE TO MARGARET GOBLE MADIGAN OF LUTHERS MILLS, PENNSYLVANIA

HON. DON SHERWOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. SHERWOOD. Mr. Speaker, it is with a profound sense of loss that I inform the House that on Sunday, January 20, 2002, Margaret Goble Madigan of Luthers Mills, known across the Commonwealth of Pennsylvania as Peggy, passed away.

Although Peggy Madigan is deserving of many superlatives, to say that she was known across Pennsylvania is no exaggeration. She was the wife of Senator Roger Madigan, and she was known and loved by the many individuals whose lives she touched. She was truly unforgettable.

Peggy had an exceptional grace about her that can only come from a deep love of others. Her son, Nick Madigan, in his moving eulogy, described her rare ability to treat every individual with dignity and respect. She genuinely enjoyed people without regard to title or position. She always—remarkably, given her hectic schedule—made time for everyone.

Peggy was a volunteer, active in many worthy causes including promoting literacy and serving as a director of the local chapter of the American Cancer Society.

A distinguished leader of the Republican Party in Pennsylvania, Peggy Madigan was a role model for all of us. She was a woman who was not only a tireless advocate of family values—her love for her family seemed boundless. They include her husband of 49 years, Roger, her daughter, Vicki Lynne of Carlisle, Annette Madigan Carr, of Annapolis, Maryland, Nicholas Jay Madigan of Towanda, and Steven Gary Madigan of Emmaus. Of all of her many accomplishments, I know that her greatest joy came from the recent birth of her grandson, Matthew Roger Madigan to her son Steven and Carrie May Madigan.

Peggy Madigan was truly family to people across our region and around the Commonwealth. I grieve her loss for her entire family.

PAYING TRIBUTE TO EMMETT HEITLER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Emmett Heitler and thank him for his extraordinary contributions to his community and to his state. As a resident of Colorado, Emmett has dedicated his life to improving the state by selflessly giving his time and energy to his job, his family and his community. His remarkable business and philanthropic accomplishments are surpassed only by the level of integrity and honesty with which he has conducted himself each and every day of his life. As we celebrate his tremendous accomplishment of being inducted into the Colorado Business Hall of Fame, let it be known that I, along with the people of Colorado, applaud his efforts and are eternally grateful for all that he has done for our state and our community.

Born in Denver in 1909, Emmett excelled academically, graduating with honors from the University of Colorado with a degree in engineering before he was twenty years old. Shortly after, he took a job with General Electric as an electrical engineer, and later became a partner and founder of Fashion Bar stores in Denver. After marrying his wife, Dot, in 1937, Emmett went to work for Shwayder Bros. Inc., a manufacturer of Samsonite Luggage. Over the course of his career with Shwayder Bros. and Samsonite, Emmett advanced to General Manager, and eventually to Executive Vice President. He was instrumental in building Samsonite from a small local business into the world's largest luggage manufacturer and pioneered Samsonite's movement into new, cutting edge technology, most notably using plastics in manufacturing sleeker, more durable luggage.

Emmett was not only an extraordinary businessman, but he was also a true philanthropist. Despite his demanding schedule, he always found time to give back to his community and lend a helping hand to anyone who might need it. He was active with the Jewish Community Center, serving as Chairman of the Board of Trustees, and was a founding member of the Mile High United Way. He served as Executive Trustee of the Eleanor Roosevelt Institute for Cancer Research, was Chairman of the Board of the National Jewish Hospital and was a Member of the Board of the Denver Chamber of Commerce. Additionally, Emmett has contributed a significant amount of time to the Anti-Defamation League, chaired the effort to build Temple Emanuel and was instrumental in renovating Green Gables Country Club.

Mr. Speaker, it is clear that Emmett Heitler is a man of unparalleled dedication and commitment to his job, his community and his family. It is his unrelenting passion for each and every thing he does, as well as his spirit of honesty and integrity with which he has always conducted himself, that I wish to bring his efforts before this body of Congress. He is a remarkable man who has achieved extraordinary things and enriched the lives of so many people. It is my privilege to extend to him my sincere congratulations on his induction into the Colorado Business Hall of Fame and wish him all the best in the future.

A TORCH OF LIBERTY AWARD—THOMAS C. GALLAGHER

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. TOWNS. Mr. Speaker, on May 8, 2002, a good friend of America's consumers will receive the prestigious Torch of Liberty Award from the well-respected Jewish Anti-Defamation League. This honor has been bestowed on Thomas C. Gallagher, president and chief operating officer of Genuine Parts Company-NAPA, for his unfailing promotion of diversity and tolerance in the workforce in general and in the Office Products industry in particular, as well as his continued dedication in working for tolerance in the community.

The Anti-Defamation League has never veered from its mission of obliterating hate and bigotry. Since 1913, the ADL has moved forward to quash hatred whenever it raised its ugly head. So, this May, when the ADL in the fine state of New York bequeaths Thomas Gallagher with its Torch of Liberty Award, it will be because of its acknowledgement of people like Mr. Gallager who never fail to take a stand to do what is right and just.

At a time when America stands unified to protect our precious freedoms, it gives us all pause that organizations like the ADL have fought the "good" battles when those battles weren't popular, that they continue to strive to recognize individuals and will continue to march forward and shine as a beacon of light with truth and justice in what sometimes seems like a world of darkness.

It has been my pleasure to personally know Tom Gallagher and see first-hand his commitment to America's consumers. It is with pride in Tom as a fellow American that I place his name in the Congressional Record for others to know the merits and values of one of America's foremost business leaders.

TRIBUTE TO SUSAN CLYNE

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. ISRAEL. Mr. Speaker, I received this compassionate letter earlier this month from a constituent of mine. The letter once again gives us a sense of how many amazing people we lost in the attack on the United States of America on September 11, 2001, such as Susan Clyne. Susan was a hard working and loving individual who always fought to achieve the goals she set for herself. I ask all of my colleagues to recognize Susan and her husband, Charlie Clyne, who wrote the letter. We will never forget the innocent victims of September 11. I ask that Mr. Clyne's letter be made part of the RECORD.

> Sue loved her job at Marsh and loved the view from her 96th floor office. She had just recently been promoted to SVP and she deserved it. She went to school nights after high school to get her degrees. After graduating in three years she set her sights on law school all the while working a full time job. She graduated law school and passed the N.Y.S. bar on the first try. She never stepped foot into a courtroom. She loved computers and since computer law wasn't very popular at the time, she chose to stay in insurance where she carved her niche first as a programmer (self-taught) then up the ladder to manager, AVP, VP, and SVP. She continued going to night school through the 90's for her MBA. She was upset that she could not graduate before the birth of our twins in 1990. However, as soon as she felt up to the task she completed her MBA just before the birth of our second son in 1991. Did I mention that she loved computers? She also shared her love with our kids. She would mesmerize them with cd roms of Mickey starting with shapes and colors then on to pre "K" cd's, math blaster reader rabbit etc. They could work a mouse by the time they were two and were programming by the time they were six. Her education didn't stop with three children. She continued on for various certifications all pertaining to computers until the birth of our last child in 1997. Another change took place in 1997. Her company continued to expand and decided to lease space at the World Trade Center. She was thrilled to move. She let education take a back seat for a while by taking home study courses for her CPCU. She juggled work, family and studying. Her children were her treasures. She adored them and they worshipped her. Her office was filled with their pictures. She developed a family web site with pictures, slide shows and most recently streaming video. (*www.clyne.com*) They were truly her angels. Sue got up every morning at 4:45 and was on the 6:00 train to the city. We never saw her that morning. We never even had a chance to say good-bye. In an instant, some radical religious moron decided it was her time.

IN HONOR OF WILLIAM F. MILLER

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. KUCINICH. Mr. Speaker, I rise today to honor William F. Miller upon his reception of the German Service Cross of the Order of Merit.

The Donauschwaben's German-American Cultural Center and Consul General Michael Engelhard of the Consulate General of the Federal Republic of Germany are honoring Mr. Miller for his 39 years of reporting German-American affairs for the Plain Dealer. In this period he has served as a columnist, reporter and assistant editor.

In 1990 Miller covered the lives of Germans, among other central and eastern Europeans, in the wake of the fall of communism. From this experience he wrote a series of articles entitled "Life After the Wall." This series won the 1991 National Writing Award of the First Catholic Slovak Union of the United States and Canada. Additionally the series was nominated for a Pulitzer Prize.

Miller was named German-American Journalist of the Year in January 1996 by the Federation of German-American Societies of Greater Cleveland. Miller also received the Distinguished Service Award from the National Journalistic Society's Cleveland Chapter in May of 1991.

Miller has also been recognized by numerous other ethnic groups. The Asian/Pacific Federation in Cleveland presented him with their Community Service award for his writings in 1989. In 1994, Miller became the first non-Greek to be awarded the Hellenic Award from the Greek Orthodox Church of North America and Canada. In addition Miller has received awards for his coverage of the Greater Cleveland German, Irish, Filipino, Italian, Vietnamese, Japanese, Chinese, Korean, Ukrainian, Latvian and Czech communities.

I ask you to join me in honoring William F. Miller upon his reception of this distinguished award.

PERSONAL EXPLANATION

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BECERRA. Mr. Speaker, on Tuesday, January 29, 2002, I was unable to cast my floor vote on rollcall Number 5, on the Motion to Suspend the Rules and Agree to H. Res. 335, a resolution honoring the contributions of Catholic schools.

Had I been present for the vote, I would have voted "aye" on rollcall vote 5.

PAYING TRIBUTE TO FRANKLIN AND JOY BURNS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Franklin L. and Joy S. Burns for their extraordinary contributions to their community and to their state. As residents of Colorado, Franklin and Joy dedicated their lives to improving Colorado by selflessly giving their time and energy to their jobs, their family and their community. Although Franklin has passed, it is impossible to forget his extraordinary accomplishments, and we are all tremendously grateful to Joy for all that she has done and for carrying on Franklin's legacy of achievement, philanthropy and success. As we celebrate their induction into the Colorado Business Hall of Fame, it is an honor for me to pay tribute to such extraordinary people.

In 1938, Franklin, a Denver native, went to work the D.C. Burns Realty & Trust Company, which was founded by his uncle, Daniel Cochran Burns. The company was dedicated to providing affordable housing for low-income families, selling houses for only ten percent down long before the Federal Housing Authority came into existence. At the age of 28, Franklin became President of the company and began developing subdivisions and shopping centers in and around Denver. Under Franklin's leadership, the company developed more than 13,000 pieces of property totaling $129 million.

In 1958, Franklin met Joy Steelman Colwick at a golf tournament at Cherry Hills Country Club, and by 1960, they were married. Joy immediately contributed to the success of her husband and his company and by the 1970s she was making quite an impact of her own. Having studied business at the University of Houston, she founded The Women's Bank, now known as the Colorado Business Bank, in 1976. She then remodeled the Hampshire House, which her husband's company had bought, and turned it into what is known today as the Burnsley Hotel, a Denver landmark. The hotel opened in 1985 and Joy remained involved with it, serving as President until 1993. She now serves as President of her husband's company, the D.C. Burns Realty & Trust Company.

Not only were Franklin and Joy extraordinarily successful in the business world, but they also made significant philanthropic contributions to their community, city and state. Franklin was active in a number of charitable organizations in Denver, including the Inter-County Regional Planning Commission, Mount Airy Psychiatric Center, the United Way and Mercy Hospital. Joy, too, has devoted a significant amount of her time and energy to the community. She has been a long-time volunteer at the University of Denver, serving as the Chair of the Board of Trustees and as the President of the University of Denver's Pioneer Sportswoman. In appreciation of her tremendous contributions to the University, DU named the Joy Burns Ice arena in her honor. Joy is also the founder of the Women's Foundation of Colorado, was the only female member of the Metropolitan Football Stadium Board and serves as President of the Sportswomen Colorado Foundation. –

Mr. Speaker, it is clear that Franklin and Joy Burns have, for over fifty years, made extraordinary contributions to the community of Denver through both their business and charitable endeavors. It is not only their unparalleled business savvy that I wish to bring before this body of Congress, but also their selflessness and love for their community. Though deeply saddened by Franklin's passing, I wish to extend my sincere congratulations to Joy on their joint induction into the Colorado Business Hall of Fame, and want to take this opportunity to thank her for carrying on her husband's legacy. We are proud of you both!

HONORING NANCY PELOSI

HON. TAMMY BALDWIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Ms. BALDWIN. Mr. Speaker, I join with my colleagues in honoring my esteemed colleague, Representative Nancy Pelosi of California, and celebrating her election to the post of Democratic Whip of the House.

This is not just an important moment for Representative Pelosi, it is an historic moment for this great body, and a deciding moment for women in our country.

This year, we celebrate the 85th anniversary of the swearing in of Jeannette Rankin of Montana to the Congress. Representative Rankin, the first woman elected to Congress, and a leader of the women's suffrage movement, would, indeed, be pleased and proud to see Nancy Pelosi ascend to her position of leadership in the House. And she probably would have asked, "What took you so long?"

We've never had a woman whip. We've never had any woman in one of the top leadership positions in either house of Congress.

In the race, Nancy got encouragement from unexpected places. The elevator operators, the high school pages in the hallways, the wait staff in the dining room, were whispering, "Go Nancy, Go" as she walked past.

They cheered because they saw in her a little bit of themselves—people who, traditionally, have no seat at the table or in the back room. Every time a woman or a person of color or a person with a disability enters the halls of power, they bring with them the multitudes of people whose voices, typically, are not heard.

By being in those halls, in those Chambers, in those boardrooms and backrooms, and on the podium, we make those places look a little bit more like America.

As women we bring our life experiences to the job. We can effect change because we prioritize issues as we know them, as we understand them. And because of that, having a seat at the table matters. Having a seat at the head of the table matters even more.

Nancy Pelosi brings a woman's perspective to the House leadership and it is long overdue. She also brings her keen intelligence, her political savvy, her deep-seated principles, her energy, and her desire to make our world more decent and democratic.

Nancy Pelosi now makes the leadership of our great House of Representatives look a little bit more like America and we are all better for it.

TRIBUTE TO JESSE FAYE FIELDS

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. OXLEY. Mr. Speaker, today I rise to commemorate the life, community service, and family devotion of Jesse Faye Fields, the mother of my good friend and former congressional colleague, Jack Fields, Jr. Mrs. Fields recently passed away at the age of 76. With her late husband, Mrs. Fields owned and operated Rosewood Funeral Homes and Cemeteries in Humble, TX, for several decades. Together they built the business into one of the most successful cemeteries in the area. They had a special ability to comfort and console others in their time of need.

Mrs. Fields was a true child of Texas. She was born in Pearsall, TX, and graduated from Aldine High School. The eldest child in her family, she helped raise her siblings after her father died when she was 9. Nothing in her life was more important to her than her family. An example of her loving spirit can be found in her custom of cooking dinner for her family and other relatives after church each Sunday.

Mrs. Fields touched numerous lives through Rosewood. But she touched even more as a respected citizen of the community, church attendee, and as a family beacon. Her love and steady direction served as an inspiration to her children, and with Jack, made her the mother of an esteemed U.S. Congressman. Jesse Faye Fields will be remembered as a devoted wife, loving mother, and cherished citizen of her community.

STRONG STUDENT VISA SYSTEM CRITICAL TO NATIONAL SECURITY

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BEREUTER. Mr. Speaker, this Member wishes to commend to his colleagues the February 4, 2002, editorial from the Omaha World-Herald entitled "Loosey Goosey Borders IV."

This editorial is one in a series of editorials published by the Omaha World-Herald which illuminate why it is entirely appropriate for the U.S. to enact strict immigration laws and, subsequently, to actively enforce those laws. Specifically, this editorial focuses upon the student visa system.

Indeed, the U.S. should be pleased that its higher education system attracts many foreign students, and, while it is important to continue the student visa system to bring vibrancy and diversity to universities and colleges, those interests must continuously and consistently be balanced against U.S. security interests. Failure to do so could place American lives at risk to terrorist attacks—among other threats—committed by those in the U.S. fraudulently under the guise of educational purposes.

Even with the strictest possible enforcement of visa controls, the system will always be susceptible to visa fraud. However, that does not mean that the U.S. should throw up its hands in surrender and throw open its borders.

[From the Omaha World-Herald, Feb. 4, 2002]

LOOSEY GOOSEY BORDERS IV

Slow progress is made in controlling foreign student visas.

Progress on tightening up the United States' free-and-easy borders has been slow but steady since Sept. 11—not spectacular, but at least things are moving.

Before the terrorist attack, student visas were issued to foreign nationals, some of whom came to this country and, in essence, disappeared into the general population. The Immigration and Naturalization Service didn't check whether they actually went to school or whether they left after their education was done.

Things changed on Sept. 11. Security became a greater concern. The INS is setting up a computer system to track student visa holders. The agency has been struggling with a system for years, but it appears that it will be in place, INS officials said, by 2003.

The tracking system is not without its critics. A group dealing with foreign students withdrew its opposition after the September attack, but many individual schools have expressed the concern that a tracking system will discourage foreign students.

Security trumps that concern. So long as a student visa is the gateway to an easy and unmonitored existence in the United States for people whose motives might be other than scholarship, this is a security matter. If keeping tabs on foreign students discourages a few from coming to the United States or inconveniences a college's administration, too bad.

Besides the INS system, the Senate is expected to join the House soon in passing legislation that, among other things, would forbid the issuance of student visas to anyone from a country that sponsors terrorism unless the State Department investigates and approves the individual.

Some local INS offices are on the ball, too. Omaha-based INS officials, for instance, have been in contact with colleges and universities within their jurisdiction. But not all INS offices across the country have been as aggressive.

Better monitoring of guests to discourage those who would abuse the privilege is not onerous or unreasonable. Rather, these precautions are sensible and understandable in light of the credible threat terrorism poses to Americans. The faster security can be improved, the better for the nation.

MASSACHUSETTS SECRETARY OF STATE JAMES JAJUGA'S ELOQUENT TRIBUTE TO HIS MOTHER

HON. MARTIN T. MEEHAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. MEEHAN. Mr. Speaker, I was saddened last week to learn of the death of Sophie Jajuga, the mother of my good friend James Jajuga, the Secretary of Public Safety for Massachusetts and a former State Senator.

At the funeral service for his mother on February 5 at St. Lucy's Church in Methuen, Massachusetts, Secretary Jajuga delivered an eloquent tribute to his mother that deeply touched me and all others who were present. He described in vivid terms the lifelong love and support that Mrs. Jajuga gave to her family.

Secretary Jajuga's beautiful eulogy to his mother should be of interest to all of us. I ask for unanimous consent to submit it to the record:

> Good morning, on behalf of my entire family, I want to thank you for attending this beautiful service here at St. Lucy's this morning, as well as for the many kindnesses you have extended to me and to both the Bednez and Jajuga families over the past few days. I would also like to thank Fr. Loscocco for his support and guidance during this difficult time and for celebrating today's mass, and Camille Peters for her beautiful voice and organ playing.
>
> I was asked by my family to share with you some thoughts about my mother, Sophie, and am both humbled and honored to do so with you now.
>
> In life we tend to take some things for granted. One of these things is that our mother will always be there for us, in good times and, especially, in bad times. No one shares a child's happiness, pain, or sorrow, more than his or her mother. No one understands more how a child is feeling—really feeling deep down inside—than his or her mother.
>
> My mother, Sophie, was a wonderful mother to me and to my two sisters, Jane and Mary. We grew up in Haverhill and moved to Lawrence. Some of us took that move better than others, but that is a story for another day . . .
>
> A story I would like to share with you today that exemplifies the kind of person my mother was is this: When we were young children things would disappear from our house, "things" like clothes, dolls and toys, and, of course, my favorite jacket that I had only worn for a short period of time. Finally, mother told us that she had been sending our personal belongings to our relatives back in Poland because, in her own words "they need them more than you do!" When we came home from school or play, we never knew what would be missing next, and if we really valued something we knew we better find a very good hiding place to keep it safe from mother's reach.
>
> Mother called all of us "Honey" or "Dear" and when she did call us by name it was usually someone else's name. In fact, for a while there I really wasn't sure whether my name was "Jimmy", "Stanley," or "Eddie," because she called me all three names regularly! She continued to do this with the grandchildren and great-grandchildren as well.
>
> My mother loved us all—her children, her grandchildren, her great-grandchildren, her brothers, Stanley and Eddie, her sister, Helen, and her many dear friends. Sophie's love knew no bounds. She loved to laugh, and she especially loved to spend time with her grandchildren and her great-grandchildren. She used to play cards with the grandchildren, a variation of the game of poker called "No Peek." A game where no one was supposed to look at the cards. But of course she would always peek. They'd call her on it all the time, but she would swear that she only saw one card, when they knew she had seen them all. But they always let her get away with it.
>
> I asked everyone in the family, including the grandchildren, what they felt were mother's strongest attributes. By unanimous proclamation they all agreed her greatest strengths were her kindness, her generosity, and her thoughtfulness.
>
> My mother never had a bad word to say about anybody. She was always there ready to help out whoever needed it. She did not—could not—say no to anyone, no matter what was asked of her and regardless of her own situation. She shared whatever she had with others unselfishly. She never asked for anything in return.
>
> She was a gentle woman.
>
> She went out of her way to show she cared, always putting family and friends first even before herself.
>
> Today, we say goodbye—for now—and though we are all deeply saddened by her untimely passing, we are comforted in our firm belief that she is in a better place, reunited with our father and with those members of our family who have gone before us.
>
> Ma, thank you for a lifetime of memories that we will cherish forever. Thank you for always being there for all of us. We love you, we miss you, and we all look forward to playing "No Peek" with you again someday.
>
> God bless you, Ma, and God bless you all.

THE EDUCATION, ACHIEVEMENT, AND OPPORTUNITY ACT

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. SMITH of New Jersey. Mr. Speaker, today I am introducing legislation designed to ensure the federal government appropriately assists parents with the financial burdens associated with their child's education. The legislation gives parents more options, and helps them as they search out the best educational setting and tools for their children.

To this end, the Education, Achievement, and Opportunity Act will provide refundable tuition tax credits per year, per child, for educational expenses incurred by parents for elementary and secondary school. The legislation would allow parents sending their child to an elementary school up to $2,500 in tax relief, and parents with children in a Catholic or parochial high school could claim up to $3,500 in assistance.

Parents who send their child to a Catholic school already pay twice for their child's education: once through their taxes, and a second time for the tuition. These out-of-pocket expenses can really add up and pose an enormous obstacle to the child's lifetime learning opportunities. Without federal support, many parents struggle—and in some cases forgo—a Catholic school education, or any education in a spiritual setting, because the costs are so high.

In my own district in New Jersey, a parent who feels Catholic schools are best suited for their child will pay somewhere between $1,840 and $2,566 in tuition costs. If you want to send your child to a parochial high school in the central New Jersey area, a parent is looking at an average tuition bill of $5,571 per student, per year. In other areas of the country, the costs are very similar.

Middle-class and lower-income families just cannot—and should not have to—absorb these kinds of costs without some help or recognition from the government. America's children have unique educational needs and goals, and parents are the ones who are best qualified to decide what's in their child's best interest. It just isn't fair to deny a child the ability to pursue the educational program best suited to his/her needs simply because the child's parents do not have the resources to afford the education program of their choice.

We have 59,000,000 youngsters in elementary and secondary school across the U.S.; about 10 percent of these students are enrolled in private, parochial and rabbinical schools. Those families who are already sending their children to such schools, and others planning to send their children to them, would benefit enormously from this proposal, because they are often struggling to make ends meet.

Importantly, my education proposal is a tax credit, rather than a voucher, so the total amount of education resources available for all school age children will increase. Under a voucher system, if a school loses enrolled students to a competing school, that school may lose funding and have fewer resources available for their educational program. Under my plan, that outcome is avoided, because it is a "win-win" scenario, whereas voucher programs can become a zero-sum situation with "winners and losers."

I was very pleased that President Bush's $1.35 trillion tax cut reform legislation—The Economic Growth and Tax Relief Reconciliation Act of 2001, now P.L. 107-16 included several child and family tax credits to help individuals with their educational priorities. The Bush Tax Cut was a solid down payment to help parents meet the educational needs of their children. Parents can now save up to $2,000 per year in their Education Savings Accounts, and the interest that builds up in them is tax free. When the parent withdraws money for elementary or secondary school expenses, the withdrawal is excluded from their taxable income.

If we are to truly make good on our promise that "no child is left behind," we must ensure that Catholic schools are included in this national promise and goal. A child is a child, regardless of what school system they are enrolled. The children enrolled in Catholic, private, and rabbinical schools deserve nothing less than our full support and compassion.

The benefits of my legislation are available to any child, no matter what their race, creed, or national origin. And make no mistake: the public school system will continue to remain the backbone of our nation's education system. But we must never forget that the public school system was created to serve students—not the other way around. If a student is performing poorly at a particular school, a parent should have the opportunity to enroll the child in another appropriate setting which has a better chance to meet the child's needs.

I urge my colleagues to support the Education, Achievement, and Opportunity Act.

PAYING TRIBUTE TO JOE WAGNER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to recognize an outstanding civic and economic leader from the State of Colorado. Joe Wagner of Denver, Colorado has been actively involved in improving citizens lives through his many activities in the region. He is the founder and operator of one of the state's most successful businesses, Wagner Equipment Co, and is a well known activist and leader in many community activities. As he celebrates his induction into the Colorado Business Hall of Fame, I would like to take this opportunity to highlight the many achievements and incredible dedication that have led to this extraordinary honor.

Joe founded Wagner Equipment Co., a Caterpillar tractor dealer, in 1976 after gaining experience as a senior manager for a similar operation in North Texas. His desire to begin a business of his own led Joe to Colorado, where his business today thrives after 25 years of dedicated service to his community. As a result of this success, the company is now the Caterpillar dealer for the state, enjoying over 20 locations in Colorado and internationally in Mongolia and Siberia: Wagner equipment employs over 900 workers who serve customers in mining, agriculture, forestry, power generation, construction, manufacturing, and government, as well as supplying quality Caterpillar products to consumers.

Joe's success in business is one, but not the only, reason for his selection as a recipient of this award. Part of the award is based on commitment to the community and giving back to those who have supported you and allowed for your success. In this endeavor, Joe has been a valuable participant. He has been active helping Colorado's youth in the Denver Area Council Boy Scouts, the Denver Boys & Girls Club, Children's Hospital and the Children's Hospital Foundation. As a local businessman, he plays an active role in the Denver Metro Chamber of Commerce and as a board member for Wells Fargo Bank. He also remains an active member of his church as an elder with Presbyterian Church of the Covenant.

Mr. Speaker, it is truly a pleasure to bring forth before this body of Congress the names of individuals who have done so much for Colorado communities. Joe Wagner has been an active civic, business, and religious leader and patron for Colorado. I would like to further extend my congratulations on the award and thank him for all his efforts in improving his fellow Coloradoan's lives. Congratulations Joe, and good luck in your future endeavors.

IN HONOR OF JANET SARINGER

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. KUCINICH. Mr. Speaker, I rise today to recognize a truly remarkable woman, one who genuinely exemplifies what it means to be a respected civil servant and community activist.

Janet Saringer has dedicated her life to public service and to the North Olmsted community. She has actively participated in public service since 1971 when she was elected to city Council Ward 2. She has served as ward Councilwoman, council member-at-large, and president of council pro-tem. For the past 8 years she has served as President of the Council chairing and serving on seven committees of Council. She will be truly missed as she begins her retirement after 25 years of devoted service as Department Head of the Cuyahoga County Recorders Office.

Janet has volunteered her time in the community and touched the lives of many people in the area. As a graduate of St. Augustine Academy, she has served as the alumnae association president. She also acted as president of the Greater Cleveland Suburban Council and the Stoneybrook Women's Club. She has been active on the North Olmsted Community Council as well as the North Olmsted Democratic Club and the Cuyahoga County Democratic Executive Committee. Her involvement has also benefited the Irish American community as a member of the West Side IA Club, IPAC and the IACREOT.

Janet continues to live a fulfilling and active life. Janet has been a committed wife who was recently widowed after 35 years of marriage to Robert N. Saringer, a Cleveland Police Officer. She has also been a wonderful mother of five children, Jack, Debbie, Janet, Bob and Bill. She is a grandmother to 12 children and a great grandmother to three children with one on the way. Janet is loved by her family and the many lives in her community that she has touched.

My fellow colleagues, please join me in honoring Janet Saringer, an extraordinary woman and devoted civil servant.

TRIBUTE TO THOMAS B. ARCIERO

HON. STEVE ISRAEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. ISRAEL. Mr. Speaker, I rise today to recognize one of my constituent's great service to the United States of America. I ask for the text of this letter to be put in the RECORD. Thomas B. Arciero joined the Suffolk County Police Department on January 21, 1963. Upon his graduation from the Police Academy, he was assigned to the First Precinct as Patrolman #653. In January of 1967, Patrolman Arciero became Detective #322 and was assigned to the First Squad. In October of 1967, he returned to patrol, and shortly thereafter, was promoted to Sergeant #418 on January 5th, 1970 remaining in the First Precinct. He was a Sergeant in the First Precinct for seven years before being promoted to Lieutenant where he remained in the First Precinct.

In 1987, Lieutenant Arciero was transferred to the Marine Bureau. He was promoted to Captain on January 23d , 1989 and was transferred to Special Patrol Bureau as Executive Officer. After seven years, Thomas Arciero was promoted to Deputy Inspector becoming the Commanding Office of the Special Patrol Bureau. He remained there until his promotion to Inspector on February 23, of 2001 at which time he was transferred to the Chief of Patrol's Office in Headquarters, the position he currently holds. As can be seen, Lieutenant Arciero is a man worth many praises and we will be sad to see him retire on February 19th 2002. Thank you for all of your hard work, Thomas. I ask all of my colleagues to join in the acknowledgement of Thomas and his generous service to the state of New York and the United States of America.

MORE INDIAN REPRESSION OF TRIBAL AND CHRISTIAN MINORITIES

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. TOWNS. Mr. Speaker, I was disturbed to learn of more Indian repression of its tribal Christian minorities. According to a statement issued by the All India Christian Council, the Sangh Parivari, a wing of the pro-Fascist Rashtriya Swayamsewak Sangh (RSS), the parent organization of the ruling BJP, has been distributing weapons to Hindu militants in the tribal areas of Gujarat, Madhya Pradesh, and Rajasthan.

In recent months, according to the statement, it has distributed 350,000 trishuls to be used as weapons. It has set up new temples in Madhya Pradesh. In the Hindu schools, the curriculum already rewrites history. The All India Christian Council calls the curriculum "outside the pale of any academic and public scrutiny" and says it "poisons young minds."

The statement calls this RSS plan "an effort to polarize and communalize the tribal society" in these and several other states. This is a well-established part of India's ongoing campaign to establish itself as the hegemonic power in South Asia.

Given these activities, it is time to strike a blow for freedom by suspending all American aid to India until it respects all human rights for all people and by supporting an internationally-monitored vote on independence for Christian Nagaland, for Punjab, Khalistan, for Kashmir (which it promised in 1948), and for all the other nations seeking their freedom. These are very moderate measures, Mr.

Speaker, but they are measures that can go a long way to help promote real freedom and democracy in South Asia.

I would like to place the recent statement from the All India Christian Council into the RECORD for the information of my colleagues.

[From the All India Christian Council, Jan. 17, 2002]

SANGH PARIVAR ACTIONS COMMUNALISING ADIVASI AREA

(The following is the text of the statement issued by Dr. Joseph D. Souza, President, and Dr. John Dayal, Secretary General, of the All India Christian Council on recent moves by the Sangh Parivar to aggravate the communal situation in the Adivasi tribal belt of North India.)

The All India Christian Council thanks Madhya Pradesh Chief minister Digvijay Singh and his government for taking effective steps to reassure the small Christian community in the Adivasi-majority district of Jhabua, which had seen much tension on the eve of the meeting organized today by the Rashtriya Swayamsewak Sangh wing Seva Bharati.

The All India Christian Council deputed its Gujarat unit secretary and well-known Human rights activist Mr. Samson Christian to Jhabua yesterday in solidarity with the Christians of the district, which was scene of the infamous mass rape of Catholic nuns three years ago. A vicious Hindutva communal rhetoric preceded the holding of the Sangh meeting, targeting Christians in the region. Much of the social educational and Medicare work in the Madhya Pradesh Tribal belt has been by Christian missions.

The Council has repeatedly expressed its deep apprehension at the activities of the Sangh Parivar in the contiguous tribal areas of Gujarat, Madhya Pradesh and Rajasthan. In recent months, more than 3.5 lakh trishuls machined as weapons and not as innocuous religious symbols, have been distributed in the Rajasthan area. In Madhya Pradesh, the Sangh has announced the setting up of 3.5 lakh Devals, or family temples. These areas are already penetrated by Sangh's Shishu mandirs manned by RSS cadres. These schools follow a curricula and textual material, which is outside the pale of any academic and public scrutiny, blatantly rewrites history, and poisons young minds.

Taken together, these actions constitute a well thought out strategy to polarize and communalise the tribal society in the state of Madhya Pradesh and also in the states of Gujarat, Rajasthan, Orissa, Jharkand and Chhatisgarh to serve the political agenda of the Sangh Parivar. The Adivasis have strongly objected to these efforts to obliterate their culture and their identity.

The Council has called upon the governments of the concerned states, as also on the Central government to ensure that this insidious conspiracy against the Adivasi identity is not allowed to succeed.

PERSONAL EXPLANATION

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. BECERRA. Mr. Speaker, due to official business on Wednesday, January 23, 2002, and Thursday, January 24, 2002, I was unable to cast my floor vote on rollcall numbers 1, 2, 3, and 4. The votes I missed include rollcall vote 1 on the Quorum Call of the House; rollcall vote 2 on Motion to Suspend the Rules and Agree to the Senate Amendment to H.R. 700, to Reauthorize the Asian Elephant Conservation Act; rollcall vote 3 on Motion to Suspend the Rules and Pass, as Amended, H.R. 2234, the Tumacacori National Historical Park Boundary Revision Act; and rollcall vote 4 on Passage of S. 1762, the Higher Education Act Amendments.

Had I been present for the votes, I would have voted "present" on rollcall vote 1, and "aye" on rollcall votes 2, 3, and 4.

COACH BILL BELISLE OF MOUNT SAINT CHARLES ACADEMY

HON. PATRICK J. KENNEDY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. KENNEDY of Rhode Island. Mr. Speaker, I wish to insert into the CONGRESSIONAL RECORD letters that attest to the true spirit of competition in addition to the sportsmanship of Mr. Bill Belisle of the Mount Saint Charles Academy of Woonsocket, Rhode Island. As these letters show, Mr. Belisle has had astonishing success as head coach of the Mount Saint Charles Mounties, the school's phenomenally successful hockey team. On January 5th, 2002, Coach Belisle earned his 696th career victory, and set a new national high school hockey record for all-time coaching victories. From his 24 consecutive state championships to the multitude of talented hockey players he has developed, Coach Belisle demonstrates the fact that hard work, dedication and commitment to a goal do pay off. I hope that, with this placement in the CONGRESSIONAL RECORD, my colleagues here in the Congress can look to him as a model of the type of success that all Americans should aspire to.

NATIONAL HOCKEY LEAGUE,
New York, NY, January 22, 2002.

Mr. BILL BELISLE, Hockey Coach,
Mount St. Charles Academy, Logee Street, Woonsocket, RI.

DEAR COACH BELISLE: I am writing to offer my most sincere congratulations on a remarkable achievement.

On January 5, 2002, you earned your 696th victory with the hockey team from Mount St. Charles Academy. The win over Toll Gate High School set a national high school hockey record for all-time career coaching victories. It is even more impressive that you reached this milestone in only your 27th season, while the previous record was set over a career which spanned 49 seasons.

The National Hockey League is pleased to recognize accomplishments, which recently have been highlighted by stories in Parade Magazine and USA Today. The fact that your team has won 24 straight Rhode Island Interscholastic League championships is a credit to your coaching abilities and a testament to you as a motivator and role model. Your record of winning 88 percent of all your games is a mark that any coach at any level would love to emulate.

That six of your former players—Bryan Berard, Brian Boucher, Garth Snow, Mathieu Schneider, Keith Carney and Jeff Jillson—have skated this season in the NHL is a tribute to you and your program. All these players are outstanding individuals who obviously received great training.

On behalf of the NHL, please accept my best wishes on this most impressive accomplishment. I look forward to learning about what I am certain will be even more milestones ahead for you and the Mount St. Charles Academy program.

Sincerely,

GARY B. BETTMAN,
Commissioner.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, January 22, 2002.

Coach BILL BELISLE,
Mount St. Charles Academy, Logee Street, Woonsocket, RI.

DEAR COACH BELISLE: Please accept my very best wishes on another amazing milestone in your hockey coaching career at Mount St. Charles Academy.

When Congress returns to session tomorrow after our annual winter recess, I will make certain that the rest of the nation is also aware of your latest accomplishment. The *Congressional Record* will reflect the fact that on January 5, 2002, you earned your 696th career victory. This win by a score of 6–2 over Toll Gate High School at Thayer Arena in Warwick set a new national high school hockey record for all-time career coaching victories.

It is even more incredible that you established this record in your 27th season at Mount. The old record, held by Ed Burns at Arlington High School in Massachusetts, was set over a 49-year career.

It is certainly impressive that you have led the Mounties to 24 consecutive state championships and that you have won 88 percent of all the games you have coached. But even more impressive to me is the caliber of first-class individuals that have graduated from the Mount St. Charles' program.

Dozens and dozens of your players have earned full-tuition college scholarships to major academic institutions. While many have gone on to play for the United States in the Olympic Games, or to play professionally in the National Hockey League and in Europe, even more have experienced successful careers off the ice. Their journey through adult life has been made smoother because of the great discipline and work ethic you have taught them at an early age. The "Mount Style" that you are so proud to instill in them has served these young men well in their careers well beyond their hockey-playing days.

Please accept my wishes for many more victories both on and off the ice. I also wish to extend congratulations to your wife Yvette, who has been your partner through this whole Mount Dynasty; your son David, who also doubles as your highly successful assistant coach; and the rest of the Belisle family. Congratulations again!

Sincerely,

PATRICK J. KENNEDY,
Member of Congress.

PAYING TRIBUTE TO KEVIN DOWDELL

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. MCINNIS. Mr. Speaker, it is with profound sadness that I pay tribute to New York City firefighter Kevin Dowdell who passed away on September 11, 2001. Kevin died tragically while carrying out the very acts of selflessness and bravery that were the hallmark of his life. As his family mourns this loss, I believe it is appropriate to remember Kevin and pay tribute to him for his many contributions to his country.

As a distinguished firefighter in the New York City Fire Department, Kevin dedicated his life to serving and protecting others, and embodied the spirit of courage and bravery that has sustained this country during these times of tragedy and mourning. Not only was Kevin one of New York's bravest, but he was also one of this country's bravest. It is because of men like Kevin Dowdell that all of us, as Americans, can hold our heads high and take comfort in the fact that we live in the greatest country on Earth, and among the most courageous and extraordinary people on Earth.

Kevin's mother, Gloria—a long-time resident of Colorado—remembers that Kevin had dreams of becoming a firefighter from the time he was four years old. After realizing that lifelong dream, Kevin excelled as a firefighter, becoming an expert in difficult rescues and garnering high praise from both his colleagues and superiors alike. Not only was Kevin an exceptional firefighter, but he was, perhaps more importantly, an exceptional father, husband, brother and son. The selflessness that propelled him to a career as a firefighter was even more evident in his family life. He tirelessly gave his time, love and energy to each and every member of his family, taking them on tours through New York, playing in his son's band and organizing family vacations. He is survived by his loving wife RoseEllen and his two sons Patrick and James.

Mr. Speaker, we are all terribly saddened by the loss of Kevin Dowdell, but take comfort in the knowledge that our grief is overshadowed only by the legacy of courage, selflessness and love that Kevin left with all of us. His life is the very embodiment of all that makes this country great, and I am deeply honored to be able to bring the attention of this body of Congress to his life. It is in times of great tragedy and hardship that true heroes emerge, and I am proud to say Kevin Dowdell is a hero not only to me, but to his family, his friends and to this country.

NATIVE SON OF SAN MATEO SHINES IN SUPER BOWL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. LANTOS. Mr. Speaker, the victory of the New England Patriots in last night's Super Bowl was not just an incredibly good football game—one of the closest and most exciting games in Super Bowl history—but it was also a cause for celebration that spanned our nation from coast to coast. Today the City of San Mateo and Peninsulans join fans in New England in celebrating the Patriots' victory. It is a shared celebration because New England Quarterback Tom Brady first showed signs of football greatness as the quarterback for Junipero Serra High School in his hometown of San Mateo in my congressional district.

Mr. Speaker, Tom Brady was the youngest quarterback ever to lead a team to a Super Bowl victory and was also selected Most Valuable Player in the game. This was a fitting end to a truly magnificent season for Tom Brady. As a sixth round draft choice in the 2000 NFL draft, Tom started his second season as the back-up quarterback, whose goal for the 2001–2002 season was simply to become a better football player. Fate, however, had different plans as he was thrust into the starting role during the third game of the season. The newfound responsibility never fazed this calm young man. He accepted his new role and led the Patriots from a 0–2 start to the season to end with eleven wins in the regular season and a trip to the playoffs.

During the playoffs, Tom faced and conquered a wide variety of adversities, from snowballs to ankle sprains, he never wavered and refused to back down as he lead his team to the Super Bowl. Entering the game as heavy underdogs, Tom Brady played the greatest game of his young career in the same way he played throughout the regular season—calm, cool, and under control. After three quarters the Patriots lead 17–3, but then the Rams made a comeback and Tom Brady found himself on his own 17 yard line, facing the daunting task of moving the ball sixty yards with 90 seconds left in the game, and his team with no time outs remaining.

Mr. Speaker, many thought he should run out the clock and move the game into overtime. Brady, a true competitor, walked onto the field to begin a drive to win in the remaining 90 seconds. As he said, "I was going out to win the game." And that is exactly what he did, as he threw pass after pass to march his team into field range and set up his kicker to win the game. Adam Vinatieri's kick sailed through the uprights just as time expired, and the Patriots were champions. A roar not only erupted from the stadium in New Orleans, but a similar outburst erupted from the house on Portola Drive in San Mateo, where friends and family of the Brady family had gathered to watch the game.

Mr. Speaker, from his days of flag football on Portola Drive in San Mateo, to the fields at Serra High, to the University of Michigan, to the National Football League and being named Most Valuable Player of Super Bowl XXXVI, Tom Brady always played with confidence and charisma and found success at every level. It is obvious from watching Tom Brady play that he truly loves the game of football. He always smiles, and his enthusiasm and confidence is infectious to his team. As one of his wide receivers said, "You can't say enough about the kid. He has a tremendous amount of confidence, and it rubs off on everyone else."

Mr. Speaker, I invite my colleagues to join me in congratulating Tom Brady on an incredible game and wishing him continued success. All of us from San Mateo and the Peninsula are proud of our native son.

COMMEMORATING THE 90TH ANNIVERSARY OF HADASSAH

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mrs. CAPPS. Mr. Speaker, today I rise to honor the 90th anniversary of one of America's foremost organizations, Hadassah, the Women's Zionist Organization of America. This organization has grown to become the largest women's and Jewish membership organization in the United States, comprised of over 300,000 individuals. Hadassah will begin to celebrate its 90th year on February 26, 2002.

Since its founding in 1912, Hassadah's devoted members have helped improve the lives of women and indeed, all of humanity. Foremost among these contributions is Hadassah's incredible contributions to health care in Israel. Their flagship project, the Hadassah Medical Organization, provides health care of the highest caliber to a myriad of individuals from throughout the Middle East, without racial, religious or national prejudice, and also aids the training of health care workers. In addition, Hadassah's humanitarian mission has long made the organization a supporter of a peaceful and stable Middle East.

Within the United States, Hadassah is an active player on a number of critical public policy concerns. This includes a program for breast cancer detection and awareness, Jewish family programs, and the encouragement of civic participation. Hadassah also places an emphasis on education of both its members and the general public, especially in regard to American-Israeli relations, separation of church and state, and women's health.

I congratulate Hadassah on its commitment to improving the lives of countless people in the Middle East and here in America. The past 90 years have demonstrated the need for organizations such as Hadassah, and I wish its members nothing but continued success in the future.

TRIPARTITE MEETING ON CLIMATE CHANGE AND RENEWABLE ENERGY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. GILMAN. Mr. Speaker, I recently participated in the Tripartite Meeting on Climate Change and Sustainable Energy, sponsored by GLOBE USA, the affiliate of Global Legislator's Organization for a Balanced Environment (GLOBE), a voluntary non-partisan educational association comprised of Senators and Representatives from our Congress that is dedicated to promoting a balanced and informed policy regarding our environment. I applaud the work of our distinguished colleagues Representatives SHAYS, the chairman of GLOBE USA; JIM GREENWOOD, president of GLOBE International; MARK UDALL, vice president of GLOBE International and co-chair, House Renewable Energy and Efficiency Caucus, and all of our colleagues who attended and contributed to the informative sessions with our colleagues from Canada, the UK, and the EU.

One thing we all agree upon is the important role that renewable and alternative sources of energy play in our national energy policy and debate. H.R. 4, which passed in the House on August 2, 2001, contained provisions for alternative and renewable sources of energy. On December 5, 2001, the Senate Energy Committee chairman introduced S. 1766, an omnibus energy bill that responds to H.R. 4, which also contains provisions for research and development funding for alternative and renewable sources of energy. H.R. 4, drew much criticism as a result of its provisions allowing for oil exploration and drilling in ANWR and for not adequately increasing the CAFE Standards of light trucks and SUV's. It is imperative that our two legislative bodies reconcile their differences, so that our nation may have a comprehensive energy plan that makes sense for the American people. Today's meeting reemphasized the importance of renewable and alternative sources of energy in our ever evolving and dynamic global community.

I have long advocated renewable energy and strongly believe that we can not continue to utilize fossil fuels at the rate of our consumption. It is only through research and development of renewable and alternative sources of energy that our Nation can be free from its reliance on foreign sources of oil from nations that are hostile to our Nation, our democratic system of government and our way of life.

Mr. Speaker, when the price of crude oil trades at $38 a barrel, we hold hearings, send letters to the President, the Secretary of Energy, the Secretary of Commerce and the Secretary of State seeking their intervention with the OPEC nations to bring the price of oil down. Congress threatens sanctions and passes resolutions condemning OPEC. Now that the price of oil is low, and where we can purchase a gallon of gasoline for less than $1.10, there is a tendency for all of us to become complacent and we fail to remember the exorbitant price of gasoline. The fact is, that the Organization of Petroleum Exporting Countries (OPEC) is a cartel, and in a very short period of time the price of imported crude may spike, and for the most part there is very little that we can do when OPEC shuts off the spigot, but watch oil prices soar. We can not out pump OPEC and the only way to beat them at their own game is to develop a robust "portfolio" of alternative and renewable sources of energy. There is an energy crisis confronting our Nation, and like cancer it is in temporary remission, waiting to rear its ugly head when we think we have defeated it and when we least expect it. When that occurs it is at the expense of the hard working people of our nation, impacting every sector of our economy.

By incorporating renewable and alternative sources of energy such as wind, biomass, hydropower, geothermal, photovoltaic, fuel cells and the hybrid-vehicle technology, not just as part of our national energy plan, but as part of our national persona, we not only accomplish our goal of energy self-sufficiency, but we will also fulfill one of our national security priorities. Former CIA Director Woolsey asserts that our reliance on foreign oil is one of the top three national security threats to our nation. By adopting a comprehensive program of research and development in renewable and alternative sources of energy, we not only will reduce a major threat to our national security, but we will also strengthen our homeland defense initiatives, by taking a threat out of the equation.

By establishing realistic goals, utilizing and harnessing the entrepreneurial and technological spirit, drive, creativity and ingenuity of the American people in developing alternative and renewable sources of energy; we will also reduce the catastrophic effects that fossil fuel has on our environment, thereby preserving our precious environment and our resources for generations to come.

Moreover, I believe that the Administration should continue to be engaged in the Kyoto negotiations process and we should continue to use our leadership and consensus building to enter into an agreement that is both realistic and enforceable for our nation, and is amenable to its prospective signatories.

Mr. Speaker, I urge our colleagues to make alternative and renewable sources of energy a national priority. By working with our colleagues throughout the world we can achieve our shared energy goals.

IN HONOR OF EDUCATORS IN CLEVELAND

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. KUCINICH. Mr. Speaker, I rise today in honor of Cleveland teachers for today's event: Salute to Teachers—Celebrating Cleveland's Educators.

Today's event celebrating the efforts of Cleveland teachers originated from the work of Fox 8 photojournalist Herb Thomas and Assistant News Director Sonja Thompson who, while working on special assignment on the issue 14 campaign, became familiar with the work and efforts of Cleveland educators. Their discovery compelled them to hold this event to inform the public and recognize the many good works of Cleveland area teachers.

Teachers are often a source of inspiration and success to many of us. Indeed, Cleveland teachers have a most important responsibility of giving our children the educational tools needed to equip them to face any challenge in their future lives. Being in contact with their students almost daily, a teacher's influence goes beyond just textbook reading, writing and arithmetic. Teachers are, by virtue of their position, often charged with the responsibility of caring and nurturing each student's personal, social and emotional development. They come to develop strong interpersonal relationships with their students which often last well beyond the elementary and secondary school years. Cleveland educators deserve high recognition for their efforts in enriching the minds and hearts of many of our community's children.

Mr. Speaker, please join me in honoring Cleveland educators who are touching the lives of thousands of students. They have given their time and dedication to the local community and have earned the respect of students, faculty, and the entire Cleveland community.

INDIA MUST RELEASE SIKH POLITICAL PRISONERS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. TOWNS. Mr. Speaker, many of my colleagues are strong supporters of India. They apparently believe India's claim that it is "the world's largest democracy." But why does a democracy have political prisoners?

According to a report last year by the Movement Against State Repression (MASR), the Indian government admitted to holding 52,268 Sikhs as political prisoners. Amnesty International has reported that tens of thousands of other minorities are also being held as political prisoners. These prisoners are being held without charge or trial, illegally. Some of them have been in illegal custody for many years, despite the provisions of the law. Many of the Sikh political prisoners have been in detention since 1984. That's 18 years, Mr. Speaker. Eighteen years! How can a democratic state justify this?

Now, all of us want good relations with India and with all nations, as the President said in his State of the Union speech. But we also want to support the cause of freedom for all the people in the world. That is one of the main reasons we are fighting terrorism. We should use our increasing ties to India to pressure them to release all their political prisoners. As the bastion of democracy, it is our duty to speak up for these oppressed minority people.

Leading activists like Jaswant Singh Khalra, former Jathedar Gurdev Singh Kaunke, and so many others have been killed by the Indian government after being made to disappear. Christians have suffered an ongoing wave of persecution, which many of us in this House have detailed repeatedly. It is time for the civilized world, under the leadership of the United States, to speak out strongly against this repression. But in addition, we must take prudent, peaceful, measured action to stop the repression of these minorities.

The Sikh leadership and the leadership of the other minorities should nominate the political prisoners for office as a way to help secure their release. This would make it much more difficult for India to continue holding them.

I might note that India has also been a practitioner of terrorism. It created the Liberation Tigers of Tamil Eelam (LTTE), a Tamil militant group that our government designates as "terrorist," and harbored its leaders in the most elegant hotel in Delhi. It has been reported that the Indian Defense Minister has raised money and supplied arms for the LTTE. It has also been reported that the Indian government sponsors terrorist activity in Sindh, a border province of Pakistan. As you know, Pakistan has been a strong supporter of our efforts in the war on terrorism until India's troop movements forced them to divide their effort and pull troops off the Afghan border to counter an impending threat from India.

In addition, India paid the late governor of Punjab a lot of money to generate terrorism in Punjab and Kashmir. Indian troops were caught trying to set fire to a Sikh Gurdwara. There are numerous other incidents, such as the Air India bombing, the Chithisinghpora massacre, and other incidents, where the evidence points strongly to the Indian government.

If India cannot behave like a civilized, democratic nation, it does not deserve to be treated like one. We should stop American aid to India until the political prisoners are released and the minorities can enjoy their full rights and liberties, and we should strongly urge India to hold a free and fair plebiscite in Kashmir, Khalistan, Nagaland, and all the nations seeking their freedom. Remember that India promised a plebiscite in Kashmir in 1948. I call on India to deliver on that promise. We should work with them to bring this about. That is the way that we can help secure the blessings of liberty for all the people of South Asia.

KAZAKHSTAN AND THE U.S.: A GROWING PARTNERSHIP IN NEED OF OUR SUPPORT

Mr. Speaker. The terror that struck our country on September 11 brought anguish to the hearts of all caring people. Events that followed have focused the world's attention on Central Asia and the war against the terrorists.

Kazakhstan, the largest nation in that region, has offered cooperation in every area of the war effort. Kazakhstan has stood with us, and we, as Americans, must join hands with them, helping Kazakhstan and our other new allies in the area as they work to stabilize this critical region.

"Kazakhstan plays a crucial role for the international community as a bulwark against regional instability and conflict," President Bush said in a recent letter to President Nazarbayev of Kazakhstan. "America especially appreciates Kazakhstan's strong support in fighting the international scourge of terrorism," the President added.

As we are nearing the end of the military phase of the Afghan campaign and turning our attention to rebuilding that country, Kazakhstan, lying 200 miles to the north of Afghanistan, can play a crucial role in the success of these efforts. There are many reasons for this: most important are Kazakhstan's strong economic record, enormous potential, political stability and success in providing equal opportunities for all of its 130 ethnic groups, and, last, but not least, its willingness to participate fully in rehabilitation efforts in Afghanistan. Kazakhstan's largely Muslim community, although secular, has a special appreciation for the suffering and the hopes of the Afghan peoples. Already 25,000 tons of grain from the fertile lands of Kazakhstan have reached the hungry in that war-torn region. More will be coming.

For Kazakhstan to be able to realize its potential to help to the rebuilding of Afghanistan and restore regional stability, the country needs firm and long-term support from the United States. There are many reasons we should become more involved with this strategically important country. Not the least are the vast oil reserves of Kazakhstan that could potentially rival those of Saudi Arabia and will help guarantee our future energy needs. Kazakhstan's cooperation in the war on terrorism coupled with our energy concerns mean that now is the time for us to support Kazakhstan and their bright future.

President Nazarbayev's recent visit to Washington strengthened the Administration's recognition of the need to develop closer ties with Kazakhstan. The Government in Astana obviously wants closer ties, and America can only benefit from working more closely.

In the Joint Statement Presidents Bush and Nazarbayev adopted after their meeting, they confirmed a "commitment to strengthen the long term strategic partnership and cooperation". I particularly welcome the Energy Partnership Declaration, which identified "a long-term energy partnership" as "one of the key elements of the strategic interaction" between Kazakhstan and the USA. I fully support those intentions, and I ask unanimous consent to put the joint statement of these world leaders in the CONGRESSIONAL RECORD.

I believe that the decade of growing friendship and cooperation, and particularly the strong support shown to us by Kazakhstan in fighting terrorists, has proved Kazakhstan to be our true friend and worthy of all help we can provide.

Friends help friends. There are a number of very real steps Congress must take:.

First, we should work to graduate Kazakhstan from an outdated Jackson-Vanik amendment to the Trade Act of 1974 and grant Kazakhstan permanent normal trade relations status. I welcome the U.S. administration's stated intention to work with Congress on this issue and I call on my colleagues to support H.R. 1318 which I proudly cosponsored. It will repeal Jackson-Vanik in relation to Kazakhstan. This step needs to be taken during the current session. It will provide a much-needed boost for the expansion of the U.S. trade ties with Kazakhstan and will directly benefit hundreds of American businesses there. I remind my fellow members of Congress, and the American nation, that American investment in Kazakhstan over the past decade totals 5 billion dollars. That makes the U.S. the largest single foreign investor in the country, and makes Kazakhstan the clear focus of American investment in Central Asia.

Second, Congress should consider earmarking assistance to Kazakhstan in the next year's budget. The assistance should go to further solidifying Kazakhstan's successes in reforming its economy and society, as well as to strengthening its military and border protection. This move will send a clear message to the people of this important ally that the U.S. is serious about its intentions to stand by Kazakhstan as they move to become the main driving force behind the development of Central Asian stability and prosperity.

Mr. Speaker, we are truly committed to seeing the whole of Central Asia develop into a truly stable and prosperous region. Only then will it cease to be a breeding ground for terrorism and a source of threats to our homeland and other peaceful nations. The time to act is now.

JOINT STATEMENT BY PRESIDENT GEORGE W. BUSH AND PRESIDENT NURSULTAN NAZARBAYEV ON THE NEW KAZAKHSTAN-AMERICAN RELATIONSHIP

[The White House, December 21, 2001]

We declare our commitment to strengthen the long-term, strategic partnership and cooperation between our nations, seeking to advance a shared vision of a peaceful, prosperous and sovereign Kazakhstan in the 21st Century that is increasingly integrated into the global economy and the community of democratic nations. To this end, we will advance our cooperation on counterterrorism and non-proliferation, democratic political and free-market economic reform, and market-based investment and development of energy resources.

These goals further reflect our recognition that the threats of terrorism and proliferation of weapons of mass destruction endanger the security not only of the United States and Kazakhstan, but of the world at large. We therefore seek to develop our security cooperation to address these challenges and foster cooperation among Kazakhstan, its Central Asian neighbors, the United States, and our European friends, partners, and allies. In pursuit of these objectives, we are determined to deepen cooperation bilaterally and within NATO's Partnership for Peace.

We reiterate our intent to cooperate in the war against terrorism to its conclusion and within the framework of the international coalition. We underscore our support for a broad-based Afghan government at peace internally and with its neighbors. We also pledge our readiness to cooperate in Afghanistan's reconstruction.

Recognizing that Kazakhstan was the first country to renounce its nuclear-weapons status voluntarily, we reaffirm our mutual commitment to the non-proliferation of weapons of mass destruction. Both sides agree on the need for urgent attention to improving the physical protection and accounting of all nuclear, chemical, and biological weapons materials in all possessor states, and to preventing illicit trafficking in these materials. We pledge to expand our cooperation on these matters under the United States-Kazakhstan Cooperative Threat Reduction Agreement.

In the spirit of partnership, Kazakhstan and the United States intend to strengthen joint activity in ensuring security and stability in Central Asia. We agree that the expansion of trade and economic ties among the states of Central Asia, and deepening of regional integration in important areas, such as the environment, water resources, and transportation systems are a basis for regional security. The United States will consider enhancing assistance programs to Kazakhstan to strengthen border security and to increase the defensive capabilities of the Armed Forces of the Republic of Kazakhstan.

We recognize that free market economies and the rule of law provide the most effective means to advance the welfare of our citizens and the stability of our societies. The United States and Kazakhstan pledge to advance our bilateral economic, trade, and investment relations, including through expanded contacts between the business communities of our countries. We will strive to further develop an attractive, transparent and predictable investment climate. Achieving this goal requires removal of legislative and administrative barriers to investment, strengthening respect for contracts and the rule of law, reducing corruption, and enhancing Kazakhstan's strong record on economic reform.

We also intend to cooperate to advance Kazakhstan's integration in the global economy by supporting Kazakhstan's accession to the World Trade Organization on the basis of standard and agreed criteria, and its graduation from the Jackson-Vanik Amendment.

We affirm our desire to strengthen our energy partnership to diversify export options for Kazakhstan's oil and gas and to diversify global energy supplies. We share the view that a key element of this effort is development of multiple pipelines that will ensure delivery of Caspian energy to world markets, unfettered by monopolies or constrained by geographic chokepoints. We welcome the recent opening of the Caspian Pipeline Consortium (CPC) Pipeline and underscore our support for development of the Aktau-Baku-Tbilisi-Ceyhan oil export route on commercial terms. We will also work together to protect the rights of foreign investors and to abide by decisions of courts, particularly of international courts of arbitration.

Recognizing that democracy is a cornerstone of long-term stability, we reaffirm our desire to strengthen democratic institutions and processes, such as independent media, local government, pluralism, and free and fair elections. We also reiterate our mutual commitments to advance the rule of law and promote freedom of religion and other universal human rights as promoted by the United Nations and the Organization for Security and Cooperation in Europe, of which we are both members. Finally, we pledge to enhance understanding between the citizens of our two countries by promoting people-to-people exchanges, initiatives of nongovernmental organizations, and contacts between business people.

PAYING TRIBUTE TO MORLEY BALLANTINE

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Morley Ballantine and thank her for her contributions to the State of Colorado and the Durango community. Morley will always be remembered as a dedicated pillar and leader of the community. She has been honored and idolized throughout the years for her hard work and commitment to preserving the Southwestern heritage and culture. As we celebrate her exceptional honor of being inducted into the Colorado Business Hall of Fame, I would like to take the time to highlight her career and bring several of her accomplishments to the attention of this body of Congress.

Morley became a member of the community when she and her husband, Arthur, relocated to Durango in 1952 and established a local newspaper, the Durango Herald. Their passionate, lifelong pursuit of providing quality, trustworthy news to Colorado citizens has been rewarded and praised throughout the region for over fifty years. As the Durango Herald passes this recent milestone, it enjoys the ranking as one of Southern Colorado's most influential news sources in the region. Morley, along with son Richard, have led the paper's efforts to produce quality journalism and are additionally responsible for several other successful outlets, notably the Mancos Times, the Cortez Journal, and local magazine Inside/Outside.

In their quest to continue and promote our Western roots, the Ballantines have dedicated their resources and energy to preserving our historic cultures. Beginning in 1964, the family contributed $10,000 to fund the Center for Southwest Studies located at Ft. Lewis College in Durango. The center is responsible for the collection and maintenance of artifacts, records, and accounts of Colorado history, most notably the ancient Anasazi Indian culture. Their initial donation was just a prelude to the enormous and generous donations of $500,000 over the last century.

Mr. Speaker, Morley Ballantine, as well as her family, have been model citizens and icons of the State of Colorado. Throughout her life, Morley has dedicated her time and energy to improving her fellow citizen's lives through organizations such as the Colorado Forum, Women's Foundation, and ensuring our younger generations are provided with a quality education as a trustee emeriti for Fountain Valley School in Colorado Springs. She has been a true leader for Colorado and her efforts certainly deserve the praise and adulation of this body of Congress, and this nation. Congratulations on your recent honor Morley, and good luck in your future endeavors.

NATIONAL LAMPOON ARTICLE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. STARK. Mr. Speaker, I encourage my colleagues to take a moment to read the following article from the satirical website magazine, National Lampoon Dotcom. Sometimes irony is the most revealing truth.

[From the National Lampoon, Jan. 29, 2002]

COMPANIES LINE UP TO HIRE ARTHUR ANDERSEN

NEW YORK—Accounting firm Arthur Andersen stunned observers when, in the wake of the Enron scandal, the red-faced auditors reported a huge leap in new business.

"We were worried that the allegations of signing off on fake partnerships, covering up millions in losses and shredding documents would tarnish our image," stated Andersen CEO Joseph Berardino. "But it turns out that a lot of companies have seen that we here at Arthur Andersen are willing to go the extra mile for their business."

Business experts agree.

"There are a lot companies, particularly on the NASDAQ, that could stand to have $600 million in bogus profits right now," noted Mike Farnsworth, CEO of Temblor Telecommunications. "It makes management look good."

"Look, most of my compensation is based on options," continued Farnsworth. "Why would I hire an accounting firm that might insist on the spirit of the law, when I could hire Arthur Andersen and cash out? Those guys are pros! When I saw that guy [David Duncan] refuse to testify in front of Congress, I knew that the boys at Andersen had balls. There's no 'I' in 'Team' with them."

The rest of the big 5 accounting firms have taken note.

"At KPMG, we're not just a rubberstamp," stated Global Chairman Stephen Butler. "We're a respected rubberstamp."

Farnsworth is unmoved. "I'm going to stand in front of all my employees this afternoon and tell them that there's no better time to buy our stock, even though at the same time, I'll be dumping my shares faster than I ditched my second wife. The only reason I can do this is because I can rest-assured that the $500 million of debt hidden in off-shore partnerships will be just between me and Arthur Andersen."

"Every time they invoke the 5th Amendment, they prove they're a name I can trust," finished Farnsworth.

PAYING TRIBUTE TO WILLIAM HERMAN FAIRBROTHER

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. ROGERS of Michigan. Mr. Speaker, I rise to pay tribute to William Herman Fairbrother for his service to our country. Mr. Fairbrother served his country for forty-three years and did what he loved.

William Herman Fairbrother was born in Endicott, New York, on March 28, 1923, the son of Lieutenant Herman and Caroline Fairbrother. He grew up on a variety of Infantry Posts, to include the Panama Canal Zone, and Manila, Philippine Islands. Bill entered the United States Military Academy at West Point on a Congressional appointment from the 34th District of New York. When he arrived at West Point he knew the prepared sling, the hasty sling and had qualified with the 30-caliber water-cooled machine gun. This made it easy to shoot expert with the MI Garand plebe year. Academics, however, were something else. With the help of "Sully's Cram School" in Washington, DC the previous year he did fairly well in the first half year. But after that it was a continuing struggle to stay proficient. Because of many moves, High School had been rushed and spotty, and the four years of Academy study being rushed into three because of World War II made the task even harder. On the other hand, flying, which was his first love went smoothly. Primary flight training in Texas and then Basic and Advanced at Stewart during the three years went without problems. It was during the Plebe year that he picked up the nickname "Fair-Bee" in keeping with the academy tradition to reduce the spoken word to its simplest form.

Fair-B graduated with the class of 1944, the D-Day class, albeit rather far down the list. On the very next day, in the Cadet Chapel, he married his childhood sweetheart, Patricia Ross of Kenmore, New York and they lived happily ever after. P–40 and P–47 training, together with those of the class selected for the Fighter business, followed with time at many different bases, as the Service endeavored to stuff as much military experience into the class as they could before sending them overseas. Shortly thereafter it was Ie Shima Flying P–47s against the Japanese. After the war the unit moved over to Okinawa and Patricia joined him there in 1946. They, along with many other pioneer souls set up housekeeping in a Quonset hut. Number one daughter, Bonnie was born in Okinawa in 1947. In December 1947, Fair-B brought the family back to the US to Selfridge, Michigan. The duty was with the 56th Fighter Group flying F–80s and F–86s, where he was squadron adjutant and group adjutant. It was during this time, in 1948, that daughter number two, Nancy, was born. In 1951 it was off to Minneapolis in the Air Defense Control Center business. There he was assigned as an aircraft controller and control center chief with the 31st Air Division. Flying time was cadged from the local guard squadron, which was equipped with P–51s. Then in 1953 cold weather assignments continued, this time to Rapid City, South Dakota and the 54th Fighter Interceptor Squadron at Ellsworth Air Force Base. This was probably the happiest assignment in his career, with over two years of the time there being in command of the squadron. Initially, the airplanes were P–51s, then F–84Gs and finally F–86Ds. He had always said that next to being a Captain and Fighter Squadron Flight Commander, the position of Fighter Squadron Commander was the best job in the Air Force.

Exchange duty with the Royal Air Force at RAF Manby, England followed in June of 1956. The assignment was attendance at the RAF Flying College. The family thoroughly enjoyed this short tour living in the small East Anglia town of Sutton-on-Sea, going to English Schools, learning the language, dealing with pounds, schillings and pence, and driving the left side of the road. Fair-B accumulated a respectable amount of time in British Aircraft to include the Gloster Meteor, Hawker Hunter and British Electric Canberra. In January 1957 the family arrived in Rabat Morocco. The assignment here was Chief, Combat Operations in the 316th Air Division. Further broadening and true sophistication took place during this time. Not only was the Division partially manned with French Air Force personnel but also, the family lived in a French villa and had an Arab houseboy. In addition, flights on military aircraft, with family, up to the European continent were allowed once a year. They took full advantage of this privilege and managed to visit Spain, Portugal, Italy, France, Germany, and Switzerland during their Moroccan stay. The Division Fighter Squadrons were equipped with F–86D and F–100 aircraft so Fair-B was able to keep his hand in. There were many trips to Wheelus Air Force Base in Tripoli, Libya, where the squadrons went TDY for gunnery and rocketry training.

The three and a half years in North Africa went by quickly, and the return to the US happened in June 1960 with attendance at the Air War College. Following graduation from the Air War College he spent a long five years in the Pentagon, first on the Air Staff in War Plans and then as Executive Assistant in the Office of the Air Force Chief of Staff. One year with Curtis LeMay and one year with John McConnell provided rare and valuable staff experience.

After the fast pace of the Washington area, duty on the CINCPAC staff in Hawaii, starting in 1966, seemed slow indeed. Here Fair-B served on the staff of the Commander in Chief, Pacific, at Camp Smith. Not only did they take off for the weekends, but Wednesday afternoons as well. The duty was good, with many evaluation trips to the MAAG supported countries in the Far East. This, together with quarters on Hickam, and the benevolent Hawaiian weather made for a delightful tour.

Patricia stayed in Hawaii when Fair-B went to the Republic of Vietnam to join the 14th Special Operations Wing. As Vice Commander and then Commander he was kept busy monitoring the varied activities of the Wing, which were performed from nine separate bases. The little command O–2 spent a lot of time touring the country. In addition to the clandestine operations, the Wing had the AC–47 and AC–119 gunships, the psychological warfare business with O–2s and C–47s and the only armed helicopter squadron in the Air Force, flying UH–1Ns. He served the Wing from September 1969, to September 1970.

After Vietnam the next assignment was Deputy Chief of Staff at Headquarters Air Force Logistics Command at Wright-Patterson Air Force Base, Ohio with the job of DCS Distribution. The assignment was not because of any logistics experience but mainly because the boss man wanted some operational talent on the staff. The job was fascinating and of enormous scope. Fair-B jumped in with his typical enthusiasm and his performance helped in getting him promoted to Brigadier General on April 1, 1972. Separation from the Air Force came in 1974 with Fair-B being allowed to keep the wife and kids and the Air Force keeping the airplanes. His decorations and awards include the Legion of Merit, Distinguished Flying Cross with oak leaf cluster, Air Medal with two oak leaf clusters and the Meritorious Service Medal. He was a command pilot.

Fair-B and Patricia, hand in hand then returned to Hawaii, their choice of all the places they had tried throughout the years. They moved into an apartment on Waikiki beach and then took the time to read what there wasn't time for before, and work on the projects that had long ago been put aside. Other activities during this eight-year idyll included working with the House Republican Whip in the Hawaii State Legislature, activities with the Retiree Affairs Council at Hickam and work with the Oahu Chapter of the Air Force Association. 1982 found them in San Antonio, Texas, and in 1987 they made their next-to-the-last PAC move into a cottage at Air Force Village II. Fair-B served three years as a Trustee on the Board of the Air Force Village Foundation, and over three years as a Director on the Air Force Village 11 Board of Directors.

He died at 6 am on January 27th at Air Force Village II. He is survived by Patricia; daughters and sons-in-law Bonnie and Jerold Kreidler, Nancy and James Councilor and granddaughters Katherine and Patricia Councilor.

While it can be said he never single-handedly moved the world around, he certainly participated in many worthwhile events that did. As a result those who knew him well can look back over his busy years and say, "Not too shabby, old son, not too shabby."

William H. Fairbrother lived his life according to the Cadet Prayer spoken so many decades ago.

O God, our Father, Thou Searcher of Human hearts, help us to draw near to Thee in sincerity and truth. May our religion be filled with gladness and may our worship of Thee be natural.

Strengthen and increase our admiration for honest dealing and clean thinking, and suffer not our hatred of hypocrisy and pretence ever to diminish. Encourage us in our endeavor to live above the common level of life. Make us to choose the harder right instead of the easier wrong, and never to be content with a half truth when the whole can be won.

Endow us with courage that is born of loyalty to all that is noble and worthy, that scorns to compromise with vice and injustice and knows no fear when truth and right are in jeopardy.

Guard us against flippancy and irreverence in the sacred things of life. Grant us new ties of friendship and new opportunities of service. Kindle our hearts in fellowship with those of a cheerful countenance, and soften our hearts with sympathy for those who sorrow and suffer.

Help us to maintain the honor of the Corps untarnished and unsullied and to show forth in our lives the ideals of West Point in doing our duty to Thee and to our Country.

All of which we ask in the name of the Great Friend and Master of all. Amen.

Therefore, Mr. Speaker, I respectfully ask my colleagues to join me in paying tribute to Mr. William Herman Fairbrother. I salute his service to our country.

PERSONAL EXPLANATION

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. WELLER. Mr. Speaker, on January 24, 2002, I inadvertently missed a vote because of an electrical failure in my office which caused the buzzer system to malfunction. Had I been present, I would have voted "aye" on this important legislation which amends the Higher Education Act of 1965 to establish fixed interest rates for student and parent borrowers.

SIXTH GRADE ALL-STAR BASKETBALL EXCHANGE

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mrs. MORELLA. Mr. Speaker, I rise today in recognition of thirteen of my young constituents, and in recognition of the organizers of the Thirty-seventh Annual Potomac, Maryland/Windsor Locks, Connecticut Sixth Grade All-Star Basketball Exchange, which took place this past weekend, February 1–3.

For the past thirty-seven years, the best sixth grade basketball players from Potomac, MD and Windsor Locks, CT have met to compete and to forge friendships that span 300 miles of Atlantic coastline. The exchange began in 1965 when two gentlemen, an Allegheny Airline pilot from Maryland and a Bradley Airport manager from Connecticut made a friendly bet on whose sixth grade basketball team was better. Every year since, parents and children from Potomac and Windsor Locks have contributed memories to the history of the exchange. This year, the weekend culminated in a Saturday night showdown at the MCI center, here in Washington. I can proudly announce to you that the game was won by the team from Potomac. The big weekend followed a January trip to the Basketball Hall of Fame in Springfield, Massachusetts, where the boys got a chance to learn about the history and development of the game.

The Potomac team, coached by Rick Brown, consisted of Jamie Bloom, A.J. Brown, Brian Casey, Ben Chernow, Matt Grady, Mike Giannangeli, Ian Hendrie, Kyle Moshkin, Matt Nunez, Brendan Oldham, Colter Phillips, Blake Toll, and Ezra Weisel. The Connecticut team was coached by Mike Heneghan and Mike Barile. The team's players were Kevin Barile, Spencer Bernard, Kyle Cirillo, Bryan Doherty, Jose Forbes, Ryan Gilbert, Kevin Landry, Steve McVey, Geoff Oliveira, Tyler Pepin, Tim Quagliarolli and Matt Wadsworth.

In these days when the term "National Unity" seems to be heard on a daily basis, these boys and their parents have bridged a geographic gap and come together on the basketball court. While this tradition has been wonderful for each of its thirty-seven years, this year it serves a special role in reminding us all that while our country is vast and diverse, we need not a national tragedy to bring us together, but instead only a common interest.

I am proud of these athletic young constituents, their parents, and all those who have gone before them to make this anniversary possible. Please join me in applauding these young people, and in wishing the organizers the best of luck in continuing to bring together the sixth graders of Maryland and Connecticut.

HONORING THE PUBLIC SERVICE COMMITMENT OF KAREN PAPASODORA-COCHRANE

HON. J. RANDY FORBES

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. FORBES. Mr. Speaker, last week, the President in his state of the union address called upon all Americans to reveal the better side of their nature and to take time to contribute to their communities through a variety of volunteer activities. I rise today to honor a Chesapeake, Virginia woman who heeded that call long before it was made.

Karen Papasodora-Cochrane is an attorney and mediator, a loving wife and mother of four. But, she is also an active member of her community, volunteering her time, energy, and skills to a variety of causes. Since moving to Chesapeake in 1989, Karen has volunteered to help her neighbors most in need of assistance. She has offered her time raising money for the Chesapeake Care Free Clinic, serving meals to the homeless, and working at the Clothing Closet and Food Pantry at Kempsville Presbyterian Church. Karen has also given of her legal skills, providing pro bono services at the Chesapeake Juvenile and Domestic Relations Court to help victims of domestic violence and supervising a free legal clinic in a low-income community.

Furthermore, Karen has been an active participant in the civic process that keeps our democracy moving at its most basic levels. She has been an active member and leader in the Republican Party of Chesapeake and the Central Chesapeake Republican Women's Club for many years. Later this month, she will be honored by her colleagues for this commitment as Chesapeake's Grassroots Volunteer of the Year. I can hardly imagine anyone who is more deserving of this award.

We can all learn from her commitment and dedication to the principle of public service. I am honored to know her and to have had the privilege of working by her side for the betterment of the city I call home. Her energy has been an inspiration, and I feel privileged to have the opportunity to share her spirit with this chamber today.

PAYING TRIBUTE TO CHARLES HANSEN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to the life and memory of Charles Hansen, a Colorado newspaperman and visionary whose life and dedication to his community is being inducted and honored by the Colorado Business Hall of Fame. Though Charles has passed away, I am honored today to bring his good deeds and contributions to light before this body of Congress. Charles began his career in journalism and later was instrumental in establishing the gathering of the West's most precious resource, water.

As a young newspaperman, Charles came to the town of Greeley, Colorado in hopes of furthering his career in journalism. His first job was working as a part-time reporter/editor for the Greeley Tribune, where he covered stories throughout the Western Slope of Colorado. Several years later, he bought several small local newspapers and combined their resources and created the "Greeley Republican." He further merged his resources with the Greeley Tribune in 1913 and successfully operated both endeavors as publisher and eventually as President of the "Greeley Tribune Republican Publishing Co."

Charles Hansen was a great cultural contributor to the region and was instrumental in bringing well known musicians and talent to the area. He was responsible for establishing the Greeley Philharmonic Orchestra, which enticed symphony orchestras from New York and Los Angeles to visit the state, as well as bringing in notables such as the John Philip Sousa Marching Band. As a member of his community, he was active in the Greeley Chamber of Commerce and dedicated his time and energy to the Northern Colorado Water Conservancy Districts. It was for his dedication to bringing water to the plains from the mountains that Charles will be most remembered.

As any Westerner knows, water is our most precious resource. The water in our state not only satisfies our human requirements, but also is necessary to provide moisture for our agricultural industries. Charles, well aware of the need for this resource, lobbied Congress on behalf of the region and secured funding for what came to be known as the Colorado-Big Thompson Water Diversion Project. The project not only satisfied northern Colorado's water needs but also became a model for aspiring agricultural communities throughout the world. His contributions to the project were later honored when a portion of the canal was named in his honor.

Mr. Speaker, it is with great pride that I have risen today to pay tribute to a patriarch of the State of Colorado. Charles Hansen dedicated his life to improving his fellow Coloradans' lives through contributions to his community, commitment to quality journalism, and dedication to providing his region with its most precious resource. I would like to take this time to congratulate his family on Charles' recent award and let them know that all his fellow Coloradans have benefited from his vision and sacrifice, which has made the region strong and viable today.

AMERICAN MACHINIST MAGAZINE'S 125TH ANNIVERSARY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. KUCINICH. Mr. Speaker, I rise today in recognition of American Machinist magazine's 125th anniversary, the oldest metalworking publication in existence.

Since 1877, American Machinist has been dedicated to informing readers about advances in manufacturing technology. This publication has evolved with the industry. American Machinist has documented the manufacturing industry's path from the worker to the machine, and now to computers and robotics.

This vital publication to the industry includes methods and practices of metalworking, cutting, forming, tooling, robotics, quality control, plant operation, and finishing. Its technical depth and cutting edge graphics to illustrate and support each concept separate American Machinist from all other metalworking publications.

American Machinist is written to provide management and engineers in the field of metalworking with the most up-to-date technological information and insight into the future of the industry . . . the intent of every issue is to help readers to increase production, cut costs and to stay competitive in the global market.

My fellow colleagues, American Machinist magazine deserves the highest respect for its role and dedication to advancing the manufacturing industry. Management within the industry rely on this magazine to find the most up-to-date information on their industry. I commend this longstanding publication for its 125 years of work in the manufacturing industry.

TRIBUTE TO MR. STANLEY MARCUS

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise to commemorate the passing of a great American, Mr. Stanley Marcus. During his lifetime, Mr. Marcus pioneered advances in the retail clothing market, helped make the Neiman Marcus department store a Texas institution and made substantial contributions to the social and cultural life of North Texas.

Mr. Marcus's father, aunt and uncle founded Neiman Marcus in downtown Dallas in 1907. Mr. Marcus graduated from Harvard University in 1925 and received a master's degree in business administration from Harvard's business school a year later.

In 1926, at the age of 21, he took over as the company's secretary, treasurer and director. He went on to become executive vice president, president, chairman of the board, chief executive officer and chairman of the executive committee. Mr. Marcus retired from the company in 1975 with the title Chairman Emeritus.

Stanley Marcus was part of the first generation to celebrate and to sell designer fashions in the United States. In the 1920s, Neiman Marcus was the first to offer personalized gift wrapping for customers and created the first weekly retail fashion show in the country. Neiman Marcus became the first retail apparel store outside New York to advertise in national fashion magazines.

His merchandising genius became legendary. Stanley Marcus believed in elegance, equating it with a keen understanding of appropriateness. He transformed a modest downtown Dallas shop into a world-renowned synonym for quality. "Vogue" magazine in 1953 described the store as "Texas with a French accent." One example of his marketing prowess was the introduction of exotic his-and-her gifts in 1960, which turned the arrival of the Neiman Marcus Christmas catalog into a major news story each year. Today, Neiman Marcus has 32 stores nationwide, from Honolulu to Boston.

While creating a retail empire was one of his greatest achievements, Mr. Marcus contributed to the lives of North Texans in other ways. He published books, wrote articles for the "Dallas Morning News", lectured, and founded the Stanley and Linda Marcus Foundation, which benefits endeavors of art and culture. He helped create the Dallas Opera and helped save the Dallas Symphony when it experienced financial difficulties. He was an art collector and connoisseur who defended the right of the Dallas Museum of Art to display controversial works. Even in his 90s, his civic devotion never flagged. Stanley Marcus is a recipient of Dallas's prestigious Linz Award, which is given for significant humanitarian and civic efforts.

I have a special place in my heart for Stanley Marcus. When I first ran for the Texas House of Representatives in 1972, I was working at the Veteran's Hospital in Dallas. Under the Hatch Act, government employees could not seek elected office. Mr. Stanley provided me a job and critical moral support during my campaign, and this opportunity gave me the political beginning that ultimately brought me to Congress.

Mr. Speaker, when we think about Neiman Marcus, we think about style, elegance, and a joie de vivre. Mr. Marcus epitomized these characteristics. His death on Tuesday, January 22, at the age of 96 is a great loss for the city of Dallas and the nation.

NEW ENGLAND PATRIOTS' SUPER BOWL WIN

HON. RONNIE SHOWS

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. SHOWS. Mr. Speaker, I rise today in recognition of the New England Patriots' outstanding Super Bowl victory this past Sunday. It was undoubtedly one of the most exciting Super Bowl triumphs in recent memory.

I commend the New England Patriots for the teamwork that enabled them to overcome the 17–17 tie score that held until the last seconds of the game. While the residents of New England deservedly claim pride for their winning team's feats, I am pleased that this team's success was also born from true Southern talent. Indeed, we are all Patriots.

In Mississippi we are quite proud of the fine contributions to the New England Patriots from Bobby Hamilton, of Columbia, who attended my alma mater, University of Southern Mississippi. I also wish to commend Grant Williams, of Oak Grove and Clinton, Terrel Buckley of Pascagoula and Antowain Smith, former student of E. Mississippi Community College. These men are fine athletes and outstanding citizens and exemplify how to succeed through dedicated teamwork.

Mr. Speaker, please join me in paying tribute to the New England Patriots' triumphant success on Super Bowl Sunday.

THE CAREER OF ALLEN D. FREEMYER

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. HANSEN. Mr. Speaker, I rise today Mr. Chairman to honor and celebrate the career of one of my longtime staff members, Allen D. Freemyer. For nine years, Allen has faithfully served me, the people of Utah and our country as senior staff on the U.S. House of Representatives Committee on Resources.

It is rare that a Member of Congress finds an aide with the combination of intellect, talent and commitment that Allen offers.

Allen served six years as staff director for the Parks and Public Lands Subcommittee—the largest and most active Resources subcommittee. During those years, he shepherded more than 500 bills through the subcommittee, the full committee and the House. Most are now law. In the 106th Congress alone, more than 100 Parks and Public Lands bills became law. His track record in the 104th and 105th Congresses was equally as impressive. With Allen's assistance, Congress enacted legislation that protects, preserves and enhances millions of acres of public land throughout our beautiful country. He accomplished this while simultaneously defending the rights and interests of landowners and local communities, recreationists and sportsmen. Many a battle has been waged in the Resources Committee in recent years. With Allen's guidance and political instinct we have been able to protect our cherished way of life in the West.

This past year, he served as the Chief of Staff of the Committee on Resources. He organized the Full Committee into the same legislative workhorse the subcommittee had been. Under Allen's guidance, the House Resources Committee reported 61 bills, more than almost any other House committee.

With Allen's help, we were able to pass the mammoth 1996 Parks Omnibus Bill, which created the Presidio Trust, an entirely new concept in parks management; the Concessions Policy Act of 1998 and The Securing America's Future Energy Act of 2001. Each of these bills has a profound and positive impact on the management of our nation's parks, public lands and resources. The energy bill, which codified President Bush's energy policy, sailed through the House on a strong bipartisan vote despite the long odds and predictions of its demise that persisted through the eleventh hour. Allen's veteran legislative skills deserve considerable credit for this victory.

His service has been unfaltering. His knowledge, expertise and manner has been exemplary. This year, Allen and I are both moving on to new challenges. Allen's service and talents have been very beneficial to me, the Resources Committee and the United States Congress.

I will miss Allen's wise counsel, legislative skill and political savvy. I wish Allen much success and happiness as he pursues new challenges. I am confident, the talent and tenacity he has shown for his work for nearly a decade here on Capitol Hill, will assure his continued success.

Allen good luck and God bless.

HONORING THE RETIREMENT OF PAMELA McCARTHY

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today to honor someone very dear to my heart and very dear to the people of Missouri: my sister Pamela G. McCarthy. After 34 years of dedicated public service, she retired from the Missouri Department of Social Services on January 31, 2002.

Pamela has been a foot soldier in the evolution of social policy in Missouri. She began her service with the State of Missouri as a Caseworker II on August 8, 1967 in the Income Maintenance unit of the Division of Family Services in the Jackson County office. At this time the Department of Social Services had not been established. The department did not become a reality until seven years after Pam began her fight for adequate social services for Missouri's most needy families. Throughout the following 34 years, Pam became an expert in many areas serving as: Caseworker Supervisor, Social Services Supervisor, Program Development Specialist, Planner, and Assistant Area Director.

Since its establishment in 1974, the Missouri Department of Social Services has grown into a comprehensive department encompassing five agencies that previously operated social programs under separate administrations. The efficient umbrella structure at the organization's core innovatively combines the efforts of related agencies and promotes a cooperative approach toward delivering social programs to Missourians in need. With the efforts of Pamela and her associates, the department has developed sound policy initiatives that: provide assistance to children and their parents, help the elderly with in-home services and institutional services, aid troubled youth and furnish health care for the poor. The hallmark of these social services is the fundamental goal of helping those in need reach their full potential, a lifelong dream of Pamela's.

As a result of Pamela's selfless leadership the State of Missouri was able to implement many important and far-reaching social policy programs that have positively impacted the lives of Missouri's working families. During her tenure with the Department of Social Services, Pam was an integral part of the implementation and evaluation of the Title XX Children's Services Block grant for western Missouri. She also established the Silver Citizen Discount Program for the Division of Aging and developed policy for the Division of Child Support Enforcement.

In 1985, Pam left the Department of Family Services central office in Jefferson City and became the Kansas City Assistant Area Director. Under her capable and devoted leadership, two new satellite offices were built, one in south Kansas City and one in Midtown. She also spearheaded the relocation of the East Jackson county office and the remodeling of the downtown Department of Family Services office on two occasions. Pam's ongoing efforts to streamline the Family Services network was demonstrated by her devotion to ensuring that all offices had access to the latest technological advancements in order to better serve the families and children in the State of Missouri. All of these improvements grew out of her desire to facilitate access to the services provided by the Department to families.

Though Pam's retirement on January 31 is official, her service to providing adequate family services is never ending. Many colleagues and friends do not believe Pam is retiring because she has worked through her previous retirements. And Pam's dedication has proven them right again. Starting February 3, she will continue her work on behalf of children and families in a part-time capacity.

Mr. Speaker, please join me in congratulating my sister, Pamela G. McCarthy, on her 34 outstanding years of service to the State of Missouri. Many people speak about dedication, but rarely do you find one like Pamela who lives it and breaths it everyday. She has truly made our state a better place.

IN HONOR OF FOREST FARLEY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. KUCINICH. Mr. Speaker, I rise today to honor Mr. Forest Farley, who has been highly committed to our nation's veterans and has just been appointed Medical Center Director of the Lexington, Kentucky V.A. Medical Center.

Mr. Farley came to Cleveland, Ohio in 1996 as the Associate Medical Center Director for the Cleveland V.A. Medical Center. In his present role, Mr. Farley is the Chief Operations Officer (COO) for the Louis Stokes Cleveland V.A. Medical Center where he is responsible for directing and coordinating all operations for the Wade Park and Brecksville Divisions. His dedicated service to Cleveland veterans since 1996 has been greatly appreciated.

Forest Farley earned his Bachelor's Degree in mass communications from the University of South Florida in Tampa, Florida, in 1984. He continued his education by completing graduate studies at the University of Chicago, Chicago, Illinois and earned graduate certificates from the Harvard School of Public Health of Harvard University, Wharton of the University of Pennsylvania, and the University of Illinois in Chicago.

His great dedication to V.A. medical centers stems from being a Vietnam Veteran himself. During his military career with the United States Marine Corps, Mr. Farley was awarded three Purple Hearts.

Mr. Forest Farley began a career in Veteran Affairs in 1981 at the St. Petersburg, Florida, Vietnam Veteran's Outreach Center. His honorable career has also included assignments as Deputy Regional Manager of the Central Regional Adjustment Counseling Service at the Hines V.A. Medical Center, Acting Regional Manager, Acting Director, Acting Associate Director and Associate Director-Trainee at the Chicago West Side V.A. Medical Center. Additionally, Mr. Farley has served the Vietnam Veteran's Outreach Center in both Tampa and St. Petersburg, Florida.

We in Ohio will greatly miss Mr. Farley's devoted service to our veterans, but wish him the best in his future career in Lexington, Kentucky. Mr. Farley is respected by many including his wife and five children.

My fellow colleagues, please join me in congratulating the noble achievements of Mr. Forest Farley and his recent appointment as Medical Director of the Lexington, Kentucky V.A. Medical Center.

ACADEMY NOMINEES FOR 2002

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 2002

Mr. FRELINGHUYSEN. Mr. Speaker, every year, more high school seniors from the 11th Congressional District trade in varsity jackets for Navy peacoats, Air Force flight suits, and Army brass buckles than any other district in the county. But this is nothing new—our area has repeatedly sent an above average proportion of its sons and daughters to the Nation's military academies for decades.

This shouldn't come as a surprise. The educational excellence of our area is well known and has long been a magnet for families looking for the best environment in which to raise their children. Our graduates are skilled not only in mathematics, science, and social studies, but also have solid backgrounds in sports, debate teams, and other extracurricular activities. This diverse upbringing makes military academy recruiters sit up and take note—indeed, many recruiters know our towns and schools by name.

Since the 1830's, Members of Congress have enjoyed meeting, talking with, and nominating these superb young people to our military academies. But how did this process evolve? In 1843, when West Point was the sole academy, Congress ratified the nominating process and became directly involved in the makeup of our military's leadership. This was not an act of an imperial Congress bent on controlling every aspect of the Government. Rather, the procedure still used today was, and is, one further check and balance in our democracy. It was originally designed to weaken and divide political coloration in the officer corps, provide geographical balance to our armed services, and to make the officer corps more resilient to unfettered nepotism that handicapped European armies.

In 1854, Representative Gerritt Smith of New York added a new component to the academy nomination process—the academy review board. This was the first time a Member of Congress appointed prominent citizens from his district to screen applicants and assist with the serious duty of nominating candidates for academy admission. Today, I am honored to continue this wise tradition in my service to the 11th Congressional District.

The Academy Review Board is composed of nine local citizens who have shown exemplary service to New Jersey, to their communities, and to the continued excellence of education in our area—many are veterans. Though from diverse backgrounds and professions, they all share a common dedication to seeing that the best qualified and motivated graduates attend our academies. And, as is true for most volunteer panels, their service goes largely unnoticed.

I would like to take a moment to recognize these men and women and to thank them publicly for participating in this important panel. Being on the board requires hard work and an objective mind. Members have the responsibility of interviewing upwards of 50 outstanding high school seniors every year in the academy review process.

The nomination process follows a general timetable. High school seniors mail personal information directly to the Military Academy, the Naval Academy, the Air Force Academy, and the Merchant Marine Academy once they become interested in attending. Information includes academic achievement, college entry test scores, and other activities. At this time, they also inform their Representative of their desire to be nominated.

The academies then assess the applicants, rank them based on the data supplied, and return the files to my office with their notations. In mid-December, our Academy Review Board interviews all of the applicants over the course of 2 days. They assess a student's qualifications and analyze character, desire to serve, and other talents that may be hidden on paper.

Last year, the board interviewed over 40 applicants. Nominations included 10 to the Naval Academy, 10 to the Military Academy, 5 to the Air Force Academy, and 4 to the Merchant Marine Academy—the Coast Guard Academy does not use the Congressional nomination process. The Board then forwards their recommendations to the academies by January 31, where recruiters review files and notify applicants and my office of their final decisions on admission.

As these highly motivated and talented young men and women go through the academy nominating process, never let us forget the sacrifice they are preparing to make: to defend our country and protect our citizens. This holds especially true at a time when our nation is currently fighting the war against terrorism. Whether it be in Afghanistan as part of "Operation Enduring Freedom", Bosnia, the Persian Gulf or in other hot spots around the world, no doubt we are constantly reminded that wars are fought by the young. And, while our military missions are both important and dangerous, it is reassuring to know that we continue to put America's best and brightest in command.

And while a few people may question the motivations and ambitions of some young people, the academy review process shows that the large majority of our graduates are just as highly motivated as the guidance from loving parents, dedicated teachers and schools, and from trusted clergy and rabbis. Indeed, every time I visit a school, speak at a college, or meet a young academy nominee, I am constantly reminded that we as a nation are blessed with fine young men and women.

Their willingness and desire to serve their country is perhaps the most persuasive evidence of all.

ACADEMY NOMINEES FOR 2002, 11TH CONGRESSIONAL DISTRICT, NEW JERSEY

AIR FORCE ACADEMY

Matthew C. Bloemer, Sparta, Sparta H.S., Edwin Fairfield, Morristown, Morristown H.S., Scott A. Pontzer, Sparta, Pope John XXIII H.S., William G. Rock, Caldwell, James Caldwell H.S., Eric R. Dittman, Hackettstown, United States Air Force Academy.

MERCHANT MARINE

Edmond Grant, Chatham, Oratory Prep, Mark A. Levis, Chatham, Chatham H.S., Matthew J. Pulitano, Randolph, Morris Catholic H.S., Luke O. Saalfield, Basking Ridge, Ridge H.S.

MILITARY ACADEMY

Lee W. Barnes, Mendham, Morris County College, Robert Brougham, Randolph, Berkshire School, Christopher Cimorelli, Pompton Plains, Pequannock H.S., Geoffrey Crater, Chatham, Chatham H.S., Philip Durkin, Sparta, Pope John XXIII H.S., Edward Gibbons, Jr., Chatham, Chatham H.S., Nicole Miller, Chester, West Morris Mendham H.S., Peter H. Newman, Kinnelon, Kinnelon H.S., Lisa Torsiello, Morristown, Morristown H.S., Todd Trautz, Long Valley, West Morris Central H.S.

NAVAL ACADEMY

Zachary Alpern, Morristown, Newark Academy, Benjamin DeWitt, Mendham, West Morris Mendham H.S., David Faherty, Sparta, Pope John XXIII H.S., James Flannery, Jr., Bridgewater, Saint Joseph's H.S., Matthew Gonabe, Lake Hopatcong, Pope John XXIII H.S., Robert Hayes, Chatham, Chatham H.S., Katelyn McCormick, Stirling, Morris Catholic H.S., Stanford Shaw III, Basking Ridge, Ridge H.S., Ross Towers, Stanhope, University of Pittsburgh, James Wyatt, Randolph, Randolph H.S.

HOUSE OF REPRESENTATIVES—*February 6, 2002*

The House met at 10 a.m.

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

O Lord, our guardian and our refuge, in times of war it is difficult to pray. When living under the threat of attack, anxieties and fear can steal Your abiding presence.

At such times, there is so much to pray about. To lift up to You all the names of the victims of war is in itself a heavy task. To remember them in prayer keeps our love alive and unveils our mourning until we see them in Your eternal presence. Your spirit of prayer moves us to strengthen our compassion for all those orphaned and widowed by war. We pray for all who serve in the Armed Forces, those servants of security and defenders of freedom around the world. We pray for their safety and their families.

At such times, all leaders in our government, especially these Members of Congress, are in need of Your supreme guidance, Lord. May leaders of all nations be with them as they search for the ways to secure peace, to protect homelands and reconstruct those places torn apart by war's violence.

Lord, in moments like now when it is difficult to pray, perhaps it is because we cannot see Your face, for You are the author of life and love, now and forever. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Kansas (Mr. TIAHRT) come forward and lead the House in the Pledge of Allegiance.

Mr. TIAHRT led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

CONGRATULATING JENNIE WEISS BLOCK FOR HER NEW BOOK EXPLORING THEOLOGY AND THE DISABILITY MOVEMENT

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, it is estimated that there are 43 million Americans with one or more physical or mental disabilities. And while Congress attempts to empower them through legislation such as the Americans with Disabilities Act, it is often other facets of our communities, like churches and synagogues, that provide them with the support they need to achieve economic self-sufficiency, independent living, and, most importantly, inclusion and integration into all aspects of society.

My constituent, Jennie Weiss Block, a Barry University Ph.D. candidate in theology, is the author of a new book, "Copious Hosting," which explores theology and the disability movement. I proudly congratulate my constituent and dear friend, Jennie Weiss Block, for her insightful views into the lives of the disabled as portrayed in her book "Copious Hosting" and for her dedication to enabling them to make significant contributions to our society.

Felicidades, Jennie.

WE MUST BRING OUR CHILDREN HOME

(Mr. LAMPSON asked and was given permission to address the House for 1 minute.)

Mr. LAMPSON. Mr. Speaker, every day for a year I spoke out on international child abduction. Today I will focus on one case, that of Ludwig Koons, who is being illegally kept in Rome, Italy. Until Ludwig is returned to the United States, I will speak with outrage at the injustice that is being done to this family, an example of what thousands of American parents and their children face every day.

Ludwig Koons was born in New York and was abducted from the family residence to Rome by his mother, Ilona Staller. Mr. Koons was awarded custody in the United States, but the Italian courts have refused to accept any American jurisdiction. The father has been deemed the fit parent by the courts, and U.S. and Italian psychologists have stated that Ludwig is in grave danger and must be returned to Mr. Koons. Yet he remains captive in Italy, being held by the Italian Government and by his mother, a porn star living in a pornographic compound.

Mr. Speaker, every day Members of this body and administration speak out on family values. I can think of no better way to demonstrate our commitment to family values than to return Ludwig Koons to his father now. Mr. Speaker, we must bring our children home.

VICTIMS OF TERRORISM

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, before terrorism literally hit home on September 11, two fellow Kansans, two fellow Americans, had already been held hostage by Muslim terrorists for over 3 months. On May 27, 2001, Martin and Gracia Burnham were snatched out of bed in a Philippine vacation resort and taken hostage by Muslim terrorists, the Abu Sayaff group, which has al Qaeda ties and a brutal disregard for human life. A third American, Guillermo Sobero of California, was also taken hostage and subsequently beheaded in June by the terrorists.

Martin and Gracia are all that remains of the group of 21 hostages taken in May. It has been 8 long months for them and their family, especially their three young children, Jeff, Mindy and Zach. The Burnhams have lost considerable weight and have suffered from malaria, artillery wounds, eye infections and numerous sores and cuts.

I ask my fellow Members of Congress and my fellow Americans to pray for the safe and swift release of Martin and Gracia Burnham from this endless nightmare.

CALLING FOR A FREEZE ON FURTHER TAX CUTS

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute.)

Mr. DEFAZIO. Mr. Speaker, there will be a unique opportunity today to do more than pass a birthday resolution for President Reagan. Students of history will remember that massive tax cuts passed in the first year of President Ronald Reagan's term. Just 1 year later, as deficits began to grow, President Reagan showed his mettle by joining with a Republican Senate and a Democratic House to pass into law the Tax Equity and Fiscal Responsibility Act of 1982, raising taxes in the face of a deficit. And then he signed into law several other tax increases, including the Deficit Reduction Act of 1984.

But today the Republican President and the Republican House leaders do not have the vision and the gumption of the former President. The same day

□This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

that they will pass his birthday resolution, they are going to also pass a resolution saying despite the huge and mounting deficits just like in the first term of President Reagan, they are going to hold steady to the huge tax increases tilted toward the wealthiest in this country.

It would be more appropriate and more fitting to recognize the spirit and the leadership of Ronald Reagan by admitting you were wrong and rescinding or freezing further tax cuts and dealing with the deficit honestly in this House.

CONGRESSIONAL SPENDING

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, keeping the American people safe is our government's most important duty. We are spending billions of dollars to fight terrorism and to keep the homeland secure. In addition, the recession has cost the government billions more in lost revenue. These things are unavoidable. And it looks like, after passing four balanced budgets in a row, the first time in 40 years, that we will again run a budget deficit this next year.

But even with all of this necessary spending, we should put plans in place now to return to a balanced budget as soon as we can. We have worked too hard to start paying off the debt to give up now.

In his State of the Union Address, President Bush urged us to limit spending so we can return to surpluses in a year or 2.

So let us fully fund the war on terrorism, let us make sure our airports and power plants are secure, and if the other body ever passes the stimulus package, let us make it law right away. But when it comes to other things, we need to tighten our belt and rein in spending. That is the only way we will stay on track and pay off the public debt. We have paid down over half a trillion dollars in debt already. Let us pay off the rest as soon as we can.

WELFARE BILL REAUTHORIZATION

(Ms. WOOLSEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WOOLSEY. Over 30 years ago, Mr. Speaker, I was a single mom with three small children, and even though I was working, I needed AFDC, welfare, to add to my income for health care, child care and food stamps.

When Congress passed welfare reform in 1996, I warned that getting women off the welfare rolls and into dead-end jobs would not be enough, especially if we had a downturn in the economy. The goal of welfare must be to break the cycle of poverty, not just get women jobs that pay slightly above minimum wage.

Under the welfare reauthorization that is before us this year, education must count as work so we can help recipients gain access to training and education so that they can improve their economic future and the future for their children. But without skills, the skills needed for a job, a job that pays a livable wage, and the knowledge that their children are getting good child care while they are away at work, moms will have a hard time succeeding.

THE PRESIDENT'S BUDGET—MEETING THE GOALS OF OUR TIME

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, America faces a unique moment in history. Our Nation is at war, our homeland was attacked, and our economy is in recession. The President's budget meets the requirements of victory and the test of responsibility. The President's budget holds government accountable for results that address these priorities of the American people: Winning the war on terrorism, strengthening protections of our homeland, and revitalizing our economy and creating jobs.

What his budget does is increase spending, nearly doubles homeland security spending, and provides immediate assistance to workers who have lost their jobs, while holding the growth in spending for programs outside of defense and homeland security to the cost of living. His budget provides significant funding increases for important priorities like health care, prescription drugs, education, the environment, agriculture and retirement security, and returns to budget surpluses within 2 to 3 years, if Congress adheres to the President's call for fiscal responsibility.

Mr. Speaker, this budget is an important step forward to protect this country.

TANF REAUTHORIZATION

(Mrs. MINK of Hawaii asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MINK of Hawaii. Mr. Speaker, this year we will be working on the reauthorization of the Temporary Assistance for Needy Families, known as TANF. It was a rewrite of the welfare law that we had previously enacted called Aid to Dependent Children. One of the major differences of the two concepts was in the old bill we cared about what happened to the families and to the children. That was our primary purpose. Under TANF it is a 5-year restricted cash assistance to families with the primary emphasis on going to work.

What has happened is that the rolls of welfare have dropped, but poverty has remained the same. What we are trying to do in the bill that I have introduced which has 57 sponsors is to put the emphasis on caregiving. It has always been the high principle of Congress to say families count first, the responsibilities of families to nurture their own children. We want to put that at the top, as the emphasis of this new reauthorization: Caring for children, allowing parents to stay home to care for their small children and giving them support to build their families' economic future through education. Education must count and be equivalent to work.

PRESIDENT REAGAN'S LEGACY

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, mark your calendar. It is official. I have, in fact, as of this date and this hour heard everything: President Ronald Wilson Reagan on the occasion of his 91st birthday used as an example in the House of Representatives as a tax increaser in America and as an example of someone who believed in the virtue of tax increases.

It is a privilege to rise on the 91st birthday of President Ronald Wilson Reagan. I had the privilege of meeting him in person. I did not know then what we would all come to know, how he would bestride history as few men who have occupied the Presidency would do; how he would rebuild our economy through tax cuts, believing in American entrepreneurism and ingenuity; how he would rebuild the military after years of reckless cutbacks and bring the godless Soviet Union to its knees.

Mr. Speaker, though he cannot hear these words today or even yet remember what he did for America, I believe that soon, with eyes again young, Ronald Reagan will see what his courage has wrought and will hear those words, "Well done, good and faithful servant."

□ 1015

REDUCING POVERTY ALONG WITH WELFARE

(Mr. CLAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLAY. Mr. Speaker, I join my colleagues today as an original cosponsor of H.R. 3113, the TANF Reauthorization Act of 2001. This bill recognizes the need to build on the framework of the 1996 law and refocus our efforts to truly fight poverty in our country.

Although welfare reform "ended welfare as we knew it," it did not reduce family poverty. In many cases, it merely moved families off of welfare rolls and into the class of working poor.

As a result, despite a strong economy and a 50 percent decrease in welfare caseloads over the last 5 years, family poverty has declined by less than 13 percent, and overall poverty has fallen by less than 2 percent. Families cannot be economically secure without employment that pays a living wage.

As we work on TANF reauthorization, we also need to ensure access to Medicaid, food stamps, child care and other transitional work supports for those families leaving welfare.

I support the TANF Reauthorization Act, because it recognizes the need to shift the emphasis from reducing welfare rolls to reducing child and family poverty.

A SAD DAY FOR THE WORKERS OF AMERICA

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, prior to serving in the United States Congress, I served in the Georgia legislature. We were a bicameral body. We had a House and Senate; and when the Georgia House passed a bill, the Georgia Senate would take it up for debate. They would vote it up or down.

When I became a Member of the United States House of Representatives, a similar bicameral body, I thought that is the way it works. But not so. Here we in this House with Republican control have passed a trade promotion bill, we have passed a farm bill, we have passed an energy bill. We have even passed a terrorism insurance bill and, most recently, a jobs creation bill.

And what has happened on the way to the President for signature? I do not know. I do not know. I know that there are some huge tax folks over here; and on Ronald Reagan's 91st birthday, they are going to celebrate by burying the job-creating bill which we need back in the heartland of America so desperately so that people can get to work again. They are going to celebrate Ronald Reagan's birthday by burying the stimulus package.

Well, it must be a great day in the liberal Democratic establishments, Mr. Speaker; but it is a sad day for the workers of the United States of America.

A BALANCED WARTIME BUDGET

(Ms. HARMAN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. HARMAN. Mr. Speaker, we have seen this movie before. Federal budget deficits as far as the eye can see; "constraints" on Federal spending as realistic as pie in the sky; heavy borrowing from Social Security and Medicare trust funds to pay for day-to-day spending.

In the early nineties, this behavior by the Federal Government retarded economic growth. The annual Federal deficit was $300 billion a year; post-Cold War defense spending cuts sent unemployment in my congressional district into double digits; long-term interest rates stayed high, putting business borrowing and home mortgages out of reach.

Only after a series of hard-fought battles and the enactment of the Balanced Budget Act of 1997 did budget surpluses begin to emerge and to spur economic growth and millions of jobs.

With the release of Monday's budget, Mr. Speaker, it may be "deja vu all over again."

Mr. Speaker, we need a wartime budget which recognizes that defense and homeland security are our top priorities, protects Social Security, and puts everything else, spending and future tax cuts, back on the table.

We need to return to a balanced budget.

Homeland security, Mr. Speaker, must also mean economic security.

PHILIPPINE PEOPLE SUPPORT AMERICA

(Mr. CUNNINGHAM asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CUNNINGHAM. Mr. Speaker, I do not believe that the people in Iraq support Saddam Hussein. I do not believe that people in Iran support the religious mullahs that force terrorism all over their country.

But the issue I would like to bring to the floor today is that for generations, for 100 years, the Filipino people have supported the United States; not just in thought, but in blood. I spent a lot of time in the Philippines and I know the people. I have lived there and been with them. Over 90 percent of the Filipinos support the United States presence there and the war against terrorism.

I have heard some negative things about the Filipinos, and I would like to let this House know that they are loyal, they support the United States, they support democracy.

REMEMBERING SUSAN CLYNE

(Mr. ISRAEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ISRAEL. Mr. Speaker, today I am joined in the gallery by Mr. Charlie Clyne of Lindenhurst, who lost his wife in the World Trade Center on September 11.

Mr. Clyne and I have just met with special master Ken Feinberg to work towards a victim's compensation fund that is fair and just, and I just wanted to share with my colleagues Mr. Clyne's comments and recollections and remembrances about his wife Susan.

She loved her job at Marsh and loved her view from her 96th floor office. She loved computers; and since computer law was not very popular at the time, she chose to stay in insurance where she carved her niche, first as a programmer and then rose through the ranks.

But her greatest love was her children, and she shared that love with her kids. She juggled work, family and studying. Her children were her treasures. She adored them, and they worshipped her. Her office was filled with pictures. She developed a family Web site with pictures, slide shows, and, most recently, streaming video.

As Mr. Clyne wrote in a note to me, "They were truly her angels. Sue got up every morning at 4:45 and was on the 6 a.m. train to the city. We never saw her that morning. We never even had a chance to say good-bye. In an instant, some radical religious moron decided it was her time."

Mr. Speaker, I know that this entire House expresses our condolences and best wishes to Mr. Charlie Clyne and all of the families of victims of that horrible day.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. FOSSELLA). The Chair must remind Members that during a session of the House, it shall not be in order for a Member, Delegate, or Resident Commissioner to introduce to or bring to the attention of the House an occupant of the galleries of the House.

STOP THE RAID ON SOCIAL SECURITY AND MEDICARE TRUST FUNDS

(Mr. DOGGETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOGGETT. Mr. Speaker, the Administration's new budget is wrapped in the flag. Literally. It has a beautiful red, white and blue cover. But the fine print inside should be written mostly in red ink. Contrary to one pledge after another, from one Administration official after another, this plan rejects a balanced budget in favor of a "borrow and spend" approach.

The central principle on which this budget relies is to take payroll taxes right out of the pocket of employees around this country—on their hard-earned wages that they paid in, thinking it was going for Social Security and Medicare—and uses them for something other than Social Security and Medicare.

This raid on Social Security is not only fiscally irresponsible, it not only shifts the cost of what we are doing now to our children and our grandchildren, but it could well produce a direct cut in Social Security and Medicare benefits. It is wrong; it is misguided. This "borrow and spend" approach should be rejected.

REDUCE POVERTY ALONG WITH WELFARE ROLLS

(Mr. DAVIS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, as we move towards reauthorization of TANF, I am pleased to join with my colleagues this morning in a discussion of welfare reform. We must focus on reducing poverty as well as reducing the welfare rolls.

Although welfare rolls are down nearly 50 percent in 5 years, many former recipients have been pushed into low-wage jobs that keep them in poverty. Families cannot be economically secure without work that pays a living wage.

We need to reduce poverty, not just caseloads, by focusing on employment that will lift families out of poverty and really make work pay. Therefore, one of the best ways to reduce poverty is to raise the minimum wage to a livable wage. Let us make this a part of welfare reform.

WELFARE REAUTHORIZATION

(Mrs. MEEK of Florida asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MEEK of Florida. Mr. Speaker, as Congress takes up the reauthorization of the welfare law this year, we must fashion a truly successful welfare system, one which does not abandon people who need help.

Most families who have worked their way off welfare are far from achieving self-sufficiency and are still living in poverty. We must return to making poverty reduction an explicit goal of welfare reform.

Many ex-welfare recipients have been unable to pay rent, buy food or afford medical care. In 1999, even in the midst of an economic boom, ex-welfare recipients who worked earn an average of nearly $7,200 a year, approximately $6,000 below the poverty line for a family of three. The success or failure of welfare reform cannot be measured solely by whether caseloads decline; lower welfare case leads must reflect the integration of former welfare recipients into our economic system.

If, on the other hand, lower caseloads only reflect a benefit cutoff in which people disappear from the system without help, an adequate safety net, then welfare reform must be viewed as a failure.

I commend my good friend, the gentlewoman from Hawaii (Mrs. MINK), for introducing H.R. 3113.

PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 342 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 342

Resolved, That it shall be in order at any time on the legislative day of Wednesday, February 6, 2002, for the Speaker to entertain motions that the House suspend the rules relating to the following measures:

(1) The concurrent resolution (H. Con. Res. 312) expressing the sense of the House of Representatives that the scheduled tax relief provided for by the Economic Growth and Tax Relief Reconciliation Act of 2001 passed by a bipartisan majority in Congress should not be suspended or repealed.

(2) The joint resolution (H.J. Res. 82) recognizing the 91st birthday of Ronald Reagan.

(3) The resolution (H. Res. 340) recognizing and honoring Jack Shea, Olympic gold medalist in speed skating, for his many contributions to the Nation and to his community throughout his life.

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. HASTINGS), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, this resolution provides that it shall be in order at any time on the legislative day of Wednesday, February 6, 2002, for the Speaker to entertain motions that the House suspend the rules relating to the following measures: the concurrent resolution, H. Con. Res. 312, expressing the sense of the House of Representatives that the scheduled tax relief provided for by the Economic Growth and Tax Relief Reconciliation Act of 2001, passed by a bipartisan majority in Congress, should not be suspended or repealed;

Second, the joint resolution, H.J. Res. 82, recognizing the 91st birthday of our 40th President, Ronald Reagan; and,

Three, the resolution, H. Res. 340, recognizing and honoring Jack Shea, Olympic gold medalist in speed skating, for his many contributions to the Nation and to his community throughout his life.

Mr. Speaker, following the adoption of this rule, the House will take up H. Con. Res. 312, expressing our collective will that the bipartisan tax relief plan passed by the Congress and signed into law by President Bush should take effect as scheduled.

Recently, several Members of Congress have proposed that key provisions of the Economic Growth and Tax Relief Reconciliation Act should be repealed, delayed, or postponed. H. Con. Res. 312 reiterates our full commitment to all tax relief provisions in this act, including the across-the-board tax cuts, the marriage penalty relief, the elimination of the death tax, doubling of the per-child tax credit and IRA expansion.

Further, H. Con. Res. 312 states that repealing or delaying provisions of President Bush's tax relief plan would in fact constitute a tax increase; that increasing taxes during a recession would hurt the economy and American workers; and that Congress should work with the President to promote long-term economic growth through a fair Tax Code that puts the least possible burden on taxpayers.

□ 1030

Mr. Speaker, last June when the President signed into law the Economic Growth and Tax Relief Reconciliation Act of 2001, it provided millions of American taxpayers with the first meaningful tax relief they had had since 1981.

All Americans who pay Federal income taxes have benefited from the act and will benefit from our vote today, making it clear that we have no intention of weakening or softening in any way our commitment to provide the relief that they were promised, especially not now, when to do so would weaken the economy and further endanger the well-being of millions of lower- and middle-income American workers and their families.

Therefore, Mr. Speaker, I encourage my colleagues to support this rule so that we may proceed with H. Con. Res. 312, as well as additional measures honoring former President Ronald Reagan and the late Olympian Jack Shea.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I hope the reporter is not confused with these two Hastings this year. This is a first for the gentleman from Washington (Mr. HASTINGS), my good friend and colleague, and I thank him for yielding the time. Let me assure the gentleman that we will try to make this debate more friendly than the last Battle of Hastings in 1066.

Mr. Speaker, as the gentleman from Washington (Mr. HASTINGS) has already explained, under rule XV of the House rules, bills may be considered on the House floor under suspension of the rules only on Mondays and Tuesdays. Therefore, this resolution is required in order to consider the bills on today's schedule.

The gentleman has done an adequate job of explaining why, in the leadership's opinion, these bills must come to the floor today and in this manner. Mr. Speaker, I respectfully disagree and oppose adoption of this rule.

There is no need to rush to judgment on these bills. There is simply no good reason to handle these bills outside the normal parameters of the way the House should conduct its business. Moreover, when the House does operate this way, it effectively curtails our rights, and I am talking about the Members, and responsibilities as serious legislators. Members should be very wary of allowing this leadership or any leadership to usurp our rights.

There are Members of this body who have serious concerns with at least one of the resolutions we may consider today, and I think that we may hear quite a bit in due time from several distinguished members of the House Committee on Ways and Means regarding their concerns, in addition to other fiscally responsible Members.

Mr. Speaker, it was shocking to me today to read on the front page of today's Washington Post about the deaths of six people in this city yesterday because of the cold weather. It strains credulity that we still have people freezing to death in this great country. So what is Congress going to do to help these people? Well, unfortunately, the answer from the administration is nothing more. Sorry, they say. No money for additional heating is available.

In my home of Broward County in the State of Florida, we are facing millions of dollars of shortfalls to deal with serious human needs, from sheltering the homeless to feeding the hungry to administering medical care, and I spent a lot of time studying that particular problem during the last month in my area. To the infirm persons who are not to receive assistance, to paving roads and, most importantly, in leaving no child behind, we are getting ready to leave some behind in my home county because we do not have the funds to modernize the schools; we have already dropped the summer school program that is proposed, and cuts are everywhere, which means that there are serious problems. The people of south Florida and throughout this country have serious human needs which the President's budget neglects.

As a member of the Permanent Select Committee on Intelligence, I am keenly aware of what our domestic and national security needs are. I do not quibble with the President's request for this funding. What I do take umbrage with is the insistence that the administration does not have enough cash or proposed same for the other serious needs in our country.

At the same time I remain committed to homeland security, I also remain committed to security in folks' homes and in their families. We need to realize that September 11 was not just an attack on the World Trade Center and the Pentagon; rather, it was an attack against America's economy, America's values, and all of the American people.

As we fund the war on terrorism abroad and within our own borders, we cannot and will not forget our casualties here at home. And, Mr. Speaker, I am not just talking about the significant number of Americans, nearly 3,000 or more, who died on September 11 or in the subsequent anthrax attacks. I am also talking about the more than 1.8 million hard-working Americans who are jobless as a result of our recession. Every day we pick up the paper and another company is firing or laying off thousands of workers.

I am glad to see that the President includes a 13-week extension of unemployment benefits for those who lost their job as a result of the attacks on our Nation. This extension is a move that I, for one, along with several of my colleagues, in a bipartisan fashion have been pushing for since I first introduced my plan to extend unemployment and job training benefits, as well as health care benefits, to the unemployed, when I offered an amendment to the Airline Stabilization Act on September 21. My plan currently has more than 150 bipartisan cosponsors, the most of any plan in the House at this time.

But while the budget extends unemployment, it cuts 20 out of 48 job training programs the Federal Government currently offers to those who wish to improve their on the job skills. In addition, the budget does nothing to extend the health care benefits to displaced workers.

The bottom line, Mr. Speaker, is that in less than 1 year, the health care benefits for the 1.3 million already displaced workers and their families is going to expire. Although the recession may be slowing, we nonetheless remain in a recession. Just because unemployment levels may only be increasing by .1 percent every month and not the 1.5 percent as we saw a few months ago, we are in no way re-creating the jobs that we have already lost. It is going to be a long time until the economy will recover enough to the point that we can actually re-create jobs instead of losing them. Until then, we need to protect the unemployed because times are not getting any easier for them.

As I mentioned at the outset, and for the reasons just explained, I oppose adoption of this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Michigan (Mr. LEVIN), my good friend.

Mr. LEVIN. Mr. Speaker, I very much oppose this resolution and H. Con. Res. 312 that would be brought up under it. Mr. Speaker, H. Cons. Res. 312 is nothing but a smoke screen. It is to try to hide the fact that the Social Security and Medicare surplus is going up in smoke, going up in smoke, because of the way this administration and this House have handled the economy and the budget. It is an effort to hide the fact that the lockbox of Social Security and Medicare is not only being unlocked, but it is being thrown into the scrap heap.

On five occasions this House voted on lockboxes for Social Security and Medicare: On May 26, 1999; June 20, 2000; September 18, 2000; September 19, 2000; and February 13, 2000. But what has happened? The lockbox is essentially gone.

President Bush just a year ago said this: "To make sure the retirement savings of America's seniors are not diverted to any other program, my budget protects all $2.6 trillion of the Social Security surplus for Social Security and for Social Security alone."

But look at this chart, what has happened. A surplus of $5.6 trillion will be down this year to less than $1 trillion, and probably less than that; a loss of $5 trillion in 1 year, much of it Social Security and Medicare.

The L.A. Times yesterday in the headlines said, "Budget Sells Social Security Down Red Ink River," critics say. How true. How true that is.

Let me just read the implications of that from the Director of the budget office, and I quote: "Put more starkly, Mr. Chairman, the extremes of what will be required to address our retirement are these: We will have to increase borrowing by very large, likely unsustainable amounts; raise taxes to 30 percent of GDP, obviously unprecedented in our history; or eliminate most of the rest of the government as we know it. That is the dilemma that faces us in the long run, Mr. Chairman, and these next 10 years will only be the beginning."

Here we face a resolution trying to hide these facts. The President's budget diverts all of the Medicare surplus, all of the Medicare surplus and $1.5 trillion of the Social Security Trust Fund surplus, and instead of paying down the debt, which is essential to meeting our Social Security needs and Medicare, what we are doing is increasing the debt.

One other chart. Mr. Speaker, one result of this irresponsibility is not only to divert Social Security and Medicare funds, but to increase interest costs over this 10-year period by $1 trillion. What a waste. Baby boomers are going to turn 62 in 2008. This resolution is an effort to hide the fact that this administration has turned their back on the Social Security and Medicare needs of baby boomers. I oppose this resolution.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 5 minutes to the gentleman from Illinois (Mr. WELLER), a member of the Committee on Ways and Means.

Mr. WELLER. Mr. Speaker, today our House has an opportunity, an opportunity to go on the RECORD and speak clearly of whether or not we should continue lowering taxes for American workers. Today we are at war. The war on terrorism, our efforts to strengthen our homeland security, and the current recession have caused a fiscal deficit in our budget. In fact, according to the Congressional Budget Office, they point out that the recession, combined with the war on terrorism and our efforts to protect our homeland security, account for 72 percent of our current deficit.

□ 1045

So almost three-quarters of our deficit has been caused by the economy as well as the war. Some on the other side are saying we need to raise taxes in order to eliminate that deficit. And the way they want to raise taxes is they are calling for the repeal of the Economic Growth and Tax Relief Reconciliation Act, something we commonly know as the Bush tax cut which will give them more money to spend here in Washington.

Well, today we have a choice, a choice of higher taxes or getting this economy growing again. Let us remember that when President Bush became President he inherited a weakening economy. At that time the President proposed taking one-fifth, 20 percent of the budget surplus that resulted from the fiscal responsibilities of this good Congress, and giving it back to the American worker so the American worker can spend it at home for their families and get the economy moving again. And we succeeded with bipartisan support in passing the Bush tax cut, helping our economy.

We lowered rates for small business and entrepreneurs. And we have to remember it is small business and entrepreneurs that are the engines of economic growths. In fact, 80 percent of those who filed taxes under the top two tax brackets are small business people and entrepreneurs who have shops and businesses on Liberty Street, the downtown in my home town of Morris, Illinois, as well as on Main Street all over America. We also passed efforts to wipe out the marriage tax penalty, to wipe out the death tax which helps small business and family farmers, to increase contributions and incentives for retirement savings and to double the child tax credit.

If we repeal the Bush tax cut, that is all gone. It is a tax increase on the American worker. And there is no real-world economist today who says that in a time of war and recession that you should increase taxes. But if you repeal or stall the Bush tax cut, we know it is a tax increase.

Well, the Bush tax cut was working. Economists were telling us that late August around Labor Day that the economy was beginning to grow again. Then the terrible tragedy of September 11 occurred, costing thousands of Americans their lives, terrible tragedy, put us into a war; and unfortunately the psychological blow of that terrorist attack also impacted the confidence of American consumers as well as American investors. And over a million Americans have since lost their jobs since the terrorist attack on the World Trade Center, Pennsylvania, and here in Washington at the Pentagon.

Today we are at work. We are strengthening our homeland security. And unfortunately we are also in an economic recession. Again, no real-world economists says that we should increase taxes during a recession. Tax increases hurt our economy, they hurt the confidence of our investors, and they take money out of the pocketbooks of American workers who can better spend that at home taking care of their families' needs.

We must keep spending under control. True fiscal responsibility is keeping spending under control. Fiscal responsibility is not increasing taxes, as my friends on the other side of the aisle today will be advocating. Repealing the Bush tax cut is a tax increase. Simple.

Today we will have the opportunity for the House to go on the record for every Member of this House, Republican and Democrat, to say they want to increase taxes or we protect the tax cut for the American worker and get this economy moving again. Let us remember, repealing the Bush tax cut is a tax increase. I ask this House to vote aye on this rule, and I urge Members of both parties to vote against a tax increase and vote aye in favor of maintaining the full implementation of the Bush tax cut, helping the American worker and let us get this economy moving again.

Mr. HASTINGS of Florida. Mr. Speaker, could I please be advised as to the amount of time remaining on both sides?

The SPEAKER pro tempore (Mr. FOSSELLA). The gentleman from Florida (Mr. HASTINGS) has 18 minutes remaining. The gentleman from Washington (Mr. HASTINGS) has 22 minutes remaining.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume.

My distinguished friend and colleague, the gentleman from Illinois (Mr. WELLER), I would like to advise the gentleman that I know of no Democrat that has signified that he or she is in favor of tax increases. The gentleman's analogy is a false analogy. Repealing these tax cuts would not be a tax increase.

Mr. WELLER. Mr. Speaker, will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentleman from Illinois.

Mr. WELLER. Mr. Speaker, according to the Congressional Budget Office, repealing the Bush tax cut will increase tax revenue by about $360 billion. Now, when we increase tax revenue when people are already making plans based upon that tax cut, real-world economists call that a tax increase.

Mr. HASTINGS of Florida. Reclaiming my time, I would like the gentleman to understand that last year's tax cut, if made permanent as proposed in the President's budget, would cost approximately over $2 trillion over the next 10 years when debt service costs are taken into account. That cost is almost exactly the same as the total raids on Social Security and Medicare that will occur over the next 10 years. There is a future and that is what I do not think anybody is saying, and there are human needs and they need to be addressed in a meaningful way. If we had no tax cut, we would be able to address them.

Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Speaker, I rise in opposition to this resolution to suspend reality. The only purpose of this resolution is to allow the House to debate a resolution that really does suspend reality.

It was just a few short months ago that the same people who are here today urging adoption of this proposal were telling us that we could have it all: We could save Social Security; We could preserve Medicare and extend a prescription drug benefit to seniors; We could balance the budget; We could have more spending; We could pay down the debt. Indeed, we could do all of that with huge tax breaks for the richest people in our society. We could do all of that, they told us; and they even had the audacity to come to the House and say we need more tax breaks because if we do not get them, we will be paying down the debt too far and that might jeopardize the economic future of our country.

Well, these same folks today are bringing up what is really a resolution to have a straw man about a tax increase. There is no one on the floor today that has a bill or proposal to raise taxes or even to repeal any of the taxes that were changed last year, many of which were outrageously skewed to those at the top of the economic ladder, rather than reaching those hardworking Americans, who needed tax relief the most.

No, what we have is a resolution that is designed to disguise all of the red ink that is in this budget that has been proposed this week and to distract attention from what is really occurring here—a raid on Social Security and Medicare.

How does all of this work? Well, in order to finance these tax breaks, our colleagues on the Republican side are not only picking the padlock on the Social Security and Medicare lock box that they voted for five times; rather, within months of having approved this phony lock box, they are throwing the whole box away. They are saying to the people of America that when you work hard and you contribute your wages and you get taxed at work and your employer gets taxed to forward those monies up to Washington to protect and preserve Social Security and Medicare, that they are not going to use them for that purpose. They are going to give Social Security and Medicare an IOU, and they will redirect those same dollars and apply them to finance these tax breaks way into the future.

It is not just the tax breaks that have already been proposed. Yesterday we have heard Republicans are already seeking about a trillion dollars more to extend these tax breaks and add to them. As if that was not enough damage to the fiscal strength and sanity of this country, the Secretary of the Treasury, Mr. Paul O'Neill, indicated that his ultimate objective which he had shared with the President, and with which the President indicated he was intrigued, is to eliminate all taxation on corporations and businesses in this country. So we will face, one year after another, more reaching into our pockets to take those payroll taxes and use them to advance the Republican Party's agenda.

The reality that they want to suspend is that under their proposed budget, they are going to take $1.5 trillion of Social Security payroll taxes and use them elsewhere. They will take $500 billion, in excess of $500 billion of Medicare payroll taxes and use them elsewhere. In addition to all that, they propose piling on almost a trillion dollars of additional tax breaks. That makes no fiscal sense. It means shifting more and more of the responsibility for what we are doing today to our children and our grandchildren, and it also means we will not be able to fulfill our Social Security and Medicare obligations. It means direct benefit cuts as a result of this kind of phony resolution.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 5 minutes to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Speaker, it is obvious that the Members in the minority do not have any problem debating this issue. They do not mind talking about postponing or delaying the tax cuts. They do not mind speaking out and blaming the tax cuts for all sorts of evil, but they do not want to vote. They do not want to take a position. That is all we are going to do, just take a vote and let everybody be counted.

Now, last night in a kind of bomb blast against this resolution, there was a Member of the minority that said this country ran a surplus for 200 years and now we are in a deficit and it is no time to reduce taxes. Well, let me remind all of the Members that this country, while it was running a surplus, had a tax rate of half of what it is today. We have actually increased taxes by a greater extent than when we had a surplus. And all those tax increases have only resulted in more spending, that is what they have resulted in. They did not get us to a surplus until we cut spending; and we went into a surplus not by raising taxes but by cutting the rate of spending. And if Members are opposed to, if Members want to delay these tax cuts, if Members want to postpone these tax cuts, then vote no on this resolution. But as far as I am concerned, when Congress makes a commitment to give American people tax relief, they ought to honor that commitment. To put it plainly, the American people should get the tax cuts they were promised. Americans should have the relief they need now.

Passage of President Bush's tax cuts, and the ink is barely dry on them. It has just been a few months. And that was a historic bipartisan effort, a historic bipartisan effort. Only three times since World War II has this Congress passed across-the-board tax cuts. The first time was President Kennedy in the 60's. The second time was President Reagan in the '80's, and now George W. Bush's tax cut that we just passed. And already, already we are saying we are blaming those tax cuts on the disappearance of the surplus. We are blaming them for that. And as the gentleman from Illinois (Mr. WELLER) said, spending accounts for 16 percent of it; 72 percent of it was caused by economic conditions.

We need to stimulate the economy. We need tax cuts to stimulate the economy, to cause growth, to increase tax revenues. We do not need to be increasing taxes.

Now, someone said we are just postponing and delaying the tax cuts. That does not result in a tax increase to anyone. Why, obviously, it does. The American people know that it does. When we postpone marriage penalty relief, people continue to pay a marriage penalty. Their taxes are more because the marriage penalty continues to be paid.

Now, most of us in this body think that the marriage penalty is unfair, that we ought to repeal it. We voted to do just that. Yet, now Members are saying, well, we ought to delay the marriage penalty relief. Across-the-board income tax reduction. People got $300 and they got $600 back, and they said, this is great. The government trusts us to spend our own money. Instead of them spending it, we are getting to spend it.

Now there are some in this body that said we should not do that. We should not continue that. They are saying we can spend this money. We can make better decisions than the American people.

□ 1100

I say put that money in the pockets of hardworking Americans; let them spend that money, whether it is $300 or $600. Actually it is $1,700 when these tax cuts take effect.

How about doubling of the per child tax credit? If we delay that, then people do not get that, and their taxes go back up where they would have gone down. We are talking about hundreds of dollars per American family. I call that a tax increase.

If we want to vote to postpone, if we want to delay these tax cuts, get out here and vote for it. The American people deserve to know how every Member of the House and every Senator feels on this issue. Let us quit obstructing this.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself 20 seconds.

Would the gentleman from Alabama (Mr. BACHUS) stay at the stand for he and I to have an exchange?

Am I correct that the surplus in the Social Security, and that we voted five times in the House of Representatives to have a lockbox so that Social Security surplus would not be utilized; can you answer both those questions yes or no?

Mr. BACHUS. Mr. Speaker, will the gentleman yield?

Mr. HASTINGS of Florida. I yield to the gentleman from Alabama.

Mr. BACHUS. Mr. Speaker, we can curtail spending. We do not have to rob Social Security.

Mr. HASTINGS of Florida. Mr. Speaker, I thank the gentleman for his response.

Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. MATSUI), my good friend.

Mr. MATSUI. Mr. Speaker, I would like to thank the distinguished gentleman from Florida (Mr. HASTINGS) for yielding me the time.

Here we go again. The gentleman from Illinois (Mr. WELLER) and the gentleman who just spoke said that 70 plus percent of the surplus has been eliminated because of the war effort and because of the recession. If you only take it in a snapshot of the last 12 months, that may be true, but over the next 10 years, we have to look at it over the next 10 years because the tax cut phases in over 10 years. What really happens is because the CBO made bad projections and because of the recession, the surplus is eliminated by 42 percent by the change in economic conditions.

Secondly, the tax cut once 10 years have passed is 41 percent of the loss of the surplus, 41 percent of the loss of the surplus. The defense spending, the defense spending and the war effort, the total over the next 10 years only comes to 9 percent of the loss of the surplus. It is the tax cut, 400 times the cost of the defense bill, that is the reason that we are losing the surplus and running deficits and the reason we are going to dip into the Social Security Trust Fund.

What is ironic is the fact that the Social Security Trust Fund under the President's budget over the next 10 years will be tapped into in the sum of $1.4 trillion. Some might smirk at that. The problem is that what we have is a unique situation. The elevator operator, the waitress in the House dining room that feeds us and makes sure we have our meals, their payroll tax is going to pay for this tax cut that was passed last May.

The tax cut that was passed last May, it comes to $1.7 trillion once we add it all up with the interest lost, $1.7 trillion, and that comes from the Social Security surplus that is now being taken out to pay for the tax cut.

The payroll tax is the most regressive tax in America. So we are asking people that make $20,000 a year, $2,000 they pay into the Social Security Trust Fund every year, and we are going to ask them to pay for tax cuts for people who make $1.1 million because the top 1 percent get 40 percent of this tax cut.

Somebody is going to have to tell me about the equities in this. We are not like the Greeks, we are not like Aristotle so we do not talk about ethics, but there is something immoral about this, something immoral about asking the waitress on her payroll taxes to pay for people that make $1 million a year.

What we have is a little resolution that we would like to add on to the gentleman from Washington's (Mr. HASTINGS) resolution. It would basically say that we want to preserve the Social Security and Medicare Trust Fund. We want to put that in a separate account. My colleagues voted on it five times in the last 24 months. In fact, only one Republican Member in the entire body, the gentleman from New York (Mr. HOUGHTON), voted against it, and he only did that once or twice. So they all support taking the Social Security and Medicare money, putting it aside so that we do not spend it on anything, including tax cuts and other government programs. All we want to do is add that on as an amendment so we can put a little equity in this so we can make sure the American public understand what the priorities are.

I have to the say this: If my colleagues vote for this rule and deny us the opportunity to offer an amendment to create a lockbox that protects Social Security and Medicare, we are jeopardizing the senior citizens of America. We are putting them at risk. We are putting them in a situation where they are putting their payroll taxes into a trust fund thinking it is for their retirement, and instead, it goes to people like Ken Lay of Enron Corporation. That is the most outrageous thing I can imagine on the floor of the House.

Let me just conclude by making one other observation about this, if I may. If this resolution fails, and I really hope it fails, it means nothing. The tax cut still goes into effect. So we are wondering, the American public is saying, well, if it fails, it still goes into effect, why is that? Well, that is because we are playing games. Instead of doing the public's business, instead of trying to make sure the economy is working, instead of making sure that we have a balanced budget, instead we are playing games.

This is absolutely a meaningless day. We are going to spend 3 hours on this, debate it, vote on it, and it is going to be totally meaningless because no matter what we do, that tax cut is still going to occur. So we have to ask ourselves what is really the intention of the authors of this amendment? Why are they doing this? Well, because they want to play politics. They talk about partisanship. That is exactly what they are into.

Vote for a motion upon the previous question. Vote against the rule and vote against this resolution which is a very bad resolution.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, my colleagues on this side of the aisle are not evil. Matter of fact, I spoke to the gentleman from New York's (Mr. RANGEL) staffer just yesterday. He informed me that only about 9 percent of the population that he represents own their own home, and it is difficult to think that people with tax relief in that district could help themselves more than government, but neither my district nor the gentleman from New York's (Mr. RANGEL) district I think represents mid-America, and tax relief does help those individuals with money in their own pockets.

I would say to my colleagues, the issue of the Social Security Trust Fund is not on this floor because in 1993, when the Democrats controlled the White House, the House and the Senate, they claimed that they wanted tax relief for the middle class. What did they do? They could not help themselves. They raised the tax on the middle class. They took every dime out of the Social Security Trust Fund for domestic spending. They increased taxes, and they increased spending, and what we are saying is that we believe that for all America that tax relief, marriage penalty, death tax, more money in education IRAs benefits most of the people in America.

I understand why the gentleman from New York (Mr. RANGEL) wants more government support. He is not evil. It helps his district, but in my district and I think the majority of districts, it does not, and that is what we are fighting for is across the board middle America.

I would say that when we increased taxes on Social Security in 1993, when we take increased gas taxes, that hurts Americans. Look at the truckers that we had demonstrating on the lawn because it increased just in gas tax and the high cost of fuel. That is wrong, and it hurts jobs. Why are people laying off people today, over 700,000 people since September 11, and before that, we had started into a recession? Because they are not making margins.

Remember in Los Angeles when we had the riots, all those businesses that were burned out, how much revenue was coming to the United States Government? Zero. But yet Jack Kemp's type law for an enterprise zone gave low-interest loans. We put money in there. We started those businesses. People started working, and the more people that worked, the more revenue we had in government. That is what we believe in, and then we can help these domestic programs.

This country is at war, both domestically and overseas. Most Americans do not mind reducing the amount of growth. We will set a number, my colleagues will set a higher number. Because we do not reach their higher number, they will say, we are cutting when we are actually increasing domestic programs. I understand my colleagues on the other side, but government does not do it better than people themselves.

Mr. HASTINGS of Florida. Mr. Speaker, would the Speaker give an account of the amount of time remaining for both sides?

The SPEAKER pro tempore. The gentleman from Florida (Mr. HASTINGS) has 7¼ minutes remaining, and the gentleman from Washington (Mr. HASTINGS) has 14 minutes.

Mr. HASTINGS of Florida. Mr. Speaker, I am pleased to yield 4 minutes to the distinguished gentleman from Texas (Mr. STENHOLM).

Mr. STENHOLM. Mr. Speaker, my friend from California was exactly right when he said a moment ago that Social Security is not on the floor today, but it should be.

The reason I rise to strongly oppose this rule and strongly oppose the previous question is that I believe that we ought to have an amendment allowed that would preserve the lockbox for Social Security. What our friends on this side of the aisle are saying clearly to the American people today, it is much more important to preserve the tax cuts in 2004, 2005, 2006, 2007, 2008, 2009, and 2010 than it is to protect Social Security and the ability of our young people and the baby boomers to draw it in 2007.

That is the choice today, and do I mind voting on this? Not at all. To those that continue to say we are talking about raising taxes on this side of the aisle, no one on this side of the aisle has said one word about raising taxes on anybody in the past several days or in the days ahead.

My friends on the other side of the aisle will point out the primary reason we face a deficit this year is because of the war on terrorism and the economic downturn, and they are right, this year, but we are talking about a 10-year proposal. We are talking about setting into concrete a budget resolution that was passed before the war, before September 11, and saying we cannot touch any of that. We are going to borrow all of the Social Security Trust Fund moneys for the next 10 years. That is what my colleagues are saying. When they vote for this rule and for the previous question, they are saying absolutely unequivocally we are going to go back into Social Security, and we are going to justify it.

What I would ask my friends, those who have said, as the gentleman from Alabama (Mr. BACHUS) said a moment ago, we are going to cut spending, bring your budget out, give us a chance to work with you. You will find there will be considerable support on this side of the aisle for cutting spending. Bring it out. You will have a chance to do that.

Last year the Blue Dogs warned it was dangerous to make long-term budgetary commitments based on 10-year surplus projections when 70 percent of the projected surplus was in year 2006 to 2010. We suggested it would be much more responsible to make budget decisions based on 5-year projections. Now I read that the Office of Management and Budget has proposed using 5-year budget projections because they have decided that 10-year projections are not reliable, yet here we are arguing on the 10-year projection. The OMB says, no, we should not do that. If it was a mistake to make budget decisions based on 10-year projections, as the administration is telling us now, then why are we blindly making decisions based on a 10-year budget forecast that turned out to be $5 trillion wrong?

What bothers me about the game plan we are now in is what it means to the future of Social Security and Medicare. We should be saving the Social Security and Medicare surpluses to prepare for the retirement of the baby boom generation and working on reforms to strengthen Social Security and Medicare for our children and grandchildren. That is what we should be debating on this floor today, tomorrow and the days ahead.

I would say to my colleagues that if they are looking forward to voting to increase the limit on our national debt to $6.7 trillion to borrow the money that they are insisting in their economic game plan, that they voted on, that they are insisting on, if they are looking forward to that, then vote for this previous question and rule, because they are going to get a chance to vote to borrow, and the American people are soon to begin to understand that we are talking about borrowing the money to spend.

☐ 1115

We are fighting a war, and we are borrowing on our children and grandchildren's future in order to satisfy a theoretic game plan that is already shown to be off by $5 trillion within 12 months. If we look at the massive increases in the national debt and the budget that was submitted this week, and the tremendous unfunded liabilities facing the Social Security system and the Medicare system, and worry about the legacy we are leaving for our grandchildren, then perhaps this resolution does not feel so good.

I hope there is a few of my colleagues on that side that share that commitment because I certainly do. It is time to set aside these pure partisan comments and start working on the real problem, and that is solving the Social Security problem before it is too late.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 4 minutes to the gentlewoman from Washington (Ms. DUNN), a member of the Committee on Ways and Means.

Ms. DUNN. Mr. Speaker, I thank the gentleman for yielding me this time, and I want to bring up one point that people continue to forget. It certainly is not emphasized in the media. And that is that as we estimated what our budget surplus would be over the last few years, we predicted that over 10 years it would be $5.6 trillion. We are still looking at a budget surplus over 10 years. It has dropped because of recession and the war on terrorism and spending that we continue to do to $1.6 trillion, but, in fact, at the end of 10 years, we will have a surplus, according to today's number, of $1.6 trillion.

So let us not imply we are going to have years and years of deficits; that we are going to do as the other party did for 40 years and spend our government into a huger and huger national debt. It is simply not true.

I want to thank the gentleman from Illinois (Mr. WELLER) and the gentleman from Alabama (Mr. BACHUS) for sponsoring this resolution. I rise today on the 91st birthday of Ronald Reagan, our Nation's 40th President, to call upon Congress to make our historic tax bill permanent. Under President Reagan's leadership, we experienced economic expansion and peace and prosperity in the midst of a Cold War. He believed that cutting taxes would increase, not shrink the Federal tax revenues, and he was right. We also know that spending did not decrease during those years because Congress did not keep its commitment.

I believe as far as this permanency resolution is concerned, Mr. Speaker, that workers should not face financial uncertainty just because we fail to make their tax cut permanent. It is very important to tell the American public about the consequences of inaction.

If we do not make the tax bill permanent, working Americans, teachers, small-business people, small-business owners, truck drivers will all see a tremendous tax increase. No matter what anybody says about it, if we do not make this permanent, and this tax situation comes back after 10 years to be exactly the way it was before the President signed the bill last June, that is a tax increase.

Specifically, in 2011, a middle-income couple making $50,000 a year would see their tax burden rise by over $1,200 a year just because of the phaseout of the provision that now relieves married couples from the marriage penalty.

I also want to point out the two central myths that are promoted by our opponents. First of all, tax relief made the recession worse. False. In fact, the tax cut had the opposite effect by putting more money in people's pockets and by creating incentives to encourage companies to invest and create jobs. The economic data indicate that consumer spending kept us from falling into an even deeper recession.

Secondly, the myth that suspending the tax relief is not a tax increase. False. Make no mistake about it, rescinding tax relief would be raising taxes. That very strange item in the Senate that requires that any kind of tax decrease sunset after 10 years has already had some perverse effects. Under current law, people will have to die during 9 particular months, from January 1 to October 1 in 2010, to avoid the death tax. For anybody who passes away in 2011, however, their estate would face the punishing 55 percent rate again that we had in 2001. The resurrection of the death tax ensures that family businesses will continue to pay estate planners and buy expensive insurance policies. It is just as if repeal never existed.

The lack of permanency, the lack of predictability has real consequences. And I would say, Mr. Speaker, I think it is especially symbolic that we offer this resolution today on President Reagan's birthday. We all know what a champion he was for tax relief, and we honor his legacy by supporting this resolution.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume to advise my colleague that the Governor of the State of Florida, the President's brother, just scaled back his own tax cut in Florida. And I ask, did Governor Bush just raise the taxes of all Floridians? He is not calling it a tax increase.

Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. RANGEL), the distinguished ranking member of the Committee on Ways and Means and my good friend.

Mr. RANGEL. Mr. Speaker, let me join with the gentlewoman from Washington in wishing President Reagan a happy birthday and in saying that, as most people should know, that this is a tax policy bill, but because it deals with more politics than policy, it did not go through the Committee on Ways and Means. True, we have a lot of Members here trying to protect our jurisdiction, but it went through the Committee on Rules. That means it is supposed to be noncontroversial. It means that what some of the people are projecting here is not only do we accelerate the tax cuts, which the Committee on Ways and Means has seen with their majority to enact and to pass into law, but they even are talking about making it permanent, which not only costs trillions of dollars, but at a time where we find that 40 or 50 million people will become eligible for Social Security.

I think this is not noncontroversial. I think it is something that should go through the Committee on Ways and Means. And I kind of think that since all of this was enacted at a time when we did not have a recession and we did not have war, that we really are tying up the hands of the Congress to project what is going to happen in the future.

There was a time before the State of the Union message that I thought Osama bin Laden was what was the threat to the United States. The President says there are 10,000 terrorists walking the streets throughout the United States of America. The President says it is not Osama bin Laden, because he never mentioned his name, but we have the three-country axis, where we have Iran, Iraq, even North Korea. But, who knows, Somalia; who knows, Libya; who knows, Cuba.

So we do not know, really, the true extent of where this war may take us. And since we have the responsibility, I think, if we retained it, to declare the war, we should have the responsibility in determining how we pay for it. This is the only time, during a time of war, where we are saying let us accelerate tax cuts and make them permanent; when during a time of war, our great Republic always said, let there be sacrifices, let us protect the poor, let us protect our men and women, giving them what they need, let us protect Medicare, let us protect Social Security, and let us protect our country.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Speaker, we are having the traditional debate today, and that is, when spending is a little tight, do we raise taxes, or do we bring spending under control? Our friends on the other side of the aisle are using their traditional argument to raise taxes, and we are saying that we should keep spending under control.

We are in a recession; world war. Clearly, we do have a deficit. We all admit to that. And every time we have been in a recession, we have had a deficit. Every time we have been at war, we have had a deficit. As the Congressional Budget Office has stated, 72 percent of the deficit is a result of the economy and the war against terrorism.

Clearly, if we want to get this economy moving again, we need to bring spending under control and continue to lower taxes for American workers. And not one real-world economist has said that we should increase taxes during a recession. They all say, including Alan Greenspan, that we should lower taxes.

I would note that if our friends are successful in stalling or repealing the Bush tax cut, this is what they will do: They will increase taxes on married couples. Our friends would increase taxes on the death tax for small-business people and family farmers. They would increase taxes on small-business people and entrepreneurs. They would also increase taxes on parents who have children, because they would stop the implementation of doubling the child tax credit.

As Secretary O'Neill has said, "Any delay or repeal of the Bush tax cut is clearly a tax increase." And he also said, and I can quote him from his testimony before the House Committee on Ways and Means, "Raising taxes would stifle the process of getting Americans back to work. This is a bad idea as our recovery is struggling to take hold."

My colleagues, over a million Americans are out of work. We do not need a tax increase. We need to get this economy moving again. Vote aye on the previous question, aye on the rule, and aye for the resolution to maintain the tax cut.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself the balance of the time.

I ask my colleagues on the other side, what part of $1½ trillion raid on Social Security do you not understand about the next 10 years? What we are going to do is unlock the lockbox and box up the economy of America.

Mr. Speaker, I urge a "no" vote on the previous question. If the previous question is defeated, I am going to offer an amendment to the rule to remove from the suspension calendar H. Con. Res. 312, the sense of the House that the tax cuts enacted last year should go forward. I will replace it with legislation that will provide for a Social Security and Medicare lockbox for the sixth time in the House of Representatives.

Mr. Speaker, regardless of how Members feel about last year's tax cuts, it is critical that we first work to protect and preserve Social Security and Medicare. Under the new budget resolution presented by the President this week, there will be, over the next 10 years, a nearly $1.5 trillion raid on the Social Security Trust Fund and over $.5 trillion from the Medicare Trust Fund. It is absolutely critical that we keep promises we have made to our Nation's senior citizens and protect their future. This bill is virtually identical to H.R. 2, which was passed nearly unanimously by the House last year.

Mr. Speaker, I ask unanimous consent to insert the text of the previous question immediately prior to the vote, and urge my colleagues once again to vote "no" on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HASTINGS of Washington. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. BACHUS) on the issue the gentleman just raised about Social Security.

Mr. BACHUS. Mr. Speaker, there they go again. They are talking about Social Security and throwing out all these things, throwing out numbers. The bottom line is this: If my colleagues want a tax increase, then submit a bill, submit legislation, and tell the American people where they stand.

What I have done, what the gentleman from Illinois (Mr. WELLER) has done, we have submitted legislation to let the American people know where we stand, where everyone in this House and the Senate stands. Be honest. Submit legislation and increase taxes. We will have a vote on that.

The best way to ensure that we protect Social Security, which is what we all want, is to stimulate the economy. OMB Director Mitch Daniels testified yesterday before the House Committee on the Budget, and that is what he said. The sooner we return to economic growth, the better we can protect Social Security. That was his message. A few hours later, the Senate killed the stimulus package.

The way to get economic growth is to stick with President Bush's tax relief. Raising taxes or postponing or delaying the President's tax relief is a sure way to destroy this economy, that and obstructing an economic stimulus bill. That is how we will destroy Social Security, by driving up taxes and keeping spending high.

We have made a commitment to the American people to give them tax relief they need. We must keep that commitment. Cutting taxes is the right thing to do. It is the fair thing to do. It is the compassionate thing to do for families who are struggling from paycheck to paycheck.

We need to get this economy going. We need to create jobs. They do not want unemployment checks. They would much rather have a payroll check. Let us give them tax relief, let us resurrect that economic stimulus package. We lost 300,000 jobs last month through inactivity and 800,000 jobs since this House passed an economic stimulus package.

□ 1130

Mr. Speaker, let us give the American people relief. Let us stimulate this economy.

The material previously referred to by Mr. HASTINGS of Florida is as follows:

PREVIOUS QUESTION FOR H. RES. ___

PROVIDING FOR CONSIDERATION OF MOTIONS TO SUSPEND THE RULES

At the appropriate place in the resolution strike "(1)" and all that follows through "repealed." and insert in lieu thereof:

"(1) A bill to establish a procedure to safeguard the surpluses of the Social Security and Medicare hospital insurance trust funds printed in section 2 of this resolution."

At the end of the resolution insert the following new section:

"SEC. 2. The text of the bill is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Social Security and Medicare Lock-Box Act of 2002".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) fiscal pressures will mount as an aging population increases the Government's obligations to provide retirement income and health services;

(2) social security and medicare hospital insurance surpluses should be used to reduce the debt held by the public until legislation is enacted that reforms social security and medicare;

(3) preserving the social security and medicare hospital insurance surpluses would restore confidence in the long-term financial integrity of social security and medicare; and

(4) strengthening the Government's fiscal position through debt reduction would increase national savings, promote economic growth, and reduce its interest payments.

(b) PURPOSE.—It is the purpose of this Act to—

(1) prevent the surpluses of the social security and medicare hospital insurance trust funds from being used for any purpose other than providing retirement and health security; and

(2) use such surpluses to pay down the national debt until such time as medicare and social security reform legislation is enacted.

SEC. 3. PROTECTION OF SOCIAL SECURITY AND MEDICARE SURPLUSES.

(a) PROTECTION OF SOCIAL SECURITY AND MEDICARE SURPLUSES.—Title III of the Congressional Budget Act of 1974 is amended by adding at the end the following new section:

"LOCK-BOX FOR SOCIAL SECURITY AND HOSPITAL INSURANCE SURPLUSES

"SEC. 316. (a) LOCK-BOX FOR SOCIAL SECURITY AND HOSPITAL INSURANCE SURPLUSES—

"(1) CONCURRENT RESOLUTIONS ON THE BUDGET—

"(A) IN GENERAL.—It shall not be in order in the House of Representatives or the Senate to consider any concurrent resolution on the budget, or an amendment thereto or conference report thereon, that would set forth a surplus for any fiscal year that is less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year.

"(B) EXCEPTION.—(i) Subparagraph (A) shall not apply to the extent that a violation of such subparagraph would result from an assumption in the resolution, amendment, or conference report, as applicable, of an increase in outlays or a decrease in revenue relative to the baseline underlying that resolution for social security reform legislation or medicare reform legislation for any such fiscal year.

"(ii) If a concurrent resolution on the budget, or an amendment thereto or conference report thereon, would be in violation of subparagraph (A) because of an assumption of an increase in outlays or a decrease in revenue relative to the baseline underlying that resolution for social security reform legislation or medicare reform legislation for any such fiscal year, then that resolution shall include a statement identifying any such increase in outlays or decrease in revenue.

"(2) SPENDING AND TAX LEGISLATION.—

"(A) IN GENERAL.—It shall not be in order in the House of Representatives or the Senate to consider any bill, joint resolution, amendment, motion, or conference report if—

"(i) the enactment of that bill or resolution, as reported;

"(ii) the adoption and enactment of that amendment; or

"(iii) the enactment of that bill or resolution in the form recommended in that conference report,

would cause the surplus for any fiscal year covered by the most recently agreed to concurrent resolution on the budget to be less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year.

"(B) EXCEPTION.—Subparagraph (A) shall not apply to social security reform legislation or medicare reform legislation.

"(b) ENFORCEMENT.—

"(1) BUDGETARY LEVELS WITH RESPECT TO CONCURRENT RESOLUTIONS ON THE BUDGET.—For purposes of enforcing any point of order under subsection (a)(1), the surplus for any fiscal-year shall be—

"(A) the levels set forth in the later of the concurrent resolution on the budget, as reported, or in the conference report on the concurrent resolution on the budget; and

"(B) adjusted to the maximum extent allowable under all procedures that allow budgetary aggregates to be adjusted for legislation that would cause a decrease in the surplus for any fiscal year covered by the concurrent resolution on the budget (other than procedures described in paragraph (2)(A)(ii)).

"(2) CURRENT LEVELS WITH RESPECT TO SPENDING AND TAX LEGISLATION.—

"(A) IN GENERAL.—For purposes of enforcing subsection (a)(2), the current levels of the surplus for any fiscal year shall be—

"(i) calculated using the following assumptions—

"(I) direct spending and revenue levels at the baseline levels underlying the most recently agreed to concurrent resolution on the budget; and

"(II) for the budget year, discretionary spending levels at current law levels and, for outyears, discretionary spending levels at the baseline levels underlying the most recently agreed to concurrent resolution on the budget; and

"(ii) adjusted for changes in the surplus levels set forth in the most recently agreed to concurrent resolution on the budget pursuant to procedures in such resolution that authorize adjustments in budgetary aggregates for updated economic and technical assumptions in the mid-session report of the Director of the Congressional Budget Office.

Such revisions shall be included in the first current level report on the congressional budget submitted for publication in the Congressional Record after the release of such mid-session report.

"(B) BUDGETARY TREATMENT.—Outlays (or receipts) for any fiscal year resulting from social security or medicare reform legislation in excess of the amount of outlays (or less than the amount of receipts) for that fiscal year set forth in the most recently agreed to concurrent resolution on the budget or the section 302(a) allocation for such legislation, as applicable, shall not be taken into account for purposes of enforcing any point of order under subsection (a)(2)

"(3) DISCLOSURE OF HI SURPLUS.—For purposes of enforcing any point of order under subsection (a), the surplus of the Federal Hospital Insurance Trust Fund for a fiscal year shall be the levels set forth in the later of the report accompanying the concurrent resolution on the budget (or, in the absence of such a report, placed in the Congressional Record prior to the consideration of such resolution) or in the joint explanatory statement of managers accompanying such resolution.

"(c) ADDITIONAL CONTENT OF REPORTS ACCOMPANYING BUDGET RESOLUTIONS AND OF JOINT EXPLANATORY STATEMENTS.—The report accompanying any concurrent resolution on the budget and the joint explanatory statement accompanying the conference report on each such resolution shall include the levels of the surplus in the budget for each fiscal year set forth in such resolution and of the surplus or deficit in the Federal Hospital Insurance Trust Fund, calculated using the assumptions set forth in subsection (b)(2)(A).

"(d) DEFINITIONS.—As used in this section:

"(1) The term 'medicare reform legislation' means a bill or a joint resolution to save Medicare that includes a provision stating the following: 'For purposes of section 316(a) of the Congressional Budget Act of 1974, this Act constitutes medicare reform legislation.'.

"(2) The term 'social security reform legislation' means a bill or a joint resolution to save social security that includes a provision stating the following: 'For purposes of section 316(a) of the Congressional Budget Act of 1974, this Act constitutes social security reform legislation.'.

"(e) WAIVER AND APPEAL.—Subsection (a) may be waived or suspended in the Senate only by an affirmative vote of three-fifths of the Members, duly chosen and sworn. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

"(f) EFFECTIVE DATE.—This section shall cease to have any force or effect upon the enactment of social security reform legislation and medicare reform legislation.".

(b) CONFORMING AMENDMENT.—The item relating to section 316 in the table of contents set forth in section 1(b) of the Congressional

Budget and Impoundment Control act of 1974 is amended to read as follows:

"Sec. 316. Lock-box for social security and hospital insurance surpluses.".

SEC. 4. PRESIDENTS' BUDGET.

(a) PROTECTION OF SOCIAL SECURITY AND MEDICARE SURPLUSES.—If the budget of the United States Government submitted by the President under section 1105(a) of title 31, United States Code, recommends an on-budget surplus for any fiscal year that is less than the surplus of the Federal Hospital Insurance Trust Fund for that fiscal year, then it shall include a detailed proposal for social security reform legislation or medicare reform legislation.

(b) EFFECTIVE DATE.—Subsection (a) shall cease to have any force or effect upon the enactment of social security reform legislation and medicare reform legislation as defined by section 316(d) of the Congressional Budget Act of 1974.

Mr. HASTINGS of Washington. Mr. Speaker, I encourage Members to vote "yes" on the previous question and on the rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore (Mr. WHITFIELD). The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HASTINGS of Florida. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting, if ordered, on the question of adoption of the resolution, and then on the motion to suspend the rules on S. 1888 postponed from yesterday.

The vote was taken by electronic device, and there were—yeas 212, nays 204, not voting 18, as follows:

[Roll No. 8]

YEAS—212

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Boozman
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Castle
Chabot
Chambliss
Coble
Collins
Combest
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (FL)

NAYS—204

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu

NOT VOTING—18

Blagojevich
Bono
Cooksey
Cubin
Frelinghuysen
Hoyer
Luther
McDermott
Oxley
Riley
Roukema
Ryan (WI)
Shaw
Slaughter
Stupak
Traficant
Wynn
Young (AK)

□ 1157

Ms. SANCHEZ, Mrs. MEEK of Florida, Ms. BROWN of Florida, and Messrs. MEEHAN, McINTYRE, REYES, OWENS, GORDON and LIPINSKI changed their vote from "yea" to "nay."

So the previous question was ordered.

The result of the vote was announced as above recorded.

Stated no:

Mr. STUPAK. Mr. Speaker, I ask that the House RECORD reflect that I was unavoidably delayed on rollcall No. 8. Had I been present, I would have voted "no."

The SPEAKER pro tempore (Mr. WHITFIELD). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

TECHNICAL CORRECTION OF ERROR IN THE CODIFICATION OF TITLE 36

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the Senate bill, S. 1888.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. SENSENBRENNER) that the House suspend the rules and pass the Senate bill, S. 1888, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 413, nays 0, not voting 21, as follows:

[Roll No. 9]

YEAS—413

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci

Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Visclosky
Vitter
Walden
Walsh
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Young (FL)

NOT VOTING—21

Blagojevich
Bono
Cooksey
Cubin
Frelinghuysen
Hoyer
Lampson
Luther
McDermott
Oxley
Riley
Roukema
Ryan (WI)
Shaw
Sherman
Slaughter
Traficant
Velázquez
Wamp
Wynn
Young (AK)

□ 1208

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. WHITFIELD). Pursuant to clause 8, rule XX, the Chair will postpone further proceedings today on certain motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6, rule XX.

Record votes may be taken in two groups, the first occurring after debate has concluded on House Concurrent Resolution 312, and the second following the remainder of legislative business today.

EXPRESSING SENSE OF HOUSE THAT SCHEDULED TAX RELIEF SHOULD NOT BE SUSPENDED OR REPEALED

Mr. WELLER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 312) expressing the sense of the House of Representatives that the scheduled tax relief provided for by the Economic Growth and Tax Relief Reconciliation Act of 2001 passed by a bipartisan majority in Congress should not be suspended or repealed.

The Clerk read as follows:

H. CON. RES. 312

Whereas on June 7, 2001, President Bush signed into law the Economic Growth and Tax Relief Reconciliation Act of 2001, which provides millions of taxpayers with the largest tax relief since 1981;

Whereas all Americans who pay Federal income taxes will benefit from the Act, which includes across-the-board income tax reductions, reduction of the marriage penalty, elimination of the death tax, tax rebate checks, doubling of the per-child tax credit, increasing tax-free contributions to Individual Retirement Accounts and a broad range of other beneficial provisions;

Whereas the Act was passed by a bipartisan majority in Congress of 211 House Republicans, 28 House Democrats, 1 House Independent, 46 Senate Republicans and 12 Senate Democrats, making the Act an important bipartisan achievement; and

Whereas several Members of Congress have recently called for repealing or delaying tax relief provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the House of Representatives that—

(1) the scheduled tax relief provided for by the Economic Growth and Tax Relief Reconciliation Act of 2001, passed by a bipartisan majority in Congress, should not be suspended or repealed;

(2) suspending, repealing or delaying provisions of the Economic Growth and Tax Relief Reconciliation Act of 2001 is a tax increase;

(3) increasing taxes in the midst of a recession would not be helpful to the Nation's economy or American workers; and

(4) instead of increasing taxes, Congress should be working with the President to promote long-term economic growth through a fair tax code that puts the least possible burden on taxpayers.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. WELLER) and the gentleman from New York (Mr. RANGEL) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today our House of Representatives has the opportunity to speak very clearly on whether or not we should continue to lower taxes for American workers or to raise taxes on American workers.

The war on terrorism, homeland security, and economic recession has caused a fiscal deficit in our budget. Some are now calling for repeal of the Economic Growth and Tax Relief Reconciliation Act, something commonly know as the Bush tax cut, and they argue that higher taxes will give Washington more money to spend here in Washington. So today before us we have a choice: Higher taxes or getting the economy moving again.

Let us remember at the beginning of last year: When President Bush became President, he inherited a weakening economy. The President proposed taking 20 percent of the budget surplus resulting from our Congress' fiscal responsibility and giving it back to the American worker so they could spend it at home for their own families.

We passed the President's tax cut in June, it was signed into law, and the President succeeded in lowering rates for small business and entrepreneurs, the engines of economic growth. We wiped out the marriage tax penalty, we wiped out the death tax, we increased opportunities for retirement savings, and we doubled the child tax credit. And our tax cut was working. Economists were telling us in late August and by Labor Day that the economy was beginning to recover.

Then the tragedy of September 11 occurred, a terrorist attack that cost thousands of Americans their lives and caused a psychological blow to the confidence of business investors as well as consumers. Today we have seen as a result of that terrorist attack on our economy that over 1 million Americans have lost their jobs.

Mr. Speaker, today we are at war against terrorism, we are building our homeland security, and we are in an economic recession. We must get this economy moving again. We must create jobs for those who lack work.

Today, no real-world economists have called for a tax increase in time of recession. They point out that tax increases hurt our economy and that tax increases take money out of the pockets of America's workers and consumers, making it harder for them to meet the needs of their families. We must keep spending under control, and true fiscal responsibility is keeping spending under control. Fiscal responsibility is not increasing taxes.

This House has the opportunity to go on the record for higher taxes, or to maintain the Bush plan to lower taxes, which will be implemented over the rest of this decade. Repealing the Bush tax cut is a tax increase. Vote "aye" to not impose higher taxes and to keep the Bush tax cut in place.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am going to be trying to find out where this resolution came from. I will be asking the gentleman from Illinois (Mr. WELLER). I will be asking the chairman of the Committee on Ways and Means. I sit on this committee. I am proud to be a member of this committee.

Mr. Speaker, this concerns tax policy. This bill should not be coming out of the Committee on Rules, and it should have had a hearing and we should have had input in it. That has not happened, and in these 40 minutes I am going to try to find out how this political resolution reached the floor.

Mr. Speaker, I am pleased and honored to yield 2 minutes to the gentleman from Missouri (Mr. GEPHARDT), our distinguished minority leader.

Mr. GEPHARDT. Mr. Speaker, I urge Members to vote "no" on this resolution. I am disappointed that the majority prevented us from offering a bill that would protect Social Security from further raids on the trust fund.

This is not a vote about taxes; it is a vote about protecting Social Security. It is about honoring our commitments to the American people who have paid their hard-earned dollars into the Social Security trust fund. It is about ensuring security and retirement for every citizen.

The resolution before us has no binding effect. It is an effort to divert attention from Republican mismanagement of the budget. Less than one year after passage of the Republican tax bill, an economic plan, more than $4 trillion of the surplus has miraculously vanished, wiped out, gone, finished; and the Social Security trust fund will be attacked every year for the next 10 years.

One might say, what is happening, what is going on? Both parties repeatedly voted to safeguard the trust funds.

□ 1215

We voted for lockboxes. We said that they would be inviolate, that they could not be picked. For years we have been promising the American people, the baby boomers, that the trust funds would only be used to strengthen Social Security and pay down the national debt. In fact, the Republican leadership insisted many times on bringing lockbox bills to the floor. Now we know that they were not serious about those bills. They were ploys. They were ruses. And the votes that were taken were not serious, and they were not honest.

We have had an historic reversal. Instead of talking about surpluses for as far as the eye can see, now we are again talking about deficits for as far as the eye can see. Instead of shoring up Social Security and Medicare, we are facing a situation where the trust fund will be tapped for other functions of government. Instead of preparing for the baby boomers and their retirement, instead of adding a prescription drug program to Medicare, we are faced with a debate about saving Social Security without resources and how to dig ourselves out of the deficit ditch. The Republican slogan seems to be: Save Social Security last, not first.

This resolution has a simple purpose. It is to hide the fact that Republicans are breaking their promises, going back on their commitments. This is an effort to change the subject. The American people should not and will not be fooled by this transparent ploy, and they should be reminded that the problem is that we are operating under a Republican economic policy and Republican budget priorities.

We need to invest in people. We need to pass tax cuts that promote long-term economic growth and opportunity, and we need to keep our commitments to the baby boomers who paid their money responsibly into the Social Security Trust Fund. That is our challenge, and that is what the American people want us to do. That is what we need to do this year, and we should do it together, not in a partisan manner.

Mr. Speaker, let us get about doing what we need to make the budget whole and to invest in the priorities that the American people want us to be investing in. This resolution is nonsense. Let us get about saving Social Security first.

Mr. WELLER. Mr. Speaker, before I yield some time here, I yield myself such time as I may consume to remind my good friends on the other side of the aisle that we are at war against terrorism, that we are in an economic recession, and that a "no" vote on this resolution is a vote for a tax increase during an economic recession.

Mr. Speaker, it is a pleasure to yield 2 minutes to the gentlewoman from New Mexico (Mrs. WILSON), a leader in the effort to help working families in her home State of New Mexico.

Mrs. WILSON of New Mexico. Mr. Speaker, I thank the gentleman from Illinois. I have revised a little bit of what I will say based on what we have just heard from the minority leader, because I think it shows a very clear contrast in what we are about in this House.

He talks about honesty and keeping promises. I take those things very seriously, and I take my own integrity very seriously. There has been an historic reversal, as the minority leader says. That historic reversal is that we are in a recession and that America has been attacked, and we are at war.

I believe there are two things this country must do now. We have to win the war on terrorism, and we have to create jobs. I think we are united, we are together on the first, and we are resolved we are going to win this war on terrorism, and we will spend what it takes to win it. But the worst thing we could do in a recession is to raise taxes. All of those little small businesses out there who are worrying about whether they are going to have to lay off more people because they cannot make the rent payment on their shop this month need the reassurance that we are with them, that we understand, that we are not going to raise their taxes.

Most of this tax relief that is going to be phasing in is for middle-income Americans and particularly for families. We eliminate the marriage penalty and, as a result, 43 million Americans are not going to be paying more just because they are married. It is about time that we started honoring marriage in this country and stop taxing it.

When the President of the United States came to New Mexico in August, he went with me to Griegos Elementary School in the north valley of Albuquerque, New Mexico, and as we were going down this little lane to get there, there was a sheet hung on a fence and in handwritten letters it said, Mr. President, thank you for my new bed. It cost $300.

Maybe $1,700 in the pocket of an American family is not a whole lot in Washington terms, but it is in New Mexico terms. It is a lot for a New Mexico family. I think we should let them keep their own money and give small businesses the confidence to be able to hire workers this next year and create jobs and not abandon them in their time of need.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. STENHOLM), a voice that is respected on both sides of the aisle.

Mr. STENHOLM. Mr. Speaker, this is an amazing debate. In listening to the gentlewoman from New Mexico talking about the recession, surely she does not mean that the economic game plan that was voted in last year is going to last us in a recession until 2004 or 2005. That is when the next part of the tax cuts that everybody is talking about is going to kick in. I believe we are going to be out of the recession before then, but obviously, the gentlewoman believes that we are not.

What we are talking about today is, are we going to borrow $1.6 trillion of Social Security Trust Funds in order to finance an economic game plan that this side still thinks is a good one. I do not understand the logic there.

I do not care how many times the gentleman from Illinois (Mr. WELLER) stands on the floor and says we are raising taxes; no one on this side is raising taxes. In fact, I voted for more of a tax cut last year for the economy than the gentleman did. I did.

Mr. WELLER. Mr. Speaker, will the gentleman yield?

Mr. STENHOLM. I yield to the gentleman from Illinois.

Mr. WELLER. Mr. Speaker, I seem to recall a few years ago, my friends on the other side of the aisle, when we talked.

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman's time has expired.

Mr. STENHOLM. Mr. Speaker, would the gentleman from Illinois (Mr. WELLER) yield 30 seconds additional to me so that we can continue?

Mr. WELLER. Mr. Speaker, we have additional speakers.

Mr. STENHOLM. Mr. Speaker, I yielded to the gentleman. Will the gentleman give me 30 seconds so that we can continue whatever point the gentleman was wanting to make?

Mr. WELLER. Mr. Speaker, I will yield myself some time.

Mr. RANGEL. I cannot believe this, Mr. Speaker.

Mr. WELLER. Mr. Speaker, I will yield myself some time.

Mr. RANGEL. To yield to the gentleman from Texas. The gentleman from Illinois (Mr. WELLER) asked the gentleman to yield for a question.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. RANGEL. Mr. Speaker, I yield 30 seconds to the gentleman from Texas (Mr. STENHOLM) to use himself, since he was courteous enough to yield to the gentleman from Illinois (Mr. WELLER), but I will give him 30 seconds to see whether or not the gentleman would like to respond, to get a response to his question.

The SPEAKER pro tempore. The gentleman from Texas (Mr. STENHOLM) is recognized for an additional 30 seconds.

Mr. STENHOLM. Mr. Speaker, I yield to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Speaker, I will make my question quick.

A few years ago my friends on the other side of the aisle said when we wanted to slow the rate of growth and increase some funding for Medicare, that was called a cut. So the same definition would apply. If the gentleman wants to repeal the Bush tax cut, that is a tax increase.

Mr. STENHOLM. Mr. Speaker, reclaiming my time, no one is talking about repealing anything that has gone into effect. No one. The gentleman keeps saying this is a tax increase.

Mr. WELLER. Mr. Speaker, the Bush tax cut is already law, so it is already in effect.

Mr. STENHOLM. Mr. Speaker, it does not take effect until 2004. The logic that the gentleman from Illinois is following today, that means that he voted for the largest single tax increase in history in 2010 when the bill the gentleman voted for last year expires. The gentleman voted for the biggest tax raise in history. That is what he did by his own logic. I do not understand that logic.

Mr. WELLER. Mr. Speaker, it is my pleasure to yield 5 minutes to the gentleman from Alabama (Mr. BACHUS), a real leader in helping bring jobs back to the great State of Alabama, as some of the American workers have been laid off by the terrorist attacks of September 11.

Mr. BACHUS. Mr. Speaker, we made a commitment to the American people to give them tax relief. Let us honor that commitment. The American people should get the tax cuts that they have been promised. We should not postpone them, we should not delay them. We are all going to have an opportunity in a few minutes to affirm those tax cuts. The gentleman from Texas says no one in this body has proposed delaying them, no one has proposed postponing them. We will get an opportunity to vote, yes or no. I say the American people should get the tax relief they need.

Now, the gentleman from New York who is rising said, tax matters are before the Committee on Ways and Means. They ought to have jurisdiction in that. They ought to have an interest in that. They ought to decide that.

Mr. RANGEL. Mr. Speaker, parliamentary inquiry.

Mr. BACHUS. Mr. Speaker, I say that the Congress ought to decide.

Mr. RANGEL. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. Does the gentleman from Alabama yield for a parliamentary inquiry?

Mr. BACHUS. No, Mr. Speaker.

The SPEAKER pro tempore. The gentleman does not yield.

Mr. RANGEL. Mr. Speaker, I cannot read the chart that is there.

Mr. BACHUS. Now, Mr. Speaker, the passage of President Bush's tax cut.

The SPEAKER pro tempore. The gentleman from Alabama has the time.

Mr. BACHUS. Mr. Speaker, the passage of President Bush's tax cut was an historic bipartisan achievement.

PARLIAMENTARY INQUIRY

Mr. RANGEL. Parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will suspend.

Mr. WELLER. Regular order, Mr. Speaker.

Mr. RANGEL. Mr. Speaker, do I have to get permission from the gentleman in the well to make a parliamentary inquiry of the Speaker, of the Chair?

The SPEAKER pro tempore. While that gentleman is under recognition, yes.

Mr. RANGEL. I thank the Speaker. I apologize.

The SPEAKER pro tempore. The gentleman from Alabama is recognized.

Mr. BACHUS. Mr. Speaker, I hope my time will be extended.

The SPEAKER pro tempore. The gentleman's time will not be curtailed by the interruption.

Mr. BACHUS. Mr. Speaker, President Bush's historic tax cut was a bipartisan achievement. Only three times since World War II have we had an across-the-board tax cut. The first one was in 1960 under President Kennedy, then under President Reagan in 1980, and finally, last fall, under President Bush. Yes, people are talking about delaying that. People are talking about postponing that. This is a joint resolution. Hopefully, the Members will support those tax cuts we gave, and among them are marriage penalty relief, the elimination of the death tax, and across-the-board income tax cuts. We left no one out. We doubled the per-child tax credit.

Hopefully, we will all stand up and be recorded, because the American people deserve to know where each and every Member of this House and this Senate stands. They deserve a recorded vote.

I say this: This resolution is plain and simple. It affirms our support for the tax cut. It says that it should not be repealed or delayed. If my colleagues want to repeal them, if they want to delay them, if they want to raise taxes, vote against the resolution.

The second thing, we have to revitalize our economy. Now, there has been a lot of talk about Social Security. Well, let me state this: The best way to ensure and to protect Social Security, which we all want, is to stimulate our economy. OMB Director Mitch Daniels said to the Committee on the Budget, the best way to protect the baby boomer generation and Social Security retirement is economic growth. We have to get the economy going. Couple that with Social Security system reforms. If we are serious about Social Security, let us reform Social Security. Let us get the economy growing.

We have had lost 800,000 jobs in the last 4 months because we had not passed an economic stimulus plan. Now, some in Congress have tried to maneuver and scheme for political advantage by blaming the President's tax relief plan for the deficit and recession. I am glad that the gentleman from Texas finally acknowledged that the tax cuts had nothing to do with deficits. Those that say they do are not telling the truth. These tax supporters try to sell the myth that we must increase taxes just 6 months after we started giving Americans rebate checks. The ink on this new tax relief bill is hardly dry, and now people are talking about repealing it.

Mr. RANGEL. Mr. Speaker, would the gentleman yield?

Mr. BACHUS. They would like to delay or postpone it.

Mr. RANGEL. Mr. Speaker, would the gentleman yield?

Mr. BACHUS. I will yield on the gentleman's time.

Mr. RANGEL. Mr. Speaker, I was just wondering if the gentleman has charts to pass out, because while those charts are good for television, we cannot read them.

Mr. BACHUS. Well, this is from CBO, and what it says is that 87 percent of the deficit is because of the economic conditions are spending, spending, only 13 percent as a result of tax relief.

Mr. RANGEL. Mr. Speaker, does it say where that information came from?

Mr. BACHUS. From CBO, Congressional Budget Office.

Mr. RANGEL. I see. Does the gentleman have the date on that?

Mr. BACHUS. Yes. I will be glad to supply the gentleman with all of that information.

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. WELLER. Mr. Speaker, I yield an additional 1 minute to the gentleman from Alabama (Mr. BACHUS).

Mr. BACHUS. Mr. Speaker, I thank the gentleman. As I said, we have got to revitalize this economy. Tax cuts stimulate the economy, get the economy moving. They create jobs. President Bush said it best when he said, the bottom line is jobs, creating good jobs.

□ 1230

Baby boomers, to protect their retirement, they need to be working; they need to be paying into their retirement accounts, not drawing unemployment checks. We have got a delay over in the Senate of the economic stimulus package that is being obstructed. Now it has actually been killed. We lost 300,000 jobs this last month while the Senate failed to act. Now these same people who killed the economic stimulus package want to kill the tax cut.

We know in Washington that if you want to kill something, you simply postpone it or delay it. That is Washington-talk for kill it.

We all know that if these taxes do not go into effect that taxpayers, American people will be paying more out of their pay check.

I will close simply by saying this. There will be a vote in a few minutes on whether we preserve the tax cuts, whether that money stays in the pocket of hardworking Americans or whether we bring it up here and spend it. We will all have a say. We will all take a position.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SIMPSON). The Chair would admonish Members that they should refrain from improper references to the Senate such as characterizing their actions.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. TANNER), a distinguished member of the Committee of Ways and Means.

Mr. TANNER. Mr. Speaker, I came here and asked the people in Tennessee to send me here in 1988 because I knew from my business and personal life that this country, not my business, not me personally and my wife could continue to borrow money every year, which is what we were doing then and pile up more and more debt without jeopardizing the future of this country.

Now, here we are in 2002. Everybody knows from the budget presented yesterday that the country has physically deteriorated in a breathtaking way in the last year. We do not have the money that we thought we were going to have, that we were told we were going to have last year. And now we are in a position as the budget was presented by the Secretary of the Treasury to committee yesterday to be in the next 10 years never in a surplus position from an on-budget surplus number. That is to say, we are going to borrow money every year for the next 10 years. It is going to cost another trillion dollars.

Let me state why deficits matter. Deficits matter because it is money you owe. And when you owe money, you have got to pay interest on it. Right now 13 cents out of every dollar that comes here goes to pay interest. They say we are paying for war. We are not paying for anything. We are borrowing for the war. That is wrong. We ask the young men and women in this country in uniform to go overseas and fight for us. We say no price is too high for you. We will protect you, give you everything you need; but we will not pay for it. We will borrow it from our kids. They are the ones making the sacrifice. This is a generational mugging, that is what is going on. It is like a heavyweight fight except that the kids are getting mugged and are paying for this because we are borrowing the money to pay for war. We are borrowing the money to pay for tax cuts. We are not paying for anything, nothing for the next 10 years, and that is absolutely wrong.

Mr. WELLER. Mr. Speaker, how much time remains on both sides?

The SPEAKER pro tempore. The gentleman from Illinois (Mr. WELLER) has 8½ minutes remaining. The gentleman from New York (Mr. RANGEL) has 14 minutes remaining.

Mr. WELLER. Mr. Speaker, I would once again remind my colleagues on the other sides that today's vote is whether or not we maintain the Bush tax cut or increase taxes.

Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. KINGSTON), an advocate of helping working families go back to work by getting this economy moving again.

Mr. KINGSTON. Mr. Speaker, I thank the gentleman from Illinois (Mr. WELLER) for yielding me time.

Mr. Speaker, it is interesting to watch the liberal psyche in this town. When they do not like something, they do not come out and say, I like bigger taxes. I like bigger government. Instead they nitpick things. It is like getting a great novel like "War and Peace" and saying I just did not like the novel because there is a grammatical error on page 352. I just could not accept it. It is like not liking the Superbowl because New England called the wrong play in the third quarter. I just could not possibly support them. It is that kind of mad-at-the-world, sour puss, liberal approach to issues; and it is always the nitpicking. Just come out and say, I am a liberal. As a liberal I like to spend money. I like the government to grow. And I want control of people from cradle to grave because that creates government dependency. And when the government controls you and you are dependent on the government, you have to keep coming back to Washington year after year and you have to beg for a new program or new relief or new regulations or a change that creates constituency groups, and that keeps me, a liberal, in power.

Now, conservatives on the other hand say, I want less government. I do not want people who have to come groveling to Washington year after year for relief, for regulatory relief for more freedom. Less government creates more freedom. When you have money in your pocket you have more choices. The working man can go out there and buy more hamburgers, take his family out to eat on a Friday night. He can buy more clothes, a set of tires for the car. He can go on a few more vacations. He can send his kids to college. Creating freedom for the working family.

What happens when the American people have more money in their pockets and they are buying more hamburgers and more clothes and more CDs? Businesses have to expand. Small businesses react by saying I have to increase my inventory.

When they do that, jobs are created. Small businesses say, I have to hire new employees to help me handle this new demand, and there are more opportunities and there is more upward mobility in society. It is an economic truth. More people are working, more revenues come in and then we have more revenues to address this deficit. That is why conservatives want to have permanent tax relief for the American people.

It is interesting. Al Gore wanted higher taxes. The American people said no. Dukakis wanted higher taxes. The American people said no. Bill Clinton said, I will give you a middle-class tax cut. He wins. Maybe there is a lesson there.

The ruling elite hates it when the working people get it right. They cannot stand it. Well, the working folks want this tax relief. They want it permanently. And I proudly support the effort of the gentleman from Illinois (Mr. WELLER).

I hope that my colleagues will show some independence and do the same thing for the working people of America.

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Connecticut (Ms. DELAURO), a leader in our party and a spokesperson.

Ms. DELAURO. Mr. Speaker, when it comes to the state of the budget, so much has changed in the last several months. Our economy is struggling, unemployment is up, and we are fighting a war against terrorism. But with the President's budget released this weekend, now with this resolution it is clear one thing has not changed, and I am sorry that my colleague, the gentleman from Georgia (Mr. KINGSTON), left the floor, because what this resolution is about, what this budget is about is that, in fact, the other side of the aisle, that the Republican majority in this House will stop at nothing to raid Social Security and raid Medicare.

Despite their protestations over the last couple of years, they fundamentally do not believe in Social Security and Medicare. They take every opportunity to dismantle the current system which plays such a role in the lives of working families today.

Social Security has been a lifeline and Medicare is a lifeline to health care for seniors and for people who have worked all their lives, who, in fact, will need that retirement security. The Republican majority would deny that retirement security. They would move to privatizing Social Security. They would talk about investing in the stock market. And, my God, look at what has happened in recent times with the stock market and with Enron and with a variety of other companies. But that is the direction this majority would like to go.

Mr. WELLER. Mr. Speaker, how much time remains on both sides?

The SPEAKER pro tempore. The gentleman from Illinois (Mr. WELLER) has 5½ minutes. The gentleman from New York (Mr. RANGEL) has 12½ minutes.

Mr. WELLER. Mr. Speaker, it looks like they have a few more speakers than we do. I will reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. BECERRA), a distinguished member of the Committee on Ways and Means.

Mr. BECERRA. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, it is hard to believe that today as the Senate moves to vote to help workers left unemployed by September 11, this House chooses to vote to reaffirm last year's massive and imprudent tax cut bill. Knowing what we know today, how can we vote for tax cuts that are tilted towards big business and the well-to-do?

Last year we were told in 2001 that we would have a surplus of $300 billion into the year 2002. Now what do we know? That there is a deficit of $100 billion in the President's budget.

Last year we were told that Social Security would be protected. We all voted for the so-called lock box. What do we know today? The President's budget raids Social Security over 10 years of $1.5 trillion. Last year we were promised that we would pay down the national debt of $3.5 trillion. What do we know today? The Bush budget increases the debt.

Last year we were told prescription drug benefits would be available for all seniors. What do we know today? Only some seniors will get it. Last year we were promised we would support public education. Today what do we know? The Bush budget eliminates all funding for class-size reduction. It eliminates all funding for school construction. It cuts drug prevention programs. It cuts money for drop-out prevention programs.

Education came first?

Today we also know that September 11 left us with the need to fund homeland security and to address our terrorism needs. By the way, the President said it is costing us about $1 billion a month, $12 billion a year to fight terrorism. Extended out for 10 years, that is $120 billion. Why are you taking $1.5 trillion from Social Security? Stop showing those charts.

We also know today that we have lay-offs and unemployment as a result of September 11. American workers in need. We know today the corruption and greed of big business commands the attention of the American public because of companies like Enron inflicting real and heavy hits on our American workers and their pensions.

We also know that the Enrons of the world and the executives like Kenneth Lay who used to run Enron are the ones that would benefit from these tax cuts more than any of Enron's workers.

You cannot claim innocence. You cannot claim ignorance. You know what you are doing if you vote for this. Vote against it. Help the Senate in doing the heavy lifting in helping American workers, not this.

Mr. WELLER. Mr. Speaker, I continue to reserve my time.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. GEORGE MILLER), a veteran legislator.

Mr. GEORGE MILLER of California. Mr. Speaker, as we honor President Reagan's birthday today, it is fitting that we remember one of his most famous lines, "There you go again." Well, tragically, there you go again and here we go again.

In the early 1980's President Reagan forced through a massive tax cut and military spending hikes that resulted in budget deficits over the next 12 years. The American tax payers paid trillions of dollars in additional interest costs. Long-term interest rates remained high. The penalty was on workers, on their families, on their children and on the poor of this Nation. Sounds familiar? There he goes again. President Bush's budget priorities.

In spite of everything we have learned, as the previous speaker said, the world has changed since September 11. Everything has changed, the President said. Everything but this tax cut that was considered in an entirely different time.

What do we see? We see Governors all over the country postponing tax cuts because the reality of their State budgets is they cannot continue to provide tax cuts and provide the services that their States need, whether it is education or highways or infrastructure repairs.

What do we see now? Republican Governors postponing tax cuts. I do not think they think they are raising taxes. They think they are doing prudent economics on behalf of the citizens of their State. We should reject this proposal.

Mr. WELLER. Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. Mr. Speaker, I thank our ranking member for yielding me time.

Mr. Speaker, I must rise in opposition to this senseless sense of the Congress resolution.

I support tax cuts, and I even voted for last year's tax package because I believe hardworking Americans deserve tax relief. But in the year since we passed the tax cut, America's economic conditions have drastically worsened. We now face a future of budget deficits that threaten Social Security and Medicare. That is why yesterday I submitted an amendment to the Committee on Rules that would have added a trigger mechanism to the tax cut.

My amendment would have ensured that the tax cuts passed last year continue as planned as long as future cuts are not paid for with Social Security and Medicare money. Unfortunately, the rule does not allow me to offer this amendment.

It is simply irresponsible for Congress to jeopardize Social Security and its promise of a secure future. That is why I urge my colleagues on both sides of the aisle to vote no on this senseless resolution and let us get back to work.

□ 1245

Mr. RANGEL. Mr. Speaker, I yield 1½ minutes to the gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me the time.

The question we are debating today could not be simpler. In a time of a $6 trillion national debt and a growing deficit, a recession and a war, do we provide hundreds of billions of dollars in tax breaks to the wealthiest 1 percent of the population, people with a minimum income of $375,000 a year, and in the process raid the Social Security Trust Fund and endanger that system? Further, do we cut back on Medicare and other important needs in order to make the richest people in this country even richer?

Mr. Speaker, the answer is pretty obvious. According to an L.A. Times poll published yesterday, 81 percent of the American people think that the President's tax breaks should not go through if it means taking money out of Social Security; 81 percent of the American people believe that. I believe that, and I hope the United States Congress has the guts to stand up to the wealthy campaign contributors and believe it also.

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from New York (Mr. RANGEL) has 7 minutes remaining. The gentleman from Illinois (Mr. WELLER) has 5½ minutes remaining.

Mr. WELLER. Mr. Speaker, I understand I have the right to close.

The SPEAKER pro tempore. The gentleman is correct.

Mr. WELLER. Mr. Speaker, I have one additional speaker.

I yield 2½ minutes to the gentleman from Pennsylvania (Mr. TOOMEY), a leader in the fight to get the economy moving again.

Mr. TOOMEY. Mr. Speaker, I thank the gentleman from Illinois (Mr. WELLER) for the time.

I rise in strong support of H. Con. Res. 312 in support of the Economic Growth and Tax Relief Reconciliation Act we passed last year.

It seems to me one of the most important questions that we can be asking ourselves and should be asking is what do we do to get this economy moving again. Unfortunately several of my colleagues, and we have heard them just recently, have suggested exactly what we should not do. They are openly advocating that we raise taxes during a recession.

Some like to spin this proposal as not a tax hike really, but rather a repeal of future tax cuts. I am afraid that is a distinction without a difference. The fact is, current law establishes a specific declining series of tax rates that are known to all and on which people are planning and making their investment decisions. To replace that existing law with a new series of higher tax rates is simply a tax increase. There is no doubt about it.

The fact is this is a reckless plan, and it will endanger our economy, and that is just Economics 101. I mean, economists of all political parties, all stripes, people everywhere understand when we raise taxes, we slow the economy down, and when we slow an economy down, it results in job losses. Federal taxes right now are still a near postwar record high level, and we are in the midst of a recession that has cost hundreds of thousands of jobs.

If we were to adopt the irresponsible idea of repealing or delaying part of this tax plan that we adopted last year, it can only result in a slower economy and more job losses.

Instead of proposing that we raise taxes, frankly I think we should be following the example of a certain very prominent Kennedy. In 1962, with a Federal tax burden lower than it is today, President John F. Kennedy observed, and I will quote, "The largest single barrier to full employment and a higher rate of economic growth is the unrealistically heavy drag of Federal income taxes." He said that when the tax burden was lower than it is today.

President Kennedy then went on to lower Federal taxes dramatically and sparked 7 years of robust economic growth and job creation. Despite the lower rates, the government took in more revenue than before the tax cut, and the budget deficits were significantly reduced.

The fact is every time that the Federal Government has significantly cut taxes in the last century, the Mellon tax cuts of the 1920s, the Kennedy cuts of the 1960s, the Reagan tax cuts of the 1980s, the fact is the economy responded, jobs were created and tax revenue grew. And we just heard an allegation that the Reagan tax cuts of the 1980s caused deficits. When will we acknowledge the truth? The fact is after Ronald Reagan lowered taxes in the 1980s, Federal tax revenue nearly doubled. The problem was that spending tripled. Sure, we had deficits, but it was not because of the tax relief.

I urge my colleagues to support this resolution, support the American economy, support the people who are looking to get back to work.

Mr. RANGEL. Mr. Speaker, is it our understanding that the majority intend to reserve the balance of their time to close?

The SPEAKER pro tempore. The gentleman from Illinois (Mr. WELLER) has 3 minutes remaining and one additional speaker, and the gentleman from New York (Mr. RANGEL) has 7 minutes remaining. That is correct.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me the time.

I rise in strong opposition to this measure. This resolution is nothing more than an effort to divert attention from the Enron-like scandal in the Republican economic plan.

The Republicans are robbing Social Security and Medicare in order to guarantee additional future tax breaks to the richest Americans. In order to mask this irresponsible, risky and cynical behavior, they fall back on their old discredited mantra, that putting future tax cuts for the rich on hold equals a tax increase. They will say it over and over, but it will never be true.

Everyone in this House is for middle- and lower-income tax cuts, which, by the way, benefit the wealthy as well as the economy, but now that this administration has presided over the disappearance of a $5 trillion surplus, they want to go after Social Security.

Ask the American people the real question. Should we sacrifice Social Security and Medicare in order to give tax cuts to make the rich even richer? Actually the Los Angeles Times did ask the question, and 80 percent said stop the tax cut. We should vote no on this shameless resolution.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, we have not allocated a full hour in our short workweek to consider a resolution that would ensure the richest 1 percent of Americans receive their tax cut on time.

When it comes to policies that would benefit the mass of middle- and working-class Americans, the administration does not seem particularly punctual. After killing OSHA's ergonomics rules, the administration promised a new set of ergonomic standards. Nearly a year later thousands of American workers injured on the job are still waiting.

The administration has long promised a meaningful prescription drug benefit for the elderly. The people are still waiting.

Shunning the Kyoto Global Warming Protocol, the administration promised to develop a new plan to reduce greenhouse gas emissions. The people are still waiting.

Despite promising to control energy costs, the administration dragged its feet in imposing Federal price caps on electricity, allowing Enron and others to gouge California consumers to the tune of $6.8 billion. Californians waited 6 months for relief.

After bailing out the airline industry post-September 11, the majority in the House promised legislation to help thousands of furloughed airline employees. They are still waiting.

The people should not have to wait anymore for help, and I tell my colleagues, the richest 1 percent, in this country, they can wait their turn.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. NEAL), a member of the Committee on Ways and Means.

Mr. NEAL of Massachusetts. Mr. Speaker, one of the previous speakers noted the Kennedy tax cuts as a measure of achievement, but what he failed to note was that part of the revenue, at least one-third of the revenue generated on that occasion, came from closing tax loopholes, which this Congress has been reluctant to address, but let me speak specifically to this issue.

The hot movie in 1981 was Smokey and the Bandit, the cool band was Blondie, and the prevailing fiscal theory was trickle down economics. While 1981 is a distant memory for most of us, we should learn from that experience and not repeat the mistakes of the past.

The meaningless resolution we are considering today would unfortunately do just that. The budget released this week says that the way to climb out of this deficit is with more tax cuts, exploding tax cuts that we all know are going to be drawn from Social Security and Medicare Trust Funds, just when the baby boomers begin to retire.

Mr. Speaker, we cannot afford these tax cuts now, and everybody knows it, so why do we think we can afford them when the baby boom generation begins to retire? Apparently the taxpayers agree with us. The Los Angeles Times poll is clear that the American people dispute the priority that the majority in this House is about to undertake. These tax cuts are not only skewed toward the wealthy, but they disproportionately go to the superwealthy.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. NADLER), in whose district the Twin Towers once stood and was the target of this vicious attack against the United States of America.

Mr. NADLER. Mr. Speaker, this resolution is a joke. I have been a Member of Congress for almost 10 years, and I cannot remember any resolution that simply supports current law. To not repeal or roll back tax cuts, we do not need this resolution. Nothing is coming to the floor. Nothing is threatened. We do not have to do anything.

The fact of the matter is that it was the Clinton budget's deficit reduction package, which the Republicans called the greatest tax increase in history in 1993, which they predicted, and I remember the gentleman from Texas (Mr. ARMEY) on the floor saying this will lead to a depression, this will lead to hair-curling depression, instead led to the greatest economic boom in the history of this country, led to the lowest unemployment, lowest inflation, greatest job growth.

It led to reversing the $5 trillion in debt that we incurred during the Reagan, Bush Senior, years. Instead, we got what we predicted a year ago after 8 years of the Clinton economics was going to be $5.5 trillion of surplus, and 1 year with this tax cut and with the economic recession partially brought about by this tax cut, we now have $4 trillion of that wiped out.

Now they say we should not have a tax increase in a recession. Of course we should not. No one is proposing that unless they think the recession is going to last another 4 or 5 years, but the real point here is that with a $4 trillion in surplus wiped out, this country is going to face choices a couple of years down the road.

Do we want another tax cut for the richest people in our country, or do we want prescription drugs coverage for seniors on Medicare? How are we going to pay for that? There is not enough money in the Bush budget for it. There is not enough money that we see in the next 10 years for prescription drugs under Medicare, not if we give more tax cuts to the richest people in our society.

If we want to fully fund the education bill that we passed, we are not going to be able carry on this current economics. So we have to leave ourselves some adjustment room so we can make decisions in the future when we see do we want prescription drugs for seniors or a little more help for the billionaires among us.

Mr. RANGEL. Mr. Speaker, how much time do we have remaining?

The SPEAKER pro tempore. The gentleman from New York (Mr. RANGEL) has 3 minutes remaining.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

I have been waiting for an answer from the other side as to how this tax policy provision could come out without ever coming before the Committee on Ways and Means. They refuse to answer. It did not come out of the Committee on the Budget. They refused to answer. It must have come out of the Republican campaign to reelect the Congress because it is a political issue and should not be on this floor.

Mr. WELLER. Mr. Speaker, if the gentleman would yield, I would like to provide an answer.

Mr. RANGEL. Well, it is too late now. My colleague sure had his chance, and he will get another chance to answer.

Mr. Speaker, the remaining time that I have I yield to the gentleman from North Dakota (Mr. POMEROY), an outstanding member of the Committee on Ways and Means.

Mr. POMEROY. Mr. Speaker, I thank the gentleman from New York (Mr. RANGEL) for yielding me the time, and I thank the gentleman from Alabama (Mr. BACHUS) for bringing this motion to the floor. I think it is very helpful.

When we passed the tax bill in May, we all agreed that Social Security and Medicare funds would be held inviolate. In fact, that was the terms of the consideration of the tax bill as put forward by the President. He said, to make sure the retirement savings of American seniors are not diverted to any other program, my budget protects all $2.6 million.

This was elaborated on by members of the majority as they advanced the budget, including the tax plan. In fact, the gentleman from Texas (Mr. ARMEY) said we must understand that it is inviolate to intrude against either Social Security or Medicare, and if that means foregoing or, as it were, paying for the tax cuts, then we will do that.

Now we know, however, that the actual budget plan this year involves all future phase-ins of this tax cut coming out of Social Security funds. If we look at the green line on this chart, we will note that for each of the next 10 years, we are into Social Security funds to fund any future dimension of this tax cut. So it is a very different picture than we had when we passed the bill in May. It is not funded from general funds. This is a raid on Social Security. In fact, the President's budget reveals that up to $2 trillion will be diverted from Social Security and Medicare in order to fund all future aspects of the tax cut.

□ 1300

So the question before us today is really a restatement of May's tax cut vote, but done in light of what we now know. In May, we voted saying it would not touch Social Security. Today, we know in light of the President's budget plan that it raids Social Security to the tune of $2 trillion. Under those circumstances, Mr. Speaker, I cannot support this resolution.

I could support this resolution if there were a credible budget plan advanced by the majority that showed we were not touching Social Security and we were not touching Medicare. But to over the next 10 years, and not just in this period of war and recession, as the majority says, but over the next 10 years launch us on a plan that diverts $2 trillion of funds coming in for Social Security and Medicare jeopardizes our Nation, jeopardizes a future commitment to our seniors, and jeopardizes those in the work force today paying for the retirement.

It is wrong to use Social Security monies in this way. They ought to put a plan forward that holds harmless Social Security. The vote today is whether we want to use Social Security on all future aspects of the tax cut.

The SPEAKER pro tempore (Mr. SIMPSON). The time of gentleman from New York (Mr. RANGEL) has expired. The gentleman from Illinois (Mr. WELLER) has 3½ minutes remaining.

Mr. WELLER. The time of the gentleman from New York has fully expired, Mr. Speaker?

The SPEAKER pro tempore. The gentleman's time has expired.

Mr. WELLER. Mr. Speaker, I yield myself the balance of my time.

In conclusion, I would say to my colleagues that it is clear to me that we have an ideological divide. Our friends on the other side of the aisle are proposing a tax increase as their solution to our current situation. And if we look at the facts today, we are at war, a war against terrorism, we are rebuilding our homeland security, we are in an economic recession, and all those who are students of history know that whenever we are in a war, we have a deficit, and whenever we have an economic recession, we have a deficit. Of course, my hope is we can bring spending under control and eliminate that this year.

Our friends on the other side of the aisle propose a tax increase. They say we should repeal the tax cut that President Bush proposed last year, and that by doing so, raise tax revenue that they could spend here in Washington.

Well, let us look at what it is they propose repealing. First, I will mention the marriage tax penalty. Twenty-eight million married couples pay an average of $1,400 more in higher taxes. We, of course, passed legislation to wipe out the marriage tax penalty. A married couple making $60,000, a middle-class married couple in the district I represent, the south suburbs, pays on average $1,400 taxes under the marriage tax penalty. They are middle class. They would see higher taxes under the Democrat tax increase.

They also propose wiping out the elimination of the death tax, and they propose wiping out the doubling of the child's tax credit. Working moms and working families who have children will be able to get up to a $1,000 tax credit. It is $500 under the current law that is in place. They want to raise taxes on those parents with children.

We also provide an opportunity for families to put more tax-free contributions into their retirement accounts. If we go along with the Democrat proposal, we wipe out that opportunity and increase taxes on those who want to save for education and retirement.

If we care about economic growth, we have to remember that it is the small-business person, the entrepreneur who is in the top two tax brackets, the people they call rich. And 80 percent of those who pay taxes under the top two tax brackets are the small-business people, the entrepreneurs, the people who have shops and businesses on Liberty Street in my hometown, our main street, and main streets all across America. We know small businesses and the entrepreneurs are going to create jobs and get our economy moving again.

So, again, a world war, we are rebuilding our homeland security, and we are in a recession. And there is not one real world economist who has said that now is the time to increase taxes. In fact, economists tell us it is best to lower taxes in a recession so people have more money to invest and spend in the creation of jobs.

Yesterday, Secretary O'Neill, someone who is known for his frankness and independent thought, was asked the question: "Is a repeal of the Bush tax cut a tax increase?" And the Secretary said yes. And he noted that raising taxes would stifle the process of getting Americans back to work. This is a bad idea as our recovery is struggling to take hold.

My colleagues, this is a simple vote. We are in a recession, we are at war. Do we want to increase taxes? Those who want to increase taxes vote "no." Those who want to make sure the Bush tax cut is fully implemented and we get this economy moving again vote "aye."

I urge an "aye" vote and ask for bipartisan support for this sense of House resolution and preserve the President's tax cut.

Mr. HOLT. Mr. Speaker, I rise to offer a few comments on the House's consideration of H. Con. Res. 312.

Today our nation is at war, both here and abroad. Congress is considering a budget plan that is likely to spend money out of the Social Security Trust Fund. Our economy is trying to find its footing in the wake of the ongoing recession. And many central New Jerseyans have questions about the security of their 401K retirement plans in the wake of the Enron bankruptcy. Looking at that list of issues, I imagine most Americans feel Congress has plenty of work to do.

But instead of coming together in a bipartisan way to deal with these important matters, the House is wasting time today debating a symbolic and politically slanted resolution that has one and only one purpose: To try to make it seem like some Members oppose tax cuts so that it can be used against them in political campaigns. That this is a purely political exercise is underscored by the fact that the Congressional Leadership rejected all attempts to modify this resolution to include the protection of Social Security.

I support tax cuts. My record on that is clear. I have consistently voted—sometimes even against my own party—to support responsible tax cuts for families, be it in the estate tax, the marriage penalty tax, or other tax cuts. Despite that, I will vote on this resolution. It is the type of silly political "gotcha" game that Americans hate about Washington. And it glosses over the real budget challenges we face.

Last year, the Congressional Budget Office projected over $5.6 trillion in surpluses over the next ten years. Now, based on the President's budget presented this week, the surplus will be about $600 billion—a difference of $5 trillion lost in less than one year.

That budget will force the government to dip into Social Security and Medicare every year for the next ten years, and because it fails to pay off the debt, will cost the country an additional $1 trillion. That is one trillion dollars that won't be available for families to meet their needs or for the government to help with schools, energy research, prescription medicine, or anything else. That's a one trillion debt that will rest on our children.

As many of us warned last year, Congress simply left no cushion in the budget resolution. Last year, no one predicted that we would enter a recession, and no one knew we would be at war. But many of us warned that unforeseen occurrences always arise and carry expenses with them. Set aside more of the budget, we said, and that will put us in a better position for the future—whatever comes.

There is no doubt that the recession and the war on terrorism have contributed to the disappearance of the surplus. But the single largest contributor to that disappearance over the next decade is the President's tax package. This resolution will be presented as a litmus test of who wants to raise taxes. I won't raise taxes. Americans can rest assured that no one here is proposing to raise taxes, certainly not at a time of economic weakness.

We'll see this resolution in only two places: On the House floor today and in campaign commercials this fall. We shouldn't be wasting time on finger pointing and political games. We should be working together to find solutions to the problems that are waiting out on the horizon.

Mr. PASTOR. Mr. Speaker, President Bush recently delivered his budget proposals for Fiscal Year 2003 to Congress. I was hopeful that all Americans would be a part of the American dream, but he has woefully put almost 60 percent of us in jeopardy. The most pressing question in Washington this year is will we support a budget that makes the wealthiest 15 percent of Americans wealthier, or will we pursue policies that will keep 60 percent of the people from becoming worse off.

I wholeheartedly support the President in his efforts to improve homeland security and to further strengthen our military. We have finally adjusted to the post cold war world, and after the terrorist attacks of September 11, we now have an even better understanding of the world and those who threaten us. I fully support the President's efforts to strengthen our military forces through modern equipment and facilities and highly trained and compensated personnel.

I also applaud the President for his efforts to strengthen our security at home. The concept of "Homeland Security" holds special meaning to the people of our nation for the first time in more than 50 years. The images of that fateful day in September will haunt each of us for the rest of our lives. But we are a strong and proud people and we will not forsake our responsibilities to guard the privileges of freedom for which so many of our forefathers shed their own blood. We all support our President in his efforts to protect us and will go the extra mile to meet our security needs.

Yet, we must not neglect the other principles that have made our nation the strongest and most productive in the history of civilization. We are a nation of over-achievers who strive to reach the top and to win. But, we are also a nation of compassion, kindness and giving and we have always been willing to reach down and help those who need assistance.

I am fearful that the domestic side of President Bush's budget plan will neglect not only those who are least fortunate among us, but also a good many of us who are working to reach the top, but have yet to fulfill the dream.

The Congressional Budget Office (CBO) recently issued a report that said the single biggest factor in the elimination of the estimated $5.6 trillion surplus was last year's Economic Growth and Tax Relief Reconciliation Act which cut taxes by $1.35 trillion, most of which went to the wealthiest individuals and businesses. I strongly supported using this surplus to improve the lives of all Americans. I believed it best to divide the surplus into thirds, with one third for tax cuts, one third for additional funding on national priorities like education, Social Security, and infrastructure improvements, and one third toward eliminating the national debt. President Bush's tax cut was too much and, once hit by the recession and the attacks of September 11, it is clear that this huge tax cut has knocked our fiscal house into a heap of rubble.

For the first time since 1997, the budget of the United States Government will experience a deficit. We must pay for the war on terrorism and we must protect the Homeland. But, we should not put domestic programs at jeopardy, go into further debt, and raid the Social Security and Medicare Trust Funds in order to give the wealthiest Americans large tax cuts.

In fact, even though last year's tax cuts are scheduled to expire in 2010, the President's new budget has proposed making these tax cuts permanent. This is estimated to cost an additional $675 billion over the next ten years. This means domestic programs will be cut by almost five percent below the levels necessary to maintain current services. This means that we will be using Social Security and Medicare funds to pay for these tax cuts. It means we will be forced to eliminate 28 elementary and secondary education programs. It means we will cut rural health care activities by 42 percent. It means we must freeze the Child Care and Development Fund. It means we must cut funds for critical repairs to public housing. It means our federal highway program will be cut a drastic 29 percent.

In my view, the price we are being asked to pay for these huge tax cuts is too high. I do not believe it is in the best interest of our nation as a whole to return to deficit spending just so the wealthiest 15 percent of our people can become even wealthier.

I am opposing the domestic portions of the President's budget and call on decision makers to join me in a common sense approach to meeting the priorities of America. We should continue to fight the war on terrorism. We should continue to protect the Homeland against attack. But we must not continue the ill-fated principles that drive us further and further into economic insecurity and debt. Let's be sure all Americans are given an opportunity to strive for the American dream.

Mr. STARK. Mr. Speaker, I oppose H. Con. Res. 312, expressing the sense of the House of Representatives that the scheduled tax relief provided for by H.R. 1836, the Economic Growth and Tax Relief Reconciliation Act of 2001, should not be suspended or repealed.

I oppose the resolution before us today for the same reasons I opposed H.R. 1836 last summer. It's the wrong tax cut at the wrong time. The wealthiest ten percent of U.S. taxpayers reap the greatest benefit from the tax cut. The tax cut is so costly that the President is willing to imperil Social Security and Medicare by using revenue from the Trust Funds to pay for the tax cut.

I am not willing to weaken the foundations of retirement security in order to pay for a bloated tax cut that benefits the wealthy. Nor am I willing to compromise on a Medicare prescription drug benefit. The bottom line is, there is only a limited amount of revenue coming into the Federal Government. By passing last year's tax cut, the Republican Congress put a premium on tax cuts for the wealthy while making retirement security, seniors, education, and our children, a lower priority.

Last January, the 10-year surplus (2002–2011) estimate was $5.6 trillion. In one year, that surplus decreased $4 trillion. Certainly the events of September 11 and the fledgling economy contributed to some of this decrease. However, forty percent of that decrease can be attributed to the Republican income tax cut passed last summer. Last February, Treasury Secretary Paul O'Neill stated before the Ways and Means Committee:

"If we lock box Social Security, that the President said we should do, effectively use it to pay down the public debt and you all want to do Medicare too, that is fine. We still have got after implementation of the President's proposal $1.5 trillion available, or more than 25 percent of the total projected surplus available as a cushion against the prospect of running ourselves back into a deficit ditch."

Secretary O'Neill was wrong. Using the "on-budget" or non-Social Security baseline budget from the Administration's own budget tables, there is now a $298 billion deficit over 5 years from 2003–2007. This means that all of those Republican-promoted Congressional resolutions last year promising to put the Social Security and Medicare trust funds in a "lockbox" were nothing more than dog and pony shows for America's retirees. Sadly, the days of fiscal responsibility are over.

Although Democrats noted last year that the figures used to calculate the size of the tax cut were unrealistic and too conservative, the Republicans ignored our warnings and proceeded full speed ahead. Then, to make the bloated tax cut fit into their rosy budget scenario, the Republicans used budget gimmicks to make their tax cut expire in 2011. Now, appallingly, the President has called to make these tax cuts permanent in the budget he released on Monday. Apparently the rich aren't rich enough. Meanwhile, seniors who cannot afford prescription drugs are reminded by this resolution, and the President's budget, that their concerns are not a priority.

The Congressional Budget Office just reported that making the Bush tax cut permanent would decrease revenues by $569 billion resulting in debt service payment increases of $58 billion. This leads to a total cost of $627 billion in FY 2003–2012. To do a real Medicare prescription drug benefit will cost some $600 billion over ten years. We should scrap the additional tax cuts called for in the President's budget and instead provide a Medicare prescription drug benefit to all beneficiaries.

This resolution is an insult to every American worker who expects to receive an adequate Social Security check at retirement. It is also an insult to every senior who has been anticipating a meaningful Medicare prescription drug benefit. I urge my colleagues to vote "no" on H. Con. Res. 312.

Mr. UDALL of Colorado. Mr. Speaker, this resolution is not real legislation intended to meet a national need or resolve a national problem. Instead, it is a political game. Everyone in this Chamber knows that—and by bringing it forward under this extraordinary procedure, the Republican leadership is doing us the favor of making it clear to everyone in the country.

In simplest terms, the point of this resolution is to try to make the House again express support for last year's tax bill—a bill based on economic projections that were very doubtful then and that now have been shown to have been wildly over-optimistic.

When the bill was passed, the economic weather seemed bright—we did not yet know that we already were in recession—and sponsors of the bill claimed that we could rely on that to continue not just for a matter of months but for a full decade. And now, despite the dramatic change in economic conditions, despite the need for increased resources to fight terrorism and for homeland defense, the sponsors of this resolution are calling on us to say that nothing has changed.

With storm clouds looming and the wind shifting sharply, they are saying that instead of considering whether to shorten sail we should act as if the sun was still shining and the seas were calm—instead of considering adjustments, we should swear allegiance to stay the course—even if it was plotted in error. And that's not all. The resolution asks that the House insist that "suspending, repealing or delaying" any part of last year's bill "is a tax increase." I guess that they subscribe to the theory that if you say something often enough and loudly enough you can get people to believe it.

Of course, the problem is that saying something is so doesn't make it so. It simply is not true that changing something scheduled for the future is the same thing as doing something today—any more than revising next year's baseball schedule would be the same as adding an exhibition game tomorrow. I do not think that makes sense, and I cannot support this resolution any more than I could support last year's tax bill.

I am not opposed to cutting taxes. I have supported—and still support—a substantial reduction in income taxes and the elimination of the "marriage penalty." I have supported—and still support—including the child credit and making it refundable so that it will benefit more lower-income families. And I have supported—and still support—reforming, but not repealing, the estate tax.

But the affordability of last year's tax bill depended on uncertain projections of continuing budget surpluses that now may inspire nostalgia but are otherwise meaningless. As I said last year, the tax bill was a riverboat gamble. It put at risk our economic stability, the future of Medicare and Social Security, and our ability to make needed investments in health and education. For me, the stakes were too high and the odds were too long, and I had to vote against it. This resolution does not correct those problems—merely insists that they don't exist. That may make its sponsors feel better, but it does not deserve the support of the House.

Mr. WATTS of Oklahoma. Mr. Speaker, I rise to support the tax relief law as Congress passed it and as the President signed it. Even in the middle of a recession, some lawmakers have chosen to resurrect a hatred of tax relief—this time giving speeches and making statements in support of delaying or repealing the promise we made to the American people last year. But a promise made should be a promise kept. Yanking cash out of the wallets and pocketbooks of hardworking taxpayers is not good policy. Their elected officials told them they would have more money to spend on their families and needs—and that's the commitment we ought to honor.

Creating jobs and letting people keep more of the money they earn is the recipe for getting our economy back on track. Raising taxes would send the wrong message, set the wrong precedent and take the wrong action during a national recession.

Mr. Speaker, let me remind my colleagues exactly what it is we are talking about: eliminating the death tax, reducing the marriage penalty, doubling the child credit and offering across-the-board income tax relief. This is not about "tax cuts for the rich." This is not about special breaks for only the wealthy. Under the tax relief law, anyone who pays taxes pay less. These are initiatives that should be permanent, not delayed or repealed.

Today's vote will put the House on record. Are we keeping our word or breaking our word? Mr. Speaker, I urge my colleagues to stand behind our promise to hardworking taxpayers around the country and vote for this resolution in support of economic growth and tax relief. Our constituents are counting on us.

Mr. RODRIGUEZ. Mr. Speaker, the resolution on the House floor is a sham. Rather than accept responsibility for their reckless budget policies, they try to hide behind a feel-good resolution that does nothing to balance the budget, and does nothing to protect our national obligations to senior citizens or veterans.

Yes, we are in a war, and we face new challenges that require a strong response. I support that effort 100 percent. But given that reality, we face a choice. One year ago, our new President told us that we need huge across-the-board tax cuts because the surpluses were so large. Now he says we need them even though the surplus is gone and deficits are back. He promised us that we would meet our national priorities first, before cutting revenues in a way that overwhelmingly benefit the most well-off in our society. But his budget leaves key priorities unmet.

This week the administration sent us a budget that breaks the promise not to use Medicare and Social Security funds to fund government operations. Now we have a deficit with no end in sight. And we all know, we all know, that the deficit numbers will end up much worse once we work through all the budget gimmicks and tricks. This resolution champions fiscal irresponsibility. Let's do what the President said we would do: meet our national priorities first. That means we take care of Social Security and Medicare, that means we expand quality health care access for those who still find themselves outside the system, that means we fulfill our promises to veterans, not just next year, but five years from now, that means we invest in our national infrastructure and protect our environment so that we leave our children a world of clean, expanding commerce.

The tax cuts enacted last year—especially now—are simply unfair and unwarranted. They help the very few at the expense of the many. Americans loved the $300 rebate they got last year; we could offer all Americans that rebate for years and years to come if we simply did not purse the most irresponsible aspects of the majority's tax policies. Instead, we will likely face rising interest rates, the most unkind tax hike on American consumers and a true drag on our economy. We face a choice. Blindly adhere to a doctrine of tax cuts first and always, or adopt a balanced approach that offers tax cuts to all Americans while still meeting our national obligations. Let's make the right choice and put the interests of America's working families first.

Ms. McCARTHY of Missouri. Mr. Speaker, I rise in opposition to H. Con Res. 312, expressing the sense of the House of Representatives that the scheduled tax relief provided for by the Economic Growth and Tax Relief Reconciliation Act of 2001 passed by a bipartisan majority in Congress should not be suspended or repealed.

Since January, 2001, we have seen a 10-year estimated $5.6 trillion surplus completely dissolve. Today, Congressional Budget Office estimates show a meager $600 billion surplus, and this is after every dollar has been raided from the Social Security and Medicare trust funds. Instead of insisting on more tax cuts that will drive us further into debt and raise our long term interest rates, let us consider other options.

Last year's tax cuts have already provided income tax relief to most working Americans, and the lowest individual income tax rate has fallen from 15 percent to 10 percent. By waiting to enact additional tax cuts until we can afford it, we can again work towards a balanced budget and ensure the solvency of Social Security and Medicare. In my 25 years of public service, I have worked under the constraints of a President who sought to spend outside of our means, and I had the pleasure of working with a President committed to paying down the debt and balancing the budget. It was this second strategy that allowed America to have the longest sustained period of economic growth in the history of the world. We should follow the lessons we learned then and maintain fiscal responsibility and balanced budgets.

Our priority should be to retire the debt so we do not put America's economy at risk. I am for tax relief, but we need to do it the right way at the right time. It is a travesty that the Republican leadership did not allow us to vote on the Social Security lockbox bill that would have maintained continued support for fiscally responsible tax relief that does not take money away from Social Security. A similar bill passed the House last year by a margin of 407–2.

Mr. Speaker, I ask my colleagues to join me in opposing H. Con. Res. 312, as it threatens Social Security and Medicare funds.

Mr. HOEFFEL. Mr. Speaker, this resolution before us today is a sham. This resolution is a political tool, not an economic tool.

If this resolution was really about improving our economy, it would proclaim the need to protect Social Security and Medicare and not ill conceived tax cuts that are plunging this country back into deficit spending.

If it was about improving the economy, it would seek to explain how a projected $5.6 trillion in surpluses over 10 years have been reduced to $661 billion in just eight months.

If it was about improving the economy, it would explain to the American people how we can afford $2 trillion in tax cuts, while our budget is in deficit.

If it was truly about improving the economy, it would explain how three-quarters of that $2 trillion will be borrowed from Social Security, and the other 25 percent ($550 billion) will be borrowed form Medicare, which, by the way, is all of the projected surplus in Medicare.

I am one of the fiscally responsible members of this body that apparently caused the tax-cut-all-all-cost sponsors of this resolution to draft it. I called for a freeze of still-to-be-enacted tax cuts that would allow us to determine how much the war on terrorism, recession and the already enacted tax cuts will cost us. I have not called for a tax increase. I have not called for a rollback of taxes. I have called for a common sense breather to assess our situation. Anyone calling this tax freeze a tax increase is suffering from a brain freeze.

The President's budget, which includes many laudable items, includes about $80 billion in tax cuts next year. Not coincidentally, about $80 billion is expected to be borrowed from Social Security and Medicare next year, according to his budget. What good does it do for the federal government to give money to American taxpayers with one hand, and take it away with the other?

If corporate America treated pension funds like Congress treats Social Security, someone would be in jail. We can't steal from the future to pay for today's unwise fiscal policies.

I urge my colleagues who support this resolution to stop playing "gotcha", because the American people "get it". They understand that it is wrong to borrow from Social Security and Medicare. They understand that it is wrong to prolong deficit spending. They understand that every additional dollar we pay in interest on our national debt is a dollar that we don't use to pay down our debt.

And because they do understand, I wholeheartedly vote against this ill-conceived, petty resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. WELLER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 312.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. WELLER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 235, nays 181, not voting 18, as follows:

[Roll No. 10]

YEAS—235

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Bereuter
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Bonilla
Boozman
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Carson (OK)
Castle
Chabot
Chambliss
Coble
Collins
Combest
Condit
Cox
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Dooley
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Israel
Issa
Istook
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Kaptur
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Larsen (WA)
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (KY)
Lucas (OK)
Maloney (CT)
Manzullo
Matheson
McCarthy (NY)
McCrery
McHugh
McInnis
McIntyre
McKeon
McKinney
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moore
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Royce
Ryun (KS)
Sandlin
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shays
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (FL)

NAYS—181

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett
Becerra
Bentsen
Berkley
Berman
Berry
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capuano
Cardin
Carson (IN)
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Green (TX)
Gutierrez
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lynch
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCollum
McGovern
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schakowsky
Schiff
Scott
Serrano
Sherman
Skelton
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—18

Blagojevich
Bono
Cooksey
Cubin
Fossella
Frelinghuysen
Luther
McDermott
Napolitano
Oxley
Riley
Roukema
Ryan (WI)
Shaw
Slaughter
Sununu
Traficant
Young (AK)

□ 1327

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

GENERAL LEAVE

Mr. WELLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of H. Con. Res. 312, the concurrent resolution just considered.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentleman from Illinois?

There was no objection.

□ 1330

RECOGNIZING THE 91ST BIRTHDAY OF RONALD REAGAN

Mr. WELDON of Florida. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 82) recognizing the 91st birthday of Ronald Reagan.

The Clerk read as follows:

H.J. RES. 82

Whereas February 6, 2002, is the 91st birthday of Ronald Wilson Reagan;

Whereas Ronald Reagan is the first former President ever to attain the age of 91;

Whereas both Ronald Reagan and his wife Nancy Reagan have distinguished records of public service to the United States, the American people, and the international community;

Whereas Ronald Reagan was twice elected by overwhelming margins as President of the United States;

Whereas Ronald Reagan fulfilled his pledge to help restore "the great, confident roar of American progress, growth, and optimism" and ensure renewed economic prosperity;

Whereas Ronald Reagan's leadership was instrumental in extending freedom and democracy around the globe and uniting a world divided by the Cold War;

Whereas Ronald Reagan is loved and admired by millions of Americans, and by countless others around the world;

Whereas Ronald Reagan's eloquence united Americans in times of triumph and tragedy;

Whereas Nancy Reagan not only served as a gracious First Lady but also led a national crusade against illegal drug use;

Whereas, together Ronald and Nancy Reagan dedicated their lives to promoting national pride and to bettering the quality of life in the United States and throughout the world; and

Whereas the thoughts and prayers of the Congress and the country are with Ronald Reagan in his courageous battle with Alzheimer's disease: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress, on behalf of the American people, extends its birthday greetings and best wishes to Ronald Reagan on his 91st birthday.

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to the rule, the gentleman from Florida (Mr. WELDON) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. WELDON).

GENERAL LEAVE

Mr. WELDON of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 82.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. WELDON of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of House Joint Resolution 82, and I commend the gentleman from California (Mr. COX) for introducing it. This resolution extends birthday greetings and the best wishes of a grateful Nation to Ronald Reagan on his 91st birthday.

Ronald Reagan is among the greatest of statesmen ever to serve in the Oval Office, or indeed to have served the American people in any capacity. He is loved and admired by millions of Americans and by countless others around the world. Twice elected by overwhelming margins as President of the United States, Ronald Reagan built a record of public service to our Nation and to the American people. He was an eloquent and forceful champion of all freedom-loving people, especially those enslaved by the former Soviet Union and its satellites.

Ronald Reagan pledged to restore "the great, confident roar of American progress, growth and optimism." And Ronald Reagan pledged to ensure economic prosperity. He kept that pledge. Ronald Reagan inherited a moribund economy mired in recession and wracked by rampant inflation. But his wisdom, his confidence in the American people, his sound economic policies and his courage in the face of fierce opposition led us out of that recession and defeated inflation. President Reagan's policies laid the groundwork for an unprecedented period of prosperity. He put us back to work and unleashed the genius of American entrepreneurs. He inherited a hollow military and a Nation unsure of itself. He rebuilt our Armed Forces into the finest fighting force in the world, and he lifted our spirits and strengthened our resolve. Ronald Reagan's leadership and courage paved the way for the ultimate demise of the Soviet Union and the extension of freedom and democracy around the globe.

Ronald Reagan's commitment to our men and women in uniform earned him a high accolade last spring when the USS *Ronald Reagan* was christened in Newport News, Virginia. His devoted wife Nancy stood in his behalf to christen and accept this evidence of America's esteem and gratitude for Ronald Reagan's unstinting service to our Nation. During the ceremony, President Bush noted that "when we send her off to sea, it is certain that the *Ronald Reagan* will meet with rough waters and smooth waters, with headwinds as well as fair, but she will sail tall and strong like the man we have known."

Mr. Speaker, we continue to benefit today from Ronald Reagan's foresight and courage. There can be no better or more dramatic example than our improving relations with the Russian Republic. Once the heart of our fiercest adversary, our relations with Russia are now marked far more by cooperation than confrontation. I do not discount for 1 minute the importance of the diplomatic skills and courage of President Bush in building that relationship, but it simply could not have happened had President Reagan not persevered in the face of the constant and often vehement criticism of the so-called experts as he confronted what he correctly labeled the "Evil Empire."

Indeed, I had the privilege of visiting with Anatoly Sharansky when I was in Israel several years ago who was in jail in the Soviet Union at the time that Ronald Reagan gave that speech. He said those words labeling the Soviet Union the Evil Empire not only reverberated throughout the jail he was in, but throughout the entire Soviet Union, because the people themselves knew that Ronald Reagan's words were true.

Ronald Reagan is an American hero on many fronts. He and Mrs. Reagan dedicated their lives to promoting national pride and to bettering the quality of life in the United States and throughout the world. Mrs. Reagan's years as a gracious First Lady were spent leading a national crusade against illegal drug use and the mission that became known as "Just Say No."

Mr. Speaker, the thoughts and prayers of the Congress and the country are with Ronald Reagan in his courageous battle with Alzheimer's disease. On behalf of all Americans, it is fitting that we honor this great American President on his 91st birthday. I urge all Members to support this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to join in consideration of this resolution. A bigger-than-life screen actor and television personality, Ronald Reagan moved from being Governor of California in the 1960s to President of the United States and dominated American politics in the 1980s. He was the first President to be reelected to a second term since General Dwight D. Eisenhower.

Media-made and media-presented, President Reagan got millions of Americans to feel proud of their Nation. America's 40-year Cold War with the Soviet Union cooled considerably, and perhaps actually ended, during the Reagan Presidency. Many Americans credit him with having achieved that significant outcome.

Born the son of a shoe salesman in small-town Illinois, a great State, Reagan's impoverished but loving parents instilled in him a sense of optimism that carried him through college as an average student. After graduation, he worked for a few years as a sports broadcaster in Midwestern radio before landing a film contract with Warner Brothers which took him to Hollywood in 1936. Over the next 30 years, he made scores of films, including Army films produced during World War II. He hosted two popular television series, and he actively engaged in politics as president of the Screen Actors Guild.

In the 1950s, President Reagan changed from being a Roosevelt New Deal Democrat to a conservative Republican. In 1966, he became Governor of California. He was reelected in 1970. Using his popularity in California, he unsuccessfully challenged President Gerald Ford for the Republican nomination in 1976. He tried again and won the nomination in 1980 and thereafter defeated the incumbent Democrat, President Jimmy Carter. With his 1984 reelection victory, Mr. Reagan became the most politically successful Republican President since President Eisenhower.

Today, we celebrate former President of the United States Ronald Reagan's 91st, birthday. We wish him a happy birthday and a debt of gratitude to him and his family for their many years of public service.

Mr. Speaker, I reserve the balance of my time.

Mr. WELDON of Florida. Mr. Speaker, it is my privilege to yield 4 minutes to the author of this resolution, the gentleman from California (Mr. COX).

Mr. COX. Mr. Speaker, I thank the gentleman from Florida (Mr. WELDON) for yielding me this time. I also want to thank the gentleman from Illinois (Mr. DAVIS) who just spoke very eloquently about an Illinois native son. I think you can see a lot of the same traits of Ronald Reagan in the gentleman from Illinois (Mr. DAVIS), in our Speaker, and in our Speaker pro tem, all sons of Illinois.

The sons and daughters of Illinois have a great deal to be proud of as we recognize once again President Reagan on his birthday. He has had a lot of them. At 91, he is America's oldest President ever. No President has lived to the age of 91. The record was set by John Adams. As you know, John Adams died on the Fourth of July, the same day as Thomas Jefferson. They died on the 50th anniversary of the Declaration of Independence. I hope that Ronald Reagan will be able someday to see the end of his days in as noteworthy a fashion. Already, however, he has left such a legacy that it is appropriate that we are here to honor him.

His career, any of his careers, would be remarkable in and of themselves. He was a successful sports announcer. Of course, he had a career in pictures. He was a very successful two-term Governor of California and a very successful two-term President of the United States, winning election twice in landslides. If he were here with us today, President Reagan would presumably humbly acknowledge that he appreciated the birthday wishes on the 52nd anniversary of his 39th birthday. That is what it is today.

When President Clinton was running for office, he once said that America needed a President for the 1990s. Hope springs eternal. Perhaps now we could, if we would only repeal the 27th amendment, get a President in his 1990s. We would welcome, I think, Ronald Reagan back to Washington were it possible.

When he became President, we had endured, unhappily for all of us, an era of national malaise, bereft of any sense of moral direction. Throughout his term of office, throughout 8 of the fastest moving years in history, President Reagan brought us back. That Irish twinkle, that homespun style of his, seemed never to change, and it brought a new assurance to America.

He was not only America's President, but the leader of the free world. With a toughness that we had not seen for a long time, he stood toe to toe with what he unabashedly termed "the Evil Empire." And when he said, "Mr. Gorbachev, tear down this wall," he was widely criticized. It was thought that this was not constructive, it was not going to work, because realists among us knew the Soviet Union was going to be there forever, and we should accommodate it. He saw a different future, and he worked hard to bring it about. As a result, hundreds of millions of people not just in the Soviet Union, but throughout Eastern and Central Europe, were liberated.

He was called the great communicator in part because he spent so much time on television explaining his policies, and he was quite good at it. But it was more than communication skill, it was that he had a message to communicate. Lady Thatcher, then Prime Minister Thatcher, compared him to Winston Churchill. She said, "Like Winston Churchill, he made words fight like soldiers and lived the spirit of a Nation."

If the events of September 11 have taught us anything, it is that America still requires a strong national defense that acts as a vanguard against enemies who would destroy freedom and democracy. Ronald Reagan cared about these things very deeply and carried forward the ideals of freedom and the defense of freedom throughout the 8 years of his Presidency. President Reagan's foreign policy and his strength of character will not be forgotten.

A recent book, "Reagan: In His Own Hand," details the writings of the President that we are just now discovering, even late in his life, that we never knew when he was President. Another book, "When Character Was King," by Peggy Noonan, includes writings from Ronald Reagan when he was a teenager. He was a remarkable individual, the first labor union president to become President of the United States.

I say with all of us here, as he said at the end of his D-Day speech in Normandy, we will always remember, Mr. President, and we will always be proud. Happy birthday.

Mr. DAVIS of Illinois. Mr. Speaker, I want to thank the gentleman from California for his kind remarks as well as for the introduction of this resolution.

Mr. Speaker, I yield 4 minutes to the gentleman from New York (Mr. HINCHEY).

Mr. HINCHEY. Mr. Speaker, I want to join with my friends and colleagues on both sides of the aisle in recognizing the 91st birthday of former President Ronald Reagan and paying tribute to him. I particularly want to associate myself with the remarks which were made a few moments ago by the gentleman from Illinois.

This is also an opportunity for us as we recognize former President Reagan to reflect for a few moments on his policies and to see if we can find within them some instructions for us in the present context.

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Having done so, I do find some instruction, and I think it could be helpful to the Members of the House as we approach some of the important issues which are before us today and for the rest of this 107th Congress.

One of the first things that President Reagan did when he came into office was to offer a major tax cut, the effects of which were to cut taxes for the most affluent people in the country, the most financially successful people. He also proposed at the same time a very substantial increase in the military budget.

We find ourselves at this moment facing a very similar situation: a President having proposed and succeeded in passing a massive tax cut last year, the primary benefits of which went to the richest people in the Nation, and also proposing a massive increase in military spending.

Now, what were the effects of the Reagan economic policies, the tax cut and increase in military spending? In regard to taxes, the impact was to pass the tax-bearing responsibility in our country from the most affluent people to middle-income and lower-middle-income Americans. In other words, middle-income and lower-middle-income working people assumed a larger portion of the tax burden as a result of the initial Reagan tax cuts, some of which were changed and rescinded later on in the Reagan administration.

Also the effect was to deny States of substantial amounts of revenue. States then passed taxing responsibilities on to the localities and increases in local property taxes occurred across America, in my State, New York, included along with many, many, if not all other States.

We are about to see something very, very similar here as a result of the economic policies of the present administration. The effect of the tax cut which was passed by this Congress and signed into law by President Bush is having the same and will have increasingly that same impact. It will cause the tax responsibility and increasingly larger burdens to be borne by middle-income and lower-middle-income people as the wealthiest people are relieved of having to pay taxes.

Furthermore, the effect of the tax cuts which were passed by this Congress last year are going to deny States of their ability to pay for the things that they need to do in order to provide for the health, safety, and welfare of the people in those States, so we will see similarly responsibilities passed on to local governments and increases in local real property taxes.

There is a very outstanding American philosopher named George Santayana, who once made the observation that those who fail to recognize the mistakes of the past will be doomed to repeat them. That admonition is particularly applicable to all of us in this Congress as we face these present economic conditions, a condition where we have gone from anticipated record budget surpluses at the Federal level to now anticipating substantial and increasing budget deficits.

So as we pay tribute to President Reagan, let us also recognize the effect of the policies that he adopted in taxation and apply those lessons to our present condition today.

Mr. WELDON of Florida. Mr. Speaker, I yield myself 30 seconds just to say that the period during which Ronald Reagan was President during the 1980s, the Congress engaged in a dramatic increase in social spending. It is not totally correct to attribute the deficits of the 1980s purely to the defense buildup, but indeed can equally be attributed to the actions of the Democratic Congress at the time which engaged in a dramatic increase in social spending. The Reagan defense buildup was essential for our winning the Gulf War, it was the right thing to do, and the tax cut was instrumental in lifting us out of a recession.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. DREIER), the very distinguished chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, I thank my friend for yielding me time.

Mr. Speaker, I really cannot believe this. Today is Ronald Reagan's 91st birthday. He is one of the most revered individuals to have ever lived. He is the person who brought down the Soviet Union, brought back this amazing sense of patriotism which we once again are enjoying here in the United States, and he focused on what was very important, and that was getting the economy going. And we have people who now want to re-debate and completely rewrite the history of what took place during the 1980s.

Let us look at what happened. When President Reagan came into office, taking over for Jimmy Carter, this country was, according to Jimmy Carter, in a state of malaise; and Ronald Reagan almost single-handedly turned it around.

Until 1994, when we won the Republican majority in the United States Congress, we had not had control of this place since 1981. You can say in 1981 the Democrats still controlled this institution, but the fact of the matter is Ronald Reagan was able to maintain working control of the United States Congress and put into place the Economic Recovery Tax Act. I am very proud to have voted for that measure, which nearly tripled the flow of revenues to the Federal Treasury.

Our friend, the gentleman from Florida (Mr. WELDON) is absolutely right. We saw a dramatic increase in social spending take place. And, yes, we did see the military buildup; and we all know how essential that was following the demise of our military during the Carter years.

And what did it bring us? It brought us, again, the demise of the Evil Empire, and I am pleased to see George Bush using that Reaganistic term once again; and we were able to sustain the economic recovery for now literally decades. And it all started with Ronald Reagan's vision of reducing that tax burden on working Americans, realizing that marginal tax rate reduction in fact increases the flow of revenues to the Federal Treasury.

Happy birthday, Mr. President. We are very, very privileged to be standing on your shoulders as we try to pursue the policies which you successfully implemented.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, even before Ronald Reagan was elected Governor of California, I think one of the other contributions that he made was to cause Americans to take a different look at individuals in the entertainment industry. I think as a result of Ronald Reagan, many entertainers have developed far more interest in public policy decision-making and are more actively engaged and more actively involved in those processes than before his time. So in addition to the service he provided as an elected official, I think we have to give him some credit for the movement away from certain kinds of perceptions relative to entertainers.

Mr. Speaker I reserve the balance of my time.

Mr. WELDON of Florida. Mr. Speaker, it is a privilege for me to yield 3½ minutes to the gentleman from coastal Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Speaker, I thank the gentleman for yielding me time, and I thank the gentleman from the other side, the gentleman from Illinois (Mr. DAVIS), for supporting this resolution, in that this is not a bipartisan Republican birthday. It is an American birthday, which we all have reverence for the office of the Presidency.

As we celebrate Ronald Reagan's 91st birthday, we ask ourselves, what is the essence of Reagan? Why is this man, so many years out of office, still so special and still so exciting to so many of us?

Was it the fact that he lived the American dream, starting out from a very humble beginning, even a broken home? He started out as a radio announcer, an athlete, an actor, and then went on to be a businessman, ultimately a Governor, and President of the United States. Is that the essence of Ronald Reagan?

Or was it the fact that when he became President, it was the policies that we conservatives have wanted for so many years: lower taxes, beating inflation, less government regulations, creating more jobs? Was that it?

Or was it the fact that he made our men and women in uniform proud once more to have that American label as part of their vocation and existence, the pride?

Or was it the fact that he defeated the Soviet Union, the Evil Empire? I have had the opportunity to travel to Bulgaria, Czechoslovakia, Tajikistan, Uzbekistan, and to even go to Red Square. It is amazing to go to these places today and think about all their years of oppression under a communist regime and how they are growing young republics and democracies today. Is that the essence of Ronald Reagan?

Or was it the fact he was a happy conservative, never scowling, but always talking and making illustrations with stories, like the one about the Russian who was going to get a part for his car, and it was in January, and the part was going to come June 12th. And they said, "That is as soon as we can get the part for your car," June 12, 6 months away. He said, "I cannot see you June 12." They said, "Why not?" He said, "Because that is the day my plumber is going to be there." That kind of illustration of a story.

Or was it that twinkle in his eye? Was it the fact that he appealed to people on a bipartisan basis? Was it the fact that in my area blue collar Democrats switched over to vote Republican, not to vote Republican necessarily to become Republicans, but because they believed in Ronald Reagan, that he put America above party?

Or was it the grandeur that he returned to the White House, that he and Nancy brought back a kind of stately style and fashion when they came back that showed they were ready to lead the new world, or was it that natural style of relaxed attitude and optimism?

I think, Mr. Speaker, on this 91st birthday of Ronald Reagan, it was all of the above.

I know he was very inspirational to me as a college student. When I first ran for the State legislature in 1984, my wife, Libby, and I had the opportunity to meet him in person; and he was truly somebody who urged all of Americans to get off your duff and start running for office and participate in public policy.

Libby and I still love him and have great affection for him. In fact, I told my wife, Libby, I have said this before on the floor, "Libby, you like Ronald Reagan so much, you talk about him, you praise him, you say he is the kind of politician that I should be; in fact I am a little jealous, my dear wife. I think you like Ronald Reagan better than you like me." And she said, "Yes, but I like you better than I like George Bush."

I guess that is the best I can do on this 91st birthday of Ronald Reagan.

So, happy birthday, Mr. President; and God bless America.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will simply close by suggesting that Ronald Reagan was indeed and has been a tremendous inspiration to millions of people, notwithstanding whether you agreed with all of his policies or not. As a matter of fact, there were many that I disagreed with. But the reality is that he demonstrated that one not need always look at where you come from, but what is really important is where you are going. So he went from this small town in Illinois, the land of Lincoln, to become President of the most powerful and greatest Nation on the face of the Earth. That is indeed a tribute, and I wish for him a happy 91st birthday.

Mr. Speaker, I yield back the balance of my time.

Mr. WELDON of Florida. Mr. Speaker, it is my privilege to yield the balance of my time to the gentleman from California (Mr. ROHRABACHER).

Mr. ROHRABACHER. Mr. Speaker, I first met Ronald Reagan when I was still in my teens. I had been active in his first campaign for Governor. During the primary season we had been very active, and we found out that the heads of the campaign were going to eliminate Youth for Reagan during the general election and have us all work with the adult organization. I felt very disturbed about that. We had worked so hard; I had hundreds of kids out passing out leaflets for him. So I decided to go see him myself.

I hiked up to his home at Pacific Palisades at 3 o'clock in the morning and camped out on his lawn in a sleeping bag. About 7 o'clock in the morning, Nancy stuck her head out the door and says, "Who are you?" I had a little sign that said "Ronald Reagan, please speak to me."

Nancy says, "You know, my husband, if he comes out to talk to you, I know that he is going to spend 5 or 10 minutes with you. He will be late for the rest of the day; he won't be able to have his breakfast. If you will go to the campaign headquarters, I will get you a meeting with the top person in the campaign. I have to protect my husband, you see."

I said, well, how can you argue with that? So I started walking down that long driveway in Pacific Palisades dragging that sleeping bag. Behind me I heard these footsteps, and there was Ronald Reagan. His shirt was half off, he had the shaving cream on his face. He was going, "Wait a minute, wait a minute. If you can spend the night on my back lawn, I can certainly spend a few minutes with you. Now, what is the problem?"

Ronald Reagan listened to me, and I do not know if that is what saved the day, but the Youth for Reagan never was eliminated. We worked in the campaign as our Youth for Reagan unit.

That is the kind of person Ronald Reagan was. He won my heart then. He was a person who was very kind to other people, but he was very tough when it came to policy.

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He was a principled man. He was a principled man who cared about others. What were his principles that he based his decisions on that made him a successful person? He believed in personal responsibility, and he believed that people should keep more of what they earn and be able to decide on things that were important for their lives, and that they should control their own destinies. He felt that government, if we had to turn to government for help, it should be the government that was closest to the people so that it would not become isolated from the people and bureaucratic and autocratic.

So that is why he believed things like education should be run at the local level, controlled by parents and teachers, rather than increasing Federal involvement, which would lead to bureaucratic control from Washington.

He believed America should be a powerful force for freedom in the world, and he knew that for America to be a force in the world and for there to be peace and freedom anywhere in the world, America had to be strong. He did feel that defense, the military strength of the United States, and the defense of freedom and our country and the peace of our people was the number one responsibility of the Federal Government.

He, during his time period, was castigated. Just because we are celebrating his 91st birthday and most people are saying good things about him, the fact is that he is 91 years old today and he does deserve that praise, but when he was President of the United States, he was vilified regularly by people who just did not believe in the things that he believed in, but they tried to make him into a warmonger and a person with a bad heart.

Now, we should be able to disagree, and I never heard Ronald Reagan call anybody a name. The fact is we should be able to disagree on policy and believe in the goodness of each other. Ronald Reagan did have a good heart, but his policies were right. The fact is his low tax policy is what started the economic recovery of this country, which was in a shambles before Ronald Reagan became President. It ignited this rocket and in about January of 1993, which is exactly when the final phase of his tax cuts came in, and the recovery has not stopped since then. It faltered a little bit in 1992. So Ronald Reagan's policy started, ignited this, the greatest and the longest period, and we are enjoying it.

This is, right now, the final phase of that Ronald Reagan prosperity. The only other time the economy went down even a little was in 1992, and then it shot right back. It was just a momentary faltering.

What about peace in the world? Ronald Reagan was vilified as a warmonger. People on the other side of the aisle in this body would try to undermine his efforts to prevent Communist expansion in Latin America, undermine his efforts to try to be firm with Gorbachev and the Soviet leaders in bringing down the level of missiles rather than just freezing the high level of nuclear weapons we had, and, in the end, Ronald Reagan was able to end the Cold War, which permitted us to decrease military spending in these last 15 years. It was that investment he made, the good policies he had, but it was his principle and his strength of character that carried the day for this country.

So God bless you, Ronald Reagan. We know that you have Alzheimer's disease and you probably cannot understand what we are saying, and you may not remember me, but we will never forget you.

Mr. PUTNAM. Mr. Speaker, distinguished colleagues, today is President Ronald Reagan's 91st birthday. Please join me in wishing Mrs. Reagan the very best today and expressing to her, and the President, the gratitude of freedom-loving peoples everywhere for his service to our Nation and the cause of liberty.

On September 1, 1976, Ronald Reagan delivered a radio address entitled "Shaping the World for 100 Years to Come." In this brief address the future President defined the challenges that lay before the American people as a choice between individual freedom or state control of our very lives.

At that time in the life of our country it wasn't at all clear that the American people would continue to choose the path of individual freedom, with all its perils and responsibilities, over the comforts of a paternalistic government.

It seemed that as government grew, individual liberty shrank. As taxes grew, personal initiative was discouraged and the entrepreneurial American spirit was being stifled by a government that no longer seemed to be of the people, by the people and for the people.

Just as he called Americans to take charge of their individual destinies that day Ronald Reagan also spoke of the international challenges facing our country, in particular the horrible threat of nuclear war. He reflected on the beauty of the world he knew and challenged the Americans of 1976 to avoid a nuclear Armageddon, and still pass on to future generations a world of beauty, peace, prosperity, and the ultimate in personal freedom.

In 1976 Ronald Reagan saw that America, and Americans, were faced with several historic choices. We could choose the hard road of individual liberty and personal freedom, or we could choose the easy road of government paternalism. We could choose the clear road of Mutually Assured Nuclear Destruction or we could choose the unclear path of fighting—and defeating—our enemies on the economic and cultural battlefield. In 1980 Americans made their choice, and elected Ronald Reagan the 40th President of the United States.

Today, all Americans, and indeed freedom-loving people throughout the world, reap the benefits of that choice. President Reagan led the American people down the hard road of reducing the growth of the Federal Government and renewed our commitment to individual liberty and entrepreneurship. Through Ronald Reagan's resolve and inspiration we fought and defeated one of history's greatest threats to the sanctity of the individual human spirit not on a world-destroying nuclear battlefield, but on the economic and cultural battlefield.

Today, we stand one quarter of the way into the 100-year future that Ronald Reagan looked into in 1976. The challenges before us are new, but no less daunting than they were in 1976. The sanctity of the individual human spirit is again under attack by people who made a human and cultural wasteland of one country and would do the same to the entire world if they acquired the means.

As we go forward in our war on terrorism let us pause for a moment today and thank Ronald Reagan for ensuring that America took the hard path of freedom and responsibility. Let us remember that our greatest and most effective weapons are not always the military might that President Reagan so staunchly advocated, but the entrepreneurship and economic power of the individual that he so vigorously defended. And let us renew our commitment to keep America "the shining city on a hill" that provided Ronald Reagan with inspiration throughout his life and provides all mankind with a beacon of hope and freedom.

May God Bless President and Mrs. Reagan and May God Bless America.

Mr. JEFF MILLER of Florida. Mr. Speaker, it is my honor today to pay tribute to a true American patriot on his 91st birthday, President Ronald Reagan. As we in Congress wrestle with the Defense budget, I recall the words of Ronald Reagan when he submitted his Presidential budget. He said,

> We start by considering what must be done to maintain peace and review all the possible threats against our security. Then a strategy for strengthening peace and defending against those threats must be agreed upon. And, finally, our defense establishment must be evaluated to see what is necessary to protect against any or all of the potential threats. The cost of achieving these ends is totaled up, and the result is the budget for national defense.

Mr. Speaker, as we debate on the proper amount for the defense of our Nation, the greatest tribute we can pay to Ronald Reagan is to build on the strong defense foundation that he laid and provide our military the funding and resources to defend the Constitution and protect the values under which this great Nation was founded.

Mr. HASTERT. Mr. Speaker, today, as we commemorate President Ronald Reagan's 91st birthday, we remember the significant impact he had on our lives here in America. When our country was struggling through the cold war and a suffering economy, he had the ability to lead us with courage and hope, not fear or disappointment. When he gave his first inaugural speech in January 1981, he said, "I do not believe in a fate that will fall on us no matter what we do. I do believe in a fate that will fall on us if we do nothing." These words alone explain the perseverance that Reagan possessed throughout his presidency. These words also taught Americans that it is important not to give up during difficult times.

The Great Communicator is a title that we all remember him by. He earned this name because of the way he conveyed his messages to all people, because he spoke from his heart with passionate words, words that resonate in people's hearts and minds for generations to come.

When I think of President Reagan, I think of how important it is to work hard with determination. He re-ignited American patriotism, and what it means to be an American. He taught us that education is the foundation for a successful future, and that everyone has the opportunity to achieve his or her dreams. He made us understand why everyone, no matter what background, can be a hero. Reagan also helped us remember that the purpose of government is to serve the people, not the other way around, and that we should cherish our freedom because not every nation guarantees it.

As a former high school teacher, I have long believed that history is what makes us remember our past so that we can fully understand who we are and why. President Reagan often stressed the importance of history because he also believed that by learning from our past, we could better appreciate our forefathers who sacrificed their lives to preserve the freedom that we have here in America today.

I want to commend President Bush for his actions in making President Reagan's boyhood home a National Historic Site by signing the bill into law today. As the author of this legislation and the Congressman who represents the little hamlet of Dixon, IL, where Ronald Reagan grew up, I could not be more proud. There will now be a lasting, living legacy to our 40th President who won the cold war and returned America to greatness in the late 20th century.

With the preservation of Reagan's boyhood home, we are protecting American history and paying tribute to a good man and great President who truly believed in American values, American principles, and most of all, the American spirit.

President Reagan, congratulations on the 52nd anniversary of your 39th birthday. Godspeed.

Mrs. BIGGERT. Mr. Speaker, I rise in strong support of H.J. Res. 82, a bill honoring former President Ronald Reagan on the occasion of his 91st birthday.

Ronald Reagan holds a special place in the hearts and minds of the citizens of northern Illinois. Many believe that President Reagan was a Californian. But his core values and bold conservatism were the product of a childhood in Illinois.

Ronald Reagan continues today to serve as a model of optimism and hope. In his very first inaugural address, President Reagan set the tone for his 8 years in office when he proclaimed that, "no arsenal or no weapon in the arsenals of the world is so formidable as the will and moral courage of free men and women." During these challenging times for our Nation, President Reagan's words seem even more relevant today.

President Reagan truly was the "Great Communicator." One of my favorite lines of his was when he said that the best view of big government is in the rear view mirror as you're driving away from it. Throughout his presidency, Reagan used his trademark humor and wit to unite a nation, end the cold war, and restore prosperity. He championed the notion of individual responsibility and accountability.

And most importantly, he made people feel good about being proud of our great Nation. President Reagan once said that he would like to go down in history as the President who made Americans believe in themselves again. I believe that he has.

On behalf of a grateful Nation, Happy 91st Birthday, President Reagan.

Mr. CRANE. Mr. Speaker, today we honor a man who has had a profound impact on the lives of us all, a positive impact that has had a reverberating positive effect, not just here in the United States, but worldwide.

In the past I have taken time on this floor to expound at length upon many of President Reagan's achievements. He more than fulfilled his pledge to help restore "the great, confident roar of American progress, growth, and optimism" and ensure renewed economic prosperity.

Today I simply want to pay tribute to the man who has left his permanent stamp on the course of history. We salute that gentleman who has turned 91 today and pay tribute to him.

God bless you, President Reagan. We are all eternally grateful for that unprecedented role that you played in our national experience and it will never be forgotten.

Mr. GIBBONS. Mr. Speaker, today, our 40th President, Ronald Reagan, is celebrating his 91st birthday. I want to wish this Great American a peaceful birthday and to thank him for his leadership which has endured well beyond his years in the White House.

Ronald Reagan rekindled our nation's patriotism and pride. Today, as we continue to wage a war against terrorism—a war against those individuals who jeopardize our freedoms and liberties—the confidence Ronald Reagan had in the American spirit provides every one of us with the strength and will to see this war to its rightful end—to victory.

In the 106th Congress, I was proud to introduce legislation to award the Congressional Gold Medal to Ronald Reagan and his wife, Nancy. This legislation was signed into law and the award will stand as a fitting tribute to the commitment and dedication the Reagans have had to this nation.

As President, Ronald Reagan was dedicated to encouraging economic growth, recognizing the value of hard work, and sparking hope and pride among Americans.

He believed that "everyone can rise as high and as far as their ability will take them." This principle became a guiding creed of Reagan's Presidency, as he successfully turned the tide of public cynicism and sparked a national renewal.

President Reagan fulfilled his pledge to restore "the great, confident roar of American progress, growth, and optimism." During his presidency, Americans once again believed in the American Dream.

Today, as we face a great evil, we build upon this "confident roar" and find solace in Ronald Reagan's everlasting faith in America and her people.

Thank you Mr. President for your inspiration and leadership which continues to guide our nation and which will help us to protect our freedoms and liberties in the twenty-first century. May you have a peaceful and relaxing birthday and God bless.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentleman from Florida (Mr. WELDON) that the House suspend the rules and pass the joint resolution, H.J. Res. 82.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. WELDON of Florida. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

RECOGNIZING AND HONORING JACK SHEA, OLYMPIC GOLD MEDALIST IN SPEED SKATING, FOR HIS MANY CONTRIBUTIONS TO THE NATION AND TO HIS COMMUNITY THROUGHOUT HIS LIFE

Mr. WELDON of Florida. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 340) recognizing and honoring Jack Shea, Olympic gold medalist in speed skating, for his many contributions to the Nation and to his community throughout his life.

The Clerk read as follows:

H. RES. 340

Whereas John "Jack" Amos Shea was born September 7, 1910, in Lake Placid, New York, a village in the Adirondack Mountains;

Whereas Shea was the son of James Shea, a New York State Assemblyman, and Grace Shea;

Whereas at the age of 3 Jack began ice skating and by the age of 10 he was competing in speed skating;

Whereas Shea was the North American speed skating champion in 1929 and 1930;

Whereas at the age of 21 Shea entered the 1932 Winter Olympics in Lake Placid, New York, during which he won the gold medal in speed skating for both the 500 meter and the 1,500 meter events;

Whereas Shea was elected to the Speed Skating Hall of Fame, was among the first group of honorees elected to the Lake Placid Hall of Fame, and received numerous other honors from the speed skating community;

Whereas after graduating from Dartmouth College with a degree in political science, Shea served as the town justice of North Elba, New York, from 1958 to 1974, after which he became the town supervisor until his retirement in 1983;

Whereas Shea was a member of the Executive Committee of the 1980 Lake Placid Olympic Organizing Committee;

Whereas in 1982 Shea was appointed to serve as vice chairman of the Olympic Regional Development Authority;

Whereas Shea was a loving husband to his wife of 67 years, Elizabeth Steams Shea, and had 4 sons and several grandchildren and great-grandchildren; and

Whereas Shea's son Jim competed in the 1964 Winter Olympics in Innsbruck, Austria, and his grandson Jim Jr. will compete in the 2002 Winter Olympics in Salt Lake City, Utah: Now, therefore, be it

Resolved, That the House of Representatives—

(1) recognizes and honors Jack Shea, Olympic gold medalist in speed skating, for his many contributions to the Nation and to his community throughout his life, and for transcending the sport of speed skating and becoming a symbol of athletic talent and a role model as a loving husband, father, and grandfather; and

(2) extends it deepest condolences to the family of Jack Shea and to the Olympic community on their loss.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. WELDON) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. WELDON).

GENERAL LEAVE

Mr. WELDON of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Res. 340.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. WELDON of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to have the House consider House Resolution 340. I commend my distinguished colleague, the gentleman from New York (Mr. SWEENEY), for introducing it. This resolution recognizes the enduring contributions, heroic achievements, and dedicated work of Jack Shea.

Mr. Shea died on Tuesday, January 22, 2002 at the age of 91 from injuries in a car accident a few blocks from his home. The driver of the car that hit Jack Shea's car was charged with driving while intoxicated and other counts.

Mr. Speaker, Jack Shea devoted his life to living the Olympic ideal and passing his inspiration and knowledge to younger generations. At 22, Jack Shea won gold medals in speed skating in both the 500 meter and the 1,500 meter events in front of his hometown crowd at the 1932 Winter Olympics in Lake Placid, New York. With this accomplishment, he became the first double gold medalist in Winter Olympic history.

Later Jack Shea recalled, "When I stood on the dais to get the gold medal and I heard the national anthem of the United States, how proud I was to represent my country, my community, my father, and mother."

Jack Shea not only promoted the Olympic ideal of peace, he lived that ideal. He had a chance to win more Olympic medals at the 1936 winter games in Germany, but Lake Placid had a large Jewish community whose rabbi asked him not to take part in an event linked with Hitler's Germany. Jack Shea honored that request.

Back troubles kept Mr. Shea from skating much after the 1950s. However, he continued to serve the Olympics and the Lake Placid area. He served as the town justice of North Elba, New York, from 1958 to 1974. He then became the town's supervisor and remained in that position until his retirement in 1983.

Jack Shea also served on the executive committee of the 1980 Lake Placid Organizing Committee. He realized his personal quest to bring the Winter Olympic games back to Lake Placid. When speaking about the winter games held in 1980 at Lake Placid, Mr. Shea said, "I felt I would like to accomplish one more medal, to bring the Olympics back to Lake Placid." He accomplished that goal.

Jack Shea was a member of the first family with three generations of Olympians and, at 91, was the winter games' oldest living gold medalist. Mr. Shea and his wife of 67 years Elizabeth had four sons and several grandchildren and great-grandchildren. His son, Jim Shea, Sr., was a Nordic skier in the 1964 winter games. His grandson, Jim Shea, Jr., will continue this tradition by competing in the skeleton event at the 2002 Winter Olympics in Salt Lake City.

The Olympic games were obviously an important part of Jack Shea's life. When the Olympic torch relay came through his village on its way to Salt Lake City, Mr. Shea carried the flame into the Olympic speed skating oval where he won his gold medals and ignited the cauldron. Three weeks later at his funeral, his grandson carried that same torch.

As Father J. Michael Gaffney said about Jack Shea, "Jack took life and made something of it. He had an impact. People knew that he lived. That kind of stuff you can't kill. It lives forever."

Mr. Speaker, it is appropriate that the House recognize the dedicated work and outstanding accomplishments of Mr. Jack Shea today and extend condolences to his family. He improved the lives of many by not just speaking about ideals, but by living those ideals that he promoted.

Mr. Speaker, I urge all Members to support this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to join with the gentleman from Florida in consideration of this resolution. Jack Shea was an Olympic gold medalist, both on and off his ice skates. His death came just 17 days before we are about to begin another Olympic celebration, and we are truly saddened. However, we are here today to honor a great life and a great man.

John "Jack" Amos Shea was born September 7, 1910, in Lake Placid, New York. By age 3 he was on ice skates, and by age 10 he was already competing in speed skating. In 1929, while he was still in high school, he won the North American speed skating championship. In 1930, he captured the title again. Two years later, he honored his hometown of Lake Placid by winning the 500 meter and 1,500 meter events at the Lake Placid Winter Olympics. He again honored Lake Placid through his successful efforts to have the 1980 Winter Olympics return to Lake Placid.

Jack Shea's Olympic successes earned him the distinction of becoming the first person in Winter Olympic history to earn two gold medals. In fact, the Shea family was the first to have three generations of Winter Olympians. Jack's son Jim participated in three skiing competitions at the 1964 Winter Olympics in Innsbruck. His grandson, Jim Shea, Jr., has qualified for the upcoming Salt Lake City games.

Jack Shea's life was best summed up by his son Jim who said, "For 70 years, he was proud to be an Olympian. He was the chief of our family and loved what the Olympics stood for, to promote peace through friendly competition."

Mr. Speaker, I, too, am proud to honor this great life today, and I urge that we continue to work towards further reduction of driving while under the influence of alcohol so that others may never have their lives taken by a drunk driver. Yes, Jack Shea was a great life, a great soul, a tremendous legacy, and I am pleased to join in honoring him today.

Mr. Speaker, I yield back the balance of my time.

Mr. WELDON of Florida. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from New York (Mr. SWEENEY), the author of this piece of legislation.

Mr. SWEENEY. Mr. Speaker, I thank the gentleman. I rise today to pay tribute to a great man from my district and a great friend, Jack Shea. I do so proudly as the chief sponsor of this resolution.

As the previous speakers have noted, Jack Shea was really an American treasure, as are all of the members of his family. They have participated so greatly and so importantly in the Olympic movement in the United States, not just in the United States, but throughout the world. Jack Shea, in 1932, in a real come-from-behind, underdog story, captured two Olympic speed skating gold medals, and he embodied the spirit and the will and the determination of the Olympic movement and the goodwill that is projected from that.

It is at a very difficult time and a very tragic time that we lose Jack Shea. He was 91 years young, but one would not know that. Last week a group of Members of Congress and people from the administration went up to Lake Placid, New York, to participate in an annual event that we have, an Olympic challenge that is meant to bring people together, to highlight the importance of Lake Placid in the Olympic movement in terms of our Nation's history and what it provides for us in terms of character, and Jack Shea ironically was to be our principal speaker at our banquet on Saturday evening as we recognized the achievements of all of those who participated. Unfortunately, obviously, Jack was unable to be part of that event. But his grandson, Jimmy Shea, Jr., broke from his training, training that is so critical and important at this point, and delivered a speech on his behalf, as did his son Jim, with the message that we must go on, and that is how Jim Shea wanted it.

So I am particularly proud and excited about the idea that we have been able to come forward today as a body to recognize the great achievements of Jack Shea. In a couple of days, Jack Shea would have been in Salt Lake City lighting the cauldron to begin the Winter Olympics. But unfortunately and sadly, that is not to be what happens now.

What is to happen now, though, as his grandson Jimmy Shea will participate and represent our great Nation in these winter games, having trained so diligently and so hard and learned so many lessons from his grandfather and his father, also an Olympian from the 1964 Winter Olympics in Innsbruck, that that spirit will continue forward and will be seen by the entire world and exemplified in the entire world in the competition that is going to be undertaken in Salt Lake. So I would call on all of our citizens to recognize the accomplishments of Jack Shea by rooting real hard for Jimmy Shea as he endeavors to win a medal in the United States Olympic skeleton team.

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I would further call on our colleagues to support this resolution wholeheartedly as a symbol of our great support for a great man with a great life.

Mr. Speaker, I yield 4 to the gentleman from California (Mr. DREIER).

Mr. DREIER. Mr. Speaker, I thank my friend for yielding me time. I rise to compliment our distinguished colleague, the gentleman from New York (Mr. SWEENEY), for moving forward with this very important measure.

It was 4 years ago this month that I had the opportunity to meet Jack Shea; and the gentleman from Illinois (Mr. DAVIS) and the gentleman from Florida (Mr. WELDON) and the gentleman from New York (Mr. SWEENEY) have all talked about the fact that 7 decades ago, exactly 7 decades ago Jack Shea became the first American to win two gold medals. I had known of him and had the chance to meet him, as I said, 4 years ago this month.

He had a tremendous impact on me personally. I know that many of my colleagues remember this well because I suffered for a while after having met him because it was Jack Shea who encouraged me to actually take the Skeleton Run at Lake Placid, and it was an experience that I shall never forget. And Jim Shea, Sr., Jack's son, encouraged me to simply say I wanted to ride the Skeleton sled to the team of men who were putting us on to the bob sled run, but it was Jack Shea who told me that I should actually take the Skeleton Run. And it was an unbelievable, an unbelievable experience; and one that I, as I said, shall never forget.

He was an individual who inspired so many of us, and we have been fortunate to see that television commercial that has been running in which we could see how articulate and how thoughtful he was.

I remember the great interview that I saw just the other day after the tragic accident that took his life, when he talked about how he was able to shed a tear over the fact that his grandson would be the first of a third-generation Olympian. Four years ago the Skeleton Run was not established as an Olympic sport, and I know that it took a valiant effort on behalf of the Shea family and others to ensure that it would be an Olympic sport. And so I just want to say again, as I did the day after we got this news, that our thoughts and prayers go with the Shea family, although I know that it is not necessary, because they are so proud, so proud of their father and grandfather.

I have been privileged over the past 4 years to call the Shea family friends, and I do want to say that I hope very much that Jimmy is a big winner when we see at the end of this week the Olympic games begin. And I know it is set for the 20th and 21st, our colleague, the gentleman from New York (Mr. SWEENEY) has told me; and I can hardly wait, whether I am there or watching it on television, to see that wonderful victory; and we know that no one, no one will be enjoying seeing Jimmy Shea take that Skeleton Run more than Jack Shea.

Mr. WELDON of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I again congratulate the distinguished gentleman from New York (Mr. SWEENEY) for introducing this resolution and working so hard to bring it to the floor. I also want to thank the gentleman from Indiana (Mr. BURTON), chairman of the Committee on Government Reform, and the gentleman from California (Mr. WAXMAN), the ranking member, for expediting its consideration.

I ask all Members to support this resolution to express our condolences on Jack Shea's death and honor his life and achievements.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LAHOOD). The question is on the motion offered by the gentleman from Florida (Mr. WELDON) that the House suspend the rules and agree to the resolution, H. Res. 340.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 2215, 21ST CENTURY DEPARTMENT OF JUSTICE APPROPRIATIONS AUTHORIZATION ACT

Mr. SENSENBRENNER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2215) to authorize appropriations for the Department of Justice for fiscal year 2002, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin? The Chair hears none and, without objection, appoints the following conferees:

From the Committee on the Judiciary, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Messrs. SENSENBRENNER, HYDE, GEKAS, COBLE, SMITH of Texas, GALLEGLY, CONYERS, FRANK, SCOTT, and Ms. BALDWIN.

Provided that Mr. BERMAN is appointed in lieu of Ms. BALDWIN for consideration of section 312 of the Senate amendment, and modifications committed to conference.

From the Committee on Energy and Commerce, for consideration of sections 2203 through 2206, 2208, 2210, 2801, 2901 through 2911, 2951, 4005, and title VIII of the Senate amendment, and modifications committed to conference: Messrs. TAUZIN, BILIRAKIS, and DINGELL.

From the Committee on Education and the Workforce, for consideration of sections 2207, 2301, 2302, 2311, 2321 through 2324, and 2331 through 2334 of the Senate amendment, and modifications committed to conference: Messrs. HOEKSTRA, CASTLE, and GEORGE MILLER of California.

There was no objection.

RECOGNIZING THE 91ST BIRTHDAY OF RONALD REAGAN

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the joint resolution, H.J. Res. 82.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. WELDON) that the House suspend the rules and pass the joint resolution, H.J. Res. 82, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 408, nays 0, answered "present" 4, not voting 23, as follows:

[Roll No. 11]

YEAS—408

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Bonilla
Bonior
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Frank
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryun (KS)
Sabo
Sanchez
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (FL)

ANSWERED "PRESENT"—4

Johnson, E.B.
Lee
Stark
Watson (CA)

NOT VOTING—23

Blagojevich
Boehner
Bono
Cubin
Davis, Tom
Fossella
Frelinghuysen
Frost
Hostettler
Jefferson
Luther
McDermott
Oxley
Riley
Roukema
Ryan (WI)
Sanders
Shaw
Slaughter
Traficant
Weldon (PA)
Wilson (SC)
Young (AK)

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So (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. WILSON of South Carolina. Mr. Speaker, on rollcall No. 11 I was unavoidably detained. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

Mr. McDERMOTT. Mr. Speaker, I was unable to be in Washington, DC, today because I was participating at a conference hosted by the International Justice Mission (IJM) in Salt Lake City, UT. As a result, I missed three votes. Had I been able to vote, I would have voted in support of H.J. Res 82 (rollcall No. 11) and H. Res 340. I would have voted against H. Con. Res. 312 (rollcall No. 10).

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, I was unable to be present for rollcall votes Nos. 8, 9, 10, and 11. Had I been present I would have voted "yes" or "aye" on rollcall votes 9 and 11. I would have voted "no" or "nay" on rollcall votes 8 and 10.

PAT KING POST OFFICE BUILDING

Mr. WELDON of Florida. Mr. Speaker, I ask unanimous consent that the Committee on Government Reform be discharged from further consideration of the Senate bill (S. 1026) to designate the United States Post Office located at 60 Third Avenue in Long Branch, New Jersey, as the "Pat King Post Office Building," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Florida?

Mr. DAVIS of Illinois. Mr. Speaker, reserving the right to object, and I will not object, because, as a matter of fact, I rise in support of S. 1026, legislation designating the United States Post Office located at 60 Third Avenue in Long Branch, New Jersey, as the Pat King Post Office Building. However, I would like to ask the gentleman from Florida for further comments.

Mr. WELDON of Florida. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Illinois. Further reserving the right to object, I yield to the gentleman from Florida.

Mr. WELDON of Florida. I thank the gentleman for yielding.

Mr. Speaker, S. 1026, introduced by the distinguished Senator from New Jersey ROBERT TORRICELLI, designates the facility of the United States Postal Service located at 60 Third Avenue in Long Branch, New Jersey, as the Pat King Post Office Building. A bill for the same purpose was introduced by my distinguished colleague, the gentleman from New Jersey (Mr. FRANK PALLONE).

Mr. Speaker, Detective Sergeant Pat King was the most decorated police officer in Long Branch, New Jersey's history. Tragically, he was killed in the line of duty by a career criminal from out of State in November of 1997. Pat King is survived by his wife Maureen and two sons.

I urge adoption of S. 1026, and I thank the gentleman for yielding.

Mr. DAVIS of Illinois. Mr. Speaker, further reserving the right to object, I yield to the gentleman from New Jersey (Mr. PALLONE), the author of this legislation.

Mr. PALLONE. Mr. Speaker, I want to thank not only the chairman and the ranking member, who are here today, but also the gentleman from Texas (Mr. ARMEY) and the gentleman from Missouri (Mr. GEPHARDT) for their support in bringing this bill to the floor, the bill, S. 1026, to name the Long Branch, New Jersey, post office after a hero, Detective Sergeant Pat King.

Let me start out, Mr. Speaker, by saying that Long Branch is my hometown. I have lived there my entire life. The post office that will be named after Sergeant King is a post office that I have been going to since I was a little boy and a post office where my grandfather actually worked as a letter carrier. I also knew Sergeant King personally, and I know his mother and his entire family.

As was mentioned, on November 20 of 1997, Sergeant Pat King was killed by a career criminal from out of State who made his living promoting prostitution and selling drugs. On this particular day, the assailant went gunning for a police officer, any police officer. He was not looking specifically for Pat King, but he found Pat King, and Sergeant King was killed because he was wearing an officer's uniform.

Following the shooting, the assailant went on an hour-long crime spree, including a chase and an exchange of gunfire that injured other officers. He finally shot himself with a second gun, Officer King's gun.

Mr. Speaker, S. 1026 is an identical bill I introduced in the House naming the Long Branch post office after Pat King. I cannot express how important this is not only to Sergeant King and his wife, but to the entire Long Branch Police Force and to the community. Officer King was only 45, and he was the most decorated police officer in the history of the city of Long Branch.

By passing this bill we not only pay tribute to him, but we honor all the police officers across the country that have died in the hands of vicious criminals. And if there is any year that we can truly appreciate the contributions of police and firemen, it is certainly this year.

Mr. Speaker, for a police officer the mere act of donning a uniform makes him an immediate target for sick and criminal minds. Each call presents dangers and threats we cannot begin to imagine. It is my hope that in naming the post office after Pat King, we will be paying to tribute to individuals so dedicated to their fellow human beings that they are willing to die to protect our security. It is a way to honor the bravery and unselfishness of our men and women in uniform. It is a way to remind young people that dedicating a career to helping others is a path deeply admired by their community.

To Pat's widow Maureen and her children, I want to say that I hope this tribute provides them with some small comfort that their husband and father will not be forgotten, not by the people of Long Branch and not by the Congress of the United States.

Mr. DAVIS of Illinois. Mr. Speaker, further reserving the right to object, I yield to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Speaker, I thank the gentleman from Illinois and the gentleman from Florida and join strongly and emotionally in the remarks of my friend and colleague, the gentleman from New Jersey (Mr. PALLONE), who grew up near this post office, knew this law enforcement officer, knew Pat King, and understands the respect with which he was held in his town of Long Branch.

It is really very fitting that we do this. It is an honor not only for Sergeant Pat King, but for all law enforcement officers. It will be a daily reminder to the people of Monmouth County, to all of New Jersey, to all who pass through this post office that law enforcement officers live day and night just an instant away from danger.

It is also, I think, a testimonial to Maureen King, Pat King's widow. Maureen King is very much not a victim. She has suffered real grief, but she has not turned that grief inward. She has become deeply involved in safety issues in New Jersey, turned her talent to see that this sort of thing never happens again. She has taken this grief and turned it to something positive. She has become one of the leaders of Cease Fire New Jersey, advocating for gun safety. She has become one of the leaders of the Million Moms March in New Jersey, advocating for gun safety.

No, she is not a victim. And in everything she does, the love comes through; surely the love for her four children, but for children all over the country. So this is a testimonial not just to Sergeant Pat King, not just to law enforcement officers across the country, but also to Maureen King. And it is very fitting that this bill be rapidly approved and that the designation proceed. And I thank my friend from Long Branch for championing it.

Mr. DAVIS of Illinois. Mr. Speaker, reclaiming my time, I just want to concur with the comments that have been made by all of my colleagues in consideration of S. 1026, legislation naming the post office in Long Branch, New Jersey, after Pat King, a police officer slain in the line of duty.

S. 1026 was introduced by Senator ROBERT TORRICELLI, Democrat of New Jersey, on June 13, 2001. The late Detective Sergeant Pat King, a member of the Long Branch Police Force was born in Morristown, New Jersey, in 1952 and lived most of his life in Long Branch. As a 21-year veteran of the police force, Detective King was the most decorated police officer in the city's history and the only Long Branch police officer to receive the Medal of Valor.

Sadly, he was killed in the line of duty by a career criminal on November 20, 1997. Officer King is survived by his wife Maureen and his two sons.

Mr. Speaker, I wish to commend the House sponsor of this bill, the gentleman from New Jersey (Mr. PALLONE), for his hard work and dedication in seeking to honor the life and work of Detective King by naming the Long Branch post office after him.

The gentleman from New Jersey (Mr. PALLONE) was the sponsor of H.R. 2997 and has been pursuing the passage of legislation naming the post office after Detective King since the 106th Congress. I am proud to say that with the House passage of the Senate version of that bill, his efforts will finally be realized.

In keeping with the long-standing tradition of naming post offices after individuals who have made differences in their communities, I am pleased to lend my support to S. 1026, naming the post office after a police officer who gave his life defending the community. I also want to thank the chairman of the Committee on Government Reform, the gentleman from Indiana (Mr. BURTON), his staff, and the ranking member, the gentleman from California (Mr. WAXMAN), for moving this bill to the floor.

Mr. Speaker, I urge passage of the bill, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1026

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF PAT KING POST OFFICE BUILDING.

The United States Post Office located at 60 Third Avenue in Long Branch, New Jersey, shall be known and designated as the "Pat King Post Office Building".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States Post Office referred to in section 1 shall be deemed to be a reference to the Pat King Post Office Building.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 59 minutes p.m.), the House stood in recess subject to the call of the Chair.

□ 1755

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SHUSTER) at 5 o'clock and 55 minutes p.m.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 622. An act to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. SHUSTER). Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

ACTS OF AGGRESSION AGAINST CUBAN DISSIDENT MARTA BEATRIZ ROQUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. DIAZ-BALART) is recognized for 5 minutes.

Mr. DIAZ-BALART. Mr. Speaker, among the many foreigners who have recently gone to Communist Cuba to meet with the dictator has been the President of Mexico, Vicente Fox.

He arrived there this last weekend, held the customary long meetings with the dictator; and then, before leaving on Monday, in a gesture that deserves commendation, Mr. Fox and his foreign minister, Mr. Castaneda, invited a small group of dissidents and independent journalists to meet with them at the Mexican embassy.

Most unfortunately, the foreign minister of the Cuban dictatorship, an immodest man who nonetheless has much to be modest about, announced that Mr. Fox had assured the Cuban dictator that Castro has nothing to fear from Mexico in the upcoming session of the U.N. Human Rights Commission in Geneva, where the Cuban dictatorship's record on human rights has been condemned almost every year for the past decade.

If the statement of the foreign minister of the Cuban dictatorship, Mr. Perez, is true, it would be most unfortunate, since Mr. Fox's election represented a great victory for democracy in Mexico after more than 70 years of a rotating dictatorship in that country. And Mr. Fox was expected by his people and by the international community to be a great leader in defense of democracy.

Perez of the Cuban dictatorship is not someone who tends to be believable, so we should walk the extra mile, though certainly without illusions, and still give Mr. Fox the benefit of the doubt with regard to what Mexico will do regarding human rights at this spring's meeting of the U.N. Human Rights Commission in Geneva.

What will Mr. Fox do, considering what happened to one of the most respected dissidents in Cuba, Marta Beatriz Roque, after she attended the meeting with President Fox at the Mexican embassy in Havana this past Monday? Of the opposition figures within Cuba, there is no one more respected nor deserving of respect than this Cuban woman, an economist by training and director of the Cuban Institute of Independent Economists, Marta Beatriz Roque.

She, along with imprisoned opposition activists who suffered the most brutal aspects of the totalitarian repression of the dictatorship, is admired by all freedom-loving Cubans, as well as by supporters of democracy for Cuba throughout the world.

□ 1800

Well, on the night of the day of her meeting with President Fox and Foreign Minister Castaneda, just this last Monday, Marta Beatriz Roque was visited at her house by a typical array of goons, thugs and hoodlums sent by the dictator who told her that she had to accompany them to a detention center for questioning while her house was fumigated.

She was then taken to a detention center by these thugs, physically assaulted, strip-searched and insulted repeatedly for hours on end. While this was happening, the so-called fumigation was taking place at her house. The furniture and windows were destroyed, and Marta Beatriz Roque's few belongings were ransacked.

Marta Beatriz Roque's crime? She had met that morning with President Fox and Foreign Minister Castaneda, and she had spoken bravely in support of democracy for Cuba.

So what will President Fox do about this? The act of aggression against Marta Beatriz Roque was a way for the Cuban dictator to show his disdain and contempt for President Fox and Foreign Minister Castaneda, as well as for the Cuban people, whose democratic aspirations are thoroughly represented by Marta Beatriz Roque.

What will you do, President Fox and Foreign Minister Castaneda? Will you do as Castro's Foreign Minister says and fail even to acknowledge the gross and constant violations of human rights in Cuba when the United Nations Human Rights Commission discusses this issue in Geneva in the coming weeks, or will you do what you should do and condemn this atrocity against one of your guests at the Mexican Embassy in Cuba this past Monday?

What will the world do, Mr. Speaker? What will our colleagues in this Congress do? One of them showed his feelings on the subject of the oppression of Cuba by allowing a member of the delegation that he traveled to Cuba with recently to give the Cuban dictator a cap like the one worn by the New York Fire Department. That symbol of American heroism, of supreme American dignity, was given to the dictator who for more than four decades has imprisoned, tortured, exiled and executed those who fight for the freedoms which this country represents.

The gift of that cap to the dictator and the attitude that it reflects is grotesque. It is insulting not only to the Cuban people, but to Americans as well, and it is condemnable.

It is time to stop dining and joking with the Cuban dictator. The time has come to side with the oppressed people of Cuba. They will soon be free, but they deserve solidarity in their time of darkness.

HONORING RICHARD STOCKTON COLLEGE MEN'S SOCCER TEAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. LoBiondo) is recognized for 5 minutes.

Mr. LOBIONDO. Mr. Speaker, I rise today to honor the Richard Stockton College of New Jersey's men's soccer team on winning the NCAA Division III national championship, the school's first national title. Not only did the Ospreys bring home the title, they also achieved a 25-1-1 record, the best record in the history of the men's NCAA soccer.

Head coach Jeff Haines and his team established new school records for the most wins, most consecutive wins, fewest losses, best season record, most shutouts and most goals scored. Their dedication, hard work and can-do spirit have made our community so very proud and have brought the Ospreys recognition from across the Garden State and, in fact, from across the United States of America.

I would like to congratulate the team, Head Coach Haines, the coaching staff, athletic director Larry James and the entire school on such an impressive achievement. I am very pleased to welcome them to Washington and wish them the very best of luck for repeating as national champions next year. They have set an example for our entire community on what teamwork means, setting the bar high to reach a goal and then going for it and winning a national title. We are so very proud of them, Mr. Speaker.

THE RICHARD STOCKTON COLLEGE OF NEW JERSEY 2001 MEN'S SOCCER ROSTER

Student athletes and New Jersey hometowns: Nicholas Agaccio, Avenel; Steven Billstein, Woodbury Heights; Douglas Cavagnaro, Vineland; Vincent Colubiale, North Cape May; Mark Dodson, Shamong; John Epley, Franklinville; Thomas Ferron, Ringwood; and Michael Ford, Atco.

John Geiges, Haddon Heights; Michael Harner, Sewell; Rashid Hawkins, Cherry Hill; Jason Kufta, Maple Shade; Peter Lambert, Ocean View; Ralph Malone, Egg Harbor City; David Mattus, Bridgeton; Michael McAlarnen, Upper Township; and Christopher Meyrick, Richland.

Jeffrey Moore, Gloucester Township; Michael Muckley, Atco; James Nelson, Toms River; Greg Ruttler, Atco; Nicholas Scafidi, Laurel Springs; Brett Steinberg, Hohokus; Thomas Tutalo, West Orange; Alec Walker, Atco; and Ryan Williams, Westmont.

Coaching staff members and title: Jeffrey Haines, head men's soccer coach; James Connor, assistant men's soccer coach; and Christopher Wiener, assistant men's soccer coach.

STATUS REPORT ON CURRENT SPENDING LEVELS OF ON-BUDGET SPENDING AND REVENUES FOR FY 2001 AND THE 5-YEAR PERIOD FY 2002 THROUGH FY 2006

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. NUSSLE) is recognized for 5 minutes.

Mr. NUSSLE. Mr. Speaker, To facilitate the application of sections 302 and 311 of the Congressional Budget Act and section 201 of the conference report accompanying H. Con. Res. 83, I am transmitting a status report on the current levels of on-budget spending and revenues for fiscal year 2002 and for the five-year period of fiscal years 2002 through 2006. This status report is current through February 4, 2002.

The term "current level" refers to the amounts of spending and revenues estimated for each fiscal year based on laws enacted or awaiting the President's signature.

The first table in the report compares the current levels of total budget authority, outlays, and revenues with the aggregate levels set forth by H. Con. Res. 83. This comparison is needed to enforce section 311(a) of the Budget Act, which creates a point of order against measures that would breach the budget resolution's aggregate levels. The table does not show budget authority and outlays for years after fiscal year 2002 because appropriations for those years have not yet been considered.

The second table compares the current levels of budget authority and outlays for discretionary action by each authorizing committee with the "section 302(a)" allocations made under H. Con. Res. 83 for fiscal year 2002 and fiscal year 2002 through 2006. "Discretionary action" refers to legislation enacted after the adoption of the budget resolution. This comparison is needed to enforce section 302(f) of the Budget Act, which creates a point of order against measures that would breach the section 302(a) discretionary action allocation of new budget authority for the committee that reported the measure. It is also needed to implement section 311(b), which exempts committees that comply with their allocations from the point of order under section 311(a).

The third table compares the current levels of discretionary appropriations for fiscal year 2002 with the "section 302(b)" suballocations of discretionary budget authority and outlays among Appropriations subcommittees. The comparison is also needed to enforce section 302(f) of the Budget Act because the point of order under that section equally applies to measures that would breach the applicable section 302(b) suballocation.

The fourth table gives the current level for 2003 of accounts identified for advance appropriations in the statement of managers accompanying H. Con. Res. 83. This list is needed to enforce section 201 of the budget resolution, which creates a point of order against appropriation bills that contain advanced appropriations that are: (i) not identified in the statement of managers or (ii) would cause the aggregate amount of such appropriations to exceed the level specified in the resolution.

The fifth table compares discretionary appropriations to the levels provided by section 251(c) of the Balanced Budget and Emergency Deficit Control Act of 1985. If at the end of a session discretionary spending in any category exceeds the limits set forth in section 251(c) (as adjusted pursuant to section 251(b)), a sequestration of amounts within that category is automatically triggered to bring spending within the established limits. As the determination of the need for a sequestration is based on the report of the President required by section 254, this table is provided for informational purposes only.

REPORT TO THE SPEAKER FROM THE COMMITTEE ON THE BUDGET—STATUS OF THE FISCAL YEAR 2002 CONGRESSIONAL BUDGET ADOPTED IN H. CON. RES. 83

[Reflecting action completed as of February 4, 2002—on-budget amounts, in millions of dollars]

	Fiscal year 2002	Fiscal year 2002–2006
Appropriate Level:		
Budget Authority	1,673,188	(1)
Outlays	1,638,852	(1)
Revenus	1,638,202	8,878,506
Current Level:		
Budget Authority	1,664,550	(1)
Outlays	1,625,874	(1)
Revenus	1,672,118	8,888,321
Current Level over (+)/under (−) Appropriate Level:		
Budget Authority	−8,638	(1)
Outlays	−12,978	(1)
Revenus	33,916	9,815

[1] Not applicable because annual appropriations Acts for fiscal years 2003 through 2006 will not be considered until future sessions of Congress.

BUDGET AUTHORITY

Enactment of measures providing new budget authority for FY 2002 in excess of $8,638,000,000 (if not already included in the current level estimate) would cause FY 2002 budget authority to exceed the appropriate level set by H. Con. Res. 83.

OUTLAYS

Enactment of measures providing new outlays for FY 2002 in excess of $12,978,000,000 (if not already included in the current level estimate) would cause FY 2002 outlays to exceed the appropriate level set by H. Con. Res. 83.

REVENUES

Enactment of measures that would result in revenue loss for FY 2002 in excess of

$33,916,000,000 (if not already included in the current level estimate) would cause revenues to fall below the appropriate level set by H. Con. Res. 83.

Enactment of measures resulting in revenue loss for the period FY 2002 through 2006 in excess of $9,815,000,000 (if not already included in the current estimate) would cause revenues to fall below the appropriate levels set by H. Con. Res. 83.

DIRECT SPENDING LEGISLATION—COMPARISON OF CURRENT LEVEL WITH AUTHORIZING COMMITTEE 302(a) ALLOCATIONS FOR DISCRETIONARY ACTION, REFLECTING ACTION COMPLETED AS OF FEBRUARY 4, 2002

[Fiscal years, in millions of dollars]

House Committee	2002		2002–2006 total	
	BA	Outlays	BA	Outlays
Agriculture:				
Allocation	7,350	7,350	28,492	25,860
Current Level	0	2	0	0
Difference	−7,350	−7,348	−28,492	−25,860
Armed Services:				
Allocation	146	146	398	398
Current Level	163	146	276	276
Difference	17	0	−122	−122
Banking and Financial Services:				
Allocation	0	0	0	0
Current Level	8	9	46	47
Difference	8	9	46	47
Education and the Workforce:				
Allocation	5	5	32	32
Current Level	−195	−180	3,785	3,040
Difference	−200	−185	3,753	3,008
Commerce:				
Allocation	2,687	2,687	−6,537	−6,537
Current Level	−46	−50	2	7
Difference	−2,733	−2,737	6,539	6,544
International Relations:				
Allocation	0	0	0	0
Current Level	0	0	0	0
Difference	0	0	0	0
Government Reform:				
Allocation	0	0	−1,995	−1,995
Current Level	0	0	−4	−4
Difference	0	0	1,991	1,991
House Administration:				
Allocation	0	0	0	0
Current Level	0	0	0	0
Difference	0	0	0	0
Resources:				
Allocation	0	−3	365	88
Current Level	0	−1	14	13
Difference	0	2	−351	−75
Judiciary:				
Allocation	0	0	0	0
Current Level	109	109	299	159
Difference	109	109	299	159
Small Business:				
Allocation	0	0	0	0
Current Level	0	0	0	0
Difference	0	0	0	0
Transportation and Infrastructure:				
Allocation	2,000	3,200	2,000	4,700
Current Level	3,108	4,208	9,949	12,649
Difference	1,108	1,108	7,949	7,949
Science:				
Allocation	0	0	0	0
Current Level	0	0	0	0
Difference	0	0	0	0
Veterans' Affairs:				
Allocation	264	264	3,205	3,205
Current Level	230	230	3,097	3,097
Difference	−34	−34	−108	−108
Ways and Means:				
Allocation	1,360	900	15,409	15,069
Current Level	6,427	6,427	36,710	36,710
Difference	5,067	5,527	21,301	21,641

DISCRETIONARY APPROPRIATIONS FOR FISCAL YEAR 2002—COMPARISON OF CURRENT LEVEL WITH APPROPRIATIONS SUBCOMMITTEE 302(b) SUBALLOCATIONS

[In millions of dollars]

Appropriations Subcommittee	Revised 302(b) suballocations as of September 20, 2001 (H. Rpt. 107–208)		Adjustments not reflected in 302(b) suballocations		Current level reflecting action completed as of February 4, 2002		Current level minus suballocations	
	BA	OT	BA	OT	BA	OT	BA	OT
Agriculture, Rural Development	15,668	16,044	535	352	16,553	16,634	350	238
Commerce, Justice, State	38,541	38,905	2,423	1,032	41,079	39,879	115	−58
National Defense	299,860	293,941	20,743	17,340	320,603	311,898	0	617
District of Columbia	399	415	200	200	608	618	9	3
Energy & Water Development	23,705	24,218	574	346	25,170	25,116	891	552
Foreign Operations	15,167	15,087	50	13	15,396	15,119	179	19
Interior	18,941	17,800	488	353	19,208	18,081	−221	−72
Labor, HHS & Education	119,725	106,224	3,647	1,821	126,265	109,153	2,893	1,108
Legislative Branch	2,892	2,918	256	196	3,230	3,137	82	23
Military Construction	10,500	9,203	104	27	10,604	9,217	0	−13
Transportation[1]	14,892	53,817	1,296	777	16,596	54,742	408	148
Treasury-Postal Service	17,022	16,285	1,283	1,098	18,352	17,354	47	−29
VA–HUD-Independent Agencies	85,434	88,062	7,101	348	92,335	88,811	−200	401
Unassigned[2]	0	0	4,554	21,132	0	13,397	−4,554	−7,735
Grand Total	662,746	682,919	43,254	45,035	705,999	723,156	−1	−4,798

[1] Does not include mass transit BA.

[2] Reflects 2002 outlays for FY2001 appropriations contained in P.L. 107–38, the Emergency Supplemental Appriations Act for Recovery from and Response to Terrorist Acts on the United States, and budget authority and outlays that result from the increase in the statutory spending caps contained in P.L. 107–117, the bill making appropriations for the Department of Defense for fiscal year 2002.

Statement of FY 2003 advance appropriations under section 201 of H. Con. Res. 83 reflecting action completed as of February 4, 2002

[In millions of dollars]

	Budget authority
Appropriate Level	23,159
Current Level:	
Commerce, Justice, State Subcommittee:	
Patent and Trademark Office	0
Legal Activities and U.S. Marshals, Antitrust Division	0
U.S. Trustee System	0
Federal Trade Commission	0
Interior Subcommittee: Elk Hills	36
Labor, Health and Human Services, Education Subcommittee:	
Employment and Training Administration	2,463
Health Resources	0
Low Income Home Energy Assistance Program	0
Child Care Development Block Grant	0
Elementary and Secondary Education (reading excellence)	0
Education for the Disadvantaged	7,383
School Improvement	1,765
Children and Family Services (head start)	1,400
Special Education	5,072
Vocational and Adult Education	791
Treasury, General Government Subcommittee:	
Payment to Postal Service	48
Federal Building Fund	0
Veterans, Housing and Urban Development Subcommittee: Section 8 Renewals	4,200
Total	23,158
Current Level (+) / under (−) Appropriate Level	−1

COMPARISON OF CURRENT LEVEL TO DISCRETIONARY SPENDING LEVELS SET FORTH IN SECTION 251(c) OF THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985 REFLECTING ACTION COMPLETED AS OF FEBRUARY 4, 2001

[In millions of dollars]

		Statutory cap[1]	Current level	Current level over (+)/ under(−) statutory cap
General Purpose	BA	704,548	704,241	−307
	OT	696,092	688,000	−8,092
Defense[2]	BA	(3)	347,394	(3)
	OT	(3)	347,440	(3)
Nondefense[2]	BA	(3)	356,847	(3)
	OT	(3)	340,560	(3)
Highway Category	BA	(3)	(3)	(3)
	OT	28,489	28,489	0
Mass Transit Category	BA	(3)	(3)	(3)
	OT	5,275	5,275	0
Conservation Category	BA	1,760	1,758	−2
	OT	1,473	1,392	−81

[1] Established by OMB Final Sequestration Report for Fiscal Year 2002.

[2] Defense and nondefense categories are advisory rather than statutory.

[3] Not applicable.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 5, 2002.

Hon. JIM NUSSLE,
Chairman, Committee on the Budget,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The enclosed report shows the effects of Congressional action on the fiscal year 2002 budget and is current through February 4, 2002. This report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended.

The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of H. Con. Res. 83, the Concurrent Resolution on the Budget for Fiscal Year 2002. The budget resolution figures incorporate revisions submitted by the Committee on the Budget to the House to reflect funding for emergency requirements, disability reviews, an Earned Income Tax Credit compliance initiative, and adoption assistance. These revisions are required by section 314 of the Congressional Budget Act, as amended. In addition, section 218 of H. Con. Res. 83 provides for an allocation increase to accommodate House action on the President's revised request for defense spending, and Public Law 107–117 contains language that increases the discretionary spending limits for fiscal year 2002.

Since my last letter dated December 6, 2001, the following legislation has been enacted into law, and has changed budget authority, outlays, and revenues for 2002:

Railroad Retirement and Survivors' Improvement Act of 2001 (Public Law 107–90);

District of Columbia Appropriations Act 2002 (Public Law 107–96);

Veterans Education and Benefits Expansion Act of 2001 (Public Law 107–103);

Administrative Simplification Compliance Act (Public Law 107–105);

National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107);

Best Pharmaceuticals for Children Act (Public Law 107–109);

Foreign Operations Appropriations Act, 2002 (Public Law 107–115);

Labor, HHS, Education Appropriations Act, 2002 (Public Law 107–116);

Defense Appropriations Act, 2002 (Public Law 107–117);

Small Business Liability Relief and Brownfields Revitalization Act (Public Law 107–118);

Investor and Capital Markets Fee Relief Act of 2001 (Public Law 107–123);

Victims of Terrorism Tax Relief Act of 2001 (Public Law 107–134);

Department of Veterans Affairs Health Care Programs Enhancement Act of 2001 (Public Law 107–135);

In addition, the Congress has cleared for the President's signature an act to amend the Higher Education Act of 1965 with respect to interest rates for borrowers and payments to lenders (S. 1762) and an act to require valuation of nontribal interest ownership of subsurface rights within the boundaries of the Acoma Indian Reservation (H.R. 1913).

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

FISCAL YEAR 2002 HOUSE CURRENT LEVEL REPORT AS OF FEBRUARY 4, 2002

[In millions of dollars]

	Budget authority	Outlays	Revenues
Enacted in sessions prior to 107th Congress:			
Revenues	0	0	1,703,488
Permanents and other spending legislation	984,540	934,501	0
Appropriation legislation	0	280,919	0
Offsetting receipts	−321,790	−321,790	0
Total, enacted prior to 107th Congress	662,750	893,630	1,703,488
Enacted in first session of 107th Congress:			
Authorizating Legislation:			
An act to provide reimbursement authority to the Secretaries of Agriculture and the Interior from wildland fire management funds (P.L. 107–13)	0	−3	0
Fallen Hero Survivor Benefit Fairness Act of 2001 (P.L. 107–15)	0	0	−7
Economic Growth and Tax Relief Reconciliation Act of 2001 (P.L. 107–16)	6,425	6,425	−31,145
An act to clarify the authority of the Department of Housing and Urban Development with respect to the use of fees (P.L. 107–18)	8	9	8
An act to authorize funding for the National 4–H Program Centennial Initiative (P.L. 107–19)	0	2	0
An act to provide for expedited payments of certain benefits (P.L. 107–37)	5	5	
Air Transportation Safety and System Stabilization Act (P.L. 107–42)	3,000	4,200	1,400

FISCAL YEAR 2002 HOUSE CURRENT LEVEL REPORT AS OF FEBRUARY 4, 2002—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
An act to implement an agreement for a U.S.-Jordan Free Trade Area (P.L. 107–43)	0	0	−2
A joint resolution approving the extension of nondiscriminatory treatment to products of the Socialist Republic of Vietnam (P.L. 107–52)	0	0	−33
U.S.A. PATRIOT Act (P.L. 107–56)	104	104	0
Railroad Retirement and Survivors' Improvement Act of 2001 (P.L. 107–90)	108	108	−118
Veterans Education and Benefits Expansion Act of 2001 (P.L. 107–103)	229	229	0
Administrative Simplification Compliance Act (P.L. 107–105)	−50	−50	0
National Defense Authorization Act, 2002 (P.L. 107–107)	163	146	0
Best Pharmaceuticals for Children Act (P.L. 107–109)	4	−2	6
Small Business Liability Relief and Brownfields Revitalization Act (P.L. 107–118)	0	2	0
Investor and Capital Markets Fee Relief Act of 2001 (P.L. 107–123)	0	0	−1,261
Victims of Terrorism Tax Relief Act of 2001 (P.L. 107–134)	2	2	−188
Veterans Affairs Health Care Programs Enhancement Act of 2001 (P.L. 107–135)	1	1	0
Total, authorizing legislation:	9,999	11,178	−31,340
Appropriations Acts:			
Supplemental Appropriations Act, 2001 (P.L. 107–20)	65	4,576	0
Emergency Supplemental Appropriations for Fiscal Year 2001 (P.L. 107–38)	0	13,397	0
Emergency Supplemental Appropriations for Fiscal Year 2002 (P.L. 107–117)	20,000	8,459	0
Agriculture Rural Development Appropriations Act, 2002 (P.L. 107–76)	75,237	41,363	0
Commerce, Justice, State Appropriations Act, 2002 (P.L. 107–77)	39,223	26,608	0
Defense Appropriations Act, 2002 (P.L. 107–117)	317,474	213,172	0
District of Columbia Appropriations Act, 2002 (P.L. 107–96)	408	370	0
Energy and Water Appropriations Act, 2002 (P.L. 107–66)	24,595	15,972	0
Foreign Operations Appropriations Act, 2002 (P.L. 107–115)	15,391	5,582	0
Interior and Related Agencies Appropriations Act, 2002 (P.L. 107–63)	19,148	11,901	0
Labor, HHS, Education Appropriations Act, 2002 (P.L. 107–116)	327,513	258,081	0
Legislative Branch Appropriations Act, 2002 (P.L. 107–68)	2,974	2,509	2
Military Construction Appropriations Act, 2002 (P.L. 107–64)	10,500	2,678	0
Transportation and Related Agencies Appropriations Act, 2002 (P.L. 107–87)	17,505	22,021	0
Treasury, Postal Service, General Government Appropriations Act, 2002 (P.L. 107–67)	32,137	27,936	0
Veterans, HUD, and Independent Agencies Appropriations Act, 2002 (P.L. 107–73)	109,229	64,803	−32
Total, appropriations acts:	1,011,399	719,428	−30
Total, enacted in first session of the 107th Congress:	1,021,398	730,606	−31,370
Entitlements and Mandatories: Adjustments to appropriated mandatories to reflect baseline estimates	−18,054	1,816	0
Passed pending signature in second session of the 107th Congress:			
An act to amend the Higher Education Act of 1965 with respect to interest rates for borrowers and payments to lenders (S. 1762)	−195	−180	0
An act to require valuation of nontribal interest ownership of subsurface rights within the boundaries of the Acoma Indian Reservation (H.R. 1913)	0	2	0
Total, passed pending signature in second session of the 107th Congress	−195	−178	0
Total Current Level	1,664,550	1,625,874	1,672,118
Total Budget Resolution	1,673,188	1,638,852	1,638,202
Current Level Over Budget Resolution	0	0	33,916
Current Level Under Budget Resolution	−8,638	−12,978	0
Memorandum			
Revenues, 2002–2006:			
House Current Level	0	0	8,888,321
House Budget Resolution	0	0	8,878,506
Current Level Over Budget Resolution	0	0	0

Notes.—P.L. = Public Law.

Section 314 of the Congressional Budget Act, as amended, requires that the House Budget Committee revise the budget resolution to reflect funding provided in bills reported by the House for emergency requirements, disability reviews, an Earned Income Tax Credit compliance initiative, and adoption assistance. In addition Sec. 218 of H. Con. Res. 83 provides for an allocation increase to accommodate House action on the President's revised request for defense spending, and Public Law 107–117 contains language that increases the discretionary spending limits for fiscal year 2002. To date, the Budget Committee has increased the budget authority allocation in the budget resolution by $46,700 million and the outlay allocation by $48,378 million for these purposes.

For comparability purposes, current level budget authority excludes $1,349 million that was appropriated for mass transit. The budget authority for mass transit, which is exempt from the allocations made for the discretionary categories pursuant to sections 302(a)(1) and 302(b)(1) of the Congressional Budget Act, is not included in H. Con. Res. 83. Total budget authority including mass transit is $1,665,899 million.

Source: Congressional Budget Office.

EXPRESSING APPRECIATION OF RONALD WILSON REAGAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, tonight I rise to express my appreciation for President Ronald Wilson Reagan.

Ronald Reagan will forever be remembered for having won the Cold War without firing a shot. He rebuilt our defenses and strengthened our economy, but most important, he made us believe in ourselves, to believe in our capacity to perform great deeds.

Demeaned as a B-grade actor, underestimated by his adversaries, both domestic and international, he shouldered on with incurable optimism. He preached and lived the basic American values. Things like faith, family, freedom, work and personal responsibility were more than words.

Ronald Reagan had an enormous empathy for the American people. He had a magic smile that cheered us. His tears were real when tragedy came our way. The title of his autobiography, "An American Life," was appropriate. He was the American President in the American century.

As he turned and saluted, boarding Marine One for the last time, I remember turning to my wife and saying, "He was a long time coming; he'll be a long time gone."

Mr. President, on behalf of a grateful Nation, permit me to say thank you, happy birthday and may God bless you.

REMEMBERING THEODORE J. VOLLRATH, PHILIP JEHLE AND R. LAWRENCE COUGHLIN

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Pennsylvania (Mr. GEKAS) is recognized for 60 minutes as the designee of the majority leader.

Mr. GEKAS. Mr. Speaker, I rise today to enter into the CONGRESSIONAL RECORD remembrances of three individuals who passed away in the last few months.

First, I want to recall the life of Ted Vollrath. Ted Vollrath was a Korean veteran who, because of the battles in which he was engaged, eventually lost both his legs. That did not stop him at all. He became active in many veterans entities and served the public in many different ways, but while he was doing that, he was learning karate. He became a black belt in karate; can my colleagues believe this now, a man without legs, earned a karate black belt.

In a wheelchair he was able to perform feats never before seen, and he performed in London and all over the eastern seaboard and actually made a movie called Mr. No Legs. I saw one of the premieres of it in my district when it came to town.

So he was a movie actor, an enthusiast for karate, a specialist, a black belt, and yet he found time to serve the various veterans organizations in our area, and then, on top of that, served me, our office, as chairman of our Service Academy Nominating Committee and did that for almost 20 years. He was someone who I could count on for advice not just on the service academies, but also on matters military generally, on national security and others.

He at one time, I am also ashamed to tell my colleagues this, one time he said he wanted me to, in one of his karate exhibitions and swordsmanship exhibitions, he wanted to put an apple on the back of my head, have me kneel down, and then he would with one swift stroke of a sword cut the apple and hopefully not my neck. What I cannot understand is that I said, yes, I would do it, and I did. I put my head down on like a little table or bench there, he put the apple, we had an audience, et cetera, and he did it with his sword and cut the apple in half, did not touch any part of your speaker here, else I would not be here.

The point was that he fulfilled his life with four children and a wonderful church relationship and a community relationship, and overcame tremendous odds through his life. When we lost him, we lost a true contributor to our community.

The second set of remembrances are as to Phillip Jehle. We best knew him, we Pennsylvania Members of the Congress, as the director of the Governor's office in Washington. Governor Casey at that time appointed Mr. Jehle as the director, but he had a whole array of services to the State and to the country way before that. Let me read a couple of the salient features of his life.

He was a retired Washington lawyer. He had served as a chief counsel to a Senate committee. He had served as executive vice president of a pharmaceutical company, and then, as I said, the director of the Washington office of the Pennsylvania Governor. All of us who served in the Pennsylvania delegation knew him well, could approach him at any time to coordinate the solution of problems that were mutual to Members of Congress and to the Governor of the Commonwealth.

He upon his retirement from SmithKline, where he had worked, he spent the rest of his time in legislation that was important to Pennsylvania through the Governor's office.

His survivors include his wife of 52 years, Marcelle Auclair Jehle; five children, Philip F. Jehle, Christopher A. Jehle, Lawrence and Patricia A. Galasso of Morocco, and Kathleen M. Will of Elk Ridge; also a brother, three sisters and 12 grandchildren.

He was a public servant of a special breed, and he, too, will be remembered through our insertion of remembrances in the CONGRESSIONAL RECORD.

The third is as to our colleague Larry Coughlin, longtime member of the Pennsylvania delegation, a Member of Congress from southeast Pennsylvania, who served valiantly throughout the time that he was here after having served in the Pennsylvania General Assembly.

Larry was 71. He was from Montgomery County, and he was the fellow that, when he walked in here, was immediately noticeable for his gentlemanly stance and his posture, but, more than that, his elegant bow tie. He almost never came to this Chamber or to any function without a bow tie, and they were nice ones and colorful and fit the pattern of his gentleman qualities. So if we forget everything else about him, we will always be able to talk about that bow tie presence that he had.

He served in Congress from 1968 to 1992. At first he represented just Montgomery County and then later part of Philadelphia. He endorsed funding SEPTA, which is a transportation authority in the southeast of Pennsylvania, and other mass transit agencies, housing efforts and antidrug education.

He graduated from the Hotchkiss School in Lakeville, Connecticut, in 1946 and from Yale University in 1950. One of his Yale classmates was George Herbert Walker Bush, the future President and father of our current President, George W. Bush.

While attending Harvard Business School he was called to Active Duty by the Marine Corps in Korea, serving as an aide to the legendary Lieutenant General Lewis B. "Chesty" Puller. After his discharge, he returned to Harvard, earning a degree in business administration in 1954.

He came to Philadelphia to attend Temple University Law School, attending classes at night and working as a foreman on an assembly line at Heintz Manufacturing Company, a steel company, during the day. He received his degree in 1958 and became a partner at Saul Ewing Remick & Saul.

During Vice President Richard M. Nixon's first Presidential campaign in 1960, Larry decorated an old mail truck with banners, and he took the Nixon campaign to the streets of Philadelphia.

By the 1960s he lived in Villanova and was involved in Montgomery County Republican politics. He worked for William W. Scranton's successful gubernatorial campaign in 1962. He himself won his first election in 1964, capturing a seat in the State house of representatives. Two years later he moved up to the State senate, and he was elected to his first term in Congress from the 13th District in 1968.

During his 24 years in Congress, he served on the Committee on the Judiciary and became a high-ranking member of the Committee on Appropriations and its Subcommittee on Transportation. As a member of the House Select Committee on Narcotics Abuse and Control, he called for de-emphasis on efforts to interdict narcotics traffic and instead sought additional funds for destruction of cocaine processing labs, what he called the choke points in the drug trade.

□ 1815

He also supported funding for antidrug education programs.

His two most competitive contests for reelection came in 1984 and 1986 against the then Democratic State representative JOE HOEFFEL. By the 1980s, Representative Coughlin's 13th District had been reapportioned to include Chestnut Hill, Roxborough, Manayunk and Overbrook in Philadelphia as well as Montgomery County, adding many more registered Democrats to his district.

By the way, that same JOE HOEFFEL eventually became the Member of Congress from that area and is serving even as we speak here today as a Member in this current session of Congress.

Representative Coughlin mounted successful campaigns against his younger opponent, however, and he won comfortably in both contests. And Joe, who finally won the 13th District after what we just mentioned, in 1998 said after learning about Larry's death, "Larry was a moderate who was not at ease with the aggressive wing of the Republican Party. He had a great record in mass transportation and urban matters. Even when his district was entirely suburban, he favored the regional approach." That was JOE HOEFFEL's tribute to Larry.

Unlike some of our colleagues in Congress, Representative Coughlin shunned the limelight. He told me there are workhorses in Congress and there are show horses, and he described himself as a workhorse. The gentleman from Pennsylvania (Mr. HOEFFEL) is the one who recalls that statement that was made by Larry, and he added that he was a dedicated public servant. There was never a whisper of anything improper or self-serving.

When a magazine writer claimed that men who wore bow ties were not to be trusted, Representative Coughlin, who never wore anything but bow ties, said, "I have never known one who wasn't trustworthy."

After his retirement, Mr. Coughlin remained in Washington, joining Eckert, Seamans, Cherin & Mellott as senior counsel. Earlier this year, he joined the law firm of Thompson Coburn. He was president of the Friends of the U.S. National Arboretum, and he enjoyed gardening, hiking and boating.

Mr. Coughlin is survived by his wife of 21 years, Susan MacGregor Coughlin; a daughter, Lisa Powell, from his first marriage to the late Helen Ford Swan; and three children from his second marriage to Elizabeth "Betsey" Worrell. They are daughters Lynne Samson and Sara Noon; and son Lawrence. He is also survived by five grandchildren.

One other anecdote that is not part of the printed material that I will enter into the CONGRESSIONAL RECORD. I remember an occasion, I believe he was still an incumbent at the time, or maybe he had just moved into the outer fringes of the House of Representatives, but an intruder entered his house and was doing whatever these intruders do, and Larry corralled him. He apprehended him and held him down until the police arrived.

So, again, the kind of courage we knew was his wont throughout his life, particularly in Korea, manifested itself in his own domicile in apprehending a felon. And so he was a hero in many, many different ways was Larry Coughlin.

Mr. Speaker, I yield to the gentleman from Nebraska (Mr. BEREUTER), who has been eager with me to have this hour of remembrances of Larry Coughlin come about.

Mr. BEREUTER. I thank the distinguished gentleman from Pennsylvania, and I am very pleased to participate in this commemorative tribute for Larry, Lawrence Coughlin, Jr., a terrific person, outstanding Congressman, and a real patriot. And I have to say that I am objective about that despite the fact that Larry Coughlin was one of my best friends in the Congress.

He provided a tremendous amount of leadership in this Congress in so many ways, but of course I guess the area in which he is best known is his leadership for the whole Congress on urban and mass transit issues.

Larry had a great set of priorities: family, the U.S. House of Representatives, and Marine Corps. He was such a courteous, cordial individual. He absolutely deserved and lived up to the title of "the gentleman from Pennsylvania."

We had great respect for him, a tremendous sense of humor, we all enjoyed his company, but his contributions in the Congress, of course, were only part of the contributions he made to the country. He provided incredible service to Chesty Puller, one of the most famous marines of all. And I have a hard time saying this as a former Army officer, but in fact he did remarkable things.

He provided real work, hard labor to put himself through law school, and he had an inspirational impact on his family. He motivated those children to bring out the best in their capabilities; a high value on education and patriotism, and it shows when you meet them today, and his grandchildren as well.

One of the things that most people do not know about Larry Coughlin is his love for plants, trees, bushes, all kinds of plants. Larry worked in the soil. He loved it, and he provided some real leadership to organizations like the Friends of the National Arboretum, where he served as the president for a number of years, and he was an inspiration to all of us.

He actually is responsible for involving a significant number of Members of Congress and their spouses in the work of the National Arboretum. It was one of his loves. But he took that love and you could see it on his own properties in Virginia, Pennsylvania, and elsewhere. He grew up in that agricultural vein. He tells stories about working with his father from the youngest years of his life, and he made a tremendous contribution in that area, and it is something that most people do not know about. I think there could be an opportunity for us to make a fitting tribute to Larry Coughlin by doing something in the future for the National Arboretum, one of his real joys in life.

We are going to miss him very, very much, and I in particular. I thank my colleague, the gentleman from Pennsylvania (Mr. GEKAS), for yielding to me. It is hard to itemize all the things in which Larry made contributions throughout his life, and even here in the House of Representatives. It is hard to list them all because this was a man who reflected the best in the House of Representatives.

Mr. GEKAS. I thank the gentleman. And it occurred to me that we missed a golden opportunity to pay the ultimate tribute to Larry. We should have worn bow ties for this occasion while we did our remembrances of him.

Mr. BEREUTER. He not only wore them, he defended them; did he not?

Mr. GEKAS. Yes, he did, regularly.

And so, Mr. Speaker, that concludes our remembrances on this occasion, and we invite every Member who wishes to add any kind of sentiment or remembrance to the CONGRESSIONAL RECORD to do so, and to let us know so that we can coordinate the whole of the RECORD; and, as I indicated previously, I hereby submit additional biographical information on Larry Coughlin for the RECORD.

[From the Biographical Directory of the United States Congress]

COUGHLIN, ROBERT LAWRENCE, 1929–

Coughlin, Robert Lawrence, (nephew of Clarence Dennis Coughlin), a Representative from Pennsylvania; born in Wilkes-Barre, Luzerne County, Pa., April 11, 1929; A.B., Yale University, 1950; M.B.A., Harvard Graduate School of Business Administration, 1954; LL.B., Temple University Evening Law School, 1958; attorney; manufacturer; captain, United States Marine Corps, 1950–1952, aide-de-camp to Gen. L.B. Puller; elected to Pennsylvania house of representatives, 1964; elected to Pennsylvania senate, 1966; elected as a Republican to the Ninety-first and to the eleven succeeding Congresses (January 3, 1969–January 3, 1993); was not a candidate for renomination in 1992 to the One Hundred Third Congress; is a resident of Plymouth Meeting, Pa.

[From the Washington Post, Dec. 5, 2001]

REP. R. LAWRENCE COUGHLIN, JR., DIES; REPRESENTED PENNSYLVANIA FROM 1969 TO 1993

(By Adam Bernstein)

R. Lawrence Coughlin Jr., 72, a moderate Pennsylvania Republican who from 1969 to 1993 represented the wealthy Maine Line area of suburban Philadelphia in the House of Representatives, died of cancer Nov. 30 at his weekend farm in Mathews, Va. He lived in Alexandria.

Rep. Coughlin, a lawyer, was known for championing urban and mass-transit issues nationwide. He served on the transportation subcommittee and the District subcommittee. He also was ranking Republican on the Select Committee on Narcotics Abuse and Control. On the District subcommittee, he was frequently critical of then-Mayor Marion Barry's leadership. At one hearing on the D.C. budget, he took Barry to task for "corruption and mismanagement" citywide. He did not pursue reelection in 1992 and became senior counsel to Eckert Seamans Cherin & Mellott in Washington. In April, he joined the Washington office of the St. Louis-based Thompson Coburn law firm and concentrated on transportation and international-commerce matters. He was on the board of the Friends of the U.S. National Arboretum, where he was a former president.

Robert Lawrence Coughlin Jr. was born in Wilkes-Barre, Pa., and grew up on his father's farm near Scranton, Pa. He was a nephew of former representative Clarence D. Coughlin (R–Pa.). The younger Rep. Coughlin was a 1946 graduate of the Hotchkiss School in Lakeville, Conn., and a 1950 economics graduate of Yale University. He received a master's degree in business administration from Harvard University. He was a 1958 graduate of Temple University's law school, attending classes at night while a foreman on a steel assembly line during the day. He served in the Marine Corps during the Korean War and was aide-de-camp to Lt. Gen. Lewis B. "Chesty" Puller. Years later, in Congress, Rep. Coughlin chaired the Capitol Hill Marines, a group of congressmen who had been in the Marine Corps. He was practicing law at a Philadelphia firm when he was elected to the Pennsylvania House of Representatives in 1964 and to the State Senate in 1966. He won his U.S. House seat in 1968, when Richard S. Schweiker (R) left to make a successful bid for the U.S. Senate.

A tall, slender man with a patrician air, Rep. Coughlin was known for wearing—and defending—bow ties. When a magazine writer said in the 1980s that men who wore bow ties were not to be trusted, Rep. Coughlin was quoted as saying, "I've never known one who wasn't trustworthy." His first wife, Helen Ford Swan Coughlin, died in the early 1950s. His marriage to Elizabeth Worrell Coughlin ended in divorce. Survivors include his wife of 21 years, Susan MacGregor Coughlin of Alexandria; a daughter from his first marriage, Lisa Coughlin Powell of Plymouth Meeting, Pa.; three children from his second marriage, Lynne Coughlin Samson of Wayne, Pa., Sara Coughlin Noon of Bel Air, Md., and R. Lawrence Coughlin III of Seattle; and five grandchildren.

SICKLE CELL DISEASE

The SPEAKER pro tempore (Mr. SHUSTER). Under a previous order of the House, the gentlewoman from California (Ms. MILLENDER-McDONALD) is recognized for 5 minutes.

Ms. MILLENDER-McDONALD. Mr. Speaker, I had the joy on Monday to visit one of the hospitals in my district, the Miller Children's Hospital located in Long Beach and within the Long Beach Memorial Hospital complex. What a joy it was, Mr. Speaker, to talk with the many children who had such hope and such enthusiasm even given the fact that they are sickle cell anemia children.

I was met, as I came into the hospital, by Kala, age 5. So much spirit, so vibrant, so eager to talk with me about the things that she does in school. I was absolutely pleased to see this youngster, who is really suffering from sickle cell anemia, to have such hope and such determination, something that we can all and should all emulate.

And then I went to the next ward and I saw Etan. Etan was with his mother and father, and he, too, is suffering from sickle cell anemia. I talked with Etan. He is an A student in school. His father and his mother hailed from Nigeria. He has to come in every so often for a blood transfusion.

I was so pleased to see these two young people, who are so vibrant, so much life, and yet their life can be taken in a moment's time if they are not given this type of blood that they have to have.

Then I went down the hallway and I saw another young guy by the name of Chris. He was in the hospital, again having this blood transfusion, and he was with his father, his mother, and his brother Maurice. They are a family of 10. It was amazing to me how this family was so close-knit there, pulling for Chris to come through. He, too, had to have this blood transfusion, and he, too, had just a wealth of energy, as much as he could put out; and so much love, so much compassion, smiling all the time, not knowing exactly whether he will be with us next year or not.

These are children, Mr. Speaker, that have been afflicted with sickle cell disease. And we, as African Americans, know much too often about sickle cell. We know that sickle cell and that disease is a disease that affects a special protein inside of our red blood cells called hemoglobin. The red blood cell has an important job. They pick up oxygen from the lungs and take it to every part of the body.

We also recognize, Mr. Speaker, that sickle cell disease affects 3 in every 1,000 African American newborns. Although in the United States most cases occur among African Americans, this disease also affects people of Arabian, Greek, Maltese, Italian, Sardinian, Turkish, and of Indian ancestry. Affected children are at an increased risk of mortality or morbidity, especially in the first 3 years of life.

This is why, Mr. Speaker, the Miller Children's Hospital at Long Beach Memorial is such an outstanding one because it treats these kids. It has an absolutely state-of-the-art clinic that has helped in so many ways with our children gaining their strength and being able to get back up and go to school and to monitor them. They monitor them to make sure that when there is a need for them to come back in for a transfusion, they come back in.

Sickle cell disease is an inherited disease of the red blood cells, as I said before, which can cause attacks of pain, damage to vital organs, and risk of serious infections that can lead to early death. This is why, Mr. Speaker, for infants and young children with sickle cell disease they are especially vulnerable to severe bacterial infections such as those that cause meningitis and blood infection. Infections are the leading cause of death in children with sickle cell disease.

I cannot say enough about the testing and the great physicians and nurses that are helping our children who have sickle cell. So I call on all my fellow colleagues to join me in the fight to support this universal patient access and research for sickle cell disease.

□ 1830

BUSH ADMINISTRATION DOWNGRADES ENVIRONMENTAL POLICY

The SPEAKER pro tempore (Mr. SHUSTER). Under the Speaker's announced policy of January 3, 2001, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, this evening I would like to highlight the negative aspects of the Bush administration's environmental record. I do not come to the floor lightly. I am not here because I particularly want to be critical of the President or this administration; but it has been upsetting to me, particularly because I think in the aftermath of the September 11, because the Nation and I personally have focused so much on defense and the war on terrorism and homeland security issues, many times when efforts were made by the administration to weaken environmental laws or change agency rules in ways that weaken environmental protection, it has been difficult to get the public to pay attention to those issues or to even get the media's attention to the fact that in many cases environmental regulations have been watered down or changed in a way that is not good for the environment.

I was hoping that was just a coincidence and it would not continue, but it has continued. There are reports which have come out, one of which I would like to go into in a little detail tonight, which shows that this administration continues to downgrade, if you will, environmental protection.

When the President came forth with his budget last Monday, there was another strong indication of his willingness to downgrade environmental concerns because of the level of funding proposed in his budget for some key environmental programs.

I do not think that anyone really expected when President Bush took office that this administration would be strong on environmental issues, but many times there was rhetoric that suggested maybe we were wrong and maybe there would be some heightened concern over the environment. But the fact of the matter is that the administration's actions are very much the opposite. They continue, whether by regulation or through their spending policies, to take action which I think ultimately hurts the environment.

Mr. Speaker, I want to start out this evening by going through briefly a report that was put out by the Natural Resources Defense Council, the NRDC on January 23, just a couple of weeks ago. Basically what they looked at was agency actions over the spectrum of the Nation's most important environmental programs, whether that be protecting air, water, forest, wildlife or public lands. The report is actually entitled "Rewriting the Rules: The Bush Administration's Unseen Assault on the Environment." It basically provides a review of agency action since September 11, and it shows very dramatically that there, basically, has been an intensification of efforts after September 11 to downgrade environmental protection.

I think it is unfortunate that this is the case because I believe most Americans feel that not only is the environment an important issue, but it is a quality-of-life issue that everyone should be concerned about. I find in my district in the State of New Jersey, it does not matter whether a Member is a Republican or a Democrat, Americans want to protect the environment.

Let me review some of the points that this report makes. Again, it is called "Rewriting the Rules: The Bush Administration's Unseen Assault on the Environment." The first is with reference to clean air. We know that there is a fundamental requirement of the Clean Air Act that older electric power plants and other smoke stack industries must install state-of-the-art cleanup equipment when they expand or modernize their facilities, in other words when utilities are in the process of expanding an older facility. The older facilities may be exempt from certain standards of the Clean Air Act, but if you expand an old facility or build a new facility, then the company has to come under the provisions of the Clean Air Act. It is the grandfathering that is exempt.

But what we find is that the Bush administration is trying to basically allow expansion of these older, dirty power plants without meeting the new requirements or the new rules. There is a new source requirement that says that for new industrial facilities and power plants, that industry has to put in place air quality improvements. That needs to be done for older, expanded plants, the same way as is required for new plants. But the Bush administration is saying that older plants may be expanded without having to upgrade equipment.

Mr. Speaker, when the Clean Air Act was passed, it was understood that even though the older plants were grandfathered, that they would be phased out and at some point there would only be the new plants which met the stricter environmental criteria. If this administration allows the older plants to essentially retool and expand under the old rules, not only will those plants continue to have a life of their own, but now there will be even more power generated using old and outmoded methods that allow the air to be more and more polluted.

The second issue that the NRDC report references with regard to wetlands. For more than a decade, the cornerstone of America's approach to wetlands protection has been a policy that calls for no net loss of wetlands. This actually originated with the first President Bush, with the first Bush administration. But with no public notice or opportunity for comment, the U.S. Army Corps of Engineers moved to effectively reverse this long-standing policy by issuing a new guidance on wetlands mitigation. These weaker standards would mean the loss of tens of thousands of acres of wetlands that provide flood protection, clean water and fish and wildlife habitat. This reversal of the no net-loss policy, which has occurred since September 11, is just one component of a broader Bush administration effort to diminish wetlands protection.

The President made a pledge during Earth Day of this year that he would preserve wetlands; but if we look at what his administration is doing, they supported relaxing a key provision of the Clean Water Act, the National Permit Program, which regulates development and industrial activity in streams and wetlands. So the Corps of Engineers is loosening the permit standards and making it easier for developers and mining companies to destroy more streams and wetlands.

Mr. Speaker, a third area is mining on public lands. Mining activities have despoiled 40 percent of western watersheds, according to the EPA. But instead of addressing this problem, the Bush administration is making it worse. In October, the Department of the Interior issued new hardrock mining regulations reversing environmental restrictions that apply for mining for gold, copper, silver, and other metals on Federal lands. Under the new rules, the agency has renounced the government's authority to deny permits on the grounds that a proposed mine could result in substantial irreparable harm to the environment. So the new rules also limit corporate liability for irresponsible mining practices, undermining cleanup standards that safeguard ground and surface water.

□ 1845

These were again put into place in October, in the aftermath of September 11, essentially when most of us, including the media, were not paying too much attention.

A fourth area that I would like to mention that is in the NRDC report is particularly important to me, because when I was first elected to Congress back in 1988, basically I ran on a platform that I was going to put an end to ocean dumping off the coast of New Jersey, off the coast of my district. I have been very successful with my colleagues from New Jersey, with my other Members of the House, with the Senators from New Jersey over that 14-year period now to basically put an end to all direct dumping, if you will, in the ocean, whether it be sewage or toxic dredge material or the other types of materials. We had all kinds of garbage and different things that were placed out in the ocean.

Sewage, of course, contains bacteria, viruses, fecal matter and other wastes, and it is responsible each year for beach closures, fish kills, shellfish-bed closures and human gastrointestinal and respiratory illnesses. In 1988 in New Jersey, because of all the medical waste and the sewage sludge that was washing up on the beaches in the summer, we actually had to close all the beaches in the State, or almost all the beaches in the State. It cost New Jersey billions of dollars. People were getting sick, the economy was suffering, it was really a bad situation, both healthwise and economically speaking.

According to the EPA, there were 40,000 discharges of untreated sewage into water bodies, basements, playgrounds and other areas in the year 2000. Before the Bush administration took office, the EPA issued long-overdue rules minimizing raw sewage discharges into waterways, and requiring public notification of sewage overflows. The proposed rules, however, were blocked by the regulatory freeze ordered by the Bush administration last January. A year later, the administration still has not issued the final sewage overflow rules. Technically, they remain under internal review at the EPA, but in practice they are languishing in regulatory limbo.

This was an action that was taken by the Clinton administration, by the prior President, in an effort to try to minimize raw sewage overflow into our rivers, oceans and streams, and the Bush administration when they came into office basically got rid of that regulation, but promised they would come up with new ones. A year later we do not have them. Once again we have an example where clean water, like clean air, like wetlands, all these things are suffering because of either action or inaction by this current administration.

The last thing that the NRDC mentions in the report is OMB's centralized assault. The full-scale regulatory retreat at Federal environmental agencies is only part of the story, according to the NRDC.

Over the long term, the most telling indication of the Bush administration's intentions is the role played by the Office of Management and Budget. The Bush administration has given unprecedented new power to OMB to gut existing environmental rules and bottle up new ones indefinitely. And the OMB has carried this effort a step further by reaching out to polluters and their champions on Capitol Hill to develop a hit list of environmental safeguards they plan to weaken. The list provides a road map of upcoming regulatory battles that include safe drinking water standards, controls on toxins, Clean Air Act requirements, water pollution limits, pollution from factory farms, and forest planning regulations.

The problem that I see, Mr. Speaker, is that this administration started out basically saying that they were going to try to improve the environment, making that commitment. A lot of us doubted that that commitment was real, and now in the aftermath of September 11 we see that it is not real, and, in fact, every effort is being made to gut environmental protection. I think that the public increasingly will not stand for this. If anything, the Enron scandal points out that the public is very wary of big business, corporate interests being able to extend their political influence on Capitol Hill to do things that are not in the interest of the little guy, that are not in the interest of the general public. I have no doubt that the environment is something that the public sincerely cares about and that once these administration actions are brought to light, we can see mounting support to oppose any kind of changes that seek to basically downplay or degrade the environment.

I wanted to mention, Mr. Speaker, if I could, what happened and some of the highlighted cuts that the President brought forward in his budget last Monday. I think that, as with everything related to the environment, the key is having good laws on the books, having agencies that will carry out those laws, but those agencies cannot carry out those laws unless they have the funding to do so, and in many cases they do not have the enforcement arm to make sure that permits are not violated and that people are basically not going along with the laws that exist, the good laws that exist on the environment.

When you talk about cutbacks in the areas that I am going to discuss, that has a major impact on the ability to improve environmental quality. If the money is not there to clean up the water, to clean up the air, to take the action, to do the enforcement, then we will continue to see a policy of environmental degradation.

I wanted to get into a little detail about some of the budget concerns that I have in what the President proposed last Monday. In the first instance, I would like to talk about the Land and Water Conservation Fund. This is really an open space issue.

At the end of the 106th Congress, the work of numerous Members, administration officials and literally thousands of conservation, environmental and recreation interests across the country culminated in what was the greatest piece of conservation funding legislation enacted in our lifetime. This was at the end of the last Congress. There was a bipartisan deal that set aside a total of $12 billion over a 6-year period, from 2001 to 2006, to fund an array of important programs; including the Land and Water Conservation Fund that protected open space, wildlife habitat, wildlife and cultural treasures, and supported recreation. This fund, the Land and Water Conservation Fund, is dedicated and protected for these purposes. It cannot be used for any other budget purposes.

The fund started out at $1.6 billion and is slated for 10 percent increases each year to reach a total of $2.4 billion by fiscal year 2006. The fund is large enough to fully fund the open space program that Congress enacted, but the administration in its budget proposal cut this historic program by $250 million below its authorized level of $1.92 billion for the next fiscal year.

The Bush administration's budget also erodes the original purpose of this Land and Water Conservation Fund, first by cutting existing programs such as the Land and Water Conservation Fund by $88 million, State and tribal wildlife grants by $25 million, and the Endangered Species Fund by $5 million; and also zeroing out the Urban Parks and Recreation Program. It substantially increases the level in the fund for Federal lands maintenance, and this was supposed to be complementary, not part of the effort to acquire more open space.

So what we see is a promised program, the Land and Water Conservation Fund, which was supposed to be money set aside just for specific open space purposes, now being cut even though there was a commitment over this period of time to make sure that it was fully funded.

There is a similar problem with wildlife refuges. The wildlife refuge system celebrates its 100th anniversary in 2003. Defenders and a number of other organizations have called for more than doubling the refuge system's budget to a total of $700 million so that it has the funds to carry out its mission. In other words, there was supposed to be a significant increase in this fund. But what has happened, what the Bush administration has proposed, is to basically cut back on staff. Nearly 200 refuges have no staff on site, and at its fiscal year 2002 funding level, needed operation increases are five times greater than needed maintenance increases. What the administration is doing again here is not providing enough funding to actually run the wildlife refuge programs and making it more and more difficult to maintain the refuges around the country.

We have a similar situation with endangered species. The administration has requested $125.7 million, level funding, for the Fish and Wildlife Service core endangered species program. But this amount falls far short of the $275 million recommended for the next fiscal year by environmental groups. They do not have enough funding in the Fish and Wildlife Service to complete action on more than 250 species that are currently candidates for protection. This is the listing of the species under the Endangered Species Act. So if you do not have the money to actually go out and list species and decide what is going to be on the endangered species list, essentially there is no protection for those species.

Last year, the Service estimated that it needs $120 million, or $24 million per year over 5 years, just for the process of eliminating the backlog for listing critical species. This does not account for a lot more that could be looked at and placed on the list. The administration has requested just $9 million for listing. Again, this is a way through the budget that the Bush administration makes it more difficult, if not impossible, to enforce the Endangered Species Act, by not providing enough funding to do the process of listing species. That is just the listing process.

At the same time, the Fish and Wildlife Service is desperately short of funding needed to recover species; in other words, those that have already been listed and need actions by the Federal Government to make sure that they recover. At least 40 currently listed species could become extinct, even though they are listed and protected, because there is not enough funding for needed recovery actions. I will not list all of these, but the Florida panther is one, and a number of Hawaiian birds and plants. Again, this is another area where the administration is basically allowing a program to degrade because we do not have the money to either list an endangered species or to protect them.

I wanted to also mention the Cooperative Conservation Initiative. The administration is proposing $100 million for a new Cooperative Conservation Initiative while mandated actions and current programs are crying for funds. They are coming up with this new program proposed that supposedly is going to deal with conservation issues, but it is not at all clear what its purpose is, at the same time that they are cutting back on funding for some of the other programs like the Land and Water Conservation Fund and the endangered species program.

There are two other areas I wanted to mention this evening, Mr. Speaker. One deals with oil and gas development on public lands. The other deals with our national forests. What the Bush administration is doing in their budget, the President's budget, boosts oil and gas development on our public lands. Under the Bureau of Land Management, the administration is requesting a $10.2 million increase to expand energy and mineral development on public lands, including expedited permitting and increased leasing, energy-related rights of way and further development on Alaska's North Slope, including plans for drilling, of course, in ANWR, the Arctic National Wildlife Refuge, in Alaska. The administration's budget includes assumptions of receipts from lease sales in ANWR in 2004. It also requested a $14 million increase for the Bureau of Land Management land use plans, some of which are for national conservation areas, but some are for energy development.

I am not saying that it is always a bad thing to increase oil and gas drilling, but in many of these cases these actions are being taken in environmentally sensitive areas, particularly ANWR. Obviously the administration, the President, continues to push for drilling in ANWR, which from an environmental point of view would be very damaging to the wildlife refuge and to the environment in general in Alaska.

The last thing I wanted to mention relates to national forests. The Forest Service budget includes a damaging pilot charter forest legislative proposal that establishes forests or portions of forests as separate entities outside of the national forest system structure and reporting to a local trust entity for oversight, so basically to get rid of the oversight requirements that currently exist.

This is nothing more than a giveaway of portions of our national forests, which, of course, are irreplaceable ecosystems that belong to all the American people. The budget also includes a timber sales offer level of 2 billion boardfeet, a substantial increase from the 1.4 billion boardfeet in recent years. This reflects a return to the timber targets of the Reagan years when politicians set logging levels that had no basis in science. It is also a clear departure from the practice of recent years to manage for the health and sustainability of the land, with outputs a by-product of good land management, not a good goal. The Forest Service is heavily subsidized to meet these harvest goals.

Again, Mr. Speaker, sometimes it is difficult, I think, to understand a lot of these measures, whether it be the budget measures or the agency actions that I mentioned before in the aftermath of September 11. It is hard to monitor and to realize the impact of a lot of these actions because they are in specific agencies, they impact certain parts of the country. But if you add them all up, both the budget cuts as well as the agency actions in the last few months, you can see that this administration is clearly moving more and more in intensifying its efforts to try to cut back on environmental protection.

□ 1900

I think the only way that we are going to stop this is if more and more people speak out. It is being done basically under the cover of September 11, when a lot of the media are not paying attention, and I hope that over the next few months we are able to bring more and more attention to some of these measures and to get the administration to stop intensifying their efforts.

I notice that since I have been in Congress, if an action is taken to weaken the Clean Air Act or Clean Water Act in committee or on the floor of the House, because it is legislative, Members are usually aware of it and they can come in committee or to the floor and object to it and usually put a stop to it because of the public outcry.

But when it comes to agency actions, when it comes to cutbacks in funding for some of the agencies in the fashion that I have described this evening, it is a much more insidious process and much more difficult I think for the public to understand what is going on or to focus on it; and I just think it is extremely unfortunate that the President has taken advantage of this period since September 11 to intensify his efforts to degrade the environment and to take both these agency and budget actions.

Obviously, we have an opportunity during the appropriations process to turn this around and not accept the President's budget on a lot of these environmental initiatives, and that has to be part of what we try to accomplish over the next few months as we move through the appropriations process.

I will say once again, it is my intention to come to the floor again and bring other colleagues to draw more and more attention to the President's anti-environment policies. They are not in sync with the American people, and they are certainly not in accordance with the promises that he made when he first ran for President.

THE CASE FOR REPARATIONS

The SPEAKER pro tempore (Mr. SHUSTER). Under the Speaker's announced policy of January 3, 2001, the gentleman from South Carolina (Mr. CLYBURN) is recognized for 60 minutes.

Mr. CLYBURN. Mr. Speaker, I am pleased to offer a Special Order tonight in conjunction with the gentlewoman from North Carolina (Mrs. CLAYTON), who will be joining us very shortly, as well as some other members of the Congressional Black Caucus, to speak on an issue that we feel is very, very important to our constituents and to our great Nation.

Mr. Speaker, reparations, the act or process of making amends, is a word that often evokes vociferous reactions from many citizens in our Nation. Ever since I have been in Congress, among the first bills introduced at the beginning of the term are bills calling for reparations for slavery.

Although I have always supported legislation dealing with the establishment of a commission and various other efforts to examine the issue of reparations, I have not always supported other measures, many of which call for direct remuneration. There was always the question of who can be identified as deserving, and how do we determine how much they deserve.

But the question of reparations in the traditional form aside, I believe very strongly that there is ample documentation of various forms of racial injustices that occurred very often under the color of law. Not only can we document the injustices in many of these instances, but we can also identify those who were the subject of the injustices; and the time is long since passed for our government to take up where we fell short in 1872 when this Congress rescinded "40 acres and a mule."

The Associated Press recently documented some of these injustices when it conducted an 18-month long investigation into black landowners who have illegally and sometimes legally had their land stolen from them. After interviewing 1,000 people and examining tens of thousands of public records, the Associated Press documented 107 land-takings in 13 Southern and border States. In those cases, 406 black landowners lost more than 24,000 acres of farm and timberland, plus 85 smaller properties, including stores and city lots.

This research was compiled in a three part series titled "Torn From the Land," which detailed how blacks in America were cheated out of their land or driven from it through intimidation, violence, and even murder.

Some had their land foreclosed for minor debts. Still others lost their land to tricky legal maneuvers, still being used today, called partitioning, in which savvy buyers can acquire an entire family's property if just one heir agrees to sell them one parcel, however small.

Mr. Speaker, although I am going to submit the entire research by the Associated Press as part of my statement, I wish at this time to read an excerpt from one of those series:

"As a little girl, Doria Dee often asked about the man in the portrait hanging in her aunt's living room, her great-great grandfather. 'It's too painful,' her elderly relatives would say, and they would look away.

"A few years ago, Johnson, now 40, went to look for answers in the rural town of Abbeville, South Carolina.

"She learned that in his day the man in the portrait, Anthony B. Crawford, was one of the most prosperous farmers in Abbeville County. That is until October 21, 1916, the day the 51-year-old farmer hauled a wagon load of cotton to town.

"Crawford 'seems to have been the type of Negro who was most offensive to certain elements of the white people,' Mrs. J.B. Holman would say a few days later in a letter published by the Abbeville Press and Banner. 'He was getting rich for a Negro, and he was insolent along with it.'

"Crawford's prosperity had made him a target.

"'The success of blacks such as Crawford threatened the reign of white supremacy,' said Stewart E. Tolnay, a sociologist at the University of Washington and coauthor of a book on lynchings. 'There were obvious limitations or ceilings that blacks weren't supposed to go beyond.'

"In the decades between the Civil War and the civil rights era, one of those limitations was owning land.

"Racial violence in America is a familiar story, but the importance of land as a motive for lynchings and white mob attacks on blacks has been widely overlooked, and the resulting land losses suffered by black families such as the Crawfords have gone largely unreported.

"The Associated Press documented 57 violent land takings, more than half of the 107 land takings in an 18-month investigation of black land lost in America. The other cases involved trickery and legal manipulations.

"Sometimes black landowners were attacked by whites who just wanted to drive them from their property. In other cases, the attackers wanted the land for themselves.

"For many decades, successful blacks 'lived with the gnawing fear that white neighbors could at any time do something violent and take everything from them,' this, according to Loren Schweninger, a University of North Carolina expert on black land ownership.

"While waiting his turn at the gin that fall day in 1916, Crawford entered the mercantile store of W.D. Barksdale. Contemporary news accounts and the papers of then Governor Richard Manning detailed what followed:

"Barksdale offered Crawford 85 cents a pound for his cottonseed. Crawford replied that he had a better offer. Barksdale called him a liar. Crawford called the storekeeper a cheat. Three clerks grabbed ax handles, and backed Crawford into the street, where the sheriff appeared and arrested Crawford, for cursing a white man.

"Released on bail, Crawford was cornered by 50 whites who beat and knifed him. The sheriff carried him back to jail. A few hours later, the deputy gave the mob the keys to Crawford's cell.

"Sundown found them at a baseball field at the edge of town. There, they hanged Crawford from a solitary southern pine.

"No one was ever tried for the killing. In its aftermath, hundreds of blacks, including some of the Crawfords, fled Abbeville.

"Two whites were appointed executors of Crawford's estate, which included 427 acres of prime cotton land. One was Andrew J. Ferguson, cousin of two of the mob's ring leaders.

"Crawford's children inherited the land, but Ferguson liquidated much of the rest of Crawford's property, including his cotton, which went to Barksdale. Ferguson kept $5,438, more than half the proceeds, and gave Crawford's children just $200 each, according to estate papers.

"Crawford's family struggled to hold on to the land, but eventually lost it when they could not pay off a $2,000 balance on the bank loan. Although the farm was assessed at $20,000, a white man paid $504 for it at the foreclosure auction, according to land records.

"'There's land taken away and there's murder,' said Johnson, of Alexandria, Virginia. 'But the biggest crime was that our family was split up by this. My family got scattered into the night.'

"The former Crawford land provided timber to several owners before International Paper Corporation acquired the property last year. Jenny Boardman, a company spokeswoman, said International Paper was unaware of the land's history. When told about it, she said: 'The Crawford story is tragic. It causes you to think that there are facets of our history that need to be discussed and addressed.'"

Mr. Speaker, I include the entire Associated Press series of articles entitled "Torn From the Land" for the RECORD.

[From the Associated Press]

AP DOCUMENTS LAND TAKEN FROM BLACKS THROUGH TRICKERY, VIOLENCE AND MURDER

(By Todd Lewan and Dolores Barclay)

For generations, black families passed down the tales in uneasy whispers: "They stole our land."

These were family secrets shared after the children fell asleep, after neighbors turned down the lamps—old stories locked in fear and shame.

Some of those whispered bits of oral history, it turns out, are true.

In an 18-month investigation, The Associated Press documented a pattern in which black Americans were cheated out of their land or driven from it through intimidation, violence and even murder.

In some cases, government officials approved the land takings; in others, they took part in them. The earliest occurred before the Civil War; others are being litigated today.

Some of the land taken from black families has become a country club in Virginia, oil fields in Mississippi, a major-league baseball spring training facility in Florida.

The United States has a long history of bitter, often violent land disputes, from claim jumping in the gold fields to range wars in the old West to broken treaties with American Indians. Poor white landowners, too, were sometimes treated unfairly, pressured to sell out at rock-bottom prices by railroads and lumber and mining companies.

The fate of black landowners has been an overlooked part of this story.

The AP—in an investigation that included interviews with more than 1,000 people and the examination of tens of thousands of public records in county courthouses and state and federal archives—documented 107 land takings in 13 Southern and border states.

In those cases alone, 406 black landowners lost more than 24,000 acres of farm and timber land plus 85 smaller properties, including stores and city lots. Today, virtually all of this property, valued at tens of millions of dollars, is owned by whites or by corporations.

Properties taken from blacks were often small—a 40-acre farm, a general store, a modest house. But the losses were devastating to families struggling to overcome the legacy of slavery. In the agrarian South, landownership was the ladder to respect and prosperity—the means to building economic security and passing wealth on to the next generation. When black families lost their land, they lost all of this.

"When they steal your land, they steal your future," said Stephanie Hagans, 40, of Atlanta, who has been researching how her great-grandmother, Ablow Weddington Stewart, lost 35 acres in Mattews, N.C. A white lawyer foreclosed on Stewart in 1942 after he refused to allow her to finish paying off a $540 debt, witnesses told the AP.

"How different would our lives be," Hagans asked, "if we'd had the opportunities, the pride that land brings?

No one knows how many black families have been unfairly stripped of their land, but there are indications of extensive loss.

Besides the 107 cases the AP documented, reporters found evidence of scores of other land takings that could not be fully verified because of gaps or inconsistencies in the public record. Thousands of additional reports of land takings from black families remain uninvestigated.

Two thousand have been collected in recent years by the Penn Center on St. Helena Island, S.C., an educational institution established for freed slaves during the Civil War. The Land Loss Prevention Project, a group of lawyers in Durham, N.C., who represent blacks in land disputes, said it receives new reports daily. And Heather Gray of the Federation of Southern Cooperatives in Atlanta said her organization has "file cabinets full of complaints."

AP's findings "are just the tip of one of the biggest crimes of this country's history," said Ray Winbush, director of Fisk University's Institute of Race Relations.

Some examples of land takings documented by the AP:

, After midnight on Oct. 4, 1908, 50 hooded white men surrounded the home of a black farmer in Hickman, Ky., and ordered him to come out for a whipping. When David Walker refused and shot at them instead, the mob poured coal oil on his house and set it afire, according to contemporary newspaper accounts. Pleading for mercy, Walker ran out the front door, followed by four screaming children and his wife, carrying a baby in her arms. The mob shot them all, wounding three children and killing the others. Walker's oldest son never escaped the burning house. No one was ever charged with the killings, and the surviving children were deprived of the farm their father died defending. Land records show that Walker's 2½-acre farm simply folded into the property of a white neighbor. The neighbor soon sold it to another man, whose daughter owns the undeveloped land today.

In the 1950s and 1960s, a Chevrolet dealer in Holmes County, Miss., acquired hundreds of acres from black farmers by foreclosing on small loans for farm equipment and pickup trucks. Norman Weathersby, then the only dealer in the area, required the farmers to put up their land as security for the loans, county residents who dealt with him said. And the equipment he sold them they said, often broke down shortly thereafter. Weathersby's friend, William E. Strider, ran the local Farmers Home Administration—the credit lifeline for many Southern farmers. Area residents, including Erma Russell, 81, said Strider, now dead, was often slow in releasing farm operating loans to blacks. When cash-poor farmers missed payments owed to Weathersby, he took their land. The AP documented eight cases in which Weathersby acquired black-owned farms this way. When he died in 1973, he left more than 700 acres of this land to his family, according to estate papers, deeds and court records.

In 1964, the state of Alabama sued Lemon Williams and Lawrence Hudson, claiming the cousins had no right to two 40-acre farms their family had worked in Sweet Water, Ala., for nearly a century. The land, officials contended, belonged to the state. Circuit Judge Emmett F. Hildreth urged the state to drop its suit, declaring it would result in "a severe injustice." But when the state refused, saying it wanted income from timber on the land, the judge ruled against the family. Today, the land lies empty; the state recently opened some of it to logging. The state's internal memos and letters on the case are peppered with references to the family's race.

In the same courthouse where the case was heard, the AP located deeds and tax records documenting that the family had owned the land since ancestor bought the property on Jan. 3, 1874. Surviving records also show the family paid property taxes on the farms from the mid-1950s until the land was taken.

AP reporters tracked the land cases by reviewing deeds, mortgages, tax records, estate papers, court proceedings, survey or maps, oil and gas leases, marriage records, census listings, birth records, death certificates and Freedmen's Bureau archives. Additional documents, including FBI files and Farmers Home Administration records, were obtained through the Freedom of Information Act.

The AP interviewed black families that lost land, as well as lawyers, title searchers, historians, appraisers, genealogists, surveyors, land activists, and local, state and federal officials.

The AP also talked to current owners of the land, nearly all of whom acquired the properties years after the land takings occurred. Most said they knew little about the history of their land. When told about it, most expressed regret.

Weathersby's son, John, 62, who now runs the dealership in Indianola, Miss., said he had little direct knowledge about his father's business affairs. However, he said he was sure his father never would have sold defective vehicles and that he always treated people fairly.

Alabama Gov. Don Siegelman examined the state's files on the Sweet Water case after an inquiry from the AP. He said he found them "disturbing" and has asked the state attorney general to review the matter.

"What I have asked the attorney general to do," he said, "is look not only at the letter of the law but at what is fair and right."

The land takings are part of a larger picture—a 91-year decline in black landownership in America.

In 1910, black Americans owned more farmland than at any time before or since—at least 15 million acres. Nearly all of it was in the South, largely in Mississippi, Alabama and the Carolinas, according to the U.S. Agricultural Census. Today, blacks won only 1.1 million of the country's more than 1 billion acres of arable land. They are part owners of another 1.07 million acres.

The number of white farmers has declined over the last century, too, as economic trends have concentrated land in fewer, often corporate, hands. However, black ownership has declined 2½ times faster than white ownership, the U.S. Civil Rights Commission noted in a 1982 report, the last comprehensive federal study on the trend.

The decline in black landownership had a number of causes, including the discriminatory lending practices of the Farmers Home Administration and the migration of blacks from the rural South to industrial centers in the North and West.

However, the land takings also contributed. In the decades between Reconstruction and the civil rights struggle, black families were powerless to prevent them, said Stuart E. Tolnay, a University of Washington sociologist and co-author of a book on lynchings. In an era when black Americans could not drink from the same water fountains as whites and black men were lynched for whistling at white women, few blacks dared to challenge whites. Those who did could rarely find lawyers to take their cases or judges who would give them a fair hearing.

The Rev. Isaac Simmons was an exception. When his land was taken, he found a lawyer and tried to fight back.

In 1942, his 141-acre farm in Amite County, Miss., was sold for nonpayment of taxes, property records show. The farm, for which his father had paid $302 in 1887, was brought by a white man for $180.

Only partial, tattered tax records for the period exist today in the county courthouse; but they are enough to show that tax payments on at least part of the property were current when the land was taken.

Simmons hired a lawyer in February 1944 and filed suit to get his land back. On March 26, a group of whites paid Simmons a visit.

The minister's daughter, Laura Lee Houston, now 74, recently recalled her terror as she stood with her month-old baby in her arms and watched the man drag Simmons away. "I screamed and hollered so loud," she said. "They came toward me and I ran down in the woods."

The whites then grabbed Simmons' son, Eldridge, from his house and drove the two men to a lonely road.

"Two of them kept beating me," Eldridge Simmons later told the National Association for the Advancement of Colored People. "They kept telling me that my father and I were 'smart niggers' for going to see a lawyer."

Simmons, who has since died, said his captors gave him 10 days to leave town and told his father to start running. Later that day, the minister's body turned up with three gunshot wounds in the back, The McComb Enterprise newspaper reported at the time.

Today, the Simmons land—thick with timber and used for hunting—is privately owned and is assessed at $33,660. (Officials assess property for tax purposes, and the valuation is usually less than its market value.)

Over the past 20 years, a handful of black families have sued to regain their ancestral lands. State courts, however, have dismissed their cases on grounds that statutes of limitations had expired.

A group of attorneys led by Harvard University law professor Charles J. Ogletree has been making inquiries recently about land takings. The group has announced its intention to file a national class-action lawsuit in pursuit of reparations for slavery and racial discrimination. However, some legal experts say redress for many land takings may not be possible unless laws are changed.

As the acres slipped away, so did treasured pieces of family history—cabins crafted by a grandfather's hand, family graves in shared groves.

But "the home place" meant more than just that. Many blacks have found it "very difficult to transfer wealth from one generation to the next," because they had trouble holding onto land, said Paula Giddings, a history professor at Duke University.

The Espy family in Vero Beach, Fla., lost its heritage in 1942, when the U.S. government sized its land through eminent domain to build an airfield. Government agencies frequently take land this way for public purposes under rules that require fair compensation for the owners.

In Vero Beach, however, the Navy appraised the Espy's 147 acres, which included a 30-acre fruit grove, two houses and 40 house lots, at $8,000, according to court records. The Espys sued, and an all-white jury awarded them $13,000. That amounted to one-sixth of the price per acre that the Navy paid white neighbors for similar land with fewer improvements, records show.

After World War II, the Navy gave the airfield to the city of Vero Beach. Ignoring the Espy's plea to buy back their land, the city sold part of it, at $1,500 an acre, to the Los Angeles Dodgers in 1965 as a spring training facility.

In 1999, the former Navy land, with parts of Dodgertown and a municipal airport, was assessed at $6.19 million. Sixty percent of that land once belonged to the Espys. The team sold its property to Indian River County for $10 million in August, according to Craig Callan, a Dodgers official.

The true extent of land takings from black families will never be known because of gaps in property and tax records in many rural Southern counties. The AP found crumbling tax records, deed books with names torn from them, file folders with documents missing, and records that had been crudely altered.

In Jackson Parish, La., 40 years of moldy, gnawed tax and mortgage records were piled in a cellar behind a roll of Christmas lights and a wooden reindeer. In Yazoo County, Miss., volumes of tax and deed records filled a classroom in an abandoned school, the papers coated with white dust from a falling ceiling. The AP retrieved dozens of documents that custodians said were earmarked for shredders or landfills.

The AP also found that about a third of the county courthouses in Southern and border states have burned—some more than once—since the Civil War. Some of the fires were deliberately set.

On the night of Sept. 10, 1932, for example, 15 whites torched the courthouse in Paulding, Miss., where property records for the eastern half of Jasper County, then predominately black, were stored. Records for the predominantly white western half of the county were safe in another courthouse miles away.

The door to the Paulding courthouse's safe, which protected the records, had been locked the night before, the Jasper County News reported at the time. The next morning, the safe was found open, most of the records reduced to ashes.

Suddenly, it was unclear who owned a big piece of eastern Jasper County.

Even before the courthouse fire, landownership in Jasper County was contentious. According to historical accounts, the Ku Klux Klan, resentful that blacks were buying and profiting from land, had been attacking black-owned farms, burning houses, lynching black farmers and chasing black landowners away.

The Masonite Corp., a wood products company, was one of the largest landowners in the area. Because most of the land records had been destroyed, the company went to court in December 1937 to clear its title. Masonite believed it owned 9,581 acres and said in court papers that it had been unable to locate anyone with a rival claim to the land.

A month later, the court rules the company had clear title to the land, which has since yielded millions of dollars in natural gas, timber and oil, according to state records.

From the few property records that remain, the AP was able to document that at least 204.5 of those acres had been acquired by Masonite after black owners were driven off by the Klan. At least 850,000 barrels of oil have been pumped from this property, according to state oil and gas board records and figures from the Petroleum Technology Transfer Council, an industry group.

Today, the land is owned by International Paper Corp., which acquired Masonite in 1988. Jenny Boardman, a company spokeswoman, said International Paper has been unaware of the "tragic" history of the land and was concerned about AP's findings.

"This is probably part of a much larger, public debate about whether there should be restitution for people who have been harmed in the past," she said. "And by virtue of the fact that we now own these lands, we should be part of that discussion."

Even when Southern courthouses remained standing, mistrust and fear of white authority long kept blacks away from record rooms, where documents often were segregated into "white" and "colored." Many elderly blacks say they still remember how they were snubbed by court clerks, spat upon and even struck.

Today, however, fear and shame have given way to pride. Interest in genealogy among black families is surging, and some black Americans are unearthing the documents behind those whispered stories.

"People are out there wondering: What ever happened to Grandma's land?" said Loretta Carter Hanes, 75, a retired genealogist. "They knew that their grandparents shed a lot of blood and tears to get it."

Bryan Logan, a 55-year-old sports writer from Washington, D.C., was researching his heritage when he uncovered a connection to 264 acres of riverfront property in Richmond, Va.

Today, the land is Willow Oaks, an almost exclusively white country club with an assessed value of $2.94 million. But in the 1850s, it was a corn-and-wheat plantation worked by the Howlett slaves—Logan's ancestors.

Their owner, Thomas Howlett, directed in his will that his 15 slaves be freed, that his plantation be sold and that the slaves receive the proceeds. When he died in 1856, his white relatives challenged the will, but two courts upheld it.

Yet the freed slaves never got a penny.

Benjamin Hatcher, the executor of the estate, simply took over the plantation, court records show. He cleared the timber and mined the stone, providing granite for the Navy and War Department buildings in Washington and the capitol in Richmond, according to records in the National Archives.

When the Civil War ended in 1865, the former slaves complained to the occupying Union Army, which ordered Virginia courts to investigate.

Hatcher testified that he had sold the plantation in 1862—apparently to his son, Thomas—but had not given the proceeds to the former slaves. Instead, court papers show, the proceeds were invested on their behalf in Confederate War Bonds. There is nothing in the public record to suggest the former slaves wanted their money used to support the Southern war effort.

Moreover, the bonds were purchased in the former slaves' names in 1864—a dubious investment at best in the fourth year of the war. Within months, Union armies were marching on Atlanta and Richmond, and the bonds were worthless pieces of paper.

The blacks insisted they were never given even that, but in 1871, Virginia's highest court rules that Hatcher was innocent of wrongdoing and that the former slaves were owed nothing.

The following year, the plantation was broken up and sold at a public auction. Hatcher's son received the proceeds, county records show. In the 1930s, a Richmond businessman cobbled the estate back together; he sold it to Willow Oaks Corp. in 1955 for an unspecified amount.

"I don't hold anything against Willow Oaks," Logan said. "But how Virginia's courts acted, how they allowed the land to be stolen—it goes against everything America stands for."

PECULIAR LAND SWAPS LEAVE BLACKS WITH LITTLE OF THEIR ANCESTORS' GEORGIA ISLAND

(By Dolores Barclay)

SAPELO ISLAND, GA. (AP)—It was a peculiar offer: Blacks could swap ancestral land in the most valuable area of this barrier island for smaller parcels owned by a white tycoon in a low, partly swampy enclave known as Hog Hammock.

Yet not a single black family turned it down.

This was Georgia in the 1950s, and the tycoon was Richard J. Reynolds Jr., son of the man who built one of America's biggest tobacco companies. And Sapelo residents say Reynolds ruled the island.

"He wanted the land for his own benefit," said Cornelia Bailey, 56, a longtime resident. "He wanted to . . . control the entire north end without pockets of blacks here and there."

Reynolds arrived on Sapelo in 1932 and moved into a mansion in a community called Raccoon Bluff. His neighbors were Geechee families who retained their African-English dialect. Some had lived on the island for centuries, harvesting oysters and scooping up shrimp in their handmade nets.

Reynolds owned the ferries and a lumber mill and was the biggest employer on the island. And he had a powerful friend, Tom Poppell, the country sheriff.

The land swaps began in the 1950s. Deed records show that in 1956, Rosa Walker exchanged a 16-acre tract in Raccoon Bluff for 5.5 acres in Hog Hammock. Prince and Elizabeth Carter soon traded their 9 acres in Raccoon Bluff for 2 acres in Hog Hammock. And Bailey's father, Hicks Walker, now 98, accepted 2 acres in Hog Hammock for 4 acres on the island's northwestern nose, in an area called Belle Marsh.

In some swaps, deed records show, blacks also received "other consideration." In Hicks Walker's case, his daughter said, it was timber for a new house. But when the wood was delivered, she said, Reynolds charged him for it.

Nearly all of the black landowners in Raccoon Bluff—at least a dozen families—made similar land swaps with Reynolds.

Why would they agree to such deals?

Cornelia Bailey's father was pressured to make the swap, she said, recalling what her parents had told her. "They started laying in subtle threats: 'Now, Hicks, it would be hard on you if you have to leave the island and your family's here to take care of.' That was a subtle threat that . . . he would lose his job."

On Sapelo, in those days, "either you worked for Reynolds or you didn't work at all," she said.

After Reynolds' death, his wife, Annemarie S. Reynolds, sold most of their Sapelo holdings to the state of Georgia for $835,000 in 1969. Today, the state runs a marine research institute on the island.

Reached at her home in Switzerland, Reynolds was asked if she thought the land swaps had been fair.

"I guess so," she said. "Mr. Reynolds tried to do a good thing for their benefit."

The Reynolds family kept some of the land, including 698 acres in Raccoon Bluff now managed by The Sapelo Foundation, a philanthropic organization set up by Richard J. Reynolds Jr.

Ernest Walker claims some of that land is his.

According to county tax receipts, Walker still pays property taxes on 33¼ acres of the land, which his ancestors purchased in 1874.

An AP search of land records found no evidence that the Walker family had ever transferred it to Reynolds, the Sapelo Foundation of anyone else.

ALABAMA PUSHED A BLACK FAMILY OFF ITS LAND—AND LEFT IT EMPTY FOR YEARS

(By Todd Lewan)

SWEET WATER, ALA. (AP)—The legacy Lemon Williams always hoped to leave to his grandchildren was the land of his birth.

His 40-acre cotton-and-bean farm was among the smallest in Marengo County, but the land his grandfather had settled after the Civil War meant everything to Williams.

"This land," Williams always told his son, Willie, "is part of our family, treat it like your brother."

Then in June 1964, a letter arrived. The State Lands Division had checked the title of the property with the Bureau of Land Management. The federal agency had replied that, as far as it could determine, the 40 acres belonged to the state.

How could this be if, as the family's original deed said, Williams' grandfather had bought the land for $480 on Jan. 3, 1874?

In 1906, the letter said, the federal government had designated the 40 acres as swampland and patented the property to the state of Alabama. The 40-acre farm of Lawrence Hudson, Williams' cousin, also belonged to the state for the same reason, according to the letter. The attorney general, the latter said, was now suing both families for their land.

The families gathered their children and their deeds and took them to J.C. Camp, a lawyer in Linden, the county seat. The lawyer and both couples have since died, but Lemon Williams' son and daughter, Willie and Inez, say they recall every detail of the meeting.

"Camp took our money, took our deeds, put them in his drawer and promised he'd fix everything," said Willie Williams, 50. "We never saw those deeds again."

In 1965, a fire ravaged the Marengo County courthouse. Many records survived; the file containing the Williams and Hudson court case apparently did not. The Associated Press found only the trial docket.

The State Lands Division in Montgomery, however, monitored the case. Letters and internal memos from those files are peppered with references to the Williams and Hudson families' race. They show officials adamantly opposed to allowing "the negro defendants" to keep the land, even though they acknowledged in writing that both families could trace their ownership back to 1874.

In an April 30, 1964, memo, George T. Driver, a former state lands director, wrote: "The lands are being claimed by Lemon Williams . . . (a colored man)." A Nov. 30, 1964, memo by William G. O'Rear, chief attorney for the state conservation department, refers to "the negro defendants." And in 1966, Marengo's tax assessor noted: "Land Bk shows above 40 acres still owned by L.B. Hudson (black)."

A year later, Circuit Judge Emmett F. Hildreth asked the state to reconsider the lawsuit. Taking the land, he wrote, "would create a severe injustice."

Claude D. Kelley, then Alabama's director of conservation, replied that the state had no intention of dropping the lawsuit because income from cutting timber on its land could be used for state-run hospitals.

In 1967, Hildreth ruled that Williams, Hudson and their wives could remain on the land but could not farm or log it. When they died, his decree said, the state would take possession.

Hudson died in 1975 and his wife died shortly afterward, but family members say the state waited until last year to ask their children to leave the farm. They moved to nearby Butler.

The Williamses moved to an acre lot several miles from their old farm after Hildreth's ruling. For three decades, they pleaded for the land in letters to state officials and received form letters in response.

The vine-wrapped house that was once the center of their farm is slowly collapsing. Conservation officials have opened some of the area to timber cutters, state records show.

James Griggs, director of state lands, said the dispute was handled properly. "There have only been two owners of the land, the federal government and the state," he said.

The Associated Press, however, found deeds on file in the county courthouse documenting the Hudson and Williams families' ownership of the property all the way back to 1874. There are also surviving records showing both families paying taxes on the land from the late 1950s until the land was taken.

After being told of the AP's findings, Alabama Gov. Don Siegelman read the files and said he found them "disturbing." He has asked the attorney general to review the case.

CAR DEALER ACQUIRED BLACK FARMERS' LAND BY FORECLOSING ON LOANS

(By Dolores Barclay)

LEXINGTON, MISS. (AP)—Down in the Delta, folks still talk about Norman Weathersby, a White Chevrolet dealer who acquired hundreds of acres of black-owned land in the 1950s and '60s in exchange for used pickup trucks and farm equipment.

"Old Norman was something else," said Rhodolphis Hayes with a shake of his head.

The 71-year-old farmer and other Holmes County residents recall the days when black farmers had to finance trucks and equipment from Weathersby because, they said, the local banks refused to do business with blacks.

Weathersby, they said, required that they put up their entire farms as collateral for the loans, and when a cash-poor farmer missed a payment, Weathersby acquired land this way.

County land records show that Henry and Mary Friend put up 63 acres in 1958 for a $1,598 loan. The land went to Weathersby a few months later. Ed and Pattie Blissett lost their 50-acre farm in 1958 after they missed a payment on a 1956 loan from Weathersby for $1,785. The final note of $385 had been due in 1960.

It was easy for Holmes County blacks to default on their loans.

For one thing, several area residents said, the equipment and trucks blacks needed to run their farms often broke down shortly after they bought them from Weathersby.

"He'd fix it up so it could run between Lexington and Tchula (a 20-minute drive). Then it would die on you," said Griffin McLaurin Jr., 60, recalling how his father lost the family's 100-acre farm in 1966 because of a $40,000 loan.

"When the man called in for the money, he didn't have it," McLaurin said, and Weathersby forclosed. The son later bought back 7½ acres of the land from Weathersby—for $4,253.15, records show.

Weathersby's close friend, William E. Strider, ran the local Farmers Home Administration—the credit lifeline for many Southern farmers. Hayes, McLaurin and, others in Holmes County said Strider, now dead, was often slow in releasing farm operating loans to blacks.

"You have to do your land breaking, your fertilizing and your seeds, but if you don't get the money on time, you can't farm," Hayes said.

In the late 1950s, Erma Russell, now 81, had businesses at the FMHA office in Lexington. She was about to knock on Strider's door, she said, when she heard Weathersby and Strider talking.

"They said how they were going to get the colored folk off their land through foreclosures," she recalled. "They were suggesting ways to have us 'volunteer' to surrender our land. All I could do was pray they wouldn't take it.

The Russells paid up their loans and kept their 65-acre farm. "It wasn't easy to get this." She glanced out her windows to a spread of ebony soil. "We had to struggle . . . We had to fight to get this, and we won."

When he died in 1973, Weathersby left his family about 700 acres blacks had once owned, according to his estate papers, deeds and court papers.

Weathersby's son 62, who now runs the dealership in Indiana, said he had little direct knowledge about his father's business deals and car loans. However, he said he was sure his father never would have sold defective vehicles and that he always treated people fairly.

"He helped people no matter what race," he said.

LIVING IN THE NORTH GAVE BLACKS NO GUARANTEE AGAINST LAND GRABS

(By Allen G. Breed)

PHIPPSBURG, ME (AP)—In 1912, 45 mixed-race people living on Malaga Island in the mouth of the New Meadows River were thrown off their land by the state of Maine.

"It was ill considered and it was brutally done," says William David Barry, a librarian at the Maine Historical Society who has written about the case.

Nearly a quarter of the islanders were sent to the Maine School for the Feeble-Minded while state workers torched their shacks and even dug up the bones of their ancestors, according to historians and contemporary newspaper accounts.

Most black American families that lost land through fraud and intimidation lived in the South. The story of Malaga, however, shows that living in the North provided no guarantee.

Historians believe the 41-acre island, just 100 yards from shore, was settled by free blacks during the Civil War. For years, they lived unmolested on the island, but as the 20th century dawned, that changed.

The year 1912 was a difficult one in Maine. The state's shipbuilding industry was waning, and the summer cottage industry was just beginning to develop. About this time, some educated Mainers were embracing eugenics—a pseudo-science holding that the poor and handicapped should be removed from the gene pool.

Locals wanted to get rid of the poor, unsightly colony, but state authorities needed the appearance of legality. They declared that the island was the property of the Perry family, which had been among Phippsburg's earliest settlers.

Although the Perrys had purchased the island in 1818, an Associated Press search of town records found no evidence that the family had paid taxes on it. The residents of Malaga had lived there for half a century—far longer than the 20 years necessary to establish ownership under Maine law.

Nevertheless, the state bought the island from the Perry heirs in December 1911 and ordered the islanders to leave by July 1, 1912. Residents were paid varying sums for their houses—between $50 and $300—but given nothing for the land, according to minutes of the Governor's Executive Council.

Locals say no one has lived there since.

In 1989, property records show, the island was purchased by T. Ricardo Quesada of Freeport, Maine, co-owner of a commercial development company.

Assessed at $87,400, the island is barren but for some trees and drying lobster pots.

"The island is used by the family for various purposes," Quesada said. "And we think the less publicity about it the better."

The African-American Geneological Society of New England is considering asking the governor for a formal apology for Malaga. Gov. Angus S. King Jr. is on record as saying that if the apology is requested, he will make it.

LANDOWNERSHIP MADE BLACKS TARGETS OF VIOLENCE AND MURDER

(By Dolores Barclay, Todd Lewan and Allen G. Breed)

As a little girl, Doria Dee Johnson often asked about the man in the portrait hanging in an aunt's living room—her great-great-grandfather. "It's too painful," her elderly relatives would say, and they would look away.

A few years ago, Johnson, now 40, went to look for answers in the rural town of Abbeville, S.C.

She learned that in his day, the man in the portrait, Anthony P. Crawford, was one of the most prosperous farmers in Abbeville County. That is, until Oct. 21, 1916—the day the 51-year-old farmer hauled a wagon-load of cotton to town.

Crawford "seems to have been the type of negro who is most offensive to certain elements of the white people," Mrs. J.B. Holman would say a few days later in a letter published by The Abbeville Press and Banner. "He was getting rich, for a negro, and he was insolent along with it."

Crawford's prosperity had made him a target.

The success of blacks such as Crawford threatened the reign of white supremacy, said Stewart E. Tolnay, a sociologist at the University of Washington and co-author of a book on lynchings. "There were obvious limitations, or ceilings, that blacks weren't supposed to go beyond."

In the decades between the Civil War and the civil rights era, one of those limitations was owning land, historians say.

Racial violence in America is a familiar story, but the importance of land as a motive for lynchings and white mob attacks on blacks has been widely overlooked. And the resulting land losses suffered by black families such as the Crawfords have gone largely unreported.

The Associated Press documented 57 violent land takings—more than half of the 107 land takings found in an 18-month investigation of black land loss in America. The other cases involved trickery and legal manipulations.

Sometimes, black landowners were attacked by whites who just wanted to drive them from their property. In other cases, the attackers wanted the land for themselves.

For many decades successful blacks "lived with a gnawing fear . . . that white neighbors could at any time do something violent and take everything from them," said Loren Schweninger, a University of North Carolina expert on black landownership.

While waiting his turn at the gin that fall day in 1916, Crawford entered the mercantile store of W.D. Barksdale. Contemporary newspaper accounts and the papers of then Gov. Richard Manning detail what follows:

Barksdale offered Crawford 85 cents a pound for his cottonseed, Crawford replied that he had a better offer. Barksdale called him a liar; Crawford called the storekeeper a cheat. Three clerks grabbed ax handles, and Crawford backed into the street, where the sheriff appeared and arrested Crawford—for cursing a white man.

Released on bail, Crawford was cornered by about 50 whites who beat and knifed him. The sheriff carried him back to jail. A few hours later, a deputy gave the mob the keys to Crawford's cell.

Sundown found them at a baseball field at the edge of town. There, they hanged Crawford from a solitary Southern pine.

No one was ever tried for the killing. In its aftermath hundreds of blacks, including some of the Crawfords, fled Abbeville.

Two whites were appointed executors of Crawford's estate, which included 427 acres of prime cotton land. One was Andrew J. Ferguson, cousin of two of the mob's ringleaders, the Press and Banner reported.

Crawford's children inherited the farm, but Ferguson liquidated much of the rest of Crawford's property including his cotton, which went to Barksdale. Ferguson kept $5,438—more than half the proceeds—and gave Crawford's children just $200 each, estate papers show.

Crawford's family struggled to hold the farm together but eventually lost it when they couldn't pay off a $2,000 balance on a bank loan. Although the farm was assessed at $20,000 at the time, a white man paid $504 for it at the foreclosure auction, according to land records.

"There's land taken away and there's murder," said Johnson, of Alexandria, VA. "But the biggest crime was that our famly was split up by this. My family got scattered into the night."

The former Crawford land provided timber to several owners before International Paper Corp. acquired it last year. Jenny Boardman, a company spokeswoman, said International Paper was unaware of the land's history. When told about it, she said: "The Crawford story is tragic. It causes you to think that there are facets of our history that need to be discussed and addressed."

Other current owners of property involved in violent land takings also said they knew little about the history of their land, and most were disturbed when informed about it.

The Tuskegee Institute and the National Association for the Advancement of Colored People have documented more than 3,000 lynchings between 1865 and 1965, and believe there were more. Many of those lynched were property owners, said Ray Winbush, director of Fisk University's Race Relations Institute.

"If you are looking for stolen black land," he said, "just follow the lynching trail."

Some white officials condoned the violence; a few added threats of their own.

"If it is necessary, every Negro in the state will be lynched," James K. Vardaman declared while governor of Mississippi (1904–1908). "It will be done to maintain white supremacy."

In some places, the AP found, single families were targeted. Elsewhere, entire black communities were destroyed.

Today, Birmingham, Ky., lies under a floodway created in the 1940s. But at the start of the 20th century, it was a tobacco center with a predominantly black population, and a battleground in a five-year siege by white marauders called Night Riders.

On the night of March 8, 1908, about 100 armed whites tore through town on horseback, shooting seven blacks, three of them fatally. The AP documented the cases of 14 black landowners who were driven from Birmingham. Together, they lost more than 60 acres of farmland and 21 city lots to whites—many at sheriff's sales, all for low prices.

John Scruggs and his young granddaughter were killed in Birmingham that night, The Courier-Journal of Louisville reported at the time. Property records show that the city lot Scruggs had bought for $25 in 1902 was sold for nonpayment of taxes six years after the attack. A local white man bought it for $7.25 (or about $144 in today's dollars).

Land that had belonged to other blacks went for even less. John Puckett's 2 acres sold for $4.70; Ben Kelley's city lot went for just $2.60.

In Pierce City, Mo., 1,000 armed whites burned down five black-owned houses and killed four blacks on Aug. 18, 1901. Within four days, all of the town's 129 blacks had fled, never to return, according to a contemporary report in The Lawrence Chieftain newspaper. The AP documented the cases of nine Pierce City blacks who lost a total of 30 acres of farmland and 10 city lots. Whites bought it all at bargain prices.

Eviline Brinson, whose house was burned down by the mob, sold her lot for $25 to a white woman after the attack. Brinson had paid $96 for the empty lot in 1889, county records show.

The attacks on Birmingham and Pierce City were part of a pattern in Southern and border states in the first half of the 20th century: Lynchings and mob attacks on blacks, followed by an exodus of black citizens, some of them forced to abandon their property or sell it at cut-rate prices.

"Black landowners were put under a tremendous amount of pressure, from authorities and otherwise, to give up their land and leave," said Earl N.M. Gooding, director of the Center for Urban and Rural Research at Alabama A&M University. "They became refugees in their own country."

For example, the AP found that 18 black families lost a total of 330 acres plus 48 city lots when they fled Ocoee, Fla., after a 1920 Election Day attack on the black community. Some were able to sell their land at a fair price, but others such as Valentine High Tower were not. He parted with 52 acres for $10 in 1926, property records show.

Today the land lost by the 18 Ocoee families, not including buildings now on it, is assessed at more than $4.2 million. (Officials assess property for tax purposes, and the valuation is usually less than its market value.)

Sometimes, individual black farmers were singled out and attacked by bands of white farmers known as the Whitecaps. Operating in several Southern and border states around the turn of the 20th century, they were intent on driving blacks from their land and discouraging other blacks from acquiring it, said historian George C. Wright, provost at the University of Texas at Arlington.

"The law wouldn't help," he said. "There was just no one to turn to."

Whitecaps often nailed notes with crudely drawn coffins to the doors of black landowners, warning them to leave or die.

The warning to Eli Hilson of Lincoln County, Miss., came on Nov. 18, 1903, when Whitecaps shot up his house just hours after his new baby was born, The Brookhaven Leader newspaper reported at the time. Hilson ignored the warning.

A month later, the 39-year-old farmer was shot in the head as he drove his buggy toward his farm, the newspaper said. The horse trotted home, delivering Hilson's body to his wife, Hannah.

She struggled to raise their 11 children and work the 74-acre farm, but she could not manage without her husband. Hannah Hilson lost the property through a mortgage foreclosure in 1905. According to land records, the farm went for $439 to S.P. Oliver, a member of the county board of supervisors. Today, the property is assessed at $61,642.

It wasn't just Whitecaps and Night Riders who chased blacks from their land. Sometimes, officials did it.

In Yazoo County, Miss., Norman Stephens and his twin brother, Homer, ran a trucking business, hauling cotton pickers to plantations. One day in 1950, a white farmer demanded that Stephens immediately deliver workers to his field, Stephens' widow, Rosie Fields, said in a recent interview.

Stephens explained he had other commitments and promised to drop off the men later, his wife said. The farmer fetched the sheriff.

That evening, the brothers found themselves locked in a second-floor room at the county jail. They squeezed through a window, leaped to the ground and ran. Fields, now 83, said her husband later told her why: They had overheard the sheriff, who has since died, talking about where to hide their bodies.

Once home, Fields said, Stephens and his brother packed their bags and flagged down a bus to Ohio. A year later, she and her five children joined them.

For a decade, the family made mortgage and property tax payments on the house they left behind, records show. But it was hard to keep up, and they never dared to return, Fields said. Finally, in the 1960s, they stopped paying and lost the house they had purchased for $700 in 1942.

One aim of racial violence was to deny blacks the tools to build wealth, said John Hope Franklin, chairman of President Clinton's Advisory Board on Race.

Paula J. Giddings, a Duke University historian, said that "by the 1880s and 1890s, a significant number of blacks began to do very well in terms of entrepreneurship and landownership, and it simply couldn't be tolerated.

In 1885, Thomas Moss, Henry Stewart and Calvin McDowell opened the Peoples' Grocery Store in a largely black Memphis neighborhood known as The Curve. Across the street was another grocery, owned by a white man, W.H. Barret.

On Saturday, March 5, 1892, two boys—one black, the other white—squabbled over a game of marbles near the store, which led to a dispute between their fathers. Barret went to the police, claiming black shopkeepers were instigating trouble.

Contemporary newspaper accounts describe what ensued:

Some townspeople warned the shopkeepers that a white mob was planning to attack their store. So when nine deputy sheriffs in civilian clothing tried to enter after dark Sunday to deliver arrest warrants, they were taken for intruders and fired on. Three deputies were wounded. Moss, Stewart and McDowell were jailed.

Early Wednesday morning, a mob of about 75 whites yanked the three men from their cells while other whites looted the grocery.

In the aftermath, more than 2,000 blacks streamed out of Memphis, according to contemporary newspaper accounts. Creditors liquidated whatever stock the looters left behind, and the store landed in the hands of John C. Reilly, a deputy sheriff.

Over the years, the property has been resold many times, and today is the site of a small business, the Panama Grocery.

As for the three store owners, their bullet-torn bodies turned up in a ravine near the Wolf River, The Memphis Appeal-Avalanche reported at the time.

When Moss' body was found, his hands were clenched, the newspaper noted. They were filled with grass and the brown clay of Tennessee.

TAKING AWAY THE VOTE—AND A BLACK MAN'S LAND

(By Todd Lewan)

COLUMBUS, MISS. (AP).—Robert Gleed was 17 when he escaped from a Virginia slaveowner and trailed his sweetheart to eastern Mississippi. Here, in the years after the Civil War, he prospered, owning 295 acres of farmland, three city lots, a stately home and a general store, according to county records.

It was a time when America's blacks were testing their new freedom under the protection of the occupying Union army. Many were acquiring land, voting, building schools, joining the ranks of the Republican Party—the party of Lincoln.

But one violent night in the waning days of Reconstruction, Nov. 1, 1875, Gleed lost it all.

He had been running for sheriff of Lowndes County. On the eve of the election, a mob of whites attacked a parade of his supporters. Four blacks were killed, one on the sidewalk in front of Gleed's store.

Gleed was a man of stature in Columbus—president of the Mercantile Land and Banking Co., head of the county Chamber of Commerce, a two-time Mississippi state senator who had helped pass a law against racial discrimination on public transportation.

But the only thing that saved him that night, according to historical accounts, was a white friend who hid him in a well.

At the time, Lowndes County had 3,800 registered black voters, nearly all of them Republicans, as was Gleed. There were only 1,250 whites registered, nearly all as Democrats, the Columbus Press reported at the time.

As the mob of torch-carrying whites surged through town on election eve, fires broke out. Whites invaded Gleed's house, shot up his furniture, shredded his wife's clothing.

The next day, Gleed's opponent, a white Democrat, was elected sheriff. Gleed fled to Paris, Texas, leaving behind his house, his general store and its stock, his city lots and farmland.

Soon after, two white townspeople claimed Gleed owed them money and foreclosed on his property, records show.

Toby W. Johnston liquidated the store and stock, pocketing $941. Bernard G. Hendrick, a city councilman, took 215 acres of Gleed's farm for what he said was a $125 debt. Hendrick snapped up Gleed's home and an adjacent lot for $11 at an auction and later took the rest of Gleed's city holdings for $500.

In the 1940s, the old Gleed farm was sold to the federal government; today, U.S. Highway 50 runs through it. One of Gleed's city lots now holds four houses, a gas station and Associated Realty.

"I guess I don't care who owned it previously," Bob Oaks, president of the realty company, said when told about Gleed. "That's bad, but it sounds like he abandoned his property."

Gleed was 80 when he died on July 24, 1916. His obituary in the Columbus Commercial newspaper said he was "believed to have been the last remaining negro who has served Lowndes County in an office which is now filled by honorable and distinguished white citizens."

A Man Is Jailed for Defending His Land

(By Dolores Barclay)

FRANKLIN, KY. (AP).—George and Mary Dinning were in bed, asleep, when riders came to drive them from their land. By morning, a man lay dead, and George Dinning was on his way to jail.

What happened that raw night in January 1897 is told in depositions and trial testimony from Dinning, his wife, Mary, and members of the mob that attacked their tobacco farm. The accounts are similar; sometimes, even the same words appear. Contemporary news accounts from The Courier-Journal newspaper of Louisville and the papers of Gov. William O. Bradley add to the story:

About 11 p.m., 25 white men on horseback surrounded Dinning's farm, a 124-acre spread that spilled over the hills of southern Kentucky into Tennessee. Then came pounding at the front and back doors.

"I will give you just 10 days to get away from here, and don't you stop within 40 miles," a man said.

"What have I done?" Dinning asked.

You stole turkeys and chickens, the man answered. Dinning began to explain that he could account for everything he owned.

Boom! The back door exploded.

Bleeding from a wound in his arm, Dinning ran through gunfire up the stairs, past his wife and six children. He grabbed his shotgun, opened a front bedroom window and fired. A man named Jodie Conn fell dead. The mob retreated with his body, but not before a bullet creased Dinning's head.

Dinning turned himself in to the sheriff of Simpson County, who moved him to Bowling Green, a three-day journey, and then farther still to Louisville, to escape white mobs.

Riders came for Mary Dinning the next day.

Leave or hang, they told her. She begged for more time; her 12-year-old daughter was feverish. She and the children could stay inside the burning house, the mob retorted.

"Near sundown," she later testified, "I started with my six children, the youngest being 4 months old, the oldest 13 years. I was so badly frightened when I left, that I did not take time to put wrappings on myself or children.

"The next night after leaving," she continued, "my house and everything on Earth we had . . . was destroyed by fire."

An all-white jury convicted Dinning of manslaughter, and he was sentenced to seven years in prison. The men who attacked his home were never arrested.

Petitions to pardon Dinning poured in from prominent whites including Louisville Mayor George Todd. After much pressure, Bradley granted a pardon, on July 17, 1897.

AP Documents Land Taken From Blacks Through Trickery, Violence and Murder

(By Todd Lewan and Dolores Barclay)

For generations, black families passed down the tales in uneasy whispers: "They stole our land."

These were family secrets shared after the children fell asleep, after neighbors turned down the lamps—old stories locked in fear and shame.

Some of those whispered bits of oral history, it turns out, are true.

In an 18-month investigation, The Associated Press documented a pattern in which black Americans were cheated out of their land or driven from it through intimidation, violence and even murder.

In some cases, government officials approved the land takings; in others, they took part in them. The earliest occurred before the Civil War; others are being litigated today.

Some of the land taken from black families has become a country club in Virginia, oil fields in Mississippi, a major-league baseball spring training facility in Florida.

The United States has a long history of bitter, often violent land disputes, from claim jumping in the gold fields to range wars in the old West to broken treaties with American Indians. Poor white landowners, too, were sometimes treated unfairly, pressured to sell out a rock-bottom prices by railroads and lumber and mining companies.

The fate of black landowners has been an overlooked part of this story.

The AP—in an investigation that included interviews with more than 1,000 people and the examination of tens of thousands of public records in county courthouses and state and federal archives—documented 107 land takings in 13 Southern and border states.

In those cases alone, 406 black landowners lost more than 24,000 acres of farm and timber land plus 85 smaller properties, including stores and city lots. Today, virtually all of this property, valued at tens of millions of dollars, is owned by whites or by corporations.

Properties taken from blacks were often small—a 40-acre farm, a general store, a modest house. But the losses were devastating to families struggling to overcome the legacy of slavery. In the agrarian South, landownership was the ladder to respect and prosperity—the means to building economic security and passing wealth on to the next generation. When black families lost their land, they lost all of this.

"When they steal your land, they steal your future," said Stephanie Hagans, 40, of Atlanta, who has been researching how her great-grandmother, Ablow Weddington Stewart, lost 35 acres in Matthews, N.C. A white lawyer foreclosed on Stewart in 1942 after he refused to allow her to finish paying off a $540 debt, witnesses told the AP.

"How different would our lives be," Hagans asked, "if we'd had the opportunities, the pride that land brings?"

No one knows how many black families have been unfairly stripped of their land, but there are indications of extensive loss.

Besides the 107 cases the AP documented, reporters found evidence of scores of other land takings that could not be fully verified because of gaps or inconsistencies in the public record. Thousands of additional reports of land takings from black families remain uninvestigated.

Two thousand have been collected in recent years by the Penn Center on St. Helena Island, S.C., an educational institution established for freed slaves during the Civil War. The Land Loss Prevention Project, a group of lawyers in Durham, N.C., who represent blacks in land disputes, said it receives new reports daily. And Heather Gray of the Federation of Southern Cooperatives in Atlanta said her organization has "file cabinets full of complaints."

AP's findings "are just the tip of one of the biggest crimes of this country's history," said Ray Winbush, director of Fisk University's Institute of Race Relations.

Some examples of land takings documented by the AP:

After midnight on Oct. 4, 1908, 50 hooded white men surrounded the home of a black farmer in Hickman, Ky., and ordered him to come out for a whipping. When David Walker refused and shot at them instead, the mob poured coal oil on his house and set it afire, according to contemporary newspaper accounts. Pleading for mercy, Walker ran out the front door, followed by four screaming children and his wife, carrying a baby in her arms. The mob shot them all, wounding three children and killing the others. Walker's oldest son never escaped the burning house. No one was ever charged with the killings, and the surviving children were deprived of the farm their father died defending. Land records show that Walker's 2½-acre farm was simply folded into the property of a white neighbor. The neighbor soon sold it to another man, whose daughters own the undeveloped land today.

In the 1950s and 1960s, a Chevrolet dealer in Holmes County, Miss., acquired hundreds of acres from black farmers by foreclosing on small loans for farm equipment and pickup trucks. Norman Weathersby, then the only dealer in the area, required the farmers to put up their land as security for the loans, county residents who dealt with him said.

And the equipment he sold them, they said, often broke down shortly thereafter. Weathersby's friend, William E. Strider, ran the local Farmers Home Administration—the credit lifeline for many Southern farmers. Area residents, including Erma Russell, 81, said Strider, now dead, was often slow in releasing farm operating loans to blacks. When cash-poor farmers missed payments owned to Weathersby, he took their land. The AP documented eight cases in which Weathersby acquired black-owned farms this way. When he died in 1973, he left more than 700 acres of this land to his family, according to estate papers, deeds and court records.

In 1964, the state of Alabama sued Lemon Williams and Lawrence Hudson, claiming the cousins had no right to two 40-acre farms their family had worked in Sweet Water, Ala., for nearly a century. The land, officials contended, belonged to the state, Circuit Judge Emmett F. Hildreth urged the state to drop its suit, declaring it would result in "a severe injustice." But when the state refused, saying it wanted income from timber on the land, the judge ruled against the family. Today, the land lies empty; the state recently opened some of it to logging. The state's internal memos and letters on the case are peppered with references to the family's race.

In the same courthouse where the case was heard, the AP located deeds and tax records documenting that the family had owned the land since an ancestor bought the property Jan. 3, 1874. Surviving records also show the family paid property taxes on the farms from the mid-1950s until the land was taken.

AP reporters tracked the land cases by reviewing deeds, mortgages, tax records, estate papers, court proceedings, surveyor, maps, oil and gas leases, marriage, records, census listings, birth records, death certificates and Freedmen's Bureau archives. Additional documents, including FBI files and Farmers Home Administration records, were obtained through the Freedom on Information Act.

The AP interviewed black families that lost land, as well as lawyers, title searchers, historians, appraiser, genealogists, surveyors, land activists, and local, state and federal officials.

The AP also talked to current owners of the land, nearly all of whom acquired the properties years after the land takings occurred. Most said they knew little about the history of their land. When told about it, most expressed regret.

Weathersby's son, John, 62, who now runs the dealership in Indianoia, Miss., said he had little direct knowledge about his father's business affairs. However, he said he was sure his father never would have sold defective vehicles and that he always treated people fairly.

Alabama Gov. Don Siegelman examined the state's files on the Sweet Water case after an inquiry from the AP. He said he found them "disturbing" and has asked the state attorney general to review the matter.

"What I have asked the attorney general to do, "he said, "is look not only at the letter of the law but what is fair and right."

The land takings are part of a larger picture—a 91-year decline in black landownership in America.

In 1910, black Americans owned more farmland that at any time before or since—at least 15 million acres. Nearly all of it was in the South, largely in Mississippi, Alabama and the Carolinas, according to the U.S. Agricultural Census. Today, blacks own only 1.1 million of the country's more than 1 billion acres of arable land. They are part owners another 1.07 million acres.

The number of white farmers has declined over the last century, too, as economic trends have concentrated land in fewer, often corporate, hands. However, black ownership had declined 2½ times faster than white ownership, the U.S. Civil Rights Commission noted in a 1982 report, the last comprehensive federal study on the trend.

The decline in black landownership had a number of causes, including the discriminatory lending practices of the Farmers Home Administration and the migration of blacks from the rural South to industrial centers in the North and West.

However, the land takings also contributed. In the decades between Reconstruction and the civil rights struggle, black families were powerless to prevent them, said Stuart E. Tolnay, a University of Washington sociologist and co-author of a book on lynchings. In an era when black Americans could not drink from the same water fountains as whites and black men were lynched for whistling at white women, few blacks dared to challenge whites. Those who did could rarely find lawyers to take their cases or judges who would give them a fair hearing.

The Rev. Isaac Simmons was an exception. When his land was taken, he found a lawyer and tried to fight back.

In 1942, his 141-acre farm in Amite County, Miss., was sold for nonpayment of taxes, property records show. The farm, for which his father had paid $302 in 1887, was bought by a white man for $180.

Only partial, tattered tax records for the period exist today in the county courthouse; but they are enough to show that tax payments on at least part of the property were current when the land was taken.

Simmons hired a lawyer in February 1944 and filed suit to get his land back. On March 26, a group of whites paid Simmons a visit.

The minister's daughter Laura Lee Houston, now 74, recently recalled her terror as she stood with her month-old baby in her arms and watched the men drag Simmons away. "I screamed and hollered so loud," she said. "They came toward me and I ran down in the woods."

The whites then grabbed Simmons' son, Eldridge, from his house and drove the two men to a lonely road.

"Two of them kept beating me," Eldridge Simmons later told the National Association for the Advancement of Colored People. "They kept telling me that my father and I were 'smart niggers' for going to see a lawyer."

Simmons, who has since died, said his captors gave him 10 days to leave town and told his father to start running. Later that day, the minister's body turned up with three gunshot wounds in the back, The McComb Enterprise newspaper reported at the time.

Today, the Simmons land—thick with timber and used for hunting—is privately owned and is assessed at $33,660. (Officials assess property for tax purposes, and the valuation is usually less than its market value.)

Over the past 20 years, a handful of black families have sued to regain their ancestral lands. State courts, however, have dismissed their cases on grounds that statutes of limitations had expired.

A group of attorneys led by Harvard University law professor Charles J. Ogletree has been making inquires recently about land takings. The group has announced its intention to file a national class-action lawsuit in pursuit of reparations for slavery and racial discrimination. However, some legal experts say redress for many land takings may not be possible unless laws are changes.

As the acres slipped away, so did treasured pieces of family history—cabins crafted by a grandfather's hand, family graves in shaded groves.

But "the home place" meant more than just that. Many blacks have found it "very difficult to transfer wealth from one generation to the next," because they had trouble holding onto land, said Paula Giddings, a history professor at Duke University.

The Espy family in Vero Beach, Fla., lost its heritage in 1942, when the U.S. government seized its land through eminent domain to build an airfield. Government agencies frequently take land this way for public purposes under rules that require fair compensation for the owners.

In Vero Beach, however, the Navy appraised the Espys' 147 acres, which included a 30-acre fruit grove, two houses and 40 house lots, at $8,000, according to court records. The Espys sued, and an all-white jury awarded them $13,000. That amounted to one-sixth of the price per acre that the Navy paid white neighbors for similar land with fewer improvements, records show.

After World War II, the Navy gave the airfield to the city of Vero Beach. Ignoring the Espys plea to buy back their land, the city sold part of it, at $1,500 an acre, to the Los Angeles Dodgers in 1965 as a spring training facility.

In 1999, the former Navy land, with part of Dodgertown and a municipal airport, was assessed at $6.19 million. Sixty percent of that land once belonged to the Espys. The team sold its property to Indian River County for $10 million in August, according to Craig Callan, a Dodger official.

The true extent of land takings from black families will never be known because of gaps in property and tax records in many rural Southern counties. The AP found crumbling tax records, deed books with pages torn from them, file folders with documents missing, and records that had been crudely altered.

In Jackson Parish, La., 40 years of moldy, gnawed tax and mortgage records were piled in a cellar behind a roll of Christmas lights and a wooden reindeer. In Yazoo County, Miss., volumes of tax and deed records filled a classroom in an abandoned school, the papers coated with white dust from a falling ceiling. The AP retrieved dozens of documents that custodians said were earmarked for shredders or landfills.

The AP also found that about a third of the county courthouses in Southern and border states have burned—some more than once—since the Civil War. Some of the fires were deliberately set.

On the night of Sept. 10, 1932, for example, 15 whites torched the courthouse in Paulding, Miss., where property records for the eastern half of Jasper County, then predominantly black, were stored. Records for the predominantly white western half of the county were safe in another courthouse miles away.

The door to the Paulding courthouse's safe, which protected the records, had been locked the night before, the Jasper County News reported at the time. The next morning, the safe was found open, most of the records reduced to ashes.

Suddenly, it was unclear who owned a big piece of eastern Jasper County.

Even before the courthouse fire, landownership in Jasper County was contentious. According to historical accounts, the Ku Klux Klan, resentful that blacks were buying and profiting from land, had been attacking black-owned farms, burning houses, lynching black farmers and chasing black landowners away.

The Masonite Corp., a wood products company, was one of the largest landowners in the area. Because most of the land records had been destroyed, the company went to court in December 1937 to clear its title. Masonite believed it owned 9,581 acres and said in court papers that it had been unable to locate anyone with a rival claim to the land.

A month later, the court ruled the company had clear title to the land, which has since yielded millions of dollars in natural gas, timber and oil, according to state records.

From the few property records that remain, the AP was able to document that at least 204.5 of those acres had been acquired by Masonite after black owners were driven off by the Klan. At least 850,000 barrels of oil have been pumped from this property, according to state oil and gas board records and figures from the Petroleum Technology Transfer Council, and industry group.

Today, the land is owned by International Paper Corp., which acquired Masonite in 1988, Jenny Boardman, a company spokeswoman, said International Paper had been unaware of the "tragic" history of the land and was concerned about AP's findings.

"This is probably part of a much larger, public debate about whether there should be restitution for people who have been harmed in the past," she said. "And by virtue of the fact that we now own these lands, we should be part of that discussion."

Even when Southern courthouses remained standing, mistrust and fear of white authority long kept blacks, away from record rooms, where documents often were segregated into "white" and "colored." Many elderly blacks say they still remember how they were snubbed by court clerks, spat upon and even struck.

Today, however, fear and shame have given way to pride. Interest in genealogy among black families is surging, and some black Americans are unearthing the documents behind those whispered stories.

"People are out there wondering: What ever happened to Grandma's land?" said Loretta Carter Hanes, 75, a retired genealogist. "They knew that their grandparents shed a lot of blood and tears to get it."

Bryan Logan, a 55-year-old sports writer from Washington, D.C., was researching his heritage when he uncovered a connection to 264 acres of riverfront property in Richmond, Va.

Today, the land is Willow Oaks, an almost exclusively white country club with an assessed value of $2.94 million. But in the 1850s, it was a corn-and-wheat plantation worked by the Howlett slaves—Logan's ancestors.

Their owner, Thomas Howlett, directed in his will that his 15 slaves be freed, that his plantation be sold and that the slaves receive the proceeds. When he died in 1856, his white relatives challenged the will, but two courts upheld it.

Yet the freed slaves never got a penny.

Benjamin Hatcher, the executor of the estate, simply took over the plantation, court records show. He cleared the timber and mined the stone, providing granite for the Navy and War Department buildings in Washington and the Capitol in Richmond, according to records in the National Archives.

When the Civil War ended in 1865, the former slaves complained to the occupying Union Army, which ordered Virginia courts to investigate.

Hatcher testified that he had sold the planatation in 1862—apparently to this son, Thomas—but had not given the proceeds to the former slaves. Instead, court papers show, the proceeds were invested on their behalf in Confederate War Bonds. There is nothing in the public record to suggest the former slaves wanted their money used to support the Southern war effort.

Moreover, the bonds were purchased in the former slaves' names in 1864—a dubious investment at best in the fourth year of the war. Within months, Union armies were marching on Atlanta and Richmond, and the bonds were worthless pieces of paper.

The blacks insisted they were never given even that, but in 1871, Virginia's highest court ruled that Hatcher was innocent of wrongdoing and that the former slaves were owed nothing.

The following year, the plantation was broken up and sold at a public auction. Hatcher's son received the proceeds, county records show. In the 1930s, a Richmond businessman cobbled the estate back together; he sold it to Willow Oaks Corp, in 1955 for an unspecified amount.

"I don't hold anything against Willow Oaks," Logan said. "But how Virginia's courts acted, how they allowed the land to be stolen—it goes against everything America stands for."

This research was compiled in a three-part series title Torn from the Land, which detailed how blacks in America were cheated out of their land or driven from it through intimidation, violence and even murder. Some had their land foreclosed for minor debts. Still others lost their land to tricky legal maneuvers, still being used today, called partitioning, in which savvy buyers can acquire an entire family's property if just one heir agrees to sell them one parcel, however small.

Just like many blacks with roots in the South, I grew up hearing stories of land lost by relatives and family friends. These stories were so commonplace and pervasive that I worked with Penn Community Center on St. Helena Island in South Carolina for many years before I came to the Congress studying these land takings. To date, Penn Center has collected reports of 2,000 similar cases that remain uninvestigated. And there are other institutions around the South collecting the same kind of information.

Mr. Speaker, just like the Crawfords and many other black families with roots in the South, I grew up hearing stories of land lost by relatives and family friends. These stories were so commonplace and pervasive that I worked with the Penn Community Center on St. Helena Island in Beaufort County, South Carolina, for many years before I came to Congress, studying these land takings.

To date, Penn Center has collected reports of 2,000 similar cases that remain uninvestigated. And there are other institutions around the South collecting the same kind of information.

The question now is, Where do we go from here? What do we do with this information? As with most legislators, my natural inclination is to introduce a bill, but I do not think that is a proper response in this instance, at least not at this time.

□ 1915

Maybe later.

What I think is called for at this time is legal action. Harvard professor Charles Ogletree, who has been at the forefront of the reparations movement, has expressed an interest in pursuing a class action lawsuit on behalf of African Americans who can document how their families lost their land. Such a lawsuit should be filed, and it should be funded and supported by the United States Government.

There are other instances in which blacks can prove that they have been victimized, with the government's blessing, because of their race. The case of Liberty Life Insurance Company comes to mind.

I have never been more proud of my home State of South Carolina than I was a few weeks ago when the State Insurance Commission fined this Greenville, South Carolina-based company $2 million and suspended its license to sell insurance for at least 1 year because they charged black citizens higher premiums than they did whites. This was a common practice from the 1930s through the 1950s and was done with State regulators' knowledge and approval. Some of those policies remain in effect today, and the higher premiums were still being collected through the end of last year. Liberty Life was not alone in this practice, and there are many other insurance companies that must make restitution for these egregious actions. The time has come for other State governments to act and maybe the Federal Government as well.

I think the chances are very slim that African Americans will ever receive reparations for the ills wrought by slavery, at least in the traditional sense.

Trying to prove definitive ancestral links between contemporary African Americans and slaves going back nearly four centuries will, in most cases, be fruitless. Unlike holocaust survivors or Japanese Americans who were interned during World War II, there are few reliable records on slaves brought to America. Instead, I urge African Americans all across this country to begin gathering evidence about State-sanctioned discriminatory practices like land-takings and insurance overcharges. These are battles we can fight now, and the Congressional Black Caucus is committed to helping them win.

Mr. Speaker, I would like to now yield the floor to the distinguished gentlewoman from North Carolina (Mrs. CLAYTON).

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. JOHNSON of Illinois).

Without objection, the gentlewoman from North Carolina will control the remainder of the hour.

Mrs. CLAYTON. Mr. Speaker, I want to thank the gentleman from South Carolina for his leadership and for joining with me and in calling this Special

Order. A number of our colleagues will join us and participate. We are honored to have the gentleman from North Carolina (Mr. WATT), and I will yield to him now.

Mr. WATT of North Carolina. Mr. Speaker, I thank the gentlewoman for yielding time to me to make a statement regarding a matter that I regard as a problem of epidemic proportions. I want to thank the gentlewoman from North Carolina (Mrs. CLAYTON) and the gentleman from South Carolina (Mr. CLYBURN) for organizing this Special Order to deal with a very, very serious problem.

The gentleman from South Carolina (Mr. CLYBURN) has approached this from an historical perspective, and I admire him for doing that. There are many, many, many instances of just absolute overt, fraudulent, or scheming, or illegal takings of property that can be documented throughout the annals of history, takings of property from African American families who had struggled and worked so hard to acquire property. I subscribe to the gentleman's belief that those issues can be addressed and should be addressed and identified and addressed through legal action, and I hope that Professor Ogletree and other members of the legal profession will proceed with efforts to do that.

There perhaps is not, except for slavery itself and the deprivation of voting rights of African Americans, not a greater epidemic or problem than the loss of land, particularly in the South, from African American ownership. It is estimated that at one point in our history, African Americans owned approximately 15 million acres of land in the South. The estimates now indicate that that land ownership is down to approximately 2 million acres.

Now, there are many reasons for that, and the gentleman from South Carolina (Mr. CLYBURN) has identified the overt historical reasons for it, but in addition to that, and this is where I want to pick up and bring it on up to date in a slightly different context so that we understand fully the issues that we are involved with, in addition to direct taking of property, swindling, fraudulent taking, intimidation of landowners and their families so that they would leave their property behind, and that property then being claimed by members of the majority race, there are other things that have contributed to this, and I want to talk about some of them.

They, on their face, do not always seem like they are racially motivated. I want to be careful to say that these are not racist plots that I am talking about; they are race-neutral in their application, but they are not race-neutral in the impact that they have. They have a disparate impact on black land ownership. I want to talk about a few of those.

First of all, there is this concept of eminent domain. That is a race-neutral principle that the government uses to acquire property for public purposes. But historically, if one goes back and looks, eminent domain has been used disproportionately to deprive black landowners of their property than it has been used to deprive white landowners of their property. The reason for that is that typically, property that has been owned by black landowners has been lower in value. When the government needs to take property for a public purpose, it wants to spend as little money as it can spend to accomplish that public purpose, so they go and try to acquire the land that has the lowest economic value. Or, the government will say, well, if we go to a certain section of town and start to acquire property, then we will meet with greater political opposition, so we should go through the parts of the community where we will get the least amount of political resistance.

So it is not accidental that when one drives down an interstate highway, many of those interstate highways go from city to city to city, but one of the things that they have in common is that they typically go through minority communities, splitting them right in half in many instances. The reason for that is because property values were lower in those communities where the acquisitions were being made, and that was the course of the least political resistance to the taking.

So eminent domain, a race-neutral concept, has a racially disparate impact, and that has been a method by which black landowners have been deprived of land.

The whole concept of heir property and partition of property, again, is a race-neutral principle that in its application has a disparate impact on minority landownership. Minority families have historically had larger families. Many of them have left the South; the kids have left the South, gone to the North, spread out all over the country, and when their parents die, they die without a will, and the land becomes heir property. We have 10 children that become owners, none of them have real ownership because they do not have any real connection to the property, so there are disputes that develop about whether the property gets divided. Typically it does not get divided, it gets sold to people who will pay lesser value for it. Or it gets sold because the taxing authorities take it and sell it. Because 10 people have an interest in the property, no single one of them wants to assume the burden of paying the taxes on that property.

I daresay that there is not a Member of the Congressional Black Caucus who does not have some history in their own family or in their community of people who have been deprived of ownership of land in this way, through heir property, through lack of wills, through eminent domain, through partition actions that turned out to be sales actions, and the beat goes on.

So how do we get from 15 million acres of land owned by minorities in the South down to 2 million acres? We have overt, racist, intimidating acts of the kind that the gentleman from South Carolina (Mr. CLYBURN) described, and we have race-neutral, innocent-sounding acts like eminent domain and partition and tax sales that have a racially disparate impact on land ownership.

What the Congressional Black Caucus is intent on doing is trying to bring more attention to this; trying to educate the public that that is a problem of epidemic proportions, so that minority individuals understand the value of land. When I was growing up, when I got a little bit older, my parents used to say to me, land is the only commodity that the Lord is not going to make any more of. There will not be any more land made. So when you lose land, you have lost something of value. So we are trying to get that message out to the public in African American communities, and we are trying to understand and let other people understand the epidemic proportions of what we are about.

I think we have the historical part of it now and the present-day part of it, and I am sure there are many other aspects to this, but there are other people here to talk about them. So I want to yield back to the gentlewoman from North Carolina (Mrs. CLAYTON). I want to thank her and my colleague, the gentleman from South Carolina (Mr. CLYBURN) again, for reserving this time so that we can shine a light on this problem that has epidemic proportions in this country, in the history of this country, and even continuing today in sinister ways that people do not understand.

□ 1930

Mrs. CLAYTON. Mr. Speaker, I want to thank the gentleman from North Carolina (Mr. WATT) and thank him for his sharing of knowledge. It does not have to be overt. Again, there are areas that are neutral that have devastating impact on minority communities: the issue of eminent domain, the issue of petitioning, the issue of sales. All of those fine ways of dispossessing or taking wealth away from people who they thought otherwise would have it. I do thank him for sharing that with us.

We are joined by someone who is a strong advocate for these issues. He has been an associate in the battlefield, the gentleman from the great State of Mississippi (Mr. THOMPSON).

Mr. THOMPSON of Mississippi. Mr. Speaker, I thank the gentlewoman from North Carolina (Mrs. CLAYTON).

I join the gentleman from North Carolina (Mr. WATT) and the gentleman from South Carolina (Mr. CLYBURN) in this effort to bring to this country's attention the serious problem associated with black land loss in America.

Mr. Speaker, I rise today to talk about land loss in the black community. A recent Associated Press investigative report titled "Torn From the Land" documented how land has been unjustly taken from African Americans over the years and alerted the world to the alarming declining trend in black land ownership. America's seventh President, Andrew Jackson, said in his July 10, 1832, bank veto message to the United States Senate, "Every man is entitled to protection by laws. But when the laws undertake to add artificial distinctions, to grant titles, gratuities, and exclusive privileges, to make the rich richer and the potent more powerful, the humble members of society, the farmers, mechanics, and laborers, who have neither the time nor the means for securing like favor to themselves, have a right to complain of the injustice of their government."

Unfortunately, at the time these words were uttered they were not applicable to African Americans. However, even Andrew Jackson, a white Southern aristocrat and slave owner himself, realized that in order for this Nation to be a great place, our Nation's resources must be equally distributed among all classes of Americans. And also he knew the importance of all individuals having the means to file and advocate grievances against the government when they felt they have been dealt an injustice.

Since Reconstruction, the plight of African Americans is by far no secret. It is a disgraceful past that has undoubtedly tarnished America's rich history. All of her life Ms. Delores Barclay, currently an AP reporter, heard random stories from blacks that went along the lines of, "My grandparents had some land but we do not know what happened to it." After hearing stories of this nature time and again, Ms. Barclay decided that perhaps she should just not dismiss them as they had in the past as some sort of mysterious urban legend; but instead she took and looked into these claims to see if they could be substantiated. She decided to team up with a few colleagues; and thanks to their hard work and dedication to uncovering the truth, what followed was an investigation which covered an 18-month period including interviews with more than 1,000 people and the examination of tens of thousands of old fragile public records.

The results of this investigation, Mr. Speaker, should disturb all Americans. The investigation documented 107 land takings in 13 Southern and border States. In those cases alone, 406 black land owners lost more than 24,000 acres of farm and timber land, plus 85 smaller properties including stores and city lots valued at tens of millions of dollars.

How did these injustices happen? Most of these land-takings occurred in the decade between Reconstruction and the civil rights struggle when black families were powerless to prevent them, a time when black families could not drink from the same water fountains as whites and the fear of being lynched was always present. More than half of these cases, the Associated Press documented, 57 to be exact, were violent land-takings where black land owners were attacked by whites who just wanted to drive them off their land. In other cases, trickery, legal manipulations, and discriminatory lending practices can be attributed to land losses suffered by black families.

Imagine yourself as a black farmer in Mississippi in the 1950's or 1960's. You own some of the best agriculture land in the State. What you do not have, however, is the cash needed to plant and harvest this year's crop. What do you do? Well, you do what many Americans do when they need money for their businesses, you borrow it. But suppose the local banks and the Farmers Home Administration do not particularly care for your lending or want to lend you money. You are left with one choice. To finance your business you go to a prominent businessman in the community and ask for money. In return for the loan, however, you are required to put up the entire farm as collateral.

At harvest, the crop prices are low and you come up short on paying off your loan and the lender forecloses and takes your entire farm. The farm that you planned to pass on to your children is lost. The scenario I just described, Mr. Speaker, was not unusual in the South during the 1950's and 1960's. The Associated Press documented eight cases where land was acquired in this very manner by single prominent businessmen. This particular individual acquired nearly 700 acres of black-owned land in exchange for used pickups and farm equipment.

Mr. Speaker, for those that have lost land, that have lost so much more than simply monetary value of this land, they have lost the availability to pass down such a valuable asset to future generations. Land ownership is the ladder to respect and prosperity, the means to building an economic security and passing wealth on to the next generations. For those black families that have lost that land, they have lost all of this. And for those black Americans that are being repressed from becoming land owners, they are being robbed of the American dream. I sincerely hope all Americans become aware of these injustices and do what they can individually and collectively to right this wrong.

Mr. Speaker, I compliment the gentlewoman from North Carolina (Mrs. CLAYTON) again on getting this time to highlight this important issue.

Mrs. CLAYTON. Mr. Speaker, the gentleman from Alabama (Mr. HILLIARD) is a member of the Committee on Agriculture and has been a strong advocate for wealth accumulation and for protection of land and agriculture needs, and we are delighted to have him join us.

Mr. HILLIARD. Mr. Speaker, let me first of all congratulate the gentlewoman from North Carolina (Mrs. CLAYTON) for this colloquy and for putting this together.

It is very important that we realize, Mr. Speaker, that historically blacks have had their lands taken by many different individuals and by corporations and, of course, by government. Our attention primarily during this colloquy is focused on the taking of the land by government. And it is not just the local government we speak of, but land is taken by many governments, cities, towns, counties, and, of course, our States. Generally, it is taken by the use of two vehicles. The first one is eminent domain.

Primarily, eminent domain is a legal term in which the State, the city or the county has the right to acquire lands for public use or for public purposes; but in the law it states public use. That means for some use like sewers, perhaps, or for some type of facility that benefits the entity itself, the building of city hall, some school or some library. That is public use. Unfortunately, many States, cities, and counties have used eminent domain in such a way as to deprive blacks and African Americans of their lands in so-called legal ways or in a legal instance.

Unfortunately, we look at the situation now as we speak, we find that in Mississippi land is being taken under the guise of eminent domain from farmers now. And the use of the property will be to build a Nissan plant. Well, that is not public use. That is private use. So African Americans' land at this time as we speak is being taken for private use under the guise of eminent domain.

The second way in which government takes property is through the process of tax reassessment. And in many instances the property taxes are run up to the extent that it is very difficult for the individuals to pay. Let me give you an example. In many coastal areas in South Carolina, in Alabama, Florida, and Mississippi blacks own land. And during the early 1970's and 1980's the coastal lands, for whatever reason, became very popular; and they started building hotels, restaurants and other types of facilities in the so-called resort areas, and of course, what happened?

Whenever anything new was built, the surrounding property would be reevaluated and taxes would be assessed based upon whatever is there, a hotel, a restaurant or whatever it is. And of course that would make the taxes very expensive. So we realize that situation in Alabama. So we came up with the theory of current use, and we said that land should be taxed not at the surrounding values of other land but the current use.

The reason why we came up with that is because we had to protect not only African Americans but even poor whites. Unless we correct the situation that is inherent in our laws, we will find that it not only affects African Americans but that it affects other Americans. Freedom is not free unless it extends to everyone everywhere. If for one minute we let our guard down, if for one minute we let anyone take advantage of anyone else, pretty soon they will take advantage of us.

Mr. Speaker, it is incumbent upon us as legislators to do our job and to make sure we redefine legal terms so that they will be expressive of the rights of people and so that people will understand fully what their rights are so that they may protect them.

Let me again thank the gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman for bringing that information, and I also just want to ask him to restate the actions of Alabama recently. I gather that is a recent decision, that they have now decided to make sure that the value of land is the current use rather than the traditional use?

Mr. HILLIARD. No, current use rather than the value of surrounding lands.

Mrs. CLAYTON. Surrounding land. Is that recent?

Mr. HILLIARD. That is the law currently.

Mrs. CLAYTON. When did that happen?

Mr. HILLIARD. When I was in the Alabama House of Representatives, somewhere in the late 1970's, somewhere around 1978, 1979.

Let me say this, that is very important because as we find our suburban areas expanding, in many instances shopping centers are built 3 and 4 miles outside of the city or outside of the suburban area surrounded by a wooden area, by woods, trees or by farms.

☐ 1945

If you really evaluate the farmland based upon what it is near, of course it is going to carry the value of the shopping center, and of course the farmers do not make the kind of money that the shopping centers do. So they do not have the opportunity, the farmers, to pay those kind of taxes, and that is one way, through a reassessment, that land has been taken in the past by government.

Mrs. CLAYTON. I thank the gentleman from Alabama (Mr. HILLIARD) for sharing that with us and making that clear in terms of what the State of Alabama has done.

GENERAL LEAVE

Mrs. CLAYTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this special order.

The SPEAKER pro tempore (Mr. JOHNSON of Illinois). Is there objection to the request of the gentlewoman from North Carolina?

There was no objection.

Mrs. CLAYTON. Mr. Speaker, we are raising the issue tonight of land loss by Afro-Americans or blacks, and this issue was raised to us as a result of the AP series. The AP series was a 3-part, 10-article series plus graphics. It was published in December, and it was published all across the United States. Many of us knew that this was happening, but because this had such wide distribution, the gentleman from South Carolina (Mr. CLYBURN) brought to our attention that this was an opportunity to raise this issue in a concerted way.

This issue is not just confined to Afro-Americans or blacks who live in the South; as the series articles clearly stated, that those who lived in the North had no guarantee that their lands would not be taken, also.

So what are we talking about? What is this all about? This is about raising the consciousness that historically there has been a practice overtly, in some ways benignly, both through illegal means and through legal means, the taking of land.

My colleagues heard the gentleman from North Carolina (Mr. WATTS) and the gentleman from Alabama (Mr. HILLIARD) talk about the color of law, that it is not necessarily racial, it is not illegal in terms of petitioning. It is not illegal in terms of eminent domain, it is the application of that. So the color of law, even those things that are within our legal system has an impact of moving or dispossessing citizens, and Afro-Americans particularly, from their land.

Why is this important? Well, land is wealth. The dignity of owning a piece of land or owning a home is what defines a person and his family, of owning something that his family can share. In the rural South owning land not only allowed someone to have their plot of land, but allowed someone, if they were a farmer, to produce and make income on the land. So the land not only was a place of pride and citizenship and respectability, but also was a source of income.

We heard reference to the fact that our own records show in U.S. agriculture that we owned over 15 million acres of land and actually own something less than 2 million acres of land now. What has happened? That has not just been a shift of land through legal means. Those have also been through illegal means. It means that from 15 million acres now to 2 million or less than 2 million acres, the same amount of, even more, have less. So the wealth has been reduced to a very minimum.

We have very small plots of lands, farmers trying to subsist. They are trying to use that land to be a productive source of income.

So it is important that we understand that the taking of the land is not only a historical event. We are very appreciative of the AP series. Mr. Speaker, I also enter into the Record additional articles that the AP press has published.

Black Farmers: A Vanishing Way

By 1910, black Americans had amassed more land than at any other time in this country's history—at least 15 million acres, according to the U.S. Agricultural Census. Black owned farms, however, tended to be undercounted because the census tallied only larger farms that were producing crops. Black landownership tapered off after World War I, and plunged in the 1950s. Today, blacks are full owners of just 1.1 million of the more than 1 billion acres of arable land in the United States.

History Up in Smoke

Any investigation relying on historical land records in the South is complicated by the widespread loss of documents stored in county courthouses. Storms, floods and neglect have taken their toll on these collections of deeds, tax records and estate papers. But fires—both accidental and intentional—have caused the most damage to these repositories of land history, since the mid-1800s.

The Lynching Trail

Racial violence in America is a well-told story. But the importance of land as a motive for lynchings has gone largely overlooked. Historians say prosperous blacks—and black landowners—often became targets of white lynch mobs, whose attacks could trigger an exodus of blacks. "If you are looking for stolen black land," says Ray Winbush, director of Fisk University's Race Relations Institute, "just follow the lynching trail." More than 3,000 blacks were lynched between 1865 and 1965, according to the Tuskegee Institute and the NAACP. This map shows lynchings confirmed by researchers who worked from a list begun by the Chicago Tribune in 1882, and later expanded upon by the NAACP and Tuskegee.

Developers and Lawyers Use a Legal Maneuver To Strip Black Families of Land

(By Todd Lewan and Dolores Barclay)

Lawyers and real estate traders are stripping Americans of their ancestral land today, simply by following the law.

It is done through a court procedure that is intended to help resolve land disputes but is being used to pry land from people who do not want to sell.

Black families are especially vulnerable to it. The Becketts, for example, lost a 335-acre farm in Jasper County, S.C., that had been in their family since 1873. And the Sanders clan watched helplessly as a timber company recently acquired 300 acres in Pickens County, Ala., that had been in their family since 1919.

The procedure is called partitioning, and this is how it works:

Whenever a landowner dies without a will, the heirs—usually spouse and children—inherit the estate. They own the land in common, with no one person owning a specific part of it. If more family members die without wills, things can get messy within a couple of generations, with dozens of relatives owning the land in common.

Anyone can buy an interest in one of these family estates; all it takes is a single heir willing to sell. And anyone who owns a share, no matter how small, can go to a judge and request that the entire property be sold at auction.

Some land traders seek out such estates and buy small shares with the intention of forcing auctions. Family members seldom have enough money to compete, even when the high bid is less than market value.

"Imagine buying one share of Coca-Cola and being able to go to court and demand a sale of the entire company," said Thomas Mitchell, a University of Wisconsin law professor who has studied partitioning. "That's what's going on here."

This can happen to anyone who owns land in common with others; laws allowing partition sales exist in every state.

However, government and university studies show black landowners in the South are especially vulnerable because up to 83 percent of them do not leave wills—perhaps because rural blacks often lack equal access to the legal system.

Mitchell and others who have studied black landownership estimate that thousands of black families have lost millions of acres through partition sales in the last 30 years.

"It's the all-time, slam-dunk method of separating blacks and their land," said Jerry Pennick, a regional coordinator for the Federation of Southern Cooperatives, which provides technical and legal support to black farmers.

By the end of the 1960s, civil rights legislation and social change had curbed the intimidation and violence that had driven many blacks from their land over the previous 100 years. Nevertheless, black land loss did not stop.

Since 1969, the decline has been particularly steep. Black Americans have lost 80 percent of the 5.5 million acres of farmland they owned in the South 32 years ago, according to the U.S. Agricultural Census.

Partition sales, Pennick estimates, account for half of those losses.

A judge is not required to order a partition sale just because someone requests it. Often, there are other options.

When the property is large enough for each owner to be given a useful parcel, it can be fairly divided. When those who want to keep the land outnumber those who want to sell, the court can help the majority arrange to buy out the minority. In at least one state, Alabama, the law gives family members first rights to buy out anyone who wants to sell.

Yet, government and university studies show, alternatives to partition sales are rarely considered. When partition sales are requested, judges nearly always order them.

"Judges order partition sales because it's easy," said Jesse Dukeminier, an emeritus professor of law at the University of California at Los Angeles. Appraising and dividing property takes time and effort, he said.

Partition statutes exist for a reason: to help families resolve impossible tangles that can develop when land is passed down through several generations without wills.

In Rankin County, Miss., for example, the 66 heirs to an 80-acre black family estate could not agree on what to do with the land. One family member, whose portion was the size of a house lot, wanted her share separate from the estate. Three other heirs, who owned shares the size of parking spaces, opposed dividing the land because what they owned would have become worthless. So, in 1979, the court ordered the land sold and the proceeds divided.

Even when the process works as intended, it contributes to the decline in black-owned land; the property nearly always ends up in the hands of white developers or corporations. The Rankin County land was bought at auction by a timber company.

But the process doesn't always work as intended. Land traders who buy shares of estates with the intention of forcing partition sales are abusing the law, according to a 1985 Commerce Department study.

The practice is legal but "clearly unscrupulous," declared the study, which was conducted for the department by the Emergency Land Fund, a nonprofit group that helped Southern blacks retain threatened land in the 1970s and '80s.

Blacks have lost land through partitioning for decades; the AP found several cases in the 1950s. But in recent years, it has become big business. Legal fees for bringing partition actions can be high—often 20 percent of the proceeds from the land sales. Families, in effect, end up paying the fees of the lawyers who separate them from their land.

Moreover, black landowners cannot always count on their own lawyers. Sometimes, the Commerce Department study found, attorneys representing blacks filed partition actions that were against their client's interests.

The AP found several cases in which black landowners, unfamiliar with property law, inadvertently set partition actions in motion by signing legal papers they did not understand. Once the partition actions began, the landowners found themselves powerless to stop them.

The Associated Press studied 14 Partition cases in detail, reviewing lawsuit files and interviewing participants. The cases stretched across Southern and border states.

Each case was different, each complicated, with some taking years to resolve. In nearly every case, the partition action was initiated by a land trader or lawyer rather then a family member. In most cases, land traders bought small shares of black family estates, sometimes from heirs who were elderly, mentally disabled or in prison, and then sought partition sales.

All 14 estates were acquired from black families by whites or corporations, usually at bargain prices.

Migrations that have scattered black families increase their vulnerability to partition actions. Historians say those who fled the South seldom spoke of the lives they left behind. Their descendants may not realize they have inherited small shares of family property and have no attachment to the land. All a land trader has to do is find one of them.

Some families have hired attorneys and tried to fight back. However, said Mitchell, the Wisconsin law professor, "the families nearly always lost."

To understand how partition sales work in practice, it is useful to begin with a relatively simple one.

The case of the Marsh family of Northern Louisiana contains the three typical elements: land passed down without wills, black landowners unfamiliar with property law and a white businessman who saw an opportunity and took it. But it has few of the complications that can make partition cases difficult to allow.

Louis Marsh, a freed slave, accumulated 560 acres in Jackson Parish in the decades after the Civil War. When he died without a will in 1906, his children inherited the land. They owned it in common until 1944, when they asked the court to divide it.

The Court gave six siblings 80 acres each, court records show. The final 80 acres would have gone to their brother, Kern Marsh, but he had fled Louisiana after killing a man. So, the court decided, Louise Marsha's children would continue to own that share in common.

With the family's permission, one of the siblings, Albert Marsh, farmed those extra 80 acres along with his own share. As 20 years passed with no sign of Kern Marsh, the family care to think of all 160 of those acres as Albert Marsh's land. Family members said they expected it would be passed down to Albert's children when he died.

That's not what happened.

On April 11, 1955, about the time oil rings were appearing on neighboring property, Albert Marsh died without a will. Not long after, a white oil man named J.B. Holstead purchased an 11.4-acre interest in the extra 80 acres. The seller was one of Albert Marsh's nephews, Leon Elmore, who was one of Albert Marsh's nephews, Leon Elmore, who has since died.

The deed, filed on Aug. 13, 1955 says Elmore was paid $100 cash and other consideration—a used truck, according to Elmore's son, Leon, Jr.

Three days later, Holstead filed for a partition sale of the 80 acres.

Six days after that, a judge sorted out who owned shares in the 80 acres. Because the 1944 partition had left that land as common property of Louis Marsh's children, the true owners were his 23 living descendants, the judge decided. Leon Elmore was among them, giving him the right to sell his share to Holstead.

The Marshes did not understand what was happening and did not have a lawyer, said Albert Marsh's son, Alvie, 86. Besides, he said, challenging a white businessman in the 1950's "never entered your mind—'less you wanted the rope."

On Nov. 15, 1955, the same judge granted Holstead's request for a partition sale. Court costs, plus a $250 fee to Holstead's lawyer, were to be paid from the proceeds.

At the Jan. 21, 1956, auction, Holstead bought the 80 acres for $6,400. He quickly sold the land and the oil and gas rights for unspecified amounts, records show.

The land changed hands several times before being acquired in 1996 by Williamette Industries Inc., a wood-products company. A company spokeswoman said Williamette was unaware of the land's history.

Holstead is dead; his son, John Holstead, a Houston lawyer, said he was unaware of the case. When it was described to him, he said: "All of the legal procedures of Louisiana law were followed."

Alvie Marsh believes that land was taken unfairly. "I've lived with that for 45 years;" he said.

Today, he lives in a shack on that part of the estate his family was able to keep.

Things were more complicated when a South Carolina real estate trader went after two tracts owned by different branches of the Beckett family in the 1990s.

In 1990, Audrey Moffitt sought a 335-acre estate in Jasper County, S.C., that had been owned by the family since 1873.

Frances Beckett, a 74-year-old widow with a fourth-grade education, was one of 76 heirs to the estate. According to court papers, she was bedridden with cancer; her doctor had given her three months to live.

The dying women accepted Moffitt's offer of $750 for her 1/72 interest—worth $4,653, according to a subsequent appraisal by J. Edward Gay, a real estate consultant. An appeals court would later call it the only "true" appraisal of the property.

Moffitt then bought out six others heirs for a total of $6,600, court papers show.

Among them, she paid Edward Stewart, 88, a man with no formal education, and Flemon Woods, 80, with a third-grade education, a combined $5,800 for their one-sixth interest. It was worth $55,833, according to Gay's appraisal.

Moffitt filed her partition action in January 1991. Beckett family members countersued, alleging Moffitt had secured the elderly heirs' signatures without the presence of a notary. A special referee in the Court of Common Pleas ruled that the estate be sold.

The property was broken into two pieces that were auctioned separately. Fifty acres were purchased for $75,000 at a December 1991 sale by John Rhodes, a real estate broker from nearby Estill, and his mother, Florence. Of this, $12,864 went to Moffitt for her shares and nearly $20,000 was taken for court costs, leaving $42,331 for the family.

Today, Rhodes and his siblings own the tract, which is assessed at $200,000. Moffitt bought the remaining 285 acres for $146,000 in February 1992. (That included $24,338 she paid to herself for her own shares.)

Two years later, however, an appeals court ruled that the signatures of the elderly Beckett heirs were obtained illegally. The court also cited uncontested evidence that Moffitt or her partner had led Edward Stewart to believe he was selling a right of way, led Frances Beckett to believe she was selling timber rights and led Flemon Woods to believe he would be liable for substantial back taxes if he did not sell.

The court characterized Moffitt's dealings with the three elderly family members as "unconscionable." When Moffitt paid an additional $45,075 for the shares, however, the court validated the partition sale.

With the additional payment, Moffitt's outlay for the land totaled $198,425, court papers show. Deduct the $37,202 she received from the partition sales for her own shares of the estate, and her true outlay was $161,223.

Moffitt has since broken up the property and resold it to a locally prominent family and several area businesses, property records show. In one transaction, she swapped part of the old Beckett land for an adjoining piece of property, which she then sold.

Her proceeds from these sales, property records show, total $1,708,117—nearly 11 times what she paid for the property.

"They basically just ran these people out," said Bernard Wilburn, an Ohio lawyer who represented several Beckett heirs.

This wasn't the only time the Becketts encountered Moffitt.

In 1991, she paid heirs on another side of the family $2,775 or a one-fifth interest in 50 acres of undeveloped land along State Highway 170 in Beaufort County, S.C.—the main link between Savannah, Ga., and the resort island of Hilton Head. The following year, Moffitt filed for partition, forcing the 42 heirs into court.

The family knew what was coming because of what was happening to their relatives, so they negotiated a settlement. They allowed Moffitt to pick out the best 10.4 acres of the estate in return for dropping the partition action.

Moffitt didn't keep the land long. Records show that in October 1998 the state paid her $17,000 for a roadway easement of less than an acre. In January 1999, she sold the rest to a Methodist church for $200,000.

In all, she received $217,000 for land she had purchased for $2,775.

"You can't buck these big-money developers," said family member William Jackson, a retired math teacher. "You are most times forced to settle for less than what your property is worth."

Moffitt, of Varnville, S.C., did not return phone calls but replied in writing to a letter requesting comment. Apparently limiting her remarks to the larger Beckett property, she defended the dealings described as "unconscionable" by the court, calling her payments to the elderly Beckett's "fair value."

She characterized the Beckett ownership as "a convoluted mess" that made the land unmarketable. She added: "The heirs could have done for themselves what I did, but for generations had not done so. It is difficult sometimes to get two people to agree; getting 30 or 40 or more people all to agree to sell or keep and use their property would be virtually impossible, in my experience.

More complicated still is the story of the Sanders estate in Pickens County, Ala.

M.L. Wheat of Millport, Ala., wanted to buy the 300 acres of timberland that had been in the Sanders family for 83 years. In early 1996, he talked price with one of the owners, Ivene Sanders. They met in the office of Wheat's lawyer, William D. King IV. When Wheat learned that buying the land would require reaching agreement with about 100 heirs, he backed away from the deal.

Then, in May of that year, the story took a turn.

King, who had represented Wheat, filed a partition action on behalf of 35 members of the Sanders family, naming other heirs as defendants.

Only two family members signed the complaint seeking the sale: Ivene Sanders, now 72, with a fourth-grade education, and his cousin, Archie Sanders, now 75, with a third-grade education. Court papers show both later insisted they did not understand what they were signing.

Ivene Sanders told the AP he thought he was authorizing King only to determine the size of each family member's share.

Several family members King listed as plaintiffs turned out not to own shares. All but five of the plaintiffs who did own shares joined Ivene and Archie Sanders in filing papers stating that they had not authorized King to pursue the partition action.

Several hired another lawyer to try to stop the sale.

The AP could find nothing in the record indicating the wishes of the other five plaintiffs. One, Emma Jeann Sanders, told the AP she had never hired King. Another, Lillie Velma Gregory, was too ill to be interviewed, but her daughter, Fentris Miller Hayes, said her mother had not hired King. Another is now dead. The other two could not be located.

Whose interest was King representing as he pursued the partition action for more than two years? King would not comment beyond saying that the record speaks for itself.

As the case went on, the number of family members being sued to force the sale reached 78. Of these, 18 did not object to the sale, according to the judge. In fact, in the case's final year, the judge decided that seven of them were no longer defendants, but plaintiffs.

Five of those seven then filed objections to the sale, too.

Family members who took a position on the sale—plaintiffs and defendants alike—were overwhelmingly opposed, court records show. Some said they never wanted the family land sold. Others, including Ivene and Archie Sanders, said that if they were to sell, they would want to do so privately rather than risk a low winning bid at a court-ordered auction.

Nevertheless, Circuit Court Judge James Moore ordered an auction. The Melrose Timber Co., Inc., bought the property on Nov. 24, 1998, for $505,000, court papers show.

It was not a bad price, but the family did not get all the money. King collected $104,730 in fees and expenses—about 20 percent of the sale proceeds. After court costs were deducted, $389,170 remained to be divided among 96 heirs, some of whom incurred thousands of dollars in legal fees fighting the sale.

Some family members wanted to appeal but decided they could not afford the legal fees, said Ivene Sander's niece, Eldessa Johnson, 50, of Southfield, Mich.

King, reached at his Office in Carrollton, Ala., said: "I have no additional comments, other than what is in the record. . . . I have nothing to hide. This case has been well litigated."

Moore said partitioning laws, intended to protect landowners, are often used against them and may need revision. However, he said, once the partition request was filed, he approved it largely as a matter of routine.

In his three-county rural circuit, he said, two or three such cases are going on all the time. Most, he said, involve black families.

WITH HELP FROM THEIR WHITE LAWYER, A BLACK MISSISSIPPI FAMILY LOSES A FARM

(By Todd Lewan)

CARTHAGE, MISS. (AP).—For years, Turf Smith lived alone in a cabin in the woods, serving as caretaker of a 158-acre estate shared by 25 family members who were scattered around the country.

He had long wanted to carve out 2 acres for himself to build a new house, said two of his children, Quille and Gene Smith. But, families being as they are, one of his relatives would not agree.

A white lawyer heard of Smith's plight, his children said. The lawyer told the elderly black farmer he could help by asking a judge to partition the property, giving family members separate titles to their allotted shares. Smith, who is now dead, agreed.

However, the petition the lawyer filed on Turf Smith's behalf asked the court to sell the entire estate at auction if it could not be divided fairly among the heirs. The sale of the entire estate, Smith's children said, was not something he planned or imagined would happen.

Court records show that many heirs to the property never responded to the suit. The family, mostly rural folk, was widely scattered, Quillie and Eugene Smith said. They didn't understand what was happening or have the money to hire a lawyer to fight it.

The judge who heard the case appointed three special commissioners to determine what should be done. County records show that one of the panel members, Lynn O. Young, a county forester who has since died, had numerous land dealings with timber companies and a real estate speculator named W.O. Sessums.

The panel recommended a partition sale. Because not all of the 158 acres were of the same quality, the land could not be divided equally among the heirs, the panel told the court. So, the judge ordered an auction.

The sale was set for 1978. Turf Smith, with help from his nephew, Maxwell Smith, scraped together $41,000 in cash and loans to try to keep the land in the family, but they never had a chance. Sessums quickly bid the price up and bought 156 of the 158 acres for $98,000, court records show.

Smith was able to buy the final 2 acres, which the court sold separately for his benefit, for $1,200.

Months later, Sessums sold his 156 acres for an undisclosed sum to a subsidiary of Georgia Pacific Corp., property records show.

From the auction, each Smith heir received as little as $245 to as much as $8,000, court records show. But the land that had been their legacy since the early 1920s was gone.

The property now is assessed at more than $225,000, and believed to have a market value of much more because it has quality hardwoods and shoulders a highway.

"We paid a fair market price and have clear title on the land," Robin Keegan, a senior spokeswoman for Georgia Pacific, said. "Our records contain nothing to suggest that anyone at Georgia Pacific knew anything about the family's dispute over the land."

Sessums died three years ago, according to his wife, Mary. She said Young routinely tipped her husband to land opportunities. "We bought some land through Lynn Young. He bought several tracts like that at the courthouse, you know—commission."

Turf Smith died in 1981. Today, Quille Smith and her five siblings own the land their father left them.

"Two acres," she said. "That, and the history, is all we have left."

Mrs. CLAYTON. We are very appreciative of them raising it all through the country, but we, the members of the Congressional Black Caucus, have an obligation to have Americans understand how important it is to own one's land, to own one's home place or homestead, what it means to the dignity of the family, and more than that, what it means to the sustainability of the community, what it means to the society, to make sure everyone feels that they have equal access to have a piece of the pie.

The documents showed not only the take of land for eminent domain by governments, but also we found that it was a case in point where Mississippi, the burning of a courthouse, and all the documents were destroyed and a private entity came in and they claimed under color of law, and the lawyers in the audience would know more than I would, but they had a title that was not complete, where they went to court and they said there was no one else to claim this title. So for a period of years they had a color of title. Later, they acquired the land. They acquired the land for a very minimal amount of money.

They sold that land after they discovered there was oil on that land, and even in the article it says the corporation now says the question is what do we do about this? He acknowledged there has been less than full disclosure, less than full legal remedy to the process, but he is the rightful owner.

So there have been many acquisitions of lands and wealth and minerals from land that has been acquired as a result of the color of law and the result of some trickery. Obviously burning a courthouse is not the color of law.

Also, we have eminent domain in Florida where the city acquired the land for a naval yard, acquired the land when people went there and begged that they indeed should have the opportunity to buy their land. Eminent domain said to the blacks that they had one price and to the whites right beside it a price that was at least 10 times higher. These family members tried to buy the land after the city had no use for the naval yard, and rather than sell it to them, they sold it to a baseball franchise. That baseball franchise bought that land for millions of dollars; not any remuneration to the Afro-American family members.

History is replete with incidents where the color of law has been favoring those who are powerful and taking away without any opportunity of redress for those who are powerless or who were Afro-American who did not have the law of those who represented.

I think the issue for us is not only to raise that consciousness of all Americans and understand the value of land, but also have a sense of fairness, have a sense of the value of having free access to the opportunity of being landowners or homeowners or sharing in the wealth, and to that extent, I think we will have a better America.

I think also Afro-Americans are so worn that no one is as vigilant as they are themselves. They say buyer beware. So those who have been fraudulently offended, those who have had the color of law to take that land, they need to begin, I think, as the gentleman from South Carolina (Mr. CLYBURN) challenged us, is to begin to think about bringing all that information together so we can share that information with the appropriate authority.

I think we are setting the symbol, that it is the time for us to come together, first for America to come together and say this is unacceptable, it was not right then, and it certainly is not right now.

Let me just finish my comments and say this is not just yesterday. This is still happening. I serve on the Committee on Agriculture, as two of my Representatives here, and we know that the black families had had a continuous complaint and legal action against the Department of Agriculture because they have had foreclosures or they have been discriminated in in getting the resources they have needed. So in the process of the loans, the foreclosure has meant that the taking of the land back to the government, when they were not able to either work out a payback schedule that would allow them to pay back their owns loans, or which they were lent moneys discriminately so they were not even given a chance in the very beginning to have an equal opportunity.

So not only is this historical, it is continuing, and we as Americans should be alarmed at this. We should not find this as acceptable. I think it was Martin Luther King who said, it is not so much what bad people do, it is the silence of good people, and I know most Americans know that the taking of land, fraudulent or even by the color of law, is unacceptable, it is wrong. We ought to speak out at that.

We are calling our colleagues and Americans to be engaged in this dialogue, and we are calling on black Americans themselves to be vigilant in making sure that they are taking care of their legal procedures, and they know the value of land, and they do not ignore notices about tax, notices for sale, and they do not take for granted someone else is going to take care of their business; that they understand that to own land is to be part of America, and they have every right to be engaged in it.

Again, I am thankful and very appreciative that the gentleman from South Carolina (Mr. CLYBURN) found this issue, something he passionately cared about and wanted to join us, and I know he may want to have some last remarks. I thank the gentleman from South Carolina (Mr. CLYBURN) very much for doing this and yield to him.

Mr. CLYBURN. I thank the gentlewoman from North Carolina (Mrs. CLAYTON) for joining me in this Special Order.

Mr. Speaker, I would like to say in closing the Special Order that I am pleased that the time has been granted. I want to sound the alarm to the public at large that this is an issue that has a long history. It is an issue that is very, very current in and around our neighborhoods today.

In my own congressional district in South Carolina, I continue to find instances where people are now unable to pay taxes on the land that has been in their families for centuries simply because someone has built a motel or a housing development in the area, and all of a sudden the taxes have accelerated, and they are finding themselves unable to pay these taxes and, therefore, losing the land.

We have seen that happen on Hilton Head, South Carolina; Daufuskie Island, South Carolina; Pawleys Island, South Carolina; all of these areas where there are resort communities being built. And so we bring this issue here today because we think it is high time that we begin to focus on what is being done under the color of law to people who find themselves powerless and to have big corporations like the International Paper Company now benefiting from this illegal taking. It is time for our government to join forces with large corporations. In this time when corporate scrutiny is very, very vigilant, we ought to do what is right by those people who had their land, their wealth taken away and now going to the benefit of people who have no legal right to it.

I want to thank my colleagues for joining me this evening in this Special Order.

Mr. LEWIS of Georgia. Mr. Speaker, many Americans have taken pride of our past and rightfully so. We have a rich history of working the land and having the opportunity to benefits from the fruits of our labor. My family has even had the opportunity to witness the pride that land ownership brings. In 1944, when I was only 4 years old, my father saved $300 to buy 100 acres of land in Alabama. This land has been in my family ever since, and to this day, my 87 year old mother still lives there. I cannot imagine, that in a country like ours, having this land stripped from under our feet without justification. Much less not even being able to do anything about it.

Unfortunately, this was indeed the reality for many African American farmers at one time. It was often spoken of, but never proven. And until recently, many Black Farmers were crying on deaf ears of their plights. As Americans we have longed believed that under God, all men were created equal. Under this belief we all should have the fundamental right to life, liberty, and the pursuit of happiness. However, for some, this was a far fetch dream. And to many, the pursuit of happiness was a down right lie!!!

Few people know that by the turn of the 21st Century, former slaves and their descendants owned millions of acres of land. In fact by 1910, African Americans owned approximately 15 million acres of land. Today, African Americans own only 1.1 million acres of land.

You might ask, why is it that during periods when our country witnessed massive prosperity and growth has the number of African American land ownership decreased so drastically? There are many answers to that question; however, probably the most disturbing one is the taking of land by White businessmen and lenders and keeping the unfortunate victims quiet, either through intimidation or murder. And today, land that was once owned by numerous hard working families is now home to baseball parks and shopping malls.

Mr. Speaker, this is a shame!!! It is a shame that this was happening in America. It will be even more of a shame if we continue to let this be ignored.

Ms. WATERS. Mr. Speaker, I rise today to bring to the nation's attention the plight of thousands of black farmers around the nation. From the day that we earned our freedom, many African-Americans have chosen to support themselves and their families through farming. And we pursued this profession with dedication and determination.

Unfortunately, black farmers have faced opposition and intimidation from white farmers, Jim Crow laws, and the Federal Government. Local and state governments through the second half of the 1800s created laws that systematically stripped land from black farmers.

The policy continued through the New Deal. President Roosevelt's much heralded policies which helped millions of people through those tough times, rarely helped black farmers despite the fact that they owned fourteen percent of the nation's farming land.

Surprisingly, at a time when other blacks were achieving civil rights, the federal government pursued policies that made the condition of the black farmers worse. Thousands lost their land and, by 1978, tragically, there were only 6,996 black farms left. Today, there are fewer than 18,000 black farmers, which represents less than one percent of all the farms in America.

These farmers worked their entire lives to get where they are today, and in many cases they are farming the same land as their grandparents and great-grandparents did. But due to unfair influences and the power of large corporations, these farmers are losing thousands of acres to development. What makes matters worse is that they are almost never given fair market value for their land.

It is easy for many of us just to sweep this under the rug and pretend that nothing like this happened. But we must face the facts and realize that thousands of black farmers were systematically dispossessed from their land. I propose that the Federal Government create a commission so that farmers can have a free and fair forum to bring their complaints and reconcile this matter. Our farmers deserve nothing less.

Mr. CONYERS. Mr. Speaker, I would like to take this opportunity to speak to the issue of Black Land Loss, an epidemic which is causing African Americans to lose land at alarming rates. This problem has plagued Black Americans for over a century and a half.

We cannot allow an issue as pervasive and insidious as black land loss to go unaddressed. Black land loss is attributable to many reasons: lynchings, mob attacks, lack of legal wills, slick and untrustworthy lawyers, and unscrupulous real estate traders. Sometimes black land owners were attacked by whites who wanted to seize their property. During the Reconstruction period, blacks were ostracized, terrorized and dispossessed of the one thing they had managed to earn in that desperate time, their land.

By 1920, African-Americans had amassed more land than they ever held since reconstruction, at least 15 million acres, according to statistics compiled by the U.S. Agricultural Census.

Black land ownership tapered off after World War I and plunged in the 1950's. Today, African-Americans own just 1.1 million acres of the more than 1 billion acres in productive land in the U.S. During the 20th Century Black Americans have lost their land holdings at a rate two and a half (2½) times faster than whites. Blacks were forced out of the South and off their land by:

The discriminatory lending practices employed by banks and the U.S. Department of Agriculture; the need to seek better economic opportunities in the North; racial oppression; and violence perpetrated by white supremacist groups and other terrorist organizations. In effect, black landowners were put under so much pressure to give up their land, that they became refugees in their own country.

Families that pass down their land without wills or with vague wills are particularly vulnerable to losing their property through partitioning and other predatory legal practices. Historically blacks in the rural south seldom left wills. Experts say thousands of acres of black owned land that had been in African-American families for generations has been lost through these practices. In recent years separating African-Americans from their land has become big business. All to the detriment of African-American land owners.

Ownership of land has meant more than just a family homestead; land represented wealth to a black family, when these homesteads were taken from black families they lost their ability to pass on wealth. As W.E.B. DuBois stated, "universal suffrage could not function without personal freedom, land and education."

By preventing blacks from preserving their land, whites were more able to perpetuate the vestiges of slavery. Taking land from African-Americans went a long way in eliminating their ability to prosper; participate in the political process; and to effectively pass on wealth to future generations.

Mr. CLAY. Mr. Speaker, I rise to commend the Associated Press for a series of articles it ran late last year entitled, "Torn from the Land," which documented in great detail how private and government entities cheated many Black Americans out of their land or drove them from their land through intimidation, violence and murder.

The misappropriation of these lands, undertaken primarily in the South, began more than a hundred years ago and continued well into the 1960s.

The lands and properties that were taken from African-Americans were generally small, such as a small home, a 40-acre farm or a modest business. But such losses were devastating to families and to a people struggling to overcome the legacy of slavery.

According to the U.S. Agricultural Census, in 1910 African-Americans owned over 15 million acres of farmland, the greatest level of black landownership in our nation's history. However, as a result of the illegal land grabs and the discriminatory practices of the old Farmers Home Administration, black landownership today now stands at 1.1 million acres.

The wholesale theft of land from African-Americans is the greatest unpunished crime in our nation's sordid history of race relations.

Landownership was the ladder to respectability and prosperity in the Old South—the primary means to building economic security and passing wealth on to the next generation. So when black families lost their land, they lost everything.

Typically, blacks were forced off their lands with phony charges of nonpayment of taxes or through claims of counter ownership by other private or government entities.

In other cases, African-Americans were forced off their lands with threats of violence or the outright murder of black landowners.

In my home state of Missouri, hundreds of blacks fled the city of Springfield in 1906, after three men were lynched. The city, which at the time had a thriving African-American population of at least 10 percent with many black doctors, lawyers and educators, is today only two percent black.

In another case, 129 blacks abandoned land in Pierce City, Missouri after armed bands of whites burned five black-owned homes and killed four African-American men. Afterwards, whites bought up the previously black-owned land at bargain prices.

The great abolitionist Frederick Douglass foresaw this future tragedy for Black Americans when, on the 24th anniversary of the Emancipation Proclamation, he said, "Where justice is denied, where poverty is enforced, where ignorance prevails, anywhere any one class is made to feel that society is in an organized conspiracy to oppress, rob, and degrade them, neither persons nor property will be safe."

The Associated Press articles provide ample empirical evidence that Congress needs to conduct a study into these tragic events to determine whether reparations for past losses are in order.

Throughout our nation's history, there are many examples of our government taking steps to correct past wrongs committed against specific groups of Americans.

We have compensated Japanese Americans for the time they were interned in concentration camps during World War II, and we have compensated Native Americans for the loss of their lands to western expansion.

So now the time has come for us to examine the economic and physical losses suffered by African Americans under the old policies of Jim Crow. To do any less, would allow Justice to be denied.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3252

Mr. HILLIARD. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 3252.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. YOUNG of Alaska (at the request of Mr. ARMEY) for today on account of aircraft mechanical trouble.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GUTKNECHT) to revise and extend their remarks and include extraneous material:)

Ms. NORTON, for 5 minutes, today.

Mr. LARSON of Connecticut, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. LANGEVIN, for 5 minutes, today.

Mr. LYNCH, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Ms. MILLENDER-MCDONALD, for 5 minutes, today.

(The following Members (at the request of Mr. GUTKNECHT) to revise and extend their remarks and include extraneous material:)

Mr. GANSKE, for 5 minutes, February 10 and 11.

Mr. LOBIONDO, for 5 minutes, today.

Mr. NUSSLE, for 5 minutes, today.

Mr. GUTKNECHT, for 5 minutes, today.

ADJOURNMENT

Mrs. CLAYTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Thursday, February 7, 2002, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5364. A letter from the Chairman, Federal Energy Regulatory Commission, transmitting the Commission's report entitled, "Report on the Economic Impacts on Western Utilities and Ratepayers of Price Caps on Spot Market Sales"; to the Committee on Energy and Commerce.

5365. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-229, "Health Insurers and Credentialing Intermediaries Uniform Credentialing Form Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5366. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-236, "Closing of a Portion of South Avenue N.E., and Designation of Washington Place, NE., S.O. 01-312, Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5367. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-237, "Closing of a Public Alley in Square 5851, S.O. 00-94, Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5368. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-230, "Uniform Consultation Referral Forms Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5369. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-232, "Lease-Purchase Agreement Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5370. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-231, "Health-Care Facility Unlicensed Personnel Criminal Background Check Amendment Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5371. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-252, "Unemployment Compensation Services Temporary Amendment of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5372. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-251, "Continuation of Health Coverage Temporary Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5373. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-250, "Uniform Athlete Agents Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5374. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-241, "Closing, Dedication and Designation of Certain Public Streets and Alleys in Squares 5880, 5881, 5882, 5883, 5885, 5890, and S.O. and 01-2384 Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5375. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-234, "Closing of a Public Alley in Square 2837, S.O. 92-195 Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5376. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-235, "Closing of a Public Alley in Square 220, S.O. 01-2388 Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5377. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-233, "Colorectal Cancer Screening Insurance Coverage Requirement Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5378. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-238, "Chief Financial Officer Establishment Reprogramming During Non-Control Years Technical Amendment Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5379. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-255, "Safety Net Temporary Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5380. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-254, "Educational Stepladder Temporary Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5381. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-253, "Ward Redistricting Residential Permit Parking Temporary Amendment Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5382. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-257, "Operation Enduring Freedom Active Duty Pay Differential Temporary Amendment Act of 2002" received February 6, 2002, pursuant to D.C. Code section 1-233(c)(1); to the Committee on Government Reform.

5383. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the Commission's FY 2003 Budget Estimates and Performance Plan; to the Committee on Government Reform.

5384. A letter from the Director, Office of Personnel Management, transmitting OPM's

Fiscal Year 2001 Annual Report to Congress on the Federal Equal Opportunity Recruitment Program (FEORP), pursuant to 5 U.S.C. 7201(e); to the Committee on Government Reform.

5385. A letter from the Administrator, Federal Aviation Administration, Department of Transportation, transmitting the Capital Investment Plan (CIP) for fiscal years 2003–2007, pursuant to 49 U.S.C. app. 2203(b)(1); to the Committee on Transportation and Infrastructure.

5386. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Ankeny, IA [Airspace Docket No. 01–ACE–7] received February 5, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5387. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations; Snake Creek Drawbridge, Islamorada, Florida [CGD07–01–056] (RIN: 2115–AE47) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5388. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations; 63rd Street Bridge, Indian Creek, mile 4.0, Miami Beach, Miami-Dade County, Florida [CGD07–02–001] received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5389. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operations Regulations; Youngs Bay and Lewis and Clark River, OR [CGD13–01–006] (RIN: 2115–AE47) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5390. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Harlem River, NY [CGD01–01–048] (RIN: 2115–AE47) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5391. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Missouri River [CGD08–98–020] (RIN: 2115–AE47) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5392. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: West Bay, MA [CGD01–01–038] (RIN: 2115–AE47) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5393. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulation; Lake Pontchartrain, LA [CGD08–01–022] (RIN: 2115–AE47) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5394. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Security Zone; St Croix, USVI [CGD07–01–135] (RIN: 2115–AA97) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5395. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operating Regulation; Falgout Canal, LA [CGD08–01–051] received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5396. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operating Regulation; Lake Ponchartrain, LA [CGD08–01–053] received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5397. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety and Security Zone; Pilgrim Nuclear Power Plant, Plymouth, Massachusetts [CGD01–01–211] (RIN: 2115–AA97) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5398. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Regulated Navigation Areas, Safety and Security Zones: Long Island Sound Marine Inspection and Captain of the Port Zone [CGD01–01–187] (RIN: 2115–AE84, 2115–AA97) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5399. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting to the Committee on Transportation and Infrastructure.

5400. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Regulated Navigation Area; Chesapeake Bay Entrance and Hampton Roads, VA and Adjacent Waters [CGD05–01–066] (RIN: 2115–AE84) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5401. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Longboat Pass and New Pass, Longboat Key, Florida [CGD07–00–006] (RIN: 2115–AE47) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5402. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations: Maybank Highway Bridge, Stono River, Johns Island, SC [CGD07–01–091] (RIN: 2115–AE47) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5403. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operating Regulation; Terrebonne Bayou, LA [CGD08–01–003] (RIN: 2115–AE47) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5404. A letter from the Administrator, Environmental Protection Agency, transmitting the Agency's report on Implementation and Enforcement of the Combined Sewer Overflow (CSO) Control Policy, pursuant to Public Law 106–554, section 12; to the Committee on Transportation and Infrastructure.

5405. A letter from the Assistant Secretary for Import Administration and the Assistant U.S. Trade Representative for WTO and Multilateral Affairs, Department of Commerce, transmitting a report entitled, "Subsidies Enforcement Annual Report To The Congress"; to the Committee on Ways and Means.

5406. A letter from the Deputy Director, Congressional Budget Office, transmitting the CBO's Sequestration Preview Report for FY 2003, pursuant to 2 U.S.C. section 904(b); jointly to the Committees on the Budget and Appropriations.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. GEKAS:

H.R. 3687. A bill to amend the Internal Revenue Code of 1986 to exclude unemployment compensation from gross income; to the Committee on Ways and Means.

By Mr. LANGEVIN (for himself, Ms. CARSON of Indiana, Ms. MCKINNEY, Mr. SKELTON, Mr. UDALL of New Mexico, Mr. NADLER, Mr. CLAY, Mr. PHELPS, Mr. BOUCHER, Mr. CLEMENT, Mr. DAVIS of Illinois, Mr. ETHERIDGE, Mr. FROST, Mr. ENGLISH, and Mr. SANDLIN):

H.R. 3688. A bill to direct the Secretary of Education to establish a competitive demonstration grant program to provide funds for local educational agencies to experiment with ways to alleviate the substitute teacher shortage, and for other purposes; to the Committee on Education and the Workforce.

By Mr. NADLER:

H.R. 3689. A bill to repeal the per-State limitation applicable to grants made by the National Endowment for the Arts from funds made available for fiscal year 2002; to the Committee on Education and the Workforce.

By Mr. OWENS:

H.R. 3690. A bill to amend title 49, United States Code, to provide that individuals who are eligible to join the Armed Forces of the United States are also eligible to be security screening personnel; to the Committee on Transportation and Infrastructure.

By Mrs. WILSON of New Mexico:

H.R. 3691. A bill to amend the National Trails System Act to designate the Old Spanish Trail as a National Historic Trail; to the Committee on Resources.

By Mr. KERNS:

H. Con. Res. 315. Concurrent resolution to require the display of the Ten Commandments in the chambers of the House of Representatives and the Senate; to the Committee on House Administration.

By Mr. PITTS (for himself, Mr. AKIN, Mr. GOODE, Mr. BOOZMAN, Mr. HILLEARY, Mr. DOOLITTLE, Mr. WILSON of South Carolina, Mr. BARR of Georgia, and Mr. NORWOOD):

H. Con. Res. 316. Concurrent resolution expressing the sense of the Congress that government policy should seek to reduce the financial penalties against marriage within the welfare system, and should support married couples in forming and sustaining healthy, loving, and productive marriages; to the Committee on Ways and Means.

By Mr. RADANOVICH (for himself, Mr. BAIRD, Mr. CALVERT, Mr. BOSWELL, and Mr. CANNON):

H. Con. Res. 317. Concurrent resolution expressing the sense of the Congress that the President should open a dialog with the Government of Canada to discuss the smuggling from Canada into the United States of large quantities of pseudoephedrine, a necessary ingredient in the production of methamphetamines; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 12: Mr. WILSON of South Carolina.

H.R. 46: Mrs. JO ANN DAVIS of Virginia.

H.R. 367: Ms. NORTON.

H.R. 397: Mr. JACKSON of Illinois.

H.R. 498: Mr. MATHESON, Mrs. CUBIN, Mr. WATT of North Carolina, Mr. ANDREWS, Mr. NORWOOD, Mr. WU, Mr. VITTER, and Mr. KENNEDY of Minnesota.

H.R. 527: Mr. WILSON of South Carolina.

H.R. 658: Mr. SCHAFFER and Mr. MCHUGH.

H.R. 902: Mr. TERRY.

H.R. 950: Mr. WAMP.

H.R. 952: Mr. HORN and Mr. PUTNAM.

H.R. 968: Mr. BARR of Georgia and Mr. WEXLER.

H.R. 1090: Mr. LEACH, Mr. HASTINGS of Florida, Ms. ESHOO, Mr. HONDA, Mr. COYNE, and Mrs. DAVIS of California.

H.R. 1111: Mr. PASCRELL, Ms. WATERS, Ms. BERKLEY, Ms. JACKSON-LEE of Texas, Ms. VELÁQUEZ, Mr. BAIRD, and Mr. JACKSON of Illinois.

H.R. 1116: Mr. ROTHMAN.

H.R. 1262: Ms. BALDWIN.

H.R. 1268: Mrs. THURMAN.

H.R. 1294: Mr. JONES of North Carolina

H.R. 1434: Mr. KILDEE and Mr. BARCIA.

H.R. 1556: Mr. MARKEY.

H.R. 1622: Mr. FORD.

H.R. 1624: Mr. ISRAEL, Mr. WILSON of South Carolina, and Ms. HARMAN.

H.R. 1626: Mrs. NORTHUP.

H.R. 1645: Mr. CALVERT.

H.R. 1822: Mr. SCHIFF and Mr. KUCINICH.

H.R. 1864: Mr. CONDIT.

H.R. 1904: Ms. ROYBAL-ALLARD and Mr. PETERSON of Minnesota.

H.R. 1935: Mr. BROWN of Ohio, Mr. WILSON of South Carolina, Ms. KAPTUR, Mr. GIBBONS, Mr. DICKS, Mr. GEKAS, and Mr. ROHRABACHER.

H.R. 2117: Mr. WILSON of South Carolina and Ms. LOFGREN.

H.R. 2125: Mr. HORN, Mr. CUMMINGS, Mr. DEUTSCH, Mr. GALLEGLY, and Mr. KIND.

H.R. 2158: Mr. HOLT.

H.R. 2163: Ms. ROYBAL-ALLARD.

H.R. 2219: Mr. UPTON and Mr. GORDON.

H.R. 2527: Mr. SIMPSON, Mr. HYDE, and Mr. ISRAEL.

H.R. 2573: Mr. HOEFFEL.

H.R. 2638: Mr. HINOJOSA, Mr. ISRAEL, Mr. CONDIT, and Mr. DICKS.

H.R. 2735: Mr. SENSENBRENNER.

H.R. 2740: Mr. KILDEE and Mrs. CAPITO.

H.R. 2868: Ms. ROYBAL-ALLARD and Mr. FROST.

H.R. 2942: Mr. STUPAK.

H.R. 3038: Mr. WELDON of Pennsylvania.

H.R. 3065: Ms. NORTON.

H.R. 3068: Mr. CANTOR and Mrs. BIGGERT.

H.R. 3113: Mrs. MALONEY of New York, Mr. ORTIZ, and Ms. BALDWIN.

H.R. 3185: Mr. LYNCH, Mr. MATSUI, Mr. COYNE, and Mr. RAHALL.

H.R. 3193: Mrs. KELLY, Mr. GEORGE MILLER of California, Ms. SOLIS, and Ms. CARSON of Indiana.

H.R. 3244: Mr. BARR of Georgia, Mr. HOLDEN, Mr. DEUTSCH, Ms. DELAURO, Mr. SHIMKUS, Mr. YOUNG of Alaska, Mr. LEWIS of Kentucky, and Mr. GREEN of Texas.

H.R. 3278: Ms. ROS-LEHTINEN.

H.R. 3341: Mr. INSLEE.

H.R. 3414: Mr. PASTOR.

H.R. 3443: Mr. STENHOLM, Mr. SIMPSON, Mr. BACA, Mr. TURNER, Mr. SANDERS, Mr. LOBIONDO, Mrs. THURMAN, Mr. BOOZMAN, and Mr. STUPAK.

H.R. 3457: Mr. ENGLISH, Mr. TOM DAVIS of Virginia, and Mr. FORBES.

H.R. 3464: Mr. FRANK.

H.R. 3465: Mr. HALL of Ohio, Mr. MORAN of Virginia, Ms. NORTON, Mr. FROST, Mr. PUTNAM, and Mrs. CLAYTON.

H.R. 3524: Ms. NORTON.

H.R. 3574: Mr. NEAL of Massachusetts, Mr. MATSUI, Mr. STARK, Mr. MCNULTY, Mr. DOGGETT, and Mr. BECERRA.

H.R. 3597: Mrs. CLAYTON.

H.R. 3598: Mr. BARTLETT of Maryland.

H.R. 3624: Mr. HAYWORTH, Mr. BACHUS, Mr. ENGEL, Mr. KINGSTON, Mr. GRAHAM, Ms. ROS-LEHTINEN, Mr. DOOLITTLE, Mr. OTTER, Mr. FLAKE, Mr. REHBERG, Mr. DIAZ-BALART, Ms. PRYCE of Ohio, Mr. WELDON of Florida, Mr. CULBERSON, Mr. SIMMONS, Mr. JOHNSON of Illinois, Mr. GOODE, and Mr. JONES of North Carolina.

H.R. 3639: Mrs. CHRISTENSEN and Ms. MCCARTHY of Missouri.

H.R. 3661: Mr. HALL of Ohio.

H.R. 3670: Mr. GONZALEZ, Mr. KILDEE, Mr. WEINER, Ms. PELOSI, Mrs. MCCARTHY of New York, and Mr. CARDIN.

H.J. Res. 6: Mrs. KELLY.

H. Con Res. 266: Mr. PLATTS, Mr. FROST, Mr. WALSH, Mr. TOWNS, Mr. CUNNINGHAM, Mr. PAYNE, Mr. WILSON of South Carolina, Ms. BROWN of Florida, Mr. GREEN of Texas, Mrs. THURMAN, Ms. MCKINNEY, Mr. ENGLISH, Mr. GEKAS, and Mr. KENNEDY of Minnesota.

H. Con. Res. 296: Mr. KERNS.

H. Con. Res. 312: Mr. BAKER.

H. Con. Res. 313: Ms. ROS-LEHTINEN and Mr. DEUTSCH.

H. Res. 225: Mr. GORDON, Mr. FATTAH, Mr CLAY, Mrs. THURMAN, Mr. ROSS, Ms. NORTON, Mr. WAMP, and Mr. CONYERS.

H. Res. 339: Mrs. TAUSCHER, Mr. LANTOS, Ms. KAPTUR, Mr. HASTINGS of Florida, Ms. LEE, Mr. SCHAFFER, Mr. HORN, Mr. PAYNE, Mr. WELDON of Pennsylvania, Mr. ROHRABACHER, Mr. GILMAN, Mr. SHERMAN, Mr. DEUTSCH, Mr. DAVIS of Florida, and Mr. CROWLEY.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 3252: Mr. HILLIARD.

SENATE—*Wednesday, February 6, 2002*

The Senate met at 10:30 a.m. and was called to order by the Honorable JACK REED, a Senator from the State of Rhode Island.

The PRESIDING OFFICER. The prayer will be offered today by CAPT Alan N. Keiran, Executive Assistant to the Chief of Chaplains, U.S. Navy.

PRAYER

The guest Chaplain offered the following prayer:

Good morning. Will you pray with me, please.

Almighty God, Gracious Father, Sovereign of this great Nation, Lord of creation and Lord of our lives, we stand in awe of Your holiness and mercy. In faith and thanksgiving we pray for Your continuing wisdom and grace as we seek to do Your will. Bless us with peace that passes understanding and strength to sustain us in challenging times.

O God, for every Member of this august body, their staffs and families, we pray Your vibrant presence would empower and uphold them in joyous times and sad times. As the Psalmist tells us, "those who seek the Lord lack no good thing." May we as a nation be those who daily seek Your face and honor You through our lives.

Lord, as a lover of righteousness and justice, sustain us in Your unfailing love. Protect our forces on land, at sea, and in the air. Comfort and console those whose loved ones are deployed around the world. Eternal Father, strong to save, to You we ever lift our praise. In Your strong name we pray. Amen.

PLEDGE OF ALLEGIANCE

The Honorable JACK REED led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 6, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JACK REED, a Senator from the State of Rhode Island, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. REED thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11:30 a.m., with the time equally divided between the two leaders or their designees and with Senators permitted to speak for up to 10 minutes each.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

GUEST CHAPLAINS

Mr. REID. Mr. President, the Chaplain, Reverend Ogilvie, has been out of the city for all of this week, and he has had military chaplains come in. They have been very impressive. Yesterday, we had the Coast Guard Chaplain, today the Navy Chaplain, and the day before the Army Chaplain. I have been very impressed with their stature and their message.

I am sure this means a great deal to the Presiding Officer, who is a graduate of the Military Academy at West Point. It is good that it reminds us on occasion of the importance of these men and women in uniform, and also the fact that they are constantly aware of the need for spiritual guidance.

I think their being here the last few days has certainly indicated that to anyone watching these proceedings.

SCHEDULE

Mr. REID. Mr. President, as the Chair announced, we will be in a period of morning business until 11:30, at which time we will have a cloture vote. At that time, we will vote on the economic recovery act. If cloture is not invoked, the Senate will immediately vote on cloture on the Grassley amendment. Additional rollcall votes, of course, are possible throughout the day.

Following the cloture votes, if cloture is not invoked, I have been directed by the majority leader to inform everyone that he is going to ask unanimous consent that we move forward today on the additional 13 weeks of unemployment insurance, something we have been trying to do for months now. We asked for that in the closing hours of the last session of the Senate before the Christmas recess. That was not accepted by the minority. I hope they will follow the example of the majority leader and not strip everything out of his economic stimulus package, and certainly let us not leave out of consideration these people who are so desperately in need of these additional weeks.

During the first Bush administration, we extended unemployment benefits on five separate occasions because of economic downturns. We have done that routinely in the past. It should not have taken this long. There are a significant number of people whose unemployment benefits have expired. We have a number of people who won't be able to collect unemployment benefits. It is really too bad that people have fallen through the cracks who have gone from welfare to work and who do not meet the requirements statutorily. They certainly should be included, and I hope some consideration will be given them also.

Again, the majority leader will, after the cloture votes, ask unanimous consent that there be 13 additional weeks of unemployment insurance extended to those people who so desperately need it.

The ACTING PRESIDENT pro tempore. The Senator from Colorado.

Mr. ALLARD. Mr. President, I understand that I have 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator may take up to 10 minutes under the order.

EXTENSION OF THE RESEARCH AND DEVELOPMENT TAX CREDIT

Mr. ALLARD. Mr. President, I am here this morning to express my disappointment that I am not going to have an opportunity to call for the yeas and nays on the permanent extension of the research and development tax credit. It has to be one of the most important provisions and amendments that will be made to the stimulus package.

I again am disappointed that stimulus package is not going to move forward out of the Senate. Many of us have worked hard. We think it is time for us to have a stimulus package. The economy needs to have that happen.

I want to refer to some charts and to what some very key individuals are saying about the R&D tax credit being extended on a permanent basis. Right now, it is not extended on a permanent basis. I think the National Association of Manufacturers is trying to address the question. I think they have said it very succinctly. They ask: Why worry? They say: because the R&D tax credit expires in 2 years and major R&D projects take an average of 5 to 10 years to complete.

If we don't get this passed now and move forward, that is going to be another reason our economy will not move forward. I am very concerned about that.

The Democrats in the Senate also recognize the importance of the R&D tax credit. I looked at what the majority leader said in January of 2002. He said:

> We should act to make the research and development tax credit permanent; the sooner the better.

The action we are getting from the Senate today doesn't show any interest at all in moving forward in keeping up with the "sooner the better" pledge. This is a serious problem and a catastrophe.

> The R&D development tax credit is one of the most effective mechanisms to encourage innovation, increase business investment, and keep the economy growing.

Again, that is the majority leader speaking on January 4 of this year.

I am extremely disappointed that we will not have an opportunity to bring this amendment up for discussion.

Just to again point out how important this amendment is to the economic recovery of this country to restore economic prosperity, I would like to show you a one-half-page ad from the Wall Street Journal.

Mr. President, I show you an ad that was put in the Wall Street Journal from Ontario, Canada. It points out: "The Future's Right Here" in Ontario, Canada.

They say:

> With pharmaceutical R&D spending up 300 percent in the past decade, Ontario is proving to be an excellent locale for life sciences.

The reason they are saying that is because they have a research and development tax credit of which companies can take advantage.

They go on further to say: "Protection of intellectual property rights and R&D tax credits, [which are] among the most generous in the industrialized world, are a couple of key contributing factors" and why it is so important to do business in Ontario.

We are missing the boat. We need to do more to encourage economic research and development in this country. It is key to restoring economic prosperity.

Again, I cannot emphasize enough how very disappointed I am that I am not going to have an opportunity, along with Senator HATCH, who has worked very hard on this particular amendment over the years, to get it passed on a permanent basis.

In addition to what I have shown here, we have looked up studies that say the permanent extension may, in some cases, by 2010, increase domestic economic growth by $58 billion.

We have the tax credit available for incremental research and activities in both the United States and Puerto Rico where 75 percent of research and development tax credit dollars go to salaries and wages of employees associated therewith. These are high-paying American jobs, and high-paying American jobs pay taxes. It is taxes that go to the Federal Government and help us balance our budget at the Federal level.

So it is important. I am disappointed that not only my amendment but other amendments that would lead to economic growth in this country are not going to have an opportunity to be brought up. I cannot emphasize enough how very disappointed I am that this has been stalled because of action on the other side, even after we have had such positive statements made on January 4 of this year as to how we need to move forward with some of these tax cut provisions that stimulate economic growth, such as the research and development tax credit.

Mr. President, I yield the remainder of my time to the Senator from Texas.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, if the Senator will yield for a moment—I think this is the order in which we appeared on the floor—so we can all make plans, I ask unanimous consent that when the Senator from Texas finishes, I be recognized for 5 minutes, and then the Senator from Georgia be recognized for 5 minutes.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. GRAMM. And that following that, the Senator from Missouri be recognized for 5 minutes. I think that covers everybody present.

The ACTING PRESIDENT pro tempore. Is there objection?

Mr. GRAMM. I was just setting up a procedure where we can all speak.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Texas.

NEED FOR A STIMULUS PACKAGE

Mrs. HUTCHISON. Mr. President, so many of us wanted a stimulus package. The President asked for a stimulus package. We see the stock market continuing to go up and down, up and down. It certainly has not stabilized yet. We wanted to try to stimulate investment to try to make sure we would have an economy that would be able to remain strong as we are prosecuting a war for the very freedom of future generations in our country. But what we had before us was not a stimulus package. It was the end of a compromise without the compromise part.

There was no tax cut. There was no help for people who pay taxes. There was no stimulation for businesses that would invest in plant and equipment. And that is what we need to make sure we have those manufacturing jobs.

What I had hoped to do—and I had already filed the amendment—was to make permanent some of the tax cuts that are temporary over the next 10 years. I wanted to make permanent the marriage penalty relief that is in the tax bill that Congress has already passed and the President has signed but which could teeter in the next few years if we have a change in Congress.

Why should anyone have to pay a penalty because they get married? Why should they pay a different rate in a higher tax bracket when they get married as opposed to when they were single?

We are trying to correct the marriage penalty. Making marriage penalty relief permanent so people can count on it would be a stimulus.

Repeal of the death tax is one of the most important things Congress has done. Congress has finally acknowledged money that has been taxed when it was earned, taxed when it was invested, should not then be taxed when it is passed to future generations. What the death tax does is keep family-owned farms and ranches and small businesses from being passed to members of the family. Fifty percent of the family-owned businesses in this country do not make it to the second generation; 80 percent do not make it to the third generation. Who benefits from that? Certainly not the members of a family who have worked to create a business to give their children a chance.

What about the employees who work for that family business. When it changes hands, their livelihoods then are at stake. So who is it good for? It does not even help the Federal Government because the income is minuscule and would be totally overcoming to a thriving business with jobs that are stable that can contribute to our economy.

So we wanted to make repeal of the death tax permanent. We wanted to make repeal of the marriage penalty permanent. That was what we were trying to do to this bill. But now the bill is going to be pulled from the floor before we can offer these amendments.

I do not think that is sound economics. I do not think that is good for our country, and it certainly is not going to stabilize our economy.

So when you talk about people being disappointed, I think all of us are disappointed that we are not going to have a chance to offer our amendments. We had all day yesterday to offer our amendments, but we were held from offering the amendments and having votes. That is just not right.

We adopted an amendment offered by my fellow Senator from Missouri, Mr. BOND, that would have helped small businesses. It would have been a huge help. It would have given them a $40,000 writeoff for investment in equipment. For small business that is huge. Otherwise, they would have had to depreciate it. Instead, they would have a writeoff that would have encouraged small businesses to make those capital investments that create jobs in America.

So we are missing a major opportunity. I will call on Senator DASCHLE to reconsider, after the cloture vote—which, hopefully, will fail because we have not been able to offer our amendments yet. We do not want to pass the bill that is before us because there is no stimulation in it. I ask the majority leader to reconsider because we would like to have a stimulus package that makes permanent the marriage penalty relief, that makes permanent the death tax repeal so businesses and family farms can be passed through the generations without being taxed by the Federal Government and made to sell assets at bargain basement prices and take away jobs from people who work on those farms and take away the ability of the children in a family to continue to make their livelihoods from that family farm. It would take away the opportunity to give small business a boost by giving them a writeoff of $40,000 over a 2-year period for capital investment.

I urge the majority leader to reconsider. Let's work with the President. Let's work with the Democrats and Republicans in Congress. Let's have a stimulus package that really stimulates.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

REDUCING TAXES

Mr. GRAMM. Mr. President, back in January of last year, Senator ZELL MILLER of Georgia and I started working together in support of the President's tax cut. Obviously, I am awfully happy and awfully proud that we succeeded.

Taxes are being reduced for working Americans. The marriage penalty, which my dear colleague from Texas just talked about, is being eliminated. The death tax is being phased out. Rates are being reduced for every American. The net result is that working people are getting the opportunity to keep more of what they earn.

I think that was the right policy. It was supported on a bipartisan basis. It got a strong vote in both Houses of Congress, but because of a technicality in the Budget Act, we have this incredible anomaly that 10 years from now all of that tax cut goes away.

Nothing could be more destabilizing than having a tax system which is not permanent. Nothing could have a greater impact on the economy that would happen 10 years in the future, that you could know about today, than having the specter of a massive tax increase occur automatically.

Congress never intended that. It was a technicality in the budget that forced it. So when the debate started to occur about how do we deal with the recession, how do we stimulate the economy, Senator MILLER and I got back together and tried to come up with a simple program that did not cost money during the recession and drive up the deficit but yet stimulated the economy dramatically, in the process putting people back to work and putting money back in the Treasury.

We concluded there were two simple things we could do that would achieve both those goals: put people back to work, have them paying taxes into the Treasury, and at the same time would not cost the Federal Government much money.

We concluded that the strongest stimulus package that could be adopted that would meet those goals was to make the tax cut permanent by repealing the sunset provisions in the Tax Code so that when we eliminate the marriage penalty, it is forever, and people know it. When we eliminate the death tax, it is gone, and people can plan on it. These new rates are going to be permanent so you can invest and save and work harder knowing it.

The second proposal we had was cutting the capital gains tax rate. I am not sure that is politically correct in an era where the first thing we debate is, would anybody who has any money, make any money. But cutting the capital gains tax rate in the entire 20th century never failed to put money in the Treasury, never failed to stimulate the economy. And based on that experience, we were proposing that we cut the top bracket from 20 percent to 15 and the bottom bracket from 15 to 7.5 percent.

That simple proposal would have raised Federal revenues in the next 2 years—no one debates that—and would have provided a very strong stimulus to the economy. It appears we are not going to have an opportunity to offer it because the debate is going to be ended. We thought it was important that there be a vote on a real stimulus package. We have debated a stimulus package, but no one has really proposed one.

The President, very much to his credit, thought, in light of September 11, that we had enough bipartisanship that he could take half of the ideas the Democrats had, take some ideas Republicans had, make a proposal, and it would be adopted on a bipartisan basis. That turned out not to be the case. But if you wanted a real stimulus package that would stimulate and that would make money for the Government at the same time, our proposal—making the tax cut permanent and cutting the capital gains tax rate—is that proposal.

I am proud of it. I wish we had had an opportunity to vote on it. I don't believe it would have been adopted. But if we are going to debate stimulus, we ought to have a vote on something that will stimulate. If you are trying to produce an economic response, you want something that is going to produce it. We had it, and I am very proud to have had an opportunity to work on this with Senator MILLER.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Georgia.

ORDER OF PROCEDURE

Mr. MILLER. Mr. President, I ask unanimous consent that in the sequence of speakers already established, Senator CLINTON be recognized following Senator BOND.

The PRESIDING OFFICER (Mr. CARPER). Without objection, it is so ordered.

Mr. REID. Mr. President, if the Senator will yield, I ask that his unanimous consent request be amended to allow Senator CARPER to speak following Senator CLINTON.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Georgia.

PARTISAN POLITICS

Mr. MILLER. Mr. President, I hear today we are about to have a funeral, that the stimulus bill is on life support, and that the plug will be pulled sometime today. The cause of death? Partisan politics. It is a shame, although perhaps the money can now be applied to the deficit, which has concerned some of us, and we will be closer to a balanced budget.

The soon-to-be-deceased could have been saved. We had a reasonable compromise right before we adjourned for Christmas. The President supported it. Some Democrats, including this one, supported it. It had a majority of the votes in the Senate. Right now, if it had passed, it could have already been signed, the rebates could be being prepared, a reasonable health care benefit could have been a reality—such promise. Who was it who wrote that the saddest words of word or pen are that it might have been—something like that?

This week we could have made the tax cut permanent. We could have added a capital gains tax cut. That is what Senator GRAMM and I have advocated for some time.

No one ever stated so well how powerful an effect a cut in the capital gains tax could have on the economy as a Democrat, President John F. Kennedy. I quote:

> The tax on capital gains directly affects investment decisions . . . the mobility and flow of risk capital from static to more dynamic situations . . . the ease or difficulty experienced by new ventures in obtaining capital . . . and thereby the strength and potential for growth of the economy.

That was Jack Kennedy, not the Washington Times or the Wall Street Journal or Lawrence Kudlow or PHIL GRAMM or Bob Novak. That was John Kennedy, a Democrat.

Over the years, he was not the only member of my party who advocated cutting the capital gains tax as a good way to stimulate the economy. Senator Patrick Moynihan, that wise and brilliant former Member of this body, consistently advocated it over the years.

What history shows is that, once upon a time, Democrats were tax cutters. I wish I could bring that time back. I rise today to strongly advocate making the tax cut we passed last year permanent and to cut the capital gains tax rate.

Unfortunately, the tax cut we passed last year, although it was a great tax cut, was compromised on its way to final passage. What started out as a broad, immediate, and permanent tax cut became one where some of the tax relief is delayed by several years. Then to add insult to injury, the whole thing is to be repealed in 2010.

We do something that, to my knowledge, Congress never had the gall to do before on a broad basis. We sunset individual tax cuts. We have done that several times with business tax revisions. But to individuals, to families, we have never done it where we gave them their money back and then took it away again later. That is playing games with our taxpayers. We should never do that. Eliminate the uncertainty of this tax cut and you will stimulate our economy. How can anyone make any long-range plans for a business or for a family with a here-today, maybe-gone-tomorrow tax cut, a tax cut that has a perishable date on it like a quart of milk?

The fastest way to show taxpayers we are serious about tax relief—the only way, really—is to make the tax cut permanent. The fastest way to prompt businesses to expand and to invest is to cut the capital gains rate from 20 to 15 percent. We are not in a slump just because consumer sales are down. We are in a slump because venture capital fell 74 percent in the past year. Capital spending by businesses is at its lowest in decades.

As Senator GRAMM said, every time we have cut the capital gains rate—every time—tax revenues have risen, not fallen, and asset values have always shot up.

Today a capital gains tax cut would bring even better results because today's stock market is no longer the playground of the rich. Almost half of all Americans now own stock, and almost a third—one out of three—who earn less than $30,000 a year own stock. Aren't those the people whom we Democrats say we want to help? The American middle class has become, for the first time in our history, the American investment class.

So as I eulogize this soon-to-be-deceased, I think of the bruised and battered Marlon Brando's "On The Waterfront"—what could have been. We could have had a contender.

The PRESIDING OFFICER (Mr. CORZINE). The Senator from Missouri.

CONTINUING WORK ON THE STIMULUS PACKAGE

Mr. BOND. Mr. President, I thank my colleagues from Georgia and from Texas for presenting some very cogent arguments as to why we need to keep working on this stimulus bill. I am disappointed by the sounds I am hearing that it is going to be pulled. We need stimulus in this economy, and we have already adopted an amendment that I proposed, on an overwhelmingly bipartisan vote, to allow small businesses to write off immediately their investments.

As I have said, I have two more amendments, frankly, in addition, that are pending at the desk that I think my colleagues, if given an opportunity to vote on them, would vote for overwhelmingly.

First is a measure that addresses the tax benefits for the armed services members who served in the operations in Somalia. I don't think there would be many on this floor who would not vote for it if they had a chance. It provides that those who served during peacekeeping efforts in Somalia should receive the same tax benefits in the same manner as if such services were performed in a combat zone.

As we fight the global reach of the terrorist networks, we are asking our men and women in uniform to perform at the very highest levels and at an unprecedented operational tempo. This amendment I filed would allow the men and women who served within the hostile fire zone in Somalia to file for the same tax breaks afforded to military forces who serve in a combat zone. Anybody who has seen the movie "Blackhawk Down," based on the real world conflict in Somalia, will understand that our forces who served in that conflict were in a combat zone.

The Pentagon criterion for hostile fire pay requires the duty is "event based, payable to members certified that have been subject to a hostile fire. . . ."

Former SSG Kenneth Chatman, from Oran, MO, served the Army for 16 years as an avionics electronics repair technician. He served in Somalia from August of 1993 to January of 1994 with the 101st Airborne Division, air assault. The only tax exemption soldiers in Somalia got was when they transited to some other zone. In his case, he flew over Egypt and got a tax-free month. That is unjust. I believe anybody who appreciates the battle that our military are taking on against terrorism will understand that the sacrifices made by our forces require that we give these brave men and women the same tax breaks that others under direct fire receive.

The second amendment I have is truly a stimulus measure. It is designed to increase the amount of venture capital available to small business. The Small Business Administration Small Business Investment Company Program—the SBIC Program—has a significant role in providing venture capital to small businesses seeking investments in the range of $500,000 to $3 million.

Small Business Investment Companies are Government-licensed, Government-regulated, privately managed, venture capital firms created to invest only in original debt or equity securities of U.S. small businesses that meet size standards set by law.

In the current economic environment, the SBIC Program represents an increasingly important source of capital for small enterprises—small enterprises that are struggling to get back on their feet, to grow now in the face of this economic recession we have been in for well over a year. They need to have funding. While debenture SBICs qualify for SBA-guaranteed borrowed capital, the Government guarantee forces a number of potential investors—namely, pension funds—to avoid investing in SBICs because they would be subject to tax liability for unrelated business tax income—UBTI. Thus, they don't put their money in it. As a result, 60 percent of the private capital potentially available to invest for these SBICs to create jobs, put men and women to work, create wealth in the community, is "off limits."

My amendment would correct that problem by excluding Government-guaranteed capital borrowed by debenture SBICs from debt for purposes of the UBTI rules.

When we are looking at the need to diversify pension funds, this gives those who hold pension funds who seek retirement security an opportunity to use Government-guaranteed funds for investment in small businesses in a professionally managed small business investment company the opportunity to put their retirement funds to work and create jobs in their community, create growth and opportunity for men and women who need those jobs now.

I hope and expect, once again, that if this targeted small business stimulus incentive were put up on this floor for a vote, it would be overwhelmingly adopted and we would see jobs and growth of small business.

I urge the leader, the Senator from South Dakota, to give us an opportunity to continue to work on this very important package, which has some good things in it and, if we had the chance to work on it, would have more good things in it.

I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

A "SPECIAL" AMERICAN FLAG

Mrs. CLINTON. Mr. President, I rise today to express my deep and profound opposition to a decision by the International Olympic Committee to ban the carrying of a special American flag during the opening ceremonies of the 2002 Olympics in Salt Lake City.

This flag is very special. It was found in the rubble of the World Trade Center after the attacks on September 11. It is a powerful, moving, visual reminder of America's strength, endurance, and freedom.

In fact, I believe this flag carries with it a profound parallel with the original Star-Spangled Banner—the historic flag that flew over Fort McHenry in the War of 1812, and in the battle of 1814 it survived 25 hours of bombardment and inspired the creation of our national anthem.

Now, to those who say that the carrying of this particular flag by American athletes marching into the stadium would be a "political statement," I say this is a ridiculous argument on its face. The American flag from the World Trade Center is the American flag, just as surely as the flag that flanks our Presiding Officer, as the flag that has flown in many classrooms, in front of many homes, and at the top of this great Capitol dome. It is not a symbol of politics. It is the representation of our Nation, and it does what so many of us believe needs to be done right now: It demonstrates clearly our resilience and our persistence in the face of terrorism. We should have the right to carry this flag in whatever national or international setting we choose.

To those who say that the carrying of this flag would set some kind of improper precedent, I say this is an equally absurd argument. First of all, the attacks on our country on September 11 were themselves unprecedented, and there is every reason for us to mark the tragic events of that day by having our athletes hold the flag from the World Trade Center aloft during the opening ceremonies of the Olympics.

Second, should the unthinkable occur and any similar tragedy strike this or any other nation in the years ahead, I cannot imagine any serious objection being raised if any nation wanted to carry its own flag, like this flag, in a future Olympic event. The world was shocked by the attacks of September 11.

Freedom-loving people everywhere are united with us in our determination to fight back against terrorism. While the terrorists may have destroyed buildings and ended lives, they did not destroy the values we share, and those values define our Nation and find expression in the stars and stripes of our flag.

I believe the carrying of this flag that terrorists could not destroy is fully in keeping not only with the spirit of America but with the spirit of the Olympics.

According to the International Olympic Committee, the Olympic movement is meant "to contribute to building a peaceful and better world," and the Olympic spirit is built on "mutual understanding with a spirit of friendship, solidarity, and fair play."

I believe the carrying of this World Trade Center American flag does help contribute to building a peaceful and better world, especially because those who attempted to destroy our way of life and who did destroy buildings tried to accomplish the exact opposite goal. They were not trying to contribute to a better and peaceful world but just the opposite.

This flag, in a sense, for the entire world portrays that "spirit of friendship, solidarity, and fair play" that underscores the Olympic spirit.

Mr. President, today I am writing to the International Olympic Committee to urge them to reverse their decision regarding the carrying of this American flag during the opening ceremonies of the Olympics. I ask my colleagues for their support and their signatures on this letter.

We are the host Nation for the Olympics. Our athletes and the American people they represent want this flag carried by them on Friday, and I do not believe the International Olympic Committee should stand in the way of this fitting and patriotic act, nor should they have any role in telling us which particular American flag we can carry in the Olympics staged in our country just a few months after the terrible and tragic attacks of September 11.

I hope the Olympic Committee will change this very ill-thought-out, ill-advised, and insulting decision before Friday. But until then, I hope my colleagues will join me in expressing not only our concern but our outrage at what seems to be a demeaning decision meant to undermine what this flag represents and in some clear way to undermine the heroic efforts of the firefighters who found it and hoisted it. I hope this decision will be changed.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Delaware.

ECONOMIC STIMULUS

Mr. CARPER. Mr. President, earlier this morning—in fact, just a few minutes ago—our colleague from Georgia, Senator MILLER, spoke quite eloquently about a patient on life support and said the life support was about to be withdrawn.

The patient in his comments was the economic stimulus package we have been trying to negotiate since October. I like his analogy, but I think he may not have picked the right patient.

The patient we have been trying to bring back to health is not a stimulus package. The patient that has been in the hospital bed has been the economy. We have had a sick economy, and we have been working to try to figure out how we might ensure the full, complete, and healthy recovery of that economy.

Today, we pull the plug, if you will, from that recovering economy. We pull the plug on hope for a stimulus package. It is not going to happen. I do not think we ought to spend our time today, tomorrow, or this week casting aspersions—Democrats on Republicans or vice versa. There has been a lot of good will and a lot of effort exerted in October, November, December, January, and even earlier this month by both sides, people of good will trying to figure out how we infuse capital investments, how we reach out to those who lost their health care, how we reach out to those who are losing unemployment benefits, how we help States that are struggling financially right now.

There is an old saying which I think everybody has used once or twice: The first rule is do no harm. By essentially walking away from this debate today, we will have done no harm. Had we been able to act in October, November, or December with a reasonable package that was consistent with the three principles we talked about for the last 4 or 5 months—a stimulus should be temporary, it should be truly stimulative, and it should not exacerbate the deficit over the long haul—if we could have come to agreement on that and presented a package for the President's signature, that would have been fine. We just could not do that.

Now we face a time when the Federal Reserve has launched the most aggressive monetary policy, ratcheting down interest rates for the last year, infusing extra money in our money supply, a drop in energy prices that fueled economic recovery and shortened the recession, and we have been doing a lot of deficit spending.

Those three factors, rather than harm, have done great good. Because of those three factors, as we disconnect from the patient, if you will, this hope of a stimulus package—the economy itself—the patient is going to get well. The patient is going to check out of the hospital and go on to live, hopefully, a reasonably long, healthy life until we have another economic downturn.

Meanwhile, as we turn our attention from the economic recovery and the need for a stimulus package, I would have us keep this in mind: If by a miracle we were able to pass a stimulus package today, before it would have effect, a couple months are going to go by. It has taken almost 12 months for the full force of the monetary policy, the interest rate cuts of the Fed to have their impact, but they are having it today.

Now the Federal Reserve is reversing course. Instead of cutting interest rates when they met last week, they decided not to further their cuts in interest rates. Before long, they are going to be turning their attention not to how we get the economy moving again but how do we dampen down inflationary expectations.

Congress is real good at coming in when the recession is basically over and passing a package which, in the end, will probably be inflationary, and what we really do not want to do is have the Federal Reserve working in a few months on the other side of the domestic monetary policy trying to dampen inflationary expectations by raising interest rates at the same time that a stimulus package from the Congress, adopted late, begins to have an effect. We will be at cross-purposes, which we do not need.

I am encouraged, I am bullish on the economy. I know people are suffering today. I hope we can pass at least an extension of short-term benefits for 13 weeks and help people. That will stimulate the economy and, more importantly, it will help people who are suffering.

Another action we can take—and I hope we will—to promote a healthy recovery for an extended period of time—not a couple of months or a couple of years—is as we go into these investigations as to what led to the collapse of Enron and what led to people losing their pensions, their 401(k)s, to do the hard work, the long work, the steady work that is required to find out why things went wrong at Enron, why so many people got hurt, and how we can ensure that does not happen again to a company, to its employees, to those who invest in a company, and those whose pensions are tied to a company. We can do that.

Today, as we walk away from this economic recovery package, I just want to say a word of thanks to a lot of people who worked very hard to try to get us to a consensus.

We could not get there. It is not the end of the economic recovery. I think we are just beginning that economic recovery, and I am encouraged that it will continue and we will have done no harm.

The PRESIDING OFFICER. The Senator from Oklahoma.

WORLD TRADE CENTER FLAG AT THE OLYMPICS

Mr. NICKLES. Mr. President, first I wish to compliment Senator CLINTON from New York for her speech in criticizing the International Olympic Committee for refusing to allow us to use the damaged flag that flew in the recovery efforts at the World Trade Center. I find that decision very offensive. I am going to join her on that letter, and I would encourage my colleagues to do so as well.

PULLING THE STIMULUS PACKAGE

Mr. NICKLES. Mr. President, I am disappointed today that the majority leader has decided to pull down the stimulus package. We are going to have a cloture vote on the majority leader's package. He calls it a stimulus package, but there is no stimulus in it. There is a lot of spending. He says if he does not get 60 votes, basically preventing any other amendments, he is going to pull down the stimulus bill. In other words, he wants a spending package, not a stimulus bill, and if we are going to put stimulus amendments in it, no bill.

I am looking at an amendment Senator KYL has pending to make the death tax repeal permanent. That would make a real positive change to a lot of businesses, a lot of agriculture. That is a positive amendment. It is added as an amendment to one Senator BAUCUS had dealing with agricultural spending.

I looked at almost all the Democratic amendments, and they are almost all spending: More money for agriculture, more money for Medicaid, more money to increase the Federal payments share, more money for temporary employees to the Federal program—we have never done that in the past—new entitlement programs; no stimulus.

I am looking at the amendment Senator BOND offered on expensing. That passed overwhelmingly. That would help stimulate the economy. The accelerated depreciation that Senator GORDON SMITH offered would help encourage people to make investments. The R&D tax credit Senator ALLARD was offering would help encourage people to make investments, particularly in research and development. Senator DOMENICI had a payroll tax holiday. We are not going to be able to vote on that. Most importantly, we are not going to get to vote on the substitute Senator GRASSLEY, Senator COLLINS, Senator BREAUX, and others worked on. The bipartisan package that I believe we have a majority vote for in the Senate, we are not going to even have an up-or-down vote on. We get a cloture vote on it. If we enact cloture on the Daschle bill, we do not even get a vote. That bill is nongermane. It falls.

We did not get to have votes yesterday. This side was ready to have votes. I made the commitment I would help finish the bill yesterday, certainly by today, trying to limit amendments, trying to have votes on the amendments. Let us pass the bill. Let us pass the bill and see how the votes come out, but no, we cannot do that. We do not want to vote on the Kyl amendment. We do not want to have a vote on making a permanent death tax repeal. We do not want an up-or-down vote on the Grassley-Breaux-Collins amendment. We do not get to have that. So I say to my colleagues, if they really believe in the Senate tradition of allowing Senators to offer germane amendments, in this case stimulative amendments, to vote no on the cloture vote we will have in the next 15 or 20 minutes. I think it is an important vote. I hate to see us give up and not pass a stimulus bill. We have a chance now to make a bill that is not stimulative into a bill that really could create jobs.

The economy is soft. It does need a little shot in the arm. The underlying bill, the Daschle bill, does not do it. There are several proposals, several good amendments on which Senator GRAMM, Senator GRASSLEY, and others have worked. I mentioned about a half dozen. If we could pass some or all of those, I think we would make the bill worthwhile, make it worth passing. Not only would it do no harm, it would do some good. It would help create jobs.

More importantly, for the process of the Senate, I urge my colleagues to vote no on the Daschle cloture petition in a few moments because individual Senators should be entitled to offer those amendments. They should have their day. They should have a chance. Then they will send a bill that truly is stimulative to conference and hopefully we can get a bill on the President's desk that would create jobs.

Let me make it crystal clear; some people said the Republicans are filibustering, but there is no way. No one can say Republicans filibustered this bill. We have legitimate amendments that would stimulate the economy. I urge my colleagues to give us a chance to offer those amendments, to pass a good stimulus bill today, and to vote no on the Daschle cloture petition in a few moments.

I yield the floor.

LEARNING FROM PAST MISTAKES

Mr. KOHL. Mr. President, to distort Shakespeare's words, I come to the floor today to bury the stimulus package, not to praise it. There has not been much praiseworthy in the way Congress has responded to the recession that started last March and intensified after the attacks of 9–11.

Last fall, and even this month, there were short term actions we could have taken that would have had immediate and beneficial economic and humanitarian results. We could have extended unemployment benefits, as we have in every recession, and as I still hope we will. We could have offered an immediate tax rebate to those lower income workers who did not receive a full rebate from the first tax cut. We could have used the Medicaid payment formula to send financially strapped states struggling to provide health care for their residents an immediate infusion of cash. We could have offered a temporary acceleration of depreciation to encourage reluctant businesses to invest now in the recovering economy.

We agreed on basic principles: help now, and do no harm in the long run. We agreed on the need. But we could not agree to put aside our partisan agendas long enough to do what we all agreed was right. Instead of talking about what we could do to help workers unemployed now, factories lying idle now, we redebated tax cuts passed last spring and pushed tax breaks that wouldn't even take effect for 10 years. We should have focused on workers, investment, consumer confidence. Instead we fought over estate taxes and tried to lay the blame for our inaction.

As the recession winds down and the war on terrorism continues, I sincerely hope Congress will be able to rise above the partisan bickering that doomed the stimulus package. We will have many opportunities this year to act in a bipartisan manner to make this Nation stronger, safer, and better. We will also have many opportunities to wrap the flag around our pet proposals and fight for political advantage. We should commit today to learn from the mistakes that have killed the stimulus package—not to repeat them.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Am I right the time on this side has expired?

The PRESIDING OFFICER. The Senator is correct.

Mr. GRASSLEY. How much time is on the leader's time?

The PRESIDING OFFICER. Ten minutes of leader time.

Mr. GRASSLEY. I have been informed Senator COLLINS is on her way over and would like a couple of minutes. So I will yield myself 8 minutes and then yield the remaining time to Senator COLLINS.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. So at the end of 8 minutes, please notify me.

The PRESIDING OFFICER. The Chair will do so.

CENTRIST/WHITE HOUSE COMPROMISE

Mr. GRASSLEY. Mr. President, the distinguished majority leader announced yesterday he is going to kill this bill if he does not prevail on the first cloture vote. Of course, we know if he did get cloture, many good amendments that have been offered to try to improve Senator DASCHLE's skeletal bill will fall. We will not be able to vote on them. All we have asked for all along on this side, and even some Members on that side, is a vote on the bipartisan centrist-White House bill that I have offered as an amendment, along with Senator SNOWE.

In fact, that bill is a product of the work of people such as Senator SNOWE and Senator COLLINS, and Democrats on this side of the aisle such as Senators NELSON, MILLER, and BREAUX. There is a long list of amendments. I do not think I will go through the long list of amendments that we will not have a chance to vote on, but I am going to highlight a couple because I think Senator NICKLES did a good job of highlighting those most important amendments.

Let me take a look at a couple that will be killed if Senator DASCHLE's cloture motion is invoked. My friend, the majority whip, who is with us, Senator REID, offered, along with Senator KYL, so it is bipartisan, an amendment that is designed to help the travel industry. We were told during the debate that this tax credit was very important. If it is that important, we ought to have a chance to vote on it.

Guess what. If the Democratic leadership prevails on the first cloture motion, Senator REID's amendment falls. I guess I can only assume that since this amendment is so important for Nevada and other States where there is a lot of tourism, the majority leader would oppose cloture. Surely he would not vote to kill his own amendment. That is what I would think. I am afraid I am probably being optimistic or maybe naive.

Other Democrats have offered amendments, too. For those Senators, a vote for cloture is a vote to kill their own very important amendment. So I hope these Democratic Senators are not telling their constituents they are for something and then turning around and voting to kill it by supporting this cloture vote.

Let us take a look at Senator ALLARD's amendment, one that is so important to have the United States competitive, particularly in manufacturing and information technology, the R&D tax credit. If cloture is invoked, that amendment is dead as well. We had 70 Senators vote for that amendment on a previous tax bill, as an example. So make no mistake about it, if the distinguished leader's cloture motion is supported, every one of these amendments will be killed, as well as the ones Senator NICKLES brought to our attention.

If the distinguished leader prevails on his cloture motion, then we end up with another conference with the House and that could take weeks or months to resolve. The best we can hope for is delay. That means delay for the unemployed, delay for the stimulus, not helping those who are dislocated because of September 11.

By contrast, the Democratic leadership will not let us vote on the only plan that has majority support in the Senate. They are filibustering the only bipartisan stimulus plan and preventing unemployment benefits from reaching the workers who need them. That is what the second cloture vote is all about. The second cloture vote guarantees an up-or-down vote on the White House-centrist stimulus plan. A vote for that plan is a vote for a bill that the President will sign. He said he would sign it.

If cloture is voted for, Senators are saying with their vote they want to send a bill to the President that he will sign in a New York minute. That means these things will happen and happen fast. Unemployed workers get checks. For the first time, unemployed workers get health care assistance. Payroll-tax payers get a rebate. Income-tax payers get a little more tax relief in their paycheck. Businesses, large and small, get stimulative accelerated depreciation, which is going to mean more jobs. So we have two cloture votes coming up very shortly.

The first cloture vote is an effort by the majority to block further amendments to the bill, which will effectively kill the bill. I urge my colleagues to oppose that cloture vote. The second cloture vote is an effort by our side to force a vote on the bipartisan centrist amendment that the majority leader has been furiously blocking to this point. But we cannot get to this vote unless the majority leader fails his first vote.

Therefore, Mr. President, these votes come down to a choice between action now or endless delay. If we want action now, Senators should vote for cloture on the White House-centrist agreement. If Members want delay, vote for cloture on the Daschle amendment.

How much leadership time remains?

The PRESIDING OFFICER. Four minutes.

Mr. REID. How much time remains on the majority side?

The PRESIDING OFFICER. Six minutes.

A CLASSIC FILIBUSTER

Mr. REID. Mr. President, I will speak briefly about comments made by the Senator from Oklahoma. He is my dear friend, he is my counterpart, but I don't know how he kept a straight face, saying: We are not filibustering this bill. I am sure he went to his office and started laughing. This is a classic filibuster taking place on this bill—for weeks and weeks and weeks.

Of course, amendments have been offered that we like. I heard Senator ALLARD talking about tax credits. We like tax credits. In fact, it is a shame we did not extend those. I ask unanimous consent the vote occur after we have used our time and the 4 minutes leadership time, so that the time of the vote will be changed.

The PRESIDING OFFICER. That is the parliamentary situation.

Mr. REID. Mr. President, there are a lot of amendments that we offered and the minority offered that are good amendments. Being realistic, we spent all day yesterday talking about the estate tax, making the repeal permanent, which does not take place for 10 years. That is not very stimulative. We have been told by the President and others that to have stimulative efforts, it must be short term and do nothing to exacerbate the deficit. That simply does not apply in this instance.

With all due respect to my friend, the minority whip, this is a filibuster by the Republicans. Everyone knows it is. Members can say it isn't as many times as they want, but it is still a filibuster.

Mr. GRASSLEY. Mr. President, I yield myself 15 seconds.

Let me say why the Senator from Nevada is wrong. Yesterday at about this time, morning business was imposed. We could have discussed the amendments and voted in the morning, and then when we came back at 2:15 after caucuses, there were opportunities to vote. It was announced there would be no more votes. If we are filibustering, how come the other side would not let us have time to vote on our amendments yesterday? Why piddle around the whole day?

I yield 3 minutes to the Senator from Maine.

The PRESIDING OFFICER. The Senator from Maine.

EXTENSION OF UNEMPLOYMENT BENEFITS

Ms. COLLINS. Mr. President, I praise Senator GRASSLEY for his heroic efforts in trying to bring together a bipartisan group to come up with a package that would help our economy recover. I am disappointed the Senate majority leader has announced his intention to abandon work on the economic recovery package.

In light of that reality, however, it is absolutely imperative that the Senate move today to extend to unemployed workers an additional 13 weeks of benefits. This has been needed for a long time, and it is something I have been working on for the past 4 months.

In October of last year, I introduced a bipartisan bill for a 13-week extension. I was joined by Senators LANDRIEU, GORDON SMITH, CLELAND, and VOINOVICH. We introduced this bill because we thought it was important to quickly pass a measure of additional security for the 7 million unemployed workers across our Nation. Since that time, unemployment rolls have swelled by 900,000 and over 1.2 million Americans have exhausted their unemployment compensation benefits without being able to find new jobs.

Last week, Senator JACK REED of Rhode Island and I wrote to the Senate leaders to ask them to call up legislation extending unemployment benefits as soon as possible. I am pleased that the assistant leader has indicated his intention to do just that.

Unfortunately, we saw the handwriting on the wall, spelling the demise of the broader economic recovery legislation which I believe is still very much needed.

Regular unemployment benefits end after 26 weeks in most States. When times are good and businesses are hiring, that is an adequate period of time for most unemployed workers to either find new jobs or to be rehired to their old jobs. In fact, that usually happens long before the 26 weeks have expired. However, when times are tough—and they are tough now—finding work is much more difficult and many unemployed workers exhaust their 26 weeks of regular unemployment compensation.

Congress needs to do what it has traditionally done whenever our country has been plunged into a recession. That is to temporarily extend the safety net by providing 13 additional weeks of unemployment compensation. This package would do just that for up to an additional 13 weeks for workers who lost their jobs after the economic downturn began in March and who have exhausted their benefits prior to being rehired or finding new employment.

More than 10,000 unemployed workers in my home State of Maine exhausted their unemployment benefits last year without being able to find a new job. They work hard. They want to work. They want new employment. And they have been looking very diligently. However, the economy is such that they simply have been unable to find new work. An unemployment extension would provide immediate relief to hundreds of thousands of Americans, including the 10,000 Mainers who have exhausted their unemployment benefits and have yet to find work.

Over the course of the coming year, approximately 3 million Americans who are out of work and looking for a job would be assisted. This proposal would provide approximately $60 million in assistance to unemployed workers in Maine alone. These are our neighbors; these are families who have been hurt most by the economic downturn.

Let us, therefore, today pass this much needed legislation to extend benefits to millions of unemployed workers. Even if we have failed in coming up with a compromise on the broader package, we can at least do that, and do it today.

The PRESIDING OFFICER. The Senator's time has expired. The majority leader.

Mr. DASCHLE. Mr. President, could the Chair inform the Members of the time remaining.

The PRESIDING OFFICER. There are 4 minutes remaining under the majority's control.

ECONOMIC RECOVERY AND ASSISTANCE FOR AMERICAN WORKERS ACT OF 2002

Mr. DASCHLE. Mr. President, I will use my leader time in addition to the remaining Democratic time for my closing comments.

Mr. President, the other day I came to the floor to talk briefly about our current circumstances. I will recount one last time for the record in case there is any question about how it is we got to this point this morning. I will again briefly recount the events over the course of the last several months. There were bipartisan Finance Committee discussions as early as last September about an economic stimulus package. There was a hope that we could come together, Republicans and Democrats, on an economic stimulus package as we did on airport security, on counterterrorism, on the assistance provided to New York and to the Defense Department in the wake of the tragedy of September 11.

We reached out to experts who could give us guidance on what the principles ought to be for an economic stimulus package. We had a number of conversations with Alan Greenspan and Bob Rubin, both, early in the months of September and October.

The bipartisan Budget Committee, I think on a unanimous basis, issued some principles on October 4. Those principles were: If you are going to have a stimulus package, make sure it is truly stimulative. If you are going to have a stimulus package, make sure it is temporary. If you are going to have a stimulus package, make sure it is immediate. If you are going to have a stimulus package, make sure you take into account cost. All of those principles were ones enunciated by the economists and agreed to, in large measure on a bipartisan basis, by the Budget Committee.

That was the lead up to the discussions we had. The House Republicans broke off those bipartisan talks. What they said is that they wanted to use the regular order, move through the committee and present the Senate a bill. The Republicans blocked the Finance Committee bill on a point of order in December, even though they could have amended it. They could have said: Look, we don't like this but we will offer something else. We do not like this but we will amend this bill and have up-or-down votes on amendments.

The Republicans refused to negotiate for a 3-week period of time, as they did mostly throughout the fall. There were no negotiations in large measure because Republicans delayed. First, they didn't like virtually the shape of the table. Then they didn't like who was in the room. They came up with reason after reason why we could not sit down and talk: delay, inaction, and ultimately a conflict that could not be resolved.

In negotiations, the Republicans insisted on a couple of issues: repeal of the alternative minimum tax and an acceleration of the rates passed last spring. The session ended, obviously, without agreement. We got nowhere. They insisted on these issues. We had ideas they didn't like. So we ended in a stalemate last December.

Over the break I kept examining ways that we might break the impasse, try to find ways with which to deal with the clear inability we had at the end of last year to come to some resolution. So what I did was to work with staff and examine just where the overlay was. Certainly all that the Republicans had proposed was not foreign to what the Democrats had suggested. And all that the Democrats had proposed was not foreign to what the Republicans had suggested. So we came up with a diagram that kind of looks like a MasterCard, ironically.

You take the circle on the right-hand side and these two columns represent basically what the Democrats insisted ought to be in an economic stimulus package. We wanted to increase the unemployment benefits. We wanted to provide coverage for part-time workers and recent hires. Republicans said: Oh, no, we can't do that. That is ripping off the Federal Government. How terrible it would be if we gave those benefits to unemployed workers. Heavens. We can't afford that.

Affordable group health coverage for the unemployed, we can't do that. We aren't going to start new entitlements, for Heaven's sake. Let's get real here.

Job creation tax credit for business is something they said might be a possibility but that clearly isn't as good as a corporate AMT repeal.

Republicans had ideas we did not like. We did not like the accelerated rate reduction. When I say "we," I am talking about probably 95 percent of the Democratic caucus. We did not like corporate AMT repeal, or health coverage for the unemployed going through the individual insurance market, pitting an individual against a company, an individual with a preexisting condition, and just saying good luck—we can't do that.

What I said was if we can't do that, and they don't want us to do it, how about if we do the things we both said might work? We both said we wanted to extend unemployment benefits.

Again, when I say "we both," there were proposals for these issues by large numbers on both sides of the aisle. Not every single Member, but tax rebates, bonus depreciation, and 62 Senators voted for fiscal relief for States—62.

Republicans, to a Governor, across the country, are saying if you are going to do us any good at all, if you are going to help us at all, give us some relief, especially through Medicaid. Letter after letter from Governors has come to the attention of every Member of this Senate, urging support for that fiscal relief.

That was a bona fide effort to try to find common ground. I know the Republicans do not like that either because what they said, basically—and what they are saying this morning—is if you don't give us everything in our circle, we don't want to have an economic stimulus package. It is all of this or it is nothing at all.

We aren't saying if it isn't all of this it is nothing at all. We are saying we will just take what is here and it's a ticket to conference and then let's see what happens. What could possibly be wrong with sending a bill to conference, allowing both the House, the Senate, and the White House to work out a compromise? They don't want to do that. They are saying it is this entire package or we don't want to work with you. We don't want a consensus. We don't want a bill.

They have said that now for 3 weeks. They have rejected the common ground approach. They are continuing to insist on two things that I hope everybody fully appreciates before they vote this morning. They are insisting on making the estate tax repeal and the Bush tax cuts permanent—that is what they are insisting on.

Making the estate tax repeal permanent presents two concerns. If we are serious about listening to the Budget Committee recommendations, the principles the Budget Committee suggested ought to guide us, then I can't imagine that anybody with a straight face would say we want to repeal the estate tax permanently now under the guise of economic stimulus.

First of all, the Budget Committee said—didn't they?—that you have to make sure it is temporary and that it is immediate. This does not take effect until the year 2011. There may be a recession in 2011, and it might be nice to be able to deal with that 2011 recession, but not with the recession happening in the year 2002.

This thing costs $104 billion. We agreed the entire stimulus package should not be more than $75 billion, but they want to spend $104 billion of Social Security money to make it permanent when it doesn't take effect until the year 2011.

The tax cut, they want to make it permanent. CBO has provided an estimate of $350 billion in the first 10 years, $4 trillion in the second 10. There is nothing cost effective about that. And it, too, does not take effect until 2011. Again, what is the stimulative value of a tax provision that takes place in the year 2011? What is the wisdom—I guess that is the word I am looking for—what is the wisdom of exacerbating our already growing deficit this year by adding $350 billion more?

I don't know the answers to those questions, but I know this. On a bipartisan basis the Budget Committee said this is not the direction we should go.

On a bipartisan basis, they said let us try to contain the cost. Let's do something stimulative, and do something immediate—not in the year 2011, but now.

Really, there are only two choices. We can pass it, or we can block it. I do not know of anything else.

I hope our Republican colleagues will pass it. I hope they won't block it. I hope we will do the right thing. I hope we will send the measure to conference so that we can try to work through these issues and resolve them and come back with a bill which we can support and move on to other priorities.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

HOPE FOR CHILDREN ACT

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 622, which the clerk will report.

The senior assistant bill clerk read as follows:

A bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

Pending:

Daschle/Baucus amendment No. 2698, in the nature of a substitute.

Reid (for Baucus) amendment No. 2721 (to amendment No. 2698), to provide emergency agriculture assistance.

Hatch/Bennett amendment No. 2724 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to allow the carryback of certain net operating losses for 7 years.

Domenici amendment No. 2723 (to the language proposed to be stricken by amendment No. 2698), to provide for a payroll tax holiday.

Allard/Hatch/Allen amendment No. 2722 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to increase the rates of the alternative incremental credit.

Smith of New Hampshire amendment No. 2732 (to the language proposed to be stricken by amendment No. 2698), to provide a waiver of the early withdrawal penalty for distributions from qualified retirement plans to individuals called to active duty during the national emergency declared by the President on September 14, 2001.

Smith of New Hampshire amendment No. 2733 (to the language proposed to be stricken by amendment No. 2698), to prohibit a State from imposing a discriminatory tax on income earned within such State by nonresidents of such State.

Smith of New Hampshire amendment No. 2734 (to the language proposed to be stricken by amendment No. 2698), to provide that tips received for certain services shall not be subject to income or employment taxes.

Smith of New Hampshire amendment No. 2735 (to the language proposed to be stricken by amendment No. 2698), to allow a deduction for real property taxes whether or not the taxpayer itemizes other deductions.

Sessions amendment No. 2736 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide tax incentives for economic recovery and provide for the payment of emergency extended unemployment compensation.

Grassley (for McCain) amendment No. 2700 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide a special rule for members of the uniformed services and Foreign Service in determining the exclusion of gain from the sale of a principal residence.

Kyl amendment No. 2758 (to the language proposed to be stricken by amendment No. 2698), to remove the sunset on the repeal of the estate tax.

Reid modified amendment No. 2764 (to amendment No. 2698), to amend the Internal Revenue Code of 1986 to provide a refundable credit for recreational travel, and to modify the business expense limits.

Reid (for Durbin) amendment No. 2766 (to amendment No. 2698), to provide enhanced unemployment compensation benefits.

Lincoln amendment No. 2767 (to amendment No. 2698), to delay until at lease June 30, 2002, any changes in medicaid regulations that modify the medicaid upper payment limit for non-State Government-owned or operated hospitals.

Thomas amendment No. 2728 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to modify the qualified small issue bond provisions.

Craig amendment No. 2770 (to the language proposed to be stricken by amendment No. 2698), to amend the Internal Revenue Code of 1986 to expand the availability of Archer medical savings accounts.

Grassley amendment No. 2773 (to the language proposed to be stricken by amendment No. 2698), to provide tax incentives for economic recovery and assistance to displaced workers.

Sessions (for Kyl) amendment No. 2807 (to amendment No. 2721), to remove the sunset on the repeal of the estate tax.

Dorgan amendment No. 2808 (to amendment No. 2764), to preserve the continued viability of the United States travel industry.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The senior assistant bill clerk read as follows:

Cloture Motion

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the Daschle and others substitute amendment No. 2698 for Calendar No. 71, H.R. 622, the adoption credit bill:

> Max Baucus, Mark Dayton, Richard J. Durbin, Harry Reid, Tim Johnson, John F. Kerry, Daniel K. Inouye, Patrick J. Leahy, Patty Murray, Byron L. Dorgan, Jack Reed, Deborah Ann Stabenow, Tom R. Carper, Maria Cantwell,, John B. Breaux, Jean Carnahan, and Herb Kohl.

The PRESIDING OFFICER. By unanimous consent, the mandatory quorum call has been waived.

The question is, Is it the sense of the Senate that debate on the Daschle and others substitute amendment No. 2698 for Calendar No. 71, H.R. 622, the adoption credit bill, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), the Senator from New Mexico (Mr. DOMENICI), and the Senator from North Carolina (Mr. HELMS) are necessarily absent.

The yeas and nays resulted—yeas 56, nays 39, as follows:

[Rollcall Vote No. 13 Leg.]

YEAS—56

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Cantwell
Carnahan
Carper
Cleland
Clinton
Collins
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Hutchinson
Inouye
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Smith (OR)
Snowe
Specter
Stabenow
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—39

Allard
Allen
Bennett
Bond
Brownback
Bunning
Burns
Byrd
Campbell
Chæfee
Cochran
Craig
Crapo
DeWine
Ensign
Enzi
Fitzgerald
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Hutchison
Inhofe
Kyl
Lott
Lugar
McConnell
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Stevens
Thomas
Thurmond

NOT VOTING—5

Domenici
Helms
Jeffords
McCain
Thompson

The PRESIDING OFFICER (Mrs. CLINTON). On this vote, the yeas are 56, the nays are 39. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. REID. Madam President, I move to reconsider the vote.

Mr. CRAIG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the Chair directs the clerk to report the motion to invoke cloture.

The legislative clerk read as follows:

Cloture Motion

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the pending Grassley amendment:

> Charles E. Grassley, Bob Smith, Craig Thomas, Pat Roberts, Jeff Sessions, Ben Nighthorse Campbell, George Allen, Larry E. Craig, Jim Bunning, Robert Bennett, Jon Kyl, John Ensign, Michael D. Crapo, Frank Murkowski, Olympia J. Snowe, Don Nickles.

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on amendment No. 2773 offered by the Senator from Iowa to the bill, H.R. 622, shall be brought to a close?

The yeas and nays are mandatory under the rule and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), the Senator from North Carolina (Mr. HELMS), and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 48, nays 47, as follows:

[Rollcall Vote No. 14 Leg.]

YEAS—48

Allard
Allen
Bennett
Bond
Breaux
Brownback
Bunning
Burns
Campbell
Cleland
Cochran
Collins
Craig
Crapo
DeWine
Ensign
Enzi
Fitzgerald
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Hutchinson
Hutchison
Inhofe
Kyl
Landrieu
Lott
Lugar
McConnell
Miller
Murkowski
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thurmond
Voinovich
Warner

NAYS—47

Akaka
Baucus
Bayh
Biden
Bingaman
Boxer
Byrd
Cantwell
Carnahan
Carper
Chafee
Clinton
Conrad
Corzine
Daschle

Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerry
Kohl
Leahy
Levin
Lieberman
Lincoln
Mikulski
Murray
Nelson (FL)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Shelby
Stabenow
Torricelli
Wellstone
Wyden

NOT VOTING—5

Domenici
Helms
Jeffords
McCain
Thompson

The PRESIDING OFFICER. On this question, the yeas are 48, the nays are 47. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Madam President, it is unfortunate we were unable to move the economic stimulus legislation forward, but I hope at the very least we could recognize, as we have in past recessions, that at some point one has to acknowledge the pain, the uncertainty, the financial difficulty that so many families are facing. In 1992, we extended unemployment benefits for up to 59 weeks. In 1982, we extended them for up to 49 weeks. In 1974, we extended them for up to 65 weeks. I ask unanimous consent that we extend them for at least 13 weeks now.

I have been discussing the matter with our Republican colleagues, and they have had the opportunity to view the language. Let me make one other clarification. This is a simple extension of current law. There is no other extraneous matter, and there is no other issue I would suggest at this point be included in the extension. So for all Senators, this is simply an extension of current law as we now have it enacted.

AMENDMENT NO. 2819

(Purpose: To provide for a program of temporary extended unemployment compensation)

Mr. DASCHLE. I send an amendment to the desk regarding 13 weeks' extension of unemployment benefits. I ask unanimous consent that the amendment be agreed to, that the bill, as amended, be read a third time, passed, and the motion to reconsider be laid upon the table without intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. DURBIN. Madam President, reserving the right to object, and I do not object, I believe what Senator DASCHLE is offering is something that this Senate should support in a bipartisan fashion. I ask unanimous consent to add to Senator DASCHLE's request an amendment to the same bill relative to unemployment insurance benefits, which had 57 votes and 3 absentees who are present today, a sufficient number that it be included in this unanimous consent request. It is an effort to improve and increase unemployment insurance benefits by $25 a week to try to keep up with the cost of inflation but, more importantly, to cover temporarily displaced workers as well as expand coverage to low-wage and recent hires. This money is all Federal money going to the States. Governors have entire discretion as to whether or not they want to enhance the unemployment insurance benefits.

I ask unanimous consent to amend the request of the Senator from South Dakota, our majority leader, to include this amendment, which I now send to the desk.

The PRESIDING OFFICER. Is there objection?

Mr. DODD. Madam President, reserving the right to object.

Mr. NICKLES. Madam President, I object.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. I hope our colleagues on the other side give the Senator from Illinois an opportunity to raise this issue. This is a very modest request to include this amendment as part of the package. The other measures of the bill obviously are going to have to be addressed some other way, but I cannot imagine anyone in this Chamber, regardless of party, who would deny people who have lost jobs under the circumstance of this past number of months would want to turn down what the Senator from Illinois is suggesting. This is basic stuff for people who are hurting, and I urge my colleagues on the other side, whatever differences we may have on other issues, please do not disagree with us.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, reserving the right to object, we debated this before. If my colleague from South Dakota wants to, we have a couple of amendments on our side we did not get a vote on that I believe we would have a majority vote on as well.

Now I oppose the amendment of my colleague from Illinois because he is expanding a program that we have never done before. The majority leader mentioned all the times we have expanded unemployment compensation in the past. We have never done that for temporary workers. That is a brand new expansion that doubles the cost. That increases the cost from about $8 billion to $16 billion. So with great respect, I object to the unanimous consent request of my colleague from Illinois.

The PRESIDING OFFICER. The objection is heard.

The Senator from Maryland.

Mr. SARBANES. Madam President, reserving the right to object, I think the proposal the Senator from Illinois offered should be commended. It has been objected to. I certainly hope, the amendment having been objected to, that the proposal being put forward by the majority leader would not be objected to, which is a simple extension for an additional 13 weeks of unemployment insurance under the current arrangement, as I understand it.

I ask the majority leader, is that correct?

Mr. DASCHLE. The Senator is correct.

Mr. SARBANES. This is far overdue already. There are people now out of work who are hurting. The unemployment insurance for many of them has already run out. For others, it will soon run out. This is not an effort, as the Senator from Oklahoma indicated, to broaden the program in terms of its beneficiaries or its benefits. It is simply to extend it in order to take care of people who are in real and desperate need.

So I very much hope the request of the majority leader will be honored and we will at least be able to move on that aspect of this problem. I withdraw my reservation.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Reserving the right to object, and I do not intend to object, but I do object to the fact we are standing in the Senate today, and we are taking care of one group of people—and we need to and I support it—in extending unemployment benefits, but there are millions of others who are sitting in their offices watching us working who are afraid that tomorrow may be their day and we are not doing anything to help them keep their jobs. We may be giving them unemployment checks, but we are doing absolutely nothing for the millions and millions of people in America who watch us on television as their neighbors get laid off, who watch what is going on around the country with layoffs, who think they may be next. We have done nothing to help them keep their jobs. We have done nothing in this bill. We will do nothing to help those who have been laid off, who are going to get unemployment checks, to get a paycheck again. That has been the fight all along.

The President from day 1 said we need to extend benefits. We have been unanimously supportive of extending unemployment benefits for another 13 weeks. The problem has been, and consistently is, what are we going to do about the people who want a paycheck, not an unemployment check? What are we going to do about the people who are in jobs right now who are worried about losing their jobs? What are we going to do to help those businesses survive? What are we going to do about helping those individuals who are afraid of what might happen, not what has already happened? That is the problem with what has happened in the Senate. We have provided no security for the 90-plus percent of Americans who have jobs that they will be able to keep their jobs. That is the real unfortunate situation.

Mr. WELLSTONE. Madam President, could I have 30 seconds?

Mr. DASCHLE. Madam President, I will first, again, propound the unanimous consent request, and then I will yield to the Senator from Minnesota.

I ask unanimous consent that all pending amendments be withdrawn. So I propound the unanimous consent request once more.

The PRESIDING OFFICER. Is there objection?

The Senator from Texas.

Mrs. HUTCHISON. Madam President, reserving the right to object, I, too, want to say this is too little too late. The Senator from Maryland is right. We would like to have done more. We would like to have helped all the people of this country. We could have had a stimulus package if we had had a compromise. We could have had a stimulus package that would have stabilized our economy, that would have preserved jobs. We could have given tax relief to people so they could have spent their own money that they earned.

So I hope this modest proposal that would extend the benefits for 13 weeks is not the end. I hope it is the beginning.

Mr. WELLSTONE. Reserving the right to object, Madam President, I heard my colleague from Pennsylvania speak; I heard my colleague from Texas speak. My colleague from Pennsylvania was talking about the problem being this or that and we need to make sure people are able to go back to work.

Obviously, political truth can be elusive and there can be different definitions of what we need to do. Most of the people I have talked to in coffee shops in Minnesota cannot figure out how $1 billion for this multinational and $1 billion for that multinational and $13 billion of tax breaks helps them. But that is almost beside the point.

The real problem is this. We can put aside all of our differences, because we have different views about what needs to be done, and we can say: Let's help people right now. Right now. No more rhetoric. No more speeches.

People are flat on their backs, through no fault of their own. Can we not just at least have a straight extension of unemployment insurance? That is all this vote is on now. The majority leader is asking for unanimous consent for that alone. That is it. Let's end the speeches and end the rhetoric and just support him.

Mrs. FEINSTEIN. Madam President, as I stated on the floor earlier this week, I support a 13 week extension of unemployment insurance. I do so as an issue of basic fairness to help and protect those who have been hurt by the economic downturn. Unemployed workers need assistance now.

There are people in my State of California, and indeed across the country, who need an extension not because they have not been looking for a job, but because the downturn in the economy has made jobs difficult to keep, and even more difficult to find.

As I stated earlier this week, there are over a million people unemployed in California, and since September 11, unemployment benefits have run out for 190,000 Californians.

Because an average of 40 percent of Californians who go on unemployment exhaust their regular unemployment benefits, over 360,000 people in California alone could be helped by receiving this 13-week extension.

These are the people who would be immediately helped by an extension of unemployment benefits.

Throughout the United States, workers are running out of unemployment benefits while competing for less and less open jobs. In New York, there are 515,000 people without jobs, and over 90,000 of them have exhausted their unemployment benefits since September 11. The same is true for 86,000 Texans, 47,000 Floridians, and 52,000 people from Illinois. In Pennsylvania, over 300,000 people are unemployed, and almost 47,000 of them have exhausted their unemployment benefits.

Extending unemployment coverage will benefit more than 600,000 people nationwide, and help revive an economy that needs a boost to get back on its feet.

Since the program's inception in 1934, Unemployment Insurance has served time and again to act as a stabilizing device—providing direct economic assistance to people who are likely to spend any additional money in providing basic needs for themselves and their families.

The need is no different now. As an issue of basic fairness, I strongly believe that the Senate should act to extend UI benefits by 13 weeks.

Mr. KENNEDY. Madam President, there is good news today for working men and women across the Nation.

For months, we have fought to extend unemployment benefits for the millions of workers who need them in this troubled economy. Today, after weeks of debate, our opponents in the Senate finally relented. They joined us to pass a 13-week extension for all laid-off workers who have exhausted their benefits.

Since the beginning of the recession more than 2 million workers have exhausted their unemployment benefits. Extending benefits will help these workers, including nearly sixty thousand workers in Massachusetts who have lost their jobs, and are still looking for new employment. They have been refinancing their homes, and in some cases, even selling them, just to make ends meet.

The battle is not over. We still need to get approval from the House of Representatives. And then it is up to President Bush to honor the commitment he made in his State of the Union speech to make this achievement a reality for our workers.

Unfinished business remains. Outdated unemployment rules exclude hundreds of thousands of workers who have been laid-off through no fault of their own. Laid-off part-time and low-wage workers have paid into the system, but often fail to receive the benefits they need. Recent data suggest that only 18 percent of unemployed low-wage workers were collecting benefits. For months, we have fought to expand coverage to benefit more than 600,000 additional unemployed part-time and low-wage workers. We will not give up that fight.

We have also fought to increase weekly unemployment benefits by the greater of $25 a week, or 15 percent. Currently, unemployment benefits do not replace enough lost wages to keep workers out of poverty. In 2000, average unemployment benefits replaced only 33 percent of workers' lost income, a major reduction from the 46 percent of workers' wages replaced by jobless benefits during the recessions of the 1970's and 1980's. During an economic crisis, unemployed workers have few opportunities to rejoin a declining workforce. They depend on unemployment benefits. We will continue to work for a benefit increase to ensure that laid-off workers are not impoverished during periods of unemployment.

Benefit levels are too low for laid-off workers to afford the health care they need. Health premiums can cost nearly $600 a month for a family—most of an unemployment check. That is why only about one in five laid-off workers today continue their coverage, even if they are eligible. For months, we have fought to pass an economic recovery plan that would cover 75 percent of the health care premium for those who are eligible to continue their coverage, but can't afford the cost.

Some workers are not eligible for any continuing health plan. Our plan would have allowed states to cover these vulnerable workers. Taken together, our plan would have ensured that men and women who lose their jobs don't have to worry about losing their health insurance as well. We cannot let our workers down when it comes to health care. America deserves better.

We have also fought to provide fiscal relief to the states, which face serious budget shortfalls, yet must meet yearly balanced budget requirements. We have been working to increase Medicaid payments, so that states don't have to cut back on coverage, just as more workers need help. This is the top priority for Republican and Democratic Governors. We should provide our States relief now.

The American people have strongly supported our efforts to give workers the support and assistance they deserve. But some of our colleagues in Congress have stalled our efforts to help these courageous workers. Democrats have proposed an effective and balanced plan to stimulate the faltering economy, but throughout the past few months, our opponents have used procedural maneuvers to block the measure. When House and Senate negotiators tried to reach a compromise, our opponents delayed it at every turn.

They were unwilling to support any recovery package unless it contained tens of billions of dollars for new tax breaks for wealthy individuals and corporations, including $250 million in tax breaks for Enron. It makes no sense to hold laid-off workers hostage to such irresponsible and costly tax breaks.

Our opponents consistently offered plans that fail the nation's workers. They offered a plan to extend unemployment benefits, but only to laid-off workers in a few states. They offered a plan to use National Emergency Grants for unemployment insurance, health care and job training—guaranteeing that few funds would actually go to unemployment insurance. They offered a plan to provide Reed Act distributions that would primarily be used for state tax cuts and could go into state unemployment trust funds, instead of offering new or extended benefits.

Today, we will vote to extend unemployment benefits for 13 weeks, something we have done in every recession. Today, we will celebrate our long-fought for victory. Tomorrow, we will continue the fight for America's workers.

Mrs. CLINTON. Madam President, over the past nearly 5 months, the entire Nation has been inspired by the grit, bravery and selflessness of the workers at the World Trade Center site who have labored around the clock on the rescue and recovery efforts. The courageous images of firefighters, police officers, emergency medical personnel, construction workers and clergy have inspired workers throughout the country.

There are many other images of New York, however, that have not been shown on the news, but that are also the heart-wrenching results of the terrible September 11 attack and a weak economy.

These images that our Nation has not seen, but that everyone here knows all too well, are the faces of hundreds of New Yorkers who have found themselves without a job. These are the workers whose jobs were literally destroyed, jobs when the Twin Towers collapsed: The janitors, the doormen, the waiters and waitresses, the secretaries, and messengers.

Or, the workers who did not work in lower Manhattan, but who have felt the ripple effect of the so-called frozen zone primarily the hotel workers and small businesses owners.

In New York State, we have 71 percent more workers on Unemployment Insurance than we did one year ago. In New York City, we are experiencing unemployment rates that we haven't seen in years. In December, the unemployment rate continued to spike up to 7.4 percent—2.4 percent above the national average for the same period. New York City is expected to lose 150,000 jobs in the aftermath of September 11 and we are not expected to rebound until 2004.

What is happening to our unemployed who are waiting for the economy to rebound? Well, let me tell you—in the last quarter alone, over 65,000 unemployed workers exhausted their UI benefits.

Over the past two weeks, I have received hundreds of calls and pleas from my constituents in New York—some are being evicted from their homes, others are uncertain how they will continue to put food on their tables, and all are desperate to go back to work.

Senator DASCHLE has put forward a proposal to extend unemployment for an additional 13 weeks. This proposal is not only the right thing to do for our thousands of workers who are without a job, but it is the right thing to do for the economy. In fact, some experts argue that extending unemployment insurance is more likely than any other policy to stimulate the economy.

We may not agree on a comprehensive package to stimulate the economy, but I think we all agree that we must do the right thing for the workers of this country by extending unemployment insurance.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2819) was agreed to.

The bill (H.R. 622), as amended, was passed.

Mr. DASCHLE. Madam President, I hope the House will take the matter up immediately, perhaps as early as this afternoon, and get it to the President. As has been noted, the President has indicated already he supports the extension. I think it is now up to the House to do their part so that these people will be a little more confident they can be given some assistance now. Too many of them have already run out of benefits to which they are entitled. We have to act now.

For those who have lamented the fact we could not reach a compromise, 56 Senators went on record today looking for that compromise. We only fell four short. There were a couple of absentees. So there is no doubt that there is a growing percentage, an overwhelming majority, in my view, who want to move forward. I would have only hoped some of those who lamented this could have supported cloture so we could have had the ticket to conference. We were denied that. But I have said on the floor before, and I will say it again, I am open to any overtures, any suggestions, on how we might do it, that will allow the 60 votes required to move forward. Anytime I can be assured that a 60-vote margin can be achieved, we will bring this bill back up. It is unfortunate we could not do more than this, but I am very pleased and grateful to colleagues on both sides of the aisle for their willingness to support this.

AMENDMENT NO. 2820

Mr. LEVIN. Madam President, I ask unanimous consent that the title amendment with respect to H.R. 622 be considered and agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Amend the title as to read:

"A bill to provide for temporary unemployment compensation."

MORNING BUSINESS

Mr. DASCHLE. I ask unanimous consent that the Senate now enter into a period of morning business for 35 minutes.

Ms. LANDRIEU. I reserve the right to object.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. There is another matter we want to try to take care of at this point. I don't know if this is the proper time.

Mr. DASCHLE. If I might say to my colleague, this is not the appropriate time, but we will certainly work with the Senator and find a time, perhaps before the end of the day today, where we can take up the legislation. We need to run a hotline to ensure that we can get a unanimous consent agreement to take the bill up. We will certainly do that and come back to the floor as soon as we have the assurances on both sides of the aisle that this bill can be agreed to.

Ms. LANDRIEU. I remove my objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oklahoma.

SENATE PROCEDURE

Mr. NICKLES. Madam President, I thank the majority leader and also appreciate his willingness to modify the unemployment compensation amendment to make it basically universal for all States for 13 weeks. I think that is fair, appropriate, and supported by all Senators. I am glad we were able to pass it. I encourage my colleagues in the House to pass it as well.

Also, our colleague and friend, Senator LANDRIEU from Louisiana, has suggested improvements to be made on the adoption credit. Senator BUNNING also has an amendment dealing with adoption and deductibility. We will work with both colleagues to see if we cannot come up with a package in the not too distant future that I hope all of our colleagues will pass and likewise I hope the House will favorably review.

I make one additional comment. I am disappointed we have not been successful at making the bridge in partisan warfare to pass the stimulus package to help create jobs. I urge our colleagues not to be quite so fast in the future with cloture votes. I didn't like cloture votes when this side offered them, and I don't like them when the other side offers them. It denies the Senators the opportunity to offer amendments. We had several amendments on this side that we could not offer because of cloture. If cloture were invoked, they would not have the ability to offer a permanent R&D amendment, which I believe has a majority vote; we could not offer making the death tax repeal permanent, which I believe has a majority vote; we could not offer an amendment that Senator DOMENICI was pushing for, a payroll tax holiday, which many people on both sides of the aisle say has merit.

I hope in the future, when we are talking about the farm bill—and I believe we will go to the farm bill soon—I urge the majority leader not to move forward with cloture. Consider amendments. No one I know wants to filibuster the farm bill, no one was filibustering the stimulus package, but we had several provisions in the stimulus package to try to make it truly stimulative and create jobs. When we get to the farm bill, I hope the first thing we look at is not a cloture vote. Some Members want an amendment to have payment limitations so some farmers are not making millions—corporate farmers are not making millions out of the farm bill. We find out they are under present law. So there is an amendment to have payment limitations. Those amendments would fall if cloture were invoked.

I urge our colleagues to offer amendments, be timely, be considerate of others, have good debate, find out where the votes are, and, hopefully, not go through the idea of a cloture vote, and if we don't get cloture we pull the bill down. That is a recipe for getting nothing done. That is how the stimulus bill did not pass. We cannot get 60 votes; we will pull the bill down. I wish that were not the result.

I suggested we maybe take up the stimulus bill and consider X number of amendments on each side and pass the bill. That was not the way the majority leader went on this bill. That is fine. That was his decision. I think it is regrettable. I think we could have done some things to increase employment, increase jobs.

I hope when we take up the agriculture bill, it will not be under cloture, it will be with both sides offering constructive amendments to improve a bill that is in desperate need of improvement.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. I ask unanimous consent to be recognized for morning business.

The PRESIDING OFFICER. We are in morning business.

UNEMPLOYMENT EXTENSION

Mr. REED. Madam President, I commend Senator DASCHLE, the majority leader, for his leadership on this very important measure to extend unemployment benefits. I am pleased this has received the unanimous support of this entire Senate. It is an outstanding issue that needs to be addressed today. There are millions of Americans who are exhausting benefits as we speak. Looking forward, the prospect is that more and more Americans will exhaust their benefits. The benefit extension is just simple justice for these Americans and will also provide real stimulus for our economy.

The reality is, if you have been laid off from work and you are depending upon unemployment checks, you are not typically putting that check under your mattress. You are going out and buying food, buying clothes for your children, paying your rent, doing those things that will put resources directly and immediately into the economy. That is the whole point of any stimulus proposal, to put resources directly and immediately into the economy.

That is why I have to take exception to the comments of some of our colleagues who talk about the fact that we have not done anything to stimulate the economy, to help secure the jobs of those who are still working.

Frankly, we can tell a lot about people from what they support and what they reject. If Members support the permanency of the estate tax, they should know that is not at all stimulative. It occurs 10 years from now, long after we have worked through this economic cycle one way or the other. It provides no immediate stimulus. It provides no immediate incentive for behavior because the estate tax comes with death—not a conscious decision by most people. So it has no stimulative effect. That is what they are proposing to help the Americans who are working today. It will not help people today. It will help a very few, and 10 years from now.

Now, they reject proposals such as Senator DASCHLE's proposal to provide a rebate for working Americans who did not pay income tax. It was quite disturbing to me that the insinuation was that these people are not part of our economy; they did not pay income taxes, why should they get any rebates?

What those Members misperceive and misunderstand is the huge contributions that these millions of poor, working Americans make, in a range of endeavors, that immensely help our economy. They work very hard and, at the same time, payroll taxes are some of the most regressive taxes that Americans pay. As a result, these individuals should get some relief. Again, most likely those resources would go directly and immediately back into the economy.

So the arguments by the other side—their claims that nothing has been done to help Americans who are working today—are not consistent with the proposals they make and the proposals to which they object.

If you look in the President's budget, you'll find another indication of the insensitivity, I would say, to the issue of Americans struggling to keep their jobs and struggling to find jobs—a significant reduction in job training funds. These moneys are necessary to put people back into the workplace, to give individuals the skills they need to enhance their jobs or even keep their jobs in a tough, competitive climate.

So the rhetoric about doing nothing to stimulate the economy is just that. Senator DASCHLE made proposals that would stimulate this economy without long-run detrimental effects to our fiscal discipline.

That stimulus package, that I would argue is the only real stimulus package, was rejected by the other side. So we are left to do something that is absolutely necessary, necessary both on the grounds of providing justice for Americans and also on the grounds of providing some limited stimulus for our economy.

There are nearly 5 million workers who are out of the job market but want to work. Many have left the job market because they have been discouraged, which factors into the slightly lower unemployment rate last month. The unemployment rate went down not because there are more jobs. In fact, we lost jobs. The unemployment rate went down as people left the labor force, many discouraged by the lack of employment opportunities. For those people and for others, these unemployment benefits are important.

In January, more than 2.5 million people had been unemployed for 15 weeks or longer, and nearly half of those people had been unemployed for more than 6 months. We have in the past responded to that dilemma, that crisis, by extending unemployment benefits. I am pleased today this body has taken action to do that.

Even if the economy begins to recover, this problem will stay with us. At the end of the recessions of the last several decades, unemployment, particularly long-term unemployment, continued to linger. On average, long-term unemployment rates grew for 9 months after the official end of the recession. So even if today—and I think we are unsure of this—even if today we are seeing some change in economic conditions, we will still see continued unemployment problems and we will still have to respond to it.

Indeed, this effort should be bipartisan because, not only in this Senate but throughout the country, I believe most people recognize the right thing to do and the smart thing to do is to give unemployed individuals a chance to get benefits until they get the opportunity to work again. Alan Greenspan, the Chairman of the Federal Reserve, has pointed it out. His words:

> I have always been in favor of extending unemployment benefits during periods of rising unemployment. Clearly you cannot argue that somebody who runs past the 26-week level is slow for not looking for a job or not actively seeking to get re-employed. There are just no jobs out there.

Those are Chairman Greenspan's words. We have to respond to that, recognize that, and I am pleased that the majority leader today took that action and received the support of this Senate.

About a week ago Senator COLLINS and I wrote to Senator DASCHLE and to Senator LOTT and urged them to move on this measure if we could not find a compromise on the stimulus package. Again, I am pleased today this measure is moving forward. It does make sense. It is good policy with respect to people who need help. It is good for the economy. These resources will go back immediately and directly into our economy, helping to spur, we hope, consumer demand and help us out of this recession.

I commend the majority leader. I am pleased we are able at least to accomplish this today. I hope we can return to the stimulus debate again, but a debate about real stimulus proposals, not a debate about the warmed over tax proposals of last spring, the second phase of the tax cuts, the second phase of those tax cuts that contributed and will contribute more to the deficit in the years ahead.

Instead of those warmed over proposals, let's look at things that will help Americans and the American economy directly, immediately, in this quarter, not 10 years from now. Let's do those things.

I hope when we return to this debate we will be conscious of trying to stimulate the economy and not simply trying to rehash old tax proposals.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. I understand my friend from Michigan has a comment he wishes to make. I ask unanimous consent that I be allowed to yield to him for 2 minutes, and then I retain my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Michigan.

Mr. LEVIN. I very much thank my friend from Utah.

EXTENSION OF UNEMPLOYMENT BENEFITS

Mr. LEVIN. Madam President, I think we have a basic obligation to provide relief to Americans who have lost their jobs. This is one of the most fundamental responsibilities of this Congress. The extension of unemployment benefits today for an additional 13 weeks is a way of carrying out that obligation.

We are all aware of the increase in the number of Americans who have lost their jobs as a result of this recession. Every one of our States is feeling it. Michigan alone has over 300,000 workers who have lost their jobs, and that number, as the numbers in many of our States, is likely to continue to rise in the coming months.

I am terribly disappointed we could not agree on a economic stimulus package, but that is no excuse for failing to address the plight of Americans who have lost their jobs. Extending unemployment benefits is not just about doing what is right and doing what is equitable and doing what is fair; it is elementary economics. It is common sense. Providing additional unemployment benefits is a very good economic stimulus.

The Department of Labor has found that for every dollar invested in unemployment insurance, we generate $2.15 for our gross domestic product. So putting money into the hands of people who need it, we are also putting money into the hands of people who are going to spend it. That helps our economy. That helps create jobs.

I congratulate Senator DASCHLE for offering this legislation today, and I hope now that the House will promptly pass it.

I thank my friend from Utah.

The PRESIDING OFFICER. The Senator from Utah.

INABILITY TO ACT

Mr. BENNETT. The Chamber seems to be filled with congratulatory messages. We are congratulating ourselves that we have finally acted, when, in fact, all we have done is the least possible, minimum, lowest common denominator kind of action, and we have demonstrated our inability to act on any kind of visionary plan.

The majority leader says he will be happy to bring this subject up again if there is an indication that we can get something upon which we can agree. There is an indication that we can get something upon which we can agree, that we can get something that is a compromise, that we can get something that cuts across party lines. That is the proposal made by the Centrist Coalition.

I have been a member of the Centrist Coalition, and its predecessor names of the group, ever since I came to the Senate in 1993. We started out holding meetings in Senator John Chafee's hideaway. John Chafee was the founder of this group. He said, let's reach across party lines and see if we can't put partisanship aside and come up with some kind of a solution. We have had our good moments. We have had our disappointing moments. But we have hung together as a group, even as the membership has changed in the years since I have been here.

The Centrist Coalition, involving Democrats and Republicans, involving people of very strong positions on the liberal side of issues and very strong positions on the conservative side of issues, have said: For the good of the country, let's see if we can't fashion a package that makes sense. And the majority leader will not allow a vote on that package.

He will not allow us even to debate it. He will not allow us to bring it up. He will not allow people who were not part of the Centrist Coalition to offer amendments. Then as he shuts the process down, he says: I am open to any suggestion from anybody. I will take him at his word, and I have a suggestion for him. I say to the majority leader, bring up the Centrist Coalition stimulus package backed by Republicans as well as Democrats. Put it on the floor and allow it to be amended by those who say it isn't wonderful; allow the normal parliamentary procedure to go forward; and then allow it to come to a vote.

I suggest to you that if the majority leader really believes we need a stimulus package, if he is really true to his word that he is open to any suggestion, if he really does want to move in this direction, that is the way he should go. But he has not allowed that. He has not allowed a vote. Let us understand that.

There is a proposal. It is not a series of rehashed tax ideas, as the Senator from Rhode Island suggested, about some of the things people on this aisle wanted to put in. It is something worked out by a group of Republicans and Democrats acting in good faith and in consultation with the White House—reaching out beyond the Congress to get the opinion of the President of the United States, and receiving from the President the comment that, well, it is not exactly what I want but I would be willing to sign it.

It seems to me this is an extraordinary moment in cooperation, reaching out, and resolution that the majority leader will not allow to come up. This is an extraordinary opportunity which the majority leader will not allow to happen.

I hope the majority leader reconsiders. I hope he recognizes that taking a strong partisan position on one side, or taking a strong partisan position on the other side, has been proven ineffective; that he recognizes that there are those of us who have spent time talking to each other across the aisle outside of the partisan straitjacket who have reached out in an effort to find a compromise that makes sense, who have crafted something that we think will pass and the President has indicated he will sign, and that this is available to the majority leader and to the country if the majority leader will simply allow it to come to a vote.

Mr. President, as you and others know, my father served in this body for 24 years. My first experience here was sitting up in the family gallery as a teenager watching the Senate operate as I tried to understand it. My father said something that was very profound. When people would say to him, why didn't you do this or why didn't you do that, he would say: We legislate at the highest level at which we can obtain a majority.

I think there is a majority for the centrist package. I ask the majority leader to let us find out.

NEED FOR AN ECONOMIC STIMULUS PACKAGE

Mr. BYRD. Mr. President, over four months after the idea was originally proposed, the Senate remains divided on an economic stimulus package.

Much has changed since an economic stimulus was first proposed in response to the September 11 attacks. Both the stock markets and the economy have proved to be more resilient than economists had expected.

Moreover, there are signs, as Federal Reserve Chairman Alan Greenspan told the Budget Committee last month, that some of the forces that have been restraining the economy over the past year are starting to loosen their strangle hold. The Fed Chairman told the Committee that "while 3 months ago, [a stimulus package] was clearly a desirable action . . . I do not think it is a critically important issue to do. I think the economy will recover in any event."

Aside from the positive economic data that have been released by government agencies in recent weeks, there is already a significant amount of stimulus in the pipelines.

That's not to say that we are home free. As Chairman Greenspan pointed out last month, the economy could go either way at this point. Most troubling is the higher unemployment rate since last year.

However, we must not delude ourselves into thinking that an economic stimulus package—whether crafted by Democrats or Republicans—is some sort of panacea. Stimulus packages can't work miracles. We have a $10 trillion economy. That's gross domestic product—the total of all spending. We cannot flip the economy over like a pancake. A boost of $70 billion to $100 billion would amount to less than 1 percent of GDP.

Nobody can say at this point with certainty in which direction the economy is headed.

What we know is that, since the recession began last March, the Labor Department reports that 1.8 million workers have lost their jobs. We could address this problem by temporarily extending unemployment insurance.

What we do not know, is whether a more comprehensive stimulus package at this point is really necessary.

I submit that the danger we face is not that the economy won't turn around—inevitably it will—but that we may unnecessarily worsen our budgetary position by taking unnecessary, but politically popular, action on a so-called "stimulus package."

Any stimulus package, at least in the short-term, will increase the projected budget deficits for fiscal years 2002 and 2003. We may well need to devote more resources to our military overseas and to homeland defense, and we will have to bear the costs of doing so.

The erosion in the budget picture over the past year, along with the defense and homeland security demands placed on our budget and the inevitable long-term Social Security and Medicare deficits overshadowing the retirement of the baby-boomers, suggests that tough choices must be made as to whether the limited dollars we spend will provide a worthwhile return on our investment. From what we have seen from experts ranging from the Federal Reserve Chairman, to Congressional Budget Office officials, to private-sector economists, a stimulus package does not meet that test.

ECONOMIC STIMULUS

Mr. ENZI. Mr. President, I thank you for the opportunity to comment on the Senate's inability to pass an economic stimulus package. I, like most of my colleagues, wanted to pass an economic stimulus package. We wanted to pass such a package not only at the end of last year, but at the beginning of this year in order to jump start our economy.

Finally, the majority leader allowed us an opportunity to look at an economic stimulus bill. But it wasn't a bill that came out of the Senate Finance Committee nor was it the bipartisan/centrist proposal offered by my colleagues and which the President said he would support. Instead, it was a one-man show, put on the floor with no input from other Senators.

As I said on the floor almost 2 weeks ago, the Daschle substitute amendment is much like a patient needing emergency treatment. Our only choice was to patch it up.

So, for the last several days, we were performing emergency surgery—one "amendment bandage" at a time. Some of my colleagues have since described the stimulus package or the economy as a patient on life support.

While I am not a surgeon, I do take great pride in being the only accountant in the Senate. As a result, I think I have a good understanding of what is needed to help the economy. So, I had a few amendments to offer to fix up the substitute amendment offered by the majority leader, and to really help stimulate the economy.

One of those amendments would have repealed the special occupational tax on alcohol. This is an unfair tax imposed on all businesses that manufacture, distribute or sell alcohol products. It is one of the most egregious taxes to affect small businesses. My amendment would have taken a regulation and tax off the books which the General Accounting Office has concluded cost too much to administer compared to the revenues it generates. That is a bad tax.

And it is unfair, too. The same tax is paid by little businesses as large ones. Let me explain. Right now, four small family-owned bait shops which sell beer pay as much in taxes as the nation's largest single site brewery—a whopping $1,000.

Repeal of this tax would have helped stimulate the economy. Last year, rebate checks put $300 in American citizens' back pockets, and most people went out and spent it-on much needed back-to-school clothes and supplies; toward that new computer; and to buy groceries.

My amendment would have put $250 to $500 back in the hands of small "Mom and Pop" businesses around the country. In turn, those small businesses owners would have used that extra money to make more needed purchases or pay expenses.

I also had a couple other amendments to offer. One would have put more money into the hands of charities, who in turn could buy needed supplies, including food, clothing, shelter, blankets, medicine, and hygiene and other products. When charities buy these things they are not only helping those in need, they are helping businesses and workers who manufacture or sell those products or services. In a small, but important way, this would also stimulate the economy.

How would my amendment have done this? It would have allowed those contributing their IRA's to charities to not have to pay a tax on the distribution to the charity. In other words, the government won't be skimming money off the donation. As a result, charities would have had more money, and the donors would have had the pleasure of giving more and the feeling of helping their communities and our nation.

My colleagues on both sides of the aisle had good amendments to offer too. The senior Senator from Montana and I had a drought relief amendment we could have used to help ranchers and farmers. I proudly endorsed our bipartisan amendment. Wyoming really needs the drought relief contained in that piece of legislation.

The senior Senator from Texas had amendments to speed up the tax rate reductions and tax cuts implemented last year. Senator BOND had an amendment that passed the Senate 92 to 0 to allow an increase in small businesses expensing. This would have given vital assistance to small businesses across this country affected by the recession we are in. The Senator from Idaho had an amendment to make the death tax repeal permanent.

Well, we do have a death right now to contend with, and it's a casualty that even Senator KYL's death tax amendment can't help. As my colleague from Georgia explained, we are now having to pull the plug on an economic stimulus bill and will be attending a funeral on its demise. Why? Because this country could have largely benefitted from a reasonable economic stimulus package, which now will not be passed.

Like my distinguished colleague Senator MILLER said, we are all here giving our eulogies. Those eulogies extend to those many amendments truly meant to stimulate the economy. It is extremely disappointing we will not be able to help the unemployed, or our American workers and small businesses.

Mr. President, I yield the floor.

THE NEED FOR A STIMULUS BILL

Mr. VOINOVICH. Mr. President, with the votes that have been cast this afternoon, we have once again shown the American people that we have put politics before their needs. Quite frankly, I think this body should be ashamed that we could not rise above our party differences and give the American people a stimulus package that will help secure our economy, put people back to work and respond to the human suffering that is occurring as a result of the recession.

Too often, it seems to me, we spend more time trying to score political points than addressing the needs of real people. And I can tell you, there are real needs in the State of Ohio. Despite claims that an economic turn around is just around the corner, the citizens of my State are still suffering the effects of this recession. Many more are "shaking in their boots," wondering if they are going to be laid-off and the next to join the unemployment line.

Since the first week of December, we have had 320 companies in Ohio announce their intention to lay-off workers, affecting nearly 70,000 people.

Right now, we have some 191,000 people receiving unemployment benefits, and each week, thousands file for initial benefits.

Also each week, around 3,000 people exhaust their benefits without having found another job.

In 2001, initial unemployment claims in my state jumped by 41.5 percent compared to 2000—the highest since 1992.

While the U.S. Department of Commerce reported a two tenths of a percent increase in the economy in the fourth quarter, I consider it anemic economic growth, which is providing little benefit—if any to the men and women of Ohio.

We need robust growth, and a balanced stimulus package is critical to getting us there.

The President was right on target in his State of the Union address last week when he called for an economic stimulus. He did not advocate for a partisan stimulus measure, trying to maximize his political advantage, but rather he elected to press for the stimulus proposal that was initially proposed by the Senate Centrist Coalition.

I am a member of the Centrist Coalition, and I was proud to work with my colleagues Senators SNOWE, COLLINS, BREAUX, MILLER, and BEN NELSON on a bipartisan measure that would be fair, would help stimulate the economy and would respond to basic human needs.

This proposal does not have everything I, the other members of the coalition, nor the President want. In fact, it includes items I might not necessarily support as freestanding legislation. However, this proposal is the embodiment of compromise, and this is how it should be in an evenly divided Senate. That is why I cannot believe that members of this Senate have allowed economic stimulus to fail.

If we are to have any progress this year, we must work together as our constituents elected us to do.

I voted in favor of cloture on both versions of the stimulus package, since I felt it necessary to move the process along and not demagogue the issue just to score a political victory. I had hoped to move something along to a conference committee.

I think if we all had simply agreed to the majority leader's stimulus package when he proposed it 2 weeks ago, we could have gone to conference with the House, hashed out our differences, and today we could possibly be voting on a compromise stimulus bill.

Conversely, if the majority leader had recognized the bipartisan nature of the Centrist Coalition package—crafted by members of his own party here in the Senate and passed by the House—we could possibly be at a bill signing ceremony today. However, the process has degenerated into a political fight.

The Senate could pass a stimulus bill. Senator GRASSLEY proposed a very good compromise by offering the Centrist Coalition package, which should have been adopted because it gets the job done.

In fact, I believe if the Senate was given the opportunity to cast a straight "up or down" vote on the Grassley amendment, it would pass by a large margin since many in this Chamber actually want to pass a meaningful stimulus bill.

However, that is not the way things sometimes work around here, and the American people are the ones who suffer because they will not get the economic relief they need. In the end, the only person who got what he wanted was the majority leader. He did not want a bill, and he got his wish.

Still, I think the American people deserve to know what the Senate could have passed and what the Centrist Coalition package could have provided in the way of economic stimulus to illustrate the good policy that too often falls victim to partisan politics in this Chamber.

One thing the Centrist Coalition proposal would do is provide a real boost to roughly 38 million low-income workers who did not qualify for rebate checks last summer and fall. Those rebates would mean $13.5 billion would go into the pockets of those individuals to help them through these difficult times. And I am sure it would help stimulate the economy because they would likely spend that money rather than save it.

The Centrist Coalition package would also lower the marginal tax rate on individual income from 27½ percent down to 25 percent. That means single people who make between $28,000 and $68,000 a year, and married couples who make between $47,000 and $113,000 a year would find additional money in their pockets. About one-third of the taxpayers in this nation, 36 million people, would benefit with these rate reductions.

Add the 38 million beneficiaries of the rebate checks, and the 36 million who would benefit from the reduction in marginal rates, and the Centrist Coalition package would help a majority of the roughly 100 million American households that file taxes.

The thing I would really like to concentrate on is the part of this package that deals with health care. When we got started debating the stimulus package, the House passed a package that had something like $3 billion for health care. Likewise, the President's package also had $3 billion. The Democratic Finance Committee proposal was $16.7 billion. At the end of the day, the Centrist Coalition and White House compromise package had $21 billion in it for dislocated workers' health care, and money for the States for national emergency grants, including $4 billion to the States for Medicaid funding. This is a tremendous amount of help for the needy.

The Centrist Coalition proposal would also assist displaced workers by providing an extension of 13 weeks of unemployment benefits—benefits that would be available to those who became unemployed between March 15, 2001, and December 31st of this year. An estimated 3 million unemployed workers would qualify for benefits averaging about $230 a week. Those extended benefits would be 100-percent federally funded at a cost of about $10 billion to the Federal Government, so States would not have to pick up the tab.

The bill would allow states to accelerate the transfer of $9 billion from State unemployment trust funds so they could distribute that money earlier than now possible. This transfer of money, which already belongs to the states, would help state treasuries, which are in dire straits today.

With respect to health care benefits, the Centrist Coalition and White House compromise proposal would provide $19 billion in health care assistance for all dislocated workers who are eligible for unemployment insurance with a refundable, advanceable tax credit for the purchase of health insurance—not just individuals who are eligible for COBRA coverage. This is an important distinction since the credit is available to unemployed people who do not have access to coverage through COBRA, since their employers did not provide health insurance or their employer went out of business. Under this bill, these individuals would have been able to get a 60-percent subsidy of their health insurance costs without any cap on the dollar amount of subsidy.

The proposal also would include reforms to ensure that people have access to health insurance coverage in the individual market. If a person has 12 months of employer-sponsored coverage, rather than 18 months as under the current law, health insurers are required to issue a policy and not impose any preexisting condition exclusion.

The Centrist and White House proposal also includes $4 billion in enhanced national emergency grants for the States which Governors could use to help all workers—not just those eligible for the tax credit. They could use this to pay for health insurance in both public and private plans. In other words, we would be paying $4 billion out to the States so they can reach out and help people in their respective States who are not covered by some of the particular provisions in the stimulus package.

The Centrist Coalition package would also provide a $4.6 billion, one-time grant to assist States with their Medicaid programs. Our States are in deep budgetary trouble because, unlike the Federal Government, they have to balance their budgets every year. The money isn't there for them to take care of the many needs they face. This $4.6 billion grant would go out to the States to help them provide Medicaid for the neediest Americans. In many States, they are going to cut Medicaid payments because they simply do not have the money since their State treasuries are in such deep financial trouble.

All in all, I believe the Centrist Coalition and White House compromise package was a good proposal, one that should have passed easily in the Senate before Christmas and which should have easily passed today.

There are a lot of concerned Americans, men and women who have lost their jobs, and who do not know where they are going to get health care for themselves and their families. We have an obligation to help. At the very least, we have provided an additional 13 weeks of unemployment benefits to our constituents who are out of work. It is only a fraction of what we should have done, but it will give some assistance to those who need it. Still, I believe we must address our unfinished business.

I believe that there is still time to set aside our differences, put the needs of the American people ahead of politics and pass the Centrist Coalition proposal. It is fair, it is balanced and it is bipartisan and I believe it is the best thing we can do to restores people's faith in the economy and restore people's faith that we do care about them.

BIPARTISAN, BICAMERAL STIMULUS PACKAGE

Ms. SNOWE. Mr. President, while I am pleased that this body has passed legislation to extend unemployment benefits for thirteen weeks, I rise to express my deep regret at an opportunity lost to help American workers. . .to help create jobs. . .to bolster our economy. . .to provide vital health insurance benefits. . .and to increase our federal surplus projections for the long term.

I voted for cloture on both the Daschle and the Grassley-Snowe amendments because the bottom line is, I am convinced an economic stimulus plan would make a vital difference when it comes to the strength of our economic recovery. And I cosponsored Senator GRASSLEY's amendment not only because it is the product of the work of the Centrist Coalition, which I co-chair with Senator BREAUX, but also because it was crafted through bipartisan, bicameral negotiations with the White House and already passed the House of Representatives in December on a bipartisan vote.

I want to thank all of us who worked so diligently on that package, most especially Senators JOHN BREAUX, GEORGE VOINOVICH, BEN NELSON, SUSAN COLLINS and ZELL MILLER. And of course I want to thank Senator GRASSLEY for his remarkable commitment to building consensus and getting a strong stimulus package passed. We earnestly believe and I still believe that the adoption of the Centrist package would have been our best means to get a final conference report to the President's desk, and ensure that the economy and America's workers would benefit from the most robust economic recovery possible.

I have said I think it's critical at the beginning of this new legislative session that we start off on the right foot by enacting an economic recovery plan for the American people. I was prepared before Christmas, and many of my colleagues were prepared, to stay here to address the needs of those who have lost their jobs and their health insurance—and to bolster economic growth. Because the fact of the matter is, we knew then what is still very much true today—this economy remains in a recession and people are hurting while Congress has dithered.

We now know we lost more jobs last year than in any year since 1982, which was during the worst recession since the Great Depression, and we lost almost a million jobs since the President proposed an economic stimulus plan on October 5. And while the unemployment rate in January fell to 5.6 percent—the first decline in 15 months and certainly better than the alternative—the two-tenths percent drop was likely more a sign of job-seekers giving up than the economy improving.

As a February 4 Wall Street Journal article put, "Economists warned the drop in the jobless rate could be misleading. The January decline was largely due to the fact that the Labor Department reported an unusually large drop of 924,000 in the size of the labor force, to 141.4 million people. A shrinking labor force, say economists, could be a sign workers have become discouraged and have stopped looking for jobs."

And, finally, consider this statement from the Federal Open Market Committee on January 31—in deciding to keep its target for the federal funds rate unchanged at 1¾ percent, it said, ". . .the Committee continues to believe that. . .the risks are weighted mainly toward conditions that may generate economic weakness in the foreseeable future."

Of course, the economy may, in fact, be on the road to recovery. I certainly hope that's the case. But it's also a question of what kind of recovery. Will it be a robust recovery with rising employment and new job opportunities, or a "jobless recovery" as we had back in 1991? Given our nation's war on terrorism both at home and abroad—the future is far from certain. Any "shock" could immediately send our economy reeling, so I am especially disappointed that we haven't taken the appropriate steps to ensure that the road to recovery is an "expressway," rather than a dirt road.

The bottom line is, a well-structured, comprehensive stimulus package is the means by which we could have at least laid the foundation for such a road. The reality is, such a package could have had an impact on the kind of recovery we ultimately realize. And you don't have to take my word for it. Just two weeks ago, Chairman Greenspan testified before the Senate Budget Committee on the state of the economy. And while some have latched-onto Chairman Greenspan's remarks that ". . .the economy will recover in any event" and argue that a stimulus package is, therefore, no longer necessary, it's critical to listen to the rest of testimony.

Specifically, when I asked Chairman Greenspan about whether or not a stimulus package could aid in the type of economic recovery we experience, he stated that, although it was difficult to judge how the economy would develop this year, quote:

> . . .with the potential, at least, that the economy may be more tepid than we would like later in this year, some form of stimulus program probably would be useful.

So I, for one, was not prepared to risk a more "tepid" recovery—not with millions of Americans already out of work and America engaged in a war that will be carried out over a matter of years, not months. And based on the Chairman's response, a strong and effective stimulus plan could have been the difference.

Moreover, let's not forget—restoring economic growth would not only restore jobs, it would also help restore our projected budget surpluses.

Specifically, last week, the Congressional Budget Office outlined new budget surplus estimates for the coming 10 years. As we learned, the projected surplus through the year 2011 has fallen 70 percent, from $5.6 trillion last year to $1.6 trillion today—the most dramatic decline in budget projections ever. While a combination of factors has brought about this decline—including last year's $1.3 trillion tax cut and $550 billion in projected new spending—the most dramatic impact, fully 40 percent of the lost surpluses—or nearly 1.6 trillion dollars—arose from economic and technical changes linked to our current economic decline.

What is both alarming and instructive is that a downgrading in projections of economic growth for just a relatively short amount of time clearly has a dramatic impact on our 10-year surplus projections. As you can see by this chart, the contents of which I'd like to submit for the record, CBO has only lowered its economic growth projection for 2001 and 2002—by 1.4 percent and 2.6 percent respectively—while 2007 onward remains the same and 2003 to 2007 is actually higher. And yet, those lowered growth projections for just those two years have dramatically reduced the surplus projections in the long run.

This fact, coupled with CBO's estimates that an annual increase in economic growth of only one-tenth of one percent translates into a $244 billion increase in the surplus over 10 years, should tell us something. It should tell us that the benefit of a strong recovery in the near term—and the resulting increase in average economic growth in the long-term—cannot be understated. And the stimulus could have helped us achieve that critical goal.

In fact, Bruce Steinberg, a chief economist with Merrill Lynch, estimated in November that a stimulus package could add one percent to economic growth this year. The White House put the figure at half a percentage point, which would put 300,000 more Americans to work, while Macroeconomic Advisers of St. Louis estimated a stimulus package could actually double economic growth projections.

And Allen Sinai of Decision Economics argued that a package could mean the difference between a weak rebound, such as in the 1991 recovery, and one with real potency. He said, "At this point what you're doing, with both monetary and fiscal stimulus, is loading powder into the recovery."

Which brings me to what happened today on the floor of the Senate. The fact of the matter is, we should have passed the bipartisan Centrist plan that already passed the House of Representatives on a bipartisan vote and enjoyed the support of the White House—and that accomplished what several weeks of bicameral negotiations failed to achieve at the end of last year: a consensus on all provisions addressing the needs of the unemployed, including health insurance assistance, and providing a boost for the economy.

And the bottom line, is that developing a consensus requires compromise. The bicameral negotiators made significant progress during their negotiations last year, but, unfortunately, were unable to break through on several final issues and, consequently, negotiations broke down.

So, given this stalemate and the risks it posed to workers and the economy, members of the Centrist Coalition—which I co-chair with Senator BREAUX and which had already put forward a compromise proposal in November—sat down with Republican leaders and the White House to see if we could reach the agreement that had proven so elusive. And I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a time line of all our efforts on the stimulus package, because I think it illustrates why we had such a strong bipartisan basis for moving forward.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Ms. SNOWE. The fact of the matter is, we already had bipartisan agreement on issues like stimulus checks for low-income individuals, accelerated depreciation, increased expensing, and an extension of and increased funding for unemployment benefits. So we had a sound foundation for a compromise, and the package that cleared the House was the product of our negotiations.

That package truly reflected the middle ground on both tax and spending issues that had confounded the bicameral negotiators. Just consider where we started on many of these issues and where we ended up.

At the outset, one of the most controversial issues was that of accelerating marginal rate reductions that were adopted last year. While President Bush called for an acceleration of all marginal rate reductions and Democrats opposed any acceleration, the Centrist package would have accelerated the reduction in the 27 percent bracket only, to 25 percent—an imminently reasonable middle ground approach.

This change—which only applied to taxable incomes of $27,050 to $65,550 for individuals and $42,500 to $109,250 for married couples—would have put money in the hands of 36 million taxpayers, or one-third of all taxpayers, at a time when consumer demand needs a boost. And let me make one point perfectly clear—more than two-thirds of these beneficiaries have incomes under $100,000.

Or consider another controversial issue: corporate AMT. While the original House-passed package would have repealed the corporate AMT, the Democratic proposal only included a "hold-harmless" so that businesses taking advantage of accelerated depreciation and other provisions in the stimulus package would not see an increase in their AMT liability.

The Centrist package found the middle ground by ensuring that items that are currently added-back to a company's taxable income for purposes of calculating the AMT—namely, depreciation, net operating losses, and foreign tax credits—would no longer be included in this calculation. And by achieving that compromise, we dramatically reduced the cost of the proposal as well—falling from $25 billion in 2002 in the House-passed package, to $1.3 billion in the White House-Centrist package.

But as we learned from the breakdown in the bicameral negotiations, the most controversial element of the stimulus debate proved not to be over tax policy, but on health care assistance for workers who lost their jobs. However, policy trumped ideology and politics during the Centrist negotiations—and our package provided a better benefit more rapidly for more unemployed workers than anything that had been previously proposed.

The starting positions on this issue were stark, as the original House-passed measure—and White House position—called for $3 billion in funding to states to help those who could lose their health coverage if they lost their job. The original Centrists package went further by proposing $13.5 billion in federal health care assistance for displaced workers.

The $16.7 billion package put forward by Democrats last year proposed a 75 percent subsidy to help displaced workers afford COBRA health coverage, and assistance and coverage through the Medicaid program for individuals who are not eligible for COBRA benefits. The Democratic proposal also offered a temporary increase in federal Medicaid matching funds for states that are struggling with increased Medicaid costs.

Many people, including the nation's governors, did not believe the Democrat's proposal for relying on Medicaid was feasible because states would have to contribute about 25 percent of the cost—funds the states do not have because of estimate state revenue shortfalls of $15 billion due to the economic downturn. In fact, the governors were calling for increased federal funding for Medicaid just to maintain coverage and benefit levels for current Medicaid recipients.

On the health care issue too, the Centrist package found the middle ground and even went further. Specifically, our bipartisan package would have provided a total of $21 billion in federal health care assistance—or $21 billion more than Senator DASCHLE proposed in his amendment. I can't understand why or how we could have denied four million hardworking Americans this kind of assistance this year for the sake of shadings in philosophical dispositions.

The fact of the matter is, it didn't have to be that way. Our package provided $13 billion in health care tax credits to displaced workers who are eligible for unemployment insurance who do not have other health care coverage, $4 billion in National Emergency Grants, and almost $5 billion in emergency Medicaid funding so states would not have been forced to cut back their current health care programs for children, workers, and families with low-incomes.

Indeed, our displaced worker proposal went further in covering displaced workers than any other proposal that was considered—increasing funding to provide health coverage to displaced workers by almost 700 percent from where we started. This package would have helped those workers who lost their jobs regardless of whether they worked for the largest corporation or the smallest business or even if they were self employed.

Under this plan, any worker who involuntarily lost their job and who is eligible or formerly eligible for unemployment insurance benefits would have been eligible for a 60 percent tax credit to use for continued health coverage. Workers would have automatically received a tax credit certificate when they applied for unemployment compensation.

The tax credit certificate could have been used toward COBRA coverage from their former employer, if eligible, or for purchasing health insurance coverage of the individual's choosing. The monthly premium payment would have been reduced by the amount of the tax credit so that displaced workers would not be forced to pay the full cost of their health coverage up front, while waiting for federal assistance that would arrive at a later date. In addition the states would have used the $5 billion in National Emergency Grant funding to provide further assistance and additional benefits.

The bipartisan agreement gave displaced workers portable assistance that they could use in any part of the country to get health coverage. Displaced workers who cannot continue coverage with their current plan, would have had federal-law protections that require health plans to offer guaranteed issue coverage with no pre-existing condition exclusions.

Our proposal for assisting displaced workers with their health benefits was a straightforward proposal that could have been implemented quickly for all firms and all states because the Department of Labor would have made the funds immediately available to states so they could deliver assistance to displaced workers.

The bottom line is that the Centrist package provided the most comprehensive approach to addressing the needs of those who are out of work and an economy trying to pull itself out of a recession. And by enjoying bipartisan, bicameral support as well as the support of the White House—it would have ensured that this relief would be on the way in the fastest manner possible. Again, I deeply regret that stimulus delayed has now become stimulus denied.

EXHIBIT 1

CBO PROJECTED ECONOMIC GROWTH

	2001	2002	2003	2004-07	2008–11
January 2002	1.0	0.8	4.1	3.3	3.1
January 2001	2.4	3.4	3.3	3.0	3.1

CBO January 2002, Budget & Economic Outlook.

TIMELINE

September 25, 2001: Finance Committee meets with former-Secretary Rubin and Chairman Greenspan to discuss basic principles of economic stimulus package.

October 17, 2001: Centrist Coalition lays out principles to leaders Daschle and Lott.

October 24, 2001: (1) Centrist Coalition meets with Secretary O'Neill; (2) House passes first version of stimulus plan.

October 31, 2001: Centrist Coalition meets to consider compromise package.

November 8, 2001: Stimulus markup in Finance Committee, Democrat package reported.

November 13–14, 2001: Senate Finance stimulus plan (Baucus) on Senate Floor. Plan was defeated on a Budget point of order. On the same day (11/14), Centrist group laid out its alternative plan.

November 15, 2001: Leaders of both parties and both houses agreed to try to come together and pre-negotiate . . . but couldn't agree on who would comprise the negotiators.

November 16, 2001: Talks stalemated.

November 19, 2001: Centrists, including Senators Snowe, Breaux and Grassley, had conference call with Secretary Paul O'Neill about their plan; O'Neill called it a "basis for a deal".

November 20, 2001: Secretary O'Neill, on Good Morning America, called Centrist approach a basis for a deal; Senators agreed to talk after Thanksgiving.

November 26, 2001: Senators returned from recess; recession declared by National Bureau of Economic Research. There was still no agreement over who would negotiate.

November 28, 2001: Wednesday Leadership Meeting with Bush—breakthrough on negotiators to jumpstart negotiations.

November 29, 2001: Divisions over exactly how negotiations could begin remained.

November 30, 2001: Continuing impasse over negotiations; House wanted more negotiators Senate, fewer.

December 3, 2001: Negotiations began.

December 11, 2001: Centrists meet with Senator Lott and President Bush at the White House on a plan.

December 15–16, 2001: Centrist plan emerged as likely basis for any final deal.

December 19, 2001: President Bush meets with Centrists, declares agreement on plan.

December 20, 2001: House passes Centrist plan.

Ms. SNOWE. Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DAYTON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, the hour of 1:30 having arrived, I call for the regular order.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001—Resumed

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1731) to strengthen the safety net for agriculture producers, to enhance resource conservation and rural development, to provide farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

Pending:

Daschle (for Harkin) amendment No. 2471, in the nature of a substitute.

Wellstone amendment No. 2602 (to amendment No. 2471), to insert in the environmental quality incentives program provisions relating to confined livestock feeding operations and to a payment limitation.

Harkin modified amendment No. 2604 (to amendment No. 2471), to apply the Packers and Stockyards Act, 1921, to livestock production contracts and to provide parties to the contract the right to discuss the contract with certain individuals.

Burns amendment No. 2607 (to amendment No. 2471), to establish a per-farm limitation on land enrolled in the conservation reserve program.

Burns amendment No. 2608 (to amendment No. 2471), to direct the Secretary of Agriculture to establish certain per-acre values for payments for different categories of land enrolled in the conservation reserve program.

Mr. REID. Mr. President, what is the pending issue before the Senate on the farm bill?

The PRESIDING OFFICER. The Burns amendment No. 2608.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, here we are. It is now February 6, 2002. That comes as no shock to anyone. We are back on the farm bill—where we were back on December 6, 2001.

Again, we are trying to get this bill finished before it gets too late in the planting season. I am hopeful that we can work out some arrangements to do that. The beginning of a new session always marks an opportunity for a renewed effort to solve the challenges before us. In a spirit of cooperation, I look forward to working with my colleagues to pass this new farm bill without further delay, in order to provide farm families in rural communities critically needed stability and insurance for this year and in the future.

There is widespread agreement that farm families and rural communities are in dire need. The Senate has dealt with the farm bill for 12 days already. Again, I want to underscore that rural America cannot survive under the current Freedom to Farm bill. It will suffer severely if the farm bill here is further delayed. I look forward to working with Senators on both sides of the aisle to get the bill finished deliberately but quickly, and we will work our way through amendments. I hope that maybe even this afternoon sometime we may reach an agreement on a finite list of amendments, with a reasonable amount of time to debate them. Then we can work through that list of amendments and, hopefully, within 2 or 3 days, go to third reading and passage.

I believe we can get the conference done in adequate time to have the bill enacted for this crop year. A tremendous amount is at stake in this farm bill, not only for farmers but for rural and agriculture-related businesses, rural communities, conservation, trade, nutrition programs, and renewable energy.

The Department of Agriculture recently predicted a 20-percent drop in net farm income for this year if we do not take action on this new legislation—20 percent. Farmers are struggling as it is. They most certainly cannot afford to take a fifth off their net income.

I understand that after the farm bill the Senate will take up an energy bill. During debate on the energy bill there will be a lot of discussion about CAFE standards, and about drilling for oil in the Arctic National Wildlife Refuge, which I am sure will be a hotly contested issue. Well, this farm bill has a new energy title in it. As it is written now, the energy title calls for an investment of half a billion dollars in mandatory money over 5 years to spur production of renewable energy.

Even if we do drill for oil in ANWR, we will remain dependent on foreign oil unless we begin making significant investments in the production of renewable energy. Moreover, a greater emphasis on renewable energy in our nation's energy policy will also create new markets for agricultural products. We need to develop these new markets, and I submit that one of the biggest opportunities we will have to do this in the future will be in the area of renewable energy. It has been said that anything that can be made from a barrel of oil can be made from a bushel of corn, soybeans, cottonseed oil, or any number of other crops that we grow in this country.

I visited a project in northern Iowa last week involving agriculture-based industrial lubricants. It is a project sponsored and supported by the University of Northern Iowa. I actually visited a farm where they have set up equipment. They bring in raw soybeans, crush them, take out the oil, and they mix it and put it through another machine I can't describe, and they get grease, like axle grease. It looks just like that—the same thing you use in your grease gun when you are greasing a car, or an axle, or anything such as that. I understand the Norfolk Southern Railway has begun using this product to grease the railroad tracks. Trucking companies are using it for the fifth wheels on trucks, where they put a lot of grease.

The beauty of this is it is all biodegradable. I understand some railroads, because of the grease going down the railroad track lines, have to put down liners underneath the tracks. This agriculture-based industrial lubricant is a new product that can take the place of all the grease we use, it is made out of soybeans and it is biodegradable. All the hydraulic fluid required by machinery could one day be made out of soybean oil.

And then there is ethanol. We haven't even scratched the surface in terms of the use of ethanol. Fuel that is 80 percent ethanol—developed over the next 10, 15 years—can drastically reduce our dependence on foreign oil and help clean up our atmosphere. Again, that is biodegradable, and it is renewable every year, with every corn crop.

So I think if we really want to become more energy independent and less dependent on the Middle East for our oil, it is not drilling in ANWR that will accomplish that—at least not from the data I have seen—it is developing new markets for agricultural products in this country by supporting the development of renewable fuels made from agricultural commodities.

We now have over 30 buses running in Cedar Rapids, IA, on soy diesel. All the trucks on the nation's highways could one day be burning soy diesel. When one thinks about the potential market for agricultural-based lubricants, fluids, and fuels, that market is the same as the market for the oil we are getting from the Middle East now. Maybe we cannot take up all of that market with renewable lubricants, fluids and fuels, but we can take up enough of it so the producers of oil in the Middle East will not have us by the throat any longer. We can have enough of that market that the Middle East will be a minor supplier, not a major supplier, of the energy we use in this country. There is a lot in this farm bill to start moving us in that direction.

We have done our work in the Committee. We had an aggressive schedule of hearings on the farm bill. We had hearings here in Washington, DC, and in several States across the country. Then, of course, our timetable was set back by the terrorist attacks on September 11. Nonetheless, we moved ahead and started marking up the bill on October 31, voted to report the bill out of committee on November 15, and we were on the Senate floor November 29. We acted expeditiously to get this bill done. We went from markup on October 31 to the Senate floor on November 29, and yet we are still here today, February 6, 2002.

It is essential that the new farm bill be completed without further delay before the planting of this year's crop. Again, if we do not pass it in time, this year's crop will be covered by the existing Freedom to Farm legislation and, Mr. President, as you know, we will probably have to come up with another supplemental payment for this year's crops. That is why we need a new farm bill and not more uncertainty.

The longer the bill is delayed, the greater the risk the $73.5 billion in new farm bill funding will be forfeited. As I said, the planting season is here. The stimulus bill just went down, as I understand it, but this farm bill is also a stimulus bill a stimulus bill for rural America.

President Bush was recently in Moline, IL, which is part of the quad-cities area, across from Davenport and Bittendorf, IA. Of course, Moline is the home of John Deere. A lot of Iowans across the river work at that Moline plant. We also have John Deere plants in Iowa.

President Bush visited that plant a couple weeks ago. I was with him, as were other Senators and Congressmen. In a meeting with the CEO of John Deere, it was said by him or by some of the other people in the management of John Deere that they have laid off a lot of people. They have 300 people working at the plant who are working because of contractual arrangements with the union, but they are not building anything. I asked whether there is any hope that these people can start building again.

The response was: Yes, we know there are orders out there or pending orders for new combines, tractors, planters, and other equipment, but the farmers are going to the bankers to get the financing to buy the equipment, and the bankers are saying: What is your income going to be like this year? What are you counting on? And the farmer says: I don't know, they haven't passed the farm bill yet.

The message came through clear to me and others and, I hope, to the President that we have to get this bill done. It not only helps the farmers, but it helps rural America and it helps the workers in that John Deere plant, too. It helps them get back to work. That is why we need to get this bill through in as short order as possible.

I believe bipartisanship has been the hallmark in our work of crafting this farm bill. At the outset, Senator LUGAR, the committee's ranking member and former chairman, and I developed a set of objectives. We worked in consultation with other members of the committee on all titles of the bill that the committee reported out, with the exception of the commodity title, to be honest, where we recognized we probably would not find any agreement.

Other than the commodity title, all reported titles were approved by voice votes. Of the votes on amendments to those titles, not one was along party lines. We did have a recorded vote on adopting the commodity title, as I said, and even that was a bipartisan vote.

We have tried to come out with as bipartisan a bill as possible, and I believe that is what we have done. This is a balanced, comprehensive bill. It is a bill that does very well by commodities but also goes well beyond the commodity programs to address needs in the areas of conservation, trade, rural development, research, energy, which I mentioned earlier, credit, nutrition, and forestry.

On the commodity side, we have maintained full planting flexibility, and we have restored a stronger countercyclical income protection system. The bill continues fixed direct payments but phases them down, not totally out, as a new countercyclical payment system is phased in.

Also, farmers may elect to update their program bases and payment yields instead of using outdated ones, but they may keep the old bases and yields if that is more advantageous to them. We leave that choice up to farmers.

The bill continues marketing assistance loans with modestly higher loan rates for feed grains, wheat, and cotton. The soybean loan rate is reduced by 6 cents but that reduction is offset by new fixed and countercyclical oilseed payments which were not in the previous Freedom to Farm bill. Keep in mind, all of these loans are marketing assistance loans, so the higher loan rates will not build stocks and will, in fact, enhance our international competitiveness.

When I hear arguments that somehow the higher loan rates will price us out of the market, I do not understand that. These are marketing assistance loans so that cannot be true.

One key difference between the Senate bill and the House bill is the approach to farm income protection. The Senate bill puts a greater emphasis on countercyclical income protection. If commodity prices are not as high as predicted, which is usually the case, then the Senate bill offers the better income protection. There is a built-in price protection mechanism to increase payments if prices fall.

Again, one of the biggest outcries I heard about the Freedom to Farm bill is that in the good years—the initial years under Freedom to Farm when farmers were making good money from the market—they were still getting Government payments. That did not seem to make sense to anyone.

What we have done is phase those payments down, and we will have a countercyclical program so if prices go down, farmers will be held harmless.

The majority of people in this country do not know a lick about agriculture but would support it. They say there are certain times when for certain reasons—whether it is trade, the strength of the dollar, or other factors—prices for agricultural commodities just go all to heck.

I think most people recognize the cyclical nature of agriculture, that it is different from a hardware store, that it is very reliant on so many outside factors over which a person has no control.

I believe most Americans would say: Yes, if these things happen and prices fall, you ought to support the farmers until we can get the prices back up. I find general acceptance of that. What I do not find is any support anywhere for the proposition that if farmers are doing well in the marketplace we ought to give them more money. I do not find any support for that anywhere. That is what we tried to do in this bill: to get off that old system and get onto a new system of countercyclical payments.

Regarding international trade, the Senate bill will comply with our WTO commitments and will put our Nation in a strong position to negotiate new trade agreements.

This bill gives the Secretary of Agriculture the authority to adjust support payments to make sure we do not violate WTO limits. However, there is only a very remote chance this authority will ever be needed. Under the expected market conditions for the next 10 years, the amber box limit "amber box" means that under WTO agreements we can only spend so much money on certain types of support—is $19.1 billion. Under all of the scenarios we have run on our bill, the most we can see is about $16 billion in amber box payments.

Now I have heard—I will admit I have not heard it lately, but last December I heard a lot of talk from the administration and the Department of Agriculture that somehow what we had in our bill would bump us up against the WTO limits, and that would take us to court and all kinds of dire things would happen. At that time, I challenged those who were making such statements to come forward and give us the proof, give us the data, show us what they mean, how we were going to bump up against the $19 billion limit. Well, I have been waiting since then. I still do not have it.

So I said at the time, if the administration keeps saying this, then I am simply going to have to call another hearing of the Agriculture Committee and we will have to have the Secretary of Agriculture down to tell us. If they have data, I would like to see it. I think the fact is that it is not so. Even if we do get up around $16 billion or $17 billion, so what? That is well within our limit.

It seems to me there is some thought we ought to be down around $10 billion or less. I say, why? Do you think the Europeans would do that? Of course not. They are going to be right up to their limits under the WTO.

Well, we are not even that close. We are still quite a bit under the limit. All I can say is, if we ever got to the point where our payments would bump up against that $19.1 billion, we would be in such bad shape that the WTO would be the least of our worries.

Mr. REID. Madam President, I ask the Senator from Iowa if he would yield for a unanimous consent request.

Mr. HARKIN. Yes, I am glad to yield to our assistant majority leader.

Mr. REID. While the two managers have been speaking, I did what they asked me to do, and we now have a unanimous consent agreement that will move us through a good part of the afternoon. I ask unanimous consent that there be a time limitation on the following pending amendments: 40 minutes equally divided on both of the pending amendments by Senator BURNS, Nos. 2608 and 2607; 40 minutes equally divided on Senator WELLSTONE's amendment No. 2602; and 30 minutes equally divided on Senator HARKIN's amendment No. 2604.

I further ask unanimous consent that Senator HARKIN do his amendment first—there has been a request that he do his amendment first and the others can come up later—that all times be divided in the usual form; that no other amendments be in order prior to disposition of the above listed amendments; that at the conclusion or yielding back of time on all of these amendments, the Senate proceed to a vote on or in relation to each amendment, with 2 minutes for debate equally divided between the votes following the first vote; that the vote sequence be as follows: Senator HARKIN be first; Senator BURNS; Senator BURNS; and then Senator WELLSTONE; that if any amendment is not disposed of after the first vote, they remain debatable and amendable.

The PRESIDING OFFICER (Ms. STABENOW). Is there objection?

Mr. LUGAR. Madam President, reserving the right to object, I think the agreement is an excellent one. I simply want to raise the question with the distinguished Senator. After Chairman HARKIN has completed his opening statement, I would like to make an opening statement before we proceed to the amendments.

Mr. REID. I think that would be entirely appropriate. Does the Senator request up to half an hour?

Mr. LUGAR. That would be adequate, yes.

Mr. REID. I further ask unanimous consent—the only change that has been brought to my attention by the staff on both sides—that the language be that "no other amendments be in order prior to the votes in relation to the above listed amendment" rather than "the disposition of the above listed amendments."

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. A point of clarification: Is that 40 minutes on each of the Burns amendments?

Mr. REID. Forty minutes total.

Mr. LUGAR. I have a question for the distinguished manager. Then we would have four stacked votes? Members could anticipate, once we begin voting, there will be four votes?

Mr. REID. Probably around 4 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. That is good news. I thank the assistant majority leader for working this out, and I thank Senator LUGAR for working this out on all sides. That is progress. So we are going to be able to dispose of four amendments that have been hanging since December, and hopefully that indicates some progress on this farm bill. So I will wrap up my comments very shortly.

I was talking about the WTO, and I will wrap it up in terms of income protection for farmers. I describe our bill as having four legs, which makes it very sturdy. We have fixed payments, countercyclical payments, marketing loans, and conservation payments, all of which will help support farming.

Lastly, I want to talk a little bit about the conservation title. We have been able to accomplish a great deal on the conservation title. It is important in and of itself. Farmers and landowners desire to conserve soil, water, and other natural resources. Sound conservation is one of the best ways for agriculture to continue to build good will with the rest of America. Plus, it is also a way in which we can help promote better farm income. So we have funded programs like the Wetlands Reserve Program, the Farmland Protection Program, the Wildlife Habitat Incentives Program. Those three programs, I might add, are all out of money right now. So every day we do not pass this farm bill and get it through, none of those programs will be funded.

We made a large increase for the EQIP, the Environmental Quality Incentives Program, and I think improved that substantially for livestock, dairy, and poultry producers.

Our main emphasis in conservation in this bill has been on land in agricultural production. I believe that is where our focus should be, and the Senate bill reflects that. It contains the new Conservation Security Program, which will provide incentive payments for maintaining existing and adopting new conservation practices on lands that remain in production. Thus, it does both, promotes conservation and supports farm income.

The other good thing about it is that it is fully within the WTO green box. So whatever we spend to help support farm income does not bump up against our WTO limits.

One other thing I will mention before I yield the floor is what I said before, in December—I think I may have said it in committee, too: If this farm bill devolves into being a commodity bill, then I think we will do a great disservice to our farmers and to all of America because we will have narrowed the farm bill to a very small scope of people who produce storable commodities. I think the farm bill is much broader than that. It speaks not only to those who produce the food and fiber and to those who produce our livestock, but also to those who produce fruits and vegetables, specialty crops, orchards, many of the items we buy in our grocery stores that do not come from row crops.

And it is even more than that. It is rural economic development. It is small towns and communities. It is making sure we have jobs and economic opportunity in our small towns. This bill has a very strong rural economic development portion to it. There are even things in the bill to get broadband access to our small towns and communities.

I happened to meet a farmer this morning from northwest Iowa. I asked him what he was doing here. He said his wife was here on a business trip and he was accompanying her and sort of relaxing a little bit, going down to the Smithsonian and coming to watching the Senate—things like that.

I asked him what kind of business his wife is in. Well, it is over my head, but it has something to do with computers and software. So I got to thinking about that and thinking, here is someone who lives in a small town in northwest Iowa doing a job that normally might be done in a large city. Now, again, the problem is getting broadband access so that they have all of the access to the Internet in a high-speed setting. We can develop those types of job opportunities for people who live on our farms in rural America. That is in this bill, too.

Commodities, yes, but it is broader than that. Rural economic development, as I mentioned, is so important. That is why in this bill we have a treasury equity fund, a rural business investment program to support equity groups. We have a national rural cooperative and business equity fund to try to get equity capital to rural areas so we can promote the kind of business development we need. We have a fourfold increase in the value-added agricultural product market development grants. These grants help develop solid value-added enterprises owned by agricultural producers. The business and industry loan guarantee program is improved. We provide $100 million a year for broadband Internet access to our small town communities.

This is a broadly based bill. I not even touched on the enhanced nutrition, forestry, or trade programs. We put more funds and guidance and direction into the foreign market development program and the foreign market access program. We enhance our trading abilities. For forestry, we have new language and new programs to provide more support for the private forests and renewable forestry incentives.

There is a lot more than just commodities in this bill. That is as it should be. Agriculture touches everyone in America. It is more than just that one person on a farm. It is people all up and down the food chain: our processors, shippers, wholesalers, grocery stores, and consumers. We have put a lot in here to protect consumers, to make sure we have the safest and most affordable and steady food supply of any country in the world.

That is why this bill is so important and why we have to move this bill. I think it does no one any good to continue a filibuster or delay. I am hopeful with the breakthrough we had this afternoon with these four amendments, we look forward tomorrow to continuing to debate some amendments. I hope some time, perhaps even later today, we can reach an agreement on a finite list of amendments, and how much time. Then we will know exactly when we will finish the farm bill and get to conference and get it to the President as soon as possible.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Madam President, I appreciate the excellent statement by the distinguished chairman of our committee. I join him in attempting to work constructively for completion of a good piece of legislation.

There is broad agreement among Members of the Senate Committee on Agriculture, Nutrition, and Forestry, on the titles, aside from the commodity title. We have had amendments that have pertained to the other title and some may still be heard from Members who were not a part of our committee deliberations.

Clearly, the bill before the Senate does excellent things in the area of conservation, possibly a credit for young farmers, rural development, nutrition, agricultural development, to try to get jobs in rural America for people not engaged in farming.

This is why I regret that the commodity section, as it now stands, seems to me to be a considerable step backward. I am not going to engage in extravagant language about the situation. Honest Senators can differ as to the implications of this. One good reason the Senate chose not to pass legislation before Christmas was that this disagreement pertains to a lot of farmers and other Senators who are not farmers wanted to take a second and third look at this legislation.

I want to talk during these informal remarks at the beginning of our session today about the prospect of some who are well informed who have looked at our work so we might improve it through the amendment process we are about to undertake. I mention, first of all, a report by the Food and Agricultural Policy Research Institute, well-known to Members of our Agriculture Committee, and, I think, to the general public as an extraordinarily reputable agricultural institution at the University of Missouri and Iowa State University. I cite specifically their report of November 2001, at the time we were last deliberating on the farm bill, on the trade issues.

The distinguished chairman has mentioned the attempt by the committee to stay clear of ceilings that might lead the United States to severe difficulties with the World Trade Organization and our other trading partners. Some Senators might say that is the tough luck of anybody else who happens to stand in our way; this is the United States of America, and if we want to spend money on our farmers, by golly, we ought to do that—leaving aside whether we run into conflict that is likely to lead to lawsuits, less exports, and blockages that are already considerable with foreign trading partners.

Clearly, in most of our debates on agriculture, we are in agreement that if farm income is going to go up substantially in the United States, it will have to be through exports because we have a market in the United States which is often termed mature. There is only so much food that we can consume in the United States of America. Even though we must do a better job with our food pantries, with feeding programs—and this farm bill does address those issues and they are important for low-income Americans and for those who are unfortunate—the fact is, given the productive capability of American agriculture, we have to move the product.

In order to move the product, we have tried to work with other nations under an agreement called the World Trade Organization. That gives us some certainty of legal status in other countries. If they complain and were to take action to stop our exports, we have an action to get moving, to move this through arbitration or decisions of the World Trade Organization. Most people in the agricultural business understand that.

What is in dispute is whether the Harkin-Daschle bill now before the Senate bumps up against the ceilings or, in fact, goes through them. The distinguished chairman has said in his best calculation, in fact, we are well below the ceiling, in a safety margin. However, if the FAPRI is not so assertive, and I read from page 7 of the November 2000 report:

> Under the Uruguay Round Agreement on Agriculture, the United States agreed to limit spending on domestic support programs that are considered trade distorting to $19.1 billion per year.

We made that agreement.

> Given the structure of the proposed policy changes, we calculate a 30.3 percent chance that the United States will exceed this limit in the 2002 marketing year.

This is the marketing year that will begin later this calendar year after the 2002 crops are harvested this fall.

> Over the projection period, price increases result in smaller marketing loan expenditures, which will tend to decrease this probability. But the counter-cyclical program begins payments in the 2004 marketing year, essentially replacing green box expenditures. . .with amber box expenditures.

Those are ones that become more dangerous in the calculations.

> This substitute increases the probability that the U.S. exceeds its WTO limits.

I mention that because clearly this can still be remedied. We are in the course of having a debate in which other Senators or other institutes may make calculations. But I am suggesting that we have a serious point of jeopardy here that may not be well understood by Senators. That is why in this opening statement I move, not to the rhetoric of my colleagues, but rather to an independent organization that is in a position to make informed comment on this.

We have a further problem that is posed simply by the way this bill is structured in the payments. I cite an article by Philip Brasher of the Associated Press, dated today, in which he points out:

> A Democratic-backed farm bill pending in the Senate would use an estimated $45 billion by the end of 2006

This is of the $73.5 billion in new spending over a 10-year period of time that has been often mentioned—leaving but $28.5 billion for the remaining 5 years. The problem comes up that the Department of Agriculture has spoken, through the Secretary, Ann Veneman, who said, again yesterday, that the money should be distributed evenly over the 10-year period of time.

Secretary Veneman says:

> We feel strongly that we shouldn't front-load a farm bill.

Let me mention that this is a fairly large sum of money. Just a quick division of the $73.5 billion, if one agrees that much more on top of the baseline ought to be spent, would mean if we were to have fairly level payments, our work should come out at something less than $37 billion.

The Daschle-Harkin bill amounts to $45 billion now. Some others have cited figures between $42 billion and $43 billion. It would appear to be $5 billion or $6 billion too rich in the first 5 years. It got that way through a number of compromises.

I sympathize with the distinguished chairman of the committee who must entertain all sorts of suggestions from people who come in and have enthusiasm for doing it now, but I would point out one reason for not moving ahead in November or December, with the farm bill, is that, obviously, we have a disagreement.

One may say the Secretary of Agriculture is entitled to her opinion and we may be entitled to ours. If we want to stack the $73.5 billion, $50 billion in the first 5 years, that is up to us. But on the other hand, at this point the administration has indicated the $73.5 billion is available, that the budget assumptions that have been made are the ones that have been followed through, and, indeed, the President's budget submission includes this.

But she is saying maybe enough is enough. We don't want to spend any more of that money in the first half because that is going to make for a very difficult period following that, in which the suggestions of Senators will be: Let's at least do what we have been doing before. At that point we have a much richer product over the 10-year period of time than the administration or the Budget Committees have agreed to. In any event, we will address that, I am certain, in several amendments that will reduce that sum of money in the first 5 years.

A more comprehensive critique of what we have been doing appeared in the Washington Post this morning. It appeared earlier in Newsweek magazine under the byline of the noted economist Robert J. Samuelson. I wish to quote directly from some of the paragraphs of economist Samuelson's analysis.

He starts with the proposition:

> Government programs are, for all practical purposes, immortal.

Perhaps so and perhaps not. But then he offers as evidence of this:

> Anyone who doubts this last proposition should examine the farm subsidy programs, which are the classic example of how unnecessary spending survives. Here is a parable for our larger budget predicament. Every year the government sends out checks to about 700,000 to 900,000 farmers. Since 1978, federal outlays to support farmers' incomes have exceeded $300 billion. How large is that? Well, the publicly held federal debt (the result of past budget deficits) is about $3.3 trillion. The past 23 years of farm subsidies equal almost 10 percent of the debt.
>
> But wait: Congress is about to expand the subsidies. The Congressional Budget Office estimates that new farm legislation would increase costs by $65 billion over a 10-year period, on top of the $128.5 billion of existing programs. (And these figures exclude costs for agricultural research, trade and nutritional programs.) The Republican-controlled House has passed one version; the Democratic-controlled Senate is about to debate a slightly different version. And the Bush administration has supported what it calls the bill's "generous" funding levels. "Extravagant" would be more like it.
>
> Government spending should reflect some "public interest." For farm subsidies, this is hard to find.
>
> Let's examine the possibilities. Do we need subsidies to ensure food production? No. The subsidies go mainly for wheat, corn, rice, cotton, soybean and dairy production, representing about a third of U.S. farm output. The rest (beef, pork, chicken, vegetables, fruits) receive no direct subsidies. Has anyone noticed shortages of chicken, lettuce, carrots or bacon? The idea that, without subsidies, America wouldn't produce ample wheat for bread, milk for ice cream or corn for animal feed is absurd. Before the 1930s no federal subsidies existed, yet annual wheat production rose 77 percent to 887 million bushels from 1880 to 1930.
>
> Do subsidies "save the small family farm"? In the 1930s, or even 1950s, this argument might have been plausible. No more. Mechanization and better seed varieties have promoted farm consolidation. In 1935 there were 6.8 million farms. In 1997 there were 1.9 million and, of these, about 350,000 accounted for almost 90 percent of farm production. These farms had at least $100,000 in sales. About 42 percent of food production came from farms with $1 million or more in sales. Countless newspaper stories complain that subsidies go overwhelmingly to large, wealthy farmers. But given the distribution of food production, they must go to large farmers—unless government decides to subsidize farmers who essentially don't farm.
>
> Do subsidies stabilize farm incomes, offsetting period of low prices? Not much. There are two problems. First: When crop prices drop, the subsidies promote overproduction, which prolongs and deepens the price decline. Second: The value of the subsidies increases the prices of agricultural land by about 20 percent, according to the Agriculture Department. This raises the purchase prices for new farmers or lease payments for farmers who rent their fields.

We found in the USDA report this year, 42 percent of farmers are, in fact, renters.

> About 45 percent of crop land is leased [according to Samuelson] as opposed to the 42 percent USDA suggested. And of course, there's this question: Why should government stabilize farmers' incomes? It doesn't stabilize incomes of plumbers, print shops or most businesses.
>
> Despite farm programs' nonexistent public benefits, Congress routinely extends the programs for political reasons. On the public-relations front, farmers are thought to be hard-working and, therefore, deserving. Somehow, it seems unfair to withdraw a government benefit they're accustomed to receiving. And if farm programs didn't exist, the congressional agriculture committees would be less powerful. So would various farm lobbies and interest groups. They all have an interest in perpetuating the subsidies. Finally, there's control of Congress.

At this point, Mr. Samuelson quotes me. So this quote was my own.

> "The main factor is a concern among lawmakers of both parties that power in Congress could hinge on a few races in heavily subsidized agricultural regions," Sen. RICHARD LUGAR, Republican of Indiana, bravely wrote in The New York Times. "If either party stands in the way of this largesse, they risk being labeled the 'anti-farm party' and targeted with sentimental imagery associated with farm failures."

Back to Samuelson:

> Farm subsidies are huge political bribes. Though they're perfectly legal, the ethics are questionable. The trouble is that hardly anyone raises the questions. The silence defines Washington's self-serving and hypocritical "morality." Everyone in Congress is justifiably outraged these days by Enron's collapse and the losses for workers and investors. But the same legislators will vote for massive giveaways of billions of dollars to farmers without any sense of shame or outrage. There is no inkling that they might be plundering the public purse and doing wrong. (The press is guilty of similar hypocrisy. Farm subsidies excite casual, intermittent curiosity.

I am hopeful that these remarks will excite both Senators and the press because I think we are on the threshold of a very large mistake in the commodity section.

I have made these points before, but let me tick through them quickly.

One problem with the farm bill that now lies before us is that it does increase subsidies very substantially.

From the beginning of the debate, the suggestion has been that the Budget Committee set aside $73.5 billion for additional farm subsidies over the next 10 years. The dilemma here is that the subsidies will create incentives for more production. They are production based. The more bushels, the more dollars for the farmer who produces the bushels. As a result, unless El Niño, or some extraordinary weather phenomenon such as a comet crash, or something of that variety occurs, it is very predictable that production of the five basic row crops—cotton, rice, soybeans, corn, and wheat—will increase very substantially over the next 5 years. Perhaps export demand will escalate rapidly. Perhaps we will do the things we need to do and evade the blockages of the World Trade Organization and our trading partners that for the moment are outraged by this bill.

Letters I have received from ambassadors from friendly trading countries—the Australian Ambassador, for example, or Commissioner Fisher of the EU, and others—point out very troubled waters ahead. But perhaps we will overcome that. I hope we will because there is no way out of the box unless we export a whole lot more to meet the production gains we are going to have.

The genius of American agriculture is that the yields continue year by year. That is the potential salvation for feeding people all over the world. But between now and then, the question is, How do we get the product out of the country? Failure to do that will lead to oversupply in the country and lower prices. That will trigger higher subsidies. This is what countercyclical is all about. It never counters, it goes one way—down.

If that were all of it, that would be bad enough. But the problem is that only 40 percent or fewer of American farmers are going to receive any of these subsidies. That is the nature of the row crop situation.

Sixty percent—three-fifths—a majority of farmers, really have no interest in these subsidies at all. At least they are not going to receive them. That is not widely understood among farmers, quite apart from the public as a whole. The public as a whole, when they hear of that, say: How can this be? This is the way the program started in the 1930s, and it has been perpetuated.

That is not the half of it. Take this 40 percent. The statistics show in State after State over two-thirds of the money—just in this 40 percent—goes to this 10 percent of the 40. The 4 percent is the total. Stated another way, we are now down to 60 percent at zero, and 10 percent of the 40, or 4 percent, are getting about two-thirds of all the money. The public say, that is preposterous; how in the world can people in a democratic legislative body skew the payments in such a distorted manner that 4 percent of the farms get two-thirds of all the results? We are doing it. We have done it, and we are about to compound it.

It is no wonder that small farmers go out of business. These bills guarantee it. The same Senators on the floor today who will say, What about the small family farmer, and what about the medium-sized family farmer—I am here to tell you that farmer is not going to do well under this bill. Land prices will continue to go up. I do not predict a bubble. Nevertheless, in my own farm situation, I have witnessed management—I have owned farms since 1956—and at least two situations of crash and burn. I can recall—I think most Senators who are following this in our committee will recall—the boom of the 1970s in which those of us who had land throughout that greater time saw an increase of two or three times the value only to see 50 or 60 percent of that stripped away in the early years of the 1980s.

Why is it that we are failing by going through this history again and again? We do it because our programs almost mandate it. USDA's 120-page booklet goes through chapter and verse about how it happens. It is no mystery.

The problem is, for young farmers looking into this, it is a tragedy in terms of entry. For 42 percent of our farmers who rent, it is a tragedy because their rents go up. That is a big percentage.

Whether Members understand who the farmers are in their States or not, the farmers understand their predicament, and the 60 percent who are getting nothing understand that zero. By now, given the Environmental Working Group site, the rest of the farmers understand who the 10 percent are who are getting two-thirds of what happens in their States. They have them listed by name. That is new. And a good number of farmers are suggesting is not fair because it is an intrusion of Government payments. It is an intrusion because in some cases farmers have been receiving hundreds of thousands of dollars a year.

I don't go into the extraordinary cases of movie stars, basketball players, universities, and so forth. After all, under the rules of the game, they own the land and they produce the stuff. Nevertheless, there are some anomalies here that have not been taken well.

The predicament is that we have a farm bill as it stands before us, before we start amending it, that, in my judgment, almost guarantees lower prices, guarantees larger payments, and the payments we know go to very few people. They are huge.

In November and December, I made the point—and I will make it even more forcefully now—that this debate occurs in almost an "Alice in Wonderland" situation in which somehow we can talk about farm policy as if it were totally divorced from the budget of the U.S. Government or from the needs of ordinary people.

The distinguished chairman of the Budget Committee, Senator CONRAD, and others on the committee have pointed out that the billions of dollars in deficit that we are now piling up are taken out of the Social Security funds. That is now clear. We are in deficit finance. We are not in surpluses. This is not free money. Social Security recipients surely understand that the $73.5 billion is coming out of the Social Security fund. It is money that could be spent perhaps for reform of Medicare, prescription drugs for the elderly, and other items that most of us in our campaign talked about and promised but clearly are not going to occur so long as our Government is running huge deficits.

We are doing the deficits because we have a war on. And that is proper because terrorists hit our country on September the 11th. But that is the country in which we live. Agriculture is not divorced from that which is our country. It is not another world in which we deal with a very few farmers, maybe 4 percent of the people who are doing business.

How farmers could get into such a predicament is easily predictable, given the types of policies we are about to formulate; albeit, telling the farmers: We are doing it for you and we want your support.

If farmers ever figure this out, we will not have their support. They will wonder how misguided we could have been.

We have been through these arguments several times. I appreciate the indulgence of my colleagues in listening to them again. But we do have a second chance. Thank goodness we did not adopt this legislation in unamended form in November or December because we will be coming into conference with a House bill that, in my judgment, is equally disastrous.

Madam President, with these thoughts in mind, I hope we can proceed through the amendments in an orderly way. I promise to work with the distinguished chairman to make that so.

We are now getting the ideas from all of our Senators on this side of the aisle. I understand that is occurring with the chairman. Hopefully, we will have a finite list of amendments and have an idea of a roadmap for a successful conclusion.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2604

Mr. HARKIN. Madam President, parliamentary inquiry: What is the business before the Senate at this time?

The PRESIDING OFFICER. The Senator's amendment No. 2604 with a 30-minute time limit.

Mr. HARKIN. With a 30-minute time limit?

The PRESIDING OFFICER. That is correct.

Mr. HARKIN. Madam President, I yield myself such time as I may consume.

Madam President, this amendment is cosponsored by Senators GRASSLEY, FEINGOLD, WELLSTONE, and ENZI. This is the livestock production contract amendment that I offered in December. This amendment furthers one of the most important goals of this farm bill, and that is to promote competition.

We had a competition title in the original farm bill I introduced in the committee. Two other amendments have already been adopted: Senator FEINGOLD's amendment prohibiting mandatory arbitration in livestock contracts, and Senator JOHNSON's amendment on packer ownership.

My amendment will address yet one more issue in the competition arena, and that is livestock production contracts and the right to discuss contracts with close advisers.

The amendment does two things: It closes a loophole in the Packers and Stockyards Act by including livestock production contracts under its jurisdiction; and, secondly, it provides livestock producers the ability to discuss terms of their contracts with certain people, such as their attorney, banker, landlord, and Government agencies charged with protecting a party to the contract.

Livestock production contracting is an arrangement between a packer or another owner of livestock and a farmer. The basic contract requires a farmer to provide the buildings, the equipment, and the labor to raise the livestock; and the livestock is owned by someone else, the contractor.

This type of arrangement differs from the traditional livestock industry structure where the farmer both owned and raised the livestock. In the poultry sector, production contracting is nearly universal and, I might add, has been covered by the Packers and Stockyards Act since 1935. It is becoming more prevalent in hogs, and is growing in the cattle industry.

What this amendment would do is protect livestock production growers from unfair and deceptive acts. The same type of fairness rules are common in other markets where people are threatened by inequitable bargaining positions. For instance, Federal law affords similar protections to produce and vegetable growers, automobile dealers, gasoline franchisees, individual securities investors, and livestock farmers who own the livestock.

Currently, the Packers and Stockyards Act provides protections for farmers who sell livestock to packers. That has been in the law since 1921. But the act does not protect those who raise livestock, under a production contract, for someone else. The amendment would close this loophole. Current law does not fit current practice. Production contracts, as I said, are becoming more common.

In 1990—just 11, 12 years ago—production contracting in the hog industry was almost unheard of. By the year 2000, 34 percent of hogs were raised under production contracts.

So again, farmers and ranchers need this amendment because the consolidation and vertical integration of the markets are providing them an unequitable bargaining position.

Livestock production contract growers are the ones most at risk of unfair conduct because, like a franchisee, they tend to make large investments to enter into a contract, and then they feel constrained to endure unfair treatment because of their large capital investments.

Basically, the amendment would allow a producer to share his or her contract with their attorney, business adviser, landlord, manager, family, and State and Federal agencies charged with protecting parties to the contract.

The amendment does not require anyone to share the contract if they do not want to. And it does not say the contract should be made public in any way. The provision even allows contracts between a contractor and farmer to prohibit farmers from sharing a contract with their neighbors or the contractor's competitors, for example.

So, again, the amendment enjoys broad support. The American Farm Bureau Federation and the National Farmers' Union—the two largest general farm organizations—as well as dozens of other farm and consumer groups, support the amendment.

It is bipartisan. As I mentioned, there is support on both sides of the aisle for this amendment. I am hopeful we can adopt the amendment.

AMENDMENT NO. 2607, AS MODIFIED; AMENDMENT NO. 2608, AS MODIFIED; AND AMENDMENT NO. 2602, AS MODIFIED

Mr. HARKIN. Madam President, I ask unanimous consent that amendment Nos. 2607 and 2608 be modified with the text at the desk, and that Wellstone amendment No. 2602 be modified with the text of amendment No. 2631.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

The amendments (No. 2607, as modified; No. 2608, as modified; and No. 2602, as modified) are as follows:

AMENDMENT NO. 2607, AS MODIFIED

On page 205, strike lines 8 through 11 and insert the following:

(c) Maximum Enrollment.—Section 1231(d) of the Food Security Act of 1985 (16 U.S.C. 3831(d)) is amended—

(1) by striking "The Secretary" and inserting the following:

"(1) In general.—Subject to paragraph (3), the Secretary";

(2) by striking "36,400,000" and inserting "41,100,000"; and

(3) by adding at the end the following:

"(2) Per-farm limitation.—In the case of a contract entered into on or after the date of enactment of this paragraph, or in the case of a contract entered into before that date that expires on or after that date, an owner or operator may enroll not more than 50 percent of the eligible land (as described in subsection (b)) of an agricultural operation of the owner or operator in the program under this subchapter.

"(3) Expenditure of funds.—In carrying out this subsection, the Secretary shall ensure, to the maximum extent practicable, that the total amount of payments made under the program under this subchapter does not exceed the amount made available to carry out the program for the fiscal year in which the payments are made.".

AMENDMENT NO. 2608, AS MODIFIED

On page 212, strike lines 13 through 15 and insert the following:

reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.

"(j) Per-Acre Payment Levels.—

"(1) In general.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall conduct a study to determine, and promulgate regulations that establish in accordance with paragraph (2), per-acre values for payments for various categories of land enrolled in the conservation reserve program.

"(2) Values.—In carrying out paragraph (1), the Secretary shall ensure that—

"(A) the per-acre value for highly erodible land or other sensitive land (as determined by the Secretary) that is not suitable for agricultural production; is greater than

"(B) the per-acre value for land that is suitable for agricultural production (as determined by the Secretary).

"(3) Expenditure of funds.—In determining the per-acre values for land under paragraph (2), the Secretary shall ensure, to the maximum extent practicable, that the per-acre values are such that the total amount of payments under the program under this subchapter made in accordance with those values will not exceed the amount made available to carry out the program for the fiscal year in which the payments are made.".

AMENDMENT NO. 2602, AS MODIFIED

Beginning on page 226, strike line 1 and all that follows through page 235, line 6 and insert the following:

"(4) Large confined livestock feeding operations.—

(A) Definition of large confined livestock feeding' 'operation.—In this paragraph:

(i) In general.—The term 'large confined livestock feeding operation' means a confined livestock feeding operation' means a confined livestock feeding operation designed to confine 1,000 or more animal equivalent units (as defined by the Secretary).

(I) Waiver.—The Secretary may on a case by case basis grant states a waiver from the requirement in (4)(A)(i), of this section, in accordance with Volume 62, No. 99 of the Federal Register.

(ii) Multiple locations.—In determining the number of animal unit equivalents of the operation of a producer under clause (i), the animals confined by the producer in confinement facilities at all locations (including the producer's proportionate share in any jointly owned facility) shall be counted.

(B) New or expanded operations.—Subject to (4)(A)(i)(I) of this section, a producer shall not be eligible for cost-share payments for any portion of a storage or treatment facility, or associated waste transport or treatment device, to manage manure, process wastewater, or other animal waste generated by a large confined livestock feeding operation, if the operation is a confined livestock operations that—

(i) is established as a large confined livestock operation after the date of enactment of this paragraph; or

(ii) becomes a large confined livestock operation after the date of enactment of this paragraph by expanding the capacity of the operation to confine livestock.

(C) Modification of operation.—A modification of a large confined livestock operation shall not be considered an expansion under subparagraph (B)(ii) of this section, if as determined by the Secretary, the modification involves—

(i) adoption of a new technology;

(ii) improved efficiency in the functioning of the operation or,

(iii) reorganization of the status of the entity; and

(iv) the capacity of the operation to confine livestock is not increased.

(D) Multiple operations.—A producer that has an interest in more than 1 large confined livestock operation shall not be eligible for more than 1 contract under this section for cost-share payments for a storage or treatment facility, or associated waste transport or transfer device, to manage manure, process wastewater, or other animal waste generated by the large confined livestock feeding operation.

(E) Flood plain sitting.—Cost-share payments shall not be available for structural practices for a storage or treatment facility, or associated waste transport device, to manage manure process wastewater, or other animal waste generated by a confined livestock operation if

(i) the structural practices are located in a 100-year flood plain; and

(ii) the confined livestock operation is a confined livestock operation that is established after the date of enactment of this paragraph.

(e) Incentive Payments.—The Secretary shall make incentive payments in an amount and at a rate determined by the Secretary to be necessary to encourage a producer to perform 1 or more practices.

(f) Technical Assistance.—

(1) In general.—The Secretary shall allocate funding under the program for the provision of technical assistance according to the purpose and projected cost for which the technical assistance is provided for a fiscal year.

(2) Amount.—The allocated amount may vary according to—

(A) the type of expertise required;

(B) the quantity of time involved; and

(C) other factors as determined appropriate by the Secretary.

(3) Limitation.—Funding for technical assistance under the program shall not exceed the projected cost to the Secretary of the

technical assistance provided for a fiscal year.

(4) Other authorities.—The receipt of technical assistance under the program shall not affect the elgibility of the producer to receive technical assistance under other authorities of law available to the Secretary.

(5) Incentive payments for technical assistance.—

(A) In general.—A producer that is eligible to receive technical assistance for a practice involving the development of a comprehensive nutrient management plan may obtain an incentive payment that can be used to obtain technical assistance associated with the development of any component of the comprehensive nutrient management plan.

(B) Purpose.—The purpose of the payment shall be to provide a producer the option of obtaining technical assistance for developing any component of a comprehensive a nutrient management plan from a certified provider.

(C) Payment.—The incentive payment shall be—

(i) in addition to cost-share or incentive payments that a producer would otherwise receive for structural practices and land-management practices,

(ii) used only to procure technical assistance from a certified provider that is necessary to develop any component of a comprehensive nutrient management plan; and

(iii) in an amount determined appropriate by the Secretary, taking into account—

(I) the extent and complexity of the technical assistance provided;

(II) the costs that the Secretary would have manned in providing the technical assistance; and

(III) the costs incurred by the private provider in providing the technical assistance.

(D) Eligible practices.—The Secretary may determine, on a case by case basis, whether the development of a comprehensive nutrient management plan is eligible for an incentive payment under this paragraph.

(E) Certification by secretary.—

(i) In general.—Only persons that have been certified by the Secretary under section 1244(f)(3) shall be eligible to provide technical assistance under this subsection.

(ii) Quality assurance.—The Secretary shall ensure that certified providers are capable of providing technical assistance regarding comprehensive nutrient management in a manner that meets the specifications and guidelines of the Secretary and that meets the needs of producers under the program.

(F) Advance payment.—On the determination of the Secretary that the proposed comprehensive nutrient management of a producer is eligible for an incentive payment, the producer may receive a partial advance of the incentive payment in order to procure the services of a certified provider.

(G) Final payment.—The final installment of the incentive payment shall be payable to a produce on presentation to the Secretary of documentation that is satisfactory to the Secretary and that demonstrates—

(i) completion of the technical assistance; and

(ii) the actual cost of the technical assistance.

(g) Modification or Termination of Contracts.—

(1) Voluntary modification or termination.—The Secretary may modify or terminate a contract entered into with a producer under this chapter if—

(A) the producer agrees to the modification or termination; and

(B) the Secretary determines that the modification or termination is in the public interest.

(2) Involuntary termination.—The Secretary may terminate a contract under this chapter if the Secretary determines that the producer violated the contract.

SEC. 1240C. EVALUATION OF OFFERS AND PAYMENTS.

(a) In General.—In evaluating applications for technical assistance, cost-share payments, and incentive payments, the Secretary shall accord a higher priority to assistance and payments that—

(1) maximize environmental benefits per dollar expended; and

(2)(A) address national conservation priorities, including—

(i) meeting Federal, State, and local environmental purposes focused on protecting air and water quality, including assistance to production systems and practices that avoid subjecting an operation to Federal, State, or local environmental regulatory systems;

(ii) applications from livestock producers using managed grazing systems and other pasture and forage based systems;

(iii) comprehensive nutrient management;

(iv) water quality, particularly in impaired watersheds;

(v) soil erosion;

(vi) air quality; or

(vii) pesticide and herbicide management or reduction;

(B) are provided in conservation priority areas established under section 1230(c);

(C) are provided in special projects under section 1243(f)(4) with respect to which State or local governments have provided, or will provide, financial or technical assistance to producers for the same conservation or environmental purposes; or

(D) an innovative technology in connection with a structural practice or land management practice.

SEC. 1240D. DUTIES OF PRODUCERS.

(a) To receive technical assistance, cost-share payments, or incentive payments under the program, a producer shall agree—

(1) to implement an environmental quality incentives program plan that describes conservation and environmental purposes to be achieved through 1 or more practices that are approved by the Secretary;

(2) not to conduct any practices on the farm or ranch that would tend to defeat the purposes of the program;

(3) on the violation of a term or condition of the contract at any time the producer has control of the land—

(A) if the Secretary determines that the violation warrants termination of the contract—

(i) to forfeit all rights to receive payments under the contract; and

(ii) to refund to the Secretary all or a portion of the payments received by the owner or operator under the contract, including any interest on the payments, as determined by the Secretary, or

(B) if the Secretary determines that the violation does not warrant termination of the contract, to refund to the Secretary, or accept adjustments to, the payments provided to the owner or operator, as the Secretary determines to be appropriate;

(4) on the transfer of the right and interest of the producer in land subject to the contract, unless the transferee of the right and interest agrees with the Secretary to assume all obligations of the contract, to refund all cost-share payments and incentive payments received under the program, as determined by the Secretary;

(5) to supply information as required by the Secretary to determine compliance with the program plan and requirements of the program, and

(6) to comply with such additional provisions as the Secretary determines are necessary to carry out the program plan.

SEC. 1240E. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM PLAN.

(a) In General.—To be eligible to receive technical assistance cost-share payments, or incentive payments under the program, a producer of a livestock or agricultural operation shall submit to the Secretary for approval a plan of operations that specifies practices covered under the program, and is based on such terms and conditions, as the Secretary considers necessary to carry out the program, including a description of the practices to be implemented and the purposes to be met by the implementation of the plan, and in the case of confined livestock feeding operations, development and implementation of a comprehensive nutrient management plan.

(b) Avoidance of Duplication.—The Secretary shall, to the maximum extent practicable, eliminate duplication of planning activities under the program and comparable conservation programs.

SEC. 1240F. DUTIES OF THE SECRETARY.

(a) To the extent appropriate, the Secretary shall assist a producer in achieving the conservation and environmental goals of a program plan by—

(1) providing technical assistance in developing and implementing the plan;

(2) providing technical assistance, cost-share payments, or incentive payments for developing and implementing 1 or more practices, as appropriate;

(3) providing the producer with information, education, and training to aid in implementation of the plan; and

(4) encouraging the producer to obtain technical assistance, cost-share payments, or grants from other Federal, State, local, or private sources.

SEC. 1240G. LIMITATION ON PAYMENTS.

(a) In General.—Subject to subsection (b), the total amount of cost share and incentive payments paid to a producer under this chapter shall not exceed—

(1) $30,000 for any fiscal year, regardless of whether the producer has more than 1 contract under this chapter for the fiscal year,

(2) $90,000 for a contract with a term of 3 years,

(3) $120,000 for a contract with a term of 4 years, or

(4) $150,000 for a contract with a term of more than 4 years.

(b) Attribution.—An individual or entity shall not receive, directly or indirectly, total payments from a single or multiple contracts this chapter that exceed $30,000 for any fiscal year.

(c) Exception To Annual Limit.—The Secretary may exceed the limitation on the annual amount of a payment to a producer under subsection (a)(1) if the Secretary determines that a larger payment is—

(1) essential to accomplish the land management practice or structural practice for which the payment is made to the producer, and

(2) consistent with the maximization of environmental benefits per dollar expended and the purposes of this chapter.

(d) Verification.—The Secretary shall identify individuals and entities that are eligible for a payment under the program using social security numbers and taxpayer identification numbers, respectively.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. How much time does the Senator want on this amendment?

Mr. GRASSLEY. Could I have 10 minutes?

Mr. HARKIN. I yield the Senator 10 minutes.

Mr. GRASSLEY. I am sorry, I did not realize we were under time agreements.

The PRESIDING OFFICER (Mr. HARKIN). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I would like to go back to a very important subject that the Senator from Indiana brought up, and that is whether or not the bill is compliant in the future with some of our World Trade Organization obligations.

I think it is very obvious that the committee anticipated that it might not be compliant because on page 35 of the report there is a paragraph on the Secretary of Agriculture doing an adjustment to farm payments if that becomes a problem.

I cannot find fault with the writers of the legislation for putting this in here because in the other body, in the House bill—a Republican bill—they saw this as a problem, too.

On page 131 of that House bill it says: The Secretary may make adjustments in the amount of such expenditures during that period to ensure that such expenditures do not exceed but in no case be less than such allowable levels.

To me, it is a very serious problem we have; albeit, you might say it is going to happen—if it happens at all—in a minority of the instances because, as the Senator referred to FAPRI of Iowa State and Missouri, you said you think they said it would happen 30 percent of the time.

But if you are in a situation where it happens that 37 percent of the time and we exceed and we are retaliated against, and that would be legal retaliation and it would be retaliation at a time, presumably, we get high payments, farmers are already in trouble or they wouldn't get the additional payments. So you could find yourself in a situation where at the very time prices are going down, and we also have the additional problems that we can't export because we are being retaliated against, that just at the time farmers need the safety net, then that safety net has one great big hole in it.

We need to find some way to protect the American farmer so that the safety net the farmer has doesn't have a big hole in it. And we ought to also do it because we are in the leadership of all the nations of the world on reducing barriers to trade, particularly through our work in the Cairns group of nations. We are trying to get impediments to agricultural trade down to zero, both from the standpoint of market opening and from the standpoint of tariffs. That is our goal in the next round of negotiations under WTO.

If we are a nation in trade that believes in the rule of law, we have to follow the rule of law. We anticipate we would be in trouble on that because of the farm bill. It seems to me at a time that we are talking about a safety net for farmers, we ought to do what we can to make sure that hole is mended before this bill leaves the Senate. If it goes to the House and the House is willing to ignore it, then where are we? We are in a situation where down the road 5 to 10 years, depending on how long a farm bill we have, we have a big potential problem for the American family farmer. When they need help, they aren't going to get it. We can't go to the WTO and complain because we ourselves have recognized the possibility we might be in jeopardy.

In this regard, since we are going into the negotiations in the WTO—they start next week—I think, in the special round on agriculture that is going to be discussed in Geneva, for example, even the larger negotiations of the Doha development round, we are hoping to accomplish a great deal in reducing or eliminating tariff barriers and tariffs on agricultural products. In fact, it is such an important item, I think eventually we are going to start referring to this as the agricultural round. We are going to set an example. We have always tried to set an example.

Where we are, if we pass a bill that potentially violates WTO, we are giving encouragement to the competitor that we most have trouble with—Europe. Europe has about 85 percent of all of the subsidies for exports in the entire world. Europe has about a $400 billion common agricultural program.

We want that common agricultural program reduced. I think Europe knows they have to reduce it. We are going to be in a situation where we pass this legislation and, as they are looking at their common agricultural program, which they are doing, they are going to put off the big decisions of reducing that until probably the year 2005.

In the process of our complaining to them about they aren't doing enough, they are obviously going to cite not only what they believe the impact of our legislation is, but they are also going to cite that our legislation actually recognizes that as based upon this paragraph on page 35 and based upon the House bill.

I don't know why we don't live in the real world and why we don't try to deal with this. I am not saying that in a denigrating way to the Senator from Indiana. I am just saying that in a commonsense approach because he recognizes it. I suppose for the people who write the bill, they don't find an easy way to get out of it other than putting this paragraph and this language in the respective bills of the House and the Senate. This isn't directed towards Democrats because Republicans have put us in this boat as well.

I know that the White House sees this as a problem. They want us to work our way out of it. I happened to be able to have breakfast this morning with the person who is going to succeed Mr. Mooree as executive for the World Trade Organization, Dr. Supachai Panitchpakdi of Thailand. He is a parliamentarian there. He is going to take over in September. He expressed this concern to me as well. And, by the way, his country is very much a participant in the Cairns group that wants to eliminate agricultural subsidies. He reminded me, even though he has a small country, his agricultural subsidies are $1.3 billion compared to Europe's $400 billion. But regardless, he says that it does not put the United States in a very good position going into the Doha round of negotiations to be able to say to the other 142 nations, in particular, as we address the 77 developing nations within the World Trade Organization that tend to be more protective about their agriculture, and wanting to do less in this area, it doesn't put us in a very good position if we are writing legislation that we recognize is a potential violation of the world trading organization because we are exceeding the $19.1 billion that is in the amber box limit.

I have put forth some suggested amendments, a couple different approaches that I would have to confess maybe don't totally meet our requirements under the WTO, but I think tend away from heavy reliance upon price and heavy reliance upon production, which are the two items that if we tie our payments to tend to make us violate amber box requirements.

I want to work with both managers of the bill and see what we can do about this. To repeat the two or three reasons why I want to work with them, because, No. 1, we brag about passing a safety net for farmers, that safety net should be a pretty certain safety net for the next 5 to 10 years, the length of the legislation. At a time when it is most needed, it should be most predictable what would happen.

This language tells me that the bankers, to whom we are always listening, have to know what the farm program is going to be so they can make loans to farmers. They are going to look at this and say: We really don't know.

The PRESIDING OFFICER. All time has expired.

Mr. GRASSLEY. May I have 30 seconds?

Mr. LUGAR. I am happy to yield 30 seconds of the opposition time.

Mr. GRASSLEY. No. 2, then, so that we maintain our leadership in this effort to reduce trade barriers.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Mr. President, may I ask a question of the Chair? Is there 15 minutes of opposition time, minus the concession to the distinguished Senator from Iowa?

The PRESIDING OFFICER. That is correct.

Mr. LUGAR. Mr. President, the legislation offered by the distinguished occupant of the chair contains provisions that respond, in my judgment, to a number of unintended consequences for the farm sector of our economy.

I believe it is a matter of fact that in order for Senators to have a pretty good idea, at least, of how this amendment shapes up, a letter has come to me from a number of groups that are affected. Let me cite those groups. It was signed by the American Cotton Shippers Association; American Soybean Association; National Cattlemen's Beef Association; National Chicken Council; National Corn Growers Association; National Cotton Council; National Pork Producers Council; National Sunflower Association; United Egg Producers; U.S. Canola Association, and the Wheat Export Trade Committee.

They have written the following letter, which responds to the Senator's amendment:

> The Senate Agriculture Committee may soon be considering legislation as part of the Farm Bill to address the issue of agricultural competition and concentration. This extremely broad legislation would give the U.S. Department of Agriculture unprecedented authority to regulate corporate relationships, commercial practices and contracts for the production of agricultural commodities.
>
> Tough laws already exist to ensure open and fair competition throughout the U.S. economy—including agribusiness. The current laws should be aggressively enforced. Creating new laws in an already complex regulatory environment is unnecessary and could result in serious unintended consequences. Legislation limiting the ability of agribusiness to attract the needed capital for future development could harm the constituents that this legislation is intended to serve.
>
> Risk is an ever-present element of agriculture and effectively managing risk is a fundamental goal of agricultural producers. The key to effectively managing risk involves the use of creative risk management tools. Farmers and ranchers have worked with agribusiness firms to develop creative solutions for managing risk. Implementing these solutions requires capital investment, and to attract the necessary capital, firms must offer attractive rates of return. Statutory and regulatory burdens that focus on agriculture—ignoring the broader economy—inhibit the ability of agribusiness to attract the necessary capital to stay competitive and provide innovative risk management solutions.
>
> Unique marketing opportunities and new products present premium opportunities for producers. Placing agriculture under an isolated legal umbrella could well inhibit progress and limit the ability of agricultural producers to adopt new and innovative systems that increase profitability and sustainability. Modifying existing laws and statutes could segregate agriculture from the rest of the economy, causing capital flight and hurting long-term growth, investment, competitiveness and success of agribusiness and consequently American agriculture.
>
> Several state legislatures have taken steps such as the ones we are concerned about, and the results have been negative not only for agribusiness, but for producers as well. For instance, South Dakota and Missouri passed well-intentioned price discrimination legislation that resulted in severe cash/spot market disruptions, and Minnesota has passed legislation that has hindered the availability of some risk management and quality-based production contracts.
>
> In this day and age, agriculture needs more capital and human investment in order to remain productive for the long term. The undersigned organizations will not support legislation that would create unfair regulatory burdens or cause scarce capital resources to be diverted away from agriculture toward other sectors of the economy.
>
> Sincerely,
>
> American Cotton Shippers Association
> American Soybean Association
> National Cattlemen's Beef Association
> National Chicken Council
> National Corn Growers Association
> National Cotton Council
> National Pork Producers Council
> National Sunflower Association
> National Turkey Federation
> United Egg Producers
> U.S. Canola Association
> Wheat Export Trade Education Committee

I find merit in what has been suggested by these groups. I regret that the amendment would add, in my judgment, burdens and costs, restrictions, and more regulations for producers. It appears to me the tools that have been created are, in fact, both innovative and do help to manage risk. I hope they will be perpetuated.

Processors use contracting, which is a specific subject of the Senator's amendment, to secure stable and consistent supplies of the products that the market desires, as well as increasing operating efficiency.

A Purdue University study of agricultural contracting conveys the concern that legislation prohibiting or impeding contracting in agriculture could spur increased coordination in agribusiness. The study discusses the need for a contract in order for a process or to guarantee a quality and consistent product to consumers. I think that is the heart of the argument.

In essence, contracting is helpful in managing risk. It is helpful, at least to the buyer, to make certain of the quality and quantity and the supply of what is required for the benefit of consumers down the trail. Therefore, I am hopeful that the amendment will not be adopted. I appreciate the spirit in which it has been offered. I hope Senators will take seriously the arguments I have presented and, even more importantly, the arguments presented by the distinguished list of agricultural producers that authored the letter I cited.

I yield the floor.

(Mrs. CARNAHAN assumed the chair.)

Mr. HARKIN. Will the Senator yield for a mild colloquy?

Mr. LUGAR. Yes.

Mr. HARKIN. I ask the ranking member, is that the letter that came last fall or is it a new one? I am not familiar with that. If that is the one——

Mr. LUGAR. It came in November of last year.

Mr. HARKIN. I think that letter is just opposed to the whole competition title that we had in the chairman's mark of the farm bill last fall.

Mr. LUGAR. I am sure the Senator is correct. There are a number of aspects of the competition title to which it would refer.

Mr. HARKIN. Yes. That is why this amendment I have offered is much more limited in scope than the broad issue they were talking about.

Mr. LUGAR. They cited contracting in that part of it specifically, but it covers, obviously, a much more comprehensive set of circumstances.

Mr. HARKIN. I wanted to make sure this wasn't a different letter. I thank the ranking member.

Madam President, when I took the chair, I had yielded some time to Senator GRASSLEY from Iowa. I thought he was going to talk on this amendment. He wanted to talk on something else. I think my time has expired on this side.

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. Madam President, I ask unanimous consent for 2 more minutes to respond a little bit to the letter written.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. I think, again, the letter that was read addressed the entire competition title and it was comprehensive. This amendment is much more narrow. It only affects production contracts in livestock. The letter does not point out, nor have I heard anybody point out, any specific negative consequences that could occur from this very limited type of amendment. This provides for fairness in production contracting. It closes a loophole in the Packers and Stockyards Act. That act already covers production contracting in poultry and has since 1935, if I am not mistaken. But at that time there was no such thing as production contracting in other areas, such as livestock, cattle, and hogs, it was not addressed. Since then, production contracting has become much more prevalent in livestock.

As I pointed out, in 1990, there wasn't such a thing. Now, 30 to 35 percent of all our hogs are raised under production contracts. If we will provide fairness rules for gasoline station owners, for Dairy Queen owners, or securities dealers, or others that are franchisees, to give them a little bit of fairness in their contracts, that is all we are trying to do with our cattle and hog producers.

Again, this is to close the loophole in the Packers and Stockyards Act. I cannot imagine why our cattle producers or any organization that represents them would be opposed to that. Who are they representing? What organization is going to tell my farmers they can't have protections under the Packers and Stockyards Act like our poultry producers do?

The packers, of course, want unlimited power. All we are trying to do is put in some fairness, and this amendment does that.

I thank the Chair for yielding this additional time.

Mr. ENZI. Madam President, today I rise in support of the amendment offered by Senator HARKIN. This amendment puts ranchers with production contracts under the same umbrella of protections the Packers and Stockyards Act provides to other livestock producers. Producers with production contracts, excluding those that raise poultry, are not included in the Packers and Stockyards Act. They are not protected from unfair and deceptive practices as other livestock producers are.

In a production contract, a producer provides the labor and materials to raise livestock owned by another individual, the contractor. Until recently, the contractor could be a packer or another person. On December 13, 2001, this body passed an amendment to the farm bill that prevents packers from owning, feeding, or controlling livestock more than 14 days before slaughter. This means that packers can no longer directly enter into production contracts because they would own the livestock more than 14 days before slaughter. However, the amendment we passed in December does not prevent other individuals from production contracting with producers. These producers with production contracts need the same protections other producers receive against unfair and deceptive practices.

We should not be fooled into thinking that this ban of packer ownership we passed in December will completely shrink packer influence over the market. This bill must still go to conference and the ban will face incredible scrutiny. The ban will probably go the way many similar amendments have gone in the past. Amendments that reduce the choke hold of the packers have routinely disappeared in conference. It took years of work to get mandatory price reporting into law. However, we all know the packers are still withholding a fair amount of pricing information from producers.

Many of you may be wondering why these producers need protection from their contractors. A production contract entails a large capital investment to feed, shelter, and care for the livestock that the producer does not own. Many producers have suffered through unfair treatment because their contract was too large to risk contending with the unfair practices. This great pressure from the contractor was also the reason the second part of the amendment was included.

The second portion of the amendment guarantees that the producers have the right to discuss the contract with their business advisors, landlord, managers, family, and State and Federal agencies charged with protecting parties to the contract. In States where producers already have this right, the pressure and intimidation from contractors is so extreme producers forego sharing the contents of their contracts. They fear retribution. Other producers are given contracts with secrecy clauses that prevent them from discussing the contract terms with individuals that could help protect their interests.

This amendment offers an overlooked group of livestock producers the same protections others in their industry already have. They would be protected from unfair and deceptive acts and given the right to discuss their contracts with certain individuals. I urge my colleagues to throw your support behind this amendment.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. LUGAR. Madam President, I appreciate the arguments made by the distinguished Senator. It would appear to this Senator, however, that the objectives of the Harkin amendment are already met on the statute books. The reason I have suggested that the amendment creates confusion is that it might subject the current law to reinterpretation. To that extent, it seems to me that this amendment is not productive, except of potential confusion and difficulty. Very clearly, current statutes are against fraud, unjust practices, and abusive activity in contracting.

I say to the Presiding Officer, the groups I cited, that at least a good number of members who are subject to the competition section, as the distinguished Senator from Iowa has pointed out, and this part of it in particular, object for good reason and cite this is going to be disruptive at least in terms of their operations and capital flow in what they are doing.

For those reasons, I do not perceive the necessity for the amendment and ask Members to vote in opposition.

Madam President, unless there is further need of debate by my distinguished colleague, I yield back my time on this issue.

The PRESIDING OFFICER. All time is yielded back.

Mr. HARKIN. Madam President, parliamentary inquiry: Under the unanimous consent agreement entered into some time ago, what is the next order of business?

The PRESIDING OFFICER. The next order of business is 40 minutes of debate on the two amendments by the Senator from Montana.

Mr. HARKIN. I understand the Senator from Montana will be in the Chamber very shortly. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BURNS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2607, AS MODIFIED, AND AMENDMENT NO. 2608, AS MODIFIED

Mr. BURNS. Madam President, I thank my ranking Member. I assume my two amendments are in order.

Mr. LUGAR. The Senator is correct. I yield to the Senator 20 minutes of the 40 minutes allocated for debate on the amendments for his control.

Mr. BURNS. I thank my good friend from Indiana. I do not think I will take that much time because these amendments were pretty well discussed prior to the holiday break.

There was some question about a budgetary point of order. I have since modified these amendments, and they are in concert with the budget and ready for consideration because it is a change in policy on how we handle CRP, the Conservation Reserve Program.

One of the amendments limits the number of acres—these will be the new acres coming into the system or any acres that are renewed—a farmer can enroll in the CRP.

What we are seeing in rural America is that instead of selling the farm or the ranch to a younger farmer or putting the acres into production, those acres are enrolled in the CRP and they do not produce anything. In other words, the farmer who enrolls them takes the check and it is like going to Arizona—he is still getting the paycheck and still paying for the farm.

I think this is wrong. Those acres are enrolled for a good purpose. The original intent of CRP was to put marginal acres in the CRP and leave the good acres to production. What happened? The trend has reversed, and farmers are putting in some good land. It forced some of the fellows who needed to raise their production into breaking up some land that was marginal for grain production.

This one amendment calls for a limitation on the number of acres a farmer can put in the CRP. It is not the total acres of a county or a State but for each farmer.

The other amendment deals with the form of payment. As I said, we had one payment for everything. It was designed to take those marginal acres, highly erodable acres, out of production for a conservation reason—wildlife habitat. It worked. Land was set aside. The population of upland birds, sporting birds, and wildlife returned to those areas.

Then, because payment for the acres increased, good land was being put into the CRP. That was not the intent of the Conservation Reserve Program.

What my second amendment says is we will pay higher prices for those acres that are highly erodable and should not be farmed and should be set aside for conservation purposes—in other words, it is just good conservation—and a lower price for the highly productive land because that is the land that should be in production.

I do not know how many people have gone through our rural areas, but CRP has not been a great thing for our smaller towns. One does not see dealerships. Machinery dealerships have gone away, and feed and wheat houses have gone away because good land was put into the CRP and taken out of production, and nothing happens on that land. That is not what the original intent of CRP was about.

As I stated to the ranking member of the Agriculture Committee, these issues have been pretty well aired. The purpose, as far as I can see, is good conservation. It also is good business practice.

If there are questions, I will certainly entertain some conversation on these amendments. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Madam President, in conversations with my friend from Montana and with the staff, I understand there is a budget score on these amendments that may be a problem. In discussions with the Senator from Montana, he has obviously raised some good points. Part of the bill addresses some of the problems already. I refer to page 213 of the bill, section 212. We provide for a study on economic effects regarding the Conservation Reserve Program.

Our staffs are going to work together to develop further language, as I understand, that could be added to this section to call for additional studies in the area that the Senator from Montana is concerned about, but that would not have a budget scoring implication. We will work together with the staff of the Senator to try to develop that language.

Mr. BURNS. Madam President, I thank my friend from Iowa. I don't think we have any other route until we complete this study. Maybe we can enlighten our friends down at the CBO. They came up with unbelievable numbers. We changed our language, on their recommendation. There was a point of order raised when we first offered the amendments; they were wrong then. Then they suggested the language. Now they say the language is not good enough. So here we go again.

I take issue with their numbers. However, I will not take issue with the recommendation made from the chairman of the Committee on Agriculture. We need to complete some sort of a comprehensive study of rural areas and the impact that CRP, specifically this program, has had on rural communities, when you take good land out of production or you pay the same for highly erodable land and highly productive land. I think we can work on some language.

We would like to see what happened. Maybe they will put some little fellow somewhere to work, give him a job for the next 2 or 3 months and maybe we can come back and change some of this.

It defies common sense. They say that is about all the sense I have—pretty common—but it defies common sense that this would have an impact on the budget or outlays of money when we talk about the enrollment of acres into a conservation program, designed for a good reason, but that has gone astray. We are trying to fix that. That is all we are trying to do. If it requires a study and we have to go back and visit with those people, that is what we will have to do.

I thank my friend and his staff for that recommendation. I think it is a good recommendation.

AMENDMENT NO. 2607, AS MODIFIED, AND AMENDMENT NO. 2608, AS MODIFIED, WITHDRAWN

Mr. BURNS. Madam President, I will withdraw these amendments.

If the manager of the bill will permit me a hold somewhere in there, say, if we get the language worked out, then we can reoffer these amendments, referring to the section that he recommended in his opening statement.

I appreciate the help of my good friend from Iowa.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments (Nos. 2607 and 2608, as modified) were withdrawn.

Mr. HARKIN. I say to my friend from Montana, we will work together to try to get this language modified. I guarantee the Senator he will have the opportunity to offer that at some point before we finish this bill.

Mr. BURNS. I thank the Senator.

Mr. LUGAR. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2602

Mr. WELLSTONE. Madam President, I call up my amendment No. 2602.

The PRESIDING OFFICER. The amendment is now pending.

Mr. WELLSTONE. Madam President and colleagues, this is a simple reform amendment. We have done a lot of good in the farm bill—I thank the chairman, Senator HARKIN—which I really think represents a reform measure. The energy section of the bill is very important, economic development, and the Conservation Security Act, and the list goes on.

I think the amendment Senator JOHNSON offered—I was proud to offer it with him—on captive supply is extremely important. The country-of-origin label is really important. Later in this debate, we will consider a payment limitation amendment that I am in favor of which would stop subsidizing the megafarms that have driven independent producers out of business.

Part of the problem right now in the food industry is a few conglomerates have muscled their way to the dinner table exercising their raw economic and political power over independent producers, over taxpayers, and over consumers.

This debate has made me a true conservative. I am interested in putting more free enterprise into the free enterprise system. I want more competition in the food industry and more competition in agriculture.

If you support a payment limitation, you should certainly be in support of this amendment. This amendment is about stopping the flow of benefits to these large livestock conglomerates that over the years have been squeezing out the independent producers and that have also all too often represented an assault on the environment.

The amendment is simple. It says we in the Congress should and will work to help alleviate the environmental and public health threat posed by existing large-scale animal factories. However, Congress should not be subsidizing the expansion of these large animal confinement operations.

My colleagues should know that this amendment has broad support from both the farm and environmental community with groups such as the National Farmers Union, Defenders of Wildlife, Environmental Defense, Environmental Working Group, the Humane Society, the National Wildlife Federation, National Resources Defense Council, and the Sustainable Ag Coalition.

Problem: Current law limits payments under the Environmental Quality Incentives Program—we call it EQIP—to small- and medium-sized operations. Any operation with over 1,000 animal units is not now eligible for EQIP farms. Again, any operation with over 1,000 animal units is not now eligible for EQIP funds.

For colleagues who are not from agricultural States, what does 1,000 animal units mean? It means 1,143 cattle, 714 dairy cows, 5,400 hogs, 454,545 boilers, and 66,667 turkeys.

Unfortunately, the farm bill of the House of Representatives removes the 1,000 animal unit cap, opening millions of dollars to factory farms for managing their livestock waste. The House bill also raises the current payment limitation to $50,000 a year. The Senate Agriculture Committee's farm bill also eliminates the 1,000 animal unit cap and raises current payment limits to $50,000 per year.

Over the last decade, there is little doubt and little debate that we have seen these large-scale animal factories proliferate across the Nation. These big operations have grown with little regard for environmental damage and public health threats rising from the huge amounts of animal waste generated by these operations. Many rural communities have seen drinking water supplies and recreational waters degraded. In some cases, neighboring property owners, including those who have lived in their communities for generations, have been driven from their homes as a result of the animal waste. Farmers and ranchers have joined with others in bringing legal action against these factories for the unbearable stench from millions of gallons of liquid animal feces and urine or tons of poultry waste for the degradation of surface and ground water.

This is an environmental amendment, but it is more than that. Additionally, the expansion of these factory farms has, in large part, led to the disruption of family farms. Across America you see this concentration of livestock production into fewer and larger industrial operations taking over, driving out the small businesses.

I am saying that these large operations can right now get technical assistance. They can receive EQIP money with no problem whatsoever.

But what I am saying is they want to expand. Later in the Chamber we are going to be talking about this again. If they want to expand, they will be receiving more Government money. The Government ought not be in the business of promoting this expansion by giving money to these large conglomerates which quite often are destructive of the environment and destructive of what is good for consumers and are driving independent producers out of business.

Again, Senators, I will repeat what I said earlier. There is going to be a payment limitation amendment on the floor. Anyone who is for that certainly ought to be supportive of this amendment.

It is very simple. My amendment is simple. It says new or expanding large-scale animal factories shall not be eligible to receive cost-share funds under the EQIP program for animal waste structures. Existing large animal operations would continue to be eligible.

That is a very important point for EQIP assistance. Let me be crystal clear about that. Let me also say that there has been language added in consultation with both the majority and the minority committee staff to my amendment to clarify the point that adoption of new technologies does not, absent expansion of capacity, trigger new or expanding provisions. You can always add technology. It is not a problem. We are not talking about new technology. We are talking about the actual expansion of these operations.

Another point: What you have going on with these CAFOs is some of these big conglomerates don't own just one but there is multiple ownership.

What I am simply saying is to let us do something but let us do something for the family farmers. Let us not oversubsidize corporate operations that own multiple CAFOs around the country. Some of the biggest hog producers in the United States are these large corporations that own 10, 15, or 20 CAFOs.

My amendment says if you own more than one CAFO, you don't get any taxpayer subsidy. I am sick and tired of this taxpayer subsidy in inverse relationship to need in agriculture. By the way, so are consumers, so are taxpayers, and so are the citizens we represent.

Finally, this amendment also disqualifies funds for construction of new livestock waste facilities located in a 100-year floodplain. That is a no-brainer. I don't I think even need to explain it.

But I do want to point out that this revised amendment would allow livestock operations to expand up to 1,000 animal units, even if they are in a 100-year floodplain, but would retain the restriction on establishing new facilities in the floodplain.

Colleagues, I have already made it clear that the payment goes not from 10 to 50 but 10 to 30. So we increase the payment.

I have also made the case that for those who say we ought to be targeting the assistance, we ought not to have this largess going out to the largest conglomerates, we ought not be using taxpayer money for subsidizing environmental degradation, we ought to be getting this to the independent producers, this amendment is a dream for you.

If we do not pass this amendment, you are going to have editorials, and I am sure there will be a Web site somewhere that is going to track these CAFO payments and reveal just how these integrators and corporations are receiving them. Frankly, the reason for that is Congress just gave it away.

This is a reform amendment. I urge my colleagues not to go down this road again. I urge my colleagues to retain some degree of reasonableness on the payment limit issue.

For those who support reform on the crop side, we should support this measure. If we don't pass this amendment, we will see the same abuses in the EQIP program as we have seen under the commodity programs with all of the money going to the very biggest of the operators. Let us make sure that the small and midsize producers are the ones that get the help. Let's make sure they have access to environmental quality incentive payments. Let's not open the floodgates wide to take care of the full costs of any operation no matter how large it is and no matter its environmental degradation.

I simply say the limits in my amendment are triple the size in current law and nearly 10 times larger than the current average payments. It is reasonable. I urge your support.

This is a reform amendment for agriculture. It should be adopted.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Madam President, how much time does the Senator from Minnesota have?

The PRESIDING OFFICER. Nine minutes.

Mr. HARKIN. Madam President, I ask the Senator if he will yield me a couple minutes.

Mr. WELLSTONE. Madam President, absolutely. I am very proud to have the support of the chairman.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, during the 1996 farm bill debate, I successfully offered an amendment to limit cost-share funding under EQIP for large confined animal feeding operations, which is present law.

I offered that amendment because of the special environmental concerns associated with these large operations. Again, let's keep in mind, as the Senator from Minnesota said, these are large CAFOs, operations larger than 1,000 animal units. That is 4,000 head of veal, or 5,400 head of swine, with an average weight of 185 pounds. So, again, we are talking about pretty large operations.

I believe we need to help producers comply or avoid the need for regulations. I believe we should provide cost-share funds to these CAFOs to build structures that will contain waste to protect and improve water quality, and to protect the quality of the environment.

However, as the Senator from Minnesota has said, EQIP was never designed to subsidize expansion of livestock operations.

The underlying bill allows for the use of cost-share funds for existing and expanding CAFOs. This amendment, as I understand it, does not prevent the use of funds for existing CAFOs but prohibits cost-share funding for new or expanding CAFOs; that is, operations over 1,000 animal units, but with several exceptions like for operations that expand using innovative technologies.

So this amendment still allows cost-share funding for existing and smaller facilities but does not subsidize growth of the very largest livestock operations that are not yet in existence. Remember, it grandfathers the ones that are already large. That is, the existing CAFOs are not limited or excluded.

I believe this amendment is consistent with the underlying bill. It still helps all livestock producers now in operation. But, as the Senator said, we should not be in the business of subsidizing for further expansion. I do support the amendment and hope that it is adopted.

I thank the Senator for yielding me time.

The PRESIDING OFFICER (Mr. CLELAND). Who yields time?

If no one yields time, the time will be charged equally to both sides.

Mr. LUGAR. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. The Senator from Indiana is informed we are not in a quorum call.

Mr. LUGAR. I thank the Chair.

Mr. President, I yield myself 5 minutes of the opposition's time.

Mr. President, I will not, in fact, oppose the Wellstone amendment because it appears to me to be consistent with the legislation that is before us with some modification with regard to expansion. But I want to take this time to try to indicate the logic for my views on this in view of an amendment I will be offering tomorrow that is obviously a great deal more restrictive than the Wellstone amendment today or, in fact, payment limitation amendments that will be offered by distinguished colleagues.

Essentially, tomorrow, I am going to offer an amendment that would displace the entire commodities section of the bill and substitute for that a system of payments to farmers in this country that has basic, fairly simple elements, unlike the present system in which 60 percent of farmers do not receive subsidies, which includes, in most cases, farmers who are purely in the livestock business, as well as those who are involved in vegetables and fruits and various other agricultural products that do not have row crop situations.

In the current situation, 40 percent of farmers receive money, and in that group about two-thirds of the money goes to 10 percent of the farmers. As I have mentioned earlier today, using arithmetic, this reduces to 4 percent the number of farmers—principally, those in the five row crops: cotton, rice, soybeans, corn, and wheat—receiving two-thirds of the money.

I want to end all of that and, as a matter of fact, now consider every farm in America that has $20,000 of revenue. I select that figure because that at least denotes, in much agricultural literature, a farm that is a serious farming effort as opposed to a hobby farm or someone who is involved in incidental planting.

In America, there are about 800,000 farms that have $20,000 of income—farm entities that would meet that criteria. In some of these cases, these farms have an owner and those who are doing the farming and they share the risk. So both of those would count for a farm entity provided the amount of revenue coming into the farm meets my criteria.

Essentially, under my plan, each of these 800,000-plus farm entities in the country would receive $7,000 a year for the 4 years starting with fiscal year 2003. That means 100 percent of farms—not 40 percent—would receive money. That would be the safety net, the cashflow, the money that we have often talked about as saving the small family farmer and keeping everybody alive.

But it also means farmers who are now receiving hundreds of thousands of dollars a year would, in fact, receive $7,000. We would finally come back to market economics in terms of what we plant. We would come back to a situation which is clearly competitive in the world trade situation without danger of running into retaliation for trade practices which I believe the legislation in front of us now brings us to.

We would end the bubble effect of agricultural land being priced beyond that which the young farmer has any hope of meeting.

We would meet the situation of 42 percent of farmers who rent as opposed to own and do not benefit from our farm program that escalates land values artificially.

In short, we turn around a bill which I believe has very unfortunate implications for the future in agriculture to one of equity. And we do so for tens of billions of dollars less than the moneys that are now talked about in this farm bill.

That, I believe, is important for each one of us who wants to reduce deficits, who wants to take less money from the Social Security account, who wants to at least make possible some type of forum in which we might talk about medical reform and other issues that are important to the American people.

For that reason, because I am going to present that kind of an idea, I do not plan to oppose the Wellstone amendment which in fact does have some modest limitations in the livestock area. My amendment and others that deal with payment limitation really pertain principally to the CCC payment, commodity payments. It would be inconsistent to support that kind of limitation and to find that it occurred, only to find that in another part of agriculture people were able to proceed without restraint and sometimes in ways which the Senator from Minnesota has pointed out are environmentally destructive.

For these reasons, my own view is that the legislation that we now have before us in this area is in fact reform and is important. And the distinctions made by the Senator from Minnesota are there, but they are not large. Therefore, I do not plan to oppose the legislation, but I did want to explain why I took that point of view and at least the logic of my own position in view of an amendment which will be before Senators tomorrow.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Six minutes.

Mr. WELLSTONE. Mr. President, if the other side wants to yield back time, I will.

I thank the Senator from Indiana for his intellectual integrity. The argument he made, if I understood—and I do not want to at all misconstrue his point—was that he will not oppose this amendment because that would be inconsistent with his very strong focus on payment limitation. I am thrilled because I very much want to pass this amendment. I think it is the right thing to do.

If the other side wants to yield back its time, I will as well. We can move forward.

Mr. LUGAR. Mr. President, I know of no other Senator who wishes to speak in opposition. And having called for such and not finding the same, I am prepared to yield back. Let me ask, however, for just a moment to make sure, as we check our cloakroom, that there is not someone who wants to speak and who will be precluded from doing so. For that reason, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LUGAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I yield 3½ minutes of the opposition time to the distinguished Senator from Iowa and 3½ minutes to the distinguished Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I rise in opposition to the amendment offered by my colleague, the Senator from Minnesota. I certainly commend the Senator's role of reversing the trend towards larger farms and greater concentration in agriculture. I have been pleased to work with Senator

WELLSTONE to address a number of concerns related to concentration and consolidation in the agricultural industry. Most recently we worked together to secure passage of the bipartisan amendment to address vertical integration by limiting packer control over livestock.

While the Senator from Minnesota and I share the goal of reversing that, I am concerned that this amendment would fall short of that goal. In short, Senator WELLSTONE's amendment would have the detrimental effect on many midsize family farmers who are struggling to comply with stringent new environmental regulations by slashing the amount of funding available to make responsible environmental improvements in rural areas.

The reason I take some caution in addressing opposition to his amendment is that I complimented the Senator from Minnesota, as we were debating this bill in December, that he was going to offer this amendment. But when I held meetings in my State of Iowa during the month of January—I held several town meetings just on the farm bill— I had this concern from people who are strictly family farmers who came to my meetings. They were very concerned about the CAFO regulations that they have to meet and the fact that if they have to meet those, they may not be able to stay in livestock. They did find EQIP provisions in the original farm bill to be helpful to meet those requirements so they could stay in agriculture.

So I changed my mind, I need to tell the Senator from Minnesota. I say it apologetically, in the sense that I had encouraged him in the first instance. I think these stringent, new regulations proposed by EPA are meant to get help from the provisions of this farm bill in addressing water pollution from livestock operations. According to EPA's own estimate, the new regulations could cost producers from $280,000 to $2.4 million over 10 years.

While the goals of the new regulations are certainly commendable, we obviously have to take the financial costs of the regulations into consideration. I drew the conclusion, after my meetings in January, that it was too much for many family farmers to absorb.

Recognizing the dire situation of these farmers, last year the Senate supported the amendment I offered to the budget resolution to increase EQIP funding by $350 million in each of the next 10 years. This important funding will provide cost-sharing assistance to family farmers to help them comply with the new CAFO regulations.

The Wellstone amendment would significantly reduce the level of EQIP funding available to family farmers. According to EPA estimates, over 1,000 livestock operations in Iowa would be ineligible for EQIP funds.

Mr. President, again, I am in opposition to the amendment offered by my colleague, the Senator from Minnesota. Let me first say that I certainly commend the Senator's goal of reversing the trend toward larger farms and greater concentration in agriculture. I have been pleased to work with Senator WELLSTONE to address a number of concerns related to concentration and consolidation in the agriculture industry. Most recently, we worked together to secure passage of a bipartisan amendment to address vertical integration by limiting packer control over livestock.

While the Senator from Minnesota and I share the goal of reversing concentration, I am concerned that this amendment falls far short of that goal. In short, the Senator's amendment would have a detrimental effect on many of my state's mid-sized family farmers who are struggling to comply with stringent new environmental regulations by slashing the amount of funding available to make responsible environmental improvements in rural areas.

Mr. President, the future prosperity of Iowa's family farmers, and farmers across this nation, is currently threatened by stringent new regulations proposed by the EPA aimed at addressing water pollution from livestock operations. According to EPA's own estimates, the new regulations could cost producers from $280,000 to $2.4 million over the next ten years.

While the goals of the new regulations are certainly commendable, the financial costs of these regulations will simply be too much for many family farmers to absorb.

Recognizing the dire situation of these farmers, last year the Senate supported an amendment that I offered to the budget resolution to increase EQIP funding by $350 million in each of the next ten years. This important funding will provide cost-sharing assistance to family farmers to help them comply with these new regulations.

The Wellstone amendment, however, would significantly reduce the level of EQIP funding available to family farmers. According to EPA estimates, over 1,000 livestock operations in Iowa would be ineligible for EQIP funds. Another 500 to 1,000 could be ineligible if they expand in order to remain competitive or to comply with the new rules by building new structures with new technologies.

The bottom line is that if these family farmers are denied EQIP assistance, the result will be poorer management systems and practices, and the environment will suffer.

The farm bill reported by the Agriculture Committee makes reasonable changes to the rules of the EQIP program by limiting eligibility by a simple and reasonable payment limit—not by the size of the operation. A payment limit puts livestock and poultry operations on an even footing with the program limits for row-crops.

Without the technical and cost-sharing assistance provided by EQIP, many family farmers in my state will be forced out of business—leaving only the largest farms who can absorb the costs—and leading to even greater concentration in the industry. In this farm bill, we have made great strides toward reducing the level of concentration and vertical integration in agriculture. Unfortunately, this amendment would be a step backwards.

Over 80 percent of Iowa's farms are individually or family-owned. It's these producers I have always sought to help. These are the people who produce our food and keep main streets in rural America in business. These are the farmers who depend on the assistance from the EQIP program. It is for these farmers that I will oppose this amendment and support a strong EQIP.

The PRESIDING OFFICER. The Senator from Wyoming is——

Mr. WELLSTONE. Might I inquire, Mr. President, how much time remains?

The PRESIDING OFFICER. There are 5 minutes remaining.

The Senator from Wyoming is recognized.

Mr. THOMAS. Mr. President, I rise in opposition to this amendment. I think what we really have to do, as in the case of other kinds of issues, is look at what it is we are seeking to do. If the purpose of this EQIP program—which, by the way, is used thoroughly in my State with a lot of good success—is to limit the environmental impact, or if it is to help with the technical information necessary for operators to do something about the impact of the CAFO regulations or those kinds of things—if you want to try to find a way to limit the size of farms and redistribute income, those are two different things.

The purpose here is to find the most efficient way we can to deal with the most livestock out there putting the environment at risk, so we can do something about it, and to then provide it to those people who can have the most impact on doing something about the environment. That is what it is all about. It is not about trying to keep farmers smaller or having to do with size. There is a limitation under the law on how much money can go to any operator during the period of the life of the farm bill, over the 6-year period. So I think we may want to, obviously, do something about payments, total payments. That is a different question.

The question here is, how do you best utilize the resources in an effort to help farmers and ranchers deal with the question of environment and, more particularly, to deal with the regulations that have been put in place for nonpoint source pollution, and the idea of having lots and corrals and feedlots along water supply sources. I think it is very important that we look at it in a broader sense. If EQIP cost-sharing assistance is not made available to operations with a thousand animal units or more, EQIP would fail to meet the needs of the producers managing more than half the livestock in the country.

If you are trying to do something about the pollution problems and give help to people who are seeking to limit the livestock's involvement in pollution of water and nonpoint source waters, then I think this kind of a limitation is not in keeping with that purpose and indeed hinders that purpose. Like my friend from Iowa, I joined with the Senator from Minnesota on several amendments, and I certainly want to continue to do that. I just don't believe this amendment helps to accomplish the goals out there for the EQIP program. So I hope people will vote against this amendment so we can move on to accomplishing environmental solutions.

I yield the floor.

Mrs. BOXER. Mr. President, the farm bill before us recognizes the importance of environmental conservation in agriculture and provides funding for programs that support those measures. California livestock operations come in all sizes, but many of them are large operations requiring substantial environmental management activities. Access to programs that support environmental improvements is key to ensuring that the best environmental practices are undertaken on these farms.

Senator WELLSTONE's amendment, which would limit access to conservation funding based on factors like the size of the farm, falls disproportionately hard on California farmers and would ultimately slow down environmental improvements. Limitations on these payments will not eliminate those farms, it will only limit support for conservation efforts that are so critically important in these operations. For those reasons, I must vote against the Wellstone amendment and support conservation funding for California farmers.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, both my colleagues and good friends, the Senator from Iowa and the Senator from Wyoming, break my heart. First of all, actually with this amendment, under current law, if you are over a thousand animal units, you don't get any EQIP money whatsoever. Under my amendment, if you are over a thousand animal units, you can get the money. We go from $10,000 to $30,000 a year. If you are over a thousand units, you can get money. You can't right now.

We are saying that if you are under a thousand units and you want to expand to over a thousand, or you are over and you want to expand even further and you want to get bigger and bigger, at that point the Government ought not to be subsidizing this expansion.

This is a reform amendment. This is consistent with those who are in support of payment limitations. This is ranked by the environmental community as a key environmental amendment because it is crazy for the Federal Government to be subsidizing this environmental destruction.

I say to my colleague from Iowa, we are going to provide the money. Right now, under current law, if you are over a thousand animal units, you can't get EQIP money. Under this amendment, you can. If you want to expand it more and get bigger, at that point it is not appropriate for the Government to provide the payments. That is exactly what the Grassley amendment is going to say when it comes to payment limitations. It is exactly the same philosophy.

This is a reform amendment. It is an environmental amendment. It is an amendment that is for our independent producers. If you look in your State and at your producers, the vast majority of them are helped by this amendment, as opposed to current law. The only thing this amendment says is, if you want to get bigger and expand even more, at that point, you are not going to get any more Government money. This is a reform amendment. It deserves support.

I yield the floor, and if my colleagues want to yield back the remainder of their time, I will do so also.

Mr. LUGAR. How much time remains on our side?

The PRESIDING OFFICER. Fifteen seconds.

Mr. LUGAR. I thank the Chair. We are prepared to yield back that time.

Mr. WELLSTONE. I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment.

Mr. WELLSTONE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 44, nays 52, as follows:

[Rollcall Vote No. 15 Leg.]

YEAS—44

Akaka
Biden
Byrd
Carnahan
Carper
Chafee
Cleland
Clinton
Collins
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Ensign
Feingold
Gregg
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerry
Kohl
Leahy
Levin
Lieberman
Lugar
Mikulski
Reed
Reid
Rockefeller
Santorum
Sarbanes
Schumer
Smith (NH)
Snowe
Specter
Stabenow
Stevens
Torricelli
Wellstone

NAYS—52

Allard
Allen
Baucus
Bayh
Bennett
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Campbell
Cantwell
Cochran
Craig
Crapo
DeWine
Edwards
Enzi
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Landrieu
Lincoln
Lott
McConnell
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Roberts
Sessions
Shelby
Smith (OR)
Thomas
Thurmond
Voinovich
Warner
Wyden

NOT VOTING—4

Domenici
Jeffords
McCain
Thompson

The amendment was rejected.

AMENDMENT NO. 2604 TO AMENDMENT NO. 2471

The PRESIDING OFFICER. Under the previous order, there are now 2 minutes evenly divided prior to the vote on the Harkin amendment.

The Senator from Iowa.

Mr. HARKIN. Mr. President, this amendment closes a loophole in the Packers and Stockyards Act by including livestock production contracts under its jurisdiction. It also provides livestock producers the ability to discuss the terms of the contract with certain people, such as their attorney, banker, landlord, and government agency charged with protecting a party to the contract. It does not say they have to but they are so allowed.

Basically, since 1935, poultry producers have uncovered production contracts under the Packers and Stockyard Act but other livestock were not—for example, swine and cattle were not. But production contracts are becoming a bigger and bigger part of the establishment. Yet they are not covered under the Packers and Stockyards Act.

The two largest farm organizations, the American Farm Bureau Federation and the National Farmers Unions, as well as dozens of other farm groups, support this amendment. It does not create any regulatory burden.

As I said, we have had this provision under the Packers and Stockyards Act since 1935. If we can help Dairy Queen franchisees and gasoline franchisees, and if the poultry people have lived under this since 1935, I think it is time we give the cattle producers and the pork producers in this country the same kind of protections under the Packers and Stockyards Act.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I oppose the Harkin amendment on the basis that it is likely to confuse interpretation of the contract issue. It is a narrow issue we are discussing. The amendment offered by the distinguished chairman of the committee is a narrow issue. On balance, it appears to me to be unnecessary and redundant.

It is opposed by a host of livestock and poultry organizations for those reasons. I cited a letter from many of them with regard to a number of competitive issues that are in the bill, and this one in particular.

For these reasons, I suggest a "no" vote on this amendment.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, for all Members, this will be the last vote of the day. We have an agreement tentatively worked out that is being cleared by both sides that there will be debate on an amendment offered by Senator DURBIN tonight. There will be a second-degree amendment offered by Senator GRAMM of Texas on that amendment tonight or in the morning. I think Members can expect a rollcall vote around 10 or 10:30 in the morning, after which there will be two amendments that will take approximately 4 hours. There will be a vote after each one of those. So we have until 3 or so tomorrow afternoon already tentatively worked out on this bill.

We also are going to try to work out a finite list of amendments. The minority and majority staffs are now working to whittle that down. It is down now, even as we speak, to a fairly small number of amendments. So hopefully there is some end in sight for this legislation.

The PRESIDING OFFICER. The question is on agreeing to the amendment, No. 2604, as modified. The Senator from Iowa.

Mr. HARKIN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

The PRESIDING OFFICER (Mr. DAYTON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 82, nays 14, as follows:

[Rollcall Vote No. 16 Leg.]

YEAS—82

Akaka
Allard
Baucus
Bayh
Bennett
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Cantwell
Carnahan
Chafee
Cleland
Clinton
Collins
Conrad
Corzine
Crapo
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchinson
Inhofe
Inouye
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Snowe
Specter
Stabenow
Thomas
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—14

Allen
Biden
Campbell
Carper
Cochran
Craig
Helms
Hutchison
Kyl
Lugar
Smith (NH)
Smith (OR)
Stevens
Thurmond

NOT VOTING—4

Domenici
Jeffords
McCain
Thompson

The amendment (No. 2604), as modified, was agreed to.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, parliamentary inquiry: For the benefit of all Senators, what is next on the agenda under the unanimous consent agreement?

The PRESIDING OFFICER. That particular unanimous consent agreement has run its course.

Mr. REID. I did not hear the Chair.

The PRESIDING OFFICER. That particular unanimous consent agreement has run its course. The pending question is now the Harkin substitute.

Mr. HARKIN. I yield the floor.

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that Senator DURBIN be recognized now to offer a Durbin-Lugar amendment, as modified, regarding cropping history and nutrition, with 60 minutes for debate in relation to the amendment this evening, equally divided in the usual form, with no amendments in order prior to a vote in relation to the amendment; further, that when the Senate resumes consideration of the farm bill at 10 a.m., on Thursday, there be 5 minutes for closing debate in relation to the Durbin-Lugar amendment, followed by a vote in relation to the amendment; further, that following the vote, regardless of the outcome, Senator DORGAN, for himself and Senator GRASSLEY, be recognized to offer an amendment regarding payment limitation; that there be 105 minutes for debate in relation to this amendment, equally divided in the usual form; that upon the use or yielding back of time, the Senate proceed to vote in relation to the Dorgan-Grassley amendment, with no second-degree amendments in order prior to the vote; further, that following the vote, regardless of the outcome, Senator LUGAR be recognized to offer an amendment regarding payment mechanism, that there be 2 hours for debate, equally divided in the usual form, with no second-degree amendments in order prior to a vote on the Lugar amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Nevada.

Mr. REID. Mr. President, the RECORD should be clear that on the Lugar amendment, the unanimous consent agreement should read: "On or in relation to the Lugar amendment," rather than "on the Lugar amendment." I ask unanimous consent for that modification.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I advise all Members, we are trying to work on a finite list of amendments. We are whittling ours down significantly. The staff is going to exchange those shortly. Maybe tonight we can enter into an agreement as to a finite list of amendments on both sides.

Mr. DURBIN. Will the Senator from Nevada yield?

Mr. REID. I am happy to yield.

Mr. DURBIN. I thank the Senator for his unanimous consent request he propounded. I do not believe I am going to use the 30 minutes allotted to me, but I would like to have the opportunity to yield, during the course of that time, to the Senator from Michigan, who has asked for a brief period of time to speak.

If there is no objection, I would like to have that included in the unanimous consent request.

Mr. REID. It is certainly appropriate. The Senator has been waiting all afternoon to make this statement. She can do so whenever it is appropriate.

Mr. President, before I yield the floor, it is my understanding that Senators DURBIN and LUGAR have worked out their modification on this amendment.

Is that right?

Mr. DURBIN. Responding to the Senator from Nevada, Senator GRAMM is working on language which is coming during the course of this debate. I have agreed to accept his second-degree amendment, and I will speak to it during the course of my remarks.

Mr. REID. If, for some reason, you cannot work this out, we would have to come back later and revisit this.

Mr. DURBIN. That is correct.

Mr. LUGAR. Mr. President, may I respond briefly to the leader's comment?

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. My understanding, as Senator DURBIN has represented it, is that Senator GRAMM has offered language that has been accepted. The language is being written even as we speak. The presumption is that it will be acceptable. In the event, for some reason, it should not be, then, at that point—I suppose tomorrow morning—we would have to deal with a second-degree amendment. But, obviously, we hope we have dealt with it this evening. And I believe we have.

On a second point, I understand staff will be working—even as we debate this amendment—on the overall list. There has not been agreement, as I understand it, but, nevertheless, constructive work has occurred in defining the issues that still remain.

Mr. REID. I am confident that Senator GRAMM of Texas and Senator DURBIN will work this out. They have already agreed. You always have to be careful when people start putting things in writing; there could be a problem.

I say to the distinguished manager of the bill, the senior Senator from Indiana, in his usual, deliberate manner, with the background of being a Rhodes scholar, he has explained it better than I did.

Mr. LUGAR. I thank the Senator.

Mr. DURBIN. Will the Senator from Indiana yield?

Since I have not seen the language from Senator GRAMM, and I want to have a chance to reflect on it this evening, could we leave open the possibility, if there is any disagreement—I want to make it clear on the floor, I will protect Senator GRAMM's right to offer and debate the second-degree amendment without any objection—then I would have a chance, after his second-degree amendment has been considered, to offer my amendment.

Mr. LUGAR. That is our understanding.

Mr. DURBIN. Any disagreement would have to be reflected on the contents.

AMENDMENT NO. 2821

Mr. DURBIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DURBIN], for himself, Mr. LUGAR, Mr. BINGAMAN, Mr. DOMENICI, Mr. GRAHAM, Mr. WELLSTONE, Mr. KERRY, and Mr. SMITH of Oregon, proposes an amendment numbered 2821.

Mr. DURBIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To restrict commodity and crop insurance payments to land that has a cropping history and to restore food stamp benefits to legal immigrants who have lived in the United States for 5 years or more)

On page 128, line 8, strike the period at the end and insert a period and the following:

SEC. 166. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND; FOOD STAMP PROGRAM FOR CERTAIN QUALIFIED ALIENS.

(a) RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND.—Section 194 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127; 110 Stat. 945) is amended to read as follows:

"SEC. 194. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND.

"(a) DEFINITION OF AGRICULTURAL COMMODITY.—In this section:

"(1) IN GENERAL.—The term 'agricultural commodity' has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

"(2) EXCLUSIONS.—The term 'agricultural commodity' does not include forage, livestock, timber, forest products, or hay.

"(b) COMMODITIES.—

"(1) IN GENERAL.—Notwithstanding any other provision of this title, except as provided in paragraph (2), the Secretary shall not provide a crop payment, crop loan, or other crop benefit under this title to an owner or producer, with respect to an agricultural commodity produced on land during a crop year unless the land has been planted, considered planted, or devoted to an agricultural commodity during —

"(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

"(B) at least 3 of the 10 crop years preceding the 2002 crop year.

"(2) CROP ROTATION.—Paragraph (1) shall not apply to an owner or producer, with respect to any agricultural commodity planted or considered planted, on land if the land—

"(A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

"(B) has been maintained, and will continue to be maintained, using long-term crop rotation practices, as determined by the Secretary.

"(c) CROP INSURANCE.—Notwithstanding any provision of the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), the Federal Crop Insurance Corporation shall not pay premium subsidies or administrative costs of a reinsured company for insurance regarding a crop insurance policy of a producer under that Act unless the land that is covered by the insurance policy for an agricultural commodity—

"(1) has been planted, considered planted, or devoted to an agricultural commodity during—

"(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

"(B) at least 3 of the 10 crop years preceding the 2002 crop year; or

"(2)(A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

"(B) has been maintained, and will continue to be maintained, using long-term crop rotation practices, as determined by the Secretary.

"(d) CONSERVATION RESERVE LAND.—For purposes of this section, land that is enrolled in the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C.3831 et seq.) shall be considered planted to an agricultural commodity.

"(e) LAND UNDER THE JURISDICTION OF AN INDIAN TRIBE.—For purposes of this section, land that is under the jurisdiction of an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) shall be considered planted to an agricultural commodity if—

"(1) the land is planted to an agricultural commodity after the date of enactment of this subsection as part of an irrigation project that—

"(A) is authorized by the Bureau of Reclamation or the Bureau of Indian Affairs; and

"(B) is under construction prior to the date of enactment of this subsection; or

"(2) the land becomes available for planting because of a settlement or statutory authorization of a water rights claim by an Indian tribe after the date of enactment of this subsection.".

(b) PARTIAL RESTORATION OF BENEFITS TO LEGAL IMMIGRANTS.—Section 403(c)(2)(L) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(c)(2)(L)) (as amended by section 452(a)(2)(A)) is amended by inserting "provided to individuals under the age of 18" after "benefits".

(c) FOOD STAMP EXCEPTION FOR CERTAIN QUALIFIED ALIENS.—

(1) IN GENERAL.—Section 402(a)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)) (as amended by section 452(c)(2)) is amended by adding at the end the following:

"(M) FOOD STAMP EXCEPTION FOR CERTAIN QUALIFIED ALIENS.—With respect to eligibility for benefits for the specified Federal program described in paragraph (3)(B), paragraph (1) shall not apply to any individual who has continuously resided in the United States as a qualified alien for a period of 5 years or more beginning on the date on which the qualified alien entered the United States.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect on April 1, 2003.

Mr. DURBIN. Mr. President, I thank my colleagues who are cosponsoring this amendment, Senators HARKIN and LUGAR, who come to this floor in their capacities as chair and ranking member of the Agriculture Committee, both of whom have joined me in cosponsorship of this amendment, together with several of my other colleagues.

What we are trying to do in this amendment is twofold. In the first instance, we are trying to avoid overproduction on farmland in America that would be encouraged by the farm bill—not by the market, not by any other consideration. We don't want to create a farm bill which pushes farmers into overproduction, bringing prices down. What we are trying to do is to increase production but only in a way that is at a price level, a cost level so that a farmer can make a fair living. And so we are trying with this amendment to protect from that possibility.

The second part of the amendment sounds so totally unrelated, people may wonder why it is in the farm bill. The second part relates to the Food Stamp Program. If my colleagues are aware of the Department of Agriculture, they know that it administers the Food Stamp Program. A decision was made some years ago—I will address it in my remarks—that those who are legal immigrants to the United States would not qualify for food stamps. On reflection, we have seen that the victims of that policy have primarily been poor children in America. I am heartened by the fact that President Bush, in his budget message, has decided to change this policy. He has said that we will allow legal immigrants to receive food stamps. That is the right and humane thing to do. It is the right thing to do to make certain children are healthy. If we are going to have a strong Nation, we need healthy kids. So the second part of my amendment addresses the restoration of eligibility for food stamps for legal immigrants.

Senator GRAMM of Texas has his own opinion as to what we should include in the food stamp portion of the amendment. He is preparing that now. We have discussed it briefly. I will repeat what I said earlier: If the second-degree amendment that he has proposed ends up being something I cannot personally accept, I promise that I will protect his right to offer and debate that amendment and bring it to a vote before there is a vote on my amendment. So there will be no disadvantage to Senator GRAMM, even if there is some disagreement in terms of the content of his amendment.

Let me speak briefly to what my overall amendment does. This amendment has one basic purpose, and that is to provide a safety net for farmers without distorting the marketplace. Everybody in this debate on the farm bill wants to protect farmers. I hope we can agree that we don't want to do it at the expense of the supply and demand laws which govern our economy.

This amendment will help to meet both goals. It simply states: Crop support payments will not be made for crops that are grown on land that is not already being used for agricultural production. It only applies to land that has not been cropped even 1 year in the past 5 years or 3 years in the past 10. So if I am a farmer in downstate Illinois and I have acreage that has not been used for agricultural production, even 1 year out of the last 5 or 3 out of the last 10, I cannot bring that into the program and say: Now that you have a farm bill that may compensate me, I am going to produce on this land and I am going to get payments from the Federal Government.

That land was taken out of production for market reasons or other reasons. And we believe that no farm bill should drag it back into production.

If I am a farmer, though, and want to produce on the land, that is my right; I own the land. But I can't go to the Federal Government, having made that decision, if I haven't put a crop on that land for 1 out of 5 years, 3 out of 10 to support this effort.

I yield to the Senator from Michigan.

(The remarks of Mrs. STABENOW are located in today's RECORD under "Morning Business.")

Mr. DURBIN. My goal is to make certain that farmers make decisions based on the marketplace, not based on the farm bill, particularly when it comes to that land that has not been in production. That is what this amendment seeks to achieve.

It is in no way a restriction on a farmer's freedom. A farmer is still free to plant any new ground he wishes. What we are talking about is eligibility for Federal payments. The amendment uses an extremely broad definition of agricultural commodity. Farmers can switch crops on land and, despite that switching of crops, not lose eligibility under this amendment. That is only fair because in many good farming practices, that is done on a regular basis. It allows long-term crop rotation, permits an exception for that. There are some lands primarily used for hay but that may be cropped 1 or 2 years between hay plantings. This amendment would not deny support payments to the crops during that period. However, it is intended to be a narrow amendment, only for those who can demonstrate that they have both established and are maintaining such long-term rotation.

The amendment does not interfere with the CRP program in any way. The Conservation Reserve Program is an important program. It conserves America's natural resources. This amendment simply provides that when farmers decide to plant on new ground, they will do it because of the market, not because of Government subsidy.

Prior to the 1996 farm bill, the farm policy of our country recognized that our support programs could drive up supply. So for decades, farm policy attempted to limit subsidies in one form or another.

This was done through various definitions of base acres. I remember as a Member of Congress for many years in the House, and now in the Senate, dealing with farmers who were trying to establish their base acreage and qualifications eligibility for Government payment. In 1996, Congress did away with all these rules on the theory that it was going to phase out support payments.

We now know that, at least today, we can't phase out support payments without jeopardizing our farms. However, we need to be careful that we don't inadvertently encourage farming of new land when market conditions don't warrant it.

In essence, under prior farm policy, support payments had a foot on the pedal driving new production, but also with a foot on the brake. New policy, as currently envisioned, fails to add in the brake. That is what this amendment does.

This amendment will not reinstate it completely, but it will ease up on the pedal. The farmers can still drive themselves into new cropland, but the Government would no longer drive them there.

What is the environmental impact of this amendment? The facts show that this amendment is needed. According to the USDA, the United States lost 22 million acres of grassland between 1982 and 1997. The vast majority of that became new croplands.

This occurred even while the Federal Government was laying out roughly $30 billion over the same period to take more than 30 million acres of cropland from production through the Conservation Reserve Program, the twofold purpose of which was to increase conservation efforts and limit supplies so as to boost prices.

What this means is that while our Government was trying to limit supplies in order to boost prices on the one hand, it was effectively encouraging farmers to convert new land into cropland on the other. This has undoubtedly contributed to the current situation in which farmers have faced record low prices in recent years.

This loss of grassland as an environmental impact throughout the country contributed to the decline of many bird species that nest in grasslands. Grassland birds as a whole are the most threatened category of birds in our country. This amendment makes environmental sense as well as economic sense.

This amendment has the added benefit of saving money. The Congressional Budget Office estimates that the Durbin amendment would reduce crop overproduction which will result in $1.4 billion in savings over the next 10 years.

Let me tell you that the second half of the amendment takes the savings and uses it for the Food Stamp Program. The savings generated by this bill will further strengthen the nutrition title of this same farm bill. This is really a farm and nutrition bill. I think addressing the Food Stamp Program along with the farm program is appropriate because both are under the jurisdiction of the Department of Agriculture.

Food stamps are a part of our Nation's first line of defense in America to protect families in a recession. Now, as we reauthorize the Food Stamp Program, we should make sure to effectively put into place protections against economic downturns.

This farm bill passed by the Agriculture Committee makes some important changes in the Food Stamp program. I join in thanking the committee's ranking Republican for the hard work he has put into this section of the bill.

Here is what my amendment does. It restores eligibility for the Food Stamp Program to legal immigrants who have lived in the United States for 5 years or longer. I will repeat, it restores eligibility for legal immigrants living in the United States for 5 years or longer.

This amendment will be an addition to the immigrant restoration provisions already in the farm bill, including the immediate restoration of eligibility to all poor children. I salute Senators LUGAR and HARKIN for that provision. I will not go into a long story about how important immigrants have been to the United States. Suffice it to say that my mother was an immigrant to this country. I am proud of that fact, and I am happy to be a first-generation American and to have this chance to serve as a Senator from the State of Illinois. I keep in my office, very near my desk, the framed copy of my mother's naturalization certificate. I am very proud of it. I look at it every day as a reminder of my family and a reminder of from where I came. I think it is a reminder to all of America how many of us are close to new immigrants in this country.

At the turn of the century, many of our relatives arrived from all over the world. They were poor and didn't speak the language, and they came looking for a better life. At that time, survival meant sending all members of the family to work. Young children worked in factories and sweatshops instead of going to school.

Eventually, we realized that families should not have to send their 7-year-old to work just to be able to put food on the table. Jane Addams of Illinois, quite a well-known figure in Chicago with her settlement houses, was one of the great American social reformers. She inspired us to lobby for child labor laws because of her experiences with the working men, women, and children in the immigrant neighborhoods of the city of Chicago.

Those arriving in the United States today are no different than our great grandparents. And we continue to rely on immigrants to fill jobs at all levels of the workforce.

Legal immigrants here not only work, they pay taxes. The National Academy of Sciences and the National Research Council conducted studies that show that, overall, immigrants pay more in taxes than they use in government benefits.

Allow me to digress and tell you that a little over 2 weeks ago I was at an air base near Kabul in Afghanistan. I ran into a soldier from Illinois. He told me of his high school in the suburbs of the city of Chicago, and he said: When I get through with my Army experience here, can I come to your office and will you help me to apply to become a citizen? He is a member of the U.S. Army, a soldier risking his life fighting terrorism in Afghanistan, but he is from Panama. He is legal here, and he volunteered to serve this Nation, but he is not a citizen. I said of course I would help him. He is a legal immigrant to America who would be denied, under many circumstances, food stamps. Yet he has volunteered and is serving our Nation in uniform. How do you make any sense out of that kind of policy? This amendment tries to do that. It says immigrant families with children, who tend to have lower income levels than native-born families with children, need a helping hand with food stamps.

Most low-income children of immigrants live in working families with two parents who are married. The vast majority of legal immigrants are not permitted to receive food stamp benefits.

In 1996, as a result of changes in the law, the Physicians for Human Rights interviewed 700 legal immigrant families and found that adults in one out of three households had skipped meals in the previous 6 months. One in ten recalled missing a meal, not being able to eat for at least a whole day. One in four reported cutting the size of a child's meals due to inadequate resources.

The Urban Institute reports that, nationwide, 37 percent of all children of immigrants live in families that worry about providing food for the table. In California, Illinois, and Texas, legal immigrants' food insecurity rates were seven times worse than the general population in our country.

These harsh eligibility rules today translate into future citizens not getting the benefits for which they are eligible. The vast majority of immigrant families are mixed-status families that include at least one U.S. citizen. That citizen is typically a child. When legal immigrant parents are not aware that their children are eligible for food stamps, the kids don't get enough to eat.

Participation in the Food Stamp Program among children with legal permanent resident parents dropped 40 percent from 1994 to 1999, without a corresponding decrease in need.

Can America be a better place if these children who are legally in the United States don't receive the proper nutrition? If they suffer disease and illness, if they are not prepared to learn, and if they come to a classroom and can't stay awake and are listless because of not having enough to eat, how can we be a better Nation?

Since 1996, many States have worked to pick up the slack. Seventeen States, including mine, provide State-funded food stamps to some or all legal immigrants who are ineligible for the Food Stamp Program—because of the changes in the law. In most of the States, eligibility is limited to very narrow categories of immigrants.

On Monday, President Bush released his fiscal year 2003 budget proposal. I am certain there will be many items I will disagree with in that proposal. But I congratulate him for including a restoration of benefits for legal immigrants identical to that in my amendment.

When this provision was first made public in January, a senior administration official was quoted as saying:

> We believe this will go a long way to meeting the needs of children and adults who need additional benefits. It will allow them to have access to nutritious food and will improve their well-being.

Applause to the President and to the White House. Congratulations for a good idea, a bipartisan idea.

The author of this idea of limiting food stamps to legal immigrants was the former Speaker of the House, Newt Gingrich, who was also the author of the Contract with America. He said this in the New York Times last month about that decision in 1996:

> In a law that reduced welfare by more than 50 percent, this is one of the provisions that went too far. In retrospect, it was wrong.

Even Speaker Gingrich can have this epiphany and realize that a mistake was made. I acknowledge and congratulate him for publicly saying this and saying why this amendment is so important.

What we have learned from the 1996 cuts is that making food stamp benefits available to legal immigrants doesn't open the floodgates at our borders. The average food stamp benefit is $74 a person monthly—not exactly a fortune. It is difficult to imagine families flocking to the United States because they could be eligible for food stamps if they just wait legally for 5 years.

Food stamps do not bring families to the United States who would not otherwise come here. It is a vital support for low-income families.

This amendment is a bipartisan opportunity to support farmers throughout America with a sensible limitation so there will not be overproduction, and to take the savings from that limitation to provide food for needy children of legal immigrant families.

This is a bipartisan amendment. It is one that does the right thing. I am pleased my colleagues, Senator LUGAR and Senator HARKIN, and President Bush have joined in supporting this concept. I hope all my colleagues on both sides of the aisle will vote in favor of this amendment.

The PRESIDING OFFICER. The Senator from Minnesota.

Who yields time?

Mr. WELLSTONE. I ask the Senator from Illinois if he has 5 minutes.

Mr. DURBIN. Mr. President, how much time is remaining?

The PRESIDING OFFICER. Nine minutes 10 seconds.

Mr. DURBIN. I am happy to yield 5 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I am honored to be a cosponsor of the Durbin amendment which makes legal immigrants who have lived in this country 5 years eligible for food stamps.

My colleague from Indiana, Senator LUGAR, has been a strong advocate as well, and a number of Senators voted for Senator LUGAR's amendments which work to improve the nutrition programs.

First a disclaimer. On this whole question of illegal immigrants, we are all products of our personal experience. I remember during the debate on the welfare bill in 1996, one of the things I said was that to vote for the bill would be to me like cutting off my hand because I am a son of immigrants. I am first-generation American. My father fled persecution from Ukraine and Russia.

The Senator from Illinois mentioned the former Speaker saying we went too far, and I felt that way. I had a number of objections; I never understood what we were doing. I thought it was too harsh, too punitive.

Then in 1998, Congress restored some of the benefits to categories of immigrants. It was children, elderly, and disabled, but only if they were here prior to 1996.

The Food Stamp Program is a critical safety net program and, by the way, an astounding success. This is a program that has made a huge difference.

One of the problems is, even if the children are eligible and the parent or parents are not eligible, it does not work. Quite frankly, it does not work. One of the reasons we have seen this huge decline, which should concern us—since the bill passed, there has been maybe a 25- to 35-percent decline in food stamp participation—is because of these cuts. Even when the children are supposed to be helped, if the parents are not eligible, they do not know about it, they do not know where to go, and they are not able to help their kids.

This amendment is about helping a lot of people. Altogether, 360,000 legal immigrants would be helped—men, women, some elderly, some middle aged, some children. It is the right thing to do. It corrects a huge injustice.

I also give credit to the White House for taking a strong lead on this. I give credit to my colleagues, Senator DURBIN and Senator LUGAR, and I know Senator HARKIN supports this effort. There is bipartisan, strong support.

I wish to say one other thing which is a little bit different, and it is not inconsistent with what I just said but is interesting to me. This is a social justice amendment. I thank Senator DURBIN for it. It is the right thing to do. It is extremely important to get this assistance to families who need this assistance.

The other thing that has happened, as opposed to 1996—and I think of Minnesota—is in a way we have new politics in Minnesota and new politics in the country. The immigrant populations—my mother, father, and grandparents did this as well—are finding a voice. They are becoming active in their communities. They are becoming their own leaders. They are speaking for themselves. They are becoming a political force, and there is much more recognition of who they are, what their needs are, and how we can support them.

There are so many activities going on in the country right now that are so important and positive for these immigrant communities.

Unfortunately, in my opinion, these cuts were not the only harsh feature of the welfare bill, but this was one of them. This amendment improves on the Agriculture Committee's work. That work in the committee vastly improved on the mistakes we made in 1996. This is a hugely important amendment, and I am very proud to support it.

The PRESIDING OFFICER. Who yields time?

The Senator from Indiana.

Mr. LUGAR. Mr. President, although I will speak in favor of the Durbin amendment, I note there are no Senators present who are prepared to speak in opposition to it. Therefore, I ask unanimous consent that I be able to yield myself 30 minutes from the opposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. I yield myself as much time as I may require.

Mr. President, I appreciate very much the advocacy of Senator DURBIN in bringing forward this amendment. I believe he has rescued a situation that has been well described by my colleague, Senator WELLSTONE, a valued member of the Agriculture Committee, and Senator HARKIN, our chairman.

We worked together to try to provide a much stronger safety net for nutrition in this country. As it turned out, in some of our deliberations—and the distinguished Presiding Officer was there for those—there were many Senators who during that period of time questioned when we were going to get to the commodity section and what money would be left at the end of the trail as we dealt with very vital issues of community development, research, loans for young farmers—many issues that have been resolved in a very strong bipartisan fashion.

As a result, the amendments I offered at that time were a bridge too far. I have been rescued by Senator DURBIN and by the President of the United States in a bipartisan way because as it now turns out, it may be possible through this amendment to find resources that, in fact, restore us to a situation we might have attained during our deliberations.

Let me follow through on many of the arguments the distinguished Senator from Illinois has made. Simply, the amendment generally prohibits taxpayer-provided crop insurance and farm program benefits on acreage which has not been cropped at least once in the last 5 years or 3 of the last 10 years from the time of the enactment of the farm bill.

Exceptions to this general prohibition are made for acreage idle in the Conservation Reserve Program. That has been a major objective of the committee and the Senate and for long-term crop rotations as determined by the Secretary of Agriculture.

The amendment does not change the structure of farm commodity programs as they have been designed in the underlying bill.

The bill would still have higher marketing loan rates, a new commodity-specific countercyclical payment program for major crops, and all the other commodity provisions we previously discussed.

As I mentioned earlier in the debate this afternoon, I will be offering an amendment tomorrow that will radically change the whole commodity payment system, but this amendment does not. It is benign with regard to everything that has preceded and should be debated on its own merits.

In this respect, the Durbin amendment offers much less commodity title reform than I would like, and I admitted as much as a preview of what may be coming. Nevertheless, it makes an attempt to lessen the overproduction problem that will surely only worsen if we approve the underlying farm bill without change.

The Congressional Budget Office has scored the Durbin amendment as saving $1.4 billion over 10 years in the commodity title of the underlying farm bill, and that is not an immodest saving. I appreciate and support my colleague's proposal to improve the Food Stamp Program with the savings, and his allocation of that, it seems to me, is highly merited.

With the amendment, the Senate farm bill will now incorporate proposals I made originally and President Bush's budget proposal. It does both. The President and I are grateful to have found this partnership with Senator DURBIN and with our distinguished chairman, Senator HARKIN, as Senator DURBIN mentioned. These new rules restore the extension of regular food stamp eligibility criteria to legal immigrants, and Senator DURBIN has stressed that, as I do.

A question has been raised in previous debates on food stamp eligibility, and let me be unambiguous. We are talking about legal immigrants who meet either a 5-year U.S. residency or 4-year work requirement. Those are fairly strong thresholds. Combining these with Senator HARKIN's proposal to extend eligibility to all immigrant children will improve the Food Stamp Program's capacity to serve the vulnerable, but we do not offer a free ride. The criteria I have illustrated again, as Senator DURBIN has, are substantial.

Currently, most legal aliens are ineligible for food stamp benefits even if they meet that program's strict asset and income criteria. An estimated 500,000 legal immigrants who meet the financial rules remain categorically ineligible under current law. In addition, these rules have had the unintended effect on citizen children living in immigrant families. Because of confusion, fear, or a combination of these factors, there has been a 70-percent decline in food stamp participation among this group of children. That is an awesome change as to children who clearly were eligible.

Although immigrant restrictions apply to participation in other Federal assistance programs, the Food Stamp Program has particularly strict rules. For example, in Medicaid and cash assistance, also known as TANF, legal immigrants in the United States before August 22, 1996, are eligible, at State option, under the same rules that apply to all others.

In contrast, most adult legal immigrants here before that date are categorically ineligible for food stamps until they meet the 10-year work requirement. Further, children who emigrated after 1996 remain ineligible until their parents meet the work requirements or become citizens.

Considering the fact many legal immigrants work in low-paying service jobs, they are among the first affected during economic downturns such as the one we are now enduring. The current immigrant work requirement thus penalizes those who have little or no control over their employment situation. The food stamp immigrant provisions that would result from the Durbin amendment do not open the door to those who come to the United States looking for a handout. Rather, they help children who are unable to support themselves, individuals who came to escape persecution in their native countries, and adults who have a documented work history or support from their U.S. sponsors.

There is genuine need among this population. Studies of both local and national scope indicate serious food insecurity and hunger occur. For example, the Physicians for Human Rights reported that among 700 immigrant families, adults in one-third of them skip meals; one-fourth cut meal size due to inadequate resources; one-tenth reported not eating for an entire day at least once in the last 6 months.

States are vocal about the problems created by current eligibility restrictions for immigrants. Sixteen of them provide food stamp replacement benefits with their own funds. Many others, according to the National Conference of State Legislatures, have appropriated additional resources for food banks and a variety of charitable programs serving the immigrant population.

The Food Stamp Program is the foundation of our country's nutrition safety net for vulnerable people. Until 1996, eligibility was based only on a family's financial need. Many, including President Bush, now voice the opinion that the food stamp immigrant policies legislated at that time were too harsh. I congratulate the President for his advocacy and the publicity that has surrounded that. It was a high-profile advocacy.

I ask that each of us in the Senate endorse the Bush administration's food stamp policy by voting for Senator DURBIN's amendment, which the Senator has pointed out encompasses exactly the same goals. It is our opportunity, in a bipartisan way, hopefully in a unanimous way, to improve the capacity of the Food Stamp Program to operate as a genuine nutrition safety net for our country.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. CANTWELL). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent the Senate proceed to a period for morning business with Senators permitted to speak therein for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

JEAN MARIE NEAL

Ms. STABENOW. Madam President, I rise to invite Members and staff to join me and my staff as we celebrate and thank this evening, in the Mansfield Room, Jean Marie Neal, who has been my chief of staff for the last year, my first year in the Senate. While I understand the rules of the Senate do not allow me to acknowledge her presence in the gallery, I do want to indicate that I believe it is important to recognize the service of this wonderful woman who has spent 21 years in the service of the Congress, the majority of that in the Senate, working for Senator Dick Bryan.

It is important to note that when we have someone who is dedicated to the Senate, to helping us achieve our goals, to be able to put forward those matters that allow us to represent our constituents and make our States and our country better places, that when that person decides to retire from their position and move on to other challenges, it is important that we recognize them and say thank you. That is what I want to make sure we are doing officially this evening in the RECORD of the Senate.

We have enjoyed in the last year the wonderful leadership of Jean Marie Neal in my office. As you know, I came from the House of Representatives and, while bringing some outstanding people with me, we had to put together a team of staff. It was under Jean Marie's leadership that we were able to find outstanding people who had been in service both in the Senate as well as in other places and who have come now to be a part of my office and my team.

As we come into our second year, we are building on a foundation and a gift that she gave me of putting together a wonderful team that is committed and intelligent and loyal and hard working. We in our office are going to miss her greatly, and we are very grateful for all of her hard work.

I know her previous employers, Senator Bryan and Congressman JOHN SPRATT, and all of those who have come in contact and have benefited from Jean Marie's intelligence and hard work and loyalty and ability to see and create a vision in terms of the office, as well as issues and advocacy for our States, are really happy for her.

Again, I invite anyone who is within earshot to come by until 7 o'clock this evening and join us to have an opportunity to celebrate Jean Marie's service to the Senate and to thank her for that and to wish her well as she moves on to, I am sure, many more successes.

AMERICA'S UNINSURED

Mr. SMITH of Oregon. Madam President, I come to the floor once again to talk about the uninsured in America. I think it is important that, as we sink our teeth into this year's budget, we remember the men, women, and children who live, work, and go to school every day without health insurance, knowing that any illness could threaten their livelihood and even their lives.

I have spent a great deal of time in recent months learning about the uninsured—who they are, why they have no health coverage, the effects on individuals and their families, and what can be done to resolve this crisis.

This year, the president's budget contains $89 billion to help the uninsured. This is no small number, to be sure, and it demonstrates the president's commitment to providing health coverage for all Americans; however, this proposal is only projected to provide coverage for up to six million of the forty million uninsured—leaving thirty-four million men, women, and children without health insurance. Therefore, I see the president's proposal as a starting point from which to make insurance both more accessible and more affordable for all working families.

Yesterday I pressed Office of Management and Budget Director Daniels to explain how the uninsured would fare under the president's new budget proposal. I also met with Centers for Medicare and Medicaid Services Administrator Tom Scully to urge him to assist in improving upon President Bush's proposal to provide health coverage to more low-income Americans.

In my visits to community health centers across Oregon, it has become clear to me that the uninsured—working mothers, fathers, children, single adults, students—are not interested in budget battles that may prevent action on this important matter. What Americans need is access to high quality, affordable health insurance. There are a lot of good ideas out there to help the uninsured, but no single proposal is going to help or please everybody. We need to take the best these plans have to offer and come up with a comprehensive solution as soon as possible.

There has never been a better, or more important, time to act with respect to the uninsured. I understand the demands on our treasury are great as we fight the war on terrorism both at home and abroad; however, the demands on our health care system are also increasing. With a recession and rapidly rising health care costs, more and more Americans will find themselves without health insurance. This is no time to ignore them. I look forward to working with my colleagues and the Administration to find a way to make room for as many of them as we can in this year's budget, as we work toward a day when every American has access to high quality health care coverage.

MENTAL HEALTH

Mr. DURBIN. Madam President, I submit for the RECORD an article that ran in The Washington Post yesterday about the discrimination that individuals with a history of mental illness face in our current health insurance market. The story documents the dilemma of Michelle Witte who was denied health insurance coverage because she was successfully treated for depression during her adolescence. In fact, more than 50 million Americans each year suffer from mental illness. About 19 percent of the Nation's adults and 21 percent of the youths aged 9 to 17 have a mental disorder at some time during a one-year period.

Last Congress I introduced legislation to address the barriers faced by Michelle Witte and thousands like her who have been treated for a mental condition. I plan to reintroduce this legislation this spring, and I urge my colleagues to join me in this effort.

The Mental Health Patients' Rights Act limits the ability of health plans to redline individuals with a preexisting mental health condition. I undertook this initiative when I learned that some of my constituents were being turned away from health plans in the private non-group market due solely to a past history of treatment for mental conditions. Unfortunately, under the current system of care in the United States, individuals who are undergoing treatment or have a history of treatment for mental illness may find it difficult to obtain private health insurance, especially if they must purchase it on their own and do not have an employer-sponsored group plan available to them. In part this is because while the Health Insurance Portability and Accountability Act, HIPAA, protects millions of Americans in the group health insurance market, it affords few protections for individuals who apply for private non-group insurance. While the majority of Americans under age 65 have employer-sponsored group coverage, a significant minority, approximately 12.6 million individuals, rely on private, individual health insurance.

The Mental Health Patients' Rights Act closes this loophole by limiting any preexisting condition exclusion relating to a mental health condition to not more than 12 months and reducing this exclusion period by the total amount of previous continuous coverage. It prohibits any health insurer that offers health coverage in the individual insurance market from imposing a preexisting condition exclusion relating to a mental health condition unless a diagnosis, medical advice or treatment was recommended or received within the 6 months prior to the enrollment date. And it prohibits health plans in the individual market from charging higher premiums to individuals based solely on the determination that the individual has had a preexisting mental health condition. These provisions apply to all health plans in the individual market, regardless of whether a state has enacted an alternative mechanism, such as a risk pool, to cover individuals with preexisting health conditions.

The Mental Health Patients' Rights Act complements ongoing efforts to enhance parity between mental health services and other health benefits. This is because parity alone will not help individuals who do not have access to any affordable health insurance due to preexisting mental illness discrimination. The Patients' Rights Act does not mandate that insurers provide mental health services if they are not already offering such coverage. It simply prohibits plans in the private non-group market from redlining individuals who apply for general health insurance based solely on a past history of treatment for a mental condition.

I have also asked the General Accounting Office to examine the types of mental health conditions for which individual health insurers typically underwrite; the degree to which there is an actuarial basis for these carrier practices; the prevalence of medical underwriting for mental health conditions that results in denying coverage or raising premiums; and the extent of state laws that prevent or constrain insurers from denying coverage or raising premiums due to a history of mental health conditions, including consumer protections such as appeals procedures and access to information. This report is due out next month.

It simply does not make sense that a person is rendered uninsurable for all health needs simply because he or she seeks treatment for mental illness. I invite my colleagues to enlist in this important initiative to ensure that such individuals are not discriminated against when applying for health insurance coverage.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 5, 2002]

SECOND OPINION: THE PERILS OF DOING RIGHT

(By Abigail Trafford)

Michelle Witte did everything right. She graduated from the University of Maryland last June with a degree in English. She got a job she loves with a Washington communications firm that is too small to qualify for a group health plan. But her employer will pay for an an individual policy, so she applied to CareFirst BlueCross BlueShield. In answer to questions on the form, she stated that she has chronic asthma and had been prescribed antidepressant medication for a short period when she was in high school.

The health plan rejected her.

"Upon review of the Individual Health Evaluation Questionnaire, you have documented that you have been or are currently being treated for depressive disorder," stated the letter from the health plan. "Based upon our medical underwriting criteria, we are unable to approve this coverage for you."

"I just think it's shocking," said Witte, 23. CareFirst has refused to comment on the case, But in its official reply to her application, the plan expressed no concern over her ongoing problem of asthma. It was one episode of successfully treated depression in adolescence that turned Witte into a health plan pariah. "It didn't occur to me that it could be such a liability," she said.

This is how discrimination works against people with mental diseases. For all the rhetoric about removing the stigma of mental illness and treating disorders of the brain the same way as disorders of the body, the bias persists. A physical disease like asthma is okay; a mental disorder like depression is not.

If anything, Witte ought to be a prized health plan client. She has demonstrated that she knows how to take care of herself. Six years ago, when she was in high school, she developed anorexia, an eating disorder. Her parents promptly took her to a psychiatrist at Children's National Medical Center who diagnosed depression and prescribed a six-month course of the antidepressant Zoloft. Witte responded well. She overcame her eating problems. She has had no problems with depression since that time.

How many teenage girls try to keep their destructive eating habits secret? How many go for years without proper treatment? They can end up needing hospitalization and may suffer long-term complications. In the end, that is much more expensive to a health plan than covering outpatient psychotherapy and medications for six months.

In short, Witte and her parents—her father works for the federal government, her mother for a health maintenance organization—did everything right in getting prompt treatment. "It was a success story," said Witte. "I'm a proponent of drugs when they're used properly. They can really help."

Why should she be penalized for being a success story?

It's legal for health insurers to consider a person's health status when they offer individual policies. Otherwise some people might not buy insurance until they were diagnosed with a major medical problem and needed coverage to get care.

But this is obviously not the case with Witte, a healthy young woman who runs regularly and likes to take day-long hikes. As a health insurance reject, she is eligible for programs designed for high-risk individuals, but the costs of coverage are generally higher and the benefits more limited compared to a regular plan. That's a steep price to pay for having had a six-month prescription for Zoloft.

In many parts of the country, the infrastructure of mental health services is unraveling. Headlines have rightly focused on the collapse of public programs for people who need government-funded treatment.

But a much larger population with mental disorders remains in the private sector. They are holding jobs and raising families. They rely on private insurance and private therapists for treatment. Support for them is eroding, too, as insurance agencies stint on payment for mental health services, managed care plans place limits on benefits, and the burden of co-payments and other out-of-pocket expenses continues to increase.

Even people with good jobs and supposedly good health coverage are hurting. One man who works for the federal government has been treated for major depression since his first episode at age 38. He has seen the same psychiatrist, who monitors his medications and provides psychotherapy, every week for 15 years.

This year his insurance plan has eliminated the more generous high-option policy that covered 50 visits to the doctor. His current plan, with a premium that is a few dollars cheaper every month, covers only 25 sessions. His psychiatrist charges $165 an hour; the plan now covers about half the hourly fee, and only half the time. Bottom line: His doctor bills come to $8,250 a year. His plan pays $1,800; he pays the rest.

"It's not fair," he said, "it has to cost us so much money when there's supposed to be parity" in coverage of mental and physical illnesses. "Parity keeps slipping away."

The president last week came out in favor of patients' rights. That ought to include the millions of Americans with mental illness.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Madam President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred April 17, 1993 in Portland, ME. Two men assaulted a father and son they mistook for a gay couple. The assailants, James G. Miezin, 23, of Parma, and Thomas J. Lengieza, 22, were charged with harassment and assault.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 3:26 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills:

S. 737. An act to designate the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the "Joseph E. Dini, Jr. Post Office."

S. 970. An act to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the "Horatio King Post Office Building."

S. 1026. An act to designate the United States Post Office located at 60 Third Avenue in Long Branch, New Jersey, as the "Pat King Post Office Building."

S. 1888. An act to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code.

The message also announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 577. An act to require any organization that is established for the purpose of raising funds for the creation of a Presidential archival depository to disclose the sources and amounts of any funds raised.

H.J. Res. 82. An act recognizing the 91st birthday of Ronald Reagan.

The message further announced that the House has disagreed to the amendment of the Senate to the bill, H.R. 2215, to authorize appropriations for the Department of Justice for fiscal year 2002, and for other purpose, and agrees to the conference asked by the Senate on the disagreeing votes of the two House thereon; and appoints the following Members as the managers of the conference on the part of the House:

From the Committee on the Judiciary, for consideration of the House bill and the Senate amendment, and modifications committed to conference: Mr. SENSENBRENNER, Mr. HYDE, Mr. GEKAS, Mr. COBLE, Mr. SMITH of Texas, Mr. GALLEGLY, Mr. CONYERS, Mr. FRANK, Mr. SCOTT, and Ms. BALDWIN: Provided, That Mr. BERMAN is appointed in lieu of Ms. BALDWIN for consideration of section 312 of the Senate amendment, and modifications committed to conference.

From the Committee on Energy and Commerce, for consideration of sections 2203–6, 22–8, 2210, 2801, 2901–2911, 2951, 4005, and title VIII of the Senate amendment, and modifications committed to conference: Mr. TAUZIN, Mr. BILIRAKIS, and Mr. DINGELL.

From the Committee on Education and the Workforce, for consideration of sections 2207, 2301, 2302, 2311, 2321–4, and 2331–4 of the Senate amendment, and modifications committed to conference: Mr. HOEKSTRA, Mr. CASTLE, and Mr. GEORGE MILLER of California.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 577. An act to require any organization that is established for the purpose of raising funds for the creation of a Presidential archival depository to disclose the sources and amounts of any funds raised; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BINGAMAN, from the Committee on Energy and Natural Resources:

Special Report entitled "History, Jurisdiction, and a Summary of Activities of the Committee on Energy and Natural Resources during the 106th Congress" (Rept. No. 107–135).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. VOINOVICH:

S. 1913. A bill to amend title 5, United States Code, to establish an exchange program between the Federal government and the private sector to develop expertise in information technology management, and for other purposes; to the Committee on Governmental Affairs.

ADDITIONAL COSPONSORS

S. 237

At the request of Mr. HUTCHINSON, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 237, a bill to amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits.

S. 595

At the request of Mr. WELLSTONE, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 595, a bill to amend the Public Health Service Act, Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to provide for nondiscriminatory coverage for substance abuse treatment services under private group and individual health coverage.

S. 677

At the request of Mr. HATCH, the names of the Senator from Oklahoma (Mr. INHOFE) and the Senator from Wyoming (Mr. ENZI) were added as cosponsors of S. 677, a bill to amend the Internal Revenue Code of 1986 to repeal the required use of certain principal repayments on mortgage subsidy bond financing to redeem bonds, to modify the purchase price limitation under mortgage subsidy bond rules based on median family income, and for other purposes.

S. 806

At the request of Mr. HUTCHINSON, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 806, a bill to guarantee the right of individuals to receive full social security benefits under title II of the Social Security Act with an accurate annual cost-of-living adjustment.

S. 999

At the request of Mr. BINGAMAN, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 999, a bill to amend title 10, United States Code, to provide for a Korea Defense Service Medal to be issued to members of the Armed Forces who participated in operations in Korea after the end of the Korean War.

S. 1107

At the request of Mr. HARKIN, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1107, a bill to amend the National Labor Relations Act and the Railway Labor Act to prevent discrimination based on participation in labor disputes.

S. 1209

At the request of Mr. BINGAMAN, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1210

At the request of Mr. CAMPBELL, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1210, a bill to reauthorize the Native American Housing Assistance and Self-Determination Act of 1996.

S. 1248

At the request of Mr. KERRY, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 1248, a bill to establish a National Housing Trust Fund in the Treasury of the United States to provide for the development of decent, safe, and affordable, housing for low-income families, and for other purposes.

S. 1278

At the request of Mrs. LINCOLN, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1278, a bill to amend the Internal Revenue Code of 1986 to allow a United States independent film and television production wage credit.

S. 1476

At the request of Mr. CLELAND, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 1476, a bill to authorize the President to award a gold medal on behalf of the Congress to Reverend Doctor Martin Luther King, Jr. (posthumously) and his widow Coretta Scott King in recognition of their contributions to the Nation on behalf of the civil rights movement.

S. 1482

At the request of Mr. HARKIN, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1482, a bill to consolidate and revise the authority of the Secretary of Agriculture relating to protection of animal health.

S. 1605

At the request of Mr. CONRAD, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1605, a bill to amend title XVIII of the Social Security Act to provide for payment under the Medicare Program for four hemodialysis treatments per week for certain patients, to provide for an increased update in the composite payment rate for dialysis treatments, and for other purposes.

S. 1677

At the request of Mr. BINGAMAN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1677, a bill to amend title I of the Employee Retirement Income Security Act of 1974 to create a safe harbor for retirement plan sponsors in the designation and monitoring of investment advisers for workers managing their retirement income assets.

S. 1749

At the request of Mr. KENNEDY, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1761

At the request of Mr. DORGAN, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. 1761, a bill to amend title XVIII of the Social Security Act to provide for coverage of cholesterol and blood lipid screening under the medicare program.

S. RES. 109

At the request of Mr. REID, the names of the Senator from Texas (Mrs. HUTCHISON) and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of S. Res. 109, a resolution designating the second Sunday in the month of December as "National Children's Memorial Day" and the last Friday in the month of April as "Children's Memorial Flag Day."

S. CON. RES. 11

At the request of Mrs. FEINSTEIN, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. Con. Res. 11, a concurrent resolution expressing the sense of Congress to fully use the powers of the Federal Government to enhance the science base required to more fully develop the field of health promotion and disease prevention, and to explore how strategies can be developed to integrate lifestyle improvement programs into national policy, our health care system, schools, workplaces, families and communities.

AMENDMENT NO. 2533

At the request of Mr. CRAPO, the names of the Senator from Wyoming (Mr. ENZI) and the Senator from Montana (Mr. BURNS) were added as cosponsors of amendment No. 2533 intended to be proposed to S. 1731, an original bill to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

AMENDMENT NO. 2573

At the request of Mr. BINGAMAN, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of amendment No. 2573.

AMENDMENT NO. 2727

At the request of Mr. ROCKEFELLER, the names of the Senator from Virginia (Mr. ALLEN), the Senator from Virginia (Mr. WARNER), the Senator from Maine (Ms. SNOWE), the Senator from Oregon (Mr. SMITH), the Senator from New York (Mr. SCHUMER), the Senator from Nevada (Mr. ENSIGN), the Senator from Utah (Mr. BENNETT), the Senator from New York (Mrs. CLINTON), and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of amendment No. 2727 intended to be proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENT NO. 2776

At the request of Mr. HUTCHINSON, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of amendment No. 2776 intended to be proposed to H.R. 622, a bill to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2814. Mr. BOND submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table.

SA 2815. Mr. BOND submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2816. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2817. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) supra; which was ordered to lie on the table.

SA 2818. Mr. DEWINE (for himself, Ms. COLLINS, Mr. CLELAND, Mrs. CARNAHAN, Mr. THURMOND, Mr. MILLER, Mr. HELMS, and Mr. MCCAIN) submitted an amendment intended to be proposed by him to the bill H.R. 622, supra; which was ordered to lie on the table.

SA 2819. Mr. DASCHLE proposed an amendment to the bill H.R. 622, supra.

SA 2820. Mr. LEVIN (for Mr. DASCHLE) proposed an amendment to the bill H.R. 622, supra.

SA 2821. Mr. DURBIN (for himself, Mr. LUGAR, Mr. BINGAMAN, Mr. DOMENICI, Mr. GRAHAM, Mr. WELLSTONE, Mr. KERRY, and Mr. SMITH, of Oregon) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

SA 2822. Mr. HELMS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2823. Mr. REID (for Ms. LANDRIEU) proposed an amendment to the bill H.R. 586, to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, and for other purposes.

SA 2824. Mr. REID (for Mr. KENNEDY (for himself and Mr. FRIST)) proposed an amendment to the bill S. 1274, to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke.

SA 2825. Mr. INHOFE submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2814. Mr. BOND submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. . MODIFICATION OF UNRELATED BUSINESS INCOME LIMITATION ON INVESTMENT IN CERTAIN DEBT-FINANCED PROPERTIES.

(a) IN GENERAL.—Section 514(c)(6) of the Internal Revenue Code of 1986 (relating to acquisition indebtedness) is amended—

(1) by striking "include an obligation" and inserting "include—

"(A) an obligation",

(2) by striking the period at the end and inserting ", or", and

(3) by adding at the end the following:

"(B) indebtedness incurred by a small business investment company licensed under the Small Business Investment Act of 1958 which is evidenced by a debenture—

"(i) issued by such company under section 303(a) of such Act, or

"(ii) held or guaranteed by the Small Business Administration.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to acquisitions made on or after the date of the enactment of this Act.

SA 2815. Mr. BOND submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

SEC. . TREATMENT OF CERTAIN INDIVIDUALS PERFORMING SERVICES IN CERTAIN HAZARDOUS DUTY AREAS.

(a) GENERAL RULE.—For purposes of the following provisions of the Internal Revenue Code of 1986, a qualified hazardous duty area shall be treated in the same manner as if it were a combat zone (as determined under section 112 of such Code):

(1) Section 2(a)(3) (relating to special rule where deceased spouse was in missing status).

(2) Section 112 (relating to the exclusion of certain combat pay of members of the Armed Forces).

(3) Section 692 (relating to income taxes of members of Armed Forces and victims of certain terrorist attacks on death).

(4) Section 2201 (relating to combat zone-related deaths of members of the Armed Forces and deaths of victims of certain terrorist attacks).

(5) Section 3401(a)(1) (defining wages relating to combat pay for members of the Armed Forces).

(6) Section 4253(d) (relating to the taxation of phone service originating from a combat zone from members of the Armed Forces).

(7) Section 6013(f)(1) (relating to joint return where individual is in missing status).

(8) Section 7508 (relating to time for performing certain acts postponed by reason of service in combat zone).

(b) QUALIFIED HAZARDOUS DUTY AREA.—For purposes of this section, the term "qualified hazardous duty area" means Somalia, if for the period beginning on December 3, 1992, and ending before March 31, 1995, any member of the Armed Forces of the United States was entitled to special pay under section 310 of title 37, United States Code (relating to special pay; duty subject to hostile fire or imminent danger) for services performed in such country. Such term includes such country only during the period such entitlement was in effect.

(c) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The provisions of this section shall take effect on the date of the enactment of this Act.

(2) SPECIAL RULE.—If refund or credit of any overpayment of tax resulting from the application of this section is prevented at any time on or before April 15, 2003, by the operation of any law or rule of law (including res judicata), refund or credit of such overpayment (to the extent attributable to the application of this section) may, nevertheless, be made or allowed if claim therefor is filed on or before April 15, 2003.

SA 2816. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle A of title VI of the amendment, add the following:

SEC. . ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt.

Such regulations shall require an employer to provide such an application within 30 days of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. ___. EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting "has 1 or more qualifying children and" before "is not married,".

(2) Section 3507(c)(2)(C) of such Code is amended by striking "the employee" and inserting "an employee with 1 or more qualifying children".

(3) Section 3507(f) of such Code is amended by striking "who have 1 or more qualifying children and".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. ___. TEMPORARY EXPANSION OF PENALTY-FREE RETIREMENT PLAN DISTRIBUTIONS FOR HEALTH INSURANCE PREMIUMS OF UNEMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Subparagraph (D) of section 72(t)(2) is amended by adding at the end the following new clause:

"(iv) SPECIAL RULES FOR INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION AFTER SEPTEMBER 10, 2001, AND BEFORE JANUARY 1, 2003.—In the case of an individual who receives unemployment compensation for 4 consecutive weeks after September 10, 2001, and before January 1, 2003—

"(I) clause (i) shall apply to distributions from all qualified retirement plans (as defined in section 4974(c)), and

"(II) such 4 consecutive weeks shall be substituted for the 12 consecutive weeks referred to in subclause (I) of clause (i)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions after the date of the enactment of this division.

SEC. ___. INCREASE IN CHILD TAX CREDIT.

(a) IN GENERAL.—The table contained in section 24(a)(2) (relating to per child amount) is amended by striking all matter preceding the second item and inserting the following:

"In the case of any taxable year beginning in—	**"The per child amount is—**
2001	$1,000
2002, 2003, or 2004	600".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. ___. TEMPORARY INCREASE IN DEDUCTION FOR CAPITAL LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.

(a) IN GENERAL.—Subsection (b) of section 1211 (relating to limitation on capital losses for taxpayers other than corporations) is amended by adding at the end the following flush sentence:

"Paragraph (1) shall be applied by substituting '$5,000' for '$3,000' and '$2,500' for '$1,500' in the case of taxable years beginning in 2001 or 2002.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

SEC. ___. NONREFUNDABLE CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by inserting after section 25B the following new section:

"SEC. 25C. CREDIT FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.

"(a) ALLOWANCE OF CREDIT.—In the case of an individual who maintains a household which includes as a member one or more qualifying students (as defined in subsection (b)(1)), there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the qualified elementary and secondary education expenses with respect to such students which are paid or incurred by the taxpayer during such taxable year.

"(b) DOLLAR LIMIT ON AMOUNT CREDITABLE.—The amount of qualified elementary and secondary education expenses paid or incurred during any taxable year which may be taken into account under subsection (a) shall not exceed $500.

"(c) QUALIFYING STUDENT.—For purposes of this section, the term "qualifying student" means a dependent of the taxpayer (within the meaning of section 152) who is enrolled in school on a full-time basis.

"(d) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified elementary and secondary education expenses' means computer technology or equipment expenses.

"(2) COMPUTER TECHNOLOGY OR EQUIPMENT.—The term 'computer technology or equipment' has the meaning given such term by section 170(e)(6)(F)(i) and includes Internet access and related services and computer software if such software is predominately educational in nature.

"(e) SCHOOL.—For purposes of this section, the term 'school' means any public, charter, private, religious, or home school which provides elementary education or seoondary education (through grade 12), as determined under State law.

"(f) DENIAL OF DOUBLE BENEFIT.—No deduction shall be allowed under this chapter for any contribution for which credit is allowed under this section.

"(g) ELECTION TO HAVE CREDIT NOT APPLY.—A taxpayer may elect to have this section not apply for any taxable year.

"(h) TERMINATION.—This section shall not apply to expenses paid or incurred after the date which is 90 days after the date of the enactment of this section.".

(b) CONFORMING AMENDMENTS.—

(1) Section 24(b)(3)(B), as added and amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "23 and 25B" and inserting "23, 25B, and 25C".

(2) Section 25(e)(1)(C) is amended by striking "23 and 1400C" and by inserting "23, 25C, and 1400C".

(3) Section 25(e)(1)(C), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by inserting "25C," after "25B,".

(4) Section 25B, as added by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "section 23" and inserting "sections 23 and 25C".

(5) Section 26(a)(1), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "and 25B" and inserting "25B, and 25C".

(6) Section 1400C(d) is amended by inserting "and section 25C" after "this section".

(7) Section 1400C(d), as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001, is amended by striking "and 25B" and inserting "25B, and 25C".

(8) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by inserting before the item relating to section 26 the following new item:

"Sec. 25C. Credit for elementary and secondary school expenses.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this division.

SA 2817. Mr. SESSIONS submitted an amendment intended to be proposed to amendment SA 2773 submitted by Mr. GRASSLEY and intended to be proposed to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

Add at the end of subtitle A of title VI of the amendment, add the following:

SEC. ___. ADDITIONAL REQUIREMENTS TO ENSURE GREATER USE OF ADVANCE PAYMENT OF EARNED INCOME CREDIT.

Not later than February 1, 2002, the Secretary of the Treasury by regulation shall require—

(1) each employer of an employee who the employer determines receives wages in an amount which indicates that such employee would be eligible for the earned income credit under section 32 of the Internal Revenue Code of 1986 to provide such employee with a simplified application for an earned income eligibility certificate, and

(2) require each employee wishing to receive the earned income tax credit to complete and return the application to the employer within 30 days of receipt.

Such regulations shall require an employer to provide such an application within 30 days of the hiring date of an employee and at least annually thereafter. Such regulations shall further provide that, upon receipt of a completed form, an employer shall provide for the advance payment of the earned income credit as provided under section 3507 of the Internal Revenue Code of 1986.

SEC. ___. EXTENSION OF ADVANCE PAYMENT OF EARNED INCOME CREDIT TO ALL ELIGIBLE TAXPAYERS.

(a) IN GENERAL.—Section 3507(b) of the Internal Revenue Code of 1986 (relating to earned income eligibility certificate) is amended by striking paragraph (2) and by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

(b) CONFORMING AMENDMENTS.—

(1) Section 3507(c)(2)(B) of the Internal Revenue Code of 1986 is amended by inserting "has 1 or more qualifying children and" before "is not married,".

(2) Section 3507(c)(2)(C) of such Code is amended by striking "the employee" and inserting "an employee with 1 or more qualifying children".

(3) Section 3507(f) of such Code is amended by striking "who have 1 or more qualifying children and".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2818. Mr. DeWine (for himself, Ms. Collins, Mr. Cleland, Mrs. Carnahan, Mr. Thurmond, Mr. Miller, Mr. Helms, and Mr. McCain) submitted an amendment intended to be proposed by him to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; which was ordered to lie on the table; as follows:

At the end, add the following:

TITLE —RELIEF FOR RESERVE COMPONENT PERSONNEL

SEC. 01. DEDUCTION OF CERTAIN EXPENSES OF MEMBERS OF THE RESERVE COMPONENT.

(a) Deduction Allowed.—Section 162 of the Internal Revenue Code of 1986 (relating to certain trade or business expenses) is amended by redesignating subsection (p) as subsection (q) and inserting after subsection (o) the following new subsection:

"(p) Treatment of Expenses of Members of Reserve Component of Armed Forces of the United States.—For purposes of subsection (a), in the case of an individual who performs services as a member of a reserve component of the Armed Forces of the United States at any time during the taxable year, such individual shall be deemed to be away from home in the pursuit of a trade or business during any period for which such individual is away from home in connection with such service.".

(b) Deduction Allowed Whether or Not Taxpayer Elects To Itemize.—Section 62(a)(2) of the Internal Revenue Code of 1986 (relating to certain trade and business deductions of employees) is amended by adding at the end the following new subparagraph:

"(D) Certain expenses of members of reserve components of the armed forces of the united states.—The deductions allowed by section 162 which consist of expenses paid or incurred by the taxpayer in connection with the performance of services by such taxpayer as a member of a reserve component of the Armed Forces of the United States.".

(c) Effective Date.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2001.

SEC. 02. CREDIT FOR EMPLOYMENT OF RESERVE COMPONENT PERSONNEL.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following new section:

"SEC. 45G. RESERVE COMPONENT EMPLOYMENT CREDIT.

"(a) General Rule.—For purposes of section 38, the reserve component employment credit determined under this section is an amount equal to the sum of—

"(1) the employment credit with respect to all qualified employees of the taxpayer, plus

"(2) the self-employment credit of a qualified self-employed taxpayer.

"(b) Employment Credit.—For purposes of this section—

"(1) In general.—The employment credit with respect to a qualified employee of the taxpayer for any taxable year is equal to 50 percent of the amount of qualified compensation that would have been paid to the employee with respect to all periods during which the employee participates in qualified reserve component duty to the exclusion of normal employment duties, including time spent in a travel status had the employee not been participating in qualified reserve component duty. The employment credit, with respect to all qualified employees, is equal to the sum of the employment credits for each qualified employee under this subsection.

"(2) Qualified compensation.—When used with respect to the compensation paid or that would have been paid to a qualified employee for any period during which the employee participates in qualified reserve component duty, the term 'qualified compensation' means compensation—

"(A) which is normally contingent on the employee's presence for work and which would be deductible from the taxpayer's gross income under section 162(a)(1) if the employee were present and receiving such compensation, and

"(B) which is not characterized by the taxpayer as vacation or holiday pay, or as sick leave or pay, or as any other form of pay for a nonspecific leave of absence, and with respect to which the number of days the employee participates in qualified reserve component duty does not result in any reduction in the amount of vacation time, sick leave, or other nonspecific leave previously credited to or earned by the employee.

"(3) Qualified employee.—The term 'qualified employee' means a person who—

"(A) has been an employee of the taxpayer for the 21-day period immediately preceding the period during which the employee participates in qualified reserve component duty, and

"(B) is a member of the Ready Reserve of a reserve component of an Armed Force of the United States as defined in sections 10142 and 10101 of title 10, United States Code.

"(c) Self-Employment Credit.—

"(1) In general.—The self-employment credit of a qualified self-employed taxpayer for any taxable year is equal to 50 percent of the excess, if any, of—

"(A) the self-employed taxpayer's average daily self-employment income for the taxable year over

"(B) the average daily military pay and allowances received by the taxpayer during the taxable year, while participating in qualified reserve component duty to the exclusion of the taxpayer's normal self-employment duties for the number of days the taxpayer participates in qualified reserve component duty during the taxable year, including time spent in a travel status.

"(2) Average daily self-employment income and average daily military pay and allowances.—As used with respect to a self-employed taxpayer—

"(A) the term 'average daily self-employment income' means the self-employment income (as defined in section 1402) of the taxpayer for the taxable year divided by the difference between—

"(i) 365, and

"(ii) the number of days the taxpayer participates in qualified reserve component duty during the taxable year, including time spent in a travel status, and

"(B) the term 'average daily military pay and allowances' means—

"(i) the amount paid to the taxpayer during the taxable year as military pay and allowances on account of the taxpayer's participation in qualified reserve component duty, divided by

"(ii) the total number of days the taxpayer participates in qualified reserve component duty, including time spent in travel status.

"(3) Qualified self-employed taxpayer.—The term 'qualified self-employed taxpayer' means a taxpayer who—

"(A) has net earnings from self-employment (as defined in section 1402) for the taxable year, and

"(B) is a member of the Ready Reserve of a reserve component of an Armed Force of the United States.

"(d) Credit In Addition to Deduction.—The employment credit provided in this section is in addition to any deduction otherwise allowable with respect to compensation actually paid to a qualified employee during any period the employee participates in qualified reserve component duty to the exclusion of normal employment duties.

"(e) Limitations.—

"(1) Maximum credit.—

"(A) In general.—The credit allowed by subsection (a) for the taxable year—

"(i) shall not exceed $7,500 in the aggregate, and

"(ii) shall not exceed $2,000 with respect to each qualified employee.

"(B) Controlled groups.—For purposes of applying the limitations in subparagraph (A)—

"(i) all members of a controlled group shall be treated as one taxpayer, and

"(ii) such limitations shall be allocated among the members of such group in such manner as the Secretary may prescribe.

For purposes of this subparagraph, all persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as members of a controlled group.

"(2) Disallowance for failure to comply with employment or reemployment rights of members of the reserve components of the armed forces of the united states.—No credit shall be allowed under subsection (a) to a taxpayer for—

"(A) any taxable year in which the taxpayer is under a final order, judgment, or other process issued or required by a district court of the United States under section 4323 of title 38 of the United States Code with respect to a violation of chapter 43 of such title, and

"(B) the two succeeding taxable years.

"(3) Disallowance with respect to persons ordered to active duty for training.—No credit shall be allowed under subsection (a) to a taxpayer with respect to any period for which the person on whose behalf the credit would otherwise be allowable is called or ordered to active duty for any of the following types of duty:

"(A) active duty for training under any provision of title 10, United States Code,

"(B) training at encampments, maneuvers, outdoor target practice, or other exercises under chapter 5 of title 32, United States Code, or

"(C) full-time National Guard duty, as defined in section 101(d)(5) of title 10, United States Code.

"(f) General Definitions and Special Rules.—

"(1) Military pay and allowances.—The term 'military pay' means pay as that term is defined in section 101(21) of title 37, United States Code, and the term 'allowances' means the allowances payable to a member of the Armed Forces of the United States under chapter 7 of that title.

"(2) Qualified reserve component duty.—The term 'qualified reserve component duty' includes only active duty performed, as designated in the reservist's military orders, in support of a contingency operation as defined in section 101(a)(13) of title 10, United States Code.

"(3) NORMAL EMPLOYMENT AND SELF-EMPLOYMENT DUTIES.—A person shall be deemed to be participating in qualified reserve component duty to the exclusion of normal employment or self-employment duties if the person does not engage in or undertake any substantial activity related to the person's normal employment or self-employment duties while participating in qualified reserve component duty unless in an authorized leave status or other authorized absence from military duties. If a person engages in or undertakes any substantial activity related to the person's normal employment or self-employment duties at any time while participating in a period of qualified reserve component duty, unless during a period of authorized leave or other authorized absence from military duties, the person shall be deemed to have engaged in or undertaken such activity for the entire period of qualified reserve component duty.

"(4) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (c), (d), and (e) of section 52 shall apply for purposes of this section.".

(b) CONFORMING AMENDMENT.—Section 38(b) of the Internal Revenue Code of 1986 (relating to general business credit) is amended—

(1) by striking "plus" at the end of paragraph (14),

(2) by striking the period at the end of paragraph (15) and inserting ", plus", and

(3) by adding at the end the following new paragraph:

"(16) the reserve component employment credit determined under section 45G(a).".

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 45F the following new item:

"Sec. 45G. Reserve component employment credit.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SA 2819. Mr. DASCHLE proposed an amendment to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Temporary Extended Unemployment Compensation Act of 2002".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Federal-State agreements.
Sec. 3. Temporary extended unemployment compensation account.
Sec. 4. Payments to States having agreements under this Act.
Sec. 5. Financing provisions.
Sec. 6. Fraud and overpayments.
Sec. 7. Definitions.
Sec. 8. Applicability.

SEC. 2. FEDERAL-STATE AGREEMENTS.

(a) IN GENERAL.—Any State which desires to do so may enter into and participate in an agreement under this Act with the Secretary of Labor (in this Act referred to as the "Secretary"). Any State which is a party to an agreement under this Act may, upon providing 30 days written notice to the Secretary, terminate such agreement.

(b) PROVISIONS OF AGREEMENT.—Any agreement under subsection (a) shall provide that the State agency of the State will make payments of temporary extended unemployment compensation to individuals—

(1) who—

(A) first exhausted all rights to regular compensation under the State law on or after the first day of the week that includes September 11, 2001; or

(B) have their 26th week of regular compensation under the State law end on or after the first day of the week that includes September 11, 2001;

(2) who do not have any rights to regular compensation under the State law of any other State; and

(3) who are not receiving compensation under the unemployment compensation law of any other country.

(c) COORDINATION RULES.—

(1) TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION TO SERVE AS SECOND-TIER BENEFITS.—Notwithstanding any other provision of law, neither regular compensation, extended compensation, nor additional compensation under any Federal or State law shall be payable to any individual for any week for which temporary extended unemployment compensation is payable to such individual.

(2) TREATMENT OF OTHER UNEMPLOYMENT COMPENSATION.—After the date on which a State enters into an agreement under this Act, any regular compensation in excess of 26 weeks, any extended compensation, and any additional compensation under any Federal or State law shall be payable to an individual in accordance with the State law after such individual has exhausted any rights to temporary extended unemployment compensation under the agreement.

(d) EXHAUSTION OF BENEFITS.—For purposes of subsection (b)(1)(A), an individual shall be deemed to have exhausted such individual's rights to regular compensation under a State law when—

(1) no payments of regular compensation can be made under such law because the individual has received all regular compensation available to the individual based on employment or wages during the individual's base period; or

(2) the individual's rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(e) WEEKLY BENEFIT AMOUNT, TERMS AND CONDITIONS, ETC. RELATING TO TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION.—For purposes of any agreement under this Act—

(1) the amount of temporary extended unemployment compensation which shall be payable to an individual for any week of total unemployment shall be equal to the amount of regular compensation (including dependents' allowances) payable to such individual under the State law for a week for total unemployment during such individual's benefit year;

(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for temporary extended unemployment compensation and the payment thereof, except where inconsistent with the provisions of this Act or with the regulations or operating instructions of the Secretary promulgated to carry out this Act; and

(3) the maximum amount of temporary extended unemployment compensation payable to any individual for whom a temporary extended unemployment compensation account is established under section 3 shall not exceed the amount established in such account for such individual.

SEC. 3. TEMPORARY EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT.

(a) IN GENERAL.—Any agreement under this Act shall provide that the State will establish, for each eligible individual who files an application for temporary extended unemployment compensation, a temporary extended unemployment compensation account.

(b) AMOUNT IN ACCOUNT.—

(1) IN GENERAL.—The amount established in an account under subsection (a) shall be equal to 13 times the individual's weekly benefit amount.

(2) WEEKLY BENEFIT AMOUNT.—For purposes of paragraph (1)(B), an individual's weekly benefit amount for any week is an amount equal to the amount of regular compensation (including dependents' allowances) under the State law payable to the individual for such week for total unemployment.

SEC. 4. PAYMENTS TO STATES HAVING AGREEMENTS UNDER THIS ACT.

(a) GENERAL RULE.—There shall be paid to each State that has entered into an agreement under this Act an amount equal to 100 percent of the temporary extended unemployment compensation paid to individuals by the State pursuant to such agreement.

(b) DETERMINATION OF AMOUNT.—Sums under subsection (a) payable to any State by reason of such State having an agreement under this Act shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this Act for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that the Secretary's estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

(c) ADMINISTRATIVE EXPENSES.—There are appropriated out of the employment security administration account (as established by section 901(a) of the Social Security Act (42 U.S.C. 1101(a)) of the Unemployment Trust Fund, without fiscal year limitation, such funds as may be necessary for purposes of assisting States (as provided in title III of the Social Security Act (42 U.S.C. 501 et seq.)) in meeting the costs of administration of agreements under this Act.

SEC. 5. FINANCING PROVISIONS.

(a) IN GENERAL.—Funds in the extended unemployment compensation account (as established by section 905(a) of the Social Security Act (42 U.S.C. 1105(a))), and the Federal unemployment account (as established by section 904(g) of such Act (42 U.S.C. 1104(g))), of the Unemployment Trust Fund (as established by section 904(a) of such Act (42 U.S.C. 1104(a))) shall be used, in accordance with subsection (b), for the making of payments (described in section 4(a)) to States having agreements entered into under this Act.

(b) CERTIFICATION.—The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums described in section 4(a) which are payable to such State under this Act. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification by transfers from the extended unemployment compensation account, as so established (or, to the extent that there are insufficient funds in that account, from the Federal unemployment account, as so established) to the account of such State in the Unemployment Trust Fund (as so established).

SEC. 6. FRAUD AND OVERPAYMENTS.

(a) In General.—If an individual knowingly has made, or caused to be made by another, a false statement or representation of a material fact, or knowingly has failed, or caused another to fail, to disclose a material fact, and as a result of such false statement or representation or of such nondisclosure such individual has received any temporary extended unemployment compensation under this Act to which such individual was not entitled, such individual—

(1) shall be ineligible for any further benefits under this Act in accordance with the provisions of the applicable State unemployment compensation law relating to fraud in connection with a claim for unemployment compensation; and

(2) shall be subject to prosecution under section 1001 of title 18, United States Code.

(b) Repayment.—In the case of individuals who have received any temporary extended unemployment compensation under this Act to which such individuals were not entitled, the State shall require such individuals to repay those benefits to the State agency, except that the State agency may waive such repayment if it determines that—

(1) the payment of such benefits was without fault on the part of any such individual; and

(2) such repayment would be contrary to equity and good conscience.

(c) Recovery by State Agency.—

(1) In general.—The State agency may recover the amount to be repaid, or any part thereof, by deductions from any regular compensation or temporary extended unemployment compensation payable to such individual under this Act or from any unemployment compensation payable to such individual under any Federal unemployment compensation law administered by the State agency or under any other Federal law administered by the State agency which provides for the payment of any assistance or allowance with respect to any week of unemployment, during the 3-year period after the date such individuals received the payment of the temporary extended unemployment compensation to which such individuals were not entitled, except that no single deduction may exceed 50 percent of the weekly benefit amount from which such deduction is made.

(2) Opportunity for hearing.—No repayment shall be required, and no deduction shall be made, until a determination has been made, notice thereof and an opportunity for a fair hearing has been given to the individual, and the determination has become final.

(d) Review.—Any determination by a State agency under this section shall be subject to review in the same manner and to the same extent as determinations under the State unemployment compensation law, and only in that manner and to that extent.

SEC. 7. DEFINITIONS.

In this Act, the terms “compensation”, “regular compensation”, “extended compensation”, “additional compensation”, “benefit year”, “base period”, “State”, “State agency”, “State law”, and “week” have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

SEC. 8. APPLICABILITY.

An agreement entered into under this Act shall apply to weeks of unemployment—

(1) beginning after the date on which such agreement is entered into; and

(2) ending before January 6, 2003.

SA 2820. Mr. LEVIN (for Mr. Daschle) proposed an amendment to the bill H.R. 622, to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes; as follows:

Amend the title as to read:

“A bill to provide for temporary unemployment compensation.”

SA 2821. Mr. DURBIN (for himself, Mr. Lugar, Mr. Bingaman, Mr. Domenici, Mr. Graham, Mr. Wellstone, Mr. Kerry, and Mr. Smith of Oregon) proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strength the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

On page 128, line 8, strike the period at the end and insert a period and the following:

SEC. 166. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND; FOOD STAMP PROGRAM FOR CERTAIN QUALIFIED ALIENS.

(a) Restriction of Commodity and Crop Insurance Payments, Loans, and Benefits to Previously Cropped Land.—Section 194 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127; 110 Stat. 945) is amended to read as follows:

“SEC. 194. RESTRICTION OF COMMODITY AND CROP INSURANCE PAYMENTS, LOANS, AND BENEFITS TO PREVIOUSLY CROPPED LAND.

“(a) Definition of Agricultural Commodity.—In this section:

“(1) In general.—The term ‘agricultural commodity’ has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

“(2) Exclusions.—The term ‘agricultural commodity’ does not include forage, livestock, timber, forest products, or hay.

“(b) Commodities.—

“(1) In general.—Notwithstanding any other provision of this title, except as provided in paragraph (2), the Secretary shall not provide a crop payment, crop loan, or other crop benefit under this title to an owner or producer, with respect to an agricultural commodity produced on land during a crop year unless the land has been planted, considered planted, or devoted to an agricultural commodity during—

“(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

“(B) at least 3 of the 10 crop years preceding the 2002 crop year.

“(2) Crop rotation.—Paragraph (1) shall not apply to an owner or producer, with respect to any agricultural commodity planted or considered planted, on land if the land—

“(A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

“(B) has been maintained, and will continue to be maintained, using long-term crop rotation practices, as determined by the Secretary.

“(c) Crop Insurance.—Notwithstanding any provision of the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), the Federal Crop Insurance Corporation shall not pay premium subsidies or administrative costs of a reinsured company for insurance regarding a crop insurance policy of a producer under that Act unless the land that is covered by the insurance policy for an agricultural commodity—

“(1) has been planted, considered planted, or devoted to an agricultural commodity during—

“(A) at least 1 of the 5 crop years preceding the 2002 crop year; or

“(B) at least 3 of the 10 crop years preceding the 2002 crop year; or

“(2)(A) has been planted, considered planted, or devoted to an agricultural commodity during at least 1 of the 20 crop years preceding the 2002 crop year; and

“(B) has been maintained, and will continue to be maintained, using long-term crop rotation practices, as determined by the Secretary.

“(d) Conservation Reserve Land.—For purposes of this section, land that is enrolled in the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C.3831 et seq.) shall be considered planted to an agricultural commodity.

“(e) Land Under the Jurisdiction of an Indian Tribe.—For purposes of this section, land that is under the jurisdiction of an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) shall be considered planted to an agricultural commodity if—

“(1) the land is planted to an agricultural commodity after the date of enactment of this subsection as part of an irrigation project that—

“(A) is authorized by the Bureau of Reclamation or the Bureau of Indian Affairs; and

“(B) is under construction prior to the date of enactment of this subsection; or

“(2) the land becomes available for planting because of a settlement or statutory authorization of a water rights claim by an Indian tribe after the date of enactment of this subsection.”.

(b) Partial Restoration of Benefits to Legal Immigrants.—Section 403(c)(2)(L) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(c)(2)(L)) (as amended by section 452(a)(2)(A)) is amended by inserting “provided to individuals under the age of 18” after “benefits”.

(c) Food Stamp Exception for Certain Qualified Aliens.—

(1) In general.—Section 402(a)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)) (as amended by section 452(c)(2)) is amended by adding at the end the following:

“(M) Food stamp exception for certain qualified aliens.—With respect to eligibility for benefits for the specified Federal program described in paragraph (3)(B), paragraph (1) shall not apply to any individual who has continuously resided in the United States as a qualified alien for a period of 5 years or more beginning on the date on which the qualified alien entered the United States.”.

(2) Effective date.—The amendment made by paragraph (1) takes effect on April 1, 2003.

SA 2822. Mr. HELMS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 945, strike lines 6 and 7 and insert the following:

SEC. 1024. DEFINITION OF ANIMAL UNDER THE ANIMAL WELFARE ACT.

Section 2(g) of the Animal Welfare Act (7 U.S.C. 2132(g)) is amended by striking "excludes horses not used for research purposes and" and inserting the following:

"excludes birds, rats of the genus Rattus, and mice of the genus Mus bred for use in research, horses not used for research purposes, and".

SEC. 1025. PENALTIES AND FOREIGN COMMERCE PROVISIONS OF THE ANIMAL WELFARE ACT.

SA 2823. Mr. REID (for Ms. LANDRIEU) proposed an amendment to the bill H.R. 586, to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . ACCELERATION OF EFFECTIVE DATE FOR EXPANSION OF ADOPTION TAX CREDIT AND ADOPTION ASSISTANCE PROGRAMS.

Subsection (g) of section 202 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended to read as follows:

"(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.".

SA 2824. Mr. REID (for Mr. KENNEDY (for himself and Mr. FRIST)) proposed an amendment to the bill S. 1274, to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke; as follows:

On page 12, line 24, strike "paragraph (1)(E)" and insert "paragraph (1)(D)".

On page 13, line 1, strike "paragraphs" and all that follows through "2823(a)" on line 2, and insert "paragraph (2) of section 2823(b)".

On page 18, line 14, strike "(b)" and insert "(c)".

On page 20, line 12, strike "(c)" and insert "(d)".

SA 2825. Mr. INHOFE submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 111, lines 14 and 15, strike "2002 through 2006" and insert "2003 through 2007".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, February 6, 2002, at 10 a.m., to conduct the second in a series of hearings on "The State of Financial Literacy and Education in America."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Senate Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, February 6 at 9:30 a.m., to conduct a hearing. The hearing will examine the effects of subtitle B of S. 1766, Amendments to the Public Utility Holding Company Act, on energy markets and energy consumers.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. REID. Mr. President, I ask unanimous consent that the Senate Committee on Finance be authorized to meet during the session of the Senate on Wednesday, February 6, 2002, at 10 a.m., to hear testimony on the "Ongoing U.S. Trade Negotiations."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, February 6, 2002, at 10:15 a.m., to hold a hearing titled, "The New Strategic Framework: Implications for U.S. Security".

Agenda

Witnesses: The Honorable William J. Perry, Former Secretary of Defense, Michael and Barbara Berberian Professor, Stanford University, Stanford, CA, and the Honorable Caspar W. Weinberger, Former Secretary of Defense, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, February 6, 2002, at 2:30 p.m., to hold a hearing title, "Somalia: U.S. Policy Options".

Agenda

Witnesses

Panel 1: The Honorable Walter Kansteiner, Assistant Secretary for African Affairs, Department of State, Washington, DC.

Panel 2: Dr. Ken Menkhaus, Associate Professor of Political Science, Davidson College, Davidson, NC; Dr. David H. Shinn, Former U.S. Ambassador to Ethiopia and Special, Coordinator for Somalia, Washington, DC; and Mr. Robert MacPherson, Emergency Group Assistance Director, CARE, Atlanta, GA.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. REID. I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on "Accountability Issues: Lessons Learned From Enron's Fall" on Wednesday, February 6, 2002, at 10 a.m., in Dirksen room 226.

Witness List: The Honorable Christine O. Gregiore, Attorney General of Washington State, Olympia, WA; Mr. Bruce Raynor, President, Union of Needletrades, Industrial and Textile Employees (UNITE), New York City, NY; Steven Schatz Esq., Wilson, Sonsini, Goodrich & Rosati Professional Corporation, Palo Alto, CA; Professor Nelson Lund, George Mason University School of Law, Arlington, VA; and Professor Susan P. Koniak, Boston University School of Law, Boston, MA.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. REID. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet on Wednesday, February 6, 2002, from 9:30 a.m.–12 p.m., in Dirksen 106 for the purpose of conducting a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. REID. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, February 6, 2002, at 10 a.m., to hold an open hearing and at 2:30 p.m., to hold a closed hearing on the World Threat.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AGING

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions, Subcommittee on Aging and the Special Committee on Aging be authorized to meet for a joint hearing on Women and Aging: Bearing the Burden of Long-Term Care during the session of the Senate on Wednesday, February 6, 2002, at 9:30 a.m., in SD–106.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. BOND. Mr. President, I ask unanimous consent that the privilege of the floor be granted to Tom Stapleton, a fellow on my staff, for the pendency of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAIRNESS FOR FOSTER CARE FAMILIES ACT OF 2001

Mr. REID. Madam President, I ask unanimous consent the Senate proceed to the consideration of Calendar No. 70, H.R. 586.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 586) to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. I understand Senator LANDRIEU has an amendment at the desk. I ask for its immediate consideration.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . ACCELERATION OF EFFECTIVE DATE FOR EXPANSION OF ADOPTION TAX CREDIT AND ADOPTION ASSISTANCE PROGRAMS.

Subsection (g) of section 202 of the Economic Growth and Tax Relief Reconciliation Act of 2001 is amended to read as follows:

"(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.".

Mr. REID. I ask unanimous consent the amendment be agreed to, the motion to reconsider be laid on the table, the bill, as amended, be read the third time, passed, the motion to reconsider be laid on the table without any intervening action or debate, and any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2823) was agreed to.

The bill (H.R. 586), as amended, was read the third time and passed.

STROKE TREATMENT AND ONGOING PREVENTION ACT OF 2001

Mr. REID. I ask unanimous consent the Senate proceed to Calendar No. 222, S. 1274.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1274) to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Senators KENNEDY and FRIST have a technical amendment at the desk. I ask unanimous consent the amendment be considered and agreed to, and the motion to reconsider be laid upon the table; that the bill, as amended, be read a third time, passed, the motion to reconsider be laid on the table, and any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2824) was agreed to, as follows:

(Purpose: To make certain technical corrections)

On page 12, line 24, strike "paragraph (1)(E)" and insert "paragraph (1)(D)".

On page 13, line 1, strike "paragraphs" and all that follows through "2823(a)" on line 2, and insert "paragraph (2) of section 2823(b)"

On page 18, line 14, strike "(b)" and insert "(c)".

On page 20, line 12, strike "(c)" and insert "(d)".

The bill (S. 1274), as amended, was read the third time and passed, as follows:

S. 1274

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Stroke Treatment and Ongoing Prevention Act of 2002".

SEC. 2. FINDINGS AND GOAL.

(a) FINDINGS.—Congress makes the following findings:

(1) Stroke is the third leading cause of death in the United States. Each year over 750,000 Americans suffer a new or recurrent stroke and 160,000 Americans die from stroke.

(2) Stroke costs the United States $28,000,000,000 in direct costs and $17,400,000,000 in indirect costs, each year.

(3) Stroke is one of the leading causes of adult disability in the United States. Between 15 percent and 30 percent of stroke survivors are permanently disabled. Presently, there are 4,400,000 stroke survivors living in the United States.

(4) Members of the general public have difficulty recognizing the symptoms of stroke and are unaware that stroke is a medical emergency. Fifty-eight percent of all stroke patients wait 24 hours or more before presenting at the emergency room. Forty-two percent of individuals over the age of 50 do not recognize numbness or paralysis in the face, arm, or leg as a sign of stroke and 17 percent of them cannot name a single stroke symptom.

(5) Recent advances in stroke treatment can significantly improve the outcome for stroke patients, but these therapies must be administered properly and promptly. Only 3 percent of stroke patients who are candidates for acute stroke intravenous thrombolytic drug therapy receive the appropriate medication.

(6) New technologies, therapies, and diagnostic approaches are currently being developed that will extend the therapeutic timeframe and result in greater treatment efficacy for stroke patients.

(7) Few States and communities have developed and implemented stroke awareness programs, prevention programs, or comprehensive stroke care systems.

(8) The degree of disability resulting from stroke can be reduced substantially by educating the general public about stroke and by improving the systems for the provision of stroke care in the United States.

(b) GOAL.—It is the goal of this Act to improve the provision of stroke care in every State and territory and in the District of Columbia, and to increase public awareness about the prevention, detection, and treatment of stroke.

SEC. 3. SYSTEMS FOR STROKE PREVENTION, TREATMENT, AND REHABILITATION.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended by adding at the end the following:

"TITLE XXVIII—SYSTEMS FOR STROKE PREVENTION, TREATMENT, AND REHABILITATION

"PART A—STROKE PREVENTION AND EDUCATION CAMPAIGN

"SEC. 2801. STROKE PREVENTION AND EDUCATION CAMPAIGN.

"(a) IN GENERAL.—The Secretary shall carry out a national education and information campaign to promote stroke prevention and increase the number of stroke patients who seek immediate treatment. In implementing such education and information campaign, the Secretary shall avoid duplicating existing stroke education efforts by other Federal Government agencies and may consult with national and local associations that are dedicated to increasing the public awareness of stroke, consumers of stroke awareness products, and providers of stroke care.

"(b) USE OF FUNDS.—The Secretary may use amounts appropriated to carry out the campaign described in subsection (a)—

"(1) to make public service announcements about the warning signs of stroke and the importance of treating stroke as a medical emergency;

"(2) to provide education regarding ways to prevent stroke and the effectiveness of stroke treatment;

"(3) to purchase media time and space;

"(4) to pay for out-of-pocket advertising production costs;

"(5) to test and evaluate advertising and educational materials for effectiveness, especially among groups at high risk for stroke, including women, older adults, and African-Americans;

"(6) to develop alternative campaigns that are targeted to unique communities, including rural and urban communities, and communities in the 'Stroke Belt';

"(7) to measure public awareness prior to the start of the campaign on a national level and in targeted communities to provide baseline data that will be used to evaluate the effectiveness of the public awareness efforts; and

"(8) to carry out other activities that the Secretary determines will promote prevention practices among the general public and increase the number of stroke patients who seek immediate care.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out subsection (b), $40,000,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006.

"PART B—GENERAL AUTHORITIES AND DUTIES OF THE SECRETARY

"SEC. 2811. ESTABLISHMENT.

"(a) IN GENERAL.—The Secretary shall, with respect to stroke care—

"(1) make available, support, and evaluate a grant program to enable a State to develop statewide stroke care systems;

"(2) foster the development of appropriate, modern systems of stroke care through the sharing of information among agencies and individuals involved in the study and provision of such care; and

"(3) provide to State and local agencies technical assistance.

"(b) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—The Secretary may make grants, and enter into cooperative agreements and contracts, for the purpose of carrying out subsection (a).

"SEC. 2812. PAUL COVERDELL NATIONAL ACUTE STROKE REGISTRY AND CLEARINGHOUSE.

"(a) IN GENERAL.—The Secretary shall maintain the Paul Coverdell National Acute Stroke Registry and Clearinghouse by—

"(1) continuing to develop and collect specific data points as well as appropriate benchmarks for analyzing care of acute stroke patients;

"(2) continuing to design and pilot test prototypes that will measure the delivery of care to patients with acute stroke in order to provide real-time data and analysis to reduce death and disability from stroke and improve the quality of life for acute stroke survivors;

"(3) fostering the development of effective, modern stroke care systems (including the development of policies related to emergency services systems) through the sharing of information among agencies and individuals involved in planning, furnishing, and studying such systems;

"(4) collecting, compiling, and disseminating information on the achievements of, and problems experienced by, State and local agencies and private entities in developing and implementing stroke care systems and, in carrying out this paragraph, giving special consideration to the unique needs of rural facilities and those facilities with inadequate resources for providing quality prevention, acute treatment, post-acute treatment, and rehabilitation services for stroke patients;

"(5) providing technical assistance relating to stroke care systems to State and local agencies; and

"(6) carrying out any other activities the Secretary determines to be useful to fulfill the purposes of the Paul Coverdell National Acute Stroke Registry and Clearinghouse.

"(b) RESEARCH ON STROKE.—The Secretary shall, not earlier than 1 year after the date of enactment of the Stroke Treatment and Ongoing Prevention Act of 2002, ensure the availability of published research on stroke or, where necessary, conduct research concerning—

"(1) best practices in the prevention, diagnosis, treatment, and rehabilitation of stroke;

"(2) barriers to access to currently approved stroke prevention, treatment, and rehabilitation services;

"(3) barriers to access to newly developed diagnostic approaches, technologies, and therapies for stroke patients;

"(4) the effectiveness of existing public awareness campaigns regarding stroke; and

"(5) disparities in the prevention, diagnosis, treatment, and rehabilitation of stroke among different populations.

"(c) CERTAIN RESEARCH ACTIVITIES.—In carrying out the activities described in subsection (b), the Secretary may conduct—

"(1) studies with respect to all phases of stroke care, including prehospital, acute, post-acute and rehabilitation care;

"(2) studies with respect to patient access to currently approved and newly developed stroke prevention and treatment services, including a review of the effect of coverage, coding, and reimbursement practices on access;

"(3) studies with respect to the effect of existing public awareness campaigns on stroke; and

"(4) any other studies that the Secretary determines are necessary or useful to conduct a thorough and effective research program regarding stroke.

"(d) MECHANISMS OF SUPPORT.—In carrying out the activities described in subsection (b), the Secretary may make grants to public and private non-profit entities.

"(e) COORDINATION OF EFFORT.—The Secretary shall ensure the adequate coordination of the activities carried out under this section.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary for each of fiscal years 2002 through 2006 to carry out this section.

"PART C—GRANTS WITH RESPECT TO STATE STROKE CARE SYSTEMS

"SEC. 2821. ESTABLISHMENT OF PROGRAM FOR IMPROVING STROKE CARE.

"(a) GRANTS.—The Secretary shall award grants to States for the purpose of establishing statewide stroke prevention, treatment, and rehabilitation systems.

"(b) USE OF FUNDS.—

"(1) IN GENERAL.—The Secretary shall make available grants under subsection (a) for the development and implementation of statewide stroke care systems that provide stroke prevention services and quality acute, post-acute, and rehabilitation care for stroke patients through the development of sufficient resources and infrastructure, including personnel with appropriate training, acute stroke teams, equipment, and procedures necessary to prevent stroke and to treat and rehabilitate stroke patients. In developing and implementing statewide stroke care systems, each State that is awarded such a grant shall—

"(A) oversee the design and implementation of the statewide stroke care system;

"(B) enhance, develop, and implement model curricula for training emergency medical services personnel, including dispatchers, first responders, emergency medical technicians, and paramedics in the identification, assessment, stabilization, and prehospital treatment of stroke patients;

"(C) ensure that stroke patients in the State have access to quality care that is consistent with the standards established by the Secretary under section 2823(c);

"(D) establish a support network to provide assistance to facilities with smaller populations of stroke patients or less advanced on-site stroke treatment resources; and

"(E) carry out any other activities that the State-designated agency determines are useful or necessary for the implementation of the statewide stroke care system.

"(2) ACCESS TO CARE.—A State may meet the requirement of paragraph (1)(C) by—

"(A) identifying acute stroke centers with personnel, equipment, and procedures adequate to provide quality treatment to patients in the acute phase of stroke consistent with the standards established by the Secretary under section 2823(c);

"(B) identifying comprehensive stroke centers with advanced personnel, equipment, and procedures to prevent stroke and to treat stroke patients in the acute and post-acute phases of stroke and to provide assistance to area facilities with less advanced stroke treatment resources;

"(C) identifying stroke rehabilitation centers with personnel, equipment, and procedures to provide quality rehabilitative care to stroke patients consistent with the standards established by the Secretary under section 2823(c); or

"(D) carrying out any other activities that the designated State agency determines are necessary or useful.

"(3) SUPPORT NETWORK.—A facility that provides care to stroke patients and that receives support through a support network established under paragraph (1)(D) shall meet the standards and requirements outlined by the State application under paragraph (2) of section 2823(b). The support network may include—

"(A) the use of telehealth technology connecting facilities described in such paragraph to more advanced stroke care facilities;

"(B) the provision of neuroimaging, lab, and any other equipment necessary to facilitate the establishment of a telehealth network;

"(C) the use of phone consultation, where useful;

"(D) the use of referral links when a patient needs more advanced care than is available at the facility providing initial care; and

"(E) any other assistance determined appropriate by the State.

"(c) PLANNING GRANTS.—

"(1) IN GENERAL.—The Secretary may award a grant to a State to assist such State in formulating a plan to develop a statewide stroke care system or in otherwise meeting the conditions described in subsection (b) with respect to a grant under this section.

"(2) SUBMISSION TO SECRETARY.—The governor of a State that receives a grant under paragraph (1) shall submit to the Secretary a copy of the plan developed using the amounts provided under such grant. Such plan shall be submitted to the Secretary as soon as practicable after the plan has been developed.

"(3) SINGLE GRANT LIMITATION.—To be eligible to receive a grant under paragraph (1), a State shall not have previously received a grant under such paragraph.

"(d) MODEL CURRICULUM.—

"(1) DEVELOPMENT.—The Secretary shall develop a model curriculum for training emergency medical services personnel, including dispatchers, first responders, emergency medical technicians, and paramedics in the identification, assessment, stabilization, and prehospital treatment of stroke patients.

"(2) IMPLEMENTATION.—The model curriculum developed under paragraph (1) may be implemented by a State to fulfill the requirements of subsection (b)(1)(B).

"SEC. 2822. REQUIREMENT OF MATCHING FUNDS FOR FISCAL YEARS SUBSEQUENT TO FIRST FISCAL YEAR OF PAYMENTS.

"(a) NON-FEDERAL CONTRIBUTIONS.—

"(1) IN GENERAL.—The Secretary may not award grants under section 2821(a) unless the State involved agrees, with respect to the costs described in paragraph (2), to make available for each year during which the State receives funding under such section, non-Federal contributions (in cash or in kind under subsection (b)(1)) toward such costs in an amount equal to—

"(A) for the second and third fiscal years of such payments to the State, not less than $1 for each $3 of Federal funds provided in such payments for each such fiscal year;

"(B) for the fourth fiscal year of such payments to the State, not less than $1 for each

$2 of Federal funds provided in such payments for such fiscal year; and

"(C) for any subsequent fiscal year of such payments to the State, not less than $1 for each $1 of Federal funds provided in such payments for such fiscal year.

"(2) Program costs.—The costs referred to in paragraph (1) are the costs to be incurred by the State in carrying out the purpose described in section 2821(b).

"(3) Initial year of payments.—The Secretary may not require a State to make non-Federal contributions as a condition of receiving payments under section 2821(a) for the first fiscal year of such payments to the State.

"(b) Determination of Amount of Non-Federal Contributions.—With respect to compliance under subsection (a) as a condition of receiving payments under section 2811(a)—

"(1) a State may make the non-Federal contributions required in such subsection in cash or in kind, fairly evaluated, including plant, equipment, or services; and

"(2) the Secretary may not, in making a determination of the amount of non-Federal contributions, include amounts provided by the Federal Government or services assisted or subsidized by a significant extent by the Federal Government.

"SEC. 2823. APPLICATION REQUIREMENTS.

"(a) Requirement of Application.—The Secretary may not award a grant to a State under section 2821(b) unless an application for the grant is submitted by the State to the Secretary.

"(b) Application Process and Guidelines.—The Secretary shall provide for an application process and develop guidelines to assist States in submitting an application under this section that—

"(1) outlines the stroke care system and explains how such system will ensure that stroke patients throughout the State have access to quality care in all phases of stroke, consistent with the standards established by the Secretary under subsection (c);

"(2) contains standards and requirements for facilities in the State that provide basic preventive services, advanced preventive services, acute stroke care, post-acute stroke care, and rehabilitation services to stroke patients; and

"(3) provides for the establishment of a central data reporting and analysis system and for the collection of data from each facility that will provide direct care to stroke patients in the State—

"(A) to identify the number of stroke patients treated in the State;

"(B) to monitor patient care in the State for stroke patients at all phases of stroke for the purpose of evaluating the diagnosis, treatment, and treatment outcome of such stroke patients;

"(C) to identify the total amount of uncompensated and under-compensated stroke care expenditures for each fiscal year by each stroke care facility in the State;

"(D) to identify the number of acute stroke patients who receive advanced drug therapy;

"(E) to identify patients transferred within the statewide stroke care system, including reasons for such transfer; and

"(F) to communicate to the greatest extent practicable with the Paul Coverdell National Acute Stroke Registry and Clearinghouse.

"(c) Certain Standards With Respect to Statewide Stroke Care System.—

"(1) In general.—The Secretary may not award a grant to a State under section 2821(a) for a fiscal year unless the State agrees that, in carrying out paragraphs (2) and (3), the State will—

"(A) adopt standards of care for stroke patients in the acute, post-acute, and rehabilitation phases of stroke; and

"(B) in adopting the standards described in subparagraph (A)—

"(i) consult with medical, surgical, and nursing specialty groups, hospital associations, voluntary health organizations, State offices of rural health, emergency medical services State and local directors, experts in the use of telecommunications technology to provide stroke care, concerned advocates, and other interested parties;

"(ii) conduct hearings on the proposed standards providing adequate notice to the public concerning such hearing; and

"(iii) beginning in fiscal year 2004, take into account the national standards of care.

"(2) Quality of stroke care.—The highest quality of stroke care shall be the primary goal of the State standards adopted under this subsection.

"(3) Approval by secretary.—The Secretary may not make payments to a State under section 2821(a) if the Secretary determines that—

"(A) the State has not taken into account national standards in adopting standards under this subsection;

"(B) in the case of payments for fiscal year 2004 and subsequent fiscal years, the State has not, in adopting such standards, taken into account the national standards of care and the model system plan developed under subsection (c); or

"(C) in the case of payments for fiscal year 2004 and subsequent fiscal years, the State has not provided to the Secretary the information received by the State pursuant to paragraphs (9) and (10) of subsection (a).

"(d) Model Stroke Care System Plan.—Not later than 1 year after the date of enactment of the Stroke Treatment and Ongoing Prevention Act of 2002, the Secretary shall develop standards of care for stroke patients in all phases of stroke that may be adopted for guidance by the State and a model plan for the establishment of statewide stroke care systems. Such plan shall—

"(1) take into account national standards;

"(2) take into account existing State systems and plans; and

"(3) take into account the unique needs of urban and rural communities, different regions of the Nation, and States with varying degrees of established stroke care infrastructures;

"SEC. 2824. REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS AND ASSURANCES.

"The Secretary may not award grants under section 2821(a) to a State for a fiscal year unless—

"(1) the State submits an application for the payments containing agreements in accordance with this part;

"(2) the agreements are made through certification from the chief executive officer of the State;

"(3) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary;

"(4) the application contains the plan provisions and the information required to be submitted to the Secretary pursuant to section 2823; and

"(5) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

"SEC. 2825. RESTRICTIONS ON USE OF PAYMENTS.

"(a) In General.—The Secretary may not, except as provided in subsection (b), make payments to a State under section 2821(a) for a fiscal year unless the State involved agrees that the payments will not be expended—

"(1) to make cash payments to intended recipients of services provided pursuant to such section;

"(2) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or

"(3) to provide financial assistance to any entity other than a public or nonprofit private entity.

"(b) Exception.—If the Secretary finds that the purpose described in section 2821(b) cannot otherwise be carried out, the Secretary may, with respect to an otherwise qualified State, waive the restriction established in subsection (a)(3).

"SEC. 2826. FAILURE TO COMPLY WITH AGREEMENTS.

"(a) Repayment of Payments.—

"(1) Requirement.—The Secretary may, in accordance with subsection (b), require a State to repay any payments received by the State pursuant to section 2821(a) that the Secretary determines were not expended by the State in accordance with the agreements required to be made by the State as a condition of the receipt of payments under such section.

"(2) Offset of amounts.—If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against any amount due to be paid to the State under section 2821(a).

"(b) Opportunity for a Hearing.—Before requiring repayment of payments under subsection (a)(1), the Secretary shall provide to the State an opportunity for a hearing.

"SEC. 2827. SPECIAL CONSIDERATION.

"In awarding grants under this part, the Secretary shall give special consideration to any State that has submitted an application for carrying out programs under such a grant—

"(1) in geographic areas in which there is—

"(A) a substantial rate of disability resulting from stroke; or

"(B) a substantial incidence of stroke; or

"(2) that demonstrates a significant need for assistance in establishing a comprehensive stroke care system.

"SEC. 2828. TECHNICAL ASSISTANCE AND PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.

"(a) Technical Assistance.—The Secretary shall, without charge to a State receiving payments under section 2821(a), provide to the State (or to any public or nonprofit entity designated by the State) technical assistance with respect to the planning, development, and operation of any program carried out pursuant to section 2821(b). The Secretary may provide such technical assistance directly, through contract, or through grants.

"(b) Provision by Secretary of Supplies and Services in Lieu of Grant Funds.—

"(1) In general.—Upon the request of a State receiving payments under section 2821(a), the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the State in carrying out section 2821(b) and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

"(2) Reduction in payments.—With respect to a request described in paragraph (1), the Secretary shall reduce the amount of payments to the State under section 2821(a) by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"SEC. 2829. REPORT BY SECRETARY.

"Not later than 3 years after the date of enactment of the Stroke Treatment and Ongoing Prevention Act of 2002, the Secretary shall report to the appropriate committees of Congress on the activities of the States carried out pursuant to section 2821. Such report shall include an assessment of the extent to which Federal and State efforts to develop stroke care systems, including the establishment of support networks and the identification of acute, comprehensive, and rehabilitation stroke centers, where applicable, have increased the number of stroke patients who have received acute stroke consultation or therapy within the appropriate timeframe and reduced the level of disability due to stroke. Such report may include any recommendations of the Secretary for appropriate administrative and legislative initiatives with respect to stroke care.

"SEC. 2830. FUNDING.

"(a) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this part, $50,000,000 for fiscal year 2002, $75,000,000 for fiscal year 2003, $75,000,000 for fiscal year 2004, $100,000,000 for fiscal year 2005, and $125,000,000 for fiscal year 2006.

"(b) LIMITATION ON ADMINISTRATIVE EXPENSES.—A State may use not to exceed 10 percent of amounts received under a grant awarded under section 2821(a) for administrative expenses.

"PART D—MISCELLANEOUS PROGRAMS

"SEC. 2831. MEDICAL PROFESSIONAL DEVELOPMENT IN ADVANCED STROKE TREATMENT AND PREVENTION.

"(a) IN GENERAL.—The Secretary may make grants to public and non-profit private entities for the development and implementation of education programs for appropriate medical personnel including medical students, emergency physicians, primary care providers, neurologists, neurosurgeons, and physical therapists in the use of newly developed diagnostic approaches, technologies, and therapies for the prevention and treatment of stroke.

"(b) DISTRIBUTION OF GRANTS.—In awarding grants under subsection (a), the Secretary shall ensure that such grants are equitably distributed among the geographical regions of the United States and between urban and rural populations.

"(c) APPLICATION.—A public or non-profit private entity desiring a grant under subsection (a) shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a plan for the rigorous evaluation of activities carried out with amounts received under such a grant.

"(d) USE OF FUNDS.—A public or non-profit private entity shall use amounts received under a grant under this section for the continuing education of appropriate medical personnel in the use of newly developed diagnostic approaches, technologies, and therapies for the prevention and treatment of stroke.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2002 through 2006.

"PART E—GENERAL PROVISIONS REGARDING PARTS A, B, C, AND D

"SEC. 2841. DEFINITIONS.

"In this title:

"(1) STATE.—The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Indian tribes, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

"(2) STROKE CARE SYSTEM.—The term 'stroke care system' means a statewide system to provide for the diagnosis, prehospital care, hospital definitive care, and rehabilitation of stroke patients.

"(3) STROKE.—The term 'stroke' means a 'brain attack' in which blood flow to the brain is interrupted or in which a blood vessel or aneurysm in the brain breaks or ruptures.

"SEC. 2842. CONSULTATIONS.

"In carrying out this title, the Secretary shall consult with medical, surgical, rehabilitation, and nursing specialty groups, hospital associations, voluntary health organizations, emergency medical services, State directors, and associations, experts in the use of telecommunication technology to provide stroke care, national disability and consumer organizations representing individuals with disabilities and chronic illnesses, concerned advocates, and other interested parties.".

Mr. KENNEDY. Madam President, the Senate has today approved important bipartisan legislation to improve the treatment of two afflictions that take the lives and blight the health of millions of Americans. The Stroke Treatment and Ongoing Prevention Act establishes important new initiatives to improve the quality of stroke care for patients across America. The Community Access to Emergency Defibrillation Act will make these lifesaving medical devices much more widely available in public places throughout the country.

I commend my colleague, Senator BILL FRIST, for joining me in sponsoring these two measures. Senator FRIST and I have worked closely on this legislation to establish new initiatives to reduce the grim toll of injury and death taken by stroke and cardiac arrest, and I commend him for his leadership. We are also grateful to the many colleagues on our committee and throughout the Senate who have worked with us so effectively on these two proposals.

Stroke is a national tragedy that leaves no American community unscarred. It is the third leading cause of death in the United States. Every minute of every day, somewhere in America, a person suffers a stroke. Every three minutes, a person dies from a stroke. Strokes take the lives of nearly 160,000 Americans each year. Even for those who survive, it can have devastating consequences. Over half of all survivors are left with a disability.

Since few Americans recognize the symptoms of stroke, crucial hours are often lost before patients receive medical care. The average time between the onset of symptoms and medical treatment is a shocking 13 hours. Emergency medical technicians are often not taught how to recognize and manage the symptoms of stroke. Rapid administration of clot-dissolving drugs can dramatically improve the outcome of stroke, yet fewer than 3 percent of stroke patients now receive such medication. If this lifesaving medication were delivered promptly to all stroke patients, as many as 90,000 Americans could be spared the disabling consequences of stroke.

Even in hospitals, stroke patients often do not receive the care that could save their lives. Treatment by specially trained health care providers increases survival and reduces disability due to stroke, but a neurologist is the attending physician for only about one in ten stroke patients. To save lives, reduce disability and improve the quality of stroke care, the Stroke Treatment and Ongoing Prevention Act authorizes needed new public health initiatives to enable patients with symptoms of stroke to receive timely and effective care.

The Act establishes a grant program for States to implement systems of stroke care that will give health professionals the equipment and training they need to treat this disorder. The initial point of contact between a stroke patient and medical care is usually an emergency medical technician. Grants under the Act may be used to train these personnel to provide more effective care to stroke patients in the crucial first few moments after an attack.

The Act provides new resources for States to improve the standard of care for stroke patients in hospitals, and to increase the quality of stroke care in rural hospitals through improvements in telemedicine.

The Act directs the Secretary of Health and Human Services to conduct a national media campaign to inform the public about the symptoms of stroke, so that patients receive prompt medical care. The bill also creates the Paul Coverdell Stroke Registry and Clearinghouse, which will collect data about the care of stroke patients and assist in the development of more effective treatments.

The Community Access to Emergency Defibrillation Act will increase the availability of lifesaving cardiac defibrillators in communities throughout the nation. We could save thousands of lives every year if defibrillators were more widely available, yet few communities are able to make this technology widely accessible.

The measure approved by the Senate today will establish new initiatives to increase access to defibrillators. It will assist communities in placing these lifesaving medical devices in public areas like schools, workplaces, community centers, and other locations where people gather. It will help communities provide training to use and maintain the devices, and to coordinate planning with emergency medical personnel. The legislation will also assist in placing defibrillators in schools so that cardiac arrest can be effectively treated when it strikes the youngest and most vulnerable of our citizens.

Sudden cardiac arrest is a tragedy for families all across America. Communities that have already implemented programs to increase public access to defibrillators like the extremely successful "First Responder Defibrillator Program" in Boston have been able to increase survival rates by 50 percent. More than 50,000 lives could be saved each year if more communities implemented programs such as Boston's.

The two measures approved by the Senate today can make a significant difference in the lives of the thousands of Americans who suffer a stroke or cardiac arrest every year. For such patients, even a few minutes' delay in receiving treatment can make the difference between healthy survival and disability or death. We need to do all we can to see that those precious minutes are not wasted. This legislation is important to every community in America. I commend my colleagues for having approved these measures, and I urge our colleagues in the House of Representatives to act on them promptly.

COMMUNITY ACCESS TO EMERGENCY DEFIBRILLATION ACT OF 2001

Mr. REID. I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 215, S. 1275.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1275) to amend the Public Health Service Act to provide grants for public access defibrillation demonstration projects, and so forth, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Health, Education, Labor, and Pensions, with an amendment on page 10, line 23, to strike ('').

Mr. REID. I ask unanimous consent the committee amendment be agreed to, the bill as amended be read a third time, passed, the motion to reconsider be laid on the table, and any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill was read the third time and passed; as follows:

S. 1275

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Community Access to Emergency Defibrillation Act of 2001".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Over 220,000 Americans die each year from cardiac arrest. Every 2 minutes, an individual goes into cardiac arrest in the United States.

(2) The chance of successfully returning to a normal heart rhythm diminishes by 10 percent each minute following sudden cardiac arrest.

(3) Eighty percent of cardiac arrests are caused by ventricular fibrillation, for which defibrillation is the only effective treatment.

(4) Sixty percent of all cardiac arrests occur outside the hospital. The average national survival rate for out-of-hospital cardiac arrest is only 5 percent.

(5) Communities that have established and implemented public access defibrillation programs have achieved average survival rates for out-of-hospital cardiac arrest as high as 50 percent.

(6) According to the American Heart Association, wide use of defibrillators could save as many as 50,000 lives nationally each year.

(7) Successful public access defibrillation programs ensure that cardiac arrest victims have access to early 911 notification, early cardiopulmonary resuscitation, early defibrillation, and early advanced care.

SEC. 3. PUBLIC ACCESS DEFIBRILLATION PROGRAMS AND PROJECTS.

Part B of title III of the Public Health Service Act (42 U.S.C. 243 et seq.), as amended by Public Law 106–310, is amended by adding after section 311 the following:

"SEC. 312. PUBLIC ACCESS DEFIBRILLATION PROGRAMS.

"(a) In General.—The Secretary shall award grants to States, political subdivisions of States, Indian tribes, and tribal organizations to develop and implement public access defibrillation programs—

"(1) by training and equipping local emergency medical services personnel, including firefighters, police officers, paramedics, emergency medical technicians, and other first responders, to administer immediate care, including cardiopulmonary resuscitation and automated external defibrillation, to cardiac arrest victims;

"(2) by purchasing automated external defibrillators, placing the defibrillators in public places where cardiac arrests are likely to occur, and training personnel in such places to administer cardiopulmonary resuscitation and automated external defibrillation to cardiac arrest victims;

"(3) by setting procedures for proper maintenance and testing of such devices, according to the guidelines of the manufacturers of the devices;

"(4) by providing training to members of the public in cardiopulmonary resuscitation and automated external defibrillation;

"(5) by integrating the emergency medical services system with the public access defibrillation programs so that emergency medical services personnel, including dispatchers, are informed about the location of automated external defibrillators in their community; and

"(6) by encouraging private companies, including small businesses, to purchase automated external defibrillators and provide training for their employees to administer cardiopulmonary resuscitation and external automated defibrillation to cardiac arrest victims in their community.

"(b) Preference.—In awarding grants under subsection (a), the Secretary shall give a preference to a State, political subdivision of a State, Indian tribe, or tribal organization that—

"(1) has a particularly low local survival rate for cardiac arrests, or a particularly low local response rate for cardiac arrest victims; or

"(2) demonstrates in its application the greatest commitment to establishing and maintaining a public access defibrillation program.

"(c) Use of Funds.—A State, political subdivision of a State, Indian tribe, or tribal organization that receives a grant under subsection (a) may use funds received through such grant to—

"(1) purchase automated external defibrillators that have been approved, or cleared for marketing, by the Food and Drug Administration;

"(2) provide automated external defibrillation and basic life support training in automated external defibrillator usage through nationally recognized courses;

"(3) provide information to community members about the public access defibrillation program to be funded with the grant;

"(4) provide information to the local emergency medical services system regarding the placement of automated external defibrillators in public places;

"(5) produce such materials as may be necessary to encourage private companies, including small businesses, to purchase automated external defibrillators; and

"(6) carry out other activities that the Secretary determines are necessary or useful to pursue the purposes of this section.

"(d) Application.—

"(1) In general.—To be eligible to receive a grant under subsection (a), a State, political subdivision of a State, Indian tribe, or tribal organization shall prepare and submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(2) Contents.—An application submitted under paragraph (1) shall—

"(A) describe the comprehensive public access defibrillation program to be funded with the grant and demonstrate how such program would make automated external defibrillation accessible and available to cardiac arrest victims in the community;

"(B) contain procedures for implementing appropriate nationally recognized training courses in performing cardiopulmonary resuscitation and the use of automated external defibrillators;

"(C) contain procedures for ensuring direct involvement of a licensed medical professional and coordination with the local emergency medical services system in the oversight of training and notification of incidents of the use of the automated external defibrillators;

"(D) contain procedures for proper maintenance and testing of the automated external defibrillators, according to the labeling of the manufacturer;

"(E) contain procedures for ensuring notification of local emergency medical services system personnel, including dispatchers, of the location and type of devices used in the public access defibrillation program; and

"(F) provide for the collection of data regarding the effectiveness of the public access defibrillation program to be funded with the grant in affecting the out-of-hospital cardiac arrest survival rate.

"(e) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2002 through 2007. Not more than 10 percent of amounts received under a grant awarded under this section may be used for administrative expenses.

"SEC. 313. PUBLIC ACCESS DEFIBRILLATION DEMONSTRATION PROJECTS.

"(a) IN GENERAL.—The Secretary shall award grants to political subdivisions of States, Indian tribes, and tribal organizations to develop and implement innovative, comprehensive, community-based public access defibrillation demonstration projects that—

"(1) provide cardiopulmonary resuscitation and automated external defibrillation to cardiac arrest victims in unique settings;

"(2) provide training to community members in cardiopulmonary resuscitation and automated external defibrillation; and

"(3) maximize community access to automated external defibrillators.

"(b) USE OF FUNDS.—A recipient of a grant under subsection (a) shall use the funds provided through the grant to—

"(1) purchase automated external defibrillators that have been approved, or cleared for marketing, by the Food and Drug Administration;

"(2) provide basic life training in automated external defibrillator usage through nationally recognized courses;

"(3) provide information to community members about the public access defibrillation demonstration project to be funded with the grant;

"(4) provide information to the local emergency medical services system regarding the placement of automated external defibrillators in the unique settings; and

"(5) carry out other activities that the Secretary determines are necessary or useful to pursue the purposes of this section.

"(c) APPLICATION.—

"(1) IN GENERAL.—To be eligible to receive a grant under subsection (a), a political subdivision of a State, Indian tribe, or tribal organization shall prepare and submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(2) CONTENTS.—An application submitted under paragraph (1) may—

"(A) describe the innovative, comprehensive, community-based public access defibrillation demonstration project to be funded with the grant;

"(B) explain how such public access defibrillation demonstration project represents innovation in providing public access to automated external defibrillation; and

"(C) provide for the collection of data regarding the effectiveness of the demonstration project to be funded with the grant in—

"(i) providing emergency cardiopulmonary resuscitation and automated external defibrillation to cardiac arrest victims in the setting served by the demonstration project; and

"(ii) affecting the cardiac arrest survival rate in the setting served by the demonstration project.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2002 through 2007. Not more than 10 percent of amounts received under a grant awarded under this section may be used for administrative expenses.

"SEC. 313A. GRANTS FOR ACCESS TO DEFIBRILLATION.

"(a) PROGRAM AUTHORIZED.—The Secretary of Health and Human Services shall award a grant to a health care organization to establish a national information clearinghouse that provides information to increase public access to defibrillation in schools.

"(b) DUTIES.—The health care organization that receives a grant under this section shall promote public access to defibrillation in schools by—

"(1) providing timely information to entities regarding public access defibrillation program implementation and development;

"(2) developing and providing comprehensive program materials to establish a public access defibrillation program in schools;

"(3) providing support to CPR and AED training programs;

"(4) fostering new and existing community partnerships with and among public and private organizations (such as local educational agencies, nonprofit organizations, public health organizations, emergency medical service providers, fire and police departments, and parent-teacher associations) to promote public access to defibrillation in schools;

"(5) establishing a data base to gather information in a central location regarding sudden cardiac arrest in the pediatric population and identifying or conducting further research into the problem; and

"(6) providing assistance to communities that wish to develop screening programs for at risk youth.

"(c) APPLICATION.—A health care organization desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(d) REPORT.—Not later than 5 years after the date on which the health care organization receives a grant under this section, such organization shall submit to the Secretary of Health and Human Services a report that describes activities carried out with funds received under this section. Not later than 3 months after the date on which such report is received by the Secretary of Health and Human Services, the Secretary shall prepare and submit to the appropriate committees of Congress an evaluation that reviews such report and evaluates the success of such clearinghouse.

"(e) AUTHORIZATION OF APPROPRIATIONS.—From funds authorized to be appropriated for fiscal years 2002 through 2006 for activities and programs under the Department of Health and Human Services, $800,000 of such funds may be appropriated to carry out the programs described in this section for each of the fiscal years 2002 through 2006.".

RECOGNIZING THE 91ST BIRTHDAY OF RONALD REAGAN

Mr. REID. Madam President, I ask unanimous consent the Senate now proceed to the consideration of H.J. Res. 82.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The assistant legislative clerk read as follows:

> A joint resolution (H.J. Res. 82) to recognize the 91st birthday of Ronald Reagan.

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. REID. I ask unanimous consent the joint resolution be considered, read a third time, and passed, the motion to reconsider be laid on the table, and any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (H.J. Res. 82) was read the third time and passed.

ORDER FOR STAR PRINT—S. 822

Mr. REID. I ask unanimous consent S. 822 be star printed with the changes at the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR THURSDAY, FEBRUARY 7, 2002

Mr. REID. Madam President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 10 a.m. tomorrow, Thursday, February 7; that following the prayer and pledge the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of S. 1731.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Madam President, there is a unanimous consent agreement that the next rollcall vote will occur at approximately 10:05 a.m. in relation to the Durbin amendment, as modified, with regard to nutrition.

The RECORD should be spread with the fact that the Senate as of just a short time ago had not yet received the modification agreement Senator DURBIN has been working on with Senator GRAMM. If for some reason that is not completed during the evening or early morning hour, then we would go immediately to the Dorgan-Grassley amendment.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. REID. Madam President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:29 p.m., adjourned until Thursday, February 7, 2002, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate February 6, 2002:

DEPARTMENT OF JUSTICE

TODD WALTHER DILLARD, OF MARYLAND, TO BE UNITED STATES MARSHAL FOR THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FOUR YEARS. (REAPPOINTMENT)

WARREN DOUGLAS ANDERSON, OF SOUTH DAKOTA, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF

SOUTH DAKOTA FOR THE TERM OF FOUR YEARS, VICE LYLE WEIR SWENSON, TERM EXPIRED.

JAMES LOREN KENNEDY, OF INDIANA, TO BE UNITED STATES MARSHAL FOR THE SOUTHERN DISTRICT OF INDIANA FOR THE TERM OF FOUR YEARS, VICE FRANK JAMES ANDERSON, TERM EXPIRED.

THEOPHILE ALCESTE DURONCELET, OF LOUISIANA, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF LOUISIANA FOR THE TERM OF FOUR YEARS, VICE CHARLES VINCENT SERIO, RESIGNED.

JAMES THOMAS PLOUSIS, OF NEW JERSEY, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF NEW JERSEY FOR THE TERM OF FOUR YEARS, VICE GLENN DALE CUNNINGHAM, RESIGNED.

JAMES JOSEPH PARMLEY, OF NEW YORK, TO BE UNITED STATES MARSHAL FOR THE NORTHERN DISTRICT OF NEW YORK FOR THE TERM OF FOUR YEARS, VICE EDWARD JOSEPH KELLY, JR., TERM EXPIRED.

CHARLES R. REAVIS, OF NORTH CAROLINA, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF NORTH CAROLINA FOR THE TERM OF FOUR YEARS, VICE MARK REID TUCKER.

TIMOTHY DEWAYNE WELCH, OF OKLAHOMA, TO BE UNITED STATES MARSHAL FOR THE NORTHERN DISTRICT OF OKLAHOMA FOR THE TERM OF FOUR YEARS, VICE JAMES MARION HUGHES, JR., TERM EXPIRED.

MICHAEL ROBERT REGAN, OF PENNSYLVANIA, TO BE UNITED STATES MARSHAL FOR THE MIDDLE DISTRICT OF PENNSYLVANIA FOR THE TERM OF FOUR YEARS, VICE WALTER D. SOKOLOWSKI, TERM EXPIRED.

JESSE SEROYER, JR., OF ALABAMA, TO BE UNITED STATES MARSHAL FOR THE MIDDLE DISTRICT OF ALABAMA FOR THE TERM OF FOUR YEARS, VICE FLORENCE M. CAUTHEN, TERM EXPIRED.

DEPARTMENT OF VETERANS AFFAIRS

ROBERT H. ROSWELL, OF FLORIDA, TO BE UNDER SECRETARY FOR HEALTH OF THE DEPARTMENT OF VETERANS AFFAIRS FOR A TERM OF FOUR YEARS, VICE THOMAS L. GARTHWAITE.

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS JUDGE ADVOCATE GENERAL OF THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 5148:

To be judge advocate general of the united states navy

REAR ADM. MICHAEL F. LOHR, 1245

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

CATHERINE E ABBOTT, 0658
LEWIS M BOONE, 1265
WILLIAM T CAIN, 8566
TIMOTHY R COFFIN, 1133
MICHAEL C CONNOLLY, 2884
NANCY J CURRIE, 6124
JOSEPH G CURTIN, 0286
PETER DIAZ, 7322
JODY L DRAVES, 5962
BRUCE E EMPRIC, 8444
MARSHALL P FITE, 0326
PATRICK G FORRESTER, 1419
VALLORY E LOWMAN, 7432
MARY E MATTHEWS, 0888
DAVID R.MCWILLIAMS, 2577
CHRISTOPHER E OCONNOR, 9438
JAMES R PIERSON, 5844
VICTORIA A POST, 1407
MICHAEL A RHODEN, 5550
PATRICK V SIMON, 8987
GEORGE F STONE III, 4313
MARK D VANUS, 8252
JAMES R WILLIAMS, 2853
JEFFREY N WILLIAMS, 9380

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

ELI T ALFORD, 6197
MICHAEL D BAEHRE, 3259
DANIEL BOLAS, 7150
JAMES L BOLING, 8634
CLIFF F BOLTZ, 8632
JEANNE M BROOKS, 3774
ANDREW H COHEN, 8031
PAUL M CRAWFORD, 8831
EDWARD P DONNELLY JR., 3907
RAYMOND E FREELAND JR., 3148
STEVEN E GALING, 3884
REGINALD R GILLIS, 3949
HARRY C HARDY, 4126
KEVIN C HAWKINS, 2932
JAMES M HOUSE, 5661
BILLIE W KEELER, 8488
PATRICK KELLY III, 7372
DAVID B KNUDSON, 3637
ABBOTT C KOEHLER, 4435
BILLY J LASTER JR., 6941
STEVEN J MAINS, 4061
PAUL K MARTIN, 0255
ROBIN L MEALER, 0498
TERRY L MINTZ, 1566
EDWARD P NAESSENS, 2381
GERALD B OKEEFE, 7134
CHRISTOPHER G OWENS, 8182
LEON L PRICE, 7583
GEORGE PROHODA, 3750
MICHAEL A RAMSEY, 8360
JOHN S REGAN, 2006
WILLIAM A RIGBY, 5585
CHRISTOPHER C ROMIG, 6076
BARRY L SHOOP, 5660
GLADYS V SMITH, 6928
SCOTT A SNOOK, 0775
WILMER A SWEETSER JR., 0037
MICHAEL A TONER, 4981
JAMES T TREHARNE, 5563
ROBERT C TUTTLE JR., 2670
EUGENE C WARDYNSKI JR., 2743

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

BRADLEY G ANDERSON, 5475
JESSE L BARBER, 9017
STEVEN F BEAL, 4907
ANTHONY B BELL, 2317
GARY L BLISS, 1656
CHRISTOPHER J BOLAN, 9913
STEVE G BOUKEDES, 4933
ROBERT E BREWSTER JR., 3534
MICHAEL E CANTOR, 9352
ALBERT A CASTALDO, 7513
DEBORAH J CHASE, 5405
DAVID W COKER, 7082
ALFRED A COPPOLA JR., 2816
SCOTT H CRIZER, 1353
JOHN F DAGOSTINO, 9878
VICTORIA DIEGOALLARD, 7146
ANITA M DOMINGO, 4605
GORDON C DRAKE, 0151
CHARLES H DRIESSNACK, 1057
PAUL J FLYNN, 6418
GREGORY J FRITZ, 2972
PETER N FULLER, 3244
ALLEN L GREEN III, 8628
HAROLD J GREENE, 4931
JEFFREY L GWILLIAM, 5886
RONALD J HAYNE, 6310
THOMAS H HOGAN, 3115
DONALD C HUFF, 6348
DAVID G JESMER JR., 4000
KEVIN B KENNY, 1034
STEPHEN D KREIDER, 9200
RONALD K MACCAMMON, 0110
DAVID G MACLEAN, 7660
JONATHAN A MADDUX, 2159
EDWARD D MCCOY, 2046
LLOYD E MCDANIELS, 6235
ROBERT C MCMULLIN, 8897
PAUL M MCQUAIN, 3256
FRANK L MILLER JR., 2879
SYLVIA T MORAN, 5413
FRANK MORGESE, 3493
JOSEPH F NAPOLI II, 6662
MARKUS R NEUMANN, 2768
CAMILLE M NICHOLS, 8674
KEVIN R NORGAARD, 4223
JOHN D NORWOOD, 5211
WILBUR A PARKER, 2549
WILLIAM N PATTERSON, 5387
JEROME F PAYNE, 3275
JAMES A PINER, 0691
KENNITH D POLCZYNSKI, 8633
ALEX R PORTELLI, 8057
STANLEY J PRUSINSKI, 9086
FRANK L RINDONE, 3347
STEPHEN L RUST, 7595
FELIX L SANTIAGOTORRES, 0469
TIMOTHY C SHEA, 8016
MICHAEL J SMITH, 8184
JESSE M STONE, 6400
ANDRES A TORO, 1482
THOMAS P WILHELM, 1574
MARK S WILKINS, 3818
JEFFREY D WILLEY, 2714
BENNY E WOODARD, 1350
JERRY D ZAYAS, 5719
DONALD A ZIMMER, 6639

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY UNDER TITLE 10, U.S.C., SECTION 624:

To be colonel

MARK H ABERNATHY, 4314
JAMES C ABNEY, 5279
DAVID J ABRAMOWITZ, 3132
ROBERT B ABRAMS, 0429
KAREN S ADAMS, 3843
MARK W AKIN, 5087
ROBERT M ALGERMISSEN, 9868
DAVID S ANDERSON, 0561
JOHN S ARNOLD, 0940
JOHN M ATKINS, 8720
MARK F AVERILL, 9172
MARK W AVERY, 3629
JOE T BACK JR., 1893
DON W BAILEY, 0042
RALPH O BAKER, 1784
THOMAS M BAKER, 2955
CAROL A BARKALOW, 0589
MICHAEL J BARRON, 0124
ROBERT F BARRY II, 2714
FRANK L BARTH, 5571
DONALD A BARTHOLOMEW, 9758
DEBBIE V BAZEMORE, 1995
ROBERT C BECKINGER, 1241
ROGER A BEHRINGER, 2375
DAVID J BENDER, 0193
KATHLEEN R BENNETT, 7632
GUY C BEOUGHER, 1999
CAROLE N BEST, 6799
GEORGE M BILAFER JR., 9673
FREDDIE N BLAKELY, 1969
JAMES A BLISS, 5993
KEITH C BLOWE, 8483
DONNA G BOLTZ, 3715
GWENDOLYN D BONEYHARRIS, 9503
JAMES F BOWIE, 9923
THOMAS J BOYLE, 5037
WILLIAM G BRAUN III, 3853
DONALD W BRIDGE JR., 0113
STEVEN J BRIGGS, 4155
JONATHAN B BROCKMAN, 5477
JAMES E BROOKS JR., 3502
MICHAEL A BROWN, 4196
MICHAEL L BRUHN, 2905
IRBY W BRYAN JR., 0701
JACKIE J BRYANT, 9790
BELINDA L BUCKMAN, 0857
WILLIAM E BULEN JR., 5261
MICHAEL I BUMGARNER, 8118
RALPH C BURKART, 6994
PETER L BURNETT JR., 9606
JOHN C BURNS, 2853
AARON W BUSH, 9449
JEFFREY S CAIRNS, 7385
VERNON L CAMPBELL, 5004
MICHAEL M CANNON, 3123
EDWARD C CARDON, 5464
ROBERT M CARPENTER, 5972
ROBERT A CARR, 8041
JAYNE A CARSON, 7947
PATRICK J CASSIDY, 5015
MICHAEL R CHAMBERS, 1208
CAROL D CLAIR, 1796
BEN C CLAPSADDLE, 5823
MARY J CLARK, 3612
JAMES P COATES, 5608
JEFFREY G COLLEY, 5380
JAMES H COMISH, 5920
TIMOTHY R CORNETT, 0695
JAMES F COSTIGAN, 4709
MICHAEL P COURTS, 9201
KENNETH J COX, 5719
WID S CRAWFORD, 1055
JAMES L CREIGHTON JR., 0997
FREDERICK A CROSS, 7901
ANTHONY G CRUTCHFIELD, 9770
KENNETH J CULL, 5574
ROBERT A CUNNINGHAM, 5115
ROBERT L CURSIO JR., 3314
ROBERT J DALESSANDRO, 3312
BROOKS S DAVIS, 7476
JAMES L DAVIS, 6838
ROBERT J DAVIS JR., 6684
DARRYL C DEAN, 9888
CHRISTIAN E DEGRAFF, 0183
THOMAS J DEVINE, 0861
DAVID L DEVRIES, 3419
JOSEPH P DISALVO, 9884
BRIAN J DONAHUE, 0140
PATRICK J DONAHUE II, 6240
ALEX C DORNSTAUDER, 5968
EMMETT H DUBOSE JR., 4515
STEPHEN R DWYER, 1811
KAREN E DYSON, 6373
TODD J EBEL, 5873
STEVEN C ELDRIDGE, 0377
MICHAEL D ELLERBE, 2995
CONWAY S ELLERS, 1483
RONNIE T ELLIS, 6624
TRACY L ELLIS, 5655
JAMES H EMBREY, 4431
RICHARD A ENDERLE, 3552
MICHAEL D ENNEKING, 0141
MICHAEL A FANT, 3608
MICHAEL W FEIL, 7622
EDWARD J FISHER, 1934
LARRY W FLENIKEN, 2188
MICHAEL J FLYNN, 6845
JAMES M FOSTER, 3460
WALTER N FOUNTAIN, 3134
KELLY R FRASER, 6192
KENT E FRIEDERICH, 0577
WILLIAM R FRUNZI, 2241
WILLIAM K FULLER, 4797
TIMOTHY J GALLAGHER, 6286
WILLIAM J GALLAGHER, 3632
MICHAEL S GALLOUCIS, 8895
DUANE P GAPINSKI, 7597
DONALD E GENTRY, 5297
MICHAEL G GOULD, 4756
DAVID R GRAY, 9088
STEVEN M GREEN, 2662
BRYON E GREENWALD, 7899
JEFFREY G GREGSON, 6025
GILBERT A GRIFFIN, 2988
WILLIAM H HAIGHT III, 6937
BARRY G HALVERSON, 9283
DYFIERD A HARRIS, 2462
MICHAEL J HARRIS, 3113
JAMES W HARRISON JR., 7045

WILLIAM T HARRISON, 5879
THOMAS A HARVEY, 5079
EDWIN S HEINRICH, 4612
JAMES B HENDERSON, 9232
LOUIS O HENKEL, 6922
MARK M HENNES, 7472
JOHN A HERMAN, 8215
GREGORY K HERRING, 9296
JAMES B HICKEY, 6470
SHEILA B HICKMAN, 7686
PATRICK M HIGGINS, 6649
WILLIAM F HIGGINS JR., 8950
DAVID R HOGG, 0373
DEBORAH HOLLIS, 3808
JEFFREY P HOLT, 0748
JOHN C HOWARD, 5497
ROY C HOWLE JR., 7319
DONALD B HYDE JR., 0967
VICTOR D IRVIN, 0500
DONALD N ISBELL, 1475
CHRISTOPHER E ISKRA, 8878
ROBERT L JASSEY JR., 6003
FULTON R JOHNSON, 6935
ROBERT C JOHNSON, 8400
GARY E JOHNSTON, 7144
DALTON R JONES, 8688
STEVEN M JONES, 1194
CHARLES J KACSUR JR., 7628
JOHN C KARCH, 7434
MICHAEL P KELLIHER, 1249
PAUL W KELLY, 3242
ROBERT W KENNEALLY JR., 2916
JOHN M KIDD, 7066
GARY S KINNE, 7228
JAMES D KIRBY, 0927
DAVID B KNEAFSEY, 6521
GREGORY P KOENIG, 8838
JAMES P KOHLMANN, 5675
MIROSLAV P KURKA, 0352
KINARD J LAFATE, 9950
JONATHAN E LAKE, 8050
KURT G LAMBERT, 5455
STEPHEN R LANZA, 3643
STEVE E LAWRENCE, 5402
BRIAN R LAYER, 6190
DOUGLAS J LEE, 5883
WILLIAM F LEE, 7053
DAVID B LEMAUK, 0190
DEBRA M LEWIS, 1791
CHRISTOPHER L LEYDA, 4365
WENDY L LICHTENSTEIN, 7411
RICHARD C LONGO, 4173
ROBERT G LOUIS, 3431
JOSEPH B LOWDER, 7669
BENJAMIN D LUKEFAHR, 2964
DAVID K MACEWEN, 7620
JORGE L MADERA, 7611
CHERYL D MANN, 8884
ANGELA M MANOS, 4367
PETER R MANSOOR, 4187
LOU L MARICH, 6309
ALBERT G MARIN III, 8568
PRESCOTT L MARSHALL, 0673
DAVID C MARTINO, 2776
SHAWN M MATEER, 9561
BRADLEY W MAY, 9269
ROBERT D MAYR, 2460
MARK A MCALISTER, 7115
JACK R MCCLANAHAN JR., 9864
MICHAEL J MCMAHON, 3909
KENNETH M MCMILLIN, 8196
TIMOTHY K MCNULTY, 0979
PLAUDY M MEADOWS III, 2084
KEVIN G MERRIGAN, 2698
ANDREW N MILANI, 6911
GEORGE J MILLAN, 3089
STEVEN N MILLER, 9061
KRISTOPHER F MILTNER, 8877
JEFFERY L MISER, 1492
JAMES M MOORE, 3905
MARK L MORRISON, 6294
ALAN M MOSHER, 8549
DAVID A MOSINSKI, 6616
THOMAS M MUIR, 3321
CHARLES E MULLIS, 3989
CHRISTOPHER J MUNN, 2153
JOHN M MURRAY, 8256
SUSAN R MYERS, 3960
MICHAEL K NAGATA, 3113
JOYCE P NAPIER, 0458
JENNIFER L NAPPER, 7225
DOUGLAS E NASH, 2660
JAMES P NELSON, 3718
JOHN W NICHOLSON JR., 6582
ROBERT W NICHOLSON, 9080
JOSE R OLIVERO, 3215
GREG D OLSON, 6080
ROBERT ORTIZABREU JR., 3289
HECTOR E PAGAN, 8352
SAMUEL L PALMER, 8171
LAWRENCE R PAPINI JR., 6622
THOMAS M PAPPAS, 9454
RICHARD H PARKER, 5771
LAWARREN V PATTERSON, 2001
KATHLEEN M PEDERSEN, 0939
STEVEN R PELLEY, 7925
STEPHEN P PERKINS, 2781
WILLIAM E PERKINS, 7173
BRIAN C PERRIS, 8179
MARK B PETREE, 8735
MICHAEL F PFENNING, 1377
WILLIAM G PHELPS JR., 6827
DON A PHILLIPS, 7892
MICHAEL W PICK, 2336
TIMOTHY J POLASKE, 9222
RICHARD J POLO JR., 2959
WILLIAM R POPE, 9044
ROBERT P PRICONE, 6832
ANTHONY J PUCKETT, 9969
DAVID E QUANTOCK, 0979
FLOYD A QUINTANA, 6085
JOSEPH A RAPONE II, 8035
TIMOTHY R REESE, 4140
PAUL J REOYO, 1627
MICHAEL S REPASS, 8406
MICHAEL RESTY JR., 4612
ROSS E RIDGE, 8721
RICARDO R RIERA, 1992
JOHN P RITCHEY, 2714
MARK L RITTER, 3172
PETER J ROBERTS, 6141
HUGH G ROBINSON JR., 1512
SUSAN M ROCHA, 0300
DAVID J ROHRER, 1573
JAMES G ROSE, 7380
MARK D ROSENGARD, 8280
JOHN S ROVEGNO, 5286
BENIGNO B RUIZ, 9696
BENNET S SACOLICK, 0726
STEVEN L SALAZAR, 0710
RUSSEL D SANTALA, 5134
LAURIE F SATTLER, 8638
DAVID A SCARBALIS, 0168
MICHAEL W SCHNEIDER, 6504
CHRISTOPHER E SCHUSTER, 3376
JERRY D SCOTT, 4929
MICHAEL R SCOTT, 4459
JAY D SERRANO, 6605
DANIEL J SHANAHAN, 3967
JOHN M SHAY, 8562
JAMES W SHUFELT JR., 8315
RICHARD A SMART, 4819
JEFFOREY A SMITH, 4838
MICHAEL N SMITH, 7423
NATHANIEL SMITH, 4697
PHILIP J SMITH, 7953
EDWARD W SNEAD, 7363
SUSAN R SOWERS, 5198
JAMES A STAUFFER, 7155
MARK A STEENBERG, 5395
EDDIE A STEPHENS, 1656
BRIAN P STEPHENSON, 0676
MICHAEL K STEPHENSON, 9755
BEVERLY M STIPE, 2851
ARTHUR A STRANGE III, 8714
JOHN C STRATIS, 0409
DAVID J STYLES, 1758
BARRY L SWAIN, 0471
RICHARD W SWENGROS, 5375
WILLIAM J TAIT JR., 7286
CHARLES L TAYLOR, 5180
DEBRA O TAYLOR, 4214
DWAYNE L THOMAS, 1024
DENNIS H THOMPSON, 9089
DENNIS A THORNTON, 0995
JOHN M TISSON, 8301
ROBERT M TOGUCHI, 6593
CHARLES J TOOMEY JR., 9056
CHRISTOPHER J TOOMEY, 6959
KARLA C TORREZ, 8066
TIMOTHY C TOUZINSKY, 4087
JOHN W TOWERS, 7853
THOMAS G TROBRIDGE, 1038
RODERICK G TURNER III, 3518
PETER D UTLEY, 3922
THOMAS D VAIL, 0281
THOMAS S VANDAL, 3068
REY A VELEZ, 3903
JEFFREY D WADDELL, 9874
MICHAEL T WALKER, 4154
WALLY Z WALTERS JR., 2067
BRAD M WARD, 4014
BRIAN F WATERS, 9049
PAUL L WENTZ, 3661
STUART A WHITEHEAD, 8646
PERRY L WIGGINS, 3781
STEPHEN M WILKINS, 8877
GARLAND H WILLIAMS, 7368
JENNIE M WILLIAMSON, 2514
CHARLES A WILSON, 1396
GEORGE J WOODS III, 2014
ARTHUR W WOOLFREY JR., 7910
LOWELL S YARBROUGH, 5695
CHET C YOUNG, 2504
LAVERM YOUNG JR., 6601
LOUIS G YUENGERT, 0068
DANIEL L ZAJAC, 8179
JACK C ZEIGLER JR., 6103
JOHN T ZOCCOLA, 8932
X 1755
X 0314

EXTENSIONS OF REMARKS

NO SUBSTITUTE FOR QUALITY TEACHING ACT

HON. JAMES R. LANGEVIN

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. LANGEVIN. Mr. Speaker, I rise today to talk about a very important issue to my district and communities across the country—increasing access to professional development for our teachers and to introduce the No Substitute for Quality Teaching Act, legislation I have drafted to address this issue. We all understand the importance of training opportunities for our teachers. When we passed H.R. 1 by an overwhelming margin, we included significant new investments for teacher quality programs and new measures to hold teachers accountable for the education they provide. We even required school to devote 10 percent of their Title I funds to professional development activities. Unfortunately, these resources and requirements will be meaningless if teachers do not have time to take advantage of the training opportunities.

• Throughout the fall I conducted a survey of teachers and principals in all the schools in my congressional district. I found that teachers and administrators alike want to pursue more professional development, to improve their skills and use the most innovative and effective teaching strategies available, but they simply do not have the time. Many teachers are already overburdened with the daily duties of teaching, coaching or leading other afterschool activities, and preparing future lesson plans. When they need a substitute to fill in while they attend a training class, there often isn't one available. In fact, the substitute teacher shortage in Rhode Island—and in many states across the country—is so acute that many teachers are being forced to give up their planning periods to cover for sick colleagues. Some states have even placed moratoriums on leaves of absence for professional development.

To alleviate the shortage, districts have been forced to dramatically lower their hiring standards for substitute teachers. Twenty-eight states allow principals to hire anyone with a high school diploma or GED who is 18 or older, and over half of all states do not check references or even conduct face-to-face interviews with potential substitutes. Yet, our students spend an inordinate amount of time with them—an average of 365 days over the course of their elementary and secondary education. Alarmingly, minimal qualification requirements for substitutes have been linked to lower educational achievement among students.

So, today, along with 14 of my colleagues, I am introducing the "No Substitute for Quality Teaching Act." This bill will create a demonstration grant program for school districts to experiment with creative ways to address the substitute teacher shortage. The funds will go directly to local education agencies, which may tackle the problem alone or in conjunction with neighboring districts.

States across the country are already dealing with this issue in a myriad of ways. Wisconsin, Florida, California, New Mexico, Washington, Pennsylvania and Minnesota, to name a few, have created permanent substitute teacher pools, implemented training programs to equip substitutes with the skills they need to be effective at their jobs, conducted recruitment campaigns, and raised substitute compensation. Let's provide the necessary resources to disseminate the lessons these states have already learned, and to find new ways to solve this problem by passing the No Substitute for Quality Teaching Act.

IN RECOGNITION OF THE PANPAPHIAN ASSOCIATION OF AMERICA

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mrs. MALONEY of New York. Mr. Speaker, I rise to pay tribute to the Panpaphian Association of America which will be honoring Peter J. Pappas with the Evagoras Pallikarides Award of Merit as well as this year's Member of the Year, Chrysi Kleopa Notskas.

The Panpaphian Association was founded in 1987 by a group of Hellenic Cypriot Americans from Paphos, Cyprus to serve as cultural, educational and social organization. The Evagoras Pallikarides Award is named in honor of Evagoras Pallikarides, who was born in the small village of Tsada, Paphos, in February of 1938. Pallikarides is hailed as a hero by many for his work as a Cypriot freedom-fighter during the British occupation of Cyprus. For his efforts, Pallikarides was subsequently executed by the British, but his legacy of independence and cultural pride has endured. This year's recipient of the Evagoras Pallikarides Award embodies these characteristics as well.

Peter J. Pappas is the President & CEO of PJ Mechanical Corporation. It is one of the largest service maintenance organizations in the New York metropolitan area and presently ranks ninth in the entire nation. Mr. Pappas's professional successes can be rivaled only by his many philanthropic contributions. He serves on the Archdiocesan Council, is a Director of Leadership 100, and President of HANAC, which oversees and coordinates a variety of social service programs throughout the community that have serviced thousands of people. He is also President of the Cyprus Children's Fund, a member of the Board of Directors of the Cyprus Chamber of Commerce and Chairman of the New York State Hellenic American Republican Association.

Mr. Pappas has been married to his wife, Catherine, in 1961. The couple has three grown children, Peter, James and Tara and seven grandchildren.

Being honored as this year's Panaphian Association Member of the Year is Chrysi Kleopa Notskas. A native of Paphos, Cyprus she relocated to the U.S. as a student, obtaining a Bachelor's degree from Adelphi University and a Master's degree from Long Island University. She was named Ms. Cyprus of the USA and was also recognized with an Outstanding Teacher Award. As a teacher and mentor, Notskas is known for her selflessness and unwillingness to say no to a student in need. She is married to Evan Notskas and they have a daughter named Olga.

In recognition of these outstanding achievements, I ask my colleagues to join me in recognizing the great contributions of the Panpaphian Association, and its honorees Peter J. Papas and Chrysi Kleopa Notskas.

IN RECOGNITION OF OFFICER ROBERT D. MOORE

HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Ms. SOLIS. Mr. Speaker, I rise today to recognize the numerous contributions made by Officer Robert D. Moore to the Monterey Park Police Department during his professional career. After 23 years of service, Officer Moore retired from the police force on December 20, 2001.

Officer Moore attended the Los Angeles County Sheriff's Department Academy and graduated on June 8, 1979. By February 19 of the same year, Officer Moore began his 23-year career with the Monterey Park Police Department. During a large part of his career he worked on the patrol division and from 1986 to 1989 he was assigned to the Investigations Bureau that dealt with fraud. He obtained Basic, Intermediate, and Advanced Police Certificates from the State of California Commission on Police Officer Standards of Training.

During his career, Officer Moore received over thirty letters and commendations for his valuable achievements including arrests made, investigations conducted, and help provided to members of the community. Several of those commendations recognized his extra efforts in helping victims of crime, the elderly, and underprivileged members of the community. Furthermore, he was also part of the Monterey Park Police Department's Baker to Vegas running team.

I commend Officer Moore's strong commitment to protect and serve the Monterey Park community. Officer Moore has been a true

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

professional, an inspirational role model and a friend to many from the beginning of his career until his retirement and his contributions will not be forgotten. I wish him well in his retirement and thank him for his many years of public service.

TRIBUTE TO DR. RICHARD HODES

HON. JIM DAVIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. DAVIS of Florida. Mr. Speaker, I rise in honor of Dr. Richard Hodes, a physician and former leader in the Florida legislature who used his multitude of personal and professional talents to improve Florida's health care system and make Florida a better place for all of us.

During Dick's 16 years of service in the Florida House of Representatives, he always sought opportunities to contribute as a champion of education and health reforms. As chairman of the House Health and Rehabilitation Services Committee, then Speaker pro tem and majority leader, Dick used his expertise as a physician and his prowess as a legislator, most notably, to help fashion Florida's Medicaid legislation and streamline the State's health, institutional, and welfare services in Florida.

Dick's work was not overlooked. In 1970 he was the recipient of the Florida Jaycees Good Government Award and the St. Petersburg Times nominated him four times as the Most Valuable Member of the House. Dick was even elected President of the National Conference of State Legislatures.

Outside of the legislature, Dick's contributions to the medical community were countless. He operated his own private practice in Tampa for nearly 40 years and served as Chairman of the Department of Anesthesiology at the University of South Florida's College of Medicine and former President of the Florida Medical Association, the Hillsborough County Medical Association and the Florida Society of Anesthesiologists. Local Hillsborough County residents benefitted from his insight every week for 20 years when they tuned into his program on WEDU television.

Dick was the model citizen: a tireless worker, a highly successful doctor and public servant dedicated to the people he served. He was soft spoken while holding firm, heartfelt views about the major issues he tackled. Dick is an inspiration for generations of leaders to come and he will be solely missed not just by his family and many, many friends, but by all of us.

ANNOUNCEMENT OF THE 2002 CONGRESS-BUNDESTAG/BUNDESRAT EXCHANGE

HON. RALPH REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. REGULA. Mr. Speaker, since 1983, the U.S. Congress and the German Bundestag and Bundesrat have conducted an annual exchange program for staff members from both countries. The program gives professional staff the opportunity to observe and learn about each other's political institutions and interact on issues of mutual interest.

A staff delegation from the U.S. Congress will be selected to visit Germany during May 26 to June 8 of this year. During the 2 week exchange, the delegation will attend meetings with Bundestag Members, Bundestag party staff members, and representatives of numerous political, business, academic, and media agencies. Participants also will be hosted by a Bundestag Member for a district visit.

A comparable delegation of German staff members will visit the United States for 2 weeks in July. They will attend similar meetings here in Washington and visit the districts of Congressional Members. The U.S. delegation is expected to facilitate these meetings.

The Congress-Bundestag Exchange is highly regarded in Germany and is one of several exchange programs sponsored by public and private institutions in the United States and Germany to foster better understanding of the politics and policies of both countries. This exchange is funded by the U.S. Department of State's Bureau of Educational and Cultural Affairs.

The U.S. delegation should consist of experienced and accomplished Hill staff who can contribute to the success of the exchange on both sides of the Atlantic. The Bundestag reciprocates by sending senior staff professionals to the United States.

Applicants should have a demonstrable interest in events in Europe. Applicants need not be working in the field of foreign affairs, although such a background can be helpful. The composite U.S. delegation should exhibit a range of expertise in issues of mutual concern to Germany and the United States such as, but not limited to, trade, security, the environment, immigration, economic development, health care, and other social policy issues.

In addition, U.S. participants are expected to help plan and implement the program for the Bundestag staff members when they visit the United States. Participants are expected to assist in planning topical meetings in Washington, and are encouraged to host one or two Bundestag staffers in their Member's district in July, or to arrange for such a visit to another Member's district.

Participants are selected by a committee composed of personnel from the Bureau of Educational and Cultural Affairs of the Department of State and past participants of the exchange.

Senators and Representatives who would like a member of their staff to apply for participation in this year's program should direct them to submit a resume and cover letter in which they state their qualifications, the contributions they can make to a successful program and some assurances of their ability to participate during the time stated. Applications may be sent to Connie Veillette in Congressman REGULA's office, 2306 Rayburn House Building by noon on Friday, April 5.

HONORING LIFE OF DAVE THOMAS

SPEECH OF

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 29, 2002

Mr. CAMP. Mr. Speaker, as a member who has actively sought to advance the adoption and foster care system, I would like to pay tribute to Dave Thomas, founder of Wendy's Old-Fashioned Hamburgers. Throughout his life, Mr. Thomas displayed incredible dedication to not only his business endeavors, but also his advocacy for the cause of adoption.

In his efforts to encourage, improve, and increase public awareness of adoption and foster care programs, Mr. Thomas established both the Dave Thomas Foundation for Adoption and the Dave Thomas Center for Adoption Law. His Foundation for Adoption worked jointly with national adoption organizations, individuals, and public and private agencies to raise awareness and provide support for children awaiting adoption, while his Center for Adoption Law helped to ease and facilitate the adoption process through education, advocacy, and research.

In addition to his foundations, Mr. Thomas was a constructive force in shaping corporate health policy to cover adoption expenses. Through his efforts, 75 percent of Fortune 1000 companies now offer adoption benefits to their employees. Mr. Thomas also served from 1990 until 2000 as the national spokesman for numerous White House adoption and foster care initiatives, and donated his speaking fees and profits from the sales of his books, "Dave's Way, Well Done!" and "Franchising for Dummies," to adoption causes.

As a testament to his devotion to the cause of adoption, Mr. Thomas received numerous awards, including the Angel in Adoption Award from the Congressional Coalition on Adoption and the 2001 Social Awareness Award from the U.S. Postal Service.

Through his entire span of advocacy for the cause of adoption, Mr. Thomas maintained his life and success ethics of honesty, hard work, self-reliance, and perseverance. May he always be remembered as a truly powerful example for every person who works toward a cause in which he or she believes.

HONORING HAMILTON COUNTY COMMISSIONER HAROLD COKER FOR HIS DEDICATION

HON. ZACH WAMP

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. WAMP. Mr. Speaker, as a Hamilton County Commissioner, a small businessman and community activist, Harold Coker has spend decades working to improve the school system, promote economic development and enhance the quality of life for all that live in Hamilton County.

Before being elected to the County Commission, Mr. Coker was a successful business owner and was elected President of the Antique Automobile Club of America. Because of his dedication to the industry, he was also elected president of the National Tire Dealers Association.

In 1982, when Mr. Coker was elected to the Hamilton County Commission, he went to work for efficient and more effective government and attacked abuse of power and corruption in local politics. He served as county commission chairman in 1985–86, 1995 and 1998–99 and throughout his service he has saved the taxpayers millions of dollars.

For over twenty years Commissioner Coker's goal has been to bring about progress and make Hamilton County a better place to live. Harold and his wife Lill became involved in making the streets of our community safe. They urged the use of seat belts and strongly advocated against driving under the influence of alcohol or drugs. Harold was successful in obtaining a federal grant of $500,000 to form the DUI task force.

In 1986 he was named by President Ronald Reagan to serve on the National Highway Transportation Safety Advisory Committee. While serving on the NHTSA board, Harold was instrumental in getting the child safety restraint bill and seat belt law passed in the state legislature. Tennessee was the first state in the nation to pass the Child Safety restraint bill and the bill became a model for the rest of the nation. He should take great satisfaction in knowing that many lives have been saved across the country because of this legislation.

In 1986, Commissioner Coker also began an effort to improve the image of Chattanooga by working to create a river port and a river walk to add to the city's growth, development and livability. He only hoped to live long enough to see this project fully realized. I am pleased to report that the project will be completed this year before he leaves office in August.

Another one of Commissioner Coker's primary concerns during his 20 years of public service has been economic development. He was instrumental in establishing industrial parks, enterprise zones, and citizen action groups that will benefit the area for generations to come.

Harold believed that a good education directly contributed to his success as a business owner and he was inspired to increase funding for schools as a County Commissioner. He voted for increases in teacher pay and as a result starting teacher's salaries have more than doubled during his tenure on the County Commission.

The Coker family was awarded the Great American Family Community Award in 1983; he received the Sertoma Service to Mankind Award in 1985; he was named Volunteer of the Year for the Heart Association in 1987; and he was the recipient of the Public Education Foundation Award in 2000.

Commissioner Coker will leave office at the end of his final term in August of 2002. I would like to personally thank him for his tireless efforts to make a difference in the lives of the people who live in the Tennessee Valley. We will miss his leadership, but his vision and principled stands will serve as a legacy and a lesson for all who are fortunate to be called a "public servant."

THE OLD SPANISH NATIONAL HISTORIC TRAIL ACT

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mrs. WILSON. Mr. Speaker, in the west, citizens from all walks of life have deep-rooted cultural and historic ties to the land. This legislation will amend the National Trails System Act and designate the Old Spanish Trail, which originates in Santa Fe, New Mexico and continues to Los Angeles, California, as a National Historic Trail.

The Old Spanish Trail dates back to 1829 when it had a variety of uses, from trade caravans to military expeditions. For twenty plus years, the Old Spanish Trail was used as a main route of travel between New Mexico and California. Numerous Indian Pueblos were situated along the trail serving as trading forums for the travelers. Today, more than one hundred and fifty years after the first caravans on the Old Spanish Trail, the historic charter of the trail lives on and the trail remains relatively unchanged since the trail period.

The Old Spanish Trail is a symbol of cultural interaction between various ethnic groups and nations. Further, it is a symbol of the commercial exchange that made development and growth popular, not only in the west, but throughout the country.

The National Trails system was established by the National Trails System Act of 1968, to promote the preservation of, public access to, travel within, and appreciation of the open air, outdoor areas and historic resources of the Nation. Designating the Old Spanish Trail as a National Historic Trail would allow for just what the act has intended, preservation, access, enjoyment and appreciation of the historic resources of our Nation. The Old Spanish Trail has been significant in many respects to many different people and such rich history should not be left out of our National Trails System. Designating the Old Spanish Trail as a National Historic Trail will protect this historic route and its historic remnants and artifacts for public use and enjoyment indefinitely.

MASSACHUSETTS STATE SENATOR STEVEN A. BADDOUR'S SWEARING IN SPEECH

HON. MARTIN T. MEEHAN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. MEEHAN. Mr. Speaker, my good friend Steven A. Baddour was elected to the Third Essex Seat of the Massachusetts State Senate in a special election held on January 8, 2002. Steve is a former Assistant Attorney General for Massachusetts and also served as an Economic Development Specialist in my Massachusetts offices.

On January 23, 2002, Steve delivered his first speech as a State Senator. It was an eloquent and moving address. Without objection, I submit the text of his remarks:

Thank You.

Your Excellency, thank you very much. I look forward to working with you throughout the years to come.

Mr. President, thank you as well. On behalf of the people of the Third Essex District, I want to thank you for your commitment to democracy and representation. The fact that you scheduled this election, so soon after the resignation of the now Secretary of Public Safety, is proof that you place public service over politics. Thank you.

Speaking of the Secretary of Public Safety. I want to thank him for his unwavering commitment on behalf of the citizens he represented with such distinction and honor. It is truly an honor for me to succeed by friend and mentor, the Secretary of Public Safety. Please join me in thanking him for all that he has done for the citizens he has so ablely represented.

Attorney General Tom Reilly—thank you so much for being here and for all that you have done for me. As the leader of the best professional public law office—you have said repeatedly—you expect nothing but the best of your employees—and as the newspapers are reporting day after day—it shows. You are a mentor and a good friend and I am so proud to have worked for you. You gave me a chance and hired me, and more importantly, you gave me an opportunity to represent the entire Commonwealth and fight for working families—a valuable experience that will benefit me and the district that I now represent. To all of the Assistant Attorney General's who are here, thank you for friendship and your commitment to public service. You are the unsung heroes of state government.

To the local officials who are here today and to those who could not make it, I pledge to you my cooperation and vow to work with you to make our government better for the people we collectively represent.

I would not be here today if it were not for the support of so many people, actually just about everyone in this room. To those of you whom are here in this historic chamber today for the first time—come back. The energy and enthusiasm you displayed during this campaign is needed in government. Get involved and stay involved. This is your government and your input, now more than ever, is greatly needed.

I especially want to thank someone whom I love very much and if not for her support I would not be here. I always knew during the campaign and even before that if I had a bad day, I could just go home and get all the support I needed. My wife Ann may be quiet but she is strong and I couldn't ask for a better friend, wife and mother to my child. Ann, thank you.

My life changed forever in December. And no not because of the election. But because of the birth of my first daughter Isabella. I now know what the term "daddy's little girl" means. The first time she looked at me and smiled it was all over. I hope that someday, she smiles at me and says that she is proud of the work I did as a member of the Massachusetts State Senate.

I also want to thank the members of my family. I learned at a very early age the importance of community. My parents Shae and Phyllis were great role models and I want to thank them for their love and support over the years. They deserve a round of applause because if it were not for their nurturing and encouragement, I would not be here today. My step-mother Marie is also here and I want to thank her for the countless hours she spent on the telephone and for all that she has done for me over the years.

My brother Shae is also here today with his wife Michelle and their three children, Matthew, Nicole and Shaena. I want to thank them, especially my brother, for always being there when I needed him. He is a great brother, but more importantly a great husband and a super dad.

To my new colleagues, I look forward to working with each of you. I look forward to building a friendship. Over the next few days, I will be calling each of you to set a meeting where we can sit down and begin to build a friendship as well as a partnership. I look forward to working with you as a productive member of this great body.

To my supporters I pledge to work everyday fighting for the issues that I campaigned on. Opening the political process, a commitment to education, especially Adult learning, and the list goes on. I am a true believer in the phrase coined by Tip O'Neil that all politics is local and I truly look forward to representing and working for the people of Methuen, North Andover, Haverhill, Salisbury, Merrimac, Amesbury and Newburyport.

As anyone can tell—the geography of this district is as diverse as its people. And the challenges that lay in the month's ahead could easily make one turn his or her head the other way from public service. But having already worked for the district, having represented the Commonwealth as an Assistant Attorney General—I look forward and am excited to meet those challenges head on.

Today, I stand before you and reiterate the one promise that I made throughout this campaign: I will never forget where I came from.

I am the son of a working class family and a product of public education from kindergarten through college.

The daily struggles I witnessed and experienced along with my family, friends and neighbors have made me who I am and have brought me here today.

I will remain true to that promise and to the commitments I made during this campaign, I will not forget where I came from.

MINIMUM WAGE FOR FILIPINO DOMESTIC WORKERS IN HONG KONG

TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. LANTOS. Mr. Speaker, Hong Kong is one of the most economically and culturally vibrant cities in the world, and its hard-working residents make an enormous contribution to the economic and political stability of the Asia-Pacific region. As a result, U.S.-Hong Kong relations have never been stronger, and ties between the governments and people of Hong Kong and the U.S. grow each day.

While there are many reasons for Hong Kong's ongoing success, due credit must be given to the over 230,000 domestic workers in Hong Kong who watch children, cook and clean while their Hong Kong employers are off at work. Most of the women who fill these domestic positions are from the Philippines, and the remittances of their wages back to the Philippines support entire families. But the sacrifices made by these Filipina maids are enormous. They must leave husbands, children, and other family members behind for years on end to work incredibly long hours, six days a week. Given the small size of Hong Kong apartments, most of these maids sleep on kitchen or bathroom floors, or even in the closet. The minimum wage for Hong Kong maids is set at just $470 per month, and not all employers comply.

During an official visit to Hong Kong in January, it was brought to my attention that the trade association representing the employers of Hong Kong maids had proposed cutting the minimum wage for maids by 14%. Given Hong Kong's leadership role in the Asia-Pacific region, I was frankly shocked to hear that such a proposal had even been put on the table.

In meetings with Members of the Hong Kong Legislative Council and other senior Hong Kong officials, I raised strong concerns regarding this proposed minimum wage cut, echoing the strong statements against the proposal made by many Hong Kong residents and Filipina maids. I indicated that I was very sympathetic to the fact that many Hong Kong families have had to tighten their belts as a result of the recession in Hong Kong, but that it was not a solution to Hong Kong's economic problems to cut the wages of those who earn the least. Hong Kong's Filipina maids keep Hong Kong running and single-handedly support tens of thousands of families back home in the Philippines. The proposal to cut their wages was unfair and unethical, a fact realized by many solid citizens in Hong Kong.

It is therefore my great pleasure to report that the proposal to cut the minimum wage for Hong Kong's maids has been rejected by the Hong Kong government. This decision by the government demonstrates the wisdom of Hong Kong's leadership on economic and other important issues, and shows why U.S.-Hong Kong relations will only grow stronger.

I have attached a recent article from the Economist regarding this critically-important issue, and urge my colleague to read it in its entirety.

AN ANTHROPOLOGY OF HAPPINESS—THE FILIPINA SISTERHOOD

[From the Economist, Dec. 22, 2001]

Once a week, on Sundays, Hong Kong becomes a different city. Thousands of Filipina women throng into the central business district, around Statue Square, to picnic, dance, sing, gossip and laugh. They snuggle in the shade under the HSBC building, a Hong Kong landmark, and spill out into the parks and streets. They hug. They chatter. They smile. Humanity could stage no greater display of happiness.

This stands in stark contrast to the other six days of the week. Then it is the Chinese, famously cranky and often rude, and expatriate businessmen, permanently stressed, who control the city centre. On these days, the Filipinas are mostly holed up in the 154,000 households across the territory where they work as "domestic helpers", or amahs in Cantonese. There they suffer not only the loneliness of separation from their own families, but often virtual slavery under their Chinese or expatriate masters. Hence a mystery: those who should be Hong Kong's most miserable are, by all appearances, its happiest. How? The Philippine government estimates that about 10% of the country's 75 million people work overseas in order to support their families. Last year, this diaspora remitted $6 billion, making overseas Filipino workers, or OFWs, one of the biggest sources of foreign exchange. Hong Kong is the epicentre of this diaspora. Although America, Japan and Saudi Arabia are bigger destinations of OFWs by numbers, Hong Kong is the city where they are most concentrated and visible. Filipina amahs make up over 2% of its total and 40% of its non-Chinese population. They play an integral part in almost every middle- class household. And, once a week, they take over the heart of their host society.

It was not always thus. Two generations ago, the Philippines was the second-richest country in East Asia, after Japan, while Hong Kong was teeming with destitute refugees from mainland China. Among upper-class families in the Philippines, it was common in those days to employ maids from Hong Kong. But over the past two decades Hong Kong has grown rich as one of Asia's "tigers", while the Philippines has stayed poor. Hong Kong is the closest rich economy to the Philippines, and the easiest place to get "domestic" visas. It has the most elaborate network of employment agencies for amahs in the world.

A BED IN A CUPBOARD

Although the Filipinas in Hong Kong come from poor families, over half have college degrees. Most speak fluent English and reasonable Cantonese, besides Tagalog and their local Philippine dialect. About half are in Hong Kong because they are mothers earning money to send their children to school back home. The other half tend to be eldest sisters working to feed younger siblings. All are their families' primary breadwinners.

Their treatment varies. By law, employers must give their amahs a "private space" to live in, but Hong Kong's flats tend to be tiny, and the Asian Migrant Centre, an NGO, estimates that nearly half of amahs do not have their own room. Some amahs sleep in closets, on the bathroom floor, and under the dining table. One petite amah sleeps in a kitchen cupboard. At night she takes out the plates, places them on the washer, and climbs in; in the morning, she replaces the plates. When amahs are mistreated, as many are, they almost never seek redress. Among those who did so last year, one had her hands burned with a hot iron by her Chinese employer, and one was beaten for not cleaning the oven properly.

The amahs' keenest pain, however, is separation from loved ones. Most amahs leave their children and husbands behind for years, or for good, in order to provide for them. Meanwhile, those families often break apart. It is hard, for instance, to find married amahs whose husbands at home have not taken a mistress, or even fathered other children. Some amahs show their dislocation by lying or stealing from their employers, but most seem incapable of bitterness. Instead, they pour out love on the children they look after. Often it is they who dote, who listen, who check homework. And they rarely stop to compare or envy.

Under such circumstances, the obstinate cheerfulness of the Filipinas can be baffling. But does it equate to "happiness", as most people would understand it? "That's not a mistake. They really are," argues Felipe de Leon, a professor of Filipinology at Manila's University of the Philippines. In every survey ever conducted, whether the comparison is with western or other Asian cultures, Filipinos consider themselves by far the happiest. In Asia, they are usually followed by their Malay cousins in Malaysia, while the Japanese and Hong Kong Chinese are the most miserable. Anecdotal evidence confirms these findings.

HAPPINESS IS KAPWA

Explaining the phenomenon is more difficult. The usual hypothesis puts it down to the unique ethnic and historical cocktail that is Philippine culture—Malay roots (warm, sensual, mystical) mixed with the Catholicism and fiesta spirit of the former Spanish colonisers, to which is added a dash of western flavour from the islands' days as an American colony. Mr de Leon, after a decade of researching, has concluded that Filipino culture is the most inclusive and open of all those he has studied. It is the opposite of the individualistic culture of the West, with its emphasis on privacy and personal fulfilment. It is also the opposite of certain collectivistic cultures, as one finds them in Confucian societies, that value hierarchy and "face".

By contrast, Filipino culture is based on the notion of kapwa, a Tagalog word that roughly translates into "shared being". In essence, it means that most Filipinos, deep down, do not believe that their own existence is separable from that of the people around them. Everything, from pain to a snack or a joke, is there to be shared. Guests in Filipino homes, for instance, are usually expected to stay in the hosts' own nuptial bed, while the displaced couple sleeps on the floor. Small-talk tends to get so intimate so quickly that many westerners recoil. "The strongest social urge of the Filipino is to connect, to become one with people," says Mr de Leon. As a result, he believes, there is much less loneliness among them.

It is a tall thesis, so The Economist set out to corroborate it in and around Statue Square on Sundays. At that time the square turns, in effect, into a map of the Philippine archipelago. The picnickers nearest to the statue itself, for instance, speak mostly Ilocano, a dialect from northern Luzon. In the shade under the Number 13 bus stop (the road is off-limits to vehicles on Sundays) one hears more Ilonggo, spoken on Panay island. Closer to City Hall, the most common dialect is Cebuano, from Cebu. Hong Kong's Filipinas, in other words, replicate their village communities, and these surrogate families form a first circle of shared being. Indeed, some of the new arrivals in Hong Kong already have aunts, nieces, former students, teachers, or neighbours who are there, and gossip from home spreads like wildfire.

What is most striking about Statue Square, however, is that the sharing is in no way confined to any dialect group. Filipinas who are total strangers move from one group to another—always welcomed, never rejected, never awkward. Indeed, even Indonesian maids (after Filipinas, the largest group of amahs), and Chinese or foreign passers-by who linger for even a moment are likely to be invited to share the snacks.

The same sense of light-hearted intimacy extends to religion. Father Lim, for instance, is a Filipino priest in Hong Kong. Judging by the way his mobile phone rings almost constantly with amahs who want to talk about their straying husbands at home, he is also every amah's best friend. He is just as informal during his Sunday service in Tagalog at St Joseph's Church on Garden Road. This event is, by turns, stand-up comedy, rock concert and group therapy. And it is packed. For most of the hour, Father Lim squeezes through his flock with a microphone. "Are you happy?" he asks the congregation. A hand snatches the mike from him. "Yes; because I love God." Amid wild applause, the mike finds its way to another amah. "I'm so happy because I got my HK$3,670 this month [$470, the amahs' statutory wage]. But my employer was expecting a million and didn't get it. Now he's miserable." The others hoot with laughter.

The Filipinas, says Father Lim, have only one day a week of freedom (less, actually, as most employers impose curfews around dusk), so they "maximise it by liberating the Filipino spirit". That spirit includes communing with God. Some 97% of Filipinos believe in God, and 65%, according to a survey, feel "extremely close" to him. This is more than double the percentage of the two runners-up in the survey, America and Israel. This intimate approach to faith, thinks Father Lim, is one reason why there is virtually no drug abuse, suicide or depression among the amahs—problems that are growing among the Chinese.

THE LIFELINE TO HOME

There is, however, an even more concrete expression of kapwa. Quite simply, it is the reason why the Filipinas are where they are in the first place: to provide for loved ones at home. Most spend very little of their monthly HK$3,670 on themselves. Instead, they take it to WorldWide House, a shopping mall and office complex near Statue Square. On Sundays the mall becomes a Philippine market, packed with amahs buying T-shirts, toys and other articles for their siblings and children, and remitting their wages. More than their wages, in fact: many amahs borrow to send home more, often with ruinous financial consequences.

Father Lim tells a story. An eminent Filipino died while abroad, and it was decided that local compatriots should bid the coffin adieu before its journey home. So amahs showed up to file past it. When the coffin arrived in the Philippines and was re-opened, the corpse was covered from head to toe with padded bras, platform shoes, Nike trainers, and the like, all neatly tagged with the correct addresses.

It is their role as a lifeline for the folks at home that has earned the OFWs their Tagalog nickname, bayani. By itself, bayani means heroine, and this is how many amahs see themselves. Another form of the word, bayanihan, used to describe the traditional way of moving house in the Philippines. All the villagers would get together, pick up the hut and carry it to its new site. Bayanihan was a heroic, communal—in other words, shared—effort.

It is no coincidence, therefore, that Bayanihan House is the name the amahs have given to a building in Hong Kong that a trust has made available to them for birthday parties, hairstyling classes, beauty pageants and the like. One recent Sunday, during a pageant, one of the contestants for beauty queen was asked how she overcame homesickness, and why she thought the people back home considered her a hero. She looked down into her audience of amahs. "We're heroes because we sacrifice for the ones we love. And homesickness is just a part of it. But we deal with it because we're together." The room erupted with applause and agreement.

"Nowadays, bayanihan really means togetherness," says Mr de Leon, and "togetherness is happiness". It might sound too obvious, almost banal, to point out—had not so many people across the world forgotten it.

IN HONOR OF THE FIREFIGHTING VESSEL "JOHN J. HARVEY"

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay special tribute to *John J. Harvey*, the oldest and, now, most famous firefighting vessel on the Hudson River. On September 11, 2001, the crew of *John J. Harvey* demonstrated exceeding valor in aiding the rescue efforts of the New York City Fire Department.

John J. Harvey was built seventy years ago in order to update and improve the New York City Fire Department's aging fleet of steam-powered fireboats. The boat was the first vessel of its kind with internal combustion engines, a feature that gave *John J. Harvey* the capacity to pump 18,000 gallons of water a minute—twenty fire engines' worth—in streams up to twenty-five stories high.

John J. Harvey served in New York Harbor until 1995, when it was taken out of service for budgetary reasons. During her years of outstanding service, she participated in some of the most memorable fire rescue missions in New York Harbor. She fought the inferno that destroyed the ocean liner *Normandie* and doused the flames on a sinking munitions boat. As part of the annual Fourth of July celebration, *John J. Harvey* shoots gushing streams of water high into the sky, forming an are through which passing ships can speed. As a result of her past deeds, she was placed on the National Register of Historic Places in 2000.

Prior to the September 11th attacks on the World Trade Center, *John J. Harvey* had been operated by her owners as a working fireboat museum giving free trips and educational tours up and down the Hudson River and at Pier 63 Maritime. As news of the disaster at the World Trade Center spread, the crew of *John J. Harvey* began racing towards Pier 63 Maritime from all parts of New York. They recognized that the fireboat was uniquely suited to provide invaluable help to the FDNY and NYPD at this time of crisis.

Once it arrived at the scene of the attack, *John J. Harvey* immediately began ferrying ash-caked survivors away from the collapsed buildings. A member of the crew later recalled how roughly 150 people hurled themselves over the gunwales, some leaving their shoes behind, in order to escape. As *John J. Harvey* was rescuing these people, a call came in from the Fire Department: They desperately needed water pressure.

Upon hearing this request, the crew dropped off the survivors in safety at pier 40 and rushed *John J. Harvey* to the sea wall at the World Financial Center. As they started to rev up the water pumps on the boat, the crew recognized that they had a serious problem. *Harvey*'s 3-inch manifold valves, designed for providing water of a different diameter to the modern 2½ inch hose being used by FDNY. Nobody had any adapters. Tim Ivory, the boat's chief engineer, was under intense pressure knowing that many lives were dependant on *Harvey* to provide water quickly. He remembered that some of the water guns, designed for shooting water into the air, had nozzles that were 2½ inches in diameter. He cleverly improvised by taking a sledgehammer and jamming soda bottles and wood into the nozzles, so as to redirect the water into the hoses from the guns.

John J. Harvey spend the next 80 hours pumping water to firefighters working in the wreckage. Since all of the fire hydrants west of the disaster site were not operational, *John J. Harvey*, along with the city's two remaining large fireboats, *Fire-Fighter* and *McKean*, provided much of the necessary water to fight the fires that continued to burn at the site of the World Trade Center.

I particularly want to recognize the brave crew members of *John J. Harvey*. On the day of the attack, the following people rushed to the rescue: Chase B. Welles (who quickly recognized the need to be of service), Huntley Gill (who piloted the boat on 9/11), Tim Ivory (whose ingenuity saved the day), Tomas J. Cavallaro (who worked tirelessly to supply the crew) and Andrew Furber (Assistant Engineer, who helped rescue workers extract bodies and clear debris as a welder). Later that day they were joined by John Doswell, Jean Preece and Pamela Hepburn who helped rescue workers. The following morning Captain Robert Lenney (who spent 16 years as pilot of *John J. Harvey* when it served the FDNY and returned to service to help fight the fires at the World Trade Center for days on end) and Jessica DuLong (Assistant Engineer, who ensured constant smooth running of the engines) lent their valuable assistance to the effort. Throughout the 4 days, they were supported by Darren Vigilant of tugboat *Bertha*, (who ferried supplies from Pier 63 Maritime) and by John Krevey and his team at Pier 63 Maritime (who provided an unending supply of provisions).

John J. Harvey is once again docked at Pier 63 Maritime where visitors to New York can learn more about his heroic tale of a once scrap yard-destined firefighting vessel that came back to help save New York City.

Mr. Speaker, I proudly salute the firefighting vessel *John J. Harvey* and her crew. May they be forever remembered for their courageous efforts on September 11, 2001.

IN RECOGNITION OF MR. GEORGE KOTCHNIK

HON. HILDA L. SOLIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Ms. SOLIS. Mr. Speaker, I rise today to recognize the dedication and contributions of one of my constituents, Mr. George Kotchnik. Mr. Kotchnik retired from the city of San Gabriel's Parks and Recreation Department on December 31, 2001.

A life long resident of the San Gabriel Valley, Mr. Kotchnik is a true local hero who deserves our respect and commendation. His work with the city's Parks and Recreation Department included 32 years as director, during which he played an important role in enhancing the quality of life for all residents.

Under Mr. Kotchnik's leadership, the city of San Gabriel's parks and public facilities improved significantly. One example is the Smith Park expansion. Smith Park has been expanded to twice its size, creating more green space for residents of all ages to enjoy. Smith Park's design incorporated certain architectural features that paid tribute to the Gabrielino-Tongva Indians, the original inhabitants of this region.

The Park's expansion was such a success, it garnered the California Parks and Recreation Society's 2001 Award of Excellence for park design. Mr. Kotchnik and the San Gabriel Parks and Recreation Department have also won the Gold Shield Award for outstanding achievement on two occasions from the Southern California Municipal Athletic Federation.

Under his leadership, the parks and recreation department renovated and expanded the city's Adult Recreation Center, collaborated with local high schools to add park facilities at school districts, and recently began development of a skate park at a San Gabriel high school.

After 40 years of service, Mr. Kotchnik retired at the end of 2001, but his contributions will not be forgotten. He has left an enduring impression on the city of San Gabriel and its residents. I am proud to recognize Mr. George Kotchnik's accomplishments and wish him much happiness in future endeavors.

TRIBUTE TO ADELA GONZMART

HON. JIM DAVIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. DAVIS of Florida. Mr. Speaker, I rise in honor of Adela Gonzmart, the matriarch of Ybor City's famed Columbia Restaurant, who will long be remembered across the State of Florida and the nation for her compassion for others and her efforts to preserve the vibrant culture of Tampa and Ybor City.

As a child prodigy on the piano, Adela nurtured her talent and soon became a concert pianist, traveling with her husband across the world to share their music. In 1953, the Gonzmarts returned to Tampa and soon took over operation of Adela's father's restaurant, the Columbia.

The Gonzmarts turned the Columbia Restaurant into a successful enterprise and used the family business as a means to contribute to the Ybor community. Adela and her husband hosted countless charity fundraisers at the Columbia and served as patrons for the Tampa art community. Adela helped form the Tampa Symphony Orchestra, now the Florida Symphony Orchestra, and organized the Ballet Folklorico of Ybor City, a dance company inspired by Ybor's Cuban, Spanish and Italian culture.

However, Adela was best known for her enormous heart. Adela never met a stranger and anyone who stepped foot into her restaurant could not help but feel like family. She loved sharing stories of her family and their Spanish and Cuban heritage. Adela's devotion to her community, her two sons and, and her eight grandchildren is an inspiration to us all.

Monsignor Lawrence Higgins, who presided over Adela's funeral, described her as "the queen of Ybor City and all the town." I can think of no better tribute. Tampa has truly lost a piece of its rich history in the passing of Adela Gonzmart.

On behalf of the people of Tampa Bay, I would like to extend my heartfelt sympathies to Adela's family. Adela was, and will continue to be, larger than life to all of us who knew her, deeply cared for her, and respected her. Thankfully, her legacy will flourish with her sons, Richard and Casey, and their families as they build upon their proud family tradition of operating the Columbia Restaurant and serving our community and State in countless ways.

PERSONAL EXPLANATION

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. ORTIZ. Mr. Speaker, because of official business for my District (27th Congressional District of Texas) I was absent for rollcall votes 1–5. If I had been present for these votes, I would have voted as indicated: Rollcall No. 1, present; rollcall 2, yea; rollcall 3, yea; rollcall 4, yea; and rollcall 5, yea.

TRIBUTE TO MR. SYDNEY CHARLES LOCKWOOD

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention the work of an outstanding public servant, Mr. Sydney Charles Lockwood of the Passaic Public Schools, who was recognized on Friday, October 26, 2001 for his lifelong dedication to education.

As a former Passaic County educator, I take particular pride in exercising my ability to honor Mr. Lockwood in this, the permanent record of the greatest freely elected body on earth. He is more than deserving as he has a long history of caring, generosity, and commitment to his noble profession.

From the beginning of his 40-year career in education, which began as an undergraduate at Montclair State University, Sydney Lockwood has been a leader. A member of Montclair State's chapter of Kappa Delta Pi, the National Honor Society for Education, Sydney was named to Who's Who in American Colleges and Universities.

After receiving his Master's Degree from Montclair State in 1965, Sydney moved on to Columbia University's prestigious Teacher's College to pursue his post-graduate education. Immediately playing integral roles in Columbia's pivotal research projects, Sydney Lockwood participated in the Columbia University Curriculum Life Skills Project and served as a member of Columbia University's Task Force that evaluated the failing Washington, DC school system.

The City of Passaic first saw Sydney's dedication to education and capacity for leadership while he served as an English and Social Studies teacher at Lincoln Middle School. He quickly was promoted to Head Teacher at Pulaski School No. 8 and then to Principal of Roosevelt School No. 10 from 1974 to 1995. Sydney's final post with the Passaic Public Schools was as Principal of School No. 2 from 1995 until June of 2001.

By devoting over forty years of his life, the last twenty-seven as a principal, to the children of the City of Passaic, Sydney Lockwood has done so much for so many. While his retirement has caused great sadness in the Passaic Public Schools, it also has been a time for celebration, as all those touched by Sydney have honored his career of public service.

The job of a United States Congressman involves so much that is rewarding, yet nothing compares to learning about and recognizing the efforts of individuals like Sydney Lockwood.

Mr. Speaker, I ask that you join our colleagues, the Passaic Public Schools, the City of Passaic, Sydney's family and friends, all the students who have been touched by Sydney over his career both inside and outside of the classroom, and me in recognizing the outstanding and invaluable service of Mr. Sydney Charles Lockwood.

TIME FOR BUSH ADMINISTRATION AND CONGRESS TO DEAL WITH BUDGET NEEDS IN RESPONSIBLE FASHION

HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. BLUMENAUER. Mr. Speaker, last year, President Bush presented and Congress passed his tax cut predicted on Americans paying down the deficit in the next ten years. There were unrealistic assumptions about Federal spending, claiming to protect Social Security and Medicare, with a trillion dollars left over for contingencies. Today, $4 trillion of those assumptions have disappeared. The White House has sent a budget to Congress that will never be presented for a vote because even the Republican leadership knows it would fail.

It is time for the Bush administration and Congress to step back and deal with our critical budget needs in a reasonable fashion. The tax changes that were all scheduled to expire in less than 10 years should be reassessed in light of our stated priorities. We should not dramatically increase our debt, borrow against Social Security and Medicare, and abandon priorities for senior citizens and veterans that were clear and important commitments to American voters.

There should be a careful reexamination of the proposed military budget to eliminate unnecessary weapons system that will not help us in our war on terrorism and that will not even be helpful fighting conventional wars. We should commit to reforming agricultural spending so it does not waste huge sums of taxpayers money while hurting the environment and consumers, not even benefiting most states and taxpayers.

Last year I made it clear that the budget resolution did not have a pretense of reality and that the tax cut was based on seriously flawed premises. The events of this last year have revealed with a vengeance the accuracy of these predictions. Oregonians expect their political leaders to keep their commitments to reduce our multi-trillion dollar national debt, protect Social Security and Medicare, avoid reckless and irresponsible spending, and reform existing programs to give more value while saving money. Today's vote is a political charade that does not advance any of these objectives. The fact that it is brought forward as a suspension bill with no meaningful debate underscore the fact that even the Republican leadership is not serious about it. I hope that we can stop these meaningless political exercises and get on with the hard and serious work of budgeting for this year and America's future.

PARCA—CELEBRATING 50 YEARS OF GOLDEN OPPORTUNITIES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. LANTOS. Mr. Speaker, I invite my colleagues to join me today in paying tribute to Parca, a private, nonprofit organization serving people with developmental disabilities, on the occasion of its 50th anniversary. Since 1952, Parca has enriched the lives of these special people while strengthening our community through its devoted services. Parca's impact on those with developmental disabilities, as well as on their friends and family, is recognized with great appreciation by many in our community.

Mr. Speaker, in 1952, people with developmental disabilities and their families were often unable to find programs and support to help meet their special needs. Flo Nelsen organized a group of concerned parents and established Parca to provide support for individuals and families with developmental disabilities such as Down's Syndrome, autism, cerebral palsy, epilepsy, and other neurological disorders. Flo Nelsen believed that every developmentally disabled person had the right to resources and support to help them reach their highest potential and become actively and productively involved in the community. Families and individuals with developmental disabilities can turn to Parca for advocacy, information, counseling, support, and, most important, fun.

Over the past fifty years, Parca has expanded to provide a variety of services and programs for different age levels, and it has expanded into Marin County, Silicon Valley, and the East Bay. Parca's Recreational Experience for All Children (REACH) program provides child care services for children with or without developmental disabilities, giving children an opportunity to appreciate and learn from one another. The recreational activities of REACH help children appreciate their differences and identify their similarities. Another great benefit of this program is the child to staff ratio is 6 to 1, and in some cases, 3 to 1, depending on the needs of the children. The result is a better learning experience because individualized attention is geared toward their pace of learning. Parca provides numerous recreational and social opportunities for families and individuals with developmental disabilities.

Mr. Speaker, one of Parca's important and unique contributions is the Raji House—a unique program that allows out-of-home weekend service for children and teens with developmental disabilities. As you know, Mr. Speaker, one of the many difficult challenges of raising such a child is getting a break, and this service provides parents with a respite care service. At the same time, it gives the children a chance to learn and grow as they spend a weekend in a rich home environment with the opportunity to go on fun, exciting, and educational field trips. Both parents and children have the opportunity to become rejuvenated through Raji House.

Parca also offers an adult service program that trains adults with the skills needed for self-reliance and independence. Among many of Parca's accomplishments is a collaboration with housing developers to provide affordable housing to individuals and their families, furthering Parca's efforts to promote independence. Independent Living Skills Counselors live on-site with residents to ensure their safety, and counselors help them learn the basic skills needed to live on their own, including balancing a checkbook, cooking meals, doing laundry, and planning grocery lists. These skills are something many take for granted, but for those with developmental disabilities these skills are the key to greater freedom and independence and a sense of pride and accomplishment.

Sarah Hurlbut, a young woman who is currently a resident in Parca's Page Mill Court Apartments in Palo Alto, has made extraordinary progress since she moved into the apartments in 1998. With the help of Parca she has been able to live on her own for the first time. Sarah is no longer a shy young woman—through Parca's help she has become more assertive and is becoming a leader among her peers. As Sarah's experience has demonstrated, this program has been critical in our effort to help those with developmental disabilities become an integral part of our community.

Parca's excellent family and counseling services provide families with information regarding individualized education, program planning, and counseling on a variety of issues. The "Speaker Series" provides information to those interested in learning about important issues such as child care, education, independent living, and wills. Parca's People First chapter teaches adults with developmental disabilities on how to advocate for themselves. The group has also organized trips to our state capital in Sacramento and to our national capital here in Washington, DC, to provide families and individuals with developmental disabilities an opportunity to advocate their positions on issues directly affecting their community.

On February 9, 2002, Mr. Speaker, Parca will be holding its "Hearts of Gold Anniversary Celebration" to mark 50 years of golden opportunities to individuals with developmental disabilities and their families. As Parca celebrates this historic milestone, I invite my colleagues to join me in recognizing and commending the entire Parca family for the time, effort, and invaluable contributions that have been made to help individuals with developmental disabilities achieve their highest potential. We celebrate the vision and the success of Parca and wish continued future success.

ESTABLISHING FIXED INTEREST RATES FOR STUDENT AND PARENT BORROWERS

SPEECH OF

HON. BETTY McCOLLUM

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 24, 2002

Ms. McCOLLUM. Mr. Speaker, I am pleased today to support S. 1762, to establish fixed interest rates for student loans and to loans and to extend current law with respect to Federal support for lenders.

The passage of S. 1762 will establish fixed interest rates for students and correct a problem in the Higher Education Act that, if not acted upon, would threaten to end the participation of private lenders who fund the Federal Family Education Loan Program (FFELP). The continued availability of low-cost, federally guaranteed loans under FFELP is crucial to ensuring that our nation's students and parents are able to pay for college and other higher education opportunities.

As a member of the 21st Century Competitiveness Subcommittee, which has jurisdiction over higher education issues, I am committed to making higher education more accessible and affordable for students. I applaud the student, school and loan provider groups that have worked with Congress and the administration to develop this "win-win" solution. This legislation is good for students and good for our nation.

HISTORIAN STEPHEN AMBROSE PRAISES MISSISSIPPI NATIONAL GUARDSMEN

HON. GENE TAYLOR

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. TAYLOR of Mississippi. Mr. Speaker, my hometown newspaper, The Sun-Herald, based in Biloxi, Mississippi, recently printed a feature by noted historian Stephen E. Ambrose. I found Mr. Ambrose's words to be especially insightful at this time when our American troops are at war in Afghanistan. It is a ringing endorsement of the dedication of our men and women in uniform, as well as a testament to the new American diplomacy—one that encourages cooperation among nations and perseverance in rebuilding communities and restoring peace.

Most importantly, though, Mr. Ambrose pays tribute to a group of men and women who are often over-looked as defenders of our Nation, protectors of freedom and some of America's finest diplomats abroad—our National Guardsmen. Each day our nation's guardsmen are performing missions on or above every continent in the world. They are serving alongside their active-duty counterparts in Operations Northern and Southern Watch. They are also playing a vital role in helping, serving, and supporting peacekeeping operations, a vital part of our National Military Strategy. As stated by former Secretary of Defense Cohen, "Today, we cannot undertake sustained operations anywhere in the world without calling on the Guard."

And, I am particularly proud that Mr. Ambrose chose to acknowledge the citizen-soldiers from my state, the State of Mississippi. Their work has been tireless, but not thankless. Today, I would like to thank those guardsmen, who continue to represent Mississippi and the United States so well.

[From the Sun-Herald, Dec. 10, 2001]

UNITY CAN RESTORE WAR-TORN COUNTRY

(By Stephen E. Ambrose)

TUZLA, BOSNIA.—My wife, Moira, and I, along with a squad-sized group of veterans of the 29th Division who hit Omaha Beach on D-Day, went to Bosnia for Thanksgiving week. As part of the USO-sponsored trip, we spoke with U.S. Army troops, attended briefings, meals and engagements, and watched former members of the 29th meet the newest members of the 29th here.

But mainly we learned.

We learned how soldiers of different races, backgrounds, and countries can set aside past enmities and work together to rebuild a region. And while we were reminded that American troops served similar functions in the last century, we realized they will serve those roles in this new century with new methods, new aims and new partners from around the globe.

It is a lesson our allies in the war against terrorism would do well to grasp; one we can only hope is soon played out in such Afghan cities as Kabul or Kandahar or Mazar-e-Sharif.

Because of all we learned, and the promise for the future it held, this was the best trip ever.

We witnessed things we never imagined possible. One day, we stood at Eagle Base, headquarters for the 29th Division, surrounded by Black Hawk helicopters, ready to take off but waiting for two other birds coming in.

With us was Major General Steven Blum, the American commander of the NATO peacekeeping operation force here. The troops around us were fully armed. The incoming birds landed. They were Russian, part of the air-landing brigade that serves under Blum's command. They landed about 50 meters away from the Black Hawks. Russian soldiers emerged combat ready in the presence of American soldiers just as ready. But there were greetings, not shooting.

The last time that happened was at the German city of Torgau on the banks of the Elbe River in 1945. With this difference: Now, for the first time ever, an American general was commanding a Russian unit.

There are fighting men and women from 30 nations under Blum's command. I saw Greek and Turk soldiers patrolling, side-by-side, armed and working together. Germans and Frenchmen. Poles and Estonians. Latvians and Swedes. Lithuanians and Brits. Irishmen and Austrians. They serve in the Stabilization Force, SFOR for short. The large curved sign over Eagle Base's gate proclaims: "Home of the Peacekeepers." Blum's NATO command, the Multi-National Division North (4700 troops) is anchored by the 2672 Americans (down from 20,000 in 1995), part of the 29th Division. It includes regular, reserve and National Guard units.

DEFENDING THE FUTURE

The next day we drove to Forward Observation Base Connor, a small outpost of 120 men, 65 of whom were from the Mississippi National Guard. They were young, professional and spoke with charming accents. They come from a state known for its defense of the past. But they are now preparing for the future.

The Guardsmen wore American flag shoulder patches. They were black, brown, yellow, red, pink, white. All religions and ancestors. When off duty, they wore baseball caps that proclaim on the front, "Hard Rock Cafe: SFOR Bosnia," and on the back, "Love All. Serve All." That is not how things used to be in the Mississippi National Guard, but it is now.

The Guard is helping rebuild and restore peace while setting an example for Bosnia's Croats, Serbs, and Muslims on how different people can work, serve, live and survive together.

"That American flag on the troops' shoulders is what the people of Bosnia respect—and they don't mess with them," Blum said. "Our soldiers have been social workers one minute, combat soldiers the next . . . No other army in the world could do this."

What these soldiers and their foreign counterparts are doing—all of it—is wholly new. An international force working to keep peace and commanded by an American was a dream of Gen. Dwight D. Eisenhower a half century ago. Now it is here.

These troops are setting the precedent for much of what lies ahead in modern American foreign and military policy. A similar base in Afghanistan might be built. There will be many others. In Bosnia, American troops are protecting Muslim civilians. While not very far away, in Afghanistan, we are attacking Muslim terrorists.

UNDER STRONG LEADERSHIP

Blum has a unique task. He is 55. He has made 1500 airdrops and has had open-heart surgery. He speaks so well, thinks so swiftly and knows so much that he reminds me of Eisenhower in 1945, when Ike was 55. At all times, Blum was at full concentration. He is an outstanding military commander and diplomat, as good as Ike was in Germany at the same age—but on a much smaller scale.

"Bosnia has more weapons per person than anywhere else in the world. So many, that to celebrate a wedding they throw grenades and shoot their AK-47s," Blum said of the region, divided by three peoples and three armies: Muslim, Croat and Serb . . . "Our aim is one country, one army."

Eagle Base is Tuzla's largest employer, providing construction and service jobs, as well as others, at fair wages. Muslim works beside Serb works beside Croat.

They see in their own eyes, black and white, yellow and brown Americans working together. Clearing mines, for example. The American teams go out to remove them using mine-sniffing dog teams. The fields are everywhere, with mines killing or maiming a civilian a day.

Blum showed us the site of the Visoko airfield raid, called Operation Dragnet. On September 27, elements from the 10th Mountain division of urban warfare specialists carried out a search-and-seize mission. Along with confiscating illegal arms. They arrested six Algerian associates of Osama bin Laden.

On October 28, in Operation Omaha, Blum's troops made a ground-air assault on two sites, where they found illegal weapons, including an underground cache of six surface-to-air missiles.

He also took us to a mass gravesite. "Same thing as 1945," he said, "just new names." More than 200,000 people were killed in Bosnia. No one knows how many others were injured. There are now more than a million refugees. To escape shelling, women, children and elderly fled by following the power lines from the cities across the roughest mountains. This was Europe's worst fighting in 50 years.

The 1995 Serb assault on Srebrenica killed more than 7000 people. The town was shelled—including a mortar round that exploded on a soccer field filled with boys. That impelled Western powers to take action, and put the troops there under U.S. command.

RESTORATION AND LIBERATION

The American presence in war-torn countries and its role in helping rebuild, restore, and democratize them goes back to 1945 and Japan, West Germany, and later South Korea. Now it is being carried out in Bosnia with a multinational force. America sends her best young men not to conquer, not to destroy, but to liberate. The American military presence had a most remarkable effect in Japan and Germany from 1945 on, and in South Korea after 1953.

It wasn't the Coke or the blue jeans that left lasting impressions, but rather the understanding of right and wrong, the safeguarding of rights for women and the encouragement to create free and prosperous societies.

The U.S. Army's role in these countries is one of the great success stories of the 20th century. A sequel is happening right now, at the beginning of the 21st century, in Bosnia. And one hope and prays, soon in Afghanistan, Iraq and elsewhere.

RETIREMENT OF FRANK STEWART

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. UDALL of Colorado. Mr. Speaker, I rise today to pay tribute to a dedicated public servant who is retiring after over 30 years of service to his country and to his community. Frank Stewart is stepping down as the director of the Department of Energy's Field Office at the National Renewable Energy Lab in Golden, CO.

Frank has directed this office for the last 7 years. During this time he was responsible for promoting the development and commercialization of energy, efficiency and renewable energy technologies by working with industry, for administering the management and operations contract for the National Renewable Energy Lab, and for providing administrative support to DOE's six Regional Support Offices.

Throughout his career Frank has served in numerous positions in DOE and its predecessor agency, the Federal Energy Administration. Frank served for a time as the Acting Assistant Secretary of the Office of Energy Efficiency and Renewable Energy, and demonstrated leadership as well as broad understanding of renewable energy's potential.

At home and abroad, Frank has been a dedicated supporter of renewable technology and has had a hand in numerous projects that expanded the use of renewable energy. When 30 Federal agencies in Denver wanted to purchase wind power, Frank played an important role in formulating the deal that allowed them to purchase ten megawatts of the renewably generated power. He also has traveled to several African countries to advise those governments on the best use of renewable energy technologies. He even helped to install a solar-powered water purification system on one of his trips.

From this experience, Frank has gained an understanding of the importance that renewable energy can play in our society, enhancing national security, improving the environment, and its potential in helping to rebuild shattered countries. Frank is a strong proponent of using renewable energy to establish the new infrastructure in Afghanistan. Frank believes that renewable energy would be the most cost effective means to power Afghanistan since "it would not require the construction of a massive infrastructure, such as a network of pipelines and wires." Frank believes that the technology that has the best chance of success in undeveloped countries is one that is non-polluting and can create jobs. Renewable energy can be the power behind the rebuilding of Afghanistan and many other developing countries.

Frank Stewart has been a dedicated community servant for over 40 years. He has promoted education and energy technologies that will enhance our children's world rather than pollute it and delete it of resources. Frank has dedicated his career to public service and has sought a way to leave things better than he found them. He deserves our thanks for his service, his dedication, and his commitment. He stands as an example to citizens across the country of how an individual can contribute to society.

HONORING THE 56TH ANNUAL PUBLIC SERVANTS MERIT AWARD RECIPIENTS

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mrs. JONES of Ohio. Mr. Speaker, in honor of the 56th Annual Public Servants Merit Award of the Cuyahoga County Bar Foundation, I would like to salute the honorees by entering them in the CONGRESSIONAL RECORD. Each honoree has provided over 20 years of faithful service to the bench, bar, and public. These public servants will be honored this year with the distinguished Franklin A. Polk Servants Merit Award on February 8, 2002.

Shannon Donahue, Cuyahoga County Domestic Relations Court, Administrative Assistant to the Personnel Director. Nominated by Hon. Timothy M. Flanagan, Administrative Judge.

Judith McGinty, U.S. District Court, Cleveland Clerks Office, Operations Specialist. Nominated by Hon. Paul M. Matia, Chief Judge.

Margaret Payne, Cuyahoga County Juvenile Court, Senior Supervisor, Clerk's Office. Nominated by Hon. Peter Sikora, Administrative Judge.

Donna Owen, Ohio's Eighth District Court of Appeals, Judicial Secretary. Nominated by Hon. Diane Karpinski.

James Ruddy, Cuyahoga County Clerk of Courts, Acting Department Head, Pending Files-Civil Division. Nominated by Gerald E. Fuerst, Clerk of Courts.

Mercedes Sport, Ohio's Eighth District Court of Appeals, Court Administrator. Nominated by Cuyahoga County Bar Foundation, Public Servants Committee.

Richard Sunyak, Cuyahoga County Court of Common Pleas, Assistant Director of Operations. Nominated by Hon. Richard J. McMonagle, Presiding Judge.

Ron Tabor, Cleveland Municipal Court, Clerk of Courts, Director of Criminal Division. Nominated by Earle B. Turner, Clerk of Cleveland Municipal Court.

Theresa Talbott, Cuyahoga County Probate Court, Psychiatric Department. Nominated by Hon. John J. Donnelly, Presiding Judge.

Barbara Washington, Cleveland Municipal Court, Jury Commissioner. Nominated by Hon. Larry Jones, Presiding & Administrative Judge.

IN RECOGNITION OF SEARCH AND CARE

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mrs. MALONEY of New York. Mr. Speaker, I rise to pay tribute to Search and Care, a grass-roots neighborhood agency that has an extraordinarily beneficial effect on homebound elderly living in my district. Search and Care has been a vibrant part of the community in which I live and represent. It is a pleasure to pay tribute to this illustrious organization.

Search and Care is a not-for-profit social service agency that serves the homebound elderly in Manhattan's Yorkville neighborhood. Founded in January 1972, it is celebrating its 30th anniversary this year.

In 1971, the Rev. Clarke K. Oler, the rector of the Church of the Holy Trinity, convinced an elderly parishioner to get badly needed medical attention. He took her to a hospital clinic where she died in the waiting room while waiting for her physician. At around the same time, he learned of an elderly neighbor who died of starvation. Recognizing that other old people would benefit from assistance in accessing available services, Rev. Oler took initiative and established Search and Care. Search and Care's mission is to find and serve the elderly so that they can live safely and independently in the Yorkville community. Rev. Oler secured private funds and enlisted the help of Suzannah Chandler, formerly a member of the staff of the National Council on Aging, to start the program. Ms. Chandler also celebrates her 30th anniversary with the organization.

Search and Care provides a practical response to the difficulties faced by frail older people living alone. In the past 30 years the agency has worked with over 5,500 elderly homebound people. This year the organization will assist 350 men and women whose median age is 82, most of whom have no family living nearby.

Search and Care is an invaluable resource for the elderly citizens of my community. Its dedicated professional staff, interns and volunteers provide crucial help with the myriad tasks of daily living including shopping, paying bills, getting to the doctor, housekeeping and looking after pets. This social service agency also intervenes with skilled care management in health, emotional, and financial situations that might otherwise mean the end of independent living for these senior citizens.

Over the years, Search and Care has accomplished this important work through the commitment of some of the finest and most dedicated citizens of New York. The work of these extraordinary people has developed into a model community-based care management program that meets the individually complex and changing needs of the elderly.

Mr. Speaker, in recognition of these outstanding achievements, I salute Search and Care and I ask my fellow Members of Congress to join me in recognizing the great contributions of this tremendously dedicated community organization.

RECOGNITION OF PATRICK SMITH

HON. BILL SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. SHUSTER. Mr. Speaker, I rise today to recognize the accomplishment of Patrick Smith, a senior at Tussey Mountain High School in Saxton, PA. Patrick won first place in the Voice of Democracy essay contest sponsored by the Saxton Veterans of Foreign Wars Post 4129. The theme of the contest was "Reaching Out to America's Future." Patrick's essay focused on the ways in which America's youth are taught the values of freedom and are encouraged to become active members of their communities.

The Veterans of Foreign Wars' Voice of Democracy contest is an excellent way in which young people can express their patriotism. The Voice of Democracy contest celebrates the best thing about America: our freedom. As President Bush said in his State of the Union Address, we all need to donate our time to promote democracy all over the world, and this contest is a good way for young people to get involved. I congratulate the students who participated in this year's contest, and I encourage them to continue to be active citizens of this great democracy.

METHAMPHETAMINE

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. RADANOVICH. Mr. Speaker, methamphetamine use continues to be a chronic problem in the United States and especially in the Central Valley of California. This product, better known as "Meth," is produced by a very intricate cooking process that uses a number of chemicals like red phosphorus, acetone and pseudoephedrine. All of the chemicals that are used in the cooking process are easily obtained over-the-counter at almost any store in the United States. While most of the chemicals in the cooking process can be substituted with similar products, pseudoephedrine is the one chemical that is required to make Meth.

Over the last couple of years, the federal government working in cooperation with narcotics agents and the private sector have tightened the control of pseudoephedrine in the United States. Today, pseudoephedrine can only be purchased in small quantity bottles or blister packs.

However, last year, investigators in the Central Valley found several very large 23,000 pill-count bottles of pseudoephedrine tablets at Meth labs. Unfortunately, these bottles were found with English and French words on the labels. Because of this, as well as statements from confidential sources, investigators believe much of the bulk pseudoephedrine comes from French-speaking areas of Canada. And, it is now known that criminal organizations are using tractor-trailers to haul pseudoephedrine pills from Canada to the United States.

Currently, Canada lacks a comprehensive legislative framework for addressing the pseudoephedrine trafficking problem. Without cooperation from Canadian authorities, the illicit diversion of pseudoephedrine tablets will continue unabated and the pills will continue to find their way to ready meth-producing markets in the Central Valley.

Today I introduced a bill that will specifically address this problem. This legislation will urge President Bush to open a dialogue with the Canadian Government to discuss the large influx of pseudoephedrine from Canada.

TRIBUTE TO WILMA DELANEY

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. BARCIA. Mr. Speaker, I rise today to honor Wilma Delaney for her exemplary personal accomplishments and exceptional professional achievements as she prepares to retire as Vice President of Federal and State Government Affairs for The Dow Chemical Company.

A woman of incredible talent and energy, Wilma joined Dow in 1975 as an analytical chemist at company headquarters in Midland, Michigan. After holding several positions in Dow laboratories, she began her rise through the management ranks. Throughout her career, Wilma has demonstrated both an unparalleled proficiency in the technical know-how that began with her job as a "bench" scientist and the diplomatic finesse that has been a key to her success as a senior executive at Dow.

Wilma has held key leadership positions with Dow since early in her career, including Vice President of Environmental and Regulatory Issues. Her work has been a major force in securing Dow's reputation as a company on the cutting edge of environmental improvements. Moreover, Wilma's leadership of the company's efforts to address minority workplace issues earned her the 2000 Dr. Martin Luther King Jr. Recognition Award for exemplifying Dr. King's dream to galvanize diverse groups of people to achieve a common goal.

In addition to Wilma's professional success, she has freely given her time and talents to enhance those less fortunate by doing charitable work with various community and volunteer organizations. Her strong work ethic and kind heart have certainly benefitted the entire community and many lives are indeed better for her efforts. Her husband, Jack, and their five children, also should be commended for their unselfish support of Wilma's endeavors.

Mr. Speaker, I ask my colleagues to join me in congratulating Wilma Delaney for applying the right elements of hard work, enterprising spirit and contagious enthusiasm to her career and her community. I am confident that Wilma's legacy will endure at Dow and beyond for many years and that she will continue to discover even more ways to improve the world around her.

PAYING TRIBUTE TO SEQUOIA AWARD RECIPIENTS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. LANTOS. Mr. Speaker, every year the City of Redwood City, California, recognizes three of its citizens for outstanding volunteer work in the community with the Sequoia Award. This prestigious award is given to one student, one non-student citizen and one business each year in recognition of their outstanding service. This year's award winners are Emilia Cerrillo, a student at Menlo-Atherton High School, Vincent Truscelli, a Redwood City resident for over fifty years, and Electronic Arts, the world's largest creator of interactive electronic software.

Mr. Speaker, all of this year's award winners are extraordinary citizens and are truly deserving of recognition. I would like to share with my colleagues a brief review of each Sequoia Award winner and highlight their achievements.

Ms. Emilia Cerrillo, a senior at Menlo-Atherton High School, has been described as a "dynamo." An excellent student and musician, she also serves as Senior Class Vice-President and has been involved in the planning of several school events, including a candlelight vigil to commemorate the victims of the tragic events of September 11th, the freshman orientation and the homecoming dance.

Emilia Cerrillo was also responsible for setting critical school policies. As a student representative to the Shared Decision-Making Site Council, Emilia worked with administrators, faculty, staff, parents and other students to ensure that all necessary voices were heard while the group formulated school policies. Emilia has also had a major role in the Compass Success program and served as a mentor and role model to encourage other minority students to stay in honors classes.

Emilia's success has not been confined to the halls of Menlo-Atherton High School. As a participant in the Amigos de Las Americas program in Brazil, she met with health workers and participated in important infrastructure building in Brazil. Emilia was also a participant in the Global Visionaries program in Guatemala where she helped to build a house with the Common Hope Project.

Emilia's achievements are just the beginning of what we can expect from this extraordinary talented and dedicated student. As the student recipient of the Sequoia Award, she has been awarded a $5,000 scholarship.

Mr. Speaker, the second Sequoia Award winner is Mr. Vincent Truscelli. A lifelong resident of California, Vincent has lived in Redwood City for the past 50 years and has been involved with numerous community organizations. He was recently awarded an Honorary Life Membership by the Roosevelt School's Parent Teacher Association for his outstanding volunteer work with the school's annual carnival and for his dedication in introducing young students to baseball, basketball and track. Vincent was also the one of the first volunteer lunch yard supervisors at Roosevelt, allowing the teachers of the school to have a real lunch break, while children played after lunch.

Vincent Truscelli has also been involved in numerous organizations including the YMCA, the St. Pius Church Men's Club and the Redwood City Transportation Committee, where he received the Distinguished Service Award for his proposal on how to lay out the bus routes in Redwood City.

Vincent is best known for producing large-scale fund raising dinners. He and his wife have cooked for the Native Daughters of the Golden West Plaque Program, the Rotary Club's Irish night, Pets in Need, The American Legion, the Sons of Italy, the Redwood City Parks, Recreation and Community Service Department, and the Red Morton Fund raising project.

Mr. Truscelli has been a member of numerous clubs and organizations that aid the community including the AARP, the American Legion, the Kiwanis Club, the Lions Club, the Chamber of Commerce, the Fun After Fifty Club, Sons of Italy, and many more. He was also the Chairman of the Veteran's Memorial Senior Center Advisory Board and still serves on its board. Vincent was also the Bingo Manager for the Senior Center, which funds the Senior Center's nutrition program, computer classes and their exercise program. He also donates his time to assist needy senior citizens with home repairs. Vincent has continuously given selflessly of himself for many years and is a deserving recipient of the Sequoia Award.

Mr. Speaker, the final Sequoia Award recipient this year is Electronic Arts, a firm that is recognized for its role as a good corporate citizen. Generous contributions from Electronic Arts have helped strengthen communities in Redwood City and throughout the Bay Area. In just this past year, Electronic Arts provided grants and charitable donations to Redwood City totaling more than $70,000. Among the organizations benefitting from Electronic Arts' generosity were The Day Top Family Association (a residential therapeutic community for drug-addicted teens), Sequoia YMCA, the Redwood City Drug Abuse Resistance Education, the Redwood Family House, Sandpiper Elementary School and the Heron Court Neighborhood Network in Redwood Shores. Electronic Arts is also a proud sponsor of the Sequoia Hospital Foundation donating both money as well as video and computer games to the Hospital.

The good works of Electronic Arts are supported by the hardworking employees. Several of Electronic Arts' executives serve on volunteer boards for the Sequoia YMCA, Community Gatepath, Mid Peninsula Boys and Girls Club, Day Top Family Association and the Chamber of Commerce, to name a few. Electronic Arts also assists the Special Olympics by providing coaches, timekeepers, and scorers for the various events, and host an annual fund raiser. Over 100 employees of the company and their families donated their time to help build a new fence and paint the Redwood House group home in Redwood City. The charitable acts of Electronic Arts are greatly appreciated throughout the Bay Area.

Mr. Speaker, these two outstanding individuals, and this corporation are recipients of the Sequoia Award because of their continued selfless efforts in our community. I hope that their actions can be a guide for all of us. I urge my colleagues to join me in paying in tribute to Emilia Cerrillo, Vincent Truscelli and Electronic Arts, recipients of Redwood City's 2002 Sequoia Award.

AFGHANISTAN TRIP REPORT—JANUARY 2002

HON. JOSEPH R. PITTS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. PITTS. Mr. Speaker, I recently returned from a visit to Afghanistan with Congressman Frank Wolf and Congressman Tony Hall. We were greeted with warm, friendly smiles wherever we went, from meetings with Interim Administration officials to hospitals, schools and orphanages. There is a hope in Afghanistan that the country will be different and new opportunities and life will emerge out of the terrible suffering the Afghan people have endured.

The visit was a highlight, but it was also sobering. The best children's hospital in the nation, the Indira Ghandi Pediatric Hospital, lacked basic medicines to treat the children, two children and their mothers shared each bed, one of three children in the malnutrition ward died each night, there is a lack of basic medical equipment, and no hospital employees have been paid for six months. Yet, the doctors and nurses worked valiantly to save the lives of the children in their care.

We visited a girls school, the Dorkhanai High School, that had re-opened one week earlier after being shut down for over five years. The concrete building was full of bullet holes from the Soviet invasion, one room had no roof, and no rooms had glass in the windows. The girls sat on blankets on the concrete or dirt floor as their were no desks or chairs. Yet, the students were so motivated to learn they raised the money from the meager earnings of their families to buy thick plastic to cover the window holes and pay for kerosene heat to keep out some of the biting cold in the schoolrooms. The girls greeted us with big smiles and chants of "Welcome, welcome." They were delighted to be back in school. Teachers need to be re-hired, 80 percent of the teachers were women, and the government needs assistance with providing basic supplies such as paper, pens, chalk and books.

The Allauddin Center Orphanage has 900 children in their care—800 boys and 100 girls. The children, many obviously suffering from malnutrition and trauma from the violence of the war and the loss of their loved ones, gave us huge smiles and recited and sang for us. A delegation of firefighters from New York City had visited recently and donated enough food for the children for the next three months, but after that, it will again be a struggle to feed these young children. The firefighters also provided warm blankets for these children who, in the winter due to lack of adequate heating facilities, sleep three to a bed with three rooms of children crowding into one room—this way they can all be in rooms in which there are heat sources.

We also visited a women's bakery with the United Nations World Food Program Women's Bakery Project that has been vital in helping women, particularly widows, support and feed their families. During our visit, we learned that one woman had been a doctor at the hospital, but she left to work at the bakery so that she could earn money to actually support her family.

There is an almost overwhelming humanitarian crisis that continues today. Food, medicine and shelter are lacking for much of the country's population. Yet, there is hope—hope that the American people will cement their friendship with the Afghan people by remaining engaged in their country through various avenues. Government aid to Afghanistan is vital, but people to people diplomacy, sister relationships between schools and hospitals in the US. partnering with schools and hospitals in Afghanistan, will be invaluable in helping to rebuild the nation and the historic friendship between our nations.

Our meetings with government officials also gave us hope. The Chairman of the Interim Administration, H.E. Hamid Karzai, is an impressive, capable, straightforward man who has the capacity to lead his country to establish a coalition that will last through the historic transitions the nation is experiencing. The Loya Jirga (Grand Assembly) in June will mark a key transition for the people of Afghanistan and Hamid Karzai appears to be the one who can lead the people through that transition.

In response to our visit, there are several key points that must be addressed as our nation, government and people remain engaged with the people of Afghanistan:

1. The United States and the international community must continue to support Chairman Karzai and the Interim Administration in Kabul as well as the Administration's clarifying to the various regions of Afghanistan that federal authority rests in Kabul. In addition, it is vital that the international community ensure that the Bonn Agreement is fully implemented and culminated in the Loya Jirga to be held on June

22, 2002. The Loya Jirga is the traditionally accepted Afghan method of solving problems and reaching consensus. We must continue our support for the new government, otherwise lack of stability could create the opportunity for another pre-September 11 environment of factional fighting, violence and upheaval, and a central power vacuum that would have severe implications for our national security.

2. Humanitarian Aid must continue. The UN World Food Programme and U.S. and other NGOs serving the people there are doing a great job. But the need remains high. The UN estimated that they would be feeding 8 million people within Afghanistan, not to mention refugees in neighboring countries, in the next three months to help avert an even greater crisis. Food aid is needed, as is medical and educational assistance. People to people diplomacy can be conducted through Chairman Karzai's office in Kabul.

3. U.S. assistance must be deliberate. Security is the primary need, mentioned in every meeting and site visit we had. Unless there is security, no amount of effort will ensure that the new government leaders can implement the very necessary changes in the country. Second, the economy must be developed, primarily through developing the agricultural sector of society.

Prior to the 1997 Soviet invasion, Afghanistan was self-sufficient and even exported agricultural products to neighboring countries. Studies show that before 1979, 80 percent of the socieity was in farming. The skills are there, but the opportunity needs to be developed. Unfortunately, the four-year drought in the country has drastically affected the output of farms and the ability of animal herders to keep animals alive. Irrigation systems and drought assistance need to be constructed and provided as soon as possible. In addition, development of the agricultural sector with alternative crops is a proactive avenue of fighting against narcotics production.

Third, development of the education system is one of the primary needs. An overwhelming portion of the population has been affected by lack of access to education. As reflected in our visit to the girls' school, the people have a desire to pursue an education as they view this as the primary avenue for bettering their lives. Studies from around the world support this: the development of educational systems changes nations. The Afghan people may lack the basic materials for education, but not the desire to learn.

Mr. Speaker, there are tremendous needs in Afghanistan, but there also is a tremendous amount of hope and an expectation that this time will be different. I look forward to visiting Afghanistan in the future and seeing these hopes and expectations lived out. As Chairman Hamid Karzai said during our meeting together, "Think of the help as help to our children. The families will do well if the children do well." As we look forward to the hopes and expectations of a new Afghanistan, I will be working with the generous people of Pennsylvania and others across this nation to extend a hand of friendship, partnership and care through practical projects that will help build up the Afghan people.

MOTION TO GO TO CONFERENCE ON H.R. 2215, THE 21ST CENTURY DEPARTMENT OF JUSTICE APPROPRIATIONS AUTHORIZATION ACT

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. CONYERS. Mr. Speaker, I commend Chairman SENSENBRENNER for defending this committee's jurisdiction and for his bipartisanship. Congress has not authorized the Department of Justice in more than 20 years, instead leaving the responsibility to the appropriators to decide what DOJ programs should be authorized and their maximum funding level; this conference will express the views of the authorizing committees about how they should operate.

For example, both the House and Senate bills recognize the importance of helping victims of violence and preserving congressional oversight of prosecutorial activities. They give the Violence Against Women Office more autonomy so that it may better serve female victims of violence. They also require the Department to report to Congress when they wiretap computers, agree to settlements, and make certain decisions about enforcing Federal statutes. These reports will make it easier for Congress to see how the laws we enact are being interpreted and how they should be changed, it at all.

In the end, I hope this conference is a precursor to more active congressional involvement in the running of the Justice Department.

RETIREMENT SECURITY FOR ALL AMERICANS

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. BONIOR. Mr. Speaker, in the past several weeks, we've witnessed how rapidly a company can fall from prosperity into bankruptcy. Due to deceptive accounting and bad investments, Enron's road from being the country's seventh largest company to declaring bankruptcy was one of the fastest in history. In roughly a year, the value of Enron's stock—once considered a sure thing—plummeted from a high of $90 to just pennies.

The collapse of Enron has reminded us of one thing we already knew: the stock market can be volatile and unpredictable. It should confirm for us another truth: we shouldn't put our retirement security solely in the hands of the market.

The most tragic part of the Enron story is the loss of retirement savings for thousands of employees and retirees who had invested heavily in their employer's stock. These investors lost billions of dollars in pension plans that were, on average, comprised mostly of Enron stock. Some retirees saw all of their million-dollar life savings disappear in a matter of days—forcing them to sell their homes and other family assets to support themselves in their later years.

The Enron case has proven to us that what looks like a good investment—even what stockbrokers and analysts insist is a "strong buy"—can be a disaster in disguise. Current and former Enron employees had every reason to trust that their investment in their employer's stock was going to pay off. The company reported quarter after quarter of rising profits and just a month before the company reported a $638 million quarterly loss, its chairman was reassuring investors that Enron's third quarter report was "looking great." Investors had no way of knowing that their employer's stock was about to begin a rapid decline that would wipe out their life savings.

It is deceptions like this, and illusive accounting practices that shield a company's true value, that remind us of the dangers of privatizing Social Security. In the last few years, there has been a continued push for changes in the Social Security program that would allow people to invest a portion of their Social Security benefits in the stock market. Yet the collapse of promising companies like Enron—whose case proves that getting good investment advice is not always enough—has illustrated the dangers of this proposal.

Furthermore, not every economic downturn comes with warning signs. Events happen, like the attacks of September 11, that rock sectors of our economy overnight. Investing in the stock market is always a gamble—and it's a gamble that we shouldn't make with Social Security. For generations, Social Security has been the foundation of a secure retirement for every American—that's why it's called Social Security. We should not take any actions which will threaten the stability of this foundation.

The fall of Enron has also taught us that we do not have adequate laws on the books to protect the pensions of private employees. When Congress enacted our pension laws in 1974, 401(k) plans did not exist. Today, one-third of the workforce has a 401(k) plan. Often, these plans include a 50 percent employer match of a worker's investment, and some companies, like Enron, offer this match in the form of company stock. But Enron's workers didn't know the true financial health of their company, and many did not act to diversify their stock portfolios when they had the chance. It is party because the 401(k) plans of Enron employees were invested heavily in Enron stock—and because a change in plan administration prohibited employers from selling this stock during crucial days when the price was falling—that so many workers lost their life savings.

This is more than unfair—it is unconscionable. We cannot sit back and do nothing while corporate executives run off with the life savings of their loyal employees. This week, I am introducing legislation to promote the diversification of 401(k) plans and help prevent another Enron disaster. My bill will require that companies and 401(k) plan administrators fully and accurately disclose the economic health of 401(k) investments. In addition, it will ensure that workers receive information about their options to diversify their investments. Employees should never be kept in the dark about the financial health of their retirement plans or any measures they could be taking to protect their investments. This is about more than getting a return on investments—it is about the right to retire financially secure.

In the days and months ahead, I will be fighting to ensure that the retirement security of working Americans is protected. If we've learned anything from Enron, it is that we cannot afford to entrust our retirement savings to the whims of the stock market. We know enough about what went wrong to protect Social Security from the dangers of privatization and reform our pension laws. This is not the first time companies have closed up and taken their workers' pension plans with them. This has happened with other corporations—and much smaller businesses.

We save all of our working lives with the expectation that we will be able to retire with peace and dignity. Enron employees—and many others—have been robbed of this promise. We can't let that happen again. We need to take a stand for these workers.

TANF REAUTHORIZATION

HON. MAXINE WATERS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Ms. WATERS. Mr. Speaker, as we move toward reauthorization of TANF, I join my colleagues as a cosponsor of the TANF Reauthorization Act of 2001 (H.R. 3113). This bill recognizes the need to build upon what has worked from the 1996 law in order to further reduce poverty in our country.

We live in the land of opportunity, and those opportunities are founded in education. Higher levels of education mean higher earnings. Unfortunately, the current welfare law closes this door on TANF recipients by limiting their access to education. TANF rules not only limit access to education, but also fail to reward States which develop such innovative programs. Research in my State of California found that while only 12 percent of recipients in Los Angeles participate in education and training activities, these participants enjoyed earnings almost 40 percent higher than those of untrained recipients after 5 years.

Many TANF recipients want to invest in their own futures by pursuing higher education that will lead to higher paying jobs. This bill ensures that when people take the initiative to pursue their education, we will not be a road block to their success.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, February 7, 2002 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 8

9:30 a.m.

Governmental Affairs

To hold hearings on the nomination of Nancy Dorn, of Texas, to be Deputy Director of the Office of Management and Budget.

SD–342

10:30 a.m.

Governmental Affairs

To hold hearings on the nomination of John L. Howard, of Illinois, to be Chairman of the Special Panel on Appeals; and the nomination of Dan Gregory Blair, of the District of Columbia, to be Deputy Director of the Office of Personnel Management.

SD–342

FEBRUARY 11

10 a.m.

Appropriations

Treasury and General Government Subcommittee

To hold hearings to examine restrictions of travel to Cuba.

SD–192

1 p.m.

Environment and Public Works

Transportation, Infrastructure, and Nuclear Safety Subcommittee

To hold hearings to examine the President's proposed budget request for fiscal year 2003, the Revenue Aligned Budget Authority (RABA) mechanism, and budget related reauthorization issues.

SD–406

FEBRUARY 12

9:30 a.m.

Governmental Affairs

International Security, Proliferation and Federal Services Subcommittee

To hold hearings to examine multilateral non-proliferation regimes, weapons of mass destruction technologies, and the War on Terrorism.

SD–342

Armed Services

To hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense and the Future Years Defense Program.

SH–216

Energy and Natural Resources

To hold hearings to examine the President's proposed budget request for fiscal year 2003 for the Department of the Interior, the U. S. Forest Service, and the Department of Energy.

SD–366

10 a.m.

Banking, Housing, and Urban Affairs

To hold oversight hearings to examine accounting and investor protection issues raised by Enron and other public companies.

SD–538

Budget

To resume hearings to examine the President's proposed budget request for fiscal year 2003 and revenue proposals.

SD–608

Health, Education, Labor, and Pensions

To hold hearings to examine early education issues.

SD–430

2:30 p.m.

Health, Education, Labor, and Pensions

To hold hearings to examine the effects of the painkiller Oxycontin, focusing on risks and benefits.

SD–430

Foreign Relations

To hold hearings to examine the theft of American intellectual property at home and abroad.

SD–419

3 p.m.

Judiciary

Immigration Subcommittee

To hold hearings to examine issues surrounding the U.S Refugee Program.

SD–226

FEBRUARY 13

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings on the nominations of Thomas C. Dorr, of Iowa, to be Under Secretary of Agriculture for Rural Development, and Nancy Southard Bryson, of the District of Columbia, to be General Counsel of the Department of Agriculture; and the nominations of Grace Trujillo Daniel, of California, and Fred L. Dailey, of Ohio, both to be Members of the Board of Directors of the Federal Agricultural Mortgage Corporation, both of the Farm Credit Administration.

SH–216

10 a.m.

Judiciary

To hold hearings to examine the application of federal antitrust laws to Major League Baseball.

SD–226

Budget

To continue hearings to examine the President's proposed budget request for fiscal year 2003 and revenue proposals.

SD–608

Banking, Housing, and Urban Affairs

To hold hearings to examine the President's proposed budget request for fiscal year 2003 for the Department of Housing and Urban Development.

SD–538

10:15 a.m.

Foreign Relations

To hold hearings to examine future efforts in the U. S. bilateral and multilateral response, focusing on halting the spread of HIV/AIDS.

SD–419

2 p.m.

Indian Affairs

To hold oversight hearings on the implementation of the Native American Housing Assistance and Self-Determination Act.

SR–485

Health, Education, Labor, and Pensions

To hold hearings to examine the limits of existing laws, focusing on protection against genetic discrimination.

SD–430

Judiciary
Administrative Oversight and the Courts Subcommittee
To hold hearings to examine.
SD-226

FEBRUARY 14

9:30 a.m.
Armed Services
To hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on the results of the Nuclear Post Review; to be followed by closed hearings (in Room SH-219).
SH-216

10 a.m.
Veterans' Affairs
To hold hearings to examine the President's proposed budget request for fiscal year 2003 for veterans' programs.
SR-418

Budget
To continue hearings to examine the President's proposed budget request for fiscal year 2003 and revenue proposals.
SD-608

2:30 p.m.
Energy and Natural Resources
National Parks Subcommittee
To hold hearings on S. 202 and H.R. 2440, to rename Wolf Trap Farm Park for the Performing Arts as "Wolf Trap National Park for the Performing Arts"; S. 1051 and H.R. 1456, to expand the boundary of the Booker T. Washington National Monument; S. 1061 and H.R. 2238, to authorize the Secretary of the Interior to acquire Fern Lake and the surrounding watershed in the States of Kentucky and Tennessee for addition to Cumberland Gap National Historic Park; S. 1649, to amend the Omnibus Parks and Public Lands Management Act of 1996 to increase the authorization of appropriations for the Vancouver National Historic Reserve and for the preservation of Vancouver Barracks; S. 1894, to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park; and H.R. 2234, to revise the boundary of the Tumacacori National Historical Park in the State of Arizona.
SD-366

FEBRUARY 26

10 a.m.
Indian Affairs
To hold hearings on rulings of the United States Supreme Court affecting tribal government powers and authorities.
SD-106

Banking, Housing, and Urban Affairs
To resume oversight hearings to examine accounting and investor protection issues, focusing on proposals for change relating to financial reporting by public companies, accounting standards, and oversight of the accounting profession.
SD-538

FEBRUARY 27

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Disabled American Veterans and the Veterans of Foreign Wars.
345 Cannon Building

2 p.m.
Indian Affairs
To hold oversight hearings on the management of Indian Trust Funds.
SD-106

MARCH 5

10 a.m.
Indian Affairs
To hold hearings on the President's proposed budget request for fiscal year 2003 for Indian programs.
SR-485

MARCH 7

10 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Paralyzed Veterans of America, Jewish War Veterans, Blinded Veterans Association, the Non-Commissioned Officers Association, and the Military Order of the Purple Heart.
345 Cannon Building

Indian Affairs
To resume hearings on the President's proposed budget request for fiscal year 2003 for Indian programs.
SR-485

MARCH 14

10 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Gold Star Wives of America, the Fleet Reserve Association, the Air Force Sergeants Association, and the Retired Enlisted Association.
345 Cannon Building

MARCH 20

2 p.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of American Ex-Prisoners of War, the Vietnam Veterans of America, the Retired Officers Association, the National Association of State Directors of Veterans Affairs, and AMVETS.
345 Cannon Building

HOUSE OF REPRESENTATIVES—*Thursday, February 7, 2002*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. SUNUNU).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
February 7, 2002.

I hereby appoint the Honorable JOHN E. SUNUNU to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

This is the day, Lord, You have made. We are glad and rejoice in it.

This morning, Lord, at the National Prayer Breakfast, President George W. Bush and many Members of Congress, with over 3,800 individuals from all walks of life, representing over 170 nations, joined in prayer and fellowship to Your honor and glory.

How inspiring it is, Lord, for people of faith to gather and manifest again the rich heritage of America's commitment to religious freedom.

We praise You, Lord God, and we thank You, for You continue to inspire people to build a truly better world, a world in which freedom is ordered to truth and goodness, while religion is celebrated openly with a wide expression of faith perspective. Rooted in various religious traditions, Your people give You glory because moral norms give them life, direction and great fruitfulness in works of justice and service.

This prayer breakfast was a vision of the globalized world come together for prayer. Government leaders confessing their human limitations, looking to You, Almighty God, for strength and guidance to bring peace to the world.

Continue to bless the work begun by the National Prayer Breakfast, because it brings to life the prayer and vision of Jesus, who came not to be served but to serve, now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. GIBBONS. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GIBBONS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New York (Mr. MCNULTY) come forward and lead the House in the Pledge of Allegiance.

Mr. MCNULTY led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

CONGRATULATING DR. MICHAEL ALESSANDRI FOR HIS WORK WITH AUTISTIC INDIVIDUALS AND THEIR FAMILIES

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I have often spoken about the importance of funding research for autism and its related spectrum disorders. Today I congratulate a scholar who for over 20 years has been dedicated to working with individuals who have autism and their families, Dr. Michael Alessandri. Michael has consulted nationally and abroad on developing educational programs on autism spectrum disorder. But perhaps it is Dr. Alessandri's inherent commitment to educating individuals with autism that has enabled him to touch the lives of so many, especially in my congressional district. South Florida families living with autism are fortunate to have Michael leading the battle at the University of Miami Center for Autism and Related Disabilities, which under his direction was named the National Autism Program of the Year in 1999 by the Autism Society of America.

Please join me in congratulating Dr. Michael Alessandri and the University of Miami's CARD for their contributions to the field of autism research.

BRING OUR CHILDREN HOME

(Mr. LAMPSON asked and was given permission to address the House for 1 minute.)

Mr. LAMPSON. Mr. Speaker, as of today, Jeff Koons, a custodial parent in New York, has not spoken with his son Ludwig for 2 months. Jeff and Ludwig were supposed to spend the holidays together in Rome. Jeff went to Rome, but was denied access to his son by the noncustodial mother, Ilona Staller. He was not even allowed to talk with him on the phone.

Nothing is being done. Ms. Staller is clearly in violation of all agreements and court orders. Ludwig is in great danger, as he is being raised in a pornographic compound in Rome, Italy. Yet there is no authority enforcing Mr. Koons' and Ludwig's rights. It is absolutely critical that Jeff, at the very least, be allowed contact with his son. It is critical to Ludwig's welfare.

Mr. Speaker, this body, the administration, the State Department, and the Justice Department must do something now. These children must be returned to our home, the United States of America. Ludwig Koons can wait no longer. Bring our children home.

YUCCA MOUNTAIN

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, yesterday in the Washington Post John W. Bartlett, an engineer who headed the Yucca Mountain project for the DOE from 1990 to 1993 stated:

"The rock formations were found to be far inferior to that originally expected in terms of preventing contamination,"

Mr. Bartlett is not the only former DOE official opposed to Yucca Mountain. Kenneth Davis, Energy Under Secretary from 1981 to 1983, has also said that Yucca Mountain as a waste repository is not reasonable in his view and should be put in mothballs. Former senior DOE geologist Jerry Szymanski has found that an earthquake could dramatically elevate the water table, potentially flooding the repository.

□This symbol represents the time of day during the House proceedings, e.g., □1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The Nuclear Waste Technical Review Board and the GAO have also said that the DOE's science is weak to moderate and that recommendation is not prudent or practical.

Mr. Speaker, it disturbs me to think that the Energy Secretary is willfully ignoring the concerns of his own experts. Unless the DOE stops the Yucca Mountain project when it comes time, and Mr. Abraham is quoted saying that Yucca Mountain was a mistake, it will be too late for the American people.

ALTERNATIVE MINIMUM TAX (AMT) REPEAL

(Mr. GARY G. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GARY G. MILLER of California. Mr. Speaker, I have here the National Taxpayer Advocate's Annual Report to Congress.

As my colleagues well know, the National Taxpayer Advocate is an independent agent within the IRS that helps our constituents resolve their tax problems. It should interest Members of this body that the very agent within the IRS tasked with helping our constituents has suggested that we abolish the alternative minimum tax.

As my colleagues well know, the AMT was the subject of considerable debate when this body voted to pass not one but two stimulus bills. As I recall, my colleagues on the other side of the aisle complained that eliminating the AMT would only help the wealthy.

I ask my colleagues to consider that a mother of five who earned $45,000 in 2000 had to pay $1,850 in AMT alone. That is a lot of money. I find it disconcerting that Members of this body would oppose commonsense tax reform that would help the economy and really help their constituency.

I do not take any word from anybody, and I do not expect Members to accept my words, Mr. Speaker, but read this report for yourself. Unless the opponents of the AMT are prepared to call the National Taxpayer Advocate the handmaiden of the wealthy, then I think it is time that we heed the Tax Advocate's recommendations and eliminate the AMT.

NATIONAL PRAYER BREAKFAST

(Mr. PENCE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENCE. Mr. Speaker, my wife, Karen, and I just returned from celebrating, along with 3,800 other citizens of both political parties, the 50th National Prayer Breakfast here in Washington, D.C. It was truly an inspiring morning. I offer congratulations to the organizers, in both political parties, with the National Prayer Breakfast for this inspiring event.

We gathered, Mr. Speaker, because it is a chance to honor heroes, like Lisa Beamer and the New York firefighters whom we heard from today. We gather because it is obviously a tradition begun with President Dwight David Eisenhower. But as we were reminded so poignantly today by leaders of both parties and eloquently by our President and the Chief of Naval Operations, we gather as Americans because we believe that if His people who are called by His name will humble themselves and pray and seek His face, He will today, as He always has, hear from heaven, forgive our sins and heal our land.

PROVIDING FOR CONSIDERATION OF H.R. 3394, CYBER SECURITY RESEARCH AND DEVELOPMENT ACT

Mr. DIAZ-BALART. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 343 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 343

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3394) to authorize funding for computer and network security research and development and research fellowship programs, and for other purposes. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 4(a) of rule XIII are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Science. After general debate the bill shall be considered for amendment under the five-minute rule. Each section of the bill shall be considered as read. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Florida (Mr. DIAZ-BALART) is recognized for 1 hour.

Mr. DIAZ-BALART. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. HASTINGS), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 343 is an open rule providing for the consideration of H.R. 3394, the Cyber Security Research and Development Act. The rule provides 1 hour of general debate evenly divided and controlled by the chairman and ranking minority member of the Committee on Science. This is a fair and open rule that will provide every Member with the opportunity to offer amendments, allowing Members ample time to debate the important issues related to this legislation.

□ 1015

Mr. Speaker, the attacks of September 11 have forced the American people and this Congress to recognize that the threat of terror is present on many fronts. To adequately protect the United States, we must address all of our security vulnerabilities. This enormous task includes securing our Nation's computer and communications infrastructure.

The urgency with which we must proceed with regard to this infrastructure has already been demonstrated. In 1997, the Pentagon conducted an information warfare exercise to test the vulnerability of the U.S. information infrastructure. The exercise consisted of 35 National Security Agency computer specialists using off-the-shelf technology to attack U.S. information systems. The group of NSA specialists were able to attack and penetrate government and commercial sites.

The next year, failure of the Galaxy 4 communications satellite further demonstrated the effects that a cyberattack could have on our information systems. The failure of Galaxy 4 disrupted credit card purchases, ATM transactions, 90 percent of the Nation's pagers and emergency communications. While studies have concluded that the United States is vulnerable to cyberattacks, not enough has been done to safeguard this sensitive information system.

This is of grave concern for the safety of the Nation. Just this past Tuesday it was reported that since September 11 there has been a series of cyberattacks that have targeted the Pentagon, the Department of Energy, NASA and other agencies, resulting in the theft of vast quantities of national defense research. One of the groups went as far as declaring a "cyber jihad" against the United States.

We need only look 90 miles off the coast of Florida to see the possibility of future attacks, Mr. Speaker. This past year the Director of the Defense Intelligence Agency testified before the Senate Permanent Select Committee on Intelligence that the Cuban regime could initiate information warfare or computer network attacks that could seriously disrupt the United States military.

That regime, which is the only one of the seven states on the State Department's list of terrorist nations in our hemisphere, is believed to share information with other terrorist states such as Iran, Libya and Iraq. With its significant ties to fellow terrorist nations in the Middle East, the Cuban regime has the ability to serve as a type of forward-operating location for terror in our hemisphere.

The potential for cyberwarfare is real, and the underlying legislation that we are going to address to date helps to address that threat. H.R. 3394 is a bipartisan piece of legislation designed to increase research efforts which are needed to fill the void in this critical area. The legislation will task the National Science Foundation and the National Institute of Standards and Technology to coordinate a partnership with academic institutions to ensure that information systems are secure in the United States.

This partnership will face the emerging threat by increasing the amount of cybersecurity research being supported by the Federal Government and by increasing the number of cybersecurity researchers in the Nation. The bill will provide $878 million over 5 years to implement new academic programs, provide grants and fellowships, providing for the common defense of our Nation's technological infrastructure.

The underlying legislation, as I stated before, is a product of bipartisanship. It was reported out of the Committee on Science by voice vote. It is a very important bill that focuses on obviously a very important subject matter. As I stated before, Mr. Speaker, it is an open rule. It is a fair rule. I urge my colleagues to support both the rule and the underlying legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume, and I thank the gentleman from Florida for yielding me the customary 30 minutes.

Mr. Speaker, I rise in support of the Cyber Security Research and Development Act and in support of the rule. I want to especially congratulate the Committee on Science chairman, the gentleman from New York (Mr. BOEHLERT), and the ranking member, the gentleman from Texas (Mr. HALL), for their very hard work on this bill and for their recognition of the importance to the entire country of the necessary investments in research that this bill funds.

Mr. Speaker, we all know that in 21st century America there is barely a thing that we do that does not involve the computer. From simple e-mail from a parent to a child in college, to computer-guided missiles that fall precisely on their targets, computers are the very backbone of our society today.

Currently, the vulnerability of our Nation's computer system to cyber terrorism is great, as my friend from Florida has pointed out. This bill is the first step in a long process to secure our Nation's technological lifeblood.

In college I was a science major, and I well know the importance of research and development in helping to solve this country's most difficult problems. I also had the distinct honor to serve in Congress on the Committee on Science, and I can tell you, Mr. Speaker, we have a serious problem on our hands, and it is up to the emerging scientists and engineers to fix it.

Why are they not doing it now? Because the Federal Government is not providing enough resources nor offering the proper incentives. This bill is a step forward to change this pattern for years to come.

For just a moment I want to discuss a portion of the bill relating to minority participation in the programs created in this bill. I was going to offer an amendment, and I shall not in light of discussions that I had with the Chair of the Black Caucus, and report language that seemingly covers some of what I had in mind.

In particular, I want to commend the Chair of the Congressional Black Caucus, the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), for her very hard work on this issue.

A report of the National Science Foundation reveals that blacks, Hispanics and Native Americans comprise 23 percent of the population, but earn on a whole only 14.2 percent of the bachelor's degrees, 8.1 percent of the master's degrees and 5 percent of the doctorate degrees in science and engineering. This bill gives the NSF and the National Institute of Standards and Technology the tools to correct the imbalances uncovered in their own studies showing, as throughout government, that minorities are not being hired at a pace that they should, and that the process itself is so extraordinary that it makes it difficult for people to even accomplish the standards that are set forth.

If, Mr. Speaker, we are to ensure American security from terrorist threats, we will need to mobilize all of the human resources available. That includes minority Americans.

Again, I congratulate the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON), the gentleman from New York (Chairman BOEHLERT), the ranking member, the gentleman from Texas (Mr. HALL), and the rest of the Committee on Science for their recognition of that need and their attempts to address it.

Mr. Speaker, this is a necessary bill. It has earned the bipartisan support of the Committee on Science, and I would suggest that it deserves the same bipartisan support here on the floor of the House of Representatives.

Mr. Speaker, I yield back the balance of my time.

Mr. DIAZ-BALART. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I again reiterate my strong support for the underlying legislation, as well the rule before us.

Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. SUNUNU). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HASTINGS of Florida. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 392, nays 0, not voting 42, as follows:

[Roll No. 12]

YEAS—392

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Everett
Farr
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)

Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lynch
Maloney (CT)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Norwood
Nussle
Oberstar
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
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Schaffer
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Schiff
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Serrano
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Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
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Taylor (MS)
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Towns
Turner
Udall (CO)
Udall (NM)
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Watts (OK)
Waxman
Weiner
Weller
Wexler
Wicker
Wilson (SC)
Wolf
Woolsey
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Wynn
Young (FL)

NOT VOTING—42

Barton
Blagojevich
Bono
Burr
Burton
Capuano
Clay
Cubin
Evans
Fattah
Frelinghuysen
Goode
Hall (OH)
Hilleary
Hyde
Jefferson
Kaptur
Kleczka
Largent
Linder
Lucas (OK)
Luther
Maloney (NY)
McDermott
McKinney
Moore
Northup
Obey
Pitts
Riley
Roukema
Ryan (WI)
Shaw
Slaughter
Tauzin
Traficant
Waters
Weldon (FL)
Weldon (PA)
Whitfield
Wilson (NM)
Young (AK)

☐ 1047

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. BARTON of Texas. Mr. Speaker, on rollcall No. 12 I was inadvertently detained. Had I been present, I would have voted "yea."

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 586. An act to amend the Internal Revenue Code of 1986 to provide that the exclusion from gross income for foster care payments shall also apply to payments by qualified placement agencies, and for other purposes.

The message also announced that the Senate has passed without amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 82. Joint resolution recognizing the 91st birthday of Ronald Reagan.

The message also announced that the Senate has passed bills of the following titles in which the concurrence of the House is requested:

S. 1274. An act to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke.

S. 1275. An act to amend the Public Health Service Act to provide grants for public access defibrillation programs and public access defibrillation demonstration projects, and for other purposes.

CYBER SECURITY RESEARCH AND DEVELOPMENT ACT

The SPEAKER pro tempore (Mr. SHIMKUS). Pursuant to House Resolution 343 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3394.

☐ 1048

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3394) to authorize funding for computer and network security research and development and research fellowship programs, and for other purposes, with Mr. SUNUNU in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from New York (Mr. BOEHLERT) and the gentleman from Texas (Mr. HALL) each will control 30 minutes.

The Chair recognizes the gentleman from New York (Mr. BOEHLERT).

GENERAL LEAVE

Mr. BOEHLERT. Mr. Chairman, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and to include extraneous material on H.R. 3394.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOEHLERT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am honored to bring H.R. 3394, The Cyber Security Research and Development Act, before the House. Like other congressional responses to terrorism, this is a bipartisan bill. I want especially to thank our ranking minority member, the gentleman from Texas (Mr. HALL), who joined me in introducing this bill; the gentleman from Washington (Mr. Baird), whose own legislation is incorporated in H.R. 3394; the gentleman from Michigan (Mr. SMITH) and the gentleman from Michigan (Dr. EHLERS) who chair the subcommittee with jurisdiction over this bill, and their ranking members, the gentlewoman from Texas (Ms. JOHNSON) and the gentleman from Michigan (Mr. BARCIA).

Also, I would be remiss if I did not thank Dr. Bill Wulf, the president of the National Academy of Engineering and one of the Nation's leading computer scientists, whose ideas were the inspiration for so much of this legislation.

I am convinced that over time H.R. 3394 will come to be seen as a fundamental turning point in the Nation's approach to cybersecurity. This bill is the equivalent of legislation the Congress passed in the wake of the Sputnik launch in the late 1950s.

We will recall that the unexpected Soviet launch of the Sputnik forced us to focus on the Nation's deficiencies in science and led us to pass breathtaking, and, it turned out, overwhelmingly effective legislation to improve the Nation's ability to conduct research and educate students.

Similarly, the attacks of September 11 have turned our attention to the Nation's weaknesses, and, again, we find our capacity to conduct research and to educate will have to be enhanced if we are to counter our foes over the long run. No less than the Cold War, the war against terrorism will have to be waged in the laboratory as well as on the battlefield.

And I would add that I am pleased that the Committee on Science, which was created in response to the Sputnik launch, will help lead the effort to ensure our Nation's laboratories are up to the challenge.

One of the most critical problems our Nation's researchers need to focus on is how to protect our Nation's computers systems and networks from attack. For a while, most Americans have been focused exclusively on the hijackings and the bombings and bioterrorism. The experts tell us that the Nation is also profoundly at risk from cyber terrorism. That is a new word that has entered our vocabulary, unfortunately, but it is one we have to be constantly aware of, and we have to prepare.

In an era when virtually all the tools of our daily lives are connected to and rely upon computer networks, a cyberattack could knock out electricity, drinking water and sewage systems, financial institutions, assembly lines and communications, and that is just naming a few. We must improve our ability to respond to these threats, and our response must go beyond immediate defensive measures. That is not good enough.

We need to conduct the research and development necessary to make computers and networks much harder to break into and much less subject to damage when they are violated. That will require a focused, well-funded research and development effort in cybersecurity, something we are sorely lacking now.

In fact, expert witnesses at our Committee on Science hearings have described the current state of cyber security research as woefully underfunded, understaffed, timid, unimaginative and leaderless. That is not good enough. H.R. 3394 will change all of that.

Our bill capitalizes on the expertise of two well-run Federal agencies with historic links to both academia and industry necessary to jump-start our cybersecurity efforts.

Under the bill the National Science Foundation will fund the creation of new cybersecurity research centers, undergraduate and master's degree programs and graduate fellowships. The National Institute of Standards and Technology will create new program grant for partnerships between academia and industry, new postdoctoral fellowships and a new program to encourage senior researchers in other fields to work on computer security.

The result over the next several years will be to promote new research that produces innovative, creative approaches to computer security, to draw more researchers into the field, and to develop a cadre of students who will become the next generation of cybersecurity researchers.

This approach is measured and targeted, and it will be successful. As with the programs that were created in response to Sputnik, the programs in H.R. 3394 will ensure that we make the long-term investment in research and students needed to develop the tools that will protect us from cyberattacks.

I want to emphasize, Mr. Chairman, that this bill will provide funding for a wide range of research, a range far larger even than the illustrative list that is even in the legislation. For example, research would include work on firewall and antivirus technology, vulnerability assessment, operations and control systems management, and management of the interoperable digital certificates.

I also want to note that in addition to providing funding and programming, this bill provides Federal leadership. The National Science Foundation will have the responsibility of making sure that the Nation's overall research and education enterprise is producing the knowledge in students we need to combat cyberterrorism.

I have been asked by some, "Cannot the private sector just take care of this?" Unfortunately, the answer is a resounding no. Even after September 11, the private sector has little incentive to invest heavily in cybersecurity because the market is more concerned with speed and convenience. That is not my personal conclusion, that is what the industry leaders in cybersecurity have said in testimony before our committee.

In addition, we need to invest in our universities which will work with private industry to do the basic research needed to come up with radically new approaches to protecting our computer systems and to attract the students who will keep the field healthy in the future.

That is why H.R. 3394 is endorsed by leading industry groups including the National Association of Manufacturers, and the Information Technology Association of America, as well as a wide range of groups representing educational institutions.

The bill, I am pleased to report, is also supported by the administration, which provided much guidance as H.R. 3394 moved through our committee.

So I urge my colleagues to follow the lead of the Committee on Science, which approved this bill without dissent. Years from now we will see H.R. 3394 as the measure that galvanized the Federal Government, industry and academia into eliminating the cybersecurity weaknesses that today threaten our economy and our basic public services. I urge support for this important bill.

Mr. Chairman, I reserve the balance of my time.

Mr. HALL of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the Cyber Security Research and Development Act. It is a bill that committee has worked in a bipartisan manner, and I think it fills a very important gap in current information technology research programs, namely the need for improved security for our computers and digital communication networks.

I, of course, congratulate and thank the Committee on Science chairman, the gentleman from New York (Mr. BOEHLERT). He has done a very good job of laying out the thrust of the bill, and I also thank him for his leadership and thank him for working so closely with me and with others on our side of the dock to bring this bill to this stage.

I also want to acknowledge the work of my colleague, the gentleman from Washington (Mr. BAIRD), a clinical psychologist before he came to the Congress, a man that has unusual ability and is knowledgeable about research and development. Actually, it was a provision pertaining to the National Institute of Standards and Technology, his provisions that originated in his bill, that we have used in this bill.

Many systems that are vital to the Nation such as electric power grids, transportation and financial services, all of these rely on the transfer of information through computer networks.

□ 1100

The trend in recent years of interconnecting computer networks has had some unintended consequences, one of them being making access of these very critical systems easier for criminals and actually potentially easier for terrorists, and that is something that we are very aware of today.

As a result, there have been an increased number of assaults on network systems. Computer viruses, attacks by computer hackers, and electronic identification theft have become more common. The events of last fall, as the chairman stated, have made us all realize just how vulnerable we are to attack, and we now understand that we have to enhance the protection of the Nation's physical and electronic infrastructure.

Mr. Chairman, H.R. 3394 establishes substantial new research programs also at the National Science Foundation and the National Institute of Standards and Technology. The goal of both of these multiyear programs is not only to advance computer security research but also to expand the community of computer security researchers.

These programs will support graduate students. They will support postdoctoral researchers and senior researchers while encouraging stronger ties between universities and industry.

The key to ensure information security for the long term is to establish a vigorous and creative basic research effort focused on the security of networked information systems. H.R. 3394 will make a major contribution toward accomplishing this goal.

Mr. Chairman, I commend this measure to my colleagues and ask for their support and ask for its passage by this House.

Mr. Chairman, I reserve the balance of my time.

Mr. BOEHLERT. Mr. Chairman, I am pleased to yield 3 minutes to the distinguished gentleman from Michigan (Mr. SMITH), who is the chairman of the Subcommittee on Research of the Committee on Science and has been a leader in this overall effort.

Mr. SMITH of Michigan. Mr. Chairman, we learned from the September 11 attack and from the information gathered in Afghanistan to expect the unexpected.

Part of the new commitment to homeland security is improving the security of our Nation's computer and networking infrastructure. In the past decade this networking has been firmly embedded in our economy, and we have become more dependent on these technologies. Whether it is delivering agricultural products or supporting banking and financial markets, moving electricity along interconnected grids, providing government services or maintaining our national defense, we have become dependent on computer networks for our economic and national security.

The networks I think also are a potent symbol of our open society and free markets which thrive on the uninhibited flow of information. However, the technological advancement in computers and software and the networking and information technology which is a bill, H.R. 3400, which is coming before this body in the next several weeks, the potential threat of cyberattack is real and growing. Terrorists will always probe for our weakest points, so we must remain vigilant and confront these new realities.

As we become even more dependent on computer networks and as terrorists become more technologically sophisticated, we should anticipate the possibility of attacks launched on cyberspace.

Computer viruses, computer hackers, electronic identification theft are just a few of the new challenges we face. What is needed is this bill, which moves us into a comprehensive plan to address the growing linkages between national security and cybersecurity. We need to engage the best minds in America to make us immune from these kinds of attacks.

H.R. 3394 does just that. It authorizes research programs at the National Science Foundation and the National Institute of Standards and Technology to decrease the vulnerability of our computer systems and address emergency problems related to computer networking and infrastructure.

Mr. Chairman, I think it is very important that we have coordination among all government agencies in this effort, especially the military complex, if we are to be efficient, effective and if we are to succeed.

We need this kind of legislation to move ahead; and I just want to commend the gentleman from Texas (Mr. HALL), and certainly our chairman, for the inspiration to timely move this bill forward; and I urge all my colleagues to support it.

Mr. HALL of Texas. Mr. Chairman, I yield the balance of my time to the gentleman from Washington (Mr. BAIRD), for purposes of control.

The CHAIRMAN. Without objection, the gentleman from Washington (Mr. BAIRD) will control the time.

There was no objection.

Mr. BAIRD. Mr. Chairman, I yield myself such time as I may consume.

I would like to begin by commending and thanking the gentleman from New York (Mr. BOEHLERT) and the gentleman from Texas (Mr. HALL) for their leadership on this matter. I am tremendously honored that they have chosen to include my computer security bill, which establishes a research and development program on computer and network security grants to the National Institute of Standards and Technology in today's bill.

The chairman's legislation will address long-term needs in securing the Nation's information infrastructure as well as securing or strengthening the security of the nonclassified computer systems of Federal agencies.

Because of September 11, focus and attention has been focused in an unprecedented way on increasing our security against terrorism. Today, security has to mean more than locking doors and installing metal detectors. In addition to physical security, virtual systems that are vital to the Nation's economy must be protected. Telecommunications and computer technologies are vulnerable to attack from far away by enemies who can remain anonymous, hidden in the vast maze of the Internet. Examples of systems that rely on computer networks include the electric power grid, rail networks, and financial transaction networks.

I should commend the gentleman from New York (Mr. BOEHLERT), particularly, and former chair of the committee, the gentlewoman from Maryland (Mrs. MORELLA), for their foresight in this because prior to September 11 they had both had the foresight to conduct numerous hearings on the issue of computer security. It is that kind of forward thinking that we need and now in the post-September 11 time have the opportunity to implement some of these measures that came forward in those hearings.

The vulnerability of the Internet computer viruses, denial of service attacks and defaced Web sites is well-known to the general public. Such widely reported and indeed widely experienced events have increased in frequency over time. These attacks disrupt business and government activities, sometimes resulting in significant recovery costs. We have yet to face a catastrophic cyberattack thus far; but Richard Clarke, the President's new terrorism czar, has said that the government must make cybersecurity a priority or we face the possibility of what he termed a "digital Pearl Harbor."

Potentially vulnerable computer systems are largely owned and operated by the private sector, but the government has an important role in supporting the research and development activities that will provide the tools for protecting information systems. An essential component for ensuring improved information security is a vigorous and creative basic research effort focused on the security of networked information systems.

Witnesses at our Committee on Science hearings last year noted the anemic level of funding for research on computer and network security. Such lack of funding has resulted in the lack of a critical mass of researchers in the field and has severely limited the focus of research. The witnesses at the hearings advocated increased and sustained research funding from the Federal Government to support both expanded training and research on a long-term basis.

The chairman's bill will provide the resources necessary to ensure the security of business networks and the safety of America's computer infrastructure. I would like to thank the staff of the Committee on Science for their good work on this, as well as my own staff member, Brooke Jamison. I would urge all Members to support this important measure.

Mr. Chairman, I reserve the balance of my time.

Mr. BOEHLERT. Mr. Chairman, I am pleased to yield 3 minutes to the distinguished gentleman from Michigan (Mr. EHLERS), a scientist in his own right and a legislator of the first order. He is the chair of our key Subcommittee on Environment, Technology and Standards; and I am pleased to yield the time to him.

Mr. EHLERS. Mr. Chairman, I appreciate this opportunity to rise in support of H.R. 3394, a piece of legislation that is badly needed.

Most of the citizens of this land do not understand the broad dimensions of the problems of cybersecurity. I was privileged a few years ago to write a report for the cybersecurity of NATO parliamentary assembly but which was under the chairmanship of the gentleman from New York (Mr. BOEHLERT) at that time, and it was a real eye-opener to look into all of the dimensions of cybersecurity, both hardware and software.

On the hardware end, we are extremely vulnerable as a Nation in many ways, particularly to a high-level nuclear explosion, which would probably have no direct casualties but could wipe out most of the computers and microprocessors in this Nation.

This bill addresses primarily the other dimension of security and that is the software problem. We have been very fortunate as a Nation that most of the breaches of security that have taken place so far have been caused by hackers, pranksters and petty thieves; but we are extremely vulnerable in many other ways due to the proliferation of computers in our country, and I am not referring just to the proliferation of microprocessors which have essentially invaded our homes, our businesses in numerous quantities. They are vulnerable in different ways; but any time one attaches a computer to a network, they are vulnerable to activities that take place on that network.

We have gained tremendously as a Nation through the use of computers and networks, but we have not taken account of the tremendous opportunities for breaches of security. It is essential that we train our people to deal with these; but above all, we must begin by doing more research in how we can deal with breaches of security. We know so little about it that we are at a disadvantage and we are at the mercy of the hackers, the pranksters, the thieves and, indeed, of other countries.

It is essential that this bill pass; that we begin the process of developing a superstructure and an infrastructure to deal with cybersecurity. We need more research. We need more scholars. We need more researchers, and we need more people who are capable of dealing directly with problems that occur.

We have heard mention of the electric grid and other such things as this; but it can appear in much more minor ways, simply denial of service which costs our economy billions of dollars each year. Recently, I had a call from someone who had received an e-mail sent by way of a government department's computer. A hacker had gotten into that computer and used this government's agency computer to send out millions of e-mails to prevent service from major entities in this country.

So I urge that we join together and we pass this bill and also be sure to alert the American public of the nature of cyberterrorism, cyberinsecurity and that we deal with this problem.

Mr. BAIRD. Mr. Chairman, I reserve my time.

The CHAIRMAN. Without objection, the gentlewoman from Maryland (Mrs. MORELLA) will control the majority's time.

There was no objection.

Mrs. MORELLA. Mr. Chairman, I am pleased to yield 2½ minutes to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Chairman, I come to the floor and first want to commend the gentleman from New York (Mr. BOEHLERT) and the gentleman from Texas (Mr. HALL) for their bipartisan efforts to address an issue that is so very important to our Nation's economy and Nation's infrastructure.

We are at war today. We are at war against terrorism, and one of the lessons of September 11 is no more complacency. Clearly our Nation's IT infrastructure is one area where we historically have been very, very complacent; and as we work to win this war on terrorism, we also must work to strengthen our homeland security, and clearly this legislation, the Cyber Security Research and Development Act, is part of our efforts to strengthen our Nation's homeland security.

Our IT infrastructure is important. We use it in our everyday lives, whether it is our banking, insurance, our schools, our businesses, how we operate our utilities, and serve our Nation's infrastructure; and all of it is in jeopardy of a cyberattack.

All of us have learned, I believe, over the last several years the creativity of those who hack into our computer systems, those who create computer viruses for malicious destruction, in many cases causing billions of dollars of damage and costs to our Nation as well as our global economy. Unfortunately, very little research and development has been conducted in this important area of homeland security, finding better ways to protect our Nation's information technology systems.

The private sector historically has little incentive to invest because the market emphasizes speed and convenience. Yet the Federal Government historically has not filled the gap. This legislation is important legislation and deserves bipartisan support and enlists our Nation's universities as well as research institutions to find solutions to protect and secure our Nation's IT infrastructure.

There is also more we need to do. I think we are all disappointed after the House passed an economic stimulus package that the accelerated depreciation component that this House passed was not included in action in the other body. My hope is that the accelerated depreciation which would help our businesses and private sector also acquire the hardware and software to protect their IT systems will eventually be included in a stimulus package that we send to the President and get this economy moving again.

□ 1115

Mr. BOEHLERT. Mr. Chairman, I yield 4 minutes to the distinguished gentlewoman from Maryland (Mrs. MORELLA), who is one of the leaders of the Committee on Science in so many areas, but particularly interested in this important area.

Mrs. MORELLA. Mr. Chairman, it is with great pleasure that I rise as a cosponsor of H.R. 3394, and I thank the gentleman from New York (Mr. BOEHLERT) not only for his laudatory words but for his leadership as chairman of the Science Committee in crafting this piece of legislation and bringing it to the floor.

The ranking member, the gentleman from Texas (Mr. HALL), deserves to be commended also for working together. As is often the case with legislation from the Committee on Science, this bill is the outcome of a tremendous bipartisan effort, and I urge my colleagues to support its passage.

Computer networks and infrastructure have become one of America's greatest assets. Our ingenuity in developing new and exciting technologies to increase our productivity and quality of life have made us the envy of the modern world. These devices have changed the way we interact socially, conduct business, and have ingrained themselves in every aspect of our lives. We have embraced them and will continue to find exciting new ways to utilize these modern marvels.

Unfortunately, while these computer networks have given us great freedom and access, they have also created a new vulnerability. Our reliance on these networks creates a potential threat and the economic and social consequences to an attack in cyberspace cannot be ignored. In the past few months, we have been confronted with a number of threats to our physical well-being and have taken numerous steps to plug the many holes in our society's lax security practices. However, along with securing our borders and providing for defense of the homeland, we must also take steps to protect our virtual world.

As numerous hearings conducted in the House Committee on Science have shown, it is clear that we have two major problems in cyberspace. The first is that we have few, if any, standards as to what constitutes a secured network, nor do we have generally accepted procedures to evaluate our current systems and upgrade them with the most current security protocols. The second is quite simply too little cybersecurity research is being conducted by too few researchers and too few students to lead to the breakthrough of advancements that we will need to secure our networks in the 21st century.

To address our deficiencies in evaluation and implementation, last session the House of Representatives passed H.R. 1259, a bill I sponsored with the input of the gentleman from Washington (Mr. BAIRD) and others, to upgrade the Computer Security Act of 1987 and give the National Institute of Standards and Technology the authority to develop and promote computer security standards within the Federal Government. Located in my home district of Montgomery County, Maryland, NIST is our Nation's premier developer of standards and guidelines and is ideally suited to lead our efforts in the implementation of security practices throughout our cyberworld.

Today, we take up the second issue. H.R. 3394 would provide critical funds to investigators to conduct groundbreaking research, anticipate future needs, and respond to new vulnerabilities. It supplies money to develop multidisciplinary centers between academia, business interests, and government laboratories to further collaborative efforts. And it creates fellowships and scholarships to assure that we are training a sufficient number of new scientists to replace our current workforce and meet our future needs.

H.R. 1259 and H.R. 3394 represent two sides of the same cybersecurity coin. Implementation of current technology without inquiries into the next generation of countermeasures and best practices is as useless as research and development without evaluation and use. Last session, the House overwhelmingly approved the first step toward protecting our virtual presence with the passage of 1259, and today I urge my colleagues to take the second. Research into cybersecurity is vital to the health of our Nation. This bill provides the necessary tools.

I look forward to its passage and to working with Chairman BOEHLERT and Ranking Member HALL in getting both H.R. 1259 and 3394 through the Senate and into law.

Mr. BOEHLERT. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. GOODLATTE), the distinguished chair of the House Republican High Technology Working Group, and the cochair of the Congressional Internet Caucus, and a real leader in all aspects of information technology.

Mr. GOODLATTE. Mr. Chairman, I thank the chairman for his kind words, but I especially thank him for his leadership on this issue. I also thank the gentleman from Texas (Mr. HALL), the ranking Democrat; the gentleman from Texas (Mr. SMITH), the chairman of the Subcommittee on Crime, on which I serve; and the other cosponsors of this legislation for their leadership in getting this done.

This is a serious problem in this country. We are vulnerable in many, many ways to cybercrime and cyberterrorism, and this legislation will help to cure that problem. We are not doing enough in the area of research in this area. We are most certainly not doing enough in the area of producing enough people to work in government and in the private sector to make sure that the computer infrastructure of this country is protected against hackers and criminals and terrorists. This legislation is going to provide more resources for those colleges and universities and other institutions that do this research and train the people.

In this area, I have a university in my district, James Madison University, which has been identified by the National Security Agency as an institution of excellence in doing research and, more importantly, education in this area. But when they sit down to write the curriculum on how to prevent cybercrime, to teach people how to work for companies or the government in protecting the computer infrastructure, that curriculum does not even change on an annual basis, does not even change on a monthly basis. It changes on a weekly and daily basis as new information about viruses and other types of computer activity used by criminals and terrorists take place.

So I am strongly supportive of this legislation. I look forward to developing more curricula around the country to educate people and provide the literally tens of thousands of new jobs we are going to need in this country in this field, and this legislation lays the groundwork. I commend the gentleman from New York and others for bringing this legislation forward, and I strongly urge my colleagues to support it.

Mrs. MORELLA. Mr. Chairman, I thank the gentleman from Virginia for his comments, and I yield 4 minutes to the gentleman from Texas (Mr. SMITH), Chair of the Subcommittee on Crime, who helped to author this bill.

Mr. SMITH of Texas. Mr. Chairman, I thank the gentlewoman from Maryland and my colleague for yielding me this time.

Mr. Chairman, I support this legislation that increases the cybersecurity networks at our universities, businesses, and national laboratories. The facts speak for themselves. Last month, the CERT Coordination Center operated by Carnegie Mellon University reported that breaches in security of computer systems more than doubled from the year 2000 to 2001: 52,000 incidents were reported in 2001, up from 22,000 the year before. By comparison, in 1995, the number of incidents reported was only 2,400.

Last spring, the Subcommittee on Crime, of the Committee on the Judiciary, that I chair, held a series of hearings on cybercrime. We heard testimony from local, State, and Federal officials, as well as individuals from the private sector. A common theme emerged: the demand for highly-trained and skilled personnel to investigate computer crimes is tremendous. This problem is compounded by the rapid advances in technology which make continual training an absolute necessity.

In this new age we must have training both for a new generation of cyberwarriors, whose most important weapon is not a gun but a laptop, and for private sector companies who must continually protect their Internet presence. This bill seeks to expand what many States and cities are already doing: investing in cybersecurity training initiatives.

Mr. Chairman, in my hometown, the University of Texas at San Antonio has established the Center for Information Assurance and Security, CIAS. The CIAS will be the hub of a city initiative to research, develop, and address computer protection mechanisms to prevent and detect intrusions of computer networks.

This collaborative effort of CIAS brings together the best and brightest from the public sector, such as the Air Force Information Warfare Center, Air Intelligence Agency, and the FBI. The private sector, with such cybersecurity companies as Ball Aerospace, Digital Defense, SecureLogix, SecureInfo, and Symantec, also are contributing to this effort.

With funding provided in this bill, UTSA and dozens of other universities will be able to train the next generation of cyberwarriors, cyberdefenders, and what we call “white hat netizens.” This legislation supports the work at UTSA and other universities for students who want to pursue computer security studies.

While the benefits of the digital age are obvious, the Internet also has fostered an environment where hackers retrieve private data for amusement, individuals distribute software illegally, and viruses circulate with the sole purpose of debilitating computers. Mr. Chairman, a well-trained and highly skilled force of cyberprotectors is urgently needed, and I hope my colleagues will support this bill.

Mr. BOEHLERT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as we wrap up this debate, I know a lot of people are wondering what is the big deal about cybersecurity; and my own wife, Marianne, who is frequently at the computer when I am home, says that we have to do a better job of explaining the importance of this, and she is absolutely right.

So much of what we do in this Nation is dependent upon the security of our computer systems. Everything is dependent upon computer technology today: our financial networks, our communication systems, our electric power grid, our water supply. The list goes on and on. If we have a clever 15-year-old hacker penetrate that system, that is mischief. But when we have a terrorist with a potential to penetrate that system and misuse it, that is serious business.

What we are about is very serious business: to train skilled people and to place the emphasis that needs to be placed on protecting our cybersystem in every way, shape, or manner. That is why I am so pleased that the administration has worked so well with us; that this Committee on Science has done what it does traditionally on a bipartisan basis, with people like the gentleman from Washington (Mr. BAIRD), the gentleman from Texas (Mr. HALL), and the gentlewoman from Texas (Ms. EDDIE BERNICE JOHNSON) working with our side.

We are all in this together. We want to produce a product that is best for this Congress and best for America; and we have done so, and I am proud to be identified with it.

Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. BAIRD. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just like to close as well by reiterating my thanks to Chairman BOEHLERT, Chairwoman MORELLA, Ranking Member HALL, as well as the committee staff.

Chairman BOEHLERT has stated it perfectly well: the American public often takes for granted our information infrastructure; but a coordinated attack on, for example, air traffic control, electrical power systems, or other major vital links in our information infrastructure, particularly if timed with a more conventional or even a more unconventional attack, could wreak havoc on our society and would clearly cost lives.

The importance of this bill cannot be overstated, and I commend the Chair and the ranking member for their leadership and appreciate the opportunity to work with them.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

The bill shall be considered by sections as an original bill for the purpose of amendment, and pursuant to the rule, each section is considered read.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Clerk will designate section 1.

The text of section 1 is as follows:

H.R. 3394

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Cyber Security Research and Development Act".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Revolutionary advancements in computing and communications technology have interconnected government, commercial, scientific, and educational infrastructures—including critical infrastructures for electric power, natural gas and petroleum production and distribution, telecommunications, transportation, water supply, banking and finance, and emergency and government services—in a vast, interdependent physical and electronic network.

(2) Exponential increases in interconnectivity have facilitated enhanced communications, economic growth, and the delivery of services critical to the public welfare, but have also increased the consequences of temporary or prolonged failure.

(3) A Department of Defense Joint Task Force concluded after a 1997 United States information warfare exercise that the results "clearly demonstrated our lack of preparation for a coordinated cyber and physical attack on our critical military and civilian infrastructure".

(4) Computer security technology and systems implementation lack—

(A) sufficient long term research funding;

(B) adequate coordination across Federal and State government agencies and among government, academia, and industry;

(C) sufficient numbers of outstanding researchers in the field; and

(D) market incentives for the design of commercial and consumer security solutions.

(5) Accordingly, Federal investment in computer and network security research and development must be significantly increased to—

(A) improve vulnerability assessment and technological and systems solutions;

(B) expand and improve the pool of information security professionals, including researchers, in the United States workforce; and

(C) better coordinate information sharing and collaboration among industry, government, and academic research projects.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) the term "Director" means the Director of the National Science Foundation; and

(2) the term "institution of higher education" has the meaning given that term in section 101 ofthe Higher Education Act of 1965 (20 U.S.C. 1001).

SEC. 4. NATIONAL SCIENCE FOUNDATION RESEARCH.

(a) COMPUTER AND NETWORK SECURITY RESEARCH GRANTS.—

(1) IN GENERAL.—The Director shall award grants for basic research on innovative approaches to the structure of computer and network hardware and software that are aimed at enhancing computer security. Research areas may include—

(A) authentication and cryptography;

(B) computer forensics and intrusion detection;

(C) reliability of computer and network applications, middleware, operating systems, and communications infrastructure; and

(D) privacy and confidentiality.

(2) MERIT REVIEW; COMPETITION.—Grants shall be awarded under this section on a merit-reviewed competitive basis.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation to carry out this subsection—

(A) $35,000,000 for fiscal year 2003;

(B) $40,000,000 for fiscal year 2004;

(C) $46,000,000 for fiscal year 2005;

(D) $52,000,000 for fiscal year 2006; and

(E) $60,000,000 for fiscal year 2007.

(b) COMPUTER AND NETWORK SECURITY RESEARCH CENTERS.—

(1) IN GENERAL.—The Director shall award multiyear grants, subject to the availability of appropriations, to institutions of higher education (or consortia thereof) to establish multidisciplinary Centers for Computer and Network Security Research. Institutions of higher education (or consortia thereof) receiving such grants may partner with one or more government laboratories or for-profit institutions.

(2) MERIT REVIEW; COMPETITION.—Grants shall be awarded under this subsection on a merit-reviewed competitive basis.

(3) PURPOSE.—The purpose of the Centers shall be to generate innovative approaches to computer and network security by conducting cutting-edge, multidisciplinary research in computer and network security, including the research areas described in subsection (a)(1).

(4) APPLICATIONS.—An institution of higher education (or a consortium of such institutions) seeking funding under this subsection shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum, a description of—

(A) the research projects that will be undertaken by the Center and the contributions of each of the participating entities;

(B) how the Center will promote active collaboration among scientists and engineers from different disciplines, such as computer scientists, engineers, mathematicians, and social science researchers; and

(C) how the Center will contribute to increasing the number of computer and network security researchers and other professionals.

(5) CRITERIA.—In evaluating the applications submitted under paragraph (4), the Director shall consider, at a minimum—

(A) the ability of the applicant to generate innovative approaches to computer and network security and effectively carry out the research program;

(B) the experience of the applicant in conducting research on computer and network security and the capacity of the applicant to foster new multidisciplinary collaborations;

(C) the capacity of the applicant to attract and provide adequate support for undergraduate and graduate students and postdoctoral fellows to pursue computer and network security research; and

(D) the extent to which the applicant will partner with government laboratories or for-profit entities, and the role the government laboratories or for-profit entities will play in the research undertaken by the Center.

(6) ANNUAL MEETING.—The Director shall convene an annual meeting of the Centers in order to foster collaboration and communication between Center participants.

(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the National Science Foundation to carry out this subsection—

(A) $12,000,000 for fiscal year 2003;

(B) $24,000,000 for fiscal year 2004;

(C) $36,000,000 for fiscal year 2005;

(D) $36,000,000 for fiscal year 2006; and

(E) $36,000,000 for fiscal year 2007.

SEC. 5. NATIONAL SCIENCE FOUNDATION COMPUTER AND NETWORK SECURITY PROGRAMS.

(a) COMPUTER AND NETWORK SECURITY CAPACITY BUILDING GRANTS.—

(1) IN GENERAL.—The Director shall establish a program to award grants to institutions of higher education (or consortia thereof) to establish or improve undergraduate and master's degree programs in computer and network security, to increase the number of students who pursue undergraduate or master's degrees in fields related to computer and network security, and to provide students with experience in government or industry related to their computer and network security studies.

(2) MERIT REVIEW.—Grants shall be awarded under this subsection on a merit-reviewed competitive basis.

(3) USE OF FUNDS.—Grants awarded under this subsection shall be used for activities that enhance the ability of an institution of higher education (or consortium thereof) to provide high-quality undergraduate and master's degree programs in computer and network security and to recruit and retain increased numbers of students to such programs. Activities may include—

(A) revising curriculum to better prepare undergraduate and master's degree students for careers in computer and network security;

(B) establishing degree and certificate programs in computer and network security;

(C) creating opportunities for undergraduate students to participate in computer and network security research projects;

(D) acquiring equipment necessary for student instruction in computer and network security, including the installation of testbed networks for student use;

(E) providing opportunities for faculty to work with local or Federal Government agencies, private industry, or other academic institutions to develop new expertise or to formulate new research directions in computer and network security;

(F) establishing collaborations with other academic institutions or departments that seek to establish, expand, or enhance programs in computer and network security;

(G) establishing student internships in computer and network security at government agencies or in private industry;

(H) establishing or enhancing bridge programs in computer and network security between community colleges and universities; and

(I) any other activities the Director determines will accomplish the goals of this subsection.

(4) SELECTION PROCESS.—

(A) APPLICATION.—An institution of higher education (or a consortium thereof) seeking funding under this subsection shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum—

(i) a description of the applicant's computer and network security research and instructional capacity, and in the case of an application from a consortium of institutions of higher education, a description of the role that each member will play in implementing the proposal;

(ii) a comprehensive plan by which the institution or consortium will build instructional capacity in computer and information security;

(iii) a description of relevant collaborations with government agencies or private industry that inform the instructional program in computer and network security;

(iv) a survey of the applicant's historic student enrollment and placement data in fields related to computer and network security and a study of potential enrollment and placement for students enrolled in the proposed computer and network security program; and

(v) a plan to evaluate the success of the proposed computer and network security program, including post-graduation assessment of graduate school and job placement and retention rates as well as the relevance of the instructional program to graduate study and to the workplace.

(B) AWARDS.—(i) The Director shall ensure, to the extent practicable, that grants are awarded under this subsection in a wide range of geographic areas and categories of institutions of higher education.

(ii) The Director shall award grants under this subsection for a period not to exceed 5 years.

(5) ASSESSMENT REQUIRED.—The Director shall evaluate the program established under this subsection no later than 6 years after the establishment of the program. At a minimum, the Director shall evaluate the extent to which the grants achieved their objectives of increasing the quality and quantity of students pursuing undergraduate or master's degrees in computer and network security.

(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation to carry out this subsection—

(A) $15,000,000 for fiscal year 2003;

(B) $20,000,000 for fiscal year 2004;

(C) $20,000,000 for fiscal year 2005;

(D) $20,000,000 for fiscal year 2006; and

(E) $20,000,000 for fiscal year 2007.

(b) SCIENTIFIC AND ADVANCED TECHNOLOGY ACT OF 1992.—

(1) GRANTS.—The Director shall provide grants under the Scientific and Advanced Technology Act of 1992 for the purposes of section 3(a) and (b) of that Act, except that the activities supported pursuant to this subsection shall be limited to improving education in fields related to computer and network security.

(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation to carry out this subsection—

(A) $1,000,000 for fiscal year 2003;

(B) $1,250,000 for fiscal year 2004;

(C) $1,250,000 for fiscal year 2005;

(D) $1,250,000 for fiscal year 2006; and

(E) $1,250,000 for fiscal year 2007.

(c) GRADUATE TRAINEESHIPS IN COMPUTER AND NETWORK SECURITY RESEARCH.—

(1) IN GENERAL.—The Director shall establish a program to award grants to institutions of higher education to establish traineeship programs for graduate students who pursue computer and network security research leading to a doctorate degree by providing funding and other assistance, and by providing graduate students with research experience in government or industry related to the students' computer and network security studies.

(2) MERIT REVIEW.—Grants shall be provided under this subsection on a merit-reviewed competitive basis.

(3) USE OF FUNDS.—An institution of higher education shall use grant funds for the purposes of—

(A) providing fellowships to students who are citizens, nationals, or lawfully admitted permanent resident aliens of the United States and are pursuing research in computer or network security leading to a doctorate degree;

(B) paying tuition and fees for students receiving fellowships under subparagraph (A);

(C) establishing scientific internship programs for students receiving fellowships under subparagraph (A) in computer and network security at for-profit institutions or government laboratories; and

(D) other costs associated with the administration of the program.

(4) FELLOWSHIP AMOUNT.—Fellowships provided under paragraph (3)(A) shall be in the amount of $25,000 per year, or the level of the National Science Foundation Graduate Research Fellowships, whichever is greater, for up to 3 years.

(5) SELECTION PROCESS.—An institution of higher education seeking funding under this subsection shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum, a description of—

(A) the instructional program and research opportunities in computer and network security available to graduate students at the applicant's institution; and

(B) the internship program to be established, including the opportunities that will be made available to students for internships at for-profit institutions and government laboratories.

(6) REVIEW OF APPLICATIONS.—In evaluating the applications submitted under paragraph (5), the Director shall consider—

(A) the ability of the applicant to effectively carry out the proposed program;

(B) the quality of the applicant's existing research and education programs;

(C) the likelihood that the program will recruit increased numbers of students to pursue and earn doctorate degrees in computer and network security;

(D) the nature and quality of the internship program established through collaborations with government laboratories and for-profit institutions;

(E) the integration of internship opportunities into graduate students' research; and

(F) the relevance of the proposed program to current and future computer and network security needs.

(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the National Science Foundation to carry our this subsection—

(A) $10,000,000 for fiscal year 2003;

(B) $20,000,000 for fiscal year 2004;

(C) $20,000,000 for fiscal year 2005;

(D) $20,000,000 for fiscal year 2006; and

(E) $20,000,000 for fiscal year 2007.

(d) GRADUATE RESEARCH FELLOWSHIPS PROGRAM SUPPORT.—Computer and network security shall be included among the fields of specialization supported by the National Science Foundation's Graduate Research Fellowships program under section 10 of the National Science Foundation Act of 1950 (42 U.S.C. 1869).

SEC. 6. CONSULTATION.

In carrying out sections 4 and 5, the Director shall consult with other Federal agencies.

SEC. 7. FOSTERING RESEARCH AND EDUCATION IN COMPUTER AND NETWORK SECURITY.

Section 3(a) of the National Science Foundation Act of 1950 (42 U.S.C. 1862(a)) is amended—

(1) by striking "and" at the end of paragraph (6);

(2) by striking the period at the end of paragraph (7) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(8) to take a leading role in fostering and supporting research and education activities to improve the security of networked information systems.".

SEC. 8. NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY RESEARCH PROGRAM.

The National Institute of Standards and Technology Act is amended—

(1) by moving section 22 to the end of the Act and redesignating it as section 32;

(2) by inserting after section 21 the following new section:

"RESEARCH PROGRAM ON SECURITY OF COMPUTER SYSTEMS

"SEC. 22. (a) ESTABLISHMENT.—The Director shall establish a program of assistance to institutions of higher education that enter into partnerships with for-profit entities to support research to improve the security of computer systems. The partnerships may also include government laboratories. The program shall—

"(1) include multidisciplinary, long-term, high-risk research;

"(2) include research directed toward addressing needs identified through the activities of the Computer System Security and Privacy Advisory Board under section 20(f); and

"(3) promote the development of a robust research community working at the leading edge of knowledge in subject areas relevant to the security of computer systems by providing support for graduate students, post-doctoral researchers, and senior researchers.

"(b) FELLOWSHIPS.—(1) The Director is authorized to establish a program to award post-doctoral research fellowships to individuals who are citizens, nationals, or lawfully admitted permanent resident aliens of the United States and are seeking research positions at institutions, including the Institute, engaged in research activities related to the security of computer systems, including the research areas described in section 4(a)(1) of the Cyber Security Research and Development Act.

"(2) The Director is authorized to establish a program to award senior research fellowships to individuals seeking research positions at institutions, including the Institute, engaged in research activities related to the security of computer systems, including the research areas described in section 4(a)(1) of the Cyber Security Research and Development Act. Senior research fellowships shall be made available for established researchers at institutions of higher education who seek to change research fields and pursue studies related to the security of computer systems.

"(3)(A) To be eligible for an award under this subsection, an individual shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require.

"(B) Under this subsection, the Director is authorized to provide stipends for post-doctoral research fellowships at the level of the Institute's Post Doctoral Research Fellowship Program and senior research fellowships at levels consistent with support for a faculty member in a sabbatical position.

"(c) AWARDS; APPLICATIONS.—The Director is authorized to award grants or cooperative agreements to institutions of higher education to carry out the program established under subsection (a). To be eligible for an award under this section, an institution of higher education shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum, a description of—

"(1) the number of graduate students anticipated to participate in the research project and the level of support to be provided to each;

"(2) the number of post-doctoral research positions included under the research project and the level of support to be provided to each;

"(3) the number of individuals, if any, intending to change research fields and pursue studies related to the security of computer systems to be included under the research project and the level of support to be provided to each; and

"(4) how the for-profit entities and any other partners will participate in developing and carrying out the research and education agenda of the partnership.

"(d) PROGRAM OPERATION.—(1) The program established under subsection (a) shall be managed by individuals who shall have both expertise in research related to the security of computer systems and knowledge of the vulnerabilities of existing computer systems. The Director shall designate such individuals as program managers.

"(2) Program managers designated under paragraph (1) may be new or existing employees of the Institute or individuals on assignment at the Institute under the Intergovernmental Personnel Act of 1970.

"(3) Program managers designated under paragraph (1) shall be responsible for—

"(A) establishing and publicizing the broad research goals for the program;

"(B) soliciting applications for specific research projects to address the goals developed under subparagraph (A);

"(C) selecting research projects for support under the program from among applications submitted to the Institute, following consideration of—

"(i) the novelty and scientific and technical merit of the proposed projects;

"(ii) the demonstrated capabilities of the individual or individuals submitting the applications to successfully carry out the proposed research;

"(iii) the impact the proposed projects will have on increasing the number of computer security researchers;

"(iv) the nature of the participation by for-profit entities and the extent to which the proposed projects address the concerns of industry; and

"(v) other criteria determined by the Director, based on information specified for inclusion in applications under subsection (c); and

"(D) monitoring the progress of research projects supported under the program.

"(e) REVIEW OF PROGRAM.—(1) The Director shall periodically review the portfolio of research awards monitored by each program manager designated in accordance with subsection (d). In conducting those reviews, the Director shall seek the advice of the Computer System Security and Privacy Advisory Board, established under section 21, on the appropriateness of the research goals and on the quality and utility of research projects managed by program managers in accordance with subsection (d).

"(2) The Director shall also contract with the National Research Council for a comprehensive review of the program established under subsection (a) during the 5th year of the program. Such review shall include an assessment of the scientific quality of the research conducted, the relevance of the research results obtained to the goals of the program established under subsection (d)(3)(A), and the progress of the program in promoting the development of a substantial academic research community working at the leading edge of knowledge in the field. The Director shall submit to Congress a report on the results of the review under this paragraph no later than six years after the initiation of the program.

"(f) DEFINITIONS.—For purposes of this section—

"(1) the term 'computer system' has the meaning given that term in section 20(d)(1); and

"(2) the term 'institution of higher education' has the meaning given that term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)."; and

(3) in section 20(d)(1)(B)(i) (15 U.S.C. 278g-3(d)(1)(B)(i)), by inserting "and computer networks" after "computers".

SEC. 9. COMPUTER SECURITY REVIEW, PUBLIC MEETINGS, AND INFORMATION.

Section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3) is amended by adding at the end the following new subsection:

"(f) There are authorized to be appropriated to the Secretary $1,060,000 for fiscal year 2003 and $1,090,000 for fiscal year 2004 to enable the Computer System Security and Privacy Advisory Board, established by section 21, to identify emerging issues, including research needs, related to computer security, privacy, and cryptography and, as appropriate, to convene public meetings on those subjects, receive presentations, and publish reports, digests, and summaries for public distribution on those subjects.".

SEC. 10. INTRAMUTAL SECURITY RESEARCH.

Section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3) is further amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d) As part of the research activities conducted in accordance with subsection (b)(4), the Institute shall—

"(1) conduct a research program to address emerging technologies associated with assembling a networked computer system from components while ensuring it maintains desired security properties;

"(2) carry out research and support standards development activities associated with improving the security of real-time computing and communications systems for use in process control; and

"(3) carry out multidisciplinary, long-term, high-risk research on ways to improve the security of computer systems.".

SEC. 11. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of Commerce for the National Institute of Standards and Technology—

(1) for activities under section 22 of the National Institute of Standards and Technology Act, as added by section 8 of this Act—

(A) $25,000,000 for fiscal year 2003;
(B) $40,000,000 for fiscal year 2004;
(C) $55,000,000 for fiscal year 2005;
(D) $70,000,000 for fiscal year 2006;
(E) $85,000,000 for fiscal year 2007; and
(F) such sums as may be necessary for fiscal years 2008 through 2012; and

(2) for activities under section 20(d) of the National Institute of Standards and Technology Act, as added by section 10 of this Act—

(A) $6,000,000 for fiscal year 2003;
(B) $6,200,000 for fiscal year 2004;
(C) $6,400,000 for fiscal year 2005;
(D) $6,600,000 for fiscal year 2006; and
(E) $6,800,000 for fiscal year 2007.

SEC. 12. NATIONAL ACADEMY OF SCIENCES STUDY ON COMPUTER AND NETWORK SECURITY IN CRITICAL INFRASTRUCTURES.

(a) STUDY.—Not later than 3 months after the date of the enactment of this Act, the Director of the National Institute of Standards and Technology shall enter into an arrangement with the National Research Council of the National Academy of Sciences to conduct a study of the vulnerabilities of the Nation's network infrastructure and make recommendations for appropriate improvements. The National Research Council shall—

(1) review existing studies and associated data on the architectural, hardware, and software vulnerabilities and interdependencies in United States critical infrastructure networks;

(2) identify and assess gaps in technical capability for robust critical infrastructure network security, and make recommendations for research priorities and resource requirements; and

(3) review any and all other essential elements of computer and network security, including security of industrial process controls, to be determined in the conduct of the study.

(b) REPORT.—The Director of the National Institute of Standards and Technology shall transmit a report containing the results of the study and recommendations required by subsection (a) to the Congress not later than 21 months after the date of enactment of this Act.

(c) SECURITY.—The Director of the National Institute of Standards and Technology shall ensure that no information that is classified is included in any publicly released version of the report required by this section.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Commerce for the National Institute of Standards and Technology for the purposes of carrying out this section, $700,000.

Mr. BOEHLERT (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. Are there any amendments to the bill?

If not, under the rule, the Committee rises.

Mr. FORBES. Mr. Chairman, I rise today in strong support of the Cyber Security Research and Development Act, which will help the United States reduce its vulnerability to cyberattacks by terrorists and common criminals alike.

Cyber attacks may not bring the large scale death and destruction of attacks by biological or chemical agents or other weapons of mass destruction, but they are just as real a threat to the American people. They hold the power to disrupt our way of life, harm people's personal interests, and cause tremendous losses for businesses.

Computers have become increasingly ubiquitous. More than half of all American use the Internet, with more than 2 million people going online for the first time each month. Computer-based technology powers the way we bank, the way we shop, and the way we exchange information. And, this makes nearly every American vulnerable to cyber threats.

The Cyber Security Research and Development Act will reduce that vulnerability in two ways. First, it will improve our research efforts so that we can stop cyber terrorists before they strike. Too few of our most gifted minds are working on this area of research. The funding available in this bill will power partnerships between the government and academia to remedy this Second, H.R. 3394 will improve our education programs so that average Americans can spot threats and react quickly.

As a member of the Science Committee, I heard the testimony of research experts who indicated how great the threat is and how much could be achieved to defeat it if we dedicated ourselves to this goal. That is why I am pleased to be a cosponsor of this legislation, and I urge my colleagues to support it today.

Mr. RODRIGUEZ. Mr. Chairman, I rise today in support of H.R. 3394, the Cyber Security Research and Development Act. This bill would strengthen our nation's ability to protect the critical infrastructure that supplies our water, keeps the electricity on in our homes, and ensures that our law enforcement officials have communication capabilities at all times.

San Antonio has been a leader in developing the type of technology and educational programs made possible under this bill. A growing partnership of educational, private enterprise and military expertise make San Antonio "Cyber City" USA.

The University of Texas at San Antonio has developed the Center for Infrastructure Assurance and Security to educate and train world-class information technology professionals. With a faculty drawn from both the private sector and the Air Force, this outstanding program will produce skilled graduates ready to meet the growing shortage of information technology professionals in the federal government and private sector. It will also serve as a educational program for mid-level professionals to improve their information technology job skills needed for their current job, or help them retrain in the information technology field.

San Antonio is also the home of the Information Technology and Assurance Academy, an innovative educational center devoted to talented 11th and 12th graders interested in information technology. The Academy will give these young minds an introduction to future career opportunities in the information and technology field. In addition to developing their interest in information technology, this program seeks to instill a sense of civic responsibility that will serve them and the community in which they live.

San Antonio has 45 private companies that have developed state-of-the-art information assurance technology. These companies lead the field in developing intrusion detection technology and providing vulnerability assessments for both the private sector and the government.

The military also has a world-class computer monitoring facility in San Antonio. The Air Force's computer emergency response team, located at Lackland Air Force Base, leads the DoD in intrusion technology, and helps protect Air Force computer systems, 24 hours a day, 7 days a week, around the globe. This system helps ensure that the computer systems used by our Armed Forces to protect our nation are free from hackers, viruses and other forms of cyber terrorism.

This bill would provide the nation with needed resources to fight the war on cyber terrorism. Homeland security starts at the local level and this bill would allow communities throughout the United States to educate and train qualified information professionals in their community and encourage research that would give the government and private industry the tools to protect our nation's critical infrastructure.

Ms. HART. Mr. Chairman, I rise today in support of H.R. 3394, the Cyber Security Research and Development Act.

H.R. 3394, seeks to address the vulnerability of the computer systems and networks that have become part of all our daily lives. It is all to clear to us, that we must be proactive and defend these systems from simple hackers to coordinated terrorist attacks.

At hearings on cyber security last year in the Science Committee, we heard updates on research and development in that field. The news was sobering. The information we were provided was that too little research being conducted in this area, too few researchers were prepared to meet the needs of securing our systems, too few students going into fields relating to cyber security, and there was inadequate coordination between government, academia and industry. This must change and we have great resources in western Pennsylvania to help deliver these changes.

Carnegie Mellon University (CMU), just outside of my district, has been a leader in the field of cyber security. In 2001, the National Security Council named them as a "Center of Excellence in Security Education." Also, the CERT Coordination Center, a government-funded computer emergency-response team at CMU, helps to track the risks and frequencies of cyber crimes. According to the Center, there were 52,658 security breaches and attacks last year, up 50 percent from the previous year. The Center also got reports of 2,437 computer vulnerabilities, more than double the figures from the previous year. While having success with students in the field of cyber security, they, too, have expressed that deficiencies exist for cyber security. This includes the lack of undergraduates and graduates who can provide the necessary research.

The "Cyber Security Research and Development Act" provides help for these areas by making grants available under National Science Foundation (NSF) for: research in innovative computer and network security; establishment of Centers for Computer and Network Security research in partnership with other universities; enabling universities to offer fellowships; and research in industry and other opportunities for doctoral degrees. H.R. 3394 also provides grants to the National Institute of Standards and Technology (NIST) for: support for high-risk, cutting edge research by academics working with industry; and for the establishment of a fellowship to increase its number of researchers in computer and network security.

This important legislation will provide us with the necessary investment in cyber security and needed support of existing resources, so that we are not with out the necessary experts to protect our critical computer infrastructure from terrorist attacks.

□ 1130

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. PICKERING) having assumed the chair, Mr. SUNUNU, Chairman of the Committee of the Whole House on the State of the Union, reported that Committee, having had under consideration the bill (H.R. 3394) to authorize funding for computer and network security research and development and research fellowship programs, and for other purposes, pursuant to House Resolution 343, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BOEHLERT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 8 of rule XX, this 15-minute vote on passage of H.R. 3394 will be followed by a 5-minute vote, if ordered, on agreeing to the Speaker's approval of the Journal.

The vote was taken by electronic device, and there were—yeas 400, nays 12, not voting 22, as follows:

[Roll No. 13]

YEAS—400

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Rush
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—12

Akin
Collins
Duncan
Flake
Hefley
Jones (NC)
Kingston
Norwood
Paul
Royce
Schaffer
Tancredo

NOT VOTING—22

Blagojevich
Bono
Burton
Capuano
Cubin
Frelinghuysen
Hall (OH)
Hilleary
Jefferson
Luther
McDermott
Obey
Pitts
Riley
Roukema
Ryan (WI)
Shaw
Slaughter
Solis
Traficant
Waters
Whitfield

☐ 1152

Messrs. AKIN, HEFLEY and NORWOOD changed their vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Ms. SOLIS. Mr. Speaker, during rollcall vote No. 13 on February 7, 2002, the voting machine malfunctioned and did not record my vote. Had it registered my vote, I would have voted "yea."

THE JOURNAL

The SPEAKER pro tempore (Mr. PICKERING). Pursuant to clause 8 of rule XX, the pending business is the question of the Speaker's approval of the Journal.

The question is on agreeing to the Speaker's approval of the Journal of the last day's proceedings.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. KOLBE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 363, noes 33, answered "present" 1, not voting 37, as follows:

[Roll No. 14]

AYES—363

Abercrombie
Ackerman
Akin
Allen
Andrews
Armey
Baca
Bachus
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Boozman
Borski
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Cox
Coyne
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frost
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Hall (TX)
Hansen
Harman
Hart
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)

Johnson (IL)
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larson (CT)
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (NY)
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, Jeff
Mink
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (PA)
Petri
Phelps
Pickering
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Rush
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schiff
Schrock
Sensenbrenner
Serrano
Sessions
Shadegg
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stearns
Stump
Stupak
Sununu
Sweeney
Tauscher
Tauzin
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Upton
Velázquez
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—33

Aderholt
Baird
Brady (PA)
Costello
Crane
DeFazio
English
Filner
Gutknecht
Hastings (FL)
Hefley
Johnson, E. B.
Kennedy (MN)
Larsen (WA)
Latham
LoBiondo
Miller, George
Moore
Oberstar
Peterson (MN)
Schaffer
Scott
Stark
Stenholm
Strickland
Tanner
Taylor (MS)
Thompson (CA)
Thompson (MS)
Udall (NM)
Visclosky
Weller
Wu

ANSWERED "PRESENT"—1

Tancredo

NOT VOTING—37

Blagojevich
Bono
Burton
Capuano
Conyers
Cubin
Everett
Frelinghuysen
Gallegly
Gutierrez
Hall (OH)
Hilleary
Hoekstra
Jefferson
Kingston
Linder
Lucas (OK)
Luther
McCarthy (MO)
McCollum
McDermott
Obey
Pallone
Pitts
Riley
Roukema
Ryan (WI)
Schakowsky
Shaw
Slaughter
Smith (MI)
Taylor (NC)
Terry
Traficant
Waters
Wexler
Whitfield

□ 1205

So the Journal was approved.

The result of the vote was announced as above recorded.

Stated for:

Ms. McCARTHY of Missouri. Mr. Speaker, during rollcall vote No. 14, I was unavoidably detained. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mr. RILEY. Mr. Speaker, I was unavoidably detained for rollcall No. 12, H. Res. 343, on Agreeing to the Resolution, Providing for consideration of H.R. 3394, the Cyber Security Research and Development Act. Had I been present, I would have voted "yea."

I was also unavoidably detained for rollcall No. 13, H.R. 3394, the Cyber Security Research and Development Act. Had I been present, I would have voted "yea."

I was also unavoidably detained for rollcall No. 14, Approving the Journal of the House. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mr. McDERMOTT. Mr. Speaker, I was unable to be in Washington, DC today because I was participating at a conference hosted by the International Justice Mission (IJM).

As a result, I was not able to vote today. Had I been able to vote, I would have recorded the following: On rollcall vote No. 12, I would have voted "yea"; on rollcall vote No. 13, I would have voted "yea"; on rollcall vote No. 14, I would have voted "aye."

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, I was unable to be present for rollcall votes 12, 13, and 14. Had I been present, I would have voted "yea" on rollcall votes 12, 13, and 14.

PERSONAL EXPLANATION

Mr. BURTON of Indiana. Mr. Speaker, due to a scheduling conflict, I was unable to be present during the following votes that were held on February 7, 2002. Had I been here, I would have voted "aye" on the Journal vote, "aye" on H. Res. 343, and "aye" on H.R. 3394.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2356, BIPARTISAN CAMPAIGN REFORM ACT OF 2001

Mr. REYNOLDS, from the Committee on Rules, submitted a privileged report (Rept. No. 107-358) on the resolution (H. Res. 344) providing for consideration of the bill (H.R. 2356) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform, which was referred to the House Calendar and ordered to be printed.

LEGISLATIVE PROGRAM

(Ms. PELOSI asked and was given permission to address the House for 1 minute.)

Ms. PELOSI. Mr. Speaker, I take this time for the purpose of inquiring about the schedule for next week.

I yield to the gentleman from Texas (Mr. ARMEY).

Mr. ARMEY. Mr. Speaker, I thank the gentlewoman for yielding.

Mr. Speaker, I am pleased to announce that the House has completed its legislative business for the week.

The House will next meet for legislative business on Tuesday, February 12, at 12:30 p.m. for morning hour and 2 o'clock p.m. for legislative business. The House will consider a number of measures under suspension of the rules, a list of which will be distributed to Members' offices tomorrow.

At 5:30 p.m. the House will take up the rule providing for consideration of campaign finance reform legislation. That vote, along with suspension votes, will be postponed until 6:30 p.m. on Tuesday.

On Wednesday, the House will take up campaign finance reform legislation throughout the day. The rule under which the measure will be considered provides for 1 hour of general debate and for debate on amendments that could total 10 hours. Therefore, I would advise Members that a late night is possible on Wednesday, and votes are still possible on Thursday, if necessary, to complete consideration of the bill.

Mr. Speaker, the following week will be the Presidents Day district work period. However, I do want to take this opportunity to notify our Members that I have scheduled H.R. 1542, the Internet Freedom and Broadband Deployment Act of 2001, for consideration in the House the following week on Wednesday, February 27.

Ms. PELOSI. Mr. Speaker, I thank the distinguished majority leader for his comments.

Mr. Speaker, I just want to seek some clarification. We are pleased to see that campaign finance reform will be on the floor next week and look forward to a vigorous debate on cleaning up our failed system. Just to clarify, we will vote on the rule on Tuesday night. Will we be debating the rule before the votes on the suspensions?

Mr. ARMEY. If the gentlewoman will continue to yield, yes. We would expect the debate on the rule to begin at 5:30 p.m.

Ms. PELOSI. I thank the gentleman for his reiteration of that.

Now, we are planning to complete final passage on campaign finance reform on Wednesday, or go over until Thursday, if necessary?

Mr. ARMEY. Mr. Speaker, the gentlewoman again is correct. We hope we can complete that work on Wednesday night. I think the Members should be prepared to work on that bill on Thursday.

Ms. PELOSI. If we complete action on campaign finance reform on Wednesday, will there be any votes on Thursday?

Mr. ARMEY. Mr. Speaker, if the gentlewoman will continue to yield, if we complete our work on Wednesday night, we would probably want to start our district work period on Thursday and get Members home a day early.

Ms. PELOSI. Therefore, one would infer from the gentleman's remarks that even if we complete campaign finance reform on Thursday, there would be no other business that day?

Mr. ARMEY. That is correct.

Ms. PELOSI. If we go into Thursday.

Mr. ARMEY. If the gentlewoman would yield further, the gentleman from California (Mr. DREIER) has just reminded me that Thursday is Valentine's Day, and, given his many romantic interests, he needs the entire day to deliver valentines.

Mr. DREIER. Mr. Speaker, I object.

Ms. PELOSI. Mr. Speaker, finally, as the distinguished majority leader knows, we are in an economic recession, and millions of workers have lost their jobs. The Senate has completed action on 13 weeks of extended benefits for these workers. When will the majority schedule that bill for House consideration?

Mr. ARMEY. Mr. Speaker, I thank the gentlewoman for the inquiry, and I understand her concern about all the difficulties people have being out of work. That, of course, is why we have sent two real economic stimulus bills that really would have created real jobs for thousands of American citizens, and we really are disappointed that the Senate, under Senator DASCHLE's leadership, could do nothing but send back the benefit extensions. We have that under consideration.

It is still the continuing hope of many of us that perhaps we might send back something that would actually, in fact, do something to help people go back to work, and that perhaps with Senator DASCHLE's meager beginning in this area, he might be able to bring more substantive legislation to his body.

So I cannot at this point give a definitive answer.

It is our hope that we could perhaps build on this little beginning from the other body and achieve some substantive legislative results in this very important area of public policy.

PARLIAMENTARY INQUIRY

Ms. PELOSI. Mr. Speaker, I wish to respond to the gentleman about the actions in the Senate, but it is my understanding that the House rules forbid us from addressing any individual in the Senate or in the manner it was brought up here. Is that not correct, Mr. Speaker?

The SPEAKER pro tempore (Mr. LaTOURETTE). Is the gentlewoman making a parliamentary inquiry?

Ms. PELOSI. Yes, I am.

The SPEAKER pro tempore. The rules of the House prevent Members from characterizing either action or inaction by a Senator or by the other body.

Ms. PELOSI. I thank the Speaker for that clarification.

Mr. Speaker, I would say to the majority leader, I think that if the package he was talking about that was this job creation package is the one that gave $250 million back to Enron retroactively, then I think the public will understand why that is something that was unacceptable in a bipartisan way in this body.

I hope that we will be able to find bipartisan relief for those who have been caught in this recession, and the very least that we can do before we go off on a 13-day break is to complete action on 13 weeks of extended benefits for the workers, as the other body has done. I urge the majority to consider doing that next week before we leave.

Mr. ARMEY. Mr. Speaker, I thank the gentlewoman. My final response would be that if indeed it was the volition of this body to do only the very least we could do, we would, in fact, take up the very least that was done by the other body. But it is our hope we can improve on that and actually do something that would be of real value in the real lives of really unemployed American citizens. We do not believe that we should content ourselves with doing only the very least we can do.

So we will try, in fact, to do something more, put together a bill that could be beneficial in people's lives, and hope that the other body could find some way to deal with it in a manner that would look something like legislative effectiveness.

Ms. PELOSI. Mr. Speaker, reclaiming my time, it may seem the least that we can do, but if you are out of work, these 13 weeks extended benefits make all the difference in the world. I agree, we should be doing much more.

In a matter of hours, maybe 72, of the tragedy in New York, we bailed out the airlines. That was important, it was necessary, and we had to do that. We did it with a promise, though, that relief for the workers in those industries would be on the way soon. Now we are months later, indeed into a new year, a new session of Congress, and we still do not see action on behalf of the workers who lost their jobs, while we put billions in relief for the industry.

I further urge what may seem like the least, I am not talking about this as the total package, but as an absolute emergency measure for these families caught in this recession, I continue to urge the majority to take up the Senate bill ASAP, certainly before we go out on a 13-day break.

Mr. Speaker, I thank the distinguished majority leader for his information on the schedule.

□ 1215

ADJOURNMENT TO TUESDAY, FEBRUARY 12, 2002

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, February 8, 2002, it adjourn to meet at 12:30 p.m. on Tuesday, February 12, for morning hour debates.

The SPEAKER pro tempore (Mr. LaTOURETTE). Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection

AMENDMENT PROCESS FOR CONSIDERATION OF H.R. 1542, INTERNET FREEDOM AND BROADBAND DEPLOYMENT ACT OF 2001

(Mr. DREIER asked and was given permission to address the House for 1 minute.)

Mr. DREIER. Mr. Speaker, today, a "Dear Colleague" letter was sent to all Members notifying them of an amendment filing deadline of 4:00 p.m., Monday, February 25, for Members wishing to offer amendments to H.R. 1542, the Internet Freedom and Broadband Deployment Act of 2001, which the distinguished majority leader just mentioned.

Any Member who wishes to offer an amendment should submit 55 copies of the amendment and one copy of a brief explanation of the amendment by 4 p.m. on Monday, February 25, to the Committee on Rules upstairs in room H-312 in the Capitol.

Amendments should be drafted to the text of the bill as reported by the Committee on Energy and Commerce, which is available on the Web sites of both the Committee on Energy and Commerce and the Committee on Rules.

Members should use the Office of Legislative Counsel to ensure that their amendments are properly drafted and should check with the Office of the Parliamentarian to be certain that their amendments comply with Rules of the House.

SUPPORT HATE CRIMES LEGISLATION

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, because of Enron hearings regarding the situation dealing with the Enron collapse, I will not be able to join my colleagues in advocating for a very important legislative initiative. I am here to enthusiastically support the gentlewoman from California (Ms. WOOLSEY) as we look to pass the Local Law Enforcement Hate Crimes Prevention Act of 2002, and the gentleman from Michigan (Mr. CONYERS), the ranking member of the Committee on the Judiciary.

Just this week we had an individual in my community who may have been viewed as being different and was murdered, and we are still looking to determine who killed Hugo Cesar Barajas and how he was killed, because he was different and because he had a different lifestyle. We must believe in everyone and support human dignity. I have asked for this to be investigated as a hate crime.

Mr. Speaker, this legislation is imperative. We must pass this legislation now to provide dignity to all in this Nation.

HONORING DALE THOMPSON FOR TEN YEARS OF SERVING THE COMMUNITY OF FORT BAPTIST CHURCH IN FORT SMITH, ARKANSAS

(Mr. BOOZMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOOZMAN. Mr. Speaker, I rise today to honor a distinguished Member of the Northwest Arkansas community, Pastor Dale Thompson.

Dale Thompson is in the beginning of his 10th year of service at the First Baptist Church in Fort Smith, Arkansas. At the age of 15, Dale began preaching and was ordained to the gospel ministry in 1971 after graduating from Oklahoma Baptist University. While serving his first pastorate, Dale continued his studies and received his masters of Biblical Arts from Luther Rice University.

Dale has been helping people for the past 25 years as a pastor in Arkansas and Oklahoma; and since 1974, he has ministered at churches in the third district of Arkansas. He has served as a member of the executive board of the Arkansas State Convention and is the past president of the Pastors' Conference of the Arkansas Board of Trustees of Southeastern Baptist Theological Seminary in Wake Forest, North Carolina.

Dale is currently serving the community as the pastor of the 6,000-member First Baptist Church in Fort Smith. Since his tenure at the church began 10 years ago, the church has grown by 2,451 members. This number is sure to continue to grow as long as Pastor Thompson remains actively involved in his community.

Mr. Speaker, I thank my colleagues for allowing me the opportunity to honor Dale Thompson. He is a committed servant and deserves our praise.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

H.R. 1343, THE LOCAL LAW ENFORCEMENT HATE CRIMES PREVENTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, I rise today to encourage the Republican leadership to bring the Conyers bill, H.R. 1343, the Local Law Enforcement Hate Crimes Prevention Act, to the House floor. Congress must take action against crimes that are motivated by hate. That is why I organized these speeches today to promote H.R. 1343. I appreciate all of my colleagues who have taken their precious time to come down to the House floor to join in on this discussion.

Hate crime offenses are more serious than comparable crimes that do not involve prejudice, because they are intended to intimidate an entire group. These crimes have a particularly damaging effect on victims, their families, and the communities they are part of. Victims oftentimes feel powerless, isolated, depressed and suspicious. Fear is another pervasive victim response, fear for their personal safety and for the safety of their families.

Family members share some of the long-term effects of hate crime victims. They may feel guilty for not protecting their family member who has been victimized. Like those actually targeted by the hate crimes, families may feel isolated or helpless. Their effectiveness on the job or at home or in school is also affected. When the perpetrator is arrested and convicted, but not given a full consideration and a harsh penalty, families actually lose faith in the justice system. Light sentencing may also cause further disillusionment.

In addition to the psychological effects hate crimes have on families, Mr. Speaker, there are particular concerns as well depending on the crime and there may be repair bills or medical bills or funeral expenses. Trials and court appearances can prolong the grieving process, as can parole hearings. If there is media coverage of a hate crime, a family may find itself dealing publicly with intensely personal issues.

Currently, the Justice Department's civil rights division lists nine killings across the country as possible hate crimes in revenge for the terrorist attacks on September 11. Many families of post-September 11 murder victims believe that police are reluctant to recognize and pursue hate crimes, which is a complaint that African American victims have made for years. These outcries from victims and their families signal that hate crimes need to be taken more seriously.

It is unbelievable that Congress has yet to pass significant legislation that will strengthen and expand hate crimes law. And it is unbelievable that when there is a bill already crafted that would elevate hate crimes law that Congress has the opportunity to debate, it has not been brought to the House floor.

Mr. Speaker, I support the Conyers Local Law Enforcement Hate Crimes Protection Act because it would offer real solutions by strengthening existing Federal hate crimes law. This legislation allows the United States Department of Justice to assist in local prosecutions, as well as investigate and prosecute cases in which violence occurs because of the victim's sexual orientation, disability, or gender. H.R. 1343 would also eliminate obstacles to Federal involvement in many cases of assault or murder based on race or religion.

Mr. Speaker, this bill is too important to ignore as families across our country continue to fall victim to hate crimes. We have over 200 bipartisan Members of the House of Representatives who have signed on to H.R. 1343, and we ask the leadership to bring this issue before the House to show American families that hate crimes are taken seriously.

This Congress has a responsibility to fight against hate and this bill will provide that commitment. I look forward to hearing the rest of my colleagues on this issue.

BRINGING TO HOUSE FLOOR H.R. 1343, THE LOCAL LAW ENFORCEMENT HATE CRIMES PREVENTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CONYERS) is recognized for 5 minutes.

Mr. CONYERS. Mr. Speaker, I will not take my 5 minutes, but I will yield the balance of the time to the gentleman from Missouri (Mr. CLAY).

Mr. Speaker, the Conyers-Woolsey hate crimes bill is approaching that critical mass where we will soon have the 218 votes. This Special Order is generated to pick up the last dozen or so cosponsors that we would like to have to have the bill brought forward as quickly as possible.

The Members will recall that there has been hate crimes legislation since 1968, and what we do is take away some of the restrictions which would prevent us from bringing in Federal jurisdiction to aid local law enforcement. This bill does not supplant the law enforcement at the local level. We assist them and work in a cooperative spirit with them.

Particularly, we take away the existing Federal jurisdictional requirements that a Federal act is impeded upon as a result of the incident. For example, voting, interstate commerce, or some other Federal nexus is required to trigger the bill under its current legal status. What we do is to say for crimes of gender, sex, sexual orientation, we remove a Federal requirement because a hate crime is a hate crime whether there is a Federal nexus or not.

Many States have hate crimes legislation, except for the fact that 21 of them are admittedly very weak. Five States have none at all. What we are doing is in the wake of September 11, what we are doing is saying that there has been a dramatic increase of hate crimes activity. The lawyers on the Committee on the Judiciary have discovered with the Council for Islamic Relations that there are nearly 1,500 reported cases, frequently of people who were mistaken to be of Arab descent and were not, but they were clearly crimes that would fall into this category that we find so offensive.

So what we are saying is now is the time as we move forward in a democratic way under a semi-war circumstance that we make these final improvements to the bill, and we are hoping that it can be done as expeditiously as possible.

My thanks to the gentlewoman from California (Ms. WOOLSEY), for her indefatigable efforts in this; and I am very proud that she is working with us.

Mr. Speaker, I yield to the gentleman from Missouri (Mr. CLAY).

□ 1230

Mr. CLAY. Mr. Speaker, let me thank the gentleman from Michigan (Mr. CONYERS) for his leadership on this issue. We certainly appreciate his leadership and sponsorship of the bill.

Mr. Speaker, I rise in strong support of H.R. 1343, the Local Law Enforcement Hate Crimes Prevention Act. Consideration of this bill is long overdue, and its passage is absolutely critical. I urge the House Republican leadership to allow the bill to come to the floor for a vote.

H.R. 1343 gives law enforcement officers at all levels of government the tools they need to deal with these terrible acts of hate-based violence. This legislation also sends a message to the world that crimes committed against people because of who they are or what they believe are particularly evil and particularly offensive and will not be tolerated in this country.

These types of crimes are committed not just against individuals, not just against a single person, but against society and against all Americans. These crimes are not only meant to hurt the unfortunate individual who falls victim to such acts, but they are also meant to intimidate, harass, and menace others who were not directly attacked.

A few years ago a man filled with hate shot up a Jewish community center in Los Angeles, wounding children and teachers in a place that was supposed to be a protective sanctuary for children. Following his capture the man said he had shot at those children because he wanted to send a message. He said he wanted to send a wake-up call to America to kill Jews.

By passing this bill we will be rejecting such messages and committing the full measure of our justice system to ending such hateful violence.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentleman's time has expired.

ORDER OF BUSINESS

Mr. CONYERS. Mr. Speaker, may the gentleman from Missouri (Mr. CLAY) exercise the time now that he had under his own name in his own right?

The SPEAKER pro tempore. It would be the Chair's normal course to go to the Republican side of the aisle; but if there is no objection, the gentleman is on the list for 5 minutes.

Is there an objection to the gentleman from Missouri (Mr. CLAY) to have his 5 minutes right now?

There was no objection.

HATE CRIMES PREVENTION ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. CLAY) is recognized for 5 minutes.

Mr. CLAY. Mr. Speaker, this bill also honors the memory of James Byrd, who was horribly dragged to his death behind a pickup truck simply because his killers did not like the color of his skin. It honors Matthew Shepherd, who was beaten and tied to a fence post and left to die in near freezing weather because he was gay. It honors not only the victims of high-profile crimes, it honors the thousands of people whose lives have been scarred by similar acts of hate and violence.

Hate crimes legislation is not a partisan issue. It is not about political posturing. It is not about us versus them. This is an issue that transcends politics.

I urge the House leadership to allow a vote on this important measure, and I urge all of my colleagues to support H.R. 1343.

Mr. Speaker, at this time I would like to yield the balance of my time to the gentlewoman from California (Ms. WATSON).

Ms. WATSON of California. Mr. Speaker, I stand in support of H.R. 1343, the Local Law Enforcement Hate Crimes Prevention Act. I am so pleased to see that this issue is coming up to the forefront here nationally.

In California we worked long and hard and had a task force that looked at hate crimes up and down the State. We compiled valuable information that assists law enforcement in identifying hate crimes and enforcing the law.

The events of September 11 have continued to demonstrate the destructive power of hate to tear apart the unity of an entire Nation. In the wake of the terrorist attacks, the Arab American Anti-Discrimination Committee has investigated, documented and referred to Federal authorities over 500 instances. Moreover, the Council on American-Islamic Relations has compiled over 1,400 complaints of hate attacks directed against American Muslims. This is a 51 percent increase in reported crimes.

These instances include the murders of a Muslim Pakistani store owner in Dallas, Texas, and an Indian American gas station owner in Mesa, Arizona, where a suspect was arrested shouting, "I stand for America all the way."

The Department of Justice, however, has opened only approximately 250 investigations of hate crimes directed against institutions or people who appeared to be Arab or Middle Easterners. September 11 and the Arab American situation only represents the tip of a proverbial iceberg.

Hate crimes against any group regardless of race, color or creed should not be tolerated in our great American democratic society. As the James Byrd and the Matthew Shepherd tragedies demonstrate, not only can the investigation and prosecution of hate crimes strain the resources of State and local law enforcement agencies, but social unrest is even more of a drain on the fabric of our society.

Current law limits Federal jurisdiction over hate crimes to federally protected activities such as voting and does not permit Federal involvement in a range of cases involving crimes motivated by bias against the victim's sexual orientation, gender or disabilities. This loophole is particularly significant given the fact that five States have no hate crime laws on the books, and another 21 States have extremely weak hate crimes laws.

H.R. 1343 will remove these hurdles so the Federal Government will no longer be handicapped in its efforts to assist in the investigation and prosecution of hate crimes.

KLAMATH BASIN TRAGEDY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HERGER) is recognized for 5 minutes.

Mr. HERGER. Mr. Speaker, each of us remembers last summer's dramatic national headlines about the several

Federal biologists who turned off 100 percent of the water to hundreds of family farmers in the Klamath Basin of northern California and southern Oregon and shut down an entire community.

This week the National Academy of Sciences, perhaps the most highly respected scientific body in this country, has concluded, quote, "There was no scientific or technical information to justify that decision." Let me repeat that statement, Mr. Speaker. There was no scientific or technical information to justify the decision that stripped 1,500 family farmers of their livelihoods, drove a community of 70,000 to the brink of economic collapse, and caused irreparable social harm and changed the lives of thousands of people forever.

All of this was done, Mr. Speaker, because the U.S. Fish and Wildlife Service and the National Marine Fisheries Service biologists merely theorized that withholding water deliveries would benefit the fish. There were no certain facts to back up those theories. There was no hard evidence, no historical proof, only guesswork. In fact, the historical proof told them the opposite, but they consciously chose to ignore it. And the steps they said had to be taken, the Academy's report tells us, are probably harmful.

How could the Academy have reached such a vastly different conclusion? Because, Mr. Speaker, the Klamath Basin tragedy is nothing short of scientific sabotage. The radical environmentalists have hijacked the Endangered Species Act, a well-meaning species protection measure, and are using it as a political tool, a bludgeon against rural Americans to advance a radical political agenda.

Mr. Speaker, I am an environmentalist. The ranchers in my district of northern California are environmentalists. Klamath Basin farmers are environmentalists. In fact, one could not find a group of people who have worked harder to preserve the environment for fish, for birds, and for wildlife refuges in their area. No one knows the land better. No one cares for it more than those who depend upon it for their survival.

Americans should be outraged. We do not have to sacrifice the well-being of our citizens to protect species in this country. It does not have to be an either-or proposition. You see, through fish screens, improvements to water quality, and other common-sense steps, we could have found a solution that would have enabled Klamath Basin fish and farmers to get well together without callously taking 100 percent of their water away from these communities.

The dirty truth is the radical environmentalists do not want balance, and species protection is not necessarily their goal. They want to bankrupt farmers and other rural Americans because they want the water and they want the land, and they are misusing the Endangered Species Act to that eminently destructive end.

Mr. Speaker, I stand here today to plead with my colleagues that they take a hard look at how the Endangered Species Act is being used as a political tool, and to recognize that it is no longer working as a species protective tool. Many of us have long observed this happening.

This week's National Academy of Sciences study lends incredible proof for the Nation to see. Our farmers must be made whole for the economic losses that they have sustained. The administration must act immediately to ensure full water deliveries. We must also demand updates in the law that will guarantee that future species decisions will be solidly grounded in fact, just by sound science, tested and supported by available evidence. Only then will we be able to truly protect the environment and ensure that American citizens are protected from the calculated misuse of the law.

UTAH WELCOMES THE WINTER OLYMPICS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah (Mr. MATHESON) is recognized for 5 minutes.

Mr. MATHESON. Mr. Speaker, tomorrow the 2002 Winter Olympic Games will officially begin. Tomorrow the world will be welcome to Utah. Visitors from across the globe will quickly discover that they have arrived at the most beautiful and diverse of the 50 States.

People will be thrilled by the snow-capped rugged mountains, the rustic lands and the greatest snow on Earth. Utah will welcome the world with its beauty, its charm and its unique warmth and personality. It will not take long for visitors to witness the kindness, hospitality and common decency that are the hallmarks of the great people of the State of Utah.

There will be artistic demonstrations, performances and opportunities for all who participate to learn about the great heritage of the West. Utah will welcome the world with its values.

Preparing for the Olympic Games has not been a short-term task. Individuals in Utah have devoted years to anticipating and planning for this time. And the manner in which they have prepared is demonstrative of their spirit. In Utah, record numbers of individual citizens will serve as Olympic volunteers. Doctors and nurses will donate their time to be first responders in case of illness or injury. Active citizens will greet athletes at the airport, be on hand to provide directions, and ensure a smooth and successful Olympic Games.

For the first time in Olympic history, Salt Lake City has developed a plan to ensure that its neediest populations are served during the Olympics. For example, each evening volunteers will pick up surplus food from Olympic venues and deliver it to the Utah Food Bank from which it will be available to families and the elderly. Utah will welcome the world with its tradition of service.

Throughout all the planning there has been a focus on safety and security. With Federal support and volunteers from surrounding States, Utah's courageous law enforcement personnel will ensure the greatest level of safety possible during the Olympic Games. Utah will welcome the world with its preparation and security.

□ 1245

In every preparation, the Olympic efforts have not been accomplished by one individual. They have taken the sacrifice and dedication of all the citizens of Utah, but in the end, they will not be Utah's games. They will be America's games.

It will be the triumph of our Nation that in the face of great tribulation we did not shrink; we did not fear to go forward in the effort. We demonstrated great courage by pressing on and opening our hearts and our country to the world. America will welcome the world with its unity and resolve.

As the Winter Olympic Games for 2002 have taken on a particular significance as a symbol of global unity and peace, the moral value of the games has become apparent. In order to protect the value and integrity of such international competitions, and of amateur athletics in general, we must not allow the practices like the use of performance-enhancing substances to tarnish the spirit of such significant events. We should expect, in fact we should demand, that Olympic athletes, that all athletes, compete free of performance-enhancing substances.

For sports to meet this standard, there must be a fair testing process. In the year 2000, the Center on Addiction and Substance Abuse's National Commission on Sports and Substance Abuse published a report on the practice of doping in Olympic sports. The report says there has been no independent and accountable organization with the authority to create and administer a truly effective antidoping program, and recent data has shown that doping is occurring in increasing rates among our youth.

This report made several specific recommendations to address the practice of doping, and these included mustering the political will to demand a drug-free Olympics; ensuring that an independent authority exists and standards are set for testing practices; researching the long-term health consequences of performance-enhancing substances, with particular emphasis on youth; improving the cost effectiveness of testing; and conducting noncompetition testing to develop baselines and generate valid and reliable tests.

Several of those steps have already been implemented.

In year 2000, the U.S. Olympic Committee established the U.S. Anti-Doping Agency as a result of criticism that drug testing and rules enforcement needed to be completely independent of the Olympic committee, and the antidoping agency was designated as the official antidoping agency for Olympic sport.

Another recommendation of the commission has already been implemented by the Salt Lake Olympic Committee, the concept of "Athlete Testing Passports." But more must be done.

For there to be fair, dope-free competition, there must be a fair, reliable and valid method to test for banned substances. Without a fair method of testing, athletes and the public cannot have confidence in the fairness of the competition itself. Much is at stake if the practices of doping are not curtailed.

There is the symbolic value of the Olympics, there is the examples we are setting for our youth, and finally there is the actual health of our youth. That is why I introduced legislation this week that would implement many of the other recommendations of the committee's report.

My bill, the Fair Play in Sport Act, would invest additional resources in developing more valid and reliable tests and conduct more extensive research into the long-term health aspects.

I certainly encourage people's support of this bill. We look forward to welcoming the world to Utah with the Olympic games.

ELIMINATING INCOME TAX ON UNEMPLOYMENT COMPENSATION BENEFITS

The SPEAKER pro tempore (Mr. LATOURETTE). Under a previous order of the House, the gentleman from Pennsylvania (Mr. GEKAS) is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker, yesterday, I introduced a piece of legislation that would have the result of eliminating income taxes on unemployment compensation benefits. Since 1986 that had been a part of the tax structure of our country, that even those who have lost their jobs and have received and started to receive unemployment compensation benefits would have had to include those benefits in their gross income for tax purposes.

My bill would eliminate that from now on. Actually the bill would call for elimination of tax on unemployment benefits starting retroactively to January of 2001 so that the entire tax year of 2001 would be one in which there would be no income tax applicable to unemployment compensation benefits. This has the happy circumstance and coincidence of also covering all the people who lost their jobs after September 11, and we know what happened to the economy as a result of that terror jolt that happened across the world.

So here we have a prospect of eliminating a vexatious tax, and it has some admirable consequences. Number one, it fits in perfectly with President Bush's first announced support of extending unemployment compensation, which is going to occur, we are sure.

Secondly, it comports with his desire to cut taxes as an economic stimulus tool. So here we have perhaps just a modest number of dollars that will remain in the pockets of our unemployed; but that in itself, that modest amount, can act as additional wherewithal for an unemployed person to use for his family, so that the tax cut that is employed also acts as an economic stimulus. So we have the best of all worlds.

The bill standing by itself, I aim to make a subject of a "Dear Colleague" to entertain as many cosponsors as possible; but I have a larger scenario in mind. The other body has passed, we believe, an unemployment compensation extension of 13 weeks to the current system of unemployment comp. When that reaches the House, I aim to add or try to add my bill as an amendment to the extension of unemployment benefits and thus be able to complete the entire issue in one fell swoop.

This unemployment compensation benefit tax cut, as I want to call it, should meet with approval from every sector of our economy and from our employer base and from our IRS operatives as well. This will be one way that some of the paperwork in which they are engaged can be eliminated and proper credit be given to unemployment-compensation benefits.

One other note, Mr. Speaker. If this should not pass and become law before April 15, it means that the tax returns filed for the year 2001 would not be able to include credit for the taxes paid by unemployed people on their benefits. We have the pure understanding that if it passes after April 15 the individuals who can benefit from this could file an amended return; and thus we are sure that whatever reduction in their tax would be applicable for the year 2001 would be garnered by them whether it is passed before April 15 or after April 15.

I invite my colleagues on both sides of the House to join with me in this effort to rid the unemployed from a vexatious and unfair tax. It is simply unfair and wrong to continue the practice of taxing unemployment compensation benefits.

STIMULATING THE ECONOMY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Texas (Mr. PAUL) is recognized for 60 minutes as the designee of the majority leader.

Mr. PAUL. Mr. Speaker, dealing with the slumping economy will prove every bit as challenging to the Congress as fighting terrorism. No one challenges the need to protect American citizens from further terrorist attacks, but there is much debate throughout the country as to how it should be done and whether personal liberty here at home must be sacrificed.

Many are convinced that our efforts overseas might escalate the crisis and actually precipitate more violence. A growing number of Americans are becoming concerned that our efforts to preserve security will result in the unnecessary sacrifice of that which we have pledged to protect, our constitutionally protected liberty.

A similar conflict also exists once government attempts to legislate an end to a recession. In the 1970s, wage and price controls were used to suppress price inflation and to help the economy without realizing the futility of such a policy. Not only did it not work, the economy was greatly harmed. Legislation per se is not necessarily harmful; but if it reflects bad policy, it is.

The policy of wage and price controls makes things worse and represents a serious violation of people's rights. Today, we hear from strong advocates of higher taxation, increased spending, higher budget deficits, tougher regulations, bailouts and all kinds of subsidies and support programs as tools to restore economic growth. The Federal Reserve recognized early on the severity of the problems, and over the past year lowered short-term interest rates in an unprecedented 11 times, dropping the Fed funds rate from 6½ percent to 1¾.

This has not helped, and none of these other suggestions can solve the economic problems we face either. Some may temporarily help a part of the economy, but the solution to restoring growth lies not in more government but less. It is precisely too much government and especially manipulation of credit by the Federal Reserve that precipitated the economic downturn in the first place.

Increasing that which caused the recession cannot possibly at the same time be the solution. The magnitude of the distortions of the 1990s brought on by artificially low interest rates orchestrated by the Fed on top of 30 years of operating with a fiat currency worldwide suggests that this slow down will not abort quickly. The Japanese economy has been in a slump for over 10 years and shows no signs of recovery.

The world economies are more integrated than ever before. When they are growing, it is a benefit to all; but in a contraction, globalism based on fiat money and an international government assures that most economies will be dragged down together. Evidence is abundant that most countries of the world are feeling the pressure of a weakening economy.

Many of our political and economic leaders have been preaching that more consumer spending can revitalize the economy. This admonition, of course, fails to address the reality of a record high $7.5 trillion, and rising, consumer debt. "Today a party, tomorrow an economic hangover" has essentially been our philosophy for decades; but there is always a limit to deficit spending, whether it is private or governmental, and the short-term benefits must always be paid for in one form or another later on.

Those who felt and acted wealthy in holding the dot-com and Enron stocks were brought back to Earth with a shattering correction. There is a lot more of this type of correction yet to come in the financial sector. In recessions, to remain solvent consumers ought to tighten the belts, pay off debt and save. In a free market, this would lower interest rates to once again make investments attractive.

The confusing aspect of today's economy is that consumers and even businesses continue profligate borrowing in spite of the problems on the horizon. Interest rates, instead of rising, are pushed dramatically downward by the Federal Reserve creating massive amounts of new credit. This new credit, according to economic law, must in time push the value of the dollar down and general prices up. When this happens and the dollar is threatened on exchange markets, the cost of living is pushed sharply upward. The Central Bank is then forced then to raise interest rates, as they did in 1979, when the rates hit 21 percent.

Even before any need to tighten, interest rates may rise or not fall as expected. This has just happened in the year 2001. Even with Fed fund rates at 40-year lows, the 10- and 30-year rates have not fallen accordingly. Many corporate bond rates have stayed high, and credit card rates have stayed in double digits. This happens because the market discounts for debt quality and future depreciation of the dollar.

The Fed cannot control these rates, and they cannot control where the new credit they create goes. This means that resorting to or trusting in the Fed to bail out the economy and accommodate a congressional spending is foolhardy and dangerous. This policy has led to a record default for U.S. corporate bonds, and worldwide $110 billion of bonds were defaulted on last year.

Monetary inflation is the chief cause of recessions. Therefore, we must never expect that this same policy will reverse the economic dislocations it has caused. For over a year the Fed has been massively inflating the money supply, and there is no evidence that it has done much good. This continuous influx of new credit, instead, delays the correction that must inevitably come, the liquidation of bad debt and the reduction of overcapacity.

This is something Japan has not accomplished in 12 years of interest rates of around 1 percent. The market must be left to eliminate the misdirected investments and allow the sound investments to survive.

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There are other policies that will assist in a recovery that the Congress could implement: all taxes ought to be lowered, government spending should be reduced, controls of labor costs should be removed, and onerous regulations should be reduced or eliminated. We should not expect any of this to happen unless the people and the Congress decide that free market capitalism and sound money are preferable to a welfare state and fiat money.

Whether this downturn is the one that will force that major decision upon us is not known, but eventually we will have to make it. Welfareism and our expanding growing foreign commitments, financed seductively through credit creation by the Fed, are not viable options. Transferring wealth to achieve a modicum of economic equality and assuring the role and assuming the role of world policemen, while ignoring economic laws regarding money and credit, must lead to economic distortions and a lower standard of living for most citizens. In the process, dependency on the government develops and Congress attempts to solve all the problems with a much more visible hand than ADAM SMITH recommended.

The police efforts overseas and the effort to solve the social and economic problems here at home cannot be carried out without undermining the freedoms that we all profess to care about. Sadly lacking in the Congress is a conviction that free markets, that is, truly free markets, and sound money can provide the highest standard of living for the greatest number of people. Instead, we operate with a system that compromises free markets and causes economic injury to a growing number of people while rewarding special interests and steadily undermining the principles of liberty.

Unfortunately, the policy of monetary inflation is most harmful to the poor and the middle class, especially in the early stages. Since rejecting the current system and endorsing economic freedom diminishes the power and influence of politicians, it is difficult to get political support for such a program. The necessary changes will only come when the American people wake up to the reality and insist that the Congress pursue only those goals permitted under the Constitution.

Instead of moving in the direction of freer markets, the more problems the Western countries face, the more government programs are demanded. If one looks at Europe, the United States, or even Japan, as their economies weaken, government involvement in the economy, increases. But in China and Russia, where the horrible conditions that communism caused, ironically made those two countries move toward freer markets when they encountered serious problems. Even the central banks of these two countries today are accumulating gold, while Western central banks are selling.

The reason for this is that the conventional wisdom of the West's political and economic leaders is that there is a third way that is best, or an alternative to the extremes of too much freedom, laissez-faire capitalism, and too little freedom, authoritarianism socialism, and communism. But this is a myth. One can only justify intervention in the market on principle or against it.

There is always the hope that government will be prudent and limit its intrusion in the economy with low taxes, minimal regulations, a little inflation, and only a few special interest favors. Yet the record is clear. Any sign of distress prompts government action for any and every conceivable problem. Since each action by the government not only fails in its attempt to solve the problem it addresses, it creates several new problems in addition while prompting even more government intervention.

Here in the United States, we have seen the process at work for several decades with steady growth in the size and scope of the Federal bureaucracy and the corresponding reduction of our personal liberties. This principle also applies to overseas intervention. One episode of meddling in the affairs of other nations leads to several new problems, requiring even more of our attention and funding. This system leads to a huge bureaucratic government manipulated by politicians and generates an army of special interests that flood the system with money and demands. To achieve and maintain political power in Washington, these powerful special interests must be satisfied.

This is a well-known problem and prompts some serious-minded and well-intentioned Members to want to legislate campaign finance reforms. But the reforms proposed would actually make the whole mess worse. They would regulate access to the Members of Congress and dictate how private money is spent in campaigns. This merely curtails liberty while ignoring the real problem: a government that ignores the Constitution naturally passes out largess.

Even under today's conditions, where money talks in Washington, if enough Members would just refuse either to accept or be influenced by the special interests, government favors would no longer be up for sale. Since politicians are far from perfect, the solution is having a government of limited size acting strictly within the framework of the Constitution. No matter how strictly campaign finance laws are written, they will do only harm if the rule of law is not restored and if Congress refuses to stop being manipulated by the special interests.

Most people recognize the horrible mess that Washington is and how campaign money and lobbyists influence the system. But the reforms proposed only deal with the symptoms and not the cause. There is a sharp disagreement in what to do about it, but no one denies the existence of the problem. It is just hard for most to acknowledge that the welfare state is out of control and should not be in existence anyway. Therefore, they misdirect our attention toward campaign finance reform, rather than deal with the real problem.

Very few in Washington, however, recognize the dire consequences to economic prosperity that welfareism, warfarism, and inflationism cause. Most believe that the occasional recession can be easily handled by government programs and a Federal Reserve policy designed to stimulate growth. It has happened many times already and almost everyone believes that in a few months our economy and stock market will be roaring once again.

This is where I disagree. Every recession in the last 30 years, since the dollar became a purely fiat currency, has ended after a significant correction and resumption of all the bad policies that caused the recession in the first place. Each rebound required more spending, more debt, and easy credit than the previous recovery did. And with each cycle the government got bigger and more intrusive.

Bigger government with more monetary debasement and deficit spending means a steady erosion of the free market and personal freedoms. This is not tolerated because the people enjoy or even endorse higher taxes, more regulations and fewer freedoms. It is tolerated because most people believe that their financial and economic security is the responsibility of the government. They believe they are better off with government assistance in facilitating the free market, having been taught for decades that it is necessary for government to put a human face on capitalism.

Extreme capitalism, that is, freedom, we have been told, is just as dangerous as extreme socialism. As long as this belief prevails, our system will continue in its inexorable march towards fascist-type socialism. However, support for today's policies is built on the fallacy that material wealth and general prosperity are best achieved with this third way: interventionism, while avoiding the dangers of communism and socialism. This is coupled with the firm conviction that the sacrifice of freedom will be minimal and limited and that the very rich can be adequately taxed and regulated to help the poor.

This is a fallacy because more freedom will be lost than is expected and the productivity of the market will suffer more than anticipated. Once this realization occurs, it will suddenly be discovered that the apparent wealth of the Nation is a lot less than calculated. An economy that depends on ever-increasing rates of monetary inflation will appear much healthier and the people much richer than is the actual case. Owners of the dot-com companies or the Enron stocks know what it is like to feel rich one day and very poor the next.

This is not a unique experience, but one that should be expected and is predictable. Countries that inflate their currencies must adjust their values periodically with sudden devaluations which destroy the pseudowealth of the middle class and the poor. The wealthy, more often than not, can protect themselves from the sudden shocks to the monetary system. However, they cannot protect from the insidious loss of liberty that accompanies these adjustments, and eventually everyone suffers.

Our dollar system is quite similar to the Argentine and Mexico peso systems that periodically make sudden and painful adjustments. But ours is different in one respect because the dollar is accepted as the reserve currency of the world, the paper gold of the world financial system. This gives us license to inflate, that is, steal, for longer periods of time. And we can avoid sudden and sharp devaluations since the world's currencies are defined by our dollar.

But this does not permit the ultimate devaluation that will bring a significant increase in the cost of living to all Americans but hurt the poor and the middle class the most. This special status of the dollar only makes the problem of the illusion of wealth much worse. Since our bubble can last a lot longer due to our perceived military and economic strength, it appears that our wealth is much greater than it actually is. Because of our unique position as the economic powerhouse of the world, we are able to borrow more than anyone else. Foreigners loan us exorbitant sums as our current account deficits soar out of sight.

The U.S. now has a foreign debt of over $2 trillion. Perceptions and illusions and easy credit allow our consumers to spend even in recessions, by rolling up even more debt in a time when market forces are saying that borrowing should decrease and the debt burden lessen. Our corporations follow the same pattern, keeping afloat with more borrowing.

Ideas regarding the national debt have been transformed. Presidents Jefferson and Jackson despised government debt and warned against it. Likewise, both detested central banking, which they knew inevitably would be used to liquidate the real debt through the mischievous process of monetary debasement.

Today, few decry the debt, except for the purpose of political demagoguery when convenient. The concern about deficits expressed by liberal big spenders does not merit credibility. But even conservative spenders now are less likely to decry deficits, and some actually praise them. Just recently, the Conservative Institute for Policy Innovation announced in a national press release, "National debt can lead to a growing economy and it produces steady long-term growth, greater security and a higher standard of living."

This would not be so bad if it came from a typical Keynesian think tank; but this is the growing conventional wisdom of many conservatives whose goal it is to generate government revenues, painlessly, of course, not to drastically shrink the size of government and restore personal liberty. What they fail to recognize, once they lose interest in shrinking the size of government, is that government borrowing always takes money from productive enterprises while placing these funds in the hands of politicians whose prime job is to serve special interests.

Deficits are a political expedience that also forces the Federal Reserve to inflate the currency while reducing in real terms the debt owed by the government by depreciating the value of the currency. Those who would belittle the critics of the deficit and national debt are merely supporting a system of big government, whether it is welfare or warfare or both.

Debt per se is not the only issue. It is also because the debt always encourages the growth in the size of government, allowing it to be seductively financed through inflation or borrowing, is what makes it so bad. Just because it is less painful at first and payment is delayed, we should not be tempted to endorse this process. If liberty is our goal and minimal government a benefit to a sound economy, we must always reject debt and deficits as a legitimate tool for improving the economy and the welfare of the greatest number of people. The principle of authoritarian government is endorsement whenever deficits are legitimatized. All those who love liberty must reject the notion that deficits and debt perform a useful function.

It is possible this recession may end in a few months, as the optimists predict. But if it does, other problems are only delayed. The fundamental correction will still be necessary to preserve the productivity of a market economy. If we do not change our ways, the financial bubble will just go back to inflating again. The big correction, like that which Argentina is now experiencing, with rapid disappearance of paper wealth, will eventually hit our economy. The longer the delay, the bigger will be the bust and greater the threat to our freedoms and institutions.

Since we are moving toward the big correction, we are going to see a lot more wealth removed from our balance sheets and our retirement accounts. The rampant price inflation that results will erode the purchasing power of all fixed-income retirement funds, like Social Security, and mean a lower standard of living for most people. The routine government response of increasing benefits for living expenses and medical care will never keep up with the needs or the demands. Eventually, we will have to give up and a new economic system will have to be devised, as occurred in the Soviet system after 1989.

Wealth, the product of labor, investment, and savings, can never be substituted by government spending or by a central bank that creates new money out of thin air. Governments can only give things they first take from someone else. Printing money only diminishes the value of each monetary unit. Neither can create wealth. Both can destroy it.

The dilemma is that early on, and sometimes for many years, as we have experienced, transferring wealth and printing money seems to help more than it hurts. That is because the wealth is not real and the trust funds, like Social Security, hold no actual wealth. A pension fund with dot-coms and Enron stock hold no wealth either. Unfortunately, the stocks and bonds remaining are worth a lot less than most people realize.

□ 1315

The Social Security System depends on the value of the dollar and on future taxation. The Fed can create unlimited amounts of money that Congress needs, and Congress can raise taxes as it wants, but this policy guarantees that the dollar cannot maintain its purchasing power, and that there will not be enough young people to tax in the future. Increasing benefits under these circumstances can only be done at the expense of the dollar. Catching up with the current system of money and transfer payments is equivalent to a person on a treadmill who expects to get to the next town. It does not work.

The economic loss is bad enough, but whether it is fighting the war on terrorism, acting as the world's policeman or solving the problems of vanishing wealth, the real insult will come from the freedoms we lose. These freedoms, vital to production and wealth formation, are necessary and represent what the American dream is all about. They are what made us the richest Nation in all of history, but this we will lose if Congress is not careful with what it does in the coming months.

Mr. Speaker, if nothing else, the knowledge that we are now vulnerable from outside attacks is shared by all Americans. The danger is clear and present, and everybody wants something done about it. There is, however, no unanimity as to the cause of the attacks, who is responsible, and what has to be done. The President has been given congressional authority to use force against "those responsible for the recent attacks launched against the United States."

A large majority of Americans are quite satisfied that his efforts have been carried out with due diligence, but a growing number of Americans are becoming aware that antiterrorist efforts both at home and abroad will have unintended consequences that few anticipated, and that in time will not be beneficial to U.S. security and will undermine our liberties here at home. Let me name a few potential dangers we face.

Number one, there is a danger that the definition of terrorism will become so vague and broad that almost any act internationally or domestically will qualify. If our response in Afghanistan becomes the standard for all countries in their retaliation, negotiated settlements of conflicts will become a thing of the past; acts of terror occurring on a regular basis around the world, whether involving Northern Ireland and Britain, India and Pakistan, the Palestinians and Israel, Turkey and Greece, or many other places. Traditionally, the United States has always urged restraint and negotiations. This approach may end if our response in Afghanistan sets the standard.

Number 2. Another danger is that the administration may take it upon itself to broadly and incorrectly interpret H.J. Res. 64, the resolution granting authority to the President to use force to retaliate against only those responsible for the recent attacks launched against the United States. Congress did not authorize force against all terrorist attacks throughout the world if the individuals involved were not directly involved in the September 11 attacks. It would be incorrect and dangerous to use this authority to suppress uprising throughout the world. This authority cannot be used to initiate an all-out attack on Iraq or any other nation we might find displeasing, but that did not participate in the September 11 attacks.

Number 3. An imprecise definition of who is or who is not a terrorist may be used to justify massively expanding our military might around the world. For every accused terrorist, there will be a declared freedom fighter. To always know the difference is more than one can expect. Our record in the past 50 years for choosing the right side in many conflicts is poor, to say the least. Many times there is no right side from the viewpoint of American security, and our unnecessary entanglements have turned out to be the greatest threat to our security.

Number 4. There is a risk that our massive deployment of troops in many countries of the world may contribute to a greater conflict. We are today in the middle of a dangerous situation between Pakistan and India over Kashmir, both of whom possess nuclear weapons, and both of whom we generally finance. Exposing ourselves to such risk, while spending endless sums supporting both sides, makes no sense.

Number 5. Our pervasive military presence may well encourage alliances that would have been unheard of a few years ago. Now that we have committed ourselves internationally to destroying Afghanistan and rebuilding it, with a promise that we will be there for a long time, might encourage closer military alliances between Russia and China, and even others like Pakistan, Iran and Iraq, and even Saudi Arabia, countries all nervous about our military permanency in this region. Control of Caspian Sea oil is not a forgotten item for these countries, and it will not be gracefully conceded to United States oil interests. If these alliances develop, even U.S. control of the Persian Gulf oil could be challenged as well.

Number 6. Limits exist on how extensive our foreign commitments should be. It is difficult to be everyplace at one time, especially if hostilities break out in more than one place. For instance, if we were to commit our troops to the overthrow of Saddam Hussein, and Iran were to decide to help Iraq at the same time the North Koreans were to decide to make a move, our capacity to wage war in both places would be limited. Already we are short of bombs from the current Afghanistan war. We had to quit flying sorties over our own cities due to costs, while depending on NATO planes to provide AWACS cover of U.S. territory. In addition, our financial resources are not unlimited, and any significant change in the value of the dollar as well as our rapidly growing deficits could play a significant role in our ability to pay our bills.

Number 7. In the area of personal liberty, we face some real dangers. Throughout our history, starting with the Civil War, our liberties have been curtailed, and the Constitution has been flaunted. Although our government continued to grow with each crisis, many of the liberties curtailed during wartime were restored. War was precise and declared, and when the war was over, there was a desire to return to normalcy.

With the current war on terrorism, there is no end in sight, and there is no precise enemy. We have been forewarned that this fight will go on for a long time. This means that a return to normalcy after the sacrifices that we are making with our freedoms is not likely. The implementation of a national ID card, national surveillance, easy-to-get search warrants and loss of financial and medical privacy will be permanent. If this trend continues, the Constitution will become a much weaker document.

Number 8. A danger exists that the United States is becoming a police state. Just a few decades ago, this would have become unimaginable. As originally designed, in the American Republic, police powers were to be the prerogative of the States, and the military was not to be involved. Unfortunately today most Americans welcome the use of military troops to police our public places, especially the airports. Each before September 11, more than 80,000 armed Federal bureaucrats patrolled the countryside checking for violations of Federal laws and regulations. That number since September 11 has increased by nearly 50 percent, and it will not shrink. Military takeover of homeland security looks certain. Can freedom and prosperity survive if the police state continues to expand? I doubt it. It never has before in all of history, and this is a threat that Congress should not ignore.

Number 9. There is a danger that personal privacy will be a thing of the past. Even before September 11, there were attacks on the privacy of all Americans for good reasons, or so it was argued. The attacks included plans for national ID cards, a national medical data bank, and know-your-customer-type banking regulations. The need for enforcement powers for the DEA and IRS routinely prompted laws that violated the fourth amendment. The current crisis has emboldened those who already were anxious to impose restrictions on the American people. With drug and tax laws, and now with antiterrorist legislation sailing through Congress, true privacy enjoyed by a free people is fast becoming something that we will only read about in our textbooks. Reversing this trend will not be easy.

Number 10. Flying commercial airlines will continue to be a hassle and dangerous. Even travel by other means will require close scrutiny by all levels of government in the name of providing security. Unfortunately, the restrictions and rules on travel on all American citizens will do little, if anything, to prevent another terrorist attack.

Number 11. The economic ramifications of our war on terrorism are difficult to ascertain, but could be quite significant. Although the recession was obviously not caused by the attacks, the additional money spent and the effect of all regulations cannot help the recovery. When one adds up the domestic costs, the military costs and the costs of our new regulations, we can be certain that deficits are going to grow significantly, and the Federal Reserve will be required to further pursue a dangerous monetary policy of inflation. This policy will result in higher rather than lower interest rates, a weak dollar, and certainly rising prices. The danger of our economy spinning out of control should not be lightly dismissed.

Number 12. In this crisis, as in all crises, the special interests are motivated to increase their demands. It is a convenient excuse to push for the benefits they were already looking for. Domestically this includes everyone from the airlines to the unions, insurance companies, travel agents, State and local governments, and anyone who can justify a related need. It is difficult for the military-industrial complex to hide their glee with their new contracts for weapons and related technology. Instead of the events precipitating a patriotic fervor for liberty, we see enthusiasm for big government, more spending, more dependency, greater deficits, and military confrontations that are unrelated to the problems of terrorism. We are supposed to be fighting terrorism to protect our freedoms, but if we are not careful, we will lose our freedoms and precipitate more terrorist attacks.

Lastly, not much empathy is being expressed for members of the Taliban that we now hold as prisoners. The antipathy is easily understood. It is not just as a Nation we should set a good example under the rules of the Geneva Convention, but if we treat the Taliban prisoners inhumanely, there is the danger it will be surely used as an excuse to treat American prisoners in the same manner in the future. This certainly is true when we use torture to extract information, which is now being advised. Not only does that reflect on our own society as a free Nation, but torture notoriously rarely generates reliable information. This danger should not be ignored. Besides, we have nothing to gain by mistreating prisoners who have no knowledge of the September 11 attacks. The idea that those captured are terrorists responsible for the September 11 attacks begs an obvious question.

Mr. Speaker, many realists who see the world as it really is and who recognize the dilemma we face in the United States to preserve our freedoms in this time of crisis are despondent and pessimistic, believing little can be done to reverse the tide against freedom. Others who share the same concern are confident that efforts to preserve the true spirit of the Constitution can be successful. Maybe next month or next year or at some later date, I am convinced in time the love of liberty can be rejuvenated. Once it is recognized that government has no guarantee of future successes, promoting dependency and security can quickly lose its allure.

□ 1330

The Roman poet, Horace, 2,000 years ago spoke of adversity: "Adversity has the effect of eliciting talents which in times of prosperity would have lain dormant." Since I believe we will be a lot less prosperous in the not-too-distant future, we will have plenty of opportunity to elicit the talents of many Americans.

Leonard Read, one of the greatest champions of liberty in the 20th century, advised optimism:

"In every society there are persons who have the intelligence to figure out the requirements of liberty and the character to walk in its ways. This is a scattered fellowship of individuals—mostly unknown to you and me—bound together by a love of ideas and a hunger to know the plain truth of things."

Mr. Read was convinced that this remnant would rise to the occasion and do the necessary things to restore virtue and excellence to a people who had lost their way. Liberty would prevail.

Let us be convinced that there is not enough hate or anger to silence the cries for liberty or to extinguish the flame of truth and justice. We must have faith that those who now are apathetic, anxious for security at all costs, forgetful of the true spirit of American liberty, and neglectful of the Constitution, will rise to the task and respond accordingly.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CAPUANO (at the request of Mr. GEPHARDT) for today on account of personal reasons.

Mr. JEFFERSON (at the request of Mr. GEPHARDT) for today on account of business in the district.

Mr. LUTHER (at the request of Mr. GEPHARDT) for February 5 and the balance of the week on account of family matters.

Ms. SLAUGHTER (at the request of Mr. GEPHARDT) for February 5 and the balance of the week on account of illness.

Ms. WATERS (at the request of Mr. GEPHARDT) for today on account of official business in the district.

Mr. FRELINGHUYSEN (at the request of Mr. ARMEY) for today on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. WOOLSEY) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Ms. JACKSON-LEE OF Texas, for 5 minutes, today.

Mrs. JONES of Ohio, for 5 minutes, today.

Mr. CONYERS, for 5 minutes, today.

Mr. MATHESON, for 5 minutes, today.

Ms. WATSON of California, for 5 minutes, today.

Mr. CLAY, for 5 minutes, today.

(The following Members (at the request of Mr. PAUL) to revise and extend their remarks and include extraneous material:)

Mr. GANSKE, for 5 minutes, February 14.

Mr. HERGER, for 5 minutes, today.

Mr. GEKAS, for 5 minutes, today.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1274. An act to amend the Public Health Service Act to provide programs for the prevention, treatment, and rehabilitation of stroke; to the Committee on Energy and Commerce.

S. 1275. An act to amend the Public Health Service Act to provide grants for public access defibrillation programs and public access defibrillation demonstration projects, and for other purposes; to the Committee on Energy and Commerce.

ADJOURNMENT

Mr. PAUL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 31 minutes p.m.), the House adjourned until tomorrow, Friday, February 8, 2002, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5407. A letter from the Assistant Secretary for Communications and Information, Department of Commerce, transmitting the Department's report entitled, "Current and Future Spectrum Use by the Energy, Water, and Railroad Industries"; to the Committee on Energy and Commerce.

5408. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Newberry and Simpsonville, South Carolina) [MM Docket No. 01-110, RM-9927, RM-10336] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5409. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Burgin and Science Hill, Kentucky) [MM Docket No. 00-173, RM-9964, RM-10328] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5410. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (McConnelsville, Ohio) [MM Docket No. 00-172, RM-9963] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5411. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Sabinal, Texas) [MM Docket No. 01-187, RM-10174] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5412. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Ancillary or Supplementary Use of Digital Television Capacity by Noncommercial Licensees [MM Docket No. 98-203] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5413. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Brightwood, Madras, Prineville and Bend, Oregon) [MM Docket No. 00-87, RM-9870, RM-9961] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5414. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Clinton and Oliver Springs, Tennessee) [MM Docket No. 00-195, RM-9973, RM-10193, RM-10194] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5415. A letter from the White House Liaison, Department of Justice, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5416. A letter from the Attorney/Advisor, Department of Transportation, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5417. A letter from the Associate Administrator for Human Resources and Education, National Aeronautics and Space Administration, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5418. A letter from the Associate Administrator for Human Resources and Education, National Aeronautics and Space Administration, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5419. A letter from the Acting General Counsel, Office of National Drug Control Policy, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5420. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Special Local Regulations for Marine Events; Fireworks Displays, Patapsco River, Baltimore, Maryland [CGD05-00-046] (RIN: 2115-AE46) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5421. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone; Fore River Bridge Repairs—Weymouth, Massachusetts [CGD01-01-223] (RIN: 2115-AA97) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5422. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Security Zone; Port Hueneme Harbor, Ventura County, California [COTP Los Angeles-Long Beach 01-013] (RIN: 2115-AA97) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5423. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone and Anchorage Regulations; Chicago Harbor, Chicago, Illinois [CGD09-01-153] (RIN: 2115-AA97 and 2115-AA98) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5424. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Security zone and Anchorage Regulations; Lake Michigan, Navy Pier, Chicago Harbor, Chicago, Illinois [CGD09-01-139] (RIN: 2115-AA97 and 2115-AA98) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5425. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30274; Amdt. No. 2074] received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5426. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30275; Amdt. No. 2075] received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5427. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30282; Amdt. No. 2081] received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5428. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30281; Amdt. No. 2080] received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5429. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30284; Amdt. No. 2083] received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5430. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30283; Amdt. No. 2082] received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5431. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Repair Stations [Docket No. FAA-1999-5836; Amendment Nos. 91-269, 121-286, 135-82, 145-27, and SFAR 36-7] (RIN: 2120-AC38) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5432. A letter from the Chief, Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Security Zone: Seabrook Nuclear Power Plant, Seabrook, New Hampshire [CGD01-01-207] (RIN 2115-AA97) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. REYNOLDS: Committee on Rules. House Resolution 344. Resolution providing for consideration of the bill (H.R. 2356) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform (Rept. 107-358). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Ms. JACKSON-LEE of Texas:

H.R. 3692. A bill to amend the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code of 1986 to ensure that individual account plans protect workers by limiting the amount of employer stock each worker may hold and encouraging diversification of investment of plan assets, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. JACKSON-LEE of Texas:

H.R. 3693. A bill to prevent accountants from providing non-audit services to audit clients; to the Committee on Financial Services.

By Mr. YOUNG of Alaska (for himself, Mr. Oberstar, Mr. Petri, Mr. Borski, Mr. Boehlert, Mr. Rahall, Mr. Coble, Mr. Lipinski, Mr. Duncan, Mr. DeFazio, Mr. Gilchrest, Mr. Clement, Mr. Horn, Mr. Costello, Mr. Mica, Ms. Norton, Mr. Quinn, Mr. Nadler, Mr. Ehlers, Mr. Menendez, Mr. Bachus, Ms. Brown of Florida, Mr. LaTourette, Mr. Barcia, Mrs. Kelly, Mr. Filner, Mr. Baker, Ms. Eddie Bernice Johnson of Texas, Mr. Ney, Mr. Mascara, Mr. Taylor of Mississippi, Mr. Thune, Ms. Millender-McDonald, Mr. LoBiondo, Mr. Cummings, Mr. Moran of Kansas, Mr. Blumenauer, Mr. Pombo, Mr. Sandlin, Mr. DeMint, Mrs. Tauscher, Mr. Bereuter, Mr. Pascrell, Mr. Simpson, Mr. Boswell, Mr. Isakson, Mr. McGovern, Mr. Hayes, Mr. Holden, Mr. Simmons, Mr. Lampson, Mr. Rogers of Michigan, Mr. Baldacci, Mrs. Capito, Mr. Berry, Mr. Kirk, Mr. Baird, Mr. Brown of South Carolina, Ms. Berkley, Mr. Johnson of Illinois, Mr. Carson of Oklahoma, Mr. Kerns, Mr. Matheson, Mr. Rehberg, Mr. Honda, Mr. Platts, Mr. Larson of Connecticut, Mr. Ferguson, Mr. Graves, Mr. Otter, Mr. Kennedy of Minnesota, Mr. Culberson, Mr. Shuster, and Mr. Boozman):

H.R. 3694. A bill to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century; to the Committee on Transportation and Infrastructure.

By Mr. PALLONE:

H.R. 3695. A bill to direct the Secretary of Health and Human Services to expand and intensify programs with respect to research and related activities concerning elder falls; to the Committee on Energy and Commerce.

By Mr. ANDREWS:

H.R. 3696. A bill to amend part C of title XVIII of the Social Security Act to reimburse Medicare+Choice plans located in the same metropolitan statistical area the same payment rate; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ANDREWS:

H.R. 3697. A bill to conduct a study regarding the improvement of pier safety standards in navigable waters; to the Committee on Transportation and Infrastructure.

By Mr. CAMP:

H.R. 3698. A bill to amend the September 11th Victim Compensation Fund of 2001 to provide for the liquidation of blocked assets of terrorists and terrorist organizations in order to reimburse the Treasury for the compensation of claimants; to the Committee on the Judiciary, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CRENSHAW (for himself and Ms. Brown of Florida):

H.R. 3699. A bill to revise certain grants for continuum of care assistance for homeless individual and families; to the Committee on Financial Services.

By Mr. DAVIS of Illinois (for himself and Mr. Rush):

H.R. 3700. A bill to designate the Federal building located at 5130 West North Avenue in Chicago, Illinois, as the "Lenora Stewart Federal Building"; to the Committee on Transportation and Infrastructure.

By Mr. DAVIS of Illinois (for himself, Mr. Rangel, Mr. Conyers, Mr. Towns, Ms. Carson of Indiana, Mr. Thompson of Mississippi, and Ms. Norton):

H.R. 3701. A bill to amend the Internal Revenue Code of 1986 to provide for a temporary ex-offender low-income housing credit to encourage the provision of housing, job training, and other essential services to ex-offenders through a structured living environment designed to assist the ex-offenders in becoming self-sufficient; to the Committee on Ways and Means.

By Ms. HART:

H.R. 3702. A bill to amend the Internal Revenue Code of 1986 to allow employers a credit against income tax for increasing employment; to the Committee on Ways and Means.

By Mr. HOEKSTRA:

H.R. 3703. A bill to authorize the President to distribute liquidated assets frozen pursuant to Executive Order 13224 and similar Executive orders to the victims and surviving family members of the terrorist attacks that occurred on September 11, 2001, and to certain other charitable funds established as a result of those attacks; to the Committee on International Relations, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MEEKS of New York:

H.R. 3704. A bill to amend the Internal Revenue Code of 1986 to allow a deduction to individuals for credit card interest; to the Committee on Ways and Means.

By Mr. POMBO:

H.R. 3705. A bill to amend the Endangered Species Act of 1973 to require the Secretary of the Interior to use the best sound science available in implementing the Endangered Species Act; to the Committee on Resources.

By Mr. POMBO:

H.R. 3706. A bill to amend the Endangered Species Act of 1973 to provide a public right-to-know for landowners in implementing the Endangered Species Act; to the Committee on Resources.

By Mr. POMBO:

H.R. 3707. A bill to amend the Endangered Species Act of 1973 to improve protection for endangered species habitats; to the Committee on Resources.

By Mr. THUNE (for himself and Mr. Boswell):

H.R. 3708. A bill to continue the Department of Agriculture program that promotes the use of certain agricultural commodities to produce bioenergy and to expand the program to include animal fats, animal by-products, and oils as eligible agricultural commodities under the program; to the Committee on Agriculture.

By Mr. WATTS of Oklahoma:

H.R. 3709. A bill to amend the Internal Revenue Code of 1986 to provide that only after-tax contributions may be made to the Presidential Election Campaign Fund and that taxpayers may designate contributions for a particular national political party, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on House Administration, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KIND (for himself, Mr. Rohrabacher, Mr. Green of Wisconsin, and Mr. Kennedy of Rhode Island):

H. Con. Res. 318. Concurrent resolution expressing the sense of Congress regarding democratic reform and the protection of human rights in Laos; to the Committee on International Relations.

By Mr. BARRETT (for himself, Mr. OBEY, Mr. KLECZKA, Mr. PETRI, Mr. KIND, Mr. SENSENBRENNER, Ms. BALDWIN, Mr. GREEN of Wisconsin, and Mr. RYAN of Wisconsin):

H. Con. Res. 319. Concurrent resolution honoring Henry Reuss, former United States Representative from Wisconsin, and extending the condolences of Congress on his death; to the Committee on House Administration.

By Mr. GUTIERREZ (for himself, Mr. LARSON of Connecticut, Ms. MILLENDER-MCDONALD, Mr. HYDE, Ms. BROWN of Florida, Ms. MCKINNEY, Mrs. MORELLA, Mr. COSTELLO, Ms. SCHAKOWSKY, Mr. RUSH, Mr. OWENS, Mr. PAYNE, Mr. TOWNS, Mrs. MINK of Hawaii, Ms. NORTON, Mr. HINCHEY, Mr. WYNN, Mr. LEVIN, Ms. PELOSI, Ms. LEE, Mr. FRANK, Mr. BLAGOJEVICH, Mrs. NAPOLITANO, Mr. REYES, Mr. WAXMAN, Mr. LIPINSKI, and Mr. RODRIGUEZ):

H. Con. Res. 320. Concurrent resolution expressing the sense of Congress regarding Scleroderma; to the Committee on Energy and Commerce.

By Mr. MEEKS of New York:

H. Con. Res. 321. Concurrent resolution supporting the efforts of the United Nations to formulate a comprehensive convention on international terrorism and urging the President to continue work in cooperation with all interested members of the United Nations to formulate such a convention; to the Committee on International Relations.

By Mr. PITTS:

H. Con. Res. 322. Concurrent resolution commending President Pervez Musharraf of Pakistan for his leadership and friendship and welcoming him to the United States; to the Committee on International Relations.

By Mr. STARK:

H. Res. 345. A resolution condemning all acts of discrimination and violence and supporting the No Room for Racism campaign; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 13: Mr. BRADY of Texas, Mr. HALL of Ohio, Mrs. JONES of Ohio, and Mr. BURTON of Indiana.

H.R. 200: Mr. GRUCCI.

H.R. 476: Mr. SCHROCK, Mr. PICKERING, and Mr. BARR of Georgia.

H.R. 580: Mr. WAXMAN, Ms. BROWN of Florida, Ms. NORTON, Mrs. THURMAN, and Mrs. MINK of Hawaii.

H.R. 786: Mr. SNYDER.

H.R. 818: Mr. SCHAFFER.

H.R. 822: Mr. SUNUNU.

H.R. 902: Mr. LUCAS of Kentucky.

H.R. 1044: Mr. EVANS.

H.R. 1116: Mr. FERGUSON and Mr. HOLT.

H.R. 1212: Mr. GRAHAM.

H.R. 1220: Mr. BARR of Georgia.

H.R. 1262: Mr. PHELPS.

H.R. 1543: Mr. LAMPSON.

H.R. 1556: Mr. HAYWORTH.

H.R. 1586: Mr. RUSH.

H.R. 1723: Mr. BROWN of Ohio.

H.R. 1782: Mr. FRANK.

H.R. 1795: Mr. COBLE, Mr. KENNEDY of Minnesota, and Mr. GEKAS.

H.R. 1822: Mr. SHIMKUS.

H.R. 1825: Mrs. LOWEY.

H.R. 2163: Mr. GONZALEZ.

H.R. 2173: Mr. MEEKS of New York and Ms. HOOLEY of Oregon.

H.R. 2610: Mr. GREEN of Texas.

H.R. 2629: Mr. GRAHAM.

H.R. 2635: Mr. HINCHEY and Ms. ROYBAL-ALLARD.

H.R. 2674: Mr. KIND, Mr. MORAN of Virginia, Ms. WATSON of California, Mr. SMITH of Washington, Mr. ORTIZ, Ms. KAPTUR, Mr. GONZALEZ, Mr. FILNER, Ms. NORTON, and Mr. BOSWELL.

H.R. 2799: Ms. JACKSON-LEE of Texas, Ms. BALDWIN, and Ms. WOOLSEY.

H.R. 2820: Mrs. WILSON of New Mexico and Ms. NORTON.

H.R. 3017: Ms. BALDWIN and Ms. HART.

H.R. 3041: Mr. WATT of North Carolina.

H.R. 3113: Mrs. CHRISTENSEN.

H.R. 3244: Mr. HEFLEY, Mr. SHAW, and Mr. THOMPSON of Mississippi.

H.R. 3333: Mrs. ROUKEMA, Mr. BALLENGER, and Mr. HOSTETTLER.

H.R. 3337: Mr. TOWNS and Mr. LYNCH.

H.R. 3342: Mr. BLUMENAUER and Mr. DOYLE.

H.R. 3351: Mr. CRENSHAW, Mr. THUNE, Mr. OTTER, Mr. PUTNAM, Mr. PITTS, Mr. BORSKI, and Mr. CLYBURN.

H.R. 3358: Mr. BROWN of Ohio and Mr. LOBIONDO.

H.R. 3389: Mr. ETHERIDGE, Mr. FOLEY, and Mr. MEEKS of New York.

H.R. 3424: Mr. COSTELLO, Mr. GUTIERREZ, Mr. BURTON of Indiana, Mr. LARSON of Connecticut, Mr. JACKSON of Illinois, and Mr. POMBO.

H.R. 3478: Mr. ENGLISH, and Mr. LANGEVIN.

H.R. 3482: Mr. OXLEY, Mr. GRUCCI, and Mr. SAM JOHNSON of Texas.

H.R. 3501: Mr. WU.

H.R. 3550: Mr. SENSENBRENNER and Mr. PASTOR.

H.R. 3552: Mrs. MINK of Hawaii and Mr. WEINER.

H.R. 3563: Mr. PAYNE.

H.R. 3569: Mr. KILDEE and Mr. STUMP.

H.R. 3615: Mr. MCNULTY and Mr. ETHERIDGE.

H.R. 3624: Mr. TIBERI, Mrs. KELLY, Mr. TANCREDO, Mr. GRUCCI, Mrs. JO ANN DAVIS of Virginia, Mr. FLETCHER, Mr. GILMAN, Mr. KIRK, Mr. RYUN of Kansas, Mr. MCNULTY, Mr. SHAYS, Mr. SHADEGG, Mr. LANTOS, Mr. SIMPSON, Mr. DEMINT, Mr. WEINER, and Mr. OWENS.

H.R. 3684: Mr. KIRK.

H.R. 3686: Mr. TERRY, Mr. RYUN of Kansas, and Mr. SHUSTER.

H. Con. Res. 97: Mr. HOLT.

H. Con. Res. 240: Mr. PAYNE.

H. Con. Res. 265: Mr. WAXMAN, Mr. DICKS, Mr. GUTKNECHT, Ms. KAPTUR, Mrs. TAUSCHER, Mr. DAVIS of Florida, and Mr. CAPUANO.

H. Con. Res. 316: Mr. PENCE, Mr. HAYES, Mr. DEMINT, Mr. ISTOOK, Mr. WELDON of Florida, Mrs. JO ANN DAVIS of Virginia, Mr. RYUN of Kansas, Mr. TERRY, Mr. SCHAFFER, Mr. STEARNS, and Mr. TIAHRT.

H. Res. 115: Mr. UDALL of New Mexico, Mr. PETERSON of Minnesota, and Mr. SABO.

H. Res. 120: Mr. BROWN of South Carolina.

H. Res. 225: Mr. ROEMER, Mr. DAVIS of Florida, Mr. EDWARDS, Ms. LEE, Mr. RANGEL, and Ms. MILLENDER-MCDONALD.

H. Res. 302: Mr. CALVERT, Mr. KNOLLENBERG, Ms. PRYCE of Ohio, Mr. WILSON of South Carolina, and Mr. WOLF.

H. Res. 325: Mr. FRANK.

DISCHARGE PETITIONS— ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 4, by Mr. RANDY "DUKE" CUNNINGHAM on House Resolution 271: Ken Bentsen.

SENATE—*Thursday, February 7, 2002*

The Senate met at 10 a.m. and was called to order by the Honorable RICHARD J. DURBIN, a Senator from the State of Illinois.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, who blesses the Nation whose people pray for their leaders, on this special day of unified prayer, we thank You for hearing and answering the prayers of the American people for the President and Vice President and their families, the members of the Cabinet, the Justices of the Supreme Court, the Joint Chiefs of Staff of the military, the Members of the House of Representatives, and the women and men of this Senate. Here in this historic Chamber, we specifically pray for President pro tempore ROBERT BYRD, for TOM DASCHLE, HARRY REID, TRENT LOTT, and DON NICKLES. In 1 Timothy 2:1, You remind us that we are to make requests, prayers, intercessions, and thanksgiving for those in authority. We claim that at this very moment You are releasing supernatural strength, wisdom, and vision in these leaders. May they never forget that they are being sustained by You because of the prayers of millions of Americans around the clock. May these leaders never feel alone or dependent only on their own strength. We truly believe that prayer is the mightiest force in the world. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable RICHARD J. DURBIN led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 7, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD J. DURBIN, a Senator from the State of Illinois, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. DURBIN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized.

SCHEDULE

Mr. REID. Mr. President, today the Senate is going to continue work on the farm bill.

ORDER OF PROCEDURE

Mr. President, I ask unanimous consent that the vote on the Durbin amendment occur at 10:15 a.m. today and that the time be equally divided between Senator DURBIN and the manager of the bill for the Republicans.

The ACTING PRESIDENT pro tempore. Is there objection?

The Chair hears none, and it is so ordered.

Mr. REID. Following that vote, Senator DORGAN will be recognized to offer the Dorgan-Grassley amendment regarding payment limitation. We already have an agreement in effect that the debate will take 1 hour 45 minutes. Following the vote in relation to the Dorgan amendment, Senator LUGAR will offer his payment mechanism amendment under a 2-hour time agreement. We also expect to get agreement on a finite list of amendments.

I say to all Senators, the Dorgan-Grassley amendment and the Lugar amendment are very important amendments. That is the reason we have the extended debate time on both of them. Disposing of these two amendments will move us a long way toward finishing this legislation.

Last night the majority had 12 amendments and the Republicans had just a few more. Staff has been working on these through the night, and we are going to try to come up with a finite list very quickly.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 1731, which the clerk will report.

The assistant legislative clerk read as follows:

> A bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

Pending:

> Daschle (for Harkin) amendment No. 2471, in the nature of a substitute.
>
> Daschle motion to reconsider the vote (Vote No. 377—107th Congress, 1st session) by which the second motion to invoke cloture on Daschle (for Harkin) amendment No. 2471 (listed above) was not agreed to.
>
> Durbin/Lugar amendment No. 2821, to restrict commodity and crop insurance payments to land that has a cropping history and to restore food stamp benefits to legal immigrants who have lived in the United States for 5 years or more.

The PRESIDING OFFICER (Mr. REID). The Senator from Indiana.

AMENDMENT NO. 2821

Mr. LUGAR. Mr. President, I am pleased that in a few moments the Senate will vote on the Durbin amendment that restores benefits to legal immigrants in our country. We had a good debate last evening which illuminated the fact that there are as many as 500,000 Americans who are able to meet the criteria of having lived in this country 5 years or having had a work experience for 4 years who—and most importantly their children—due to confusion of the regulations frequently have not had the Food Stamp Program and the proper nutrition that might come from that. But we are going to change that. It is a strong bipartisan force.

The President of the United States has spoken forcefully on these issues and has commended the activity that is encapsulated so well in the amendment of the distinguished Senator from Illinois.

I am pleased to join him in hoping that we will have if not, a unanimous vote, a nearly unanimous vote. It is both a humanitarian cause and a fairness cause and a considerable extension of the nutrition safety net for all Americans.

This seems to me to be a very important objective of this farm bill because we are the Senate Committee of Agriculture, Nutrition, and Forestry and we have taken the nutrition title very seriously.

The Senator from Illinois has found ways that we can enhance that title very substantially. I commend that effort and ask all Senators to vote in favor of this amendment.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Illinois, Mr. DURBIN.

Mr. DURBIN. Mr. President, I, first, thank my colleague from the State of Indiana. This is a great day. We have this great alliance of two adjoining States—Illinois and Indiana—for the good of people all across the United States. I thank the Senator for his very kind words.

Before I address the merits of the bill, the substance, there are two modifications which have been proposed. I would like to offer one from Senator DORGAN, and I ask the Senator from Indiana if he would do the same for Senator GRAMM of Texas, who has offered a modification.

MODIFICATION TO AMENDMENT NO. 2821

Mr. President, I send this modification to the desk of the amendment which has been offered. I ask unanimous consent it be reported.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

The modification is as follows:

On page 2, strike line 13 and replace with the following:

"(a) DEFINITIONS.—

On page 2, after line 21 insert the following:

"(3) IN GENERAL.—The term 'considered planted' shall include cropland that has been prevented from being planted at least 8 out of the past 10 years due to disaster related conditions as determined by the Secretary."

Mr. DURBIN. Let me make a correction for the RECORD. Senator CONRAD offered this modification, I believe, not Senator DORGAN. I believe the Senator from Indiana may offer a modification on behalf of the Senator from Texas.

Mr. LUGAR. I thank the distinguished Senator for that invitation.

FURTHER MODIFICATION TO AMENDMENT NO. 2821

Mr. President, I do send to the desk the modification from Senator GRAMM.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment is so modified.

The modification is as follows:

On page 6 strike lines 4 through 12 and insert the following:

"(M) FOOD STAMP EXCEPTION FOR CERTAIN QUALIFIED ALIENS.—

"(i) With respect to eligibility for benefits for the specified Federal program described in paragraph (3)(B), paragraph (1) shall not apply, subject to the exclusion in clause (ii), to any individual who has continuously resided in the United States as a qualified alien for a period of 5 years or more beginning on the date on which the qualified alien entered the United States.

"(ii) No alien who enters the country illegally and remains in the United States illegally for a period of one year or longer, or has been in the United States as an illegal alien for a period of one year or longer, regardless of their status upon entering the country or their current status as a qualified alien, shall be eligible under clause (i) for benefits for the specified Federal program described in paragraph (3)(B).

"(iii) Clause (ii) shall not apply to a qualified alien who has continuously resided in the United States for a period of 5 years or more as of the date of enactment of this Act."

Mr. DURBIN. Mr. President, let me say at the outset that the modification requested by Senator CONRAD is one that merely defines a term within the bill and does it in a fashion that I think is entirely reasonable. It says that if land has not been cropped or planted because it has been in a disaster status, certainly, that will not be covered by the amendment which I have limiting the opportunities for Federal payment. This is entirely reasonable. I am happy to accept it.

On the modification by the Senator from Texas, Mr. GRAMM, I have agreed to this, even though I have serious misgivings about it. But I have the assurance of the Senator from Texas, and all Senators who are now engaged in this debate, that we will continue to look at this extremely closely as we approach the conference committee to make certain we have done something that is fair and reasonable.

But it is in the spirit of moving this forward for the 260,000 legal immigrants who will now be eligible for food stamps in our country that I have agreed to and accept this second-degree amendment.

As the Senator from Indiana has alluded to, what we have done is twofold. What we have said is, if you have cropland in America that has not been planted, or you have not produced on that land at least 1 year out of the last 5, or 3 out of the last 10, in that circumstance, you cannot qualify for Federal assistance.

That is an effort to make certain we don't encourage overproduction for Federal subsidy. The farmer still has the opportunity to plant the land and to harvest the crop and make a profit, if he sees fit. But under this amendment, he would be limited. He would not be able to receive Government subsidy or Government support. We make specific exceptions, which I described yesterday in the debate.

The second part of this amendment takes the savings of $1.4 billion and uses it to provide eligibility for food stamps for legal immigrants. This is something that was changed in 1996. It is a change which has worked a great hardship, particularly on poor children across America. I remind all listening to the debate, we are only talking about legal immigrants being eligible for this relief.

President Bush in his budget message has endorsed this concept. Even former Speaker Gingrich, who was the author of the original legislation prohibiting food stamps, has come around to the position that we should change it. We now have the appropriate moment in time to move forward with what is a very humane and positive thing for children across America, particularly for families of legal immigrants.

We do two things in this legislation. We provide for a limitation on Government spending when it comes to farm programs so that new land is not brought into production to take advantage of Federal programs. We take the savings from that amendment and use it to provide food stamps for children across America.

Last night it was my great fortune to be at an event honoring former Senators George McGovern and Bob Dole for their work in the field of nutrition and their cooperation over many decades. They pointed with great pride to the creation of the Food Stamp Program which has, with the School Lunch Program and a few other commitments by the Federal Government, helped the poorest of the poor in America to receive basic nutrition and sustenance. The purpose of this Durbin amendment, supported by Senators HARKIN, LUGAR, WELLSTONE and many others, is to continue in that tradition.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I stress again that the amendment is identical to President Bush's budget proposal. I think all Senators appreciate that. I want to establish that again.

Secondly, I want to establish that the amendment does not affect in any way a producer's eligibility for conservation programs. It applies only to commodity programs and crop insurance. I point out that the land which exists in the Conservation Reserve Program would be eligible, and the answer is, yes, CRP land specifically is exempted from the commodity programs and crop insurance.

These questions have been raised because they are material to the savings in the bill that are now to be applied for this important food stamp reform.

Having said that, I commend the amendment again to Senators, and I am hopeful we will have a strong vote in support.

Mr. HARKIN. Mr. President, this amendment is an important expansion of the Committee's nutrition title and I am proud to be a co-sponsor of the Durbin amendment along with Senator LUGAR and others. It builds on our provisions to restore benefits to legal immigrant children without the 5 year waiting period and apply more reasonable food stamp eligibility rules to working, tax paying immigrants. The amendment will correct an aspect of welfare reform that went too far.

Legal immigrants have made countless contributions to our country but many are now in trouble. They are disproportionately represented in the service jobs that have been hardest hit in the current recession. So now is an opportune time to make improvements to immigrant eligibility in the Food Stamp Program.

I also want to focus on children for a minute. We have also heard that from 1994 to 1998, 1 million poor citizen children of immigrant parents, left the program . . . a 74 percent decline for this group. These are children who are entitled to participate in the program but whose parents were confused about eligibility.

Do not be mistaken, this issue affects most States in our country. For example, more than half of all low-income children in California live with a non-citizen adult. Some of these children are citizens and others are immigrants. Between 30 percent and 40 percent of low income children in Arizona, Nevada, Texas, Colorado, Florida, Idaho, and New York live in families with a non-citizen. In my own State of Iowa, approximately 14 percent of low income children live in families with a non-citizen. We have seen time and again that in households where there are Food Stamp eligible children who live with a non-citizen adult, often time the adult does not seek out the assistance for the child.

Taken together, the 1998 bill that restored benefits to some children which I supported, along with this amendment and our immigrant provisions in the underlying bill, will immediately help to prevent many children from going to bed hungry at night. Their parents, will also be able to participate in the program once they have worked in this country for at least 4 years or have resided in the U.S. for at least 5 years.

Now, for anyone who argues that people would move to this country to wait five years to receive a "generous" food stamp benefit, I want to remind all of us that the average household received a benefit of $175 per month in 2000. A family of 3 working 30 hours a week in a minimum wage job got just over $250 per month. That same family working 40 hours per week at $7.50 an hour received under $70 per week. In fact, USDA just reported that food stamp recipients spend about 70 percent of their monthly benefits the first week and 90 percent by the end of the second week. People who participate in the Food Stamp Program are not living "high on the hog", and they are certainly not coming to this country for that benefit.

Now, others before me have mentioned that 16 States spend their own funds to provide food assistance to legal immigrants made ineligible by welfare reform. Under this proposal, those States would now be able to devote their State dollars to other worthwhile and much needed initiatives.

Finally, I, too, want to commend the President for including this provision in his 2003 budget proposal and Newt Gingrich who indicated that welfare reform went too far when it removed the ability of legal immigrants to participate in the Food Stamp Program.

Again, I am pleased to join Senators DURBIN, LUGAR, and others in co-sponsoring this amendment that will help provide nutrition for this valuable group of people in our country.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I ask unanimous consent that Senators LEVIN and CORZINE be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Indiana has 2 minutes.

Mr. LUGAR. Mr. President, I yield back that time and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DURBIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I ask, pursuant to the unanimous consent agreement, that we proceed. I ask for the yeas and nays on the pending Durbin amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second. There is a sufficient second.

The question is on agreeing to amendment No. 2821, as modified. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

The ACTING PRESIDENT pro tempore. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 1, as follows:

[Rollcall Vote No. 17 Leg.]

YEAS—96

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—1

Sessions

NOT VOTING—3

Domenici
McCain
Thompson

The amendment (No. 2821), as modified, was agreed to.

Mr. LUGAR. I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HARKIN. Mr. President, for the benefit of the Senators, I have a parliamentary inquiry. Under the unanimous consent agreement we have entered into, what is next?

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from North Dakota, Mr. DORGAN, is recognized to offer an amendment for himself and the Senator from Iowa, Mr. GRASSLEY, regarding payment limitation. There has been an agreement there will be 1 hour 45 minutes of debate prior to the vote in relation thereto.

Mr. HARKIN. The Dorgan-Grassley amendment is next, with 1 hour 45 minutes evenly divided?

The ACTING PRESIDENT pro tempore. That is correct.

Mr. HARKIN. And the vote will occur—at the end of that 1 hour 45 minutes?

The ACTING PRESIDENT pro tempore. It will.

The Senator from North Dakota.

AMENDMENT NO. 2826 TO AMENDMENT NO. 2471

(Purpose: To strengthen payment limitations for commodity payments and benefits and use the resulting savings to improve certain programs.)

Mr. DORGAN. Mr. President, I will be sending an amendment to the desk on behalf of myself, the Senator from Iowa, Mr. GRASSLEY, and joined by cosponsors Mr. HAGEL, Mr. JOHNSON, Mr. Lugar, Mr. FITZGERALD, Mr. NELSON, Mr. ENSIGN, Mr. WELLSTONE, Mr. Durbin, Mr. TORRICELLI, Mr. KOHL, and Mr. BROWNBACK. I send the amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The bill clerk read as follows:

The Senator from North Dakota, [Mr. DORGAN], for himself, Mr. GRASSLEY, Mr. HAGEL, Mr. JOHNSON, Mr. LUGAR, Mr. FITZGERALD, Mr. NELSON of Nebraska, Mr. ENSIGN, Mr. WELLSTONE, Mr. DURBIN, Mr. TORRICELLI, Mr. KOHL, and Mr. BROWNBACK, proposes an amendment numbered 2826 to amendment No. 2471.

Mr. DORGAN. I ask unanimous consent reading of the amendment be dispensed.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. HARKIN. I understand there is 1 hour 45 minutes evenly divided.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. HARKIN. I ask unanimous consent that the Senator from Arkansas, Mrs. LINCOLN, be in control of the time in opposition to the amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I am pleased today to offer the amendment. I ask I be allowed as much time as I may consume, following which I expect Senator GRASSLEY, who has worked with me in constructing this amendment, will be recognized.

This amendment is about limitation on payments in the farm program. We always have people coming to the floor of the Senate talking about the requirement to help family farmers in our country. The reason I support a farm bill, the reason I fight so hard to try to get good farm policy, is to help family farmers.

What do I mean by family farmers? I am talking about people out there living under a yard light trying to raise a family and trying to operate a family farm and raise food. They go to town and buy their supplies. I am talking about a network of food producers scattered across this country that represents, in my judgment, food security for our country.

This issue of helping family farmers with a safety net in the form of farm program payments during tough times is something that has become much different over a long period of time. It is not the case that we are fighting over farm program payments for family farmers. There is some of that in the farm bill, but all of us recognize there is in this farm bill substantial payments to some of the biggest operators in the country that have nothing to do with families, nothing to do with family farming.

Let me cite some examples of who gets farm program payments. Fortune 500 companies get payments under the farm program; not much about families there. City dwellers who have millions of dollars, who need the farm program the least and do not have anything to do with the family farm, get farm program payments. Chase Manhattan Bank, farm program payments; colleges and universities—the list goes on forever.

This is about family farming, in my judgment. I am sure those who support this amendment, and there are many in the Chamber, are always asked the question: If you talk about family farmers, what do you mean by family? Define a family farm, they say. I defy you to tell me what it is.

If we took 10 minutes, we could agree on what it is not. Michelangelo once sculpted David. They asked: How did you sculpt David?

He said: Easy; I took a block of marble and chipped away everything that was not David.

We can chip away everything that is not a family farm and have a decent idea of what a family farm is not. Is it a New York bank operating land in one of our States? I don't think so. Is a family farmer a piece of ground owned by somebody who has lived in Los Angeles for 40 years and the only time that person has come back to the family farm area is for Thanksgiving, twice in 40 years; is that a family farmer? I don't think so.

Is that where you want farm program payments to go? Or do you want, in small towns on Saturday night, to have a vibrant Main Street where people come to town to buy supplies and park their vehicles? They are families living on the farm and farming our land and raising our food, producing our food and doing it by creating a network of broad-based economic ownership on America's farms. Is that what we are talking about? I think so.

What is this amendment? This amendment provides a $275,000 payment limit. Some will roll their eyes and say: Are you kidding me? Two hundred seventy-five thousand dollars and you think that is a limit? They will say it ought to be much lower than that. We will have trouble getting this passed today because there are people who want it much higher and some want no limits at all.

We propose $275,000. On direct and countercyclical payments there is a $75,000 limit; marketing loan gains and loan deficiency payments, a $150,000 limit; a husband and wife allowance, $50,000—for a total limitation of $275,000.

Now, this Senate bill has a $500,000 limit, but it does not get rid of triple entities so you can collect more than that. Current law is $460,000, which means you can collect more than that because of triple entity rules and other things. The House bill is $550,000, and again we allow triple entities and so on. So these are not real limits. Ours is a real limit.

We just talk about payments going to a tax ID, and we determine who the taxpayer is here—this is not about taxes but it is determining who the individual is—and we have a limitation.

We have seen a lot of these stories—incidentally, these are the kinds of stories which I think will ruin the climate in which we do farm bills in the future. If we do not do something about this, the American people and taxpayers generally are going to say that is not why we are paying taxes. We really support family farms. We believe family farms are important for America. But we believe we are not paying taxes so you can transfer money to the tune of millions, hundreds of millions, perhaps billions of dollars, to those who need it least and ought not be getting farm payments.

This talks about a farm operation, a 61,000-acre spread, $30.8 million in sales last year, receiving $38 million in Federal crop subsidies in 5 years. Is that what we are here for? Is that what this fight is about, to try to help family farmers? I do not think so. That is not why I am interested in this business.

Here is a letter from a North Dakota farmer, a person I have known for some while. He is a good farmer. His son also started farming.

> Dear Senator Dorgan: I know you are aware of the really large operations in rural areas that are getting the big farm payments. I feel strongly against these large payments which are set forth in the current law. I hope you can fix this in the farm bill.
>
> The biggest operations keep getting the bulk of the farm benefits while the small farmers are getting squeezed out of the rural areas. When this happens, the family farm operation can't compete with the larger enterprises because of the financial disadvantages. Cash rents go up because of the huge payments to these big operations, causing smaller farms to quit.

In my judgment, if our goal is not to preserve a network of family producers on America's farms, then we don't need a farm program, we don't need a Department of Agriculture; get rid of it all. The Department of Agriculture started under Abraham Lincoln and had nine employees. Now it has become this behemoth organization. But if our goal is not to try to protect, nurture, and assist family farmers over price valleys because they are too small to be able to survive these precipitous international price drops for their crops, if our goal isn't to do that, get rid of the whole thing.

If that is our goal—and I believe it ought to be; I believe that is why the American people support a farm program—then let's shape this farm program in a way that really does target the help to family producers.

I have told so many stories about family farmers and why I believe passionately about what this issue should mean to our country. In Europe they have a vibrant rural economy. Go to a small town in Europe on Saturday night and see the main street full of pickup trucks and small cars. Do you know why? Because Europe has said we have been hungry before and we don't want to be hungry again and part of our national security is our food security and part of that is rooted in the notion of trying to preserve a network of family producers on the land in Europe. They have a farm program that does it. We ought not to disparage their farm program, we ought to applaud it, to say the goal of keeping small family producers, family operations, on the farm to produce a food supply is a laudable goal.

Some in this Chamber will say this notion of a family farm is like the little old diner that got left behind when the interstate came through. It is really fun to talk about it, but it is not real and it is not today's economy.

We can have the kind of economy we want. We can have the kind of economy we choose. With farm policy, we can decide that our future is in 61,000-acre operations where we give $38 million in farm price supports from the taxpayer to the biggest agrifactories in the country, or we can decide that those people out there—mothers, fathers, sons, daughters—with 500 acres, 2,000 acres, yes, 8,000 acres, 10,000 acres, trying to make a living, families trying to make a living out there on America's farms are what are really important to this Senate and this Congress. We can do that in public policy, but we can only do that if we pass this payment limitation amendment.

There is a lot to talk about. We will have people stand up and say: This is outrageous; you are trying to penalize people who got big. That is not the case at all. We only have a certain amount of money. My point is, let's layer it in from the bottom up to help those who need help the most. It doesn't penalize anybody. It just says: Here is the kind of economy we want. Here is what we want to invest in for America's future. Here is what we want to do to help family farmers in our country.

Let me conclude by saying I represent a farm State. There are some in my State who will be aggravated by this amendment. They are the ones who would be affected by the limit. This is important and good public policy so we can provide the best possible price supports during tough times to families who are farming America's land. That is the purpose. It is not to penalize anybody. It is just to invest as best we can in those family farmers struggling during price depressions, which have existed now for some years, and to say to them: We care about you; we care about the future; we want you to hang on because we want family farming as a part of America's future.

Mr. President, I yield the floor. I reserve the remainder of our time.

I assume the opponents have an equal amount of time. I believe Senator GRASSLEY will be recognized next, on our side, as soon as an opponent is recognized.

The PRESIDING OFFICER (Ms. STABENOW). Under the order, time is equally divided. The Senator from Arkansas controls the time in opposition to the amendment.

The Senator from Arkansas.

Mrs. LINCOLN. Madam President, I rise today in opposition to the underlying amendment on payment limitations. It seems that lately there has been a lot of talk about this issue in newspapers, in the Halls of Congress, and in rural coffee shops around the country. We have all heard the horror stories about plutocrats getting rich off the Federal dole, some of which my colleague has mentioned.

Most of these stories are generated by groups that claim to represent the interests of the family farmer but, in truth, could not care less about the family farmer. Instead, they wouldn't shed a tear to see American agriculture dead and buried and the land that our fathers have farmed left to lie fallow forever.

It is shameful enough that those who spread these stories claim to do so in the name of the farmer while in fact working to remove him from the very land he farms. But it is downright vile that they do so by hawking misleading information and creating a false impression of the persons on the land. This misleading tone has unfortunately served as an undercurrent for these hallway and rural coffee shop debates.

The people hurt by these misleading deceptions are the same farmers and their families that we in Congress say we are trying to protect. These are the families who produce our food and fiber.

I am proud that Arkansas is home to thousands of these families, and I am committed to serving their needs. While America is not the agrarian society it once was, there are still areas of our country, like much of my State, where agriculture is the economy, where whole communities celebrate harvests with festivals—rice festivals and cotton festivals—where farmers take great pride in producing our country's food supply. That is why these false impressions bother me so much. It is not the plutocrat who is getting hurt by these false impressions. He doesn't exist anymore; he is a myth. But even though he is a myth, everyone has been led to believe in him, so much so that now we are literally debating how big a farm is allowed to be in order to receive our dint of approval.

But how can we in Congress decide what size a farm should be? The problem with setting some arbitrary level for farm size, which this amendment would do, is that "big" means different things to different farmers in different parts of our country.

One farming couple, Gary and Pam Bradlow of England, AR, are listed by one Web site as the top recipient of farm payments in their area. Surely, then, the Bradlows must operate a huge farm. Surely they are wealthy plutocrats, jet-setting about the Caribbean on their yacht. In fact, the Bradlows are struggling to keep their heads above water. They farm 2,000 acres—probably a large farm in the minds of many people, but in truth, on this farm they barely achieve the economy of scale they need to survive. This is because they happen to grow rice, which is the most expensive, capital-intensive program crop a farmer can grow.

The other most expensive, capital-intensive crop, of course, is cotton, which happens to be the other main crop of my State of Arkansas. In fact, rice and cotton are significantly more costly to grow than any program crops.

As this chart shows, the average input cost of production per acre for rise is $697.

For cotton it is $538 per acre.

What are these input costs? Things such as seed and fertilizer, or a 200 horsepower tractor that costs almost $100,000, or a $125,000 combine; many of these are things that every farmer has to buy. But some of these input costs are specific to rice and cotton cultivation: Things such as a 9976 six-row cotton picker, which costs $285,000 at a dealership in Blytheville, AR; or the tremendous costs required to manage all the water needed to successfully raise a rice crop, a cost which could run into the hundreds of thousands of dollars for even a relatively small farm.

These unique costs are significant and they push the cost of production for rice and cotton to levels far above that for other program crops.

Let's look at another crop, say, sorghum. The average input cost of production per acre for sorghum is only $161 per acre.

Even for corn, the average input cost per acre is only $356, almost half the average input cost to produce rice.

Let me point out that it is not my purpose in showing these disparities to argue that farmers of these other crops do not also deserve support—far to the contrary. Farmers of these other crops need farm support because they also have to deal with rising costs, sinking prices, and unfair trade for overseas. My purpose in pointing out these disparities in the average input costs of production is to illustrate why payment limitations generally affect the farmers of rice and cotton in my state, and across the South, before they affect farmers of other crops. But make no mistake about it, this amendment would devastate farmers of every program crop, and then some. That is why the major commodity associations representing every program crop strongly oppose this amendment.

I have a copy of a letter here signed by these organizations: The American Cotton Shippers Association, the American Society of Farm Managers and Rural Appraisers, the Alabama Farmers Federation, the American Farm Bureau, the American Soybean Association, the Agricultural Retail Association, the Wheat Growers, Barley Growers, Corn Growers, the Cotton Council, Grain, Sorghum, Sunflower, Rice Millers, Peanut Farmers, Canola, and U.S. Rice Producers Group.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 6, 2002.

Hon. TIM HUTCHINSON,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR HUTCHINSON: The organizations listed below represent a significant majority of the production of food and fiber in the United States. We are writing to urge you and your colleagues to oppose amendments to new farm legislation, which would further reduce limitations on farm program benefits below levels included in the Committee's bill (S. 1731). In testimony presented to Congress concerning new farm legislation virtually every commodity and farm organization opposed payment limitations.

One of the primary objectives of new farm legislation is to improve the financial safety net available to farmers and to eliminate the need for annual emergency assistance packages. If limitations on benefits are made more restrictive than those in S. 1731, a significant number of farmers will not benefit from the improved safety net. Simply stated, payment limits bite hardest when commodity prices are lowest. The addition of new crops (i.e. peanuts and soybeans) to the list of those eligible for fixed and counter-cyclical payments will mean even more producers are adversely affected by new limitations.

Proponents of tighter, more restrictive limitations will argue that farm programs cause farmers to enlarge their operations and that a few are receiving most of the benefits. Farmers expand in order to achieve economy of scale and to be competitive in domestic and international markets. Randomly established limitations and increased regulatory burdens do not promote efficiency or competitiveness, but they do increase costs and increase the workload for USDA employees.

One of the most popular results of the last farm bill was that producers could spend less time at their county FSA office and more time managing their farming operations. Farmers felt the government had stopped micro-managing their business plans. With passage of the Grassley or Dorgan amendments, farmers can look forward to many more trips to their county FSA office. In all likelihood they will be required to provide their private tax records to USDA to prove they do not meet an arbitrary means-test income limit that disqualifies them from participating in all federal farm programs.

Please consider the following:

If row-crop producers are forced to reduce plantings due to tighter payment limitations, acreage will likely switch to specialty crops. Increased production could drastically impact specialty crop markets.

A means test, at any level, disadvantages high value crop producers and livestock operators.

Congress enacted legislation requiring program participants to meet actively-engaged-in-farming rules and established the 3-entity rule to further limit benefits.

Marketing loans are designed to encourage producers to aggressively market crops; limitations on the operation of the marketing loan would contradict its primary objective; there was no limit on the marketing loan program in 1985; since then Congress has reduced the limit to $200,000 (for all crops) and then to $75,000 before temporarily increasing the limit to $150,000 in recent years to ensure that the program could achieve its objectives in times of extraordinarily low prices.

A stringent payment limit amendment will overwhelm FSA employees who will be asked to implement new farm law in record time and administer these draconian new limitations.

The actively engaged provisions contained in the Grassley and Dorgan amendments would prevent many widowed farm wives from participating in government price support programs.

Recent statistics released by environmental groups overstate payments by aggregating 5 years of data and failing to account for the sharing of those payments to individuals in families; cooperatives, partnerships and corporations listed as recipients.

The existing limitations in S. 1731 on direct payments, new counter-cyclical payments and marketing loan gains are not insignificant. Further, the regulations requiring recipients to meet actively engaged criteria remain in place and are enforced by the Department of Agriculture.

We strongly urge the Senate to defeat the Grassley and Dorgan amendments as well as any other proposals to limit eligibility for economic assistance during times of low prices when farmers need it most.

Thank you for your consideration of our views.

Mrs. LINCOLN. Madam President, this letter points out one of the worst things about payment limits, that they bite hardest when commodity prices are lowest.

How would farmers be hurt? One way they would be hurt is because this amendment would discontinue availability of generic commodity certificates which offer farmers better access to the marketing loan program.

Marketing loan support is most important when prices are low. Let's say there is a year in which the global market is swamped, in large part because of foreign farmers who are much more heavily subsidized. American farmers have fewer global markets, so now the domestic market becomes oversupplied. The price plummets, just as it has for every program crop over the past several years. Because the price is lower, the value of loan deficiency payments would be higher, and farmers would hit their new payment limitation sooner. This means that a larger portion of their crop is now unavailable for marketing loan support. Because prices are so low, they cannot possibly recoup their cost of production through the market. If they are lucky, they only fall into deeper debt. If they are unlucky, then they are forced to default on their loans and the bank seizes whatever assets they have: their equipment, their land, their house.

Generic certificates would offer these farmers more access to the marketing loan program, but this amendment would eliminate that benefit.

In what other ways would they be hurt? Well, this amendment would take away the 3-entity rule. Why is that important?

To understand this, let's look back to why the 3-entity rule was created in the first place.

The 1985 farm bill created the marketing loan program with no payment limitations. Later, Congress decided in its infinite wisdom that, even though farmers were going out of business and people were leaving farms and rural towns in dramatic numbers, it had made it too easy for farmers to make a handsome living. So it decided to begin placing dollar limits on payments, even though it unfairly disadvantaged farmers who, with higher value crops, reached these limits much faster than farmers of other crops. But it was apparent that to do that would quickly put even more people out of business, so Congress tried to cushion the blow by allowing farmers to apply for payments through up to three entities. This allowed people who farmed with their wives and children to get enough support to keep the family farm viable.

So, from the beginning, the 3-entity rule was put in place to avoid the massive bankruptcies that would otherwise occur if payment limitations were imposed without it. But even though farmers continued to go out of business, and rural communities continued to decline, Congress decided to lower payment limits again. Then, Congress passed Freedom to Farm and all heck broke loose. Prices plummeted, farmers began dropping like flies, and Congress was forced to begin passing emergency relief bills—4 years in a row—to keep rural America from falling stone dead.

Now, in the wake of all this, comes this amendment that wants to lay that one last straw on the camel's back by taking away the 3-entity rule—the one thing that has kept thousands of farmers hanging on. And it comes at a time when farmers are suffering about as bad as they ever have. It comes at a time when virtually every farmer and every farm organization is coming to Congress in droves begging, pleading with us to increase farm support. And, remember, it isn't just farmers of the high-value crops like cotton and rice who are in need.

It's also the corn farmers, soybean farmers, wheat farmers, and farmers of just about every other crop. They are all suffering. And this is very important to remember, because this amendment will hurt these farmers, too—even the farmers of specialty crops; they don't participate in these programs.

Specialty crop farmers will be significantly hurt because tightened payment limitations force farmers to reduce plantings of the program crops. In many parts of the country where they grow specialty crops, places such as California and the Far West, Florida, and many of the Atlantic States, and many of the Mountain states, much of the land that is currently planted in program crops will soon be switched to specialty crops. When that happens you will see the prices of these specialty crops dive even lower than they are now, and then these farmers will be forced out of business.

So it isn't just farmers of rice and cotton. Nevertheless, it is this disparity in cost of production between the high-value crops such as rice and cotton and the lower value crops that provides the clue to understanding why this amendment is so dangerous, and would be so devastating, to the farmers in my State and to farmers across the country. Yet, this point is only one of the many mysteries and myths that cloud this issue.

I would like to try to paint a clearer picture, to bring some clarity to this confusion, and perhaps it would be easiest to do this by pointing out what freedom to farm sought to accomplish.

The main premise behind freedom to farm was that farmers had become addicted to subsidies, and that they needed to be liberated into the glorious free market that we would soon create within the ambit of the World Trade Organization. Farmers were told they needed to make their operations more market-oriented, that they needed to learn to respond to free market signals.

We set in motion a plan to wean farmers from government support.

We gave them planting flexibility. We told them we would negotiate away the trade barriers overseas competitors erected to block them. We told them the world would follow our example if only we would lead by example and unilaterally disarm.

Well, we disarmed. We began to lower our farm support, but the world did not follow. The result has been 6 years of disaster. Prices have plummeted in virtually every commodity, even while input costs continue to rise. Farmers are going out of business and rural towns are heading for the abyss.

So we, in Congress, have tried to respond with a new farm bill. Chairman HARKIN has introduced a very good bill that seeks to answer the needs of our farmers. I compliment him on his hard work, his diligence, and his patience in bringing us a bill from the Senate Agriculture Committee that does just that in its diversity and its attention to assisting farmers. It is a bill that renews the Government's commitment to farmers in the rural economy, one that offers a bedrock, strong safety net.

But let us not lie to ourselves. This is not a complete fix, by any stretch. Prices are still in the tank. It will take some time for those prices to rebound, even if the rural economy responds immediately and positively to our new farm policy. Until then, our farmers will continue to struggle under the burden of low prices.

How low have the prices sunk? As this next chart shows, the price of cotton last year sank to its lowest level in more than two decades.

For rice—shown on our next chart—the story is even worse. Last year rice prices sank to a level lower than they were in 1947. Yet cotton and rice farmers still have to wrestle with an ever-rising cost of production.

As this next chart shows—and it is actually my favorite chart—input costs have risen steadily while prices have remained flat or even dropped. This point is never mentioned in those horror stories that we see in newspapers and on the Web sites. Talking about the unbelievable amounts of money these farmers are getting, we never hear one single mention of what these producers are spending.

Farmers need more support and higher prices because their costs are forever rising. Let's think about what this means. What products do we buy in our everyday lives for which the prices are just as low today as they were in 1947?

Imagine trying to support your family in the 21st century—with the cost of housing as it is today, with energy prices shooting through the roof, as they did last year, with cars, clothes, everything you can think of that you have to buy costing as much as they do today—imagine doing all of that on the amount of money your father or grandfather earned in 1947. You could not do it.

That is what rice farmers face. And that is what cotton farmers face. And that is what soybean farmers and corn farmers and wheat farmers and all of the others face, too.

That is why every organization, representing every program crop, and several others on top of all of that, strongly oppose this amendment. They know they will have to continue to face the squeeze between plummeting farm prices and the ever-rising farm costs of production. Yet even as they are squeezed, we tell our farmers they must still go out and wrestle with the heavily distorted global marketplace—a marketplace distorted beyond recognition by foreign subsidies so high they would be unrecognizable to us.

We tell our farmers they must still find ways to be market oriented, to be more responsive to the market signals—in a word: to be more competitive.

What does any business have to do to become more competitive? It must find ways to lower its per unit cost of production. To do this, most businesses find it necessary to increase their economies of scale. That is how the marketplace works. That is what our farmers in Arkansas have had to do.

Mr. Greg Day, a constituent of mine who farms in Grady, AR, used to farm cotton on only 1,700 acres. But because of the declining health of the farm economy, because of the changing world in which he lives, he has had to double his acreage to 3,400 acres in order to spread out his costs, just to maintain the level of revenue he needs to keep his head above water.

And now along comes an amendment that tells him that we want to discourage the very course of action he has had to follow to survive. It says to farmers: Do not do what you have to do to become more competitive.

It is as if Congress is, on the one hand, telling farmers to participate in the real business world where the most competitive survive, but, on the other hand, telling them not to do what will make them more competitive.

Congress has sent contradicting signals to farmers because it is still clouded by these false pictures, these myths of what is the average farmer.

We still impose upon farmers this mythic, old-fashioned notion that, while the rest of us live in the 21st century, farmers ought to make a living as our grandfathers did 75 or 100 years ago. But our grandfathers were never asked to meet the regulations of today's EPA or the Corps of Engineers and wetland regulations. Our grandfathers were never asked to meet the regulations for chemical application, fertilizer application—all of the other really positive ideas that have come out of agriculture in ways that we can be more efficient and more sensitive to the environment. Our grandfathers never operated under those restrictions.

And that myth imagines that we ought to stamp out anybody and anything that looks too big, anything that looks too global, anything that looks too corporate. But, colleagues, there are no big, faceless corporations arriving in our small towns from the big cities and pushing our families off the farms, eating up all the land, and ruining the rural landscape. That is just another myth as well.

Many of those mentioned by my colleague—large banks, millionaires—some of them are landowners through a default on loans. Some of them are large landowners because they are age-old families. Some of them have acquired land because they purchased it.

The farm families who are farming these lands are the same families who were farming it back when our grandfathers were farming. They are just families like yours and mine. There are fewer of them, unfortunately, but not because big corporations from big office towers, with wealthy shareholders, took their place. There are fewer farmers because, for too long, we have let inadequate policy and crushing low prices push them out. And you do not remedy this situation by outlawing the farmers who grow higher value crops and who need bigger farms. If you do that, then all we will have accomplished in this body is to create a policy that puts both the smaller farmer and the bigger farmer out of business.

Smaller farmers are not going out of business because bigger farmers are hogging a disproportionate share of Government support. Smaller farmers are going out of business because the world is changing, because we have a global marketplace, because there is global competition from more heavily subsidized farmers overseas.

You are not going to fix that by simply saying: We don't want bigger farms. You are not going to fix the North Dakota wheat farmer's problems by putting the Arkansas rice farmer out of business. The Iowa grain farmer isn't going to do better because the

Louisiana cotton farmer went out of business.

But this amendment will make it so much harder on the Arkansas rice farmer and the Louisiana cotton farmer to make ends meet, just as it will eventually hurt soybean farmers in Missouri and Maryland, and corn farmers in Indiana and Kansas, and wheat farmers in Wyoming, and so on. All of these farmers are in this boat together. That is why all of these commodity organizations are banding together to oppose this amendment.

Simply put, approving this amendment will accomplish nothing more than targeting these cotton and rice farmers and making it harder for them to get the farm support they need to simply survive. Who would farm in my State then? It will not be any of the farmers whose stories I have told you today. And it will not be their children.

I come from a seventh generation farm family. I am a sister, daughter, and granddaughter of a rice farmer.

My grandfather passed on to his grandchildren land that had been in our family for generations. Of the nine grandchildren he had, only two of us still want to try and make a go at farming. Once they drop out, the Lambert family will be out of farming perhaps totally. These newspaper articles that have spread misinformation about me and many others never tell that side of the story. These interest groups, Web sites that claim to speak on behalf of the family farmer, all of these editorial writers who publish arguments as if they know anything about farming, they never tell you about the farmer who cannot afford to get out because all of his debt and his only assets are both tied up in land, but who cannot afford to keep farming either because every year a little bit more of his grandfather's legacy slips away into red ink.

They never tell you about the town that will dry up because Congress, in its infinite wisdom, decided to play God and arbitrarily decide that all the farmers in that town should go out of business because somebody up in Washington did not like how they got bigger, even though they got bigger because that same Congress also told them to act like an ordinary business and get more efficient.

Who is going to keep revenue coming into that rural town that is drying up? Who is going to provide jobs and keep the property tax bases low so there is money to fund the schools? I don't think we can afford to take the risk necessary to find out.

I urge my colleagues to oppose this amendment and reserve the remainder of our time.

The PRESIDING OFFICER. Who yields time? The Senator from North Dakota.

Mr. DORGAN. Madam President, when I read the list of the cosponsors, I was mistaken to read Senator COCHRAN's name. He is not a cosponsor of this amendment. The amendment was originally drafted to be submitted as a second-degree amendment to the Cochran amendment to the commodity title in December. I read from a list that included his name on the bottom. He certainly is not a cosponsor. It was my mistake. My apologies to Senator COCHRAN.

I ask unanimous consent that Senator COCHRAN's name be stricken from the RECORD in that section where I identified cosponsors. He is not and has not been a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. I yield as much time as he may consume to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Madam President, how much time do we have?

The PRESIDING OFFICER. Forty minutes.

Mr. GRASSLEY. I take the opportunity at this point to yield to the Senator from Nebraska 5 minutes or as much as he might use of that amount.

The PRESIDING OFFICER. Without objection, the Senator from Nebraska is recognized.

Mr. HAGEL. Madam President, I thank my distinguished colleague, the senior Senator from Iowa.

I rise this morning as a cosponsor of the Dorgan-Grassley amendment. We have heard and will hear this morning about large farms, small farms, medium-sized farms, baby farms, grandpa farms, a lot of farms. The fact is, large farms gain additional subsidies for every new acre they buy and every new bushel of grain they produce. In fact, the taxpayer, the Federal Government, subsidizes this transaction.

Recently, the North Platte, Nebraska Telegraph wrote an excellent editorial pointing out the problems with the current farm payment system. I ask unanimous consent to print the full text of this editorial in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. HAGEL. The North Platte Nebraska editorial stated in part:

> Fortified with subsidy money, the largest farms continue to plant millions of acres of crops, bidding up the price of land to do so. That creates more surpluses, low grain prices, continued low grain prices and a false land market.
>
> Present farm policy discourages small- and medium-sized farm operations, and it discourages young people from entering the business.

Those of us in farm country recall the difficulties of the 1980s and what the agricultural community in this country went through. Partly that was a result of a false floor as a result of inflation in bidding up land prices. When it crashed, everything crashed. I suspect we are heading for such a time, unless we correct and address exactly what the North Platte Telegraph talked about in their editorial.

Consider that since passage of the 1996 farm bill, we have spent a total of $62.3 billion in direct payments to producers, and that in fiscal year 2000, 63 percent of that $62.3 billion in direct payments to producers went to the largest 10 percent of farmers. I don't know, because I wasn't around 70 years ago when we established a farm policy in this country, but I think I do understand that there was a general intent not for this kind of misplacement of taxpayers' dollars to continue. The point is, this was never the intent of farm policy 70 years ago.

A recent poll conducted by land grant universities showed that 81 percent of farmers want stricter payment limits. In my State of Nebraska, 85 percent agreed with tougher limits. This year, the Nebraska Farm Bureau for the first time voted to support payment limits.

The amendment we are proposing would still allow for very generous farm payments, but it would remove the loopholes that allow a handful of large farmers to receive unlimited payments. This amendment will make certain that Federal commodity payments are structured to help those who need it, those whom these programs were in fact intended to help—the real farmers. It will also help ensure that those who receive Federal agricultural payments are actually involved in agricultural production. That would be novel.

That, again, was the original purpose, the intent of farm support programs. This is the kind of reform I believe strengthens a new farm bill.

My colleague from North Dakota, Senator DORGAN, made an interesting point in referencing the Washington Post editorial.

The PRESIDING OFFICER. The Senator has used his 5 minutes.

Mr. HAGEL. I ask unanimous consent for an additional 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAGEL. The question might be asked: What does the Washington Post know about farm policy? That is a legitimate question. Probably very little. The point made in that editorial is a very real point in that the continued support of the Congress, representatives of the people of this country, to pay for another $63 billion in additional farm subsidy programs isn't going to continue to be there. Until we bring some reality and common sense to our system, to our program, then politically it becomes more and more difficult each year to sustain that subsidy program.

It is worth noting also that this payment limitation reform would save $1.3 billion, according to CBO. And some of those savings would be reinvested in agriculture—increasing funding for the Beginning Farmers and Ranchers Loan Program—that is very important for new farmers and ranchers—expanding the Crop Insurance Program, which is, in fact, the way to eventually go in securing and sustaining the ability of farmers to produce and survive and prosper. It would boost nutrition programs.

Farm support programs are vital, of course, to our farm families and our agricultural communities. We are not arguing that point. But without real payment limitation reform, we will continue to weaken the same farmers we claim we want to help.

I appreciate the work done by my colleagues from North Dakota and Iowa and others on this issue and support their efforts to bring some accountability and common sense to agricultural policy.

I urge my colleagues to support the Dorgan-Grassley amendment. I am proud to stand with their efforts today.

I yield the floor.

EXHIBIT 1

[From the North Platte Telegraph, Dec. 16, 2001]

TO TOO FEW, TOO MUCH—GOVERNMENT NEEDS TO LIMIT FARM SUBSIDIES

As the U.S. Senate debated the farm bill this week, there was at least one thing on which senators seemed to agree: federal farm payments to the largest farmers are too large.

Even farm-state senators decry the problem.

Nebraska Sens. Ben Nelson and Chuck Hagel, along with colleagues from Iowa and the Dakotas, have worked on amendments to curb the excess.

The problem, simply stated, is that more than two-thirds of federal farm payments go to fewer than 10 percent of farms.

Fortified with subsidy money, the largest farms nationwide continue to plant millions of acres of crops, bidding up the price of land to do so. That creates more surpluses, low grain prices and a false land market.

On hearing the news, the first thought is to urge that subsidies be eliminated. That would take care of the abuse and save taxpayers money.

But farm subsidies are necessary. With abundant farmland and hardworking and talented farmers, the United States constantly produces more food than its people can consume.

The excess goes to buyers in other nations. But when foreign markets for farm products fail to materialize, such as in 1999 when Asian economies collapsed, U.S. farmers need federal assistance. That help is vital here in Nebraska, where the economy is dependent on agriculture.

The challenge of federal subsidies is in their design. The law is complex. Flaws are magnified.

Here's a flaw everyone agrees on: virtually unlimited farm payments make for too few farmers.

Once, farming was a lifestyle choice. Now, it has become a big business. Unlimited federal farm payments make the problem worse.

Present farm policy discourages small and medium-sized farm operations, and it discourages young people from entering the business.

For years, farmers and city folks alike have grumbled about the farm program. That grumbling has been amplified by an environmental group willing to get the facts.

At www.ewg.org, the Environmental Working Group lists virtually every farmer in the nation that received federal dollars during the past five years. It lists every dollar the farmer received—and from what federal program.

The list is a stunning achievement, assembled from public records by diligent people. And the content is stunning.

Click on the information for Nebraska and you can see the money received by more than 35,000 farmers.

From 1996 to 2000, the largest farmer received $2.65 million. The 10th largest got about half that amount, $1.32 million. Many received sizable sums. The 100th largest got $625,000.

Hagel, along with senators from North Dakota, South Dakota and Iowa, has proposed an absolute maximum cap of $275,000 in any one year. If farms are big enough to net $2.5 million in profits during three years, they would get nothing.

Those limits aren't enough.

Only a fraction of the nation's farmers could net $2.5 million in three years. Limiting the maximum payment in any one year to about $275,000 would cut funds for only the largest 100 or so farms last year.

Farmers, speaking through a poll taken a few months ago, said a limit of about $60,000 would be fine.

While that limit would drastically cut into large-scale agribusinesses that have grown up around the farm program during times of record-low grain prices, it is a worthy target.

BIG WINNERS IN FARM SUBSIDY POLICIES

(These figures, taken from the Environmental Working Group Web site, show the top-50 recipients of federal farm subsidies in Nebraska for the last four years.)

Here are the top Nebraska recipients of federal farm aid between the years 1996 and 2000.

Rank, name, location, and total.

1. C J Farms Gen Ptnr, Oxford, $2.6 million.
2. Kaliff Farms, York, $2.5 million.
3. Bartlett Partnership, Bartlett, $1.8 million.
4. Danielski Hvsting, Valentine, $1.7 million.
5. Niobrara Farms, Atkinson, $1.7 million.
6. H r-w Farming, Friend, $1.6 million.
7. Merrill Land Co., Gen Ptnr, Ogallala, $1.4 million.
8. Glenn Elting & Sons, Edgar, $1.3 million.
9. Osantowski Bros., Bellwood, $1.3 million.
10. Reynolds Farms, Broken Bow, $1.3 million.
11. Western Neb Farm Comp, Venango, $1.3 million.
12. Woitaszewski Brothers, Wood River, $1.2 million.
13. J D Hirschfeld & Sons, Benedict, $1.2 million.
14. Kason Farms, North Platte, $1.2 million.
15. Marsh Farms, Hartington, $1.1 million.
16. Safranek, Irrigation, Merna, $1.1 million.
17. Schulz-Finch, Paxton, $1.1 million.
18. Shanle Bros, Albion, $1 million.
19. Kck Farms, Scribner, $1 million.
20. Heine Farms, Fordyce, $1 million.
21. Craig & Terry Ebberson, Coleridge, $1 million.
22. Owl Canyon Farms, Madrid, $1 million.
23. Wohlgemuth Farms, Holdrege, $994,420.
24. Wallinger Farm, Stuart, $989,312.
25. J D M Farms, Shickley, $984,687.
26. Ebberson Farms, Coleridge, $975,465.
27. Pospisll Farms, Friend, $974,449.
28. Kracl Family Ptnr, Oneill, $967,331.
29. Orville Hoffschneider & Sons, Waco, $954,950.
30. Bender Bros, Lindsay, $941,679.
31. Rowen J Kempf & Sons, Shickley $941,600.
32. Board Of Regents U of N Lincoln, $920,646.
33. Kirkholm Farms, South Sioux City, $914,320.
34. Cruise Farms Ptnr, Pleasanton, $911,159.
35. Wallin Brothers Gen Ptnr., Imperial, $898,041.
36. Adams Farm Partnership, Broken Bow, $859,111.
37. Bettger Bros, Fairmont, $879,963.
38. Stanek Brothers, Walthill, $870,553.
39. Taake Bros, Tilden, $869,093.
40. B T R Partnership, Nebraska City, $868,185.
41. Alfs Farms Prtnr, Shickley, $865,645.
42. Moore Farms, Cambridge, $852,346.
43. Terryberry Farms G.p., Imperial, $847,856.
44. Andersen Farms, Inc, Dakota City, $847,280.
45. D & B Farms Partnership, Holdrege, $830,156.
46. Hobbs Farms, Ewing, $815,213.
47. Robin & Barb Irvine, Ravenna, $805,978.
48. Sears Brothers, Ainsworth, $805,202.
49. H E Strand & Sons, Imperial, $804,585.

The PRESIDING OFFICER. Who yields time? The Senator from Arkansas.

Mrs. LINCOLN. I yield 10 minutes to the Senator from Arkansas, Mr. HUTCHINSON.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. HUTCHINSON. I thank the Chair. Madam President, I thank the Senator from Arkansas for her excellent statement in opposition to this amendment. I rise in strong opposition.

This past weekend I was in Lawrence County, AR, at a farm auction in Portia where three farmers were selling out. They were selling their equipment. They put it up for auction. As I stood there and heard their stories, these were not—and I emphasize to my colleagues these were not—small farmers, depending on how you define "small." They had a lot of acreage but did not have a lot of income. In fact, the story was they could not make the cash flow, and they were calling it quits.

They told me that within a 6-mile radius of where that farm auction was going on there had been 10 other farmers who had auctioned their farms off, they had gone out of business in the previous month. So when we hear what my colleague calls plutocrats, a few getting these vast amounts of money, it simply does not reflect the reality of rural Arkansas. It does not reflect the reality of what my constituents are facing when we see these Web pages and see how much was received in payments. It does not reflect their net income. It does not tell us what their input cost was. It does not tell us the reality farmers in the delta, the poorest part of this country, are facing today.

Farm programs are not and they have never been considered means testing programs. They were never supposed to be for the benefit of a certain economic class or based upon the size of the farm or upon the size of a person's house or what their bank account balance might be or how much they paid in income taxes or some other measure of financial condition.

That is not the way our farm program was intended to operate. It was to ensure that Americans have a safe, reliable, and affordable food supply and that our farmers, who are some of the most technologically advanced and environmentally sound producers in the world, are able to compete.

It has worked. Is it perfect? No. Are there inequities? Yes. Are there competitions between regions of the country? Yes. But it has provided this country a cheap, affordable, reliable, safe, and environmentally protected food supply. And what the proponents of this amendment are seeking to do is to absolutely pull the rug out from under the producers who have provided this great condition in this country.

In Arkansas, agriculture is 25 percent of the State's economy, but that does not even tell the story because it does not account for the thousands of jobs that are related to agricultural production, such as bankers, car dealers, implement dealers, schools, restaurants, and may I say even churches that are dependent upon the survival of the farm economy. Farming is the lifeblood of my State, as it is with many rural States.

The farm program and the subsidies have been made necessary by a market that is not functioning properly for several reasons: due to high foreign subsidies, high foreign tariffs, and very strict domestic environmental regulations.

Senator CONRAD has reminded us many times that in the European Union producers receive an average of about $360 per acre while U.S. producers receive an average of about $60 per acre, one-sixth what they get in Europe.

U.S. agricultural products are subjected to an average tariff of about 60 percent, whereas agricultural products coming into the U.S. are only subjected to an average tariff of 14 percent. Whether it is subsidies, whether it is the tariffs, or whether it is the environmental regulations—the very stringent environmental regulations, the most stringent in the world with which our producers must comply—they are at this great disadvantage in competition. That is why we have to sustain and preserve these programs.

The United States has two choices: We can support our farmers and retain our position as the world's most productive and environmentally sound producer of agricultural products or we can cede this important market to our European competitors or Third World developing nations and become as reliant on foreign food as we are right now on foreign oil.

In my mind, as a member of the Armed Services Committee, this is not just saving rural Arkansas, this is not just preserving a farm economy; it is a national security issue because if we rip the heart out of our agricultural programs, our farm programs in this country with the kind of payment limitation amendment before us today, we will eventually subject ourselves and make ourselves reliant upon and dependent upon foreign agricultural products, suppliers, and producers.

It appears many of the environmental groups have chosen to support this effort in the hope that if you get the commodity title of the farm bill through this amendment, more money will be available for conservation programs. We need to think about that a little bit.

If we take our productive lands out of production or force our producers into bankruptcy, other countries that are more highly subsidized or Third World developing nations that do not have any type of environmental regulations in place will simply put more land in production, and the end result for our world will be a less environmentally safe place.

It is very shortsighted to adopt this amendment. Basically, taking our producers off the land will cede an important market to our competitors, will lead to more land going into production, will not result in better prices, and, in fact, will lead to greater threats to our environment.

Conservation programs are very good and very practical, but taking our most productive lands out of production and putting our best producers out of business is a misguided and improper policy.

In Arkansas, my farmers, both large and small, my constituents have been very clear that this amendment will spell disaster for farmers in Arkansas. What I saw on Saturday in Portia, AK, will be replicated over and over. The Dorgan-Grassley amendment diverts attention from constructive debate about how to improve farm policy and restore the opportunities for farmers to regain profitability.

This amendment will not help farmers, but it will delay or reduce assistance to them as we will have to at that point oppose a bill that will be counterproductive to agriculture in this country.

This amendment will only result in a divisive debate over which farmers should be eligible for benefits, what constitutes "need," and how large should farms be. They may be issues we need to consider, but this is not going to improve rural communities or address the issues facing our Nation's producers.

I found it interesting that the sponsor of this amendment spoke of the size and the growth of the Department of Agriculture. I say to my colleagues, this amendment will increase USDA's administrative costs, require more Government employees, cause our farmers to spend scarce financial resources on compliance with redtape rather than making them more competitive. This is going to result in the growth of the Agriculture Department and more bureaucracy and redtape for cotton farmers, rice farmers, and peanut farmers.

The adoption of the Grassley amendment will mean the Senate's farm bill will offer far less assistance than current law, which, in itself, has proven to be woefully ineffective in times of low prices.

This is not a free vote for Senators who expect the House is going to fix it. House and Senate conferees will be under extreme pressure to finish the conference quickly, compromise in such a way that we will not see the elimination of this amendment in conference, and it will be disastrous for Southern agriculture.

The means test this amendment includes would require every farmer to take his or her tax return to an FSA office to prove eligibility. Adding another level of redtape and bureaucracy will only compound the problem, limit the support, and make the implementation of a new farm bill almost impossible. Who is that going to benefit? Certainly not the farmers.

This amendment will overwhelm FSA employees who will be asked to implement new farm laws in record time and administer these new limitations.

There are different regions of the country with different needs, but this arbitrary limitation is nothing less than war on Southern farmers. It is aimed at Southern farmers.

I end my remarks by saying we must not turn our backs on rural America. This amendment will gut our Nation's most productive farmers and force rural America into a financial crisis that our Nation has not experienced in decades.

I am glad I was in Lawrence County this weekend. I was glad I was there to see firsthand the suffering, to see farmers who are calling it quits, to see the ads in the newspapers saying four more farmers quitting today; to see hundreds of farmers lined up to see if they could buy a bargain, because they cannot afford new implements, to see if they could buy from those who are going out of business.

I do not know what they may face in Iowa, Nebraska, North Dakota, or South Dakota, but I know what they are facing in Arkansas. I know what they are facing in the South, and it is not as it has been portrayed by the Washington Post.

I ask my colleagues to take a second look before they support a misguided, though well-meaning, amendment. I ask my colleagues to vote against the Dorgan-Grassley payment limitation amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I yield 6 minutes to the Senator from South Dakota. Senator LUGAR would be the next person I would go to, and then Senator NICKLES wanted some time. I want to make sure he knows I reserved him some time, too. We are going back and forth, I know, but that is the order I want my side to know that I am yielding time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Dakota.

Mr. JOHNSON. Madam President, I thank my friend from Iowa for yielding me this time. I rise to offer support for this bipartisan amendment Senator DORGAN and Senator GRASSLEY have sponsored.

This is truly an astonishing debate. People all around America must be shaking their heads as they listen to this debate about whether a business that is being subsidized to the tune of $275,000 by the taxpayers should regard that as inadequate, and that we should be told we are pulling the rug out from under a business because they are only getting a $275,000 taxpayer-paid subsidy, that they need a $550,000 subsidy in order to cashflow.

Has it really come to this? Is this what American agricultural policy is all about, half-million-dollar subsidies and anything less is regarded as somehow inadequate? This is amazing. I think it is time for us to recognize the current structure of the farm program payments has in fact failed rural communities and family-sized farmers and ranchers.

The advocates of the amendment, including myself, would suggest that anyone who wishes to farm the entire county is free to do so. This is a free country. Farm however much they wish, but there should be some reasonable limitation as to how much the taxpayers ought to be expected to assist with their cashflow, and $275,000 strikes me as a generous level of support. That is what this amendment is all about.

We are talking about modifications to the 1996 farm bill, which I believe especially hurts beginning farmers because it increases the cost of getting started in farming. As long as huge farms can count on larger and larger Government checks every time they add another farm, they will bid those Government payments into higher cash rents and higher land purchase prices. By reducing the number of middle-sized and beginning farmers, the current payment structure has deprived rural communities and institutions of the population base they need in order to thrive.

I believe the single most effective thing Congress can do to strengthen the fabric of rural communities and family farms across the Nation is to stop subsidizing megafarms that drive their neighbors out of business by bidding land away from everybody else.

This amendment aims to place some commonsense payment limitations on the various price supports contained in the farm bill proposal.

The question of implementation was raised. There are farm program payment limits now that need to be implemented. We do not change that. We simply put the limitation levels at a far more reasonable level.

The distribution of benefits from farm programs has been a hot topic in recent months, as we find that almost half the farm program payments are going to families who make over $135,000 per year. We need to modify that. We need to recognize what we are doing is not working.

I, too, am concerned that the millions and millions of dollars going to individual megafarm operators and absentee landowners will eventually ruin public support for the farm program.

Today, with our amendment, we have an opportunity to close certain loopholes that exist in the farm bill that allow enormously large operators to receive millions of dollars in taxpayer subsidies.

It is our duty, I believe, to tighten the rules on who qualifies for farm programs and to make sure those people who do receive benefits are, in fact, actively farming.

First, it would limit an individual's or entity's total amount of direct payments and countercyclical payments to $75,000 in any fiscal year.

The current farm bill permits individuals to receive $80,000. The House farm bill allows individuals to reap $125,000; and the Senate bill, as it is before us, allows a $100,000 payment.

Second, our amendment limits an individual's or entity's total amount of payments under a marketing assistance loan, or LDPs, to $150,000 per crop per year.

Third, our amendment puts some real teeth into the application of the triple entity rule, which virtually doubles the statutory payment limitation for certain entities.

Our amendment tracks the new limitations on farm program payments through sole proprietorships or individuals, entities, partnerships, or other arrangements directly to the individuals.

With the implementation of a direct attribution of benefits, we eliminate the application of the triple entity rule to participate in multiple entities for the purpose of gaining more and still more subsidies from the farm program.

To address situations where a husband and wife are indeed both active on the farm, we allow for a $50,000 add-on over the combined total of limits for individuals, resulting in this $275,000 limit. Simply put, our amendment cuts by 50 percent the huge subsidies permitted under the House farm bill proposal, and under the 1996 farm bill the total payment limit is $460,000. Under the Senate proposal, it is $500,000; and under the House bill, it is $550,000. We come up with $275,000.

Savings from the payment limits go to an array of needed areas: to help beginning farmers, to help with rural development, to help with nutrition and commodities programs, and to assist with crop insurance—almost $1.3 billion over the lifetime of this effort.

If we want to have a farm program that has credibility with the Nation at large, and if we want to direct farm benefit programs to the people who most need them, we need to pass this amendment. I believe that is one of the key reforms that is required for a farm program to have the kind of public support it deserves to have in this Nation.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mrs. LINCOLN. Madam President, I yield 5 minutes to the distinguished Senator from Alabama.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama.

Mr. SESSIONS. Madam President, I appreciate the opportunity to talk on this issue. Our phones have been ringing off the hook from farmers in Alabama. I think in the last day or so, we have had 60 calls. People are very concerned about this amendment, and it has become clear it has a real potential to damage agriculture, particularly in the southern region.

The fact is that cotton, one of Alabama's top cash crops—the top cash crop—is expensive to grow, $350 an acre. The cost of a new cotton picker is $300,000-plus. That is a significant investment. As the years have gone by, cotton farmers have realized they cannot make a living on 200 acres, and they cannot pay the cost of their equipment and all the investment in producing cotton on smaller acreage farms.

What has happened is they have leased farms from elderly people who do not have the ability any longer to farm, but renting their land produces some income for them in their retirement age. Widows who do not choose to farm the land make a little income from renting. Then there is the whole infrastructure around it.

My personal history has been in the farm community. That is where I grew up. The first 12 years of my life, my father had a county store. He had a grist mill in that store and actually ground corn for farmers in the neighborhood. He sold them horse collars and nails and everything else, including all their groceries, as they did their farming in the community.

Later, he bought a farm equipment company, sold International Harvester equipment—hay balers, bush cutters, cotton pickers, and all the tractors and line of equipment that go with that, pickup trucks and so forth.

There are a lot of people involved in agriculture. For us to say we are going to limit the size of farms in an odd way by not allowing them to receive the same benefit that a smaller farm does is a mistake if we think that is going to somehow create more small farms.

What will happen? We are going to lose a lot of the infrastructure that goes with agriculture in our rural areas. It will impact the farm equipment dealer. It will impact the grocery store. It will impact the hardware store, the feed seller, the seed seller, the fertilizer seller, the pesticide dealer, the herbicide dealer—all of that infrastructure will be reduced.

I am concerned that through a back-door effort that some have various reasons to support—some because they think it does not impact their region and some because they believe it will reduce production in America and therefore somehow help in other ways—all of these are back-door efforts that ought not to be accomplished in this method.

If we want to debate, let's debate. I don't believe this is the way to accomplish it. I think this amendment will have a tremendous adverse impact, particularly on the farmers who are calling me. I have talked to them personally. I have been traveling the State and talking with farmers personally. They are very concerned about this amendment. It could hurt substantially.

I join with the remarks of Senator HUTCHINSON and Senator LINCOLN and appreciate their eloquent thoughts. I wanted to share that additional insight. I also appreciate the insight of Senator COCHRAN, who will be speaking on this amendment as well.

We are at a point where we can do some real damage to agriculture in Alabama and the South. I urge the Senate not to do that. I urge Senators to vote no on this amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I yield 7 minutes to the distinguished Republican leader of this legislation, Senator LUGAR.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Madam President, this is a modest amendment. I stress "modest." In the event that Senators still wish to discuss the issue, I will have another amendment following this which has a much more striking possibility for reform.

Nevertheless, this is important. I am surprised at the vehemence and difficulty in the debate I have heard thus far. I say this after trying to determine, at least in my State, what the implication will be from the amendment. I went, as many have, to the Environmental Working Group Web site and reviewed a printout of the last 5 years, 1996 to 2000, and who in Indiana might even be slightly affected by this. The Web site points out there were 98,835 recipients of farm subsidies in Indiana during that period of time. There are 6, out of 98,000, who would be affected by this amendment.

Our State is not inconsequential in agriculture. As a matter of fact, with the number of farmers we have, it does not rank, as it turns out, in the top six States that receive farm subsidies, but we receive quite a bit. To find there are only 6 entities that could slightly be affected by this seems to me to make my point because 98,000-plus others would not be affected.

This is not unique to the State of Indiana. Simply using my own home base to make the point again and again that two-thirds of the subsidies still go to 10 percent of farmers, there is still a high concentration in my State of where the subsidies go, and that is generally reflective, plus or minus in some places 55 percent, up to 75 percent in States across the Union, going to the top 10 percent.

I examined the Web site for the State of Arkansas, having heard the eloquence of my distinguished colleague from Arkansas. There the skewing of the payments is slightly greater: 73 percent of the money goes to just 10 percent of the farms. The database indicates 4,822 recipients average $430,000 each in a 5-year period of time. That took up 73 percent of the money. Arkansas, as a matter of fact, received slightly more money than Indiana during the 5-year period of time—something close to $2.8 billion as opposed to $2.7 billion, with only half as many farmers.

Leaving aside that anomaly of the farm bill, I then went to the same database to try to find out how many farmers would be affected. In Indiana, as I pointed out, only 6 would be above the $275,000 times 5, which would be the relevant standard for the 5 years that are given here, 1996 to 2002. The printout in Arkansas indicates there are 583 farms that would have been affected in the 1996–2000 period. That is quite a few more than six. Therefore, I understand the eloquence of the distinguished Senators from Arkansas who have received calls from each of the 583 recipients who have jammed the switchboard.

Let me point out that even if one accepts the fact that this is quite a quantum leap, there are 48,000 farmers in Arkansas. These farmers represent slightly more than 1 percent of the farmers of that State.

Again and again we will have to face the fact we have a system which is so skewed toward the extraordinarily wealthy, toward the huge farms. I am not one to go into demagoguing because a farm is big, but I think taxpayers have an interest in whether that bigness is rewarded by extraordinary millions of dollars of farm subsidies while, at the same time, all of us plead for the family farmer for retention of that tradition, this honest person trying to till the soil, when in fact we are talking about entities that are sophisticated. Thank goodness that is so. I pray that each one of our farms will become more so in world competition. However, it is another thing to move from hopes that we become more sophisticated and competitive to the thought that we ought to subsidize, in a very skewed way, the wealthiest of all farm entities. I think that is fundamentally wrong. I hope it is stopped.

This amendment is only going to clip it at the top. Six farms in Indiana, for example. We are not unique. Taking a look at data in South Dakota, fewer than two dozen farms would find problems. That State receives about the same amount of money in subsidies as does Indiana, and a great many fewer farmers likewise. Even then, in the skewing of South Dakota, the top 10 percent get 55 percent of the payments, somewhat more leveled off, but well over half at just 10 percent. Again and again this is replicated.

There are some distinct benefits of this amendment that have not been illuminated as we have been discussing the wealthy and how they make it in this case. As a matter of fact, the money that would be saved, even from this small clipping, would increase the initiatives for future agriculture and food systems in our agriculture bill from $120 million of research a year to $225 million beginning in fiscal year 2003 and continuing through 2006. In terms of overall agriculture—all the farmers of this country, the competitiveness of our system—clearly that is a better expenditure than putting money on farmers who already have extraordinary success and who are accumulating more as we proceed.

I thank the Chair.

Mr. FITZGERALD. Madam President, I rise today in support of the Dorgan-Grassley amendment regarding payment limitations.

Last year, as many as twenty Fortune 500 companies received farm subsidies, while hard-working family farmers struggled to survive near record low commodity prices. The U.S. Department of Agriculture reports the largest 18 percent of farms receive 74 percent of federal farm program payments, and the Associated Press recently reported that over 150 people were paid more than one million dollars in farm subsidies in 2000. In 1999, 47 percent of farm payments went to large commercial farms, which had an average household income of $135,000.

I believe that these payments disparities need to be addressed. In August of last year, President Bush even recognized this problem. "There's a lot of medium-sized farmers that need help, and one of the things that we are going to make sure of as we restructure the farm program next year is that the money goes to the people it is meant to help," he concluded.

Recently, I joined my colleagues Senators GRASSLEY and DORGAN as an original co-sponsor of the pending amendment to cap annual federal farm payments at $225,000 per individual and $275,000 per married couple.

This amendment would help ensure that only active farmers receive farm payments. Common sense should dictate that you should be required to be an active participant in "farming" to receive "farm" payments. This requirement should help ensure that corporations and multimillionaire tycoons no longer feed at the federal trough. If you don't till the soil or drive a combine at harvest, you shouldn't be taking advantage of a program intended for farmers who need the assistance.

While the current farm bill establishes caps on government payments to producers, unfortunately, these payment "limits" have been circumvented via a loophole known as general commodity certificates. In fact, according to the Congressional Research Service, "while purported to discourage commodity forfeitures, certificates effectively serve to circumvent the payment limitation."

Unlimited farm payments jeopardize the long-term viability of the U.S. farm economy by diminishing our competitiveness and artificially inflating land prices and rental rates. Thus, farm payments often go to landowners and not the farm operators who need them most. In fact, these higher land costs add to producers' cost of production and decrease their competitiveness in world markets. If large commercial farmers know that they can only receive a fixed amount of federal farm payments, they will be less likely to bid up farmland rental rates and be less likely to outbid their neighbors or young beginning farmers at farmland auctions.

Large farm subsidy payments to super-wealthy individuals and companies has led to close public scrutiny of our farm programs and threatens to undermine public support for these programs. I believe this amendment to the farm bill is a positive step not only toward ensuring those families who most need federal assistance receive it, but also to reaffirming public confidence that farm programs are vital to our nation's agricultural community.

We owe it to our nation's farmers to ensure that farm payments are going to those most in need. We owe it to taxpayers to protect their investment in our agricultural economy. The amendment proposed today is a positive step towards ensuring more fairness in our valuable farm subsidy program.

Mr. DURBIN. Madam President, I rise today as a supporter and a cosponsor of the amendment introduced by Senators DORGAN and GRASSLEY.

The Dorgan/Grassley amendment would limit the amount of direct and counter cyclical payments to $75,000 annually, limit marketing loans and loan deficiency payments to $150,000 annually; and provide a husband and wife allowance of $50,000 annually. Also, I might add, individuals who earn more than $2.5 million in adjusted gross income (net) would not be eligible for payments.

In short, the proposal would reduce the ceiling on annual crop payments to individual farmers from $460,000, under current law to $275,000. Furthermore, the amendment is expected to save approximately $1.2 billion over 10 years.

The savings of this amendment would go to important things like: funding for nutrition by raising the standard deduction for food stamp eligibility; farm profitability with emphasis on small and moderate sized farms; risk management for producers of specialty crops that currently have no coverage; and research for programs that provide competitive grants for biotech, genomics, food safety, new uses, natural resources.

In short, the Dorgan/Grassley amendment would level the playing field with regard to the distribution of farm subsidies, and prevent many of the nation's largest farms from getting a lion-share of the federal subsidies.

Thank you, I urge all of my colleagues to support the Dorgan/Grassley amendment.

Mr. KOHL. Madam President, I am pleased to rise this afternoon with Senator DORGAN and Senator GRASSLEY in support of this important amendment to the farm bill regarding payment limitations.

Agriculture is the backbone of America's rural economy, and for Wisconsin it is the backbone of the State's economy. Nearly 18,000 small- and medium-sized dairy farms make up Wisconsin's rural landscape. Their survival in a volatile market is one of my top priorities. I am pleased that the Senate version of the farm bill recognizes the importance of dairy and creates a safety net for producers during periods of depressed prices. One important component of this new dairy program is that payments are capped to a producer's first 8 million pounds of production—that is the average production from a herd of about 400 cows. While I would have liked to see a lower cap—Wisconsin's average herd size is closer to 70 cows—this provision will help to target payments to those who really need the assistance.

The same cannot be said of payments made to producers of traditional row crops under the 1996 Freedom to Farm bill. It was supposed to limit producers of row crops to a maximum of $460,000 in government payments per year. However, loopholes in the law have allowed large producers to receive much more than that. A comprehensive review of past farm payments show that 10 percent of the producers—those with the largest farms—received almost 70 percent of the total assistance. How can we support millions in government assistance to a very few rich farmers in a very few States?

The House-passed version of the farm bill exacerbates this situation. It raises the payment limitation to $550,000 per year without closing the loopholes—loopholes that allow rural reverse Robin Hoods to continue sucking government payments away from family farms and onto million-dollar plantations. The bill that we are debating today in the Senate provides for a limit of $500,000 per year, again preserving the loopholes that allow a few producers to receive much more. The Dorgan-Grassley amendment not only closes the loopholes but also limits total benefits to $275,000 per year per producer.

Current law and both the House and Senate version of the farm bill also allow for payments to go to absentee landlords not living on their farms or involved in their day-to-day operation. The Dorgan-Grassley amendment fixes that injustice by requiring recipients of federal payments to provide 1,000 hours per year in work related to the operation of that farm. Further, individuals with more than $2.5 million in adjusted gross income will not be eligible for assistance. I cannot believe that anyone would oppose this provision. Who advocates making farm payments to farmers who don't farm, or even live on a farm? Who is in favor of providing income security for individuals' with some of the highest incomes in the Nation?

With an uncertain economic future, a possible return to deficit spending, a war on terrorism and an immediate need to strengthen our homeland defense, we have even more of an obligation to spend our farm dollars wisely. Now is the time to make sure farm payments go only to farmers who need the money to farm—not to millionaires who need to make mortgage payments on their city penthouses. The Dorgan-Grassley amendment restores integrity to our farm programs, reduces pressure on land rents and prices, dampens overproduction and raises farm income for our small- and medium-sized family farmers.

I am proud to support this amendment in the name of taxpayers and struggling family farmers in Wisconsin and across our nation, and I urge my colleagues to do the same.

Mr. FEINSTEIN. Madam President, I rise in support of the amendment offered by Senator DORGAN and Senator GRASSLEY that would limit farm support payments.

The best way to think about this amendment is to understand its three components. The amendment would:

(1) Establish a payment limitation ensuring that government support will provide only a true safety net for the needy farmer;

(2) Require individuals receiving farm support payments to be farmers; and

(3) Exclude millionaires from receiving any farm payment.

First, this amendment will reduce already existing payment limitations. A limit on the total annual payments a person can receive was first enacted in the 1970 farm bill and has remained in place since. Under current law, payments are limited to $460,000 per farm. The Senate Farm Bill would slightly increase this payment limitation to $500,000.

Farm groups object to any further reduction in the payment limitation—as the Dorgan-Grassley amendment proposes—because of the high input costs that large farms with high value crops have. For individual farmers, the Dorgan-Grassley amendment would limit payments to $225,000. For married couples, the limit would be $275,000. I believe this is a reasonable amount.

Right now, about 10 percent of the farms get 60 percent of the government payments. Last year, the Federal government paid California farmers $780 million in subsidies, with primarily large cotton and rice-producing farms receiving 51 percent of the money. But only 9 percent of California's farmers get crop payments.

Second, the Dorgan-Grassley amendment requires the person receiving the payment to be a farmer. A tenant must supply at least 50 percent of the labor or 1,000 hours, whichever is less, for a farm in order to collect a payment.

This means family members receiving payments have to be actively farming, not living in New York City and listed as a "farmer" for the sole purpose of doubling the current payment limitation.

These farm payments are real dollars paid for by taxpayers. And there have been a flood of newspaper articles recently to shed light on exactly who is receiving them.

Third, under this amendment, an owner or producer will not be eligible for a payment or loan if the owner's income for the previous 3 taxable years exceeds $2.5 million. Nothing in current law prevents millionaires from receiving federal payments. Farm groups object to this because they object to any "net income" test.

This amendment would save $1,295 billion over 10 years, which will alternatively fund the following:

$810 million for various nutrition programs, including: $250 million to raise the standard deduction for food stamp eligibility to households with children. $515 million to increase the shelter expense deduction. And $34 million to help with participant expenses in education and training programs.

$330 million for the Initiative for Future Food and Agriculture Systems, which the University of California benefits from. This initiative provides competitive grants for biotechnology, genomics, food safety, natural resources, and farm profitability.

$101 million for research and development for a specialty crop insurance initiative. $5 million for Beginning Farmer & Rancher Ownership Loan Account Funds. And $46 million for Non-program farm Loan Deficiency Payment eligibility and to Restore Beneficial Interest with regards to LDPs for the 2001 crop.

I will vote for payment limits to restrict millionaires from receiving federal farm payments when they obviously do not need them. I believe we should ensure farm payments provide a safety net for the truly needy.

Mr. KERRY. Madam President, I rise today in support of Senator DORGAN's amendment to the farm bill, S. 1731. This amendment closes a loophole that in the past allowed people who were not farmers to collect subsidy payments. I support farm policy that requires a farmer to supply at least 50 percent of the labor or 1000 hours of work, whichever is less, in order to collect a farm subsidy. In addition this amendment includes a net income test so that farmers who have adjusted gross income of over $2.5 million three years in a row are not eligible for federal payments.

Senator DORGAN's amendment ensures that farm aid will target the people who need it the most, the small family farmers that actually work the land and are the lifeblood or our rural communities. It is a pleasure to support this amendment.

The PRESIDING OFFICER. Who yields time? The Senator from Arkansas.

Mrs. LINCOLN. How much time remains on our side?

The PRESIDING OFFICER (Mrs. CLINTON). The Senator has 13 minutes.

Mrs. LINCOLN. I yield 5 minutes to the distinguished Senator from Georgia.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. MILLER. Madam Chairman, I have tremendous respect for my colleagues from Iowa, North Dakota, and Indiana. But I must rise in strong opposition to this amendment because it would not only cripple the agricultural community across this Nation, it would wipe out agriculture as we know it in the South. Passage of this amendment would result in many traditional family farms going out of business in many States.

Do you know what this amendment says to the South? It says: Hold still, little catfish, all I'm going to do is just gut you. Hold still. It says to the South: Step right up. Here's a new and improved farm bill. But because you had to expand and because you had to diversify to stay in business, you are not going to be eligible.

This is trying to change the rules in the eighth inning. A change in the rules this late in the game would create tremendous strains on producers to meet the new compliance standards. The Farm Service Agency is already going to be overwhelmed by many of the new programs included in this bill. This amendment would result in increased costs, both to the Government and to farmers.

Supporters of this amendment say that these payments go to the few and the big. I could not disagree more. This amendment punishes the farmer and his family who depend solely on the farm for their livelihood. In my part of the country, a farmer must have a substantial operation just to make ends meet. Don't let these big numbers fool you; these farmers each year take risks equal to or greater than those of their brethren with smaller operations. In fact, I would argue that they are in greater need of support because they are forced to be big in order to be competitive.

Some argue that these payments go to a small number of big farms. Those who say that need to look at the USDA statistics manual. It shows that by far the same big farms produce 80 percent of our agricultural products. We should be supporting those who are fueling this economic engine, not hobby farmers who paint a Norman Rockwell picture of rural America that has passed us by.

We pay a lot of lip service to wanting this country to compete internationally. It is wrong to punish those who pursue economies of scale in order to do what we preach in our speeches.

I hate to say it, but this amendment is not just about changing farm policy; it is about changing social policy. Unfortunately, there are some organizations that want to intimidate or embarrass family farmers by disclosing personal financial information. Then there are some environmental groups that, I am also sorry to say, release statements that are both overstated and misleading.

In the name of common sense, why should anyone want to punish family farmers who have made investments, large investments, in order to become competitive in an international marketplace? Why are we trying to hurt farmers who only wish to provide a decent living for their families, even though they are facing soaring costs of production? They do not deserve that kind of treatment. They are already facing the lowest commodity prices in decades. Why, why, would anyone want to limit assistance during this time, a time when our farmers really need it the most?

This is a diverse and distinguished Senate with Members who have all kinds of experience. But I doubt there is a single Member of this Senate who has ever bought a cotton picker. Do you know what a cotton picker costs today? The average price for a new cotton picker off the John Deere lot in Albany, GA, is about a quarter of a million dollars, and if you are an average farmer in south Georgia, you are going to need two of them—and that is just the beginning of the equipment needs. There are tractors and grain carts and trucks—all are needed to get a crop out.

By the way, do you know where those cotton pickers are made? In a great State—Iowa. I wonder if those employees of that manufacturing plant support this amendment.

The cost of producing crops today is several hundred dollars per acre. Reduced payment limits and increased benefit targeting fly in the face of skyrocketing production costs and record low commodity prices.

The PRESIDING OFFICER. The Senator has consumed 5 minutes.

Mr. MILLER. I ask unanimous consent to have 2 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. I will close by saying this. We have a pretty simple question here, and it really goes to the heart of this amendment, and it goes to the heart of each individual Senator. Are we going to reduce Government support when farmers need it the most? Today, in this land of plenty, our farmers who produce that plenty are looking into a double-barreled shotgun. I plead with this Senate not to pull the trigger. If you vote for this amendment, you will.

In fact, this amendment would give less support to southern farmers than the current farm bill does. It would limit individual rights to pursue an adequate way of life in many regions of the country, and it would result in widespread failure for thousands of American family farmers. Let's face it, this amendment is a poison pill.

I urge my colleagues to oppose this amendment.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Madam President, I yield myself 8 minutes.

Madam President, today in New Hartford, IA, at a local cooperative, the price of our corn would be $1.79. The price of our soybeans would be $3.96. So, obviously, with these historically low prices, we have to have a farm bill, a farm safety net. I want my colleagues to know I take into consideration the plight of the family farmer when I support legislation such as this.

Since there was the accusation that this might be social engineering, I think I ought to start with my explanation of a family farm. It could be a 30-acre truck farm in New Jersey. It could be several thousands of acres of ranchland in Wyoming, where it takes 20 acres to feed a cow-calf unit. A family farm, to me, is a farm, not judged by size, not judged by income—a family farm is determined by, first, whether or not the family controls the capital; second, the family does most or all the labor—and I would include in that those people getting dirt under their fingernails most of the time—and, third, that they are going to make all the management decisions.

That is as opposed to the nonfamily farm. It could be a corporate farm, but I don't want to denigrate the word "corporate." Anyway, a corporate farm, a nonfamily farm, is where somebody provides the capital, they hire the management, and somebody else does the labor.

So we are talking about, in our family, where I don't get to help much but I try to help, my son does most of the work. He has an 18-year-old son in high school who helps. And once in awhile in the spring and in the fall, there is a neighbor, a young neighbor man who works in town, who will come out and maybe work into the night 1 or 2 hours a night, for that person to earn a little more money but also to help bring the crop in quickly, because you have to.

That is the kind of family farm I talk about when I talk about the family farm. I don't denigrate anybody else's definition of a family farm. I just want you to know what I am talking about.

When I talk about targeting farm programs to medium and small family farmers, I am not talking about something that is new. I am doing it in what is my understanding of the historical approach of farm programs for 70 years. The first 40 years of that 70 years we didn't have dollar limitations, but we really had lost—when 30 percent of the people were farming, we had a lot of small family farms. There was not any need to put a dollar limit on it. But in 1976 we put a $50,000 limit on it. In 1996, there was a $40,000 limit. Then there were people who figured out, How can I get around the $50,000? How can I get around the $40,000?

You can't write a bill, with the English language the way it is, that is perfect, that covers every instance. So we come back now and come back in a way that I think is historically targeting the farm program towards the medium and smaller farmers.

I don't disagree with everything Senator LINCOLN said, because she said there are some groups out there trying to hit family farmers pretty hard while they claim to defend the family farm. But I want Senator LINCOLN to understand where I am coming from and what I define as the family farm. I don't want to be doing something by subterfuge as do people who really want to hurt the family farm. I simply believe that $225,000 is enough.

But, more importantly, I have to ask the question: If we don't do this, where will it stop? The 1996 farm bill, even with the $450,000 limit, had other ways in which you could get up to $460,000. The managers' amendment in the bill that is before us sets this at $500,000. The House version is even worse. A Republican version, let me say, is even worse—$550,000. That doesn't even include the back-door things that can be used, such as through generic certificates that can go way above these already high limits to bring in the millions and millions that have been talked about here for some units.

I think we have to be very concerned in agriculture when we say we want a safety net for farmers. A sound safety net for farmers is good for everything that Senator HUTCHINSON said about social and economic stability. It is all about national security as well. But we are spending lots of taxpayer money.

We have to maintain urban support for our farm safety net. Maybe you can say if we pass this bill that we might not have to worry about it again for 10 years. But if you go on for 10 years with the bad publicity about what farm programs have been receiving because 10 percent of the farmers are getting 60 percent of all the benefit, where are Senator LINCOLN and I going to be, if we are fortunate to be in the Senate, when the next farm bill comes up if we lose public support because of the outrageous payments that are being received?

We have to start asking ourselves: When is enough enough? How long will the American public put up with programs that send out billions of dollars to the biggest farm entities? All this does is damage our ability to help people we originally intended to help—the small- and medium-sized producers.

Look back at the intent of our first farm bills. We have never intended to subsidize every single acre and every single bushel. Our intent was to bolster the agricultural economy and keep people on the farm. Lowering limits to these reasonable levels that Senator DORGAN and I have done will not chase one small- or medium-sized producer off the farm. But the large entities will have to look to the market for their additional income above the $275,000, if you include a spouse.

If you do not believe me, let us turn this question over to farmers and ask them their judgment. You have heard my colleague, Senator LINCOLN, talk about letters of opposition from certain farm commodity groups. But what do farmers actually think?

I had an opportunity during the break in January to hold 10 or 11 town meetings in my State just on the agriculture bill. I went through this amendment as intellectually honestly as I could, explaining to my constituents really what I wanted to do. I had 1 farmer out of those 10 meetings who said he disagreed with what I was trying to do. Do you know what happened after that meeting? People evidently didn't want to say it publicly. They came up to me afterwards and said they heard this other farmer say that he disagreed and that you shouldn't have these limits. He is an example of the very reason you have to have the limits that are in the Dorgan-Grassley amendment.

Probably more to your liking, if I don't talk about just Iowa, or my 10 town meetings, last year 27 of the Nation's land grant colleges from all the Nation's regions came together to poll farmers and ranchers on their opinions on the farm bill on the issue before us today. On this amendment, there was enormous consensus.

Nationwide, 81 percent of the farmers and ranchers agreed that farm income support payments should be limited to smaller farmers. Even when the results from farmers with less than $100,000 income were excluded, 61 percent of the Nation's farmers agreed that farm income support payments should be targeted to small farmers; that is, support across regional lines.

I will maintain the rest of my minute and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mrs. LINCOLN. Madam President, how much time remains?

The PRESIDING OFFICER. Six minutes 21 seconds.

Mrs. LINCOLN. Madam President, I yield 1 minute to the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana.

Ms. LANDRIEU. Madam President, I speak in opposition to the Dorgan-Grassley amendment. I have the greatest respect for my colleagues from Iowa and North Dakota. I know they have put forward this amendment in good faith. I oppose this amendment because there is a great balance in this bill which was very difficult to put together. It represents all of our farming interests from different geographic areas of this Nation.

With this amendment, our farmers in the South—particularly Louisiana farmers who have cotton, and soybeans, but particularly our cotton farmers—would be hard hit by this amendment because cotton is an expensive crop to grow. These price caps will be very detrimental to family farmers in Louisiana.

In addition, this amendment, while it attempts to put on price caps, would not necessarily help farmers in other parts of the country. It would simply hurt the farmers in the South and in Louisiana.

Cotton and rice are very expensive crops to grow. We need to have these crops covered when the price turns down.

Finally, while price supports drift over to the larger farmers, it is also the larger farmers who produce most of the crops under the program. I realize some of these numbers are very large, but so is the underlying acreage under production, and so are the ownership interests of these farms.

I support Senator LINCOLN and oppose the amendment on the floor.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

The Senator from North Dakota.

Mr. DORGAN. Madam President, how much time is remaining on our side?

The PRESIDING OFFICER. A minute 35 seconds.

Mr. DORGAN. Madam President, I respect those who disagree with this amendment. They make compelling arguments from their standpoint.

But I would just ask this: If payment limits are not appropriate at any point, then will we end up at some point with no family farmers farming in America but only the largest agrifactories from California to Maine and still be making payments? For what purpose?

My interest in trying to help family farmers survive during tough times is to say to them: You matter because you live out in the country. You are living under a yard light, trying to raise a family and raise crops, taking all the risks, and we want you to be part of our economic future. We want to have broad-based economic ownership on American family farms. That promotes food security in our country. It promotes the kind of cultural and economic society we want. It is not a case of just picking and choosing because we don't have enough money. Let us have the best price support possible, and when we run out of money, we run out of money. That is the purpose of having a payment limit amendment.

The PRESIDING OFFICER. The Senator has run out of time.

Mr. DORGAN. Madam President, is the Senator from Oklahoma ready to be recognized?

Mr. GRASSLEY. The Senator from Arkansas is going to yield time.

The PRESIDING OFFICER. The Senator from Arkansas.

Mrs. LINCOLN. Madam President, I would like to add to what the Senator said.

Obviously, the problem with the bill is that it completely devalues the land for the farmers we represent. The banks are not allowing them to borrow money on the land any longer.

Out of the 130 loans that were presented to one of our local bankers, only 3 of them have been approved. They are waiting to see what happens with this farm bill, particularly this amendment.

Madam President, at this time I yield time to my distinguished colleague and neighbor, the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Madam President, I am pleased the Senate is working to pass a farm bill. We need to complete action on this bill as soon as possible to send a signal that we could have a new farm bill implemented for the 2002 crop-year.

One of the primary objectives of new farm legislation should be to improve the predictability and effectiveness of the financial safety net available to farmers and to eliminate the need for annual emergency assistance. Unfortunately, the payment limitation amendment that we are debating now will have the opposite effect.

If this amendment is adopted, it will be a very serious and unfair—even punitive—act that will be catastrophic for southern agricultural interests. The costs of production of cotton and rice are much higher than corn or soybeans. According to agricultural economics analysts at Mississippi State University, the cost of producing 1 acre of cotton is approximately $550, while the cost of producing 1 acre of corn is about $350, and for soybeans it is only about $100 per acre.

On a 1,000-acre cotton farm, the production costs would be $200,000 a year higher than for corn, and $450,000 higher than for soybeans. This amendment clearly would be unfair to farmers who produce high-cost crops such as cotton and rice.

Since 1985, the marketing loan program has been the centerpiece of our Nation's farm policy. It provides reliable and predictable income support for farmers while allowing U.S. commodities to be competitive in the global market. If this amendment is adopted, the marketing loan program will be undermined and essentially will become useless.

It is expected by the prognosticators that farm commodity prices will remain low and net farm income will be $8 billion less this year than last year. Considering this bleak forecast for our farm economy, it does not stand to reason that Congress should impose new rules and regulations that unduly restrict Government assistance at this time of serious economic distress.

Many southern farmers work larger tracts of land because the tight profit margins lead to efforts to enhance efficiency through economies of scale. And cooperative farming also helps improve efficiency for some.

I heard the complaint that as much as 80 percent of the payments go to only 20 percent of the farmers. But these farmers are producing 80 percent of our Nation's farm output. If limitations on support are made more restrictive, a significant number of farmers will not be able to participate in the farm program. If this amendment is adopted, I predict the pressures for emergency assistance will build and will end up being more costly in the future.

Madam President, I strongly urge the Senate to reject this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. GRASSLEY. Madam President, I yield 5 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Madam President, I thank my colleague from Iowa for his amendment, and also Senator DORGAN as well.

I have great respect for Senator COCHRAN. When it comes to agricultural policy, I look to Senator COCHRAN for advice. I just happen to disagree with him on this amendment. I am going to vote for his substitute. But I do think a limitation is in order.

I was kind of shocked to find out that, in some cases, some farms have been farming the Government quite well, and they make more money from the Government than they do from the marketplace. There has to be some limit. If not, are we going to allow people to just make millions off these programs?

To a lot of us, this agricultural policy is kind of arcane, and maybe it is hard to understand. If you are not from an agricultural State and you do not wrestle with it a lot, it is kind of difficult to understand. I have tried to understand a little bit of it, and I do understand a few things: A few people are doing a lot and getting a lot of money from the Federal Government. That does not mean that their net is good. They may lose a lot of money. They may get a lot of money from the Federal Government and lose a lot of money. I do not doubt that that happens. It happens a lot.

But how much should Uncle Sam be writing in checks to individual farmers and/or their families? Shouldn't there be a limit? I happen to think there should be a limit.

I know I have some constituents who are listening right now who are very disappointed in what I am saying because it is going to cost them a lot of money if this amendment is adopted. They have told me that. I respect them. And some of them are family farmers. But there has to be some limit.

I made my career in business. I did not get Government help and did not want Government help. But if we are getting Government help, there still should be some limit on what Uncle Sam is going to do.

Looking at some of the charts—just looking at the top 10 farm subsidy recipients—my colleague says, a couple of those are co-ops, but they were averaging almost $10 million a year. And it goes on down to different farms. Maybe some of those are individual farms, but they are in the millions of dollars a year.

Should Uncle Sam be writing checks to different groups, organizations, family farms, and so on, in the millions? I have a couple of Oklahomans getting in the millions. I do not think we should do that.

Let's look at the present farm bill. The present farm bill has basically a cap of about $460,000. You have the flexibility contracts of $80,000, loan deficiency payments of $150,000. That is $230,000. You can have two other farm entities and get half of those again, and so that is another $115,000. Adding $115,000 twice to that totals $460,000.

But also under the present farm bill some people may say, wait a minute, I thought some people were getting millions. You have no limits on what are called certificate gains, so you can get well above $460,000. That is present law. That is the reason we find some recipients doing quite well. I say "doing quite well," meaning getting a lot of money. They may not be doing very well, but they get a lot of money from Uncle Sam.

Looking at the proposal by Senator HARKIN, the underlying bill, they can do better. Present law is $460,000. Now that level goes up from $75,000 to $100,000. So now it is $250,000. You still have the two other farms that can get 50 percent of that. So the combination of three farming entities can get $500,000.

Also, under Senator HARKIN's bill, there are no limits on the certificate gains, no caps, so they can get more than $500,000.

So if you look at the charts from the Environmental Working Group that say some people are making this much, they can get a lot more under the Harkin bill than they could last year, and there is still no limit, no cap. So you have almost unlimited payments. If somebody happens to be farming—and you have market prices below loan prices—they can get hundreds of thousands of dollars.

Let's look at the Grassley amendment. The Grassley amendment says we ought to have a limitation. So he has flexibility contracts at $75,000, loan deficiency payments of $150,000, for a total of $225,000, and if you made another $50,000, that would be a total of $275,000. But guess what. The certificate gains are included in that $275,000, whereas under the Harkin bill, and under present law, the certificate gains are not counted.

So there is a cap under present law. Under the Harkin bill, there is no cap. This is saying $275,000. Well, $275,000 is a lot of money. Granted, if somebody is losing $400,000, they may say: I am still losing money.

I am sympathetic to that. I just don't think there should be an unlimited amount we are going to be writing in checks. Somebody can say: Write us a check for $5 million; I just lost $6 million. Where are we going to stop? I am not a big fan, as some people know, of loan guarantees, whether we are talking about steel or airplanes. I have some reservations about the Federal Government making loan guarantees, subsidizing business, and so on.

The amendment of the Senator from Iowa makes good sense. I urge my colleagues to adopt it.

I ask unanimous consent to print in the RECORD a chart that shows the percentage of payments made by income. It shows the upper 1 percent getting 19 percent of the payments, and the upper 10 percent getting 67 percent of payments in agriculture.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

Concentration of payments for farms in the United States—from 1996 through 2000, the top 10 percent of recipients in the United States were paid 67 percent of all USDA subsidies:

Percent of recipients	Percent of payments	Number of recipients	Total payments, 1996–2000	Payment per recipient
Top 1	19	24,111	$13,470,787,292	$558,698
Top 2	29	48,221	20,841,600,894	432,210
Top 3	37	72,331	26,561,357,813	367,219
Top 4	44	96,441	31,231,049,012	323,835
Top 5	49	120,552	35,155,503,844	291,621
Top 6	54	144,662	38,515,289,723	266,243
Top 7	58	168,772	41,427,212,217	245,462
Top 8	61	192,883	43,974,881,921	227,987
Top 9	65	216,993	46,228,199,437	213,040
Top 10	67	241,103	48,231,602,648	200,045
Top 11	70	265,213	50,023,935,434	188,617
Top 12	72	289,324	51,637,374,388	178,475
Top 13	74	313,434	53,094,589,890	169,396
Top 14	76	337,544	54,416,196,177	161,212
Top 15	78	361,654	55,619,113,574	153,790
Top 16	79	385,765	56,717,246,985	147,025
Top 17	81	409,875	57,722,841,911	140,830
Top 18	82	433,985	58,646,414,190	135,134
Top 19	83	458,096	59,497,316,971	129,879
Top 20	84	482,206	60,284,320,451	125,017
Remaining 80 percent of recipients	16	1,928,821	11,245,676,109	5,830
All recipients	100	2,411,027	71,529,996,560	29,667

Mr. NICKLES. I yield the floor and thank my colleagues.

The PRESIDING OFFICER. Who yields time?

Mrs. LINCOLN. Madam President, how much time remains?

The PRESIDING OFFICER. There is no time remaining in opposition. There is 1 minute 36 seconds remaining on the proponents' side.

The Senator from Iowa.

Mr. GRASSLEY. Madam President, I yield myself the remaining time on our side.

We have an opportunity to do what has been a part of farm programs for 70 years: try to target the safety net for farmers to medium and smaller family farmers. We have an opportunity to save the taxpayers some money that would go to big corporate farms. We have an opportunity to bring money into the Food Stamp Program, and we are adjusting the formulas to reflect higher payments for shelter and for utilities and for heating homes so that the Northeast of the United States will be able to help some of their low-income people to a greater extent than they have been through the present formula, the Food Stamp Program. That is the use of the money.

The most important thing is targeting assistance to the family farmers. The legislation before us disproportionately benefits the Nation's largest farmers and in most cases nonfamily farmers. In fact, this farm bill unnecessarily increases payment limitations established in the present farm program which already allows up to $460,000.

We have a chance to do a very good thing from the standpoint of bipartisanship that has traditionally been such a part of the farm program. We have had several bipartisan amendments—for concentration and arbitration, and now for the payment limitation. Let's see what we can do to develop a bipartisan farm bill. Voting for this amendment will be one more bipartisan amendment to be adopted.

The PRESIDING OFFICER. All time has expired.

Mrs. LINCOLN. Madam President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to table amendment No. 2826. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

The result was announced—yeas 31, nays 66, as follows:

[Rollcall Vote No. 18 Leg.]

YEAS—31

Akaka
Allen
Baucus
Bingaman
Bond
Breaux
Burns
Carnahan
Cleland
Cochran
Edwards
Frist
Graham
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Jeffords
Kyl
Landrieu
Leahy
Lieberman
Lincoln
Lott
Miller
Nelson (FL)
Reed
Sessions
Shelby
Thurmond

NAYS—66

Allard
Bayh
Bennett
Biden
Boxer
Brownback
Bunning
Byrd
Campbell
Cantwell
Carper
Chafee
Clinton
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Inouye
Johnson
Kennedy
Kerry
Kohl
Levin
Lugar
McConnell
Mikulski
Murkowski
Murray
Nelson (NE)
Nickles
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Torricelli
Voinovich
Warner
Wellstone
Wyden

NOT VOTING—3

Domenici
McCain
Thompson

The motion was rejected.

Mr. REID. I move to reconsider the vote.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. MILLER). The question is on agreeing to the amendment of the Senator from North Dakota, amendment No. 2826.

The amendment (No. 2826) was agreed to.

Mr. REID. I move to reconsider the vote.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2827 TO AMENDMENT NO. 2471

The PRESIDING OFFICER. Under the previous order, the Senator from Indiana is recognized to offer an amendment regarding payment mechanism. There will be 2 hours of debate prior to a vote in relation thereto.

The Senator from Indiana.

Mr. LUGAR. Mr. President, I alert all Members and staff as they prepare to go to lunch, we will have a debate for the next 2 hours and vote at approximately 3:05.

This amendment is a radical adjustment. I am hopeful Senators will be alert to the particulars as well as to the general philosophy of the amendment. It deals with the commodity title. As I have stated on other occasions, the other titles of the bill have had strong bipartisan support. As a matter of fact, we have improved them in the amendment process, especially a nutrition amendment that Senator DURBIN addressed this morning in his amendment.

My criticism of the commodity area of the farm bill is substantial. It comes down to the first point that we are debating this bill at a time in which our Nation is apparently in deficit finance, which means essentially we are spending more money as a government than we are taking in. That means each dollar of additional deficit comes from the Social Security trust fund. Most lament that; both parties, through a lockbox strategy or through pledges, want that sacrosanct and recognize the public as a whole does not like the idea of the Social Security trust fund being invaded. That dislike is compounded by predictions that it will occur perhaps for many years, not simply for the year we are in or, as a matter of fact, the year we just concluded.

I make that point not to say we should not proceed with the farm bill. We are going to do that. I support that. We are working with the distinguished chairman to try to finalize amendments and get a roadmap of how to do that. We are prepared to spend some money. However, we had better be thoughtful and prudent. I am suggesting that the current commodity title that lies before the Senate, plus or minus whatever adjustment amendments are brought to it, is about a $44 billion expenditure over 5 years of time. It is frontloaded into those 5 years of time. The Secretary of Agriculture already has expressed objection on the part of the administration to that.

The amendment I will offer today is a $25 billion payment for a 5-year period, as opposed to $44 billion. This is for 5 years. It is a very substantial change. It is a prudent change, in my judgment.

Now the second point I want to make is, if the first was not imperative enough in terms of deficit finance and money we do not have, the money that would be spent in the Daschle-Harkin bill would go—as we have heard again and again in the debate, approximately two-thirds of the money would go to approximately 10 percent of the farmers.

It is even more concentrated than that. In fact, the bills we have had in the past, and this bill, essentially deal with the basic row crops of cotton, rice, soybeans, corn, and wheat. That has been the case since the New Deal days in the 1930s and still remains the case in this bill. There are smaller amounts of money, from time to time, to vegetable crops—to dairy, to tobacco, to peanuts—but essentially the money is on the row crops.

That means that essentially six States receive half of the money because these are large States and they have row crops as opposed to agriculture of different sorts. So the bill is highly skewed. It is not original in that respect. That has been true of this legislation for many years. Nevertheless, we compound that problem in this bill.

To lay it out so all of us can understand it, 60 percent of farmers, more or less, do not receive any subsidies; 40 percent receive all the subsidies. Of the 40 percent, 10 percent of those receive two-thirds of the subsidies.

As I illustrated in debating the last amendment with regard to the limitation of $275,000 for a husband and wife or $225,000 for a single farmer, in my State of Indiana we have a very different result than was the case in the State of Arkansas, the proponents of the legislation. But in either case there are very few people who benefit—who receive, actually, more than $275,000 now. Only six farmers in Indiana, apparently 583 in the last iteration in Arkansas. We have 98,000 recipients of subsidies in Indiana; Arkansas has 48,000. So any way you look at it, 6 or 583, those particular farmers receive extraordinary sums of money, which skews the payment situation in a way that strikes most persons who are talking about retaining the family farm and supporting the modest farmer as very strange.

If in fact our intent was to save the family farmer, to cashflow those farms that are in trouble, it would appear that we could probably do better than have one-third of the money going to 90 percent of the farmers. As a matter of fact, it becomes even more progressive in the other way as you proceed down through the ranks.

So I add that thought. Not only are we in deficit finance, but we have a formula that, by its very nature, is going to reward those who are very large. Some would say, Why is that a bad idea? Is it not the American ideal, as a matter of fact, to succeed, to accumulate more land, to have more crops? Indeed, it is. The basic question is not one of merit. No one is being prohibited from becoming big and succeeding. The question is whether subsidies that were meant to save family farms contribute to that process.

The third point I want to make is there is strong evidence that our past farm bills—the immediate one we are working on now, the bill of 1996, the one of 1991 before that—have offered incentives to produce more. Why is that bad? Because we almost guarantee that, absent a huge weather problem or a total breakdown in the world trading system because of war or pestilence or disaster, we will have more of each of the basic row crops almost every year.

There are good incentives, in fact, to produce more, because each bushel of production brings its reward in higher subsidies. Therefore, Senators come to the floor and lament the fact that prices have never been so low. Well, of course. The very bills that we are passing almost guarantee they will be stomped down every year. It is impossible to think of a scenario in which we are more likely to have this problem.

Mr. President, I got so carried away in my arguments, I failed to call up the amendment. So, as a result, I will do that at this point, hopefully having whetted the appetite of the Chair.

I call up the Lugar amendment and ask the clock start running on debate time.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Indiana [Mr. LUGAR] proposes an amendment numbered 2827 to amendment No. 2471.

Mr. LUGAR. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

[The text of the amendment is printed in today's RECORD under "Amendments Submitted."]

Mr. LUGAR. Mr. President, the dilemma for the small farmer is compounded because, in essence, as overproduction occurs, prices remain very low. That hurts large farmers, too. But, as a matter of fact, many large farmers are large because they are efficient farmers. They do the research. They learn about the marketing tools available in futures contracts, forward contracts. They employ the proper conservation procedures and have the capital to do so.

As a result, it is not surprising that despite each of our farm bills—and the argument has been made every 5 years or 6 years, or however often we do this, that we are going to save the family farm—that in fact there are fewer family farms each time around. That, some would point out, has been true from 1900 onward—perhaps before that time.

One of the strange things about farm statistics presently—and I will not analyze this in depth—is there has been an increase in farms that are fairly small. These apparently are farms that are purchased by professional persons who want some room around their residences. If they produce on those premises at least $1,000 worth of agricultural produce or animals, then they qualify as a farm in the sense of this definition. So this has led to a certain expansion, in some States, in which this would be counterintuitive.

But the heart of the matter is that about 350,000 farmers out of the 1.9 million who do at least $1,000 or more, those 350,000 do roughly five-sixths of the bill, all of it, in terms of crops or livestock. So essentially some have said farm policy is aimed toward them.

But at that point, very clearly, Senators rise and say: Hold on. That leaves 1.6 million entities out there, and some of these are family farmers. I know them. They are my constituents.

I would simply say the degree of concentration, often lamented, continues fairly rapidly. It does so, in part, because our farm bills, with very generous subsidies, support loans from banks and they have apparently led to an increase in land values in most States. That I witnessed with regard to estimates and appraisals on my own property in Indiana from 1956 onward. I have had responsibility for that farm. It is exciting to watch. Thank goodness we did not have to buy and sell during that time; we could simply watch the changes in the balance sheet.

But clearly it was an exciting experience throughout the 1970s, watching land values, as Purdue estimated them, go up and go up, sometimes by double digits in a single year. So as I took a look at my 604 acres and began to multiply by 2 or 3 those values, that was pretty exciting.

It was pretty depressing; after Paul Volcker and others put the skids on interest rates to try to take the Federal Government off in a different way, the value of farmland in Indiana plunged by as much as 50 percent to 70 percent.

That kind of jarring situation, many farmers who have lived a long time have become used to. But we are now, much more mildly than in the 1970s, but progressively, seeing those land values increase. For the general public, this seems strange.

The general public looks in on farming, and they ask: Why are farmers coming into the Senate pointing out that the prices have never been so low? The prospects have rarely been so dim with people lined up at the country banker failing to get loans, and all the signs are that even farmers who appear to be fairly prosperous are near bankruptcy.

The USDA illustrates this fine point. They point out that as you look at the balance sheet for all of American agriculture, the assets have been rising throughout the last 5 years. As a matter of fact, the net worth of farmers has been increasing. How can this be if operating results are so dismal?

In fact, operating results have not been that dismal. In the year we just finished, 2001, it appears that cash income is $59 billion for all of American agriculture. That is plus-$59 billion—not negative. But the real change comes in the asset value of farmland. With the pricing of land moving up, it is apparent that on paper the net worth of farmers is increasing substantially.

I make that point because many bankers, as you visit with them—as the distinguished Presiding Officer certainly has—would say we are counting on these farm bills to keep those values up. Why do you think we are prepared to loan more money or even any money without some assurance that farmland not only retains its value but nevertheless has a robust quality to it?

We then get into a problem in which farmers say: Hang on. Whatever may be the justice or injustice of the farm bill, if you tinker around with that bill very much, you are going to create anxiety with country bankers. They may not make loans. At that point, then we have a real problem.

It is not my purpose today to try to precipitate a decline in land values. That would be destructive not only of my own farm but to all my neighbors. I just observe, however, that without describing a bubble phenomenon—because it is not that; farms are not dot.coms and not electronic situations—there is value there. But we need to be thoughtful in terms of our policies as to how much steam we want to generate into what some would call false values—increases clearly not justified by implied income flow coming from those properties.

The dilemma, of course, for the young farmer we have talked about—we have a section in our farm bill that tries to address credit for young farmers—is that it is extremely important if we are to have entry of our young people. As most have pointed out, the average age of farmers seems to increase every year. Demographers indicate it has been true for quite some time. It has been proceeding towards the high 50s. That is not a healthy situation. That is not a healthy situation for a growing, prosperous industry, but it reflects the realities of young people coming through our agricultural schools.

The vast majority go into what might be loosely called agribusiness—not production farming. They are dealing with products that come from that, or marketing, or the espousal of farm interests in foreign trade, what have you. These are valuable skills. But the number of persons heading back to head up these family farms to keep the continuity going appears to be fairly limited. Some years are better than others.

The distinguished Presiding Officer has visited the excellent agricultural facilities with educational opportunities in Georgia, as I have at Purdue in our State. We encourage young people to farm. Some do. Some years are better than others. But for some years, there appears to be very few candidates for that.

One reason is it is very hard for a young farmer to get credit and to establish a landhold. If you are in a family farm now, that is your best bet. As inheritance tax reforms have occurred, many of us have pointed out they needed to occur because the family farmer is 15 times more likely to be visited by the inheritance tax than other ordinary citizens. The assets are tied up in the land, in the buildings, the visible assets. But if a family can work that out, there is some possibility for the young person. These are fairly small percentages of situations. I think that is a disturbing trend but one that current farm bills, I believe, have accelerated.

There is also the fact that as we discussed the last amendment on limits, some pointed out that farmers, in fact, are renting land from those who have estates, or elderly persons, retired farmers, and others. Indeed, a lot of renting does go on.

The 120-page USDA booklet indicates that 42 percent of farmers who are now involved in production are renting land. Only 58 percent own the land they are farming. That is a fairly large number.

Our farm bills have the tendency to raise the rents in the same way that they have raised the land values; in the same way they raise the possibility for larger loans for expansion or for accumulation of other farmland. None of these trends are new and none should be shocking. Many farmers, as well as Senators, say that is just the way the world works. These are trends that are in place, and we are only going to tweak the system a little bit and hopefully not disturb it a lot, although some Senators have greater ambitions for the farm bill.

They believe, in fact, that a very sizable change is going to occur if over a 10-year period of time, as the House of Representatives looks at it, you put $73.5 billion of additional money into American agriculture on top of the baseline of the regular programs we now have. So a lot of our debate in November and December revolved around the $73.5 billion, as Budget Chairman Conrad said it is. Ultimately, the Bush administration said: Well, we are going to acknowledge that it is there now, and in this year, and so forth. But there now appears to have been an argument over the situation. But some of us looking into this—I am one of them—said it wasn't in November, and it isn't there now. We do not have the money, and, therefore, we have to be thoughtful about it.

I simply add that everybody—the President and Senators in both parties—wants a farm bill. The question we are discussing today is not whether we should have a bill or not.

The amendment that I have offered substituting for the total commodity package still, by my own admission, is that it is going to cost $25 billion over 5 years—not $44 billion over 5 years but $25 billion. But it is still a sizable sum.

The basic difference in my approach is that I take seriously the thought that we ought to have equity in the payments. By that, I mean they ought to be available to any farm family wherever that family may be in America and whatever that family produces. That would be a revolutionary step. That is what I am proposing.

I started by saying 60 percent of farmers are outside the game altogether. I want to bring them in.

They will occasionally come in when we have disaster relief debates—perhaps a strawberry crop in a State or a peach crop or a problem of cranberries in New England comes to the fore. Senators in that State say we have had a disaster brought about by weather, usually, or some other problem. Therefore, we need relief.

On an ad hoc basis, the Senate from time to time in the appropriations process plugs in some money for what is known as specialty crops or crops other than these five major row crops. From time to time, we have done something for livestock but not very much. We had a debate yesterday about the EQIP program. This has been a way of trying to bring some money so that manure could be controlled and other environmental circumstances surrounding a livestock operation.

The bill that the distinguished occupant of the Chair and I have been involved in on the Agriculture Committee does a lot more for the EQIP program. There has been a long line of people waiting to make those changes, so that will be helpful both to production in livestock as well as the environment and the counties that surround it. But at the same time, livestock people, aside from the pork dilemmas of 2 or 3 years ago when prices reached rock bottom, have not gotten the subsidy.

Sometimes people have wondered historically, why not? They were back in the 1930s when all this began to be passed out. Why haven't we been in that tradition? But, nevertheless, some, by diversifying, have corn farms, say, and get the money in that route, by spreading at least the risk, and they have imbibed in the farm subsidies in some fashion. All I am saying is, there is no equity, farm by farm, in the farm bill as we have known it. So I want to provide that.

I want to say, in essence, three things. One is that my bill would send money to any farm entity that has at least $20,000 of gross agricultural income coming from it, not the $1,000 which has been the definition of the family farmer. That is too low. It picks up what I think are clearly the so-called hobby farms or the almost incidental farming that occurs.

Some might say: But $20,000 is not much of an activity. Nevertheless, in some parts of the country—and given the history of some farms—that appears, to me, and to many economists who have looked at the subject, a reasonable threshold point.

So let's say I am a farmer—male or female—on a farm anywhere in America, producing anything I want to produce, and I can sell it for $20,000. I would qualify, under my amendment, for a $7,000 payment from the Federal Government each year for 4 years, starting with fiscal year 2003, and going through 2006, so long as I continue in the business. I would have to do the $20,000 each of the 4 years. This would not be a historical record but an actual record that I am a farmer and I am doing that kind of business.

And the question is raised, what if you have a situation in which there are two factors here—one a landlord and one a tenant or two farm families, one owns the land and the other provides the machinery and some of the labor, or what have you. Both of these entities could qualify for the $7,000 payment if both are at risk. If the landlord is simply getting the rent, without risk, then the landlord does not get the $7,000. The tenant gets the $7,000. He has the risk. So it is a question of being at risk and with at least $20,000 of income. Then you receive $7,000.

I make the point that this finally, then, gets us to the threshold question of why we have farm bills and why we have income security. My idea is that we provide income security for the vast majority of farmers in this way. It means the very large farmer still gets the $7,000. We will not be having a debate about $275,000, however. That really moves off into past history. I am talking about $7,000 for each farm family at this point.

That raises the question for skeptics of all programs: Why do you send $7,000 to a person in America because he or she is a farmer? We have settled that, I suppose, by all of us saying, several times, that we understand there are abnormal risks from weather, from foreign trade, from all the vagaries of history. It may or may not be totally just to those people who make their money at the retail store on Main Square or to those who venture capital into new businesses and lose it or to a whole lot of people who make livings in various ways, but what we are saying is we believe it is important to have a safety net.

What I am saying is, it should be just that, a safety net, not an incentive to produce more and, thus, depress prices, or an incentive to accumulate land using abnormal land values to borrow money, knowing that at some point this cascade is almost bound to lead to difficulty.

It ought not to be a program that excludes young farmers and one that is purely prejudiced against those who rent. And it ought not to be a program in which six States receive 50 percent of the money. This really does indicate in every State there are agricultural interests, but they are diverse and they are different. Where there are more farmers, the State will get more money. That is true of distributions of all sorts.

Having sort of recited the outline of where I am headed with this, let me say I believe the amendment I have offered will achieve each of the goals I have in mind: less money paid by the taxpayer, greater equity to all farmers, a genuine safety net, a policy that does not distort land values, does not depress prices, and, finally, does not lead to real problems with our trading partners, whether it be in the WTO or any other trading arrangement.

We debated that issue yesterday as to whether the current text of the farm bill, before amendment, leads to bumping up against the $19 billion cap. In my judgment, and that of many others, we risk that. The FAPRI group—the research people at Iowa State and Missouri—said there is a 30.3-percent chance that will occur in 2002, as a matter of fact. That really does jeopardize American agriculture.

We can say we do not care what the rest of the world thinks about all this and, after all, that the Europeans are subsidizing in a big way—maybe some others—but we need every dollar of export income. We cannot have countervailing suits or retaliatory mechanisms that abnormally affect certain crops as countries try to find where we are vulnerable and arbitrarily knock out one group of farmers while they are trying to hit the whole system.

Furthermore, we are the leaders in world trade. We are the people who really want to expand this. We have to do that if we are genuinely thoughtful about the future of American agriculture. To take some type of a myopic view that we simply deal with ourselves leads, finally, to the fact that is all we will be doing, and it is a limited market.

So given the extra incentives, prices will inevitably go down and stay down because there is no outlet in terms of American agricultural genius.

Let me point out that agricultural subsidies have been distributed according to acreage. Some have said that is the way it ought to be: You do more, you get more. I understand that. To some extent, I recognize, as the Presiding Officer does, that this has led to a situation of roughly two-thirds of the payments going to 10 percent of the farms. USDA—more graphically getting down to this 350,000 I talked about—says 47 percent of all the money went to them, almost half to a very isolated group of people. They are very good farmers, but if that is the purpose of the farm bill, that is not what the rhetoric we have been hearing would bring about.

The Daschle-Harkin bill spends the bulk of $120 billion on new fixed farm payments, on new countercyclical payments, on higher marketing assistance loan rates for program crops. It, likewise, extends, for dairy, the milk price support of $9.90 per hundredweight through 2006. It also creates a new national income support program. Overall, the dairy provisions are expected to cost $2.3 billion over and above the baseline.

A new target price is created for peanut producers, and that is expected to cost $4.2 billion over 10 years, and nearly $700 million more than the House-passed peanut provisions.

The CBO projects the Daschle-Harkin bill may cost $120 billion over 10 years, but its actual cost could be 25 percent or even 50 percent larger if commodity prices fail to rise. That is a pretty good bet. I don't see how they rise under these conditions.

I am going to have another amendment in due course in the debate that will suggest we take the average payments of the last 3 years of the farm bill. Those have included not only the regular payments, baseline, AMTA, and so forth, but the supplemental legislation we passed each summer. These have been pretty heady sums of money all told. I am going to offer an amendment that will suggest that the payments, if we adopt the Harkin-Daschle approach, shall not exceed that average of the last 3 years, just so there are some stoppers with regard to some fiscal sanity in this bill.

This becomes an entitlement. If you are out there and you produce the bushel, you expect to get the loan or the payment and not a lecture that, after all, we only budgeted $120 billion.

That is not a part of this amendment, part of the next one, in the event I am not successful with this amendment. But if I am successful with this amendment, we have solved the problem. There is no doubt as to what the cost is going to be at that point, nor any incentive to overproduce. In fact, it is very likely that prices will rise as people make rational decisions on what to plant.

Let me conclude this initial presentation by pointing out, for those who have not followed it from the beginning, that this is a complete substitute for the commodities title of the bill. That means all the programs involved in the commodities title would no longer be there and, in fact, in place is a payment of $7,000 to each farmer in America or each entity at risk of $7,000 for a 4-year period of time, providing the safety net I believe we want, with strong bipartisan support for that in a very predictable and equitable manner.

I yield the floor and suggest the absence of a quorum. I ask unanimous consent that the time be equally charged to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LUGAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I am pleased to announce I have received a letter from the Council for Citizens Against Government Waste, dated February 7, 2002. The letter states:

> DEAR SENATOR LUGAR: On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste, I am writing to inform you of our support for your amendment to S. 1731, the Farm Bill, which would replace current farm program payments with fixed annual equity payments to eligible farmers beginning in 2003.
>
> Your amendment provides equitable Federal assistance to all U.S. farmers and ranchers, and it saves taxpayers approximately $20 billion over the next five years. Current farm policy allocates two out of every three farm subsidy dollars to the top 10 percent of subsidy recipients, while completely shutting 60 percent of farmers out of subsidy programs.
>
> Your amendment will provide a more equitable farm program, a significant improvement over the present system, which provides the overwhelming percentage of government payments to large farms rather than smaller farms that are most in need of assistance.
>
> [The Council for Citizens Against Government Waste] will consider a vote on your amendment in the 2002 Congressional Ratings.

It is signed by Mr. Thomas Schatz, president.

I yield the floor and suggest the absence of a quorum, with the time equally charged against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LUGAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, USDA's Economic Research Service estimates that in calendar year 2000, the latest year for which this data is available, there were, in fact, 764,000 farms in America with an annual gross farm income of $20,000 or more. I cite that figure to give some idea of the number of farms that, given this threshold, we are discussing in this amendment.

As I mentioned, on some of these farms there are at least two entities—maybe more—sharing production risk and having $20,000 at stake in terms of gross income. Each of these entities would qualify for a $7,000 payment.

This means that those who have been scoring the amendment estimate there could be, under the widest interpretation, as many as 1.3 million payments of $7,000 a year.

That is the basis upon which we arrive at the $25 million sum for all of the commodity section over a 5-year period of time. I make that point simply to undergird, for Senators who are listening to the argument, the financial aspects.

I think it is of interest as to how this works out in real life. I cite once again the Environmental Working Group Web site with regard to my home State of Indiana. For the years 1996 to the year 2000, it breaks down the annual payments, not the 5-year total but the annual payments of farmers in my State. I cited earlier that in this particular situation, almost 100,000 farms receiving some payment have been identified. It is interesting that in Indiana about 75,800 of these farms received no more than $5,000 on an annual basis during this period of time. So this means, even if one extrapolates up into the next group, $5,000 to $10,000 where there were 9,500 more farmers, splitting that in half, roughly 80 percent of the farmers of Indiana, 80 percent who were receiving farm payments, received less than $7,000 in this period of time. That is why $7,000 per farm entity makes a significant difference to a large majority of farmers in my State.

I think most Senators will find, if they do the arithmetic, $7,000 for a farm entity of $20,000 at risk, $20,000 gross but the farmer at risk, means anywhere from three-quarters upwards of actual farmers in the Senator's State will do better under my amendment than under the Daschle/Grassley bill.

I hope Senators understand that. I am certain at some point farmers will understand that, and farmers presumably will hold Senators responsible for looking after their interests.

So to underline the obvious, again, my statement is that roughly 75 to 80 percent of farmers who now would receive $7,000 in each of 4 years if they continue in farming will do better than the payments they would receive under the farm bill that is now before us. Clearly, if we are deeply interested in the majority of American farmers, especially those farmers who are most in jeopardy of losing their enterprises, we will be interested in this group. This is the safety net that is provided by my amendment.

I yield the floor, and I ask unanimous consent that the time be equally divided against both sides.

The PRESIDING OFFICER (Mr. EDWARDS). Without objection, it is so ordered.

The Senator from Iowa.

Mr. HARKIN. Mr. President, might I inquire of the situation. I understand the pending Lugar amendment is 60 minutes evenly divided. Could the Chair inform us about how much time is remaining on both sides?

The PRESIDING OFFICER. The Senator from Iowa has 52 minutes, and the Senator from Indiana has 70 minutes.

Mr. HARKIN. Mr. President, I yield myself such time as I may consume.

Mr. President, I have, as the Senator from Indiana knows, great respect for him. We have had a great working relationship on the Agriculture Committee. I daresay, without any fear of contradiction, that perhaps in most, if not almost all, of the present focus that we have on agricultural research and the changes that were made in research were because of the leadership of Senator LUGAR.

My friend from Indiana has been unafraid in what I call pushing the envelope in trying to think outside the box on agriculture, and maybe in some ways we find ourselves in a box on agriculture. I might be one of the first to admit that. We have over 60 years of Federal farm programs that have been designed, in essence, to try and support our farmers, our farm families, during periods of low prices, during periods when their income would fall basically due to no fault of their own.

A lot of times my urban friends will ask me why do I have all of these farm programs. There is not the same thing for a hardware store, or the dry cleaning shop, or a number of other main street businesses. I always have to bring them through the process of why we are where we are, and that agriculture is really unlike a Main Street business in that there are so many variable factors beyond the farmer's control.

We know the classic ones, of course: weather, the droughts, the hail, the rain, the cold, the heat, whatever it might be, those vagaries of weather. Now, to a certain extent we have over the years attempted to protect the farmer from those vagaries with different forms of insurance programs, but then sometimes those insurance programs do not meet all the needs.

First, it was hail and fire. Now, we have gotten into all-crop, all-peril, all-risk insurance. We are doing that now so that has been helpful.

So there is weather. Then there are the other vagaries of agriculture, and that is basically on the world market in which we now find ourselves. What one country might do, as in Brazil, in Argentina, or the countries of Europe, might drastically affect what happens to the farmers in this country. We do not have much control over that.

Then there are the other vagaries of disease and pestilence, and so forth, that affect our livestock industries in this country. Of course, we continue to do research and to support APHIS, the Animal and Plant Health Inspection Service, and others, to help us in our continual battle against the infestation of either disease or pests in our crops and livestock. Put all of these things together and that individual farmer has literally no control over the marketplace, none whatsoever.

It has often been said the farmer is the only person who buys retail and sells wholesale and pays the freight both ways. That basically is true. So we build up this elaborate network of farm support programs, to me, different vagaries of farming as we go through the years; different now than it was 30, 40, or 50 years ago.

Our programs change, but they have the essential underpinning of ensuring that, No. 1, we will have an adequate supply of food and fiber for the citizens of this country, that we will have that food and fiber in a way that will ensure no one really goes hungry in this country. On that side of the ledger we have built up quite a system, also, of nutrition programs. The most famous is school lunch. But there are a lot of others. So we made it possible for this country to be the best fed and to have the largest variety and the most quantity at the cheapest prices of all sorts of food, especially wholesome food. There is some food that is not too wholesome, but at least in the wholesome foods that is true.

That is a reason we have dairy programs. We found through the history of the dairy programs, when we had the spring flush, prices would go to nothing. A lot of farmers found that they could not make it. But in the middle of the winter, the price of milk would skyrocket and kids would be left without milk. We wanted to even this out. We came up with dairy programs to even that out. They have worked quite well overall.

It is true we have an elaborate system of support programs. If we were starting over and we had a clean slate, we might start a system of equity such as the Senator is talking about. We are not starting with that clean slate. We have to take into account what has happened with land prices, what has happened in the local communities, what this would mean if we were to yank the rug out all of a sudden from under these programs.

If our experience under the last farm bill, under the Freedom to Farm bill, had been different and we had some reason to believe that farm programs would be phased down and eliminated, maybe this would have been the right approach. We saw that was not going to happen under Freedom to Farm. So all of these programs have been woven into the fabric not only of our farms but of our rural communities, our schools, our businesses, our colleges, our transportation.

Earlier we mentioned the value of land. Some may argue, rightfully so, we have a land bubble out there; we have prices of land, and the value of the commodity for that land cannot support that price. This is not speculative land, land near a city waiting to be developed. To a certain extent, some of the payments we have put out there in the past, in the last farm bill and the one before that and the one before that, going back for quite a ways, have had a more perverse effect than what we intended. It has, in fact, increased the price of land beyond what the productive capacity of that land could support. This has not created a good situation.

We just had a vote on payment limitations, which I support. What has happened—I see it in my own State the way the farm program is structured—the bigger you are, the more you get; the smaller you are, the less you get. The payments go to the larger farmers. They then go out and bid up the value of the land above what the smaller farmers can get, or a beginning farm can do, and you get bigger and bigger farms.

Since I was a kid, I have been watching farms get larger in my backyard. I come from a town of 150 people. I still live there. All the farms around my hometown are getting bigger all the time. Some of that was inevitable, due to mechanization, better equipment, better seed, better fertilizer, better control over pests. So the production kept going. That kept the price of our food very cheap in this country. It was inevitable that farmers would not stay with 40 acres and a mule; farms would get bigger.

Over the last few years—I don't know if I could use a cutoff date, maybe 15 or 20 years—our farm programs have accelerated the process and have added to it and have made it worse, exacerbated it. We do have a land bubble. One might say we should not have a land bubble; land ought to be worth what it can produce or whatever it can bring on the market for speculative purposes but not based upon Government payments. I can accept that argument.

What I cannot accept is pulling the rug out right now. We cannot do that. This has been built up over 60 years of time, and accelerated over the last perhaps dozen years, 15 or so years, maybe more. We have to be very careful how we approach modifying and changing what we do in agriculture and how we support our farmers. To make this drastic change right now would cause a collapse of land prices which would devastate a lot of farmers.

In rural America, it is often said most farmers live poor and die rich. That has basically been true throughout my life. That is their retirement. The farm they have is their retirement. If we pull that out from underneath them, it will be like all the people with their pensions in Enron. Pull the rug out from underneath our farmers, let those land prices collapse, and we have treated them like Ken Lay treated the people at Enron. We do not want to do that. That would devastate our public schools that rely on the property tax in rural areas and our small towns.

What to do, then, if that is the situation? Do we take a drastic turn, as my friend from Indiana wants to do? I hope not. That would be devastating. In other words, what we ought to do is try to work within the structure that we have and start to move this engine a little bit, just to move it a little bit, and start to change the way we do support agriculture. The bill before the Senate is a balanced bill in that regard. Yes, we do spend more money on commodity programs. We do because farmers need it.

The Department of Agriculture estimated a couple weeks ago there will be a 20-percent drop in net farm income this year unless we come in with some kind of a payment. I ask anyone listening or watching to think of your own situation. What would you do for your family if this year you had a 20-percent drop in your net income? What would you do with your lives? What would happen to your kids? What would happen to your car? What would happen? Think of the farmers with a net income drop of 20 percent this year. I wish it were not so, but that is the fact.

So we have more money on the commodity programs this year. However—and this is a big but—this bill, developed with a lot of bipartisan input, through the committee process, amended on the floor as it has been amended and probably will be in the next couple of days, this bill puts more money in commodity programs, but we spend more on a broader agricultural constituency. We provide new—and more—conservation spending. That is income to farmers in a way that has never been done before.

Before, we would say to the farmer: If you take your land out of production, we will pay you for it. That has sort of reached its limits. So now we say to the farmer: You be a good steward of the soil, you keep your soil from running off; you, livestock producer, make sure you don't have the manure runoff that is killing fish in the streams and fouling underground water; you, row cropper, cropping the hills, put in some buffer strips along the streams, put in some grass waterways; you on the plains, cut down on the wind, put in some windbreaks, do things like that, rather than plowing up the land; do ridge tilling, hold the soil down—we will pay you for it.

That is a conservation security program to begin paying farmers to be good stewards.

Many farmers are already doing that and this bill would not cut them out. This would not say they would have to do anything different. They would just have to continue what they are doing and they will get paid for it.

That is a change. There are some in this Chamber—there were some in our committee—there are some who do not want to do that. The Cochran-Roberts bill that was offered as a substitute took that conservation out and threw it out the window. Fortunately, it only received 40 votes. But I think there is great support for that movement of beginning to pay all kinds of farmers, whether they grow row crops or livestock, orchards, vegetables, fruits—whatever it might be—to support their income in a way that provides a payoff and a better environment. So that is in this bill.

We also have, for the first time, an energy title in this farm bill. If September 11 taught us anything, it ought to have taught us that we have to cut the oil pipeline to the Mideast. Again, do we want to cut it this year? No, we can't do that this year or next year because our energy system in this country is too dependent on it. But we ought to begin planning and doing things now that will get us off that oil pipeline.

I daresay drilling for oil in the Arctic National Wildlife Refuge is not one way to do that. That will still keep us hooked up to the oil pipeline. What we have to do is begin to look at our farms and our fields as the substitutes.

Anything that can be produced from a barrel of oil can be produced from a bushel of soybeans or cottonseed or corn and other products.

I visited a relatively small farm in northeast Iowa last weekend. The farm family there had agreed with the University of Northern Iowa that they would participate in a project to make axle grease out of soybean oil. If you look at it, it looks just like grease. Already they are working with large trucking companies to buy this grease for their fifth wheel, and working with I think the Norfolk Southern and other railroads to grease the railroad tracks with it. Why? Because it is totally biodegradable. Hydraulic fluids can all be made from soybean oil. In Cedar Rapids right now we have over 30 buses running on soy diesel.

I think we have broken through a little bit on soy diesel, I say to my friend from North Carolina, because last week—I didn't see this, but I heard about it—on "West Wing" the television show "West Wing" that has to do with the President, I guess the President in "West Wing" was taking a trip to Cedar Rapids, IA. He said to his staff: Are we going to get picked up by one of those diesels running on soybeans?

So we are making a breakthrough. People are now beginning to pay attention that buses can run on soybeans. It is all biodegradable.

We have an energy title in this bill to try to start moving in that direction, $550 million, half a billion dollars in 5 years—I hope we can keep it—again, to begin to develop that, whether it is diesel or hydraulic fluids, grease, or ethanol. We haven't even scratched the surface on ethanol use in this country. We can do a lot more with ethanol, and the feed co-products can be used in feedlots.

Biomass energy—we have a project in Iowa right now that we started a few years ago. I was able to get a modest change in the law to allow biomass production on conservation reserve program land, we set aside 4,000 acres in southern Iowa to grow switch grass. That switch grass is cut and then it is taken over to the Ottumwa, IA, coal-fired powerplant and put right in there with the coal to burn at the powerplant.

See, a pound of switch grass has more Btus than a pound of coal. The problem is, a pound of switch grass is this big, and a pound of coal is that big. But they burned it last year in the boiler. It worked just fine. So now John Deere is working on developing new kinds of equipment that will cut the switch grass and put it in little bundles so it will make it easier to transport and put in the furnaces. Biomass energy, renewable every year. It will cleanup the environment and give farmers some additional source of income.

Wind energy—the largest wind farm in the world is located in Iowa. Interestingly enough, it was built by Enron. But it is there. So there are provisions in our bill—we have an energy title in our bill to begin to promote that and give a new market for farm products.

That is what we have to do. We have to find new markets for what these farmers grow. One of the biggest markets out there—a huge market that can absorb a lot of our commodities—is the energy market. So why should we be paying all this money to Saudi Arabia and the Mideast or go up and drill in the Arctic National Wildlife Refuge, when we have it right here on our lands. So that is another part of the bill that begins to move us in some different directions.

We have a strong rural development program in this bill to provide for broadband access to our small towns and communities. Those are things that will help bring jobs to smaller towns in rural America.

All in all, what I am trying to say is in this bill we tried to balance a lot of things. I say to my friend from Indiana, if I were a dictator, would I have written a different bill? I probably would. He would have, too. But we have a lot of interests here that we have to try to balance.

All in all, I believe the bill is a balanced bill and it will support farm income with countercyclical payments. That is another new provision in this bill, a countercyclical program. When prices go down, we support farm income. We don't let farm income go below a certain level. Then we have direct payments also, which we hope will phase out, phase down, and bring in the countercyclical. That was the problem with Freedom to Farm. They were phasing down the direct payments, but they never replaced them with anything, so every year we would come in and appropriate new money. In our bill, if prices fall, the countercyclical payments would kick in.

So I will oppose the amendment of my friend only because of that reason. I think to make that big of a change right now could really disrupt a lot of rural America. I say to my friend, I think sometimes—what is that old saying?—when you are up to your eyeballs in alligators, it is hard to remember who forgot to drain the swamp. You just want to get out of there.

Maybe it is a little hard to think about how did we get in this mess. We are faced with a situation where we have to save our farms and rural America, and that is what we are attempting to do in this bill. I hope, working together this year, next year, and in the ensuing years, we can begin to examine some other changes that we might make in the structure of agricultural programs, with the goal being, I hope, continuing to provide abundant food and fiber to our people at a reasonable price but also with the goal of enlivening and rebuilding rural America. In every poll I have ever seen, when people are asked if they would rather live in a large city or a smaller community, all other things being equal, overwhelmingly people would rather live in the smaller community. But if you do not have good schools, decent jobs, decent recreation, and decent transportation, then things aren't equal. So people tend to gravitate towards larger communities.

I hope our view for the future is of enlivening and rebuilding rural America, and enabling younger people to go into farming. We have some of the finest agricultural schools in America—including those in Indiana and Iowa. When you go to those agricultural schools, you see young people who are smart. They know how to do things. A lot of them have experience working on the farms—maybe their family farms, or lives in a rural area. They are taking animal or plant science courses, or farm management courses. Ask any one of them if they are going to go into farming, and if they are going to be a farmer—only a very few, if they have parents with a farm free and clear that they hope to inherit—will they say yes. But if their parents have a little bit of land and they are renting more land, they are not going to be farmers. They are going to go into some kind of management, or some kind of agribusiness management. But they are not going to be a farmer.

Ask them if they want to be a farmer. Would you like to be a farmer? Would you like to have land out there and do the things your parents and grandparents did? Almost 100 percent say yes. But the decks are stacked against them.

I hope that is what we can look at as to how to revise and rebuild some of these farm programs in the future.

I listened to the distinguished Senator from Indiana, my good friend. He went through his long dissertation on his amendment. I thought it was very thoughtful. As I say, there are a lot of things on which I agree with him. But I just do not think this is the time to do that. I think we ought to be thinking about how to change some of these things. But, as usual, my friend from Indiana is very thoughtful and provokes our thinking. In that way, I think this adds to this debate. But I hope that all in all we will not approve of the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I thank the distinguished chairman for his generous comments about my work and about my amendment, even though he has risen in opposition.

Let me try to offer a word of assurance to the Senator as to the implications because it is certainly not my purpose to try to bring land values down or banking crises.

I make this point once again citing from the Environmental Working Group Web site because it has very detailed figures on how much money people get now.

For example, in my home State of Indiana, during the 1996–2000 period, 76,000 farmers out of the 100,000 who received money received less than $5,000. By definition, under this program, if they have $20,000 of income—that is the threshold—they are going to get $7,000. As you reach into the next bracket of $1,000 to $10,000, if you take half of those, we are up to 82 percent who are going to do better and 18 percent will not do so well.

The fact is, if there are to be changes profoundly useful to four-fifths of my farmers, the other one-fifth might say they can't count on this subsidy. Indiana is not as skewed as many States are with abnormal payments, as I cited in the last debate. Only six farmers in Indiana would be affected by the $275,000 limit—not more than that. But out of 100,000, we affected six farmers.

We are talking, it seems to me, in ranges that are not as cataclysmic as they may seem, but they do benefit three-quarters to four-fifths of the farmers of my State. The farmers I hear the most from are the other fifth. That may be true of the distinguished Senator from Iowa. Understandably, they are more aggressive, more articulate, and they have greater resources. If fact, their influence with the major farm groups seems to be substantially greater than the other three-quarters or four-fifths of my farmers.

But, nonetheless, for Senators who are trying to decide what kind of jarring change this makes, I think it makes a sizable change for a large majority of farmers. Others would have to accommodate to the fact that they are already more successful, and the safety net was not meant for them specifically.

Let me also mention that although I admit to the fact that all the money we are talking about is in deficit finance, I still indicated that I am prepared to advocate spending money. I would say that the farm bill—I may have left some confusion, and I want to clarify this—I am in favor of. That would include all the titles the chairman talked about, plus the commodity title comes out to $25 billion in my amendment for 5 years at a time. The commodity portion of that turns out to be a net increase of only $7 billion. That is true because we are phasing out a whole raft of programs but not adopting many programs that are in the Daschle-Harkin bill escalating the current baseline.

It is a fair question to always ask. Even if on paper the economics and the equities are right, what sort of jarring effect does this have on society? Probably there are people who want to walk around this a bit. Of course, that is the purpose of their debate: to define what we have to try to find. At least something is likely to be better not only for farmers—I think this amendment is better for three-quarters of the farmers—but also for taxpayers and for the general fiscal condition of the country. We are in a war and recession.

I would simply ameliorate the associations made that this is likely to cause very jarring changes. I think there will be changes, but I think they are constructive. Essentially, we move the money in a safety net to a large majority of farmers, those whom I think are probably most in need and are most likely to go out of farming, as a matter of fact, without some type of subsidy.

The distinguished chairman and I have generally agreed—and we had witnesses before the committee—that there is some equity at least in paying these moneys only if somebody is actually farming. That is one provision. In order to receive the $7,000, you have to produce $20,000 of gross income from the farming operation. You can't drop out for 2 or 3 years and on the basis of past history continue to collect the money.

I am not going to argue about the philosophy of the AMTA payments and the idea that those would be phased out from one type of farm philosophy to another. It may not have worked out that way. But that was the general idea. I am not talking about a phaseout, but the idea that you really need to farm and be a productive farmer at risk in a farm entity to collect the money.

I think that makes more sense to the American people as opposed to the many stories of moneys going to persons who have been out of the farming business for some time but had a history that fits these last farmers.

Mr. President, I yield the floor.

Mr. HARKIN. Mr. President, if I may respond to my friend, I understand what he is saying. Only a fifth of the farms in Indiana would be affected by this. It is probably about the same, I suppose, in Iowa. I do not know. But I still see that, again, these tend to be the bigger farms that have a lot of land. I still submit this could cause some derogation in the land values, and even though those at the bottom are getting a little bit more, their land prices might be affected by the bigger ones. So if those land prices go down, I think it might have a cascading effect on this.

I say to my friend—I think we discussed this in the past—some land prices may be inflated by farm programs, but if the support has to be brought down, I think it has to be brought down over maybe a several year period of time, or something such as that. That is why I was hoping to get away from some kind of direct payment system to a countercyclical payment that is only based on prices at the time and to put more into conservation, put more into energy, and put more into programs that require producers to act.

If there is something you have to do, then you can get paid for it, but it does not build into the land value. Because if you sell it to somebody else, and they do not do it, they do not get the payment. We have to try to get off the programs that continue to provide for an artificial land bubble out there—it is there; we have to recognize it—but I would be very careful about how we try to bring it down to some level in regard to what the productive capacity of that land is.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I appreciate this colloquy with the distinguished Senator because I think we are probably dealing with values and issues which are very important even in the midst of an empty Chamber. I am hopeful other colleagues are listening in from time to time to this dialog.

The dilemma we face, it seems to me, is not that the land values are going to come down, but rather that farmers will now have to plant for actual markets as opposed to planting for the Government. I think the prices, in fact, have some chance, under my idea, of going up again, in large part because I believe the policies we might adopt in the Daschle-Harkin bill are likely to depress prices. The hope is that will not be so and maybe world conditions or weather conditions, or something, might change. But it seems to me there is a history of stimulating overproduction and lower prices. That affects big farmers as well as small farmers.

As I take a look at my own operation, we are somewhere in between. I sort of fit into the group that, according to the Environmental Working Group, would get about $9,000 a year under the current situation. I think the Web site lists the Lugar farm as 22nd in the batting order in Marion County, but that is in the Indianapolis area where there are just 240-some farms involved. But it is roughly $9,000 a year over a 5-year period of time we are talking about. It is a 604-acre farm, probably in the top sixth barely of the size of farms in the State.

This is sort of the cutting edge when I am talking about the beneficiaries being maybe 80 percent. We are a little above that, and so, as a result, we are likely to lose a little money.

My own view is that I am likely to make money because I think that probably the price of corn is more likely to go up, likewise the price of soybeans; therefore, in regular markets, as opposed to markets that are subsidized or have artificial stimulants in them, I am going to make more money. I think that will sustain my land value without a bubble and will make that price a healthier one. Of course, there are other factors in land values: proximity to cities, whether highways go through them, as the chairman knows—all sorts of reasons why that happens. But, nevertheless, our two States—Iowa and Indiana—have many characteristics. During my more intense experiences in Iowa in 1995 and 1996, I discovered that going county by county.

I am sympathetic to the thought that change which is really ridiculous ought not to be entertained. It seems to me we are at a point where the idea that I have brought forward benefits a very large majority of farmers, and I think without harm to those who are more efficient because my guess is they will benefit the most from higher prices. They, by and large, have lower costs through research and through the methods they have adopted. This is likely to lead to more of a golden age for agriculture than what might be sort of a descending situation that many of us have been describing.

Mr. HARKIN. If my friend would yield for a little colloquy, I just ask my colleague again if he will elaborate a little longer on why the prices would tend to go up under the scenario he just described. I would think they would go down. But why does the Senator think the prices will go up?

Mr. LUGAR. My theory is that less will be planted; fewer acres of corn will be planted and fewer acres of soybeans will be planted.

I believe the current system, plus the additions that your bill would provide, offer incentives to plant more acres. I believe, given new, modern methods, and the research that we are both for, that is going to lead to higher yields—besides more acres—more bushels, and lower prices. That could change if we had a worldwide boom and our exporting thing works or El Nino knocked out half of one country's production. So these things happen from time to time.

My guess is, to answer the Senator truthfully, many farmers, despite the Freedom to Farm, still have incentives to do basic row crops. That is where the money is.

Mr. HARKIN. I say to my friend from Indiana, I believe what he is saying is that farmers will get market signals. In other words, they are out there, and if the price goes down, they will plant less. So then you have a drop in prices, and farmers will plant less, and then the price will go back up. I assume that is what the Senator is saying.

Mr. LUGAR. Yes. For example, on my farm, we know that a bushel of soybeans is going to get about $5.43 no matter what the market price is. People lament that beans have been down close to $4 a bushel. Indeed, they are, but not for our farm, or for anybody else who really is involved in the farm program involving soybeans. So I want to maximize production irrelevant to whatever the market signals are because I know for every bushel of those beans I am going to get the $5.43.

This is the way the world works. This is one reason why soybean production has been booming while prices have been falling. It need not always be the case. If there were no such loan, if I were not guaranteed the $5.43, then I really would have to be thoughtful about how many acres of soybeans I would plant. I would really have to begin to calculate how the world works in terms of markets as opposed to Government programs.

Mr. HARKIN. I ask my friend: OK, if you are not going to plant that, what would the Senator plant? You have land. You have fixed costs.

Mr. LUGAR. Yes. I would have to find an alternative crop that looked better for me. For the moment, my guess is that I would probably go to more corn, just as a practical matter. Corn is not so heavily subsidized. The $1.89 I am guaranteed is not as attractive as the $5.40 for the other situation. On the other hand, other farmers have calculated that, too. So they have planted less corn, not added more beans. They all might shift back, so it makes agriculture interesting.

Mr. HARKIN. That is the concern I have.

Mr. LUGAR. Yes.

Mr. HARKIN. In a system such as that, my concern is the boom-and-bust cycle: Prices go all to heck for soybeans. So farmers say: OK, we are not going to plant soybeans. We are going to go to corn. So the price of soybeans booms up and then the price of corn goes down, and then they jump out of that and, say, get back into beans again. So you get these huge fluctuations.

Mr. LUGAR. Yes.

Mr. HARKIN. So we are trying to keep at least some stability in there so you do not have those wild swings in prices.

Mr. LUGAR. I will make another radical suggestion. This is purely anecdotal from our farm experience. But I planted, over the last 18 years, 60 acres of black walnut trees. This is on acreage that I found was submarginal. We used to plant more, but it appears that sort of is a grandfather's dream. I will not be there.

But you have, at least it seems to me—by all the calculations by the foresters who measure the growth year by year—more of a return from the walnut trees than I am getting from the corn. That is a very long-range vision.

Mr. HARKIN. Sometime down the road.

Mr. LUGAR. Yes. You asked for alternatives. Clearly, there are a good number of people who are family farmers who intend or at least hope that their farms will be family farms for a long time. They are doing alternative planning.

Mr. HARKIN. I agree, to the extent there are alternatives people can use. Obviously, though, as the Senator has said, the return you get off that is sometime down the road, not right now.

And I think, just again, being a little bit parochial about it, in our area of the country, in the upper Midwest, there is a reason why we plant corn and beans.

It is very suitable for that. There is some wheat, a little bit, some smaller grains, maybe up in Minnesota, the northern part up there, but in our area we are corn and beans. We plant those crops because that is what the land is productive for in that area of the country. It is very hard. We don't grow rice. Wheat is OK. We can get wheat, but that will just depress the price of wheat. We could grow wheat. But there is just not much else.

When I was a kid—I am sure for the Senator as well—we had orchards. We had a lot of orchards, vegetable gardens, a short growing season. It was OK for the family, but to really make a living out of it wasn't too viable. So we are sort of stuck on corn, beans, maybe alfalfa, some hay, things like that, some sorghum—basically corn and beans. And then you have all your land tied up. You have your land and then your machinery, your equipment. You have all that fixed cost already there. I have a big combine. I put a lot of money in it, and it doesn't do much to plant black walnut trees. I can't get much money out of that to do that.

I ask the Senator to think about something that was said to me at one time. I don't know if it is true, but it made sense to me economically—why agricultural economics is a little bit different.

The farmer is sitting out there—think about your own land—the farmer is sitting out there, fixed land, has his equipment. Let's just take the farmer who doesn't have all the land paid for, may own some, and rent some. That is usually the case. He has equipment, some paid for, probably some he is still paying for. If the price of the commodity he is growing—let's say in this case corn or beans—goes down, the normal thought process is, other people would say, if the price goes down, the farmer would be a darn fool to plant any more of that.

But the farmer goes out and plants more corn. Is he a darn fool? My response is, no. Because what he is thinking is: OK, I have my land out there. I have my equipment. I have all those fixed costs. The marginal cost of planting an additional acre always approaches zero. He doesn't know that, but that is what it is. So if I plant 100 acres, my cost may be whatever. If I add an additional 10 acres, the cost to plant that additional 10 acres is not as much as the first 100. If I plant an additional acre on the side of that, its cost is even less because I already have my equipment and all that stuff. The time involved is not that much.

The farmer says: I have all that equipment. So if the price is down, I have to produce more. So if I was getting $2.50 for my corn, and now I am getting $1.80, I will just grow more corn.

So it really is a perverse economic kind of thing, sort of counter intuitive—I ask my friend from Indiana if that might not be the case—because farmers don't have control over everything. If I controlled everything, like General Motors, I could say, yes, I will cut down production. But each individual farmer out there with that fixed land, the equipment, his costs, his sunk costs, he says: If prices are down, I had better grow more.

Does the Senator from Indiana have some sense that that happens sometimes?

Mr. LUGAR. I would respond to my friend that that probably frequently happens. Probably a majority of farmers will continue to plant about what they are doing now. What I am discussing really is at the margins, that overproduction has seemingly continued and maybe accelerated as the farm bill has progressed—not just the one we are in but the one before that. The control factor is something that the Senator and I have considered during our work on the Agriculture Committee with the crop insurance innovations.

For example, this gives the farmer a lot of control. I would say in my own situation, I purchased the 85 percent crop revenue insurance this year. Before I planted, I knew I was going to get 85 percent of the income from my beans and corn of the last 5 years or the average period that was a part of the premium I paid. That is a lot of assurance. Then I can go more aggressively into the futures market, sell corn that I don't even have in the ground, or not planted it in the event that it appears to me circumstances are adverse.

Farmers in the past didn't have those sorts of options. Some are not taking advantage of them now. Nothing in this amendment affects the crop insurance situation, which remains a very important part of this management of risk and control that we now have.

Mr. HARKIN. I understand. The Senator is right. His amendment doesn't touch crop insurance. I understand that. I am concerned about this idea that somehow farmers will get these market signals and they will plant accordingly. I still think there has to be a role for the big bad government to play through the Department of Agriculture, through us here in the Senate and House, to help to try to stabilize it somewhat, and to provide for some constancy out there in terms of what to expect in terms of price supports.

I guess it is my own personal belief, based upon my studies and being here for a long time and looking at what has happened to agriculture, we could get into a period where we have some violent swings. Then I think we might be in a situation where we would find—I am loath to say this to my friend from Indiana because it always sounds as if we are doing the bad foreign baiting type of thing—if we don't do this, the foreigners will do it.

I don't necessarily buy that, but to a certain extent I think we get into a situation where we have those fluctuations like that. We might encourage more of our competitors around the world to be growing these crops and maybe taking some of their marginal lands out of production in growing crops, which I don't think would be good for the environment or anything else. I wonder about that also.

Again, as I said, those are just the concerns I have with the amendment of the Senator in terms of land prices and violent swings in commodity prices. And perhaps we just have a different philosophy on what the role should be. I believe there should be a role for the Government to try to keep wild swings from happening and prop up these prices a little bit in the marketplace. I don't want to provide the ultimate security, but some security out there, to say, it will go down, but it is not going to go any lower than this.

Mr. LUGAR. The chairman and I have been in entire agreement that we ought to be devoting more of our resources in this bill to research, to agricultural community development—really the bulk of the rural people are not farmers who are going to benefit.

Mr. HARKIN. That is true.

Mr. LUGAR. The educational process for the young, as well as loans, and this important energy research. Clearly, if our country adopted an energy policy that featured the biomass, the ethanol, or other products that come from that, we would have a different farm scene. I pray that will occur, as does the Senator. But it won't, really, without a great deal of effort on our part.

These are hopeful signs for the future. I think we both agree, we don't want to bump up against the WTO ceilings because that really would jeopardize our export position. And I have offered a prudent step that takes us way back from that apparently. I have a lot of government still here: $7,000 for maybe 1.3 million entities is a lot of government but, at the same time, a level that I think will not perversely accelerate the land value, overproduction, and really finally does cost a lot less money at a time that we are in deficit finance.

I appreciate the Senator's thoughtful objections to this, but I persist nonetheless and ask for support of the amendment.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Mr. President, I suggest the absence of a quorum with the time evenly divided. How much time remains on both sides, if I may inquire?

The PRESIDING OFFICER. The Senator from Indiana has 2 minutes 8 seconds; the Senator from Iowa controls 14 minutes 26 seconds.

Mr. LUGAR. I thank the Chair.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I say to my friend from Indiana, I want to be honest, so for the record, according to my staff who did this research, about two-thirds of those receiving payments in Iowa get less than $7,000. The Senator's is one-fifth? Ours is one-third.

Mr. LUGAR. At least three-quarters receiving less than $7,000.

Mr. HARKIN. We have about 160,000 farmers or entities receiving payments. Iowa farmers who get more than $7,000 are about 55,000 out of that 160,000—that is about a third—farmers getting less than $7,000, 105,000; farmers getting more than $15,000 are just under 30,000; and farmers getting less than $15,000, fewer than 130,000. It would be 105,000 farmers getting less than $7,000, and about 55,000 would be getting more than that.

The PRESIDING OFFICER (Mr. CARPER). The Senator from Nevada.

Mr. REID. Mr. President, I have determined from conversing with the two managers of the bill that they are going to yield back their time on this amendment. That being the case, I ask unanimous consent that the time be considered yielded back and that following 5 minutes for the Senator from New Jersey on an unrelated matter, the Senate begin voting on the Lugar amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Jersey.

(The remarks of Mr. TORRICELLI are printed in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The question is on agreeing to the Lugar amendment No. 2827.

Mr. HARKIN. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Texas (Mr. GRAMM), the Senator from Tennessee (Mr. THOMPSON), the Senator from Arizona (Mr. MCCAIN), and the Senator from New Mexico (Mr. DOMENICI) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 11, nays 85, as follows:

[Rollcall Vote No. 19 Leg.]

YEAS—11

Chafee
Collins
Corzine
Ensign
Gregg
Kyl
Lugar
Murkowski
Santorum
Smith (NH)
Voinovich

NAYS—85

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Cleland
Clinton
Cochran
Conrad
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Grassley
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman

Lincoln
Lott
McConnell
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Sarbanes
Schumer
Sessions
Shelby
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thurmond
Torricelli
Warner
Wellstone
Wyden

NOT VOTING—4

Domenici
Gramm
McCain
Thompson

The amendment (No. 2827) was rejected.

Mr. HARKIN. Mr. President, I move to reconsider the vote.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSON). Without objection, it is so ordered.

VISIT TO THE SENATE BY THE PRESIDENT OF ROMANIA

Mr. HELMS. Mr. President, I ask that it be in order for the Senate to stand in recess in honor of the distinguished guest we have today. He is the President of Romania. He is in his second term. His name is Ion Iliescu. Welcome, Mr. President.

RECESS

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate stand in recess for about 6 or 7 minutes.

There being no objection, the Senate, at 4:05 p.m., recessed until 4:10 p.m. and reassembled when called to order by the Presiding Officer.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001—Continued

Mr. HARKIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I understand under the procedure agreed to earlier, this side will now be recognized to offer an amendment. I understand Senator CARNAHAN has an amendment to offer. I understand we are ready to proceed to the Carnahan amendment. I was going to ask for a time agreement, but obviously we cannot proceed with a time agreement at this time.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

AMENDMENT NO. 2830 TO AMENDMENT NO. 2471

Mrs. CARNAHAN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mrs. CARNAHAN], for herself and Mr. HUTCHINSON, proposes an amendment numbered 2830 to amendment No. 2471.

Mrs. CARNAHAN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To permanently reenact chapter 12 of title 11, United States Code)

At the appropriate place, insert the following:

SEC. . REENACTMENT OF FAMILY FARMER BANKRUPTCY PROVISIONS.

(a) REENACTMENT.—Notwithstanding any other provision of law, chapter 12 of title 11, United States Code, is hereby reenacted.

(b) CONFORMING REPEAL.—Section 303(f) of Public Law 99-554 (100 Stat. 3124) is repealed.

(c) EFFECTIVE DATE.—This section shall be deemed to have taken effect on October 1, 2001.

Mrs. CARNAHAN. I ask unanimous consent Senator HUTCHINSON of Arkansas be added as a cosponsor to this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. CARNAHAN. Mr. President, let me commend the two managers of this bill, Senator HARKIN and Senator LUGAR. Trying to forge a consensus on a farm bill is a daunting task. The work is absolutely critical for family farmers in Missouri and throughout the Nation.

This amendment is designed specifically to help ailing family farmers. It will make permanent chapter 12 of the bankruptcy law. Chapter 12 offers an expedited bankruptcy procedure to family farmers in an effort to accommodate their special needs. It was first enacted in 1986 and has been extended several times since then—in fact, twice last year.

The provisions of chapter 12 allow family farmers to reorganize their debts as opposed to liquidating their assets. These provisions can be invaluable to farmers struggling to stay in business during difficult times. Unfortunately, chapter 12 expired on October 1 of last year. The Carnahan-Hutchinson amendment seeks to make permanent these bankruptcy provisions and reinstates them retroactively to the date when they last expired. The retroactivity will ensure there are no gaps in availability of these procedures.

The larger bankruptcy reform bill currently pending before the House-Senate conference committee includes a permanent extension of chapter 12. Nevertheless, America's family farmers should not have to wait for us to complete our work on the bankruptcy reform bill. Farmers and farm groups across Missouri have urged me to try to get these provisions reenacted as quickly as possible. They stress how important chapter 12 can be during tough times.

This amendment is also important because the retroactivity will eliminate uncertainty for farmers who have cases already pending.

Legislation extending these provisions passed the House of Representatives twice last year by votes of 411 to 1 and 408 to 2. These laws were both subsequently approved by the Senate by unanimous consent. It is my hope we can approve this amendment and complete our work on the farm bill quickly.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I commend Senator CARNAHAN for her excellent statement and for introducing this amendment. I am proud to be a cosponsor.

Earlier today I filed amendment No. 2828 which did precisely this, making permanent chapter 12 provisions and making them retroactive. Obviously, there is no need to pursue that amendment. I am very pleased to be able to cosponsor this amendment with Senator CARNAHAN. I look forward to its quick passage as well.

I was very disappointed earlier today in the payment limitation amendment being adopted and the consequences I believe it will have for southern agriculture. I know other parts of the country do not face that problem and will not see the impact we will see in Arkansas, Mississippi, Alabama, and across the South. Consequences will be real and severe. That is why the permanent extension of the chapter 12 bankruptcy for farmers is so essential. It is unfortunate it is so essential.

We talk of our farm bill having a safety net. That safety net expired last year, and the enactment of chapter 12 bankruptcy is critical. The temporary basis of past law has Members again seeking to protect our Nation's farmers. This law was enacted on a temporary basis because Congress did not know whether it would work. We now know it does work and it should be permanently enacted. It was passed back in 1986. In the past 14 years, 20,000 American farmers have filed to reorganize their debts under its protection. It was designed to help farmers who receive more than half of their income from farming and have total debts of less than $1.5 million. It hopefully allows them to stay in farming. It has worked very well.

It is unfortunate so many of our farmers are being forced into bankruptcy. I join my colleagues in pointing out this disturbing fact. I ask those same colleagues to join me in doing something. Between 1999 and 2001, the Farm Service Agency in Arkansas has seen a 28-percent increase in filings for chapter 12 bankruptcy. I mentioned earlier I attended one of those farm auctions this weekend. The newspaper ad announcing the auction said: Three more farmers calling it quits.

That is what we are seeing over and over again across the South—calling it quits, not being able to make a go of it under the current commodity prices and in the absence of a predictable farm policy. There has been a 28-percent increase in filings for chapter 12 in Arkansas. Chapter 12 helps farmers get through bad times without having to give up the farm and helps them, hopefully, to get on their feet.

Before chapter 12, banks would not negotiate with farmers and they would be forced to sell the farm. Chapter 12 provides farmers the ability to have more flexibility to reorganize their financial affairs. Farming requires a tremendous amount of capital investment. Under most other provisions of bankruptcy, farmers would be required to sell a lot of their machinery and oftentimes sell their property also. This sends these farmers spiraling toward collapse because it nearly eliminates the chance farmers could work themselves out of their financial situation.

This legislation is currently tied up in the bankruptcy reform conference. It has been there now for 6 months. All the while, farmers are going out of business, forced to sell their equipment, and sell their assets, and sell their property.

Our country is in a recession. The agricultural community has been in a recession for several years. Many commodity prices are at their lowest point in nearly 50 years. In the past, we have supported short-term, short-sighted extensions. It is time to permanently enact these bankruptcy provisions. In this time of economic uncertainty, forcing farmers to liquidate their assets is not the answer. The answer is permanent enactment of chapter 12 bankruptcy, allowing farmers the ability and freedom to reorganize their debt and stay in farming.

Once again, I thank Senator CARNAHAN for filing and offering this amendment. I am glad to cosponsor the amendment. I hope for its quick passage this afternoon.

Mr. LEAHY. Mr. President, I am pleased to cosponsor this amendment by Senator CARNAHAN to retroactively renew family farmer bankruptcy protection and make Chapter 12 a permanent part of the Bankruptcy Code. I commend Senator CARNAHAN for her continued leadership in protecting family farms across the country.

Unfortunately, too many family farmers have been left in legal limbo in bankruptcy courts across the country since Chapter 12 of the Bankruptcy Code expired on October 1, 2001. Congress needs to move quickly to restore this safety net for America's family farmers.

This is the third time in the last year that this Congress must act to retroactively restore basic bankruptcy safeguards for family farmers because Chapter 12 is still a temporary provision despite its first passage into law in 1986. Our family farmers do not deserve these lapses in bankruptcy law that could mean the difference between foreclosure and farming.

In 2000 and into last year, for example, the Senate, then controlled by the other party, failed to take up a House-passed bill to retroactively renew Chapter 12 and, as a result, family farmers lost Chapter 12 bankruptcy protection for 8 months. The current lapse of Chapter 12 has lasted more than 4 months. Enough is enough. It is past time for Congress to make Chapter 12 a permanent part of the Bankruptcy Code to provide a stable safety net for our nation's family farmers.

In the current bankruptcy reform conference, I am hopeful Congress will update and expand the coverage of Chapter 12 as Senator FEINGOLD has proposed in the Senate-passed reform bill.

In the meantime, the Senate should take the lead and quickly restore and make permanent this basic bankruptcy protection for our family farmers across the country by adopting the Carnahan amendment.

Mr. GRASSLEY. Mr. President, I'm a strong supporter of Chapter 12. I wrote it; I believe in it. But I believe it belongs in the bankruptcy bill which is currently in conference. I hope that the Majority Leader will step up to the plate and help move this conference along. The bankruptcy bill contains many provisions that would make life better for farmers and it would be a serious mistake not to enact the bankruptcy bill soon.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I join with the Senator from Arkansas and the Senator from Missouri in supporting this amendment. I compliment both Members for addressing this issue. I compliment the Senator from Missouri for offering this amendment and the Senator from Arkansas. This is something sorely needed. I hope it will have strong support.

I hear a lot about this in the countryside. Quite frankly, in these tough times, more and more I think we will need the benefit of chapter 12.

As I understand it, this does go back retroactively to last September, if I am not mistaken, and it will cover a number of farmers using chapter 12 proceedings and making it permanent. At least it lets them know it is going to be there from now on and we will not have to keep reauthorizing it. I ask to be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I join the chairman in commending the distinguished Senators from Missouri and Arkansas for a very constructive amendment. I am hopeful it will have universal support.

Let me add a point of procedure. Senator HATCH wants to speak on the amendment. He is not visible for the moment. At a certain proper time, I will consult with the chairman. We may want to set this amendment aside so we have floor activity. I know of no opposition, but Senator HATCH is still to be heard from, so we want to reserve the opportunity for him to speak if possible.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. CARNAHAN. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. CARNAHAN. Mr. President, I ask unanimous consent that Senator LEAHY be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. CARNAHAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. CARNAHAN. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. REED). Without objection, it is so ordered.

Mrs. CARNAHAN. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

Mr. HARKIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I have conferred with Senators LUGAR and HARKIN, the two managers of this legislation. I ask unanimous consent that the vote on or in relation to the Carnahan amendment occur at 5:40 today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the pending amendment, that of Senator CARNAHAN, be set aside and that Senator CRAPO be allowed to offer his amendment. For the information of Members, he would offer this amendment, speak until 5:40. There are other Members who probably wish to speak on this amendment. Then the agreement between Senator CRAPO and the two managers and I would be that when the debate is finished on his amendment this evening, the amendment would be laid aside and we would take it up again next week.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAPO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2533

Mr. CRAPO. Mr. President, I call up amendment No. 2533.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Idaho [Mr. CRAPO], for himself and Mr. CRAIG, proposes an amendment numbered 2533.

Mr. CRAPO. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

> (Purpose: To strike the water conservation program)
>
> Strike section 215.

Mr. CRAPO. Mr. President, this amendment strikes section 215 of the Water Conservation Program from this bill. I have introduced this amendment on behalf of not only myself but Senator CRAIG, Senator DOMENICI, Senator THOMAS, Senator ENSIGN, Senator ALLARD, Senator CAMPBELL, Senator HAGEL, Senator ENZI, Senator BURNS, and Senators HATCH and BENNETT of Utah.

This amendment is essentially a debate over whether the Federal Government should make an unprecedented move into the management, allocation, and use of water nationwide through the farm bill.

Historically we have had some very successful programs in the farm bill dealing with conservation. In fact, I have often stated, as I talk around the country about the farm bill, that in addition to creating our domestic farm policy, the farm bill has many other incredibly important provisions, not the least of which is its conservation title. It is probably the most important environmental piece of legislation this Congress considers on a regular basis.

One of those important environmental programs is the Conservation Reserve Program. This is a program that is time honored and has worked for many years in a way that has assisted farmers while at the same time assisted those who seek to improve the habitat for fish and wildlife around our country and to protect and preserve and strengthen our environment.

The Conservation Reserve Program is one which, in essence, allows a farmer to put his or her land into the program and idle it, allowing for more and better growth and development of habitat for wild species while at the same time allowing the farmer to receive some compensation for the agreement to do the effort of working to develop a habitat and protect it.

It is a program, as I say, that has been very successful and very well received, and in this farm bill there are proposals to improve and increase the availability of the CRP to those in the agricultural arena.

I have worked for months now on developing a very strong conservation title that can be a part of whatever we move forward on in the arena of our agricultural policy. In the proposals I have made, we have, indeed, added and improved the scope and reach of the CRP.

The water provisions we are debating today are an effort to link, if you will, administration of the Endangered Species Act with this very successful CRP, and to do so in a way that will intrude on State sovereignty over water and will create inappropriate pressures on our farmers, our agricultural producers, to give up their water rights and will not result in more effective benefits for the wildlife.

In essence, the language we are debating says, as to some of that increased CRP land we are proposing to be put into the new farm bill, about 1.1 million acres of it, that in order to participate in that new CRP land, a farmer would have to agree to give up either temporarily or permanently his or her water rights to the Federal Government.

First, this is creating a condition on our farmers for their participation in a portion of a very successful conservation program, a condition that is unnecessary and is harmful.

Second, it is walking all over States rights. Today States have sovereignty over the allocation, management, and use of water and water rights, and this is an unprecedented move of the Federal Government into the management, allocation, and use of water rights and, frankly, a move that will put the Federal Government in control of water rights in return for giving farmers the permission to participate in the CRP.

Third, the States already have programs and operations in place that enable them to address the questions of the need for water for species management. In fact, in my State of Idaho, we already are working very aggressively in salmon and steelhead recovery efforts to work with private property owners and water rights holders to make certain we are able to get water to the species that need it without harming the agricultural community and the other interests of water users, and we are doing so very successfully.

In fact, with permission, I would like to read briefly from a letter to me from former Senator Kempthorne, now Governor Kempthorne of the State of Idaho. I ask unanimous consent to read from this letter.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRAPO. Mr. President, this letter, sent by Governor Kempthorne on December 11, says:

> The water conservation program—

The water proposals I am talking about right now in this bill—

> are not consistent with the laws of the 18 Western States, including those of the State of Idaho. In addition, the goal of implementing water quantity and water quality improvement demonstrated to be required for species listed under the Endangered Species Act can largely be achieved under existing State laws.

My point is that the objective of this language we are talking about is certainly worthwhile: getting water, quantity and quality, to the species that need them. But the States already have programs in place to achieve these objectives, and it is achieved very successfully in Idaho.

Governor Kempthorne goes on to point out:

> In Idaho, the U.S. Bureau of Reclamation has been able to rent water from the State water supply bank from willing sellers pursuant to State law for almost a decade. More recently, the Bureau has rented water while in the Lemhi River, a tributary of the Salmon River, for the benefit of fish species. Again, this was done under the auspices of State law in cooperation with willing sellers.

My point again is that State law already provides mechanisms for the objectives of this water language to be achieved. We do not need to insert the Federal Government into the control of water rights, and we do not need to condition participation in a very successful conservation program and pressure being brought to bear to force farmers to give up their water rights either temporarily or permanently.

I will make another point and then yield the floor because I know there are other Senators concerned about this matter and who want to speak about it. The point is this: We have all had a lot of experience under the Endangered Species Act with its implementation and management. A very critical question has been raised about this language with regard to what happens if it is adopted and a farmer, in order to participate in this program, agrees to temporarily give up his or her water rights, thinking: I can get those water rights back at some point when I determine I would like to say it is time to return them to me.

What if a species has become dependent on that water? Under the Endangered Species Act, section 9, the question arises: Does that become a taking? Does there need to be a NEPA analysis before the Federal Government can return the water rights to this farmer? Does it have to go through an analysis of section 9 of the Endangered Species Act and under NEPA and other provisions of Federal law to determine whether other Federal law would be violated by the return which is contemplated by this very language?

Those are the kinds of questions that must be answered, but they are the kinds of questions that also raise clearly the problem that is addressed in terms of the Federal Government beginning to assert itself into this process.

Mr. President, I know we have a limited time right now, so I am going to conclude my remarks. I know there are a number of other Senators who will seek time. I have been told to remind them all we only have about 15 minutes of debate remaining.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. Mr. President, I rise to support Senator CRAPO's amendment to strike the language in the Conservation Reserve Enhancement Program.

Before the holiday recess, we debated a slightly different version of Senator REID's proposal. The holidays gave us sufficient time to look over the language and to get feedback.

I can tell my colleagues that in my State our Governor, our attorney general, the Colorado Farm Bureau, and literally every rancher and farmer I talked to during the break strongly oppose this language.

Senator REID has included some very controversial language. I have great respect for Senator REID and consider him a close friend, but I think this is just dead wrong. The recent change cannot cure the flawed provision.

First of all, some might refer to Senator REID's proposal as a mere extension of CREP, a program that can only be extended if it already exists, but water rights should not be part of the Conservation Reserve Enhancement Program. Therefore, the addition of water rights is a fundamental change to the existing program. Such a change should require hearings, study, or some level of congressional inquiry, and yet there has been none to date.

Our constituents expect us to be fully informed. Since this is the first that most of us have heard of creating what is effectively a new program, how can we possibly be fully informed? We cannot, and I simply cannot vote for something that can hurt farmers in my State when we do not know the effects.

I carefully reviewed the language letting the States hold water rights rather than the Secretary of Agriculture, as Senator REID recently proposed.

At first glance, this might sound reasonable, properly deferring to the primacy of State water courts in the West. However, the new language requires the Secretary of Agriculture to review and approve the interested State's program.

Again, the United States waived its sovereign immunity and consented to deferring to State adjudication of water rights. In 1993, the U.S. Supreme Court reaffirmed that law ensuring that Federal claims are subject to State water courts.

Senator REID's language would make a change to CREP and would bring the Federal Government back into the equation. Whether intentional or not, the USDA review and approval requirement amounts to a sleight-of-hand Federal regulation of a precious State resource resulting in de facto Federal involvement.

Again, this dramatic change to the CREP creates way too many questions. First and foremost, of course, is why should water be included in this farm bill? Second, this new program would give priority to a State program that addresses endangered, threatened, or "species that have been called threatened or endangered." Senator CRAPO alluded to this.

It may also include those that "may become threatened." I do not have to remind my friends from the West of the controversy currently surrounding the Canadian lynx and the fish in the Klamath Basin and my State of Colorado, too, species that were actually endangered and, in some cases, we are finding out now, in the case of the lynx, they were not really endangered. There were dummied statistics to make them look endangered.

Before granting discretion to affect "species that may become threatened," we should determine how many problems actually are there and what kind of corrective action should be taken.

Senator CRAPO mentioned the question, if we lease water to the Federal Government and they use it for a different purpose than the farmer used it, if it creates an area that may become an actual endangered species habitat, would that, under the Endangered Species Act, supersede the rancher's and farmer's ability to get the water rights back when the lease is over? That is a question we should ask ourselves.

My colleagues have stressed this language would not disrupt water rights because it only affects "willing sellers."

What about the downstream farmer? In the West, all of us know that water is used more than once.

I have a small ranch. I think I am about fourth in the use of the water. The wastewater is then filed on by people who are downstream or have areas of ranching territory lower than others. So you may have four or five people who use the same water. Of course, priority right is given by senior water rights or junior water rights, depending on how early they were on the claims in the filing. If a senior rights holder upstream leases from the Federal Government, where does that leave the junior rights holders who also rely on that water to feed their crops or their livestock? Could they be also in danger? I think they could.

In Colorado, much as in all the rest of the West, water is treated apart from the land. It is considered a property right. It can be taken from the land and sold separately, which it often is. So long as the change does not injure other water rights, I think this language, because of the way we reuse the water over and over, could certainly jeopardize junior rights holders.

Colorado is an arid State. Its strained water supply has been over appropriated. In other words, the demand for water exceeds our supply. That is what we are always in court about and always fighting about. Even more challenging, Colorado's population is projected to grow 63 percent in the next 25 years. The growth, in fact, is only superseded by the growth in Nevada and Arizona. We are the third fastest growing State. I certainly would oppose any action to jeopardize any State's rights to use the water it legally owns.

In order to meet water needs, communities have entered into water compacts. I believe this language leaves too many questions about what happens to inter-basin compacts, inter-State compacts, and international compacts. Both the Colorado and the Rio Grande headwaters are in Colorado. We have nine rivers that flow out of Colorado. All of them are subject to those compacts. The two major rivers I mentioned are subject to compacts with another nation, Mexico, as they receive water from both of those resources.

In closing, many of my colleagues like to say they are moving a farm bill because that is what farmers want. The group, Environmental Defense, was quoted today in Congress Daily concerning Senator REID's language, and I would like to remind my colleagues they are purportedly acting pursuant to the farmers' interests and what the farmers want.

Well, I know the Farm Bureau has gone on record as opposing this language. The Farm Union was in my office also opposing this language, and I oppose this language. So I hope my friends recognize the real long-term dangers that could exist for water users in all the Western States if the Reid language is included.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I am pleased to join with my colleagues from the West and my partner from Idaho, MIKE CRAPO, to support an amendment to strike a section from this bill that deals with the very critical issue of western water. This area is being called the water conservation program.

I will submit for the RECORD a letter from the President of the American Farm Bureau. Basically, he puts it rather clearly:

> The American Farm Bureau Federation board of directors in a special meeting on Tuesday, December 18, 2001, voted to oppose Senate passage of the farm bill if it contains the water language that your amendment is intended to strike.

I ask unanimous consent that the American Farm Bureau letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> AMERICAN FARM BUREAU FEDERATION,
> *Washington, DC, December 19, 2001.*
> Hon. MICHAEL CRAPO,
> *U.S. Senate, Russell Senate Office Building, Washington, DC.*
>
> DEAR SENATOR CRAPO: I am writing to convey the strongest support possible of the American Farm Bureau Federation for your amendment to strike the Reid water rights language from the conservation title of S. 1731. This language poses an extraordinary new threat to agriculture and the ability of farmers and ranchers to remain economically viable.
>
> The water provisions in the bill set a dangerous precedent that would erode historic state water law. Additionally, it will expand the scope of the Endangered Species Act to cover a new category of species that are not in fact threatened or endangered. These changes are unacceptable to agriculture and will affect agricultural producers well beyond those who participate in the Conservation Reserve Program.
>
> The American Farm Bureau Federation board of directors in a special meeting on Tuesday, December 18, 2001 voted to oppose Senate passage of the farm bill if it contains the water language that your amendment is intended to strike.
>
> Sincerely,
> BOB STALLMAN,
> *President.*

Mr. CRAIG. I am not sure one can get much clearer than the language of Bob Stallman as he talks for the thousands and thousands of members of the Farm Bureau across the Nation and, most importantly, in the 18 Western States that are most dramatically affected by the Reid provision.

A long while ago, long before the Presiding Officer or I ever thought about coming to the Senate—or maybe our parents even thought they might have sons that would come to the Senate—this Congress decided the best way to solve water problems in the arid Western States and western territories was to allow those States and their governments to make those determinations. Why? Because water was so very scarce, and only the Western States with their perspective could determine the allocation of water. It was never true this side of the Mississippi where there was 30 or 40 or 50 inches of rainfall on an annual basis. Water was viewed sometimes as a problem, not an asset or not a rare commodity, but that is not true in Idaho, Arizona, Colorado, New Mexico, California, or Wyoming where water is truly a scarce commodity. Over decades of time, our States have very carefully and cautiously allocated that water.

My colleague from Idaho, and the Senator from Colorado, spoke about some of the methods, the compacts, the water laws, and also the sensitivity that water had to be left instream to take care of endangered species, and those decisions had been made in the States where they most appropriately ought to be made to assure that critical balance in the aridness of the West, of where the water was, how it got allocated and how it got used.

Never before have we attempted to reach over State law by the character of the Reid amendment and create a rather perverse incentive that said we will reward you if you will take land out of production and, by the way, in doing so, you have to put your water in a waterbank to be reallocated.

I do not believe that is the right or the prerogative of the Federal Government in any of its policies under any incentive to do so. That is the right of the States, the State legislators, their State water boards of resources, and the methods by which they have established water allocation historically and currently. That is why it is critically important that the Crapo amendment pass. It is so very important for all of the West that that happen and that we never allow our Government in any way to infringe upon those rights.

We in Idaho, as is true of those other 17 States, are very sensitive to the needs of wildlife as it relates to the needs of the human species, as it relates to the needs of agriculture and the consumptive uses versus the conservation uses. We have worked constantly to strike that balance, and we do so today.

Water use and water allocation are a dynamic process in our States, as it must be because it is a rare commodity, constantly being demanded by someone for another purpose and another use. This city and those who work in these Halls do not collectively have the understanding that our colleagues in the West have for these unique purposes.

That is why I stand in support of the Crapo/Craig amendment this evening and hope our colleagues will join with us in its passage to change the provision of the Reid water language in S. 1731, better known as the water conservation program. I believe that proposal is a war on western water rights and western prerogative. Let us not get it started. Let us snuff it out before the first shot is fired.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, I am opposed to the Reid provision in the farm bill and stand in support of the Crapo amendment to remove that provision.

May I inquire as to how much time remains?

The PRESIDING OFFICER. There is approximately 1 minute before the vote under the previous order.

Mr. ALLARD. Mr. President, I ask unanimous consent that I be recognized immediately after the vote to speak on the Crapo amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ALLARD. Mr. President, briefly I want to talk about the fact we have not had any hearings on this particular issue. I do not know how many Senators who come from a different part of the country than those of us in the West have come up to me and said: We do not understand your water law. Granted, it is complicated and it varies a little bit from State to State. Due to that complexity, I don't think we are doing the Members of the Senate any service by rushing this matter through and not having proper hearings and giving everybody an opportunity to understand the full impact of this piece of legislation.

The U.S. Supreme Court has clearly given the States the sovereignty in the matter of water adjudication. We are talking about a property right. My State of Colorado has recognized water as a property right. We have sometimes referred to it as the "doctrine of prior appropriation" or perhaps simply the "Colorado water doctrine." Many Western States have followed suit and the laws have been put in place in the State of Colorado.

VOTE ON AMENDMENT NO. 2830

The PRESIDING OFFICER. Under the previous order, the Senate will now vote on agreeing to the amendment of the Senator from Missouri. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. REID. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

Mr. NICKLES. I announce that the Senator from Kentucky (Mr. BUNNING), the Senator from New Mexico (Mr.

DOMENICI), the Senator from Texas (Mr. GRAMM), the Senator from Arizona (Mr. MCCAIN), and the Senator from Tennessee (Mr. THOMPSON) are necessarily absent.

I further announce that if present and voting the Senator from Kentucky (Mr. BUNNING) would vote "yea."

The PRESIDING OFFICER (Ms. CANTWELL). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 93, nays 0, as follows:

[Rollcall Vote No. 20 Leg.]

YEAS—93

Akaka
Allard
Allen
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Frist
Graham
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

ANSWERED "PRESENT"—1

Fitzgerald

NOT VOTING—6

Bunning
Domenici
Gramm
Jeffords
McCain
Thompson

The amendment (No. 2830) was agreed to.

Mr. REID. I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLARD. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2533

Mr. ALLARD. Madam President, before we had the vote, I was talking about my support of the Crapo amendment, of which I am a cosponsor, because of the need I felt to remove the Reid amendment from the farm bill. At the time, I was making the point that water issues in the West are very complicated.

Here is an issue that has come to the floor of the Senate that has not had any hearings in committee and has not had any kind of study.

Before we move forward with this kind of a proposal from the Senate, we ought to have thorough hearings and study so the Members of the Senate can understand the implications of this type of amendment, particularly out West where we deal with and are under a completely different set of water laws than those parts of the country that have more water.

For those of us in semiarid States, water is a property right. The responsibility of managing water has been made the responsibility of the States. This has gone to the Supreme Court. The U.S. Supreme Court has affirmed that, yes, that is a proper role; States should assume that responsibility.

The Reid amendment to the farm bill could literally devastate my State of Colorado. It is a very serious problem because we are a semiarid State, and farm country relies a good deal on agriculture.

One of the largest agricultural-producing counties in the country is in the State of Colorado. They rely on irrigated agriculture and having a reliable source of water.

The practical effect of this language could mean that farmers end up giving their water rights to the Federal Government when they sign up for participation in the Conservation Reserve Program.

This language, if it is left in the farm bill, could potentially dewater Colorado and other Western States. It would dewater States such as Colorado that rely on interstate compacts and State water laws to allocate a very scarce commodity—water.

Water is the essential substance of life. The farmer depends on it to grow enough food to meet our national food needs. The city depends on it to survive. Commerce depends on it to deliver goods to customers, to restock store shelves, and to continue as a viable business, providing jobs and security.

Colorado has a unique system in water law. We have our own water courts. We are the only prior appropriation State that does not have a permit system. Appropriators in Colorado must make a claim first and then seek a "decreed" water right in court.

In Colorado, we have actually even set up a different set of courts. It does not go through the regular court system. We have a different set of courts that just deal with water rights. When somebody applies for a right to use water, not only are there attorneys in that court but there are engineers, hydrologists, all sorts of scientists who come in and discuss the impact of the diversion of that water for one reason or another.

This requires considerable study. Each individual case is different. And these individual cases—usually the circumstances are never the same—have to be determined on a case-by-case basis.

Why many of us get so concerned about the Federal Government and a Federal law is that this treats everything as a blanket process. The Federal Government does not go through that process. They just collect the water off the CRP land, and there is no study as to what impact it has on private property rights.

The Colorado Constitution, which the Supreme Court has said has a sovereign right on water issues, says: "The right to divert the unappropriated waters of any natural stream shall never be denied."

These are not mere words. This is a collective ideology, molded from over 100 years of practical use. Many have brought an excellent point regarding beneficial use. Beneficial use is an integral part of western water law. When the farmer allows the Government to take the water, it is possible that the farmer could lose the water right under the State's beneficial use laws. It is possible that this law would result in an unintentional loss of water rights, water rights terminated through the operation of State law.

Let me offer a scenario. A farmer decides to go into the CRP, and it is the CRP where the Federal Government would take the water. Suppose he goes in it for 10 years. He has not been using that water so, under our State law, he would lose the right to use that water. Or the other question comes up, Does that right transfer to the Federal Government and remain with the Federal Government even though he has brought his land out of the CRP and back into production?

That is why it is very important that we proceed with hearings and study. The U.S. Supreme Court has clearly given the States sovereignty in the matter of water adjudication. This ill-founded amendment attempts to give the Federal Government a new water right that it simply is not entitled to, nor should it be granted by Congress.

My home State is united in opposition to this usurpation of water: the Colorado Commissioner of Agriculture, the Colorado Department of Natural Resources, the Colorado Farm Bureau, and the Attorney General. There is bipartisan concern in my State, and agricultural groups from all aspects of Colorado have raised concerns with me about this particular amendment.

The Colorado groups are not alone. The list of those deeply concerned with the negative implications of this language reaches the national level as well. We have heard from some of my colleagues and will probably hear more.

The Reid amendment ties the water rights to endangered species. We have seen this combination before. Land, water, and the Endangered Species Act create a mix that is often disadvantageous for property rights and property owners. We have seen this, for example, in the Klamath River Basin in Oregon. Unfortunately, we are not sure what will happen with the water rights when the farmer's deal with the Government ends. I raised this point. We don't know because the proposal is silent on what has to take place upon termination of the enrollment period. Does the Government keep the water?

As we know, the Endangered Species Act requires consultation for any Federal action that affects species. That requirement could be applied to transfer of water rights back to the landowner on termination of the agreement.

Does the landowner have to establish that there is no longer a need for the water by the listed species? The landowner is placed in an expensive and dangerous position of proof—a difficult proposition that, if not answered, could mean the landowner loses his water right.

When water habits and availability of water to the land are changed, this alters the character of the land. In a region that receives far too little rain to depend on skies for moisture, a deprivation of water, no matter how permanent, could change the very nature of the ground itself.

Again, I would like to cite, in this context, my own personal experience. I grew up on a ranch. We had many hay meadows, and they were watered with flood irrigation. No longer is that ranch under private ownership. It is now owned by the Federal Government. They quit the surface right irrigation. It dried up all the springs that were feeding into this river that ran through the place. As a result, we see that that river dries up and is bone dry.

I see my colleague from Iowa wants to be recognized for a minute. I yield to my colleague from Iowa.

Mr. HARKIN. I thank the Senator for yielding without losing his right to the floor.

Madam President, I ask unanimous consent that the following list I will send to the desk be the only first-degree amendments in order to S. 1731; that they be subject to second-degree amendments which must be relevant to the amendment to which it is offered; that upon the disposition of all amendments, the bill be read a third time and the Senate then proceed to the consideration of Calendar No. 199, H.R. 2646, the House companion; that all after the enacting clause be stricken and the text of S. 1731, as amended, be inserted in lieu thereof; that the bill be advanced to third reading and the Senate then vote on passage of the bill; that upon passage, the Senate insist on its amendment and request a conference with the House on the disagreeing votes of the two Houses; and that the Chair be authorized to appoint conferees with a ratio of four to three; that S. 1731 be returned to the calendar, with this action occurring with no intervening action or debate.

Mr. REID. Madam President, reserving the right to object, for the information of Senators, tomorrow we have a number of people who have agreed to come and offer amendments: Senator CONRAD at 9:30; Senator SANTORUM at 10; Senator LINCOLN at 10; and Senator FEINSTEIN at or about 12.

I am not asking that this be part of the unanimous consent request but just to alert everybody, tomorrow there will be amendments offered. The two leaders will agree on when we will vote. There will be no votes tomorrow, as has been announced. Tomorrow we will be open for business to try to move this bill along.

I withdraw my reservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The list is as follows:

Baucus: Disaster assistance.
Bingaman: Peanuts (amendment No. 2573).
Bond: Relevant (2).
Boxer: Regional equity.
Boxer: Relevant (2).
Bunning: Relevant (2).
Burns: CRP (2).
Byrd: Relevant (2).
Carnahan: Relevant.
Collins: Relevant.
Conrad: Relevant.
Conrad: Sugar beet acreage allocations.
Craig: Strike packer ownership language.
Crapo: Strike water rights provision.
Daschle: Relevant to list (3).
Daschle: Relevant (2).
Dayton: Milk quotas.
DeWine: Food Aid.
Domenici: Dairy (2).
Domenici: Peanut.
Enzi: Lamb as food aid.
Enzi: Make livestock program permanent.
Feingold: Ag Fair Practices Act.
Feingold: Relevent (3).
Feinstein: Sugar Quota shortfall reallocation.
Gramm: Avocado checkoff.
Gramm: Immigrants/Food stamps.
Gramm: Payment limitation.
Gregg: Capitol gains.
Gregg: Tobacco.
Harkin: Managers' amendments.
Harkin: Relevant to list.
Harkin: Relevant (2).
Helms: Animal Welfare Act.
Helms: Relevant (2).
Hutchinson: Agro-terrorism.
Hutchinson: Predatory species.
Hutchinson: Relevant (2).
Inhofe: Peanuts (2).
Inhofe: Relevant.
Inhofe: Trade/Cuba.
Kerry: New England fishermen (amendment No. 2241).
Kyl: Death tax (sense of Senate).
Kyl: Water rights.
Leahy: Organics.
Leahy: Relevant (2).
Lincoln: Agro-terrorism.
Lincoln: Cormorants permits.
Lott: Relevant (2).
Lott: Relevant to list (2).
Lugar: Ceiling on farm spending.
Lugar: Relevant (3).
Lugar: Relevant to list (2).
McCain: Relevant.
McCain: S.O.S. farm.
McConnell: Bear Protection Act.
McConnell: Nutrition.
McConnell: Relevant (2).
Miller: Peanut quota holders.
Nickles: Relevant (2).
Reid: Relevant (3).
Reid: Relevant to list.
Roberts: Conservation.
Roberts: LDP graze-out.
Santorum: Puppy protection.
Santorum: Puppy mills protection.
Snowe: Commercial fisheries.
Stevens: Country of origin labeling.
Stevens: Organic labeling.
Stevens: USDA study/salmon.
Thompson: Relevant.
Wellstone: Relevant.

Mr. HARKIN. I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Madam President, the point I was making is that we have to be very careful in how we use our water or we could have a lot of far-reaching ramifications that have had some inadvertent effects on fish and wildlife and plant species that survive in that particular area, which simply may not be met with a ready, easy transfer of water to the Federal Government without a serious study of those ramifications. There is a serious lack of fair and open discussion on this issue.

I remind my colleagues again, there was little congressional investigation or involvement when this language was inserted into the bill, and the committees responsible for many of the details simply were not involved in the discussion.

One must also ask the question: What is the purpose of the Conservation Reserve Program? Our debate is focused on many things, but not once have Members had the opportunity to discuss until now whether or not the purpose of the Conservation Reserve Program is for endangered species. This program also allows for a permanent transfer of water rights. CRP has always been limited to a certain number of years.

The Reid language also expands the basic coverage afforded to the protection of species under the Endangered Species Act. This is an important point. Not only will endangered species and threatened species be covered, but the Reid program would cover sensitive species, too.

What is a sensitive species? At this time everyone should be reminded that the Endangered Species Act has no classification or definition of sensitive species. What happens to the other uses of the water source? Participation in the program could lead to increased delivery costs to mutual users. The costs of operating ditch companies could increase as cost share participants leave the program. Downstream users could also be affected. Participation in the program could lead to underground recharge problems.

The language is simply too vague. It does not specify sources of water eligible to participate in the program. Not only would the language apply to surface water and CRP, but it could apply to ground water as well; a whole different set of issues become pertinent. Ground water use and set-asides affect neighboring use.

My point is, this is a very complicated issue. It has a lot of ramifications. Without careful study, this could be the wrong action to be taken. It could have just the opposite effect of what the sponsor would like to accomplish.

I rise in support of the Crapo amendment. I thank my colleagues and yield the floor.

Mr. HAGEL. Mr. President, I rise to support the Crapo amendment to strike the proposed Water Conservation Program from the farm bill that we are debating today on the Senate floor.

The creation of the Water Conservation Program, as proposed in this current legislation, would set a very dangerous farm policy precedent. It would open the door to federal government infringement on state water rights. There would be many unintended consequences for the nation's agricultural producers—the people we are trying to assist today.

This provision is a threat to private property rights and conflicts with individual state water laws and programs.

As Nebraska Governor Mike Johanns said:

> To tie state-administered water rights into such a program creates another federal nexus whereby the federal government can leverage water away from our agricultural producers and water users permanently. . . . Nebraska simply cannot agree to any such program.

Governor Johanns clearly identified the dangers of the current legislation.

All states care about water conservation and wildlife protection. For example, the State of Nebraska is currently working with Wyoming and Colorado, and the U.S. Fish and Wildlife Service to craft a Cooperative Agreement for endangered species management on the Platte River. States do not need more federal dictates and regulation.

As one irrigation district manager in western Nebraska said, "there could be significant consequences with this water conservation proposal as it is written in this legislation. The process of evaluating these impacts would be very complicated. Each state has different laws and issues."

Additionally, the current proposal has not been debated in the House or Senate Agriculture Committees, or in the oversight committees responsible for the Endangered Species Act. This issue deserves significant study, review and analysis before we move forward with federal legislation.

There are too many problems in this proposal—too many questions yet to be answered. We should not impose additional, unnecessary restrictions on water and property rights for our states and our citizens. I urge my colleagues to support the Crapo amendment to strike the Water Conservation Program from the underlying bill.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Madam President, I will be brief. I will come back on Monday or Tuesday and talk more about it. I rise, too, in support of the Crapo amendment.

Certainly for those of us in the West there is nothing more important than water rights and how we handle those water rights, nothing more important to us than to maintain the concept of State allocation of water adjudication. And this threatens that, it preempts State water rights. It has the possibility of doing that. That could result in permanent acquisition of the water rights, which is not something that any of us want to see happen.

It extends authority of the Endangered Species Act to USDA. Certainly we have enough difficulties with the way the Endangered Species Act is handled now.

This is the last one of the issues. It proposes radical changes to CRP without addressing the reform of the Endangered Species Act. These two issues do not fit together and are very inconsistent.

Furthermore, it never was discussed in the committee. I happen to be a member of the Agriculture Committee. This was never debated during consideration of the bill. There are a number of us on the committee who certainly would have fought vigorously to keep this language out of the bill.

Madam President, I will not take any more time. Some of my colleagues want to speak. I will be back to talk more about some of the impacts I believe this amendment will have. Again, I support the Crapo amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Madam President, I rise to support the Crapo amendment. From the statements that have been made with regard to having water language in the agriculture bill at all, it is pretty indicative of what has happened since the legislation was introduced. There has been no hearing on this legislation. It started out as a version of S. 1737. The bill never had a hearing. It has never seen the light of day. It has never seen any lightbulbs. Any time that happens in the Senate, most of us fear not what is in it but what is not in it.

This summer, we had a crisis in the Klamath Basin in southern Oregon, southeastern Oregon, and northern California. Anybody who depends on water for irrigation and their farm operations should be very concerned about this amendment.

We have heard a lot of Western Senators make statements, but this is not only a problem that is confined to the West. We now have a little argument over a river that runs between Alabama and Georgia. As populations grow, we will hear of more conflicts in areas where water law or water policy has never before been considered.

Last weekend, of course, all the papers were full of Enron, but there was a very interesting article in Monday's Washington Post with regard to a National Science Foundation study that was released. It was very critical of the science that was a part of the decision to shut off the water to the agricultural interests in the Klamath Basin.

Madam President, 1,500 farmers were denied water for their irrigation projects. Crops burned up. We have seen filings of bankruptcy, people losing their farms because in farming, a tenuous endeavor, one cannot afford to see one crop missed or they will not have anything at all, all because of the Endangered Species Act.

That made me wonder about a lot of other studies the Government has done. Are they credible? And what kind of responsibility have we taken on as a Government to make sure that the science is correct to the best of our knowledge?

Ever since, any legislation that comes before this body that has to do with the Endangered Species Act as it relates to water raises many questions.

Congress has had a longstanding policy that water rights, even water rights for conservation, even water that would be classified as preservation, always had to come to terms with the States involved. It is a State's right of controlling and adjudicating its own resources. This Government has never even taken a look at that until the beginning of the last administration when we had a Secretary of Interior who was very forthright in his belief that the Federal Government should control all water resources across this country.

This is a part of the farm bill that is most troubling to most of us. We will have more to say on this before we vote on this amendment, which comes up on Tuesday. I assume that is the tentative schedule.

We see new terms entered in this issue. We know what an "endangered specie" is. We have a definition of a "threatened specie." But this is the first time we have heard the term "sensitive specie." Maybe that category is those who serve in this body.

As we look at what happened in the Klamath Basin, as we look at another little item that happened in Washington State when there was a deliberate planting of the Canadian lynx hair to prove this was habitat for another specie that is on the threatened list and yet has not been classified as endangered just to control the use of the land, we have to look with a very suspicious eye at what we are doing to this country and its ability to produce food and fiber for its citizens.

Can that agenda be so treacherous as to deny us, the American people, the ability to clothe and feed ourselves? Right now, with the attitude I see in some communities, I would say that is the case.

There are a lot of unintended consequences of this language that could happen later, and all of them are negative. There is nothing positive. This does nothing for agriculture, as we know it, and our ability to produce crops and fiber.

From that standpoint alone, I ask my colleagues who represent States where agriculture plays a major role in their economy to take a look at this and ask themselves: Is this farm policy? Is this food security policy? I can see no way that one can find a positive answer.

Any time we have big brother, who has the big checkbook, standing in the wings to control the lifeblood of any crop, whether it falls from the sky, whether it runs down our streams, or the capillary or the underground rivers of groundwater under their control, something so vital that it is even recommended we have eight glasses a day—or it used to be—something so vital to life, would we want that kind of control in the hands of a government, sometimes a government that is insensitive to what we have to put up with in the production of food and fiber for this country?

So as the weekend rolls on and as we take time to study this issue, I think that is a question for this body. Do we pass legislation that has never had a hearing, that has never been presented before any committee, and then wonder about the question that is being raised tonight? Remember, we are doing business that will affect people with real faces, with real investments, in the real world. It is not some harebrained idea that has been generated in this 17 square miles of logic-free environment because it does have a true effect on every person who lives in this country, not just us who live in the West but everybody who lives in this country.

I thank the Chair for allowing me this time. I will have more to say at a later date.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Madam President, I rise to support the amendment that is offered by my colleague from Idaho, Mr. CRAPO, a water lawyer. Yes, water is important enough in the West that there are people who make it an occupation. It is that complicated and it is that important. His amendment would strike section 215 of the farm bill and leave intact the current conservation programs that are administered by the Secretary of Agriculture.

I commend the Senator from Idaho for his leadership in this matter and for the excellent foresight he shows in working to block the Federal Government when intervening into an area that is extremely critical to the survival of the Western United States.

Now one has probably noticed how many Western Senators have come to this Chamber. That is because we have some unique problems with water. We want to make sure those fights we have been having for a long time are still fights between States, because we know that is a fair fight and a fight with the Federal Government is not.

Mark Twain is the one who said in the West whiskey is for drinking and water is for fighting over. He was really right.

The first principle that must be understood in dealing with water in the West is that availability of water has always been the West's limiting factor for development. If one looks at a map of the private and Federal lands in the West, one will see a fairly good description of the region's water sources and productive lands. Early settlers built their homes where they could get water to plant their crops and raise their livestock; at least as soon as they understood the West, they did.

A lot of the homesteaders came from the East. One of my old friends, one of the first people I met when I moved to Gillette, WY, was a homesteader. He has since passed away, but I loved him telling me about his first selection of land. There were people who could be paid who would help pick the best land. But nobody who came West had much money. So rather than pay one of these people this bounty to help him select the good land, he picked good land Pennsylvania-style. He picked the hills because he did not want to be flooded out every year.

After the first year, he gave up his first homestead and picked some good bottomland. Bottomland in Wyoming does not flood because we do not have that much water, and he learned that his first year. He tells about this piece of property on which he did finally homestead. He had to get water from a neighbor to drink. He had to haul the water by wagon 3 miles to get it to this place. We are talking some dry land.

In fact, availability of water was so important to early settlers, when Wyoming ratified its State constitution in 1890, the State claimed State ownership of all water rights as part of the State constitution, and that was accepted as part of our Statehood. The Federal Government said: Wyoming, we will let you own your water.

Later, when all the productive lands were settled, the bulk of the remaining lands were portioned out by the Federal Government mainly between the Forest Service and the Bureau of Land Management.

We also have a third category, and that is the national parks. The Bureau of Land Management and the national parks are administered by the Interior Department, and the forest lands are handled by the Department of Agriculture. There is a good reason for that. The national parks, of course, are very pristine. They are to be maintained in that condition, and I do not know of anybody who ever wants to change that. So those are not productive lands.

The Bureau of Land Management lands are the lands that were left over from homesteading. That means those are the lands people found were too dry or too rocky or too steep to be usable. So those are not productive lands.

Then, of course, there are the Forest Service lands. Those went under the Department of Agriculture because those were supposed to be productive. Those were usable lands, and usable for a number of activities. Besides the recreation we greatly enjoy today, there was grazing and timbering. When we created a new agency a little bit later then to develop the water resources on this public land, we had the Bureau of Reclamation to make sure there was enough water to use the vast resources found in places such as the State of Wyoming.

The next principle that must be understood as to why it is so important to strike section 215 is because of the scarcity of water in the West. Western water law was built on a much different foundation than the current laws enforced in the East.

We are amazed at the rain that happens out here. Washington, DC, occasionally gets more rain in a period of a few consecutive days than the State of Wyoming gets in an entire year. Almost all of Wyoming is considered desert, high desert, mountain desert. The desert definition is less than 15 inches of rainfall a year.

Part of the reason we do not get much rainfall, of course, is the mountain ranges that this water comes over before it ever gets to us drop out a lot of the moisture. I remember being in Seattle and seeing T-shirts that said: "Here you can take your goldfish for a walk," or "Kids here do not get a suntan, they rust."

After I saw some of the rain, I realized it was a little different place than Wyoming where we are more interior and have a little less rain. While a good portion of the country, particularly the East, is trying to figure out how to drain the water off, we are trying to figure out how to save every last drop. We have come up with some rather innovative ways of doing that.

We are also in a drought, so water is even more important this year than it has been. This is the third year of a drought, though. There are some complications with the Federal Government when there is a continuing drought because we really only provide for—and can imagine—one year of drought. So if people are given advantages in one year of a drought, they are not eligible in the next year.

I mentioned that we are going into the third year. There are lakes in Wyoming that have dried up. Nobody gets any water out of them anymore. The streams are much smaller than usual. Wyoming streams and rivers are different than in some of the other areas of the country. We call it a creek or a stream when it is about 2 feet to 20 feet wide. Anything over 20 feet is a river in Wyoming.

We do not have much water. We are the headwaters of a lot of places, but when there is a drought every last drop is important.

I want to explain a little bit about the water law. Although there are variations from State to State, basic eastern water law follows a doctrine known as riparian rights. Under this doctrine, landowners who border waterways are granted certain rights that allow them to use whatever amount of water they need for any reasonable use. Because riparian rights adhere to the ownership of the land, these rights do not need to be exercised to be kept alive. By simply obtaining a water use permit, much as someone would get a building permit, landowners can initiate a new water use at any time they want and in doing so can force other users to adjust to their needs. This is more or less the main water use principle that underlies the water law in 29 States.

Western water law, on the other hand, is based on a doctrine of prior appropriation. Under State law, an individual owns the right to use water based on the time the water was first appropriated and used, and then that interest is only valid for the amount of water appropriated for that particular use.

Let me give an example. Say that rancher one settles along Crazy Woman Creek at the foot of the Wyoming Big Horn Mountains. We have a lot of interesting creek names. He drew enough water in his first year to water 50 head of cattle and to irrigate two pastures. The next year his neighbor moved in and used enough water to irrigate his two pastures and to water his livestock. Now in this case, rancher one, settler one, would be able to claim a prior use and his neighbor would have to guarantee enough water remains in Crazy Woman Creek to ensure the first settler can irrigate his two pastures and water his 50 head of cattle before settler two gets any water.

Furthermore, if in the following year the first settler decided to irrigate a third pasture in order to feed an additional 25 head of cattle, his second appropriation of water would have to follow the appropriated rights already established by settler two the year before.

To add to this confusion, once a person puts water to a beneficial use, such as irrigating land or watering livestock, and complies with the statutory requirements, that water right remains valid only so long as it continues to be used. If a water right lays dormant for too long, the right is considered abandoned and is lost. All of those rights shift.

Do not worry if the system sounds complicated. After more than 150 years of more and more water users and more and more beneficial uses, the ability to sort out the rights of Western water users is a science all its own. And I have not even thrown in the complication of Indian water rights which have a historic precedent and are the subject of a lot of water law.

I will say, however, if you were to talk to any of the farmers and ranchers whose families first settled areas that still apply the prior use doctrine, you would quickly begin to grasp the fact that each one of them knows what their rights are under the law now, how much water they can use, how much water they will need, and how any disruption of the use system will decimate the ecosystem and the land's ability to sustain life.

What does this have to do with the amendment? It has everything to do with the amendment. As soon as the Federal Government intervenes in the State water law system and acquires the water rights under section 215, that water right under the supremacy clause of the U.S. Constitution would suddenly move to the front of the line for when that water right would be available for use. In other words, it would trump all other uses and put people selectively out of business.

The land use and water balance that had been established over the past one and a half centuries would then be completely turned on its ear. The impact would immediately be felt by family farms and ranches that would lose productivity, jobs, homes, and wildlife. Migrating birds would lose their habitat.

Don't let anyone kid you that ranches and farms are not habitat for wildlife. Private ranches and farms in the West are some of the most productive and vibrant wildlife habitat you will ever find. Every time we put a ranch out of business in Wyoming it turns into rich ranchettes, little 40-acre tracts. The people are so crowded together. Forty acres may seem to be a lot in the rest of the country, but for wildlife that is not a lot of room. It is not even a lot of room for people in our State. We would lose critical wildlife habitat. They would be overrun by people.

In addition, many streams in the West are currently overallocated with junior and senior water rights. Individuals with junior water rights would lose complete access to water if the Federal Government held senior water rights. Water delivery schedules would be upset; some areas could get flooded while others would come up dry at critical times. And just in case you do not believe that Federal ownership of water rights would have such a devastating impact, I will point out again the travesty that occurred in Oregon and California's Klamath Basin.

Farmers, whose rights to the water were established by Federal statute, had them taken away from them through a policy that the National Academy of Sciences reports was based on speculation. It was not based on science. It was not based on good policy. It was not based on practicality. I guess it was based on bad politics.

As I said at the beginning of my statement, water is extremely important to the future of the West and to Wyoming. I urge my colleagues to support the amendment offered by my colleague, the water attorney from Idaho, and to leave in place the conservation program as currently administered by the Secretary of Agriculture.

If we were to implement section 215 as it now stands, it would have a devastating impact on all the downstream water users, and it would preempt the balance carefully established in State water law. It would do so to satisfy a policy that not even the National Academy of Sciences claims is supported with adequate science.

I mentioned before there are fights between States. We just finished a 25-year fight with the State of Nebraska. It had to do with how much water we have to release from Wyoming into Nebraska. It is settled by a water compact that has a few intricacies that resulted in 25 years of legal battles. That particular compact would be upset, and most of the protection that is built in there is for migrating whooping cranes. Sometimes when we make an effort, we are not sure of the unintended consequences.

Once again, I remind Members what Mark Twain said: In the West, whiskey is for drinking and water is for fighting over.

We prefer to be fighting between States than fighting with an unfair Federal Government. Please help eliminate this unfair section.

I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Madam President, I have been listening for the last good number of minutes as my colleague from Wyoming gave what was not only an eloquent but true and most entertaining explanation about the validity of the Crapo amendment and why this Senate should pass it.

There is no question in my mind or any westerner who lives in the high desert States of the Great Basin, all the way to the Mississippi River, of the criticality of water and why States over long periods of time have been very cautious in not only its allocation but its relationship to the human species. I hope the explanation of the Senator from Wyoming serves us all well as we consider this amendment.

It appears there is no one else in the Chamber at this moment to debate the Crapo amendment, so I ask unanimous consent it be set aside for the purpose of offering another amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2835 TO AMENDMENT NO. 2471

Mr. CRAIG. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG] proposes an amendment numbered 2835 to amendment No. 2471.

Mr. CRAIG. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. 1022. STUDY OF PROPOSAL TO PROHIBIT PACKERS FROM OWNING, FEEDING, OR CONTROLLING LIVESTOCK.

(a) IN GENERAL.—Not later than 270 days after the date of enactment of this Act, the Secretary of Agriculture shall complete a study to determine the impact that prohibiting packers described in subsection (b) from owning, feeding, or controlling livestock intended for slaughter more than 14 days prior to slaughter would have on—

(1) livestock producers that market under contract, grid, basis contract, or forward contract;

(2) rural communities and employees of commercial feedlots associated with a packer;

(3) private or cooperative joint ventures in packing facilities:

(4) livestock producers that market feeder livestock to feedlots owned or controlled by packers:

(5) the market price for livestock (both cash and future prices);

(6) the ability of livestock producers to obtain credit from commercial sources:

(7) specialized programs for marketing specific cuts of meat:

(8) the ability of the United States to compete in international livestock markets; and

(9) future investment decisions by packers and the potential location of new livestock packing operations.

(b) PACKERS.—The packers referred to in subsection (a) are packers that slaughter more than 2 percent of the slaughter of a particular type of livestock slaughtered in the United States in any year.

(c) CONSIDERATION.—In conducting the study under subsection (a), the Secretary of Agriculture shall—

(1) consider the legal conditions that have existed in the past regarding the feeding by packers of livestock intended for slaughter; and

(2) determine the impact of those legal conditions.

(d) EFFECTIVENESS OF OTHER PROVISION.—The section entitled "PROHIBITION ON PACKERS OWNING, FEEDING, OR CONTROLLING LIVESTOCK", amending section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), shall have no effect.

Mr. CRAIG. Madam President, as we debated the farm bill before the Christmas recess, I voted to support an amendment offered by Senator GRASSLEY, Senator JOHNSON, and Senator WELLSTONE to ban packer ownership of livestock. Since that amendment passed, I and other Senators have had serious discussions, along with the livestock industry and the packing industry, as to what this amendment meant and what it will mean if it becomes law out in the marketplace.

As a result of that, I am offering an amendment tonight that would, in essence, set this provision aside. I am talking about that provision of the section entitled "the prohibition on packer ownership feeding or controlling livestock." That is an amendment to section 202 of the Packers and Stockyards Act.

It is clear to me and to many others that there are a great many questions being asked at this moment about the scope of the language and its potential impact on the meatpacker and the livestock producer. In fact, much has been written on both sides with respect to the legal and economic ramifications of the language.

This fact lends greater credence to my suggestion in this amendment that we approach a complete study by USDA of the intent of this language and what it would mean in these kinds of new owner relationships.

Since the Senate approved the language in December, I am sure many have heard from those in favor of and opposed to the language. Seldom have I heard such impassioned opinions on any given issue. Indeed, the National Cattlemen's Beef Association and the National Pork Producers Council, both leading groups representing livestock producers, have policies opposing the proposed ban. Still other groups support the ban.

Meanwhile, eight of the Nation's leading agricultural economists released a paper that raised nine serious concerns about the potential negative consequences this ban would have. Among them is the damage that would be done by revising strategic alliances between packers and producers, taking us back to a time when meat was treated as a nameless commodity rather than a distinct, branded consumer food product.

The U.S. meat and livestock industries also would be at a distinct disadvantage, I believe, under the current language, to foreign beef and pork processing competitors with the production capacity and marketing ability to work with livestock producers to form the very strategic alliances, joint ventures, and ownership arrangements that this language seeks to make illegal in the United States. The advances we have made in foreign markets could be put at very serious risk.

These economists also point out that producers who enter into marketing agreements with packers are better able to obtain financing for their operations. I know of several instances of those relationships where those very contracts allow the producer to gain the necessary financing with his financial institution. Without these agreements, financing for growth and capital investment could clearly be threatened. Lenders would not have the assurances that producers seeking loans had a market for their animals.

Congress would be taking a critical risk management tool away from producers in certain instances. Is this what the ban's proponents hoped to accomplish for their livestock constituents? I really don't think that was the intent. And I must tell you, Mr. President, when I initially voted for the ban, that was clearly not my intent.

Still other legal analyses have offered a response to this economic analysis. The very intensity of the ongoing debate over this issue raises the question: Why throw support to a measure punctuated by so many question marks as this current language has?

Call me a pragmatist if you will, but when I hear such genuine concern expressed by so many of my constituents, by leading economists, and by legal experts about language that was never vetted through a committee, a hearing not held on it, and legal experts not allowed to give their opinion on it, it seems to me that we should not act as hastily as I believe we did, and as I know I did.

My concerns have been validated by the disparate positions taken by many farm and livestock groups. I have learned that large economic implications may exist for several States, including that of my colleague, Senator JOHNSON, from South Dakota. Reportedly at stake are about 3,000 jobs in a South Dakota packing plant, and 4,000 jobs associated with the Premium Standard Farms of Missouri. I also know of significant consequences to the economy and jobs in the State of Colorado. In this current time of such a sensitive economy in agriculture, I believe 10,000 more people without jobs is not a correct path to walk down.

In my State of Idaho, it could significantly impact the relationship between certain producers in my State and certain packers.

Given the questions I have asked about a ban on packer ownership of livestock, I cannot lend my support to the Grassley-Johnson-Wellstone language. I urge my colleagues to consider my amendment requiring a speedy but thorough review of the potential impact of a ban on packer ownership, control and feeding of livestock. The word "ownership," and the word "control" are key to all of these relationships.

Under my amendment, the USDA would conduct a study in cooperation with the livestock industry—all of those within the industry—to determine the impact that prohibiting packers from owning, feeding, and controlling livestock intended for slaughter more than 14 days prior to slaughter would have on producers, rural communities, private or cooperative joint ventures in packing facilities, marketing prices for livestock, the ability of producers to obtain credit, specialized marketing programs, the ability of packers to compete in foreign markets, and future investment decisions by packers about plant locations. This study would be completed within 270 days of the date of the enactment of this law. I think it is important that we move timely to this. It is not my intent to stall it. It is my intent to get clear answers for all of us and for all of those associated with this issue in the livestock industry.

I have visited with Senator GRASSLEY. We have been working cooperatively to get language that is better understood and that we believe would meet the test of the court. Senator GRASSLEY is working with the Farm Bureau at this moment to do so. That amendment might well be available tomorrow or early next week, and I will take a look at it to see whether it fits my concerns and the concerns of a variety of other interests and relationships as they relate to the new dynamics of the livestock industry.

I am certainly willing to give Senator GRASSLEY and Senator JOHNSON and others the benefit of the doubt if that language can be arrived at. But if it can't be—and let me tell you, legal language is left to the beholder and the interpreter at the time—it is clear that a test needs to be run. This Senate deserves a clear determination or interpretation of what all of this means. That is exactly the intent of the amendment that I offer this evening.

Let us act on this important issue with the foresight that a thorough review can offer rather than to seek to undo damage apparent in the glaring light of hindsight. Literally, we could destroy thousands of contractual relationships. We could even impact markets and future markets if this language is not clear and clearly understood in the law itself. Lawsuits, court orders, interpretations of or arbitrary decisions made as a result of language that is not clearly understood is not what this Senate should be about in the crafting of good farm policy for the livestock industry.

That is the intent of my amendment. I hope my colleagues will read it, understand it, and I ask their support.

Mr. President, I see the chairman of the Agriculture Committee is in the Chamber at this moment. With that consideration, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I support this legislation. I commend Senator HARKIN, Senator LUGAR and all our colleagues on the Agriculture Committee for their hard work on it and I welcome the opportunity to discuss its important provisions to deal more effectively with the challenge of nutrition and hunger in our society.

It is long past the time for Congress to end the gap in the nation's nutrition safety net. Hunger is a silent crisis affecting families across America today. No corner of our land is immune from this crisis.

Thirty one million Americans, including twelve million children, suffered from hunger last year. Over seventeen million Americans participated in the food stamp program but four out of ten of those who are eligible did not receive benefits. Last year, 23 million Americans, including 9 million children, sought emergency food relief through America's Second Harvest—an increase of more than 2 million and that increase took place during a time of unprecedented economic prosperity in the nation.

The average food stamp benefit is 81 cents a meal and it should be available to everyone who truly needs it. The need for action is especially urgent in this current serious downturn in the economy.

Too many individuals and families in America have trouble putting food on the table. Their plight is all too clear in the stories of real people:

A mother in Springfield, MA, asked, "Should my kids sit in the dark or should they go hungry? One of my kids has multiple handicaps, so I have to pay the utility bills to have heat and light. But, then we have no food."

Karen Norman, a mother in Worcester, MA, explained, "I used to donate food to the food pantry. I always thought, 'There's someone out there who needs it.' Now all I have left is pictures of when I had a very nice life. Now I make brunch because I don't have enough to give my kids breakfast and lunch. When I leave the kitchen I can hear my five-year-old say to my eight-year-old, 'How come we can't have breakfast and lunch?' and my eight-year-old says, 'We have to stretch out the food.' Then at night she'll cry, 'I'm hungry! I'm hungry! I'm sorry, but I'm hungry.' "

Their plight is unacceptable, but it is all too consistent with the national data collected in reports by the Greater Boston Food Bank, the Food Bank of Western Massachusetts, and America's Second Harvest.

Nationwide, participation in the Food Stamp Program has declined by 34 percent since 1996 four times faster than the decline in the poverty rate. This means that over 2 million fewer people who live in poverty are obtaining food stamps today. Over a quarter of the reduction in food stamp participation between 1994 and 1998 resulted from welfare reform and its elimination of food stamp eligibility for legal immigrants which made them ineligible for food stamps and discouraged their U.S. citizen children from obtaining food stamps.

The results are predictable. The Department of Agriculture has determined that 5 million adults and 2.7 million children live in households that experienced hunger last year. Women and children are disproportionately hurt. Last year, over half of all food stamp participants were children. Sixty-eight percent of the children were of school age and 70 percent of adult participants were women. The most vulnerable are recent immigrants, children, and the elderly, and they are the ones who face the greatest difficulty.

The nutrition provisions in this bill are a significant step to reduce hunger in America. It restores food stamp benefits for all legal immigrant children and persons with disabilities. It is clear that the people now most in need of nutritional assistance are immigrants who entered the United States legally. For the first thirty years of the Food Stamp Program, legal immigrants were eligible for food stamps. It was unfair for Congress to exclude them in 1996 and it is time for us to close this unconscionable gap.

While hunger and malnutrition are serious problems for people of all ages, their effects are particularly damaging to children. Hungry and undernourished children are more likely to become anemic and to suffer from allergies, asthma, infections, and other health problems. They are also more likely to have behavioral problems and difficulty in learning. When children arrive at school hungry, they cannot learn. If children are hungry, our investments in education and early learning will not have the full positive impact that they should.

The nutrition title of this bill includes a number of other important policy provisions, including changes in the Food Stamp Program to improve access and simplify administration. These reforms are vital to ensure that low income families receive the nutrition assistance they need. Excessive requirements for reporting income, counting assets, calculating expenses for deductions, and determining ongoing eligibility can be an overwhelming burden for families who lack transportation or child care, or who have inflexible work schedules. These requirements often make it difficult or impossible for low income families to participate. Given current economic conditions, an effective and efficient Food Stamp Program is now more important than ever.

The bill also provides states more options for helping families make the transition from welfare to work. Current food stamp law allows a 3-month state option for a transitional food stamp benefit. This bill reflects Medicaid's six-month Medicaid transitional benefit for food stamps. It simplifies state record keeping, increases state flexibility, and helps welfare families make the transition to work.

The bill ends the child penalty under current food stamp law. Just as the marriage penalty in our tax code unfairly penalizes some couples, the existing food stamp law unfairly limits nutritional assistance for many families with children. The bill corrects this problem by indexing the food stamp standard deduction to family size, so that every family in deep poverty will receive the maximum current food stamp benefit, regardless of family size.

The bill helps single parents struggling to make ends meet. It ensures that the food stamp law treats child support payments like income, by disregarding 20 percent of these payments when calculating benefits. This measure is consistent with last year's overwhelming approval of a plan by the House of Representatives to encourage states to see that child support actually benefits the children in low-income families. Parents who know that their children will directly benefit if they pay child support are more likely to pay the support and stay involved in their children's lives.

In addition, this bill improves access to food stamp information, helping to see that families are aware of the help available. Less than one-third of the people who seek emergency hunger relief are currently receiving food stamps even though three-fourths are eligible for the relief. This bill will help rural families apply for food stamps online or by telephone. It eliminates the need to travel to food stamp offices. In addition, the bill also supports stronger public-private partnerships to distribute information about nutrition assistance programs.

Finally, the bill increases federal support for emergency food programs, which have had sharp increases in requests for help in the past year. Many food banks find themselves unable to meet the heavy new demands. America's Second Harvest reports that 23.3 million people—equal to the combined population of the 10 largest U.S. cities—received emergency hunger relief last year—two million more than in 1997. One-in-five local charitable agencies were already facing problems that threatened their ability to serve hungry people in their communities—before the current economic crisis.

For all of these reasons, it is critical that we maintain the $6.2 billion funding level for the nutrition title of this bill. This amount is urgently needed and it must be part of the final bill. The policy changes that will be accomplished will make an enormous difference in the lives of many families. Fewer children will go to bed hungry and arrive at school hungry and unfed.

The current downturn in the economy means that even more families, including farm families, are facing the impossible choice between feeding their children and paying the rent, a choice no person should have to make. We have the resources to make the modest investment that is necessary. Once again, I commend Senator HARKIN and Senator LUGAR for their skillful work and I urge my colleagues to support the needed funding levels for nutrition.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business, with Senators allowed to speak therein for a period not to exceed 10 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CAMPAIGN FINANCE REFORM

Mr. TORRICELLI. Mr. President, it would appear that after more than a decade of discussions about campaign finance reform, the House of Representatives and the Senate may be nearer an accord on a historic change of how Federal elections are conducted in the United States. It is none too soon. Confidence in our political process has been undermined, the integrity of the Congress itself has been questioned, and the system is badly in need of repair.

We are very indebted to a number of people in this institution and different institutions around the country, but in a strange irony, at a stroke before midnight, one of the elements that has been driving reform is undermining a critical component of the change.

Much of what America knows about the abuses of campaign reform has come through the media. Across the Congress today, the Broadcasters Association, led by scores of lobbyists representing millions of dollars of donations of the very type and scale that we seek to control, is undermining the bill.

Campaign finance reform, as passed by this Senate and the legislation pending in the House, includes a critical component for controlling and reducing the cost of television advertising.

The amendment, widely accepted in both Houses of Congress, is based on the proposition that controlling the amount of money raised must be met by an ability to control the amount of money spent. Controlling campaign fundraising without helping with the cost of campaigns will simply result in a diminished national political debate. Candidates will raise less money, and if the cost of advertising remains as high, we will lose the competitive debate, the exchange of ideas so vital to our democracy.

As any candidate for Federal office in the United States is painfully aware, the cost of campaigns is the cost of television advertising. Eighty-five percent of the cost of a Senate campaign goes to the television networks.

Under the amendment as passed by this institution, the networks would be required to sell time at the lowest unit rate available; that is, whatever rate they have set for their customers and sold at their lowest cost they must make available to a candidate for Federal office.

This provision was in previous Federal law since 1971, but in 1990 an FCC audit found that 80 percent of the stations had failed to give the lowest rate available. During the 2000 elections, a typical candidate had 65 percent of their advertising sold at above that lowest rate.

With my amendment now placed in the McCain-Feingold bill, passed by this Senate by a 69-to-31 vote on a bipartisan basis, that provision is now strengthened. It becomes mandatory, and it has the best chance of controlling these costs.

The chart on my left shows the scale of the problem: The percentage of ads actually sold at the lowest unit rate in the fall of 2000. Congress believed it made this a requirement before, but it has been evaded in the majority of cases.

Let's look at a few examples: Minneapolis, WCCO, 95 percent of the ads sold were not at the lowest rate; Detroit, WXYZ, 88 percent were not sold at the lowest rate. In my own market in northern New Jersey, WNBC New York, 78 percent were not sold at the lowest rate.

In the year 2000, the buying of these television ads cost candidates $1 billion. This chart indicates as well the deluge of these ads, the amount of them now being placed on television.

Very simply, if we cannot hold in the McCain-Feingold bill and the Shays-Meehan bill in the House this element of controlling cost, this vital compromise that is campaign finance reform will be broken. It must be raising and it must be spending, and I ask the television networks to forgo these excess profits on the Federal airways, licensed by the Federal Government for the public good. Be part of reform. Don't undermine the reform. Let's change the system now for everybody's benefit.

Mr. President, I yield the floor.

HAPPY BIRTHDAY, SENATOR HERB KOHL

Mr. BYRD. Mr. President, I rise today to offer a tribute on the occasion of the birthday of one of our colleagues in the Senate, that of Senator HERB KOHL, Senior Senator from the State of Wisconsin.

I have known Senator KOHL for many years, since he first came to the Senate in 1989, and over that period of time, my respect and admiration for Senator KOHL has grown as I have watched him learn the role of a legislator and master the methods and the means of becoming a fine United States Senator.

Senator KOHL is hard-working, tenacious, and will fight to the end for the interests of this institution and those of his state. A few years ago when the Senate was debating legislation regarding the dairy industry, I remarked that Senator KOHL was the Stonewall Jackson of Wisconsin, standing firm for the interests of the dairy farmers in his state. When it comes to fighting for his state, or other issues of importance to him, such as measures to help and protect our nation's children, there is no one to outshine Senator KOHL in his dedication for the values he holds dear. That is one of the distinguishing characteristics of a good Senator.

But HERB KOHL is more than just a fine United States Senator, he is a good and decent man. His hallmark is honest modesty, a man of few words, but words of great meaning and words that deserve being heard. He is consistently kind to the people who work around him, especially his staff, who will follow him faithfully through thick and thin. His word is his bond, and to this Senator, there is no greater tribute than recognition of that fact.

Senator KOHL represents what is best about Senators and about Americans generally. He is a self-made man whose parents came to this country during the last century without an ability to speak the English language. From those humble beginnings, they and their son and other family members worked to develop a family grocery business in Milwaukee, Wisconsin, that became successful and grew to have national recognition. If you drive around the Washington, DC metropolitan area, you will notice Kohl stores, and they are evidence of the contribution Senator KOHL and his family have made to the commercial strength of this country.

The types of success that Senator KOHL has known have been the result of constant effort, a solid education in the Wisconsin public schools, and an understanding that hard work, honesty, intellectual clarity, and dedication to strong values are the key components to a successful career in either the business world or public service.

So, I want to honor Senator KOHL on this special day and pay him the recognition that he is due for all his work on behalf of the people of Wisconsin and all who serve here in the United States Senate.

TRIBUTE TO DR. DAVID SATCHER

Mr. REID. Mr. President, I rise today to pay tribute to a public servant who will soon complete his tenure as the 16th Surgeon General of the United States. Dr. David Satcher has served this Nation with distinction and performed the duties of the position of Surgeon General in an exemplary manner.

Dr. Satcher was born in Anniston, AL on March 2, 1941. He and his wife Nola have raised four children. Dr. Satcher graduated from Morehouse College in Atlanta in 1963 and received his M.D. and Ph.D. from Case Western Reserve University in 1970. He has completed numerous fellowships and holds many honorary degrees and distinguished honors. He has taught students, chaired Departments, and served as President of the Meharry Medical College in Nashville, Tennessee. As a public servant, he served as the Director for the Centers for Disease Control and Prevention and Administrator of the Agency for Toxic Substances and Disease Registry before assuming his current position as Surgeon General. During the period February 1998 through January 2001, Dr. Satcher simultaneously served as Assistant Secretary for Health and Surgeon General of the United States.

Dr. Satcher is a learned, well-educated man of great accomplishment. Yet, in spite of his many degrees and awards, he set a simple goal of wanting to be a Surgeon General remembered for listening to the American people. He not only listened to those whose voices could be heard, but extended his reach to those who for far too long have suffered silently, those in our nation suffering with mental illness.

I first became acquainted with Dr. Satcher during his confirmation. I remember asking him to consider addressing the issue of suicide and its impact on the Nation. I was concerned about what we as a nation could do in an effort to prevent the nearly 30,000 lives lost annually to suicide. As Surgeon General, Dr. Satcher convened a consensus conference on suicide in Reno, Nevada in 1998. He brought together scientists, clinicians, survivors, advocates and state mental health staff to examine the science of suicide prevention, that is what we knew and what we didn't know, and from this published the Surgeon General's Call to Action for Suicide Prevention. His next step was to develop a National Strategy for Suicide Prevention. In May 2001 this strategy to guide our national suicide prevention efforts was published. As we speak today, states, communities, tribes, and many others are coming together to discuss ways in which we can prevent suicide in America.

Dr. Satcher demonstrated time and time again his ability to engage the public and the private sectors to come together as we examined health problems facing our nation and sought solutions on how to address them. In the suicide prevention effort, Congress called for the development of a national strategy to guide our national response. Dr. Satcher embraced this challenge, provided the necessary leadership and vision to bring it about, and recognized from the outset that government alone could not provide the complete background nor could they singularly define the solution. He called upon the non-profit community, experts in research, clinical practitioners, and just as importantly, listened to the survivors who freely shared their experiences to ensure that our national effort was inclusive of all perspectives. The national problem of suicide warranted a comprehensive solution and, thanks to Dr. Satcher's leadership, the components considered were from all communities who had a perspective which needed to be heard.

I for one am truly grateful for the service of Dr. David Satcher. I care deeply about the issue of suicide in America for a number of reasons. Unfortunately, Nevada has the highest suicide rate in the nation. In fact, the top ten states for suicide are all west of the Mississippi. I believe we can make a difference by studying the facts and developing evidenced based programs to prevent the tragic loss of life due to suicide. I also lost my father to suicide many years ago. I've said many times before that back then we did not know as much about depression and treatment as we do now. Today, science and research have made incredible advances and through medication and counseling help is available and effective treatments can and do make a difference.

We have an obligation to help those suffering from mental illness or substance abuse to ensure they receive the treatment that can afford them a quality of life they deserve. I believe Dr. Satcher has made an incredible difference and helped countless individuals through his work as Surgeon General. We still have a long way to go in reducing stigma and affording access to mental health treatment in this nation, but we are further along today as a result of the leadership provided by Dr. Satcher.

In closing, I wish to thank Dr. Satcher for his courageous work and dedicated public service. I am particularly grateful for his efforts in raising awareness and educating Americans about mental illness and suicide in America. We are a better nation as a result of his service as Surgeon General. He will be remembered by this Senator as the Surgeon General who listened to the American people. In my judgement, he not only listened, but he acted as well.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred April 6, 1997 in Tyler, TX. Two men attacked another man who the assailants perceived to be gay. The attackers, Billy Glenn Adams, 30, and James Dean Dickerson, 33, were charged with aggravated assault in connection with the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

BLACK HISTORY MONTH

Mrs. CARNAHAN. Mr. President, every February our nation pauses to recognize the tremendous contributions of African-Americans to the history of our nation. In 1926, Dr. Carter G. Woodson established Negro History Week because he saw that most of the contributions African-Americans had made to American culture and industry were being ignored by historians.

We have come a long way since 1926. More and more of our history books acknowledge the contributions of African-Americans. Our schools have made it part of their curriculum. Libraries and museums create exhibits. Television executives highlight the contributions of African-American actors and screenwriters and our celebration of Black history has been expanded to an entire month. But we still have a long way to go.

We need Black History Month because people may not be aware of African-Americans who have added to the richness and greatness of our country. It is appropriate that as we stand in our nation's Capitol, which was built by the back-breaking labor of free and slave African-Americans, we talk about the contributions African-Americans have made to this country's history, and to its future.

Any Missourian can name George Washington Carver's most famous invention, peanut butter, but few realize the role Carver played in the agricultural revolution that went on in the South in the early 1900s—Carver's work to wean the South from its single-crop cultivation of cotton. His development of commercial uses for alternate crops like peanuts and sweet potatoes helped modernize Southern agriculture, paving the way for a better life for the entire South.

Scott Joplin led a revolution of a different kind. While living in Sedalia, Missouri he created a blend of classical and folk music that took America by storm. Ragtime, as his style came to be called, has become America's unique contribution to classical music and a prelude to jazz.

In literature, Missourians are proud of the heritage of Langston Hughes of Joplin, MO. A poet of international renown, Hughes' poetry helped to create the Harlem Renaissance, the artistic and cultural awakening among African-Americans in the 1920's and early 1930's. His first two books of poetry daringly fused jazz and blues with traditional verse. Also an advocate for children, Hughes wrote over a dozen still popular children's books on jazz, Africa and the West Indies.

Another Missourian became famous not only as an inventor but also as the most outstanding jockey of his time. Tom Bass, of Mexico, MO, trained some of the finest race and show horses of his day. At the peak of his career he rode in the Inauguration of President Grover Cleveland and gave a command performance before Queen Victoria. In addition to being a famous jockey, he invented the "Bass bit" which is still used today.

Missouri has borne some notable civil rights leaders as well. Perhaps the most prominent of them is Roy Wilkins, who served as executive director of the National Association for the Advancement of Colored People from 1955–1977. Appointed during the most turbulent era in the civil rights movement, Wilkins kept the NAACP on the path of nonviolence and rejected racism in all forms. His leadership and devotion to the principle of nonviolence earned him the reputation of a senior statesman in the civil rights movement.

All of these great Missourians, and others history may have forgotten, struggled against bigotry and violence, but all showed—through their natural talents—that racism was not just wrong, but un-American. So it is fitting that we take this month to learn more about the history of African-Americans in this country, to ensure that these Americans are recognized, and to celebrate their contributions to our great nation.

TRIBUTE TO THE NEW ENGLAND PATRIOTS—NFL CHAMPIONS

Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to the Robert Kraft Family, Coach Bill Belichick and the New England Patriots team on their achievement as victors of Super Bowl XXXVI.

The people of New Hampshire and the entire New England region are proud of the exemplary accomplishments of the Patriots organization. The talented players and coaches of the team have demonstrated that hard work, perseverance and unity are the foundation of success.

I commend the New England Patriots for the benchmark that they have created for all Americans who seek to achieve the highest of standards in their lives. Each player on the team cast aside ego and self promotion for the good of the team realizing the best talents individually transformed into a power house of skill and sense of purpose.

I applaud the contributions of the New England Patriots organization including the team owners, the Robert Kraft Family who have steadfastly stood by the Patriots since the origination of the franchise in 1962. I congratulate Robert Kraft and his family for this tremendous achievement and wish them well as the franchise grows and flourishes.

On behalf of the citizens of New Hampshire, I want to sincerely thank the players and coaches of the New England Patriots for providing sports fans with some of the best football competition seen in the United States in years. We will not easily forget the excitement of the talented skill and ability of kicker Adam Vinatieri during game winning field goals at the Oakland Raiders snow bowl game nor the thrill of his dramatic kick more recently as the clock ticked down to 7 seconds at Super Bowl XXXVI.

I commend the efforts of the mastermind of the operation, Coach Bill Belichick and the National Football League Champion team for their efforts, accomplishments and contributions to the New England region. We are all very proud of you and thank you for being the best of the best in a very competitive and talented industry. It is truly an honor and a privilege to represent you in the United States Senate.

MORE EVIDENCE THAT BACKGROUND CHECKS WORK

Mr. LEVIN. Mr. President, in 1994, the Congress passed the Brady Law, which requires Federal Firearm Licensees to perform criminal background checks on gun buyers. However, a loophole in this law allows unlicenced private gun sellers to sell firearms at gun shows without conducting a background check.

In April of last year, Senator REED introduced the Gun Show Background Check Act which would close this loophole in the law. The Reed bill, which is supported by the International Association of Chiefs of Police, extends the Brady Bill background check requirement to all sellers of firearms at gun shows. I cosponsored that bill because I believe it is critical that we do all we can to prevent guns from getting into the hands of criminals and terrorists. A recent report from Americans for Gun Safety demonstrates how successful the Brady law has been in this regard and why it is important to extend its provisions to firearms sales at gun shows.

According to Bureau of Justice Statistics numbers cited in the AGS report, in 2000 alone, Brady bill background checks blocked more than 153,000 felons and other illegal firearms purchasers from buying a gun. In addition, these checks were typically conducted without placing unreasonable burdens on gun buyers. According to the study, 72 percent of background checks were completed within minutes and 95 percent were completed within two hours. The study provides yet further evidence in support of common sense legislation to close the gun show loophole.

EXTENDING UNEMPLOYMENT BENEFITS TO WORKERS

Mr. KOHL. Mr. President, in past recessions Congress has been quick to extend benefits for the unemployed. Every recession over the past thirty years resulted in a extension of unemployment benefits. Helping unemployed workers has never been a partisan issue, both Democrats and Republicans have worked to help unemployed workers in times of economic difficulty. During the recession of the early 1990's we extended a total of 33 weeks of additional benefits. Current data shows this recession started last March, and we are only now taking steps to finally extend unemployment benefits. We have waited too long, but I am glad the day for action has come at last. I hope the other body will be able to quickly pass this legislation so that this delayed assistance will not be delayed any longer.

While I am relieved the Senate has acted, I was disappointed we were not able to do more for workers. Helping people maintain health coverage while out of work would have gone a long way to making working families feel more secure. Covering part-time workers and the newly hired, and providing the States with the necessary funds to make those reforms, also would have helped this country on the road to economic recovery.

While some of my colleagues believe that what we have done today will have little or no positive effect on the economy, I disagree. Extending benefits puts money into the hands of people who really need it, and people who will be forced to spend it. The money we send out will be spent on groceries, clothes, and mortgages. It will meet the day-to-day needs of working families, and it will be spent right in their communities. It will spur local economies and prevent the recession from deepening.

An unemployment check is always second best to a paycheck. The 142,000 workers in Wisconsin who have been forced to file for benefits want a job, they want to work, they want to contribute to the economy and pay taxes. Unemployment insurance is meant to help hard working people through difficult times. It is an insurance plan that workers and employers contribute to for emergencies just like today. American workers have paid for these benefits, they have earned them, and they deserve this extension.

RESTORING TEA 21 FUNDING LEVELS

Mr. BAUCUS. Mr. President, for the past 6 months Congress has been discussing the best ways to stimulate the economy. Even though we are no longer working on an economic stimulus bill, we face a real crisis that will negatively affect our economy. We face unprecedented losses to our highway program. Every state will lose money.

If we want to create true stimulus and maintain jobs for our citizens then there is an easy solution. Highways. For every $1 billion dollars that goes into the highway program, 42,000 jobs are created. In an attempt to address unemployment concerns and immediate stimulus to the country's economy, I, along with others on the Environment and Public Works Committee, propose an increase in obligation authority for the fiscal year 2003. This would restore the authorized levels for that fiscal year. It doesn't get us all the way there, but it's a start.

This is about jobs. Skilled and unskilled jobs in highway construction are well-paid. These jobs would provide employment opportunities for workers who have lost manufacturing jobs, with minimal training requirements. In addition current jobs will not be lost in many of the supplier and heavy equipment manufacturing industries. This is money that can be spent quickly by state DOTs. Fast spending means fast jobs. Both state DOTs and contractors confirm that money can be spent and jobs maintained within the first 6 months. Without restoring TEA 21 levels, over 360,000 jobs will be lost.

There is $20.5 billion in the Highway Trust Fund. We can afford at least the $4.369 billion from that balance to be distributed over the next year. In fact, we can't afford not to.

This extra $4.369 billion begins to take care of this huge problem that we face. It is a problem that we addressed the other day in the Environment and Public Works Committee hearing on TEA 21 reauthorization. We are looking at a highway program that is $9 billion lower for FY 2003 than it was in FY 2002. For my state of Montana that means a $79 million loss to our highway program. And in Montana, highways are our lifeblood. We need the highways and we need the jobs created from new highway funding. Also, we can't afford to lose any highway-related jobs because of this under funding.

We passed a six year highway bill for a reason. So states knew how much was coming in from year to year. My State Department of Transportation is counting on at least the TEA 21 level.

Secretary of Transportation Norman Mineta was at that hearing I just mentioned. And when I pressed him about this extra obligation authority for highways, his response was that highway money is good economic stimulus.

In conclusion, I propose that we give States at least what they were expecting for highway projects in fiscal year 2003. They say there is no such thing as an easy fix, but let me tell you—this idea comes as close as any.

THE FEDERAL REFORMULATED FUELS ACT

Mr. JEFFORDS. Mr. President, I ask unanimous consent that documentation important for the legislative history of S. 950, the Federal Reformulated Fuels Act, be printed in the RECORD.

The first is a supply impact analysis of that legislation. The analysis concludes there is a significant probability that total gasoline production capacity would increase under the provisions of S. 950. The second is an estimate by the Congressional Budget Office of the effects of any private-sector mandates included within that bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL
PROTECTION AGENCY,
Washington, DC, January 18, 2002.

Hon. JIM JEFFORDS,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC

DEAR MR. CHAIRMAN: This is in response to your letter of December 20, 2001, co-signed with Senator Bob Smith, requesting technical and economic analyses regarding the elimination of MTBE as a gasoline additive.

We are enclosing two documents that are responsive to your request. The first is a draft report prepared by PACE Consultants, under contract with the Environmental Protection Agency. This report is entitled, Economic Analysis of U.S. MTBE Production Under the MTBE Ban.

The second document is a draft EPA staff analysis entitled, "Supply Analysis of S. 950—The Federal Reformulated Fuels Act of 2001." This analysis, which was prepared in October 2001 by EPA staff who have technical expertise in matters relating to motor vehicle fuels, has never been released and should not be construed to be Administration policy. The analysis draws extensively from the findings of the above-mentioned PACE report.

As you know, the issue of MTBE is related to a current Clean Air Act provision that requires the use of oxygenates in reformulated gasoline. It is my understanding that Congress designed this provision to promote the use of renewable fuels, enhance energy security, support the agricultural economy, and improve the environment. EPA welcomes the opportunity to work with the Congress to further these important goals.

Again, thank you for writing. If you have questions about these documents, please feel free to contact me or your staff may contact Diann Frantz in the Office of Congressional and Intergovernmental Relations at (202) 564-3668.

Sincerely yours,

CHRISTINE TODD WHITMAN.

Enclosures.

Supply Impact Analysis of S. 950—The Federal Reformulated Fuels Act of 2001

There are four primary provisions in S. 950 that could have an impact on gasoline supply in the U.S. These include the nationwide ban on MTBE, rescinding the 1 psi RVP waiver for ethanol blended into conventional gasoline, the additional air toxics requirements, and the provision of grant money to support the conversion of merchant MTBE plants to the production of other gasoline blendstocks. The impact of each of these provisions is discussed below. The evaluation of the financial support for the conversion of merchant MTBE plants to the production of other gasoline blendstocks is combined with that of the ban on MTBE use.

A. NATIONWIDE MTBE BAN

Due to the attention that has been placed on the MTBE issue over the last several years, there have been a number of different MTBE ban scenarios that have been put forward and a considerable amount of analysis already performed for at least some scenarios. Differences in how the bans would be implemented, however, can cause significant differences in what impact they will have on the gasoline fuel supply. What follows is a summary of a recent analysis EPA conducted for a nationwide ban on MTBE use which mirrors relatively closely the MTBE ban provisions in S. 950.

Table A-1 shows the sources of the MTBE used in U.S. gasoline and estimated 2000 production volumes (from Pace Consultants). The total MTBE volume of 263,000 bbl/day represents approximately 3.1% of U.S. gasoline consumption. However, MTBE contains only about 80% of the energy density of gasoline. Consequently, on a energy equivalent basis this MTBE volume represents approximately 2.5% of total U.S. gasoline consumption.

TABLE A-1.—YEAR 2000 PRODUCTION VOLUME OF MTBE (BARRELS/DAY) IN THE U.S.

Type of MTBE plant	Physical volume	Gasoline equivalent volume
Captive refinery plants	79,000	64,000
Propylene Oxide based merchant plants	45,000	36,000
Ethylene based merchant plants	21,000	17,000
Natural gas liquids (NGL) based plants	67,000	54,000
Imports (NGL based)	51,000	41,000
Total	263,000	212,000

In support of EPA's analysis of restrictions on the use of MTBE, we hired Pace Consultants, a knowledgeable and reputable firm, to conduct an analysis of the economics of converting the different types of MTBE plants to produce either alkylate or iso-octane instead of MTBE, versus the plant completely shutting down.

MTBE plants react isobutylene with methanol to make MTBE. MTBE plants fall into two broad categories: those which use isobutylene which already exists or which can be produced at very low cost from existing material, and those which have to produce isobutylene at significant cost from other chemicals. Captive or refinery based MTBE plants and ethylene based MTBE plants fall into the first category, as their isobutylene is being produced in the process of making gasoline in the refinery or butadiene in the chemical plant. Propylene oxide based MTBE plants produce isobutylene from tertiary butyl alcohol, but do so using an inexpensive chemical process. Thus, they are placed in this first category, as well.

Domestic and overseas natural gas liquids (NGL) based MTBE plants fall into the latter category. These plants produce isobutylene via three processes from a mixture of normal butane and isobutane obtained from natural gas processing.

If an MTBE plant converts to alkylate production, it produces 80% more gasoline in terms of energy content than it did when producing MTBE. The gain in energy comes from the fact that isobutane is combined with this isobutylene in the production of alkylate, versus the addition of methanol in thr production of MTBE. Isobutane contains more energy than methanol, so the product does as well.

If an MTBE plant converts to iso-octane production, it produces 15% less gasoline equivalent volume than it did when producing MTBE. Again, this assumes that the converted MTBE plant would process the same amount of isobutylene as before. The loss in energy comes from the fact that isobutylene is reacted with itself to form iso-octane (i.e., no other feedstock is combined with the isobutylene in the reaction). Thus, the energy content of methanol is lost relative to MTBE production.

Alkylate and iso-octane both contain no aromatics and have relatively high octane (90-100) and low RVP, making them attractive fuel blending components. The Pace study found that it should be economic for the vast majority of MTBE production plants to be converted to either iso-octane or alkylate production if MTBE were banned. Below, we discuss the likely fate of each type of MTBE plant, plus imports.

Pace projected that captive, refinery MTBE plants will likely convert to either iso-octane or the isobutylene will be used to produce alkylate in a refiner's existing alkylation plant. Isobutylene had always been converted to alkylate at refineries prior to a refiner's decision to produce MTBE and this would be the preferred route if MTBE were banned, due to the higher volume of gasoline produced with alkylate versus iso-octane. However, if a refiner's current alkylation unit did not have excess capacity or its capacity could not be inexpensively increased, Pace concluded that the MTBE unit would likely be converted to produce iso-octane. Thus, as a lower limit for our analysis we have presumed that all these MTBE units are converted to produce iso-octane, and as an upper limit all the isobutylene will be used to produce alkylate. However, in no case should the MTBE production from these plants be completely lost as the isobutylene is available at no cost and has no other high value market.

Pace projected that propylene oxide based MTBE plants are likely to convert to iso-octane production, due to the lower capital cost involved. Like captive refinery plants, these plants are unlikely to shut down, since the feedstock used to produce MTBE (tertiary butyl alcohol) is produced as a by-product from propylene oxide or ethylene production (i.e., it is essentially free).

Pace projected that ethylene based MTBE plants are likely to shutdown and send their isobutylene to refineries for conversion to alkylate. Thus, while the MTBE plant itself is shut down, the volume it produces is not lost. As a lower limit, we projected that these ethylene based plants would convert to iso-octane, like the propylene oxide based plants.

Pace projected that merchant, NGL based MTBE plants would face the greatest challenge to stay in business. If they were to stay in business, Pace projected that they would be more likely to convert to alkylate than iso-octane production. Historical alkylate price premiums over premium gasoline would not support conversion to alkylate production. However, in 2001 price premiums have been consistently higher. Furthermore, under a complete MTBE ban, demand for clear, high-octane blending components should increase and alkylate price premiums should increase accordingly. This was in fact the case in all refining studies of California under their MTBE ban which showed significant flows of alkylate from the Gulf Coast to California. Consequently, for this analysis of a nationwide MTBE ban, due to the uncertainty, we have projected in the worst case that all of these plants would shut down or in the best case that all would convert to alkylate production. Under the actual provisions in S. 950, the best case is more likely to occur. This is due to the $750 million it would provide to help convert merchant MTBE plants. This subsidy should be sufficient to ensure that the production capacity of these plants remains available.

Finally, Pace projects that most foreign natural gas based MTBE plants are likely to convert to iso-octane production, given their low feedstock costs. This was observed already with an MTBE plant in Alberta, Canada, that recently converted to producing iso-octane.

Table A-2 summarizes the results of this analysis. As can be seen, we project that the net impact on supply from a nationwide MTBE ban ranges from a loss of approximately 84,000 bbl/day to gain of approximately 91,000 bbl/day, or roughly a gain or loss of approximately 1% of total nationwide gasoline volume on an energy equivalent basis. Given the $750 million in grants made available to help convert merchant MTBE plants, we believe that the supply impact is more likely to fall towards the upper end of this range than the low end. The grants should be sufficient to ensure that the production capacity of the NGL-based MTBE plants remains in the gasoline supply.

TABLE A-2.—GASOLINE EQUIVALENT VOLUME WITH A NATIONWIDE MTBE BAN

	Current production volume (bbl/day)	Lower limit of replaced volume (bbl/day)	Upper limit of replaced volume (bbl/day)
Captive refinery plants	64,000	54,000	114,000
Propylene Oxide based merchant plants	36,000	31,000	31,000
Ethylene based merchant plants	17,000	14,000	30,000
Merchant (NGL) plants	54,000	0	98,000
Imports (natural gas based)	41,000	30,000	30,000
Total	212,000	128,000	303,000
Change from Current		(84,000)	91,000

This analysis reflects only the changes in MTBE and gasoline hydrocarbon volume.

The changes in ethanol volume that go along with this were not quantified in the Pace analysis. Even without the RFG oxygen mandate, which S. 950 allows states to opt out of, it is likely that a significant amount of ethanol would be used to fulfill the RFG and mobile source air toxics (MSAT) performance requirements. For example, Mathpro, in refinery modeling performed for EPA, projected that 50–65% of California gasoline would contain ethanol if MTBE were banned and the RFG oxygen mandate were waived.

B. RESCINDING THE 1.0 PSI RVP WAIVER FOR ETHANOL BLENDED IN CONVENTIONAL GASOLINE

Due to its hygroscopic nature it is not possible to ship ethanol blends through the same common carrier fuel distribution system with other petroleum products. Consequently, ethanol is not blended at the refinery into gasoline, but instead is "splash blended" at the terminal, usually as it is loaded into tank trucks. When ethanol is added to gasoline, it results in roughly a 1.0 psi RVP increase in the vapor pressure of the final blend. It is possible to produce a sub-RVP grade of gasoline for blending with ethanol downstream to offset this RVP increase, and in fact, that is what is done under the RFG program. Furthermore, some refiners currently produce a sub-octane grade of gasoline for downstream blending of conventional gasoline with ethanol. However, requiring all gasoline blendstock destined for ethanol blending to be distributed separately would place an additional challenge for the distribution system.

Rescinding the 1.0 psi RVP waiver for ethanol blending would require a unique sub-RVP gasoline blendstock for conventional gasoline. Unlike the MTBE ban discussed above, EPA has not conducted studies recently that would quantify the impact of this on overall gasoline supply. However, the analysis is also much less complicated. Based on recent analyses performed in support of our analysis of the boutique fuels issue, we have determined that lowering the RVP of gasoline by 1.0 psi RVP would require the removal of 1.5% of the gasoline in the form of butane. For some refineries, this would require the construction of a new butane-pentane splitter. Since butane contains roughly 85% of the energy content of typical gasoline, on an energy equivalent basis this would represent a 1.3% reduction in the volume of gasoline that is blended with ethanol.

While the amount of butane which needs to be removed from gasoline increases with increased ethanol use, this impact is overwhelmed by the additional volume of ethanol itself. Ethanol is typically blended at a 10 volume percent level. Ethanol contains 60% of the energy per gallon of gasoline. Thus, adding 10 volume percent ethanol increases gasoline equivalent volume by 6% while removing butane to compensate for ethanol's RVP boost reduces the gasoline equivalent volume by 1.3%, or just over a fifth of the gain from ethanol. Therefore, the net gain from adding 10 volume percent ethanol is an increase in gasoline equivalent volume of 4.7%.

Ethanol-blended conventional gasoline currently represents about 7% of total U.S. summertime gasoline consumption, or about 640,000 barrels per day. Thus, about 8000 bbl/day gasoline equivalent of butane would have to be removed from this fuel to compensate for ethanol's RVP boost. However, under a nationwide MTBE ban and with or without state opt outs of the RFG oxygen mandate, ethanol use in both RFG and conventional gasoline would likely increase over today's level. Since the RFG performance standards do not grant ethanol an RVP waiver, increased use of ethanol in either fuel would require butane removal. The impact on conventional gasoline, however, would be directly attributable to the removal of the RVP waiver under S. 950. It is difficult to predict precisely how much ethanol production in general would increase. If for example, ethanol use were to double over today's levels (nominally 100,000 bbl/day, or 60,000 bbl/day gasoline equivalent), this could require the removal of as much as 15,000 bbl/day of butane (13,000 bbl/day gasoline equivalent). Thus, the total amount of butane removed could be 22,000 bbl/day gasoline equivalent under this example. However, this is still much lower than the 60,000 bbl/day gasoline equivalent of new gasoline supply associated with the new ethanol production.

C. EXISTING AND ADDITIONAL AIR TOXICS CONTROL

It is difficult to quantify the impact on gasoline supply of the existing MSAT standards plus the new air toxics standards which are included in S. 950. The current MSAT standards require refiners to maintain the toxics emission performance of their 1998–2000 RFG and conventional gasoline into the future. In the context of S950, this means that as MTBE is removed from primarily RFG, refiners producing RFG must maintain their previous toxics emission performance.

In general, this historical performance has been well beyond that required by the RFG regulations. Removing MTBE increases toxics emissions from gasoline, even considering the lower sulfur levels which will be required in the future and lower olefin levels which should accompany the sulfur reductions. Substituting alkylate and iso-octane for MTBE helps, but may not be sufficient to maintain toxics performance. Adding ethanol along with alkylate and iso-octane should be sufficient for most refiners to compensate for MTBE removal, once the Tier 2 sulfur standards take effect.

Another possibility is that most refiners should be able to shift some of their reformate (the gasoline blendstock highest in aromatics and benzene) from RFG to conventional gasoline. This would ease compliance with the MSAT standards for their RFG. However, some refiners may still have to reduce benzene or aromatic levels below current levels. Some refiners are also more dependent on MTBE use than others.

Despite this uncertainty, any impact of the MSAT standards are likely to affect RFG supply more than total gasoline supply. Much less MTBE is used in conventional gasoline today compared to RFG. The levels of sulfur and olefins in conventional gasoline will also be dropping in the near future. Thus, most refiners should find it relatively easy to comply with the MSAT standards for their conventional gasoline even with an MTBE ban. Refiners facing difficult meeting their MSAT standards for RFG would not decrease total gasoline production, but could shift some of their RFG production to conventional gasoline. Thus, the relevant issue with the current MSAT standards is their effect on RFG supply, not total gasoline supply.

The new toxics performance standards in S. 950, as they appear to be written, would be imposed in addition to the current MSAT standards. As a result, refiners with cleaner than average historic RFG would be constrained primarily by the MSAT standards, while refiners with poorer than average historic RFG toxics performance would be held to a new PADD average toxics standard.

We have not analyzed the impact of a regional toxics standard of this type, particularly in conjunction with the MSAT standards. However, as was the case with the MSAT standards, the impact of the regional toxics standards would be to make it relatively more difficult to produce RFG than conventional gasoline. Total gasoline supply would probably be little affected, but RFG supply could be affected. More analysis is needed before any quantitative estimates could be made.

D. OVERALL IMPACT

Due to the lack of available analysis to quantify the impact of the new toxics emission requirements on gasoline supply, we cannot provide a comprehensive overall estimate of the impact of the S. 950 on gasoline supply. However, the combination of alkylate and iso-octane production from current MTBE plants, plus the likely increase in ethanol use, should more than compensate for the loss of MTBE volume. Thus, based on this first order analysis, total gasoline production capacity could actually increase. The toxics standards primarily affect RFG production relative to conventional gasoline production. Thus, whether RFG production increases must await further analysis. However, there appears to be a significant probability that total gasoline production capacity would increase under the provisions of S. 950.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, December 21, 2001.

Hon. JAMES JEFFORDS,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed statement on private-sector mandates for S. 950, the Federal Reformulated Fuels Act of 2001. CBO completed a federal cost estimate and an assessment of the bill's effects on state, local, and tribal governments on November 9, 2001.

If you wish further details on this statement, we will be pleased to provide them. The CBO staff contacts are Lauren Marks and Richard Farmer, who can be reached at 226–2940.

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE PRIVATE-SECTOR MANDATES STATEMENT

S. 950—Federal Reformulated Fuels Act of 2001

Summary: S. 950 contains several private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The bill would impose mandates on domestic refiners and importers of certain motor fuels, and on producers of the fuel additive methyl tertiary butyl ether (MTBE). The most costly mandate would ban the use of MTBE in motor vehicle fuel by the year 2006. CBO estimates that the direct costs of such a ban would amount to about $950 million a year starting in fiscal year 2006, declining to about $600 million a year by 2008. Consequently, the aggregate direct costs of all the mandates in the bill would be well in excess of the annual threshold established by UMRA ($113 million in 2001, adjusted annually for inflation).

S. 950 also would authorize an annual appropriation of $250 million to the Environmental Protection Agency (EPA) over the 2002–2004 period for grants to assist manufacturers of MTBE to convert facilities to produce fuel additives that would substitute for MTBE.

Private-sector mandates contained in bill: S. 950 would impose private-sector mandates on domestic refiners and importers of certain motor fuels, and on producers of the fuel additive methyl tertiary butyl ether. Specifically, the bill would impose mandates by:

Banning the use of methyl tertiary butyl ether in motor vehicle fuel;

Eliminating the waiver that allows gasoline blended with ethanol to have higher evaporative properties (as measured by the Reid vapor pressure) than gasoline blended with other fuel additives; and

Requiring the refining industry to comply with more frequent environmental and public health testing of fuel additives prior to registration of those substances.

Estimated direct cost to the private sector: CBO estimates that the aggregate direct costs of the private-sector mandates in S. 950 would be well in excess of the annual threshold established by UMRA ($113 million in 2001, adjusted annually for inflation) starting in 2006.

Ban the Use of MTBE in Gasoline

Under the Clean Air Act (CAA) Amendments of 1990, areas with poor air quality are required to add chemicals called "oxygenates" to gasoline as a means of reducing certain air pollution emissions. The CAA has two programs that require the use of oxygenates. One program requires oxygenated fuel only during winter months. The more significant of the two programs is the reformulated gasoline (RFG) program. Under that program, areas with severe ozone pollution must use reformulated gasoline year round. Areas with less severe ozone pollution may opt into the program as well, and many have. Refiners in participating states are required to add oxygenates to that gasoline at levels designated to improve combustion and thereby, reduce pollution from motor fuel emissions. Currently, about 1.3 million barrels of reformulated gasoline are sold each day. One of the most commonly used oxygenates is methyl tertiary butyl ether. In recent years concerns have been raised about the adverse effects on drinking water supplies of MTBE that leaks from underground tanks.

S. 950 would ban the use of methyl tertiary butyl ether in gasoline within four years of the bill's enactment. Nearly 0.3 million barrels of MTBE are blended into gasoline each day in this country, with about one third of that amount supplied to refiners by merchant producers and the rest produced by the refiners themselves or imported. Under the bill, domestic petroleum refiners would no longer be able to blend MTBE into gasoline and would therefore be required to either produce or buy other, more costly fuel additives (such as Alkylates or IsoOctane) to blend into reformulated gasoline. Merchant producers would have to convert their operations and begin producing alternative fuel additives, or would sell MTBE abroad. Significant capital investment by domestic refiners and merchant producers, including conversion of MTBE plants would be required in order to produce the Alkylates or IsoOctane. Importers would have to acquire gasoline produced without MTBE and alternative fuel additives.

Industry studies indicate that refiners and importers may initially have to pay an additional 2.5 cents to three cents per gallon to supply gasoline without MTBE. The cost to merchant producers of MTBE that decide to convert to the production of alternative fuel additives could be about 15 cents per gallon of MTBE converted. For both parties, the unit costs of compliance will diminish after capital investments are made. CBO estimates the total cost of the MTBE ban would amount to about $950 million annually starting in 2006 and decline after a few years to about $600 million annually.

At this time, ten states, including California and New York, have acted to completely phase-out the use of MTBE in gasoline. CBO's estimate of the cost to refiners has been adjusted for the fact that those states, which account for more than 40 percent of reformulated gasoline sales, will already be in compliance with the ban by the time the bill's provisions would go into effect.

Eliminate the Ethanol Waiver

Under the RFG program gasoline sold in the summer months must meet a Reid vapor pressure (RVP) standard that is stricter than that for other gasoline. RVP, measured in pounds per square (psi), indicates how quickly a substance evaporates. Gasoline with a high RVP evaporates more readily at a given temperature, allowing components of gasoline that contribute to smog formation to escape into the atmosphere.

S. 950 would eliminate the statutory waiver that allows conventional gasoline blended with ethanol to have a higher Reid vapor pressure than other gasoline. Currently, conventional gasoline blended with ethanol is allowed to have an RVP of 10 psi, making it more evaporative than other fuels. Under the bill, ethanol-blended fuels would have to achieve an RVP of 9 psi. To accommodate the change, refiners who blend ethanol would reduce their use of other highly evaporative components in gasoline, such as butane. It is likely that those refiners (located mainly in the Midwest) would continue their use of ethanol, since that additive receives federal and state subsidies. According to the Energy Information Administration, it would cost about 0.4 cents per gallon of gasoline to eliminate enough butane to lower the RVP of ethanol-blended gasoline to 9 pounds per square inch. CBO therefore expects that the cost of replacing butane and other evaporative blendstocks in the 0.4 million barrels of ethanol-blended gasolines that are sold each day would be about $65 million annually.

Require More Frequent Environmental and Public Health Testing

The bill would require manufacturers of fuel additives to test their products regularly for any environmental and public health effects of the fuel or additive, as part of the registration process with the EPA. Under current law, such testing occurs at the discretion of the EPA Administrator. Based on information provided by the EPA on the most recent round of testing, CBO expects the cost of regular testing to be between $10 million and $20 million every five years, which is the period of time over which the EPA expects the testing to take place.

Appropriation or other Federal financial assistance provided in the bill related to private-sector mandates: S. 950 would authorize the appropriation of $750 million to the Environmental Protection Agency over the 2002–2004 period for grants to assist domestic manufacturers of MTBE to convert facilities to produce substitute fuel additives instead of MTBE.

Estimate prepared by: Lauren Marks and Richard Farmer.

Estimate approved by: David Moore, Deputy Assistant Director for Microeconomics and Financial Studies Division.

ADDITIONAL STATEMENTS

HONORING ALLISON CHURCH OF CORBIN, KENTUCKY

• Mr. BUNNING. Mr. President, today I ask my colleagues to join me in honoring the most recent accomplishment of Allison Church of Corbin, KY.

Allison, a junior at Corbin Independent High School, has been chosen as one of only 350 students nationwide to be a participant in this year's National Youth Leadership Forum on Defense, Intelligence, and Diplomacy, which will take place later in February right here in our Nation's capital. Allison earned this distinction based upon her excellent academic record, extensive involvement in extracurricular activities, and expressed interest in a career related to national security. I commend Allison for her strong commitment to her studies, school, and country's protection.

After the horrific attacks perpetrated on September 11, 2001, I can see no better time than the present for our nation's youth and future leaders to be learning about the importance of such topics as international diplomacy, defense, and intelligence. I believe Allison will learn valuable political and social tools which she will carry with her for the rest of her life. I thank Allison for proudly representing Corbin Independent High School and the entire Commonwealth of Kentucky.•

10TH ANNIVERSARY OF THE VERMONT SMALL BUSINESS DEVELOPMENT CENTER

• Mr. LEAHY. Mr. President, I rise today to commend the Vermont Small Business Development Center, commonly known as the Vermont SBDC, for its impressive first ten years of operation.

In 1992, this new partnership of government, education, and business was established in Vermont to help spur the state's economy. The parties involved were the U.S. Small Business Administration, the Vermont Agency of Commerce and Community Development, the Vermont State Colleges, and Vermont's twelve Regional Development Corporations.

With a staff of five and a lean budget, the SBDC set out to accomplish its statewide mission: to help Vermont small businesses succeed. In its first year of operation, nearly 3,000 hours of free business counseling were provided to 736 clients. The positive impact of SBDC activities in just its first three years of existence is attested to by the attendance of nearly 1,400 people at its small business seminars held around the state in 1995.

Over the past 10 years, the SBDC has provided more than 44,000 hours of counseling to 11,000 clients. Over half were women, and half were new business startups. In addition, over 15,000

Vermonters have attended SBDC business seminars.

Evaluation is a critical component to the SBDC. The annual impact assessment implemented in 1996 measured the economic impact that SBDC clients were having in Vermont. It found that SBDC clients created jobs at twice the rate of other Vermont businesses. It is not surprising that client satisfaction was rated at 97 percent.

In 1998, the Vermont SBDC was recognized by the U.S. Small Business Administration, SBA, as the Outstanding National SBDC; a wonderful feat for an organization that accomplishes so much with so little. In fact, last year's economic impact assessment revealed that SBDC clients have led to the addition of over $3.2 million in incremental tax revenues to the Vermont treasury. Considering the current state match contribution of about $300,000, that equates to more than 9 to 1 return on the state's investment.

The impressive achievements of SBDC must be viewed in light of the active role of the various partners that support it. Since its inception, SBDC has been housed at Vermont Technical College, which also provides facilities for workshops and seminars. The SBA provided the initial seed funding and by validating SBCD's effectiveness continues to provide federal funding. The Vermont Agency for Commerce and Community Development provides matching state funds and is an integral partner in the SBDC network. The Agency considers SBDC a primary component of their economic development strategy. The Vermont Regional Development Corporations (RDC) are the local partners which ensure that services are provided uniformly throughout the state. SBDC counselors are housed at the twelve RDC centers around the state.

Leveraging resources and working with other organizations has been the hallmark of the SBDC over the years. Private sector and other external network partners have been absolutely essential for service delivery. The SBDC works with countless external organizations on a daily basis to form a broad delivery and support network. For example, approximately 60 percent of referrals for SBDC counseling and business planning assistance come from the banking community and other lenders.

In the face of potential reduction of funding, clients and friends of the SBDC are coming together to emphasize the benefit and economic contributions of the SBDC. Together, they are sending the message that now is not the time to cut SBDC resources. Rather, a challenging economy is the time to invest in partnerships like the SBDC. At return rates of 9 to 1 it is difficult to justify not providing the funding necessary to maintain the resources needed to meet market need.

Once again, I am proud of the initiative and hard work SBDC has contributed to making our state a national leader among small business development organizations. Small business is truly the backbone of Vermont's business community. And Vermont is an example of how small states can leverage their limited resources for the maximum benefit of their citizens. Over the years, SBDC has found ways to partner with the federal government, the private sector, and higher education to double its available funding, provide free quality services to businesses, help develop businesses and economic independence, and at the same time provide a return on investment that more than pays for the program. I congratulate them on their tenth anniversary.●

TRIBUTE TO PETER HAMBLETT

● Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to Peter Hamblett of Dover, NH, on being named as the 2002 Volunteer of the Year by the Greater Dover Chamber of Commerce.

Peter was the recipient of the Volunteer of the Year award in 2001 and is an exemplary member of the community in Dover. His community involvement includes: member, Dover Rotary Club, activist in Main Street program in Dover, member, Board of Directors for the United Way of the Greater Seacoast, member of the New Hampshire Bankers Association and member of South Church in Portsmouth. Peter has also served on the Boards of Strawberry Banke and the Manchester Boys and Girls Club.

I commend Peter for his tremendous energy and contributions to the community at large in Dover. In addition to his volunteer service to community groups, he also serves on the Greater Dover Chamber of Commerce Government Affairs and Waterfront Committees.

The City of Dover and the State have benefitted greatly by Peter's efforts and selfless dedication. The citizens of the greater Dover area are most fortunate to have a talented leader and volunteer such as Peter. I congratulate Peter on this well deserved recognition and wish him the very best. It is truly an honor and a privilege to represent him in the United States Senate.●

TRIBUTE TO JACK RICE

● Mr. SARBANES. Mr. President, I rise today to honor an outstanding public servant, John "Jack" Rice for his thirty-six years of exemplary Federal service. As a Marine Machinist General Foreman at the Coast Guard Yard in Baltimore, Jack consistently provided high quality work to the Coast Guard and deserves recognition for his service.

Throughout his long career with the Federal Government, Jack Rice distinguished himself as a highly skilled tradesman who was committed to the Coast Guard and his trade. His vast knowledge and extensive experience as a Marine Machinist made him a valuable source of information for the Coast Guard Yard as it sought to achieve high quality production of Coast Guard ships. Among the many important projects that he made significant contributions to was the design, construction, and procurement of the Yard's 4000HP water brake, a computer-controlled dynamometer. His insight also proved essential to the architects and facility managers that built and outfitted the building that currently houses this equipment.

Jack Rice's innovative approach to his position will be missed. When the Yard's new Machine Shop was in need of additional equipment and tools, Jack diligently reviewed excess equipment lists from other agencies. Through his efforts, the Yard was able to maintain state-of-the-art techniques while simultaneously achieving significant savings for the Coast Guard and the Federal Government.

Jack Rice also played a key role in advocating that the Coast Guard Yard receives the necessary resources from the Federal Government to accomplish its important missions. I was fortunate to have the opportunity to work with Jack on these efforts. The Coast Guard and our country owe him a debt of gratitude for helping to ensure that the Coast Guard is adequately prepared to defend our coastlines, particularly during these difficult times.

In addition to his service to the Coast Guard, Jack has contributed endless hours to promoting the development of skilled tradesmen. In particular, as Chairman of the Baltimore City Public Schools Manufacturing Advisory Committee, he advised the school system about the latest trade technology and provided valuable suggestions to the Board as it developed a curriculum that would effectively prepare students for a career involving a trade. He also played a key role in the organization of the job and information fairs that have been extremely successful at informing students and their parents about the need for skilled labor and the benefits of selecting a career in the trades.

For 36 years, Jack Rice exemplified the Coast Guard Yard's motto, "Service to the Fleet". Without a doubt, he played a large part in helping the Yard earn its reputation as a top quality workforce which produces top quality products.

It is my firm conviction that public service is one of the most honorable callings, one that demands the very best, most dedicated efforts of those who have the opportunity to serve their fellow citizens and country. Throughout his career, Jack Rice has exemplified a steadfast commitment to meeting this demand. I extend my personal congratulations and thanks for his many years of hard work and dedication and wish him well in the years ahead.●

MAGGIE L. WALKER GOVERNOR'S SCHOOL OF RICHMOND, VA

● Mr. WARNER. Mr. President, on May 4 through 6, 2002 more than 1200 students from across the United States will visit Washington, D.C. to compete in the national finals of the "We the People . . ." The Citizen and the Constitution program, administered by the Center for Civic Education. "We the People" is the most extensive educational program in the country developed specifically to educate young people about the Constitution and the Bill of Rights.

I am proud to announce that the class from Maggie L. Walker Governor's School from Richmond will represent the Commonwealth of Virginia in this national event. These young Virginians have worked diligently to reach the national finals and through their experience have gained a deep knowledge and understanding of the fundamental principles and values of our constitutional democracy.

The 3-day national competition is modeled after hearings in the United States Congress. The hearings consist of oral presentations by high school students before a panel of adult judges on constitutional topics. The students' testimony is followed by a period of questioning by the judges who probe their depth of understanding and ability to apply their constitutional knowledge.

The class from Maggie L. Walker Governor's School is currently conducting research and preparing for their upcoming participation in the national competition in Washington, D.C. I wish these young "constitutional experts" the best of luck at the "We the People . . ." national finals. They represent the future leaders of our Nation.●

WHITNEY R. HARRIS INSTITUTE FOR GLOBAL LEGAL STUDIES

● Mrs. CARNAHAN. Mr. President later today, Washington University, in St. Louis, MO, will be dedicating the Whitney R. Harris Institute for Global Legal studies. This Institute is a fitting tribute to a man who has devoted his life to the concept of international law.

As a young naval officer, Mr. Harris was selected to join the team of 24 U.S. prosecutors during the trial of Nazi war criminals at Nuremberg because of his expertise in German intelligence matters. The trial was without precedent in legal history. For his services at Nuremberg, Harris was awarded the Legion of Merit, the Highest decoration received by any trial counsel.

As Mr. Harris said, "Because of Nuremberg—and the effort which it represents of man's attempt to elevate justice and law over inhumanity and war—there is hope for a better tomorrow." The importance of Mr. Harris' work cannot be overstated.

In the 50 years since Nuremberg, Mr. Harris has championed human rights through international law. In 1954, Mr. Harris wrote "Tyranny Trial," in which he distills the massive documentary evidence presented at the historic trial to provide a meticulous look at Hitler's rise to power and the Nazi planning and execution of war crimes. His book explores the relationship between law and war and discusses the precedent Nuremberg set for international human rights law.

The mission statement of the Institute for Global Legal Studies says: "We live in a truly global age. People, goods, services, information, and capital flow freely across international boundaries. From the Internet, e-mail, fax machines to travel, migration, commerce, and foreign relations, the story of the new millennium will be our ever shrinking planet. The world's problems—and the problems entrusted to lawyers—will increasingly require international cooperation and international solutions." The Whitney R. Harris Institute for Global Legal Studies will train men and women to follow in Mr. Harris' footsteps, guiding us through this new global age.●

TRIBUTE TO KERRY FORBES

● Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to Kerry Forbes of Dover, NH, on being named as the 2002 Citizen of the Year by the Greater Dover Chamber of Commerce.

A true champion of the community at large, Kerry has been involved in numerous volunteer programs including: member of the Dover Economic Commission that oversaw the creation of the Enterprise Industrial Park and the creation of the Dover Economic Development Loan Fund, volunteer counselor at the Seaborn Hospital, board member of the Strafford Rivers Conservancy, member of the Greater Dover Chamber of Commerce, member Board of Directors of the Dover Main Street Program and member of the Dover Rotary Club.

The citizens of the greater Dover area and the State have benefitted greatly by Kerry's efforts and talents. I commend Kerry for the exemplary leadership and spirit of service which he has consistently exhibited while serving his community and congratulate him for this prestigious recognition. It is truly an honor and a privilege to represent him in the United States Senate.●

MESSAGES FROM THE HOUSE

At 1:41 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3394. An act to authorize funding for computer and network security research and development and research fellowship programs, and for other purposes.

ENROLLED BILL SIGNED

At 3:31 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

S. 1888. An act to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code.

The enrolled bill was signed subsequently by the President pro tempore (Mr. BYRD).

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 3394. An act to authorize funding for computer and network security research and development and research fellowship programs, and for other purposes; to the Committee on Commerce, Science, and Transportation.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, February 7, 2002, she had presented to the President of the United States the following enrolled bill:

S. 1888. An act to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KERRY, from the Committee on Small Business and Entrepreneurship, without amendment:

S. 396: A bill to provide for national quadrennial summits on small business and State summits on small business, to establish the White House Quadrennial Commission on Small Business, and for other purposes. (Rept. No. 107-136).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LEAHY for the Committee on the Judiciary.

Michael J. Melloy, of Iowa, to be United States Circuit Judge for the Eighth Circuit.

David L. Bunning, of Kentucky, to be United States District Judge for the Eastern District of Kentucky.

James E. Gritzner, of Iowa, to be United States District Judge for the Southern District of Iowa.

Robert E. Blackburn, of Colorado, to be United States District Judge for the District of Colorado.

Cindy K. Jorgenson, of Arizona, to be United States District Judge for the District of Arizona.

Richard J. Leon, of Maryland, to be United States District Judge for the District of Columbia.

Jay C. Zainey, of Louisiana, to be United States District Judge for the Eastern District of Louisiana.

Thomas P. Colantuono, of New Hampshire, to be United States Attorney for the District of New Hampshire for the term of four years.

James K. Vines, of Tennessee, to be United States Attorney for the Middle District of Tennessee for the term of four years.

James Duane Dawson, of West Virginia, to be United States Marshal for the Southern District of West Virginia for the term of four years.

William Carey Jenkins, of Louisiana, to be United States Marshal for the Middle District of Louisiana for the term of four years.

Ronald Richard McCubbin, Jr., of Kentucky, to be United States Marshal for the Western District of Kentucky for the term of four years.

David Reid Murtaugh, of Indiana, to be United States Marshal for the Northern District of Indiana for the term of four years.

Nehemiah Flowers, of Mississippi, to be United States Marshal for the Southern District of Mississippi for the term of four years.

Arthur Jeffrey Hedden, of Tennessee, to be United States Marshal for the Eastern District of Tennessee, for the term of four years.

David Glenn Jolley, of Tennessee, to be United States Marshal for the Western District of Tennessee for the term of four years.

Michael Wade Roach, of Oklahoma, to be United States Marshal for the Western District of Oklahoma for the term of four years.

Eric Eugene Robertson, of Washington, to be United States Marshal for the Western District of Washington for the term of four years.

Brian Michael Ennis, of Nebraska, to be United States Marshal for the District of Nebraska for the term of four years.

Chester Martin Keely, of Alabama, to be United States Marshal for the Northern District of Alabama for the term of four years.

John William Loyd, of Oklahoma, to be United States Marshal for the Eastern District of Oklahoma for the term of four years.

David Donald Viles, of Maine, to be United States Marshal for the District of Maine for the term of four years.

Johnny Lewis Hughes, of Maryland, to be United States Marshal for the District of Maryland for the term of four years.

Randy Merlin Johnson, of Alaska, to be United States Marshal for the District of Alaska for the term of four years.

Larry Wade Wagster, of Mississippi, to be United States Marshal for the Northern District of Mississippi for the term of four years.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. KERRY (for himself and Mr. BOND):

S. 1914. A bill to amend title 49, United States Code, to provide a mandatory fuel surcharge for transportation provided by certain motor carriers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mrs. LINCOLN:

S. 1915. A bill to amend the Internal Revenue Code of 1986 to treat natural gas distribution lines as 10-year property for depreciation purposes; to the Committee on Finance.

By Mr. DAYTON:

S. 1916. A bill to provide unemployed workers with health coverage assistance; to the Committee on Finance.

By Mr. JEFFORDS (for himself, Mr. SMITH of New Hampshire, Mr. REID, Mr. INHOFE, Mr. BAUCUS, Mr. WARNER, Mr. GRAHAM, Mr. BOND, Mr. VOINOVICH, Mr. LIEBERMAN, Mr. CRAPO, Mrs. BOXER, Mr. CHAFEE, Mr. SPECTER, Mr. WYDEN, Mr. CARPER, Mr. CAMPBELL, Mrs. CLINTON, and Mr. CORZINE):

S. 1917. A bill to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century; to the Committee on Environment and Public Works.

By Ms. COLLINS (for herself, Mr. FRIST, Mr. LIEBERMAN, Mr. DEWINE, Mr. ROBERTS, Mr. SESSIONS, Mr. CARPER, and Mr. BREAUX):

S. 1918. A bill to expand the teacher loan forgiveness programs under the guaranteed and direct student loan programs for highly qualified teachers of mathematics, science, and special education, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. WELLSTONE:

S. 1919. A bill to amend the Employee Retirement Income Security Act of 1974 to provide for improved disclosure, diversification, account access, and accountability under individual account plans; to the Committee on Health, Education, Labor, and Pensions.

By Mr. NELSON of Florida:

S. 1920. A bill to require that the Attorney General conduct a study regarding the ability of the Federal Bureau of Investigation to prevent and combat international crimes involving children, and for other purposes; to the Committee on the Judiciary.

By Mrs. HUTCHISON (for herself, Mr. LOTT, and Mr. CRAIG):

S. 1921. A bill to amend the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 to provide greater protection of workers' retirement plans, to prohibit certain activities by persons providing auditing services to issuers of public securities, and for other purposes; to the Committee on Finance.

By Mr. HUTCHINSON (for himself, Ms. MIKULSKI, and Mr. ENZI):

S. 1922. A bill to direct the Secretary of Health and Human Services to expand and intensify programs with respect to research and related activities concerning elder falls; to the Committee on Health, Education, Labor, and Pensions.

By Mr. LOTT (for Mr. MCCAIN):

S. 1923. A bill to provide for increased corporate average fuel economy standards, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DASCHLE:

S.J. Res. 31. A joint resolution suspending certain provisions of law pursuant to section 258(a)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; to the Committee on the Budget pursuant to Section 258(a)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985, for not to exceed five days of session.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CAMPBELL (for himself, Mr. DODD, and Mr. BROWNBACK):

S. Res. 205. A resolution urging the Government of Ukraine to ensure a democratic, transparent, and fair election process leading up to the March 31, 2002, parliamentary elections; to the Committee on Foreign Relations.

ADDITIONAL COSPONSORS

S. 91

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 91, a bill to amend the Native American Languages Act to provide for the support of Native American Language Survival Schools, and for other purposes.

S. 208

At the request of Mr. FRIST, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 208, a bill to reduce health care costs and promote improved health care by providing supplemental grants for additional preventive health services for women.

S. 243

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 243, a bill to provide for the issuance of bonds to provide funding for the construction of schools of the Bureau of Indian Affairs of the Department of the Interior, and for other purposes.

S. 281

At the request of Mr. HAGEL, the name of the Senator from Missouri (Mrs. CARNAHAN) was added as a cosponsor of S. 281, a bill to authorize the design and construction of a temporary education center at the Vietnam Veterans Memorial.

S. 503

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 503, a bill to amend the Safe Water Act to provide grants to small public drinking water system.

S. 540

At the request of Mr. DEWINE, the names of the Senator from Kansas (Mr. BROWNBACK) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 540, a bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes.

S. 627

At the request of Mr. GRASSLEY, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 627, a bill to amend the Internal Revenue Code of 1986 to allow individuals a deduction for qualified long-term care insurance premiums, use of such insurance under cafeteria plans and flexible spending arrangements, and a credit for individuals with long-term care needs.

S. 722

At the request of Mr. FRIST, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 722, a bill to amend the Communications Act of 1934 to prohibit telemarketers from interfering with the caller identification service of any person to whom a telephone solicitation is made, and for other purposes.

S. 808

At the request of Mr. BAUCUS, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 808, a bill to amend the Internal Revenue Code of 1986 to repeal the occupational taxes relating to distilled spirits, wine, and beer.

S. 1021

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 1021, a bill to reauthorize the Tropical Forest Conservation Act of 1998 through fiscal year 2004.

S. 1140

At the request of Mr. HATCH, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 1140, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1186

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 1186, a bill to provide a budgetary mechanism to ensure that funds will be available to satisfy the Federal Government's responsibilities with respect to negotiated settlements of disputes related to Indian water rights claims and Indian land claims.

S. 1379

At the request of Mr. KENNEDY, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1379, a bill to amend the Public Health Service Act to establish an Office of Rare Diseases at the National Institutes of Health, and for other purposes.

S. 1496

At the request of Mr. GRAHAM, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 1496, a bill to clarify the accounting treatment for Federal income tax purposes of deposits and similar amounts received by a tour operator for a tour arranged by such operator.

S. 1749

At the request of Mr. KENNEDY, the name of the Senator from Missouri (Mrs. CARNAHAN) was added as a cosponsor of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1753

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. 1753, a bill to amend title XIX of the Social Security Act to include medical assistance furnished through an urban Indian health program operated by an urban Indian organization pursuant to a grant or contract with the Indian Health Service under title V of the Indian Health Care Improvement Act in the 100 percent Federal medical assistance percentage applicable to the Indian Health Service.

S. 1786

At the request of Mr. DURBIN, the names of the Senator from Rhode Island (Mr. REED) and the Senator from Nebraska (Mr. NELSON) were added as cosponsors of S. 1786, a bill to expand aviation capacity in the Chicago area.

S. 1867

At the request of Mr. LIEBERMAN, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1867, a bill to establish the National Commission on Terrorist Attacks Upon the United States, and for other purposes.

S. 1899

At the request of Mr. BROWNBACK, the names of the Senator from Mississippi (Mr. LOTT) and the Senator from Idaho (Mr. CRAIG) were added as cosponsors of S. 1899, a bill to amend title 18, United States Code, to prohibit human cloning.

S. RES. 68

At the request of Mrs. MURRAY, her name was added as a cosponsor of S. Res. 68, a resolution designating September 6, 2001 as "National Crazy Horse Day."

AMENDMENT NO. 2533

At the request of Mr. CRAPO, the names of the Senator from Utah (Mr. HATCH) and the Senator from Utah (Mr. BENNETT) were added as cosponsors of amendment No. 2533.

AMENDMENT NO. 2821

At the request of Mr. DURBIN, the names of the Senator from Michigan (Mr. LEVIN), the Senator from New Jersey (Mr. CORZINE), the Senator from Maine (Ms. COLLINS), and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of amendment No. 2821.

At the request of Mr. SPECTER, his name was added as a cosponsor of amendment No. 2821 supra.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KERRY (for himself and Mr. BOND):

S. 1914. A bill to amend title 49, United States Code, to provide a mandatory fuel surcharge for transportation provided by certain motor carriers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. KERRY. Mr. President, today I am pleased to introduce the Motor Carrier Fuel Cost Equity Act, which is much-needed legislation. My bill is designed to improve the ability of independent truck drivers to recoup losses from high fuel costs by requiring that motor carriers charge a fuel surcharge when the price of diesel fuel rises above $1.15 and pass-through this surcharge to the payer of the fuel costs. My bill will level the playing field for small operators, which comprise nearly 80 percent of the motor carrier industry, without any cost or regulatory requirement for the Federal Government.

There are approximately 350,000 independent truck drivers, known as owner-operators, who haul freight either on a per-load contractual basis or by leasing their truck and driving services to a motor carrier, freight forwarder or other shipping broker. Owner-operators essentially are independent contractors. Sometimes they provide their services directly to a shipper, but more often owner-operators contract out their services to a motor carrier company which negotiates its own contract with a shipper and then pays the owner-operator to provide the transport service.

Fuel surcharges are a long-established method of permitting motor carriers, airlines and even taxis to recover high fuel costs. But because of intense competition in the industry, owner-operators have little ability to negotiate terms of transport with a motor carrier, and in virtually no circumstance are they able to pass along the increased costs of fuel to the shipper. The inability of independent truck drivers to pass along the higher fuel costs of the last two years has resulted in the bankruptcy of 7,000 trucking companies, nearly all small businesses, and the repossession of nearly 200,000 trucks.

I'd like to make clear a couple of additional points about the legislation: First, the bill would not affect less-than-truckload carriers, such as package delivery services. Many of these services are already imposing surcharges and they don't face the same unique situation that confronts the independent trucker. Second, my bill allows the parties to set their own surcharge formulas, but the surcharge must be sufficient to fully compensate the person who pays for the fuel. That's only fair, but it allows the motor carriers and truckers the greatest degree of flexibility in negotiating the terms of transport.

While national diesel fuel costs have recently fallen below the $1.15 threshold, we know well that fuel costs can increase suddenly. America's independent truckers, which form the backbone of truck transportation in this country, deserve the ability to protect themselves during these periods of high diesel fuel prices.

I am proud to be joined by Senator BOND in introducing this bill today. I am also pleased that Congressman RAHALL has introduced similar legislation on the House side. He has worked hard on this bill for several years now, and I look forward to working closely with him as we move forward on this legislation.

By Mrs. LINCOLN:

S. 1915. A bill to amend the Internal Revenue Code of 1986 to treat natural gas distribution lines as 10-year property for depreciation purposes; to the Committee on Finance.

Mrs. LINCOLN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows.

S. 1915

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NATURAL GAS DISTRIBUTION LINES TREATED AS 10-YEAR PROPERTY.

(a) IN GENERAL.—Subparagraph (D) of section 168(e)(3) of the Internal Revenue Code of 1986 (relating to classification of certain property) is amended by striking "and" at the end of clause (i), by striking the period at the end of clause (ii) and by inserting ", and", and by adding at the end the following new clause:

"(iii) any natural gas distribution line.".

(b) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) of the Internal Revenue Code of 1986 is amended by inserting after the item relating to subparagraph (D)(ii) the following:

"(D)(iii) .... 20".

(c) ALTERNATIVE MINIMUM TAX EXCEPTION.—Subparagraph (B) of section 56(a)(1) of the Internal Revenue Code of 1986 is amended by inserting before the period the following: "or in clause (iii) of section 168(e)(3)(D)".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act.

By Mr. JEFFORDS (for himself, Mr. SMITH of New Hampshire, Mr. REID, Mr. INHOFE, Mr. BAUCUS, Mr. WARNER, Mr. GRAHAM, Mr. BOND, Mr. VOINOVICH, Mr. LIEBERMAN, Mr. CRAPO, Mrs. BOXER, Mr. CHAFEE, Mr. SPECTER, Mr. WYDEN, Mr. CARPER, Mr. CAMPBELL, Mrs. CLINTON, and Mr. CORZINE):

S. 1917. A bill to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century; to the Committee on Environment and Public Works.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Highway Funding Restoration Act as cosponsored by Senators SMITH of New Hampshire, REID, INHOFE, BAUCUS, WARNER, BOXER, CAMPBELL, CARPER, CRAPO, CLINTON, SPECTER, LIEBERMAN, VOINOVICH, GRAHAM of Florida, WYDEN, CORZINE, BOND, and CHAFEE, be printed in the RECORD. The bill provides for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1917

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Highway Funding Restoration Act".

SEC. 2. FEDERAL-AID HIGHWAY PROGRAM OBLIGATION CEILING.

Section 1102 of the Transportation Equity Act for the 21st Century (23 U.S.C. 104 note; 112 Stat. 115, 113 Stat. 1753) is amended by adding at the end the following:

"(k) RESTORATION OF OBLIGATION LIMITATION FOR FISCAL YEAR 2003.—Notwithstanding any other provision of law, the obligations for Federal-aid highway and highway safety construction programs for fiscal year 2003—

"(1) shall be not less than $27,746,000,000; and

"(2) shall be distributed in accordance with this section.".

By Ms. COLLINS (for herself, Mr. FRIST, Mr. LIEBERMAN, Mr. DEWINE, Mr. ROBERTS, Mr. SESSIONS, Mr. CARPER, and Mr. BREAUX):

S. 1918. A bill to expand the teacher loan forgiveness programs under the guaranteed and direct student loan programs for higher qualified teachers of mathematics, science, and special education, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Ms. COLLINS. Mr. President, I rise today with my colleagues, Senators FRIST, LIEBERMAN, DEWINE, ROBERTS, and SESSIONS to introduce the Math, Science, and Special Education Teacher Recruitment Act of 2002. I particularly want to thank the Senator from Tennessee for his tireless efforts and his leadership on this issue. The legislation we have before us today is, in large part, a product of his commitment to affordable education. I would also like to thank the Senator from Connecticut for his assistance and his dedication to solving America's teacher shortage.

The legislation we are introducing is designed to recruit teachers with an expertise in math, science, or special education to work in schools with high concentrations of low-income students by offering substantial assistance with their student loan payments.

All across our Nation, public schools are struggling to fill teaching positions with qualified teachers. In the 2001-2002 school year, administrators had to hire an estimated 200,000 new teachers just to maintain the current teacher/student ratio. Although universities continue to produce a greater number of teachers each year, the profession is losing too many of its most qualified and experienced personnel to retirement. In Maine, for example, 30.2 percent of teachers are over the age of 50. With such a large portion of the profession nearing retirement, additional replacements will be needed in the next few years. The national teaching shortage is expected to continue throughout the next decade, making it more and more difficult for schools to find qualified instructors.

Attracting new faculty is difficult enough, but finding applicants with backgrounds in math, science, or special education can be particularly demanding. Among first year teachers, approximately 55 percent graduated from college with a bachelors in general education. Many more graduated with liberal arts degrees or majors unrelated to the curriculum they teach. The result is a system where only 38 percent of public school teachers hold subject-matter specific degrees.

In Maine, the shortage of qualified applicants is most severe with regard to math, science, special education, and foreign languages. Eighty nine percent of our high schools reported a shortage in math teachers, and 87 percent reported a shortage of science teachers. With the recent developments in technology and computing, it is becoming more important than ever that our schoolchildren enter the workforce with a firm grasp of math and science. Yet, it is more and more difficult to attract math and science specialists to the teaching profession. As for special education, the Council for Exceptional Children reports that 50,000 special education positions were unfilled or filled by teachers without a full certification.

If this teacher shortage is a burden on suburban school districts with ample resources, you can imagine the strain it puts on high poverty school systems. Problems are amplified in high-need areas: Teachers are likely to be the least experienced, often just out of school, they are less likely to hold a masters degree, and they are less likely to have majored in their field of instruction.

To help deal with this epidemic, Senator FRIST and I put together a proposal that would expand the current loan forgiveness program for math and science teachers who are willing to teach in high-poverty areas. Under the Act, teachers who commit to teach for five consecutive years in a low-income/

high-need area would be eligible for $17,500 in loan forgiveness instead of the current benefit of $5,000. To meet the pressing need for special educators, the proposal would also make special educators eligible for the loan assistance for the first time. We expect this legislation will expand upon the successes of the current program and encourage a greater number of college graduates to enter the teaching profession. We are also hopeful that it will encourage more of the best qualified teachers to consider teaching in high need areas.

We are delighted that the President has included $45 million in his budget for a similar proposal. Once again, President Bush has chosen to make education a priority, and I look forward to working with my colleagues and the Administration on this important piece of legislation.

Mr. FRIST. Mr. President, I rise to speak about a bill being introduced today by Senator COLLINS, a bill that would expand loan forgiveness for math, science and special education teachers. I am proud to be a cosponsor of this legislation.

At this time, I would like to share with you some startling statistics regarding the status of teaching skills in our country. More than 1 in 4 high school math teachers and nearly 1 in 5 high school science teachers lack even a minor in their main teaching field. About 56 percent of high school students taking physical science are taught by out-of-field teachers, as are 27 percent of those taking math. And these percentages are much greater among high-poverty areas. Among schools with the highest minority enrollments, for example, students have less than a 50 percent chance of getting a science or math teacher who hold both a license and a degree in the field being taught. One survey taken among 40 large urban schools, for instance, showed that more than 90 percent of them had an immediate need for a certified math or science teacher.

This shortage of strong math and science teachers is having a direct effect on the performance of our students. The most recent NAEP science section results showed that the performance of fourth- and eighth-grade students remained about the same since 1996, but scores for high school seniors changed significantly: up six points for private school students and down four for public school students, for a net national decline of three points. Moreover, a whopping 82 percent of twelfth-grade students are not proficient in science and the achievement gaps among eighth-graders are appalling: Only 41 percent of white, 7 percent of African-American and 12 percent of Hispanic students are proficient.

The disappointing overall results for seniors on the science section of the NAEP prompted Education Secretary Rod Paige to call the decline "morally significant." He warned, "If our graduates know less about science than their predecessors four years ago, then our hopes for a strong 21st century workforce are dimming just when we need them most." I couldn't agree with the Secretary more.

An enormous improvement in mathematics and science education at the K–12 level is necessary if today's students want good jobs and the United States wants to stay competitive in the world economy. With globalization, that means that the good jobs will go to the people who can do them best. If those people are not in the United States, then those jobs will also not be in the United States. At present, the law allows 195,000 immigrants to enter the United States on H–1B visas each year in order to take jobs that cannot be filled by workers in the United States.

We have to do more to make sure that our students are learning math and science skills. And to do so, we must improve the quality of our Nation's math and science teachers. These sentiments are echoed by the National Research Council in its 2001 "Educating Teachers of Science, Mathematics, and Technology" report. The Council notes: If the Nation is to make the continuous improvements needed in teaching, we need to make a science out of teacher education—using evidence and analysis to build an effective system of teacher preparation and professional development.

President Bush has taken note of the startling statistics I shared with you today, and that is why he has provided $45 million in his budget to expand loan forgiveness for math and science teachers from $5,000 to $17,500 for those teachers who commit to teach for 5 consecutive years in high-need schools. The President also provided this expansion of loan forgiveness for special education teachers in his proposal.

I wrote like to praise Senator COLLINS for following his lead and introducing a bill to provide the authorizing language to make his proposal become a reality. I am very proud to be an original cosponsor of the bill. The bill would provide that $17,500 of loans would be forgiven for those that have math, science, engineering and special education majors or graduate degrees, have been certified to teach in their states, and agree to teach in a school with a 50 percent or higher rate of poverty. The bill is very simple, but it could make a tremendous difference for many of our young students' lives.

I have had the benefit of an amazing education in my lifetime and also have had the wonderful opportunity of being inspired by tremendously talented and dedicated teachers. I want to make sure that all children have that same opportunity: to be inspired by smart, gifted and devoted teachers who actually know and understand math and science. These teachers make a difference. They can lead a child to like math, to like science, or they can cause a child to forever stray from the life sciences and run toward the liberal arts.

Our society needs more engineers, more technicians, more doctors and more scientists. We as a society should do all we can to encourage kids to enter these professions. That means we have to start early and make sure that those individuals who have the ability to shape their knowledge actually encourage them to become future scientists, not dissuade them from ever considering it. And, having spoken with so many teachers, school board members and educators who must grapple with the demands of the special education students, no one can underestimate the need to encourage more of our best and brightest to teach special need children.

I hope others join Senator COLLINS and me in this effort to make a difference in a young child's future. Please cosponsor this initiative and help us to pass this important legislation.

By Mr. WELLSTONE:

S. 1919. A bill to amend the Employee Retirement Income Security Act of 1974 to provide for improved disclosure, diversification, account access, and accountability under individual account plans; to the Committee on Health, Education, Labor, and Pensions.

Mr. WELLSTONE. Mr. President, I rise today to introduce an extremely important bill, the Retirement Security Protection Act of 2002. I urge my colleagues to join me in pressing for its swift consideration.

As the Enron debacle continues to unfold, it exposes serious gaps in the framework of protections to shield Americans from corporate excess and irresponsibility. Perhaps nowhere is our vulnerability more apparent than in the area of retirement security.

As thousands of Enron employees saw much of their life savings vanish, the company's top executives walked off with fortunes for retirement locked in. Enron spent over $1 million to insure that Ken Lay would receive $440,000 in annual retirement income while simultaneously encouraging employees to risk their own retirement security by loading up on excessive amounts of soon-to-be worthless stock.

Unfortunately, some of the Enron circumstances are by no means unique. Similar disparities between rank-and-file employee and executive retirement security have become increasingly common in corporate America. Similarly disastrous outcomes for employees' retirement security have occurred at other companies, such as Lucent and Polaroid.

We must take steps now to address these fundamental inequities.

Nearly eight decades ago, the Federal Government established a compact with all Americans to provide a basic level of security in their retirement years. Social security became and still is the essential cornerstone of the American promise of retirement security. We must do everything in our power to protect the dignity of social security for older Americans.

In the 1970s, we recognized the need to protect what was then becoming a second lynchpin of retirement security: employer-provided pension plans, or so-called "defined benefit" plans. In ERISA, the Employee Retirement Income Security Act, we took steps to protect the security of such plans. We created a system for insuring them against loss, and we put into place portfolio diversification rules to help assure their solvency. No more than 10 percent of assets in a defined benefit plan, that is, in a traditional pension plan, may be held in the employer's company stock.

The Federal Government has not thus far taken steps to provide similar protections with respect to other retirement savings accounts, for example, 401(k) plans. This is because, until relatively recently, such plans were much fewer in number, and they had largely been viewed as a supplement to workers' social security and defined benefit plans.

The world of retirement security has changed, however, and it is still changing. Now, traditional defined benefit, or pension, plans have essentially given way to defined contribution plans, such as 401(k)s, as the primary retirement security vehicle after social security. These new plans have been popular with mobile younger workers, and a boon to employers who have enjoyed substantial cash and administrative savings by switching out of their traditional pension plans and into these new ones.

In 1984, there were 30 million defined benefit participants and 7.5 million participants in 401(k) plans. By 2001, this relationship was reversed, with just 20 million defined benefit participants and an estimated 42 million 401(k) participants. In a 1998 survey, 57 percent of U.S. households said that the only pension plan available to them was a 401(k) plan. That percentage undoubtedly has increased since then.

Meanwhile, measures to ensure the integrity of these 401(k) plans have not kept pace with their proliferation and importance. Such plans clearly carry considerable risks for the retirement security of millions of Americans, as the Enron and other situations have demonstrated. Unfortunately, the potential for additional disasters remains high. Recent reports indicate some 20 major corporations at which the 401(k) plan is more than 60 percent invested in company stock.

When the 401(k) portfolios of employees are overinvested in their company's stock and that company's stock crashes, the individual losses suffered by workers and retirees who see their entire retirement savings obliterated are only a piece of the story. The human and capital costs to society of such failures are multiplied many times over. Family members who themselves may be struggling will find that they are forced to pitch in to help their loved ones. Retirees will be forced to spend many additional years in the workplace to recover even a portion of what they lost. Individuals without family or savings to see them through will turn to government for support.

It's important to remember that these retirement plans come with a heavy price tag for taxpayers. Under current law, pension plans that meet certain standards net considerable tax advantages for both the companies that sponsor them and the individuals who participate in them. These provisions cost the government an estimated $100 billion per year in foregone revenue. In my view, that is money well invested. But we do our best to ensure that we are reaching our actual policy goal.

The primary policy rationale for tax favored treatment of these plans today is that they promote retirement security for millions of Americans. There is hardly a more important policy goal. But while traditional pension plans are carefully regulated to manage the level of risk involved while promoting that goal, 401(k) and similar plans currently offer no such protections. Our support for 401(k)s is not matched by adequate disclosure, portfolio diversification and accountability measures. The huge risks of individual overexposure to company stock have been demonstrated in no uncertain terms, yet the danger continues with no appropriate government response, despite the major public investment.

That is the reason that I am introducing the Retirement Security Protection Act of 2002. The legislation is designed to maximize the flexibility and benefits that retirement savings plans provide for both employers and employees, while minimizing the risk of future Enrons.

First, my proposal seeks to improve the flow of information between plan sponsors and participants, particularly for those plans with significant employer stock holdings.

Second, I am proposing that employers take steps to safeguard their employees' retirement by providing them and the government with an estimate of the extent to which their retirement is dependent on employer stock and property. Employers will be required to reduce that level of dependency across all retirement plans to 20 percent by the year 2008. Companies that sufficiently limit the amount of employer stock in their plans as a whole are deemed to meet the 20 percent standard.

While my plan uses the same, 20-percent diversification target as other proposals, it also encourages and rewards employers who sponsor traditional pension plans by allowing them to maintain higher levels of company stock in their defined contribution 401(k) plans. It also seeks to spur innovation by permitting employers to obtain a waiver from the Department of Labor for alternative approaches that manage the risk associated with defined contribution plans.

Finally, I propose broadening the liability for plan losses resulting from illegal behavior and improving the remedies available to those who have been hurt by such behavior.

Our compact with American working families is meant to assure them the kind of security in their retirement years they have worked so hard to achieve. I urge my colleagues to join me in this urgent quest.

I ask unanimous consent that a summary of the bill be printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

RETIREMENT SECURITY PROTECTION ACT OF 2002

The Retirement Security Protection Act of 2002 protects employees' retirement security with respect to their 401(k) retirement plans through (1) improved disclosure requirements, (2) new rules to promote plan diversification, and (3) tougher accountability rules.

FULL AND ACCURATE DISCLOSURE

1. Annual plan statements: Defined contribution plans would be required to provide annual statements highlighting the percentage of assets in company stock and any restrictions on the sale of that stock and that stress the importance of account diversification for long-term retirement security.

2. Duty to provide full and accurate information: Plan sponsors and administrators have explicit duty to provide all material investment information to plan participants and beneficiaries.

3. Fines for false disclosures: Secretary of Labor can fine employers and/or plan administrators up to $1,000 per day for making misleading statements or omitting material information about the value of employer stock or other investment options.

IMPROVED DIVERSIFICATION AND ACCOUNT ACCESS RIGHTS

1. Employer responsibility for portfolio diversification or alternative arrangements for risk management: By December 31, 2007, employers are responsible for achieving diversification across employees' entire tax qualified retirement portfolios (i.e. defined benefit and defined contribution plans) so that no more than 20% of the employee's total benefits are dependent on company stock. This allows employers sponsoring defined benefit plans to maintain higher levels of company stock in defined contribution plans. Employers will have maximum flexibility in how such diversification is achieved AND the opportunity to obtain a waiver from the Department of Labor for alternative approaches that manage the risk associated with defined contribution plans.

Companies that sufficiently limit the amount of employer stock in their plans as a whole are deemed to meet the 20% standard. ESOPs of privately held companies and ESOPs that own more than 50% of the employer are exempt and the Department of Labor is directed to recommend special rules for pure, employer-funded ESOPs.

2. Ban on employer restraints: Overturns existing rules permitting employers to require employees to invest up to 10% of employee contributions in employer stock.

3. Faster diversification rights: For publicly-traded companies, permits any participant who has been with company for more than 1 year—regardless of vesting status—to transfer employer stock contributions to other funds. (Maintains the current 10-years participation requirement for employer contributions to ESOPs). The Department of Labor is directed to make recommendations on the application of diversification rights to non-publicly traded company stock within retirement plans.

4. Lockdown protections for plans with company stock: Requires 30 days advance written notice of plan "lockdowns", limits such events to 10 business days, and directs the Secretary of Labor to prescribe regulations to provide for exemptions in case of genuine emergency. Company executives cannot sell company stock during a lockdown period. Plan fiduciaries are liable for violations of their fiduciary duty that result in plan or participant losses during a lockdown.

STRONGER ACCOUNTABILITY

1. Expanded remedies: Expands the liability for breach of fiduciary duty to knowing participants in the breach (e.g Arthur Andersen in the Enron case) and stipulates that both the plan and the individual participants have the right to be made whole in court, including receipt of compensatory damages.

2. Fiduciary insurance: Requires all defined contribution fiduciaries to maintain sufficient insurance or bonding to cover financial losses resulting from breach of fiduciary duty.

3. Employee oversight: Requires employers that offer defined contribution pension plans to appoint an equal number of employer and employee trustees to oversee such plans.

4. No employer coercion. Makes it illegal for employers to require employees to waive their statutory pensions rights as part of any employment-related agreement (such as a termination or severance package).

5. Auditor independence: Bars company auditors from also auditing the pension plans.

6. Whistleblower protections. Expands legal protections for pension plan whistleblowers by extending existing protections to persons other than participants or beneficiaries, increasing the burden of proof on employers to explain their actions, and expanding relief available for violations of whistleblower protections.

7. Insurance feasibility study: Directs the PBGC to study and report to Congress on insurance options for defined contribution plans.

8. Labor Department assistance: The Department of Labor shall establish an office of the Participant Advocate to monitor potential abuses of employee pension plan rights and assist plan participants in preventing and resolving abuses.

By Mr. NELSON of Florida:

S. 1920. A bill to require that the Attorney General conduct a study regarding the ability of the Federal Bureau of Investigation to prevent and combat international crimes involving children, and for other purposes; to the Committee on the Judiciary.

Mr. NELSON of Florida. Mr. President, today I introduced the International Child Safety Improvement Act of 2002. This legislation is intended to improve the Federal Bureau of Investigation's ability to prevent and combat international crimes involving children.

The number of people who use the Internet to meet children and commit criminal acts, including illegal sexual acts, is on the rise. Some of these cases occur in other countries, but involve American kids.

Just over a year ago, a 15-year-old girl from Mulberry, FL disappeared only to be found in Greece living with an alleged German sex offender. The 35-year-old German man had met this young girl through the Internet and enticed her to run away from home. Law enforcement authorities were able to eventually track her down and return her to her distraught parents. The process of finding the girl exposed flaws in the FBI's ability to prevent and combat these crimes when they occur in foreign jurisdictions.

My legislation would require the Attorney General, in cooperation with the Secretary of State, to evaluate the way in which the FBI investigates international crimes involving children. The Attorney General would be required to report back to the Congress with recommendations for improving the FBI's practices and procedures for investigating international crimes involving children. The bill also directs the FBI to coordinate and share information with the International Criminal Police Organization, the world's preeminent organization whose mission is preventing or detecting international crime, whenever such an investigation starts.

I would urge my colleagues to review and pass this legislation as soon as possible. Action must be taken to improve the way in which these crimes are investigated. Our kids need better protection from predators and we need to act quickly to ensure that the FBI has the procedures in place and the resources it needs to fight these crimes effectively.

By Mrs. HUTCHISON (for herself, Mr. LOTT, and Mr. CRAIG):

S. 1921. A bill to amend the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 to provide greater protection of workers' retirement plans, to prohibit certain activities by persons providing auditing services to issuers of public securities, and for other purposes; to the Committee on Finance.

Mr. CRAIG. Mr. President, I rise in support of the Pension Plan Protection Act, being introduced today by the Senator from Texas, Mrs. HUTCHISON, and others. I am pleased to be an original cosponsor of this important bill and commend the Senator for her leadership on this issue.

This bill will help employees and protect their families and their retirement nest eggs. It will require employers to take reasonable responsibility toward employees in administering plans, increase transparency, improve information and disclosure, increase employee choice and control, treat management the same as the rank-and-file during blackout periods, and help prevent auditor conflicts of interest.

This is a bill that can and should become law quickly. It includes most of the reforms recommended by the President and representing the export judgment of a Cabinet-level, interagency task force. It also includes additional improvements. These protections will be strong, but measured. Unlike some other ideas being floated today, these reforms are not arbitrary. They are fair and uniform, but not one-size-fits-all. They keep the focus where it belongs, on protecting, empowering, and informing workers.

I realize that other legislation may still be forthcoming, regarding accounting practices, securities management, or other issues. But that should not delay us from acting now on reforms that we all know are needed. Workers should not be left vulnerable for one unnecessary day while the Congress holds endless hearings in search of a "perfect" package.

I urge my colleagues to act promptly and pass this pro-worker bill.

By Mr. HUTCHINSON (for himself, Ms. MIKULSKI, and Mr. ENZI):

S. 1922. A bill to direct the Secretary of Health and Human Services to expand and intensify programs with respect to research and related activities concerning elder falls; to the Committee on Health, Education, Labor, and Pensions.

Mr. HUTCHINSON. Mr. President, today, I am pleased to introduce the Elder Fall Prevention Act of 2002, along with my colleagues Senator MIKULSKI and Senator ENZI.

Many people do not realize that over 60 percent of fall-related deaths in our country occur among persons 75 or older. Fall victims, especially the elderly, are prone to sustain hip fractures which can be devastating to their health—in fact, 25 percent of individuals who sustain hip fractures die within one year from the time the injury occurred.

In Arkansas, falls are the second leading cause of deaths from unintentional injuries. Based on data collected by the Centers for Disease Control, 91 Arkansans died because of a fall-related injury in 1998 alone.

Not only is this a serious public health issue, it is also a fiscal issue, because billions of Medicare and Medicaid dollars are spent each year to treat fall victims. It is estimated that over $32 billion will be spent by the Medicare and Medicaid programs for fall related injuries in the year 2020.

The Elder Fall Prevention Act will provide needed resources for education, research and demonstration projects aimed at reducing the risk of falls, identifying vulnerable populations, and preventing repeat falls. The congressionally chartered National Safety Council, which is a leader in fall prevention efforts, will be spearheading several of these initiatives, along with the Centers for Disease Control, the Administration on Aging, the Agency for Health Research and Quality, and other qualified organizations.

Falls are preventable. I urge my colleagues to support the Elder Fall Prevention Act of 2002 in order to make seniors, family members, caregivers, and employers more safety conscious, to prevent unnecessary deaths, and to provide seniors with peace of mind and a safe environment.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1922

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Elder Fall Prevention Act of 2002".

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) Falls are the leading cause of injury deaths among people over 65.

(2) Sixty percent of fall-related deaths occur among persons 75 and older.

(3) Twenty-five percent of elderly persons who sustain a hip fracture die within 1 year.

(4) Hospital admissions for hip fractures among the elderly have increased from 231,000 admissions in 1988 to 332,000 in 1999. The number of hip fractures is expected to exceed 500,000 by 2040.

(5) The costs to the Medicare and Medicaid programs and society as a whole from falls by elderly persons continue to climb much faster than inflation and population growth. Direct costs alone will exceed $32,000,000,000 in 2020.

(6) The Federal Government should devote additional resources to research regarding the prevention and treatment of falls in residential as well as institutional settings.

(7) A national approach to reducing elder falls, which focuses on the daily life of senior citizens in residential, institutional, and community settings is needed. The approach should include a wide range of organizations and individuals including family members, health care providers, social workers, architects, employers and others.

(8) Reducing preventable adverse events, such as elder falls, is an important aspect to the agenda to improve patient safety.

SEC. 3. PURPOSES.

The purposes of this Act are—

(1) to develop effective public education strategies in a national initiative to reduce elder falls in order to educate the elders themselves, family members, employers, caregivers, and others who touch the lives of senior citizens;

(2) to expand needed services and gain information about the most effective approaches to preventing and treating elder falls; and

(3) to require the Secretary of Health and Human Services to evaluate the effect of falls on the costs of medicare and medicaid and the potential for reducing costs by expanding services covered under these two programs.

SEC. 4. PUBLIC EDUCATION.

Subject to the availability of appropriations, the Administration on Aging within the Department of Health and Human Services shall—

(1) oversee and support a three-year national education campaign to be carried out by the National Safety Council to be directed principally to elders, their families, and health care providers and focusing on ways of reducing the risk of elder falls and preventing repeat falls; and

(2) provide grants to qualified organizations and institutions for the purpose of organizing State-level coalitions of appropriate State and local agencies, safety, health, senior citizen and other organizations to design and carry out local education campaigns, focusing on ways of reducing the risk of elder falls and preventing repeat falls.

SEC. 5. RESEARCH.

(a) IN GENERAL.—Subject to the availability of appropriations, the Secretary of Health and Human Services shall—

(1) conduct and support research to—

(A) improve the identification of elders with a high risk of falls;

(B) improve data collection and analysis to identify fall risk and protective factors;

(C) improve strategies that are proven to be effective in reducing subsequent falls by elderly fall victims;

(D) expand proven interventions to prevent elder falls;

(E) improve the diagnosis, treatment, and rehabilitation of elderly fall victims; and

(F) assess the risk of falls occurring in various settings;

(2) conduct research concerning barriers to the adoption of proven interventions with respect to the prevention of elder falls (such as medication review and vision enhancement); and

(3) evaluate the effectiveness of community programs to prevent assisted living and nursing home falls by elders.

(b) ADMINISTRATION.—In carrying out subsection (a), the Secretary of Health and Human Services shall—

(1) conduct research and surveillance activities related to the community-based and populations-based aspects of elder fall prevention through the Director of the Centers for Disease Control and Prevention;

(2) conduct research related to elder fall prevention in health care delivery settings and clinical treatment and rehabilitation of elderly fall victims through the Director of the Agency for Healthcare Research and Quality; and

(3) ensure the coordination of the activities described in paragraphs (1) and (2).

(c) GRANTS.—The Secretary of Health and Human Services shall award grants to qualified organizations and institutions to enable such organizations and institutions to provide professional education for physicians and allied health professionals in elder fall prevention.

SEC. 6. DEMONSTRATION PROJECTS.

Subject to the availability of appropriations, the Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention and in consultation with the Director of the Agency for Healthcare Research and Quality, shall carry out the following:

(1) Oversee and support demonstration and research projects to be carried out by the National Safety Council in the following areas:

(A) A multi-State demonstration project assessing the utility of targeted fall risk screening and referral programs.

(B) Programs targeting newly-discharged fall victims who are at a high risk for second falls, which shall include, but not be limited to modification projects for elders with multiple sensory impairments, video and web-enhanced fall prevention programs for caregivers in multifamily housing settings, and development of technology to prevent and detect falls.

(C) Private sector and public-private partnerships, involving home remodeling, home design and remodeling (in accordance with accepted building codes and standards) and nursing home and hospital patient supervision.

(2)(A) Provide grants to qualified organizations and institutions to design and carry out fall prevention programs in residential and institutional settings.

(B) Provide one or more grants to one or more qualified applicants in order to carry out a multi-State demonstration project to implement fall prevention programs targeted toward multi-family residential settings with high concentrations of elders, including identifying high risk populations, evaluating residential facilities, conducting screening to identify high risk individuals, providing pre-fall counseling, coordinating services with health care and social service providers and coordinating post-fall treatment and rehabilitation.

(C) Provide one or more grants to qualified applicants to conduct evaluations of the effectiveness of the demonstration projects in this section.

SEC. 7. REVIEW OF REIMBURSEMENT POLICIES.

(a) IN GENERAL.—The Secretary of Health and Human Services shall undertake a review of the effects of falls on the costs of the Medicare and Medicaid programs and the potential for reducing costs by expanding services covered by these two programs. This review shall include a review of the reimbursement policies of medicare and medicaid in order to determine if additional fall-related services should be covered or reimbursement guidelines should be modified.

(b) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall submit to the Congress a report describing the findings of the Secretary in conducting the review under subsection (a).

SEC. 8. AUTHORIZATION OF APPROPRIATION.

In order to carry out the provisions of this Act, there are authorized to be appropriated—

(1) to carry out the national public education provisions described in section 4(1), $5,000,000 for each of fiscal years 2003 through 2005;

(2) to carry out the State public education campaign provisions of section 4(2), $8,000,000 for each of fiscal years 2003 through 2005;

(3) to carry out research projects described in section 5, $10,000,000 for each of fiscal years 2003 through 2005; and

(4) to carry out the demonstration projects described in section 6(1), $7,000,000 for each of fiscal years 2003 through 2005; and

(5) to carry out the demonstration and research projects described in section 6(2), $8,000,000 for each of fiscal years 2003 through 2005.

By Mr. LOTT (for Mr. MCCAIN):

S. 1923. A bill to provide for increased corporate average fuel economy standards, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. MCCAIN. Mr. President, today, I am introducing the "Fuel Economy and Security Act of 2002." This legislation would reduce our Nation's oil consumption—and in doing so, our dependence on foreign oil, by increasing Corporate Average Fuel Economy, CAFE, standards for passenger cars and light trucks. This legislation would also expand the current CAFE credits system by allowing credit trading between automobile manufacturers, as well as other industries that emit greenhouse gases. Increasing CAFE standards, coupled with this new trading system, would strengthen our national security, while significantly reducing greenhouse gas emissions over the next decade and beyond.

The terrorist attacks waged on this country on September 11, 2001, have brought into focus the need to reduce our dependence on all foreign oil, but most importantly, oil from the Persian Gulf. Compared with the United States' daily oil production of 6 million barrels, this country imports 9 million barrels of oil per day, 2.6 million barrels of which come directly from the Persian Gulf. This bill would result in daily oil savings by 2020 that are more than what the United States currently imports from that region. The cumulative oil savings between 2007 and 2020 will be approximately 6.2 billion barrels. This savings from increased fuel economy is essential if we are to increase our energy independence and national security.

Last year, the National Academy of Sciences, NAS, issued a report that concluded that the benefits resulting from CAFE since its implementation in 1978 clearly warrant government intervention to ensure fuel economy levels beyond what may result from market forces alone. The NAS panel found that CAFE has led to marked improvements in reducing greenhouse gas emissions, fuel consumption, and dependence on foreign oil.

The debate over CAFE is complex because it requires striking a careful balance among many factors, including the environment, consumer preferences, and domestic employment. It is also important to consider the need for powerful and durable vehicles in rural America. I believe this bill would achieve a balance of many of these competing interests by providing adequate lead time to implement aggressive CAFE increases; furthering efforts to reduce greenhouse gases; and factoring in the ability of automobile manufacturers to meet annual standards based on existing technology.

This bill would increase fuel economy standards by combining the dual-fleet CAFE structure, which currently requires that manufacturers meet separate fuel economy standards for their light trucks and passenger cars. The bill requires that manufacturers' fleets average 36 miles per gallon by 2016. Combining the fleets eliminates the often-criticized "SUV loophole" and provides flexibility to automobile manufacturers in designing their fleets.

Reducing fuel consumption will accomplish the critical goal of reducing greenhouse gas emissions. At the recent World Economic Forum annual meeting in New York, it was reported that out of 142 nations, the U.S. ranked 51st on an environmental sustainability index that measures overall progress toward environmental sustainability for the evaluated countries. Alarmingly, the U.S. ranked 133rd out of 142 on reducing greenhouse gas emissions, one of the key indicators used to determine the sustainability index.

The Committee on Commerce, Science, and Transportation has held several hearings to address the complex issue of greenhouse gas emissions. The bill I am introducing today, focuses on one of the major industrial greenhouse gas emitters, the automotive industry. While this bill proposes significant increases in the fuel economy of vehicles, it also expands the options that a manufacturer has to meet these requirements. Title II of this legislation proposes to establish a national registry for entities to register greenhouse gas emissions reductions. The registry would support the trading of credits established in both the CAFE system, and other voluntary trading practices.

To ensure that automakers improve fuel economy and do not rely solely on purchasing credits from the registry to satisfy CAFE requirements, the bill has limited the amount of credits that can be purchased.

I believe this bill provides a realistic approach to reducing our nation's dependence on foreign oil and preserving our climate for future generations. I seek my colleagues' careful consideration of this proposal.

I ask unanimous consent that a copy of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1923

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fuel Economy and Security Act of 2002".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short Title.
Sec. 2. Table of Contents.
Title I—Improved fuel economy for vehicles
Sec. 101. Average fuel economy standards for passenger automobiles and light trucks.
Sec. 102. Replacement of dual fuel credit with registry for trading credits.
Sec. 103. Elimination of 2-fleet rule.
Sec. 104. Elimination of dual fuel credit.
Sec. 105. High occupancy vehicle exception.
Title II—Market—based Initiatives for Greenhouse Gas Reduction
Sec. 201. Market-based initiatives.
Sec. 202. Implementing panel.
Sec. 203. Definitions.
Title III—Vehicle Safety
Sec. 301. Roof crush standard.
Sec. 302. Safety rating labels.

TITLE I—IMPROVED FUEL ECONOMY FOR VEHICLES

SEC. 101. AVERAGE FUEL ECONOMY STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.

(a) INCREASED STANDARDS.—Section 32902 of title 49, United States Code, is amended—

(1) by striking "NON-PASSENGER AUTOMOBILES.—" in subsection (a) and inserting "PRESCRIPTION OF STANDARDS BY REGULATION.—"; and

(2) by striking "(except passenger automobiles)"in subsection (a) and inserting "(except passenger automobiles and light trucks)";

(3) by striking subsection (b) and inserting the following:

"(b) STANDARDS FOR PASSENGER AUTOMOBILES AND LIGHT TRUCKS.—

"(1) IN GENERAL.—The Secretary of Transportation, after consultation with the Administrator of the Environmental Protection Agency, shall prescribe average fuel economy standards for passenger automobiles and light trucks manufactured by a manufacturer in each model year beginning with model year 2007 in order to achieve a combined average fuel economy standard for model year 2016 of 36 miles per gallon. In prescribing average fuel economy standards under this paragraph, the Secretary shall prescribe appropriate annual fuel economy standard increases that increase the applicable average fuel economy standard annually during the 9 model-year period beginning with model year 2007.

"(2) DEADLINE FOR REGULATIONS.—The Secretary shall promulgate the regulations required by paragraph (1) in final form no later than 24 months after the date of enactment of the Fuel Economy and Security Act of 2002.

"(3) DEFAULT STANDARDS.—If the regulations required by paragraph (1) are not promulgated in final form within the period required by paragraph (2), then the average fuel economy standard for passenger automobiles and light trucks manufactured by a manufacturer is—

"(A) for model year 2012, a standard (expressed in miles per gallon) that represents 50 percent of the difference between—

"(i) 36 miles per gallon; and

"(ii) the average fuel economy for passenger automobiles and light trucks manufactured by a manufacturer in model year 2006; and

"(B) 36 miles per gallon for model year 2016 and thereafter.";

(4) by striking "the standard" in subsection (c)(1) and inserting "a standard";

(5) by striking the first and last sentences of subsection (c)(2); and

(6) by striking "(and submit the amendment to Congress when required under subsection (c)(2) of this section)" in subsection (g).

(b) Definition of Light Trucks.—

(1) In general.—Section 32901(a) of title 49, United States Code, is amended by adding at the end the following:

"(17) 'light truck' means an automobile that the Secretary decides by regulation—

"(A) is manufactured primarily for transporting not more than 10 individuals;

"(B) is rated at not more than 10,000 pounds gross vehicle weight;

"(C) is not a passenger automobile; and

"(D) does not fall within the exceptions from the definition of 'medium duty passenger vehicle' under section 8601-01 of title 40, Code of Federal Regulations.".

(2) Deadline for regulations.—The Secretary of Transportation—

(A) shall issue proposed regulations implementing the amendment made by paragraph (1) not later than 1 year after the date of the enactment of this Act; and

(B) shall issue final regulations implementing the amendment not later than 18 months after the date of the enactment of this Act.

(3) Effective date.—Regulations prescribed under paragraph (1) shall apply beginning with model year 2007.

(c) Applicability of Existing Standards.—This section does not affect the application of section 32902 of title 49, United States Code, to passenger automobiles or non-passenger automobiles manufactured before model year 2007.

(d) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary of Transportation to carry out the provisions of chapter 329 of title 49, United States Code, $25,000,000 for each of fiscal years 2003 through 2016.

SEC. 102. FUEL ECONOMY STANDARD CREDITS.

(a) In General.—Section 32903 of title 49, United States Code, is amended by striking the second sentence of subsection (a) and inserting "The credits—

"(1) may be applied to any of the 3 model years immediately following the model year for which the credits are earned; or

"(2) transferred to the registry established under section 201 of the Fuel Economy and Security Act of 2002.".

(b) Greenhouse Gas Credits Applied to CAFE Standards.—Section 32903 of title 49, United States Code, is amended by adding at the end the following:

"(g) Greenhouse Gas Credits.—

"(1) In general.—A manufacturer may apply credits purchased through the registry established by section 201 of the Fuel Economy and Security Act of 2002 toward any model year after model year 2006 under subsection (d), subsection (e), or both.

"(2) Limitation.—A manufacturer may not use credits purchased through the registry to offset more than 10 percent of the fuel economy standard applicable to any model year.".

SEC. 103. ELIMINATION OF 2-FLEET RULE.

(a) In General.—Section 32904 of title 49, United States Code, is amended—

(1) by striking subsection (b); and

(2) by redesignating subsections (c) through (e) as subsections (b) through (d), respectively.

(b) Effective Date.—The amendments made by subsection (a) shall apply to model years 2007 and later.

SEC. 104. ELIMINATION OF DUAL FUEL CREDIT.

Section 32905 of title 49, United States Code, is repealed.

SEC. 105. HIGH OCCUPANCY VEHICLE EXCEPTION.

(a) In General.—Notwithstanding section 102(a)(1) of title 23, United States Code, a State may, for the purpose of promoting energy conservation, permit a vehicle with fewer than 2 occupants to operate in high occupancy vehicle lanes if it is a hybrid vehicle or is certified by the Secretary of Transportation, after consultation with the Administrator of the Environmental Protection Agency, to be a vehicle that utilizes only an alternative fuel.

(b) Hybrid Vehicle Defined.—In this section, the term "hybrid vehicle" means a motor vehicle other than a light truck (as defined in section 32901(a)(17) of title 49, United States Code)—

(1) which—

(A) draws propulsion energy from onboard sources of stored energy which are both—

(i) an internal combustion or heat engine using combustible fuel; and

(ii) a rechargeable energy storage system; or

(B) recovers kinetic energy through regenerative braking and provides at least 13 percent maximum power from the electrical storage device;

(2) which, in the case of a passenger automobile—

(A) for 2002 and later model vehicles, has received a certificate of conformity under section 206 of the Clean Air Act (42 U.S.C. 7525) and meets or exceeds the equivalent qualifying California low emission vehicle standard under section 243(e)(2) of the Clean Air Act (42 U.S.C. 7583(e)(2)) for that make and model year; and

(B) for 2004 and later model vehicles, has received a certificate that such vehicle meets the Tier II emission level established in regulations prescribed by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act (42 U.S.C. 7521(i)) for that make and model year vehicle; and

(3) which is made by a manufacturer.

(c) Alternative Fuel Defined.—In this section, the term "alternative fuel" has the meaning such term has under section 301(2) of the Energy Policy Act of 1992 (42 U.S.C. 13211(2)).

TITLE II—MARKET—BASED INITIATIVES FOR GREENHOUSE GAS REDUCTION

SEC. 201. MARKET-BASED INITIATIVES.

(a) Establishment of Registry for Voluntary Trading Systems.—The Secretary of Commerce, through the Undersecretary for Technology, shall establish a national registry system for greenhouse gas trading among industry under which emission reductions from the applicable baseline are assigned unique identifying numerical codes by the registry. Participation in the registry is voluntary. Any entity conducting business in the United States may register its emission results, including emissions generated outside of the United States, on an entity-wide basis with the registry, and may utilize the services of the registry.

(b) Purposes.—The purposes of the national registry are—

(1) to encourage voluntary actions to reduce greenhouse gas emissions and increase energy efficiency, including increasing the fuel economy of passenger automobiles and light trucks and reducing the reliance by United States markets on petroleum produced outside the United States used to provide vehicular fuel;

(2) to enable participating entities to record voluntary greenhouse gas emissions reductions; in a consistent format that is supported by third party verification;

(3) to encourage participants involved in existing partnerships to be able to trade emissions reductions among partnerships;

(4) to further recognize, publicize, and promote registrants making voluntary and mandatory reductions;

(5) to recruit more participants in the program; and

(6) to help various entities in the nation establish emissions baselines.

(c) Functions.—The national registry shall carry out the following functions:

(1) Referrals.—Provide referrals to approved providers for advice on—

(A) designing programs to establish emissions baselines and to monitor and track greenhouse gas emissions; and

(B) establishing emissions reduction goals based on international best practices for specific industries and economic sectors.

(2) Uniform reporting format.—Adopt a uniform format for reporting emissions baselines and reductions established through—

(A) the Director of the National Institute of Standards and Technology for greenhouse gas baselines and reductions generally; and

(B) the Secretary of Transportation for credits under section 32903 of title 49, United States Code.

(3) Record maintenance.—Maintain a record of all emission baselines and reductions verified by qualified independent auditors.

(4) Encourage participation.—Encourage organizations from various sectors to monitor emissions, establish baselines and reduction targets, and implement efficiency improvement and renewable energy programs to achieve those targets.

(5) Public awareness.—Recognize, publicize, and promote participants that—

(A) commit to monitor their emissions and set reduction targets;

(B) establish emission baselines; and

(C) report on the amount of progress made on their annual emissions.

(d) Transfer of Reductions.—The registry shall—

(1) allow for the transfer of ownership of any reductions realized in accordance with the program; and

(2) require that the registry be notified of any such transfer within 30 days after the transfer is effected.

(e) Future Considerations.—Any reductions achieved under this program shall be credited against any future mandatory greenhouse gas reductions required by the government. Final approval of the amount and value of credits shall be determined by the agency responsible for the implementation of the mandatory greenhouse gas emission reduction program, except that credits under section 32903 of title 49, United States Code, shall be determined by the Secretary of Transportation. The Secretary of Commerce shall by rule establish an appeals process, that may incorporate an arbitration option, for resolving any dispute arising out of such a determination made by that agency.

(f) CAFE Standards Credits.—The Secretary of Transportation shall work with the Secretary of Commerce and the implementing panel established by section 202 to determine the equivalency of credits earned under section 32903 of title 49, United States Code, for inclusion in the registry. The Secretary shall by rule establish an appeals process, that may incorporate an arbitration option, for resolving any dispute arising out of such a determination.

SEC. 202. IMPLEMENTING PANEL.

(a) Establishment.—There is established within the Department of Commerce an implementing panel.

(b) Composition.—The panel shall consist of—

(1) the Secretary of Commerce or the Secretary's designee, who shall serve as Chairperson;

(2) the Secretary of Transportation or the Secretary's designee; and

(3) 1 expert in the field of greenhouse gas emissions reduction, certification, or trading from each of the following agencies—

(A) the Department of Energy;

(B) the Environmental Protection Agency;

(C) the Department of Agriculture;

(D) the National Aeronautics and Space Administration;

(E) the Department of Commerce; and

(F) the Department of Transportation.

(c) Experts and Consultants.—Any member of the panel may secure the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code, for greenhouse gas reduction, certification, and trading experts in the private and non-profit sectors and may also utilize any grant, contract, cooperative agreement, or other arrangement authorized by law to carry out its activities under this subsection.

(d) Duties.—The panel shall—

(1) implement and oversee the implementation of this section;

(2) promulgate—

(A) standards for certification of registries and operation of certified registries; and

(B) standards for measurement, verification, and recording of greenhouse gas emissions and greenhouse gas emission reductions by certified registries;

(3) maintain, and make available to the public, a list of certified registries; and

(4) issue rulemakings on standards for measuring, verifying, and recording greenhouse gas emissions and greenhouse gas emission reductions proposed to the panel by certified registries, through a standard process of issuing a proposed rule, taking public comment for no less than 30 days, then finalizing regulations to implement this act, which will provide for recognizing new forms of acceptable greenhouse gas reduction certification procedures.

(e) Certification and Operation Standards.—The standards promulgated by the panel shall include—

(1) standards for ensuring that certified registries do not have any conflicts of interest, including standards that prohibit a certified registry from—

(A) owning greenhouse gas emission reductions recorded in any certified registry; or

(B) receiving compensation in the form of a commission where sources receive money for the total number of tons certified;

(2) standards for authorizing certified registries to enter into agreements with for-profit persons engaged in trading of greenhouse gas emission reductions, subject to paragraph (1); and

(3) such other standards for certification of registries and operation of certified registries as the panel determines to be appropriate.

(f) Measurement, Verification, and Recording Standards.—The standards promulgated by the panel shall provide for, in the case of certified registries—

(1) ensuring that certified registries accurately measure, verify, and record greenhouse gas emissions and greenhouse gas emission reductions, taking into account—

(A) boundary issues such as leakage and shifted utilization; and

(B) such other factors as the panel determines to be appropriate;

(2) ensuring that—

(A) certified registries do not double-count greenhouse gas emission reductions; and

(B) if greenhouse gas emission reductions are recorded in more than 1 certified registry, such double-recording is clearly indicated;

(3) determining the ownership of greenhouse gas emission reductions and recording and tracking the transfer of greenhouse gas emission reductions among entities (such as through assignment of serial numbers to greenhouse gas emission reductions);

(4) measuring the results of the use of carbon sequestration and carbon recapture technologies;

(5) measuring greenhouse gas emission reductions resulting from improvements in—

(A) power plants;

(B) automobiles (including types of passenger automobiles and light trucks, as defined in section 32901(a)(16) and (17) respectively, produced in the same model year);

(C) carbon re-capture, storage and sequestration, including organic sequestration and manufactured emissions injection, and or storage.

(D) other sources;

(6) measuring prevented greenhouse gas emissions through the rulemaking process and based on the latest scientific data, sampling, expert analysis related to measurement and projections for prevented greenhouse gas emissions in tons including—

(A) organic soil carbon sequestration practices;

(B) forest preservation and re-forestation activities which adequately address the issues of permanence, leakage and verification; and

(7) such other measurement, verification, and recording standards as the panel determines to be appropriate.

(g) Certification of Registries.—Except as provided in subsection (h), a registrant that desires to be a certified registry shall submit to the panel an application that—

(1) demonstrates that the registrant meets each of the certification standards established by the panel under subsections (d) and (e); and

(2) meets such other requirements as the panel may establish.

(h) Automobile Industry.—The Secretary of Transportation is deemed to be the certified registrant for credits earned under section 32903 of title 49, United States Code.

(i) Annual Report.—Within 1 year after the date after the date of enactment of this Act and biennially thereafter, the panel shall report to the Congress on the status of the program established under this section. The report shall include an assessment of the level of participation in the program and amount of progress being made on emission reduction targets.

SEC. 203. DEFINITIONS.

In this title:

(1) Greenhouse gas.—The term "greenhouse gas" includes—

(A) carbon dioxide;

(B) methane;

(C) hydro fluorocarbons;

(D) perfluorocarbons;

(E) nitrous oxide; and

(F) sulfur hexafluoride.

(2) Baseline.—The term "baseline" means—

(A) the greenhouse gas emissions, determined on an entity-wide basis for the participant's most recent previous 3-year annual average of greenhouse gas emissions prior to the date of enactment of this Act; or

(B) if data is unavailable for that 3-year period, the greenhouse gas emissions as of September 30, 2002, (or as close to that date as such emission levels can reasonably be determined). In promulgating regulations under this title, the panel shall take into account greenhouse gas emission reductions or offsetting actions taken by any entity before the date on which the registry is established.

(3) Certified registry.—The term "certified registry" means a registry that has been certified by the panel as meeting the standards promulgated under section 202(e) and (f) and, for the automobile industry, the Secretary of Transportation.

(4) Greenhouse gas emissions.—The term "greenhouse gas emissions" means the quantity of greenhouse gases emitted by a source during a period, measured in tons of greenhouse gases.

(5) Greenhouse gas emission reduction.—The term "greenhouse gas emission reduction" means a quantity equal to the difference between—

(A) the greenhouse gas emissions of a source during a period; and

(B) the greenhouse gas emissions of the source during a baseline period of the same duration as determined by registries and entities defined as owners of emission sources.

(6) Kyoto protocol.—The term "Kyoto protocol" means the Kyoto Protocol to the United Nations Framework Convention on Climate Change (including the Montreal Protocol to the Convention on Substances that Deplete the Ozone Layer).

(7) Panel.—The term "panel" means the implementing panel established by section 202(a).

(8) Registrant.—The term "registrant" means a private person that operates a database recording quantified and verified greenhouse gas emissions and emissions reductions of sources owned by other entities.

(9) Source.—The term "source" means a source of greenhouse gas emissions.

TITLE III—VEHICLE SAFETY

SEC. 301. ROOF CRUSH SAFETY STANDARD.

(a) Improved Crashworthiness.—Subchapter II of chapter 301 of title 49, United States Code, is amended by adding at the end the following:

"§ 30128. Improved crashworthiness

"Within 3 years after the date of enactment of the Fuel Economy and Security Act of 2002, the Secretary of Transportation, through the National Highway Traffic Safety Administration, shall prescribe a motor vehicle safety standard under this chapter for rollover crashworthiness standards that includes—

"(1) dynamic roof crush standards;

"(2) improved seat structure and safety belt design;

"(3) side impact head protection airbags; and

"(4) roof injury protection measures.

(b) Conforming Amendment.—The chapter analysis for chapter 301 of title 49, United States Code, is amended by inserting after the item relating to section 30127 the following:

"30128. Improved crashworthiness".

SEC. 302. SAFETY RATING LABELS.

Section 32302 of title 49, United States Code, is amended—

(1) by redesignating paragraphs (3) and (4) of subsection (a) as paragraphs (4) and (5), respectively;

(2) by inserting after paragraph (2) of subsection (a) the following:

"(3) overall safety of the driver and passengers of the vehicle in a collision."; and

(3) by striking subsection (b) and inserting the following:

"(b) MOTOR VEHICLE SAFETY INFORMATION.—

"(1) IN GENERAL.—In carrying out subsection (a), the Secretary shall establish test criteria for use by manufacturers in determining damage susceptibility, crashworthiness, and the overall safety of vehicles for drivers and passengers.

"(2) PRESENTATION OF DATA.—The Secretary shall prescribe a system for presenting information developed under paragraphs (1) through (3) of subsection (a) to the public in a simple and understandable form that facilitates comparison among the makes and models of passenger motor vehicles.

"(3) LABEL REQUIREMENT.—Each manufacturer of a new passenger motor vehicle (as defined in section 32304(a)(8)) manufactured after September 30, 2005, and distributed in commerce for sale in the United States shall cause the information required by paragraph (2) to appear on, or adjacent to, the label required by section 3 of the Automobile Information Disclosure Act (15 U.S.C. 1232(b).".

By Mr. DASCHLE:

S.J. Res. 31. A joint resolution suspending certain provisions of law pursuant to section 258(a)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; to the Committee on the Budget pursuant to section 258(a)(3) of the Balanced Budget and Emergency Deficit Control Act of 1985, for not to exceed five days of session.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 31

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress declares that the conditions specified in section 254(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 are met and the implementation of the Congressional Budget and Impoundment Control Act of 1974, chapter 11 of title 31, United States Code, and part C of the Balanced Budget and Emergency Deficit Control Act of 1985 are modified as described in section 258(b) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 205—URGING THE GOVERNMENT OF UKRAINE TO ENSURE A DEMOCRATIC, TRANSPARENT, AND FAIR ELECTION PROCESS LEADING UP TO THE MARCH 31, 2002, PARLIAMENTARY ELECTIONS

Mr. CAMPBELL (for himself, Mr. DODD, and Mr. BROWNBACK) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 205

Whereas Ukraine stands at a critical point in its development to a fully democratic society, and the parliamentary elections on March 31, 2002, its third parliamentary elections since becoming independent more than 10 years ago, will play a significant role in demonstrating whether Ukraine continues to proceed on the path to democracy or experiences further setbacks in its democratic development;

Whereas the Government of Ukraine can demonstrate its commitment to democracy by conducting a genuinely free and fair parliamentary election process, in which all candidates have access to news outlets in the print, radio, television, and Internet media, and nationally televised debates are held, thus enabling the various political parties and election blocs to compete on a level playing field and the voters to acquire objective information about the candidates;

Whereas a flawed election process, which contravenes commitments of the Organization for Security and Cooperation in Europe (OSCE) on democracy and the conduct of elections, could potentially slow Ukraine's efforts to integrate into western institutions;

Whereas in recent years, government corruption and harassment of the media have raised concerns about the commitment of the Government of Ukraine to democracy, human rights, and the rule of law, while calling into question the ability of that government to conduct free and fair elections;

Whereas Ukraine, since its independence in 1991, has been one of the largest recipients of United States foreign assistance;

Whereas $154,000,000 in technical assistance to Ukraine was provided under Public Law 107-115 (the Kenneth M. Ludden Foreign Operations, Export Financing, and Related Programs Appropriations Act, Fiscal Year 2002), a $16,000,000 reduction in funding from the previous fiscal year due to concerns about continuing setbacks to needed reform and the unresolved deaths of prominent dissidents and journalists;

Whereas Public Law 107-115 requires a report by the Department of State on the progress by the Government of Ukraine in investigating and bringing to justice individuals responsible for the murders of Ukrainian journalists;

Whereas the disappearance and murder of journalist Heorhiy Gongadze on September 16, 2000, remains unresolved;

Whereas the presidential election of 1999, according to the final report of the Office of Democratic Institutions and Human Rights (ODIHR) of OSCE on that election, was marred by violations of Ukrainian election law and failed to meet a significant number of commitments on democracy and the conduct of elections included in the OSCE 1990 Copenhagen Document;

Whereas during the 1999 presidential election campaign, a heavy proincumbent bias was prevalent among the state-owned media outlets, members of the media viewed as not in support of the president were subject to harassment by government authorities, and proincumbent campaigning by state administration and public officials was widespread and systematic;

Whereas the Law on Elections of People's Deputies of Ukraine, signed by President Leonid Kuchma on October 30, 2001, was cited in a report of the ODIHR dated November 26, 2001, as making improvements in Ukraine's electoral code and providing safeguards to meet Ukraine's commitments on democratic elections, although the Law on Elections remains flawed in a number of important respects, notably by not including a role for domestic nongovernmental organizations to monitor elections;

Whereas according to international media experts, the Law on Elections defines the conduct of an election campaign in an ambiguous manner and could lead to arbitrary sanctions against media operating in Ukraine;

Whereas the Ukrainian Parliament (Verkhovna Rada) on December 13, 2001, rejected a draft Law on Political Advertising and Agitation, which would have limited free speech in the campaign period by giving too many discretionary powers to government bodies, and posed a serious threat to the independent media;

Whereas the Department of State has dedicated $4,700,000 in support of monitoring and assistance programs for the 2002 parliamentary elections;

Whereas the process for the 2002 parliamentary elections has reportedly been affected by apparent violations during the period prior to the official start of the election campaign on January 1, 2002; and

Whereas monthly reports for November and December of 2001 released by the Committee on Voters of Ukraine (CVU), an indigenous, nonpartisan, nongovernment organization that was established in 1994 to monitor the conduct of national election campaigns and balloting in Ukraine, cited five major types of violations of political rights and freedoms during the precampaign phase of the parliamentary elections, including—

(1) use of government position to support particular political groups;

(2) government pressure on the opposition and on the independent media;

(3) free goods and services given in order to sway voters;

(4) coercion to join political parties and pressure to contribute to election campaigns; and

(5) distribution of anonymous and compromising information about political opponents:

Now, therefore, be it

Resolved, That the Senate—

(1) acknowledges the strong relationship between the United States and Ukraine since Ukraine's independence more than 10 years ago, while understanding that Ukraine can only become a full partner in western institutions when it fully embraces democratic principles;

(2) expresses its support for the efforts of the Ukrainian people to promote democracy, the rule of law, and respect for human rights in Ukraine;

(3) urges the Government of Ukraine to enforce impartially the new election law, including provisions calling for—

(A) the transparency of election procedures;

(B) access for international election observers;

(C) multiparty representation on election commissions;

(D) equal access to the media for all election participants;

(E) an appeals process for electoral commissions and within the court system; and

(F) administrative penalties for election violations;

(4) urges the Government of Ukraine to meet its commitments on democratic elections, as delineated in the 1990 Copenhagen Document of the Organization for Security and Cooperation in Europe (OSCE), with respect to the campaign period and election day, and to address issues identified by the

Office of Democratic Institutions and Human Rights (ODIHR) of OSCE in its final report on the 1999 presidential election, such as state interference in the campaign and pressure on the media; and

(5) calls upon the Government of Ukraine to allow election monitors from the ODIHR, other participating states of OSCE, and private institutions and organizations, both foreign and domestic, full access to all aspects of the parliamentary election process, including—

(A) access to political events attended by the public during the campaign period;

(B) access to voting and counting procedures at polling stations and electoral commission meetings on election day, including procedures to release election results on a precinct by precinct basis as they become available; and

(C) access to postelection tabulation of results and processing of election challenges and complaints.

Mr. CAMPBELL. Mr. President, as Chairman of the Commission on Security and Cooperation in Europe, I today am submitting a resolution urging the Government of Ukraine to ensure a democratic, transparent, and fair election process leading up to the March 31, 2002 parliamentary elections. I am pleased to be joined by fellow Commissioners Dodd and Brownback. Several of our colleagues from the House have submitted a companion resolution.

Ukraine's success as an independent, democratic state is vital to the stability and security in Europe, and that country has, over the last decade, enjoyed a strong relationship with the United States. The Helsinki Commission has monitored closely the situation in Ukraine and has a long record of support for the aspirations of the Ukrainian people for human rights and democratic freedoms. Ukraine enjoys goodwill in the Congress and remains one of our largest recipients of assistance in the world. Clearly, there is a genuine desire that Ukraine succeed as an independent, democratic, stable and economically successful state. It is against this backdrop that I introduce this resolution, as a manifestation of our concern about Ukraine's direction at this critical juncture. These parliamentary elections will be an important indication of whether Ukraine moves forward rather than backslides on the path to democratic development.

Indeed, there has been growing cause for concern about Ukraine's direction over the last few years. Last May, I chaired a Helsinki Commission hearing: "Ukraine at the Crossroads: Ten Years After Independence." Witnesses at that hearing testified about problems confronting Ukraine's democratic development, including high-level corruption, the controversial conduct of authorities in the investigation of murdered investigative journalist Heorhiy Gongadze and other human rights problems. I had an opportunity to meet Mrs. Gongadze and her daughters who attended that hearing.

While there has been progress over the last few months with respect to legislation designed to strengthen the rule of law, it is too early to assert that Ukraine is once again moving in a positive direction.

With respect to the upcoming elections, on the positive side we have seen the passage of a new elections law which, while not perfect, has made definite improvements in providing safeguards to meet Ukraine's international commitments. However, there are already concerns about the elections, with increasing reports of violations of political rights and freedoms during the pre-campaign period, many of them documented in reports recently released by the non-partisan, non-government Committee on Voters of Ukraine, CVU.

It is important for Ukraine that there not be a repeat of the 1999 presidential elections which the Organization for Security and Cooperation in Europe, OSCE, stated were marred by violations of the Ukrainian election law and failed to meet a significant number of commitments on the conduct of elections set out in the 1990 OSCE Copenhagen Document. Therefore, this resolution urges the Ukrainian Government to enforce impartially the new election law and to meet its OSCE commitments on democratic elections and to address issues identified by the OSCE report on the 1999 presidential election such as state interference in the campaign and pressure on the media.

The upcoming parliamentary elections clearly present Ukraine with an opportunity to demonstrate its commitment to OSCE principles. The resolution we introduce today is an expression of the importance of these parliamentary elections, which could serve as an important stepping-stone in Ukraine's efforts to become a fully integrated member of the Europe-Atlantic community of nations.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2826. Mr. DORGAN (for himself, Mr. Grassley, Mr. Hagel, Mr. Johnson, Mr. Lugar, Mr. Fitzgerald, Mr. Nelson, of Nebraska, Mr. Ensign, Mr. Wellstone, Mr. Durbin, Mr. Torricelli, Mr. Kohl, and Mr. Brownback) proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

SA 2827. Mr. LUGAR proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) supra.

SA 2828. Mr. HUTCHINSON submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2829. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2830. Mrs. CARNAHAN (for herself, Mr. Hutchinson, Mr. Harkin, Mr. Leahy, and Mr. Johnson) proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) supra.

SA 2831. Mr. GREGG submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2832. Mr. MILLER (for himself and Mr. Cleland) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2833. Mr. BAUCUS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2834. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2835. Mr. CRAIG proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) supra.

TEXT OF AMENDMENTS

SA 2826. Mr. DORGAN (for himself, Mr. Grassley, Mr. Hagel, Mr. Johnson, Mr. Lugar, Mr. Fitzgerald, Mr. Nelson of Nebraska, Mr. Ensign, Mr. Wellstone, Mr. Durbin, Mr. Torricelli, Mr. Kohl, and Mr. Brownback) proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Strike section 165 and insert the following:

SEC. 165. PAYMENT LIMITATIONS; NUTRITION AND COMMODITY PROGRAMS.

(a) Payment Limitations.—

(1) In general.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended to read as follows:

"SEC. 1001. PAYMENT LIMITATIONS.

"(a) Definitions.—In this section and sections 1001A through 1001F:

"(1) Beneficial interest.—The term 'beneficial interest' means an interest in an entity that is at least—

"(A) 10 percent; or

"(B) a lower percentage, which the Secretary shall establish, on a case-by-case basis, as needed to achieve the purposes of this section and sections 1001A through 1001F, including effective implementation of section 1001A(b).

‘‘(2) Counter-cyclical payment.—The term ‘counter-cyclical payment’’ means a payment made under section 114 or 158D of the Federal Agriculture Improvement and Reform Act of 1996.

‘‘(3) Direct payment.—The term ‘direct payment’ means a payment made under section 113 or 158C of the Federal Agriculture Improvement and Reform Act of 1996.

‘‘(4) Entity.—

‘‘(A) In general.—The term ‘entity’ means—

‘‘(i) an entity that (subject to the requirements of this section and section 1001A) is eligible to receive a payment under subsection (b) or (c);

‘‘(ii) a corporation, joint stock company, association, limited partnership, charitable organization, a grantor of a revocable trust, or other similar entity (as determined by the Secretary); and

‘‘(iii) an entity that is participating in a farming operation as a partner in a general partnership or as a participant in a joint venture.

‘‘(B) Exclusion.—Except in section 1001F, the term ‘entity’ does not include an entity that is a general partnership or joint venture.

‘‘(5) Individual.—The term ‘individual’ means—

‘‘(A) a natural person, and minor children of the natural person (as determined by the Secretary), that (subject to the requirements of this section and section 1001A) is eligible to receive a payment under subsection (b) or (c); and

‘‘(B) an individual participating in a farming operation as a partner in a general partnership, a participant in a joint venture, a grantor of a revocable trust, or a participant in a similar entity (as determined by the Secretary).

‘‘(6) Loan commodity.—The term ‘loan commodity’ has the meaning given the term in section 102 of the Federal Agriculture Improvement and Reform Act of 1996.

‘‘(7) Secretary.—The term ‘Secretary’ means the Secretary of Agriculture.

‘‘(b) Limitations on Direct and Counter-Cyclical Payments.—Subject to subsections (d) through (i), the total amount of direct payments and counter-cyclical payments that an individual or entity may receive, directly or indirectly, during any fiscal year shall not exceed $85,000.

‘‘(c) Limitations on Marketing Loan Gains, Loan Deficiency Payments, and Commodity Certificate Transactions.—

‘‘(1) In general.—Subject to subsections (d) through (i), the total amount of the payments and benefits described in paragraph (2) that an individual or entity may receive, directly or indirectly, during any crop year shall not exceed $125,000.

‘‘(2) Payments and benefits.—Paragraph (1) shall apply to the following payments and benefits:

‘‘(A) Marketing loan gains.—

‘‘(i) Repayment gains.—Any gain realized by a producer from repaying a marketing assistance loan under section 131 or 158G(a) of the Federal Agriculture Improvement and Reform Act of 1996 for a crop of any loan commodity or peanuts, respectively, at a lower level than the original loan rate established for the loan commodity or peanuts under section 132 or 158G(d) of that Act, respectively.

‘‘(ii) Forfeiture gains.—In the case of settlement of a marketing assistance loan under section 131 or 158G(a) of that Act for a crop of any loan commodity or peanuts, respectively, by forfeiture, the amount by which the loan amount exceeds the repayment amount for the loan if the loan had been settled by repayment instead of forfeiture.

‘‘(B) Loan deficiency payments.—Any loan deficiency payment received for a loan commodity or peanuts under section 135 or 158G(e) of that Act, respectively.

‘‘(C) Commodity certificates.—Any gain realized from the use of a commodity certificate issued by the Commodity Credit Corporation, as determined by the Secretary, including the use of a certificate for the settlement of a marketing assistance loan made under section 131 or 158G(a) of that Act.

‘‘(d) Settlement of Certain Loans.—Notwithstanding subtitle C and section 158G of the Federal Agriculture Improvement and Reform Act of 1996, if the amount of payments and benefits described in subsection (c)(2) attributed directly or indirectly to an individual or entity for a crop year reaches the limitation described in subsection (c)(1)—

‘‘(1) the portion of any unsettled marketing assistance loan made under section 131 or 158G(a) of that Act attributed directly or indirectly to the individual or entity shall be settled through the repayment of the total loan principal, plus applicable interest; and

‘‘(2) the Secretary may refuse to provide to the producer for the crop year any additional marketing assistance loans under section 131 or 158G(a) of that Act.

‘‘(e) Payments to Individuals and Entities.—

‘‘(1) Interests within the same entity.—All individuals or entities that are owners of an entity, including shareholders, may not collectively receive payments directly or indirectly that are attributable to the ownership interests in the entity for a fiscal or corresponding crop year that exceed the limitations established under subsections (b) and (c).

‘‘(2) All interests of an individual or entity.—An individual or entity may not receive, directly or indirectly, through all ownership interests of the individual or entity from all sources, payments for a fiscal or corresponding crop year that exceed the limitations established under subsections (b) and (c).

‘‘(f) Married Couples.—During a fiscal and corresponding crop year, the total amount of payments and benefits described subsections (b) and (c) that a married couple may receive directly or indirectly may not exceed—

‘‘(1) the limits described in subsections (b) and (c); plus

‘‘(2) if each spouse meets the other requirements established under this section and section 1001A, a combined total of an additional $50,000.

‘‘(g) Public Schools.—The provisions of this section that limit payments to any individual or entity shall not be applicable to land owned by a public school district or land owned by a State that is used to maintain a public school.

‘‘(h) Time Limits.—The Secretary shall promulgate regulations that establish time limits for the various steps involved with notice, hearing, decision, and the appeals procedure in order to ensure expeditious handling and settlement of payment limitation disputes.

‘‘(i) Good Faith Reliance.—Notwithstanding any other provision of law, an action taken by an individual or other entity in good faith on action or advice of an authorized representative of the Secretary may be accepted as meeting the requirements of this section or section 1001A, to the extent the Secretary determines it is desirable in order to provide fair and equitable treatment.’’.

(2) Substantive change.—Section 1001A(a) of the Food Security Act of 1985 (7 U.S.C. 1308–1(a)) is amended—

(A) in the section heading, by striking ‘‘**PREVENTION OF CREATION OF ENTITIES TO QUALIFY AS SEPARATE PERSONS;**’’ and inserting ‘‘SUBSTANTIVE CHANGE;’’;

(B) by striking ‘‘(a) Prevention’’ and all that follows through the end of paragraph (2) and inserting the following:

‘‘(a) Substantive Change.—

‘‘(1) In general.—The Secretary may not approve (for purposes of the application of the limitations under this section) any change in a farming operation that otherwise will increase the number of individuals or entities to which the limitations under this section are applied unless the Secretary determines that the change is bona fide and substantive.

‘‘(2) Family members.—For the purpose of paragraph (1), the addition of a family member to a farming operation under the criteria established under subsection (b)(3)(B) shall be considered a bona fide and substantive change in the farming operation.’’;

(C) in the first sentence of paragraph (3)—

(i) by striking ‘‘as a separate person’’; and

(ii) by inserting ‘‘, as determined by the Secretary’’ before the period at the end; and

(D) by striking paragraph (4).

(3) Actively engaged in farming.—Section 1001A(b) of the Food Security Act of 1985 (7 U.S.C. 1308–1(b)) is amended—

(A) by striking paragraph (1) and inserting the following:

‘‘(1) In general.—To be eligible to receive, directly or indirectly, payments or benefits (as described in subsections (b) and (c) of section 1001 as being subject to limitation) with respect to a particular farming operation an individual or entity shall be actively engaged in farming with respect to the operation, as provided under paragraphs (2), (3), and (4).’’;

(B) in paragraph (2)—

(i) in subparagraph (A)(i), by striking subclause (II) and inserting the following:

‘‘(II) personal labor and active personal management (in accordance with subparagraph (F));’’;

(ii) by striking subparagraph (B) and inserting the following:

‘‘(B) Entities.—An entity (as defined in section 1001(a)) shall be considered as actively engaged in farming with respect to a farming operation if—

‘‘(i) the entity separately makes a significant contribution (based on the total value of the farming operation) of capital, equipment, or land;

‘‘(ii)(I) the stockholders or members that collectively own at least 50 percent of the combined beneficial interest in the entity make a significant contribution of personal labor or active personal management to the operation; or

‘‘(II) in the case of a corporation or entity in which all of the beneficial interests are held by family members (as defined in paragraph (3)(B))—

‘‘(aa) any stockholder (or household comprised of a stockholder and the spouse of the stockholder) who owns at least 10 percent of the beneficial interest and makes a significant contribution of personal labor or active personal management; or

‘‘(bb) any combination of stockholders who collectively own at least 10 percent of the beneficial interest and makes a significant contribution of personal labor or active personal management; and

"(iii) the standards provided in clauses (ii) and (iii) of paragraph (A), as applied to the entity, are met by the entity."; and

(iii) by adding at the end the following:

"(E) ACTIVE PERSONAL MANAGEMENT.—For an individual to be considered to be providing active personal management under this paragraph on behalf of the individual or entity, the management provided by the individual shall be personally provided on a regular, substantial, and continuous basis through the direction supervision and direction of—

"(i) activities and labor involved in the farming operation; and

"(ii) on-site services that are directly related and necessary to the farming operation.

"(F) SIGNIFICANT CONTRIBUTION OF PERSONAL LABOR OR ACTIVE PERSONAL MANAGEMENT.—

"(i) IN GENERAL.—For an individual to be considered to be providing a significant contribution of personal labor or active personal management under this paragraph on behalf of the individual or entity, the total contribution of personal labor and active personal management shall be at least equal to the lesser of—

"(I) 1000 hours annually; or

"(II) 50 percent of the commensurate share of the total number of hours of personal labor and active personal management required to conduct the farming operation.

"(ii) MINIMUM NUMBER OF LABOR HOURS.—For the purpose of clause (i), the minimum number of labor hours required to produce each commodity shall be equal to the number of hours that would be necessary to conduct a farming operation for the production of each commodity that is comparable in size to an individual or entity's commensurate share in the farming operation for the production of the commodity, based on the minimum number of hours per acre required to produce the commodity in the State where the farming operation is located, as determined by the Secretary.";

(C) in paragraph (3)—

(i) by striking subparagraph (A) and inserting the following:

"(A) LANDOWNERS.—An individual or entity that is a landowner contributing the owned land and that meets the standard provided in clauses (ii) and (iii) of paragraph (2)(A), if—

"(i) the landowner share rents the land;

"(ii) the tenant is actively engaged in farming; and

"(iii) the share received by the landowner is commensurate with the share of the crop or income received as rent; or

"(iv)(I) the landowner makes a significant contribution of active personal management;

"(II) the landowner formerly made a significant contribution of personal labor or active personal management on the land for which payments are received and ceased to make the contribution as a result of a disability, as determined by the Secretary; or

"(III) the landowner or spouse of the landowner formerly made a significant contribution of personal labor or active personal management on the land for which payments are received and ceased to make the contribution as a result of death or retirement, and 1 or more family members of the landowner currently make a significant contribution of personal labor or active personal management on the land."; and

(ii) in subparagraph (B), by striking "persons" and inserting "individuals and entities"; and

(D) in paragraph (4)—

(i) in the paragraph heading, by striking "PERSONS" and inserting "INDIVIDUALS AND ENTITIES";

(ii) in the matter preceding subparagraph (A), by striking "persons" and inserting "individuals and entities"; and

(iii) in subparagraph (B)—

(I) in the subparagraph heading, by striking "PERSONS" and inserting "INDIVIDUALS AND ENTITIES"; and

(II) by striking "person, or class of persons" and inserting "individual or entity, or class of individuals or entities";

(E) in paragraph (5)—

(i) by striking "A person" and inserting "An individual or entity"; and

(ii) by striking "such person" and inserting "the individual or entity"; and

(F) in paragraph (6), by striking "a person" and inserting "an individual or entity".

(4) ADMINISTRATION.—Section 1001A of the Food Security Act of 1985 (7 U.S.C. 1308–1) is amended by adding at the end the following:

"(c) ADMINISTRATION.—

"(1) REVIEWS.—

"(A) IN GENERAL.—During each of fiscal years 2002 through 2006, the Office of Inspector General for the Department of Agriculture shall conduct a review of the administration of the requirements of this section and sections 1001, 1001B, 1001C, and 1001E in at least 6 States.

"(B) MINIMUM NUMBER OF COUNTIES.—Each State review described in subparagraph (A) shall cover at least 5 counties in the State.

"(C) REPORT.—Not later than 90 days after completing a review described in subparagraph (A), the Inspector General for the Department of Agriculture shall issue a final report to the Secretary of the findings of the Inspector General.

"(2) EFFECT OF REPORT.—If a report issued under paragraph (1) reveals that significant problems exist in the implementation of payment limitation requirements of this section and sections 1001, 1001B, 1001C, and 1001E in a State and the Secretary agrees that the problems exist, the Secretary—

"(A) shall initiate a training program regarding the payment limitation requirements; and

"(B) may require that all payment limitation determinations regarding farming operations in the State be issued from the headquarters of the Farm Service Agency.".

(5) SCHEME OR DEVICE.—Section 1001B of the Food Security Act of 1985 (7 U.S.C. 1308–2) is amended—

(A) by striking "person" each place it appears and inserting "individual or entity"; and

(B) by striking "paragraphs (1) and (2)" and inserting "subsections (b) and (c)".

(6) FOREIGN INDIVIDUALS AND ENTITIES.—Section 1001C(b) of the Food Security Act of 1985 (7 U.S.C. 1308–3(b)) is amended in the first sentence by striking "considered a person that is".

(7) EDUCATION PROGRAM.—Section 1001D(c) of the Food Security Act of 1985 (7 U.S.C. 1308–4(c)) is amended by striking "5 persons" and inserting "5 individuals or entities".

(8) REPORT TO CONGRESS.—No later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall provide a report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate that describes—

(A) how State and county office employees are trained regarding the payment limitation requirements of section 1001 through 1001E of the Food Security Act of 1985 (7 U.S.C. 1308 through 1308–5);

(B) the general procedures used by State and county office employees to identify potential violations of the payment limitation requirements;

(C) the requirements for State and county office employees to report serious violations of the payment limitation requirements, including violations of section 1001B of that Act to the county committee, higher level officials of the Farm Service Agency, and to the Office of Inspector General; and

(D) the sanctions imposed against State and county office employees who fail to report or investigate potential violations of the payment limitation requirements.

(b) ADJUSTED GROSS INCOME LIMITATION.—The Food Security Act of 1985 is amended by inserting after section 1001E (7 U.S.C. 1308–5) the following:

"SEC. 1001F. ADJUSTED GROSS INCOME LIMITATION.

"(a) DEFINITIONS.—In this section:

"(1) ADJUSTED GROSS INCOME.—The term 'adjusted gross income' means adjusted gross income of an individual or entity—

"(A) as defined in section 62 of the Internal Revenue Code of 1986 and implemented in accordance with procedures established by the Secretary; and

"(B) that is earned directly or indirectly from all agricultural and nonagricultural sources of an individual or entity for a fiscal or corresponding crop year.

"(2) AVERAGE ADJUSTED GROSS INCOME.—

"(A) IN GENERAL.—The term 'average adjusted gross income' means the average adjusted gross income of an individual or entity for each of the 3 preceding taxable years.

"(B) EFFECTIVE ADJUSTED GROSS INCOME.—In the case of an individual or entity that does not have an adjusted gross income for each of the 3 preceding taxable years, the Secretary shall establish rules that provide the individual or entity with an effective adjusted gross income for the applicable year.

"(b) LIMITATION.—Notwithstanding any other provision of title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7201 et seq.), an individual or entity shall not be eligible for a payment or benefit described in subsection (b) or (c) of section 1001 if the average adjusted gross income of the individual or entity exceeds $2,500,000.

"(c) CERTIFICATION.—To comply with the limitation under subsection (b), an individual or entity shall provide to the Secretary—

"(1) a certification by a certified public accountant or another third party that is acceptable to the Secretary that the average adjusted gross income of the individual or entity does not exceed $2,500,000; or

"(2) information and documentation regarding the adjusted gross income of the individual or entity through other procedures established by the Secretary.

"(d) COMMENSURATE REDUCTION.—In the case of a payment or benefit made in a fiscal year or corresponding crop year to an entity that has an average adjusted gross income of $2,500,000 or less, the payment shall be reduced by an amount that is commensurate with the direct and indirect ownership interest in the entity of each individual who has an average adjusted gross income in excess of $2,500,000 for that fiscal year or corresponding crop year.

"(e) GENERAL PARTNERSHIPS AND JOINT VENTURES.—For purposes of this section, a joint partnership or joint venture shall be considered an entity.".

(c) FOOD STAMP PROGRAM.—

(1) INCREASE IN BENEFITS TO HOUSEHOLDS WITH CHILDREN.—Section 5(e) of the Food

Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking paragraph (1) and inserting the following:

"(1) Standard deduction.—

"(A) In general.—Subject to the other provisions of this paragraph, the Secretary shall allow for each household a standard deduction that is equal to the greater of—

"(i) the applicable percentage specified in subparagraph (D) of the applicable income standard of eligibility established under subsection (c)(1); or

"(ii) the minimum deduction specified in subparagraph (E).

"(B) Guam.—The Secretary shall allow for each household in Guam a standard deduction that is—

"(i) equal to the applicable percentage specified in subparagraph (D) of twice the income standard of eligibility established under subsection (c)(1) for the 48 contiguous States and the District of Columbia; but

"(ii) not less than the minimum deduction for Guam specified in subparagraph (E).

"(C) Households of 6 or more members.—The income standard of eligibility established under subsection (c)(1) for a household of 6 members shall be used to calculate the standard deduction for each household of 6 or more members.

"(D) Applicable percentage.—For the purpose of subparagraph (A), the applicable percentage shall be—

"(i) 8 percent for each of fiscal years 2002 through 2004;

"(ii) 8.25 percent for each of fiscal years 2005 and 2006;

"(iii) 8.5 percent for each of fiscal years 2007 and 2008;

"(iv) 8.75 percent for fiscal year 2009; and

"(v) 9 percent for each of fiscal years 2010 and 2011.

"(E) Minimum deduction.—The minimum deduction shall be $134, $229, $189, $269, and $118 for the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States, respectively.".

(2) Excess shelter expense deduction.—

(A) In general.—Section 5(e)(7)(B) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(7)(B)) is amended—

(i) in clause (v), by striking "and" at the end; and

(ii) by striking clause (vi) and inserting the following:

"(vi) for fiscal year 2002, $354, $566, $477, $416, and $279 per month, respectively;

"(vii) for fiscal year 2003, $390, $624, $526, $458, and $307 per month, respectively; and

"(viii) for fiscal years 2004 and each fiscal year thereafter, the applicable amount for the preceding fiscal year, as adjusted to reflect changes for the 12-month period ending the preceding November 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.".

(B) Prospective amendments.—Effective October 1, 2009, section 5(e)(7) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)(7)) is amended—

(i) by striking subparagraph (B); and

(ii) by redesignating subparagraph (C) as subparagraph (B).

(3) Participant expenses.—Section 6(d)(4)(I)(i)(I) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)(I)(i)(I)) is amended by striking ", except that the State agency may limit such reimbursement to each participant to $25 per month".

(4) Federal reimbursement.—Section 16(h)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(3)) is amended by striking "such total amount shall not exceed an amount representing $25 per participant per month for costs of transportation and other actual costs (other than dependent care costs) and" and inserting "the amount of the reimbursement for dependent care expenses shall not exceed".

(5) Effectiveness of certain provisions.—Section 413 and subsections (c) and (d) of section 433, and the amendments made by section 413 and subsections (c) and (d) of section 433, shall have no effect.

(d) Loan Deficiency Payments.—

(1) Eligibility.—Section 135 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S,C. 7235) (as amended by section) is amended by striking subsection (a) and inserting the following:

"(a) In General.—The Secretary may make loan deficiency payments available to—

"(1) producers on a farm that, although eligible to obtain a marketing assistance loan under section 131 with respect to a loan commodity, agree to forgo obtaining the loan for the covered commodity in return for payments under this section; and

"(2) effective only for the 2000 and 2001 crop years, producers that, although not eligible to obtain such a marketing assistance loan under section 131, produce a loan commodity.".

(2) Beneficial interest.—Section 135(e)(1) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7235(e)) (as amended by section) is amended by striking "A producer" and inserting "Effective for the 2001 through 2006 crops, a producer".

(e) Loan Authorization Levels.—Section 346(b) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)) (as amended by section) is amended by striking paragraph (1) and inserting the following:

"(1) In general.—The Secretary may make or guarantee loans under subtitles A and B from the Agricultural Credit Insurance Fund provided for in section 309 for not more than $3,796,000,000 for each of fiscal years 2002 through 2006, of which, for each fiscal year—

"(A) $770,000,000 shall be for direct loans, of which—

"(i) $205,000,000 shall be for farm ownership loans under subtitle A; and

"(ii) $565,000,000 shall be for operating. loans under subtitle B; and

"(B) $3,026,000,000 shall be for guaranteed loans, of which—

"(i) $1,000,000,000 shall be for guarantees of farm ownership loans under subtitle A; and

"(ii) $2,026,000,000 shall be for guarantees of operating loans under subtitle B.".

(f) Beginning Farmer and Rancher Development Program.—In addition to funds made available under the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 (Public Law 107-76), the Secretary of Agriculture shall use $5,000,000 of funds of the Commodity Credit Corporation for fiscal year 2002 to make loans described in section 346(b)(2)(A)(i) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1994(b)(2)(A)(i)).

(g) Initiative for Future Agriculture and Food Systems.—Section 401(b)(1) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(b)(1)) (as amended by section) is amended—

(1) in subparagraph (A), by striking "$120,000,000" and inserting "$130,000,000"; and

(2) in subparagraph (B), by striking "$145,000,000" and inserting "$225,000,000".

(h) Specialty Crop Insurance Initiative.—

(1) Research and development funding.—Section 522(e) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)) is amended by striking paragraph (1) and inserting the following:

"(1) Reimbursements.—Of the amounts made available from the insurance fund established under section 516(c), the Corporation may use to provide reimbursements under subsection (b) not more than—

"(A) $32,000,000 for fiscal year 2002;

"(B) $27,500,000 for each of fiscal years 2003 and 2004;

"(C) $25,000,000 for each of fiscal years 2005 and 2006; and

"(D) $15,000,000 for fiscal year 2007 and each subsequent fiscal year.".

(2) Education and information funding.—Section 524(a)(4) of the Federal Crop Insurance Act (7 U.S.C. 1524(a)(4)) is amended by striking subparagraph (A) and inserting the following:

"(A) for the education and information program established under paragraph (2)—

"(i) $10,000,000 for fiscal year 2003;

"(ii) $13,000,000 for fiscal year 2004;

"(iii) $15,000,000 for each of fiscal years 2005 and 2006; and

"(iv) $5,000,000 for fiscal year 2007 and each subsequent fiscal year; and".

(3) Reports.—Not later than September 30, 2002, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

(A) the progress made by the Corporation in research and development of innovative risk management products to include cost of production insurance that provides coverage for specialty crops, paying special attention to apples, asparagus, blueberries (wild and domestic), cabbage, canola, carrots, cherries, Christmas trees, citrus fruits, cucumbers, dry beans, eggplants, floriculture, grapes, greenhouse and nursery agricultural commodities, green peas, green peppers, hay, lettuce, maple, mushrooms, pears, potatoes, pumpkins, snap beans, spinach, squash, strawberries, sugar beets, and tomatoes;

(B) the progress made by the Corporation in increasing the use of risk management products offered through the Corporation by producers of specialty crops, by small and moderate sized farms, and in areas that are underserved, as determined by the Secretary; and

(C) how the additional funding provided under the amendments made by this section has been used.

(i) Effective Date.—This section and the amendments made by this section take effect 1 day after the date of enactment of this Act.

SA 2827. Mr. LUGAR proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Strike title I and insert the following:

TITLE I—COMMODITY PROGRAMS

SEC. 101. SHORT TITLE.

This title may be cited as the "Equity in Farming Act".

Subtitle A—Equity Payments to Agricultural Producers

SEC. 111. DEFINITIONS.

In this subtitle:

(1) ADJUSTED GROSS REVENUE.—The term "adjusted gross revenue" means the adjusted gross income for all agricultural enterprises of a producer in an applicable year, excluding revenue earned from nonagricultural sources, as determined by the Secretary—

(A) by taking into account gross receipts from the sale of crops and livestock on all agricultural enterprises of the producer, including insurance indemnities resulting from losses in the agricultural enterprises;

(B) by including all farm payments paid by the Secretary for all agricultural enterprises of the producer, including any marketing loan gains described in section 1001(3)(A) of the Food Security Act of 1985 (7 U.S.C. 1308(3)(A)); and

(C) by deducting the cost or basis of livestock or other items purchased for resale, such as feeder livestock, on all agricultural enterprises of the producer.

(2) AGRICULTURAL COMMODITY.—

(A) IN GENERAL.—The term "agricultural commodity" means any agricultural commodity, food, feed, fiber, or livestock.

(B) TOBACCO.—The term "agricultural commodity" does not include tobacco.

(3) AGRICULTURAL ENTERPRISE.—The term "agricultural enterprise" means the production and marketing of all agricultural commodities (including livestock) on a farm or ranch.

(4) APPLICABLE YEAR.—The term "applicable year" means the year during which the producer elects to receive an equity payment under section 112.

(5) AVERAGE ADJUSTED GROSS REVENUE.—The term "average adjusted gross revenue" means—

(A) the average of the adjusted gross revenue of a producer for each of the preceding 5 taxable years, as determined by the Secretary through—

(i) a certification provided by a certified public accountant or another third party that is acceptable to the Secretary; or

(ii) information and documentation regarding the adjusted gross income revenue of the producer through other procedures established by the Secretary; and

(B) in the case of a beginning farmer or rancher or other producer that does not have adjusted gross revenue for each of the preceding 5 taxable years, the estimated adjusted gross revenue of the producer that will be earned from all agricultural enterprises for the applicable year, as determined by the Secretary.

(6) ENTITY.—

(A) IN GENERAL.—The term "entity" means—

(i) a corporation, joint stock company, association, limited partnership, charitable organization, a grantor of a revocable trust, or other similar entity (as determined by the Secretary); and

(ii) an entity that is participating in a farming operation as a partner in a general partnership or as a participant in a joint venture.

(B) EXCLUSION.—The term "entity" does not include an entity that is a general partnership or joint venture.

(7) INDIVIDUAL.—The term 'individual' means—

(A) a natural person, and minor children of the natural person (as determined by the Secretary); and

(B) an individual participating in a farming operation as a partner in a general partnership, a participant in a joint venture, a grantor of a revocable trust, or a participant in a similar entity (as determined by the Secretary).

(8) PRODUCER.—The term "producer" means an individual or entity, as determined by the Secretary for an applicable year, that—

(A) shares in the risk of producing, or provides a material contribution in producing, an agricultural commodity for the applicable year;

(B) has a substantial beneficial interest in the agricultural enterprise in which the agricultural commodity is produced;

(C) has a share of the profits or losses from the farming operation that is commensurate with the contributions of the individual or entity to the operation; and

(D)(i) has earned at least $20,000 in average adjusted gross revenue for each of the preceding 5 taxable years; or

(ii) in the case of a beginning farmer or rancher or other producer that does not have adjusted gross revenue for each of the preceding 5 taxable years, has at least $20,000 in estimated adjusted gross revenue from all agricultural enterprises for the applicable year, as determined by the Secretary.

(9) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

SEC. 112. EQUITY PAYMENTS TO AGRICULTURAL PRODUCERS.

(a) IN GENERAL.—Each producer of an agricultural commodity (as determined by the Secretary) shall receive a payment that equals $7,000 for each of the 2003 through 2006 crops or, in the case of milk, the 2003 through 2006 calendar years.

(b) ADDITIONAL PAYMENTS.—Equity payments received by a producer under this section shall be in addition to any price support loan, marketing loan gain, or loan deficiency payment that the producer receives for the applicable year.

(c) INELIGIBLE ENTITIES.—An entity shall be ineligible to receive an equity payment under this section if the entity is—

(1) an agency of the Federal Government, a State, or a political subdivision of a State;

(2) an issuer of any type of security on a national securities exchange (as those terms are defined in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c)); or

(3) another entity, as determined by the Secretary.

(d) VERIFICATION.—The Secretary shall determine which individuals or entities are eligible for an equity payment under this section by using social security numbers or taxpayer identification numbers.

(e) PAYMENT LIMITATION.—

(1) IN GENERAL.—Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended by striking paragraph (1) and inserting the following:

"(1) EQUITY PAYMENTS.—

"(A) IN GENERAL.—An individual or entity (as defined in the Equity in Farming Act) may not receive directly or indirectly more than $7,000 in equity payments under that Act.

"(B) ADMINISTRATION.—Sections 1001A(b), 1001B, and 1001C shall apply to an individual or entity that receives a payment described in subparagraph (A).".

(2) CONFORMING AMENDMENTS.—

(A) Section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308) is amended—

(i) by striking paragraph (4) and inserting the following:

"(4) PAYMENTS TO INDIVIDUALS AND ENTITIES.—

"(A) INTERESTS WITHIN THE SAME ENTITY.—All individuals or entities that are owners of an entity, including shareholders, may not collectively receive payments directly or indirectly that are attributable to the ownership interests in such entity for a fiscal or corresponding crop year that exceed the limitation established under paragraph (1).

"(B) ALL INTERESTS OF AN INDIVIDUAL OR ENTITY.—An individual or entity may not receive, directly or indirectly, through all ownership interests of the individual or entity from all sources, payments for a fiscal or corresponding crop year that exceed the limitations established under paragraph (1).";

(ii) in paragraph (5)—

(I) by striking subparagraphs (A), (B), (C), and (E); and

(II) in subparagraph (D), by striking "(D)";

(iii) by striking paragraph (6); and

(iv) by redesignating paragraph (7) as paragraph (6).

(B) Section 1009 of the Food Security Act of 1985 (7 U.S.C. 1308a) is amended—

(i) in subsection (a), by striking "subsection (c), (d), or (e)" and inserting "subsection (c) or (d)";

(ii) by striking subsection (d); and

(iii) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(g) CROP AND CALENDAR YEARS.—This section and the amendments made by this section apply to each of the 2003 through 2006 crop or calendar years, as applicable.

Subtitle B—Phase Out of Commodity Programs

SEC. 121. PROHIBITION ON AGRICULTURAL PRICE SUPPORT AND PRODUCTION ADJUSTMENT.

(a) IN GENERAL.—Notwithstanding any other provision of law, except as otherwise provided in this subtitle and effective beginning with the 2003 crop or the 2003 marketing, fiscal, or calendar year (as applicable) for each agricultural commodity, the Secretary of Agriculture and the Commodity Credit Corporation may not provide loans, purchases, payments, or other operations or take any other action to support the price, or adjust or control the production, of an agricultural commodity by using the funds, facilities, and authorities of the Commodity Credit Corporation or under the authority of any law.

(b) EXCEPTIONS.—Subsection (a) shall not apply to—

(1) any activities under the Agricultural Adjustment Act (7 U.S.C. 601 et seq.), reenacted with amendments by the Agricultural Marketing Act of 1937;

(2) section 32 of the Act of August 24, 1935 (7 U.S.C. 612c; 49 Stat. 774, chapter 641);

(3) part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.); and

(4) sections 106, 106A, and 106B of the Agricultural Act of 1949 (7 U.S.C. 1445, 1445–1, 1445–2).

SEC. 122. AGRICULTURAL MARKET TRANSITION ACT.

(a) REPEALS.—

(1) 2003 AND SUBSEQUENT CROPS.—Effective beginning with the 2003 crop, the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) is repealed, other than the following:

(A) Subtitle A (7 U.S.C. 7201 et seq.).

(B) Sections 131, 132, and 133 (7 U.S.C. 7231, 7232, 7233).

(C) Subsections (a) through (d) of section 134 (7 U.S.C. 7234).

(D) Section 135 (7 U.S.C. 7235).

(E) Sections 141 and 142 (7 U.S.C. 7251, 7252).

(F) Chapter 2 of subtitle D (7 U.S.C. 7271 et seq.).

(G) Sections 161 through 165 (7 U.S.C. 7281 et seq.).

(H) Subtitle H (7 U.S.C. 7331 et seq.).

(2) 2003 AND SUBSEQUENT CALENDAR YEARS.—Effective January 1, 2003, sections 141 and 142 of the Agricultural Market Transition Act (7 U.S.C. 7251, 7252) are repealed.

(3) 2006 AND SUBSEQUENT CROPS.—Effective beginning with the 2006 crop, the following provisions of the Agricultural Market Transition Act (7 U.S.C. 7231 et seq.) are repealed:

(A) Subtitle C (7 U.S.C. 7231 et seq.).

(B) Chapter 2 of subtitle D (7 U.S.C. 7271 et seq.), other than section 156(f) (7 U.S.C. 7272(f)).

(b) AVAILABILITY OF NONRECOURSE MARKETING ASSISTANCE LOANS.—Section 131 of the Agricultural Market Transition Act (7 U.S.C. 7231) is amended —

(1) in subsection (a) by striking "2002" and inserting "2005"; and

(2) by striking subsection (b) and inserting the following:

"(b) ELIGIBLE PRODUCTION.—The producers on a farm shall be eligible for a marketing assistance loan under subsection (a) for any quantity of a loan commodity produced on the farm.".

(c) LOAN RATES FOR MARKETING ASSISTANCE LOANS.—Section 132 of the Agricultural Market Transition Act (7 U.S.C. 7232) is amended to read as follows:

"SEC. 132. LOAN RATES FOR MARKETING ASSISTANCE LOANS.

"(a) WHEAT.—The loan rate for a marketing assistance loan under section 131 for wheat shall be 90 percent for the 2003 crop, 85 percent for the 2004 crop, and 80 percent for the 2005 crop, of the simple average price received by producers of wheat, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of wheat, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period.

"(b) FEED GRAINS.—

"(1) CORN.—The loan rate for a marketing assistance loan under section 131 for corn shall be 90 percent for the 2003 crop, 85 percent for the 2004 crop, and 80 percent for the 2005 crop, of the simple average price received by producers of corn, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of corn, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period.

"(2) OTHER FEED GRAINS.—The loan rate for a marketing assistance loan under section 131 for grain sorghum, barley, and oats, respectively; shall be established at such level as the Secretary determines is fair and reasonable in relation to the rate that loans are made available for corn, taking into consideration the feeding value of the commodity in relation to corn.

"(c) UPLAND COTTON.—The loan rate for a marketing assistance loan under section 131 for upland cotton shall be 90 percent for the 2003 crop, 85 percent for the 2004 crop, and 80 percent for the 2005 crop, of the simple average price received by producers of upland cotton, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of upland cotton, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period.

"(d) EXTRA LONG STAPLE COTTON.—The loan rate for a marketing assistance loan under section 131 for extra long staple cotton shall be 90 percent for the 2003 crop, 85 percent for the 2004 crop, and 80 percent for the 2005 crop, of the simple average price received by producers of extra long staple cotton, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of extra long staple cotton, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period.

"(e) RICE.—The loan rate for a marketing assistance loan under section 131 for rice shall be 90 percent for the 2003 crop, 85 percent for the 2004 crop, and 80 percent for the 2005 crop, of the simple average price received by producers of rice, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of rice, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period.

"(f) OILSEEDS.—

"(1) SOYBEANS.—The loan rate for a marketing assistance loan under section 131 for soybeans shall be 90 percent for the 2003 crop, 85 percent for the 2004 crop, and 80 percent for the 2005 crop, of the simple average price received by producers of soybeans, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of soybeans, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period.

"(2) SUNFLOWER SEED, CANOLA, RAPESEED, SAFFLOWER, MUSTARD SEED, AND FLAXSEED.—The loan rate for a marketing assistance loan under section 131 for sunflower seed, canola, rapeseed, safflower, mustard seed, and flaxseed, individually, shall be 90 percent for the 2003 crop, 85 percent for the 2004 crop, and 80 percent for the 2005 crop, of the simple average price received by producers of sunflower seed, individually, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of sunflower seed, individually, excluding the year in which the average price was the highest and the year in which the average price was the lowest in the period.

"(3) OTHER OILSEEDS.—The loan rates for a marketing assistance loan under section 131 for other oilseeds shall be established at such level as the Secretary determines is fair and reasonable in relation to the loan rate available for soybeans, except in no event shall the rate for the oilseeds (other than cottonseed) be less than the rate established for soybeans on a per-pound basis for the same crop.".

(d) RECOURSE LOAN PROGRAM FOR SILAGE.—Section 403 of the Food Security Act of 1985 (7 U.S.C. 1444e–1) is repealed.

(e) PEANUT PROGRAM.—Section 155 of the Agricultural Market Transition Act (7 U.S.C. 7271) is amended—

(1) in subsection (g), by striking "2002" each place it appears and inserting "2005"; and

(2) by striking subsections (h) and (i) and inserting the following:

"(h) PHASED REDUCTION OF LOAN RATE.—For each of the 2003, 2004, and 2005 crops of quota and additional peanuts, the Secretary shall lower the loan rate for each succeeding crop in a manner that progressively and uniformly lowers the loan rate for quota and additional peanuts to $0 for the 2006 crop.

"(i) CROPS.—This section shall be effective only for the 1996 through 2005 crops.".

(f) SUGAR PROGRAM.—Section 156 of the Agricultural Market Transition Act (7 U.S.C. 7272) is amended—

(1) in subsection (e), by striking paragraph (1) and inserting the following:

"(1) LOANS.—The Secretary shall carry out this section through the use of recourse loans.";

(2) in subsection (f), by striking "2003" each place it appears and inserting "2005";

(3) by redesignating subsection (i) as subsection (j);

(4) by inserting after subsection (h) the following:

"(i) PHASED REDUCTION OF LOAN RATE.—For each of the 2003, 2004, and 2005 crops of sugar beets and sugarcane, the Secretary shall lower the loan rate for each succeeding crop in a manner that progressively and uniformly lowers the loan rate for sugar beets and sugarcane to $0 for the 2006 crop."; and

(5) in subsection (j) (as redesignated), by striking "2002" and inserting "2005".

SEC. 123. AGRICULTURAL ADJUSTMENT ACT OF 1938.

(a) REPEALS.—

(1) 2003 AND SUBSEQUENT MARKETING YEARS AND CROPS.—Effective beginning with the 2003 marketing or crop year (as applicable), the Agricultural Adjustment Act of 1938 (7 U.S.C. 1281 et seq.) is repealed, other than the following:

(A) The first section (7 U.S.C. 1281).

(B) Section 301 (7 U.S.C. 1301).

(C) Part I of subtitle B of title III (7 U.S.C. 1311 et seq.).

(D) Part VI of subtitle B of title III (7 U.S.C. 1357 et seq.).

(E) Subtitle C of title III (7 U.S.C. 1361 et seq.).

(F) Subtitle F of title III (7 U.S.C. 1381 et seq.).

(G) Title V (7 U.S.C. 1501 et seq.).

(2) 2006 AND SUBSEQUENT MARKETING YEARS AND CROPS.—Effective beginning with the 2006 marketing year or crop year (as applicable), part VI of subtitle B of title III (7 U.S.C. 1357 et seq.) is repealed.

(b) PEANUT QUOTA.—

(1) EXTENSION.—Sections 358–1, 358b(c), 358c(d), and 358e(i) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358–1, 1358b(c), 1358c(d), 1359a(i)) are amended by striking "2002" each place it appears and inserting "2005".

(2) PEANUT QUOTA.—Part VI of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1357 et seq.) is amended by adding at the end the following:

"SEC. 358f. PHASED INCREASE IN QUOTA.

"For each of the 2003, 2004, and 2005 crops of quota peanuts, the Secretary shall increase the marketing quota and allotment for each succeeding marketing year in a manner that progressively and uniformly increases the marketing quota to anticipate the elimination of the marketing quota for the 2006 crop.".

SEC. 124. COMMODITY CREDIT CORPORATION CHARTER ACT.

(a) IN GENERAL.—Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended—

(1) by striking subsection (a); and

(2) by redesignating subsections (b) through (g) as subsections (a) through (f), respectively.

(b) CONFORMING AMENDMENT.—Section 619 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1738r) is amended by striking "section 5(f) of the Commodity Credit Corporation Charter Act" and inserting "section 5(e) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c(e))".

(c) CROPS.—The amendments made by this section apply beginning with the 2006 crop.

SEC. 125. AGRICULTURAL ACT OF 1949.

The Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) is repealed, other than the following:

(1) The first section (7 U.S.C. 1421 note).

(2) Sections 106, 106A, and 106B (7 U.S.C. 1445, 1445–1, 1445–2).

(3) Section 416 (7 U.S.C. 1431).

SEC. 126. AGRICULTURAL ADJUSTMENT ACT.

Effective January 1, 2003, section 8c(5) of the Agricultural Adjustment Act (7 U.S.C. 608c(5)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended by adding at the end the following:

"(M) MILK CLASSES.—

"(i) IN GENERAL.—Notwithstanding any other provision of this subsection, the Secretary shall establish—

"(I) 1 class of milk for fluid milk; and

"(II) 1 class of milk for other uses of milk.

"(ii) COMPONENT PRICES.—The classes of milk established under clause (i) shall be used to determine the prices of milk components.".

SEC. 127. CROP.

This subtitle and the amendments made by this subtitle apply beginning with the 2003 crop of each agricultural commodity or the 2003 marketing, reinsurance, fiscal, or calendar year, as applicable.

Subtitle C—Effective Date

SEC. 141. EFFECT OF TITLE.

(a) IN GENERAL.—Except as otherwise specifically provided in this title and notwithstanding any other provision of law, this title and the amendments made by this title shall not affect the authority of the Secretary of Agriculture to carry out an agricultural market transition, price support, or production adjustment program for any of the 1996 through 2002 crops, or for any of the 1996 through 2002 marketing, reinsurance, fiscal, or calendar years, as applicable, under a provision of law in effect immediately before the enactment of this title.

(b) LIABILITY.—A provision of this title or an amendment made by this title shall not affect the liability of any person under any provision of law as in effect immediately before enactment of this title.

SA 2828. Mr. HUTCHINSON submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide the farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, add the following:

SEC. . PERMANENT REENACTMENT OF CHAPTER 12.

(a) REENACTMENT.—

(1) IN GENERAL.—Chapter 12 of title 11, United States Code, as reenacted by section 149 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (Public Law 105–277, 112 Stat. 2681–610), is reenacted.

(2) EFFECTIVE DATE.—Subsection (a) shall deemed to have taken effect on October 1, 2000.

(b) CONFORMING AMENDMENT.—Section 302 of the Bankruptcy, Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (28 U.S.C. 581 note) is amended by striking subsection (f).".

SA 2829. Mrs. FEINSTEIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide the farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

Strike the period at the end of section 143 and insert a period and the following:

SEC. 144. REALLOCATION OF SUGAR QUOTA.

Subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) is amended by adding at the end the following:

"PART VIII—REALLOCATING SUGAR QUOTA IMPORT SHORTFALLS

"SEC. 360. REALLOCATING CERTAIN SUGAR QUOTAS.

"(a) IN GENERAL.—Notwithstanding any other provision of law, not later than June 1 of each year, the United States Trade Representative, in consultation with the Secretary, shall determine the amount of the quota of cane sugar used by each qualified supplying country for that fiscal year, and shall reallocate the unused quota for that fiscal year among qualified supplying countries on a first come basis.

"(b) METHOD FOR ALLOCATING QUOTA.—In establishing the tariff-rate quota for a fiscal year, the Secretary shall consider the amount of the preceding year's quota that was not used and shall increase the tariff-rate quota allowed by an amount equal to the amount not used in the preceding year.

"(c) DEFINITIONS.—In this section:

"(1) QUALIFIED SUPPLYING COUNTRY.—The term 'qualified supplying country' means one of the following 40 foreign countries that is allowed to export cane sugar to the United States under an agreement or any other country with which the United States has an agreement relating to the importation of cane sugar:

Argentina
Australia
Barbados
Belize
Bolivia
Brazil
Colombia
Congo
Costa Rica
Dominican Republic
Ecuador
El Salvador
Fiji
Gabon
Guatemala
Guyana
Haiti
Honduras
India
Ivory Coast
Jamaica
Madagascar
Malawi
Mauritius
Mexico
Mozambique
Nicaragua
Panama
Papua New Guinea
Paraguay
Peru
Philippines
St. Kitts and Nevis
South Africa
Swaziland
Taiwan
Thailand
Trinidad-Tobago
Uruguay
Zimbabwe.

"(2) CANE SUGAR.—The term 'cane sugar' has the same meaning as the term has under part VII.".

SA 2830. Mrs. CARNAHAN (for herself, Mr. HUTCHINSON, Mr. HARKIN, Mr. LEAHY, and Mr. JOHNSON) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . REENACTMENT OF FAMILY FARMER BANKRUPTCY PROVISIONS.

(a) REENACTMENT.—Notwithstanding any other provision of law, chapter 12 of title 11, United States Code, is hereby reenacted.

(b) CONFORMING REPEAL.—Section 303(f) of Public Law 99–554 (100 Stat. 3124) is repealed.

(c) EFFECTIVE DATE.—This section shall be deemed to have taken effect on October 1, 2001.

SA 2831. Mr. GREGG submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 128, line 8, strike the period at the end and insert a period and the following:

SEC. 1 . TERMINATION OF TOBACCO PRICE SUPPORT PROGRAM.

(a) PARITY PRICE SUPPORT.—Section 101 of the Agricultural Act of 1949 (7 U.S.C. 1441) is amended—

(1) in the first sentence of subsection (a), by striking "tobacco (except as otherwise provided herein), corn," and inserting "corn";

(2) by striking subsections (c), (g), (h), and (i);

(3) in subsection (d)(3)—

(A) by striking ", except tobacco,"; and

(B) by striking "and no price support shall be made available for any crop of tobacco for which marketing quotas have been disapproved by producers;"; and

(4) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(b) TERMINATION OF TOBACCO PRICE SUPPORT AND NO NET COST PROVISIONS.—Sections 106, 106A, and 106B of the Agricultural Act of 1949 (7 U.S.C. 1445, 1445–1, 1445–2) are repealed.

(c) Definition of Basic Agricultural Commodity.—Section 408(c) of the Agricultural Act of 1949 (7 U.S.C. 1428(c)) is amended by striking "tobacco,".

(d) Review of Burley Tobacco Imports.—Section 3 of Public Law 98-59 (7 U.S.C. 625) is repealed.

(e) Powers of Commodity Credit Corporation.—Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended by inserting "(other than tobacco)" after "agricultural commodities" each place it appears.

(f) Transition Provisions.—

(1) Liability.—The amendments made by this section shall not affect the liability of any person under any provision of law as in effect before the effective date of this section.

(2) Tobacco stocks and loans.—The Secretary shall issue regulations that require—

(A) the orderly disposition of tobacco stocks; and

(B) the repayment of all tobacco price support loans by not later than 1 year after the effective date of this section.

(g) Crops.—This section and the amendments made by this section shall apply with respect to the 2002 and subsequent crops of the kind of tobacco involved.

SEC. 1 . TERMINATION OF TOBACCO PRODUCTION ADJUSTMENT PROGRAMS.

(a) Declaration of Policy.—Section 2 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1282) is amended by striking "tobacco,".

(b) Definitions.—Section 301(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(b)) is amended—

(1) in paragraph (3)—

(A) by striking subparagraph (C); and

(B) by redesignating subparagraph (D) as subparagraph (C);

(2) in paragraph (6)(A), by striking "tobacco,";

(3) in paragraph (7), by striking the following:

"tobacco (flue-cured), July 1—June 30;

"tobacco (other than flue-cured), October 1–September 30;";

(4) in paragraph (10)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B);

(5) in paragraph (11)(B), by striking "and tobacco";

(6) in paragraph (12), by striking "tobacco,";

(7) in paragraph (14)—

(A) in subparagraph (A), by striking "(A)"; and

(B) by striking subparagraphs (B), (C), and (D);

(8) by striking paragraph (15);

(9) in paragraph (16)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B); and

(10) by redesignating paragraphs (16) and (17) as paragraphs (15) and (16), respectively.

(c) Parity Payments.—Section 303 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1303) is amended in the first sentence by striking "rice, or tobacco," and inserting "or rice,".

(d) Marketing Quotas.—Part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) is repealed.

(e) Administrative Provisions.—Section 361 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1361) is amended by striking "tobacco,".

(f) Adjustment of Quotas.—Section 371 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1371) is amended—

(1) in the first sentence of subsection (a), by striking "peanuts, or tobacco" and inserting "or peanuts"; and

(2) in the first sentence of subsection (b), by striking "peanuts or tobacco" and inserting "or peanuts".

(g) Reports and Records.—Section 373 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1373) is amended—

(1) by striking "peanuts, or tobacco" each place it appears in subsections (a) and (b) and inserting "or peanuts"; and

(2) in subsection (a)—

(A) in the first sentence, by striking "all persons engaged in the business of redrying, prizing, or stemming tobacco for producers,"; and

(B) in the last sentence, by striking "$500;" and all that follows through the period at the end of the sentence and inserting "$500.".

(h) Regulations.—Section 375(a) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1375(a)) is amended by striking "peanuts, or tobacco" and inserting "or peanuts".

(i) Eminent Domain.—Section 378 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1378) is amended—

(1) in the first sentence of subsection (c), by striking "cotton, tobacco, and peanuts" and inserting "cotton and peanuts"; and

(2) by striking subsections (d), (e), and (f).

(j) Burley Tobacco Farm Reconstitution.—Section 379 of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1379) is amended—

(1) in subsection (a)—

(A) by striking "(a)"; and

(B) in paragraph (6), by striking ", but this clause (6) shall not be applicable in the case of burley tobacco"; and

(2) by striking subsections (b) and (c).

(k) Acreage-Poundage Quotas.—Section 4 of the Act entitled "An Act to amend the Agricultural Adjustment Act of 1938, as amended, to provide for acreage-poundage marketing quotas for tobacco, to amend the tobacco price support provisions of the Agricultural Act of 1949, as amended, and for other purposes", approved April 16, 1965 (Public Law 89–12; 7 U.S.C. 1314c note), is repealed.

(l) Burley Tobacco Acreage Allotments.—The Act entitled "An Act relating to burley tobacco farm acreage allotments under the Agricultural Adjustment Act of 1938, as amended", approved July 12, 1952 (7 U.S.C. 1315), is repealed.

(m) Transfer of Allotments.—Section 703 of the Food and Agriculture Act of 1965 (7 U.S.C. 1316) is repealed.

(n) Advance Recourse Loans.—Section 13(a)(2)(B) of the Food Security Improvements Act of 1986 (7 U.S.C. 1433c–1(a)(2)(B)) is amended by striking "tobacco and".

(o) Tobacco Field Measurement.—Section 1112 of the Omnibus Budget Reconciliation Act of 1987 (Public Law 100–203) is amended by striking subsection (c).

(p) Liability.—The amendments made by this section shall not affect the liability of any person under any provision of law as in effect before the effective date under subsection (q).

(q) Crops.—This section and the amendments made by this section shall apply with respect to the 2002 and subsequent crops of the kind of tobacco involved.

SEC. 1 . PROHIBITION OF FEDERAL INSURANCE, REINSURANCE, OR NONINSURED CROP DISASTER ASSISTANCE FOR TOBACCO.

(a) Crop Insurance.—

(1) Definition of agricultural commodity.—Section 518 of the Federal Crop Insurance Act (7 U.S.C. 1518) is amended—

(A) by striking the section heading and all that follows through "as used in this title, means" and inserting the following:

"SEC. 518. DEFINITION OF AGRICULTURAL COMMODITY.

"(a) Definition.—In this title, the term 'agricultural commodity' means";

(B) by striking "tobacco,"; and

(C) by adding at the end the following:

"(b) Exception.—In this title, the term 'agricultural commodity' does not include tobacco. The Corporation may not insure, provide reinsurance for insurers of, or pay any part of the premium related to the coverage of a crop of tobacco.".

(2) Conforming amendments.—Section 508(a)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(2)) is amended in the first sentence by striking "cases of tobacco and" and inserting "case of".

(b) Noninsured Crop Disaster Assistance.—Section 196(a)(2) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333(a)(2)) is amended by adding at the end the following:

"(D) Crops specifically excluded.—The term 'eligible crop' does not include tobacco. The Secretary may not make assistance available under this section to cover losses to a crop of tobacco.".

(c) Application of Amendments.—

(1) In general.—Subject to paragraph (2), the amendments made by this section shall apply with respect to the 2002 and subsequent crops of tobacco.

(2) Existing contracts.—The amendments made by this section shall not apply to a contract of insurance of the Federal Crop Insurance Corporation, or a contract of insurance reinsured by the Corporation, in existence on the date of enactment of this Act.

SA 2832. Mr. MILLER (for himself and Mr. CLELAND) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 120, line 3, strike "$0.10" and insert "$0.12".

SA 2833. Mr. BAUCUS submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 128, line 8, strike the final period and insert a period and the following:

Subtitle —EMERGENCY AGRICULTURE ASSISTANCE

SEC. 01. INCOME LOSS ASSISTANCE.

(a) In General.—The Secretary of Agriculture (referred to in this subtitle as the "Secretary") shall use $1,800,000,000 of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers on a farm that have incurred qualifying income losses in calendar year 2001, including losses due to army worms.

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–55), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(c) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments not for crop disasters, but for income loss to carry out the purposes of this section.

SEC. ___02. LIVESTOCK ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary shall use $500,000,000 of the funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received an emergency designation by the President or the Secretary after January 1, 2001, of which $12,000,000 shall be made available for the American Indian livestock program under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–51).

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

SEC. ___03. MARKET LOSS ASSISTANCE FOR APPLE PRODUCERS.

(a) IN GENERAL.—The Secretary of Agriculture shall use $100,000,000 of funds of the Commodity Credit Corporation for fiscal year 2002 to make payments to apple producers, as soon as practicable after the date of enactment of this Act, for the loss of markets during the 2000 crop year.

(b) PAYMENT QUANTITY.—A payment to the producers on a farm for the 2000 crop year under this section shall be made on the lesser of—

(1) the quantity of apples produced by the producers on the farm during the 2000 crop year; or

(2) 5,000,000 pounds of apples.

(c) LIMITATIONS.—The Secretary shall not establish a payment limitation, or income eligibility limitation, with respect to payments made under this section.

SEC. ___04. COMMODITY CREDIT CORPORATION.

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this subtitle.

SEC. ___05. ADMINISTRATIVE EXPENSES.

(a) IN GENERAL.—In addition to funds otherwise available, not later than 30 days after the date of enactment of this Act, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to pay the salaries and expenses of the Department of Agriculture in carrying out this subtitle $50,000,000, to remain available until expended.

(b) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subsection (a), without further appropriation.

SEC. ___06. REGULATIONS.

(a) IN GENERAL.—The Secretary may promulgate such regulations as are necessary to implement this subtitle.

(b) PROCEDURE.—The promulgation of the regulations and administration of this subtitle shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SEC. ___07. EMERGENCY REQUIREMENT.

The entire amount necessary to carry out this subtitle is designated by Congress as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(e)).

SA 2834. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

On page 985, strike line 1 and insert the following:

Subtitle D—Organic Products Promotion

SEC. 1081. SHORT TITLE.

This subtitle may be cited as the "Organic Products Promotion, Research, and Information Act of 2002".

SEC. 1082. DEFINITIONS.

In this subtitle:

(1) AGRICULTURAL COMMODITY.—The term "agricultural commodity" means—

(A) agricultural, horticultural, viticultural, and dairy products;

(B) livestock and the products of livestock;

(C) the products of poultry and bee raising;

(D) the products of forestry;

(E) other commodities raised or produced on farms, as determined appropriate by the Secretary; and

(F) products processed or manufactured from products specified in the preceding subparagraphs, as determined appropriate by the Secretary.

(2) BOARD.—The term "Board" means the National Organic Products Board established under section 1084(b).

(3) COMMODITY PROMOTION LAW.—The term "commodity promotion law" has the meaning given the term in section 501(a) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7401(a)).

(4) CONFLICT OF INTEREST.—The term "conflict of interest" means a situation in which a member or employee of the Board has a direct or indirect financial interest in a person that performs a service for, or enters into a contract with, the Board for anything of economic value.

(5) DEPARTMENT.—The term "Department" means the Department of Agriculture.

(6) FIRST HANDLER.—The term "first handler" means—

(A) the first person that buys or takes possession of an organic product from a producer for marketing; and

(B) in a case in which a producer markets an organic product directly to consumers, the producer.

(7) IMPORTER.—The term "importer" means any person that imports an organic product from outside the United States for sale in the United States as a principal or as an agent, broker, or consignee of any person.

(8) INFORMATION.—The term "information" means information and programs that are designed to increase—

(A) efficiency in processing; and

(B) the development of new markets, marketing strategies, increased marketing efficiency, and activities to enhance the image of organic products on a national or international basis.

(9) MARKET.—The term "market" means to sell or to otherwise dispose of an organic product in interstate, foreign, or intrastate commerce.

(10) ORDER.—The term "order" means the order issued by the Secretary under section 1083 that provides for a program of generic promotion, research, and information regarding organic products designed to—

(A) strengthen the position of organic products in the marketplace;

(B) maintain and expand existing domestic and foreign markets and uses for organic products;

(C) develop new markets and uses for organic products; or

(D) assist producers in meeting conservation objectives.

(11) ORGANICALLY PRODUCED.—The term "organically produced", with respect to an agricultural product, means produced and handled in accordance with the Organic Foods Production Act of 1990 (7 U.S.C. 6501 et seq.).

(12) ORGANIC PRODUCT.—The term "organic product" means an agricultural product that is organically produced.

(13) ORGANIC PRODUCTS INDUSTRY.—The term "organic products industry" includes nonprofit and other organizations representing the interests of producers, first handlers, and importers of organic products.

(14) PERSON.—The term "person" means any individual, group of individuals, partnership, corporation, association, cooperative, or any other legal entity.

(15) PRODUCER.—The term "producer" means any person that is engaged in the production and sale of an organic product in the United States.

(16) PROMOTION.—The term "promotion" means any action taken by the Board under the order, including paid advertising, to present a favorable image of organic products to the public to improve the competitive position of organic products in the marketplace and to stimulate sales of organic products.

(17) RESEARCH.—The term "research" means any type of test, study, or analysis designed to advance the image, desirability, use, marketability, production, product development, or quality of an organic product.

(18) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

(19) STATE.—The term "State" means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico; and

(D) any other territory or possession of the United States.

(20) SUSPEND.—The term "suspend" means to issue a rule under section 553 of title 5,

United States Code, to temporarily prevent the operation of the order during a particular period of time specified in the rule.

(21) TERMINATE.—The term "terminate" means to issue a rule under section 553 of title 5, United States Code, to cancel permanently the operation of the order beginning on a date certain specified in the rule.

(22) UNITED STATES.—The term "United States", when used in a geographical sense, means all of the States.

SEC. 1083. ISSUANCE OF ORDERS.

(a) ORDER.—

(1) IN GENERAL.—To effectuate the purpose of this subtitle, the Secretary may issue, and amend from time to time, an order applicable to—

(A) producers of organic products;

(B) the first handlers of organic products (and other persons in the marketing chain, as appropriate); and

(C) the importers of organic products.

(2) NATIONAL SCOPE.—The order shall be national in scope.

(b) PROCEDURE FOR ISSUANCE.—

(1) DEVELOPMENT OR RECEIPT OF PROPOSED ORDER.—A proposed order with respect to organic products may be—

(A) prepared by the Secretary at any time on or after January 1, 2004; or

(B) submitted to the Secretary on or after January 1, 2004 by—

(i) an association of producers of organic products; or

(ii) any other person that may be affected by the issuance of the order with respect to organic products.

(2) CONSIDERATION OF PROPOSED ORDER.—If the Secretary determines that a proposed order is consistent with and will effectuate the purpose of this subtitle, the Secretary shall—

(A) publish the proposed order in the Federal Register; and

(B) give due notice and opportunity for public comment on the proposed order.

(3) PREPARATION OF FINAL ORDER.—After notice and opportunity for public comment under paragraph (2) regarding a proposed order, the Secretary shall—

(A) take into consideration the comments received in preparing a final order; and

(B) ensure, to the maximum extent practicable, that the final order is in conformity with the terms, conditions, and requirements of this subtitle.

(c) ISSUANCE AND EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), if the Secretary determines that the order is consistent with and will effectuate the purpose of this subtitle, the Secretary shall issue the final order.

(2) EXCEPTION.—Paragraph (1) shall not apply in a case in which an initial referendum is conducted under section 1087(a).

(3) EFFECTIVE DATE.—The final order shall be issued and shall take effect not later than 270 days after the date of publication of the proposed order that was the basis for the final order.

SEC. 1084. REQUIRED TERMS IN ORDER.

(a) IN GENERAL.—The order shall contain the terms and conditions specified in this section.

(b) BOARD.—

(1) ESTABLISHMENT.—The order shall establish a National Organic Products Board to carry out a program of generic promotion, research, and information relating to organic products that effectuates the purposes of this subtitle.

(2) BOARD MEMBERSHIP.—

(A) NUMBER OF MEMBERS.—

(i) IN GENERAL.—The Board shall consist of the number of members determined by the Secretary, in consultation with the organic products industry.

(ii) ALTERNATE MEMBERS.—In addition to the members described in clause (i), the Secretary may appoint alternate members of the Board.

(B) APPOINTMENT.—

(i) IN GENERAL.—The Secretary shall appoint members of the Board (including any alternate members) from among producers, first handlers, and importers of organic products that elect to pay the assessment described in section 1086, and others in the marketing chain, as appropriate.

(ii) MEMBERS OF THE PUBLIC.—The Secretary may appoint 1 or more members of the general public to the Board.

(C) NOMINATIONS.—The Secretary may make appointments from nominations made in accordance with the method described in the order.

(D) GEOGRAPHICAL AND INDUSTRY REPRESENTATION.—To ensure fair and equitable representation of organic producers and others covered by the order, the composition of the Board shall reflect—

(i) the geographical distribution of the production of organic products in the United States;

(ii) the quantity or value of organic products covered by the order imported into the United States; and

(iii) the variations in the United States in the scale of organic production operations.

(3) REAPPORTIONMENT OF BOARD MEMBERSHIP.—In accordance with rules issued by the Secretary, at least once in each 4-year period, the Board shall—

(A) review the geographical distribution in the United States of the production of organic products in, variations in the scale of organic production operations in, and quantity or value of organic products imported into, the United States; and

(B) as necessary, recommend to the Secretary the reapportionment of the Board membership to reflect changes in that geographical distribution of production, variations in scale of organic production operations, or quantity or value imported.

(4) NOTICE.—

(A) VACANCIES.—The order shall provide for notice of Board vacancies to the organic products industry.

(B) MEETINGS.—

(i) IN GENERAL.—The Board shall provide prior notice of meetings of the Board to—

(I) the Secretary, to permit the Secretary, or a designated representative of the Secretary, to attend the meetings; and

(II) the public.

(ii) ATTENDANCE.—A meeting of the Board shall be open to the public.

(5) TERM OF OFFICE.—

(A) IN GENERAL.—The members and any alternate members of the Board shall each serve for a term of 3 years, except that the members and any alternate members initially appointed to the Board shall serve for terms of not more than 2, 3, and 4 years, as specified by the order.

(B) LIMITATION ON CONSECUTIVE TERMS.—A member or alternate member may serve not more than 2 consecutive terms.

(C) CONTINUATION OF TERM.—Notwithstanding subparagraph (B), each member or alternate member shall continue to serve until a successor is appointed by the Secretary.

(D) VACANCIES.—A vacancy arising before the expiration of a term of office of an incumbent member or alternate of the Board shall be filled in a manner provided for in the order.

(6) COMPENSATION.—

(A) IN GENERAL.—Members and any alternate members of the Board shall serve without compensation.

(B) TRAVEL EXPENSES.—If approved by the Board, members or alternate members shall be reimbursed for reasonable travel expenses, which may include a per diem allowance or actual subsistence incurred while away from their homes or regular places of business in the performance of services for the Board.

(c) POWERS AND DUTIES OF BOARD.—The order shall specify the powers and duties of the Board established under the order, including the power and duty—

(1) to administer, and collect assessments under, the order in accordance with the terms and conditions of the order;

(2) to develop and recommend to the Secretary for approval—

(A) such bylaws as are necessary for the functioning of the Board;

(B) such rules as are necessary to administer the order; and

(C) such activities as are authorized to be carried out under the order;

(3) to meet, organize, and select from among the members of the Board a chairperson, other officers, and committees and subcommittees, as the Board determines to be appropriate;

(4) to employ persons, other than the members, as the Board considers necessary to assist the Board in carrying out the duties of the Board (and to determine the compensation and specify the duties of those persons);

(5) subject to subsection (e), to develop and carry out generic promotion, research, and information activities relating to organic products;

(6) to prepare and submit for the approval of the Secretary, before the beginning of each fiscal year—

(A) rates of assessment under section 1086; and

(B) an annual budget of the anticipated expenses to be incurred in the administration of the order, including the probable cost of each promotion, research, and information activity proposed to be developed or carried out by the Board;

(7) to borrow funds necessary for the startup expenses of the order;

(8) subject to subsection (f), to enter into contracts or agreements to develop and carry out generic promotion, research, and information activities relating to organic products;

(9) to pay the cost of the activities with—

(A) assessments collected under section 1086;

(B) earnings from invested assessments; and

(C) other funds;

(10)(A) to keep records that accurately reflect the actions and transactions of the Board;

(B) to keep and report minutes of each meeting of the Board to the Secretary; and

(C) to furnish the Secretary with any information or records the Secretary requests;

(11) to receive, investigate, and report to the Secretary complaints of violations of the order; and

(12) after providing public notice and an opportunity to comment, to recommend to the Secretary such amendments to the order as the Board considers appropriate.

(d) PROHIBITED ACTIVITIES.—The Board may not engage in, and shall prohibit the employees and agents of the Board from engaging in—

(1) any action that would be a conflict of interest;

(2) using funds collected by the Board under the order, any action carried out for the purpose of influencing any legislation or governmental action or policy (other than recommending to the Secretary amendments to the order); and

(3) any advertising (including promotion, research, and information activities authorized to be carried out under the order) that may be false or misleading or disparaging to another agricultural commodity.

(e) Activities and Budgets.—

(1) Activities.—The order shall require the Board established under the order to submit to the Secretary for approval plans and projects for promotion, research, or information relating to organic products.

(2) Budgets.—

(A) Submission to secretary.—

(i) In general.—The order shall require the Board established under the order to submit to the Secretary for approval a budget of the anticipated annual expenses and disbursements of the Board to be paid to administer the order.

(ii) Submission.—The budget shall be submitted—

(I) before the beginning of a fiscal year; and

(II) as frequently as is necessary after the beginning of the fiscal year.

(B) Reimbursement of secretary.—The order shall require that the Secretary be reimbursed for all expenses incurred by the Secretary in the implementation, administration, and supervision of the order.

(3) Incurring expenses.—The Board may incur the expenses described in paragraph (2) and other expenses for the administration, maintenance, and functioning of the Board as authorized by the Secretary.

(4) Payment of expenses.—

(A) In general.—Expenses incurred under paragraph (3) shall be paid by the Board using—

(i) assessments collected under section 1086;

(ii) earnings obtained from assessments; and

(iii) other income of the Board.

(B) Borrowed funds.—Any funds borrowed by the Board shall be expended only for startup costs and capital outlays.

(5) Limitation on spending.—For fiscal years beginning 3 or more years after the date of the establishment of the Board, the Board may not expend for administration (except for reimbursements to the Secretary required under paragraph (2)(B)), maintenance, and functioning of the Board in a fiscal year an amount that exceeds 15 percent of the assessment and other income received by the Board for the fiscal year.

(f) Contracts and Agreements.—

(1) In general.—The order shall provide that, with the approval of the Secretary, the Board established under the order may—

(A) enter into contracts and agreements to carry out generic promotion, research, and information activities relating to organic products, including contracts and agreements with producer associations or other entities as considered appropriate by the Secretary; and

(B) pay the cost of approved generic promotion, research, and information activities using—

(i) assessments collected under section 1086;

(ii) earnings obtained from assessments; and

(iii) other income of the Board.

(2) Requirements.—Each contract or agreement shall provide that any person that enters into the contract or agreement with the Board shall—

(A) develop and submit to the Board a proposed activity together with a budget that specifies the cost to be incurred to carry out the activity;

(B) keep accurate records of all of transactions of the person relating to the contract or agreement;

(C) account for funds received and expended in connection with the contract or agreement;

(D) make periodic reports to the Board of activities conducted under the contract or agreement; and

(E) make such other reports as the Board or the Secretary considers relevant.

(g) Records of Board.—

(1) In general.—The order shall require the Board—

(A)(i) to maintain such records as the Secretary may require; and

(ii) to make the records available to the Secretary for inspection and audit;

(B) to collect and submit to the Secretary, at any time the Secretary may specify, any information the Secretary may request;

(C) to account for the receipt and disbursement of all funds in the possession, or under the control, of the Board; and

(D) to make public to the participants in the order the minutes of Board meetings and actions of the Board.

(2) Audits.—The order shall require the Board to have—

(A) its records audited by an independent auditor at the end of each fiscal year; and

(B) a report of the audit submitted directly to the Secretary.

(h) Periodic Evaluation.—

(1) In general.—In accordance with section 501(c) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7401(c)), the order shall require the Board to provide for the independent evaluation of all generic promotion, research, and information activities carried out under the order.

(2) Results.—The results of an evaluation described in paragraph (1), with any confidential business information expunged, shall be made available for public review by producers, first handlers, importers, and other participants in the order.

(3) Conforming amendment.—Section 501(a) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7401(a)) is amended—

(A) in paragraph (17), by striking "or" at the end;

(B) in paragraph (18), by striking the period at the end and inserting "; or"; and

(C) by adding at the end the following:

"(19) section 1084(h) of the Organic Products Promotion, Research, and Information Act of 2002.".

(i) Books and Records of Persons Covered by Order.—

(1) In general.—The order shall require that producers, first handlers and other persons in the marketing chain, as appropriate, and importers covered by the order shall—

(A) maintain records sufficient to ensure compliance with the order and regulations;

(B) submit to the Board any information required by the Board to carry out the responsibilities of the Board under the order; and

(C) make the records described in subparagraph (A) available, during normal business hours, for inspection by employees or agents of the Board or the Department, including any records necessary to verify information required under subparagraph (B).

(2) Time requirement.—Any record required to be maintained under paragraph (1) shall be maintained for such time period as the Secretary may prescribe.

(3) Other information.—The Secretary may use, and may authorize the Board to use under this subtitle, information regarding persons subject to the order that is collected by the Department under any other law.

(4) Confidentiality of information.—

(A) In general.—Except as otherwise provided in this subtitle, all information obtained under paragraph (1) or as part of a referendum under section 1087 shall be kept confidential by all officers, employees, and agents of the Department and of the Board.

(B) Disclosure.—Information referred to in subparagraph (A) may be disclosed only if—

(i) the Secretary considers the information relevant; and

(ii) the information is revealed in a judicial proceeding or administrative hearing—

(I) brought at the direction or on the request of the Secretary; or

(II) to which the Secretary or any officer of the Department is a party.

(C) Other exceptions.—This paragraph shall not prohibit—

(i) the issuance of general statements based on reports or on information relating to a number of persons subject to the order if the statements do not identify the information furnished by any person; or

(ii) the publication, by direction of the Secretary, of—

(I) the name of any person violating any order; and

(II) a statement of the particular provisions of the order violated by the person.

(D) Penalty.—Any person that willfully violates this subsection shall be subject, on conviction, to a fine of not more than $1,000 or to imprisonment for not more than 1 year, or both.

(5) Withholding information.—This subsection shall not authorize the withholding of information from Congress.

SEC. 1085. PERMISSIVE TERMS IN ORDER.

(a) Exemptions.—The order may contain—

(1) authority for the Secretary to exempt from the order any de minimis quantity of organic products otherwise covered by the order; and

(2) authority for the Board to require satisfactory safeguards against improper use of the exemption.

(b) Different Payment and Reporting Schedules.—The order may contain authority for the Board to designate different payment and reporting schedules to recognize differences in organic product industry marketing practices and procedures used in different production and importing areas.

(c) Activities.—

(1) In general.—The order may contain authority to develop and carry out research, promotion, and information activities designed to expand, improve, or make more efficient the marketing or use of organic products in domestic and foreign markets.

(2) Applicable authority.—Section 1084(e) shall apply with respect to activities authorized under this subsection.

(d) Reserve Funds.—The order may contain authority to reserve funds from assessments collected under section 1086 to permit an effective and continuous coordinated program of research, promotion, and information in years in which the yield from assessments may be reduced, except that the amount of funds reserved may not exceed the greatest aggregate amount of the anticipated disbursements specified in budgets approved under section 1084(e) by the Secretary for any 2 fiscal years.

(e) Generic Activities.—The order may contain authority to provide credits of assessments in accordance with section 1086(d) for those individuals that contribute to other similar generic research, promotion, and information programs at the State, regional, or local level.

(f) Other Authority.—The order may contain authority to take any other action that—

(1) is not inconsistent with the purpose of this subtitle, any term or condition specified in section 1084, or any rule issued to carry out this subtitle; and

(2) is necessary to administer the order.

SEC. 1086. ASSESSMENTS.

(a) In General.—A producer, first handler, or importer of an organic product may elect to pay an assessment under the order.

(b) Payment.—If a first handler or importer of an organic product elects to pay an assessment, the assessment shall be, as appropriate—

(1) paid by first handlers with respect to the organic product produced and marketed in the United States; and

(2) paid by importers with respect to the organic product imported into the United States, if the imported organic product is covered by the order under section 1085(f).

(c) Collection.—Any assessment collected under the order shall be remitted to the Board at the time and in the manner prescribed by the order.

(d) Limitation on Assessments.—Not more than 1 assessment may be collected on a first handler or importer under subsection (a) with respect to any organic product.

(e) Investment of Assessments.—Pending disbursement of assessments under a budget approved by the Secretary, the Board may invest assessments collected under this section in—

(1) obligations of the United States or any agency of the United States;

(2) general obligations of any State or any political subdivision of a State;

(3) interest-bearing accounts or certificates of deposit of financial institutions that are members of the Federal Reserve System; or

(4) obligations fully guaranteed as to principal and interest by the United States.

(f) Credits.—Notwithstanding any other provision of law or any order issued under any commodity promotion law, the Secretary shall permit a producer, first handler, or importer of an organic product that pays an assessment to the Board to receive a credit for the assessment against any assessment that would otherwise be paid by the producer, first handler, or importer under an order issued under another commodity promotion law.

SEC. 1087. REFERENDA.

(a) Initial Referendum.—

(1) In general.—For the purpose of ascertaining whether the persons to be covered by the order favor the order going into effect, the Secretary shall conduct an initial referendum among persons that, during a representative period determined by the Secretary, engaged in—

(A) the production or handling of organic products; or

(B) the importation of organic products.

(2) Procedure.—The results of the referendum shall be determined in accordance with subsection (e).

(b) Subsequent Referendum.—Not later than 3 years after the date on which assessments were first carried out under the order, and at least once every 4 years thereafter, for the purpose of ascertaining whether the persons covered by the order favor the continuation, suspension, or termination of the order, the Secretary shall conduct a referendum among persons that, during a representative period determined by the Secretary, have engaged in—

(1) the production or handling of organic products; or

(2) the importation of organic products.

(c) Additional Referenda.—For the purpose of ascertaining whether persons covered by the order favor the continuation, suspension, or termination of the order, the Secretary shall conduct additional referenda—

(1) at the request of the Board; or

(2) at the request of 10 percent or more of the number of persons eligible to vote under subsection (b).

(d) Optional Referenda.—The Secretary may conduct a referendum at any time to determine whether the continuation, suspension, or termination of the order or a provision of the order is favored by persons eligible to vote under subsection (b).

(e) Approval of Order.—The order may provide for the approval of the order in a referendum by a majority of persons voting in the referendum.

(f) Manner of Conducting Referenda.—

(1) In general.—A referendum conducted under this section shall be conducted in the manner determined by the Secretary to be appropriate.

(2) Advance registration.—If the Secretary determines that an advance registration of eligible voters in a referendum is necessary before the voting period to facilitate the conduct of the referendum, the Secretary may institute the advance registration procedures—

(A) by mail;

(B) in person through the use of national and local offices of the Department; or

(C) by such other means as may be prescribed by the Secretary.

(3) Voting.—Eligible voters may vote in the referendum—

(A) by mail ballot;

(B) in person; or

(C) by such other means as may be prescribed by the Secretary.

(4) Notice.—

(A) In general.—Not later than 30 days before the date on which a referendum is conducted under this section with respect to the order, the Secretary shall notify the organic product industry, in such manner as determined to be appropriate by the Secretary, of the period during which voting in the referendum will occur.

(B) Contents.—The notice shall explain any registration and voting procedures established under this subsection.

(g) Results of Referenda.—The results of referenda conducted under this section shall be made available to the public.

SEC. 1088. PETITION AND REVIEW OF ORDERS.

(a) Petition.—

(1) In general.—A person subject to the order may file with the Secretary a petition—

(A) stating that the order, any provision of the order, or any obligation imposed in connection with the order, is not established in accordance with law; and

(B) requesting a modification of the order or an exemption from the order.

(2) Hearing.—The Secretary shall give the petitioner an opportunity for a hearing on the petition, in accordance with regulations promulgated by the Secretary.

(3) Ruling.—

(A) In general.—After the hearing, the Secretary shall make a ruling on the petition.

(B) Finality.—The ruling shall be final, subject to review in accordance with subsection (b).

(4) Limitation on petition.—Any petition filed under this subsection challenging the order, any provision of the order, or any obligation imposed in connection with the order, shall be filed not later than 2 years after the effective date of the order, provision, or obligation subject to challenge in the petition.

(b) Review.—

(1) Commencement of action.—The district court of the United States for any district in which a person that is a petitioner under subsection (a) resides or carries on business shall have jurisdiction to review the final ruling on the petition of the person, if a complaint for that purpose is filed not later than 20 days after the date of the entry of the final ruling by the Secretary under subsection (a)(3).

(2) Process.—Service of process in a proceeding may be made on the Secretary by delivering a copy of the complaint to the Secretary.

(3) Remands.—If the court determines that the ruling is not in accordance with law, the court shall remand the matter to the Secretary with directions—

(A) to make such ruling as the court determines to be in accordance with law; or

(B) to take such further action as, in the opinion of the court, the law requires.

(c) Effect on Enforcement Proceedings.—The pendency of a petition filed under subsection (a) or an action commenced under subsection (b) shall not operate as a stay of any action authorized by section 1089 to be taken to enforce this subtitle, including any rule, order, or penalty in effect under this subtitle.

SEC. 1089. ENFORCEMENT.

(a) Jurisdiction.—The district courts of the United States shall have jurisdiction specifically to enforce, and to prevent and restrain a person from violating, the order issued, or any regulation promulgated, under this subtitle.

(b) Referral to Attorney General.—A civil action authorized to be brought under this section shall be referred to the Attorney General for appropriate action, except that the Secretary shall not be required to refer to the Attorney General a violation of this subtitle if the Secretary believes that the administration and enforcement of this subtitle would be adequately served by—

(1) providing a suitable written notice or warning to the person that committed the violation; or

(2) conducting an administrative action under this section.

(c) Civil Penalties and Orders.—

(1) Civil penalties.—A person that willfully violates the order or regulation promulgated by the Secretary under this subtitle may be assessed by the Secretary a civil penalty of not less than $1,000 and not more than $10,000 for each violation.

(2) Separate offense.—Each violation and each day during which there is a failure to comply with the order, or with any regulation promulgated by the Secretary, shall be considered to be a separate offense.

(3) Cease-and-desist orders.—In addition to, or in lieu of, a civil penalty, the Secretary issue an order requiring a person to cease and desist from violating—

(A) the order; or

(B) any regulation promulgated under this subtitle.

(4) Notice and hearing.—No order assessing a penalty or cease-and-desist order may be issued by the Secretary under this subsection unless the Secretary provides notice

and an opportunity for a hearing on the record with respect to the violation.

(5) Finality.—An order assessing a penalty, or a cease-and-desist order issued under this subsection by the Secretary, shall be final and conclusive unless the person against whom the order is issued files an appeal from the order with the United States court of appeals, as provided in subsection (d).

(d) Review by Court of Appeals.—

(1) In general.—A person against whom an order is issued under subsection (c) may obtain review of the order by—

(A) filing, not later than 30 days after the person receives notice of the order, a notice of appeal in—

(i) the United States court of appeals for the circuit in which the person resides or carries on business; or

(ii) the United States Court of Appeals for the District of Columbia Circuit; and

(B) simultaneously sending a copy of the notice of appeal by certified mail to the Secretary.

(2) Record.—The Secretary shall file with the court a certified copy of the record on which the Secretary has determined that the person has committed a violation.

(3) Standard of review.—A finding of the Secretary under this section shall be set aside only if the finding is found to be unsupported by substantial evidence on the record.

(e) Failure To Obey Cease-And-Desist Orders.—

(1) In general.—A person that fails to obey a valid cease-and-desist order issued by the Secretary under this section, after an opportunity for a hearing, shall be subject to a civil penalty assessed by the Secretary of not less than $1,000 and not more than $10,000 for each offense.

(2) Separate violations.—Each day during which the failure continues shall be considered to be a separate violation of the cease-and-desist order.

(f) Failure To Pay Penalties.—

(1) In general.—If a person fails to pay a civil penalty imposed under this section by the Secretary, the Secretary shall refer the matter to the Attorney General for recovery of the amount assessed in the district court of the United States for any district in which the person resides or carries on business.

(2) Reviewability.—In the action, the validity and appropriateness of the order imposing the civil penalty shall not be subject to review.

(g) Additional Remedies.—The remedies provided in this section shall be in addition to, and not exclusive of, other remedies that may be available.

SEC. 1090. INVESTIGATIONS AND POWER TO SUBPOENA.

(a) Investigations.—The Secretary may make such investigations as the Secretary considers necessary—

(1) for the effective administration of this subtitle; or

(2) to determine whether any person subject to this subtitle has engaged, or is about to engage, in any action that constitutes or will constitute a violation of this subtitle or any order or regulation issued under this subtitle.

(b) Subpoenas, Oaths, and Affirmations.—

(1) In general.—For the purpose of any investigation under subsection (a), the Secretary may administer oaths and affirmations, subpoena witnesses, compel the attendance of witnesses, take evidence, and require the production of any records or documents that are relevant to the inquiry.

(2) Scope.—The attendance of witnesses and the production of records or documents may be required from any place in the United States.

(c) Aid of Courts.—

(1) In general.—In the case of contumacy by, or refusal to obey a subpoena issued to, any person, the Secretary may invoke the aid of any court of the United States within the jurisdiction of which the investigation or proceeding is carried on, or where the person resides or carries on business, in order to require the attendance and testimony of the person or the production of records or documents.

(2) Action by court.—The court may issue an order requiring the person to appear before the Secretary to produce records or documents or to give testimony regarding the matter under investigation.

(d) Contempt.—Any failure to obey the order of the court may be punished by the court as a contempt of the court.

(e) Process.—Process in any case under this section may be served—

(1) in the judicial district in which the person resides or carries on business; or

(2) wherever the person may be found.

SEC. 1091. SUSPENSION OR TERMINATION.

(a) Mandatory Suspension or Termination.—The Secretary shall suspend or terminate an order or a provision of an order if the Secretary determines that—

(1) an order or a provision of an order obstructs or does not tend to effectuate the purpose of this subtitle; or

(2) an order or a provision of an order is not favored by persons voting in a referendum conducted under section 1087.

(b) Implementation of Suspension or Termination.—If, as a result of a referendum conducted under section 1087, the Secretary determines that an order is not approved, the Secretary shall—

(1) not later than 180 days after making the determination, suspend or terminate, as the case may be, collection of assessments under the order; and

(2) as soon as practicable, suspend or terminate, as the case may be, activities under the order in an orderly manner.

SEC. 1092. AMENDMENTS TO ORDERS.

The provisions of this subtitle applicable to an order shall be applicable to any amendment to an order, except that section 1087 shall not apply to an amendment.

SEC. 1093. EFFECT ON OTHER LAWS.

Except as otherwise expressly provided in this subtitle, this subtitle shall not affect or preempt any other Federal or State law authorizing promotion or research relating to an organic product.

SEC. 1094. REGULATIONS.

The Secretary may promulgate such regulations as are necessary to carry out this subtitle and the power vested in the Secretary under this subtitle.

SEC. 1095. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—There are authorized to be appropriated such sums as are necessary to carry out this subtitle.

(b) Limitation on Expenditures for Administrative Expenses.—Funds made available to carry out this subtitle may not be expended for the payment of expenses incurred by the Board to administer the order.

Subtitle E—Administration

SA 2835. Mr. CRAIG proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. 1022. STUDY OF PROPOSAL TO PROHIBIT PACKERS FROM OWNING, FEEDING, OR CONTROLLING LIVESTOCK.

(a) In General.—Not later than 270 days after the date of enactment of this Act, the Secretary of Agriculture shall complete a study to determine the impact that prohibiting packers described in subsection (b) from owning, feeding, or controlling livestock intended for slaughter more than 14 days prior to slaughter would have on—

(1) livestock producers that market under contract, grid, basis contract, or forward contract;

(2) rural communities and employees of commercial feedlots associated with a packer;

(3) private or cooperative joint ventures in packing facilities;

(4) livestock producers that market feeder livestock to feedlots owned or controlled by packers;

(5) the market price for livestock (both cash and future prices);

(6) the ability of livestock producers to obtain credit from commercial sources;

(7) specialized programs for marketing specific cuts of meat;

(8) the ability of the United States to compete in international livestock markets; and

(9) future investment decisions by packers and the potential location of new livestock packing operations.

(b) Packers.—The packers referred to in subsection (a) are packers that slaughter more than 2 percent of the slaughter of a particular type of livestock slaughter in the United States in any year.

(c) Consideration.—In conducting the study under subsection (a), the Secretary of Agriculture shall—

(1) consider the legal conditions that have existed in the past regarding the feeding by packers of livestock intended for slaughter; and

(2) determine the impact of those legal conditions.

(d) Effective of Other Provision.—The section entitled

PROHIBITION ON PACKERS OWNING, FEEDING, OR CONTROLLING LIVESTOCK.

amending section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), shall have no effect.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Thursday, February 7, 2002, at 9:30 a.m., in open and closed session to receive testimony on the Conduct of Operation Enduring Freedom.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the

Senate on Thursday, February 7, 2002, at 4:30 p.m. in executive session to meet with members of the United Kingdom's House of Commons Defence Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, February 7, 2002, at 10 a.m., to conduct an oversight hearing on "Analysis of the Failure of Superior Bank, FSB, Hinsdale, Illinois."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 7, 2002, at 10:45 p.m., to hold a hearing titled, "What's Next in the War on Terrorism."

Agenda

Witnesses: Mr. Samuel R. Berger, Former National Security Advisor, Washington, DC; Gen. George A. Joulwan (Ret.), Former NATO Supreme Allied Commander, Arlington, VA; and Mr. William Kristol, Editor, The Weekly Standard, Chairman, Project for the New American Century, McLean, VA.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Thursday, February 7, 2002, at 10:30 a.m., to hold a hearing entitled "S. 1867, a Bill To Establish the National Commission on Terrorist Attacks Upon the United States."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on "Protecting America's Pensions: Lessons From the Enron Debacle," during the session of the Senate on Thursday, February 7, 2002, at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Thursday, February 7, 2002, at 10 a.m., in room 485, Russell Senate Building to conduct an oversight hearing on legislative proposals relating to the statute of limitations on claims against the United States related to the management of Indian tribal trust fund accounts.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DORGAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, February 7, 2002, at 10 a.m., in SD226.

Agenda

Nominations

Michael Melloy, of Iowa, to be U.S. Court of Appeals Judge for the Eighth Circuit; Robert Blackburn to be U.S. District Court Judge for the District of Colorado; David L. Bunning to be U.S. District Court Judge for the Eastern District of Kentucky; James Gritzner to be U.S. District Court Judge for the Southern District of Iowa; Cindy Jorgenson to be U.S. District Court Judge for the District of Arizona; Richard Leon to be U.S. District Court Judge for the District of Columbia; and Jay Zainey to be U.S. District Court Judge for the Eastern District of Louisiana.

To Be United States Attorney: Thomas P. Colantuono for the District of New Hampshire and James K. Vines for the Middle District of Tennessee.

To Be United States Marshal: James D. Dawson for the Southern District of West Virginia; Brian Michael Ennis for the District of Nebraska; Nehemiah Flowers for the Southern District of Mississippi, Arthur Jeffrey Hedden for the Eastern District of Tennessee; Johnny Lewis Hughes for the District of Maryland; William C. Jenkins for the Middle District of Louisiana; Randy Merlin Johnson for the District of Alaska; David Glenn Jolley for the Western District of Tennessee; Chester Martin Keely for the Northern District of Alabama; John William Loyd for the Eastern District of Oklahoma; Ronald R. McCubbin for the Western District of Kentucky; David R. Murtaugh for the Western District of Indiana; Michael Wade Roach for the Western District of Oklahoma; Eric Eugene Robertson for the Western District of Washington; David Donald Viles for the District of Maine; and Larry Wade Wagster for the Northern District of Mississippi.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DORGAN. Mr. President, I ask unanimous consent the Committee on the Judiciary be authorized to meet to conduct a hearing on "The Nomination of Charles W. Pickering to be U.S. Court of Appeals Judge for the Fifth Circuit," on Thursday, February 7, 2002 at 2 p.m., in Dirksen room 226 or, if possible, Hart room 216.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DORGAN. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, February 7, 2002 at 3 p.m. to hold a closed business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mrs. LINCOLN. I ask unanimous consent that Dr. Phillip Owens, a fellow from my staff who is from Aurora, AR, be granted the privilege of the floor during the remainder of the farm debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

RADIO FREE AFGHANISTAN ACT

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 293, S. 1779.

The ACTING PRESIDENT pro tempore. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1779) to authorize the establishment of "Radio Free Afghanistan," and for other purposes.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations, with an amendment to insert the part printed in italic.

S. 1779

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Radio Free Afghanistan Act".

SEC. 2. ESTABLISHMENT OF RADIO FREE AFGHANISTAN.

(a) REQUIREMENT OF A DETAILED PLAN.—Not later than 15 days after the date of enactment of this Act, RFE/RL, Incorporated, shall submit to the Broadcasting Board of Governors a report setting forth a detailed plan for the provision by RFE/RL, Incorporated, of surrogate broadcasting services in the Dari and Pashto languages to Afghanistan. Such broadcasting services shall be known as "Radio Free Afghanistan".

(b) GRANT AUTHORITY.—

(1) IN GENERAL.—Effective 15 days after the date of enactment of this Act, or the date on which the report required by subsection (a) is submitted, whichever is later, the Broadcasting Board of Governors is authorized to make grants to support Radio Free Afghanistan.

(2) SUPERSEDES EXISTING LIMITATION ON TOTAL ANNUAL GRANT AMOUNTS.—Grants made to RFE/RL, Incorporated, during the fiscal year 2002 for support of Radio Free Afghanistan may be made without regard to section 308(c) of the United States International Broadcasting Act of 1994 (22 U.S.C. 6207(c)).

(c) AVAILABLE AUTHORITIES.—In addition to the authorities in this Act, the authorities applicable to carry out United States Government broadcasting activities under the United States Information and Educational Exchange Act of 1948, the United States International Broadcasting Act of 1994, the Foreign Affairs Reform and Restructuring Act of 1998, and other provisions of law consistent with such purpose may be used to carry out the grant authority of subsection (b).

(d) Standards; Oversight.—Radio Free Afghanistan shall adhere to the same standards of professionalism and accountability, and shall be subject to the same oversight mechanisms, as other services of RFE/RL, Incorporated.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—In addition to such amounts as are otherwise available for such purposes, the following amounts are authorized to be appropriated to carry out United States Government broadcasting activities under the United States Information and Educational Exchange Act of 1948, the United States International Broadcasting Act of 1994, the Foreign Affairs Reform and Restructuring Act of 1998, and this Act, and to carry out other authorities in law consistent with such purposes:

(1) For "International Broadcasting Operations", $8,000,000 for the fiscal year 2002.

(2) For "Broadcasting Capital Improvements", $9,000,000 for the fiscal year 2002.

(b) Availability of Funds.—Amounts appropriated pursuant to subsection (a) are authorized to remain available until expended.

SEC. 4. REPEAL OF BAN ON UNITED STATES TRANSMITTER IN KUWAIT.

Section 226 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236; 108 Stat. 423), is repealed.

Mr. REID. Mr. President, I ask unanimous consent that the committee amendment be agreed to and the bill, as amended, be read a third time; the Foreign Relations Committee be discharged from further consideration of H.R. 2998 and that the Senate turn to its immediate consideration; that all after the enacting clause be stricken; the text of S. 1779, as amended, be inserted in lieu thereof, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, that any statements related thereto be printed in the Record, and that S. 1779 be returned to the calendar.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The committee amendment was agreed to.

The bill (H.R. 2998), as amended, was read the third time and passed.

ORDERS FOR FRIDAY, FEBRUARY 8, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. tomorrow, Friday, February 8; that following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of S. 1731.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. REID. Mr. President, as indicated, we do have a list of finite amendments. As a result of that agreement, there will be no rollcall votes tomorrow. However, there will be amendments offered. We have a tentative list of individuals who will offer amendments tomorrow. It should go into the early afternoon. The next rollcall vote will occur Monday at about 5:45 p.m.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:21 p.m., adjourned until Friday, February 8, 2002, at 9:30 a.m.

EXTENSIONS OF REMARKS

RECOGNIZING THE 91ST BIRTHDAY OF RONALD REAGAN

SPEECH OF

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. GILMAN. Mr. Speaker, today marks the 91st birthday of our fortieth President of the United States, Ronald Reagan.

Born in Tampico, Illinois, Ronald Reagan, a 1932 graduate of Eureka College, appeared in a total of 53 movies, his best roles being in Brother Rat (1938), Dark Victory (1939), and Kings Row (1941), and served as President of the Screen Actor's Guild.

During World War II, he made training films for the Air Force and served as a spokesman for the General Electric Company from 1952 to 1962, hosting and occasionally acting on the television series, General Electric Theater. From 1962 to 1965 he served as the host of the television series Death Valley Days.

Shifting from his Democratic Party affiliation, Reagan moved into Republican politics and emerged during the 1964 presidential election as a Goldwater Conservative. In 1966, he was elected governor of California, serving two terms from 1967 to 1975, successfully carrying out a generally conservative agenda. Although he failed in bids for the Republican presidential nomination in 1968 and 1976, in 1980, Reagan easily beat Jimmy Carter in the election with promises of reducing taxes and government regulation while building up the military. Four years later, he defeated Walter Mondale by a landslide, confirming the success of his first term in office.

In 1981, Reagan was shot and wounded in an assassination attempt by a mentally disturbed man, John Hinckley Jr. While in office from 1981 to 1989, Reagan fulfilled his political and economic promises, including the signing of a Social Security reform bill that aimed at a long-term strengthening of the system. In foreign affairs, he was dedicated to freedom and democracy and adamently opposed to the U.S.S.R. and communism everywhere. His commitment to a bringing an end to the "evil empire" significantly contributed to the collapse of the Soviet Union in 1991.

In recent years, the publication of new material—including the love letters written by the President to his wife, and the radio addresses which he delivered from 1977 until 1980—have led to a long overdue reassessment of our 40th President by historians and by the general public. Ronald Reagan's vision and leadership helped bring about a better nation and a better world, and it is long overdue that he received appropriate credit for his contributions.

Americans across the nation have long held President Reagan in high regard, and he became known for his skill at inspiring his audience. He was eloquent and effectively expressed his philosophies to all people. He united our nation after what many considered the most turbulent time in history, and in times of tragedy, such as the Challenger explosion, his words of sympathy and consolation eased the grief of our nation.

President Reagan's skills as "the great communicator" may have obscured the fact that he was a genuine visionary. When President Reagan took office, America and the Soviet Union held the world under a sword of Damocles, with the threat of nuclear war never far from our minds. President Reagan fully grasped the most valuable of all lessons of history—the lesson that negotiations are futile if we do not go to the bargaining table from a position of strength.

Though President Reagan faced challenges at home from many who disagreed with this belief, he never wavered. The fruit of his efforts, the 1988 Arms Control Treaty, heralded our final victory in the Cold War, and ushered in the era of "Pax Americana."

Today, President Reagan faces the most serious fight of his life as he battles against Alzheimer's disease. May his family receive some solace and strength from the knowledge that his friends and admirers, including those of us in this chamber, always keep in our thoughts and prayers, the "Gipper".

His birthday today is a reminder to all of us of just how precious life is, and an appropriate time to commemorate the genuine contributions of this great American hero.

Mr. Speaker, I am honored to associate my name with these legislative initiatives which honor one of the great Americans of the 20th century, our 40th President, Ronald Reagan.

IN SUPPORT OF S–CHIP COVERAGE FOR UNBORN CHILDREN

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. SCHAFFER. Mr. Speaker, I rise today to commend the Bush Administration and Secretary of Health and Human Services Tommy Thompson for the recently proposed rule to expand the State Children's Health Insurance Program (S–CHIP) to cover health care for low-income pregnant women and their unborn children. The Department's action is consistent with the intent of the S–CHIP program, which is to ensure low-income children who do not qualify for Medicaid receive health care coverage.

Research demonstrates the direct correlation between the health of children and the quality of prenatal care during their mother's pregnancy. Therefore, it is vital to the health of young children for us to care for them before they are born in order to give them a healthy start in life.

Many states have already obtained waivers from the Department of Health and Human Services to include pregnant mothers in S–CHIP health coverage. My own state of Colorado is currently debating this issue in the General Assembly, and it appears a bill to expand coverage may pass and be signed into law shortly. I applaud Governor Bill Owens' leadership on this legislation.

Under curent S–CHIP regulations, Colorado would have to seek a waiver from HHS to cover prenatal health care. The newly proposed S–CHIP rule would eliminate any delays Colorado and other states might encounter in their efforts to obtain a waiver by simply granting all states the ability to cover prenatal care under S–CHIP. I urge Secretary Thompson to act quickly to enact the new rule.

In Colorado, approximately 3,400 pregnant mothers and their unborn children would qualify for S–CHIP under the new proposed rule. These uninsured mothers are within the 134–185 percent range of the federal poverty level, thus making them ineligible for Medicaid. Without health insurance, it is highly likely these women would never receive adequate prenatal care, thus placing their baby at risk for potential health problems and complications at birth.

Including both the mothers and their babies, the new S–CHIP rule would essentially be providing health care for 6,800 individuals in Colorado alone. Once the babies are born, they are immediately eligible for continued health coverage under S–CHIP. It only makes sense to extend appropriate health care to the baby while still in the womb. There should be no differentiation between the child prior to birth and just after birth as some liberal pro-abortion groups are notorious for doing.

Mr. Speaker, I would like to briefly address some of the incredulous arguments being made against the new S–CHIP rule by just those people who classify a "fetus" as somehow less of a person from a newborn baby. I find it hypocritical for anyone to oppose extending health coverage to the unborn child on the grounds it should only be extended to pregnant women. It is absolutely ridiculous to separate the life of the unborn baby from the life of the mother in regard to expanding health care coverage. The baby is wholly dependent on the mother. Thus, taking into consideration the S–CHIP focus on health care for children, it is completely within the scope of the S–CHIP program to extend coverage to the unborn child, and by doing so, the mother, as well.

Mr. Speaker, thank you for allowing me this time to discuss the newly proposed S–CHIP rule and the great effects it will have on women and babies across this country. Many states, including Colorado, are already seeking to extend S–CHIP coverage to unborn babies, so I urge Secretary Thompson to enact this broad and bipartisan rule quickly. There is no good reason to oppose it.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

VALLEJO FIGHTING BACK PARTNERSHIP

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. GEORGE MILLER of California. Mr. Speaker, I rise today to invite my colleagues to join me in recognizing Vallejo Fighting Back Partnership's selection as the 2001 Outstanding Coalition Award by CADCA (Community Anti-Drug Coalitions of America).

In the late 1980s, residents of Vallejo, California, became concerned about the city's growing crime rate—a problem blamed mainly on the prevalence of drug and alcohol use in the community. In 1988, city officials began to examine programs and strategies that would help reduce drug and alcohol use, including the Robert Wood Johnson Foundation's plan to start more than a dozen Fighting Back Partnership coalitions across the nation. The coalitions, which would be established in mid-sized communities to reduce the demand for drugs and alcohol, were going to be given funding for a two-year planning period, followed by a $3 million grant to carry out a five-year strategic plan.

Although more than 400 communities sent in applications to start a Fighting Back coalition, in 1989 Vallejo emerged as one of the original 14 sites. One of the pivotal moments in Fighting Back's history occurred in the mid-1990s when the coalition—with the help of its partners—developed a sophisticated five-year strategic plan that focused on substance abuse reduction in relation to three areas: neighborhoods, treatment and youth. Fighting Back's primary goals in each area were—and still are—as follows: Revitalize neighborhoods that have deteriorated because of alcohol and drug-related crime and violence; increase the availability for treatment, especially for those with no money or health insurance; work with schools and organizations to reduce the demand and availability of tobacco, alcohol and other harmful substances among youth.

To date, there are several indicators that Fighting Back has made significant progress in achieving its goals. In 1997, the Robert Wood Johnson extended the coalition's funding for another five years—an unprecedented move by the foundation at the time. Meanwhile, recent community reports and surveys show across-the-board reductions in neighborhood crime and drug use in Vallejo. Furthermore, the number of residents in certified treatment facilities has increased from 690 to 729, according to the latest statistics available. To date, more than 30 organizations and thousands of individuals have partnered with Fighting Back to develop strategies, aimed at reducing substance abuse in Vallejo. Generally speaking, Fighting Back serves as a neutral convener as opposed to a service provider—especially in the areas of substance abuse treatment and counseling. More than anything, Fighting Back exists because of its many partners. The coalition, which could be described as a vehicle for collaboration, is grateful for the large contingent of partnering agencies and individuals who help create and carry out strategies in the community. In fact, Fighting Back's good standing in the community is evident by the vast number of agencies and individuals who are willing to partner with the coalition on an ongoing basis. Fighting Back's partners include individuals and agencies in the field of healthcare, law enforcement, community service (churches, neighborhood volunteers, etc.), public education, substance abuse treatment, and public and private businesses.

I know I speak for all the members when I congratulate Vallejo Fighting Back Partnership for its effective efforts to reduce substance abuse and for its selection as the 2001 Coalition of the Year by the Community Anti-Drug Coalitions of America.

AMERICA MUST RETURN TO ITS HISTORIC ROLE AS NATION OF HOPE

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. HILLIARD. Mr. Speaker, I rise to address the needs of the poor in America. We have distorted the meaning and purpose of our programs for the poor—our purpose should not be to get people off of public assistance, but to assist them in becoming economically secure and self-sufficient. When they become self-sufficient, they will be off the roles and make an economic contribution to American society. In this way, they pay us back for their opportunity.

At present, the measurement of TANF is in the number of people removed from the welfare roles—it should be the number of people who have been trained and have become self-sufficient. Any other measure is not only inadequate, but self-defeating.

I have long said that education is the key to the future, and TANF absolutely must accept education as an allowable work activity. Participation in educational training should "stop the clock" on expiration of benefits, because the jobs they would get in the future would pay society back many times.

America must return to its historic role as the nation of hope, not the nation of dead ends.

RECOGNIZING ADAM VINATIERI

HON. JOHN R. THUNE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. THUNE. Mr. Speaker, I rise today to recognize Adam Vinatieri, kicker for the World Champion New England Patriots, and his clutch performance in Super Bowl XXXVI.

Adam's rise to fame began in my home state of South Dakota, where at Rapid City Central High School, he lettered in soccer, track, wrestling and football, earning first team all-state honors in 1991. From there, he attended South Dakota State University in Brookings, where he was a four-year letterman, earning first-team all-conference honors in three of those seasons. He finished his collegiate career as the school's all-time scoring leader with 185 career points, having converted 104 of 114 PATs (.912) in 1992 and kicked a 51-yard field goal twice.

In 1995, Adam took his game international, playing for the Amsterdam Admirals of the World Football League. There he converted 9 of 10 field goals and was perfect on four extra point attempts for a team-leading 31 total points, while finishing ninth in the league in scoring.

Adam signed with the New England Patriots as a free agent on June 28, 1996, where he set a rookie franchise record with 120 points. He also kicked 25 consecutive field goals without a miss over a span of two years to finish just six kicks shy of the NFL record. Adam became the third Patriot to amass 500 points during his career. Amazingly, he has totaled 575 points in his first five seasons in the NFL. This is the third most proficient start to an NFL career in the history of the game.

Mr. Speaker, until Sunday, these accomplishments had gone virtually unnoticed. However, by kicking the first game-winning field goal in Super Bowl history as time expired, Adam catapulted himself into the annuls of sports. Adam is just one of the many South Dakotans who have made their hometowns proud by excelling as professional athletes. I applaud the commitment and character of Adam Vinatieri and all of the athletes from South Dakota, both past and present.

HIV/AIDS EPIDEMIC IN AFRICAN AMERICAN COMMUNITY

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. HILLIARD. Mr. Speaker, I rise to call attention to the crisis in the African-American community in regard with the devastating disease HIV/AIDS. Nearly half of all new sufferers of HIV/AIDS are African-American.

Worse yet, 63 percent of all new cases are among African-American women, representing a massive epidemic. Racial minorities now make up over half of new cases of HIV/AIDS and over half of those living with AIDS.

This disease does not seek out people of color to infect—African-Americans are targeted due to poverty, social oppression and the continuing emotional burden which remains from slavery and segregation. This makes the fight against HIV/AIDS a civil rights battle and it must be seen as that.

The Apostle Paul pointed out that "we fight, not flesh and blood, but powers, principalities." This is clearly true—HIV/AIDS is not just a problem of the flesh and blood, but of social injustice. We must recognize this or we will not be successful in combating it.

This war must be fought by doctors and nurses and community health advocates. But it must also be fought by ministers and churches, by companies that need to hire African-American workers at living wages, and by neighborhood integration.

We must provide hope as well as health, and life more abundant as well as life itself.

TRIBUTE TO ELIZABETH BROWN CALLETON

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. SCHIFF. Mr. Speaker, I rise today to honor an outstanding citizen of California's 27th Congressional District, Ms. Elizabeth Brown Calleton. Ms. Calleton has served as the President and CEO of Planned Parenthood of Pasadena for nearly twenty-two years and has been a positive force in this Congressional District for much longer.

Ms. Calleton began her journey with Planned Parenthood of Pasadena as an Administrative Assistant in 1972 after having received her undergraduate degree in government from Smith College and her masters degree in public law and government from Columbia University in 1962. She quickly rose to the position of Associate Director in 1974 and shortly thereafter in 1979 became the Executive Director or what is today known as the President and CEO of Planned Parenthood of Pasadena.

Her commitment to enhancing the lives of women in our community has never wavered. Over the last thirty years she has served on no less than seven boards and committees which are devoted to improving the status of women in the 27th Congressional District and throughout our nation. As the President and CEO of Planned Parenthood of Pasadena she has dedicated herself to ensuring that women have accessible family planning options and she has worked tirelessly to position women's health issues at the top of our national agenda.

I know I am not alone when I say that the women of California's 27th Congressional District could not find a stronger and more loyal ally than Elizabeth Brown Calleton. So I ask all Members to join me in wishing congratulations to Ms. Calleton for her unending service to our community. I am sure that each person positively affected by Ms. Calleton's service will join me in wishing her much joy in the years to come and thank her for her time, her energy, and her efforts.

IN RECOGNITION OF NATIONAL BURN AWARENESS WEEK, FEBRUARY 3 TO 9, 2002

HON. STEVE CHABOT

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. CHABOT. Mr. Speaker, I ask our colleagues to join me in recognizing the importance of National Burn Awareness Week that was observed February 3–9, 2002. Burn Awareness Week provides an opportunity to educate children and families about the risks that lead to unfortunate and tragic accidents, particularly for the youngest and most vulnerable—our babies and children. The children of Cincinnati who have been the victims of burn accidents have been benefiting from the service of the Shriners Hospitals for Children since 1968 when the Cincinnati burn center first opened.

Unfortunately, infants and young children face greater risks from burn injuries than adults or older children. They rely more on the adults around them to ensure their environment is safe and free from potential burn-causing hazards. That is why in addition to treating over 20 percent of all pediatric burns in the nation at their four national burn centers in Boston, Galveston, Cincinnati and Sacramento, Shriners Hospitals focus on education and prevention of burn injuries.

The Shriners Hospitals for Children is a unique charitable organization that has never sought nor received federal, state, local or third party funding of any kind. Additionally, Shriners Hospitals are distinctive in that they offer full physical, psychological, and emotional care to all the children they treat.

With the 2002 budget for the 22 orthopaedic and burn hospitals totaling over half a billion dollars, and with an active patient roster at over 156,000 children, it is obvious how important the Shriners Hospitals are to the health of our children. The Shriners Hospitals are 100 percent free, despite the fact that they will spend $1.5 million dollars on children every 24 hours in 2002.

In recognition of Burn Awareness Week, Mr. Speaker, I ask my colleagues to commend such charitable organizations as the Shriners Hospitals that contribute greatly to the care, education, and research necessary to treat and work to prevent children's burn accidents.

RECOGNIZING THE 91ST BIRTHDAY OF RONALD REAGAN

SPEECH OF

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Ms. LEE. Mr. Speaker, I sincerely do wish former President Reagan and his wife well on his birthday and my thoughts and prayers are with them as he deals with the terrible disease of Alzheimer's; however, the resolution went well beyond a simple birthday wish. I could not in good faith cast a vote for a bill that stated that the Reagan Administration ensured renewed economic prosperity when millions of Americans were hurt by its economic policies and the federal government incurred massive deficit spending.

PAYING TRIBUTE TO THEODORE "TED" MAKRIS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Mr. Theodore "Ted" Makris and recognize his contributions to this nation. Now a resident of Pueblo West, Colorado, Ted began his service as a soldier during the Vietnam War when he joined the Army and served in Southeast Asia. During his tour, Ted was stationed in the province of Quang Loi, and like many young Americans, was involved in fierce fighting for the control of South Vietnam.

Ted was recently decorated with an award long overdue for wounds sustained in combat. On September 15, 1967, Ted was wounded during an enemy engagement. Suffering from numerous shrapnel wounds to his body, Ted refused medical treatment and continued to fight amongst his fallen and wounded comrades. After several days of constant prodding from his commanders, he finally relented to leave the battlefield and receive treatment for his wounds.

When a member of our armed forces is killed or wounded in combat, he or she receives the Purple Heart medal for their sacrifice. Ted refused the medal once in 1967 and still refuses it today. Despite his objections and belief the he does not deserve the decoration, his wife Jan has persisted. She, along with family friend Brigadier General Philip Erdle, worked diligently to see that Ted received the long overdue award for his dedication and commitment to his country. The medal was presented to Ted at his home in late December by General Erdle.

Mr. Speaker, it is a great privilege to recognize Theodore "Ted" Makris before this body of Congress and thank him for his dedicated service during the war. If it were not for servicemen such as Ted, America would not enjoy the many freedoms that we have today. He served selflessly in a time of great need, bringing credit to himself and to this great nation. Thanks Ted for your service.

TRIBUTE TO FREDERICK WITTENBURG

HON. CHET EDWARDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. EDWARDS. Mr. Speaker, on Thursday, January 31, 2002, Central Texans were saddened and diminished by the death of Frederick Wittenburg, Jr. of Lometa. Fred Wittenburg was a warrior. For three decades, he fought for the disadvantaged, the elderly, the infirm, the homeless, and for hungry and neglected children. He devoted those thirty years to improving the communities of the Texas Hill Country and the lives of its people as Executive Director of the Hill Country Community Action Association.

Fred joined President Lyndon Johnson's War on Poverty in 1966, administering a brand new community action agency that provided a wide range of services in Llano, Mason, Mills and San Saba Counties. In 1968, he became Executive Director of the growing organization, expanding its services to Bell, Coryell, Hamilton, Lampasas and Milam Counties. He tirelessly raised local funds for Hill Country Programs to provide and expand services to those who needed them.

Fred Wittenburg was born in Belton, Texas in November 1930, one of four children. His parents moved to Goldthwaite, where Fred attended elementary school. Always active in sports and extracurricular activities, he graduated from high school in the Lometa School

System in 1948, and was recognized as the Senior Class "Best All Around Boy."

He attended St. Edward's University in Austin for two years and then transferred to Texas Tech University in Lubbock. A Red Raider through and through, Fred was a member of the Silver Key Fraternity and the Saddle Tramp service organization. It was in a line at the campus bookstore that he met a freshman named Mary Alice Close, who would become his bride and share his life for nearly fifty years.

In thirty years as Executive Director of the Hill Country Community Action Association, Fred's dedication to the war on poverty and his vision of "building people and communities" were reflected in the commitment and energy of his staff, one of his most enduring legacies.

When Fred retired as Director in 1996, he left a dynamic organization providing Senior Centers, Head Start, family planning, nutrition and day care services, and housing, energy crisis and rural transportation assistance to more than 30,000 people in thirteen Central Texas counties.

In his 1964 State of the Union speech, President Johnson described Americans living "on the outskirts of hope," and he declared an unconditional War on Poverty. "It will not be a short or easy struggle, no single weapon or strategy will suffice, but we shall not rest until the war is won."

Fred Wittenburg heard President Johnson's words, took them to heart, and made that war on poverty his life's work.

An old saying tells us, "When eating a fruit, think of the person who planted the tree." Through his long and distinguished career of service to others, Fred Wittenburg planted thousands and thousands of trees. And, the people of the Central Texas Hill Country will enjoy the fruit of those trees and think of him for generations to come.

PERSONAL EXPLANATION

HON. BOB RILEY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. RILEY. Mr. Speaker, I was unavoidably detained for Roll Call No. 8, H. Res. 342, on ordering the previous question. Had I been present I would have voted yea.

I was also unavoidably detained for Roll Call No. 9, S. 1888, to correct a Technical Error in the Codification of Title 36 of the United States Code. Had I been present I would have voted yea.

I was also unavoidably detained for Roll Call No. 10, H. Con. Res. 312, expressing the sense of the House of Representatives that the scheduled Tax Relief Provided by the Economic Growth and Tax Relief Reconciliation Act of 2001 passed by a Bipartisan Majority in Congress should not be suspended or repealed. Had I been present I would have voted yea.

I was also unavoidably detained for Roll Call No. 11, H. J. Res. 82, Recognizing the 91st birthday of Ronald Reagan. Had I been present I would have voted yea.

FEBRUARY SCHOOL DISTRICT OF THE MONTH

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mrs. McCARTHY of New York. Mr. Speaker, I have named the Rockville Centre Union Free School District as School District of the Month in the Fourth Congressional District for February 2002. The schools in the district are Francis F. Wilson, Jennie E. Hewitt, Floyd B. Watson, Riverside and William S. Covert Elementary Schools, and South Side Middle and High Schools.

I decided to honor the entire Rockville Centre school district for their commitment to helping the victims and their families of the September 11 tragedy. I commend their determination to make the world a better place.

Dr. William Johnson is the Superintendent of Schools in the Rockville Centre School District. Primarily serving the residents of Rockville Centre, the school district also includes portions of the neighboring South Hempstead communities. The administrators of the schools are: Joan F. Waldman, Principal, Floyd B. Watson Elementary School; Darren Raymar, Principal, William S. Covert Elementary School; Carol Burris, Principal, South Side High School; Thomas Ricupero, Principal, South Side Middle School; Joanne Spencer, Principal, Jennie E. Hewitt Elementary School; Patricia Bock, Principal, Riverside Elementary School; and Ann Peluso, Principal, Francis F. Wilson Elementary School.

All five of the elementary schools contributed to the various relief funds through a wide-range of events such as fundraisers, exhibits and collections. Students at Hewitt and Waston Elementary Schools responded immediately to President Bush's request for one dollar from every child to be sent to starving children in Afghanistan. Covert Elementary School will donate half of the proceeds from its annual Variety Show to their local World Trade Center fund. Wilson Elementary School ran a coin campaign and donated the proceeds, totaling over two thousand dollars to the American Red Cross.

Furthermore, the Rockville Centre school district has excelled on the academic front. Several schools in the district have recently received individual awards for outstanding educational standards.

Riverside Elementary School recently became the recipient of the Pathfinder Award, a prestigious distinction given by the Business Council of New York State for most improvement on state-wide English and Math exams. Two students from South Side High School are semifinalists in the nationwide Intel Science Talent Search, where the winners receive college scholarships. In 1998, South Side High School was named Blue Ribbon School.

The unity and generosity of these children and their families is amazing. I am very proud of all of these schools and their benevolent efforts. Congratulations on this honor, and keep up the good work.

TRIBUTE TO ROSEMARY HOLGUIN COLUNGA

HON. JOE BACA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. BACA. Mr. Speaker, I rise today in memory of a woman who was very special to me, to my aide, Ruby Ramirez, and to the entire Colton community. I rise to pay tribute to the life of Rosemary Holguin Colunga, beloved community activist, volunteer and leader.

Rosemary was active in every kind of community organization from her high school days until her death. Rosemary was a woman who dedicated her life to the people of her community. She had visions of opening doors for those less fortunate making sure that everyone had a chance in life.

Rosemary, herself, was no stranger to hardship. She was born on September 6, 1937 in San Bernardino, California, the second child of Jose Ramon and Catherine Holguin Colunga. Shortly afterwards, her parents moved to the City of Colton to raise their children, and Rosemary would remain a member of the Colton community for the rest of her life. She attended Garfield/Woodrow Wilson School continuing her education at Colton High School, but she had to drop out of school due to an illness. Never one to be defeated by life, Rosemary regained her health and earned her high school diploma from San Bernardino Valley College going on to earn an Associates Degree in Liberal Arts and completing a general secretarial course at Skadron Business College.

While Rosemary's education prepared her for a career in business, her heart belonged to service. In 1968 she began working for the anti-poverty programs for the San Bernardino County, and later coordinated community services for the City of Bloomington. Rosemary was pivotal in bringing Loma Linda University's low-income neighborhood to open a clinic for area residents.

After working for the City of Bloomington for nine years, Rosemary moved to her own neighborhood of South Colton to become the Facility Coordinator for the City of Colton at the Luque Multi-Service Center at Veterans Memorial Park.The Luque Center was located in a low-income area, but this did not stop Rosemary from bringing every available program to the center that was offered uptown. If any of the programs were unavailable at her center, then she would just take the people uptown where they could enjoy the services in her typical "can-do" spirit.

Her community involvement did not stop with her career. Service was a way of life for Rosemary. Rosemary became the president of Woodrow Wilson's PTA when no one else wanted to take on the responsibility even though she had no children of her own. Rosemary was determined not to let the students go without community leadership. She was also the first, and only, female president of Los Padrinos, a community organization. Rosemary was also active in her local Catholic Church, San Salvador where she served as a lecturer, Eucharistic minister and sang in the choir. Her fellow parishioners remember that her beautiful voice that brought tears to their eyes, because she was singing "from her heart."

Rosemary was particularly devoted to the very young and the very old of her community. She organized outings for the senior citizens of South Colton such as sight seeing, shopping and gambling. She truly loved spending time with the seniors referring to them as "my Viejitos." The youth of her community were always seeking Rosemary's advice and she spent endless hours counseling, scolding and working with them at the centers. Many members of the Colton community count Rosemary as one of their mentors.

Rosemary's service to her community did not go unnoticed during her lifetime. She received accolades and awards from countless organizations, the late Congressman George Brown, Lt. Governor Cruz Bustamonte, State Senator Nell Soto, the City of Colton, and the Colton Joint Unified School District. Rosemary was nominated by Assemblyman John Longville and received the "Woman of the Year 2000" award, which she always considered her greatest accomplishment.

Rosemary passed away on February 2, 2002 surrounded by her loving family. She was preceded in death by her brother Ramon Holguin Colunga, and is survived by brother William Holguin Colunga, and sisters Elvira Colunga Hernandez, and Olivia Colunga Gonzalez. She also leaves behind nine nieces and nephews, as well as seventeen great-nieces and nephews. Her family, innumerable friends and the entire community will miss her greatly.

And so Mr. Speaker, I submit this loving memorial to be included in the archives of the history of this great nation. For women like Rosemary Holguin Colunga are what make this nation great. Women like Rosemary leave a legacy of lives filled with dedication to the people of their community. She is the fabric from which our nation was created.

BIOENERGY INVESTMENT AND OPPORTUNITY (BIO) ACT

HON. JOHN R. THUNE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. THUNE. Mr. Speaker, recently, I hosted two value-added agriculture round-table discussions in South Dakota to hear about the progress and concerns that farmers are having with value-added agriculture. A program that was brought to my attention that has been very helpful to ethanol and biodiesel plants is the Bioenergy Program. In South Dakota, the Bioenergy Program is currently used by Dakota Ethanol of Wentworth, Heartland Grain Fuels of Aberdeen, Broin Enterprises of Scotland and JPJ Enterprises of Humboldt.

The program is important because it stimulates industrial consumption of agricultural commodities by promoting their use in bioenergy production. Bioenergy producers that increase their consumption of eligible commodities receive payments to offset part of the cost of buying the additional commodities. According to USDA, the Bioenergy Program for FY 2001 resulted in a production increase of 141.3 million gallons of ethanol and 6.4 million gallons of biodiesel.

Today I have introduced the Bioenergy Investment and Opportunity (BIO) Act. The bill would authorize and expand the United States Department of Agriculture (USDA) Bioenergy Program through FY 2011.

By authorizing the Bioenergy Program we will promote value-added agriculture and increase production of bioenergy, such as ethanol and biodiesel, expanding industrial consumption of agricultural commodities. The program was initiated by an Executive Order of President Clinton and has been continued by President Bush, but it expires at the end of FY 2002.

Under the current program, USDA makes up to $150 million in payments annually. The BIO Act expands the payments to $200 million annually. The Commodity Credit Corporation (CCC) makes cash payments to bioenergy producers by compensating them for a portion of their increased commodity purchases made to expand existing production of bioenergy and to encourage the construction of new production capacity.

Mr. Speaker, increased bioenergy production helps strengthen the income of soybean, corn, and other producers and lessens U.S. dependence on traditional energy sources. As I introduce the BIO Act today, I ask for the support of the other Members of this House and the Administration in continuing and expanding this important program.

PRESIDENT BUSH INSISTS ON MORE TAX CUTS FOR THE WEALTHY EVEN AS ECONOMISTS SHOW THAT THE RICH ARE GETTING RICHER AND PAYING LESS IN TAXES

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. GEORGE MILLER of California. Mr. Speaker, I would encourage Members of the House and all Americans to pay attention to two very disturbing stories this week that illustrate the tremendous burdens on working families that this Congress continues to fail to address.

Yesterday, the House voted a symbolic and politically motivated resolution upholding the grossly unfair and deficit-producing tax windfall for wealthy Americans that President Bush pushed through Congress last year. Over the course of that year, the economy has faltered, millions have lost their jobs or significant parts of their income, and we have rearranged our spending priorities because of the need to combat terrorism. Despite all of this, however, Washington still will not reconsider whether we should spend a trillion and a half dollars in tax cuts mainly aimed at the wealthiest Americans.

That Bush tax law has exacerbated the growing inequality of incomes in America that has become an emblem of the Enron decade of the '90s. According to economist Edward N. Wolff of New York University, wealth in America is more highly concentrated today than at any time since 1929.

While the number of Americans earning over a million dollars more than doubled in the last half of the '90s, the percentage of their income that the wealthiest paid in federal income taxes actually fell by 11 percent, thanks to tax changes.

Meanwhile, those who earned less paid more in taxes, according to the Internal Revenue Service.

And now President Bush wants even more permanent tax cuts for the wealthiest Americans.

Yet, while this House has time for legislation to expand tax cuts for the wealthiest, it has failed to pass legislation to benefit the millions or workers who have lost their jobs and exhausted their unemployment benefits. The Center for Budget and Policy Priorities has just released a report showing that two million working men and women will lost their unemployment benefits in the first half of this year alone, adding to hundreds of thousands who lost unemployment insurance benefits last year and tens of thousands more who were denied any benefits. As a result, the number of exhaustees who have been denied any additional weeks of benefits in the first quarter of this year is higher than in any other first quarter since the early 1970s. That is a crisis that the federal government can and should respond to but has as of now failed to do so.

Mr. Speaker, these are very, very disturbing trends: more wealth for the wealthiest, and more tax cuts for wealthiest; growing income disparity and higher taxes for the middle class working family; no extended benefits for the unemployed and no coverage for millions of workers who paid into unemployment insurance but got no benefits when they lost their jobs.

The federal government spend tens of millions of dollars trying to instruct people overseas how to build democracy in their countries, and one of the basic lessons we teach them is that you cannot build political democracy without economic justice. Frankly, the policies of this Congress are so inconsistent with any concept of economic justice that we should be concerned about the effect on our own democracy.

Attached is an article from today's New York Times.

[From the New York Times, Feb. 7, 2002]

MORE GET RICH AND PAY LESS IN TAXES

(By David Cay Johnston)

The number of Americans with million-dollar incomes more doubled from 1995 through 1999, as their salaries and their profits from stocks soared, government figures to be published today show. The percentage of their income that went to federal income taxes, however, fell by 11 percent. The incomes of Americans who made less grew as well, though by far less, and the share of their income that went to taxes rose slightly, according to Internal Revenue Service income tax data for the five years through 1999, the latest year available. The wealthiest Americans paid a smaller share of their income in taxes because in 1997 Congress reduced taxes on capital gains, which account for a significant share of their income.

Congress also cut taxes for the middle class, but only one in five taxpayers qualified for those cuts, which involved new tax credits for children and education expenses. So, as a group, the portion of their income going to taxes rose. For those with million-dollar incomes, the share of their income that went to taxes fell to 27.9 percent in 1999, from 31.4 percent in 1995. For those Americans who did not make a million dollars, the portion of their income going to taxes edged up in those years, to 12.8 percent from 12.5 percent. About 205,000 taxpayers made $1 million or more in 1999, up from less than 87,000 in 1995. The average income of those who made $1 million or more rose by $568,000 to $3.2 million.

Critics of the latest Bush administration economic stimulus and tax cut plan, announced this week, regarded the latest figures as evidence that the wealthy have received too many breaks.

"Congress cut taxes on rich people in 1997," Robert McIntyre, director of Citizens for Tax Justice, a nonprofit Washington organization with labor union backing, said. "The rate that they pay fell by quite a bit, while they didn't do much for everyone else and their taxes went up a little. The law did what Congress intended. Their intent was to make sure the wealthier people paid less in taxes and they weren't worried about the rest of the people."

President Bush, who won a major tax cut from Congress last year, and his supporters argue that permanent cuts in tax rates encourage investment, which results in more jobs and economic growth.

"We need to pass a bill that will help workers and help stimulate the economy," Mr. Bush told reporters on Tuesday.

The president's new tax cut plan appeared to die on Tuesday when Senator Tom Daschle, Democrat of South Dakota and the majority leader, moved to shelve it. Those making a million dollars or more, just one of every 625 taxpayers in 1999, more than doubled their slice of the nation's income to 11.2 percent that year, from 5.4 percent in 1995. These high-income taxpayers also captured a quarter of the nation's total personal income growth from 1995 through 1999. The incomes of taxpayers making less than $1 million also rose, though not as sharply. The income of everyone making less than a million dollars averaged $41,000 in 1999, up from $33,500 in 1995, a 22 percent increase, the data, using adjusted gross incomes, showed. The tax return data show that the number of taxpayers reporting incomes of less than $25,000 declined slightly, while those reporting incomes at higher levels increased.

William Beech, an economist at the Heritage Foundation in Washington, which supports lower tax rates to foster economic growth, said that these figures may be misleading in several ways. The data fail to capture the growing number of the working poor, and their meager incomes, because many of them are immigrants who work off the books, he said.

"The reported income that the I.R.S. picks up from tax returns reflects people who are making their way up the economic ladder," Mr. Beech said. "If we had fully accurate reporting of income, we would see that within the poorest fifth, the median income would be falling because of the millions of people coming into the United States, who mostly earn low incomes."

He also noted that among those who file income tax returns, many of. who appear poor may actually be retirees with substantial investments. But they need only modest incomes because their mortgages are paid off and their children are grown.

The stock market played a large role in creating more million-dollar annual incomes, the figures show. Capital gains over all more than tripled during the five years, with almost three quarters of the increase going to those with million-dollar incomes. The capital gains tax cut of 1997 appeared to favor the 400 richest taxpayers most of all. Harvesting 7 percent of all capital gains in 1998, these very rich Americans paid just 22 percent of their incomes in taxes that year, down from 30 percent in 1994. Although more than half of all families are investors in the stock market, largely through 401(k)'s and similar retirement plans, wealth in America is more highly concentrated today than at any time since 1929, said Professor Edward N. Wolff, a New York University economist.

TRIBUTE TO MS. MARY HAMILTON

HON. ADAM B. SCHIFF

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. SCHIFF. Mr. Speaker, I rise today in solemn remembrance of Ms. Mary Hamilton of Glendale, California. Mary Hamilton served as President of the Board of Trustees of Glendale Community College and passed away late in the evening of February 4, 2002. Mary's life was distinguished by her tireless service to her community and my prayers are with her family this day as they mourn the loss of such a great woman.

Mary Hamilton was born in Charlottesville, Virginia, the granddaughter of the local congressman. She moved to Glendale after World War II and attended local Glendale schools, graduating from Hoover High School. She earned a business degree from the University of Southern California.

Her professional life was marked by much distinction. She served as the controller of Artisan House, Inc., as a portfolio manager with Salomon Smith Barney, and in 1990 opened her own investment-counseling firm in Glendale, which today is part of Clifford Associates, the oldest investment firm in the United States.

But what I believe Mary Hamilton would be most proud of were her efforts on behalf of the community. Her community involvement was without rival. She was the past President and Founder of the YWCA of Glendale Housing Corporation, a non-profit organization, which owns and manages the YWCA's transitional housing project in Glendale for battered and homeless women and children. She served at one time as the President of the Verdugo Hills Business and Professional Women's Organization and as a board member with the Kiwanis Club of Glendale, the Verdugo Club, the Glendale Adventist Medical Center Foundation, and the Glendale Salvation Army.

In the past few years she has served on the Board of Directors of the Glendale Memorial Hospital and Health Center and the Women's Enterprise Development Corporation. She was honored as Woman of the Year by the Glendale Chamber of Commerce and served on the Alex Regional Theater board, which transformed the Alex Theatre from a closed movie theatre into a performing arts venue.

The community she served for so long will truly miss her. They will not only miss the endless efforts of Ms. Hamilton in making her community a better place to live but they will also miss the way in which she performed her service. She opened doors and opportunities to so many who would have otherwise gone without. She was a remarkable woman whose spirit of selfless giving carries on with the lives of the people she touched and the work that she did to make Glendale the outstanding community it is today.

I ask that all Members of Congress join me today in remembering the life of a woman whose generosity showed no limits and whose service affected the lives of many. She will be missed by her family and all of us.

NATIONAL BLACK HIV/AIDS AWARENESS DAY

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Ms. LEE. Mr. Speaker, I rise today to join my colleagues to recognize National Black HIV/AIDS Awareness Day. I want to thank my colleague, MAXINE WATERS for organizing tonight's special orders.

Today, African American communities, including AIDS service organizations, city governments and people living with HIV/AIDS will acknowledge National Black HIV/AIDS Awareness Day through community events, vigils and by volunteering their services to organizations who provide HIV/AIDS services. These efforts will help raise awareness about the impact of HIV/AIDS in the African American community.

In my district, the Alameda County Health Department, partners in the Alameda County State of Emergency Task Force and the faith community will also hold day long community events to mark this occasion.

Three years ago the State of Emergency Task Force and the Alameda County Health Department helped to declare a Public Health Emergency on HIV/AIDS in the African American community. Since then, more resources have reached the community making an positive impact. In Alameda County, we are slowly seeing a decrease in new HIV infections. However, we must not slow our efforts to curb this deadly disease.

Since the first AIDS diagnosis over 20 years ago, AIDS has devastated America's Black community. The Centers for Disease Control and Prevention (CDC) reports that for the first time in 8 years, HIV/AIDS case rates are rising in the United States. The CDC estimates 900,000 people living in the U.S. with HIV/AIDS, with approximately 40,000 new infections every year. African-Americans lead the number of these new infection rates. Blacks represent 12% of the Nation's population yet, they account for 47% of new AIDS cases.

Since December 2000, over 130,000 AIDS cases were reported among women in the U.S. Almost ⅔ of all women with AIDS are African American. And, girls make up 58% of new AIDS cases among teens in the U.S. Blacks are ten times more likely to be diagnosed with AIDS than whites and ten times more likely to die from the disease. The CDC also estimates that 30% of young, gay, black men are infected with the AIDS virus.

Including the incidence of HIV/AIDS among African Americans, Latinos, Asian Americans and Native Americans, racial minorities now represent a majority of new AIDS cases and a majority of Americans living with AIDS. It is imperative that National Black HIV/AIDS Awareness Day serve as a platform to educate people about the impact of HIV/AIDS on African-Americans and draw attention to the need for increased resources for the fight against this devastating disease.

On World AIDS Day, President Bush promised to provide the necessary resources to combat the AIDS pandemic and ensure that people living with HIV and AIDS would receive effective care and treatment. It appears that the President only meant those words on World AIDS Day because this priority is not reflected in his budget. In fact domestic AIDS programs are flat funded despite the spike in new infection rates. We must remember that AIDS is also reaching far across our shores—in Africa, the motherland of many Black Americans, AIDS is decimating societies. HIV/AIDS is the greatest humanitarian crisis of our time!

So as we gather in the African-American community and in communities across the nation, together, we must work to increase the level of resource committed to fight this disease.

HONORING MR. WALTER J. RISCHMANN

HON. STEVE CHABOT

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. CHABOT. Mr. Speaker, I'd like to take a moment to pay tribute to a member of the "Greatest Generation" from the First District of Ohio, Mr. Walter J. Rischmann. Born in Cincinnati, Ohio, on March 28, 1920, Walter served in the U.S. Army during World War II in campaigns in France, Italy, and North Africa, where he took part in the American advance on a key German fortress on Hill 609. This significant battle was featured in the December 27, 1945 issue of Life magazine.

Soon after returning home from the war, Walter began working for a lithographing company from which he retired in January 1982. He has eight children, 19 grandchildren, and 14 great grandchildren.

Mr. Speaker, the events of September 11 reminded us anew of how much our freedom and security depends on the heroic service and bravery of men like Walter Rischmann. On behalf of the Ohio community that Walter has devotedly served all his life, I'd like to extend my fondest regards and gratitude to this fine American.

PAYING TRIBUTE TO SUSAN SMITH

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to pay tribute to Susan Smith and thank her for her extraordinary contributions to her community and to her state. As a resident of Pueblo, Colorado, Sue has dedicated herself to helping her community by selflessly giving her time and energy to a number of philanthropic endeavors. The remarkable work she has done with the people in her community, both young and old alike, is surpassed only by the level of integrity and honesty with which she has conducted herself each and every day. It is her tremendous efforts that have led to her recognition as the recipient of the Colorado Women 2002 Power of One Award, and I would like to applaud her efforts and express my thanks for all she has done.

The amount of work that Sue has done in and for her community is truly remarkable. She has served as a board member of Start-Up Education, a youth entrepreneurship program, since it relocated from Atlanta to Pueblo. She was instrumental in the start-up phase, coordinating the donation of desks, workstations, chairs and computers, as well as identifying a facility to house the program. Sue was also responsible for writing several successful grants to fund the program. She often takes time to visit the program, offering her support and encouragement while serving as a mentor to the program participants.

Additionally, Sue volunteers to help coordinate numerous veterans' affairs in Pueblo, including the 2000 Jubilee of Liberty Medal of Honor Ceremony and the Veterans Day celebration at Pueblo Community College. She is a board member for SEEDS (Sharing Electronic Equipment District and Statewide), and helps to secure resources, write grants and allocate supplies for the organization. For the past three years, she has volunteered for the Pueblo Hispanic Education Foundation's annual Horizons Telethon, the organization's major fundraising event, as a runner, greeter and telephone operator. She also finds time to volunteer at a number of food drives in Pueblo and even reads to fourth graders at a local elementary school once a week.

Mr. Speaker, it is clear that Sue Smith is a woman of unparalleled dedication and commitment to her community and to the people with whom she works. It is her unrelenting passion for each and every thing she does, as well as her spirit of honesty and integrity with which she has always conducted herself, that I wish to bring before this body of Congress. She is a remarkable woman who has achieved extraordinary things and enriched the lives of so many people. It is my privilege to extend to Sue Smith my congratulations on winning this award and wish her all the best in her future endeavors.

THE SPEAKER'S TASK FORCE ON THE HONG KONG TRANSITION

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. BEREUTER. Mr. Speaker, following his visit to Hong Kong in April 1997, then-Speaker Newt Gingrich tasked this Member with the responsibility of creating the House Task Force on Hong Kong's Transition, and of observing and reporting on Hong Kong's status following its return to the People's Republic of China (PRC). Former Speaker Gingrich asked the Task Force to provide the House of Representatives with quarterly reports which was done through the fifth report of February 2, 1999. Following that report Speaker DENNIS HASTERT concurred with this Member's recommendation that the reports be issued on a periodic basis. The Task Force has been bipartisan in nature, with four members chosen from each party. All members of the Task Force were drawn from what was then the International Relations Subcommittee on Asia and the Pacific. They included Representative HOWARD BERMAN (D–CA), Representative SHERROD BROWN (D–OH), Representative ALCEE HASTINGS (D–FL), Representative ENI FALEOMAVAEGA (D–AS), then-Representative Matt Salmon (R–AZ), and Representative DON MANZULLO (R–IL).

On behalf of the Task Force, this Member would like to inform his colleagues that the ninth report of the Task Force on the Hong Kong Transition has been filed. It follows eight previous reports, the most recent of which was dated August 1, 2000. The report focuses on events and developments relevant to U.S. interests in the Hong Kong Special Administrative Region (HKSAR) between August 2000 and December 31, 2001.

In August 2001, this Member traveled to Hong Kong to meet with senior political officials and routinely meets with delegations from Hong Kong when they visit Washington, D.C. From these meetings, the Task Force has gleaned that the transition continues to progress satisfactorily.

Mr. Speaker, a copy of the Task Force's ninth report is available on this Member's internet website: *http://www.house.gov/bereuter/press.htm* under the "Speeches" section.

ON BEHALF OF THE UNIFORMED FIRE OFFICERS ASSOCIATION OF NEW YORK CITY

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mrs. MALONEY of New York. Mr. Speaker, I rise today with a statement from the Uniformed Fire Officers Association of New York. Captain Peter L. Gorman, President of the UFOA, asked that I present this UFOA statement to Congress in memory of the fallen firefighters of New York City and on behalf of the UFOA leadership: Vice-President John E. Ginty, Lt.; Treasurer Arthur J. Parrinello, DC;

Recording Secretary Stephen J. Carbone, Lt.; Financial Secretary James J. McGowen, Lt.; Sergeant-At-Arms Michael C. Currid, Capt.; Captain's Representative John J. McDonnell, Capt.; and Chief's Representatives Nicholas J. Visconi, DC and Richard Goldstein, BC. I am proud to present the following UFOA statement, entitled, *It Will Get Worse Before It Gets Better:*

> The Uniformed Fire Officers Association represents 2,500 lieutenants, captains, battalion chiefs, deputy chiefs, supervising fire marshals and medical officers of the New York City Fire Department.
>
> The UFOA wishes to thank the Governor and the State Legislation [of New York] for all you have done, almost every time we asked, for our members and their families, especially the widows and children of firefighters killed in the line of duty.
>
> But now we believe state government has a new and even greater responsibility to the public interest, the 8 million people who live in New York City and the millions of commuters and visitors that the FDNY protects every minutes of every day. The Fire Department has been badly crippled in the attack on the World Trade Center, and it will get worse before it gets better. Now an entire city needs your help.
>
> The Fire Department lost 343 members on September 11, 2001. Of that number, 254 were members and 89 were superior officers—45 lieutenants, 20 captains, 17 battalion chiefs, 3 deputy chiefs, 2 staff chiefs, the Chief of the Department, and the First Deputy Commissioner. If that wasn't terrible enough, our Catholic Chaplain was carried to a nearby church and laid to rest at the altar.
>
> It is important that you know what we at the UFOA now know. Many veterans fire officers, more than ever before, are saying they will leave soon, mainly because they feel a heightened obligation to the families.
>
> This year we will be asking you to go beyond anything we've asked the State Legislature and the Governor to do before. We will be asking you to save the New York City Fire Department; to make a commitment to the restoration of a crippled emergency service that may soon lose two and even three times as many veterans fire officers as we lost on September 11.
>
> This struggle isn't just for the Fire Department of New York City. It is for every one of the 8 million people who live in our city, and the millions of commuters and visitors we protect every day.
>
> Again, our thanks go to everyone in the State Capitol for all you have done for the FDNY and its firefighters over the year. But now, more than ever, we need each other. Things are going to get worse for the Fire Department before they get better, and unless you help, things will get worse than that.

TRIBUTE TO PHIL ROSENSTEIN

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. ORTIZ. Mr. Speaker, quite often, the familiar faces we see and depend upon have entire stories behind them that we don't know. Phil Rosenstein of Corpus Christi has a familiar face, one that is always reliably around when there is a civic event, or if there is a cause to be advocated.

I have been friends with Phil for several decades and he has a beautiful heart and a way of finding out what people need and how to get it to them. Everyone should know what a great man Phil is, what a great American he is, what a unique, charitable human being, what an everyday hero he is.

An orphan raised in New York City, Phil came to Corpus Christi and joined the Merchant Marine and proceeded to see the world and his place in it. He visited orphanages all over the Far East, taking candy and clothing, offering financial assistance to them and, most importantly, drawing attention to their plight in the United States, connecting many Asian orphans with American families.

As a Merchant Marine for 40 years Phil never forgot his adopted hometown of Corpus Christi, and he combined that devotion with his love of the arts. As a Merchant Marine traveling to a host of foreign lands, Phil always set forth to find fine art and antiques that he purchased and donated to museums in the Coastal Bend. He was appointed field representative of the Corpus Christi Museum.

He was also the Mayor Luther Jones' goodwill ambassador, representing Corpus Christi well and arranging for exchanges between Yokosuka, Japan and South Texas (Yokosuka was then the sister city to Corpus Christi).

Phil helps those who need help, particularly seniors and children. Visiting local nursing homes led him to become the Mayor's volunteer liaison to senior citizens and senior care centers. He got them cable and purchased television sets for seniors. The Senior Community Service Awards confers an annual award to companies and agencies that have done the most for the senior community. In 1990, Phil won the award as a citizen, not a business nor a service agency.

For his service in the Merchant Marine in World War II, Phil won service medals for campaigns in the Atlantic and the Mediterranean war zones, but those who depend upon HAM radios for contact with the world most value his service to them. At his own expense, while he was a Merchant Marine, he bought, set up, replaced or repaired any number of HAM radios for people living across the South and Midwest. He knew the world was too far away for those who were paralyzed or stricken with some manner of disability that kept them in the home, so he helped them with their HAM radios if they asked.

He started the school supply program for needy children in Corpus Christi and was noted for his assistance to the Head Start program in Corpus Christi. He donated shoes to needy kids in Corpus Christi, even getting the crew of a ship on which he served to donate money for children's shoes in his hometown.

Once, Phil noted that crosswalks at a school needed repainting. When the city didn't get to it, he bought the paint and painted it himself—this is a metaphor for his whole life. When he saw a need, he went to fill it. (Even if it made the city unhappy.)

I ask my colleagues to join me today in paying tribute to Phil Rosenstein, a unique American, a good Samaritan, and an extraordinary patriot.

SUPPORT OF NATIONAL BLACK HIV/AIDS AWARENESS DAY

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. THOMPSON of Mississippi. Mr. Speaker, I rise today to recognize the second annual observance this February 7, 2002, of National Black HIV/AIDS Awareness Day. I strongly believe that National Black HIV/AIDS Awareness Day will bring much needed attention to the disproportionate and rapidly increasing rate of HIV/AIDS infection among African-Americans. The goal of this nationwide effort is to mobilize local communities for the purpose of encouraging African-Americans to be tested for HIV/AIDS.

The Centers for Disease Control and Prevention states that AIDS is the number one killer of African-American men and women ages 25–44. This annual National Black HIV/AIDS Awareness Day is greatly needed to stem the tide of continuing devastation by HIV/AIDS in Black communities across the nation. The objectives of the National Black HIV/AIDS Awareness Day are: HIV/AIDS education; Increase testing for HIV infection; and HIV/AIDS Advocacy involvement.

I fully support the various schedule of activities that will take place across our nation seeking to provide awareness of this devastating disease.

NATIONAL BLACK HIV/AIDS AWARENESS DAY

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, I rise in strong support of National Black HIV/AIDS Awareness Day, which will take place on February 7, 2002.

While significant progress has been made in the diagnosis and treatment of HIV and AIDS, the underlying reality is that the HIV epidemic in our country is far from over and disproportionately affects African-Americans. African-Americans comprise 12 percent of the U.S. population yet 47 percent of all new AIDS cases in 2000 were among African-Americans. Among women, an astonishing 63 percent of new AIDS cases were African-American, and three-fourths of these women acquired HIV through heterosexual sex. The National Institute for Allergy and Infectious Diseases reports that AIDS is now the fifth leading cause of death in the United States among people aged 25 to 44, and is the leading cause of death for black men in this age group. Among black women in this age group, HIV ranks third.

We will not have a truly effective arsenal against HIV/AIDS until we have an effective vaccine, improved education and prevention campaigns, and increased access to retroviral treatments. But before these come to pass, we must attack the most serious obstacles to overcoming the HIV/AIDS epidemic in the African-American community: denial and delusion.

It is only when patients accept the possibility that they or their partner may be infected with HIV that health care workers can consider treatment options; it is only when African-Americans accept that their community is also at risk that education and prevention campaigns will be effective.

Mr. Speaker, these disturbing statistics demonstrate that while we may have won some battles against HIV/AIDS, the war is far from over. Programs aimed at education and prevention must be expanded, and treatment options must be available to all Americans. It is my hope that National Black HIV/AIDS Awareness Day will draw attention to the effects of this terrible disease on the African-American community and remove some of the stigma associated with the disease.

PAYING TRIBUTE TO LEE BAHRYCH

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. MCINNIS. Mr. Speaker, it is my distinct pleasure to pay tribute today to a woman whose life is the very embodiment of kindness, selflessness and love. Lee Bahrych is both inspirational and courageous, and a true testament to the inherent greatness that resides in all of humanity. Throughout her life, she has consistently given her time, effort and love to others, and it is with a great deal of satisfaction and pride that I pay tribute to her as we celebrate her tremendous accomplishment of being named the recipient of the Colorado Women 2002 Power of One Award.

Lee's long list of accomplishments is as impressive as the award being bestowed upon her today. The dedication and quality with which she has conducted herself in her distinguished career in the Colorado House of Representatives, as well as in the many philanthropic endeavors she has undertaken in her lifetime is truly remarkable. After retiring from the Colorado House of Representatives in order to attend to a loved one who had fallen ill, Lee began a much-appreciated effort to beautify the State Capitol. She created an attractive setting in the basement so that citizens could come to the State Capitol and find an aesthetically pleasing environment while experiencing government in action. This remarkably selfless act has served to enrich the experience of innumerable Coloradans who visit the State Capitol each day, and we, as Coloradans, will always be thankful for her effort.

In addition to her efforts at the State Capitol, Lee has created one of the most well kept treasures in all of Colorado. She has spent countless volunteer hours interviewing former and current leaders of Colorado, capturing on tape a priceless historical account of actions taken on behalf of the citizens of Colorado. She has spent innumerable hours with former Governors and other political leaders from the state, recording humorous, sad, dramatic and moving stories that will forever be preserved because of Lee's hard work and passion. She is also a talented woodworker, having crafted numerous pieces of fine furniture; a white water rafter, having conquered some of the toughest rivers in the world; and a mother of three successful daughters. She is truly a remarkable woman, who has lived her life in a manner befitting her remarkable character and personality.

Mr. Speaker, I am honored to stand before you today in order to bring the life of such an extraordinarily caring and compassionate woman to the attention of this body of Congress. Lee Bahrych has lived a truly remarkable life, and I, along with the people of Colorado whose lives she has so profoundly affected and enriched, are eternally grateful for everything she has done. I wish to offer her my sincere congratulations today on being named the recipient of the Colorado Women 2002 Power of One Award, and wish her all the best in her future endeavors.

CONGRATULATING NANCY PELOSI ON EARNING THE POSITION OF DEMOCRATIC WHIP

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. BONIOR. Mr. Speaker, one of the things we all prize and value is the friendships each of us have made with our colleagues, our staff, and the people that work in this building and on the Hill. It is indeed a unique place where lasting friendships are made—and that is among the many things that make this a special place to work.

As Wallace Stegner once wrote, "Friendship is a relationship that has no formal shape . . . there are no rules . . . or obligations . . . or bonds, as in marriage or the family. It is held together by neither law . . . nor property . . . nor blood, there is no glue in it but mutual liking. It is therefore rare."

NANCY PELOSI is a wonderful, bright and strong person, and I treasure her friendship. Maya Angelou once stated that "the most called-upon prerequisite of a friend is an accessible ear." And I'm sure NANCY will master the art of lending her ear to over 200 people all at the same time!

From the moment she first arrived in 1987, it was clear that NANCY PELOSI not only had leadership skills, but that she had steadfast resolve and determination. When I look at her career, I can think of no one whose fought harder and has been more dedicated to promoting the basic values of human rights, freedom and democracy.

She was one of the first Members to join the Central American working group to promote peace and democracy in the region. She was one of the first to raise our awareness about the need to invest in breast cancer and HIV/AIDS research. She wouldn't let Congress go home in 1996 without passing a law to protect the historic Presidio park in San Francisco. She taught us that in order to tackle the basic problems of poverty, we need to allow women and their families to plan for their future. And we need to ensure they have enough resources to raise their children.

But when she led the fight on our trade relationship with China, the world knew just how committed and focused NANCY PELOSI could be. She never, ever forgot the tens of thousands of political prisoners and dissidents that were being held in Chinese prisons for simply trying to express themselves freely. And she was undoubtably responsible for the release of dissident Wei Jing Sheng [Way Zhing Zhang] from Chinese prison.

NANCY never lost sight of the basic values of democracy, and her belief, her tenacity, and her commitment to those values could not be challenged. There's an image that comes to mind; I think we all remember the lone Chinese dissident standing in front of a tank in Tiananmen Square. Wherever that tank went, he tried to stop it. He was standing up for his belief that Chinese citizens should be treated with dignity, respect, and should have the right of free expression. Every time I see that often-played film on the news, or see that picture in a magazine, I think of NANCY.

NANCY is like that dissident; wherever there is injustice, wherever there is inhumanity, wherever there is indecency, NANCY will stand firmly in the way. She will have the courage to stand up and say, "that's not right," and you know what? Others will follow. That's why she is a leader.

As our whip, NANCY will get our votes, but she will also raise our consciousness. She will remind all of us about what's important, about why we are here, and she will never let us forget where we came from. She will lead us by example, and she will push us to be better Members and better citizens. She will, to paraphrase Eleanor Roosevelt, make us do the thing we think we can't. And in many ways, today's swearing in is just another example of how NANCY has followed the words of John F. Kennedy, "Things do not happen. Things are made to happen."

I have no doubt NANCY will help us all do the things we think we can't, and she will make these things happen.

Congratulations to NANCY on earning the position of Democratic Whip.

EXPRESSING SENSE OF HOUSE THAT SCHEDULED TAX RELIEF SHOULD NOT BE SUSPENDED OR REPEALED

SPEECH OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. DINGELL. Mr. Speaker, I rise in strong opposition to this farcical, time-wasting resolution.

Have we no real work to do?

We have a duty to protect our great nation in times of crisis and war. We do not, however, have a duty to help our Republican colleagues look out for their fat cat buddies through an unbalanced and, frankly, unfair tax cut like the one passed last year.

The tax cut was passed; that is over. I would now, however, ask my colleagues to join me in opposing this ridiculous resolution today.

I would further ask that my colleagues join me in cosponsoring a bill introduced by my good friend from Massachusetts, Representative FRANK. His bill, H.R. 2935, would repeal the reduction in the top income tax rate. This would add about $100 billion to federal revenue over the next 10 years. All of this money would go into the Social Security and Medicare Trust Funds, so we can keep our commitment to our seniors.

Mr. Speaker, the budget submitted by President Bush this week proposes a budget deficit every year for the next decade. This means a $1.5 trillion budget deficit over the next 10 years. The Bush tax plan that passed last year left too little room for error, and no room for unexpected events like September 11. No one in this chamber would deny that we need to defend our nation, but we must do so in a fiscally responsible manner. In addition to the threats posed by terrorism both at home and abroad, we face other great domestic challenges. Our kids are taught in dilapidated schools that are not equipped to handle technology that is so vital to their future. Seniors cannot afford the prescription drugs they so desperately need. We have no Patients' Bill of Rights and we must do more to protect our environment. These are important issues that need to be addressed before we give tax cuts to the fat cats. Mr. Speaker, where are our priorities?

It was bad enough to debate this foolish policy once. I am perplexed as to why the GOP leadership now wants us to waste time reaffirming our support for this ridiculous tax scheme. I am forced to conclude that my Republican colleagues truly believe we have no more important work to do.

I ask my colleagues to reject this resolution and to stand strong for fiscal responsibility.

NO ROOM FOR RACISM RESOLUTION

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. STARK. Mr. Speaker, I rise today to introduce a resolution condemning discrimination and supporting the No Room for Racism campaign initiated by citizens of Hayward, California.

Since the horrific attacks on September 11, 2001, our country has come together in remarkable ways. Citizens across the nation have donated blood, volunteered their time, and contributed money to help those who were victimized by the ruthless attacks. During this difficult time, America's true colors have been displayed to the world. In times of national crisis, we take care of each other.

Unfortunately, despite this unity, some of our citizens have misplaced their anger at the terrorists by discriminating against their fellow Americans. Although this has not been widespread, even a few reports of discrimination and hatred are cause for concern. Discrimination against anyone in America is simply not consistent with our heritage or our laws. In order to combat discrimination, all Americans must work for tolerance and social justice.

Citizens in my district have taken the initiative to do just that. They have launched a campaign called "No Room for Racism" condemning all acts of discrimination against people because of their appearance. I applaud the citizens of Hayward for this worthy endeavor. Through community action such as this, the American tradition of tolerance and acceptance will continue to thrive.

The resolution that I introduce today is modeled after the one organized by my constituents in Hayward. As the resolution states, judging people by appearance, color of skin, or religious beliefs is contrary to the fundamental principles of our country. Racism undermines our unity as a people and leads to social unrest and alienation. Therefore, there truly is no room for racism in our society.

During this time of heightened tension, we must be particularly vigilant to protect the rights of all Americans, regardless of color or creed. I applaud my constituents in Hayward, California for their campaign against racism and I am pleased to introduce this resolution on their behalf.

THE TANF REAUTHORIZATION ACT OF 2001

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Ms. MILLENDER-McDONALD. Mr. Speaker, all too often, we forget that work-first policies do not just affect adult individuals.

We must remember that—when we talk about adults—we are also talking about families—and families include children.

While their parents are away from home at work, children require quality—affordable—child-care.

It is an unfortunate reality that many of the jobs performed by parents supported by TANF involve working late at night or at irregular hours—in fact, at the very times when it is extremely hard to find safe, affordable child-care.

These circumstances are particularly difficult for families with young children and children with disabilities.

Even when the parents are able to find child-care, they often find that their jobs do not pay enough to cover food, housing and utilities. Stretching those dollars to cover the cost of child-care can be extremely difficult for low-income families.

I have co-sponsored the TANF Reauthorization Act of 2001 (H.R. 3113) because—as we continue to emphasize work as a means to achieving economic security—we must stand up for working families by making safe, quality, affordable child-care accessible to all children.

PAYING TRIBUTE TO WALT WINKLER

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. McINNIS. Mr. Speaker, it is with profound sadness that I pay tribute today to Mr. Waldemar "Walt" Winkler, a good friend of mine and a good friend to all who knew and loved him. Walt was a man of unquestioned integrity and of unparalleled morality. He will be sorely missed by each and every person whose life he touched, and I am no exception. As his family mourns his loss, I believe it is appropriate to remember Walt and pay tribute to him for his contributions to his city, his state and his country.

Walt, who was born on October 27, 1912, was an avid outdoorsman who dedicated his life to his nation and to the principles of forestry. He received a forestry degree from the University of Minnesota and went to work for the U.S. Forest Service shortly after graduating. When Pearl Harbor was attacked, Walt joined the Air Force and fought bravely in the European Theatre. After returning from the war, he went back to work for the U.S. Forest Service, serving in the Medicine Bow, Rio Grande and Black Hills national forests. In 1957, Walt took a position with the White River National Forest, where he served until his retirement in 1975.

Walt was not only a soldier and a trusted government employee, but he was also a dedicated volunteer. He selflessly gave his time to the Boy Scouts of America, the American Red Cross, the Rotary Club, the American Legion and the Society of American Foresters. He was also an avid painter and sportsman. He is survived by his wonderful wife Jane, his son Waldemar Jr., brother Clyde, daughter-in-law Lisa Pedolsky and granddaughter Merritt.

Mr. Speaker, we are all terribly saddened by the loss of Walt Winkler, but take comfort in the knowledge that our grief is overshadowed only by the legacy of courage, selflessness and love that Walt left with all of us. Walt Winkler's life is the very embodiment of all that makes this country great, and I am deeply honored to be able to bring his life to the attention of this body of Congress.

ELECTION FUND FREE CHOICE AND SAVINGS ACT

HON. J.C. WATTS, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. WATTS of Oklahoma. Mr. Speaker, I am pleased to introduce legislation today that will strengthen our political parties and at the same time reduce our federal deficit.

The bill I am introducing today, the Election Fund Free Choice and Savings Act of 2002, reduces the deficit by providing that contributions made to the Presidential Election Campaign Fund must be made with after-tax additions to the contributor's regular tax payment. This would provide for a truly voluntary contribution from the citizen rather than a reallocation of funds from the Treasury or from the Social Security Trust Fund.

Additionally, the bill provides free choice by allowing taxpayers to choose to designate contributions to the Fund to a particular political party.

For over 25 years, presidential elections have been financed largely through public funds which are raised through a voluntary tax checkoff. All Americans are familiar with the checkoff box for the Presidential Election Campaign Fund which first appeared on their tax forms in 1972. By checking the box, taxpayers allocate dollars from the Treasury to be distributed to federal candidates, nominees, and party nominating conventions. The taxpayer has no voice as to whom these funds go or where these funds will be spent.

My proposal allows taxpayers who contribute to the Fund to have the option of designating a particular political party to receive their contribution. This free choice for American taxpayers would recognize the importance of America's political parties in our electoral system. It would strengthen the parties' ability to educate citizens, to register new voters and to promote voting in general. Furthermore, it would assure the taxpayer that their contribution is not going to an individual who holds political views in opposition to their own.

Additionally, by requiring that contributions to the Fund be made with after-tax dollars, the federal deficit is reduced substantially. In 2000 the Fund disbursed over $200 million to candidates. In the future these funds would stay in the Treasury or the Social Security Trust Fund and help to pay down the national debt.

I encourage my colleagues to join me in cosponsoring this important reform to the Presidential Election Campaign Fund. It is a simple question of fairness and fiscal discipline that merits your support.

PERSONAL EXPLANATION

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. OXLEY. Mr. Speaker, during today's rollcall votes on S. 1888, H. Con. Res. 312, H.J. Res. 82, and ordering the previous question on H. Res. 342, I was in Ohio attending the funeral of a family member. Had I been present, I would have voted in favor of each of these measures.

TRIBUTE TO COLONEL PETER T. BENTLEY

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. CALVERT. Mr. Speaker, I rise today to honor and pay tribute to an individual whose dedication to the community and to the overall well-being of California's Inland Empire and the Nation is unparalleled—Colonel Peter T. Bentley.

Calvin Coolidge, America's 13th President, once said, "Patriotism is easy to understand in America; it means looking out for yourself by looking out for your country." On Saturday February 9th 2002, Colonel Bentley will be honored for over 30 years of distinguished military service in which he dedicated his career in protecting fellow Americans.

Colonel Bentley is the outgoing commander of the Air Force Reserve Command's 452nd Air Mobility Wing at March Air Reserve base in Riverside California. The wing is the Air Force Reserve's only unit-equipped air mobility wing with 18 C–141Cs, 10 KC–135Rs and more than 4,000 reservists.

With true valor and love of country, Colonel Bentley voluntarily enlisted in the United States Air Force in 1970 through Officer Training School in Lackland Air Force Base, Texas. He has served in a variety of flying, command and staff positions throughout his career in the Air Force and Air Force Reserve. He is a command pilot with more than 8,000 hours in air refueling, cargo and troop transport aircraft. Colonel Bentley is a veteran of the Southeast Asia conflict having flown 60 combat hours there,.

Throughout his career, Colonel Bentley earned numerous medals some of which include the Air Force Commendation Medal, National Defense Medal, Air Force Achievement Medal with one oak leaf cluster, the Armed Forces Expeditionary Medal with service star and the Vietnam Service Medal. His commitment to service and the protection of America and her citizens is an example of the greatness that exists within this Nation.

Mr. Speaker, in my district of Riverside, California we are fortunate to have dynamic and dedicated individuals who give unselfishly of their time, talents and their lives to ensure the well-being of our city, state, nation and in Colonel Peter T. Bentley's case—world.

TRIBUTE TO REGIS COLLEGE OF WESTON, MASSACHUSETTS ON ITS 75TH ANNIVERSARY

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. MARKEY. Mr. Speaker, I rise to pay tribute to Regis College of Weston, Massachusetts on its 75th anniversary.

Founded in 1927 by the Congregation of Sisters of St. Joseph of Boston, Regis College is one of the leading Catholic liberal arts and sciences college for women. With more than 10,000 graduates world wide, the Regis college curriculum provides an intellectual base from which its students can acquire the values, ideas, techniques and habits which allow continual self-education. Regis College is committed to exploring the needs and problems of the changing world and thus shapes the liberal arts curriculum to assure graduates an excellent foundation for future success.

As a women's college, Regis is devoted to building awareness of women's roles in society and provides a solid structure for women to develop into leaders of the future.

I commend Regis College on its successes and its 75th anniversary.

THANK YOU, MARS, FOR THE RED, WHITE, AND BLUE M&M'S

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. MORAN of Virginia. Mr. Speaker, I stand before this chamber today to recognize the efforts of one of the Commonwealth of Virginia's foremost corporate citizens Mars, Incorporated based in McLean, Virginia. The Mars family and Mars associates have a long history of support for this nation. Mars, Incorporated's M&M's were a favorite of American GIs serving in World War II. In those days, the candy was packaged in cardboard tubs, and were both sold to servicemen and included in C-rations. They were a convenient snack that traveled well in any climate. Today, American servicemen and women will commonly find M&M's in the "Meal-Ready-to-Eat" packages issued to them in the field.

Immediately following the attacks on September 11, Mars associates wanted to do something to help the rescue and recovery efforts in New York City and at the Pentagon. These plant associates came up with the idea of producing special M&M's, in Red, White and Blue colors, to be distributed to the rescue and recovery workers carrying out their duty in lower Manhattan and at the Pentagon. Mars associates produced and sent rescue and recovery workers over 500 cases of these special M&M's.

As word of these special candies circulated, Mars, Incorporated has been deluged with requests from consumers for the Red, White and Blue M&M's. In response, Mars, Incorporated is partnering with the American Red Cross to develop a program through which Red, White and Blue M&M's will be made available for retail sale with 100% of the profits going to the American Red Cross disaster relief funds. Red, White and Blue M&M's are also on their way to military commissaries around the country.

In the same spirit, other Mars, Incorporated facilities and subsidiaries also stepped up to help. On the date of the terrorist attacks, a company promotional vehicle was in Boston. When Mars, Incorporated became aware of the attack on the World Trade Center, it immediately diverted its vehicle to New York, initially to Shea Stadium, where media reports indicated that rescue workers would be congregating after their shifts. With its working kitchen and self-contained power generation, the New York Police Department dispatched the vehicle to Ground Zero. Beginning on the evening of September 11, the vehicle and crew provided over 10,000 hot meals, along with coffee and snacks.

I stand today in salute of the efforts by Mars, Incorporated. May their actions be a guide to other corporations, demonstrating that successful corporations can also be good corporate citizens and lend a hand in our nation's time of great need.

PAYING TRIBUTE TO STEVE SAMEK

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. McINNIS. Mr. Speaker, I rise to take this opportunity to recognize an outstanding individual who has dedicated his life to serve and protect the citizens of the State of Colorado. Sergeant Steve Samek of the Pueblo Police Department has faithfully served his fellow Coloradans for over twenty-six years. After a long and successful career as one of Colorado's finest, Steve announced his retirement from the force in December of last year. As he looks forward to a new career, I would like to take this time to highlight Steve's service to his community.

Steve has faithfully served the Pueblo Police Department in various capacities throughout his long career. As a member of the Narcotics Division, he worked to keep our streets safe and free of drugs. He trained to defend our citizens and protect their lives as a supervisor of the department's SWAT team. Most recently, he headed the Internal Affairs Division to ensure our peace officers are responsible in the enforcement of our laws and properly execute their role in the community. I understand his retirement will not last long, since a body armor manufacturer has recently acquired his expertise and I am confident that the experience and diligence Steve has shown in his dedication to law enforcement will serve him well as he prepares to help protect his fellow officers.

Mr. Speaker, as a former law enforcement officer, I am well aware of the dangers and hazards our peace officers face today. These individuals work long hours, weekends, and holidays to guarantee their fellow citizen's rights and protection. They work tirelessly and with great sacrifice to their personal and family lives to ensure our freedoms remain strong in our homes and communities. Their service and dedication deserve the recognition and thanks of this body of Congress and this is why I bring the name of officers like Steve Samek to light today. I wish you all the best Steve and good luck in your future endeavors. Thanks for your service to Pueblo, Colorado.

TRIBUTE TO MARTIN AND GRACIA BURNHAM

HON. TODD TIAHRT

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. TIAHRT. Mr. Speaker, today marks the 257th day that Martin and Gracia Burnham have been help captive by Muslim terrorists in the Philippines.

Martin and Gracia Burnham have devoted their lives to helping others as missionaries with the New Tribes Mission since 1985. They have been stationed in the Philippines where Martin flies medical supplies to those in need and they both help with education.

The Burnhams inspire all those they meet with their selflessness, energy, infectious laughter, gentle spirits, overwhelming faith and love of life.

It is heartbreaking for the Burnham's loved ones to know that there is little they can do to help Martin and Gracia in their hour of greatest need—the hour that for so many others Martin and Gracia committed their lives to serving.

In closing, Monday, February 11th is the 15th birthday of Martin and Gracia's oldest son, Jeffrey. Unfortunately it seems that Jeff, like his siblings Mindy and Zach, will have to celebrate his birthday without his parents. I ask that you join me in sending Jeff warm birthday wishes and praying that he receives the present he most wants—his parents' safe release.

CROSSROADS MIDDLE/HIGH SCHOOL

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. BARR of Georgia. Mr. Speaker, Cherokee County is proud not only of its traditional school system, but also its emerging programs that reach out to students with additional needs—students who are bright and full of potential, but do not do not thrive in traditional routines found in contemporary middle and high schools. I recently had the pleasure of visiting one such school, and would like to take a moment to highlight CrossRoads Middle/High School for its innovative teaching skills and exemplary efforts in teaching the youth of out community.

CrossRoads is an "alternative school," yet the staff is quick to point out "alternative" is not a label that refers to "bad" children. It is a school that provides extra needed attention for students who may have academic or behavioral problems, such as attention deficit disorder or low attendance. According to principal Jeffrey A. Garrett, "alternative doesn't mean bad but rather a different way of approaching school."

Students at CrossRoads are held to extremely strict guidelines regarding course work, as well as behavior. All students are forced to be accountable for their actions; and if they fail to meet the strict standards, they must leave the school. The most amazing thing is, even students originally forced to attend the school for disciplinary reasons learn quickly to appreciate the approach at CrossRoads, which makes them accountable, and do all they can to avoid being discharged from the school.

The school has developed a clear-cut system of communication between teachers and students, providing definitive steps for handing in assignments; erasing any confusion or miscommunication between teacher and pupil. Students are given ample time to prepare and finish assignments, with instructions given out a week in advance. They are then required to complete the corresponding assignment and turn it in the same day of the following week; but students are encouraged to plan ahead and turn assignments in early. Behavior is monitored with the "zero tolerance" policy. Any student who steps outside the boundaries set by this principle is expelled from both CrossRoads and the Cherokee County school system completely. Parents provide an additional branch of support, being required to know the school's homework guidelines and sign each of their child's assignments.

The "staff" of CrossRoads includes not only the attentive teachers in each class, but also parents, educational administrators, and state officials who work every day to ensure the best possible outcome for the students. CrossRoads is a haven where children with a few more challenges than regular students, can turn to learn a new academic process, improve their socialization skills, and prepare to return to move on, either back to other schools, or on to post-secondary education. CrossRoads provides a sound scholastic base of reading, math, science, and language arts. Teachers are committed to develop not only child's mind but also his or her self-worth, leading them to reach towards their full potential as leaders of tomorrow.

CENTRAL NEW JERSEY HONORS ARTIST LAUREATE AND DEAN OF ARTISTS TOM MALLOY

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. HOLT. Mr. Speaker, I rise today to recognize and honor the Dean of Artists, Mr. Tom Malloy, Trenton New Jersey's Artist Laureate, and his myriad of contributions to Central New Jersey's cultural heritage.

Mr. Malloy was born in 1912 to sharecroppers in South Carolina. His family moved to Trenton in 1923. It wasn't until his mid-fifties, after a career that included work in factories and religion, Mr. Malloy decided to pursue his dream of becoming an artist.

Mr. Malloy has spent the last 3 decades capturing the essence of Central New Jersey and in particular, Trenton. Hailed locally for his watercolor paintings of Trenton, he tells the City's history through landscapes filled with architecture, cars, and city streets. It is told that, on request, Mr. Malloy can recapture and replicate an item or event as it appeared two and even three decades ago. His astute memory and talent will do much to convey the history and character of Trenton to future generations.

Though renowned for his artistic abilities, Tom Malloy's keen sense of history and purpose are what propels his spirit into the hearts and lives of so many. In his words, "I'm very conscious of history. If you don't understand history, you don't understand who you are." At this time in our Nation's history, when we struggle to understand where we're going and what is happening, his words ring true. We must know from where we've come, to know where we're going.

It is with great pride that I join the distinguished Mayor of Trenton, the Honorable Douglas Palmer, and the proud arts community, in honoring Tom Malloy as Artist Laureate of Trenton. This distinction is a most appropriate tribute to this New Jersey hero. Mr. Malloy is truly a treasure in New Jersey's cultural heritage. His art, as well as his gentle spirit, is an inspiration to all Central New Jerseyans.

Therefore, Mr. Speaker, again, I rise to celebrate and honor this true New Jersey hero and treasure. I ask my colleagues to join me in recognizing Mr. Tom Malloy as the Artist Laureate of Trenton, New Jersey.

HONORING REVEREND DERRICK ALDRIDGE AT HIS INSTALLATION AS PASTOR OF FOSS AVENUE BAPTIST CHURCH

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. KILDEE. Mr. Speaker, I ask the House of Representatives to join me in congratulating Reverend Derrick Aldridge upon his installation as pastor of the Foss Avenue Baptist Church on Sunday, February 10th in my hometown of Flint, Michigan. This is an auspicious occasion as Derrick Aldridge succeeds his father, Reverend Doctor Avery Aldridge as pastor.

Avery Aldridge is a dear friend and advisor. I have known him for several decades and value his insight and expertise on the problems facing our nation and world. I have fond memories of the hours spent at Foss Avenue Baptist Church witnessing the Christian spirit manifested by the clergy and congregation. The commitment to promoting the Christian ideal has extended far beyond the physical confines of the church sanctuary. Reverend Aldridge has inspired his faithful to live the tenets of Jesus in their everyday lives. He has preached and exhorted and prayed for the Holy Spirit to move within his congregation and his prayers have been answered. The congregation has grown since its founding in 1956. Now over 50 auxiliaries and committees carry out the work of Jesus in the community. The Church has an elementary and secondary school, a credit union, an activity center, a free clothing center, and a recreation and fitness center.

One of the great blessings of being a father is to know that your children turn out well. Reverend Avery Aldridge has that blessing. Derrick Aldridge chose to follow in his father's footsteps and bring the joy of Christian life to others. Derrick Aldridge serves as co-pastor, as the director of the Family Life Center, as the chaplain for the Genesee County Sheriff, as deputy administrator of the Eagle's Nest Child Care, and as the Children's Church Minister. He brings exuberance to his vocation as a baptizer for Christ. Foss Avenue Baptist Church is blessed to have the continuity between an esteemed father and an esteemed son.

Mr. Speaker, Foss Avenue Baptist Church will have a jubilant celebration on Sunday as the congregation and Reverend Derrick Aldridge join in a covenant of dedication committing their lives to the service of Jesus. They are accepting new challenges and new joys. I ask the House of Representatives to join me in congratulating Reverend Derrick Aldridge and Foss Avenue Baptist Church on this holy and propitious day.

INTRODUCTION OF ENDANGERED SPECIES LEGISLATION

HON. RICHARD W. POMBO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 2002

Mr. POMBO. Mr. Speaker, the endangered species program is supposed to be geared to protect endangered and threatened species and restore them to a secure standing in their environment. It is a complex balance of priorities and responsibilities that needs to be examined with all affected parties in mind. But, we all know that the current administration of the ESA is creating situations in which landowner's rights are compromised and the overzealous environmental agenda is advanced without a sufficient scientific basis, instead of actually recovering the species.

Some middle ground needs to be reached in reforming the ESA rather than forcing rigorous and inflexible implementation of federal regulations that have sweeping and often unintended effects.

First and foremost, the Secretary of the Interior needs to be required to use the best available science in all of the decisions made and needs to give greater preference to information that is empirical and peer reviewed. That means that we can all have greater confidence in the decisions made under the ESA. No federal agency, and certainly not the U.S. Fish and Wildlife Service, are infallible or free from political agendas.

There has to be a new emphasis on the need to use sound science in every aspect of the ESA from the listing process through recovery. Too often rhetoric and emotion are used in place of facts. One of the pieces of legislation that I am introducing today is based on sound science. It will set up an improved petition process for the potential listing of a species; it also sets up an independent review board, free of political agendas, to evaluate the evidence and scientific findings of all petitions for listing and review jeopardy opinions affiliated with candidate species; and it will set limitations on re-petitioning so that the process can be finalized and settled without a drawn out, fruitless process that bogs down our legal and political system.

Also, the ESA needs to have stronger provisions to recognize private property rights. Private landowners must have the ability to voluntarily participate in the recovery of a species, and they especially need to have a stronger voice in public hearings. One of the other bills I am introducing will streamline the lines of communication and the process to convey information to all affected parties; and it will also establish requirements for conducting public hearings, namely that the Administrative Procedure Act has to be followed.

Actions carried out in the name of the Endangered Species Act have had unintended consequences, especially on local growth and private property rights. We need to address these occurrences to make compliance with the ESA more agreeable and ensure that unfortunate situations that recently happened in the Klamath Basin will no longer occur.

The last bill I am introducing will set requirements to designate habitat. These improved protections for endangered species habitats will help the species recover, but will also enable the Secretary of the Interior to make the best decision for all.

I urge my colleagues to support prompt passage of these bills to provide common sense reform to the ESA so that we can help threatened and endangered species, but we can also provide incentives and assurances to all Americans that the ESA will not be used as a tool of the environmental movement to lock up lands. People need to believe that their Federal Government is making decisions, which affect their lives on a daily basis, are scientifically sound and have their best interests in mind. I believe that my three bills are a step in that direction.

HOUSE OF REPRESENTATIVES—*Friday, February 8, 2002*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. SIMPSON).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
February 8, 2002.

I hereby appoint the Honorable MICHAEL K. SIMPSON to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Father of eternal light and unconditional love, You inspire and bring to fulfillment every good intention. Be with us as the Winter Olympic games unfold before the world in Salt Lake City tonight.

Protect and guard the athletes of 77 nations as they gather. Keep them healthy in mind and body. Shield them from injury, threat of violence, or any personal harm. May our Nation with all its care and security plans bring friendship and a spirit of peace to the games by extending a gracious gift of hospitality to all foreign visitors. Athletes may make history in competition, but may all transcend the moment of victory and nationalism through personal excellence, precision, beauty, attitude and thus reveal the wonder of our humanity.

May all who participate or watch the games be touched by Your spirit and be recreated as children of light who hold promise and bring hope to the world.

In all our human efforts to achieve highest goals, even sports, may we be so blessed by You, O Lord, that we come to recognize in one another and even in ourselves a fire within—Your fire, Your image within us—both now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair will lead the House in the Pledge of Allegiance.

The SPEAKER pro tempore led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed with an amendment in which the concurrence of the House is required, a bill of the House of the following title:

H.R. 2998. An act to authorize the establishment of Radio Free Afghanistan.

REAPPOINTMENT AS MEMBER OF COMMISSION ON CIVIL RIGHTS

The SPEAKER pro tempore. Without objection, and pursuant to section 2(b) of Public Law 98–183, amended by Public Law 103–419, the Chair announces the Speaker's reappointment on the part of the House of Dr. Abigail N. Thernstrom, of Lexington, Massachusetts, to the Commission on Civil Rights for a 6-year term beginning on February 12, 2002.

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Thursday, February 7, 2002:

S. 1888, to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. GIBBONS (at the request of Mr. ARMEY) for January 29 on account of inclement weather and airport delays.

Mrs. BONO (at the request of Mr. ARMEY) for the week of February 4 on account of illness.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1888. An act to amend title 18 of the United States Code to correct a technical error in the codification of title 36 of the United States Code.

ADJOURNMENT

The SPEAKER pro tempore. Without objection, the House stands adjourned until 12:30 p.m. on Tuesday next for morning hour debates.

There was no objection.

Accordingly (at 10 o'clock and 4 minutes a.m.), under its previous order, the House adjourned until Tuesday, February 12, 2002, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5433. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Zeta-Cypermethrin and its Inactive R-isomers; Pesticide Tolerance [OPP–301207; FRL–6818–8] (RIN: 2070–AB78) received January 30, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5434. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Bifenazate; Pesticide Tolerance [OPP–301206; FRL–6818–3] (RIN: 2070–AB78) received January 30, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5435. A letter from the Deputy Secretary, Department of Defense, transmitting a letter on the approved retirement of Lieutenant General Roger G. Dekok, United States Air Force, and his advancement to the grade of lieutenant general on the retired list; to the Committee on Armed Services.

5436. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Clean Air Act Full Approval of Operating Permit Program; District of Columbia; Correction [DC-T5–2001a; FRL–7136–3] received January 30, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5437. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval of Section 112(I) Authority for Hazardous Air Pollutants; State of Maryland; Department of the Environment [MD001–1000; FRL–7135–9] received January 30, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5438. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

of State Implementation Plans; State of Alaska; Fairbanks [AK-01-004a; FRL-7133-1] received January 30, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5439. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Ohio [OH 103-1a; FRL-7114-1] received January 30, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5440. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Plans; Alabama Update to Materials Incorporated by Reference [AL-200213; FRL-7131-5] received January 30, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5441. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

5442. A letter from the General Counsel, General Accounting Office, transmitting a copy of the report on each instance a Federal agency did not fully implement recommendations made by the GAO in connection with a bid protest decided during the fiscal year, pursuant to 31 U.S.C. 3554(e)(2); to the Committee on Government Reform.

5443. A letter from the Director, Office of Personnel Policy, Department of the Interior, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5444. A letter from the Director, Office of Personnel Policy, Department of the Interior, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5445. A letter from the Director, Office of Personnel Policy, Department of the Interior, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5446. A letter from the Director, Office of Personnel Policy, Department of the Interior, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5447. A letter from the Director, Office of Personnel Policy, Department of the Interior, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5448. A letter from the Assistant Director for Executive and Political Personnel, Department of Defense, transmitting a report pursuant to the Federal Vacancies Reform Act of 1998; to the Committee on Government Reform.

5449. A letter from the Director, Financial Management, General Accounting Office, transmitting the FY 2001 annual report of the Comptroller General's Retirement System, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Reform.

5450. A letter from the Chairman, Nuclear Regulatory Commission, transmitting a copy of the Commission's report in compliance with the Government in the Sunshine Act during the calendar year 2001, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Reform.

5451. A letter from the Executive Director, Office of Navajo and Hopi Indian Relocation, transmitting the FY 2001 annual report under the Federal Managers' Fiscal Integrity Act (FMFIA) of 1982, and the Inspector General Act of 1988; to the Committee on Government Reform.

5452. A letter from the Chairman, Federal Election Commission, transmitting the Commission's final rule—Interpretation of Allocation of Candidate Travel Expenses [Notice 2002—1] received February 6, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on House Administration.

5453. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Montana Regulatory Program [SPATS No. MT-003-FOR] received February 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5454. A letter from the Chief, Regulations Branch, Department of the Treasury, transmitting the Department's final rule—Passenger and Crew Manifests Required for Passenger Flights in Foreign Air Transportation to the United States [RIN: 1515-AC99] received December 21, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5455. A letter from the Director, Foreign Terrorist Tracking Task Force, Department of Justice, transmitting the Department's final rule—Provision of Aviation Training to Certain Alien Trainees, Additional Categories of Provisional Advance Consent—received February 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5456. A letter from the Secretary, Department of Health and Human Services, transmitting the Department's FY 1999 report entitled, "Assets for Independence Demonstration Program"; to the Committee on Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. CARDIN (for himself, Mr. English, Mr. Boucher, Mr. Towns, Mr. Platts, Mr. Ackerman, Mr. Clement, Mr. Wamp, Mr. Portman, Mr. Gillmor, Mr. Green of Texas, and Mr. Engel):

H.R. 3710. A bill to amend title XVIII of the Social Security Act to improve patient access to, and utilization of, the colorectal cancer screening benefit under the Medicare Program; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GRAVES:

H.R. 3711. A bill to amend the Internal Revenue Code of 1986 to provide to employers a tax credit for compensation paid during the period employees are performing service as members of the Ready Reserve or the National Guard; to the Committee on Ways and Means.

By Mr. KENNEDY of Minnesota:

H.R. 3712. A bill to provide for the conveyance of the former Army Reserve Training Center in Buffalo, Minnesota, to the Buffalo Independent School District 877, which is currently using the property under agreement with the Army; to the Committee on Armed Services.

By Mr. KING (for himself, Mr. Oberstar, Ms. Pryce of Ohio, Mr. Gordon, Mr. DeMint, Ms. Norton, Mr. Bachus, Ms. Brown of Florida, Mr. Bereuter, Mrs. Kelly, Mr. Hall of Ohio, Mr. Saxton, Mr. Fletcher, Mr. Burton of Indiana, Mrs. McCarthy of New York, Mr. Goodlatte, Mr. Wilson of South Carolina, Mr. Schaffer, Mr. Otter, Mrs. Morella, Mr. Tiahrt, Mr. Gilman, Mr. Grucci, Mr. Hobson, Mr. Ryun of Kansas, Mr. McHugh, Mr. Wolf, Mr. Cramer, Mr. Smith of New Jersey, Mr. Horn, Mr. Costello, Mr. Strickland, and Mr. Souder):

H.R. 3713. A bill to amend the Internal Revenue Code of 1986 to allow penalty-free withdrawals from individual retirement plans for adoption expenses; to the Committee on Ways and Means.

By Mr. PHELPS:

H. Con. Res. 323. Concurrent resolution expressing the sense of Congress that money from the drug trade helps finance terror and terrorism and that the link between drugs and terror is one more reason for children not to use drugs; to the Committee on Energy and Commerce.

By Ms. ROS-LEHTINEN (for herself, Mrs. Jo Ann Davis of Virginia, Ms. Hart, Mrs. Myrick, and Mrs. Northup):

H. Res. 346. A resolution expressing the sense of the House of Representatives regarding prenatal care for women and children; to the Committee on Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 658: Ms. Hart and Mr. Stupak.

H.R. 690: Mr. Kennedy of Rhode Island.

H.R. 1294: Mr. Acevedo-Vila, Mr. Hinojosa, Mr. Gonzalez, Ms. Velázquez, Mr. Rodriguez, Mr. Becerra, Mr. Ortiz, Mr. Menendez, Mr. Serrano, Mr. Wynn, and Mr. Filner.

H.R. 1354: Mr. Costello.

H.R. 1371: Ms. Norton.

H.R. 1522: Mr. Wynn, Mr. Engel, Mr. Bonior, and Mr. Stupak.

H.R. 2349: Mr. Becerra.

H.R. 2629: Mr. Leach.

H.R. 3192: Mr. Manzullo, Mr. Horn, Ms. Kaptur, Mr. Tauzin, and Mr. Gillmor.

H.R. 3524: Mrs. Meek of Florida.

H.R. 3584: Mr. LaHood and Mr. Gallegly.

H.R. 3623: Mr. Bonior, Mr. Filner, and Mr. Hinchey.

H.R. 3624: Mr. Forbes, Mr. Blunt, and Mr. Kerns.

H.R. 3644: Mr. Berman.

H.J. Res. 6: Mrs. McCarthy of New York.

H. Res. 259: Ms. Hooley of Oregon.

H. Res. 339: Mr. McNulty and Mr. Pallone.

PETITIONS, ETC.

Under clause 3 of rule XII, petitions and papers were laid on the clerk's desk and referred as follows:

49. The SPEAKER presented a petition of the Office of the Vice Mayor, Municipality of San Rafael, Republic of the Philippines, relative to Municipal Resolution No. 2001-103 petitioning the United States Congress that the Sangguniang Bayan members express sympathy and offer prayers to the innocent victims of the September 11, 2001 terrorist

attacks of the World Trade Center and the Pentagon while at the same time condemning in its strongest terms the dastardly acts against humanity causing untold misery, anguish and trauma to the soul and spirit; to the Committee on Government Reform.

SENATE—*Friday, February 8, 2002*

The Senate met at 9:30 a.m. and was called to order by the Honorable DEBBIE STABENOW, a Senator from the State of Michigan.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

We are coming to the Lord,
Great petitions to Him bring,
For His grace and mercy are such
That we can never ask too much.

Let us pray.

Gracious God, we believe that in this time of prayer, our hearts will wing their way to Your generous heart and we will receive what we need from You, the very power that sways the universe. We pray not to get Your attention but because You already have gotten our attention. We do not seek to convince You to listen to our petitions because You have blessed and will bless the Senate through our prayers. We know You desire to provide the unity and oneness of purpose we need. Long before we ask for Your wisdom and guidance, You have motivated the request in us. Thank You for Your prevenient grace, offered even before we ask and provided way beyond our deserving. Out of Your immense desire to bless America, imbue the minds of the Senators with Your vision for what is best for our beloved Nation. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable DEBBIE STABENOW led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, DC, February 8, 2002.*
>
> *To the Senate:*
>
> Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DEBBIE STABENOW, a Senator from the State of Michigan, to perform the duties of the Chair.
>
> ROBERT C. BYRD,
> *President pro tempore.*

Ms. STABENOW thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

SCHEDULE

Mr. REID. Madam President, we are going to renew consideration of the farm bill this morning. Senator CONRAD is here and is going to offer an amendment. There are other amendments that will be offered today. Senator SANTORUM should be here shortly. Senator FEINSTEIN will be here to offer an amendment. We hope others who are on the finite list of amendments will come over to offer their amendments. It is the intention of the two leaders that this legislation be completed no later than Tuesday night. That could be a long night or a short night, according to what the wishes of Senators are. Senator DASCHLE has made a commitment that we are going to go to the energy bill next week. We are very close to seeing the end of this legislation. I know Senator HARKIN and Senator LUGAR would very much like to complete this legislation. The two leaders want it completed. I am confident it will be completed. There will be no rollcall votes today. The next rollcall vote will occur Monday at approximately a quarter to 6 in the evening.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 1731, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

Pending:

Daschle (for Harkin) amendment No. 2471, in the nature of a substitute.

Daschle motion to reconsider the vote (Vote No. 377—107th Congress, 1st session) by which the second motion to invoke cloture on Daschle (for Harkin) amendment No. 2471 (listed above) was not agreed to.

Crapo/Craig amendment No. 2533 (to amendment No. 2471), to strike the water conservation program.

Craig amendment No. 2835 (to amendment No. 2471), to provide for a study of a proposal to prohibit certain packers from owning, feeding, or controlling livestock.

AMENDMENT NO. 2836

The ACTING PRESIDENT pro tempore. The Senator from North Dakota.

Mr. CONRAD. Madam President, I send an amendment to the desk.

The ACTING PRESIDENT pro tempore. Without objection, the pending amendments will be set aside. The clerk will report.

The legislative clerk read as follows:

The Senator from North Dakota [Mr. CONRAD], for himself and Mr. CRAPO, proposes an amendment numbered 2836.

Mr. CONRAD. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. CONRAD. Madam President, I am pleased to offer this amendment on behalf of myself and the Senator from Idaho, Mr. CRAPO.

The purpose of this amendment is to provide a predictable, transparent, and equitable formula for the Department of Agriculture to use in establishing beet sugar marketing allotments in the future. This is an amendment that enjoys widespread support within the sugar beet industry. Producers in that industry recall, as I do, the very difficult and contentious period just a few years ago when the Department of Agriculture last attempted to establish beet sugar allotments with very little direction in the law.

That experience left us all believing that there must be a better way, that we should seek a method for establishing allotments that is fair and open and provides some certainty and predictability to the industry. On that basis, I urged members of the industry to work together to see if they could agree on a reasonable formula.

I am pleased to say the amendment I am offering today with the Senator from Idaho reflects producers' efforts to forge that consensus. It provides that any future allotments will be based on each processor's weighted-average production during the years 1998 through 2000, with authority for the Secretary of Agriculture to make adjustments in the formula if an individual processor experienced disaster-related losses during that period or opened or closed a processing facility or increased processing capacity through improved technology to extract more sugar from beets.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

In addition, the formula allows for adjustments in the reallocation of beet sugar allotments to account for such industry events as the permanent termination of operations by a processor, the sale of a processor's assets to another processor, the entry of new processors, and so on.

Taken together, these provisions offer the predictability, fairness, and transparency we all agree is much needed in the sugar beet industry.

I should emphasize that this amendment applies only to producers of beet sugar. It is not in any way directed at producers of cane sugar.

Again, I thank Senator CRAPO for his work in support of the amendment. I urge its adoption.

I would be remiss if I did not also thank the industry. This was not easy for them to do. As one who was centrally involved in 1995, when we last faced this problem, I can tell the Senate, this is a better way of dealing with the problem. Instead of waiting for the problem to develop and then having a chaotic situation on our hands when there was no formula, no agreement, this provides the means of a reasonable and fair distribution of allocation in the future.

I thank the Chair and yield the floor.

Mr. LUGAR. Madam President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Minnesota.

AMENDMENT NO. 2835

Mr. WELLSTONE. Madam President, my understanding is there is an amendment that my colleague from Idaho has introduced, or will introduce—my understanding is he has introduced it—which deals with a ban on packer ownership, an amendment which was passed by this body on December 13. This was a Johnson/Grassley/Wellstone bipartisan amendment. It had the support of the Senator from Wyoming, Mr. THOMAS, as well.

My understanding is my colleague Senator HARKIN will soon do a second-degree amendment to the Craig amendment. I was concerned I may not be present when that happens, so I wanted to speak about this.

What the Craig amendment would do is nullify this packer ownership amendment and replace it with a study. The intent of this packer ownership amendment is clear. It restricts the major meatpacking firms from owning livestock in a 14-day period before taking livestock to slaughter. What we are talking about is a a tactic used by some packers. It is really their own form of supply management to reduce competition. This is an amendment intended to increase competition and the bargaining power of the independent producers.

This amendment has the support of the Nation's two largest farm and ranch organizations: the National Farmers Union and the Farm Bureau Federation. They have both expressed strong support for a ban on packer ownership of livestock, as have many other agricultural organizations across the country.

The meatpacking industry is busily working the Halls of the Congress to kill our amendment because, unfortunately, some of these firms want to give preference to their own livestock so they do not have to pay the farmers and the ranchers a fair price. What they do is they buy when prices are low, and then when prices start to go up for the independent livestock producers, they dump on the market to keep prices down. They are like a cartel.

A lot of the independent livestock producers in Minnesota and the country are sick and tired of these conglomerates muscling their way to the dinner table and using their raw economic and political power to push the independent producers out of existence. As a matter of fact, a lot of taxpayers are sick of it as well. That is why this amendment, which puts some limit on payments, passed yesterday. It was a very important reform amendment.

Some of these packers have even taken out attack ads against some of us who have supported this amendment. There is a dramatic attack ad by Smithfield in South Dakota—I am listed with Senator GRASSLEY, but it is aimed at Senator JOHNSON—where they basically say if this amendment stays in, they are not going to do any more investment in South Dakota or hint that they are even going to leave. I do not know whether one calls that blackmail or whitemail or threat of capital strike. I am not sure.

The major question surrounding the intent of our amendment concerns the meaning of the word "control" and whether the inclusion of that word in our language prohibits forward contracts or contractural marketing arrangements. While all the sponsors of this amendment have made it clear that the word "control" in the context of the ownership restriction does not prohibit such arrangements, Senator HARKIN's amendment today should leave no doubt. The amendment of the Senator from Iowa makes clear that forward contracts and other marketing arrangements do not give a packer operational control of the production process and makes it crystal clear what control is all about. We are not saying you cannot have contractual arrangements with other producers. We are talking about direct ownership.

I will discuss again the "why" of this amendment that passed in December. I have been having fun with this debate because it is serious but you have to have a twinkle in your eye. I believe the battleground is to call for more free enterprise in the free enterprise system. I am the conservative here calling for more competition in the food industry; the independent livestock producers want a fair shake. The packers have their own style of supply management. Again, they act as a cartel and jack the independent producers around. They buy when prices are low. When prices go up, they dump on the market to keep prices low. It is simply unacceptable.

We have had formal agriculture committee hearings in the State of Minnesota. This has been an issue for a number of years. Usually the processors with all of their power win the debate. Yesterday's vote in the Senate says, when it comes to income support in government payments, there have to be payment limitations. We are tired of it being in such inverse relation to need. That was a reform vote.

Country-of-origin labeling was a reform vote. The environmental credits in this bill that Senator HARKIN has worked on is a reform vote. A strong energy section in this bill is a reform vote. Rural economic development is a reform vote. Getting the loan rate up, at least somewhat, is a reform vote. And this is a reform vote.

I join my colleague, Senator HARKIN, who will be introducing the second-degree amendment. I say to all Senators, this is a blatant effort on the part of these big packers, of these big processors, to go after the independent producers. They always think, because they have so much economic power and political power, that they will win these votes.

I like my colleague from Idaho. It is my nature to like people. With all due respect, the amendment of the Senator from Idaho does not represent a step forward; it represents a great leap sideways.

The independent producers are being squeezed out of existence. These big conglomerates are not interested in a study. They are interested in whether or not we are on their side. As a Senator from Minnesota, I can say with a great deal of good feeling and glee that I am on the side of the independent producers. I am on the side of our family farmers. I am not on the side of these big packers and these big conglomerates. They will not be able to muscle their way to the dinner table and push family farmers out of existence. They will not be able to muscle their way to the floor of the Senate to try to reverse a vote. We are not going to let them do it.

Mr. HARKIN. Will the Senator yield?

Mr. WELLSTONE. I yield.

The PRESIDING OFFICER (Mr. MILLER). The Senator from Iowa.

Mr. HARKIN. I am pleased the Senator is pointing out what is happening. I specifically thank the Senator for pointing out the ad run in the Sioux Falls Argus Leader Editor, newspaper on Sunday, February 3. This is a paid advertisement, quite a big ad from Smithfield Foods, signed by Joseph Luter III, chairman and chief executive officer of Smithfield Foods. It is quite a lengthy ad. They are going after Senator JOHNSON for offering this amendment. I guess they are angry that his amendment passed.

In line with what the Senator from Minnesota said, this smacks of a powerful firm trying to use its economic power to blackmail. I have not seen in recent times a more blatant example of that than this ad put out by Smithfield Foods and Joseph Luter III. But let me read the last paragraph:

> If the Johnson Amendment becomes law, Smithfield Foods will neither rebuild the Sioux Falls plant, or build a new plant in South Dakota, nor will we make any further investment in South Dakota, or for that matter in any other state whose public officials are hostile to our ongoing operations and our industry.

Signed by Joseph Luter.

Now, that is economic blackmail.

We have more concentration in the meatpacking industry today than we had 100 years ago when this Congress began to break up the packers; they had too much economic power, too much concentration. We have more today than we did then.

This is economic blackmail. They are saying they will not do anything "in any State whose public officials are hostile to our ongoing operations and our industry."

Well, they have plants in Iowa, too. But I can tell you that I am not hostile to their industry. We need the meatpacking industry in this country. We would like to have another meatpacking plant in the State of Iowa, in fact. However, what we do not want to see is the vertical integration where the packers own the livestock and they are able to dictate to a farmer what that price will be for the cattle. It used to be in my State a cattleman would get, two, three, or four bids for his livestock. Now, with this kind of economic concentration, what happens is a packer goes out and says, this is what I will pay you. Take it or leave it. If they leave it, the packer says, that is all right, I have enough cattle of my own; I don't need your cattle. I have a captive supply.

That is what happens. They drive more and more of our cattlemen out of business. I am upset at some of the entities that are supporting this position, saying the packers should own this livestock.

This amendment is very simple. It says that the packers, prior to 14 days, cannot engage in ownership or control. As the Senator said, we will shortly have a second-degree amendment to the Craig amendment which undoes that, to specifically point out what control is and is not so it would not prohibit, for example, forward contracting. If they are hung up on the word "control," we have an amendment that Senator GRASSLEY and I are working together on to make crystal clear what we mean so there will not be any ambiguity. I don't think there is in the present one, but we will make it even clearer.

I say to my friend from Minnesota, we ought to get even more votes now because of this kind of economic blackmail.

Mr. WELLSTONE. I ask my colleague if he will yield for a question. I say to my colleague from Pennsylvania, it won't be a 2-hour colloquy; maybe an hour and 50 minutes but not 2 hours. I say to the Senator from Iowa, I saw this last paragraph, too. It is worth reading again.

> If the Johnson Amendment becomes law, Smithfield Foods will neither rebuild the Sioux Falls plant, or build a new plant in South Dakota, nor will we make further investment in South Dakota, or for that matter in any other state whose public officials are hostile to our ongoing operations and our industry.

Earlier I was lucky enough—I don't consider it the price you pay. I think it is a privilege you earn, to be in small print. It says "Johnson-Grassley-Wellstone," so I get included in this. But this is aimed at Senator JOHNSON.

This is like threatening a capital strike. That is what this is all about. This is absolutely unbelievable. I say to colleagues, now that we are going to have your language—and I want to be included as an original cosponsor as to the second-degree amendment, which makes it crystal clear what control means—we should get an even stronger vote for our amendment. Every Senator ought to stand up to this kind of blatant blackmail or whitemail or threats.

The processors and meatpacking companies in Minnesota have not engaged in these kinds of threats. But I tell you what, with all due respect for Smithfield, you are going to get fewer votes, Smithfield, because this is blatant. Everybody knows exactly what you are trying to do. You have a lot of power, you have a lot of muscle, you have been pushing a lot of our independent producers around for a long time, and we are now saying to you that you are not going to be able to do it in the same way. And you know what, you are not going to be able to push U.S. Senators around. We are going to get a strong vote for the second-degree amendment.

I yield the floor.

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANTORUM. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2542 TO AMENDMENT NO. 2471

Mr. SANTORUM. Mr. President, I ask unanimous consent that the pending amendment be set aside and I call up amendment No. 2542.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM], for himself, Mr. DURBIN, Mr. FEINGOLD, Mr. DEWINE, Mr. KOHL, Mr. HATCH, Mrs. CLINTON, and Mr. JEFFORDS, proposes an amendment numbered 2542 to Amendment No. 2471.

Mr. SANTORUM. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To improve the standards for the care and treatment of certain animals)

On page 945, line 5, strike the period at the end and insert a period and the following:

SEC. 1024. IMPROVED STANDARDS FOR THE CARE AND TREATMENT OF CERTAIN ANIMALS.

(a) SOCIALIZATION PLAN; BREEDING RESTRICTIONS.—Section 13(a)(2) of the Animal Welfare Act (7 U.S.C. 2143(a)(2)) is amended—

(1) in subparagraph (A), by striking "and" at the end;

(2) in subparagraph (B), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

"(C) for the socialization of dogs intended for sale as pets with other dogs and people, through compliance with a standard developed by the Secretary based on the recommendations of animal welfare and behavior experts that—

"(i) prescribes a schedule of activities and other requirements that dealers and inspectors shall use to ensure adequate socialization; and

"(ii) identifies a set of behavioral measures that inspectors shall use to evaluate adequate socialization; and

"(D) for addressing the initiation and frequency of breeding of female dogs so that a female dog is not—

"(i) bred before the female dog has reached at least 1 year of age; and

"(ii) whelped more frequently than 3 times in any 24-month period.".

(b) SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES.—Section 19 of the Animal Welfare Act (7 U.S.C. 2149) is amended—

(1) by striking "SEC. 19. (a) If the Secretary" and inserting the following:

"SEC. 19. SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES.

"(a) SUSPENSION OR REVOCATION OF LICENSE.—

"(1) IN GENERAL.—If the Secretary";

(2) in subsection (a)—

(A) in paragraph (1) (as designated by paragraph (1)), by striking "if such violation" and all that follows and inserting "if the Secretary determines that 1 or more violations have occurred."; and

(B) by adding at the end the following:

"(2) License revocation.—If the Secretary finds that any person licensed as a dealer, exhibitor, or operator of an auction sale subject to section 12, has committed a serious violation (as determined by the Secretary) of any rule, regulation, or standard governing the humane handling, transportation, veterinary care, housing, breeding, socialization, feeding, watering, or other humane treatment of dogs under section 12 or 13 on 3 or more separate inspections within any 8-year period, the Secretary shall—

"(A) suspend the license of the person for 21 days; and

"(B) after providing notice and a hearing not more than 30 days after the third violation is noted on an inspection report, revoke the license of the person unless the Secretary makes a written finding that—

"(i) the violations were minor and inadvertent;

"(ii) the violations did not pose a threat to the dogs; or

"(iii) revocation is inappropriate for other good cause.";

(3) in subsection (b), by striking "(b) Any dealer" and inserting "(b) Civil Penalties.—Any dealer";

(4) in subsection (c), by striking "(c) Any dealer" and inserting "(c) Judicial Review.—Any dealer"; and

(5) in subsection (d), by striking "(d) Any dealer" and inserting "(d) Criminal Penalties.—Any dealer".

(c) Regulations.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture shall promulgate such regulations as are necessary to carry out the amendments made by this section, including development of the standards required by the amendments made by subsection (a).

MODIFICATION TO AMENDMENT NO. 2542

Mr. SANTORUM. Mr. President, I now send amendment No. 2639 to the desk and ask my amendment be modified with the text of this amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The modification to amendment No. 2542 is as follows:

Beginning on page 2, strike line 11 and all that follows through page 4, line 21, and insert the following:

"(C) for the socialization of dogs intended for sale as pets with other dogs and people, through compliance with a standard developed by the Secretary based on the recommendations of veterinarians and animal welfare and behavior experts that—

"(i) identifies actions that dealers and inspectors shall take to ensure adequate socialization; and

"(ii) identifies a set of behavioral measures that inspectors shall use to evaluate adequate socialization; and

"(D) for addressing the initiation and frequency of breeding of female dogs so that a female dog is not—

"(i) bred before the female dog has reached at least 1 year of age; and

"(ii) whelped more frequently than 3 times in any 24-month period.".

(b) Suspension or Revocation of License, Civil Penalties, Judicial Review, and Criminal Penalties.—Section 19 of the Animal Welfare Act (7 U.S.C. 2149) is amended—

(1) by striking "Sec. 19. (a) If the Secretary" and inserting the following:

"SEC. 19. SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES.

"(a) Suspension or Revocation of License.—

"(1) In general.—If the Secretary";

(2) in subsection (a)—

(A) in paragraph (1) (as designated by paragraph (1)), by striking "if such violation" and all that follows and inserting "if the Secretary determines that 1 or more violations have occurred."; and

(B) by adding at the end the following:

"(2) License revocation.—If the Secretary finds that any person licensed as a dealer, exhibitor, or operator of an auction sale subject to section 12, has committed a serious violation (as determined by the Secretary) of any rule, regulation, or standard governing the humane handling, transportation, veterinary care, housing, breeding, socialization, feeding, watering, or other humane treatment of dogs under section 12 or 13 on 3 or more separate inspections within any 8-year period, the Secretary shall—

"(A) suspend the license of the person for 21 days; and

"(B) after providing notice and a hearing not more than 30 days after the third violation is noted on an inspection report, revoke the license of the person unless the Secretary makes a written finding that revocation is unwarranted because of extraordinary extenuating circumstances.".

Mr. SANTORUM. Mr. President, the amendment and modification I just sent to the desk is an amendment that is referred to as the Puppy Protection Act that Senator DURBIN and I have introduced. The reason I brought this up is because of my continuing concern, and I know Senator DURBIN's continuing concern, about the treatment of dogs and puppies in some of the breeding facilities across the country. There are literally about 3,000 such commercial breeding establishments that breed puppies for sale into homes as pets.

There are, unfortunately, numerous reports and evidence of very bad conditions in these puppy mills. I have had an ongoing concern about it. We have been working for quite some time with USDA to improve enforcement. They have some 80 people to enforce the existing Animal Welfare Act. They simply are understaffed. The problem we are seeing is not only are they understaffed but there are some holes in the animal welfare law.

A lot of my colleagues have come to me because they have been hearing from some of their constituents who are saying: Why is RICK SANTORUM trying to expand the reach of the Federal Government to take care of breeding dogs? This doesn't seem to be something in which the Federal Government should be involved.

First off, the Federal Government is involved. In 1966, we passed the Animal Welfare Act. We have had several amendments to it since—I think four or five times throughout the 1970s or 1980s. Because these are commercial breeding establishments that breed animals, we, the USDA and the Congress, have seen fit to have the Department of Agriculture regulate these large facilities. We do regulate in the area of handling, housing, sanitation, feeding, watering, ventilation, shelter, adequate veterinary care, and exercise. Those are provisions already in the existing veterinary law here in Washington, DC, which the USDA is responsible for regulating.

But there are some areas we believe lead directly to not just the health of the dog but the suitability of the dog as a pet that results from, we believe, some bad practices.

Before I go into detail about what my bill does, I want to be very clear about what my bill doesn't do. One thing my bill does not do—and the amendment of Senator DURBIN and myself does not do—is expand who is covered under the Animal Welfare Act. We have heard from the American Kennel Club and some members calling my office, and I know other Members have gotten calls from AKC members within their States, saying this is a great expansion of reach; you are going to have all these breeders who are going to run afoul of the Federal Government now if this legislation passes.

According to AKC's own records from 1997, which are the most recent ones we have, 97 percent of their breeders are not covered under the existing Animal Welfare Act. And our act does not amend who is covered. It just says what will be looked at upon inspection. Ninety-seven percent of their members will not be covered. Why? Because the Animal Welfare Act only covers breeders who breed four or more females. If you breed less than four females, you are not covered under the Animal Welfare Act and you are not covered under this proposed amendment to the Animal Welfare Act.

Again, from their own numbers, only .04 percent of their members registered more than three litters in a year. So I say as to a lot of these calls coming in, saying: You are going to be harming the mom-and-pop breeder here, the folks who have a female dog they want to breed for a little extra income as part of their experience with their animal, you are going to be affecting them, the answer is no, we are not. What we are talking about here are facilities that are in the commercial breeding. We want to make sure these puppies that are bred, when they go into the home, go into the home healthy, No. 1— I mean from disease and genetic maladies, but that they also go in properly socialized so they can be good pets.

The areas we have focused in on are really three. No. 1 is the area of socialization or interaction. It requires that the puppies in these breeding facilities have interaction with other dogs and with humans.

Can you imagine the situation where a dog is bred and put in a cage, basically isolated from human contact for several weeks and having no interaction with human beings and having no interaction with other dogs, and then placed in a home maybe with little children? The impact could be severe. In fact, there is evidence to suggest that that is one area.

We just require some interaction. It is not particularly an onerous standard. We think it is a rather commonsense standard. I find it difficult for anyone to find a problem with that.

The second area has to do with breeding. There is a lot of concern. One of the sponsors of my amendment is one of the two veterinarians in the Senate. There are two Senators who are veterinarians. But one of them dealt with small animals; that is, Senator ENSIGN from Nevada. He is a cosponsor of my amendment. He personally told me stories of the problems with large commercial breeders in overbreeding females and constantly breeding more than is healthy for the female. It has an impact, obviously, on the litter and the health of the litter with diseases and other complications.

Here we are talking about a standard, it is my understanding, according to all reputable breeders which they adhere to already. It is a standard that puts in place what we believe are sound breeding practices based on evidence of producing a line of healthy puppies.

I know Senator ENSIGN is planning on coming in next week to talk about this legislation. He will probably give many more good examples with a lot more technical expertise than I can possibly offer. But I wanted to make it clear that this is a problem.

It is a problem when you have a very excited family that brings a new puppy into the home. They find out that this puppy, because of improper breeding, tends to have a lot of problems, gets ill, and maybe dies. That is obviously terrible for the puppy, but it is also very traumatic for the family.

The last provision has to do with enforcement. Before I talk about this provision, let me make it clear that if the USDA goes in and finds a bad situation, they have the ability to revoke the license. These facilities are licensed by USDA. They have the ability to go in and immediately revoke the license if there is one severe infraction of the Animal Welfare Act. We don't change that. But we say under this legislation, if you have three such infractions within an 8-year period of time, USDA must automatically revoke the license. You can appeal and do all the things about the specific instances to get your license reinstated. But this "three strikes and you are out" provision really tries to suggest to USDA that when you have a pattern of mistreatment and violation of the law, that action should be taken.

Again, let me remind everybody that USDA can do it right now. They have the discretion to do it with one infraction. We are saying that upon three, the license will be revoked. We are talking about commercial breeders. We are not talking about breeders that breed fewer than four animals.

This is an amendment that has very broad support from over 800 animal welfare organizations, including the Humane Society and the American Society for Prevention of Cruelty to Animals.

Of course, this legislation is, frankly, a very modest amendment. I cannot tell you how many changes I have made. I think this is the fourth change I have filed with this legislation in an attempt to try to deal with the research community that is concerned about certain aspects of this legislation and their application. We have dealt with the small breeders, even though, frankly, they are not covered by it. But we have tried to ameliorate some of the concerns from the American Kennel Club.

We have really worked very hard to try to make sure that no one who is serious about the healthy breeding of puppies has a concern. It is not my intention to bring the dog police into every home in America that breeds puppies. The fact of the matter is there are large commercial establishments that, frankly, need to do a better job in breeding puppies for homes.

I am hopeful that we can have very broad support. I have been working with Senator HELMS. Senator HELMS has been very helpful. I appreciate this morning his suggesting that we can now be supportive of this legislation as we have made the additional change in the legislation.

We are trying to work through all of these matters. I would be very happy if we could get this in the managers' amendment. If not, I am certainly happy to take this to a vote. I think it will have very strong support from both sides of the aisle.

Who wants to have puppies in the home that are not socialized or that have diseases or that are not in the best position to be good pets for our families across America?

I thank the Chair for the time. I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota.

AMENDMENT NO. 2835

Mr. JOHNSON. Mr. President, I rise to express my strong opposition to the amendment offered by Senator CRAIG last evening which would eliminate a bipartisan provision in this farm bill that restores fairness, competition, and free enterprise into livestock markets.

In December, the Senate adopted an amendment to the farm bill based upon legislation I introduced 3 years ago which strengthens the Packers and Stockyards Act of 1921, by prohibiting large meatpackers from owning livestock—cattle, hogs, and sheep—for more than 14 days prior to slaughter.

Nearly every farm and ranch organization in the country supports a ban on packer ownership, including the American Farm Bureau, the National Farmers Union, R-CALF, the Livestock Marketing Association, the Organization for Competitive Markets, the Center for Rural Affairs, and the Western Organization of Resource Councils, just to name a few.

More importantly, every farm and ranch group in South Dakota supports my amendment, including Farm Bureau, Farmers Union, the Cattlemen, the Stockgrowers, Livestock Auction Markets, the Independent Pork Producers, and even South Dakota Governor Janklow.

Let me take some time to clarify what our amendment does, and, what it does not do.

The objectives of our amendment are to increase competitive bidding, choice, market access, and bargaining power to farmers and ranchers in livestock markets. Here are the facts about our amendment.

First, my language strengthens section 202 of the Packers and Stockyards Act of 1921—and 80-year-old law—by prohibiting meatpackers from owning, feeding, or controlling livestock for more than 14 days prior to slaughter. Currently, packers are already prohibited from owning sale barns and auction markets.

Second, it exempts producer-owned cooperatives engaged in slaughter and meatpacking, in addition to packing plants owned by producers who slaughter less than 2 percent of the national annual slaughter of beef cattle—724,000 head—hogs—1,900,000 head— or sheep—69,200.

Therefore, many of the innovative, start-up projects operating and being formed to give producers greater bargaining power in the market will not be affected by our amendment. Some have made very misleading and false statements about the Johnson-Grassley amendment and our intent. Let me try to clarify some of those issues.

This amendment does not prohibit meatpackers from purchasing livestock for slaughter. In fact, it promotes the purchase of livestock in the cash market. Therefore, it promotes competition and bidding among a significant number of buyers.

Again, I say, this amendment does not ban packers from owning livestock for slaughter; it simply says they cannot own the livestock from birth all the way until slaughter, the vertical integration to which some aspire. It bans them from owning livestock prior to 14 days from the date of slaughter.

The amendment does not prohibit forward contracts wherein packers and growers work together to raise and market livestock as long as the livestock are owned by the individual farmer or rancher.

Senator GRASSLEY and I have taken significant efforts to make it crystal clear that forward contracts and marketing agreements are not prohibited under this amendment. We have entered into a colloquy making it clear that the word "control" only refers to substantial operational control and not contracts.

There are those who would prefer that this amendment did apply to forward contracts, and I respect those who hold those views. But the goal of this amendment is narrow. The goal of this amendment is focused exclusively on the actual vertical integration, the actual packer ownership from birth to slaughter of livestock.

Some have questioned whether contractual marketing arrangements known as forward contracts are permitted under the provision. The answer is yes.

Three of the most respected agricultural economists and legal counsel in America—Roger McEowen from Kansas State University, Peter Carstensen from the University of Wisconsin, and Neil Harl from Iowa State University—have completed an analysis that supports our intent that contractual marketing arrangements and forward contracts are permitted under this amendment.

These experts agree with us that the meaning of the word "control" in this amendment applies to a potential arrangement purposefully drafted by a clever legal counsel to give a packer control over the ownership of livestock from birth to slaughter, though a farmer may hold title to the livestock, by providing the packer complete operational control over these animals.

Operational control provides the packer the ability to dictate nearly every detail of production and marketing, such as the facilities, nutritional and veterinary decisions, as well as providing the packer 24-hour access to the livestock. Forward contracts and other marketing arrangements do not give a meatpacking firm managerial or operational control of the production-to-market process. Rather, such arrangements only provide the packer with a contractual right to receive delivery of the livestock in the future. The producer signing the contract still makes most of the production decisions. Therefore, forward contracts or contractual marketing arrangements are still permitted under the language of this amendment and the word "control" does not affect their use.

So Senator GRASSLEY and I have received assurance from legal counsel that "control" does not include forward contracts and marketing agreements. On the other hand, those expressing opposition have presented no legal analysis in support of their proposition that somehow the word "control" in this legislation means a prohibition on forward contracting.

While marketing arrangements such as forward contracts have caused or can cause problems in the market, they are outside the scope of this specific amendment.

In a December colloquy with Senator GRASSLEY, we stated the intent of the word "control" must be read in the context of ownership. In other words, "control" means substantial operational control of livestock production, rather than the mere contract right to receive future delivery of livestock produced by a farmer, rancher, or feedlot operator. "Control," according to legal dictionaries, means "to direct, manage or supervise." In the meaning of our amendment, the direction, management, and supervision is directed towards the production of livestock or the operations producing livestock, not the simple right to receive delivery of livestock raised by someone else.

There are two reasons that forward contracts and marketing agreements are not within the definition of "control." First, these contracts do not allow a packer to exercise any control over the livestock production or operation. Rather, the contracts merely provide the packer with the right to receive delivery of livestock in the future, and most include a certain amount of quality specifications. There is no management, direction, or supervision over the farm operation in these contracts.

The farmer or rancher makes the decision to commit the delivery of livestock to a packer through the contract without ceding operational control. In fact, the farmer or rancher still could make a management decision to deliver the livestock to another packer other than the one covered in the contract, albeit subject to damages for breach of contract. Even where such contracts include detailed quality specifications, control of the operation remains with the farmer. The quality specifications simply relate to the amount of premiums or discounts in the final payment by the packer for the livestock delivered under the contract.

Second, several States, such as Iowa, Minnesota, Nebraska, and South Dakota, already prohibit packer or corporate ownership of livestock.

The Iowa law, for example, prevents packers from owning, operating, or controlling a livestock feeding operation in that State. But packers and producers may still enter into forward contracts or marketing agreements without violating that law because operational control, in the context of ownership, is the issue. The term "control" is intended to be similarly interpreted and applied in this amendment.

Beyond the genuine concern about this amendment, a few in the meatpacking industry have hastily come to false, or at least erroneous, conclusions about its effect, and, frankly, they are busily working the Halls of Congress to kill this amendment due to those concerns. It may be that we simply have a profound philosophical difference between those of us who supported the amendment and others in opposition.

I believe our country is best served by a wide dispersion of independent livestock producers who have, in a free market, an opportunity to leverage a decent price for their animals and a decent opportunity to sell those animals in a competitive environment. I believe it is a disservice to rural America, a disservice to the livestock industry, if we wind up with a circumstance where our independent livestock producers increasingly become, in effect, low-wage employees of the packers on their own land—subject to all the risks of livestock production but very little of the occasional profit that can come about from a fair opportunity to sell their animals. So we have a profound difference of vision of what livestock production is all about and how our country is best served.

I believe in free enterprise. I believe in competition. I believe in independent producers having opportunities to seek out alternative buyers for their animals on an independent cash basis.

If some wish to forward contract and to secure its assurances, that is fine. That is a prerogative they have as well, at least under this amendment. But I do not believe we ought to have a total vertical integration of the livestock industry whereby a very small handful of huge agribusiness conglomerates control the production of livestock from birth all the way through slaughter, reducing livestock producers to simply low-wage employees, for all practical purposes. That is not my vision of rural America. That is not the vision shared by the people who supported this amendment.

So I think that while a lot of this debate is caught up in what may sound legalese to many, the actual consequences of what is going on here have profound effects on the look of rural America for all time to come.

There is a particular packer who has been running full-page ads in my State, apparently with an intent to intimidate me. They have the right to do that. It turns out that the packing company that does operations in my State is a pork production company which has never owned hogs, and has no particular immediate plan to, and would not be affected, at least for now, by this amendment. They may wish to go into a different business plan than they have had in the past, and that may be the case.

But I want to make clear that I believe someone has to stand up for livestock producers in our country. We see this continued concentration, this continued integration, going on in every sector of the economy, but certainly in agriculture it has been one of the harshest. For that reason, Senator

GRASSLEY and I have offered this amendment. We have already passed this amendment on a narrow 51-to-46 vote earlier this past session of the 107th Congress.

I have no problem with an additional vote, an up-or-down vote. Let everyone stand up and be counted wherever they are. I respect my colleagues however they may come down on this issue. I do want to convey the real import, the real impact of this amendment, and make people understand what is, in fact, at stake.

The amendment being offered would reduce this antipacker ownership amendment to another study. Heaven knows, we have studies galore lining the shelves of every building in Washington, DC, many of them gathering dust. We have known USDA to conduct study after study after study not leading to any matter of practical consequence. I don't think our farmers and ranchers need another study.

It is incorrect to observe that no hearings have been conducted on the topic of packer ownership. Rather, the Senate Agriculture Committee has held three hearings on concentration in livestock markets, packer ownership, and other issues—in June of 1998, May of 1999, and April 2000—and the problems remain clear and the need to act remains real.

The percentage of hogs owned by packers rose from a small 6.4 percent, as recently as 1994, to 27 percent in 2001, from 6.4 percent to 27 percent packer ownership in a period of only 7 years, according to the University of Missouri. This increase in packer-owned hogs means that packers prefer to buy their own hogs instead of paying farmers a fair price, thereby depressing competition. Eighty-eight percent of respondents in the Iowa Farm and Rural Life Poll believed that meatpackers should be prohibited from owning livestock, and 89 percent believed that too much economic power is concentrated in a few large agribusinesses, according to studies done by Iowa State University.

When packers own their own farms and their own livestock, they do not make purchases from farmers who would otherwise be providing economic contributions to rural communities—main street businesses, school districts tax base, banks, car dealerships, feed stores, and so on. Those opposed to this amendment have a different vision for rural America, a far different vision than mine. I have a more optimistic view of what rural America could look like. I envision more farmers and ranchers being able to compete in a free market and a free enterprise system raising more livestock on family farms so local economies can grow and the environment can be safer for families to make a living.

I fear if we go the other direction, packer market power will grow, allowing packers to go to the cash market only during narrow bid windows or time periods each week rather than bidding all week, thus resulting in panic selling by producers.

A ban on packer ownership of livestock will not drive packers out of business. Most of their earnings are generated from branded products and companies marketing directly to consumers. Conversely, livestock ownership by packers could drive independent livestock producers out of business because they will simply be at the mercy of these large corporations.

I do not, again, have a problem with another vote. It was important to clarify the forward contracting component of this amendment to make it crystal clear that that is not the gist of it. The gist is not forward contracting. The gist is the vertical integration of the actual ownership, the birth and slaughter of livestock in America.

We have a very fundamental decision to make in this body. I don't underestimate the steep climb this amendment has to make. I know the packers have been active in their lobbying effort. I know the intimidation efforts have been extraordinary. I recognize that no such amendment is contained in the House version of the agriculture bill and that, even if we were to survive in the conference committee, an uphill fight would occur there relative to this amendment.

Nonetheless, it is important to lay out in a clear, concise fashion what is at stake, what my motives are, what the motives are of the bipartisan sponsorship of this amendment, and to reflect that that may, in fact, be why this amendment acquired the support of every single Republican and Democratic Senator on the northern plains where livestock production is such a key component to the economies of our States.

I look forward to continued debate and another amendment to vote on. We will see what the final product is, but I did want to make it very clear what this amendment does, what it does not do, and to make certain people understand that this is not some arcane agricultural issue; that this, in fact, is fundamentally crucial to the look of rural America for all time to come.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I have conferred with the manager of the bill. I think it would be appropriate to ask for unanimous consent to speak for up to 8 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. SPECTER are located in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, I ask that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2829 TO AMENDMENT NO. 2471

Mrs. FEINSTEIN. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California (Mrs. FEINSTEIN) proposes an amendment numbered 2829.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To make up for any shortfall in the amount sugar supplying countries are allowed to export to the United States each year)

Strike the period at the end of section 143 and insert a period and the following:

SEC. 144. REALLOCATION OF SUGAR QUOTA.

Subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) is amended by adding at the end the following:

"PART VIII—REALLOCATING SUGAR QUOTA IMPORT SHORTFALLS

"SEC. 360. REALLOCATING CERTAIN SUGAR QUOTAS.

"(a) IN GENERAL.—Notwithstanding any other provision of law, not later than June 1 of each year, the United States Trade Representative, in consultation with the Secretary, shall determine the amount of the quota of cane sugar used by each qualified supplying country for that fiscal year, and shall reallocate the unused quota for that fiscal year among qualified supplying countries on a first come basis.

"(b) METHOD FOR ALLOCATING QUOTA.—In establishing the tariff-rate quota for a fiscal year, the Secretary shall consider the amount of the preceding year's quota that was not used and shall increase the tariff-rate quota allowed by an amount equal to the amount not used in the preceding year.

"(c) DEFINITIONS.—In this section:

"(1) QUALIFIED SUPPLYING COUNTRY.—The term 'qualified supplying country' means one of the following 40 foreign countries that is allowed to export cane sugar to the United States under an agreement or any other country with which the United States has an agreement relating to the importation of cane sugar:

Argentina
Australia
Barbados
Belize
Bolivia
Brazil
Colombia
Congo
Costa Rica
Dominican Republic
Ecuador
El Salvador
Fiji
Gabon
Guatemala
Guyana
Haiti
Honduras
India
Ivory Coast

Jamaica
Madagascar
Malawi
Mauritius
Mexico
Mozambique
Nicaragua
Panama
Papua New Guinea
Paraguay
Peru
Philippines
St. Kitts and Nevis
South Africa
Swaziland
Taiwan
Thailand
Trinidad-Tobago
Uruguay
Zimbabwe.

"(2) CANE SUGAR.—The term 'cane sugar' has the same meaning as the term has under part VII.".

Mrs. FEINSTEIN. Mr. President, I offer this amendment to update and somewhat improve the so-called sugar program. The sugar subsidy program has been driving the domestic cane refinery industry out of existence, and it has eliminated thousands of good jobs. This amendment helps strike a new balance between saving our Nation's domestic refinery jobs and protecting sugar producers from foreign competition.

What this amendment does is ensure that the amount of sugar allowed to come into the United States actually makes it to the market. The amendment would reallocate the unfilled portion of a country's quota when that country doesn't fill its quota, which happens almost annually.

The Secretary of Agriculture does have the ability under present law to reallocate the quota, but it is a fight every year for domestic refineries to get enough sugar to refine, and it is also a fight to get the Secretary—regardless of whether it is a Democratic or Republican administration—to make this reallocation.

The amendment would allow refineries to obtain more sugar under the quota by taking some allocation from nations not exporting as much sugar as they are allowed and giving it to nations that would export more sugar to the United States.

The amendment is supported by the United States Cane Sugar Refiners' Association and the following independent refineries: C&H Sugar in Crockett, CA; Colonial Sugar in Gramercy, LA; Savannah Foods in Port Wentworth, GA; Imperial Sugar in Sugar Land, TX.

In the past, we have failed to balance the refineries and the growers of the sugar industry successfully. This farm bill represents an opportunity to make a change before more refineries are forced to close. This amendment will help the country's sugar refining industry. It will not strip the domestic producers of any benefits.

Something must be done to save our sugar refining industry. Since 1981, 13 out of 23 cane refineries in the United States have been forced out of business. Here they are on this chart: Hawaii, Florida, Massachusetts, New York, Illinois, Florida, Louisiana, Pennsylvania, Louisiana, Missouri, and Louisiana. The loss of jobs between 1981 and today is over 4,000. Those refineries that do remain open today struggle to survive under what are very onerous import restrictions.

At the end of the last year, we had a debate and the Senate overwhelmingly, regretfully, voted to continue the sugar subsidy program. I continue to oppose these sugar subsidies, but I recognize there are not the votes to eliminate the sugar program right now.

I first became involved in this issue when David Koncelik, the president and CEO of the California and Hawaiian Sugar Company, known as C&H, informed me in 1994 that his 88-year-old refinery in Crockett, CA, was forced to temporarily close because it could not get cane sugar on the market to refine.

C&H is the largest refinery in the United States. It is the only such facility on the west coast. It refines about 15 percent of the total cane sugar consumed in the United States. The company is capable of producing and selling about 800,000 tons of refined sugar annually. It is currently producing about 700,000 tons.

Anyone who has driven from San Francisco to Sacramento and crossed the Carquinez Straits, as you go on to the bridge, you look down and you see this old, large brick refinery known as C&H. All of us grew up to the C&H commercial where they sang "pure cane sugar from Hawaii"—something like that—and I have seen the struggle go on year after year.

Hawaii is C&H's sole source of domestic raw cane sugar. But the Hawaii sugarcane industry has been in decline now for over a decade. In fact, from 1996 through 2001, cane acreage fell by 50 percent in Hawaii, according to the Congressional Research Service. C&H can only make up for the lack of Hawaiian cane output by importing cane from other countries.

There is the rub. Our Nation's restrictive sugar import quota limits the amount of sugar available for C&H to refine. Simply put, C&H has been unable to get enough sugar to refine and has been forced to send workers home on several occasions.

In 1981, C&H had 1,313 employees. It is a union plant. In 1995, the company had 812. By 1999, that number dropped to 580 employees. Today, the refinery employs 565 workers.

The U.S. sugar refining industry will continue to be at risk unless we adjust this imbalance in the industry and reform the sugar program. This amendment provides an opportunity to provide immediate relief to C&H and the other domestic refineries without compromising one single benefit to sugar producers. It is going to be interesting to see if we can get it through, because even though it does not take anything from them, they still oppose this. I have a hard time understanding why. This is not an attack. It is simply a way to update and improve the quota system.

Let me repeat that. This amendment is not an attack on the sugar program. Sugar imports have been restricted almost continuously since 1934 in order to support high prices for domestic sugarcane and sugar beet producers. The USTR, working with the Department of Agriculture, allocates shares of the quota among 40 designated countries. Since the 1994 Uruguay Round of trade talks, the United States has allowed the designated countries to export 1.256 million tons of sugar to the United States under the quota. Today's sugar import restrictions are based on a formula derived from trade patterns that prevailed over a quarter of a century ago, and therein lies the rub and the major problem for domestic refiners such as C&H. The quota does not accurately reflect how much countries are able to export to the United States.

Some of the 40 designated countries have even been forced to provide an export allocation when they do not export any sugar at all. Does that make sense? I think not. In fact, according to the GAO, on the average, from 1993 through 1998, 10 of the 40 countries were net importers of sugar. This means they do not export sugar to the United States if they need to import sugar to their own country. Therefore, that allocation, that part of the quota, goes unused. Our refineries that would like to buy that raw sugar on the open market cannot buy it. It makes no sense.

Other countries continue to export sugar, but they have substantially reduced their production. For example, since the allocations were made, the Dominican Republic has experienced a 50-percent decline in sugar production, and the Philippines, a 27-percent drop, but the allocation for both countries has remained the same. If the Philippines is not going to export and the Dominican Republic is not going to export their quota, all we want to do is let some country get that shortfall and put it on the market to give our domestic sugar refiners the opportunity to buy it.

Some countries have substantially increased their sugar production but not seen the amount they are allowed to export to the United States increase. For example, since the allocations were made, Guatemala, Colombia, and Australia have increased their production by 219 percent, 96 percent, and 61 percent, respectively, while their shares of the allocation have remained the same.

Some countries have similar allocations under the quota despite dramatically different levels of sugar exports.

For example, Brazil and the Philippines are both allowed to export 14 percent of the total quota, but Brazil exports 21 times more sugar than the Philippines worldwide. It is unacceptable that quota allocations have not been revised for 20 years, or 2 decades, despite dramatic changes in the ability of many countries to produce and export sugar.

Is there a way to update the sugar export amounts allowed into the United States without adversely impacting growers? I believe there is, and the amendment I have offered will provide the slight change to the sugar export quota that is desperately needed.

The United States has imported on the average about 3 percent less sugar than the quota allowed from the 1996-through-1998 allocation because some countries did not fill their allocations. So there is that 3 percent out there. Since the sugar quota does not reflect the current capability of many countries to produce and export sugar, the GAO has concluded:

> The United States Trade Representative's current process for allocating the sugar tariff rate quota does not insure that all of the sugar allowed under the quota reaches the United States market.

There is the point. There is the differential. The sugar that does not reach the market in the quota should be made available.

I would like to read some of the July 1999 report on the sugar program issued by the GAO:

> The current allocation process has resulted in fewer sugar imports than allowed under the tariff rate quota. From 1996 through 1998, the United States raw sugar imports averaged 75,000 tons less annually than the amount USDA allowed the United States Trade Representative to allocate under the tariff rate quota. According to domestic refinery officials, this shortfall has exacerbated recent declines in the overall availability of raw cane sugar on the U.S. market.

If there is a shortfall in sugar exported to the United States, and refineries are shut down because there is not enough cane to refine, we need to allow the quota to be flexible when there is this shortfall. The amendment I have offered will reallocate unused sugar in the quota to other countries when there is an export shortfall. This is exactly what the USTR did as recently as 1995. It is also the precise recommendation of the GAO in its 1999 report. In suggesting change to the sugar program, the GAO advised:

> Changes could include such actions as providing a means of reallocating the current quota.

All this amendment does is ensure the amount of sugar allowed to come into the United States is actually making it to the market. How is that so threatening to people? This opportunity to reallocate the quota when there is a shortfall will not hurt growers because the shortfall does not represent enough sugar to affect price. Of course, that is what they will say, that this will affect price. It will not affect price. It has not affected price before. There is no reason to believe it will affect it now.

In the 1999 report, the GAO found:

> Because the shortfalls in the tariff rate quota reduced total U.S. sugar supplies by less than 1 percent, they had a minimal effect on the domestic price of sugar.

If you do not trust me, trust the GAO. The inefficiencies of the current import restrictions demand that Congress accept this amendment.

I respectfully ask my colleagues to support this amendment. It will help make the sugar program operate more effectively and efficiently. If this body can't accept this simple amendment, it clearly tells me that not only is the sugar allocation outdated, but it is essentially controlled to manipulate so certain people can do business while others cannot.

These refineries are very important. My Crockett refinery is the major source of jobs in that entire Crockett community. Each year, the CEO has to come back here to plead with his representatives in Congress:

> I can't buy enough sugar on the market to keep my people employed. I pay them good salaries. It is important I be able to operate and refine sugar. I want to buy it on the open market and I can't—is simply wrong.

It is flawed public policy. I ask for this body's support to pass this amendment.

I ask unanimous consent to have printed in the RECORD an article from the New York Times.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, May 6, 2001]

SUGAR RULES DEFY FREE-TRADE LOGIC

(By David Barboza)

For anyone who thinks of the United States as a free-trade nation, the 10 story brick sugar refinery on Highway 90A here on the outskirts of Houston is startling.

The plant can produce up to 500,000 tons of sugar a year, enough to sweeten about 90 billion doughnuts. But while America has a sweet tooth, it does not need all that sugar. Indeed, America is swimming in sugar, largely because the sugar business is one of the economy's most protectionist niches. Sugar programs that protect growers from foreign competition cost American consumers almost $2 billion a year in higher prices for everything from candy bars to cold cereal, according to government studies. Artificially high prices have led to overproduction, leaving taxpayers the owners of one million tons of sugar that they pay $1.4 million a month just to store, some of it in Sugar Land.

Yet earlier this year the owner of the plant here—the Imperial Sugar Company, the nation's biggest sugar refiner—was forced to file for Chapter 11 bankruptcy protection, because it has lost so much money lately turning relatively high-priced raw sugar into the refined sugar it sells into a depressed, glutted market.

Now, refiners are demanding an overhaul of the sugar program. Consumer groups want it abolished. And even its backers and beneficiaries—big growers that are major donors to both political parties—are dissatisfied. They want more protection, complaining that new trade initiatives, like the North American Free Trade Agreement, threaten to undermine the industry and further depress the price of sugar.

Congress is now hearing testimony on these matters as it takes up a new farm bill. The conventional wisdom is that Washington is unlikely to scrap a program that has bipartisan support, any more than it has been prone to eliminate supports for other farmers.

But some lawmakers say sugar policy, in particular, is ripe for revision.

"Events of the past year indicate that the sugar program is becoming increasingly unmanageable and that radical reforms are needed urgently," said Richard G. Lugar, chairman of the Senate Agriculture Committee and a longtime opponent of the program.

At the heart of the debate is a sugar policy that since the New Deal has held that domestic growers ought to be shielded from the vagaries of the commodity markets. The current program, put in place in 1981, promised that kind of stability by limiting imports and making loans to growers.

But in recent years, helped by technology and weather, production has exploded. And government policies and price supports, on balance, encouraged farmers to abandon even more seriously depressed crops in favor of sugar beets and cane.

Overproduction sent prices tumbling, hurting growers. But the hardest hit were cane refiners. At times, the prices they paid for raw sugar were higher than those at which they could sell refined sugar.

If nothing changes, industry officials fear a ferocious one-two punch: the possible loss of cane-refining capacity at home, which could hurt food producers, and a steady rise in imports, which could wipe out both domestic growers and refiners.

Free-market economists say that might be the most efficient outcome, but no industry disappears without a fight. The refiners are just one of the interest groups that have stormed Capitol Hill.

None are so powerful as the nation's largest producer of raw sugar, the Flo-Sun Corporation of Palm Beach, Fla., run by Jose Pepe Fanjul and Alfonso Fanjul, Cuban exiles who created a sugar empire in the Florida Everglades and who are now big donors to both Republicans and Democrats.

Flo-Sun and other giant producers want to strengthen the program by putting new restrictions on domestic production of sugar beets and cane. They also want to limit the scope of any future trade deal that might lead to what they consider unfair competition.

"We don't believe we ought to sacrifice the American farmer to bring in sugar that is subsidized by other governments," said Judy Sanchez, a spokeswoman at U.S. Sugar, one of Florida's biggest cane producers.

Critics of the program—from food producers to refiners to consumer groups—would like the program discarded or significantly weakened.

"We want the program phased out," said Jeff Nedelman, a spokesman for the Coalition for Sugar Reform, a trade group that represents food and consumer groups, taxpayer watchdogs and environmental organizations. "This is corporate welfare for the very rich. The program results in higher prices for consumers, direct payments by U.S. taxpayers to sugar growers, and it's the Achilles' heel of U.S. trade policy."

Chicago, home of Sara Lee cakes and Brach's Starlight Mints candies, has aligned itself with the critics. A few weeks ago, Mayor Richard M. Daley and other city leaders announced that they would lobby Congress to end the sugar program, which they said was hurting the city's makers of candy and food by inflating costs.

Indeed, the General Accounting Office says the sugar program cost consumers about $1.9 billion in 1998, with the chief beneficiaries being beet and cane growers.

Senator Byron L. Dorgan, a North Dakota Democrat who is a strong backer of the sugar program, says Americans are not being overcharged. Rather, he contends, prices on the world market are artifically depressed by surplus sugar from countries that subsidize production.

"The world price has nothing to do with the cost of sugar," he said. "And my contention is that the program causes stable prices."

Americans' appetite for sugar is measured in pounds. The average person in this sugar-saturated country consumes more than 70 pounds a year of refined sugar and that does not include most soft drinks, sauces and syrups, which are sweetened with high-fructose corn syrup.

But even that appetite is no match for current levels of sugar production. A record 8.5 million tons of sugar was produced in the United States in 1999, and that sent raw sugar prices tumbling to 18 cents a pound, the lowest level in 20 years. The Agriculture Department stepped in last June to buy 132,000 tons, at a cost of $54 million, or 20 cents a pound.

Imperial Sugar—already burdened by $500 million in debt because of an acquisition spree—was hit harder than anyone in the industry. The company was forced to buy raw sugar cane at about the same price that it could sell the finish product.

"We're out of gas before we turn the lights on," said I.H. Kempner III, Imperial Sugar's chairman, whose family acquired its first holdings in 1907. Imperial filed for bankruptcy protection in January.

The New York-based Domino, a unit of Tate & Lyle of Britain and a leading supplier of pure cane sugar to grocery chains, is also "in desperate shape," said Margaret Blamberg, a spokeswoman. C&H Sugar, a big California refiner, is struggling both with low sugar prices and the state's rising energy costs.

For growers, the biggest threat is the political tide favoring free trade. Under Nafta, Mexico is getting greater access to the American sugar market. And in 2008, the agreement will give Mexico unlimited access to the American market.

Just how much Mexican sugar can enter the American market this year is in dispute. American trade officials say that about 100,000 tons of surplus sugar is allowed in, while Mexican officials say the figure is 500,000 tons. Under an agreement reached at the Uruguay Round of global trade talks in 1994, the United States is required to import about 1.1 million tons of sugar a year.

The solution, the growers say, is more protection for the industry. Two weeks ago, the House Agriculture Committee heard testimony from the major sugar producers, who proposed stricter market and production controls at home and more restrictive trade policies.

"You have to fix the big trade problems," said Luther Markwart, chairman of the American Sugar Alliance, which represents the major growers.

Trade experts, however, say the sugar program makes free-trade talk seem hollow.

"Sugar is a nightmare in terms of trade negotiations," said Prof. Robin A. King, an expert on trade policy at Georgetown University. "This is one reason other countries get frustrated with our position on free trade. They say, 'We want to trade, but the items were produce you won't let in.'"

Mrs. FEINSTEIN. I ask that the amendment be set aside. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARKIN. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Iowa.

Mr. HARKIN. Madam President, what is the regular order right now in terms of amendments?

The PRESIDING OFFICER. The pending amendment is the Feinstein amendment.

AMENDMENT NO. 2836

Mr. HARKIN. Madam President, I ask unanimous consent that the pending amendments be set aside and ask for the regular order with respect to the Conrad amendment No. 2836.

This amendment has been agreed to by both sides, and I urge its adoption.

The PRESIDING OFFICER. The Conrad amendment is now pending.

Is there further debate on the amendment?

If not, the question is on agreeing to the Conrad amendment No. 2836.

The amendment (No. 2836) was agreed to.

Mr. HARKIN. Madam President, I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2837 TO AMENDMENT NO. 2835

Mr. HARKIN. Madam President, I now ask for the regular order with respect to the Craig amendment No. 2835, and call up Senator GRASSLEY's second-degree amendment No. 2837, which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for Mr. GRASSLEY, for himself and Mr. HARKIN, proposes an amendment numbered 2837 to amendment No. 2835.

Mr. HARKIN. Madam President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To make it unlawful for a packer to own, feed, or control livestock intended for slaughter)

Strike all after "**SEC.**" and insert the following:

10 1. PROHIBITION ON PACKERS OWNING, FEEDING, OR CONTROLLING LIVESTOCK.

(a) IN GENERAL.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192(f)) (as amended by section 1021(a)), is amended by striking subsection (f) and inserting the following:

"(f) Own or feed livestock directly, through a subsidiary, or through an arrangement that gives the packer operational, managerial, or supervisory control over the livestock, or over the farming operation that produces the livestock, to such an extent that the producer is no longer materially participating in the management of the operation with respect to the production of the livestock, except that this subsection shall not apply to—

"(1) an arrangement entered into within 14 days before slaughter of the livestock by a packer, a person acting through the packer, or a person that directly or indirectly controls, or is controlled by or under common control with, the packer;

"(2) a cooperative or entity owned by a cooperative, if a majority of the ownership interest in the cooperative is held by active cooperative members that—

"(A) own, feed, or control livestock; and

"(B) provide the livestock to the cooperative for slaughter; or

"(3) a packer that is owned or controlled by producers of a type of livestock, if during a calendar year the packer slaughters less than 2 percent of the head of that type of livestock slaughtered in the United States; or".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), the amendments made by subsection (a) take effect on the date of enactment of this Act.

(2) TRANSITION RULES.—In the case of a packer that on the date of enactment of this Act owns, feeds, or controls livestock intended for slaughter in violation of section 202(f) of the Packers and Stockyards Act, 1921 (as amended by subsection (a)), the amendments made by subsection (a) apply to the packer—

(A) in the case of a packer of swine, beginning on the date that is 18 months after the date of enactment of this Act; and

(B) in the case of a packer of any other type of livestock, beginning as soon as practicable, but not later than 180 days, after the date of enactment of this Act, as determined by the Secretary of Agriculture.

Mr. HARKIN. Madam President, I will speak a little bit now on this amendment and what it pertains to, but I am offering this on behalf of Senator GRASSLEY, my colleague from Iowa.

This is an amendment to the Craig amendment. Senator GRASSLEY, unavoidably, could not be here today. He has to be back in the State of Iowa. But, obviously, we will not be voting on this until next week anyway. But we wanted to lay this down today.

I am going to take the time now just to talk a little bit about this amendment and what it does. And then, of course, my colleague, Senator GRASSLEY, will further elaborate on this when he returns after the weekend.

As my colleague from Idaho, Senator CRAIG, mentioned yesterday, there has been a great amount of hype surrounding Senator JOHNSON's amendment that bans packer ownership. I cosponsored that amendment. The chief cosponsor, of course, was Senator GRASSLEY from Iowa. Now, Senator CRAIG wants to replace the Johnson amendment which was adopted in the Senate, with a study because Senator CRAIG says he has some concerns about how the Johnson amendment will work.

The basic concern—as I understand it, and as I listened to the speech last night and have read the RECORD—is over the word, "control"; that somehow there is a confusion about "control" and whether "control" would prohibit any kind of contracting relationships that a packer might have with a producer.

Certainly, I believed when the Johnson-Grassley amendment was adopted that it was quite clear in the legislative language, and in the legislative history, that the amendment did not in any way preclude various types of contracting arrangements, such as forward contracting, for example.

But those who are representing the huge packing industry have come in and kind of muddied the water. They have clouded it up and said: Oh, no, this may take away a farmer's right to contract. Of course, I have heard from some of my farmers in Iowa, who, first, do not want packer ownership of livestock because they know how badly that affects them, but, second, they do not want to have interference with contractual relationships they might want to make with packers.

So to take care of any lingering concerns about this issue of "control," Senator GRASSLEY is offering a second-degree amendment to Senator CRAIG's amendment.

In essence, Senator GRASSLEY's amendment, which I have asked to be a cosponsor of, will make it clear that while packers will not be able to own livestock, farmers will still be able to use contracts if they want to.

As I said, there has been a lot of sort of hubbub going on around the Johnson amendment. Earlier this morning, I engaged in a colloquy with my friend from Minnesota, Senator WELLSTONE. And there were these egregious ads taken out in the Sioux Falls Argus Herald by one large packer, Smithfield Foods, Incorporated. The person who signed that was Mr. Joseph W. Luter, III, chairman and chief executive officer of Smithfield Foods, Inc. We talked about this ad and how egregious, how bad it is. It really is economic and political blackmail in the way this ad was written and what they are threatening to do. So again, to clear this up, Senator GRASSLEY and I have offered this amendment to help address this type of economic strongarming.

What the bill said, and what the legislative history made clear, is that packers could no longer own livestock, but the farmers could still contract and enter into these marketing agreements.

Well now, how did the industry, the packing industry, create all this fuss? They did everything in their power to confuse and scare farmers, by making the conclusory statement that the Johnson legislation would ban contracting. In one paper, which Senator CRAIG referenced last night, eight economists made the same false assumption that the prohibition of packer "control" of livestock would affect contracting.

Why the economists assume this, I do not know. The economic paper provided no legal analysis. I am told that none of the eight economists is a lawyer or has had any training in the law. The economic paper provided no legal analysis. In fact, to my knowledge, the opponents of this ban, the big packers, have never released any type of legal analysis to the public. They have just said this as a scare tactic. I guess the reason they have not released any legal analysis is because it would not survive legal or public scrutiny.

The economists relied on an incorrect legal assumption. So they relied on an incorrect legal assumption, and they provided a detailed analysis based on that incorrect legal assumption. And, of course, the packing industry and the press ran with it.

Thankfully, three lawyers who have worked in agriculture for years and are some of the best known in the field pointed out the fallacy of the economists' assumption. Roger McEowen of Kansas State University, Neil Harl of Iowa State University—whom I know personally is both a lawyer and an economist—and Peter Carstensen of the University of Wisconsin Law School, the three of them thoroughly explained that the word, "control," has a very predictable meaning in the law and that it does not affect contracting.

Madam President, I will not read it, but I ask unanimous consent to have printed in the RECORD the analysis and statement by these three individuals regarding the legal standpoint issue of "control.".

There being no objection, the material was ordered to be printed in the RECORD, as follows:

From a legal standpoint, "control" issues arise frequently in an agency context in situations involving the need to distinguish between an "independent contractor" and an "employee." for reasons including, but not limited to, liability and taxation. Typically, the existence of an agency relationship is a question of fact for a jury to decide. At its very essence, whether a relationship is an independent contractor relationship or a master-servant relationship depends on whether the entity for whom the work is performed has reserved the right to control the means by which the work is to be conducted. Under many production contract settings, the integrator controls both the mode and manner of the farming operation. The producer no longer makes many of the day-to-day management decisions while the integrator controls the production-to-marketing cycle. The integrator is also typically given twenty-four hour access to the producer's facilities. Conversely, forward contracts, formula pricing agreements and other types of marketing contracts typically do not give the integrator managerial or operational control of the farming operation or control of the production-to-marketing cycle. Instead, such contracts commonly provide the packer with only a contractual right to receive delivery of livestock in the future. While it is not uncommon that livestock marketing contracts contain quality specifications, most of those contract provisions relate exclusively to the amount of any premium or discount in the final contract payment for livestock delivered under the contract. Importantly, the manner in which quality requirements tied to price premiums are to be satisfied remains within the producer's control. Accordingly, such marketing contracts would likely be held to be beyond the scope of the legislation's ban on packer ownership or control of livestock more than two weeks before slaughter. Thus, a packer would still have the ability to coordinate supply chains and assure markets for livestock producers through contractual arrangements provided the contracts do not give the packer operational and managerial control over the livestock producer's production activities.

Mr. HARKIN. So even with the assurance from these three legal experts, the opponents continue to raise doubts about the Johnson amendment's effect on contracting, even to the extent that some of the original supporters of the ban now want to set it aside because they, too, are concerned about this control issue. We cannot take this step backward.

Recently, Senator GRASSLEY and I, and others, have been working with some of these legal experts, as well as the American Farm Bureau, to develop an amendment that takes away any need to delay further any ban on packer ownership. This amendment makes it even clearer that while packers cannot own livestock, farmers still have the ability to forward contract and enter marketing agreements.

Let me describe how this amendment works.

Essentially, this amendment says that a packer can forward a contract or enter into any type of marketing agreement as long as the producer continues to materially participate in the management of the operation with respect to the production of the livestock. The key phrase here is, "materially participate."

Why do we choose those words? Because there is a well-established definition to the phrase. Every farmer knows the phrase. Every attorney who works with the farmers knows well the importance of the term. That is because a farmer who materially participates in the farming operation must pay self-employment taxes. Those who do not materially participate do not have to pay self-employment taxes.

The phrase has appeared in the IRS Code, section 1402(a) since 1956. To say that there is overly abundant case law and administrative comment and law review articles about the term would be an understatement.

The legal community, the tax community, and the farm community know the difference because it is simply the difference between having to pay self-employment taxes or not paying them.

What does this mean for forward contracts and marketing agreements? This amendment does not affect them. I know that farmers in Iowa who sell hogs under marketing agreements or who sell cattle under forward contracts materially participate because they pay self-employment taxes. Because the farmers materially participate in the management of their livestock production, this amendment will not affect their contracts.

This amendment takes care of any concern that people had about the original law being unclear. It definitely takes care of anyone's concern about the law's effect on contracting. This amendment also maintains the same exemption from Senator JOHNSON's original amendment; that is, it exempts cooperatives as well as small packers who slaughter less than 2 percent of the national slaughter.

Therefore, many of the innovative startup projects operating and being formed to get producers greater bargaining power in the market will not be affected by this amendment.

I have to say something about Senator CRAIG's amendment in which he wants further study. Around here we know that an amendment to do a further study is killing the amendment—especially this one. Senator CRAIG says we need more information. We have been there. The USDA has released a number of studies and papers on the issue of packer ownership and captive supply over the years, and the only thing that is clear is that the issue begs for policy clarification from Congress.

Just in the past few years, the USDA released a major study on the procurement practices in the Texas panhandle as well as a recently released paper on the captive supply of cattle. This paper, which was released on January 18 of this year, included a 15-page appendix that lists the numerous studies already conducted. Senator CRAIG wants more studies.

What do these studies find? They find a strong correlation between increased captive supplies and lower prices. The correlation is there. But the studies usually find that it is too hard to tell for sure whether one causes the other.

It seems that the USDA is never going to be able to tell for sure. Someone can always create doubt. It is precisely in these types of situations that Congress should step in and clarify that certain practices such as packer ownership are illegal, to clarify it once and for all.

It really boils down to this: If you believe that the top four packers of cattle in this country who control 81 percent of the market should be able to own livestock in a captive situation—if you believe that—you want to vote for CRAIG. You don't want to vote for the Grassley amendment. But if you believe that those independent cattle producers in Missouri, Iowa, South Dakota, Nebraska, Texas, and Kansas—all over the Midwest and the West—if you believe those independent producers ought to have some bargaining power and be able to bargain and negotiate with those top four packers on prices and have some independence and be able to own their livestock or to contract it, then you will want to vote for the Grassley amendment.

That is what it is all about. You have huge packers who want to own livestock, who now own livestock. And here is the way it works. The packer owns the livestock. The farmer comes in. When cattle are ready to sell, you can't keep them around much longer; you have to sell them. So you go to the packer, and the packer says: Here is how much money I will give you for them. The livestock producer says: That is not enough. The packer says: Take it or leave it, because I have my own cattle which I can feed through the packinghouse, and I know you can't keep those cattle for another 14 days on feed.

There you go. They squeeze them. It is called economic concentration, and they squeeze those independent producers. They are going out of business right and left.

In my part of the country, we like to have a good livestock industry. You have balance. Sometimes when grain prices are low, you get high livestock prices. If livestock prices are low, you get higher grain prices. You have a good, even income for farmers who may have both livestock on feed, whether it is cattle or hogs, and grain production.

This takes away from those independent farmers a valuable source of income and livelihood.

Packer ownership does not help farmers. The packers get an increased ability to manipulate the markets. When packers lock up the chain space, as they say at the packing plant, the farmer does not have access to the market. We don't need a study. We have had enough studies. We need good, clear legislation. The Grassley amendment that prohibits the ownership of livestock by packers clears this up once and for all.

Studies we don't need. We don't have to wait for studies. We have had plenty of them. Our farmers have been calling for action for years. Literally dozens of farm, commodity, rural community, and religious groups seek a ban on packer ownership. The two largest general farm organizations, the American Farm Bureau and the National Farmers Union, have explicit policy against packer ownership. They don't call for more delay. They don't call for more wringing of hands, for more studies that never seem to come to fruition. They want us to respond to the real problems that real farmers have out in the countryside today.

Our farmers deserve more than just another study that is not going to show anything. They want real reform in the livestock markets. I think it is time to give them what they need and what our country needs. If we really believe in the market system, and we believe in many players and transparency and openness, how can you vote to let four of the top packers of livestock who control 81 percent of the market control all the inputs? That is not a free market. What our livestock producers are calling for is a free market. That is what we are calling for.

I compliment my colleague from Iowa, Senator GRASSLEY, for his amendment and for working with us—and the staffs working together with others—on a bipartisan basis to clear this up once and for all. When we get back next week, we will speak again about this.

Over the weekend, there should not be any doubt in anyone's mind that the Johnson amendment would prohibit forward contracting. It doesn't. But in case there is any lingering doubt, the Grassley amendment clears it up and makes it explicitly clear that this amendment will not prohibit contracting relationships between farmers and packers.

I yield the floor.

The PRESIDING OFFICER (Mr. WELLSTONE). The Senator from Ohio.

Mr. DEWINE. Mr. President, I rise today to thank Senators LUGAR and HARKIN for the hard work they have demonstrated on this bill. I also thank them for accepting a sense-of-the-Senate resolution that is similar to a resolution I introduced earlier this week along with nine of my colleagues: Senators BINGAMAN, DAYTON, DORGAN, KERRY, SARBANES, CHAFEE, DODD, HAGEL, and LOTT.

Our resolution highlighted the important role effective foreign assistance programs play in fostering political stability, food security, rule of law, democracy, and ultimately peace around the world.

Our resolution, as we originally introduced it, expressed the sense of the Senate regarding the importance of U.S. foreign assistance programs as a diplomatic tool for fighting global terrorism and promoting U.S. security interests.

Many times we think about foreign assistance as just humanitarian assistance, helping other people. We have an obligation to do that. We forget, though, that when it is used effectively, it is a good foreign policy tool.

In fact, it is an essential foreign policy tool. Tragically, I believe we have seen the amount of money that we put into foreign assistance go down in real dollars within the last 20 years. So as we try to carry out American foreign policy, that tool is simply not there as much as it used to be.

Without question, there is a direct link between foreign aid programs and the self-sufficiency and stability of these developing countries. The reality is that when we go into a developing, impoverished, or war-torn nation and give the suffering people assistance, we can make a positive difference. We can feed starving children, care for the sick and elderly, house countless orphans, and teach people new and more effective methods of farming. If we do these things, the people of those nations would be better able to pull themselves out of hopelessness and despair. These assistance programs must be looked at not just as a handout but literally, as we always say, a hand up, giving people the opportunity to help themselves.

Chaos, poverty, hunger, political uncertainty, and social instability are the root causes of violence and conflict around the world. We know this. We also know we must not wait for a nation to implode before we take action. We must not wait for a nation's people to suffer from poverty, disease, and hunger. We must not wait for the rise of despotic leaders and corrupt governments, such as the Taliban.

I believe we certainly have a moral obligation to those in the world suffering at the hands of evil leaders and corrupt governments. We have a moral obligation to the 1.2 billion people in the world who are living on less than $1 a day. We have a moral obligation to the 3 billion people who live on only $2 a day. This kind of poverty is unacceptable and, quite candidly, it is dangerous to us and to the stability of the world. I think it is something we have to work to change. It is in our self-interest that we do so.

The fact is that foreign assistance has had an enormous impact when applied effectively. For example, over the past 50 years, our assistance has helped reduce infant child death rates in the developing world by 50 percent. We also have had a significant impact on worldwide child survival and health promotions, through initiatives, such as vaccinations and school feeding programs.

Agriculture is certainly another area of great success. Today, 43 of the top 50 countries that import American agricultural products have in the past received humanitarian assistance from the United States. Today, they are our customers. Our investment in better seeds and agricultural techniques over the past two decades have made it possible to feed an additional 1 billion people throughout the world.

Despite its importance and immeasurable value, our overall foreign affairs budget has been stagnant for the past 20 years. As I said, in real dollars, it has gone down. We currently use only about one-half of 1 percent of our Federal budget for humanitarian assistance. Yet this assistance is absolutely critical for people in war-ravaged, politically unstable, impoverished nations. The children, the elderly, and the civilian people are not responsible for the political and economic turmoil in their homelands, but they are the ones who always end up suffering the most.

Right now, increases in foreign assistance could make a very real difference around the world. One example is in our own backyard, and that is in the country of Haiti. I recently returned from a trip to Haiti, where I witnessed the tremendous devastation, destitution, and desperation of that country located less than 2 hours by plane from the shores of Miami.

Haiti remains the poorest country in the hemisphere. Democracy and political stability continue to elude the Haitian people. The already-dire humanitarian conditions of Haiti's 8.2 million people continue, tragically, to deteriorate. Today, less than one-half of their population can read or write. The country's infant mortality rate is the highest, by far, in our hemisphere. At least 23 percent of the children up to age 5 are malnourished. Only 39 percent of Haitians have access to clean water, and diseases such as measles, malaria, and tuberculosis are epidemic.

Haiti is also suffering from an AIDS crisis—really an epidemic. Roughly 1 out of 12 Haitians is living with HIV/AIDS. This is the highest rate in the world, outside of sub-Sahara Africa. According to the Centers for Disease Control projections, Haiti will experience up to 44,000 new HIV/AIDS cases this year, and that is at least 4,000 more than the number expected in the United States. We have a population, obviously, a great deal higher than Haiti. They have a population of about 8 million people. Ours is nearly 35 times larger than theirs.

In addition, there are an estimated 30,000 to 40,000 deaths each year in Haiti from AIDS. Already, AIDS has orphaned 163,000 children. That number is expected to skyrocket to between 320,000 to 390,000 over the next 10 years. Haiti also continues to suffer from an unnecessarily high HIV transmission rate from mother to child. Some of this is easily prevented through proper counseling and medication. Currently, only one clinic in Port-au-Prince provides these critical, lifesaving services.

Indeed, things are bad in Haiti, and they stand to get only worse. Right now there is a great deal of money that the international community is holding up, awaiting reforms to be made, awaiting the Government of Haiti to settle disputes concerning the May 2000 election. I believe it is correct to withhold that money. But what it means is that the only assistance coming from many countries—certainly the only assistance coming from the U.S.—is the purely humanitarian assistance that does not go through the Government. That purely humanitarian assistance has gone down and down and down. We have taken it down for the last few years. The prospects are that we will take it down again this year. I think that is, quite bluntly, a mistake. It is a mistake for us to continue to reduce this humanitarian assistance. This is not money that is going to the Government of Haiti. This money is going to NGOs, private organizations, charitable groups that are dealing directly with the people of Haiti, who are helping with agricultural problems and challenges and helping them feed their children through school feeding programs and helping them with the AIDS problem. All of this work is done directly on the ground by people who are making a difference.

I think we should reconsider our position—the position we have seen in the past few years of continuing to ramp down that assistance that goes directly to these NGOs and to the people of Haiti. I believe we have a moral obligation to stay committed to these people, irrespective of what the Haitian Government does or does not do. The reality is that we need to increase foreign assistance across the board, not just the money that goes to protect the Haitian people but the much-needed aid that reaches all corners of the developing world. While we as a Nation must project strength, we also must project compassion.

Quite simply, providing humanitarian assistance is the right thing to do. It is also in our national interest to do it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

ENERGY POLICY

Mr. MURKOWSKI. Mr. President, I rise today to bring to the attention of my colleagues the coming debate on the energy bill which will be before this body sometime next week, at the pleasure of the majority leader, of course. I want to share with my colleagues the concern I have that somehow in this energy bill we may get into a debate—and it may be more than a debate. It may be pointing fingers at one another—with regard to the Enron situation. I think it is fair to say there is a lot of blame around here.

The objective and responsibility we have is to correct the damage that has been done to ensure it does not happen again, and if indeed we can find accountability, we should proceed with that process because that is part of our job.

In my opinion, as the former chairman of the Energy Committee and ranking member currently, we have going on a little politics both in the House and Senate. We are trying to create a political issue out of the Enron failure. I think it is fair to say at least some are not particularly interested in the facts. They are more interested in the rhetoric, which occasionally occurs around here.

What we have seen is the devastation with the employees, the stockholders, the billions that are lost, and retirement funds that have been wiped out. Indeed, I think we have to focus on the reality that this is a series of lies, a series of deceits, a series of shoddy accounting, a series of corporate misconduct, a series of coverup. That is the bottom line. It should not have happened, but it did happen. I think it is fair to say our obligation goes to trying to protect the consumers and protect the stockholders.

One of the interesting things, though, as one who has followed the energy process very close, the failure of Enron really had nothing to do with the market price of electricity, the market price of national gas, or the market price to consumers in this country. It is very important to understand the system worked. In other words, Enron was buying and selling energy. They were not a great producer of energy. When they basically failed, those who were supplying Enron simply moved to other distributors. So the consumer was not hurt. Keep that in mind. This was a failure internally within this corporation that affected a lot of people, but it did not affect the ratepayers nor the supply in this country. The private system basically worked.

What are some of the issues surrounding the political gain or political consequences? I think we have to agree we should try and look at a bipartisan effort to present real solutions to America's energy problems. Some are interested in demonizing the President and the Vice President with stories that are somewhat misleading and off the focus of the reality of why this corporation failed. We have seen our good friend over in the House, Congressman HENRY WAXMAN, issue a white paper entitled, "How the White House Energy Plan Benefited Enron." That is a pretty broad accusation.

Now I want to try and balance that a little bit because the Congressman asserts many policies in the White House energy plan are virtually identical to the positions Enron advocated. I want to look at the record for a few minutes.

The intended inference of the report, no matter how inaccurate, is that the administration's national energy policy was written solely to benefit Enron.

In my opinion, the logic of the Congressman leaves a little bit to be desired. To use that logic, we should be critical of any energy bill that helps meet our Nation's growing energy needs just because a company, for that matter any company, even one producing renewable energy, could benefit.

It is true some elements of the administration's energy policy are consistent with the views of Enron, but it is also true that far more elements of the Clinton administration's energy policy were consistent with the views of Enron.

I think we have to look at some of the facts. I am prepared to do that in the next few minutes. For example, one of the elements, according to a Washington Post story on January 12, in a meeting when Secretary of Energy Peña under the Clinton administration, and Ken Lay, who was the head of Enron, pressed the Clinton administration to propose legislation that would assert Federal authority over a national electricity market—now this is what the previous administration basically did. It was kind of interesting because some of the material that comes out of the research that is done by the media, that addresses some of the backroom meetings that went on, deserve the light of day, and I am prepared to share that briefly. I met with Ken Lay in my office on one occasion.

The purpose of Mr. Lay's meeting with me was to encourage me to support deregulation at a time certain of America's electric energy market. Under the deregulation plan he supported, there would be a simultaneous definite date under which various States would come in under deregulation. I was opposed to that.

That had happened, of course, in the California situation where we had a cap by the State of California on retail, and I felt we could not simply mandate everybody come in at the same time under deregulation. The fact that some have deregulated, like Pennsylvania, Texas, and other States, it has gone very well. Those States have seen a reduction in their electric rates. It still was not a perfect process. The States should have the opportunity for innovation and to deregulate over a period of time.

According to a company version of the meeting, Lay and Peña, after my meeting with Lay, agreed that a go-slow approach to deregulation advocated by the Senate Energy Committee's chairman, FRANK MURKOWSKI, Republican of Alaska, was unacceptable. In other words, Peña had asked Enron officials to keep the Energy Department staffers posted on developments in Congress.

The point I want to make, and make very clear, is it would not have been in the national interest to have followed the objective of Ken Lay and Enron to open up simultaneous deregulation of the electric market. As indicated in the memorandum, in the meeting with Peña and Ken Lay—and Peña, again, was Secretary of Energy at that time—they agreed that my approach was too slow and unacceptable.

I want to compare where we are today because this is the issue, or the accusation, that somehow the energy plan proposed by the administration was out of the Enron playbook. I want to compare where the current energy bill is relative to the specifics that would be applicable to Enron if Enron were still a functioning corporation. So let us look at many of the elements of Senator DASCHLE's energy bill because I believe many of them are straight out of the Enron playbook in asserting Federal authority over a national electric market. I think it should be pointed out that Enron has never wanted to deregulate electricity. Instead, they want to Federalize electricity. Now there is a difference. It is the regulatory process. Enron wanted different regulations, not deregulation in the sense of my last remarks where I indicated the only thing they would support was simultaneous deregulation.

So they wanted different regulations. They wanted to preempt States and put FERC, the Federal Energy Regulatory Commission, in charge. Enron wanted to create a one-size-fits-all system that benefits national marketers such as Enron—Enron is a national marketer. They did not produce power—and, on the other hand, ignore local concerns and interests, which is one of the reasons I objected. Enron wanted special provisions of particular benefit to that company.

I think Enron had every intention of getting a movement in their direction, and they had access to take their plans directly to the upper echelons of the leadership, and they did. What is the result? Let me share the result because this is where we are today. This is what this body is going to be looking at next week when we take up the Daschle energy bill.

First, this bill did not come before the committee of jurisdiction. That is the Committee on Energy and Natural Resources. I am the ranking member. It was crafted in secret. It was crafted in violation of traditional Senate rules. And, in my opinion, to a large degree, it would have benefited Enron because the Daschle bill grants further authority to restructure the electric power industry. It allows FERC to take any action it may deem appropriate to create competition as FERC sees fit. The Daschle bill grants FERC open access to all transmission lines. It gives FERC authority over transmission not now within the purview of federally owned and State owned. The Daschle bill creates uniform reliability standards under FERC control. That is something Enron opposed. The industry consensus relied on this because it would allow for regional differences. They did not want regional differences.

The Daschle bill includes transmission information disclosure. That benefited Enron's trading activities, provisions that require disclosure for potential commercial sensitive transactions that would have given Enron a complete and competitive advantage and helped them game the electric power mark.

Further, the Daschle bill offers a special transmission access and benefit for wind generators and a renewable portfolio standard of benefits. As we know, Enron owns wind generation companies.

The Daschle bill includes Federal preemption of States on consumer protection. Enron wanted a uniform regulatory system, equally acceptable across State lines, regardless of different needs in different States.

Finally, the Daschle energy bill includes nationwide uniform interconnection standards. Again, Enron wanted a unified national system without talking and taking into consideration regional concern.

That is a partial wish list. As we look at the allegations back and forth of whose bill favors Enron, we should look at it fairly and objectively. This is a virtual wish list, in my opinion, for a company that made millions and millions of dollars trading electricity nationwide.

Enron's main goal was to create the federalized system found to a large degree in the Daschle bill before the Senate. By knocking down State rights in exchange for Federal command and control, Enron would have gained the substantial advantage in energy markets at the hands of State protections of consumers. In other words, the State has the obligation to protect its consumers.

One Senator referred to the Bush energy plan the other day as "a cash and carry" for Enron. If that is the case, perhaps the approach we have in the majority leader's bill ought to be "a quick check" as Enron got far more money and would have gotten far more money in the proposed bill before the Senate, the Daschle bill, than it did under the Bush energy plan. As I say, those who live in glasshouses should not throw stones and perhaps should not take baths.

I conclude with the situation surrounding the committee of jurisdiction, the Committee on Energy and Natural Resources. We talk about ensuring that we have an energy supply to meet our Nation's needs. There is one place in this country where energy is in great demand. In my opinion, that is this body of the Senate. Energy, energy, everywhere, in all sorts of committees—except one committee. That is the committee where it belongs, the Energy and Natural Resources Committee.

Through a press release issued late last October, Senator DASCHLE basically pulled the plug on the Energy Committee: The Senate's leadership wants to avoid quarrelsome, divisive votes in committee. That was how the release read.

What happened was, clearly, the majority leader did not like the writing on the wall, so he basically took and created his own bill and introduced it as the bill that will be considered by this body. I think the development of that bill was in the worst traditions of the Senate and was done without the open process associated with the committee requirements. There was no opportunity for Republican or Democrat amendments, and it was done far out of the reach of the public or input of the reach of the public, out of the glare of the media. That fact, in itself, should have the media howling. But I don't hear many of them howling. But their silence on that fact has been somewhat deafening.

In doing so, the committee of jurisdiction has simply not been allowed to meet. That is in clear violation of committee rules and Senate rules. But we have not met on any markup since October. That is a mandate from the majority leader to the committee chairman, Senator BINGAMAN.

What frustrates a lot of Members on the committee is that this is applicable only to the Energy Committee. Other committees have been allowed to meet, and they have not been pushed aside. For example, the Commerce Committee has been allowed to meet because they are having a vigorous debate about the controversial issues, CAFE standards for automobiles. It is a legitimate debate, and it belongs in the Commerce Committee. It is an energy debate that should be aired in public, in the press, and under scrutiny of public opinion. That is current. But the committee of jurisdiction is not allowed to meet on the underlying bill.

The Environment and Public Works Committee has been allowed to meet. They are having a vigorous debate about a controversial issue, and that is Price-Anderson, to help the nuclear plants that are online in this country. Again, it is an energy debate that should be aired in public, in the press, and under scrutiny. It is being done. Yet the underlying committee of jurisdiction is forbidden from meeting on the energy bill.

The Finance Committee has been allowed to meet. They are debating a wide variety of tax provisions to help spark the next generation energy sources for the country. Again, it is the energy debate that should be aired in public, in the press, and under scrutiny. And it is in the Finance Committee. But where is the Energy Committee, the committee of jurisdiction? Silenced—totally silenced in this debate.

As the Ranking Member, I will not be silenced. I don't think this is a fair process. We are using every avenue available to help make certain the Americans hear the voice on the other side in this debate. We will continue our effort to carry out the challenge that President Bush laid out in his State of the Union to make this Nation more secure in the face of the volatile and dangerous world in which we live. Energy security must be part of that debate, even if the Energy and Natural Resources Committee is not allowed to meet.

Finally, let me generalize on what the Daschle-Bingaman energy bill, S. 1766, provides. In general, the bill contains very little in the way of increasing domestic production of conventional forms of energy—oil, natural gas, coal, and nuclear. As a consequence of our energy dependence on imported oil, we are about 57 percent dependent. On September 11, we were importing just over a million barrels a day from Iraq. Currently, that is 750,000 barrels a day. One has to question whether indeed an energy bill should address our increased dependence on foreign sources of oil.

I am often reminded of a statement made by Mark Hatfield, who served in this body for a long, long—long time. He headed up the Appropriations Committee. He was a pacifist, if I can characterize him to some degree. But on this issue of increasing our imports of oil from the Mideast, he often said: I will support opening up ANWR, opening up oil discoveries domestically, on any occasion, rather than send one more American, man or woman, overseas to fight a war on foreign soil over oil.

That is what part of this debate is going to be about, because we have opportunities to increase domestic oil production. Some are going to say that we have other forms of energy, let's use them. We do, but the world moves on oil. Until we find another alternative, we are going to be increasing our dependence on very unstable sources: Iraq, Iran, Saudi Arabia. The consequences of that to the American people are, I think, severe.

We are going to have a debate in this body. There is going to be an effort to filibuster. The National Environmental Policy Act groups have been against us. This has been a cash cow for them. Opening up ANWR specifically is the lightning rod. Those organizations have gotten together and put fear in the American people that it cannot be opened up safely.

They suggest it is a 6-month supply. That is absolutely ridiculous. That would be like assuming there was no other energy produced in this country or imported for a period of 6 months.

They say it is somewhere between 5.6 and 16 billion barrels. If it were in the middle, 10 billion barrels, it would equate to about 25 percent of the total crude oil produced in the United States. It would be the largest discovery, if you will, other than Prudhoe Bay. That is more oil than the proven oil reserves in Texas. Some say it will take 10 years. We built the Empire State Building in less than 2 years. We built a pipeline in a couple of years—800 miles. By permitting, we could get this oil on line in a couple of years.

When Members are going to vote on this issue, they are going to be torn by the pressures from America's environmental community that has milked this issue like a cash cow, for money and membership. When we eventually pass it, they are going to move on to another cause, make no mistake about it. I think we are all practical politicians who recognize that.

So these Members who stand here are going to have to make a vote on whether to be responsive to the environmental groups or do what is right for America—that is, to reduce our dependence on imported oil.

This bill favors reduction in energy demand through the creation of new Federal agency efficiency standards—I am talking about CAFE—and it also focuses on fuel and renewable energy technologies, all of which I support. But we have to be careful and recognize that it is very easy to set a goal for 2015 of 37 miles per gallon. We are around 24 miles per gallon now. Because in the year 2015 a lot of us are not going to be here, we are not going to be held accountable. So it is very convenient to put that off and say let's achieve a standard of 37 miles by the year 2015.

We have to concern ourselves with the safety of the automobiles. We have to concern ourselves with the mandate that Government is going to dictate what kind of car you drive, jobs protection in the industry—OK? These are considerations that I believe are paramount in the discussion on CAFE standards.

Some suggest the alternative is to let a scientific process set an achievable increase in CAFE standards, or mileage. That is the position I favor. Let's do what is attainable so we can be held accountable, not being held accountable by the year 2015, or thereabouts, for an amount that may not be practical, achievable, or maybe at a cost that is prohibitive—or at a cost of safety or maybe at a cost of jobs.

Further, this legislation does not appear to solve the pressing energy problems the United States will face in the next decade, acting, instead, as the energy policy for 50 years from now. That is not what we want to do. That is just putting it off. By our account, this bill creates 40 Federal programs, 12 new Federal offices, and authorizes 41 new studies related to energy policy.

I am going to have a lot more to say about this later. I conclude my remarks again with the reference that each Member here is going to be held accountable for his or her vote and that accountability should be on what is right for America, not what the environmental lobby dictates.

I yield the floor.

I ask unanimous consent an article appearing in the AP entitled "U.S.-British Planes Bomb Iraq" dated Monday, February 4, be printed in the RECORD. We are importing 750 million barrels a day from Iraq at the same time we are bombing them.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Associated Press, Feb. 4, 2002]

U.S.-BRITISH PLANES BOMB IRAQ

(By Ben Holland)

INSTANBUL, TURKEY.—U.S. and British planes patrolling a no-fly zone over northern Iraq bombed Iraqi air defense systems Monday in response to anti-aircraft fire, U.S. officials said.

It was the first time U.S. and British planes had bombed Iraq's north since the Sept. 11 terrorist attacks, said Capt. Brian Cullin, a spokesman for U.S. European Command in Stuttgart, Germany. The bombing came amid rising debate on whether Iraq will be the next target of the U.S. anti-terror campaign.

The bombs were dropped after Iraqi forces northeast of Mosul in northern Iraq fired on a routine air patrol, the U.S. European Command said in a written statement.

"All coalition aircraft departed the area safely," the statement said. Cullin said it would not be clear for some time how much damage was done to the Iraqi targets.

U.S. and British planes based in southeast Turkey have been flying patrols over northern Iraq since September, 1996. The two countries say the operation is designed to protect the Kurdish population of northern Iraq from Iraqi leader Saddam Hussein.

"There's a day-to-day commitment made by three very strong coalition partners . . . toward a population we still feel we have an obligation to protect," Cullin said.

Expectations that Iraq could be the next target of the U.S.-led anti-terror campaign were strengthened by President Bush's State of the Union address last week.

Bush said Iraq was part of an "axis of evil," along with Iran and North Korea, and accused it of seeking weapons of mass destruction.

Turkey, host to the air patrols and a launching pad for strikes against Iraq in the 1992 Gulf War, has expressed anxiety over the prospect of war in Iraq, fearing that the fall of the Baghdad regime could lead Kurds in northern Iraq to create a Kurdish state. That could in turn boost aspirations of autonomy-seeking Kurds in Turkey.

Turkey's Prime Minister, Bulent Ecevit, warned the Iraqi leader on Monday to admit U.N. weapons inspectors in order to head off possible U.S. military action.

Iraq has refused since 1998 to allow U.N. inspectors into the country to check if the Baghdad regime has dismantled its weapons of mass destruction. Baghdad has rejected a U.S. warning to admit the inspectors or face the consequences.

In a letter to Hussein, Ecevit warned of the "sever consequences to be encountered" if Iraq does not allow the inspection.

The PRESIDING OFFICER. The majority whip is recognized.

Mr. REID. Mr. President, I say to the distinguished Senator from Alaska, I always enjoy his presentations. He is always prepared. He believes fervently in what he was addressing. I look forward to the debate we are going to have on ANWR and a number of other issues on this energy bill, which is going to come up next week. The majority leader indicated last year that it would be brought up before the Presidents Day break. That break is a week from today.

We are on the agriculture bill. I think we can see the end of that, as I mentioned to my friend from Alaska today. I hope we can be on the energy bill by next Wednesday and work on that for a few days next week and maybe a few days after that when we come back. But I look forward to the debate. It is something we need to do. Energy policy is so important to this country.

While there are divergent views on what that energy policy should be, that is the American system. We are going to come here, work through all this, and come up this year with what I hope is a finalized version after we finish our conference. It will be something to give us a long-term energy policy for this country.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001—Continued

AMENDMENT NO. 2471

Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to the Crapo amendment, which was offered yesterday. I ask it be recalled for purposes of my offering an amendment to it.

The PRESIDING OFFICER. Without objection, the amendment is pending.

AMENDMENT NO. 2838 TO AMENDMENT NO. 2471

Mr. REID. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 2838 to amendment no. 2471.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2838, WITHDRAWN

Mr. REID. Mr. President, I ask unanimous consent the amendment I just offered be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, a few weeks ago I saw a movie called "A Beautiful Mind." It is based upon a true story of a man by the name of John Nash who is a mathematician from Blue Field, WV. He is probably one of smartest men ever born on this Earth. I was so fascinated by the movie that I read the book which was the basis for the movie. The book was even more intriguing, interesting, and fascinating than the movie. It was a thick book. It read like a novel. I couldn't put it down.

This brilliant man could see the solution to the most complicated math problems. He could see a solution to the problem before he determined how the solution came about. Most people work the other way. They work up to finding a solution. He knew the solution. After he found the solution, he would work out the problems so other people could understand how he arrived at the solution.

Just one example: He won a Nobel Prize for what is called game theory in economics. Certainly, I am no mathematician. I will not explain it very well.

But there was another eminent scientist who figured out what would happen between two people playing a game—whether it was checkers, or a game of cards, or a game of two people playing basketball. He would determine what the result would be. But John Nash said that is not good enough. What you need to do is figure out what would happen when large numbers of people participated in a game. If two people, or four people, or any amount of people were playing a game, he could determine what would happen. It sounds fantastic and unbelievable that you can do that through mathematics, but he did it.

One of the things that could be determined, for example, were moves of the military during the cold war. Through a mathematical formula using John Nash's theory, you could determine what would happen if the United States did this. This is what the Soviet Union would do.

I will not go into any more detail other than tell you he was a brilliant man. But sadly, he became a schizophrenic paranoid. He had people talking to him all the time who were real to him. These people talking to John Nash were as real as if we were speaking to our wives when we left home today or speaking to one of the Senate staff. He believed things that he heard. As the movie depicts, he saw people on occasion.

Obviously, I was fascinated by this movie and by this book, but listening yesterday to the people come to this Chamber and talk about my language in this farm bill made me think of this movie and this book. I am not accusing them of being paranoid or schizophrenic because they were talking about something they either knew nothing about or they were imagining things because they came down here talking about how bad my water legislation was and they simply were without any basis in fact. I don't know where this came from.

I am from the West and people think about why a Senator from out West would talk about these "sacred issues" such as water, grazing, and wilderness. I do it for a number of reasons. No. 1, I feel competent and qualified to do that. I live in the West. We don't need someone from Rhode Island telling us what to do in the West, even though they have a right to do so because this is a national congress. But in addition to that, there is a new West out there.

I have great respect for cowboys, ranchers, and miners. But I am also realistic. The West has changed. Seventy percent of the people in the State of Nevada live in Las Vegas. We have to protect those people in Las Vegas as much as we do the people in the outlining areas. We need to make sure they have water. Reno has 20 percent of the people in the State of Nevada. Ninety percent of the people in Nevada live in two metro areas. I have an obligation to 90 percent of the people in the State of Nevada, just as I have for the other 10 percent of the people in the State of Nevada.

Water has changed. We know that agriculture uses huge amounts of water. In this farm bill, I thought it was time we started being realistic about the new West. Therefore, I worked hard to get a protection in that bill dealing with a conservation program. Why shouldn't we deal with conservation in a farm bill? Many of us involved in the farm bill are not from the breadbasket States. The Presiding Officer is from the State of Minnesota.

When I was Lieutenant Governor of Nevada, one night I went to the Governor's Mansion. My dear friend, Governor O'Calahan, taught me in high school and he taught me how to fight. That is where I learned to box—from Governor O'Calahan. He was a great fighter with over 200 amateur fights. He lost his leg in the Korean war and lost his boxing career.

I can remember we were there in the Governor's Mansion with his old uncle from Minnesota. I sat and listened to these two men—one an old man at that time and Governor O'Calahan who was a very young Governor—talk about growing up in Minnesota. I thought they were making it up. But I have checked with other people since. It is absolutely true that in Minnesota at nighttime in the hot summer you can actually hear the crops growing—snapping, popping out, and growing. That isn't the way of the West.

In Searchlight, NV, there are trees around my home. It takes hundreds of years for the Joshua and Spanish Daggers to grow. It takes hundreds of years. We have bushes all around my home in Searchlight. They take hundreds of years to grow. That is how the arid desert is different than the breadbasket.

So for many of us involved in the farm bill—we are not from the breadbasket States—the most important provisions of this bill are those that deal with conservation.

In the State of the Presiding Officer—the land of lakes—Minnesota has hundreds of lakes, I am told. In Nevada, we have very few lakes. We have Lake Mead that is man made. We have Lake Mojave that is man made because of Davis Dam and Boulder Dam. We have Pyramid Lake and Walker Lake, two desert terminus lakes. There are only 20 lakes like those in the rest of the world.

We do not have many lakes. We have very few rivers. And what we call rivers, people from the Presiding Officer's part of the country would laugh at. You can walk across our rivers. So conservation is important to us in the West.

I started my service in the Senate as a member of the Environment and Public Works Committee. I am still a member of that committee. I have been chairman of the committee twice. Probably the most controversial issue about which we have dealt in that committee is how we deal with the negative environmental effects of farming and ranching.

One time I was serving as chairman of the subcommittee that dealt with fish and wildlife, and we worked on the difficult issue of the Endangered Species Act with the late John Chafee, my dear friend, who at that time was the chairman of the Environment and Public Works Committee; my friend MAX BAUCUS, who now is chairman of the Finance Committee, and at that time was the ranking member of the Environment and Public Works Committee, and Senator Dirk Kempthorne, now the Governor of Idaho. We worked together and crafted a very fine reform of the Endangered Species Act.

That effort failed for a couple reasons. One reason it failed was because it was not moved on quickly enough by Senator LOTT, the then-majority leader. He had his own reasons for not moving on it, I am sure. At the time it gave people too much time to nitpick our legislation.

But I think the main reason the bill failed is that it gave landowners and farmers financial incentives and benefits for helping endangered species but the funding was not mandatory. So the farmers and landowners were afraid we would not give them any money. People did not know if the appropriations process would put money in their hands. So for the farmers and landowners who wanted financial help, we could not give it to them.

This program that is in this bill right now, that my friend, Senator CRAPO, is trying to change, fills the void that bill could not. It brings real money to the table to help address these problems through voluntary incentives.

One of my colleagues from the western part of our country who discussed this issue in the Chamber yesterday asked: Why are we talking about water in the farm bill? For heaven's sake, why shouldn't we talk about water in the farm bill?

In the arid West, agriculture consumes the lion's share of the water. Sometimes that use comes into conflict with other users.

We have had a long, ongoing problem with the tiny little Truckee River that runs through Reno, NV. It is tiny by the standards of Minnesota and other States where there is a lot of water, but in Nevada that is a river that is the lifeblood for the northern part of the State.

I worked and got passed, about 10 years ago, legislation that settled a 100-year water war between the States of California and Nevada, which involved two Indian tribes, two endangered species, involved the cities of Reno and Sparks, agricultural interests, and involved a wetlands that had gone from 100,000 acres to 2,000 very putrid acres that were killing fish and animals that even came there. We resolved that. Now there is fresh water going in there. The legislation is almost implemented.

At that time, the cities of Reno and Sparks were using 69,000 acre-feet of water a year. The farmers were getting out of that same little river, not long before that, 400,000 acre-feet of water a year. It was just a very few farmers. A lot of the water was being wasted that the farmers were using. The only way the wetlands were maintained, even as they were, was because of the overflow from the farms because the Newlands project—the first ever Bureau of Reclamation project, that created that farming community—dried up one lake—Lake Winnemucca is gone—and was in the process of drying up Pyramid Lake, lakes controlled and in the land of the Indians.

We were able to reverse that. I think we are going to have a healthy agricultural community, and certainly we are going to have a better Indian community. They have been able to do a lot of things as a result of that legislation.

But I only gave that example to show the huge amount of water that is used in agriculture. And at the time, they grew basically hay and alfalfa, which are very water intensive.

This section in this bill is a place to address these conflicts. The amendment, which I will offer at the appropriate time, to that program—I am amending my section through the amendment that will be offered to Senator CRAPO's legislation—is to account for the legitimate concerns people have raised since this legislation first came up before the end of last year.

Some of my Western colleagues noted yesterday there will be an amendment to strike the program. That is what Senator CRAPO is doing, trying to eliminate it.

My amendment, and the provision in the bill that I have, is supported by hundreds of groups. The vote that we will take on my amendment and Senator CRAPO's will be scored by the League of Conservation Voters. They already have a letter out on that.

But the groups supporting this legislation I talked about are too numerous to mention. There are scores of organizations that support this legislation, national organizations, such as the National Audubon Society, the World Wildlife Fund, The Wilderness Society, Trout Unlimited, Environmental Defense, and State and local organizations—well over 100 of them from Alabama to Wisconsin.

This is really good legislation.

Mr. President, I ask unanimous consent that letters that I have just spoken about be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

LEAGUE OF CONSERVATION VOTERS,
Washington, DC, February 7, 2002.

Re oppose anti-environment amendments to the farm bill (S. 1731).

U.S. Senate,
Washington, DC.

DEAR SENATOR: The League of Conservation Voters (LCV) is the political voice of the national environmental community. Each year, LCV publishes the National Environmental Scorecard, which details the voting records of Members of Congress on environmental legislation. The Scorecard is distributed to LCV members, concerned voters nationwide, and the press.

LCV urges you to opposes the following amendments to Senator Harkin's (D-IA) Farm Bill:

A Smith (R-OR) amendment that would use crop disaster relief funds to pay farmers for implementing environmental laws. These payments to implement a broad range of federal laws and contracts could create a huge drain on funds that are needed to compensate farmers for real disasters and would chill enforcement of important federal environmental, labor and other safeguards.

A Crapo (R-ID) amendment that would strike a program that would purchase or lease water rights from farmers to help endangered fish and other species. The program guarantees state water law protections and state approval of all water purchases and leases.

A Roberts (R-KS) amendment that would allow self-interested parties, such as fertilizer company representatives, to become federally-reimbursed advisors to farmers on conservation practices. This "fox guarding the hen house" provision could allow commercial businesses with an interest in promoting heavy use of chemical inputs to formulate conservation plans designed to limit such inputs to protect water quality.

Two Burns (R-MT) amendments: the first would prohibit farmers from enrolling more than half of the farms in the Conservation Reserve Program, which could break up CRP into smaller tracts of land that have significantly less habitat value and bar the enrollment of some highly sensitive lands. S. 1731 already prohibits more than 25% of eligible land in any county from being enrolled in regular CRP. The second Burns amendment would require that the Secretary pay more for enrolling less productive lands in CRP than more productive lands. Many valuable enrollments, such as stream buffer strips, are on both productive and non-productive lands. Reducing payments for productive lands would effectively preclude their enrollment.

A Hutchinson (R-AK) amendment to exempt USDA's Wildlife Services program from National Environmental Policy Act (NEPA) review in the killing of migratory birds. It would also eliminate the authority of the Fish and Wildlife Service (FWS) to regulate such killings and create a dangerous precedent for piecemeal exemptions from NEPA and our international treaty obligations.

LCV's Political Advisory Committee will consider including votes on these issues in compiling LCV's 2002 Scorecard. If you need more information, please call Betsy Loyless in my office at (202) 785–3683.

Sincerely,

DEB CALLAHAN,
President.

FEBRUARY 5, 2002.

DEAR SENATOR: We urge you to help resolve conflicts between farmers and endangered fish and other aquatic species by supporting the incentive-based Water Conservation Program in the conservation title of S. 1731, the Agriculture, Conservation and Rural Enhancement Act of 2001.

The Water Conservation Program authorizes the U.S. Department of Agriculture to acquire or lease water rights on 1.1 million acres of land, so long as water transfers are consistent with state water law and have been approved by state officials. State officials must also permit the Secretary of Agriculture to implement the program in their state.

Freshwater species are North America's most endangered class of species—they are vanishing five times faster than North America's mammals or birds and as quickly as tropical rainforest species. Inadequate stream flow is among the leading threats to endangered fish because low summer flows reduce dissolved oxygen levels, increase water temperatures, and limit access to food and spawning habitat. The absence of rising spring flows—which triggers spawning and aids fish migration—is also a major threat.

We urge you to support this voluntary, incentive-based approach to one of the nation's most pressing environment challenges. Please support the Water Conservation Program in the conservation title of S. 1731, the Agriculture, Conservation and Rural Enhancement Act of 2001,

Sincerely,

National Organizations: American Lands; Department of the Planet Earth; Endangered Species Coalition; Environmental Defense; Environmental Working Group; Institute for Agriculture and Trade Policy; Institute for Environment and Agriculture; Land Trust Alliance; National Audubon Society; Rails-to-Trails Conservancy; Restore America's Estuaries; Trout Unlimited; The Wilderness Society; World Wildlife Fund.

State and Local Organizations: Alabama Rivers Alliance, AL; Altamaha Riverkeepers, GA; American Bottom Conservancy, IL; American PIE—Public Information on the Environment, MN; Amigos Bravos, NM; Arkansas Nature Alliance, AR; Ascutney Mountain Audubon Society, VT; Audubon Arkansas, AR; Audubon California, CA; Audubon Colorado, CO; Audubon of Florida, FL; Audubon Society of New York State, Inc./

Audubon International, NY; Bear River Watershed Council, UT; Belgrade Regional Conservation Alliance, ME; Blue Heron Environmental Network Inc., WV; Cacapon Institute, WV; California League of Conservation Voters, CA; California Trout, Inc., CA; Campaign to Safeguard America's Waters, Earth Island Institute, AK; Citizens for a Future New Hampshire, NH; Citizens for a Quieter Santa Barbara, CA; Citizens for Alternatives to Chemical Contamination, MI; Citizens of Lee Environmental Action Network, VA.

Clean Air Now, CA; Clean Up Our River Environment (CURE), MN; Clinch Coalition, VA; Coalition for a Clean Minnesota River, MN; Coalition for Jobs and the Environment, VA; Coast Action Group, CA; Coldwater Fisheries Coalition, Inc., NH; Committee on the Middle Fork Vermilion River, IL; Communty Environmental Council, CA; Community Forestry Resource Center, MN; Concerned Citizens Committee of SE Ohio, OH; Delaware-Otsego Audubon Society, NY; Devil's Fork Trail Club, VA; Douglaston Chapter of the Sierra Club, NY; Dutches County Farm Bureau, NY; ECO-Action, FL; ECO-Store, FL; Endangered Habitats League, CA; Environmental Action!, GA; Environmental Defense Center, CA; Experience Appalachia!, OH; Federation of Fly Fishers, MT; Forest Guardinas, NM; Forest Watch, VT; Friends of Butte Creek, CA; Friends of Critters and the Salt Creek, IL; Friends of Poquessing Watershed, PA; Friends of the Locust Fork River, AL; Friends of the Nanticoke River, MD; Friends of the North Fork of the Shenandoah River, VA.

Friends of the Santa Clara River, CA; Friends of the St. Joe River Association, Inc, MI; Friends of the Wekiva River, Inc, FL; Friends of the White Salmon River, WA; Great American Station Foundation, NV; Great Basin Mine Watch, NV; Group for the South Fork, NY; Halifax River Audubon, FL; Hancock County Planning Commission, ME; Hardy Groves, Inc, FL; Humane Education Network, CA; Juniata Valley Audubon Society, PA; Keepers of the Duck Creek Watershed, OH; Lake Champlain Committee, VT; Lake Superior Greens, WI; Maine Congress of Lake Associations, ME; Maine Farmland Trust, ME; Marion County Water Watch, KY; Michigan Resource Stewards, MI; Montana Fishing Outfitters Conservation Fund, MT; Montana River Action Network, MT; Mountaineer Chapter Trout Unlimited, WV; My Mothers Garden Inc. Organic Herbs, FL; Nanticoke River Watershed Conservancy, DE.

New Jersey Chapter of the National Wild Turkey Federation, NJ; New Ulm Area Sport Fishermen, MN; New York Rivers United, NY; North Carolina Smart Growth Alliance, NC; North Fork River Improvement Association, CO; North Shore Audubon, NY; Ohio River Advocacy, OH; Ohio Valley Environmental Coalition, WV; Oregon Shores Conservation Coalition, OR; Organic Consumers Association, MN; Organic Independents, MN; Palomar Audubon Society, CA; Palos Verdes/South Bay Audubon Society, CA; Palouse Land Trust, ID; Pamlico-Tar River Foundation, NC; Park County Environmental Council, MT; Patrick Environmental Awareness Group, VA; PCC Farmland Fund, WA; Pequannock River Coalition, NJ; Planning and Conservation League, CA; Potomac River Association, MD; Preserve Calavera, CA; Rahway River Association, NJ; Rio Grande Restoration, NM; River Tales, PA; River Touring Section, John Muir Chapter, Sierra Club, WI; Rivers Council of Minnesota, MN; Rural Vermont, VT.

Seattle Chapter—Izaak Walton League of America, WA; Seavey Funds, Inc, CA; South Carolina Forest Watch, SC; Southern Illinois University, Environmental Law Society, IL; Southwest Environmental Center, NM; S.A.V.E. (Students Against the Violation of the Environment), IL; Students Improving the Lives of Animals, IL; Taking Responsibility for the Earth and the Environment, VA; United Anglers of California, Inc., CA; Utah Open Lands, UT; Utah Water Project of Trout Unlimited, UT; Vermont Association of Conservation Districts, VT; Virginia Forest Watch, VA; Walburg Realty & Investments Corp., CA: West Virginia Council of Trout Unlimited, WV; West Virginia Rivers Coalition, WV; Wisconsin Council of the Federal of Fly Fishers, WI.

American Rivers, Chesapeake Bay Foundation, Defenders of Wildlife, Earthjustice Legal Defense Fund, Environmental Defense, Environmnetal Working Group, Friends of the Earth, Humane Society of the United States, Institute for Agriculture and Trade Policy, National Audubon Society, Trout Unlimited, The Wilderness Society,

February 5, 2002.

Dear Senator: As the Farm Bill debate continues, we urge you to support or oppose the following amendments:

Amendments to SUPPORT:

Wellstone Amendment: Senator Wellstone's amendment would institute safeguards to ensure that funds from the USDA's main water quality protection program (Environmental Quality Incentives Program—EQIP) are not used for the expansion of large confined animal feeding operations (CAFOs). The Farm Bill heading to the Senate floor, S. 1731, removes the animal unit eligibility cap for the Environmental Quality Incentives Program, opening the program to CAFOs of over 1,000 animal units. Our nation's agricultural policy should help family farmers and encourage sustainable agriculture and should not provide incentives for further concentration of livestock into ever-larger factory farms. The proposed Wellstone amendment would prevent EQIP from becoming a massive giveaway to the nation's largest industrial animal factories.

Grassley/Dorgan Payment Cap Amendment: Senators Grassley and Dorgan are offering a major commodity program reform amendment to reduce the payment limit per farm for direct payments to $75,000 and for marketing loan payments to $150,000. This compares to the levels in the underlying bill of $200,000 on direct payments and a $300,000 nominal limit and no effective limit at all on marketing loan gains. The amendment removes the major loopholes in current law and tightens the "actively engaged in agriculture" rules. The amendment would reinvest ¾ of the $1.3 billion savings in the food stamp program, with the remainder to the Initiative for Future Agriculture and Food Systems program.

Although farm programs are typically justified as aid to family farms, farm payments in fact today go overwhelmingly to the largest farms, many of which obtain more than $1 million per year. According to USDA, these farms use these funds to our-compete and then buy-out smaller and medium-sized farms. This amendment will help restore integrity to the programs. It also helps the environment because it will reduce some of the pressure for overproduction, which leads to loss of habitats and excess use of chemicals.

Durbin Amendment: The Durbin Amendment would curtail incentives created by farm program payments to cultivate new lands and increase production beyond levels supported by the market. Farm program payments, designed to serve as a safety net for the nation's commodity producers, are giving farmers incentives to maintain and increase production at levels not supported by the market. According to USDA analysis, roughly 23 million acres of range and pastureland were converted to row crops between 1982 and 1997. These conversions contribute to crop surpluses, low prices, and higher government payments, as well as to significant declines in grassland ecosystems and many bird and other wildlife species that depend upon them. CBO estimates that the Durbin amendment could save $1.4 billion over ten years, which the amendment would devote to added nutrition programs.

Amendments to OPPOSE:

Smith (OR) Amendment: Senator Gordon Smith's amendment would use crop disaster relief fund to pay farmers for implementing environmental law. Although the amendment has been explained as helping farmers deal with "regulatory disasters," the amendment opens up potential liability to pay farmers for the simple reason that they have only subordinate water rights and they face a dry year. Throughout the West, the water available in rivers is over-appropriated, meaning it is owned many times over. Only in the wettest years, can all potential water users be satisfied. This amendment could put the government in the position of paying landowners in essence for water they do not own.

Crapo Water Conservation Amendment: Senator Crapo has introduced an amendment that would weaken the water conservation provisions of the bill by converting a program designed to pay farmers to reduce water use to benefit endangered species into additional traditional CRP acres. The water conservation program in the bill does not take land out of production but instead allows farms to install more efficient water use equipment or shift to more water-efficient crops and lease their surplus water to protect endangered species. It therefore provides an incentive-based tool to alleviate conflicts between farmers and endangered species. Attacks on this program have mistakenly claimed that it would interfere with state water rights. But all leases must meet state water law and therefore in general must be approved by state officials, and the program will only be implemented where Governors have agreed. It is quite possible that other amendments designed to weaken this provision will also be introduced.

Roberts Technical Assistance Amendment: Senator Roberts has introduced an amendment that would weaken and threaten the quality and integrity of the valuable technical assistance that farmers need to implement cropping practices that are environmentally sound. The amendment could exclude employees of state or local governments, such as conservation district personnel; from being able to offer the technical assistance needed to help farmers implement the farm conservation programs. At the same time, the amendment would allow fertilizer company representatives and other self-interested actors to become federally reimbursed advisors to farmers on conservation practices, including fertilizer and pesticide use, while being reimbursed for their services by the federal government. This "fox guarding the hen house" provision could lead to widespread abuse because commercial business with an interest in promoting heavy use of chemical inputs would be formulating conservation plans designed to limit such inputs to protect water quality. In addition, the amendment would establish the Certified Crop Advisers Program, just one of many private sector-established programs, as the "standard" for the technical assistance certification program that the Natural Resources Conservation Service must develop. This eliminates flexibility for the Secretary to establish a sound certification program that people must meet in order to become providers of conservation technical assistance.

Burns Amendments: Senator Burns has introduced two amendments to deal with the legitimate concern that the Conservation Reserve Program may be enrolling too much land in a few states. Unfortunately, the amendments would do more harm than good. The first amendment would prohibit farmers from enrolling more than half of their farms in the program. The affect would be to break up CRP into smaller tracts of land that have significantly less habitat value and to bar the enrollment of some highly sensitive lands. Senator Harkin's bill (S. 1731) already prohibits more than 25% of eligible land in any county from being enrolled in regular CRP. In addition, producers cannot receive more than $50,000 total in CRP program payments. While it takes sense to enroll more CRP land in practices like buffer strips, enrolling many half farms (regardless of the size of the farm) may be the worst solution. The Harkin bill already includes new provisions to encourage more buffer strip enrollments.

A second amendment by Senator Burns would require that the Secretary pay more for enrolling less productive lands in CRP than paid for more productive lands. In general, CRP criteria can and should target less, rather than more, productive lands. But many of the most valuable enrollments are strips of land, such as stream buffers, on both productive and non-productive lands. In addition, some highly productive lands are also highly erodible or otherwise very sensitive. USDA has followed a policy of discouraging enrollment of productive lands but not precluding their enrollment when there is a strong environmental justification. This amendment would require that USDA greatly reduce payments for these high value enrollments on productive lands, effectively precluding their enrollments. In many parts of the country, this policy could preclude almost all enrollments.

Hutchinson NEPA and Migratory-Bird Exemption Amendment: Senator Hutchinson has introduced an amendment to exempt USDA's Wildlife Services program for National Environmental Policy Act (NEPA) review before the killing of migratory birds and would eliminate the authority of the Fish and Wildlife Service (FWS) to regulate such killings. The amendment presently applies to all migratory birds, but may be narrowed to apply just to cormorants. The amendment should be opposed in either form.

The Hutchinson amendment short-circuits the efforts by the FWS to address cormorant management issues through the regulatory process. After a complete environmental review, FWS has concluded that cormorants have not caused any clear adverse effects on fish populations in open water (as opposed to aquaculture). The Hutchinson amendment would also create a dangerous precedent to establish a wholesale exemption from NEPA and our international treaty obligations for a single species.

Mr. REID. Mr. President, the amendment that I will offer is a complete substitute for the Water Conservation Program that is in the bill. It addresses all the arguments that have been raised about it since last year.

It prohibits the Federal Government from holding, leasing or buying water rights in any way whatsoever.

It gives control over the program to the States with Federal oversight, consistent with existing United States Department of Agriculture farm conservation programs.

It gives States real money to help address real problems through programs they are implementing already.

This program is important because when a drought occurs, competition for water becomes fierce. Farmers and fish—that is lakes—both get less water because of the drought. Or it could be a stream or a river. If conditions become bad enough, the farmer loses whatever water he has. No one gives the farmer a way to get by until the drought is over.

My existing Water Conservation Program that is in the bill—and this substitute—would get him that payment to tide him over until the drought is over.

The existing program said that if a farmer wanted to transfer his water to benefit fish or water, lake, stream, or river during a drought year, he would get a Federal payment in return.

It would be up to the farmer and up to the State to decide if the State law would allow the transfer to occur. Many States already have programs such as this: California, Idaho, Oregon, Nevada.

Some of my colleagues from the West raised some concerns about the program before we recessed in December. They said a lot of things about the program that were not intended or just were not true.

Some of these arguments were repeated on the floor yesterday. They said it gave the Federal Government the right to confiscate water. I don't know how to say it other than it doesn't. It is ridiculous. They said if one farmer decided to transfer his water under a short-term contract, they could take away the other farmer's water. Think about the logic of that. If you are a farmer or a rancher who is using his water to irrigate, who, under this program, now decides to leave his water in the stream, how can leaving water in a stream ever mean another farmer is going to get less water? That is illogical. It doesn't make sense.

Some of my colleagues had some legitimate questions about the program. The main concern was that the States rights and traditional role in setting their own water could be affected. So it was decided that one way to deal with this problem was to let the States decide whether they want the program or not. Senators DOMENICI and BINGAMAN and I amended the program to say that. If you don't want to participate in the program, you don't participate. If you want to, come on in.

I thought more about their concerns and decided the best way to get water conservation programs implemented in the right way was to let the States run them as they do under a few USDA conservation programs already. The Conservation Reserve Enhancement Program and the Farmland Protection Program both put States in the driver's seat with respect to conservation. The USDA makes sure that the State's conservation ideas are sound and that the State implements conservation plans and agreements with USDA oversight.

That is what this amendment does. It replaces the existing program with two pilots. Both pilot programs are run by the States—not by big brother in Washington—according to the existing model. Both pilots get mandatory conservation money into the hands of States and gives them discretion on how to spend it to solve their water conservation needs.

The first pilot program would expand a successful partnership between the USDA's Conservation Reserve Program and the State of Oregon to restore habitat and to lease water to help fish and wildlife. The second provision would create a new State-delegated program to help fund irrigation efficiency measures, help willing farmers convert from water-intensive crops to less water-intensive crops, and to lease, sell options, or sell water. The programs provide $375 million for States to use on this menu of different water-conserving options.

Both provisions will help resolve conflicts between endangered species and farmers such as we have seen in the Klamath Basin in Oregon, the San Francisco Bay Delta, and the Truckee-Carson Basin in Nevada. Let me explain how these programs work.

First, the Water Conservation Enhancement Program will build on the successful Conservation Reserve Enhancement Program. This program permits USDA and States to combine CRP and State funds to target critical resources for protection and restoration. Today, 17 States have these programs to target protection of important resources, such as the Chesapeake Bay.

The Water Conservation Enhancement Program expands to other States the Conservation Reserve Enhancement Program developed by the State of Oregon which pays farmers irrigated land rates if they voluntarily transfer their water rights to the State for a limited amount of time. Under this model, farmers may also enter into the program and not transfer their water if the enrollment would benefit the fish habitat in some way. The provision would reserve a half million acres of this Conservation Reserve Enhancement Program for this purpose; 40 million acres would remain available for traditional uses of the CRP.

Just like the current program, States must develop and submit proposals to the secretary so States have the control. Farmers do not have to participate in the program. If they do participate, they do not have to transfer their water rights to the State.

Under the provision, farmers could simply choose to receive funds to restore lost wetlands, grasslands, and other habitat, and retain their water rights.

The second provision creates a new $375 million water benefits program run by States that could use the money for any of the three broad water conserving programs. Most Western States already have programs to do this. This Federal money will bolster these programs. First, States can use the money to help farmers install irrigation efficiency infrastructure, such as lining canals and building fish screens. Second, States can use the money to help farmers switch crops and use less water. For these options, the State would get 75 percent of the cost of the measure adopted. A farmer, the State, or a conservation group can match the remaining cost.

The amount of water saved by virtue of the Federal contribution would be transferred for an environmental purpose while the measure is in place and only while the measure is in place.

The amount saved by the farmer's contribution can be used by the farmer any way he wants. If the farmer wants to contribute more to the cost of the measure, say, 50 percent of the irrigation measure, he uses that 50 percent of the saved water.

Third, States can use the money to lease, sell options on, or buy water rights from willing farmers for fish and if consistent with State law. Like the Water Conservation Reserve Enhancement Program, States would have complete control over the program. For people walking in here yesterday saying they are taking away the States rights, my water engineer, a man by the name of Mike Turnipseed, a very conservative person, believes this is a great program.

States must affirmatively ask to be certified by the Secretary to administer the program, and the State must designate an appropriate State agency to administer the program. The State would hold any water rights leased or acquired under this program. The Federal Government is strictly prohibited by this legislation from holding or buying water rights. In addition, States would have to subject all water leases and purchases for the review and approval of the State water boards—in our case, the State water engineer.

As I have mentioned, both programs have to be initiated by States subject to State water law, approved by State water officials, and ensure that the water rights be held by States. If that is not clear enough, I have added general language to make it clear that the State water law is paramount. I have also added language to ensure that private property rights are fully protected.

Both of these programs would help ease the conflicts between the needs of farmers and the needs of endangered fish, as we have seen in the Klamath Basin and in my State in the Truckee and Walker River Basins. These programs will give States the resources they need to plan ahead for years when water supplies are too low to meet all needs. These programs will give farmers greater flexibility.

Under this program, a farmer who wouldn't have enough water to have a profitable year can, if he or she chooses, transfer that water to benefit a lake or fish or a stream.

The contract payment can then tide the farmer over until better water years, years in which the fish don't need the water. These programs will also help protect freshwater species, species which are important to the recreational and commercial economies of States in the West.

Freshwater species are North America's most endangered class of species. They are vanishing five times faster than North America's mammals or birds and as quickly as tropical rain forest species. Habitat loss and degradation are the single biggest threat to freshwater species in trouble. Inadequate streamflow is the largest.

In closing, there are a few things to remember about these water conservation provisions: The Water Conservation Reserve Enhancement Program and the Water Benefits Program. First, both programs are completely voluntary. No farmer could be coerced, forced, or in any way cajoled into participating in either of them.

Second, the Federal Government, by this legislation, is explicitly prohibited from leasing, buying, and holding water rights.

Third, States must choose to participate in these programs. If they do, the programs are run by States and must be consistent with State water law.

Fourth, State water boards and engineers must review and approve all water transfers.

Fifth, the water benefits programs will pay for irrigation efficiency projects that not only conserve water for fish and other things, but will also conserve water that farmers can use to grow more crops or can sell to other farmers.

But I think, most importantly, lastly, the program will help reduce conflicts between the needs of farmers and the needs of this Nation's fish and wildlife, rather than just one or the other.

Mr. President, I have already asked that the list of organizations supporting this legislation be printed in the RECORD. It is extensive. I don't see other Senators here in the Chamber, but virtually every State has organizations that support this legislation.

I yield the floor.

The PRESIDING OFFICER (Mr. LEAHY). The distinguished senior Senator from Montana is recognized.

AMENDMENT NO. 2839 TO AMENDMENT NO. 2471

Mr. BAUCUS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The pending amendment is laid aside.

The clerk will report.

The legislative clerk read as follows:

The Senator from Montana (Mr. BAUCUS), for himself, Mr. ENZI, Mr. REID, Ms. LANDRIEU, Mr. DORGAN, Mr. JOHNSON, Mr. CONRAD, Mrs. CARNAHAN, Mr. DAYTON, Ms. STABENOW, and Mrs. LINCOLN, proposes an amendment numbered 2839.

Mr. BAUCUS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide emergency agriculture assistance)

On page 128, line 8, strike the final period and insert a period and the following:

Subtitle —Emergency Agriculture Assistance

SEC. 01. INCOME LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this subtitle as the "Secretary") shall use $1,800,000,000 of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers on a farm that have incurred qualifying income losses in calendar year 2001, including losses due to army worms.

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–55), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(c) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments not for crop disasters, but for income loss to carry out the purposes of this section.

SEC. 02. LIVESTOCK ASSISTANCE PROGRAM.

(a) IN GENERAL.—The Secretary shall use $500,000,000 of the funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received an emergency designation by the President or the Secretary after January 1, 2001, of which $12,000,000 shall be made available for the American Indian livestock program under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–51).

(b) ADMINISTRATION.—The Secretary shall make assistance available under this section in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and

Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

SEC. __ 03. MARKET LOSS ASSISTANCE FOR APPLE PRODUCERS.

(a) In General.—The Secretary of Agriculture shall use $100,000,000 of funds of the Commodity Credit Corporation for fiscal year 2002 to make payments to apple producers, as soon as practicable after the date of enactment of this Act, for the loss of markets during the 2000 crop year.

(b) Payment Quantity.—A payment to the producers on a farm for the 2000 crop year under this section shall be made on the lesser of—

(1) the quantity of apples produced by the producers on the farm during the 2000 crop year; or

(2) 5,000,000 pounds of apples.

(c) Limitations.—The Secretary shall not establish a payment limitation, or income eligibility limitation, with respect to payments made under this section.

SEC. __ 04. COMMODITY CREDIT CORPORATION.

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this subtitle.

SEC. __ 05. ADMINISTRATIVE EXPENSES.

(a) In General.—In addition to funds otherwise available, not later than 30 days after the date of enactment of this Act, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to pay the salaries and expenses of the Department of Agriculture in carrying out this subtitle $50,000,000, to remain available until expended.

(b) Receipt and Acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subsection (a), without further appropriation.

SEC. __ 06. REGULATIONS.

(a) In General.—The Secretary may promulgate such regulations as are necessary to implement this subtitle.

(b) Procedure.—The promulgation of the regulations and administration of this subtitle shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SEC. __ 07. EMERGENCY REQUIREMENT.

The entire amount necessary to carry out this subtitle is designated by Congress as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(e)).

Mr. BAUCUS. Mr. President, this amendment will help farmers who have experienced very deep, strong disasters due to weather conditions. It provides desperately needed disaster assistance for America's farmers and ranchers.

I begin by thanking Senators ENZI, REID, BURNS, LANDRIEU, DORGAN, JOHNSON, CONRAD, CARNAHAN, DAYTON, STABENOW, and LINCOLN for cosponsoring this.

I also thank the 57 Senators who voted in support of this measure when we tried to append it to the stimulus package a couple weeks ago. We came very close to passing this amendment. Unfortunately, 10 of our colleagues were not present for the vote, and given the strong showing of bipartisan support and the likelihood that I think more than 60 Senators support this measure, it is vital that we try again with more Senators present.

The amendment extends to the 2001 crop the same agricultural disaster programs that have proven crucial to American farmers in recent years. What could be more obvious and commonsense than to extend to the 2001 crop the same programs that have proven crucial to American farmers in recent years?

The amendment provides $1.8 billion for crop disaster program and covers quality loss due to army worms. It provides $500 million to the livestock assistance program, with $12 million directed to the Native American livestock feed program. It also addresses the concerns of our apple producers and provides $100 million toward their market loss assistance program.

Producers desperately need these disaster programs. They need them to help mitigate the devastating effects of an unprecedented streak of poor weather throughout the United States.

Mr. President, I know you will remember when you came to Montana, I think in the 1980s, how bad that drought was, walking out in the fields, virtual dust, with no crops. That was, I think, in the late 1980s. I must tell you, regrettably, I was thinking about that trip you and I, Senator John Melcher, and others took to Montana earlier this year when I was in an area a little way from where we were, with the same conditions—dust, no crops. In about a 200-square-mile area nothing was combined.

This chart basically indicates the drought impact in the United States. The red, as you can see, are areas of our country already declared disaster because of drought. The green patches you can see here are areas that are recovering from drought. They are obviously not out of the woods. They have been in a drought situation. The yellow represents drought watch areas. That means close to being declared a drought area. That is an area qualifying for disaster assistance.

On the map, essentially all of the United States down around the Mississippi River is either in drought conditions or drought watch conditions. I don't know whether it is climate change that is causing this or global warming. All I know is that very strange weather conditions are hurting farmers and ranchers. It is our job to do what we can to be sure they are made whole.

These weather conditions could not have happened at a worse time. While struggling to survive 3 disastrous years in agriculture, farmers also have faced sharply escalating operating costs. Just think of it. The drought hits, operating costs go up—high operating costs due to high energy and fertilizer prices—income is not doing too well, and farm debt is increasing.

A couple words about farm expenses. Total farm expenses were estimated to rise another $4.5 billion in 2001. That is after the rise of nearly $10 billion in the preceding year. Farm debt has been rising in the last 3 years, after recovering from the crisis in the mid-1980s. We just talked about the late 1980s, and now farmers are borrowing as much or higher, and that adds to their operating costs.

Statistics kept by USDA's Economic Research Service demonstrate that net farm business income was at a decade low in 1999 and in 2000. Thanks to a limited recovery in income last year—very slight—which means that unless Government assistance continues, net farm income in 2001 is projected to be lower than farm income in 1999 or 2000. Thus, if our efforts are curtailed, if weather problems continue, costs rise, and there is no time to recover from the contraction of farm operating income since 1998, the impact on rural America will be devastating.

You might ask: Why now? Why this amendment on the farm bill? Basically, simply, because the clock is ticking. People need help now. They can't wait. Farmers in economic distress are not able to make the usual purchases of seed or fertilizer now, not to mention—I don't want to overdramatize this—in some cases, plain old food and clothing.

Equipment and tractor dealers close their doors, as do rural schools and local merchants, which makes the agricultural sector—which is directly and indirectly responsible for nearly one-fifth of the U.S. gross domestic product—among the worst affected areas in the United States and the most vulnerable sectors of the U.S. economy.

Our amendment extends the disaster relief programs that have been critical to shoring up farm income over the last 3 years. This relief will allow farmers—and rural economies that depend on them—to get back on their feet.

I want to address several issues that were raised when we last debated this issue. First, some worried that these payments would go to millionaire farmers. Why should this agricultural disaster assistance, they say, go to millionaire farmers? I might say that charge is totally inaccurate, unfounded, and probably misunderstood.

The crop disaster benefits under this amendment are limited to $80,000 per person and no one with an annual gross income of $2.5 million or more is eligible. That is, if your gross income is $2.5 million or more, you don't qualify. That sounds like a lot of money, but that is gross income, not net income.

Most farmers have no net income. If you take the gross and subtract out the costs, whether it is debt service or expenses, or whatever else it might be, the net income for most farmers is negligible—if there is income at all.

Second, some Senators believed these disasters were already covered under the crop insurance program.

Let me be clear: I support Federal crop insurance. I think most Senators do. However, Federal crop insurance only covers a small percentage of farmers, as well as only a fraction of their losses. That is due to adverse weather conditions in 2001.

To quote the president of the National Association of Wheat Growers, Gary Broyles:

> Current crop insurance only covers up to 57 percent of a farmer's loss, but farmers do not operate with a 25 percent profit margin, especially in areas that have had multiple years of weather-related problems.

In addition, other sectors in the agricultural industry such as specialty crops and livestock are not eligible for Federal crop insurance. For them, their losses are really real. They particularly need help. If producers have crops that qualify in the Government programs, I would think livestock and other specialty crops in agriculture should also qualify.

On a related note, farmers who do receive assistance under this program are required to obtain crop insurance on their next crop if it is available.

One final point. Producers are now making planting decisions for next year. Without these disaster payments, I have to say—and I hear this constantly—many banks will refuse to provide operating loans. They will refuse to extend the credit that farmers need to try planting for another year. Without these loans, many farmers will be unable to plant, it is that simple, which is giving up any hope of economic recovery in the near future.

This hits pretty close to home. In my State of Montana, it is anticipated 40 percent of producers seeking operating loans this year will be denied; that is, denied if we fail to provide this assistance under this amendment. It is that timely. It is that significant. Of course, that is going to very much hurt the agricultural economy with individual farmers.

In conclusion, I have many letters of support for this amendment. They literally continue to pour in. They include the National Association of Wheat Growers, the National Cattlemen's Beef Association, the National Farmers Union, the National Cotton Council, the American Farm Bureau, the United Stockgrowers of America, the National Barley Growers Association, the U.S. Canola Association, American Soybean Association, the National Sunflower Association, the Northwest Farm Credit Services, and others.

Today we have another chance to help these farmers get back on their feet. If we cannot make it rain, we can make a difference. I urge my colleagues to support this amendment to provide the disaster assistance so many in American agriculture need given these whacky weather conditions we are experiencing this year which is hurting American agriculture.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I'm pleased to be a cosponsor of the amendment offered by the Senator from Montana to provide disaster assistance to those farmers and ranchers who suffered crop or livestock-related losses in calendar year 2001.

American agriculture is beginning its fifth straight year of rock bottom prices. For those farmers lucky enough to raise a decent crop, the only thing that's been keeping them in business is the supplemental relief that Congress has provided in each of the past four years. Last month, the Department of Agriculture confirmed that net farm income will fall by 20 percent this year, to $40.6 billion, unless Congress responds with improved farm policy.

As bad as this situation is, however, the blow is doubly hard for producers whose crops have been ravaged by drought, excess moisture, or some other natural calamity. These producers have little to fall back on, they cannot hope to make up in volume what they are losing under Depression-era prices. In North Dakota, the brutal reality of today's farm economics leaves little margin for either error or misfortune, and for many of those producers suffering natural disaster losses, their luck has run out. That is why Congress must respond.

I want to commend the Senator from Montana for his tireless efforts to address the disaster situation. I know that his State has been hard hit by consecutive years of drought, and his ranchers are reeling. He's been trying since last fall to respond in some way.

In my own State of North Dakota, we have received some of the rains that passed over Montana. Unfortunately, those rains came just as our wheat crop was maturing, and the result has been serious losses due to scab and other quality problems. Some estimates put North Dakota's disaster losses last year at near $200 million. Even those who have purchased crop insurance find that their indemnity payments won't restore profitability to their operation, so that is why this additional assistance is required.

To vividly illustrate what last year's disaster losses have done to the typical farming operation in North Dakota, I would like to cite some figures from an instructor in an adult farm management program in my state.

According to this farm management instructor, the farm operations he is advising—located in an area hit hard by natural disasters—had an average net farm income last year of just $25,937—down 54 percent from the previous year. These net farm income figures actually include government payments received under existing farm programs. If farm program payments are excluded, these farmers would have had a substantially negative farm income—losing $46,665 per farm, on average, last year. That's the harsh reality of farming in the Northern Great Plains today.

So again, for all these reasons, I am pleased to cosponsor this needed amendment, and I urge its adoption.

Mrs. CARNAHAN. Mr. President, I am pleased to have the opportunity to express my support for the Baucus amendment to the farm bill. I want to commend Senator BAUCUS for his leadership on this amendment.

This amendment provides much needed relief for our farmers and farm communities. This emergency assistance will provide an immediate boost to the sagging farm industry in Missouri. I am especially grateful to Senator BAUCUS for his assistance in providing relief to farmers whose crops were damaged by an invasion of armyworms. Armyworms marched through Missouri and left a trail of crop destruction and economic loss in their wake. The armyworm is a caterpillar only about one and a half inches long, but they march in large groups, moving on only after completely stripping an area. Last winter's unusually warm weather and the summer drought conspired to make life easy for the armyworm and hard for the farmer.

Thousands of farmers across southern Missouri were devastated. One official at the Missouri Department of Agriculture said that last year's invasion was the worst he has seen in his 38 years at the Department. Agriculture Secretary Ann Veneman declared 32 counties in Missouri disaster areas due to the extent of the armyworm damage.

Missouri wasn't the only State hit hard by the armyworm infestation. Farmers throughout the Midwest and Northeast were all affected. The armyworms work extremely fast. Jim Smith, a cattle farmer in Washington County, completely lost 30 acres of hay field and most of the hay on another 30 acres. He said that he did not even know he had armyworms until 20 acres had been mowed down "slick as concrete" by the insects. In his 73 years on the farm, Mr. Smith says this is the worst he has even seen.

This invasion has had severe economic consequences for my State. Missouri is second in the Nation in cattle farming. As a result of crop loss, farmers are using winter hay reserves to feed their cattle and dairy cows. Farmers are not only losing thousands of dollars in crop loss, but also have the additional and substantial expense of purchasing livestock feed for their herds this winter. In addition, some farmers were forced to sell their yearlings earlier than normal. Due to premature sales of yearlings, farmers got below average prices for their heads of stock, further increasing farm loss. The effects of this infestation will continue to be felt.

It isn't just the farmers that are suffering economic loss. When the farmers hurt financially so do the feed merchants, farm supply dealers, and gas stations. The funds provided in this bill will help all of Missouri recover from the armyworm infestation. So, I support this amendment and I look forward to its inclusion in the farm bill.

Mr. HARKIN. Mr. President, President Bush was in Denver this morning. He has probably left by now, I suppose, and is on his way to the Olympics in Salt Lake City.

I was very interested in his stop in Denver because he gave an address to the National Cattlemen's Beef Association. He talked about some of his ideas for the new farm bill.

At the outset, I want to note I had a chance to speak personally with the President briefly when he visited Moline, IL, the home of John Deere, about 3 weeks ago. I asked if we could get together and meet on this farm bill, and he said that we could. I am still looking forward to that meeting.

The message that I thought came through to the President very clearly in Moline, IL, was that the farm bill is the economic recovery bill for rural America; that farmers need some certainty, and that our agricultural lenders, agricultural businesses and rural communities need some certainty about what the farm program will be this year. Without some greater assurance, farmers cannot buy the supplies, equipment and other inputs they need and that affects the rural economy.

So I was hopeful and remain hopeful the President will help us try to get this farm bill through the Senate, but we are still stuck on it. I remain hopeful we will be able to finish this farm bill next week, but then again that is not certain.

I paid some attention to the speech the President gave in Denver, and I was interested in what he mentioned. First of all, he said he was committed to the $73.5 billion over 10 years in new spending for the farm bill, which was in our budget resolution for this year. That is good, but it is important to note his budget also calls for dramatic reductions in commodity loan rates. A good share of that $73.5 billion would be required just to make up for the large loan rate reductions. So it is critical to look carefully below the surface of the budget.

Now, the President then went on to talk about how new farm bill funding must be evenly spent over 10 years.

He says he doesn't want to "frontload" it, which he said "overpromises and underperforms." I don't quite understand that expression, but it is clear he wants to spend the farm bill funding evenly over 10 years.

There was one glaring omission in the President's remarks. He did not mention that his own Department of Agriculture, a month ago, estimated that net farm income this year would be 20 percent lower than it was last year unless we provide additional assistance. The President glossed over that fact about the dire state of the farm economy.

The President evidently is pointing at the Senate bill which puts somewhat more of the $73.5 billion in the first 5 years than it does in the second 5 years. Actually not a lot more. Half of $73.5 billion would be somewhere around $37 billion. Our bill is about $40 billion in outlays in the first five years. So it is only about $3 billion more than half. We believed it important to put more funding upfront because now is when it is critically needed. The President's own Department of Agriculture said that we would see a 20 percent drop in net farm income this year. When farmers are hurting and going out of business, that is the time to come in and help.

I don't know what the farm economic situation will be 8, 9, or 10 years from now. It may be just fine. If that is the case, we should not need to spend much of any money on commodity programs 8, 9, or 10 years from now. But when commodity prices are low and farmers are struggling, as they are, now is the time to reach out and help. That is the main reason why there is more funding in the first 5 years than in the second 5 years. The President did not mention that. He wants to say, whatever we spent this year is what we will spend 9 years from now. What sense does that make? I don't know what will happen 9 years from now. I hope farmers are making good money and don't need Government assistance 9 years from now. There is more money in the first 5 years of our bill because it is needed now to help farmers stay in business and for rural communities that are struggling economically.

The President said a good farm bill should include the farm savings account. That is fine. I have nothing against farm savings accounts. When you are losing 20 percent of net farm income, how do you have money to put into a savings account?

Then he said it must include conservation. I believe he said every day is Earth Day for people who rely on the land for a living.

If that is the case, why did the administration in December support a substitute to the Senate bill that slashed support for conservation? What the President is saying does not track with what the administration is doing in Washington on this farm bill.

The President was speaking to the National Cattlemen's Beef Association, the producers of our beef cattle. I am disappointed the President did not mention packer concentration. We debated that this morning. We had debate on it in December also, including the fact that four large packers control 81 percent of all the cattle slaughtered in America. If that is not undue economic concentration, I don't know what is. Yet the President did not talk about that.

We have an amendment on this bill to keep packers from feeding livestock so that our independent pork and beef producers can have a better bargaining position and a fighting chance to survive. But the President didn't mention the issue of economic concentration in Denver. I find that curious, at the least.

The President also said something about political budget gimmickry and cobbling together loose political coalitions. Is this the President who said we have to work together, that we should all work together in a bipartisan atmosphere?

There are competing interests. Agriculture covers a broad spectrum in America. Of course we want to take into account farmers in Vermont, as well as we take care of farmers in Texas, or in Washington, or in Maryland, or in Iowa. It is a broad country. As chairman of the Senate Agriculture Committee, my responsibility is to be cognizant and aware and supportive of agriculture nationwide. Yes, we have put together coalitions. Of course we have. But isn't that what the President wants to do? Work together in a bipartisan atmosphere and try to put together a coalition to get something through?

He said we cannot set the loan rates too high. Specifically, what does that mean? He also vowed, when he became President, he would make agriculture the cornerstone of U.S. economic policy. Yet I have not received the specifics from the Administration that would allow us to negotiate to come up with the new farm bill.

To make something a cornerstone, you have to lay a foundation down first. I have not seen the specifics of a farm bill from the Administration to lay down a foundation for agriculture.

Last year when the Department of Agriculture under Secretary Veneman put out a policy book on American agriculture, I gave it high praise. I found I could support a lot of the objectives in that book, especially including stronger support for conservation. We put it in our bill. Most of it was in the Department of Agriculture book last year.

Again, I was very shocked in December when there was a substitute bill offered to ours that drastically cut the conservation we had put in our bill and the administration supported it. So I hope there will be less talk about political gimmickry and more cooperation from this administration when it comes to getting this farm bill finished.

I am looking forward to work with the President. I have said that time and time again. We have worked in a bipartisan atmosphere here. I continue to point out, as I always say, the facts give lie to rhetoric. The fact is, our bill came through our committee with strong bipartisan support, every single title except the commodity title, which still had bipartisan support but just not overwhelming bipartisan support. The bill on the Senate floor now commands a bipartisan majority. It is good for agriculture.

If we are accused of having gone overboard to represent the dairy farmers in Vermont, the sugar farmers in Louisiana, the cotton farmers in Texas, the rice farmers in Arkansas, the corn and soybean farmers in Iowa, the wheat farmers in Kansas, the pork producers in Iowa and the upper Midwest, the cattle producers all over America, the orchards in Michigan, and the apple growers in Washington State—if we are accused of having gone out of our way to help them survive and be a vital part of rural America, I plead guilty. You bet we have because I believe in American agriculture, and I believe it still should form the foundation for our economic policy in America.

Believing that, we have laid down the cornerstone, we have laid down the foundation, on energy and conservation and commodities and rural economic development and trade and, yes, nutrition.

On nutrition, for which the President's budget provides some $4 billion less for nutrition than is in our farm bill, that is an important part of the farm bill.

I appreciate the President paying a visit to the National Cattlemen's Beef Association. I look forward to working with him in a bipartisan atmosphere, to get through a sound farm bill. I just hope his speech writers and those who are advising him might better inform him what we are doing.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. HARKIN). Without objection, it is so ordered.

The Senator from Vermont.

Mr. LEAHY. Mr. President, I had the privilege to be presiding while the distinguished Senator from Iowa was speaking of the work he has done putting together this farm bill. I listened. I have been chairman of the Agriculture Committee on one occasion, ranking member on another occasion, when we had to put through the 5-year farm bill.

I have worked with the distinguished chairman of the Senate Agriculture Committee, and now Presiding Officer, for over 20 years between the House and the Senate. I know how hard it is to put such a bill together.

The distinguished Senator from Iowa worked very closely with all Members—both Republicans and Democrats—in meeting after meeting, conversation after conversation, on the floor, in their offices, in the Senate dining room, walking across the Hill. I have been privy to a number of those conversations.

A farm bill has a number of diverse aspects to it. The President seems to wrap everything into some kind of sense of patriotism. We have to be patriotic. We have to have a missile defense system to be patriotic, we have to pass tax credits. Incidentally, the last tax cut and stimulus package they proposed would have given, I believe, a quarter of a billion dollars to Enron. I am not quite sure just what kind of patriotism comes out of giving another $250 million of taxpayers' money to Enron. Maybe it is because I come from Vermont and not Texas, but it didn't seem all that patriotic. But I digress.

The point is, everybody in this body is patriotic, Republicans and Democrats. Why don't we just acknowledge that. We wouldn't be here otherwise. Let's think, though, what that means. That means protecting all aspects of our country.

The United States is the only significant power in the world able to feed itself and still export food—billions of dollars worth of food. That is part of our national security. We are not energy sufficient. Maybe someday we will be, if we do a better job of conservation. We are food sufficient. We are a nation of over a quarter of a billion people and we can feed ourselves from within our own borders, and that will continue to be true if we continue the incentives that keep people on the land, keep the land productive, protect the environment for farmers so they can keep that land productive, and to be able to tell farmers: You will work hard and long, but you will be able to make a living out of it, your kids can go to college, someday you will be able to retire—all the things people desire.

I hope as we go forward the White House would realize we are all in this together. We are not talking about a partisan farm bill. One of the things I have enjoyed the most, serving for 27 years now on the Agriculture Committee, is the bipartisanship of that committee. I value my friendship with the current chairman. I value my friendship with the former chairman, Senator LUGAR. They are two of the closest friends I have in this body.

I remember Hubert Humphrey, George McGovern, and Bob Dole working closely together on nutrition matters. This is a diverse group, but I think one thing that united them was their great sense of humor and a passion, a special passion for feeding the children of this country.

There have been bipartisan coalitions on that committee ever since I came here. There was a bipartisan coalition that started the WIC Program, one of the best things for children, for pregnant women, for women post partum, after giving birth. These are programs that have come out of there—the School Lunch Program, which has improved the nutrition of our children and is now considered just a staple of Government. Yet as Harry Truman knew at the time of World War II, so many people were rejected for the draft because of lack of nutrition, so he started the School Lunch Program.

I say this to commend the tremendous work of the Senator from Iowa. I am proud of him. I am proud to be his friend. I am proud to serve as a member of his committee.

With that, Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. AKAKA). Without objection, it is so ordered.

HAPPY BIRTHDAY GREETINGS TO SENATOR PAUL SARBANES

Mr. BYRD. Mr. President, I am delighted to extend, even though belatedly, happy birthday greetings to the senior Senator from Maryland, Mr. SARBANES. His birthday was on February 3, so he has now reached the grand age of 69. Oh, to be 69 again!

Let me say that Senator SARBANES and I have more differences than just our ages. He is of Greek ancestry, and proud of it. I am of southern and Appalachian ancestry, and beyond that, going back through the years of time and change, of Anglo-Saxon ancestry, and I am proud of that.

He is a member of the Greek Orthodox Church. I am a member of the Southern Missionary Baptist Church.

He is from the Chesapeake region of the Eastern Shore of Maryland. I am from the coalfields of southern West Virginia.

His career began by waiting on tables, washing dishes, and mopping floors in the Mayflower Grill in downtown Salisbury, MD. Mine began by working in a gas station in the cold winter of January and February 1935, having to walk 4 miles to work and 4 miles back, and earning $50 a month, $600 a year.

But, Mr. President, Senator SARBANES and I share many common interests. One of these common interests that Senator SARBANES and I share is our love for the Senate. And I have always appreciated that in Senator SARBANES' career.

I have observed Senator SARBANES since he was first elected to the Senate in 1976—200 years after that historic year of 1776. I have admired the rational way that this perfectly reasonable man has always gone about his business.

I watch him when he is listening to witnesses in committees. I serve on the Budget Committee of the Senate with Senator SARBANES. He has a rare, subtle way of listening carefully and then going right to the crux of a matter. He is very effective in his questions and the manner in which he performs his work on committees.

He is a thinker. I spoke of his Greek ancestry. PAUL SARBANES is the epitome of the Greek thinker, of which we have read so much in history.

I have watched him as he has served as chairman of the Congressional Joint Economic Committee, as chairman of the Senate Banking, Housing, and Urban Affairs Committee.

He is also the chairman of the impressive and influential Maryland congressional delegation, which includes Senator BARBARA MIKULSKI in the Senate as well as Representative STENY HOYER in the House.

He has been a very effective member of the Senate Foreign Relations Committee and, as I earlier indicated, as a member of the Senate Budget Committee.

There is a long list of reasons I admire PAUL SARBANES. One of the reasons I came to admire PAUL SARBANES was the support he gave to me when I was the majority leader and when I was minority leader in the Senate. During troubling times, during the most difficult votes, in the midst of the most controversial issues, I nearly always called upon PAUL SARBANES for his counsel, for his advice. Every leader would be fortunate to have a PAUL SARBANES as a colleague to whom he could go and seek advice and counsel.

So there he was, with his advice and his friendship. I can't begin to say how much I appreciated that in PAUL SARBANES, as one of the most probing, acute intellects that I have seen in my 56 years of serving in legislative bodies. His word is his bond. His loyalty is unchallenged. His integrity is beyond reproach.

So allow me to use these belated birthday greetings to say: Thank you; thank you, Senator PAUL SARBANES, for being a friend as well as a colleague; thank you for your tremendous work for your State and our country.

I should also thank the people of the State of Maryland for having the wisdom and the common sense to send PAUL SARBANES here to be with us in 1982, in 1988, in 1994, and in 2000. He is now the longest serving U.S. Senator in the history of the State of Maryland. The Senate and our country are the better for it.

> Count your garden by the flowers,
> Never by the leaves that fall;
> Count your days by the sunny hours,
> Not remembering clouds at all.
> Count your nights by stars, not shadows;
> Count your days by smiles, not tears.

And on this beautiful February afternoon, PAUL SARBANES, count your life by smiles, not tears.

FAITH

Mr. BYRD. Mr. President, yesterday the President spoke at the National Prayer Breakfast. Let me just quote a few excerpts from the President's remarks. This is what he said. He said more, of course, but these are four paragraphs that I will excerpt from the totality of the remarks.

The President said:

> Since we met last year, millions of Americans have been led to prayer. They have prayed for comfort in time of grief; for understanding in a time of anger; for protection in a time of uncertainty. Many, including me, have been on bended knee. The prayers of this nation are a part of the good that has come from the evil of September the 11th, more good than we could ever have predicted. Tragedy has brought forth the courage and the generosity of our people.
>
> None of us would ever wish on anyone what happened on that day. Yet, as with each life, sorrows we would not choose can bring wisdom and strength gained in no other way. This insight is central to many faiths, and certainly to faith that finds hope and comfort in a cross.
>
> Every religion is welcomed in our country; all are practiced here. Many of our good citizens profess no religion at all. Our country has never had an official faith. Yet we have all been witnesses these past 21 weeks to the power of faith to see us through the hurt and loss that has come to our country.
>
> Faith gives the assurance that our lives and our history have a moral design. As individuals, we know that suffering is temporary, and hope is eternal. As a nation, we know that the ruthless will not inherit the Earth. Faith teaches humility, and with it, tolerance. Once we have recognized God's image in ourselves, we must recognize it in every human being.

Mr. President, I ask unanimous consent that the entire speech by President Bush be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BYRD. Mr. President, I will differ with President Bush in many things, and in many ways; and I suppose practically every Senator here will at some point differ with the President in regard to something. On his faith-based initiative, I may differ with him. But I am glad that the President took time in his busy day to make these remarks at the National Prayer Breakfast. I am glad to hear him utter the name of God—the person in our country who is at the apex of the executive branch of Government, pausing in his day to recognize a higher power than that of the Chief Executive of this country. The Chief Magistrate of our Nation spoke of God and spoke of having been on bended knee.

Mr. President, remarks such as these have become all too rare, even in this country, when uttered by a high Government official who is elected—not directly, but indirectly, at least—by the people of the United States.

So I respect President Bush for his humility, for his willingness to call upon God, to express a faith, to express a strength that can only come from calling upon the Creator of us all. It is unfortunate, but these are times when few men and women, relatively speaking, it seems to me, recognize God in their lives and in the life of the Nation. "Blessed is the nation whose God is the Lord."

I am almost an antique around these precincts in our Capitol. I suppose one might say I am almost a neanderthal, having lived 84 years. I come from a background in which God was a major factor in my life.

When I was a little boy living in the "sticks" in southern West Virginia, in Mercer County, impressed upon my young mind was a belief in a Higher Power. The Bible was the one book in my humble household—the Bible—the King James version of the Bible. The woman who raised me was my aunt. Her husband was my uncle by virtue of their marriage. Many times, when I was a child living in Mercer County, I would hear her pray after we had turned out the kerosene lamps. I would hear her praying in the other room. Even after I had grown to manhood and was a Member of Congress and would go back to West Virginia on the weekends, or during a recess, always when I started back to Washington, she would say, "ROBERT, you be a good boy. I always pray for you."

Many times, I have gone back to those coal fields and knocked on her door at night, at 2 o'clock in the morning, 3 o'clock in the morning, after having driven across mountain roads from Washington. She would always get up and unlock the door. Sometimes I would go up on the porch and see her on her knees praying. Many times, she would get out of bed and unlock the door and let me in the house and offer to fix a meal for me at 1 or 2 o'clock in the morning. And then, when I would go to bed, and the lights were all out, I would hear her prayers coming from another room. I knew she was on her knees.

So, the President spoke of having been on his knees at times, and that our Nation during these trying days has found comfort in its suffering by being on its knees. People are turning back to the church. I remember that woman as she prayed on her knees. And I remember him, her husband. I knew no other father than he. He was the only man I ever knew as my father—except for one occasion when I was in high school, my senior year, when he and I caught a Greyhound bus and traveled back to North Carolina where I did meet my biological father and spent about a week in his home. But that coal miner who raised me, and whom I called my dad, was likewise a religious man.

These two wonderful old people, this couple who raised me, didn't go around wearing their religion on their sleeve and making a big whoop-de-do about it; they didn't claim to be good, as the Bible says that no man is good. They didn't belong to the Christian right or the Christian left, or Christian middle, or whatever it was. They had that King James Bible in their home. They lived their religion. They didn't look down upon any man and they didn't look up to any man—except they looked up to God. So they brought me up like that and taught me like that.

Now, I will say this: Regardless of how far one may stray from the right path, if he has had this basic faith drilled into him from the beginning by parents who reared him and taught him how to live, he may stray away from those lessons, but he will come back.

We all err and fall short of the glory of God. It just touches my heart and makes me feel good that the Chief Magistrate of our country talks about getting on his knees. So I say while I may differ, and will differ from President Bush, I will also respect him and respect his humility, his basic faith exemplified by what he is saying in this instance, exemplified by his indicating that a nation advances when it advances on its knees. Once when my wife and I dined at the White House with Mr. Bush as President—that is and may be the only time we will ever have the privilege of dining there—but upon that occasion President Bush said grace at the table before we ate. He did not call on me to say grace. He said it himself. He was, I am sure, not attempting to impress us with his faith but he was practicing it. Nobody was there other than TED STEVENS, his wife, my wife, me and the President.

So, yes, we will differ on President Bush's budget—we will disagree mightily on that—but when it is all said and done I have to remember that here is a man who preaches and practices, as far as I have seen, his faith.

"Except the Lord build the house, they labor in vain that build it. Except the Lord keep the city, the watchman waketh but in vain."

I hope we will never become so mighty, so wrapped up in ourselves individually, so subordinated to the tenets of partisan political parties, that we fail to acknowledge God. After all, when it comes down to the last mile of the way, the last hour of my days, if I have a clear mind at that point I will not be thinking about the Democratic Party. I will not be reciting the tenets, the principles, of the Democratic Party. Politcal party in that moment will mean nothing to me. Instead, I will be wondering, how will it be with my soul when I have to meet God face-to-face.

Now perhaps I did not think so much about these things when I was 24 or when I was 34, but 50 years later at the age of 84, I am drawn to think about these things. No, the party platform will not be worth much to me in that hour. Nor will it be to you or to you, but that moment is coming. For some of us, it will be all too soon. We know not when. It comes to us all. It comes to Presidents. It comes to Kings. It comes to Governors. It comes to Senators. It comes to coal miners, to farmers, to school teachers, to lawyers, but it comes.

I salute President Bush for his remarks. I hope he will continue to call upon his Maker in his search for strength and comfort.

I lost a grandson 20 years ago this year. For a long time thereafter, I walked in a deep valley. I sought everywhere for strength. I went to see the coroner. I went to see the State policeman who was there and saw my grandson's body removed from the truck that had crashed and then caught fire. I went to see the volunteer fire department that was nearby. Again and again I went to these same people. I was searching, trying to persuade myself that my grandson had not suffered. I found the greatest of comfort when I felt that my grandson was aware of my grief—that he knew about my grief, and that I have the promise in God's Word that I can see Michael again.

There may come a time in the young lives of these high school juniors who are here as pages, when they, too, will find succor and comfort only in God's Word, feeling that, yes, He is here, He knows about their grief.

I will refer to one other time in my life. I was much younger than 84, much younger than I was in 1982 when I lost my grandson. This was back in 1945, during the Second World War. I had been a welder in Baltimore for a year and a half working on "Victory" ships and "Liberty" ships. I decided to take my wife and two daughters and go south to Florida the next winter rather than remain in Baltimore shipyards where the cold winds came across the bay, as we were on the decks of the ships welding that cold steel. I was in Crab Orchard, WV, in southern West Virginia, visiting with my uncle and aunt who had raised me and I dreamed that Mr. Byrd, the man whom I had always recognized as my dad, had died.

The very next day I received a telegram from my brother—who is still living; he is 88, a little older than I, still living in North Wilkesboro, NC—saying to me that my biological father, Mr. Cornelius Calvin Sale, had died. After having dreamed that my adopted father had died, the very next day I received a telegram saying that my natural father had died.

Mr. Byrd and I caught a Greyhound bus and we traveled to North Carolina. I attended the funeral of my father, Mr. Sale. From there, I left alone to go to Florida to get a job there, if I could, as a welder, building ships. I traveled all night on a bus. I took a welding test the next morning in Jacksonville in a shipyard. I failed the test. Having been up all night, I didn't have a steady hand, perhaps. I failed that test.

I asked: Where else are they testing and hiring welders here in Florida? I was told to go over on the west side of Florida on the side of the gulf. I was told that they were hiring welders in Tampa. So across Florida I started again on a bus. When I reached Lakeland, late in the day, I got off the bus and I went into a little grocery store and bought a stick of pepperoni, some crackers, a piece of Longhorn cheese, and a can of sardines. I sat down on a railroad rail outside the grocery store and I ate. What was left, I put back in the paper bag and found myself a hotel. It didn't cost much in those days to stay in a hotel, so I spent the night in a hotel.

While in that hotel I, of course, felt lonely. My wife and two daughters were back in West Virginia, miles away. I was homesick.

I opened the drawer of a table in the room, and there was a Gideon Bible. That was the first Gideon Bible I had ever seen. It was the King James version. Senators often hear me refer to the King James version. That is the only Bible I will read, the King James version. I like its immaculate English, its beautiful prose. I read two or three chapters of that Bible and went to bed. I said a little prayer and asked God to protect me and protect my wife and children back in West Virginia, to forgive us, and to help me the next day when I took the welding test in Tampa.

The next day, I rose early. I ate what I had left over from the previous day: some pepperoni, some cheese, some of the bread. I went on to Tampa, took the welding test, passed it with flying colors, and was hired to work in McCloskey Shipyard.

I found in that Bible the words of comfort and succor that helped me on that night in Tampa, FL. That was 57 years ago.

I say to the young people here and to those young people who are watching the Senate via television, I want us to appreciate the words of the President when he talks about God, about prayer. I want you to realize that even though you are just juniors in high school, you too are going to grow old some day. We all grow old if God lets us live long enough. And there will come a time in life when you will need the strength that comes from a faith in a Creator, faith in a higher power. That is the kind of faith that our fathers had, the men and women who built this country, who built this Republic. It is a representative democracy. But it is not a democracy, a pure democracy. Theirs was a pure democracy in Athens, in Greece. But that was a small town compared with Washington, DC, or New York City.

I say to the young people of this country—as well as to Senators—it doesn't make any difference how many degrees you may have, how many degrees you may attain, what you may achieve, the heights of whatever career you may choose in this life. Remember, when it all comes down to the end, six feet of Earth makes us all of one size. What will count then most of all is how well will I be prepared when I stand before the eternal judge?

I attended an execution once of a young man who had killed a cab driver. He had hired a cab driver in Huntington, WV, to take him to Logan. On the way to Logan he shot the cab driver in the back, tossed him out beside the road, took his money, and went on. A few days later the young man was apprehended in a theater in Montgomery, WV. He was brought to trial, convicted, and sentenced to die in the electric chair.

West Virginia law at that time required a certain number of witnesses to an execution. I thought that, inasmuch as I had occasion often to speak to young people in Sunday school classes, churches, Boy Scouts, Girl Scout troops, 4H Clubs, if I could talk with this young man who was about to go to the electric chair, he might be able to tell me something that would help these young people with whom I would meet and speak.

On this occasion I went to the State penitentiary at Moundsville. I asked the warden to let me be one of the witnesses. He gave his approval. Before the execution, which was scheduled to be at 9 p.m., I asked the warden to let me talk with this young man whose name was Jim Hewlett. This was in 1951 when I was a member of the West Virginia Senate. I went to the death house, entered the death house, and there was Jim Hewlett. I shook his hand. It was clammy, with perspiration. Behind him was a chaplain.

I said to Jim Hewlett, I have come tonight to ask you if you might have something that I could say to young people. I often have the occasion to speak with young people. I think you just might have something I could tell them, that would help them.

He said:

> Well, tell them to go to Sunday school and church.

He said:

> If I had gone, I wouldn't be here tonight.

And then, as I started to go—I knew the time was fleeting and his remaining minutes were precious to him. As I turned to go, he said:

> Wait a minute. Tell them one other thing.

He said:

> Tell them not to drink the stuff that I drank.

Those were his exact words:

> Tell them not to drink the stuff that I drank.

I said:

> Well, now, what do you mean by that?

The Chaplain broke in. He said:

> I know what he means. He was drinking when he killed the cab driver. You see that little crack on the wall up there? If he were to have two or three drinks right now, he would try to get through that crack in the wall. That's what it does to him.

I left the death house and went back to the warden's office, and when the hour came, I returned to the death house, and entered the death chamber. As one of the witnesses, I watched Jim Hewlett die.

Some years later, probably 30 years later, I was in the northern panhandle of West Virginia, and while I was there, someone said: Why don't you go down and see Father—I don't remember the Father's name—go down and see Father So-and-So. He's very ill, and I am sure it would help him if you just stopped by and said hello.

I said:

> OK, where does he live?

I had my driver take me to the man's house. He was sitting out on the back porch in the sunshine. I introduced myself and sat down with him.

For some reason, I cannot account why, my conversation went back to a time when I visited Moundsville and witnessed the execution of a young man named Jim Hewlett. I don't recall how our conversation took this turn. But this priest, who, indeed, was in very failing health, listened raptly as I told about this execution, about what I had said, about what Jim Hewlett had said.

When I finished, the priest said:

> Yes, that's the way it was. You see, I was the Chaplain that night when you visited Jim Hewlett in his cell.

I didn't know the priest. I didn't know his name. But there he was, 30 years later, and he had been in that cell.

The point I want to make is this. The young man scoffed at religion, and after he was convicted of this crime and scheduled to die, he didn't want a chaplain in his cell. He scoffed at religion. But when the last days came and Governor Patteson of West Virginia declined to change his sentence, declined to commute his sentence from death to life in prison or whatever, Jim Hewlett knew then that he was, indeed, going to die, and he wanted a chaplain in his cell. He had scoffed at religion. Now, when he knew that he indeed was going to meet God shortly, he wanted a chaplain in his cell.

That is why I say to you young people all over this country, there will come a time when you, too, will want—will want God.

Last night, I passed beside the blacksmith's door,
And heard the anvil ring the vesper chime,
And looking in, I saw upon the floor,
Old hammers worn with beating years of time.
"How many anvils have you had," said I,
"To wear and batter all these hammers so?"
"Only one," the blacksmith said, then with twinkling eye,
"The anvil wears the hammers out, you know."
And so the Bible, the anvil of God's word,
For centuries, skeptic blows have beaten upon,
But, though the noise of falling blows was heard,
The anvil is unharmed, the hammers gone.

EXHIBIT 1

REMARKS BY THE PRESIDENT AT NATIONAL PRAYER BREAKFAST, WASHINGTON HILTON HOTEL, WASHINGTON, DC

The President: Thank you very much, John. Laura and I are really honored to join you this morning to celebrate the 50th anniversary of the National Prayer Breakfast. And Admiral Clark, whatever prayer you used for eloquence, worked. (Laughter and applause.) I appreciate your message and I appreciate your service to our great country. (Applause.)

I want to thank Jon Kyl and Judge Sentelle for their words, and CeCe for your music. I appreciate getting the chance to meet Joe Finley, the New York City firefighter. He's a living example of what sacrifice and courage means. Thank you for coming, Joe. (Applause.)

I want to thank Congressman Bart Stupak. I really appreciate the fact that my National Security Advisor, Condoleezza Rice, is here to offer prayer. (Applause.) I appreciate the members of my Cabinet who are here. I want to say hello to the members of Congress.

I'm particularly grateful to Lisa Beamer for her reading and for her example. (Applause.) I appreciate her example of faith made stronger in trial. In the worst moments of her life, Lisa has been a model of grace—her own, and. (Applause.) And all America welcomes into the world Todd and Lisa's new daughter, Morgan Kay Beamer. (Applause.)

Since we met last year, millions of Americans have been led to prayer. They have prayed for comfort in time of grief; for understanding in a time of anger; for protection in a time of uncertainty. Many, including me, have been on bended knee. The prayers of this nation are a part of the good that has come from the evil of September the 11th, more good than we could ever have predicted. Tragedy has brought forth the courage and the generosity of our people.

None of us would ever wish on any one what happened on that day. Yet, as with each life, sorrows we would not choose can bring wisdom and strength gained in no other way. This insight is central to many faiths, and certainly to faith that finds hope and comfort in a cross.

Every religion is welcomed in our country; all are practiced here. Many of our good citizens profess no religion at all. Our country has never had an official faith. Yet we have all been witnesses these past 21 weeks to the power of faith to see us through the hurt and loss that has come to our country.

Faith gives the assurance that our lives and our history have a moral design. As individuals, we know that suffering is temporary, and hope is eternal. As a nation, we know that the ruthless will not inherit the Earth. Faith teaches humility, and with it, tolerance. Once we have recognized God's image in ourselves, we must recognize it in every human being.

Respect for the dignity of others can be found outside of religion, just as intolerance is sometimes found within it. Yet for millions of Americans, the practice of tolerance is a command of faith. When our country was attacked, Americans did not respond with bigotry. People from other countries and cultures have been treated with respect. And this is one victory in the war against terror. (Applause).

At the same time, faith shows us the reality of good, and the reality of evil. Some acts and choices in this world have eternal consequences. It is always, and everywhere, wrong to target and kill the innocent. It is always, and everywhere, wrong to be cruel and hateful, to enslave and oppress. It is always, and everywhere, right to be kind and just, to protect the lives of others, and to lay down your life for a friend.

The men and women who charged into burning buildings to save others, those who fought the hijackers, were not confused about the difference between right and wrong. They knew the difference. They knew their duty. And we know their sacrifice was not in vain. (Applause.)

Faith shows us the way to self-giving, to love our neighbor as we would want to be loved ourselves. In service to others, we find deep human fulfillment. And as acts of service are multiplied, our nation becomes a more welcoming place for the weak, and a better place for those who suffer and grieve.

For half a century now, the National Prayer Breakfast has been a symbol of the vital place of faith in the life of our nation. You've reminded generations of leaders of a purpose and a power greater than their own. In times of calm, and in times of crisis, you've called us to prayer.

In this time of testing for our nation, my family and I have been blessed by the prayers of countless of Americans. We have felt their sustaining power and we're incredibly grateful. Tremendous challenges await this nation, and there will be hardships ahead. Faith will not make our path easy, but it will give us strength for the journey.

The promise of faith is not the absence of suffering, it is the presence of grace. And at every step we are secure in knowing that suffering produces perseverance, and perseverance produces character, and character produces hope—and hope does not disappoint.

May God bless you, and may God continue to bless America. (Applause.)

Mr. BYRD. Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The senior Senator from West Virginia yields the floor and suggests the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001—Continued

Mr. REID. Mr. President, I ask for the regular order, and I ask that the Crapo amendment be the regular order.

The PRESIDING OFFICER. The amendment is the regular order.

Mr. REID. Mr. President, I appreciate that very much. I didn't know that. Thanks for advising me.

AMENDMENT NO. 2842

Mr. REID. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Nevada [Mr. REID] proposes an amendment numbered 2842.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. REID. Mr. President, there has been a lot of discussion regarding the Crapo amendment. I spoke at some length this morning regarding my amendment to that amendment. I am sure there will be more discussion on Monday and Tuesday as to this amendment. It is an important amendment. My amendment is supported by virtually every conservation group in America. It is supported by many farm groups. The people who oppose this amendment, as I said this morning, have a lot of imagination because what they are talking about has no relation to the facts, and it is obvious to me it is without foundation.

I hope people will refer to the statement I made earlier today and recognize that all these concerns about the Federal Government taking the water from these poor, unfortunate ranchers and farmers is simply untrue. State law would rule. Any water that would be transferred would be that of a willing seller or a willing lessor. No one can be forced to do anything. It does not change State water law. For example, in the State of Nevada, the water engineer makes those decisions relating to water and would still make those decisions.

MORNING BUSINESS

RUBY RIDGE

Mr. SPECTER. Mr. President, I have sought recognition to report on what may be the concluding chapter of the tragic incident at Ruby Ridge where the Bureau of Alcohol, Tobacco and Firearms and the FBI had a standoff with Randy Weaver which resulted in the death of his wife and the death of his son Sammy Weaver and the death of a deputy U.S. marshal.

The Judiciary subcommittee which I chaired conducted extensive hearings on this matter back in 1995. At that time we developed the facts that Randy Weaver was sought out by agents from the Bureau of Alcohol, Tobacco and Firearms unit to be an informant. And they sought to buy from him two sawed-off shotguns which he did provide. Then they threatened him with criminal prosecution unless he would be an informant. When he refused to do that, a criminal prosecution was initiated.

Process was not served on Randy Weaver, and the process server thought they had given him notice of the trial. But that led to the issuance of a warrant of arrest, and Randy Weaver resisted on the mountaintop. That led the Bureau of Alcohol, Tobacco and Firearms unit to come to try to compel the arrest. A fire fight ensued, where Deputy Marshal Degan was killed; where Sammy Weaver, age 14, was killed in an incident involving Sammy Weaver's dog, a very tragic setting. Then the FBI came in with their hostage rescue team and Randy Weaver's wife was killed.

The case went to trial in the Federal court against Randy Weaver, which found him guilty on lesser charges but concluded that Randy Weaver had, in fact, been entrapped.

During the course of the extensive hearings before the Judiciary subcommittee, it was developed that while Randy Weaver was certainly at fault in providing these two sawed-off shotguns, that he had in fact been entrapped and that it was totally inappropriate conduct by the Bureau of Alcohol, Tobacco and Firearms in mounting this assault on Randy Weaver and his family.

During the course of these hearings, FBI Director Louis Freeh conceded that the FBI had violated Weaver's constitutional rights in their use of deadly force, and the FBI changed those practices. John Magaw, who was the Director of the Bureau of Alcohol, Tobacco and Firearms, steadfastly defended the propriety of what BATF had done in the face of what the subcommittee found to be overwhelming evidence of impropriety on the part of the BATF.

Recently President Bush nominated Mr. Magaw to be an under secretary for the Department of Transportation for airport security.

And that led Senator CRAIG, who sat with the subcommittee—although not a member of the subcommittee—and myself to have a meeting with Mr. Magaw to review his conduct and his attitude on BATF at Ruby Ridge. During the course of those discussions, we went into the matter in some detail. When Mr. Magaw had his hearing on December 20, I questioned him at length before the Commerce subcommittee. Although not a member, I received the acquiescence of the Commerce Committee and the subcommittee to question Mr. Magaw. We went through the facts.

Mr. Magaw said at that hearing that if he had it all to do over again, he would, in effect, concede that the BATF unit had made serious mistakes in their conduct there. Notwithstanding some reservations that I personally had about Mr. Magaw's judgment, even in the face of this concession, it seemed to me that when we have the major problems of airport security in the United States today, and the President wanted Mr. Magaw, had personally interviewed him, and I discussed the matter at length with Secretary of Transportation, Norman Mineta, who wanted Mr. Magaw confirmed. That was the last day of the session. I decided not to put a hold on Mr. Magaw. I thought, in fact, he would be confirmed in what we call wrap-up. But somebody else put a hold on, not me. He was not confirmed.

The President made an interim appointment. After we reconvened in January, Mr. Magaw has been confirmed by the Senate. I have taken these few minutes to put on the record what I think is a very important concession from the then-Director of the Bureau of Alcohol, Tobacco and Firearms, that his unit did not act properly.

We have to recognize, in my opinion, that when congressional oversight finds serious errors and serious problems with the administrative branches, that there be a sincere effort to correct them, and to the credit of the FBI and Louis Freeh, that concession was made. They changed their policy on the use of deadly force. Now we have on the record at these hearings in the Commerce Committee that then-Director Magaw conceded the errors and elaborated on changes which he had made in BATF procedures.

I yield the floor.

CONGRATULATIONS TO HIGHMORE, SD GRAND OPENING OF THE NEW HIGHMORE HIGH SCHOOL

Mr. DASCHLE. Mr. President, I would like to take this opportunity to congratulate the community of Highmore, SD, and the Highmore School District as they celebrate the grand opening of their new high school.

Helping each child obtain the best possible education is more important than ever. While some of our Nation's schools are providing instruction at an exceptional level, others are simply not making the grade. Poor infrastructure and inadequate facilities can have an effect on student learning. When a school has a leaky roof, or holes in the walls, or other unsafe conditions, it sends a message to the students who attend that school that education is not really a high priority.

Highmore is sending a different message to its children. Highmore's commitment to give its students a safe learning environment will have tremendous effects on this community for years to come. This community should be commended for its efforts to ensure every child in the district has access to a quality education, starting with a great school building.

I am especially impressed by the determination of the school district and Superintendent Larry Gauer to see this project to completion. School Board President Julie Gutzmer, Vice Chairman Leroy Scott, board members Jim Frost, Ed Westcott, Jerry Dittman, Rod Kusser and Peggy Kroeplin, and the outstanding faculty and staff are all to be commended for their vision and dedication to this project.

It is true that our Nation's future security depends on the soundness of its foundation. Our future will be strong and bright only if we help all of our children grow up to be well-educated, healthy, contributing citizens. I view public education as an investment in our national security, and I will continue my efforts to see that all students have access to a healthy, positive school environment that encourages them to learn and grow.

But the Federal Government can only be a partner in this important effort. The efforts of dedicated people in communities like Highmore working together is what will make the difference for the youth of South Dakota and across the Nation. It is wonderful to see that the people of Highmore are making education a priority. I salute them for their foresight.

ADDITIONAL STATEMENTS

MINNESOTAN TO LEAD THE NATION INTO THE WINTER OLYMPICS

● Mr. DAYTON. Mr. President, as we all know, the 2002 Winter Olympics begin tonight in Salt Lake City. These games have taken on a special importance in our country this year in the wake of the September 11 terrorist attacks, and will be an important part of our Nation's healing process.

That is why I am so proud that Minnesotan Stacey Liapis will help carry the flag that once flew at the World Trade Center into the Opening Ceremony of the Olympics.

Stacey Liapis is a curling team member from Bemidji, who at the age of 27, is competing for the first time in the Winter Olympics. Before making it to Salt Lake City, Liapis finished eighth at the 1998 World Championships and came in fifth in 2001.

Stacey took up curling in 1987 and has played most of her career with older sister Kari Erickson, the skip for the U.S. team. They were inspired by their parents, both of whom were recreational curlers.

In honor of Stacey's many accomplishments and to mark her being chosen as one of the eight Olympic athletes to carry the ground zero flag into the Opening Ceremony of the Winter Olympics, I am having a U.S. flag flown over our Nation's Capitol. The chosen athletes, one from each of the eight Winter Olympic sports, were selected by their teammates. I congratulate Stacey on being recognized by her teammates with this honor.

Thank you, Stacey for your participation in this historic event. Tonight, you will make all Minnesotans and the entire Nation proud. ●

THE PIPELINE SAFETY IMPROVEMENT ACT OF 2001

● Mr. MCCAIN. Mr. President, one year ago today, the Senate passed S. 235, the Pipeline Safety Improvement Act of 2001. This bill, overwhelmingly approved by a vote of 98–0, is the product of many months of hearings, bipartisan compromise, and cooperation that began during the last Congress. It is designed to promote both public and environmental safety by reauthorizing and strengthening our federal pipeline safety programs which expired in September, 2000.

Since the Senate began debating pipeline safety improvement legislation in 1999, the House has taken little action. Various pipeline safety improvement measures are available for consideration by the House, including a bill introduced December 20, 2001 by the Chairman of the House Transportation and Infrastructure Committee. I encourage the House Members to act swiftly and help prevent not only needless deaths and injuries, but also environmental and economic disasters. Legislative action is necessary as demonstrated by the number of tragic accidents in recent years.

For example, on June 10, 1999, 277,000 gallons of gasoline leaked from a 16 inch underground pipeline into the Hannah Creek near Bellingham, WA. The gasoline migrated into the Whatcom Creek, where it was subsequently ignited. The ignition set off an explosion and fire, burning along both sides of the creek, for approximately 1.5 miles, killing two 10 year old boys and an 18 year old young man who was fishing in the creek. In addition to the three deaths, there were eight injuries and environmental damage to the area. Also, the fire damaged the Bellingham Water Treatment Plant and other industrial structures, as well as a private residence. Interstate 5 was closed for a period of time because of the thick smoke, and the Coast Guard closed Bellingham Bay for a one mile radius from the mouth of the Whatcom Creek.

Other tragedies have occurred. On August 19, 2000, a natural gas transmission line ruptured in Carlsbad, NM, killing 12 members of two families. On September 7, 2000, a bulldozer in Lubbock, TX, ruptured a propane pipeline. The ensuing cloud was ignited by a passing vehicle, creating a fireball which killed a police officer.

Congress was called on to act after the first accident in Washington. I introduced S. 2438, the Pipeline Safety Improvement Act of 2000, on April 13, 2000. With the assistance of a bipartisan group of Senators, including Senators Slade Gorton and PATTY MURRAY, the Commerce Committee reported the measure favorably later that July. The Senate took swift action upon return from the August recess, during which the accident in New Mexico had occurred. We passed S. 2438 by unanimous consent on September 7, 2000, on the same day as the rupture in Texas.

The Senate's accomplishment that year stemmed from several months of hearings and countless meetings. Unfortunately, the House failed to approve a pipeline safety measure so we were never able to go to conference or send a measure to the President. Our collective inaction was a black mark on the 106th Congress.

After the opening of the 107th Congress, I introduced nearly identical legislation, S. 235, the Pipeline Safety Improvement Act of 2001. The Senate acted swiftly and passed S. 235 on this date last year, one of the first legislative actions of the 107th Congress. The House now has the opportunity to remove the black mark by acting on pipeline safety legislation.

Including the tragedies I mentioned earlier, a total of 71 fatalities have occurred as a result of a pipeline accident over the past three years. It should be noted, however, that despite these horrible accidents, the pipeline industry has a good safety record relative to other forms of transportation. According to the Department of Transportation, pipeline related incidents dropped nearly 80 percent between 1975 and 1998, and the loss of product due to accidental ruptures has been cut in half. From 1989 through 1998, pipeline accidents resulted in about 22 fatalities per year—far fewer than the number of fatal accidents experienced among other modes of transportation. But this record should not be used as an excuse for inaction on legislation to strengthen pipeline safety.

The Office of Pipeline Safety, OPS, within the Department of Transportation's, DOT, Research and Special Programs Administration, RSPA, oversees the transportation of about 65 percent of the petroleum and most of the natural gas transported in the United States. OPS regulates the day-to-day safety of 3,000 gas pipeline operators with more than 1.6 million miles of pipeline. It also regulates more than 200 hazardous liquid operators with 155,000 miles of pipelines. Given the immense array of pipelines that traverse our nation, reauthorization of our pipeline safety programs is critical to the safety and security of thousands of communities and millions of Americans nationwide.

Early attention by the Senate demonstrates our firm commitment to improving pipeline safety. I will continue to do all I can to advance pipeline safety legislation this year. When the Senate considers an Energy bill in the upcoming days or weeks, I intend to offer S. 235 as an amendment to it. I hope my colleagues will join with me in demonstrating their strong support for addressing identified pipeline safety lapses and will vote for this amendment.

I remain hopeful that Congress as a whole will finally act before we receive another call to action by yet another tragic accident. Action is needed. It is needed now.●

IN RECOGNITION OF RICHARD "NIGHT TRAIN" LANE

● Mr. LEVIN. Mr. President, I am delighted to rise today to acknowledge the life of Richard Lane, a National Football League player who finished his career playing for the Detroit Lions, who passed away Tuesday, January 29th. Richard "Night Train" Lane possessed great athletic capabilities, a passion for the game and played the game of football like no one else. He is still recognized by many as one of the greatest cornerbacks to ever play the game.

Through hard work and an unwavering commitment to the game of football, Night Train Lane's skill has made an indelible mark on the annals of football history. At six feet, two inches and 210 pounds, he will be remembered for hounding wide receivers with his trademark tackle, the Night Train Necktie.

Upon graduating from High School, Night Train attended Scottsbluff Junior College, where he played football for one season. After a year in college, he served four years in the United States Army. He played wide receiver for service teams during his time in the Army and was spotted by a Los Angeles Rams scout during an Army exhibition game. In 1952, upon his discharge from the Army, Night Train was invited to drop by the Rams training camp for a try out.

In his rookie season with the Rams, he had 14 interceptions in a 12 game season, a record that has stood for 50 years despite the NFL season schedule increasing to 16 games. After starting his career with the Rams, he was traded to the Chicago Cardinals, and later traded to the Detroit Lions. Over the course of his 14 year career, he made 68 interceptions, five for touchdowns. His career interception return yards total of 1,207 is still second in NFL history.

After retiring from the NFL, Lane worked in the front office of the Detroit Lions, and was later head coach of both Southern University and Central State University. He later returned to Detroit to become executive director of the Police Athletic League, a sports program for at-risk children in Detroit. Night Train Lane's hard work and tremendous ability has been recognized by his peers who elected him to the Pro Football Hall of Fame in 1974 and to the 75th anniversary all-time team in 1994.

I hope my Senate colleagues will join me in saluting Night Train Lane for his extraordinary career in the National Football League, his honorable service to our nation and his work with the children of Detroit.●

LOCAL LAW ENFORCEMENT ACT OF 2001

● Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred May 19, 1994 in Savannah, GA. Milton Bradley, 72, was fatally strangled by a man who believed Bradley to be gay.

The attacker, Gary Ray Bowles, 32, was charged with the murder in connection with the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.●

MINNESOTAN TO LEAD THE NATION INTO THE WINTER OLYMPICS

● Mr. DAYTON. Mr. President, as all of America knows, the XIX Olympic Winter Games begin tonight in Salt Lake City. For an athlete, making the Olympic team is one of the highest possible accomplishments. To be chosen by one's teammates to carry the American flag and to lead the American team into tonight's opening ceremony is an absolutely stratospheric achievement!

That great honor has been bestowed by the American team on Minnesota's Amy Peterson. I wish to pay tribute to her extraordinary athletic skills and leadership abilities, and to all the other Minnesota athletes competing in this year's Games.

Amy is a speed skater from Maplewood, MN, who at the age of 30 is competing in her fifth Olympics! She has already won a silver medal and two bronze medals for the United States, and this year she hopes to cap her career with a gold medal. Amy, I hope you achieve your goal. Yet, you have already surpassed that high achievement by the honor you earned tonight.

Amy has been called, in recent press reports, "arguably the greatest Winter Olympian in Minnesota history." That is quite a distinction, since Minnesota has always been one of the best-represented states in the Winter Games. Both the 1960 and 1980 gold medal-winning U.S. men's hockey teams were spearheaded by Minnesota players and coaches. In the most recent Winter Games, Minnesota players led the U.S. women's hockey team to win the gold medal. In so many other winter sports, Minnesota athletes have excelled. Now, to that roster of great Minnesota athletes and leaders, we proudly add the name of Amy Peterson.

To honor Amy's many accomplishments and her selection by her American teammates to lead them, I am having an American flag flown today over the U.S. Capitol. When the Games are concluded, I will present this flag to Amy. I hope she will fly it proudly for her lifetime, and that it will always remind her of this most special night.●

RECOGNITION OF THE POLAR PLUNGE FOR SPECIAL OLYMPICS

● Mr. BUNNING. Mr. President, today I rise to recognize the recent success of the Third Annual Polar Bear Plunge for Special Olympics Kentucky.

This always exciting, entertaining, and chilling polar plunge was able to shatter previous year's records for participants and money raised. With nearly 260 "Polar Bears" taking the icy plunge, Special Olympics Kentucky raised more than $45,000 to help support year round sports training and competition for Kentuckians with mental disabilities. Special attention needs to be paid to such groups as the Lexington Police/FOP Bluegrass Lodge No. 4 for raising $4,694 and Louisa Elementary School for contributing $845.

I applaud the selfless efforts of the participants of this year's Third Annual Polar Bear Plunge, and would also like to pay my respects to the organizers of Special Olympics Kentucky for their strength of character and progressive vision. We should all thank them for their commitment to the betterment of Kentucky's disabled community.●

RECOGNITION OF DEPUTY SHERIFF KEITH FLINK

● Mr. GRASSLEY. Mr. President, on October 20th, a significant event took place that I am afraid was lost in the crush of events. Deputy Sheriff Keith Flink was recognized by the National Order of Benevolent Elks' Drug Awareness Program and the Drug Enforcement Administration with the first ever Enrique Camarena Award. His efforts to educate the young people of Iowa deserve to be highlighted.

The Enrique Camarena Award honors law enforcement officials who perform above and beyond the call of duty in drug enforcement. Enrique Camarena was a DEA agent who was kidnaped, tortured, and murdered by drug traffickers while working undercover in March of 1985. Agent Camerena believed that one person could make a difference.

The memory of his sacrifice made for his country has been memorialized through the celebration of National Red Ribbon Week, and now through the National Enrique Camarena Award that was established by the Benevolent and Protective Order of Elks. The award was established to recognize and honor an individual who has made a significant contribution in the field of drug prevention and who personifies Agent Camarena's belief that one person can make a difference.

Last fall, Deputy Sheriff Keith D. Flink from Odebolt, IA, was the winner of the first Enrique Camarena Award. Deputy Sheriff Flink has spent over 30 years working in law enforcement, and working with young people to teach them the dangers of drugs and alcohol, mostly on his own time. I think the time and commitment that Deputy Sheriff Flink has given to his community is best reflected in a letter his children sent the Award Selection Committee. I would like to have printed the full text of the letter in the RECORD following this statement, and add my praise to theirs for the hard work their father has done in Sac County.

It is important that each of us remembers that it is the activities of people like Deputy Sheriff Flink that really make a difference. The people of Odebolt, the citizens of Sac County, are aware of this. The Elks recognized the value of his contributions by giving him this award. And we, as a nation, should always remember that while the "big things" that was as a country stand for are important, it is the everyday activities that make a difference. We should never forget, never become too busy to recognize the accomplishments of everyday heros like Deputy Sheriff Keith Flink.

The letter follows:

OCTOBER 1, 1999.

Enrique Camarina Award Selection Committee.

DEAR SELECTION COMMITTEE: My brothers and I heard our father, Keith Flink, has been nominated for the Enrique Camarina Award. After hearing this, we wanted his dedication and achievements to be known. He has achieved many great things in life by doing tasks above and beyond what is expected. He is so concerned with the safety of all people that he has no problem teaching about "the war on drugs" while not on duty. There are so many times he will work the night shift, sleep for 3 or 4 hours, and get up to give a presentation on his own time. He does this with no complaints because it is very important to him to get everyone to "say no to drugs"! He has also done a lot of research to give great, effective presentations to the citizens in the area. As you can see, he is very dedicated to his job on and off duty!

Our father has taught us a lot about life. While growing up, we always saw him practicing what he truly believed. He still does this through all the volunteering he does for the safety of the community. He is a true leader by the work that he does and the positive example that he sets for society.

My brothers and I are very proud of our father and would be honored if he was the recipient of the Enrique Camarina Award. He definitely deserves it!

Thank you for your time.

Sincerely,

JEANA BOYD,
JUSTIN FLINK,
JORY FLINK.●

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–5296. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, a determination by the Deputy Secretary of State concerning assistance for the Independent States of the Former Soviet Union; to the Committee on Foreign Relations.

EC–5297. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the Commission's report under the Government in the Sunshine Act for Calendar Year 2001; to the Committee on Governmental Affairs.

EC–5298. A communication from the Deputy Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Rough Diamonds (Sierra Leone and Liberia) Sanctions Regulations" received on February 4, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC–5299. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Sulfuryl Fluoride; Temporary Pesticide Tolerances" (FRL6823–4) received on February 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5300. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Bentazon; Pesticide Tolerance" (FRL6820–9) received on February 6, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5301. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the Commission's Budget Estimates and Performance Plan for Fiscal Year 2003; to the Committee on Governmental Affairs.

EC–5302. A communication from the Acting Director of the Fish and Wildlife Service, Endangered Species, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Determination of Endangered Status for the Washington Plant Hackelia venusta (Showy Stickseed)" (RIN1018–AF75) received on February 1, 2002; to the Committee on Environment and Public Works.

EC–5303. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Kentucky; Revisions to the 1-Hour Ozone Maintenance State Implementation Plan for the Paducah Area, Kentucky; Correction" (FRL7138–5) received on February 6, 2002; to the Committee on Environment and Public Works.

EC–5304. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Protection of Stratospheric Ozone: Allocation of Essential-use Allowances for Calendar Year 2002; and Extension of the De Minimis Exemption for Essential Laboratory and Analytical Uses through Calendar Year 2005" (FRL7140–5) received on February 6, 2002; to the Committee on Environment and Public Works.

EC–5305. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval of Revision to State Implementation Plan; New Mexico; Dona Ana County State Implementation Plan for Ozone; Emission Inventory; Permits; Approval of Waiver of Nitrogen Oxides Control Requirements; Volatile Organic Compounds, Nitrogen Oxides, Ozone" (FRL7140–4) received on February 6, 2002; to the Committee on Environment and Public Works.

EC–5306. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Protection of Stratospheric Ozone: Allocation of Essential-use Allowances for Calendar Year 2002; and Extension of the De Minimis Exemption for Essential Laboratory and Analytical Uses through Calendar Year 2005" (FRL7140–5) received on February 6, 2002; to the Committee on Environment and Public Works.

EC–5307. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Recognition Awards Under the Clean Water Act" (FRL7140–8) received on February 6, 2002; to the Committee on Environment and Public Works.

EC–5308. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revisions to the California State Implementation Plan, South Coast Air Quality Management District" (FRL7134–4) received on February 6, 2002; to the Committee on Environment and Public Works.

EC–5309. A communication from the Secretary of the Commission, Bureau of Competition, Federal Trade Commission, transmitting, pursuant to law, the report of a rule entitled "Revised Jurisdictional Thresholds for Section 8 of the Clayton Act" received on February 4, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5310. A communication from the Administrator of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the Capital Investment Plan for Fiscal Years 2003 through 2007, an overview of the Federal Aviation Administration's National Airspace System capital investments; to the Committee on Commerce, Science, and Transportation.

EC–5311. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Youngs Bay and Lewis and Clark River, OR" ((RIN2115–AE47)(2002–0011)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5312. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: 63rd Street Bridge, Indian Creek, mile 4.0 Miami Beach, Miami-Dade County, Florida" ((RIN2115–AE47)(2002–0017)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5313. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Snake Creek Drawbridge, Islamorada, Florida" ((RIN2115–AE47)(2002–0014)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5314. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: West Bay, MA" ((RIN2115–AE47)(2002–0012)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5315. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Missouri River" ((RIN2115–AE47)(2002–0015)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5316. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Harlem River, NY" ((RIN2115–AE47)(2002–0016)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5317. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Lake Pontchartrain, LA" ((RIN2115–AE47)(2002–0013)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5318. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; St. Croix, USVI" ((RIN2115–AA97)(2002–0018)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5319. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Alternate Compliance Program; Incorporation of Offshore Supply Vessels" ((RIN2115–AG17)(2002–0001)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5320. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Falgout Canal, LA" ((RIN2115–AE47)(2002–0019)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5321. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Lake Pontchartrain, LA" ((RIN2115–AE47)(2002–0018)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5322. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Pilgrim Nuclear Power Plant, Plymouth, Massachusetts" ((RIN2115–AA97)(2002–0017)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5323. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regulated Navigation Areas, Safety and Security Zones: Long Island Sound Marine Inspection and Captain of the Port Zone" ((RIN2115–AE84)(2002–0004)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5324. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Longboat Pass and New Pass, Longboat Key, Florida" ((RIN2115–AE47)(2002–0008)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5325. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regulated Navigation Areas: Chesapeake Bay Entrance and Hampton Roads, VA and Adjacent Waters" ((RIN2115–AE84)(2002–0003)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5326. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations: Maybank Highway Bridge, Stono River, Johns Island, SC" ((RIN2115–AE47)(2002–0009)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5327. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Terrebonne Bayou, LA" ((RIN2115–AE47)(2002–0010)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5328. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations: Fireworks Displays, Atlantic Ocean, Virginia Beach, Virginia" ((RIN2115–AE46)(2002–0006)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5329. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regatta Regulations: Fireworks Displays, Patapsco River, Baltimore, Maryland" ((RIN2115–AE46)(2002–0007)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5330. A communication from the Chief of Regulations and Administrative Law; United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Fore River Bridge Repairs—Weymouth, Massachusetts" ((RIN2115–AA97)(2002–0012)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5331. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Port Hueneme Harbor, Ventura County, California (COTP Los Angeles-Long Beach 01–013" ((RIN2115–AA97)(2002–0013)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5332. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Chicago Harbor, Chicago, Illinois" ((RIN2115–AA97)(2002–0014)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5333. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Lake Michigan, Navy Pier, Chicago, Illinois" ((RIN2115–AA97)(2002–0015)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5334. A communication from the Chief of Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations: Seabrook Nuclear Power Plant, Seabrook, New Hampshire" ((RIN2115–AA97)(2002–0016)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5335. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (41); Amdt. No. 2075" ((RIN2120–AA65)(2002–0006)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5336. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (28); Amdt. No. 2074" ((RIN2120–AA65)(2002–0005)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5337. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Removal of the Prohibition Against Certain Flights Within the Territory and Airspace of Afghanistan" (2120–AH64) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5338. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Service Difficulty Reports; Delay of Effective Date" ((RIN2120–AF71)(2002–0001)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5339. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (40); Amdt. No. 2082" ((RIN2120–AA65)(2002–0010)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5340. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (24); Amdt. No. 1083" ((RIN2120–AA65)(2002–0009)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5341. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (43); Amdt. No. 2080" ((RIN2120–AA65)(2002–0008)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5342. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Standard Instrument Approach Procedures; Miscellaneous Amendments (19) Amdt. No. 2081" ((RIN2120–AA65)(2002–0007)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5343. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Sikorsky Model S 70A and 70C Helicopters" ((RIN2120–AA64)(2002–0057)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5344. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Dornier Luftfahrt GmbH Models 228–100, 101, 200, 201, 202 , and 212 Airplanes" ((RIN2120–AA64)(2002–0056)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5345. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Reims Aviation S.A. Model F406 Airplanes; Correction" ((RIN2120–AA64)(2002–0055)) received on February 6, 2002; to the Committee on Commerce, Science, and Transportation.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. LIEBERMAN (for himself, Mr. Santorum, Mr. Bayh, Mr. Brownback, Mr. Nelson of Florida, Mr. Cochran, Mrs. Carnahan, Mr. Lugar, Mrs. Clinton, and Mr. Hatch):

S. 1924. A bill to promote charitable giving, and for other purposes; to the Committee on Finance.

By Mr. KERRY (for himself, Mr. Kennedy, and Mr. Gregg):

S. 1925. A bill to establish the Freedom's Way National Heritage Area in the States of Massachusetts and New Hampshire, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. KERRY (for himself and Mr. Hollings):

S. 1926. A bill to improve passenger automobile fuel economy and safety, reduce greenhouse gas emissions, reduce dependence on foreign oil, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DAYTON:

S. 1927. A bill to amend the Internal Revenue Code of 1986 to freeze the highest Federal income tax rate at 38.6 percent; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MURKOWSKI:

S. Res. 206. A resolution designating the week of March 17 through March 23, 2002 as "National Inhalants and Poison Prevention Week"; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 677

At the request of Mr. Hatch, the name of the Senator from Wyoming (Mr. Thomas) was added as a cosponsor of S. 677, a bill to amend the Internal Revenue Code of 1986 to repeal the required use of certain principal repayments on mortgage subsidy bond financing to redeem bonds, to modify the purchase price limitation under mortgage subsidy bond rules based on median family income, and for other purposes.

S. 999

At the request of Mr. BINGAMAN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 999, a bill to amend title 10, United States Code, to provide for a Korea Defense Service Medal to be issued to members of the Armed Forces who participated in operations in Korea after the end of the Korean War.

S. 1792

At the request of Mr. BAYH, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 1792, a bill to further facilitate service for the United States, and for other purposes.

S. 1917

At the request of Mr. JOHNSON, his name was added as a cosponsor of S. 1917, a bill to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

S. 1921

At the request of Mrs. HUTCHISON, the name of the Senator from Kansas (Mr. ROBERTS) was added as a cosponsor of S. 1921, a bill to amend the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 to provide greater protection of workers' retirement plans, to prohibit certain activities by persons providing auditing services to issuers of public securities, and for other purposes.

AMENDMENT NO. 2533

At the request of Mr. CRAPO, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of amendment No. 2533 .

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LIEBERMAN (for himself, Mr. SANTORUM, Mr. BAYH, Mr. BROWNBACK, Mr. NELSON of Florida, Mr. COCHRAN, Mrs. CARNAHAN, Mr. LUGAR, Mrs. CLINTON, and Mr. HATCH):

S. 1924. A bill to promote charitable giving, and for other purposes; to the Committee on Finance.

Mr. LIEBERMAN. Mr. President, I am truly proud to join Senators SANTORUM, BAYH, BROWNBACK, BILL NELSON, COCHRAN, CARNAHAN, LUGAR, CLINTON and HATCH in introducing the Charity Aid, Recovery, and Empowerment, or CARE, Act. This important bill responds to a significant problem facing our nation: the social service needs of far too many of our fellow citizens continue to go unmet, and we in Congress must do more to bring additional resources to people in need and to assist and empower the community and charitable groups seeking to serve them.

A little over a year ago, Senator SANTORUM and I stood with President Bush as he unveiled his Faith-based and Community Initiative. At the time, I embraced the plan's worthy goals, to strengthen our partnerships with charitable organizations and help them help more people in need, but I cautioned that the devil truly would be in the details.

As it turned out, those details, particularly as they related to creating a larger, lawful space for faith-based groups at the public policy table, proved more than devilish when it came to translating our outline into legislation. It would not be an exaggeration to say that many people had lost faith in ever seeing anything remotely resembling a faith-based and community initiative.

But after many months of discussion, debate, and disappointments, I am proud to report that we have finally reached a balanced, bipartisan agreement, one that avoids the controversies that have to date bogged down the President's plan in Congress, and that advances our common interest in turning the growing good will in our country into more good works in our communities. The truly bipartisan and diverse group of cosponsors who join me today testify to that.

That good will is an unmistakable outgrowth of the September 11 attacks. I have never seen our country more united or more committed to our common values, to freedom and tolerance, faith and family, responsibility and community. With this bill, we hope to harness that renewed American spirit to help make our country as good as our values, and to help restore hope to people and places it has too often gone missing.

We start by acknowledging that, in the wake of September 11 and the weakened economy, there is an ongoing and consequential charity crunch. With so much of our generosity focused on relief efforts, contributions to other groups have dropped markedly and resources have dwindled considerably, severely constraining the ability of many vital charities to meet rising demands. A survey released this week by the Association of Fundraising Professionals found that 44 percent of charities are experiencing shortfalls in contributions.

This bill is designed in part to respond directly to that charity crunch with a targeted two-year strategy to help leverage new public and private funding for the nation's non-profits. It would create a series of new tax incentives, including a meaningful deduction for non-itemizers, to spur more charitable giving. And it would substantially increase Federal funding for the Social Services Block Grant program, which underwrites a broad range of critical programs, by more than $1 billion.

But this is not a short-term or shortsighted proposal. The CARE Act employs a number of other tools to help empower community and faith-based groups over the long haul and expand their capabilities, by providing new forms of technical assistance that will make it easier for smaller grassroots organizations to qualify for Federal aid. And it builds on a proposal that Senator SANTORUM and I have long advocated to expand the use of innovative Individual Development Accounts, IDAs, to help low-income working families save and build assets and attain self-sufficiency.

As you can tell, this is not just a faith-based bill. It is a civil society bill. It is aimed at strengthening support for the broad range of community, civic, and philanthropic groups, including the religiously-affiliated, that are strengthening our social fabric. It contains none of the troubling charitable choice provisions that were in the House bill, H.R. 7, that undermined or preempted civil rights laws and raised constitutional concerns.

What it does do, though, is to take some common-sense, narrowly-targeted steps to knock down specific, documented barriers preventing many smaller faith-based social service providers from fairly competing for Federal funding. There's just no good reason to disqualify an otherwise qualified faith-based group just because they have a cross on their wall or a mezuzah on their door, or because they have a religious name in their title, or they have praise for God in their mission statement.

In moving forward with this bill, we as Democrats and Republicans recognize that while charities are not a replacement for government, government cannot do it all, either. In fact, there are some things that government cannot do at all, like repairing the human spirit. That is why it is so important for us to partner with the agents of civil society, who, as we saw again and again after September 11, can fill in those holes and fill up our hearts.

And that is why I am so pleased with this proposal, and proud of the work we have done together to make it viable. In the end, the Good Lord, not the devil, is in the details. I want to thank the President for his leadership and his cooperation, and to thank my friend Senator SANTORUM for his steadfast faith in that process. This is one CARE package that will, I am confident, deliver a lot of good to a lot of people, and which I believe a lot of Democrats and Republicans will eagerly support.

People in need and the groups that help them are waiting for our help. The CARE Act will bring it to them. I urge my colleagues to join us in supporting it. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1924

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Charity Aid, Recovery, and Empowerment Act of 2002" or the "CARE Act of 2002".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—CHARITABLE GIVING INCENTIVES PACKAGE

Sec. 101. Deduction for portion of charitable contributions to be allowed to individuals who do not itemize deductions.
Sec. 102. Tax-free distributions from individual retirement accounts for charitable purposes.
Sec. 103. Increase in cap on corporate charitable contributions.
Sec. 104. Charitable deduction for contributions of food and book inventories and bonds.
Sec. 105. Reform of excise tax on net investment income of private foundations.
Sec. 106. Excise tax on unrelated business taxable income of charitable remainder trusts.
Sec. 107. Expansion of charitable contribution allowed for scientific property used for research and for computer technology and equipment used for educational purposes.
Sec. 108. Adjustment to basis of S corporation stock for certain charitable contributions.

TITLE II—INDIVIDUAL DEVELOPMENT ACCOUNTS

Sec. 201. Short title.
Sec. 202. Purposes.
Sec. 203. Definitions.
Sec. 204. Structure and administration of qualified individual development account programs.
Sec. 205. Procedures for opening and maintaining an individual development account and qualifying for matching funds.
Sec. 206. Deposits by qualified individual development account programs.
Sec. 207. Withdrawal procedures.
Sec. 208. Certification and termination of qualified individual - development account programs.
Sec. 209. Reporting, monitoring, and evaluation.
Sec. 210. Authorization of appropriations.
Sec. 211. Account funds disregarded for purposes of certain means-tested Federal programs.
Sec. 212. Matching funds for individual development accounts provided through a tax credit for qualified financial institutions.

TITLE III—EQUAL TREATMENT FOR NONGOVERNMENTAL PROVIDERS

Sec. 301. Nongovernmental organizations.

TITLE IV—EZ PASS RECOGNITION OF SECTION 501(C)(3) STATUS

Sec. 401. EZ pass recognition of section 501(c)(3) status and waiver of application fee for exempt status for certain organizations providing social services for the poor and needy.

TITLE V—COMPASSION CAPITAL FUND

Sec. 501. Support for nonprofit community-based organizations; Department of Health and Human Services.
Sec. 502. Support for nonprofit community-based organizations; Corporation for National and Community Service.
Sec. 503. Support for nonprofit community-based organizations; Department of Justice.
Sec. 504. Support for nonprofit community-based organizations; Department of Housing and Urban Development.
Sec. 505. Coordination.

TITLE VI—SOCIAL SERVICES BLOCK GRANT

Sec. 601. Restoration of authority to transfer up to 10 percent of TANF funds to the Social Services Block Grant.
Sec. 602. Restoration of funds for the Social Services Block Grant.
Sec. 603. Requirement to submit annual report on State activities.

TITLE VII—MATERNITY GROUP HOMES

Sec. 701. Maternity group homes.

TITLE I—CHARITABLE GIVING INCENTIVES PACKAGE

SEC. 101. DEDUCTION FOR PORTION OF CHARITABLE CONTRIBUTIONS TO BE ALLOWED TO INDIVIDUALS WHO DO NOT ITEMIZE DEDUCTIONS.

(a) IN GENERAL.—Section 170 of the Internal Revenue Code of 1986 (relating to charitable, etc., contributions and gifts) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) DEDUCTION FOR INDIVIDUALS NOT ITEMIZING DEDUCTIONS.—In the case of an individual who does not itemize his deductions for any taxable year beginning after December 31, 2001, and before January 1, 2004, there shall be taken into account as a direct charitable deduction under section 63 an amount equal to the lesser of—

"(1) the amount allowable under subsection (a) for the taxable year for cash contributions, or

"(2) $400 ($800 in the case of a joint return).".

(b) DIRECT CHARITABLE DEDUCTION.—

(1) IN GENERAL.—Subsection (b) of section 63 of the Internal Revenue Code of 1986 (defining taxable income) is amended by striking "and" at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting ", and", and by adding at the end thereof the following new paragraph:

"(3) the direct charitable deduction.".

(2) DEFINITION.—Section 63 of such Code is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) DIRECT CHARITABLE DEDUCTION.—For purposes of this section, the term 'direct charitable deduction' means that portion of the amount allowable under section 170(a) which is taken as a direct charitable deduction for the taxable year under section 170(m).".

(3) CONFORMING AMENDMENT.—Subsection (d) of section 63 of such Code is amended by striking "and" at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting ", and", and by adding at the end thereof the following new paragraph:

"(3) the direct charitable deduction.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 102. TAX-FREE DISTRIBUTIONS FROM INDIVIDUAL RETIREMENT ACCOUNTS FOR CHARITABLE PURPOSES.

(a) IN GENERAL.—Subsection (d) of section 408 of the Internal Revenue Code of 1986 (relating to individual retirement accounts) is amended by adding at the end the following new paragraph:

"(8) DISTRIBUTIONS FOR CHARITABLE PURPOSES.—

"(A) IN GENERAL.—No amount shall be includible in gross income by reason of a qualified charitable distribution.

"(B) QUALIFIED CHARITABLE DISTRIBUTION.—For purposes of this paragraph, the term 'qualified charitable distribution' means any distribution from an individual retirement account—

"(i) which is made directly by the trustee—

"(I) to an organization described in section 170(c), or

"(II) to a split-interest entity, and

"(ii) which is made on or after the date that the individual for whose benefit the account is maintained has attained age 67.

A distribution shall be treated as a qualified charitable distribution only to the extent that the distribution would be includible in gross income without regard to subparagraph (A) and, in the case of a distribution to a split-interest entity, only if no person holds an income interest in the amounts in the split-interest entity attributable to such distribution other than one or more of the following: the individual for whose benefit such account is maintained, the spouse of such individual, or any organization described in section 170(c).

"(C) CONTRIBUTIONS MUST BE OTHERWISE DEDUCTIBLE.—For purposes of this paragraph—

"(i) DIRECT CONTRIBUTIONS.—A distribution to an organization described in section 170(c) shall be treated as a qualified charitable distribution only if a deduction for the entire distribution would be allowable under section 170 (determined without regard to subsection (b) thereof and this paragraph).

"(ii) SPLIT-INTEREST GIFTS.—A distribution to a split-interest entity shall be treated as a qualified charitable distribution only if a deduction for the entire value of the interest in the distribution for the use of an organization described in section 170(c) would be allowable under section 170 (determined without regard to subsection (b) thereof and this paragraph).

"(D) APPLICATION OF SECTION 72.—Notwithstanding section 72, in determining the extent to which a distribution is a qualified charitable distribution, the entire amount of the distribution shall be treated as includible in gross income without regard to subparagraph (A) to the extent that such amount does not exceed the aggregate amount which would be so includible if all amounts were distributed from all individual retirement accounts otherwise taken into account in determining the inclusion on such distribution under section 72. Proper adjustments shall be made in applying section 72 to other distributions in such taxable year and subsequent taxable years.

"(E) SPECIAL RULES FOR SPLIT-INTEREST ENTITIES.—

"(i) CHARITABLE REMAINDER TRUSTS.—Notwithstanding section 664(b), distributions made from a trust described in subparagraph (G)(i) shall be treated as ordinary income in the hands of the recipient of the annuity described in section 664(d)(1)(A) or the payment described in section 664(d)(2)(A).

"(ii) POOLED INCOME FUNDS.—No amount shall be includible in the gross income of a pooled income fund (as defined in subparagraph (G)(ii)) by reason of a qualified charitable distribution to such fund, and all distributions from the fund which are attributable to qualified charitable distributions shall be treated as ordinary income to the recipient.

“(iii) CHARITABLE GIFT ANNUITIES.—Qualified charitable distributions made for a charitable gift annuity shall not be treated as an investment in the contract.

“(F) DENIAL OF DEDUCTION.—Qualified charitable distributions shall not be taken into account in determining the deduction under section 170.

“(G) SPLIT-INTEREST ENTITY DEFINED.—For purposes of this paragraph, the term ‘split-interest entity’ means—

“(i) a charitable remainder annuity trust or a charitable remainder unitrust (as such terms are defined in section 664(d)) which is funded exclusively by qualified charitable distributions,

“(ii) a pooled income fund (as defined in section 642(c)(5)), but only if the fund accounts separately for amounts attributable to qualified charitable distributions, and

“(iii) a charitable gift annuity (as defined in section 501(m)(5)).”.

(b) MODIFICATIONS RELATING TO INFORMATION RETURNS BY CERTAIN TRUSTS.—

(1) RETURNS.—Section 6034 of the Internal Revenue Code of 1986 (relating to returns by trusts described in section 4947(a)(2) or claiming charitable deductions under section 642(c)) is amended to read as follows:

“SEC. 6034. RETURNS BY TRUSTS DESCRIBED IN SECTION 4947(a)(2) OR CLAIMING CHARITABLE DEDUCTIONS UNDER SECTION 642(c).

“(a) TRUSTS DESCRIBED IN SECTION 4947(a)(2).—Every trust described in section 4947(a)(2) shall furnish such information with respect to the taxable year as the Secretary may by forms or regulations require.

“(b) TRUSTS CLAIMING A CHARITABLE DEDUCTION UNDER SECTION 642(c).—

“(1) IN GENERAL.—Every trust not required to file a return under subsection (a) but claiming a charitable, etc., deduction under section 642(c) for the taxable year shall furnish such information with respect to such taxable year as the Secretary may by forms or regulations prescribe, including:

“(A) the amount of the charitable, etc., deduction taken under section 642(c) within such year,

“(B) the amount paid out within such year which represents amounts for which charitable, etc., deductions under section 642(c) have been taken in prior years,

“(C) the amount for which charitable, etc., deductions have been taken in prior years but which has not been paid out at the beginning of such year,

“(D) the amount paid out of principal in the current and prior years for charitable, etc., purposes,

“(E) the total income of the trust within such year and the expenses attributable thereto, and

“(F) a balance sheet showing the assets, liabilities, and net worth of the trust as of the beginning of such year.

“(2) EXCEPTIONS.—Paragraph (1) shall not apply in the case of a taxable year if all the net income for such year, determined under the applicable principles of the law of trusts, is required to be distributed currently to the beneficiaries. Paragraph (1) shall not apply in the case of a trust described in section 4947(a)(1).”.

(2) INCREASE IN PENALTY RELATING TO FILING OF INFORMATION RETURN BY SPLIT-INTEREST TRUSTS.—Paragraph (2) of section 6652(c) of such Code (relating to returns by exempt organizations and by certain trusts) is amended by adding at the end the following new subparagraph:

“(C) SPLIT-INTEREST TRUSTS.—In the case of a trust which is required to file a return under section 6034(a), subparagraphs (A) and (B) of this paragraph shall not apply and paragraph (1) shall apply in the same manner as if such return were required under section 6033, except that—

“(i) the 5 percent limitation in the second sentence of paragraph (1)(A) shall not apply,

“(ii) in the case of any trust with gross income in excess of $250,000, the first sentence of paragraph (1)(A) shall be applied by substituting ‘$100’ for ‘$20’, and the second sentence thereof shall be applied by substituting ‘$50,000’ for ‘$10,000’, and

“(iii) the third sentence of paragraph (1)(A) shall be disregarded.

If the person required to file such return knowingly fails to file the return, such person shall be personally liable for the penalty imposed pursuant to this subparagraph.”.

(3) CONFIDENTIALITY OF NONCHARITABLE BENEFICIARIES.—Subsection (b) of section 6104 of such Code (relating to inspection of annual information returns) is amended by adding at the end the following new sentence: “In the case of a trust which is required to file a return under section 6034(a), this subsection shall not apply to information regarding beneficiaries which are not organizations described in section 170(c).”.

(c) EFFECTIVE DATES.—

(1) SUBSECTION (a).—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 2001, and before January 1, 2004.

(2) SUBSECTION (b).—The amendments made by subsection (b) shall apply to returns for taxable years beginning after December 31, 2001.

SEC. 103. INCREASE IN CAP ON CORPORATE CHARITABLE CONTRIBUTIONS.

(a) IN GENERAL.—Paragraph (2) of section 170(b) of the Internal Revenue Code of 1986 (relating to corporations) is amended by striking “10 percent” and inserting “the applicable percentage”.

(b) APPLICABLE PERCENTAGE.—Subsection (b) of section 170 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(3) APPLICABLE PERCENTAGE DEFINED.—For purposes of paragraph (2), the applicable percentage shall be determined in accordance with the following table:

“For taxable years beginning in calendar year—	**The applicable percentage is—**
2002	13
2003	15
2004 and thereafter	10.”.

(c) CONFORMING AMENDMENTS.—

(1) Sections 512(b)(10) and 805(b)(2)(A) of the Internal Revenue Code of 1986 are each amended by striking “10 percent” each place it occurs and inserting “the applicable percentage (determined under section 170(b)(3))”.

(2) Sections 545(b)(2) and 556(b)(2) of such Code are each amended by striking “10-percent limitation” and inserting “applicable percentage limitation”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 104. CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD AND BOOK INVENTORIES AND BONDS.

(a) FOOD INVENTORY.—Subsection (e) of section 170 of the Internal Revenue Code of 1986 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end the following new paragraph:

“(7) SPECIAL RULE FOR CONTRIBUTIONS OF FOOD INVENTORY.—For purposes of this section—

“(A) IN GENERAL.—In the case of a charitable contribution of apparently wholesome food by a taxpayer—

“(i) paragraph (3)(A) shall be applied without regard to whether or not the contribution is made by a C corporation, and

“(ii) in the case of a taxpayer other than a C corporation, the total deductions under subsection (a) with respect to such contributions for any taxable year shall not exceed the applicable percentage under subsection (b)(2) of the taxpayer’s net income from the trade or business, computed without regard to this section.

“(B) LIMIT ON REDUCTION.—In the case of a charitable contribution of apparently wholesome food which is a qualified contribution (within the meaning of paragraph (3)(A), as modified by subparagraph (A) of this paragraph), the amount of the reduction determined under paragraph (3)(B) shall not exceed the amount determined under clause (ii) thereof (computed without taking into account the amount determined under clause (i) thereof).

“(C) DETERMINATION OF BASIS.—For purposes of this paragraph, if a taxpayer—

“(i) does not account for inventories under section 471, and

“(ii) is not required to capitalize indirect costs under section 263A,

the taxpayer may elect, solely for purposes of paragraph (3)(B)(ii), to treat the basis of any qualified contribution of such taxpayer as being equal to 25 percent of the fair market value of such contribution.

“(D) DETERMINATION OF FAIR MARKET VALUE.—In the case of a charitable contribution of apparently wholesome food which is a qualified contribution (within the meaning of paragraph (3), as modified by subparagraphs (A) and (B) of this paragraph) and which, solely by reason of internal standards of the taxpayer or lack of market, cannot or will not be sold, the fair market value of such contribution shall be determined—

“(i) without regard to such internal standards or such lack of market and

“(ii) by taking into account the price at which the same or substantially the same food items are sold by the taxpayer at the time of the contribution (or, if not so sold at such time, in the recent past).

“(E) APPARENTLY WHOLESOME FOOD.—For purposes of this paragraph, the term ‘apparently wholesome food’ has the meaning given such term by section 22(b)(2) of the Bill Emerson Good Samaritan Food Donation Act (42 U.S.C. 1791(b)(2)), as in effect on the date of the enactment of this paragraph.

(b) BOOK INVENTORY.—Section 170(e)(3) of the Internal Revenue Code of 1986 (relating to certain contributions of ordinary income and capital gain property) is amended by redesignating subparagraph (C) as subparagraph (D) and by inserting after subparagraph (B) the following new subparagraph:

“(D) SPECIAL RULE FOR CONTRIBUTIONS OF BOOK INVENTORY FOR EDUCATIONAL PURPOSES.—

“(i) CONTRIBUTIONS OF BOOK INVENTORY.—In determining whether a qualified book contribution is a qualified contribution, subparagraph (A) shall be applied without regard to whether or not—

“(I) the donee is an organization described in the matter preceding clause (i) of subparagraph (A), and

“(II) the property is to be used by the donee solely for the care of the ill, the needy, or infants.

“(ii) QUALIFIED BOOK CONTRIBUTION.—For purposes of this paragraph, the term ‘qualified book contribution’ means a charitable contribution of books, but only if the requirements of clauses (iii) and (iv) are met.

"(iii) IDENTITY OF DONEE.—The requirement of this clause is met if the contribution is to an organization—

"(I) described in subclause (I) or (III) of paragraph (6)(B)(i), or

"(II) described in section 501(c)(3) and exempt from tax under section 501(a) (other than a private foundation (as defined in section 509(a)) which is not an operating foundation defined in section 4942(j)(3)) which is organized primarily to make books available to the general public at no cost or to operate a literacy program.

"(iv) CERTIFICATION BY DONEE.—The requirement of this clause is met if the donee certifies in writing that—

"(I) the books are suitable, in terms of currency, content, and quantity, for use in the donee's educational programs, and

"(II) the donee will use the books in its educational programs and will not transfer the books in exchange for money, property, or services.".

(c) BONDS.—Section 170(e)(5) of the Internal Revenue Code of 1986 (relating to special rule for contributions of stock for which market quotations are readily available) is amended—

(1) by striking "stock." in subparagraph (A) and inserting "stock or qualified appreciated bonds.",

(2) by adding at the end the following new subparagraph:

"(D) QUALIFIED APPRECIATED BONDS.—

"(i) IN GENERAL.—For purposes of this paragraph, the term 'qualified appreciated bonds' means United States Treasury securities and such other debt instruments as may be prescribed by the Secretary in regulations.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001, and before January 1, 2004.

SEC. 105. REFORM OF EXCISE TAX ON NET INVESTMENT INCOME OF PRIVATE FOUNDATIONS.

(a) IN GENERAL.—Subsection (a) of section 4940 of the Internal Revenue Code of 1986 (relating to excise tax based on investment income) is amended by striking "2 percent" and inserting "1 percent (2 percent for any taxable year beginning after December 31, 2003)".

(b) TEMPORARY REPEAL OF REDUCTION IN TAX WHERE PRIVATE FOUNDATION MEETS CERTAIN DISTRIBUTION REQUIREMENTS.—Section 4940(e) of the Internal Revenue Code of 1986 is amended by inserting "beginning after December 31, 2003" after "any taxable year"..

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 106. EXCISE TAX ON UNRELATED BUSINESS TAXABLE INCOME OF CHARITABLE REMAINDER TRUSTS.

(a) IN GENERAL.—Subsection (c) of section 664 of the Internal Revenue Code of 1986 (relating to exemption from income taxes) is amended to read as follows:

"(c) TAXATION OF TRUSTS.—

"(1) INCOME TAX.—A charitable remainder annuity trust and a charitable remainder unitrust shall, for any taxable year, not be subject to any tax imposed by this subtitle.

"(2) EXCISE TAX.—

"(A) IN GENERAL.—In the case of a charitable remainder annuity trust or a charitable remainder unitrust that has unrelated business taxable income (within the meaning of section 512, determined as if part III of subchapter F applied to such trust) for a taxable year, there is hereby imposed on such trust or unitrust an excise tax equal to the amount of such unrelated business taxable income.

"(B) CERTAIN RULES TO APPLY.—The tax imposed by subparagraph (A) shall be treated as imposed by chapter 42 for purposes of this title other than subchapter E of chapter 42.

"(C) TAX COURT PROCEEDINGS.—For purposes of this paragraph, the references in section 6212(c)(1) to section 4940 shall be deemed to include references to this paragraph.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 107. EXPANSION OF CHARITABLE CONTRIBUTION ALLOWED FOR SCIENTIFIC PROPERTY USED FOR RESEARCH AND FOR COMPUTER TECHNOLOGY AND EQUIPMENT USED FOR EDUCATIONAL PURPOSES.

(a) SCIENTIFIC PROPERTY USED FOR RESEARCH.—Clause (ii) of section 170(e)(4)(B) of the Internal Revenue Code of 1986 (defining qualified research contributions) is amended by inserting "or assembled" after "constructed".

(b) COMPUTER TECHNOLOGY AND EQUIPMENT FOR EDUCATIONAL PURPOSES.—Clause (ii) of section 170(e)(6)(B) of the Internal Revenue Code of 1986 is amended by inserting "or assembled" after "constructed" and "or assembling" after "construction".

(c) CONFORMING AMENDMENT.—Subparagraph (D) of section 170(e)(6) of the Internal Revenue Code of 1986 is amended by inserting "or assembled" after "constructed" and "or assembling" after "construction".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001, and before January 1, 2004.

SEC. 108. ADJUSTMENT TO BASIS OF S CORPORATION STOCK FOR CERTAIN CHARITABLE CONTRIBUTIONS.

(a) IN GENERAL.—Paragraph (2) of section 1367(a) of the Internal Revenue Code of 1986 (relating to adjustments to basis of stock of shareholders, etc.) is amended by adding at the end the following new flush sentence:

"The decrease under subparagraph (B) by reason of a charitable contribution (as defined in section 170(c)) of property shall be the amount equal to the shareholder's proportionate share of the adjusted basis of such property.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

TITLE II—INDIVIDUAL DEVELOPMENT ACCOUNTS

SEC. 201. SHORT TITLE.

This title may be cited as the "Savings for Working Families Act of 2002".

SEC. 202. PURPOSES.

The purposes of this title are to provide for the establishment of individual development account programs that will—

(1) provide individuals and families with limited means an opportunity to accumulate assets and to enter the financial mainstream,

(2) promote education, homeownership, and the development of small businesses,

(3) stabilize families and build communities, and

(4) support continued United States economic expansion.

SEC. 203. DEFINITIONS.

As used in this title:

(1) ELIGIBLE INDIVIDUAL.—

(A) IN GENERAL.—The term "eligible individual" means, with respect to any taxable year, an individual who—

(i) has attained the age of 18 years but not the age of 61 as of the last day of such taxable year,

(ii) is a citizen or legal resident of the United States as of the last day of such taxable year,

(iii) was not a student (as defined in section 151(c)(4) of the Internal Revenue Code of 1986) for the immediately preceding taxable year,

(iv) is not an individual with respect to whom a deduction under section 151 of such Code is allowable to another taxpayer for a taxable year of the other taxpayer ending during the immediately preceding taxable year of the individual, and

(v) is a taxpayer the modified adjusted gross income of whom for the immediately preceding taxable year does not exceed—

(I) $20,000, in the case of a taxpayer described in section 1(c) of such Code,

(II) $30,000, in the case of a taxpayer described in section 1(b) of such Code,

(III) $40,000, in the case of a taxpayer described in section 1(a) of such Code, and

(IV) zero in the case of a taxpayer described in section 1(d) of such Code.

(B) INFLATION ADJUSTMENT.—

(i) IN GENERAL.—In the case of any taxable year beginning after 2003, each dollar amount referred to in subparagraph (A)(v) shall be increased by an amount equal to—

(I) such dollar amount, multiplied by

(II) the cost-of-living adjustment determined under section (1)(f)(3) of the Internal Revenue Code of 1986 for the calendar year in which the taxable year begins, by substituting "2002" for "1992".

(ii) ROUNDING.—If any amount as adjusted under clause (i) is not a multiple of $50, such amount shall be rounded to the nearest multiple of $50.

(C) MODIFIED ADJUSTED GROSS INCOME.—For purposes of subparagraph (A)(v), the term "modified adjusted gross income" means adjusted gross income—

(i) determined without regard to sections 86, 893, 911, 931, and 933 of the Internal Revenue Code of 1986, and

(ii) increased by the amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax.

(2) INDIVIDUAL DEVELOPMENT ACCOUNT.—The term "Individual Development Account" means an account established for an eligible individual as part of a qualified individual development account program, but only if the written governing instrument creating the account meets the following requirements:

(A) The owner of the account is the individual for whom the account was established.

(B) No contribution will be accepted unless it is in cash.

(C) The holder of the account is a qualified financial institution.

(D) The assets of the account will not be commingled with other property except in a common trust fund or common investment fund.

(E) Except as provided in section 207(b), any amount in the account may be paid out only for the purpose of paying the qualified expenses of the account owner.

(3) PARALLEL ACCOUNT.—The term "parallel account" means a separate, parallel individual or pooled account for all matching funds and earnings dedicated to an Individual Development Account owner as part of a qualified individual development account program, the sole owner of which is a qualified financial institution, a qualified nonprofit organization, or an Indian tribe.

(4) Qualified financial institution.—

(A) In general.—The term "qualified financial institution" means any person authorized to be a trustee of any individual retirement account under section 408(a)(2) of the Internal Revenue Code of 1986.

(B) Rule of construction.—Nothing in this paragraph shall be construed as preventing a person described in subparagraph (A) from collaborating with 1 or more qualified nonprofit organizations or Indian tribes to carry out an individual development account program established under section 204.

(5) Qualified nonprofit organization.—The term "qualified nonprofit organization" means—

(A) any organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code,

(B) any community development financial institution certified by the Community Development Financial Institution Fund,

(C) any credit union chartered under Federal or State law, or

(D) any public housing agency as defined in section 3(b)(6) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(6)).

(6) Indian tribe.—The term "Indian tribe" means any Indian tribe as defined in section 4(12) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103(12), and includes any tribally designated housing entity (as defined in section 4(21) of such Act (25 U.S.C. 4103(21)), tribal subsidiary, subdivision, or other wholly owned tribal entity.

(7) Qualified individual development account program.—The term "qualified individual development account program" means a program established under section 204 after December 31, 2001, under which—

(A) Individual Development Accounts and parallel accounts are held by a qualified financial institution, and

(B) additional activities determined by the Secretary, in consultation with the Secretary of Health and Human Services, as necessary to responsibly develop and administer accounts, including recruiting, providing financial education and other training to Account owners, and regular program monitoring, are carried out by the qualified financial institution, a qualified nonprofit organization, or an Indian tribe.

(8) Qualified expense distribution.—

(A) In general.—The term "qualified expense distribution" means any amount paid (including through electronic payments) or distributed out of an Individual Development Account and a parallel account established for an eligible individual if such amount—

(i) is used exclusively to pay the qualified expenses of the Individual Development Account owner or such owner's spouse or dependents,

(ii) is paid by the qualified financial institution, qualified nonprofit organization, or Indian tribe—

(I) except as otherwise provided in this clause, directly to the unrelated third party to whom the amount is due,

(II) in the case of distributions for working capital under a qualified business plan (as defined in subparagraph (B)(iv)(IV)), directly to the Account owner,

(III) in the case of any qualified rollover, directly to another Individual Development Account and parallel account, or

(IV) in the case of a qualified final distribution, directly to the spouse, dependent, or other named beneficiary of the deceased Account owner, and

(iii) is paid after the Account owner has completed a financial education course if required under section 205(b).

(B) Qualified expenses.—

(i) In general.—The term "qualified expenses" means any of the following expenses approved by the qualified financial institution, qualified nonprofit organization, or Indian tribe:

(I) Qualified higher education expenses.

(II) Qualified first-time homebuyer costs.

(III) Qualified business capitalization or expansion costs.

(IV) Qualified rollovers.

(V) Qualified final distribution.

(ii) Qualified higher education expenses.—

(I) In general.—The term "qualified higher education expenses" has the meaning given such term by section 529(e)(3) of the Internal Revenue Code of 1986, determined by treating the Account owner, the owner's spouse, or one or more of the owner's dependents as a designated beneficiary, and reduced as provided in section 25A(g)(2) of such Code.

(II) Coordination with other benefits.—The amount of expenses which may be taken into account for purposes of section 135, 529, or 530 of such Code for any taxable year shall be reduced by the amount of any qualified higher education expenses taken into account as qualified expense distributions during such taxable year.

(iii) Qualified first-time homebuyer costs.—The term "qualified first-time homebuyer costs" means qualified acquisition costs (as defined in section 72(t)(8)(C) of the Internal Revenue Code of 1986) with respect to a principal residence (within the meaning of section 121 of such Code) for a qualified first-time homebuyer (as defined in section 72(t)(8)(D)(i) of such Code).

(iv) Qualified business capitalization or expansion costs.—

(I) In general.—The term "qualified business capitalization or expansion costs" means qualified expenditures for the capitalization or expansion of a qualified business pursuant to a qualified business plan.

(II) Qualified expenditures.—The term "qualified expenditures" means expenditures included in a qualified business plan, including capital, plant, equipment, working capital, inventory expenses, attorney and accounting fees, and other costs normally associated with starting or expanding a business.

(III) Qualified business.—The term "qualified business" means any business that does not contravene any law.

(IV) Qualified business plan.—The term "qualified business plan" means a business plan which has been approved by the qualified financial institution, qualified nonprofit organization, or Indian tribe and which meets such requirements as the Secretary may specify.

(v) Qualified rollovers.—The term "qualified rollover" means the complete distribution of the amounts in an Individual Development Account and parallel account to another Individual Development Account and parallel account established in another qualified financial institution for the benefit of the Account owner.

(vi) Qualified final distribution.—The term "qualified final distribution" means, in the case of a deceased Account owner, the complete distribution of the amounts in the Individual Development Account and parallel account directly to the spouse, any dependent, or other named beneficiary of the deceased.

(9) Secretary.—The term "Secretary" means the Secretary of the Treasury.

SEC. 204. STRUCTURE AND ADMINISTRATION OF QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) Establishment of Qualified Individual Development Account Programs.—Any qualified financial institution, qualified nonprofit organization, or Indian tribe may establish 1 or more qualified individual development account programs which meet the requirements of this title.

(b) Basic Program Structure.—

(1) In general.—All qualified individual development account programs shall consist of the following 2 components:

(A) An Individual Development Account to which an eligible individual may contribute cash in accordance with section 205.

(B) A parallel account to which all matching funds shall be deposited in accordance with section 206.

(2) Tailored ida programs.—A qualified financial institution, a qualified nonprofit organization, or an Indian tribe may tailor its qualified individual development account program to allow matching funds to be spent on 1 or more of the categories of qualified expenses.

(c) Coordination With Public Housing Agency Individual Savings Accounts.—Section 3(e)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(e)(2)) is amended by inserting "or in any Individual Development Account established under the Savings for Working Families Act of 2002" after "subsection".

(d) Tax Treatment of Parallel Accounts.—

(1) In general.—Chapter 77 of the Internal Revenue Code of 1986 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

"SEC. 7525. TAX INCENTIVES FOR INDIVIDUAL DEVELOPMENT PARALLEL ACCOUNTS.

"For purposes of this title—

"(1) any account described in section 204(b)(1)(B) of the Savings for Working Families Act of 2002 shall be exempt from taxation,

(2) except as provided in section 45G, no item of income, expense, basis, gain, or loss with respect to such an account may be taken into account, and

(3) any amount withdrawn from such an account shall not be includible in gross income.".

(2) Conforming amendment.—The table of sections for chapter 77 of such Code is amended by adding at the end the following new item:

"Sec. 7525. Tax incentives for individual development parallel accounts.".

SEC. 205. PROCEDURES FOR OPENING AND MAINTAINING AN INDIVIDUAL DEVELOPMENT ACCOUNT AND QUALIFYING FOR MATCHING FUNDS.

(a) Opening an Account.—An eligible individual may open an Individual Development Account with a qualified financial institution, a qualified nonprofit organization, or an Indian tribe upon certification that such individual has never maintained any other Individual Development Account (other than an Individual Development Account to be terminated by a qualified rollover).

(b) Required Completion of Financial Education Course.—

(1) In general.—Before becoming eligible to withdraw matching funds to pay for qualified expenses, owners of Individual Development Accounts must complete a financial education course offered by a qualified financial institution, a qualified nonprofit organization, an Indian tribe, or a government entity.

(2) Standard and Applicability of Course.—The Secretary, in consultation with representatives of qualified individual development account programs and financial educators, shall establish minimum quality standards for the contents of financial education courses and providers of such courses offered under paragraph (1) and a protocol to exempt individuals from the requirement under paragraph (1) in the case of hardship, lack of need, the attainment of age 61, or a qualified final distribution.

(c) Proof of Status as an Eligible Individual.—Federal income tax forms for the immediately preceding taxable year shall be presented to the qualified financial institution, qualified nonprofit organization, or Indian tribe at the time of the establishment of the Individual Development Account and in any taxable year in which contributions are made to the Account to qualify for matching funds under section 206(b)(1)(A).

(d) Direct Deposits.—The Secretary may, under regulations, provide for the direct deposit of any portion (not less than $1) of any overpayment of Federal tax of an individual as a contribution to the Individual Development Account of such individual.

SEC. 206. DEPOSITS BY QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) Parallel Accounts.—The qualified financial institution, qualified nonprofit organization, or Indian tribe shall deposit all matching funds for each Individual Development Account into a parallel account at a qualified financial institution.

(b) Regular Deposits of Matching Funds.—

(1) In general.—Subject to paragraph (2), the qualified financial institution, qualified nonprofit organization, or Indian tribe shall deposit into the parallel account with respect to each eligible individual the following amounts:

(A) A dollar-for-dollar match for the first $500 contributed by the eligible individual into an Individual Development Account with respect to any taxable year of such individual.

(B) Any matching funds provided by State, local, or private sources in accordance to the matching ratio set by those sources.

(2) Inflation adjustment.—

(A) In general.—In the case of any taxable year beginning after 2003, the dollar amount referred to in paragraph (1)(A) shall be increased by an amount equal to—

(i) such dollar amount, multiplied by

(ii) the cost-of-living adjustment determined under section (1)(f)(3) of the Internal Revenue Code of 1986 for the calendar year in which the taxable year begins, by substituting "2002" for "1992".

(B) Rounding.—If any amount as adjusted under subparagraph (A) is not a multiple of $20, such amount shall be rounded to the nearest multiple of $20.

(3) Timing of deposits.—A deposit of the amounts described in paragraph (1) shall be made into a parallel account—

(A) in the case of amounts described in paragraph (1)(A), not later than 30 days after the end of the calendar quarter during which the contribution described in such paragraph was made, and

(B) in the case of amounts described in paragraph (1)(B), not later than 2 business days after such amounts were provided.

(4) Cross reference.—

For allowance of tax credit for Individual Development Account subsidies, including matching funds, see section 45G of the Internal Revenue Code of 1986.

(c) Deposit of Matching Funds Into Individual Development Account of Individual Who Has Attained Age 61.—In the case of an Individual Development Account owner who attains the age of 61, the qualified financial institution, qualified nonprofit organization, or Indian tribe which owns the parallel account with respect to such individual shall deposit the funds in such parallel account into the Individual Development Account of such individual on the later of—

(1) the day which is the 1-year anniversary of the deposit of such funds in the parallel account, or

(2) the first business day of the taxable year of such individual following the taxable year in which such individual attained age 61.

(d) Uniform Accounting Regulations.—To ensure proper recordkeeping and determination of the tax credit under section 45G of the Internal Revenue Code of 1986, the Secretary shall prescribe regulations with respect to accounting for matching funds in the parallel accounts.

(e) Regular Reporting of Accounts.—Any qualified financial institution, qualified nonprofit organization, or Indian tribe shall report the balances in any Individual Development Account and parallel account of an individual on not less than an annual basis to such individual.

SEC. 207. WITHDRAWAL PROCEDURES.

(a) Withdrawals for Qualified Expenses.—

(1) In general.—An Individual Development Account owner may withdraw funds in order to pay qualified expense distributions from such individual's—

(A) Individual Development Account, and

(B) parallel account, but only—

(i) from matching funds which have been on deposit in such parallel account for at least 1 year,

(ii) from earnings in such parallel account, after all matching funds described in clause (i) have been withdrawn, and

(iii) to the extent such withdrawal does not result in a remaining balance in such parallel account which is less than the remaining balance in the Individual Development Account after such withdrawal.

(2) Procedure.—Upon receipt of a withdrawal request which meets the requirements of paragraph (1), the qualified financial institution, qualified nonprofit organization, or Indian tribe shall directly transfer the funds electronically to the distributees described in section 203(8)(A)(ii). If a distributee is not equipped to receive funds electronically, the qualified financial institution, qualified nonprofit organization, or Indian tribe may issue such funds by paper check to the distributee.

(b) Withdrawals for Nonqualified Expenses.—An Individual Development Account owner may withdraw any amount of funds from the Individual Development Account for purposes other than to pay qualified expense distributions, but if, after such withdrawal, the amount in the parallel account of such owner (excluding earnings on matching funds) exceeds the amount remaining in such Individual Development Account, then such owner shall forfeit from the parallel account the lesser of such excess or the amount withdrawn.

(c) Withdrawals From Accounts of Non-eligible Individuals.—If the individual for whose benefit an Individual Development Account is established ceases to be an eligible individual, such account shall remain an Individual Development Account, but such individual shall not be eligible for any further matching funds under section 206(b)(1)(A) for contributions which are made to the Account during any taxable year when such individual is not an eligible individual.

(d) Effect of Pledging Account as Security.—If, during any taxable year of the individual for whose benefit an Individual Development Account is established, that individual uses the Account or any portion thereof as security for a loan, the portion so used shall be treated as a withdrawal of such portion for purposes other than to pay qualified expenses, and such individual shall forfeit an equal amount of matching funds from the individual's parallel account.

SEC. 208. CERTIFICATION AND TERMINATION OF QUALIFIED INDIVIDUAL DEVELOPMENT ACCOUNT PROGRAMS.

(a) Certification Procedures.—Upon establishing a qualified individual development account program under section 204, a qualified financial institution, a qualified nonprofit organization, or an Indian tribe shall certify to the Secretary on forms prescribed by the Secretary and accompanied by any documentation required by the Secretary, that—

(1) the accounts described in subparagraphs (A) and (B) of section 204(b)(1) are operating pursuant to all the provisions of this title, and

(2) the qualified financial institution, qualified nonprofit organization, or Indian tribe agrees to implement an information system necessary to monitor the cost and outcomes of the qualified individual development account program.

(b) Authority To Terminate Qualified IDA Program.—If the Secretary determines that a qualified financial institution, a qualified nonprofit organization, or an Indian tribe under this title is not operating a qualified individual development account program in accordance with the requirements of this title (and has not implemented any corrective recommendations directed by the Secretary), the Secretary shall terminate such institution's, nonprofit organization's, or Indian tribe's authority to conduct the program. If the Secretary is unable to identify a qualified financial institution, a qualified nonprofit organization, or an Indian tribe to assume the authority to conduct such program, then any funds in a parallel account established for the benefit of any individual under such program shall be deposited into the Individual Development Account of such individual as of the first day of such termination.

SEC. 209. REPORTING, MONITORING, AND EVALUATION.

(a) Responsibilities of Qualified Financial Institutions, Qualified Nonprofit Organizations, and Indian Tribes.—

(1) In general.—Each qualified financial institution, qualified nonprofit organization, or Indian tribe that operates a qualified individual development account program under section 204 shall report annually to the Secretary within 90 days after the end of each calendar year on—

(A) the number of eligible individuals making contributions into Individual Development Accounts,

(B) the amounts contributed into Individual Development Accounts and deposited into parallel accounts for matching funds,

(C) the amounts withdrawn from Individual Development Accounts and parallel accounts, and the purposes for which such amounts were withdrawn,

(D) the balances remaining in Individual Development Accounts and parallel accounts, and

(E) such other information needed to help the Secretary monitor the cost and outcomes of the qualified individual development account program (provided in a non-individually-identifiable manner).

(2) ADDITIONAL REPORTING REQUIREMENTS.—Each qualified financial institution, qualified nonprofit organization, or Indian tribe that operates a qualified individual development account program under section 204 shall report at such time and in such manner as the Secretary may prescribe any additional information that the Secretary requires to be provided for purposes of administering and supervising the qualified individual development account program. This additional data may include, without limitation, identifying information about Individual Development Account holders, their Accounts, additions to the Accounts, and withdrawals from the Accounts.

(b) RESPONSIBILITIES OF THE SECRETARY.—

(1) MONITORING PROTOCOL.—Not later than 12 months after the date of the enactment of this Act, the Secretary, in consultation with the Secretary of Health and Human Services, shall develop and implement a protocol and process to monitor the cost and outcomes of the qualified individual development account programs established under section 204.

(2) ANNUAL REPORTS.—In each year after the date of the enactment of this Act, the Secretary shall submit a progress report to Congress on the status of such qualified individual development account programs. Such report shall, to the extent data is available, include from a representative sample of qualified individual development account programs information on—

(A) the characteristics of participants, including age, gender, race or ethnicity, marital status, number of children, employment status, and monthly income,

(B) deposits, withdrawals, balances, uses of Individual Development Accounts, and participant characteristics,

(C) the characteristics of qualified individual development account programs, including match rate, economic education requirements, permissible uses of accounts, staffing of programs in full time employees, and the total costs of programs, and

(D) process information on program implementation and administration, especially on problems encountered and how problems were solved.

(3) REAUTHORIZATION REPORT ON COST AND OUTCOMES OF IDAS.—

(A) IN GENERAL.—Not later than July 1, 2008, the Secretary of the Treasury shall submit a report to Congress and the chairmen and ranking members of the Committee on Finance, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Ways and Means, the Committee on Banking and Financial Services, and the Committee on Education and the Workforce of the House of Representatives, in which the Secretary shall—

(i) summarize the previously submitted annual reports required under paragraph (2),

(ii) from a representative sample of qualified individual development account programs, include an analysis of—

(I) the economic, social, and behavioral outcomes,

(II) the changes in savings rates, asset holdings, and household debt, and overall changes in economic stability,

(III) the changes in outlooks, attitudes, and behavior regarding savings strategies, investment, education, and family,

(IV) the integration into the financial mainstream, including decreased reliance on alternative financial services, and increase in acquisition of mainstream financial products, and

(V) the involvement in civic affairs, including neighborhood schools and associations, associated with participation in qualified individual development account programs,

(iii) from a representative sample of qualified individual development account programs, include a comparison of outcomes associated with such programs with outcomes associated with other Federal Government social amd economic development programs, including asset building programs, and

(iv) make recommendations regarding the reauthorization of the qualified individual development account programs, including—

(I) recommendations regarding reforms that will improve the cost and outcomes of the such programs, including the ability to help low income families save and accumulate productive assets,

(II) recommendations regarding the appropriate levels of subsidies to provide effective incentives to financial institutions and Account holders under such programs, and

(IV) recommendations regarding how such programs should be integrated into other Federal poverty reduction, asset building, and community development policies and programs.

(B) AUTHORIZATION.—There is authorized to be appropriated $2,500,000, for carrying out the purposes of this paragraph.

SEC. 210. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Secretary $1,000,000 for fiscal year 2003 and for each fiscal year through 2009, for the purposes of implementing this title, including the reporting, monitoring, and evaluation required under section 209, to remain available until expended.

SEC. 211. ACCOUNT FUNDS DISREGARDED FOR PURPOSES OF CERTAIN MEANS-TESTED FEDERAL PROGRAMS.

Notwithstanding any other provision of Federal law that requires consideration of 1 or more financial circumstances of an individual, for the purposes of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such provision to be provided to or for the benefit of such individual, an amount shall be disregarded for such purposes equal to the sum of—

(1) the lesser of—

(A) all amounts (including earnings thereon) in any Individual Development Account of such individual, or

(B) an amount equal to $1,000 times the number of years (including the year in which such determination is made) that such Account (including any predecessor Account) has been open, plus

(2) the matching deposits made on behalf of such individual (including earnings thereon) in any parallel account.

SEC. 212. MATCHING FUNDS FOR INDIVIDUAL DEVELOPMENT ACCOUNTS PROVIDED THROUGH A TAX CREDIT FOR QUALIFIED FINANCIAL INSTITUTIONS.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by adding at the end the following new section:

"SEC. 45G. INDIVIDUAL DEVELOPMENT ACCOUNT INVESTMENT CREDIT.

"(a) DETERMINATION OF AMOUNT.—For purposes of section 38, the individual development account investment credit determined under this section with respect to any eligible entity for any taxable year is an amount equal to the individual development account investment provided by such eligible entity during the taxable year under an individual development account program established under section 204 of the Savings for Working Families Act of 2002.

"(b) APPLICABLE TAX.—For the purposes of this section, the term 'applicable tax' means the excess (if any) of—

"(1) the tax imposed under this chapter (other than the taxes imposed under the provisions described in subparagraphs (C) through (Q) of section 26(b)(2)), over

"(2) the credits allowable under subpart B (other than this section) and subpart D of this part.

"(c) INDIVIDUAL DEVELOPMENT ACCOUNT INVESTMENT.—

"(1) IN GENERAL.—For purposes of this section, the term 'individual development account investment' means, with respect to an individual development account program of a qualified financial institution in any taxable year, an amount equal to the sum of—

"(A) the aggregate amount of dollar-for-dollar matches under such program under section 206(b)(1)(A) of the Savings for Working Families Act of 2002 for such taxable year, plus

"(B) $50 with respect to each Individual Development Account maintained as of the end of such taxable year, with a balance of not less than $100 (other than the taxable year in which such Account is opened).

"(2) INFLATION ADJUSTMENT.—

"(A) IN GENERAL.—In the case of any taxable year beginning after 2003, the $50 amount referred to in paragraph (1)(B) shall be increased by an amount equal to—

"(i) such dollar amount, multiplied by

"(ii) the cost-of-living adjustment determined under section (1)(f)(3) for the calendar year in which the taxable year begins, by substituting '2002' for '1992'.

"(B) ROUNDING.—If any amount as adjusted under subparagraph (A) is not a multiple of $5, such amount shall be rounded to the nearest multiple of $5.

"(d) ELIGIBLE ENTITY.—For purposes of this section, except as provided in regulations, the term 'eligible entity' means a qualified financial institution.

"(e) OTHER DEFINITIONS.—For purposes of this section, any term used in this section and also in the Savings for Working Families Act of 2002 shall have the meaning given such term by such Act.

"(f) DENIAL OF DOUBLE BENEFIT.—

"(1) IN GENERAL.—No deduction or credit (other than under this section) shall be allowed under this chapter with respect to any expense which—

"(A) is taken into account under subsection (c)(1)(A) in determining the credit under this section, or

"(B) is attributable to the maintenance of an Individual Development Account.

"(2) DETERMINATION OF AMOUNT.—Solely for purposes of paragraph (1)(B), the amount attributable to the maintenance of an Individual Development Account shall be deemed to be the dollar amount of the credit allowed under subsection (c)(1)(B) for each taxable year such Individual Development Account is maintained.

"(g) REGULATIONS.—The Secretary may prescribe such regulations as may be necessary or appropriate to carry out this section, including—

"(1) regulations allowing taxpayers other than qualified financial institutions to claim credits under this section, and

"(2) regulations providing for a recapture of the credit allowed under this section (notwithstanding any termination date described in subsection (h)) in cases where there is a forfeiture under section 207(b) of the Savings for Working Families Act of 2002 in a subsequent taxable year of any amount which was taken into account in determining the amount of such credit.

"(h) Application of Section.—

"(1) In general.—This section shall apply to any expenditure made in any taxable year ending after December 31, 2002, and beginning on or before January 1, 2010, with respect to any Individual Development Account which—

"(A) is opened before January 1, 2008, and

"(B) as determined by the Secretary, when added to all previously opened Individual Development Accounts, does not exceed 900,000 Accounts.

Notwithstanding the preceding sentence, this section shall apply to amounts which are described in subsection (c)(1)(A) and which are timely deposited into a parallel account during the 30-day period following the end of last taxable year beginning before January 1, 2010.

"(2) Determination of Limitation.—The limitation on the number of Individual Development Accounts under paragraph (1)(B) shall be allocated by the Secretary among qualified individual development account programs selected by the Secretary.".

(b) Credit Treated as Business Credit.—Section 38(b) of the Internal Revenue Code of 1986 (relating to current year business credit) is amended by striking "plus" at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting ", plus", and by adding at the end the following new paragraph:

"(16) the individual development account investment credit determined under section 45G(a).".

(c) No Carrybacks.—Subsection (d) of section 39 of the Internal Revenue Code of 1986 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

"(11) No carryback of section 45G credit before effective date.—No portion of the unused business credit for any taxable year which is attributable to the individual development account investment credit determined under section 45G may be carried back to a taxable year ending before January 1, 2003.".

(d) Conforming Amendment.—The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 45G. Individual development account investment credit.".

(e) Effective Date.—The amendments made by this section shall apply to taxable years ending after December 31, 2002.

TITLE III—EQUAL TREATMENT FOR NONGOVERNMENTAL PROVIDERS

SEC. 301. NONGOVERNMENTAL ORGANIZATIONS.

(a) General Authority.—For any social service program, a nongovernmental organization that is (or is applying to be) involved in the delivery of social services for the program shall not be required—

(1) to alter or remove art, icons, scripture, or other symbols, or to alter its name, because the symbols or name are religious;

(2) to alter or remove provisions in its chartering documents because the provisions are religious, except that no such charter provisions shall affect the application to a nongovernmental organization of any law that would (notwithstanding this paragraph) apply to the nongovernmental organization; or

(3) to alter or remove religious qualifications for membership on its governing boards.

(b) Prior Experience.—A nongovernmental organization that has not previously been awarded a contract, grant, or cooperative agreement from an agency shall not, for that reason, be disadvantaged in a competition to secure a contract, grant, or cooperative agreement to deliver services under a social service program from the agency administering the program.

(c) Intermediate Grantors.—

(1) In general.—An agency that administers a social service program, and that is authorized to award grants or cooperative agreements to nongovernmental organizations under the program, may award to a nongovernmental organization (referred to in this subsection as an "intermediate grantor") a grant or cooperative agreement, the terms of which authorize the intermediate grantor—

(A) to award contracts or subgrants to nongovernmental providers, to administer and deliver social services for the program; and

(B) to administer the contracts or subgrants.

(2) Responsibilities.—Except for those administrative responsibilities that the intermediate grantor fully performs on behalf of the recipient of such a contract or subgrant, the recipient of the contract or subgrant shall have the same responsibilities with respect to the program as the recipient would have if it were the intermediate grantor.

(3) Rights.—The recipient of a contract or subgrant from an intermediate grantor shall have the same rights under this section as the recipient would have if it were the intermediate grantor.

(d) Compliance.—To enforce the provisions of this section against a Federal agency or official, a nongovernmental organization may bring an action for injunctive relief in an appropriate United States district court. To enforce the provisions of this section against a State or local agency or official, a nongovernmental organization may bring an action for injunctive relief in an appropriate State court of general jurisdiction.

(e) Definitions.—In this section:

(1) Federal financial assistance.—The term "Federal financial assistance" does not include a tax credit, deduction, or exemption.

(2) Social service program.—

(A) In general.—The term "social service program" means a program that—

(i) is administered by the Federal Government, or by a State or local government using Federal financial assistance; and

(ii) provides services directed at helping people in need, reducing poverty, improving outcomes of low-income children, revitalizing low-income communities, and empowering low-income families and low-income individuals to become self-sufficient, including—

(I) child care services, protective services for children and adults, services for children and adults in foster care, adoption services, services related to the management and maintenance of the home, day care services for adults, and services to meet the special needs of children, older individuals, and individuals with disabilities (including physical, mental, or emotional disabilities);

(II) transportation services;

(III) job training and related services, and employment services;

(IV) information, referral, and counseling services;

(V) the preparation and delivery of meals, and services related to soup kitchens or food banks;

(VI) health support services;

(VII) literacy and mentoring programs;

(VIII) services for the prevention and treatment of juvenile delinquency and substance abuse, services for the prevention of crime and the provision of assistance to the victims and the families of criminal offenders, and services related to the intervention in, and prevention of, domestic violence; and

(IX) services related to the provision of assistance for housing under Federal law.

(B) Exclusions.—The term does not include a program having the purpose of delivering educational assistance under the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) or under the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

TITLE IV—EZ PASS RECOGNITION OF SECTION 501(c)(3) STATUS

SEC. 401. EZ PASS RECOGNITION OF SECTION 501(c)(3) STATUS AND WAIVER OF APPLICATION FEE FOR EXEMPT STATUS FOR CERTAIN ORGANIZATIONS PROVIDING SOCIAL SERVICES FOR THE POOR AND NEEDY.

(a) In General.—The Secretary of the Treasury or the Secretary's delegate (in this section, referred to as the "Secretary") shall adopt procedures to expedite the consideration of applications for exempt status under section 501(c)(3) of the Internal Revenue Code of 1986 by any organization that—

(1) is organized and operated for the primary purpose of providing social services;

(2) is seeking a contract or grant under a Federal, State, or local program that provides funding for social services programs;

(3) establishes that, under the terms and conditions of the contract or grant program, an organization is required to obtain such exempt status before the organization is eligible to apply for a contract or grant;

(4) includes with its exemption application a copy of its completed Federal, State, or local contract or grant application; and

(5) meets such other criteria as the Secretary deems appropriate for expedited consideration.

The Secretary may prescribe other similar circumstances in which such organizations may be entitled to expedited consideration.

(b) Waiver of Application Fee for Exempt Status.—Any organization that meets the conditions described in subsection (a) (without regard to paragraph (3) of that subsection) is entitled to a waiver of any fee for an application for exempt status under section 501(c)(3) of the Internal Revenue Code of 1986 if the organization certifies that the organization has had (or expects to have) average annual gross receipts of not more than $50,000 during the preceding 4 years (or during such organization's first 4 years).

(c) Social Services Defined.—For purposes of this section, the term "social services" means services described in subparagraph (A)(ii) of section 301(e)(2) (except as described in subparagraph (B) of that section).

TITLE V—COMPASSION CAPITAL FUND

SEC. 501. SUPPORT FOR NONPROFIT COMMUNITY-BASED ORGANIZATIONS; DEPARTMENT OF HEALTH AND HUMAN SERVICES.

(a) Support for Nongovernmental Organizations.—The Secretary of Health and Human Services (referred to in this section as "the Secretary") may award grants to and enter into cooperative agreements with nongovernmental organizations, to—

(1) provide technical assistance for community-based organizations, which may include—

(A) grant writing and grant management assistance, which may include assistance provided through workshops and other guidance;

(B) legal assistance with incorporation;

(C) legal assistance to obtain tax-exempt status; and

(D) information on, and referrals to, other nongovernmental organizations that provide expertise in accounting, on legal issues, on tax issues, in program development, and on a variety of other organizational topics;

(2) provide information and assistance for community-based organizations on capacity building;

(3) provide for community-based organizations information on and assistance in identifying and using best practices for delivering assistance to persons, families, and communities in need;

(4) provide information on and assistance in utilizing regional intermediary organizations to increase and strengthen the capabilities of nonprofit community-based organizations;

(5) assist community-based organizations in replicating social service programs of demonstrated effectiveness; and

(6) encourage research on the best practices of social service organizations.

(b) SUPPORT FOR STATES.—The Secretary—

(1) may award grants to and enter into cooperative agreements with States and political subdivisions of States to provide seed money to establish State and local offices of faith-based and community initiatives; and

(2) shall provide technical assistance to States and political subdivisions of States in administering the provisions of this Act.

(c) APPLICATIONS.—To be eligible to receive a grant or enter into a cooperative agreement under this section, a nongovernmental organization, State, or political subdivision shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(d) LIMITATION.—In order to widely disburse limited resources, no community-based organization (other than a direct recipient of a grant or cooperative agreement from the Secretary) may receive more than 1 grant or cooperative agreement under this section for the same purpose.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $85,000,000 for fiscal year 2003, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(f) DEFINITION.—In this section, the term "community-based organization" means a nonprofit corporation or association that has—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or

(2) a current annual budget (current as of the date the entity seeks assistance under this section) for the provision of social services, compiled and adopted in good faith, of less than $450,000.

SEC. 502. SUPPORT FOR NONPROFIT COMMUNITY-BASED ORGANIZATIONS; CORPORATION FOR NATIONAL AND COMMUNITY SERVICE.

(a) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—The Corporation for National and Community Service (referred to in this section as "the Corporation") may award grants to and enter into cooperative agreements with nongovernmental organizations and State Commissions on National and Community Service established under section 178 of the National and Community Service Act of 1990 (42 U.S.C. 12638), to—

(1) provide technical assistance for community-based organizations, which may include—

(A) grant writing and grant management assistance, which may include assistance provided through workshops and other guidance;

(B) legal assistance with incorporation;

(C) legal assistance to obtain tax-exempt status; and

(D) information on, and referrals to, other nongovernmental organizations that provide expertise in accounting, on legal issues, on tax issues, in program development, and on a variety of other organizational topics;

(2) provide information and assistance for community-based organizations on capacity building;

(3) provide for community-based organizations information on and assistance in identifying and using best practices for delivering assistance to persons, families, and communities in need;

(4) provide information on and assistance in utilizing regional intermediary organizations to increase and strengthen the capabilities of community-based organizations;

(5) assist community-based organizations in replicating social service programs of demonstrated effectiveness; and

(6) encourage research on the best practices of social service organizations.

(b) APPLICATIONS.—To be eligible to receive a grant or enter into a cooperative agreement under this section, a nongovernmental organization, State Commission, State, or political subdivision shall submit an application to the Corporation at such time, in such manner, and containing such information as the Corporation may require.

(c) LIMITATION.—In order to widely disburse limited resources, no community-based organization (other than a direct recipient of a grant or cooperative agreement from the Secretary) may receive more than 1 grant or cooperative agreement under this section for the same purpose.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $15,000,000 for fiscal year 2003, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(e) DEFINITION.—In this section, the term "community-based organization" means a nonprofit corporation or association that has—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or

(2) a current annual budget (current as of the date the entity seeks assistance under this section) for the provision of social services, compiled and adopted in good faith, of less than $450,000.

SEC. 503. SUPPORT FOR NONPROFIT COMMUNITY-BASED ORGANIZATIONS; DEPARTMENT OF JUSTICE.

(a) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—The Attorney General may award grants to and enter into cooperative agreements with nongovernmental organizations, to—

(1) provide technical assistance for community-based organizations, which may include—

(A) grant writing and grant management assistance, which may include assistance provided through workshops and other guidance;

(B) legal assistance with incorporation;

(C) legal assistance to obtain tax-exempt status; and

(D) information on, and referrals to, other nongovernmental organizations that provide expertise in accounting, on legal issues, on tax issues, in program development, and on a variety of other organizational topics;

(2) provide information and assistance for community-based organizations on capacity building;

(3) provide for community-based organizations information on and assistance in identifying and using best practices for delivering assistance to persons, families, and communities in need;

(4) provide information on and assistance in utilizing regional intermediary organizations to increase and strengthen the capabilities of nonprofit community-based organizations;

(5) assist community-based organizations in replicating social service programs of demonstrated effectiveness; and

(6) encourage research on the best practices of social service organizations.

(b) APPLICATIONS.—To be eligible to receive a grant or enter into a cooperative agreement under this section, a nongovernmental organization, State, or political subdivision shall submit an application to the Attorney General at such time, in such manner, and containing such information as the Attorney General may require.

(c) LIMITATION.—In order to widely disburse limited resources, no community-based organization (other than a direct recipient of a grant or cooperative agreement from the Attorney General) may receive more than 1 grant or cooperative agreement under this section for the same purpose.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $35,000,000 for fiscal year 2003, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(e) DEFINITION.—In this section, the term "community-based organization" means a nonprofit corporation or association that has—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or

(2) a current annual budget (current as of the date the entity seeks assistance under this section) for the provision of social services, compiled and adopted in good faith, of less than $450,000.

SEC. 504. SUPPORT FOR NONPROFIT COMMUNITY-BASED ORGANIZATIONS; DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

(a) SUPPORT FOR NONGOVERNMENTAL ORGANIZATIONS.—The Secretary of Housing and Urban Development (referred to in this section "the Secretary") may award grants to and enter into cooperative agreements with nongovernmental organizations, to—

(1) provide technical assistance for community-based organizations, which may include—

(A) grant writing and grant management assistance, which may include assistance provided through workshops and other guidance;

(B) legal assistance with incorporation;

(C) legal assistance to obtain tax-exempt status; and

(D) information on, and referrals to, other nongovernmental organizations that provide expertise in accounting, on legal issues, on tax issues, in program development, and on a variety of other organizational topics;

(2) provide information and assistance for community-based organizations on capacity building;

(3) provide for community-based organizations information on and assistance in identifying and using best practices for delivering assistance to persons, families, and communities in need;

(4) provide information on and assistance in utilizing regional intermediary organizations to increase and strengthen the capabilities of community-based organizations;

(5) assist community-based organizations in replicating social service programs of demonstrated effectiveness; and

(6) encourage research on the best practices of social service organizations.

(b) Applications.—To be eligible to receive a grant or enter into a cooperative agreement under this section, a nongovernmental organization, State, or political subdivision shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(c) Limitation.—In order to widely disburse limited resources, no community-based organization (other than a direct recipient of a grant or cooperative agreement from the Secretary) may receive more than 1 grant or cooperative agreement under this section for the same purpose.

(d) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section $15,000,000 for fiscal year 2003, and such sums as may be necessary for each of fiscal years 2004 through 2007.

(e) Definition.—In this section, the term "community-based organization" means a nonprofit corporation or association that has—

(1) not more than 6 full-time equivalent employees who are engaged in the provision of social services; or

(2) a current annual budget (current as of the date the entity seeks assistance under this section) for the provision of social services, compiled and adopted in good faith, of less than $450,000.

SEC. 505. COORDINATION.

The Secretary of Health and Human Services, the Corporation for National and Community Service, the Attorney General, and the Secretary of Housing and Urban Development shall coordinate their activities under this title to ensure—

(1) nonduplication of activities under this title; and

(2) an equitable distribution of resources under this title.

TITLE VI—SOCIAL SERVICES BLOCK GRANT

SEC. 601. RESTORATION OF AUTHORITY TO TRANSFER UP TO 10 PERCENT OF TANF FUNDS TO THE SOCIAL SERVICES BLOCK GRANT.

(a) In General.—Section 404(d)(2) of the Social Security Act (42 U.S.C. 604(d)(2)) is amended to read as follows:

"(2) Limitation on amount transferable to title XX programs.—A State may use not more than 10 percent of the amount of any grant made to the State under section 403(a) for a fiscal year to carry out State programs pursuant to title XX.".

(b) Effective Date.—The amendment made by subsection (a) applies to amounts made available for fiscal year 2003 and each fiscal year thereafter.

SEC. 602. RESTORATION OF FUNDS FOR THE SOCIAL SERVICES BLOCK GRANT.

(a) Findings.—Congress makes the following findings:

(1) On August 22, 1996, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2105) was signed into law.

(2) In enacting that law, Congress authorized $2,800,000,000 for fiscal year 2003 and each fiscal year thereafter to carry out the Social Services Block Grant program established under title XX of the Social Security Act (42 U.S.C. 1397 et seq.).

(b) Restoration of Funds.—Section 2003(c) of the Social Security Act (42 U.S.C. 1397b(c)) is amended—

(1) in paragraph (10), by striking "and" at the end;

(2) in paragraph (11), by striking " and each fiscal year thereafter." and inserting a semicolon; and

(3) by adding at the end the following:

"(12) $1,975,000,000 for the fiscal year 2003; and

"(13) $2,800,000,000 for the fiscal year 2004.".

SEC. 603. REQUIREMENT TO SUBMIT ANNUAL REPORT ON STATE ACTIVITIES.

(a) In General.—Section 2006(c) of the Social Security Act (42 U.S.C. 1397e(c)) is amended by adding at the end the following: "The Secretary shall compile the information submitted by the States and submit that information to Congress on an annual basis.".

(b) Effective Date.—The amendment made by subsection (a) applies to information submitted by States under section 2006 of the Social Security Act (42 U.S.C. 1397e) with respect to fiscal year 2002 and each fiscal year thereafter.

TITLE VII—MATERNITY GROUP HOMES

SEC. 701. MATERNITY GROUP HOMES.

(a) Permissible Use of Funds.—Section 322 of the Runaway and Homeless Youth Act (42 U.S.C. 5714-2) is amended—

(1) in subsection (a)(1), by inserting "(including maternity group homes)" after "group homes"; and

(2) by adding at the end the following:

"(c) Maternity Group Home.—In this part, the term 'maternity group home' means a community-based, adult-supervised group home that provides young mothers and their children with a supportive and supervised living arrangement in which such mothers are required to learn parenting skills, including child development, family budgeting, health and nutrition, and other skills to promote their long-term economic independence and the well-being of their children.".

(b) Contract for Evaluation.—Part B of the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.) is amended by adding at the end the following:

"SEC. 323. CONTRACT FOR EVALUATION.

"(a) In General.—The Secretary shall enter into a contract with a public or private entity for an evaluation of the maternity group homes that are supported by grant funds under this Act.

"(b) Information.—The evaluation described in subsection (a) shall include the collection of information about the relevant characteristics of individuals who benefit from maternity group homes such as those that are supported by grant funds under this Act and what services provided by those maternity group homes are most beneficial to such individuals.

"(c) Report.—Not later than 2 years after the date on which the Secretary enters into a contract for an evaluation under subsection (a), and biennially thereafter, the entity conducting the evaluation under this section shall submit to Congress a report on the status, activities, and accomplishments of maternity group homes that are supported by grant funds under this Act.".

(c) Authorization of Appropriations.—Section 388 of the Runaway and Homeless Youth Act (42 U.S.C. 5751) is amended—

(1) in subsection(a)(1)—

(A) by striking "There" and inserting the following:

"(A) In general.—There";

(B) in subparagraph (A), as redesignated, by inserting "and the purpose described in subparagraph (B)" after "other than part E"; and

(C) by adding at the end the following:

"(B) Maternity group homes.—There is authorized to be appropriated, for maternity group homes eligible for assistance under section 322(a)(1)—

"(i) $33,000,000 for fiscal year 2003; and

"(ii) such sums as may be necessary for fiscal year 2004."; and

(2) in subsection (a)(2)(A), by striking "paragraph (1)" and inserting "paragraph (1)(A)".

The Charity Aid, Recovery and Empowerment, ("CARE") Act of 2002—Section-by-Section Summary

OVERVIEW

The Lieberman-Santorum CARE Act aims to tap into America's renewed spirit of unity, community and responsibility in the wake of September 11th to better respond to pressing social problems and ultimately help more people in need. To do so, it would leverage new support and resources for a broad range of community and faith-based groups—including those that are already working cooperatively with government to provide critical services and improve people's lives, and those who want to become part of that partnership.

This diverse universe of charitable organizations—which proved once again after the terrorist attacks how effective they are in meeting real human needs—is uniquely American and forms the backbone of our civil society. The CARE Act would strengthen that backbone through a broad array of tools and strategies—(1) tax incentives to spur more private charitable giving; (2) innovative programs to promote savings and economic self-sufficiency for low-income families; (3) technical assistance to help smaller social services providers do more good works; (4) narrowly-targeted efforts to remove unfair barriers facing faith-based groups in competing fairly for federal aid; and (5) additional federal funding for essential social service programs.

TITLE I: CHARITABLE GIVING INCENTIVES

This section offers a series of targeted tax incentives to spur additional charitable giving and thereby bring increased resources to organizations helping those in need. Among other things, these provisions would:

Create a charitable tax deduction of up to $400 for individual taxpayers and $800 for couples who do not itemize on their tax returns;

Allow IRA holders to make charitable contributions from their accounts;

Provide an enhanced deduction for donations of food and books to charitable organizations;

Reduce and simplify the excise tax on foundations from 2 percent to 1 percent to encourage greater social investments;

Raise the contributions cap for subchapter C corporations and expand incentives for S corporations to increase corporate charitable giving; and

Modify the unrelated business income tax for charitable remainder trusts.

These provisions are designed to respond to the immediate challenges facing charities in the wake of the September 11th attacks and the weakened economy, which have put a significant drain on resources. These provisions, which are effective through 2003, have not been officially scored by the Joint Tax Committee, but are estimated to cost between $8 billion and $10 billion.

TITLE II: INDIVIDUAL DEVELOPMENT ACCOUNTS

This section encompasses the bipartisan legislation that Senators Lieberman and Santorum have introduced to expand the use of Individual Development Accounts (IDAs) to encourage low-income working families to save and build assets. IDAs are special savings accounts that offer matching contributions from the sponsoring bank or community organization, on the condition that the proceeds go to buying a home, starting or expanding a small business, or to pay for post-secondary education—the assets necessary to provide stability and self-sufficiency.

Initial IDA demonstrations around the country have proven successful in changing the lives of account holders and reducing their dependency on governmental and other social services. The CARE Act aims to build on these successes and increase the availability of IDAs, by significantly reducing the cost for banks and community organizations to offer these innovative accounts. Specifically, it would provide a dollar-for-dollar tax credit to offset the matching contributions up to $500 per account. This incentive, which is estimated to cost $1.7 billion over the next 10 years, could help create as many as 900,000 new accounts over that time.

TITLE III: EQUAL TREATMENT FOR NON-GOVERNMENTAL PROVIDERS

This section addresses a recurring complaint of small faith-based organizations—that certain government agencies have refused to consider grant applicants with religious names or those who use facilities containing religious art or icons—with a narrowly-tailored solution. Specifically, it states that an applicant may not be disqualified from competing for government grants and contracts simply because the applicant imposes religious criteria for membership on its governing board, because the applicant's chartering provisions contain religious language, because the applicant has a religious name, or because the applicant uses facilities containing religious art, icons scriptures or other symbols. These provisions do not relieve any applicant from meeting all other grant criteria or address the issues of preemption or civil rights laws.

This section also addresses another problem many smaller community and faith-based grassroots organizations face in obtaining federal funding. These organizations often do not have the capacity or resources to seek and administer a government grant or contract, even though they may be best positioned to deliver the services. To help them overcome this hurdle, this section authorizes government agencies to give grants or enter into cooperative agreements with larger and more experienced organizations, who then will be authorized to award subcontracts or subgrants to smaller grassroots organizations, with whom they will work to administer the grant.

TITLE IV: 501(C)(3) EZ PASS

This section would make it easier for many charitable groups to obtain a 501(c)(3) designation, and thereby make it easier to qualify for Federal grants and contracts. 501(c)(3) status confirms that an organization is a tax-exempt charity, eligible to receive tax-exempt donations. Although any group that applies for that status can hold itself out as a 501(c)(3) once it sends the IRS its application, a number of government programs won't consider applications from any group that hasn't yet received approval of its application from the IRS—a process that sometimes can take several months.

To help facilitate that process, the bill requires the IRS to expedite the 501(c)(3) application of any group that needs that status to apply for a government grant or contract. And, in a effort to help the smallest of these groups, it requires the IRS to waive the application fee for groups whose annual revenues don't exceed $50,000.

TITLE V: COMPASSION CAPITAL FUND

To help small community and faith-based organizations better partner with the government and serve communities in need, the bill creates a Compassion Capital Fund and authorizes four agencies to distribute its resources. HHS, DOJ, HUD and the Corporation for National and Community Service will collectively have over $150 million to offer technical assistance to community-based organizations for activities such as writing and managing grants, assistance in incorporating and gaining tax-exempt status, information on capacity building and help researching and replicating model social service programs.

TITLE VI: SOCIAL SERVICES BLOCK GRANT

This section would increase Federal funding for the Social Services Block Grant (SSBG), which most charitable organizations agree is a critically important and effective program for meeting the needs of disadvantaged communities and families. SSBG provides flexible funds to states for such vital programs as Meals on Wheels, child and elderly protective services, and support services for the disabled. Over the last five years, however, the program has seen its funding reduced by more than $1 billion.

The bill aims to restore funding for SSBG over the next two years to its authorized level as dictated in the 1996 welfare reform law. It would first increase the funding level to $1.975 billion for fiscal year 2003; the program is currently funded at $1.7 billion. It would then raise the funding level to its full authorized level—$2.8 billion—for fiscal year 2004. This would represent an increase of $275 million for the coming fiscal year, and more than $800 million for the following year.

TITLE VII: MATERNITY GROUP HOMES

This section is designed to advance one of the key goals of welfare reform—helping teenage mothers achieve self-sufficiency—by strengthening federal support for locally-run maternity group home programs. The 1996 welfare reform law requires that minors live at home under adult supervision or in one of these maternity group homes in order to receive benefits. Teenagers who are provided the opportunity to live in these homes are more likely to continue their education or receive job training, less likely to have a second teenage pregnancy, and more likely to find gainful employment that allows them to leave welfare. To help give more teenage mothers this kind of opportunity, the bill creates a separate funding stream for maternity group home programs and authorizes $33 million in additional funding.

By Mr. KERRY (for himself, Mr. KENNEDY, and Mr. GREGG):

S. 1925. A bill to establish the Freedom's Way National Heritage Area in the States of Massachusetts and New Hampshire, and for other purposes; to the Committee on Energy and Natural Resources.

• Mr. KERRY. Mr. President, I rise to introduce legislation to establish the Freedom's Way National Heritage Area in New Hampshire and Massachusetts. The bill is cosponsored by Senator KENNEDY and Senator GREGG.

The bill proposes to establish a national heritage area including 36 communities in Massachusetts and six communities in New Hampshire. The area has important cultural and natural legacies that are important to New England and the entire Nation. I want to highlight just a few of the reasons I believe this designation makes sense.

The Freedom's Way is an ideal candidate because it is rich in historic sites, trails, landscapes and views. The land and the area's resources are pieces of American history and culture. The entire region, and especially places like Lexington and Concord, is important to our country's founding and our political and philosophical principles. Within the 42 communities are truly special places. These include the Minuteman National Historic Park, more than 40 National Register Districts and National Historic Landmarks, the Great Meadows National Wildlife Refuge, Walden Pond State Reservation, Gardener State Park, Harvard Shaker Village and the Shirley Shaker Village.

In addition, there is strong grassroots support for this designation. The people of these communities organized themselves in this effort and have now turned to us for assistance. I hope we can provide it. Supporters include elected officials, people dedicated to preserving a small piece of American and New England history, and local business leaders. It is an honor to help their cause.

Finally, I am very pleased that Senators from both Massachusetts and New Hampshire have embraced this proposal. I thank Senators KENNEDY and GREGG.•

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 206—DESIGNATING THE WEEK OF MARCH 17 THROUGH MARCH 23, 2002 AS "NATIONAL INHALANTS AND POISON PREVENTION WEEK"

Mr. MURKOWSKI submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 206

Whereas according to the National Institute on Drug Abuse, inhalant use ranks third in popularity behind use of alcohol and tobacco for all youths through the eighth grade;

Whereas the over 1,000 products that are being inhaled to get high are legal, inexpensive, and found in nearly every home and corner market;

Whereas using inhalants even once to get high can lead to kidney failure, brain damage, or even death;

Whereas inhalants are considered a gateway drug, 1 that leads to the use of harder, more deadly drugs; and

Whereas because inhalant use is difficult to detect, the products used are accessible and affordable, and abuse is so common, increased education of young people and their parents regarding the dangers of inhalants is an important step in our Nation's battle against drug abuse: Now, therefore, be it

Resolved, That the Senate—

(1) designates the week of March 17 through March 23, 2002, as "National Inhalants and Poison Prevention Week";

(2) encourages parents to learn about the dangers of inhalant abuse and discuss those dangers with their children; and

(3) requests that the President issue a proclamation calling upon the people of the United States to observe the week with appropriate activities.

Mr. MURKOWSKI. Mr. President, today I rise to submit a resolution to designate March 17 to March 23, 2002 as "National Inhalants and Poison Prevention Week."

What exactly are inhalants? Inhalants are the intentional breathing of gas or vapors for the purpose of reaching a high. Over 1,400 common products can be abused—such as lighter fluid, pressurized whipped cream, hair spray, and gasoline, the abused product of choice in rural Alaska. These products are inexpensive, easily obtained and legal. An inhalant abuse counselor told me, "If if smells like a chemical, it can be abused." It's a "silent epidemic" because few adults really appreciate the severity of the problem. One in five students has tried inhalants by the time they reach the eight grade. The use of inhalants by children has nearly doubled in the last 10 years. Further, inhalants are the third most abused substances among teenagers, behind alcohol and tobacco.

These are facts that should trouble every parent, and every American. Inhalants are deadly. Inhalant vapors react with fatty tissues in the brain, literally dissolving them. One time use of inhalants can cause instant and permanent brain, heart, kidney, liver or other organ damage. The user can also suffer from instant heart failure-known as "Sudden Sniffing Death Syndrome", this means an abuser can die the first, tenth or hundredth time he or she uses an inhalant. In fact, according to a recent study by the Alaska Native Health Consortium, inhaling has a higher risk of "instant death" than any other abused substance.

That's what happened to Theresa, an 18-year-old who lived in rural Western Alaska. Theresa was inhaling gasoline, shortly thereafter her heart stopped. She was found alone and outside in near zero degree temperatures. Theresa, who was the youngest of five children and just a month shy of graduation, was flown to Fairbanks Memorial Hospital where she was pronounced dead on arrival.

To help combat this, the Yukon-Kuskokwim Health Corporation opened Alaska's first inhalant treatment center last year. It is my hope that someday our treatment facility will only have empty beds. But, if this dream is to be realized, we must stop the abuse before the kids have to go into treatment. My experience has been that prevention through education is the key. As such awareness must be promoted among young people, parents and educators. I hope that a national week of awareness will encourage programs throughout the country, alerting parents and children to the dangers of inhalants.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2836. Mr. CONRAD (for himself and Mr. Crapo) proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

SA 2837. Mr. HARKIN (for Mr. Grassley (for himself and Mr. Harkin)) proposed an amendment to amendment SA 2835 submitted by Mr. Craig and intended to be proposed to the amendment SA 2471 proposed by Mr. Daschle to the bill (S. 1731) supra.

SA 2838. Mr. REID proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) supra.

SA 2839. Mr. BAUCUS proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) supra.

SA 2840. Mr. REID (for Mr. Jeffords) proposed an amendment to the bill S. 1206, to reauthorize the Appalachian Regional Development Act of 1965, and for other purposes.

SA 2841. Mr. KERRY (for himself and Mr. Hollings) submitted an amendment intended to be proposed by him to the bill S. 1926, to improve passenger automobile fuel economy and safety, reduce greenhouse gas emissions, reduce dependence on foreign oil, and for other purposes; which was referred to the Committee on Commerce, Science, and Transportation.

SA 2842. Mr. REID proposed an amendment to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

TEXT OF AMENDMENTS

SA 2836. Mr. CONRAD (for himself and Mr. Crapo) proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Beginning on page 86, strike line 22 and all that follows through page 87, line 21, and insert the following:

(2) by striking subparagraph (B) and inserting the following:

"(B) Beet sugar.—

"(i) In general.—Except as otherwise provided in this subparagraph and sections 359c(g), 359e(b), and 359f(b), the Secretary shall make allocations for beet sugar among beet sugar processors for each crop year that allotments are in effect on the basis of the adjusted weighted average quantity of beet sugar produced by the processors for each of the 1998 through 2000 crop years, as determined under this subparagraph.

"(ii) Quantity.—The quantity of an allocation made for a beet sugar processor for a crop year under clause (i) shall bear the same ratio to the quantity of allocations made for all beet sugar processors for the crop year as the adjusted weighted average quantity of beet sugar produced by the processor (as determined under clauses (iii) and (iv)) bears to the total of the adjusted weighted average quantities of beet sugar produced by all processors (as so determined).

"(iii) Weighted average quantity.—Subject to clause (iv), the weighted quantity of beet sugar produced by a beet sugar processor during each of the 1998 through 2000 crop years shall be (as determined by the Secretary)—

"(I) in the case of the 1998 crop year, 25 percent of the quantity of beet sugar produced by the processor during the crop year;

"(II) in the case of the 1999 crop year, 35 percent of the quantity of beet sugar produced by the processor during the crop year; and

"(III) in the case of the 2000 crop year, 40 percent of the quantity of beet sugar produced by the processor (including any quantity of sugar received from the Commodity Credit Corporation) during the crop year.

"(iv) Adjustments.—

"(I) In general.—The Secretary shall adjust the weighted average quantity of beet sugar produced by a beet sugar processor during the 1998 through 2000 crop years under clause (iii) if the Secretary determines that, during any such crop year, the processor—

"(aa) opened or closed a sugar beet processing factory;

"(bb) constructed a molasses desugarization facility; or

"(cc) suffered substantial quality losses on sugar beets stored during any such crop year.

"(II) Quantity.—The quantity of beet sugar produced by a beet sugar processor under clause (iii) shall be—

"(aa) in the case of a processor that opened a sugar beet processing factory, increased by 1.25 percent of the total of the adjusted weighted average quantities of beet sugar produced by all processors during the 1998 through 2000 crop years (without consideration of any adjustment under this clause) for each sugar beet processing factory that is opened by the processor;

"(bb) in the case of a processor that closed a sugar beet processing factory, decreased by 1.25 percent of the total of the adjusted weighted average quantities of beet sugar produced by all processors during the 1998 through 2000 crop years (without consideration of any adjustment under this clause) for each sugar beet processing factory that is closed by the processor;

"(cc) in the case of a processor that constructed a molasses desugarization facility, increased by 0.25 percent of the total of the adjusted weighted average quantities of beet sugar produced by all processors during the 1998 through 2000 crop years (without consideration of any adjustment under this clause) for each molasses desugarization facility that is constructed by the processor; and

"(dd) in the case of a processor that suffered substantial quality losses on stored sugar beets, increased by 1.25 percent of the total of the adjusted weighted average quantities of beet sugar produced by all processors during the 1998 through 2000 crop years (without consideration of any adjustment under this clause).

"(v) Permanent termination of operations of a processor.—If a processor of beet sugar has been dissolved, liquidated in a bankruptcy proceeding, or otherwise has permanently terminated operations (other than in conjunction with a sale or other disposition of the processor or the assets of the processor), the Secretary shall—

"(I) eliminate the allocation of the processor provided under this section; and

"(II) distribute the allocation to other beet sugar processors on a pro rata basis.

"(vi) Sale of all assets of a processor to another processor.—If a processor of beet sugar (or all of the assets of the processor) is sold to another processor of beet sugar, the Secretary shall transfer the allocation of the seller to the buyer unless the allocation has been distributed to other sugar beet processors under clause (v).

"(vii) Sale of factories of a processor to another processor.—

"(I) In general.—Subject to clauses (v) and (vi), if 1 or more factories of a processor of beet sugar (but not all of the assets of the processor) are sold to another processor of beet sugar during a fiscal year, the Secretary shall assign a pro rata portion of the allocation of the seller to the allocation of the buyer to reflect the historical contribution of the production of the sold factory or factories to the total allocation of the seller.

"(II) Application of allocation.—The assignment of the allocation under subclause (I) shall apply—

"(aa) during the remainder of the fiscal year during which the sale described in subclause (I) occurs (referred to in this clause as the 'initial fiscal year'); and

"(bb) each subsequent fiscal year (referred in this clause as a 'subsequent fiseal year'), subject to subclause (III).

"(III) Subsequent fiscal years.—

"(aa) In general.—The assignment of the allocation under subclause (I) shall apply during each subsequent fiscal year unless the acquired factory or factories continue in operation for less than the initial fiscal year and the first subsequent fiscal year.

"(bb) Reassignment.—If the acquired factory or factories do not continue in operation for the complete initial fiscal year and the first subsequent fiscal year, the Secretary shall reassign the temporary allocation to other processors of beet sugar on a pro rata basis.

"(IV) Use of other factories to fill allocation.—If the transferred allocation to the buyer for the purchased factory or factories cannot be filled by the production by the purchased factory or factories for the initial fiscal year or a subsequent fiscal year, the remainder of the transferred allocation may be filled by beet sugar produced by the buyer from other factories of the buyer.

"(viii) New entrants starting production or reopening factories.—If an individual or entity that does not have an allocation of beet sugar under this part (referred to in this subparagraph as a 'new entrant') starts processing sugar beets after the date of enactment of this clause, or acquires and reopens a factory that produced beet sugar during the period of the 1998 through 2000 crop years that (at the time of acquisition) has no allocation associated with the factory under this part, the Secretary shall—

"(I) assign an allocation for beet sugar to the new entrant that provides a fair and equitable distribution of the allocations for beet sugar; and

"(II) reduce the allocations for beet sugar of all other processors on a pro rata basis to reflect the new allocation.

"(ix) New entrants acquiring ongoing factories with production history.—If a new entrant acquires a factory that has production history during the period of the 1998 through 2000 crop years and that is producing beet sugar at the time the allocations are made from a processor that has an allocation of beet sugar, the Secretary shall transfer a portion of the allocation of the seller to the new entrant to reflect the historical contribution of the production of the sold factory to the total allocation of the seller.".

SA 2837. Mr. HARKIN (for Mr. Grassley (for himself and Mr. Harkin) proposed an amendment to amendment SA 2835 submitted by Mr. Craig and intended to be proposed to the amendment SA 2471 proposed by Mr. Daschle to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Strike all after "**SEC.**" and insert the following:

10 1. PROHIBITION ON PACKERS OWNING, FEEDING, OR CONTROLLING LIVESTOCK.

(a) In General.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192(f)) (as amended by section 1021(a)), is amended by striking subsection (f) and inserting the following:

"(f) Own or feed livestock directly, through a subsidiary, or through an arrangement that gives the packer operational, managerial, or supervisory control over the livestock, or over the farming operation that produces the livestock, to such an extent that the producer is no longer materially participating in the management of the operation with respect to the production of the livestock, except that this subsection shall not apply to—

"(1) an arrangement entered into within 14 days before slaughter of the livestock by a packer, a person acting through the packer, or a person that directly or indirectly controls, or is controlled by or under common control with, the packer;

"(2) a cooperative or entity owned by a cooperative, if a majority of the ownership interest in the cooperative is held by active cooperative members that—

"(A) own, feed, or control livestock; and

"(B) provide the livestock to the cooperative for slaughter; or

"(3) a packer that is owned or controlled by producers of a type of livestock, if during a calendar year the packer slaughters less than 2 percent of the head of that type of livestock slaughtered in the United States; or".

(b) Effective Date.—

(1) In general.—Subject to paragraph (2), the amendments made by subsection (a) take effect on the date of enactment of this Act.

(2) Transition rules.—In the case of a packer that on the date of enactment of this Act owns, feeds, or controls livestock intended for slaughter in violation of section 202(f) of the Packers and Stockyards Act, 1921 (as amended by subsection (a)), the amendments made by subsection (a) apply to the packer—

(A) in the case of a packer of swine, beginning on the date that is 18 months after the date of enactment of this Act; and

(B) in the case of a packer of any other type of livestock, beginning as soon as practicable, but not later than 180 days, after the date of enactment of this Act, as determined by the Secretary of Agriculture.

SA 2838. Mr. REID proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Beginning on page 205, strike line 11 and all that follows through page 258, line 19, and insert the following:

"40,000,000".

(d) Duration of Contracts; Hardwood Trees.—Section 1231(e)(2) of the Food Security Act of 1985 (16 U.S.C. 3831(e)(2)) is amended—

(1) by striking "In the" and inserting the following:

"(A) In general.—In the";

(2) by striking "The Secretary" and inserting the following:

"(B) Existing hardwood tree contracts.—The Secretary"; and

"(3) by adding at the end the following:

"(C) Extension of hardwood tree contracts.—

"(i) In general.—In the case of land devoted to hardwood trees under a contract entered into under this subchapter before the date of enactment of this subparagraph, the Secretary may extend the contract for a term of not more than 15 years.

"(ii) Rental payments.—The amount of a rental payment for a contract extended under clause (i)—

"(I) shall be determined by the Secretary; but

"(II) shall not exceed 50 percent of the rental payment that was applicable to the contract before the contract was extended.".

(e) Pilot Program for Enrollment of Wetland and Buffer Acreage in Conservation Reserve.—Section 1231(h) of the Food Security Act of 1985 (16 U.S.C. 3831(h)) is amended—

(1) in the subsection heading, by striking "Pilot";

(2) in paragraph (1), by striking "During the 2001 and 2002 calendar years, the Secretary shall carry out a pilot program" and inserting "During the 2002 through 2006 calendar years, the Secretary shall carry out a program";

(3) in paragraph (2), by striking "pilot"; and

(4) in paragraph (3)(D)(i), by striking "5 contiguous acres." and inserting "10 contiguous acres, of which—

"(I) not more than 5 acres shall be eligible for payment; and

"(II) all acres (including acres that are ineligible for payment) shall be covered by the conservation contract.".

(f) Irrigated Land.—Section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) is amended by adding at the end the following:

"(i) Irrigated Land.—Irrigated land shall be enrolled in the programs described in subsection (b)(6) at irrigated land rates unless the Secretary determines that other compensation is appropriate.".

(g) Additional Water Conservation Acreage Under Conservation Reserve Enhancement Program.—Section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) (as amended by subsection (f)) is amended by adding at the end the following:

"(j) Additional Water Conservation Acreage Under Conservation Reserve Enhancement Program.—

"(1) Definitions.—In this subsection:

"(A) Eligible entity.—The term 'eligible entity' means—

"(i) an owner or operator of agricultural land;

"(ii) a person or entity that holds water rights in accordance with State law; and

"(iii) any other landowner.

"(B) Program.—The term 'program' means the conservation reserve enhancement program announced on May 27, 1998 (63 Fed. Reg. 28965).

"(2) Protection of private property rights.—

"(A) Willing sellers and lessors.—An agreement may be executed under this subsection only if each eligible entity that is a party to the agreement is a willing seller or willing lessor.

"(B) Property rights.—Nothing in this subsection authorizes the Federal Government or any State government to condemn private property.

"(3) Enrollment.—In addition to the acreage authorized to be enrolled under subsection (d), in carrying out the program, the Secretary shall enroll not more than 500,000 acres in eligible States to promote water conservation.

"(4) Eligible states.—To be eligible to participate in the program, a State—

"(A) shall submit to the Secretary, for review and approval, a proposal that meets the requirements of the program; and

"(B) shall—

"(i) have established a program to protect in-stream flows; and

"(ii) agree to hold water rights leased or purchased under a proposal submitted under subparagraph (A).

"(5) Eligible acreage.—An eligible entity may enroll in the program land that is adjacent to a watercourse or lake, or land that would contribute to the restoration of a watercourse or lake (as determined by the Secretary), if—

"(A)(i) the land can be restored as a wetland, grassland, or other habitat, as determined by the Secretary; and

"(ii) the restoration would significantly improve riparian functions; or

"(B) water or water rights appurtenant to the land are leased or sold to an appropriate State agency or State-designated water trust, as determined by the Secretary.

"(6) Relationship to other enrolled acreage.—For any fiscal year, acreage enrolled under this subsection shall not affect the quantity of—

"(A) acreage enrolled to establish conservation buffers as part of the program announced on March 24, 1998 (63 Fed. Reg. 14109); or

"(B) acreage enrolled in the program before the date of enactment of this subsection.

"(7) Duties of eligible entities.—Under a contract entered into with respect to enrolled land under the program, during the term of the contract, an eligible entity shall agree—

"(A)(i) to restore the hydrology of the enrolled land to the maximum extent practicable, as determined by the Secretary; and

"(ii) to establish on the enrolled land wetland, grassland, vegetative cover, or other habitat, as determined by the Secretary; or

"(B) to transfer to the State, or a designee of the State, water rights appurtenant to the enrolled land.

"(8) Rental rates.—

"(A) Irrigated land.—With respect to irrigated land enrolled in the program, the rental rate shall be established by the Secretary, acting through the Deputy Administrator for Farm Programs—

"(i) on a watershed basis;

"(ii) using data available as of the date on which the rental rate is established; and

"(iii) at a level sufficient to ensure, to the maximum extent practicable, that the eligible entity is fairly compensated for the irrigated land value of the enrolled land.

"(B) Nonirrigated land.—With respect to nonirrigated land enrolled in the program, the rental rate shall be calculated by the Secretary, in accordance with the conservation reserve program manual of the Department that is in effect as of the date on which the rental rate is calculated.

"(C) Applicability.—An eligible entity that enters into a contract to enroll land into the program shall receive, in exchange for the enrollment, payments that are based on—

"(i) the irrigated rental rate described in subparagraph (A), if the owner or operator agrees to enter into an agreement with the State and approved by the Secretary under which the State leases, for in-stream flow purposes, surface water appurtenant to the enrolled land; or

"(ii) the nonirrigated rental rate described in subparagraph (B), if an owner or operator does not enter into an agreement described in clause (i).

"(9) Priority.—In carrying out this subsection, the Secretary shall give priority consideration to any State proposal that—

"(A) provides a State share of 20 percent or more of the cost of the proposal; and

"(B) significantly advances the goals of Federal, State, tribal, and local fish, wildlife, and plant conservation plans, including—

"(i) plans that address—

"(I) multiple endangered species or threatened species (as defined in section 3 of the Endangered Species Act of 1973 (16 U.S.C. 1532)); or

"(II) species that may become threatened or endangered if conservation measures are not carried out;

"(ii) agreements entered into, or conservation plans submitted, under section 6 or 10(a)(2)(A), respectively, of the Endangered Species Act of 1973 (16 U.S.C. 1535, 1539(a)(2)(A)); or

"(iii) plans that provide benefits to the fish, wildlife, or plants located in 1 or more—

"(I) refuges within the National Wildlife Refuge System; or

"(II) State wildlife management areas.

"(10) Consultation.—In carrying out this subsection, the Secretary shall consult with—

"(A) the Secretary of the Interior; and

"(B) affected Indian tribes.

"(11) State water law.—Nothing in this subsection—

"(A) preempts any State water law;

"(B) affects any litigation concerning the entitlement to, or lack of entitlement to, water that is pending as of the date of enactment of this subsection;

"(C) expands, alters, or otherwise affects the existence or scope of any water right of any individual (except to the extent that the individual agrees otherwise under the program); or

"(D) authorizes or entitles the Federal Government to hold or purchase any water right.

"(12) California water law.—

"(A) In general.—Nothing in this subsection authorizes the Secretary to enter into an agreement, in accordance with this subchapter, with a landowner for water obtained from an irrigation district, water district, or other similar governmental entity in the State of California.

"(B) Treatment of California districts.—An irrigation district, water district, or similar governmental entity in the State of California—

"(i) shall be considered an eligible entity for purposes of this subchapter; and

"(ii) may develop a program under this subchapter.

"(C) District programs.—All landowners participating in a program under this subchapter that is sponsored by a district or entity described in subparagraph (B) shall be willing participants in the program.

"(13) Groundwater.—A right to groundwater shall not be subject to any provision of this subsection unless the right is granted—

"(A) under applicable State law; and

"(B) through a groundwater water rights process that is fully integrated with the surface water rights process of the applicable affected State.".

(h) Vegetative Cover; Haying and Grazing; Wind Turbines.—Section 1232(a) of the Food Security Act of 1985 (16 U.S.C. 3832(a)) is amended—

(1) in paragraph (4)—

(A) in subparagraph (A), by striking "and" at the end;

(B) in subparagraph (B), by inserting "and" after the semicolon at the end; and

(C) by adding at the end the following:

"(C) in the case of marginal pasture land, an owner or operator shall not be required to plant trees if the land is to be restored—

"(i) as wetland; or

"(ii) with appropriate native riparian vegetation;";

(2) in paragraph (7)—

(A) by striking "except that the Secretary—" and inserting "except that—";

(B) in subparagraph (A)—

(i) by striking "(A) may" and inserting "(A) the Secretary may"; and

(ii) by striking "and" at the end;

(C) in subparagraph (B)—

(i) by striking "(B) shall" and inserting "(B) the Secretary shall"; and

(ii) by striking the period at the end and inserting a semicolon;

(D) in subparagraph (C), by striking the period at the end and inserting "; and"; and

(E) by adding at the end the following:

"(D) for maintenance purposes, the Secretary may permit harvesting or grazing or other commercial uses of forage, in a manner that is consistent with the purposes of this subchapter and a conservation plan approved by the Secretary, on acres enrolled—

"(i) to establish conservation buffers as part of the program described in a notice issued on March 24, 1998 (63 Fed. Reg. 14109) or a successor program; and

"(ii) into the conservation reserve enhancement program described in a notice issued on May 27, 1998 (63 Fed. Reg. 28965) or a successor program.";

(3) in paragraph (9), by striking "and" at the end;

(4) by redesignating paragraph (10) as paragraph (11); and

(5) by inserting after paragraph (9) the following:

"(10) with respect to any contract entered into after the date of enactment of the Agriculture, Conservation, and Rural Enhancement Act of 2001—

"(A) not to produce a crop for the duration of the contract on any other highly erodible land that the owner or operator owns unless the highly erodible land—

"(i) has a history of being used to produce a crop other than a forage crop, as determined by the Secretary; or

"(ii) is being used as a homestead or building site at the time of purchase; and

"(B) on a violation of a contract described in subparagraph (A), to be subject to the requirements of paragraph (5); and".

(i) Wind Turbines.—Section 1232 of the Food Security Act of 1985 (8906 U.S.C. 3832) is amended by adding at the end the following:

"(f) Wind Turbines.—

"(1) In general.—Subject to paragraph (2), the Secretary may permit an owner or operator of land that is enrolled in the conservation reserve program, but that is not enrolled under continuous signup (as described in section 1231(b)(6)), to install wind turbines on the land.

"(2) Number; location.—The Secretary shall determine the number and location of wind turbines that may be installed on a tract of land under paragraph (1), taking into account—

"(A) the location, size, and other physical characteristics of the land;

"(B) the extent to which the land contains wildlife and wildlife habitat; and

"(C) the purposes of the conservation reserve program.

"(3) Payment limitation.—Notwithstanding the amount of a rental payment limited by section 1234(c)(2) and specified in a contract entered into under this chapter, the Secretary shall reduce the amount of the rental payment paid to an owner or operator of land on which 1 or more wind turbines are installed under this subsection by an amount determined by the Secretary to be commensurate with the value of the reduction of benefit gained by enrollment of the land in the conservation reserve program.".

(j) Additional Eligible Practices.—Section 1234 of the Food Security Act of 1985 (16 U.S.C. 3834) is amended by adding at the end the following:

"(i) Payments.—

"(1) In general.—Subject to paragraph (2), the Secretary shall provide signing and practice incentive payments under the conservation reserve program to owners and operators that implement a practice under—

"(A) the program to establish conservation buffers described in a notice issued on March 24, 1998 (63 Fed. Reg. 14109) or a successor program; or

"(B) the conservation reserve enhancement program described in a notice issued on May 27, 1998 (63 Fed. Reg. 28965) or a successor program.

"(2) Other practices.—The Secretary shall administer paragraph (1) in a manner that does not reduce the amount of payments made by the Secretary for other practices under the conservation reserve program.".

(k) Payments.—Section 1239C(f) of the Food Security Act of 1985 (16 U.S.C. 3839c(f)) is amended by adding at the end the following:

"(5) Exception.—Paragraph (1) shall not apply to any land enrolled in—

"(A) the program to establish conservation buffers described in a notice issued on March 24, 1998 (63 Fed. Reg. 14109) or a successor program; or

"(B) the conservation reserve enhancement program described in a notice issued on May 27, 1998 (63 Fed. Reg. 28965) or a successor program.".

(l) County Participation.—Section 1243(b)(1) of the Food Security Act of 1985 (16 U.S.C. 3843(b)(1)) is amended by striking "The Secretary" and inserting "Except for land enrolled under continuous signup (as described in section 1231(b)(6)), the Secretary".

(m) Study on Economic Effects.—Not later than 270 days after the date of enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the economic effects on rural communities resulting from the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.).

SEC. 213. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

(a) In General.—Chapter 4 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) is amended to read as follows:

"SEC. 1240. PURPOSES.

"The purposes of the environmental quality incentives program established by this chapter are to promote agricultural production and environmental quality as compatible national goals, and to maximize environmental benefits per dollar expended, by—

"(1) assisting producers in complying with—

"(A) this title;

"(B) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

"(C) the Safe Drinking Water Act (42 U.S.C. 300f et seq.);

"(D) the Clean Air Act (42 U.S.C. 7401 et seq.); and

"(E) other Federal, State, and local environmental laws (including regulations);

"(2) avoiding, to the maximum extent practicable, the need for resource and regulatory programs by assisting producers in protecting soil, water, air, and related natural resources and meeting environmental quality criteria established by Federal, State, and local agencies;

"(3) providing flexible technical and financial assistance to producers to install and maintain conservation systems that enhance soil, water, related natural resources (including grazing land and wetland), and wildlife while sustaining production of food and fiber;

"(4) assisting producers to make beneficial, cost effective changes to cropping systems, grazing management, nutrient management associated with livestock, pest or irrigation management, or other practices on agricultural land;

"(5) facilitating partnerships and joint efforts among producers and governmental and nongovernmental organizations; and

"(6) consolidating and streamlining conservation planning and regulatory compliance processes to reduce administrative burdens on producers and the cost of achieving environmental goals.

"SEC. 1240A. DEFINITIONS.

"In this chapter:

"(1) Beginning farmer or rancher.—The term 'beginning farmer or rancher' has the meaning provided under section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1999(a)).

"(2) Comprehensive nutrient management.—

"(A) In general.—The term 'comprehensive nutrient management' means any combination of structural practices, land management practices, and management activities associated with crop or livestock production described in subparagraph (B) that collectively ensure that the purposes of crop or livestock production and preservation of natural resources (especially the preservation and enhancement of water quality) are compatible.

"(B) Elements.—For the purpose of subparagraph (A), structural practices, land management practices, and management activities associated with livestock production are—

"(i) manure and wastewater handling and storage;

"(ii) manure processing, composting, or digestion for purposes of capturing emissions, concentrating nutrients for transport, destroying pathogens or otherwise improving the environmental safety and beneficial uses of manure;

"(iii) land treatment practices;

"(iv) nutrient management;

"(v) recordkeeping;

"(vi) feed management; and

"(vii) other waste utilization options.

"(C) Practice.—

"(i) Planning.—The development of a comprehensive nutrient management plan shall be a practice that is eligible for incentive payments and technical assistance under this chapter.

"(ii) Implementation.—The implementation of a comprehensive nutrient plan shall be accomplished through structural and land management practices identified in the plan.

"(3) Eligible land.—The term 'eligible land' means agricultural land (including cropland, grassland, rangeland, pasture, private nonindustrial forest land, and other land on which crops or livestock are produced), including agricultural land that the Secretary determines poses a serious threat to soil, water, or related resources by reason of the soil types, terrain, climatic, soil, topographic, flood, or saline characteristics, or other factors or natural hazards.

"(4) Innovative technology.—The term 'innovative technology' means a new conservation technology that, as determined by the Secretary—

"(A) maximizes environmental benefits;

"(B) complements agricultural production; and

"(C) may be adopted in a practical manner.

"(5) Land management practice.—The term 'land management practice' means a site-specific nutrient or manure management, integrated pest management, irrigation management, tillage or residue management, grazing management, air quality management, or other land management practice carried out on eligible land that the Secretary determines is needed to protect from degradation, in the most cost-effective manner, water, soil, or related resources.

"(6) Livestock.—The term 'livestock' means dairy cattle, beef cattle, laying hens, broilers, turkeys, swine, sheep, and such other animals as are determined by the Secretary.

"(7) Managed grazing.—The term 'managed grazing' means the application of 1 or more practices that involve the frequent rotation of animals on grazing land to—

"(A) enhance plant health;

"(B) limit soil erosion;

"(C) protect ground and surface water quality; or

"(D) benefit wildlife.

"(8) MAXIMIZE ENVIRONMENTAL BENEFITS PER DOLLAR EXPENDED.—

"(A) IN GENERAL.—The term 'maximize environmental benefits per dollar expended' means to maximize environmental benefits to the extent the Secretary determines is practicable and appropriate, taking into account the amount of funding made available to carry out this chapter.

"(B) LIMITATION.—The term 'maximize environmental benefits per dollar expended' does not require the Secretary—

"(i) to require the adoption of the least cost practice or technical assistance; or

"(ii) to require the development of a plan under section 1240E as part of an application for payments or technical assistance.

"(9) PRACTICE.—The term 'practice' means 1 or more structural practices, land management practices, and comprehensive nutrient management planning practices.

"(10) PRODUCER.—

"(A) IN GENERAL.—The term 'producer' means an owner, operator, landlord, tenant, or sharecropper that—

"(i) shares in the risk of producing any crop or livestock; and

"(ii) is entitled to share in the crop or livestock available for marketing from a farm (or would have shared had the crop or livestock been produced).

"(B) HYBRID SEED GROWERS.—In determining whether a grower of hybrid seed is a producer, the Secretary shall not take into consideration the existence of a hybrid seed contract.

"(11) PROGRAM.—The term 'program' means the environmental quality incentives program comprised of sections 1240 through 1240J.

"(12) STRUCTURAL PRACTICE.—The term 'structural practice' means—

"(A) the establishment on eligible land of a site-specific animal waste management facility, terrace, grassed waterway, contour grass strip, filterstrip, tailwater pit, permanent wildlife habitat, constructed wetland, or other structural practice that the Secretary determines is needed to protect, in the most cost-effective manner, water, soil, or related resources from degradation; and

"(B) the capping of abandoned wells on eligible land.

"SEC. 1240B. ESTABLISHMENT AND ADMINISTRATION OF ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—During each of the 2002 through 2006 fiscal years, the Secretary shall provide technical assistance, cost-share payments, and incentive payments to producers that enter into contracts with the Secretary under the program.

"(2) ELIGIBLE PRACTICES.—

"(A) STRUCTURAL PRACTICES.—A producer that implements a structural practice shall be eligible for any combination of technical assistance, cost-share payments, and education.

"(B) LAND MANAGEMENT PRACTICES.—A producer that performs a land management practice shall be eligible for any combination of technical assistance, incentive payments, and education.

"(C) COMPREHENSIVE NUTRIENT MANAGEMENT PLANNING.—A producer that develops a comprehensive nutrient management plan shall be eligible for any combination of technical assistance, incentive payments, and education.

"(3) EDUCATION.—The Secretary may provide conservation education at national, State, and local levels consistent with the purposes of the program to—

"(A) any producer that is eligible for assistance under the program; or

"(B) any producer that is engaged in the production of an agricultural commodity.

"(b) APPLICATION AND TERM.—With respect to practices implemented under the program—

"(1) a contract between a producer and the Secretary may—

"(A) apply to 1 or more structural practices, land management practices, and comprehensive nutrient management planning practices; and

"(B) have a term of not less than 3, nor more than 10, years, as determined appropriate by the Secretary, depending on the practice or practices that are the basis of the contract; and

"(2) a producer may not enter into more than 1 contract for structural practices involving livestock nutrient management during the period of fiscal years 2002 through 2006.

"(c) APPLICATION AND EVALUATION.—

"(1) IN GENERAL.—The Secretary shall establish an application and evaluation process for awarding technical assistance, cost-share payments, and incentive payments to a producer in exchange for the performance of 1 or more practices that maximize environmental benefits per dollar expended.

"(2) COMPARABLE ENVIRONMENTAL VALUE.—

"(A) IN GENERAL.—The Secretary shall establish a process for selecting applications for technical assistance, cost-share payments, and incentive payments in any case in which there are numerous applications for assistance for practices that would provide substantially the same level of environmental benefits.

"(B) CRITERIA.—The process under subparagraph (A) shall be based on—

"(i) a reasonable estimate of the projected cost of the proposals described in the applications; and

"(ii) the priorities established under the program, and other factors, that maximize environmental benefits per dollar expended.

"(3) CONSENT OF OWNER.—If the producer making an offer to implement a structural practice is a tenant of the land involved in agricultural production, for the offer to be acceptable, the producer shall obtain the consent of the owner of the land with respect to the offer.

"(4) BIDDING DOWN.—If the Secretary determines that the environmental values of 2 or more applications for technical assistance, cost-share payments, or incentive payments are comparable, the Secretary shall not assign a higher priority to the application only because it would present the least cost to the program established under the program.

"(d) COST-SHARE PAYMENTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the cost-share payments provided to a producer proposing to implement 1 or more practices under the program shall be not more than 75 percent of the cost of the practice, as determined by the Secretary.

"(2) EXCEPTIONS:—

"(A) LIMITED RESOURCE AND BEGINNING FARMERS.—The Secretary may increase the amount provided to a producer under paragraph (1) to not more than 90 percent if the producer is a limited resource or beginning farmer or rancher, as determined by the Secretary.

"(B) COST-SHARE ASSISTANCE FROM OTHER SOURCES.—Except as provided in paragraph (3), any cost-share payments received by a producer from a State or private organization or person for the implementation of 1 or more practices on eligible land of the producer shall be in addition to the payments provided to the producer under paragraph (1).

"(3) OTHER PAYMENTS.—A producer shall not be eligible for cost-share payments for practices on eligible land under the program if the producer receives cost-share payments or other benefits for the same practice on the same land under chapter 1 and the program.

"(e) INCENTIVE PAYMENTS.—The Secretary shall make incentive payments in an amount and at a rate determined by the Secretary to be necessary to encourage a producer to perform 1 or more practices.

"(f) TECHNICAL ASSISTANCE.—

"(1) IN GENERAL.—The Secretary shall allocate funding under the program for the provision of technical assistance according to the purpose and projected cost for which the technical assistance is provided for a fiscal year.

"(2) AMOUNT.—The allocated amount may vary according to—

"(A) the type of expertise required;

"(B) the quantity of time involved; and

"(C) other factors as determined appropriate by the Secretary.

"(3) LIMITATION.—Funding for technical assistance under the program shall not exceed the projected cost to the Secretary of the technical assistance provided for a fiscal year.

"(4) OTHER AUTHORITIES.—The receipt of technical assistance under the program shall not affect the eligibility of the producer to receive technical assistance under other authorities of law available to the Secretary.

"(5) INCENTIVE PAYMENTS FOR TECHNICAL ASSISTANCE.—

"(A) IN GENERAL.—A producer that is eligible to receive technical assistance for a practice involving the development of a comprehensive nutrient management plan may obtain an incentive payment that can be used to obtain technical assistance associated with the development of any component of the comprehensive nutrient management plan.

"(B) PURPOSE.—The purpose of the payment shall be to provide a producer the option of obtaining technical assistance for developing any component of a comprehensive nutrient management plan from a certified provider.

"(C) PAYMENT.—The incentive payment shall be—

"(i) in addition to cost-share or incentive payments that a producer would otherwise receive for structural practices and land management practices;

"(ii) used only to procure technical assistance from a certified provider that is necessary to develop any component of a comprehensive nutrient management plan; and

"(iii) in an amount determined appropriate by the Secretary, taking into account—

"(I) the extent and complexity of the technical assistance provided;

"(II) the costs that the Secretary would have incurred in providing the technical assistance; and

"(III) the costs incurred by the private provider in providing the technical assistance.

"(D) ELIGIBLE PRACTICES.—The Secretary may determine, on a case by case basis, whether the development of a comprehensive nutrient management plan is eligible for an incentive payment under this paragraph.

"(E) CERTIFICATION BY SECRETARY.—

"(i) IN GENERAL.—Only persons that have been certified by the Secretary under section

1244(f)(3) shall be eligible to provide technical assistance under this subsection.

“(ii) QUALITY ASSURANCE.—The Secretary shall ensure that certified providers are capable of providing technical assistance regarding comprehensive nutrient management in a manner that meets the specifications and guidelines of the Secretary and that meets the needs of producers under the program.

“(F) ADVANCE PAYMENT.—On the determination of the Secretary that the proposed comprehensive nutrient management of a producer is eligible for an incentive payment, the producer may receive a partial advance of the incentive payment in order to procure the services of a certified provider.

“(G) FINAL PAYMENT.—The final installment of the incentive payment shall be payable to a producer on presentation to the Secretary of documentation that is satisfactory to the Secretary and that demonstrates—

“(i) completion of the technical assistance; and

“(ii) the actual cost of the technical assistance.

“(g) MODIFICATION OR TERMINATION OF CONTRACTS.—

“(1) VOLUNTARY MODIFICATION OR TERMINATION.—The Secretary may modify or terminate a contract entered into with a producer under this chapter if—

“(A) the producer agrees to the modification or termination; and

“(B) the Secretary determines that the modification or termination is in the public interest.

“(2) INVOLUNTARY TERMINATION.—The Secretary may terminate a contract under this chapter if the Secretary determines that the producer violated the contract.

“SEC. 1240C. EVALUATION OF OFFERS AND PAYMENTS.

“(a) IN GENERAL.—In evaluating applications for technical assistance, cost-share payments, and incentive payments, the Secretary shall accord a higher priority to assistance and payments that—

“(1) maximize environmental benefits per dollar expended; and

“(2)(A) address national conservation priorities, including—

“(i) meeting Federal, State, and local environmental purposes focused on protecting air and water quality;

“(ii) comprehensive nutrient management;

“(iii) water quality, particularly in impaired watersheds;

“(iv) soil erosion;

“(v) air quality; or

“(vi) pesticide and herbicide management or reduction;

“(B) are provided in conservation priority areas established under section 1230(c);

“(C) are provided in special projects under section 1243(f)(4) with respect to which State or local governments have provided, or will provide, financial or technical assistance to producers for the same conservation or environmental purposes; or

“(D) an innovative technology in connection with a structural practice or land management practice.

“SEC. 1240D. DUTIES OF PRODUCERS.

“To receive technical assistance, cost-share payments, or incentive payments under the program, a producer shall agree—

“(1) to implement an environmental quality incentives program plan that describes conservation and environmental purposes to be achieved through 1 or more practices that are approved by the Secretary;

“(2) not to conduct any practices on the farm or ranch that would tend to defeat the purposes of the program;

“(3) on the violation of a term or condition of the contract at any time the producer has control of the land—

“(A) if the Secretary determines that the violation warrants termination of the contract—

“(i) to forfeit all rights to receive payments under the contract; and

“(ii) to refund to the Secretary all or a portion of the payments received by the owner or operator under the contract, including any interest on the payments, as determined by the Secretary; or

“(B) if the Secretary determines that the violation does not warrant termination of the contract, to refund to the Secretary, or accept adjustments to, the payments provided to the owner or operator, as the Secretary determines to be appropriate;

“(4) on the transfer of the right and interest of the producer in land subject to the contract, unless the transferee of the right and interest agrees with the Secretary to assume all obligations of the contract, to refund all cost-share payments and incentive payments received under the program, as determined by the Secretary;

“(5) to supply information as required by the Secretary to determine compliance with the program plan and requirements of the program; and

“(6) to comply with such additional provisions as the Secretary determines are necessary to carry out the program plan.

“SEC. 1240E. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM PLAN.

“(a) IN GENERAL.—To be eligible to receive technical assistance, cost-share payments, or incentive payments under the program, a producer of a livestock or agricultural operation shall submit to the Secretary for approval a plan of operations that specifies practices covered under the program, and is based on such terms and conditions, as the Secretary considers necessary to carry out the program, including a description of the practices to be implemented and the purposes to be met by the implementation of the plan.

“(b) AVOIDANCE OF DUPLICATION.—The Secretary shall, to the maximum extent practicable, eliminate duplication of planning activities under the program and comparable conservation programs.

“SEC. 1240F. DUTIES OF THE SECRETARY.

“To the extent appropriate, the Secretary shall assist a producer in achieving the conservation and environmental goals of a program plan by—

“(1) providing technical assistance in developing and implementing the plan;

“(2) providing technical assistance, cost-share payments, or incentive payments for developing and implementing 1 or more practices, as appropriate;

“(3) providing the producer with information, education, and training to aid in implementation of the plan; and

“(4) encouraging the producer to obtain technical assistance, cost-share payments, or grants from other Federal, State, local, or private sources.

“SEC. 1240G. LIMITATION ON PAYMENTS.

“(a) IN GENERAL.—An individual or entity may not receive, directly or indirectly, payments under the program that exceed—

“(1) $50,000 for any fiscal year; or

“(2) $150,000 for any multiyear contract.

“(b) VERIFICATION.—The Secretary shall identify individuals and entities that are eligible for a payment under the program using social security numbers and taxpayer identification numbers, respectively.

“SEC. 1240H. CONSERVATION INNOVATION GRANTS.

“(a) IN GENERAL.—From funds made available to carry out the program, for each of the 2003 through 2006 fiscal years, the Secretary shall use not more than $100,000,000 for each fiscal year to pay the cost of competitive grants that are intended to stimulate innovative approaches to leveraging Federal investment in environmental enhancement and protection, in conjunction with agricultural production, through the program.

“(b) USE.—The Secretary may award grants under this section to governmental and nongovernmental organizations and persons, on a competitive basis, to carry out projects that—

“(1) involve producers that are eligible for payments or technical assistance under the program;

“(2) implement innovative projects, such as—

“(A) market systems for pollution reduction;

“(B) promoting agricultural best management practices, including the storing of carbon in the soil;

“(C) protection of source water for human consumption; and

“(D) reducing nutrient loss through the reduction of nutrient inputs by an amount that is at least 15 percent less than the established agronomic application rate, as determined by the Secretary; and

“(3) leverage funds made available to carry out the program with matching funds provided by State and local governments and private organizations to promote environmental enhancement and protection in conjunction with agricultural production.

“(c) COST SHARE.—The amount of a grant made under this section to carry out a project shall not exceed 50 percent of the cost of the project.

“(d) UNUSED FUNDING.—Any funds made available for a fiscal year under this section that are not obligated by April 1 of the fiscal year may be used to carry out other activities under this chapter during the fiscal year in which the funding becomes available.

“SEC. 1240I. SOUTHERN HIGH PLAINS AQUIFER GROUNDWATER CONSERVATION.

“(a) DEFINITIONS.—In this section:

“(1) ELIGIBLE ACTIVITY.—

“(A) IN GENERAL.—The term ‘eligible activity’ means an activity carried out to conserve groundwater.

“(B) INCLUSIONS.—The term ‘eligible activity’ includes an activity to—

“(i) improve an irrigation system;

“(ii) reduce the use of water for irrigation (including changing from high-water intensity crops to low-water intensity crops); or

“(iii) convert from farming that uses irrigation to dryland farming.

“(2) SOUTHERN HIGH PLAINS AQUIFER.—The term ‘Southern High Plains Aquifer’ means the portion of the groundwater reserve under Kansas, New Mexico, Oklahoma, and Texas depicted as Figure 1 in the United States Geological Survey Professional Paper 1400-B, entitled ‘Geohydrology of the High Plains Aquifer in Parts of Colorado, Kansas, Nebraska, New Mexico, Oklahoma, South Dakota, Texas, and Wyoming’.

“(b) CONSERVATION MEASURES.—

“(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall provide cost-share payments, incentive payments, and groundwater education assistance to producers that draw water from the Southern High Plains Aquifer to carry out eligible activities.

“(2) LIMITATIONS.—The Secretary shall provide a payment to a producer under this section only if the Secretary determines that the payment will result in a net savings in groundwater resources on the land of the producer.

“(3) COOPERATION.—In accordance with this subtitle, in providing groundwater education under this subsection, the Secretary shall cooperate with—

“(A) States;

“(B) land-grant colleges and universities;

“(C) educational institutions; and

“(D) private organizations.

“(c) FUNDING.—

“(1) IN GENERAL.—Of the funds made available under section 1241(b)(1) to carry out the program, the Secretary shall use to carry out this section—

“(A) $15,000,000 for fiscal year 2003;

“(B) $25,000,000 for each of fiscal years 2004 and 2005;

“(C) $35,000,000 for fiscal year 2006; and

“(D) $0 for fiscal year 2007.

“(2) OTHER FUNDS.—Subject to paragraph (3), the funds made available under this subsection shall be in addition to any other funds provided under the program.

“(3) UNUSED FUNDING.—Any funds made available for a fiscal year under paragraph (1) that are not obligated by April 1 of the fiscal year shall be used to carry out other activities in other States under the program.

“SEC. 1240J. PILOT PROGRAMS.

“(a) DRINKING WATER SUPPLIERS PILOT PROGRAM.—

“(1) IN GENERAL.—For each fiscal year, the Secretary may carry out, in watersheds selected by the Secretary, in cooperation with local water utilities, a pilot program to improve water quality.

“(2) IMPLEMENTATION.—The Secretary may select the watersheds referred to in paragraph (1), and make available funds (including funds for the provision of incentive payments) to be allocated to producers in partnership with drinking water utilities in the watersheds, if the drinking water utilities agree to measure water quality at such intervals and in such a manner as may be determined by the Secretary.

“(b) NUTRIENT REDUCTION PILOT PROGRAM.—

“(1) IN GENERAL.—For each of fiscal years 2003 through 2006, the Secretary shall use funds made available to carry out the program, in the amounts specified in paragraph (3), in the Chesapeake Bay watershed to provide incentives for agricultural producers in each State to reduce negative effects on watersheds, including through the significant reduction in nutrient applications, as determined by the Secretary.

“(2) PAYMENTS.—Incentive payments made to a producer under paragraph (1) shall reflect the extent to which the producer reduces nutrient applications.

“(3) FUNDING.—

“(A) IN GENERAL.—Of the amounts made available under section 1241(b) to carry out the program, the Secretary shall use to carry out this subsection—

“(i) $10,000,000 for fiscal year 2003;

“(ii) $15,000,000 for fiscal year 2004;

“(iii) $20,000,000 for fiscal year 2005;

“(iv) $25,000,000 for fiscal year 2006; and

“(v) $0 for fiscal year 2007.

“(B) UNEXPENDED FUNDS.—Any funds made available for a fiscal year under subparagraph (A) that are not obligated by April 1 of the fiscal year shall be used to carry out other activities outside the Chesapeake Bay watershed under this chapter.

“(c) CONSISTENCY WITH WATERSHED PLAN.—In allocating funds for the pilot programs under subsections (a) and (b) and any other pilot programs carried out under the program, the Secretary shall take into consideration the extent to which an application for the funds is consistent with—

“(1) any applicable locally developed watershed plan; and

“(2) the factors established by section 1240C.

“(d) CONTRACTS.—

“(1) IN GENERAL.—In carrying out this section, in addition to other requirements under the program, the Secretary shall enter into contracts in accordance with this section with producers the activities of which affect water quality (including the quality of public drinking water supplies) to implement and maintain—

“(A) nutrient management;

“(B) pest management;

“(C) soil erosion practices; and

“(D) other conservation activities that protect water quality and human health.

“(2) REQUIREMENTS.—A contract described in paragraph (1) shall—

“(A) describe the specific nutrient management, pest management, soil erosion, or other practices to be implemented, maintained, or improved;

“(B) contain a schedule of implementation for those practices;

“(C) to the maximum extent practicable, address water quality priorities of the watershed in which the operation is located; and

“(D) contain such other terms as the Secretary determines to be appropriate.”.

(b) FUNDING.—Section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) is amended by striking subsection (b) and inserting the following:

“(b) ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.—Subject to section 241 of the Agriculture, Conservation, and Rural Enhancement Act of 2001, of the funds of the Commodity Credit Corporation, the Secretary shall make available to provide technical assistance, cost-share payments, incentive payments, bonus payments, grants, and education under the environmental quality incentives program under chapter 4 of subtitle D, to remain available until expended—

“(1) $500,000,000 for fiscal year 2002;

“(2) $1,300,000,000 for fiscal year 2003;

“(3) $1,450,000,000 for each of fiscal years 2004 and 2005;

“(4) $1,500,000,000 for fiscal year 2006; and

“(5) $650,000,000 for fiscal year 2007.”.

(c) REIMBURSEMENTS.—Section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i) is amended in the last sentence by inserting “but excluding transfers and allotments for conservation technical assistance” after “activities”.

SEC. 214. WETLANDS RESERVE PROGRAM.

(a) TECHNICAL ASSISTANCE.—Section 1237(a) of the Food Security Act of 1985 (16 U.S.C. 3837(a)) is amended by inserting “(including the provision of technical assistance)” before the period at the end.

(b) MAXIMUM ENROLLMENT.—Section 1237(b) of the Food Security Act of 1985 (16 U.S.C. 3837(b)) is amended by striking paragraph (1) and inserting the following:

“(1) MAXIMUM ENROLLMENT.—

“(A) IN GENERAL.—The total number of acres enrolled in the wetlands reserve program shall not exceed 2,225,000 acres, of which, to the maximum extent practicable subject to subparagraph (B), the Secretary shall enroll 250,000 acres in each calendar year.

“(B) WETLANDS RESERVE ENHANCEMENT ACREAGE.—Of the acreage enrolled under subparagraph (A) for a calendar year, not more than 25,000 acres may be enrolled in the wetlands reserve enhancement program described in subsection (h).”.

(c) REAUTHORIZATION.—Section 1237(c) of the Food Security Act of 1985 (16 U.S.C. 3837(c)) is amended by striking “2002” and inserting “2006”.

(d) WETLANDS RESERVE ENHANCEMENT PROGRAM.—Section 1237 of the Food Security Act of 1985 (16 U.S.C. 3837) is amended by adding at the end the following:

“(h) WETLANDS RESERVE ENHANCEMENT PROGRAM.—

“(1) IN GENERAL.—Notwithstanding the Federal Grant and Cooperative Agreement Act of 1977 (41 U.S.C. 501 et seq.), the Secretary may enter into cooperative agreements with State or local governments, and with private organizations, to develop, on land that is enrolled, or is eligible to be enrolled, in the wetland reserve established under this subchapter, wetland restoration activities in watershed areas.

“(2) PURPOSE.—The purpose of the agreements shall be to address critical environmental issues.

“(3) RELATIONSHIP TO OTHER AUTHORITIES.—Nothing in this subsection limits the authority of the Secretary to enter into a cooperative agreement with a party under which agreement the Secretary and the party—

“(A) share a mutual interest in the program under this subchapter; and

“(B) contribute resources to accomplish the purposes of that program.”.

(e) MONITORING AND MAINTENANCE.—Section 1237C(a)(2) of the Food Security Act of 1985 (16 U.S.C. 3837c(a)(2)) is amended by striking “assistance” and inserting “assistance (including monitoring and maintenance)”.

SEC. 2 . WATER BENEFITS PROGRAM.

Subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) is amended by adding at the end the following:

“CHAPTER 6—WATER CONSERVATION

“SEC. 1240R. WATER BENEFITS PROGRAM.

“(a) DEFINITIONS.—In this section:

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(A) an owner or operator of agricultural land;

“(B) a person or entity that holds water rights in accordance with State law; and

“(C) any other landowner.

“(2) PROGRAM.—The term ‘program’ means the water benefits program established under subsection (b).

“(b) ESTABLISHMENT.—The Secretary shall establish a program to promote water conservation, to be known as the ‘water benefits program’, under which the Secretary shall make payments to eligible States to pay the Federal share of the cost of—

“(1) in accordance with subsection (f), irrigation efficiency infrastructure or measures that provide in-stream flows for fish and wildlife and other environmental purposes (including wetland restoration);

“(2) converting from production of a water-intensive crop to a crop that requires less water; or

“(3) the lease, purchase, dry-year optioning, or dedication of water or water rights to provide, directly or indirectly, in-stream flows for fish and wildlife and other environmental purposes (including wetland restoration).

“(c) PROTECTION OF PRIVATE PROPERTY RIGHTS.—

“(1) WILLING SELLERS AND LESSORS.—An agreement may be executed under this subsection only if each eligible entity that is a party to the agreement is a willing seller or willing lessor.

"(2) Property rights.—Nothing in this section authorizes the Federal Government or any State government to condemn private property.

"(d) Eligible States.—To be eligible to receive a payment under the program, a State shall—

"(1) establish a State program under which the State holds and enforces water rights leased, purchased, dry-year optioned, or dedicated to provide in-stream flows for fish and wildlife;

"(2) designate a State agency to administer the State program;

"(3)(A) submit to the Secretary a State plan to protect in-stream flows; and

"(B) obtain approval of the State program and plan by the Secretary;

"(4) subject each lease, purchase, dry-year optioning, and dedication of water and water rights to any review and approval required under State law, such as review and approval by a water board, water court, or water engineer of the State; and

"(5) ensure that each lease, purchase, dry-year optioning, and dedication of water and water rights is consistent with State water law.

"(e) Role of Secretary.—In carrying out this section, the Secretary shall—

"(1) certify State programs established under subsection (d)(1) for an initial term, and any subsequent renewal of terms, of not more than 3 years, subject to renewal;

"(2) establish guidelines for participating States to pay the Federal share of assisting the conversion from production of water-intensive crops to crops that require less water;

"(3) establish guidelines for participating States to pay the non-Federal share of the cost of on-farm and off-farm irrigation efficiency infrastructure and measures described in subsection (f)(2);

"(4) establish guidelines for participating States for the lease, purchase, dry-year optioning, and dedication of water and water rights under State programs;

"(5) establish a program within the Agricultural Research Service, in collaboration with the United States Geological Survey, to monitor State efforts under the program, including the construction and maintenance of stream gauging stations;

"(6) revoke certification of a State program under paragraph (1) if State administration of the State program does not meet the terms of the certification; and

"(7) consult with the Secretary of the Interior and affected Indian tribes, particularly with respect to the establishment and implementation of the program.

"(f) Irrigation Efficiency Infrastructure and Measures.—

"(1) In general.—The Secretary may pay—

"(A) the Federal share of the cost of converting from production of a water-intensive crop to a crop that requires less water, as described in subsection (e)(2); and

"(B) the Federal share determined under subsection (g) of the cost of on-farm and off-farm irrigation efficiency infrastructure and measures described in paragraph (2) if not less than 75 percent of the water conserved as a result of the infrastructure and measures is permanently allocated, directly or indirectly, to in-stream flows.

"(2) Eligible irrigation efficiency infrastructure and measures.—Eligible irrigation efficiency infrastructure and measures referred to in paragraph (1) are—

"(A) lining of ditches, insulation of piping, and installation of ditch portals or gates;

"(B) tail water return systems;

"(C) low-energy precision applications;

"(D) low-flow irrigation systems, including drip and trickle systems and micro-sprinkler systems;

"(E) spray jets or nozzles that improve water distribution efficiency;

"(F) surge valves;

"(G) conversion from gravity or flood irrigation to low-flow sprinkler or drip irrigation systems;

"(H) intake screens, fish passages, and conversion of diversions to pumps;

"(I) alternate furrow wetting, irrigation scheduling, and similar measures; and

"(J) such other irrigation efficiency infrastructure and measures as the Secretary determines to be appropriate to carry out the program.

"(g) Cost Sharing.—

"(1) Non-federal share.—The non-Federal share of the cost of converting from production of a water-intensive crop to a crop that requires less water, or of an irrigation efficiency infrastructure or measure assisted under subsection (f)—

"(A) shall be not less than 25 percent; and

"(B) shall be paid by—

"(i) a State;

"(ii) an owner or operator of a farm or ranch (including an Indian tribe); or

"(iii) a nonprofit organization.

"(2) Increased non-federal share.—If an owner or operator of a farm or ranch pays 50 percent or more of the cost of converting from production of a water-intensive crop to a crop that requires less water, or of an irrigation efficiency infrastructure or measure, the owner or operator shall retain the right to use 50 percent of the water conserved by the conversion, infrastructure, or measure.

"(3) Leasing of conserved water.—A State shall—

"(A) give an eligible entity with respect to land enrolled in the program the option of leasing, or providing a dry-year option on, conserved water for 30 years; and

"(B) increase the non-Federal share under paragraph (1) accordingly, as determined by the Secretary.

"(4) Water lease and purchase.—The cost of water or water rights that are directly leased, purchased, subject to a dry-year option, or dedicated under this section shall not be subject to the cost-sharing requirement of this subsection.

"(h) State Allocations.—In making allocations to States, the Secretary shall consider the extent to which the State plan required by subsection (d)(3)(A) significantly advances the goals of Federal, State, tribal, and local fish, wildlife, and plant conservation plans, including—

"(1) plans that address—

"(A) multiple endangered species or threatened species (as defined in section 3 of the Endangered Species Act of 1973 (16 U.S.C. 1532)); or

"(B) species that may become threatened or endangered if conservation measures are not carried out;

"(2) agreements entered into, or conservation plans submitted, under section 6 or 10(a)(2)(A), respectively, of the Endangered Species Act of 1973 (16 U.S.C. 1535, 1539(a)(2)(A)); and

"(3) plans that provide benefits to the fish, wildlife, or plants located in 1 or more—

"(A) refuges within the National Wildlife Refuge System; or

"(B) State wildlife management areas.

"(i) State Water Law.—Nothing in this section—

"(1) preempts any State water law;

"(2) affects any litigation concerning the entitlement to, or lack of entitlement to, water that is pending as of the date of enactment of this section;

"(3) expands, alters, or otherwise affects the existence or scope of any water right of any individual (except to the extent that the individual agrees otherwise under the program); or

"(4) authorizes or entitles the Federal Government to hold or purchase any water right.

"(j) California Water Law.—

"(1) In general.—Nothing in this section authorizes the Secretary to enter into an agreement, in accordance with this subchapter, with a landowner for water obtained from an irrigation district, water district, or other similar governmental entity in the State of California.

"(2) Treatment of California districts.—An irrigation district, water district, or similar governmental entity in the State of California—

"(A) shall be considered an eligible entity for purposes of this subsection; and

"(B) may develop a program under this subsection.

"(3) District programs.—All landowners participating in a program under this subchapter that is sponsored by a district or entity described in paragraph (2) shall be willing participants in the program.

"(k) Groundwater.—A right to groundwater shall not be subject to any provision of this section unless the right is granted—

"(1) under applicable State law; and

"(2) through a groundwater water rights process that is fully integrated with the surface water rights process of the applicable affected State.

"(l) Funding.—

"(1) In general.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

"(A) $25,000,000 for fiscal year 2002;

"(B) $52,000,000 for fiscal year 2003; and

"(C) $100,000,000 for each of fiscal years 2004 through 2006.

"(2) Limitation on expenditures.—For any fiscal year, a State that participates in the program shall expend not more than 75 percent of the funds made available to the State under the program to pay—

"(A) the cost of converting from production of a water-intensive crop to a crop that requires less water; or

"(B) the cost of irrigation efficiency infrastructure and measures under subsection (f)(1).

"(3) Monitoring program.—For each fiscal year, of the funds made available under paragraph (1), the Secretary shall use not more than $5,000,000 to carry out the monitoring program under subsection (e)(5).

"(4) Administration.—

"(A) Federal.—For each fiscal year, of the funds made available under paragraph (1), the Secretary shall use not more than $500,000 for administration of the program.

"(B) State.—For each fiscal year, of the funds made available under paragraph (1), not more than 3 percent shall be made available to States for administration of the program.".

SA 2839. Mr. BAUCUS proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

On page 128, line 8, strike the final period and insert a period and the following:

Subtitle ___—Emergency Agriculture Assistance

SEC. ___01. INCOME LOSS ASSISTANCE.

(a) In General.—The Secretary of Agriculture (referred to in this subtitle as the "Secretary") shall use $1,800,000,000 of funds of the Commodity Credit Corporation to make emergency financial assistance available to producers on a farm that have incurred qualifying income losses in calendar year 2001, including losses due to army worms.

(b) Administration.—The Secretary shall make assistance available under this section in the same manner as provided under section 815 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–55), including using the same loss thresholds for the quantity and economic losses as were used in administering that section.

(c) Use of Funds for Cash Payments.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments not for crop disasters, but for income loss to carry out the purposes of this section.

SEC. ___02. LIVESTOCK ASSISTANCE PROGRAM.

(a) In General.—The Secretary shall use $500,000,000 of the funds of the Commodity Credit Corporation to make and administer payments for livestock losses to producers for 2001 losses in a county that has received an emergency designation by the President or the Secretary after January 1, 2001, of which $12,000,000 shall be made available for the American Indian livestock program under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 106–387; 114 Stat. 1549A–51).

(b) Administration.—The Secretary shall make assistance available under this section in the same manner as provided under section 806 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (Public Law 105–277; 114 Stat. 1549A–51).

SEC. ___03. MARKET LOSS ASSISTANCE FOR APPLE PRODUCERS.

(a) In General.—The Secretary of Agriculture shall use $100,000,000 of funds of the Commodity Credit Corporation for fiscal year 2002 to make payments to apple producers, as soon as practicable after the date of enactment of this Act, for the loss of markets during the 2000 crop year.

(b) Payment Quantity.—A payment to the producers on a farm for the 2000 crop year under this section shall be made on the lesser of—

(1) the quantity of apples produced by the producers on the farm during the 2000 crop year; or

(2) 5,000,000 pounds of apples.

(c) Limitations.—The Secretary shall not establish a payment limitation, or income eligibility limitation, with respect to payments made under this section.

SEC. ___04. COMMODITY CREDIT CORPORATION.

The Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this subtitle.

SEC. ___05. ADMINISTRATIVE EXPENSES.

(a) In General.—In addition to funds otherwise available, not later than 30 days after the date of enactment of this Act, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to pay the salaries and expenses of the Department of Agriculture in carrying out this subtitle $50,000,000, to remain available until expended.

(b) Receipt and Acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subsection (a), without further appropriation.

SEC. ___06. REGULATIONS.

(a) In General.—The Secretary may promulgate such regulations as are necessary to implement this subtitle.

(b) Procedure.—The promulgation of the regulations and administration of this subtitle shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(c) Congressional Review of Agency Rulemaking.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

SEC. ___07. EMERGENCY REQUIREMENT.

The entire amount necessary to carry out this subtitle is designated by Congress as an emergency requirement pursuant to section 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(e)).

SA 2840. Mr. REID (for Mr. JEFFORDS) proposed an amendment to the bill S. 1206, to reauthorize the Appalachian Regional Development Act of 1965, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Appalachian Regional Development Act Amendments of 2002".

SEC. 2. PURPOSES.

(a) This Act.—The purposes of this Act are—

(1) to reauthorize the Appalachian Regional Development Act of 1965 (40 U.S.C. App.); and

(2) to ensure that the people and businesses of the Appalachian region have the knowledge, skills, and access to telecommunication and technology services necessary to compete in the knowledge-based economy of the United States.

(b) Appalachian Regional Development Act of 1965.—Section 2 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in subsection (b), by inserting after the third sentence the following: "Consistent with the goal described in the preceding sentence, the Appalachian region should be able to take advantage of eco-industrial development, which promotes both employment and economic growth and the preservation of natural resources."; and

(2) in subsection (c)(2)(B)(ii), by inserting ", including eco-industrial development technologies" before the semicolon.

SEC. 3. FUNCTIONS OF THE COMMISSION.

Section 102(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in paragraph (5), by inserting ", and support," after "formation of";

(2) in paragraph (7), by striking "and" at the end;

(3) in paragraph (8), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

"(9) encourage the use of eco-industrial development technologies and approaches; and

"(10) seek to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region.".

SEC. 4. INTERAGENCY COORDINATING COUNCIL ON APPALACHIA.

Section 104 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) by striking "The President" and inserting "(a) In General.—The President"; and

(2) by adding at the end the following:

"(b) Interagency Coordinating Council on Appalachia.—

"(1) Establishment.—In carrying out subsection (a), the President shall establish an interagency council to be known as the 'Interagency Coordinating Council on Appalachia'.

"(2) Membership.—The Council shall be composed of—

"(A) the Federal Cochairman, who shall serve as Chairperson of the Council; and

"(B) representatives of Federal agencies that carry out economic development programs in the region.".

SEC. 5. TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 202 the following:

"SEC. 203. TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.

"(a) In General.—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide funds to persons or entities in the region for projects—

"(1) to increase affordable access to advanced telecommunications, entrepreneurship, and management technologies or applications in the region;

"(2) to provide education and training in the use of telecommunications and technology;

"(3) to develop programs to increase the readiness of industry groups and businesses in the region to engage in electronic commerce; or

"(4) to support entrepreneurial opportunities for businesses in the information technology sector.

"(b) Source of Funding.—

"(1) In general.—Assistance under this section may be provided—

"(A) exclusively from amounts made available to carry out this section; or

"(B) from amounts made available to carry out this section in combination with amounts made available under any other Federal program or from any other source.

"(2) Federal share requirements specified in other laws.—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available to carry out this section may be used to increase that Federal share, as the Commission determines to be appropriate.

"(c) Cost Sharing for Grants.—Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 226) of the costs of any activity eligible for a grant under this section may be provided from funds appropriated to carry out this section.".

SEC. 6. ENTREPRENEURSHIP INITIATIVE.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 203 (as added by section 5) the following:

"SEC. 204. ENTREPRENEURSHIP INITIATIVE.

"(a) DEFINITION OF BUSINESS INCUBATOR SERVICE.—In this section, the term 'business incubator service' means a professional or technical service necessary for the initiation and initial sustainment of the operations of a newly established business, including a service such as—

"(1) a legal service, including aid in preparing a corporate charter, partnership agreement, or basic contract;

"(2) a service in support of the protection of intellectual property through a patent, a trademark, or any other means;

"(3) a service in support of the acquisition and use of advanced technology, including the use of Internet services and Web-based services; and

"(4) consultation on strategic planning, marketing, or advertising.

"(b) PROJECTS TO BE ASSISTED.—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide funds to persons or entities in the region for projects—

"(1) to support the advancement of, and provide, entrepreneurial training and education for youths, students, and businesspersons;

"(2) to improve access to debt and equity capital by such means as facilitating the establishment of development venture capital funds;

"(3) to aid communities in identifying, developing, and implementing development strategies for various sectors of the economy; and

"(4)(A) to develop a working network of business incubators; and

"(B) to support entities that provide business incubator services.

"(c) SOURCE OF FUNDING.—

"(1) IN GENERAL.—Assistance under this section may be provided—

"(A) exclusively from amounts made available to carry out this section; or

"(B) from amounts made available to carry out this section in combination with amounts made available under any other Federal program or from any other source.

"(2) FEDERAL SHARE REQUIREMENTS SPECIFIED IN OTHER LAWS.—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available to carry out this section may be used to increase that Federal share, as the Commission determines to be appropriate.

"(d) COST SHARING FOR GRANTS.—Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 226) of the costs of any activity eligible for a grant under this section may be provided from funds appropriated to carry out this section.".

SEC. 7. REGIONAL SKILLS PARTNERSHIPS.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 204 (as added by section 6) the following:

"SEC. 205. REGIONAL SKILLS PARTNERSHIPS.

"(a) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means a consortium that—

"(1) is established to serve 1 or more industries in a specified geographic area; and

"(2) consists of representatives of—

"(A) businesses (or a nonprofit organization that represents businesses);

"(B) labor organizations;

"(C) State and local governments; or

"(D) educational institutions.

"(b) PROJECTS TO BE ASSISTED.—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide funds to eligible entities in the region for projects to improve the job skills of workers for a specified industry, including projects for—

"(1) the assessment of training and job skill needs for the industry;

"(2) the development of curricula and training methods, including, in appropriate cases, electronic learning or technology-based training;

"(3)(A) the identification of training providers; and

"(B) the development of partnerships between the industry and educational institutions, including community colleges;

"(4) the development of apprenticeship programs;

"(5) the development of training programs for workers, including dislocated workers; and

"(6) the development of training plans for businesses.

"(c) ADMINISTRATIVE COSTS.—An eligible entity may use not more than 10 percent of the funds made available to the eligible entity under subsection (b) to pay administrative costs associated with the projects described in subsection (b).

"(d) SOURCE OF FUNDING.—

"(1) IN GENERAL.—Assistance under this section may be provided—

"(A) exclusively from amounts made available to carry out this section; or

"(B) from amounts made available to carry out this section in combination with amounts made available under any other Federal program or from any other source.

"(2) FEDERAL SHARE REQUIREMENTS SPECIFIED IN OTHER LAWS.—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available to carry out this section may be used to increase that Federal share, as the Commission determines to be appropriate.

"(e) COST SHARING FOR GRANTS.—Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 226) of the costs of any activity eligible for a grant under this section may be provided from funds appropriated to carry out this section.".

SEC. 8. PROGRAM DEVELOPMENT CRITERIA.

(a) ELIMINATION OF GROWTH CENTER CRITERIA.—Section 224(a)(1) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "in an area determined by the State have a significant potential for growth or".

(b) ASSISTANCE TO DISTRESSED COUNTIES AND AREAS.—Section 224 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by adding at the end the following:

"(d) ASSISTANCE TO DISTRESSED COUNTIES AND AREAS.—For fiscal year 2003 and each fiscal year thereafter, not less than 50 percent of the amount of grant expenditures approved by the Commission shall support activities or projects that benefit severely and persistently distressed counties and areas.".

SEC. 9. GRANTS FOR ADMINISTRATIVE EXPENSES OF LOCAL DEVELOPMENT DISTRICTS.

Section 302(a)(1)(A)(i) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting "(or, at the discretion of the Commission, 75 percent of such expenses in the case of a local development district that has a charter or authority that includes the economic development of a county or part of a county for which a distressed county designation is in effect under section 226)" after "such expenses".

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

Section 401 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended to read as follows:

"SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—In addition to amounts authorized by section 201 and other amounts made available for the Appalachian development highway system program, there are authorized to be appropriated to the Commission to carry out this Act—

"(1) $88,000,000 for each of fiscal years 2002 through 2004;

"(2) $90,000,000 for fiscal year 2005; and

"(3) $92,000,000 for fiscal year 2006.

"(b) TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.—Of the amounts made available under subsection (a), the following amounts may be made available to carry out section 203:

"(1) $10,000,000 for fiscal year 2002.

"(2) $8,000,000 for fiscal year 2003.

"(3) $5,000,000 for each of fiscal years 2004 through 2006.

"(c) AVAILABILITY.—Sums made available under subsection (a) shall remain available until expended.".

SEC. 11. ADDITION OF COUNTIES TO APPALACHIAN REGION.

Section 403 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the third undesignated paragraph (relating to Kentucky)—

(A) by inserting "Edmonson," after "Cumberland,";

(B) by inserting "Hart," after "Harlan,"; and

(C) by striking "Montogomery," and inserting "Montgomery,"; and

(2) in the fifth undesignated paragraph (relating to Mississippi)—

(A) by inserting "Montgomery," after "Monroe,"; and

(B) by inserting "Panola," after "Oktibbeha,".

SEC. 12. TERMINATION.

Section 405 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "2001" and inserting "2006".

SEC. 13. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Section 101(b) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the third sentence by striking "implementing investment program" and inserting "strategy statement".

(b) Section 106(7) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "expiring no later than September 30, 2001".

(c) Sections 202, 214, and 302(a)(1)(C) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) are amended by striking "grant-in-aid programs" each place it appears and inserting "grant programs".

(d) Section 202(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the second sentence by striking "title VI of the Public Health Service Act (42 U.S.C. 291–291o), the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (77 Stat. 282)," and inserting "title VI of the

Public Health Service Act (42 U.S.C. 291 et seq.), the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15001 et seq.),".

(e) Section 207(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "section 221 of the National Housing Act, section 8 of the United States Housing Act of 1937, section 515 of the Housing Act of 1949," and inserting "section 221 of the National Housing Act (12 U.S.C. 1715*l*), section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), section 515 of the Housing Act of 1949 (42 U.S.C. 1485),".

(f) Section 214 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the section heading, by striking "GRANT-IN-AID" and inserting "GRANT";

(2) in subsection (a)—

(A) by striking "grant-in-aid Act" each place it appears and inserting "Act";

(B) in the first sentence, by striking "grant-in-aid Acts" and inserting "Acts";

(C) by striking "grant-in-aid program" each place it appears and inserting "grant program"; and

(D) by striking the third sentence;

(3) by striking subsection (c) and inserting the following:

"(c) Definition of Federal Grant Program.—

"(1) In general.—In this section, the term 'Federal grant program' means any Federal grant program authorized by this Act or any other Act that provides assistance for—

"(A) the acquisition or development of land;

"(B) the construction or equipment of facilities; or

"(C) any other community or economic development or economic adjustment activity.

"(2) Inclusions.—In this section, the term 'Federal grant program' includes a Federal grant program such as a Federal grant program authorized by—

"(A) the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.);

"(B) the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–4 et seq.);

"(C) the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.);

"(D) the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.);

"(E) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

"(F) title VI of the Public Health Service Act (42 U.S.C. 291 et seq.);

"(G) sections 201 and 209 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141, 3149);

"(H) title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.); or

"(I) part IV of title III of the Communications Act of 1934 (47 U.S.C. 390 et seq.).

"(3) Exclusions.—In this section, the term 'Federal grant program' does not include—

"(A) the program for construction of the Appalachian development highway system authorized by section 201;

"(B) any program relating to highway or road construction authorized by title 23, United States Code; or

"(C) any other program under this Act or any other Act to the extent that a form of financial assistance other than a grant is authorized."; and

(4) by striking subsection (d).

(g) Section 224(a)(2) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "relative per capita income" and inserting "per capita market income".

(h) Section 225 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.)—

(1) in subsection (a)(3), by striking "development program" and inserting "development strategies"; and

(2) in subsection (c)(2), by striking "development programs" and inserting "development strategies".

(i) Section 303 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the section heading, by striking "INVESTMENT PROGRAMS" and inserting "STRATEGY STATEMENTS";

(2) in the first sentence, by striking "implementing investments programs" and inserting "strategy statements"; and

(3) by striking "implementing investment program" each place it appears and inserting "strategy statement".

(j) Section 403 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the next-to-last undesignated paragraph by striking "Committee on Public Works and Transportation" and inserting "Committee on Transportation and Infrastructure".

SA 2841. Mr. KERRY (for himself and Mr. Hollings) submitted an amendment intended to be proposed by him to the bill S. 1926, to improve passenger automobile fuel economy and safety, reduce greenhouse gas emissions, reduce dependence on foreign oil, and for other purposes; which was referred to the Committee on Commerce, Science, and Transportation; as follows:

At the end of the bill add the following:

SEC. 13. TAX CREDIT FOR DOMESTICALLY PRODUCED HYPEREFFICIENT VEHICLES.

(a) In General.—Subpart B of part IV of subchapter A of chapter 1 (relating to foreign tax credit, etc.) is amended by adding at the end the following:

SEC. 30B. MANUFACTURER'S CREDIT FOR DOMESTICALLY-PRODUCED FUEL EFFICIENT VEHICLES.

"(a) Allowance of Credit.—In the case of a eligible manufacturer, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to $5,000 multiplied by the number of domestically produced fuel-efficient passenger automobiles manufactured and sold for use in the United States by the taxpayer during the taxable year.

"(b) Application With Other Credits.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess (if any) of—

"(1) the regular tax for the taxable year reduced by the sum of the credits allowable under subpart A and sections 27, 29, and 30, over

"(2) the tentative minimum tax for the taxable year.

"(c) Special Rules.—

"(1) Reduction in basis.—For purposes of this subtitle, the basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit so allowed.

"(2) No double benefit.—The amount of any deduction or credit allowable under this chapter shall be reduced by the amount of credit allowed under subsection (a) for such vehicle for the taxable year.

"(3) Property used outside United States, etc., not qualified.—No credit shall be allowed under subsection (a) with respect to any property referred to in section 50(b) or with respect to the portion of the cost of any property taken into account under section 179.

"(4) Election to not take credit.—No credit shall be allowed under subsection (a) for any vehicle if the taxpayer elects to not have this section apply to such vehicle.

"(5) Carryforward allowed.—

"(A) In general.—If the credit amount allowable under subsection (a) for a taxable year exceeds the amount of the liability for tax under this chapter for such taxable year (referred to as the 'unused credit year' in this paragraph), such excess shall be allowed as a credit carryforward for each of the 20 taxable years following the unused credit year.

"(B) Rules.—Rules similar to the rules of section 39 shall apply with respect to the credit carryforward under subparagraph (A).

"(6) Interaction with air quality and motor vehicle safety standards.—Unless otherwise provided in this section, a passenger automobile shall not be considered eligible for a credit under this section unless such automobile is in compliance with—

"(A) the applicable provisions of the Clean Air Act for the applicable make and model year of the vehicle (or applicable air quality provisions of State law in the case of a State which has adopted such provision under a waiver under section 209(b) of the Clean Air Act); and

"(B) the motor vehicle safety provisions of sections 30101 through 30169 of title 49, United States Code.

"(d) Definitions.—In this section:

"(1) Eligible manufacturer.—The term 'eligible manufacturer' means a manufacturer of passenger automobiles for which the average fuel economy standard (as determined under section 32902 of title 49, United States Code) for any model year that ends with or within the taxable year equals or exceeds 37 miles per gallon.

"(2) Fuel-efficient passenger automobile.—The term 'fuel-efficient passenger automobile' means a passenger automobile (as defined in section 32901(a)(16) of title 49, United States Code) that obtains an average fuel economy of more than 50 miles per gallon in normal operation (as determined by the Secretary of Transportation after consultation with the Administrator of the Environmental Protection Agency).

"(3) Domestically produced.—The term 'domestically produced' means a vehicle at least 75 percent of the costs to the manufacturer of producing the vehicle is attributable to value added in the United States, as determined by the Administrator of the Environmental Protection Agency on the basis of information submitted by the manufacturer.

"(e) Regulations.—

"(1) In general.—The Secretary shall promulgate such regulations as necessary to carry out the provisions of this section.

"(2) Administrator of environmental protection agency.—The Administrator of the Environmental Protection Agency, in coordination with the Secretary of Transportation and the Secretary of the Treasury, shall prescribe such regulations as necessary to determine whether a motor vehicle meets the requirements to be eligible for a credit under this section.

"(f) Termination.—This section shall not apply to any property placed in service after December 31, 2020.".

(b) Conforming Amendments.—

(1) Section 1016(a) is amended by striking "and" at the end of paragraph (26), by striking the period at the end of paragraph (27)

and inserting “, and”, and by adding at the end the following:

“(28) to the extent provided in section 30B(c)(1).”.

(2) Section 53(d)(1)(B)(iii) is amended by inserting “, or not allowed under section 30B solely by reason of the application of section 30B(b)(2)” before the period.

(3) Section 53(c)(2) is amended by inserting “30B(b),” after “30(b)(3)”.

(4) Section 6501(m) is amended by inserting “30B(c)(3),” after “30(d)(4),”.

(5) The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by inserting after the item relating to section 30A the following:

“Sec. 30B. Manufacturer's credit for domestically-produced fuel efficient vehicles.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2002, in taxable years ending after such date.

SA 2842. Mr. REID proposed an amendment to the bill S. 1731, to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Beginning on page 246, strike line 4 and all that follows through page 258, line 19, and insert the following:

SEC. 215. WATER CONSERVATION.

(a) IN GENERAL.—Section 1231(d) of the Food Security Act of 1985 (16 U.S.C. 3831(d)) (as amended by section 212(c)) is amended by striking “41,100,000” and inserting “40,000,000”.

(b) ADDITIONAL WATER CONSERVATION ACREAGE UNDER CONSERVATION RESERVE ENHANCEMENT PROGRAM.—Section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) (as amended by section 212(f)) is amended by adding at the end the following:

“(j) ADDITIONAL WATER CONSERVATION ACREAGE UNDER CONSERVATION RESERVE ENHANCEMENT PROGRAM.—

“(1) DEFINITIONS.—In this subsection:

“(A) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(i) an owner or operator of agricultural land;

“(ii) a person or entity that holds water rights in accordance with State law; and

“(iii) any other landowner.

“(B) PROGRAM.—The term ‘program’ means the conservation reserve enhancement program announced on May 27, 1998 (63 Fed. Reg. 28965).

“(2) PROTECTION OF PRIVATE PROPERTY RIGHTS.—

“(A) WILLING SELLERS AND LESSORS.—An agreement may be executed under this subsection only if each eligible entity that is a party to the agreement is a willing seller or willing lessor.

“(B) PROPERTY RIGHTS.—Nothing in this subsection authorizes the Federal Government or any State government to condemn private property.

“(3) ENROLLMENT.—In addition to the acreage authorized to be enrolled under subsection (d), in carrying out the program, the Secretary shall enroll not more than 500,000 acres in eligible States to promote water conservation.

“(4) ELIGIBLE STATES.—To be eligible to participate in the program, a State—

“(A) shall submit to the Secretary, for review and approval, a proposal that meets the requirements of the program; and

“(B) shall—

“(i) have established a program to protect in-stream flows; and

“(ii) agree to hold water rights leased or purchased under a proposal submitted under subparagraph (A).

“(5) ELIGIBLE ACREAGE.—An eligible entity may enroll in the program land that is adjacent to a watercourse or lake, or land that would contribute to the restoration of a watercourse or lake (as determined by the Secretary), if—

“(A)(i) the land can be restored as a wetland, grassland, or other habitat, as determined by the Secretary; and

“(ii) the restoration would significantly improve riparian functions; or

“(B) water or water rights appurtenant to the land are leased or sold to an appropriate State agency or State-designated water trust, as determined by the Secretary.

“(6) RELATIONSHIP TO OTHER ENROLLED ACREAGE.—For any fiscal year, acreage enrolled under this subsection shall not affect the quantity of—

“(A) acreage enrolled to establish conservation buffers as part of the program announced on March 24, 1998 (63 Fed. Reg. 14109); or

“(B) acreage enrolled in the program before the date of enactment of this subsection.

“(7) DUTIES OF ELIGIBLE ENTITIES.—Under a contract entered into with respect to enrolled land under the program, during the term of the contract, an eligible entity shall agree—

“(A)(i) to restore the hydrology of the enrolled land to the maximum extent practicable, as determined by the Secretary; and

“(ii) to establish on the enrolled land wetland, grassland, vegetative cover, or other habitat, as determined by the Secretary; or

“(B) to transfer to the State, or a designee of the State, water rights appurtenant to the enrolled land.

“(8) RENTAL RATES.—

“(A) IRRIGATED LAND.—With respect to irrigated land enrolled in the program, the rental rate shall be established by the Secretary, acting through the Deputy Administrator for Farm Programs—

“(i) on a watershed basis;

“(ii) using data available as of the date on which the rental rate is established; and

“(iii) at a level sufficient to ensure, to the maximum extent practicable, that the eligible entity is fairly compensated for the irrigated land value of the enrolled land.

“(B) NONIRRIGATED LAND.—With respect to nonirrigated land enrolled in the program, the rental rate shall be calculated by the Secretary, in accordance with the conservation reserve program manual of the Department that is in effect as of the date on which the rental rate is calculated.

“(C) APPLICABILITY.—An eligible entity that enters into a contract to enroll land into the program shall receive, in exchange for the enrollment, payments that are based on—

“(i) the irrigated rental rate described in subparagraph (A), if the owner or operator agrees to enter into an agreement with the State and approved by the Secretary under which the State leases, for in-stream flow purposes, surface water appurtenant to the enrolled land; or

“(ii) the nonirrigated rental rate described in subparagraph (B), if an owner or operator does not enter into an agreement described in clause (i).

“(9) PRIORITY.—In carrying out this subsection, the Secretary shall give priority consideration to any State proposal that—

“(A) provides a State share of 20 percent or more of the cost of the proposal; and

“(B) significantly advances the goals of Federal, State, tribal, and local fish, wildlife, and plant conservation plans, including—

“(i) plans that address—

“(I) multiple endangered species or threatened species (as defined in section 3 of the Endangered Species Act of 1973 (16 U.S.C. 1532)); or

“(II) species that may become threatened or endangered if conservation measures are not carried out;

“(ii) agreements entered into, or conservation plans submitted, under section 6 or 10(a)(2)(A), respectively, of the Endangered Species Act of 1973 (16 U.S.C. 1535, 1539(a)(2)(A)); or

“(iii) plans that provide benefits to the fish, wildlife, or plants located in 1 or more—

“(I) refuges within the National Wildlife Refuge System; or

“(II) State wildlife management areas.

“(10) CONSULTATION.—In carrying out this subsection, the Secretary shall consult with—

“(A) the Secretary of the Interior; and

“(B) affected Indian tribes.

“(11) STATE WATER LAW.—Nothing in this subsection—

“(A) preempts any State water law;

“(B) affects any litigation concerning the entitlement to, or lack of entitlement to, water that is pending as of the date of enactment of this subsection;

“(C) expands, alters, or otherwise affects the existence or scope of any water right of any individual (except to the extent that the individual agrees otherwise under the program); or

“(D) authorizes or entitles the Federal Government to hold or purchase any water right.

“(12) CALIFORNIA WATER LAW.—

“(A) IN GENERAL.—Nothing in this subsection authorizes the Secretary to enter into an agreement, in accordance with this subchapter, with a landowner for water obtained from an irrigation district, water district, or other similar governmental entity in the State of California.

“(B) TREATMENT OF CALIFORNIA DISTRICTS.—An irrigation district, water district, or similar governmental entity in the State of California—

“(i) shall be considered an eligible entity for purposes of this subchapter; and

“(ii) may develop a program under this subchapter.

“(C) DISTRICT PROGRAMS.—All landowners participating in a program under this subchapter that is sponsored by a district or entity described in subparagraph (B) shall be willing participants in the program.

“(13) GROUNDWATER.—A right to groundwater shall not be subject to any provision of this subsection unless the right is granted—

“(A) under applicable State law; and

“(B) through a groundwater water rights process that is fully integrated with the surface water rights process of the applicable affected State.”.

(c) WATER BENEFITS PROGRAM.—Subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) is amended by adding at the end the following:

“CHAPTER 6—WATER CONSERVATION

“SEC. 1240R. WATER BENEFITS PROGRAM.

“(a) DEFINITIONS.—In this section:

"(1) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(A) an owner or operator of agricultural land;

"(B) a person or entity that holds water rights in accordance with State law; and

"(C) any other landowner.

"(2) PROGRAM.—The term 'program' means the water benefits program established under subsection (b).

"(b) ESTABLISHMENT.—The Secretary shall establish a program to promote water conservation, to be known as the 'water benefits program', under which the Secretary shall make payments to eligible States to pay the Federal share of the cost of—

"(1) in accordance with subsection (f), irrigation efficiency infrastructure or measures that provide in-stream flows for fish and wildlife and other environmental purposes (including wetland restoration);

"(2) converting from production of a water-intensive crop to a crop that requires less water; or

"(3) the lease, purchase, dry-year optioning, or dedication of water or water rights to provide, directly or indirectly, in-stream flows for fish and wildlife and other environmental purposes (including wetland restoration).

"(c) PROTECTION OF PRIVATE PROPERTY RIGHTS.—

"(1) WILLING SELLERS AND LESSORS.—An agreement may be executed under this subsection only if each eligible entity that is a party to the agreement is a willing seller or willing lessor.

"(2) PROPERTY RIGHTS.—Nothing in this section authorizes the Federal Government or any State government to condemn private property.

"(d) ELIGIBLE STATES.—To be eligible to receive a payment under the program, a State shall—

"(1) establish a State program under which the State holds and enforces water rights leased, purchased, dry-year optioned, or dedicated to provide in-stream flows for fish and wildlife;

"(2) designate a State agency to administer the State program;

"(3)(A) submit to the Secretary a State plan to protect in-stream flows; and

"(B) obtain approval of the State program and plan by the Secretary;

"(4) subject each lease, purchase, dry-year optioning, and dedication of water and water rights to any review and approval required under State law, such as review and approval by a water board, water court, or water engineer of the State; and

"(5) ensure that each lease, purchase, dry-year optioning, and dedication of water and water rights is consistent with State water law.

"(e) ROLE OF SECRETARY.—In carrying out this section, the Secretary shall—

"(1) certify State programs established under subsection (d)(1) for an initial term, and any subsequent renewal of terms, of not more than 3 years, subject to renewal;

"(2) establish guidelines for participating States to pay the Federal share of assisting the conversion from production of water-intensive crops to crops that require less water;

"(3) establish guidelines for participating States to pay the non-Federal share of the cost of on-farm and off-farm irrigation efficiency infrastructure and measures described in subsection (f)(2);

"(4) establish guidelines for participating States for the lease, purchase, dry-year optioning, and dedication of water and water rights under State programs;

"(5) establish a program within the Agricultural Research Service, in collaboration with the United States Geological Survey, to monitor State efforts under the program, including the construction and maintenance of stream gauging stations;

"(6) revoke certification of a State program under paragraph (1) if State administration of the State program does not meet the terms of the certification; and

"(7) consult with the Secretary of the Interior and affected Indian tribes, particularly with respect to the establishment and implementation of the program.

"(f) IRRIGATION EFFICIENCY INFRASTRUCTURE AND MEASURES.—

"(1) IN GENERAL.—The Secretary may pay—

"(A) the Federal share of the cost of converting from production of a water-intensive crop to a crop that requires less water, as described in subsection (e)(2); and

"(B) the Federal share determined under subsection (g) of the cost of on-farm and off-farm irrigation efficiency infrastructure and measures described in paragraph (2) if not less than 75 percent of the water conserved as a result of the infrastructure and measures is permanently allocated, directly or indirectly, to in-stream flows.

"(2) ELIGIBLE IRRIGATION EFFICIENCY INFRASTRUCTURE AND MEASURES.—Eligible irrigation efficiency infrastructure and measures referred to in paragraph (1) are—

"(A) lining of ditches, insulation of piping, and installation of ditch portals or gates;

"(B) tail water return systems;

"(C) low-energy precision applications;

"(D) low-flow irrigation systems, including drip and trickle systems and micro-sprinkler systems;

"(E) spray jets or nozzles that improve water distribution efficiency;

"(F) surge valves;

"(G) conversion from gravity or flood irrigation to low-flow sprinkler or drip irrigation systems;

"(H) intake screens, fish passages, and conversion of diversions to pumps;

"(I) alternate furrow wetting, irrigation scheduling, and similar measures; and

"(J) such other irrigation efficiency infrastructure and measures as the Secretary determines to be appropriate to carry out the program.

"(g) COST SHARING.—

"(1) NON-FEDERAL SHARE.—The non-Federal share of the cost of converting from production of a water-intensive crop to a crop that requires less water, or of an irrigation efficiency infrastructure or measure assisted under subsection (f)—

"(A) shall be not less than 25 percent; and

"(B) shall be paid by—

"(i) a State;

"(ii) an owner or operator of a farm or ranch (including an Indian tribe); or

"(iii) a nonprofit organization.

"(2) INCREASED NON-FEDERAL SHARE.—If an owner or operator of a farm or ranch pays 50 percent or more of the cost of converting from production of a water-intensive crop to a crop that requires less water, or of an irrigation efficiency infrastructure or measure, the owner or operator shall retain the right to use 50 percent of the water conserved by the conversion, infrastructure, or measure.

"(3) LEASING OF CONSERVED WATER.—A State shall—

"(A) give an eligible entity with respect to land enrolled in the program the option of leasing, or providing a dry-year option on, conserved water for 30 years; and

"(B) increase the non-Federal share under paragraph (1) accordingly, as determined by the Secretary.

"(4) WATER LEASE AND PURCHASE.—The cost of water or water rights that are directly leased, purchased, subject to a dry-year option, or dedicated under this section shall not be subject to the cost-sharing requirement of this subsection.

"(h) STATE ALLOCATIONS.—In making allocations to States, the Secretary shall consider the extent to which the State plan required by subsection (d)(3)(A) significantly advances the goals of Federal, State, tribal, and local fish, wildlife, and plant conservation plans, including—

"(1) plans that address—

"(A) multiple endangered species or threatened species (as defined in section 3 of the Endangered Species Act of 1973 (16 U.S.C. 1532)); or

"(B) species that may become threatened or endangered if conservation measures are not carried out;

"(2) agreements entered into, or conservation plans submitted, under section 6 or 10(a)(2)(A), respectively, of the Endangered Species Act of 1973 (16 U.S.C. 1535, 1539(a)(2)(A)); and

"(3) plans that provide benefits to the fish, wildlife, or plants located in 1 or more—

"(A) refuges within the National Wildlife Refuge System; or

"(B) State wildlife management areas.

"(i) STATE WATER LAW.—Nothing in this section—

"(1) preempts any State water law;

"(2) affects any litigation concerning the entitlement to, or lack of entitlement to, water that is pending as of the date of enactment of this section;

"(3) expands, alters, or otherwise affects the existence or scope of any water right of any individual (except to the extent that the individual agrees otherwise under the program); or

"(4) authorizes or entitles the Federal Government to hold or purchase any water right.

"(j) CALIFORNIA WATER LAW.—

"(1) IN GENERAL.—Nothing in this section authorizes the Secretary to enter into an agreement, in accordance with this subchapter, with a landowner for water obtained from an irrigation district, water district, or other similar governmental entity in the State of California.

"(2) TREATMENT OF CALIFORNIA DISTRICTS.—An irrigation district, water district, or similar governmental entity in the State of California—

"(A) shall be considered an eligible entity for purposes of this subsection; and

"(B) may develop a program under this subsection.

"(3) DISTRICT PROGRAMS.—All landowners participating in a program under this subchapter that is sponsored by a district or entity described in paragraph (2) shall be willing participants in the program.

"(k) GROUNDWATER.—A right to groundwater shall not be subject to any provision of this section unless the right is granted—

"(1) under applicable State law; and

"(2) through a groundwater water rights process that is fully integrated with the surface water rights process of the applicable affected State.

"(l) FUNDING.—

"(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out this section—

"(A) $25,000,000 for fiscal year 2002;

"(B) $52,000,000 for fiscal year 2003; and

"(C) $100,000,000 for each of fiscal years 2004 through 2006.

"(2) LIMITATION ON EXPENDITURES.—For any fiscal year, a State that participates in the program shall expend not more than 75 percent of the funds made available to the State under the program to pay—

"(A) the cost of converting from production of a water-intensive crop to a crop that requires less water; or

"(B) the cost of irrigation efficiency infrastructure and measures under subsection (f)(1).

"(3) MONITORING PROGRAM.—For each fiscal year, of the funds made available under paragraph (1), the Secretary shall use not more than $5,000,000 to carry out the monitoring program under subsection (e)(5).

"(4) ADMINISTRATION.—

"(A) FEDERAL.—For each fiscal year, of the funds made available under paragraph (1), the Secretary shall use not more than $500,000 for administration of the program.

"(B) STATE.—For each fiscal year, of the funds made available under paragraph (1), not more than 3 percent shall be made available to States for administration of the program.".

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on National Parks of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, March 7, 2002, at 2:30 p.m., in room 366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the following bills:

S. 213 and H.R. 37, to amend the National Trails System Act to update the feasibility and suitability studies of four national historic trails and provide for possible additions to such trails;

S. 1069 and H.R. 834, to amend the National Trails System Act to clarify Federal authority relating to land acquisition from willing sellers for the majority of the trails in the System, and for other purposes; and

H.R. 1384, to amend the National Trails System Act to designate the route in Arizona and New Mexico which the Navajo and Mescalero Apache Indian Tribes were forced to walk in 1863 and 1864, for study for potential addition to the National Trails System.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, U.S. Senate, 312 Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact David Brooks of the committee staff at (202-224-9863).

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Madam President, I ask unanimous consent that Cheryl Wasserman, who is a fellow in my office, be granted the privilege of the floor during the Senate's consideration of the farm bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS OF 2002

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 303, S. 1206.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1206) to reauthorize the Appalachian Regional Development Act of 1965, and for other purposes.

There being no objection, the Senate proceeded to consider the bill to reauthorize the Appalachian Regional Development Act of 1965, and for other purposes, which had been reported from the Committee on Environment and Public Works, with an amendment to strike all after the enacting clause and insert the part printed in italic.

SECTION 1. SHORT TITLE.

This Act may be cited as the "Appalachian Regional Development Act Amendments of 2001".

SEC. 2. PURPOSES.

(a) THIS ACT.—The purposes of this Act are—

(1) to reauthorize the Appalachian Regional Development Act of 1965 (40 U.S.C. App.); and

(2) to ensure that the people and businesses of the Appalachian region have the knowledge, skills, and access to telecommunication and technology services necessary to compete in the knowledge-based economy of the United States.

(b) APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1965.—Section 2 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in subsection (b), by inserting after the third sentence the following: "Consistent with the goal described in the preceding sentence, the Appalachian region should be able to take advantage of eco-industrial development, which promotes both employment and economic growth and the preservation of natural resources."; and

(2) in subsection (c)(2)(B)(ii), by inserting ", including eco-industrial development technologies" before the semicolon.

SEC. 3. FUNCTIONS OF THE COMMISSION.

Section 102(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in paragraph (5), by inserting ", and support," after "formation of";

(2) in paragraph (7), by striking "and" at the end;

(3) in paragraph (8), by striking the period at the end and inserting a semicolon; and

(4) by adding at the end the following:

"(9) encourage the use of eco-industrial development technologies and approaches; and

"(10) seek to coordinate the economic development activities of, and the use of economic development resources by, Federal agencies in the region.".

SEC. 4. INTERAGENCY COORDINATING COUNCIL ON APPALACHIA.

Section 104 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) by striking "The President" and inserting "(a) IN GENERAL.—The President"; and

(2) by adding at the end the following:

"(b) INTERAGENCY COORDINATING COUNCIL ON APPALACHIA.—

"(1) ESTABLISHMENT.—In carrying out subsection (a), the President shall establish an interagency council to be known as the 'Interagency Coordinating Council on Appalachia'.

"(2) MEMBERSHIP.—The Council shall be composed of—

"(A) the Federal Cochairman, who shall serve as Chairperson of the Council; and

"(B) representatives of Federal agencies that carry out economic development programs in the region.".

SEC. 5. TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 202 the following:

"SEC. 203. TELECOMMUNICATIONS AND TECHNOLOGY INITIATIVE.

"(a) IN GENERAL.—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide funds to persons or entities in the region for projects—

"(1) to increase affordable access to advanced telecommunications, entrepreneurship, and management technologies or applications in the region;

"(2) to provide education and training in the use of telecommunications and technology;

"(3) to develop programs to increase the readiness of industry groups and businesses in the region to engage in electronic commerce; or

"(4) to support entrepreneurial opportunities for businesses in the information technology sector.

"(b) SOURCE OF FUNDING.—

"(1) IN GENERAL.—Assistance under this section may be provided—

"(A) exclusively from amounts made available to carry out this section; or

"(B) from amounts made available to carry out this section in combination with amounts made available under any other Federal program or from any other source.

"(2) FEDERAL SHARE REQUIREMENTS SPECIFIED IN OTHER LAWS.—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available to carry out this section may be used to increase that Federal share, as the Commission determines to be appropriate.

"(c) COST SHARING FOR GRANTS.—Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 226) of the costs of any activity eligible for a grant under this section may be provided from funds appropriated to carry out this section.

"(d) BROADBAND STUDY.—

"(1) IN GENERAL.—The Commission shall make a grant, enter into an agreement, or otherwise provide funds for the conduct of a study on—

"(A) the availability of broadband telecommunications services and access to the Internet through such services in rural and other remote areas;

"(B) the impacts of the availability of those services on those areas; and

"(C) the means that are available for enhancing or facilitating the availability of those services in those areas.

"(2) COMPLETION OF STUDY.—The study under paragraph (1) shall be completed not later than 18 months after the date of enactment of the Appalachian Regional Development Act Amendments of 2001.".

SEC. 6. ENTREPRENEURSHIP INITIATIVE.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 203 (as added by section 5) the following:

"SEC. 204. ENTREPRENEURSHIP INITIATIVE.

"(a) Definition of Business Incubator Service.—In this section, the term 'business incubator service' means a professional or technical service necessary for the initiation and initial sustainment of the operations of a newly established business, including a service such as—

"(1) a legal service, including aid in preparing a corporate charter, partnership agreement, or basic contract;

"(2) a service in support of the protection of intellectual property through a patent, a trademark, or any other means;

"(3) a service in support of the acquisition and use of advanced technology, including the use of Internet services and Web-based services; and

"(4) consultation on strategic planning, marketing, or advertising.

"(b) Projects To Be Assisted.—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide funds to persons or entities in the region for projects—

"(1) to support the advancement of, and provide, high-quality entrepreneurial training and education for youths, students, and businesspersons;

"(2) to improve access to debt and equity capital, including the establishment of development venture capital funds;

"(3) to aid communities in identifying, developing, and implementing development strategies for various sectors of the economy; and

"(4)(A) to develop a working network of business incubators; and

"(B) to support entities that provide business incubator services.

"(c) Source of Funding.—

"(1) In general.—Assistance under this section may be provided—

"(A) exclusively from amounts made available to carry out this section; or

"(B) from amounts made available to carry out this section in combination with amounts made available under any other Federal program or from any other source.

"(2) Federal share requirements specified in other laws.—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available to carry out this section may be used to increase that Federal share, as the Commission determines to be appropriate.

"(d) Cost Sharing for Grants.—Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 226) of the costs of any activity eligible for a grant under this section may be provided from funds appropriated to carry out this section.".

SEC. 7. REGIONAL SKILLS PARTNERSHIPS.

Title II of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting after section 204 (as added by section 6) the following:

"SEC. 205. REGIONAL SKILLS PARTNERSHIPS.

"(a) Definition of Eligible Entity.—In this section, the term 'eligible entity' means a consortium that—

"(1) is established to serve 1 or more industries in a specified geographic area; and

"(2) consists of representatives of—

"(A) businesses (or a nonprofit organization that represents businesses);

"(B) labor organizations;

"(C) State and local governments; or

"(D) educational institutions.

"(b) Projects To Be Assisted.—The Commission may provide technical assistance, make grants, enter into contracts, or otherwise provide funds to eligible entities in the region for projects to improve the job skills of workers in a specified industry, including projects for—

"(1) the assessment of training and job skill needs for the industry;

"(2) the development of curricula and training methods, including, in appropriate cases, electronic learning or technology-based training;

"(3) the purchase, lease, or receipt of donations of training equipment;

"(4)(A) the identification of training providers; and

"(B) the development of partnerships between the industry and educational institutions, including community colleges;

"(5) the development of apprenticeship programs;

"(6) the development of training programs for workers, including dislocated workers; and

"(7) the development of training plans for businesses.

"(c) Administrative Costs.—An eligible entity may use not more than 10 percent of the funds made available to the eligible entity under subsection (b) to pay administrative costs associated with the projects described in subsection (b).

"(d) Source of Funding.—

"(1) In general.—Assistance under this section may be provided—

"(A) exclusively from amounts made available to carry out this section; or

"(B) from amounts made available to carry out this section in combination with amounts made available under any other Federal program or from any other source.

"(2) Federal share requirements specified in other laws.—Notwithstanding any provision of law limiting the Federal share under any other Federal program, amounts made available to carry out this section may be used to increase that Federal share, as the Commission determines to be appropriate.

"(e) Cost Sharing for Grants.—Not more than 50 percent (or 80 percent in the case of a project to be carried out in a county for which a distressed county designation is in effect under section 226) of the costs of any activity eligible for a grant under this section may be provided from funds appropriated to carry out this section.".

SEC. 8. PROGRAM DEVELOPMENT CRITERIA.

(a) Elimination of Growth Center Criteria.—Section 224(a)(1) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "in an area determined by the State have a significant potential for growth or".

(b) Assistance to Distressed Counties and Areas.—Section 224 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by adding at the end the following:

"(d) Assistance to Distressed Counties and Areas.—For each fiscal year, not less than 50 percent of the amount of grant expenditures approved by the Commission shall support activities or projects that benefit severely and persistently distressed counties and areas.".

SEC. 9. GRANTS FOR ADMINISTRATIVE EXPENSES OF LOCAL DEVELOPMENT DISTRICTS.

Section 302(a)(1)(A)(i) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by inserting "(or, at the discretion of the Commission, 75 percent of such expenses in the case of a local development district that has a charter or authority that includes the economic development of a county or part of a county for which a distressed county designation is in effect under section 226)" after "such expenses".

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

Section 401 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended to read as follows:

"SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

"(a) In General.—In addition to amounts authorized by section 201 and other amounts made available for the Appalachian development highway system program, there are authorized to be appropriated to the Commission to carry out this Act—

"(1) $88,000,000 for each of fiscal years 2002 through 2004;

"(2) $90,000,000 for fiscal year 2005; and

"(3) $92,000,000 for fiscal year 2006.

"(b) Telecommunications and Technology Initiative.—Of the amounts made available under subsection (a), the following amounts may be made available to carry out section 203:

"(1) $10,000,000 for fiscal year 2002.

"(2) $8,000,000 for fiscal year 2003.

"(3) $5,000,000 for each of fiscal years 2004 through 2006.

"(c) Availability.—Sums made available under subsection (a) shall remain available until expended.".

SEC. 11. STUDIES.

(a) Study of Regional Characteristics of Upper New York State.—Section 403 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the second sentence of the last undesignated paragraph by striking "June 30, 1970" and inserting "September 30, 2002".

(b) Study of Impacts of Terrorist Attacks on Economy of New York.—

(1) In general.—The Appalachian Regional Commission shall provide for a study to be conducted by an academic institution located within the Appalachian region of New York State—

(A) to examine the immediate and potential short-term and long-term economic impacts of the events of September 11, 2001, on New York City and on other areas of New York State; and

(B) to identify mechanisms and resources that could be used to prevent, reduce, and ameliorate those impacts.

(2) Completion of study.—The study under paragraph (1) shall be completed not later than 1 year after the date of enactment of this Act.

(3) Authorization of appropriations.—There is authorized to be appropriated to the Appalachian Regional Commission to carry out this subsection $300,000 for fiscal year 2002, to remain available until expended.

SEC. 12. TERMINATION.

Section 405 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "2001" and inserting "2006".

SEC. 13. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Section 101(b) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the third sentence by striking "implementing investment program" and inserting "strategy statement".

(b) Section 106(7) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "expiring no later than September 30, 2001".

(c) Sections 202, 214, and 302(a)(1)(C) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) are amended by striking "grant-in-aid programs" each place it appears and inserting "grant programs".

(d) Section 202(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the second sentence by striking "title VI of the Public Health Service Act (42 U.S.C. 291–291o), the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (77 Stat. 282)," and inserting "title VI of the Public Health Service Act (42 U.S.C. 291 et seq.), the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15001 et seq.),".

(e) Section 207(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "section 221 of the National Housing Act, section 8 of the United States Housing Act of 1937, section 515 of the Housing Act of 1949," and inserting "section 221 of the National Housing Act (12 U.S.C. 1715l), section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), section 515 of the Housing Act of 1949 (42 U.S.C. 1485),".

(f) Section 214 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the section heading, by striking "GRANT-IN-AID" and inserting "GRANT";

(2) in subsection (a)—

(A) by striking "grant-in-aid Act" each place it appears and inserting "Act";

(B) in the first sentence, by striking "grant-in-aid Acts" and inserting "Acts";

(C) by striking "grant-in-aid program" each place it appears and inserting "grant program"; and

(D) by striking the third sentence;

(3) by striking subsection (c) and inserting the following:

"(c) DEFINITION OF FEDERAL GRANT PROGRAM.—

"(1) IN GENERAL.—In this section, the term 'Federal grant program' means any Federal grant program authorized by this Act or any other Act that provides assistance for—

"(A) the acquisition or development of land;

"(B) the construction or equipment of facilities; or

"(C) any other community or economic development or economic adjustment activity.

"(2) INCLUSIONS.—In this section, the term 'Federal grant program' includes a Federal grant program such as a Federal grant program authorized by—

"(A) the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.);

"(B) the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 et seq.);

"(C) the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.);

"(D) the Carl D. Perkins Vocational and Technical Education Act of 1998 (20 U.S.C. 2301 et seq.);

"(E) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

"(F) title VI of the Public Health Service Act (42 U.S.C. 291 et seq.);

"(G) sections 201 and 209 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141, 3149);

"(H) title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.); or

"(I) part IV of title III of the Communications Act of 1934 (47 U.S.C. 390 et seq.).

"(3) EXCLUSIONS.—In this section, the term 'Federal grant program' does not include—

"(A) the program for construction of the Appalachian development highway system authorized by section 201;

"(B) any program relating to highway or road construction authorized by title 23, United States Code; or

"(C) any other program under this Act or any other Act to the extent that a form of financial assistance other than a grant is authorized."; and

(4) by striking subsection (d).

(g) Section 224(a)(2) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "relative per capita income" and inserting "per capita market income".

(h) Section 225 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.)—

(1) in subsection (a)(3), by striking "development program" and inserting "development strategies"; and

(2) in subsection (c)(2), by striking "development programs" and inserting "development strategies".

(i) Section 303 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the section heading, by striking "INVESTMENT PROGRAMS" and inserting "STRATEGY STATEMENTS";

(2) in the first sentence, by striking "implementing investments programs" and inserting "strategy statements"; and

(3) by striking "implementing investment program" each place it appears and inserting "strategy·statement".

(j) Section 403 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the next-to-last undesignated paragraph by striking "Committee on Public Works and Transportation" and inserting "Committee on Transportation and Infrastructure".

AMENDMENT NO. 2840

Mr. REID. Mr. President, I understand Senator JEFFORDS has a substitute amendment at the desk. I, therefore, ask unanimous consent that the amendment be agreed to, the committee substitute amendment be agreed to, the bill be read the third time and passed, the motion to reconsider be laid on the table with no intervening action or debate, and that any statements relating to these matters be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2840) was agreed to.

(The amendment is printed in today's RECORD under "Amendments Submitted.")

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill (S. 1206), as amended, was passed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to Executive Session consider Executive Calendar Nos. 677 through 694; that the nominations be confirmed, the motions to reconsider be laid on the table, that any statements thereupon be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were considered and confirmed as follows:

DEPARTMENT OF JUSTICE

Thomas P. Colantuono, of New Hampshire, to be United States Attorney for the District of New Hampshire for the term of four years.

James K. Vines, of Tennessee, to be United States Attorney for the Middle District of Tennessee for the term of four years.

James Duane Dawson, of West Virginia, to be United States Marshal for the Southern District of West Virginia for the term of four years.

William Carey Jenkins, of Louisiana, to be United States Marshal for the Middle District of Louisiana for the term of four years.

Ronald Richard McCubbin, Jr., of Kentucky, to be United States Marshal for the Western District of Kentucky for the term of four years.

David Reid Murtaugh, of Indiana, to be United States Marshal for the Northern District of Indiana for the term of four years.

Nehemiah Flowers, of Mississippi, to be United States Marshal for the Southern District of Mississippi for the term of four years.

Arthur Jeffrey Heddon, of Tennessee, to be United States Marshal for the Eastern District of Tennessee, for the term of four years.

David Glenn Jolley, of Tennessee, to be United States Marshal for the Western District of Tennessee for the term of four years.

Michael Wade Roach, of Oklahoma, to be United States Marshal for the Western District of Oklahoma for the term of four years.

Eric Eugene Robertson, of Washington, to be United States Marshal for the Western District of Washington for the term of four years.

Brian Michael Ennis, of Nebraska, to be United States Marshal for the District of Nebraska for the term of four years.

Chester Martin Keely, of Alabama, to be United States Marshal for the Northern District of Alabama for the term of four years.

John William Loyd, of Oklahoma, to be United States Marshal for the Eastern District of Oklahoma for the term of four years.

David Donald Viles, of Maine, to be United States Marshal for the District of Maine for the term of four years.

Johnny Lewis Hughes, of Maryland, to be United States Marshal for the District of Maryland for the term of four years.

Randy Merlin Johnson, of Alaska, to be United States Marshal for the District of Alaska for the term of four years.

Larry Wade Wagster, of Mississippi, to be United States Marshal for the Northern District of Mississippi for the term of four years.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

UNANIMOUS CONSENT AGREEMENT—EXECUTIVE CALENDAR NOS. 670 AND 676

Mr. REID. Mr. President, as in executive session, I ask unanimous consent that on Monday, February 11, the Senate proceed to executive session to consider the following nominations: Calendar No. 670, Michael Melloy, to be United States Circuit Judge; and Calendar No. 676, Jay Zainey, to be United States District Judge; that there be 15 minutes for debate on both nominations, equally divided between the chairman and ranking member of the Judiciary Committee or their designees; that at 6 p.m. the Senate vote on Calendar No. 670, and that upon the disposition of that nomination, the Senate vote immediately on Calendar No. 676; that the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, any statements thereon be printed in the RECORD, and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, as in executive session, I ask unanimous consent that it be in order to order the yeas and nays on both these nominations with one show of seconds.

The PRESIDING OFFICER. Without objection, it is in order for the Senator to seek the yeas and nays on both nominations at this time with one show of seconds.

Mr. REID. Mr. President, I now ask for the yeas and nays on the nominations.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR MONDAY, FEBRUARY 11, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 2 p.m., Monday, February 11; that following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and there be a period for morning business until 3 p.m., with Senators permitted to speak for up to 10 minutes each, with the time equally divided between the two leaders or their designees; and further, that at 3 p.m. the Senate resume consideration of S. 1731, the farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Mr. President, there are amendments that are still pending. We have a finite list of amendments. I hope there will be Senators on both sides to offer amendments in relation to this bill. All the amendments offered today will be put in the normal list of amendments that have been offered, and we will try to work something out. It may be there will be some that will be accepted by Senators HARKIN and LUGAR.

There are a number of other amendments that need to be offered. I would think if we expect to complete this bill that we need to have some of these offered Monday. It will not be possible to have everybody offer their amendments Tuesday and have votes on Tuesday and still get to the energy bill on Wednesday.

So I say to both the majority and minority Senators, we need to really move forward on this. I hope that staffs and others will indicate that they should have their Senators here at 3 o'clock on Monday to start offering amendments.

The next rollcall vote will begin at 6 p.m. on Monday on two Executive Calendar nominations. Rollcall votes will also occur Tuesday, February 12, as early as 10 a.m. in relation to amendments on the farm bill or on additional Executive Calendar nominations.

ADJOURNMENT UNTIL MONDAY, FEBRUARY 11, 2002, AT 2 P.M.

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 3:15 p.m., adjourned until Monday, February 11, 2002, at 2 p.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 8, 2002:

DEPARTMENT OF JUSTICE

THOMAS P. COLANTUONO, OF NEW HAMPSHIRE, TO BE THE UNITED STATES ATTORNEY FOR THE DISTRICT OF NEW HAMPSHIRE FOR THE TERM OF FOUR YEARS.

JAMES K. VINES, OF TENNESSEE, TO BE UNITED STATES ATTORNEY FOR THE MIDDLE DISTRICT OF TENNESSEE FOR THE TERM OF FOUR YEARS.

JAMES DUANE DAWSON, OF WEST VIRGINIA, TO BE UNITED STATES MARSHAL FOR THE SOUTHERN DISTRICT OF WEST VIRGINIA FOR THE TERM OF FOUR YEARS.

WILLIAM CAREY JENKINS, OF LOUISIANA, TO BE UNITED STATES MARSHAL FOR THE MIDDLE DISTRICT OF LOUISIANA FOR THE TERM OF FOUR YEARS.

RONALD RICHARD MCCUBBIN, JR., OF KENTUCKY, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF KENTUCKY FOR THE TERM OF FOUR YEARS.

DAVID REID MURTAUGH, OF INDIANA, TO BE UNITED STATES MARSHAL FOR THE NORTHERN DISTRICT OF INDIANA FOR THE TERM OF FOUR YEARS.

NEHEMIAH FLOWERS, OF MISSISSIPPI, TO BE UNITED STATES MARSHAL FOR THE SOUTHERN DISTRICT OF MISSISSIPPI FOR THE TERM OF FOUR YEARS.

ARTHUR JEFFREY HEDDEN, OF TENNESSEE, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF TENNESSEE, FOR THE TERM OF FOUR YEARS.

DAVID GLENN JOLLEY, OF TENNESSEE, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF TENNESSEE FOR THE TERM OF FOUR YEARS.

MICHAEL WADE ROACH, OF OKLAHOMA, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF OKLAHOMA FOR THE TERM OF FOUR YEARS.

ERIC EUGENE ROBERTSON, OF WASHINGTON, TO BE UNITED STATES MARSHAL FOR THE WESTERN DISTRICT OF WASHINGTON FOR THE TERM OF FOUR YEARS.

BRIAN MICHAEL ENNIS, OF NEBRASKA, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF NEBRASKA FOR THE TERM OF FOUR YEARS.

CHESTER MARTIN KEELY, OF ALABAMA, TO BE UNITED STATES MARSHAL FOR THE NORTHERN DISTRICT OF ALABAMA FOR THE TERM OF FOUR YEARS.

JOHN WILLIAM LOYD, OF OKLAHOMA, TO BE UNITED STATES MARSHAL FOR THE EASTERN DISTRICT OF OKLAHOMA FOR THE TERM OF FOUR YEARS.

DAVID DONALD VILES, OF MAINE, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF MAINE FOR THE TERM OF FOUR YEARS.

JOHNNY LEWIS HUGHES, OF MARYLAND, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF MARYLAND FOR THE TERM OF FOUR YEARS.

RANDY MERLIN JOHNSON, OF ALASKA, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF ALASKA FOR THE TERM OF FOUR YEARS.

LARRY WADE WAGSTER, OF MISSISSIPPI, TO BE UNITED STATES MARSHAL FOR THE NORTHERN DISTRICT OF MISSISSIPPI FOR THE TERM OF FOUR YEARS.

EXTENSIONS OF REMARKS

COLON CANCER SCREEN FOR LIFE ACT OF 2002

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, February 8, 2002

Mr. CARDIN. Mr. Speaker, I rise today to introduce the Colon Cancer Screen for Life Act of 2002. Colorectal cancer is the number two cancer killer in the United States. This year, an estimated 135,400 new cases will be diagnosed and 56,700 Americans will die from the disease. My home state of Maryland ranks 7th in the nation in the number of new cases and in the number of deaths. Our nation's capital, Washington, D.C., ranks first in the nation.

Colorectal cancer disproportionately impacts the elderly. The risk of colorectal cancer begins to increase after the age of 40 and rises sharply at the ages of 50 to 55, when the risk doubles with each succeeding decade. Despite advances in surgical techniques and adjuvant therapy, there has been only a modest improvement in survival for patients who present with advanced cancers.

The good news is that colorectal cancer can be prevented, and is highly treatable when discovered early. Most cases of the disease begin as non-cancerous polyps which can be detected and removed during routine screenings—preventing the development of colorectal cancer. Screening tests also save lives even when they detect polyps that have become cancerous by catching the disease in its earliest, most curable stages. The cure rate is up to 93 percent when colorectal cancer is discovered early.

Recognizing the importance of early detection in preventing colorectal cancer deaths, Congress in 1997 enacted a Medicare colorectal cancer screening benefit. Medicare currently covers either a screening colonoscopy every ten years or a flexible sigmoidoscopy every four years for average-risk individuals. Beneficiaries identified as high risk are entitled to a colonoscopy every two years.

Despite the availability of this benefit, very few seniors are actually being screened for colorectal cancer. Since its implementation in 1998, the percentage of Medicare beneficiaries receiving either a screening or diagnostic colonoscopy has increased by only one percent.

Why aren't more seniors being screened? I believe the problem is due, in part, to rapidly declining colorectal screening reimbursement levels. By 2002, Medicare reimbursement for diagnostic colonoscopies performed in an outpatient setting will have declined 36% from initial 1998 levels. For flexible sigmoidoscopies, payment in 2002 will be 54% less. Colorectal cancer screening will not be effective if it is a "loss leader" for doctors.

While reimbursement has dropped across the board, cuts have been particularly harsh for screenings provided in hospital outpatient departments (HOPDs) and ambulatory surgery centers (ASCs). In 1997, a colonoscopy performed in one of these settings was reimbursed at approximately $301. Now in 2002, the rate has fallen to about $213.

The facility-specific cuts provide incentives for physicians to perform screenings in their offices, where reimbursement rates have remained between 68% and 108% higher. As you know, Medicare has established its own criteria for both ASCs and HOPDs to ensure high quality of care and patient safety. While there are office facilities where endoscopy is safely performed, physicians' offices are, for the most part, unregulated environments. The site-of-service differential could interfere with the clinical decision-making process, at the expense of patient safety.

In addition, Medicare currently pays for a consultation prior to a diagnostic colonoscopy, but not for a screening colonoscopy. Since colonoscopy involves conscious sedation, physicians generally do not perform them without a pre-procedure office visit to ascertain a patient's medical history and to educate patients as to the required preparatory steps. In fact, several states now require physicians to consult with patients prior to procedures involving conscious sedation. Because Medicare will not pay for pre-screening consultations, many physicians must provide them for free.

And, unlike screening mammography, colorectal cancer screening tests are subject to the Medicare Part B deductible, which discourages beneficiaries from seeking screening.

My colleague, Representative PHIL ENGLISH, joins me today to introduce this important legislation. This bill is supported by the American College of Gastroenterology, the American Society for Gastrointestinal Endoscopy, and the American Gastroenterological Association. It would improve beneficiary utilization and help ensure the safety of colorectal cancer screening by doing three things.

First, it would increase reimbursement for colorectal cancer related procedures to ensure that physicians are able to cover the costs of providing these valuable services.

Second, our bill will provide Medicare coverage for a pre-screening office visit. If Medicare will pay for a consultation prior to diagnostic colonoscopy, it also should pay for a consultation before a screening colonoscopy.

Third, the bill would exempt colorectal cancer screening procedures from the customary Medicare deductible requirement. By reducing the financial requirements on the beneficiary, this law will encourage increased access to colorectal screening services.

The preventive benefits we authorized in 1997 were an important step toward fighting this deadly disease. But the colorectal cancer screening program is in danger of failing without our intervention. I strongly urge all my colleagues to support this critical legislation.

PERSONAL EXPLANATION

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 8, 2002

Mrs. MALONEY of New York. Mr. Speaker, on January 29, 2002, I was unavoidably detained and missed Rollcall vote No. 5. Rollcall vote 5 was on the motion to suspend the rules and agree to a resolution honoring the contributions of Catholic schools.

Had I been present I would have voted "yea" on rollcall vote 5.

EXPRESSING SENSE OF HOUSE THAT SCHEDULED TAX RELIEF SHOULD NOT BE SUSPENDED OR REPEALED

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to oppose this resolution on the floor this morning. H. Con. Res. 312 instructs the Congress to push for more tax cuts, thereby eliminating necessary funds to help senior citizens, families, and laid-off workers.

My colleagues that stand on the other side of this have always emphasized that this Congress must put forth every effort to work together in a bipartisan way. We have worked together to pass such legislation as airline security, and H.R. 1, the "Leave No Child Behind Act of 2001." But, Mr. Speaker, this resolution only separates this body along party lines. It disregards the future of our country.

We all received a copy of the President's budget on Monday. It, among other things, envisions an $80 billion deficit even while proposing an actual decline in spending for domestic programs not related to defense or homeland security. How will it be possible to adhere to President Bush's budget? The only way is by invading Social Security and Medicare and cutting program funding in such important areas as education and agriculture.

I did not support the President's tax cut last year because such a plan would have forced him to break his promise to not invade Social Security. Over the next 10 years, the President's budget would invade Social Security surpluses by approximately $1.4 trillion and invade Medicare surpluses by approximately $550 billion. Again, Mr. Speaker, this resolution disregards the future of our country. The President says that our current war on terrorism has cost $1 billion per month and is the primary reason for the deficit. We, as a nation, have experienced tremendous pain as a result of September 11. But our pain pales to the

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Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

loss experienced by families of the victims. During this healing period, a time when they rely on our leadership to provide medical care, security, and a promise for the future, we will be turning our backs if we act irresponsibly and continue with the tax relief.

The recent financial tragedy in Houston, and the alleged improprieties that led to the bankruptcy of energy giant Enron, demand that we take care of those victims who lost their entire life savings and benefits. We need to pass legislation that extends unemployment benefits to hard-working Americans that have lost their job through no fault of their own, who are without any income or health care. This would be a better use of federal funds.

Furthermore, we must act responsibly and pass a prescription drug benefit plan for our seniors on Medicare. Many of these seniors are on fixed incomes, continuously struggling to pay their rent and put food on their table. The prices of prescription drugs are outrageous and we must work toward providing access to our seniors. Federal dollars must be used to help people who need it the most. If we are to serve our country responsibly, I urge my colleagues to oppose this resolution.

H.R. 1343

HON. STEPHANIE TUBBS JONES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, February 8, 2002

Mrs. JONES of Ohio. Mr. Speaker, I rise today in support of H.R. 1343, the Local Law Enforcement Hate Crimes Prevention Act. It is time that we pass meaningful hate crimes legislation.

Over the past several years, we have witnessed a rash of violent hate crimes across America. And while no law can effectively outlaw bigotry, it can be fought by imposing stricter penalties upon those who commit hate crimes, by making the laws more inclusive, and collecting more accurate information about hate crimes.

We need to pass legislation that prohibits offenses involving actual or perceived race, color, religion, national origin, gender, sexual orientation, or disability.

Right now, in my Congressional district, there is a billboard across the street from a public library that is filled with hate for persons because of the color of their skin. Now, while I support freedom of speech, I also believe that the community can speak out against hatred. History has shown us that hate has the potential of criminal behavior.

I urge my colleagues to vote for legislation that will sustain the fabric of this Nation and lead us toward a more united America. I encourage my colleagues to vote for H.R. 1343.

IN RECOGNITION OF AFRICAN-AMERICAN NATIONAL HIV/AIDS DAY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 8, 2002

Mr. RANGEL. Mr. Speaker, I rise to shed light once again on a vicious scourge that has gripped the African-American community for years and continues to strangle the life of a great number of our people. Today, the CDC estimates that 284,000 of the 740,000 individuals infected with HIV are African-Americans. In other words, African-Americans make up almost 38 percent of all AIDS cases reported in this country.

Men, women and children are being infected at staggering rates. For example, nearly 47 percent of the 46,400 AIDS cases reported in 1999 (21,900 cases) were reported among African-Americans. Almost two-thirds (63 percent) of all women reported with AIDS were African-American and African-American children represent almost two-thirds (65 percent) of all reported pediatric AIDS cases. We have all heard the numbers and we all know they are astounding.

More disheartening is that despite the advances in medical therapy, many African-American patients continue to reject physician recommendations for therapy. Many patients rely totally upon nutritional programs, herbal formulas, and other empirical modalities of unproved efficacy.

Research has shed some light on the possible reasons for the lack of program participation by African-Americans infected with HIV. Results from surveys indicate that African-Americans with AIDS may believe that combination drug therapy is too costly to afford. It is true that these therapy treatments may exceed $7,000 a year but they are effective. In addition, most commercial insurance plans like Medicare and Medicaid will cover these costs. Many States including my home State of New York have programs which will provide supplemental payments for AIDS treatment (AIDS Drug Assistance Program ADAP).

Also, most of the pharmaceutical companies which manufacture drugs used in the treatment of HIV/AIDS related illness have compassionate use programs for patients without insurance and who do not qualify for Medicaid. Patients usually can get assistance from physicians in enrolling for these programs and social service workers in public clinics and hospitals also will provide information and assistance for patients in need.

Given all these advances in drug treatment protocols and supportive strategies among front-line care workers, there is still a high number of African-Americans dying from the virus. Moreover, the number of individuals dying from the virus is often overshadowed by the daunting numbers that are getting infected with the virus everyday.

This suggests that we as Americans must do more to curb the increase of HIV/AIDS particularly in the African-American community. We must use a more comprehensive approach in addressing the issue.

We all know the statistics, the question is what do we do about it. I believe that a comprehensive approach to addressing the problem, which includes strategies developed with the assistance of community stakeholders, should be adopted.

The following plans should be included in this comprehensive program to fight HIV/AIDS in the African-American community.

The Department of Health and Human Services, the Centers for Disease Control, and state health agencies must work with African-American grassroots organizations, Black churches, penal institutions, schools, clinics, hospitals, the media, and community and civic groups to ensure that the development of the planning process includes the voices of all the stakeholders in the community.

Efforts should be directed to communities at greatest risk.

Plans should include access to voluntary HIV counseling, testing, and confidential notification of potentially exposed partners with voluntary counseling.

Plans should reach HIV-infected individuals and link them with care and treatment services.

Plans should incorporate comprehensive efforts that reduce sexual risk behavior. Programs that strongly emphasize abstinence, monogamy, or consistent and correct use of latex condoms among those who are sexually active should be considered. Most important, stakeholders should examine what elements in the comprehensive approach is likely to be effective in their communities.

Plans should include comprehensive efforts that reduce drug-related behavior.

Plans should use comprehensive school based programs and programs for out-of-school youth to provide HIV/AIDS prevention and intervention.

Plans should include efforts to improve prevention programs in correctional facilities.

I believe that these plans, if used as part of a comprehensive program with the assistance of community stakeholders, will make a difference in decreasing the prevalence of HIV/AIDS in the African-American community. In sum, education, testing, treatment, and counseling are keys to an HIV/AIDS free society.

PERSONAL EXPLANATION

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, February 8, 2002

Mrs. MALONEY of New York. Mr. Speaker, on February 7, 2002, I was unavoidably detained and missed rollcall vote number 12. Rollroll vote 12 was on agreeing to the resolution providing for consideration of H.R. 3394, the Cyber Security Research and Development Act.

Had I been present I would have voted "yea" on rollcall vote 12.

SENATE—*Monday, February 11, 2002*

The Senate met at 2 p.m. and was called to order by the Honorable DANIEL K. AKAKA, a Senator from the State of Hawaii.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

As we begin this new week, let us think magnificently about God, so that we may serve Him magnanimously and glorify His majesty. Let us pray.

O God, whose love never lets go; whose mercy never ends; whose strength is always available; whose guidance shows the way; whose Spirit provides a supernatural power; whose presence is our courage; whose joy transforms our gloom; whose peace calms our pressured hearts; whose light illuminates our path; whose goodness provides the wondrous gifts of loved ones, family, and friends; whose will has brought us to the awesome tasks of this Senate today; and whose calling lifts us above party politics to put You and the good of our Nation first, we dedicate all that we have and are to serve You this week with unreserved faithfulness and unfailing loyalty.

To You, dear God, be the glory. Amen.

PLEDGE OF ALLEGIANCE

The Honorable DANIEL K. AKAKA led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, DC, February 11, 2002.*
>
> *To the Senate:*
>
> Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DANIEL K. AKAKA, a Senator from the State of Hawaii, to perform the duties of the Chair.
>
> ROBERT C. BYRD,
> *President pro tempore.*

Mr. AKAKA thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 3 p.m., with Senators permitted to speak therein for up to 10 minutes each.

In my capacity as a Senator of the State of Hawaii, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HIGH FRUCTOSE CORN SYRUP

Mr. GRASSLEY. Mr. President, I rise to speak to my colleagues about our trade policy with Mexico and a very specific dispute we have with them, a dispute that affects agriculture, definitely, and, within agriculture, the production of corn.

Few trade policy developments in recent years have been more significant for the United States than our flourishing economic partnership with Mexico, a partnership that results from trade agreements that have been worked out and are working very well for both countries. The comprehensive free trade agreement, in which we both participate and which has contributed so much to the prosperity and economic freedom in both countries, stands as a model of hemispheric cooperation.

I am greatly troubled by a recent Mexican action that targets the corn-refining industry. I fear this may disrupt and even seriously damage our bilateral trade relations.

On January 1 of this year, Mexico, through congressional action—meaning their Congress—imposed a totally unwarranted discriminatory tax of from 10 to 20 percent on soft drinks sweetened with high fructose corn syrup. The United States is a major supplier of high fructose corn syrup. We export it directly to Mexico, and it is produced in Mexico by wholly owned subsidiaries of U.S. firms. These companies have invested hundreds of millions of dollars in Mexico, providing many jobs to Mexican workers.

Much of the corn used to produce high fructose corn syrup is grown in my own State of Iowa. We are No. 1 of the 50 States in the production of corn, as well as soybeans.

I do not like to attribute bad motives to my neighbors, including Mexico, but we do not do these sorts of retaliatory things like are being done in Mexico. So I don't suppose I should attribute bad motives to my neighbors because we don't do that to our neighbors in Iowa. Obviously, I don't like to do it to a country with which we share a hemisphere and a rich cultural heritage, considering the fact that such a high percentage of the American population is Hispanic.

I want to get back to strictly the facts. The fact is that Mexico applies this new tax only to soft drinks containing high fructose corn syrup, not soft drinks containing sweetener from cane sugar. Cane sugar is something that Mexico produces in great abundance. Those soft drinks are exempt from this tax that is applied just to soft drinks made with high fructose corn syrup.

In my judgment, this discriminatory application of the tax clearly violates Mexico's World Trade Organization national treatment obligations. If the Mexican tax stays on the books for the rest of the year, the corn growers and corn refiners in Iowa and throughout the United States are going to be badly hurt. I fear that some of them may have income and their income will go down and, obviously, will jeopardize their farms and at least their livelihoods.

Now, estimates are that corn refiners will lose about $244 million just this year alone. Our farmers will lose another $66 million in the sale of corn. As surplus high fructose corn syrup production mounts, other losses will pile up as well.

So even though President Vicente Fox brings progressive political leadership to Mexico—a leadership that I greatly admire and respect—it looks as if some nonprogressive members of the Mexican Congress are still employing the old, tired politics of the past, the old politics of protectionism.

The Mexican congressional motto is: If you can't compete fairly or efficiently, try to muscle your competition out of the market. This is just the sort of "beggar thy neighbor" trade policy of the past that we have worked so hard to overcome, both with the creation of the North American Free Trade Agreement and with the creation of the World Trade Organization.

So it is very discouraging, then, just as we start the real work on a new round of World Trade Organization trade negotiations, in which we hope to further liberalize world trade, and especially trade in agricultural products, to

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suddenly find ourselves fighting a harmful protectionist measure imposed by one of our closest neighbors and trading partners, and a neighbor that we want to call "friend."

Currently, Mexico is our third largest agricultural export market. This market grew an astounding 15 percent just last year. If the present trade continues, Mexico will probably surpass Canada as our second largest agricultural market within 2 or 3 years.

I know this robust growth in competitive agricultural exports has caused some friction between our two countries, but we cannot and must not handle our differences by resorting to the "beggar thy neighbor" policies of the past.

One response to Mexico's unfair and illegal tax on high-fructose corn syrup would be to enact a similar tax on a Mexican product, the drink referred to as Mezcal. So far, I have not pursued this sort of retaliation. I still hope that Mexico will respect its international trade commitments and repeal this legislation, and repeal it permanently.

Mr. President, let me make this very clear. I think it is legitimate that my patience and the patience of the agricultural interests in the United States is limited. It ought to be that way.

Minister Luis Derbez, who is Mexico's secretary of the economy, stated that his government is committed to resolving this issue by February 15. That is this week. I accept Minister Derbez's word, but now is the time for the congressmen and the ministers of the cabinet of Mexico to resolve this issue, before we do any more damage to America's hard-working farming families and our trade relations with our friend, the country of Mexico.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. Lincoln). Without objection, it is so ordered.

GENERAL PERVEZ MUSHARRAF'S SPEECH TO THE PEOPLE OF PAKISTAN

Mr. DURBIN. Mr. President, on January 12, Gen. Pervez Musharraf of Pakistan spoke to his people at a moment of great danger. Half a million Indian troops were massing on the border over the contentious issue of Kashmir, unresolved for over 50 years, and the December 13 terrorist attack on the Indian Parliament. Memories were still fresh of 100,000 demonstrators in the streets after September 11, praising Osama bin Laden and burning effigies of Musharraf and President Bush.

The speech was given to the nation of Pakistan, but it was followed closely by India and the West.

He made the choice facing Pakistan very clear. In his words, the "day of reckoning" had come. His nation must choose between the Kalishnikov culture of religious extremism and a progressive Islamic state. He made his case in terms far different than Western secular leaders. Speaking to his Muslim nation, he invoked the name of the Prophet Mohammad, the Koran and Islamic history and tradition.

If Osama bin Laden could find justification for his hate-filled extremism in a corruption of Islamic belief, Musharraf found tolerance, universal brotherhood and peace in Islam.

When we met with him 2 days later in the Presidential residence, he repeated the message in his speech that Islam teaches not only an obligation to God—Haqooq Allah—but also an obligation to others—Haqooq Al-ebad. And beyond the rhetoric of tolerance, he calls for a historic change in the madrassas, Islamic religious schools, so often identified with the memorization of the Koran, little or no education, and a breeding ground for hatred.

Pakistan's new jihad against illiteracy and poverty will require the madrassas to be religious schools, with a recognized curriculum, registered with the state; accredited in math, science and English, with trained teachers and foreign students deported if they are not legally in the country.

And he went further. All mosques are to be registered. Newer mosques require government permission and the loudspeakers outside the mosque, used traditionally for a call to prayer, cannot be used to incite hatred or extremism.

Musharraf told us that the public response to his revolutionary message has been positive, even among the Muslim clergy who met with him before it was given.

He believes that Pakistan, in his words, the "Citadel of Islam," can show the world that the Muslim faith is consistent with the values of this new century.

If real peace and progress are to come to the Islamic world, we must help him succeed.

Mr. President, I ask unanimous consent that the speech be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

President General Pervez Musharaf's Address to the Nation, January 12, 2002

I begin in the name of God, the most Beneficent, the most Merciful.

Pakistani Brothers and Sisters!

As you would remember, ever since I assumed office, I launched a campaign to rid the society of extremism, violence and terrorism and strived to project Islam in its true perspective. In my first speech on October 17, 1999, I had said and I quote; "Islam teaches tolerance, not hatred; universal brotherhood, not enmity; peace, and not violence. I have a great respect for the Ulema and expect them to come forward and present Islam in its true light. I urge them to curb elements which are exploiting religion for vested interests and bringing a bad name to our faith". After this, I initiated a number of steps in this regard. First, in the year 2000, I started interacting with the Taliban and counseled them to inculcate tolerance and bring moderation in their ways. I also told them that those terrorists who were involved in terrorist acts in Pakistan and seeking refuge in Afghanistan should be returned to us. Unfortunately, we did not succeed.

In the year 2001, I think it was January, we sealed the Pak-Afghan borders and I gave directions that no students of any Madarissah (religious seminaries) should be allowed to cross into Afghanistan without relevant documents. After this, I despatched a number of delegations to meet Mullah Omar. I continued to advise them tolerance and balance. Later, on February 15, 2001, we promulgated the Anti-Weaponisation Ordinance. Through this law, we launched a de-weaponisation campaign in Pakistan.

On 5th of June, on the occasion of the Seerat Conference, I addressed Ulema belonging to all Schools of thought and spoke firmly to them against religious extremism. On the 14th of August 2001, we finally took a very important decision to ban Lashkar-e-Jhangvi and Sipah-e-Muhammad and placed Sipah-e-Sahaba and TJP (Tehrik-e-Jafria Pakistan) under observation. In addition, on a number of occasions, I called Ulema and Mashaikh and held extensive consultations with them.

The objective was to take them on board in our campaign against terrorism and extremism. These measures have been continuing since our government assumed office in 1999. I am explaining all this to you in great detail only because of the fact that the campaign against extremism undertaken by us from the very beginning is in our own national interest. We are not doing this under advice or pressure from anyone.

Rather, we are conscious that it is in our national interest. We are conscious that we need to rid society of extremism and this is being done right from the beginning.

This domestic reforms process was underway when a terrorist attack took place against the United States on the 11th of September. This terrorist act led to momentous changes all over the world. We decided to join the international coalition against terrorism and in this regard I have already spoken to you on a number of occasions. We took this decision on principles and in our national interest.

By the grace of God Almighty our decision was absolutely correct. Our intentions were noble and God Almighty helped us. I am happy to say that the vast majority of Pakistanis stood by this decision and supported our decision. I am proud of the realistic decision of our nation. What really pains me is that some religious extremist parties and groups opposed this decision. What hurts more was that their opposition was not based on principles. At a critical juncture in our history, they preferred their personal and party interests over national interests.

They tried their utmost to mislead the nation, took out processions and resorted to agitation. But their entire efforts failed. The people of Pakistan frustrated their designs. As I have said, I am proud of the people of Pakistan who support correct decisions and do not pay heed to those who try to mislead them.

I have interacted with the religious scholars on a number of occasions and exchanged views with them. I am happy to say that our discussions have been very fruitful. A majority of them are blessed with wisdom and vision and they do not mix religion with politics.

Some extremists, who were engaged in protests, are people who try to monopolise and attempt to propagate their own brand of religion.

They think as if others are not Muslims. These are the people who considered the Taliban to be a symbol of Islam and that the Taliban were bringing Islamic rennaissance or were practising the purest form of Islam. They behaved as if the Northern Alliance, against whom the Taliban were fighting, were non-Muslims! Whereas, in fact, both were Muslims and believers. These extremists were those people who do not talk of "Haqooqul Ibad" (obligations towards fellow human beings). They do not talk of these obligations because practising them demands self-sacrifice. How will they justify their Pajeros and expensive vehicles? I want to ask these extremists as to who was responsible for misleading thousands of Pakistanis to their massacre in Afghanistan? These misled people were let down by the very people in whose support they had gone. All of us should learn a lesson from this. We must remember that we are Pakistanis. Pakistan is our identity, our motherland.

We will be aliens outside Pakistan and be treated as aliens. Pakistan is our land. It is our soil. If we forsake it, we will face difficulties. This lesson we must learn.

Sectarian terrorism has been going on for years.

Every one of us is fed up of it. It is becoming unbearable. Our peace-loving people are keen to get rid of the Klashinkov and weapon culture. Everyone is sick of it. It was because of this that we banned Lashkar-e-Jhangvi and Sipah-e-Muhammad. Yet little improvement occurred. The day of reckoning has come.

Do we want Pakistan to become a theocratic state? Do we believe that religious education alone is enough for governance or do we want Pakistan to emerge as a progressive and dynamic Islamic welfare state? The verdict of the masses is in favour of a progressive Islamic state. This decision, based on the teaching of the Holy Prophet (Peace Be Upon Him) and in line with the teachings of Quaid-e-Azam and Allama Iqbal will put Pakistan on the path of progress and prosperity.

Let us honestly analyse what the few religious extremists have attempted to do with Pakistan and Islam.

First, with regard to Afghanistan, they indulged in agitational activities. Look at the damage it has caused! Pakistan's international image was tarnished and we were projected by the international media as ignorant and backward. Our economy suffered. A number of export orders already placed with Pakistani industry were cancelled and no new orders materialised. This led to closure of some factories and unemployment. The poor daily wage earners lost their livelihood. Extremists also formed a Pakistan-Afghanistan Defence Council! Apart from damaging Pakistan, they had negative thinking and had no idea of anything good for Afghanistan. Did they ever think of bringing about peace to Afghanistan through reconciliation among the Taliban and Northern Alliance? Did they counsel tolerance to them? Did they ever think of collecting funds for the welfare, rehabilitation and reconstruction of the war-ravaged Afghanistan, or to mitigate sufferings of the poor Afghan people? Did they think of a solution to the hunger, poverty and destruction in Afghanistan? To my knowledge, only Maulana Abdul Sattar Edhi, God bless him, and some foreign NGOs and the UN organisations were providing the Afghans with food and medicines.

These extremists did nothing except contributing to bloodshed in Afghanistan. I ask of them, whether they know any thing other then disruption and sowing seeds of hatred? Does Islam preach this?

Now, let us see their activity outside Afghanistan.

They initiated sectarian feuds.

Sects and different schools of thought in Islam have existed since long. There is nothing wrong with intellectual differences flowing from freedom of thought as long as such differences remain confined to intellectual debates. Look at what this extremist minority is doing? They are indulging in fratricidal killings. There is no tolerance among them.

Quaid-e-Azam declared that Pakistan belonged to followers of all religions; that every one would be treated equally. However, what to speak of other religions, Muslims have started killing each other.

I think, these people have declared more Muslims as Kafirs (infidels) than motivating the non-Muslims to embrace Islam. Look at the damage they have caused?

They have murdered a number of our highly qualified doctors, engineers, civil servants and teachers who were pillars of our society. Who has suffered? The families of the dead, no doubt. But a greater loss was inflicted on Pakistan because, as I said, we lost the pillars of our society. These extremists did not stop here. They started killing other innocent people in mosques and places of worship.

Today, people are scared of entering these sacred places of worship. It is a matter of shame that police have to be posted outside for their protection. We claim Islam as Deen or a complete way of life.

Is this the way of life that Islam teaches us? That we fight amongst ourselves and feel scared of fellow Muslims, scared of visiting our places of worship where police have to be deputed outside for protection? Mosques are being misused for propagating and inciting hatred against each other's sect and beliefs and against the Government, too.

I would like to inform you that a number of terrorist rings have been apprehended. In Karachi, the Inspector General of Police, while briefing me, informed that the leader of one of these groups is the Pesh Imam (Prayer Leader) of a Mosque in Malir. The Imam has confessed to murdering many people himself. This is the state of affairs. To what purpose are we using our mosques for? These people have made a state within a state and have challenged the writ of the government.

Now, I would like to dwell upon the subject of Madaris or Religious Schools in some detail. These schools are excellent welfare setups where the poor get free board and lodge. In my opinion, no NGO can match their welfare aspects. Many of the madaris are imparting excellent education. In addition to religious teachings, other subjects such as science education and computer training are also being imparted there.

I am thankful to them for undertaking excellent welfare measures without State funding. I would also like to say that I have projected madaris internationally and with various heads of states time and again.

I think no one else in Pakistan has done so much for their cause. However, there are some negative aspects of some madrassahs. These few impart only religious education and such education which produces semi-literate religious scholars. This is a weakness.

Very few madaris, I repeat very few of them, are under the influence of politico-religious parties or have been established by them. I know that some of these promote negative thinking and propagate hatred and violence instead of inculcating tolerance, patience and fraternity.

We must remember that historically, the madarasa was a prestigious seat of learning. They were citadels of knowledge and beacon of light for the world.

When Islam was at its zenith, every discipline of learning e.g.: mathematics, science, medicine, astronomy and jurisprudence were taught at these institutions. Great Muslim luminaries such as Al-Beruni, Ibn-e-Sina (Avesina) and Ibn Khuldoon, were the products of these same madaris.

And if we study history, we see that from the 7th to 15th century AD, transfer of technology took place from the Muslims to the rest of the world. Look at Muslims' condition today. Islam teaches us to seek knowledge, even if it involved travel to China. I am sure you are aware that the Prophet (Peace Be Upon Him) had told prisoners of war in the Battle of Badar that they would be set free if each of them imparted education to ten Muslims. Quite obviously, this education could not have been religious education as the prisoners were non-Muslims. So the Prophet (Peace Be Upon Him) was actually referring to worldly education. If we do not believe in education, are we following the teachings of Islam or violating them? We must ask what direction are we being led into by these extremists?

The writ of the government is being challenged.

Pakistan has been made a soft state where the supremacy of law is questioned. This situation can not be tolerated any more. The question is what is the correct path? First of all, we must rid the society of sectarian hatred and terrorism, promote mutual harmony. Remember that mindsets can not be changed through force and coercion. No idea can ever be forcibly thrust upon any one. May be the person changes outwardly but minds and hearts can never be converted by force. Real change can be brought about through personal example, exemplary character and superior intellect. It can be brought about by Haqooq-ul-ibad (Obligation towards fellow beings).

Have we forgotten the example of the Holy Prophet (Peace Be Upon Him) where Islam was spread by virtue of his personal conduct, true leadership and that is how changes in the world took place at that time. We have forgotten the teaching of revered personalities of Islam like Hazrat Data Ganj Bakhsh, Hazrat Lal Shahbaz Qalandar, Fareed Ganj Shakar, Baha-uddin Zakria etc.

Was Islam spread by them through force and coercion?

No. They preached Islam by personal example. I give these examples because it hurts me to see where we have relegated ourselves now. We must restore that status of Madaris to what it originally was. We have to change the state of affairs and take them on the path of improvement.

The second thing I want to talk about is the concept of Jehad in its totality. I want to dilate upon it because it is a contentious issue, requiring complete comprehension and understanding. In Islam, Jehad is not confined to armed struggles only. Have we ever thought of waging Jehad against illiteracy, poverty, backwardness and hunger? This is the larger Jehad.

Pakistan, in my opinion, needs to wage Jehad against these evils. After the battle of Khyber, the Prophet (Peace Be Upon Him) stated that Jehad-e-Asghar (Smaller Jehad) is over but Jehad-e-Akbar (Greater Jehad) has begun. This meant that armed Jehad i.e. the smaller Jehad was now over and the greater Jehad against backwardness and illiteracy had started.

Pakistan needs Jehad-e-Akbar at this juncture.

By the way we must remember that only the government of the day and not every individual can proclaim armed Jehad. The extremist minority must realise that Pakistan is not responsible of waging armed Jehad in the world. I feel that in addition to Haqooq Allah (Obligations to God), we should also focus on Haqooq-Al-ebad (Obligations towards fellow human beings). At Schools, Colleges and Madaris, Obligations towards fellow beings should be preached. We know that we have totally ignored the importance of correct dealings with fellow human beings. There is no room for feuds in Islamic teachings. It is imperative that we teach true Islam i.e. tolerance, forgiveness, compassion, justice, fair play, amity and harmony, which is the true spirit of Islam. We must adopt this.

We must shun negative thinking.

We have formulated a new strategy for Madaris and there is need to implement it so as to galvanize their good aspects and remove their drawbacks. We have developed a new syllabi for them providing for teaching of Pakistan studies, Mathematics, Science and English along with religious subjects. Even if we want these Madaris to produce religious leaders they should be educated along these lines. Such people will command more respect in the society because they will be better qualified. To me, students of religious schools should be brought in to the mainstream of society. If any one of them opts to join college or university, he would have the option of being equipped with the modern education. If a child studying at a madrasa does not wish to be a prayer leader and he wants to be a bank official or seek employment elsewhere, he should be facilitated.

It would mean that the students of Madaris should be brought to the mainstream through a better system of education. This is the crux of the Madrasa strategy.

This by no means is an attempt to bring religious educational institutions under Government control nor do we want to spoil the excellent attributes of these institutions. My only aim is to help these institutions in overcoming their weaknesses and providing them with better facilities and more avenues to the poor children at these institutions.

We must check abuse of mosques and madaris and they must not be used for spreading political and sectarian prejudices. We want to ensure that mosques enjoy freedom and we are here to maintain it. At the same time we expect a display of responsibility along with freedom. If the Imam of mosques fail to display responsibility, curbs would have to be placed on them.

After this analysis, now, I come to some conclusions and decisions:

First, we have to establish the writ of the Government. All organizations in Pakistan will function in a regulated manner. No individual, organization or Party will be allowed to break the law of the land. The internal environment has to be improved.

Maturity and equilibrium have to be established in the society. We have to promote an environment of tolerance, maturity, responsibility, patience and understanding. We have to check extremism, militancy, violence and fundamentalism. We will have to forsake the atmosphere of hatred and anger. We have to stop exploitation of simple poor people of the country and not to incite them to fueds and violence. We must concern ourselves with our own country. Pakistan comes first. We do not need to interfere and concern ourselves with others. There is no need to interfere in other countries.

Now I turn to other important issues. In my view there are three problems causing conflict and agitation in our minds. They include: first the Kashmir Cause; secondly all political disputes at the international level concerning Muslims; and thirdly internal sectarian disputes and differences.

These are the three problems which create confusion in our minds. I want to lay down rules of behaviour concerning all the three.

Let us take the Kashmir Cause first. Kashmir runs in our blood. No Pakistani can afford to sever links with Kashmir. The entire Pakistan and the world knows this.

We will continue to extend our moral, political and diplomatic support to Kashmiris. We will never budge an inch from our principle stand on Kashmir. The Kashmir problem needs to be resolved by dialogue and peaceful means in accordance with the wishes of the Kashmiri people and the United Nations resolutions. We have to find the solution of this dispute. No organization will be allowed to indulge in terrorism in the name of Kashmir. We condemn the terrorist acts of September 11, October 1 and December 13. Anyone found involved in any terrorist act would be dealt with sternly.

Strict action will be taken against any Pakistani individual, group or organization found involved in terrorism within or outside the country. Our behaviour must always be in accordance with international norms.

On this occasion, as President of Pakistan, I want to convey a message to Prime Minister Vajpaee: If we want to normalize relations between Pakistan and India and bring harmony to the region, the Kashmir dispute will have to be resolved peacefully through a dialogue on the basis of the aspirations of the Kashmiri people.

Solving the Kashmir Issue is the joint responsibility of our two countries. Let me repeat some of the observations made by you, Mr. Vajpaee, some time back, and I quote: "Mind-sets will have to be altered and historical baggage will have to be jettisoned." I take you on this offer. Let us start talking in this very spirit.

Now as Commander of the Armed Forces of Pakistan, I wish to convey another message. The Armed Forces of Pakistan are fully prepared and deployed to meet any challenge. They will spill the last drop of their blood in the defence of their country. Let there be no attempt of crossing the border in any sector as it will be met with full force. Do not entertain any illusions on this count.

I would also like to address the international community, particularly the United States on this occasion. As I said before on a number of occasions, Pakistan rejects and condemns terrorism in all its forms and manifestation. Pakistan will not allow its territory to be used for any terrorist activity anywhere in the world. Now you must play an active role in solving the Kashmir dispute for the sake of lasting peace and harmony in the region. We should be under no illusion that the legitimate demand of the people of Kashmir can ever be suppressed without their just resolution. Kashmiris also expect that you ask India to bring an end to state terrorism and human rights violations. Let human rights organizations, Amnesty International, the international media and U.N. peacekeepers be allowed to monitor activities of the Indian occupation forces.

Now we come to the second problem, which causes confusion in our minds and is of our particular concern. It relates to conflicts involving Muslims. Our religious leaders involve themselves in such conflicts without giving serious thought to them. I don't want to talk at length on this.

It is for the government to take a position on international issues. Individuals, organizations and political parties should restrict their activities to expression of their views. I request them to express their views on international issues in an intellectual spirit and in a civilized manner through force of argument.

Views expressed with maturity and moderation have greater convincing power. Expressing views in a threatening manner does not create any positive effect and anyone who indulges in hollow threats is taken as an unbalanced person by the world at large.

I would request that we should stop interfering in the affairs of others. First, we should attain the strength and the importance where our views carry weight when we express them.

Now we come to internal decisions.

The third issue causing conflict in our minds relates to sectarian differences. As I have already pointed out that writ of the Government will be established. No individual, organization or party will be allowed to break the law of the land. All functioning will be in a regulated manner and within rules.

Now I come to the extremist organizations. Terrorism, and sectarianism must come to an end. I had announced a ban on Lashkar-e-Jhangvi and Sipah-e-Mohammad on 14 August last year. On that occasion, I had pointed out that Sipah-e-Sahaba and TJP would be kept under observation.

I am sorry to say that there is not much improvement in the situation. Sectarian violence continues unabated. We have busted several gangs involved in sectarian killings. You would be astonished to know that in year 2001 about 400 innocent people fell victim to sectarian and other killings.

Many of the gangs apprehended include people mostly belonging to Sipah-e-Sahaba and some to TJP. This situation cannot be tolerated any more. I, therefore, announce banning of both Sipah-e-Sahaba and TJP. In addition to these, TNSM (Tehrik-e-Nifaz-e-Shariat Mohammadi) being responsible for misleading thousands of simple poor people into Afghanistan also stands banned.

This organization is responsible for their massacre in Afghanistan. The Government has also decided to put the Sunni Tehreek under observation. No organization is allowed to form Lashkar, Sipah or Jaish. The Government has banned Jaish-e-Mohammad and Lashkar-e-Taiba.

Any organization or individual would face strict punitive measures if found inciting the people to violence in internal or external contexts.

Our mosques are sacred places where we seek the blessings of God Almighty. Let them remain sacred. We will not allow the misuse of mosques. All mosques will be registered and no new mosques will be built without permission. The use of loudspeakers will be limited only to call for prayers, and Friday Sermon and Vaaz.

However, I would like to emphasise that special permission is being given for "Vaaz" (Sermon). If this is misused the permission will be cancelled.

If there is any political activity, inciting of sectarian hatred or propagation of extremism in any mosque, the management would be held responsible and proceeded against according to law.

I appeal to all Pesh Imams to project the qualities of Islam in the mosques and invite the people to piety. Talk of obligations towards fellow beings, exhort them to abstain from negative thoughts and promote positive thinking. I hope that all Nazims, Distt. Police officers and Auqaf Department officials will take quick action against violators of these measures.

On Madaris, a detailed policy will be issued through a new Madressa Ordinance. The Ordinance will be issued in a few days. I feel happy that the Madressa policy has been finalized in consultation with religious scholars and Mashaikh. I have touched on the merits and shortcomings prevailing in the Madaris. Merits have to be reinforced while shortcomings have to be rooted out. Under the Madressa policy, their functioning will be regulated. These Madaris will be governed by same rules and regulations applicable to other schools, colleges and universities. All Madaris will be registered by 23rd March 2002 and no new Madressa will be opened without permission of the Government.

If any Madressa (religious school) is found indulging in extremism, subversion, militant activity or possessing any types of weapons, it will be closed.

All Madaris will have to adopt the new syllabi by the end of this year. Those Madaris which are already following such syllabi are welcome to continue. The Government has decided to provide financial assistance to such Madaris. The government will also help the Madaris in the training of their teachers. The Ministry of Education has been instructed to review courses of Islamic education in all schools and colleges also with a view to improving them. So far as foreign students attending Madaris are concerned, we have set rules for them. Foreign students who do not have proper documents would be required to comply with the formalities by 23rd March 2002; otherwise they can face deportation.

Any foreigner wanting to attend Madaris in Pakistan will have to obtain required documents from his/her native country and NOC from the government. Only then, he or she will get admission. The same rules will apply to foreign teachers.

Some Ulema were of the view that some poor people who come to Pakistan for religious education should not be deported to the countries of their origin.

I agree that this is a genuine demand but such people should regularize their stay in Pakistan through their respective embassies. As I have said, all such activity has to be regulated and the writ of the Government must be established.

With a view to ending conflict, I have explained to you at great length the three areas causing confusion in our minds. Making rules, regulations and issuing ordinances is easy but their implementation is difficult. However, I feel all the measures I have announced are of utmost importance. We have to implement them. In this regard, the law enforcement agencies including police must perform their duty.

We are introducing reforms in the police with a view to improving their efficiency. A great responsibility lies on their shoulders.

I have directed the police to ensure implementation of the steps announced by the government and I have no doubt they will be motivated to perform their duty.

After reforms we expect they will be better trained and equipped to discharge their duty. Rangers and civil armed forces will be in their support.

We are also taking steps in consultation with the judiciary for speedy trial of cases relating to terrorism and extremism. Anti-terrorist courts are being strengthened and necessary orders will be issued in a few days.

Apart from these issues, I would also like to inform you, my brothers and sisters, that we have been sent a list of 20 people by India.

I want to clear our position on this. There is no question of handing over any Pakistani. This will never be done. If we are given evidence against those people, we will take action against them in Pakistan under our own laws. As far as non-Pakistanis are concerned, we have not given asylum to any one. Any one falling under this category will be proceeded against whenever one is found.

My Brothers & Sisters, Pakistan is an Islamic Republic. There are 98 percent Muslims living in this country. We should live like brothers and form an example for rest of the Islamic countries. We should strive to emerge as a responsible and progressive member of the comity of nations.

We have to make Pakistan into a powerful and strong country. We have resources and potential. We are capable of meeting external danger. We have to safeguard ourselves against internal dangers. I have always been saying that internal strife is eating us like termite. Don't forget that Pakistan is the citadel of Islam and if we want to serve Islam well we will first have to make Pakistan strong and powerful.

There is a race for progress among all nations.

We cannot achieve progress through a policy of confrontation and feuds. We can achieve progress through human resource development, mental enlightenment, high moral character and technological development. I appeal to all my countrymen to rise to the occasion. We should get rid of intolerance and hatred and instead promote tolerance and harmony.

May God guide us to act upon the true teachings of Islam. May He help us to follow the Quaid-e-Azam's motto: "Unity, Faith and Discipline". This should always be remembered. We will be a non-entity without unity.

And I would again like to recite a couplet from Allama Iqbal.

Fard Qaim Rabte Millat Say Hai Tanha Kuch Naheen.

Mauj Hai Darya Main Aur Baroon-e-Darya Kuch Naheen.

(Amongst the Community Do Individuals Survive; Not Alone; Like Waves That Exist in Rivers Out of Water Are Not Known.)

Pakistan Paindabad.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 1731, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

Pending:

Daschle (for Harkin) amendment No. 2471, in the nature of a substitute.

Daschle motion to reconsider the vote (Vote No. 377- 107th Congress, 1st session) by which the second motion to invoke cloture on Daschle (for Harkin) amendment No. 2471 (listed above) was not agreed to.

Crapo/Craig amendment No. 2533 (to amendment No. 2471), to strike the water conservation program.

Craig Amendment No. 2835 (to amendment No. 2471), to provide for a study of a proposal to prohibit certain packers from owning, feeding, or controlling livestock.

Santorum modified amendment No. 2542 (to amendment No. 2471), to improve the standards for the care and treatment of certain animals.

Feinstein amendment No. 2829 (to amendment No. 2471), to make up for any shortfall in the amount sugar supplying countries are allowed to export to the United States each year.

Harkin (for Grassley) amendment No. 2837 (to amendment No. 2835), to make it unlawful for a packer to own, feed, or control livestock intended for slaughter.

Baucus amendment No. 2839 (to amendment No. 2471), to provide emergency agriculture assistance.

Reid amendment No. 2842 (to the language proposed to be stricken by Crapo/Craig amendment No. 2533), to promote water conservation on agricultural land.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. ENZI. Madam President, I ask unanimous consent that the pending amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2843 TO AMENDMENT NO. 2471

Mr. ENZI. Madam President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. ENZI] proposes an amendment numbered 2843 to amendment No. 2471.

Mr. ENZI. Madam President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require the Secretary of Agriculture to provide livestock feed assistance to producers affected by disasters)

On page 126, before line 1, insert the following:

SEC. 1. LIVESTOCK ASSISTANCE PROGRAM.

Section 194 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 6933) is amended to read as follows:

"SEC. 194. LIVESTOCK ASSISTANCE PROGRAM.

"(a) In General.—the Secretary shall carry out a program to provide livestock feed assistance to livestock producers affected by disasters.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $500,000,000 for each of fiscal year 2003 through 2006.

Mr. ENZI. Madam President, I rise to offer an amendment that would permanently authorize the Livestock Assistance Program.

The Livestock Assistance Program at the moment is an ad hoc program administered by the U.S. Department of Agriculture through the Farm Service Agency. It is available to livestock producers in counties that have been declared disaster areas by the President or the Secretary of Agriculture. It provides financial relief to livestock producers that are experiencing livestock production loss due to drought and other disasters. My amendment permanently authorizes this program, thereby acknowledging that drought is a recurring situation, much like low market prices, which the rest of the farm bill addresses—usually in emergency situations for which we provide some funding in advance. The Livestock Assistance Program is one of those areas where we have not done that. We want to change it so that we recognize it and then budget for it and then later appropriate for this great need that recurs frequently in the United States. It is just good accounting when you know something is going to happen and then provide for it in advance instead of providing for it at the tail end.

Let me tell you a little about the history of the Livestock Assistance Program. It began in 1999 as an ad hoc program to assist ranchers in drought-stricken areas buy feed. Until fiscal year 2002, it had been tacked onto yearly appropriations bills and funded. The outcry in my State was loud when the Livestock Assistance Program wasn't funded this year. We will be voting tomorrow on the emergency funding of the Livestock Assistance Program for fiscal year 2002. In years of drought, which seem to be every year in Wyoming lately, my ranchers depend on Livestock Assistance Program money to help pay for skyrocketing feed costs. They need to know they can depend on our assistance when they need it.

This buys feed so they can keep the herd alive, which is kind of a humane thing to do.

Livestock producers in my State of Wyoming have been hard hit by drought. In fact, some ranchers in my State tell about the grass in their pastures being destroyed as their cattle walk over it. There is not enough moisture to keep what grass there is rooted in the ground. The drought outlook for this year isn't optimistic. Recently, Wyoming's State climatologist reported that a third year of drought is possible. After Wyoming's warmest summer in 107 years, a normal year would be a relief, but it wouldn't be enough.

We need about 180 percent of our normal moisture to get to the average for the year. Unless rains of 125 to 175 percent of normal fall on my State, my ranchers will be facing a third year of drought. We are not talking about a lot of rain. Wyoming's average rainfall is only 18 inches a year. But we are not anywhere near that this year. People who are feeding cattle at this time of year during the cold weather are often finding that there isn't enough moisture in the ground. At this time of year the ground would normally be frozen, and it would be easy to get across the ground. When they dropped off the feed, the feed would still be on top of the ground and the cattle would be able to get at it. They have to move their feed every day just to get around.

This last weekend I was at the stock show in Denver. It is a big national event. All of the ranchers come in for that during this time of year and hold a number of important meetings. When I left that meeting to go to Wyoming, I was in a duststorm. I was in a duststorm that was as bad as any blizzard we have in Wyoming. The visibility was extremely limited. You could only see taillights about 100 feet ahead of you because the dirt was blowing off the fields. The fields are dry. They haven't had enough moisture so it can freeze and thaw so the dirt doesn't blow away.

The past years tell us that we will always fight drought. I still believe that the forward-looking solution is to provide livestock producers with livestock insurance. They have risks inherent in a business that depends on weather. Livestock producers don't have this tool. The USDA recently introduced pilot programs to explore this option, but until livestock insurance is available to manage risk, we should assist when risk becomes fact.

The chart behind me displays how many states have drought problems. It is color coded. If the States are in blue, there isn't a drought problem at the moment. If the States are in red, the entire State has already been declared a disaster area. The ones in orange have been partly declared disaster areas, depending on the part of the State which submitted applications and were accepted as having the difficulty. The States in yellow have some counties that have emergency designations because of being contiguous to the other counties that have already been designated.

You can see that almost the entire United States has this problem. For us to ignore it would be a tragedy.

The Secretary of Agriculture designated counties in each of these States as drought disaster areas for 2001.

You can see that the pattern is pretty widespread throughout the United States. If we don't pass this amendment, we are saying, yes, we have a program. It has been a great program. It has saved livestock from dying in the past. It saved people from having to sell off their herds. If we do not fund this program, if we do not put it on the books as a permanent program, if we do not show that it has some importance, then it is like a bad joke in our programs.

Many of you may not realize that drought begins during the winter even when the snow is on the ground. It is born when the snowpack is too thin. It reaches its full size during the dry summers. And drought flexes its full strength in the fall when ranchers are searching for winter feed.

My amendment authorizes this program so that we can consider the full impact of drought before it is too late. We are doing our country a disservice by waiting until the Agriculture appropriations bill is passed each year to garner support for assisting drought-stricken ranchers.

I am not asking my colleagues to support risky ventures. The poorly managed ranches went out of business in the first year of drought. Besides, the money these ranchers receive isn't enough to save their places; it is enough to feed the cattle and sheep.

I am asking my colleagues to adopt this amendment and assist dedicated livestock producers and their families who have persevered through hardship and continue to fight to stay in business.

Madam President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Madam President, I ask the distinguished Senator from Wyoming if he will respond to questions in a colloquy about the important amendment he has offered?

Mr. ENZI. I am pleased to respond, Madam President.

Mr. LUGAR. Madam President, I ask the Senator, is it his intent to bring about an authorization for this so-called LAP program, which leads to this point, as the Senator has pointed out, that it has usually been the result of the appropriations process and a disaster bill on an ad hoc basis?

Mr. ENZI. Yes. My purpose is to move it from a last-minute measure to an authorized program so that it would go through the normal process and be a part of our normal planning.

Mr. LUGAR. To be a permanent program?

Mr. ENZI. Yes, a permanent program.

Mr. LUGAR. As I understand the amendment, it does not have mandatory funding attached to the program. It simply is an authorization. As the Senator pointed out, therefore, there is some planning, some attention that could be given to the livestock industry throughout the year in preparation for the appropriations process.

Mr. ENZI. Yes. Our hope is definitely that it becomes a part of the normal planning process, that it becomes a part of the appropriations through that mechanism rather than always coming in as an emergency, an emergency after the fact. It would be before the fact.

So I appreciate the question and the attention that is being given to it to make it a full-fledged program.

Mr. LUGAR. Does the Senator have a recollection of how frequently drought has occurred in Wyoming or, for that matter, the surrounding States? Is this an annual situation or perhaps it has occurred 1 out of 3 years? How would the Senator characterize the dilemma?

Mr. ENZI. Madam President, at the present time, we are in the third year of a drought. We normally do not have it every year, although we may have a county or two that would have it—not the same county even—but it is usually on a county-by-county basis. One county may have a drought this year; another county might have a drought next year.

But at the moment, our entire State is having a drought, as is Montana. They have already gotten their designation. We have not gotten our full State designation yet, and it probably would not even be necessary because of some of the surrounding county designations that we pick up that same way.

But ever since I got to the Senate, I have been concerned that we have come in with emergency proposals for things that happen on a very regular basis and what we know will happen. We do not know where it will happen, but we know it will happen. Wherever it happens in the United States, we ought to take it into consideration, plan for it, budget for it, and prepare for it before it happens so we can do what we said we would do.

Mr. LUGAR. Just on a historical basis, obviously, the ranching industry has been a large one in the Senator's State for many years, and I suspect that drought has frequently come. I am just simply curious, as a matter of historical record, how have cattlemen survived these droughts? Has it been really through annual or these ad hoc appropriations or is there sort of a law of averages? How would you describe why people decide to have grazing in Wyoming and how some, at least, have thrived or they would not be in business even to this day?

Mr. ENZI. We have had the cattle industry in Wyoming since before Wyoming was a State. We have had some horrible losses before. The original losses were by people from other countries who were raising their cattle in Wyoming. They had enough money to get into business to begin with, and they had enough money to survive.

We have now gotten more to the point where they are family businesses, family ranches. The reason this becomes an extreme problem is, for example, this is the third year of drought for us. The program is even set up so if you receive money in 1 year, you cannot receive money in the next year. That will create some problems.

But the purpose of the program was not to pay for losses they had but to provide enough feed to keep them in business. With the cattle industry and the sheep industry, if you have breeding stock, and the weather gets really bad—really dry—and you know you are going to be in bad shape, and you sell off your breeding stock, you have just gone out of business. So mostly what this does is provide the feed supply for the breeding stock itself so that they can keep the herd going year after year. If it was only cattle they were raising on an annual basis, then they would just sell off that cattle.

One of the happenings in the past in Wyoming—and in the surrounding States—is ranchers have had to go out of business, and they have had to find a way to get back in business at a later time. Of course, during a drought, the people who are buying cattle recognize there is a drought, so they are kind of fire-sale prices that people get. They do not get full compensation for their herd at that time. Part of that is because there are more cattle being sold off at that time than normal. When you have an oversupply, the price goes down.

So we are trying to keep things together so there can be economic planning on the part of the ranchers as well as on the part of Government.

Mr. LUGAR. I appreciate the Senator's responses that fill out a very fine initial presentation of the bill with the Senator's own experience.

Obviously, he speaks not only for the State that he represents so well but for other cattlemen, those who are involved in this process. The chart that he has presented is a comprehensive chart of the entire United States. There are many problems; therefore, the merits of the Senator's amendment really pertain to all of these Americans in addition to those he represents in the State of Wyoming.

I thank the Senator for his responses. I like the idea, and I would plan to support his amendment.

Mr. ENZI. I thank the Senator.

Mr. LUGAR. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JEFFORDS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEFFORDS. Madam President, I ask unanimous consent that I be allowed to speak as in morning business for a period of time not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. JEFFORDS are printed in today's RECORD under "Morning Business.")

AMENDMENT NO. 2837

Mr. GRASSLEY. Mr. President, I have a second-degree amendment on the farm bill. I offered this second-degree amendment to the Craig amendment to clear up any concerns raised by the opposition regarding the word "control" in the original Johnson-Grassley amendment banning packer ownership of livestock.

The new language reads that a packer may not own or feed hogs or cattle "through a subsidiary, or through an arrangement that gives the packer operational, managerial, or supervisory control over the livestock, or over the farming operation that produces the livestock, to such an extent that the producer is no longer materially participating in the management of the operation with respect to the production of livestock."

What we are trying to do is clear up a little blue smoke that has been raised about the amendment that Senator JOHNSON and I offered prior to the holidays. It was adopted 51 to 46. So we want to clear up what the word "control" means. We do that through the phrase "materially participating."

A farmer who materially participates in the farming operation must pay self-employment taxes. Those who do not materially participate do not have to pay self-employment taxes. The phrase has appeared in the IRS Code, section 1402(a), since 1956, and there is a full hopper of case law clarifying the definition. So the words we use to explain what we mean or do not mean by the word "control" have a lot of case law behind them.

For those who were worried about excessive lawsuits and the actual enforcement of the provision being tied up in the courts, rest assured that the perceived problem has been fixed.

I know that the lobbyists for the American Meat Institute will dream up some red herring argument that might attack me, as they have on this amendment, but that is OK. They do not represent the independent producers; they represent just the packers, bottom line.

For those producers who manage their risk through forward contracts and marketing agreements, the new language will not affect contractual relationships. Almost all producers who sell hogs or cattle under marketing agreements or forward contracts materially participate in the management of the operation and, thus, pay self-employment taxes. These independent producers will not have to change their business practices at all.

The revised amendment I have offered will inject greater competition, access, transparency, and fairness into the livestock marketplace. Small and medium-sized livestock operations will gain greater access to markets that will have greater volume and be subject to less manipulation. The revised bill clarifies that arrangements that do not impose control over the producer can still provide all the benefits of coordination and product specification.

I have worked on the second-degree amendment with the distinguished chairman of the Senate Agriculture Committee, Senator HARKIN, and also with Senator JOHNSON, the original cosponsor with me of the original language before the holidays, and the Iowa Farm Bureau and the American Farm Bureau Federation. We are all confident this amendment does exactly what we claim, which is to limit packer ownership but avoid impacting risk-management tools available for independent producers.

I will read, for my Senate colleagues, a letter from the American Farm Bureau Federation that states, with confidence, we have accomplished our goal and have overcome the blue smoke that the American Meat Institute and the packers have raised against the original Johnson-Grassley amendment:

> The American Farm Bureau Federation supports Senator Grassley's amendment to clarify the issue of "control" under the packer ownership prohibition. This would allow producers to forward contract, pursue marketing arrangements, develop branded products, schedule animals to their plants, and to receive value-based premiums. We urge you to support the Grassley amendment to clarify "control."
>
> Packer ownership has resulted in an increase in packer market power by allowing the packers the opportunity to stay out of the cash market for extended periods of time, often reducing farm gate demand and driving down prices paid to producers. This has resulted in the inability of independent producers to access the market. These transactions concerning packer-owned livestock are not part of the publicly-reported daily cash market. Narrowing the volume in the market makes it more subject to manipulation and often results in lower prices paid to producers.
>
> We urge you to oppose the Craig amendment and support the Grassley amendment calling for clarification to the prohibition of packer ownership included in the Senate farm bill.

I can't lay it out much more clearly than the statement I just read from the American Farm Bureau. I should also state that in addition to the Farm Bureau, over 135 other organizations have also signed a letter in support of my second degree amendment. Just a few of those groups are the Livestock Marketing Association, National Farmers Union, National Farmers Organization, National Family Farm Coalition, R-CALF USA, Ranchers-Cattlemen Action Legal Fund, United Stockgrowers of America, United Methodist Church, General Board of Church and Society, National Catholic Rural Life Conference, and the Organization for Competitive Markets.

The packers are an important piece in the rural economy, but only a piece, not the whole pie. The question we need to ask ourselves is whether packers should be packers or packers should also be products. Is it our intent to let packers compete with producers on an even playing field? Is there any question who will lose?

I yield the floor.

The reason we keep sows in farrowing stalls is to protect the piglets. Sows are extremely important for the health and well-being of the piglets, but if we let the sow out of the crate we stand the chance of getting the piglets crushed by the sheer weight of the sow, or worse, and watch the sow grow fatter. Let us build a strong farrowing stall for the packers and facilitate the health and well being of our independent producers.

Support the Grassley second-degree tomorrow.

AMENDMENT NO. 2542

Mr. DURBIN. Mr. President, I rise today to speak as a cosponsor of an amendment by my colleague, Senator SANTORUM, regarding puppy mills. This amendment is based on legislation we introduced last October, S. 1478, known as the Puppy Protection Act.

For more than three decades, Congress has given the responsibility of ensuring minimum standards of humane care and treatment of animals to the Department of Agriculture, under the Federal Animal Welfare Act.

The current guidelines within the Animal Welfare Act do not go far enough to protect puppies at large breeding facilities, they merely provide for water and food, and that is questionable. By amending the Animal Welfare Act our amendment will better control the practices of puppy breeding in large facilities and address cruel puppy treatment.

In these large facilities, puppies are often kept in cramped, dirty cages, sometimes stacked on top of each other, exposed to the elements in extreme cold and heat, forced to breed incessantly; and deprived of adequate food, water, veterinary care, and any semblance of loving contact. I have a chart that outlines the top 10 violations committed by commercial dog breeding facilities according to the USDA. These 10 points underscore the fact that something has to be done to stop the cruel treatment of puppies. I ask unanimous consent that a copy of my chart, and a letter from the Humane Society of the United States be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1)

Mr. DURBIN. This inhumane treatment has a direct bearing on the physical and mental health of dogs in these facilities. Often, after these puppies join a family, they turn out to have serious health and psychological problems that cause them pain, cause their owners great distress, and require expensive medical care.

I believe our amendment will address these problems, by filling gaps in the current law and encouraging stronger enforcement by USDA to crack down on chronic violators.

Our amendment has three components: socialization, breeding, and a three strikes policy. First, it will require commercial breeders to provide socialization for dogs at their facilities. Socialization is important for puppies during their first few weeks of life because if they're isolated from people and other dogs during those key weeks, they could face a lifetime of serious problems. Second, our amendment establishes some very modest restrictions to prevent extreme overbreeding of dogs by commercial operators. The dogs must be at least one-year-old before they're bred, and they can't have more than 3 litters during a 24-month period. Third, our amendment contains a "three strikes and you're out" provision to strengthen enforcement of the Animal Welfare Act by cracking down on commercial dog dealers who keep violating the law. If there are three violations during an 8-year period, the facility will lose its license, unless the Secretary makes a written finding that revocation is unwarranted because of extraordinary extenuating circumstance.

I've heard from many of my constituents in Illinois, who are deeply concerned about the puppy mill problem and want this legislation enacted. Our amendment is supported by national animal protection organizations, such as The Humane Society of the United States and the American Society for the Prevention of Cruelty to Animals, ASPCA, which collectively represent more than 8 million Americans.

In addition, more than 860 animal shelters, animal control offices, and other state and local organizations across the country have endorsed this legislation. In my home State, they include 23 groups in Illinois, ranging from the Cook County Department of Animal and Rabies Control to the Peoria Animal Welfare Shelter to the Illinois Federation of Humane Societies, based in Urbana.

I've been pleased to join with Senator SANTORUM and a number of our colleagues in obtaining additional funds for USDA to improve its enforcement of the Animal Welfare Act. We've had terrific support in this effort from Appropriations Chairmen BYRD and KOHL, along with Ranking Member COCHRAN, for which I'm very grateful. This amendment will complement those ongoing efforts by strengthening USDA's authority to crack down on the bad actors.

This amendment will ensure that any commercial dog breeder licensed by the

Federal Government is meeting basic humane standards of care. We owe at least this much to the animals that have earned the title "man's best friend." We're talking about establishing a safety net to protect dogs, puppies, and the consumers who care about them against the poor treatment practices of the really bad dealers, the ones who provide no interaction; the ones who go against industry norms when it comes to over-breeding. And the ones who repeatedly violate the law governing the humane care of dogs. The good dealers, however, should be recognized for their work.

In closing, it is just unfortunate that it is the good dealers who suffer at the hands of the bad ones, the ones that give the industry a bad reputation. I thank my colleagues for their attention to this issue, and I urge their support for the Santorum-Durbin amendment.

EXHIBIT 1

Top 10 Violations by Commercial Dog Breeding Facilities

Here are the most common violations found by USDA in reported enforcement actions of 2000 (in order of frequency):

1. Failure to maintain clean and dry enclosures (remove excrement, food waste or corpses on a daily basis);
2. Failure to provide veterinary care to animals in need of care;
3. Failure to provide outdoor housing with adequate protection from the elements;
4. Failure to establish or maintain program to prevent infestation of pests;
5. Failure to provide dogs with adequate space;
6. Failure to clean and sanitize food receptacles;
7. Failure to ensure that enclosures did not have sharp edges that could injure animals;
8. Failure to provide water and food;
9. Failure to allow USDA inspectors to conduct a complete inspection of facility; and
10. Failure to ensure dogs were older than eight weeks of age before delivering them for transport.

THE HUMANE SOCIETY
OF THE UNITED STATES,
Washington, DC.

Support the Santorum-Durbin amendment to the farm bill

DEAR SENATOR: On behalf of the more than 7 million members and constituents of The Humane Society of the United States (HSUS) and the American Society for the Prevention of Cruelty to Animals (ASPCA), we urge you to support the Santorum-Durbin amendment to S. 1731 (the Farm Bill). This amendment, which has broad bipartisan support, tracks closely with S. 1478, the "Puppy Protection Act," introduced by the amendment authors. The amendment is designed to crack down on so-called "puppy mills."

The Santorum-Durbin amendment will improve USDA enforcement of the Animal Welfare Act at commercial dog breeding operations in three ways:

(1) Encourage swift and strong enforcement against repeat offenders by creating a "three strikes and you're out" system for chronic violators.

(2) Address the need for breeding females to be given time to recover between litters, and to be at least one year old before they are bred.

(3) Require that dogs be adequately socialized with other dogs and with people, enhancing their well-being and helping to prevent behavior problems in the future.

Mistreatment of dogs is a chronic problem at puppy mills. Dogs at puppy mills are often overcrowded, subjected to intense overbreeding, denied proper veterinary care, and maintained in substandard and unsanitary housing. Despite public awareness of these problems, the conditions persist. Strengthening the federal Animal Welfare Act to resolve these problems is a warranted and overdue response.

Mill dogs are treated as breeding machines. They are kept there for one reason: to produce puppies non-stop, beginning at a very young age, when they are still just puppies themselves. Over-breeding causes serious health problems for the mother and puppies.

Consumers are defrauded, believing they are purchasing healthy animals. Because of overbreeding and poor socialization, new puppies from pet stores and large-scale breeding facilities often face an array of behavioral and health problems—with illnesses often requiring consumers to absorb costly veterinary treatment.

USDA data reveal that there are at least 3,000 commercial dog breeding facilities operating throughout the country. The Santorum-Durbin amendment will provide USDA with better tools to crack down on chronic law-breakers and to address the important issues of socialization and overbreeding.

We anticipate scoring this legislation in the 2001 Humane Scorecard, either by cosponsorship or recorded vote. Please support the Santorum-Durbin amendment to the Farm Bill.

Sincerely,

WAYNE PACELLE,
Senior Vice President, Communications and Government Affairs, HSUS.

LISA WEISBERG,
Senior Vice President, Government Affairs and Public Policy, ASPCA.

Q & A ON PUPPY PROTECTION ACT, S. 1478

Won't this legislation affect "hobby breeders" and bring anyone who sells a puppy under federal regulation?

Those who maintain three or fewer breeding female dogs and sell their offspring for pets or exhibition are exempt from the Animal Welfare Act (AWA). This means that they do not need to obtain a license, nor are they subject to the AWA's humane care requirements or inspections.

Nothing in the Puppy Protection Act changes this "de minimus" exemption. Only those who are subject to the rest of the Animal Welfare Act will be subject to the new requirements regarding socialization and overbreeding and to the "three strikes" enforcement provision.

According to the American Kennel Club's (AKA) records for 1997, the overwhelming majority of its registrants—almost 97%—had 3 or fewer breeding female dogs.

If it becomes necessary to adjust the de minimus threshold because of pending litigation, this can and should be addressed through the regulatory process, with input from all affected parties.

Under the "three strikes" provision, will breeding facilities be shut down for non-compliance with minor technical rules?

The legislation expressly provides that a dealer's license need not be revoked if the Secretary finds that "the violations were minor and inadvertent, that the violations did not pose a threat to the dogs, or that revocation is inappropriate for other good cause." This waiver language is broad enough to cover a range of situations for which revocation might be considered too severe a penalty, such as the scenario cited by opponents involving "three minor violations. . .even if immediate corrections were made and the dealer was in full compliance with the law."

The legislation further guarantees the licensee a hearing before an Administrative Law Judge within 30 days, to consider whether license revocation is unwarranted.

Why cover commercial breeders who supply dogs for research?

There are no standards currently covering socialization or overbreeding of any dogs (those destined for research or for the pet trade). The Puppy Protection Act addresses this gap in the Animal Welfare Act.

Dogs who will be used for research—and may suffer and give their lives to serve human health needs—are certainly no less deserving of humane care in their first few weeks than those who will become pets.

Congress has recognized this moral obligation by providing additional—not lesser—protections for dogs destined for research, in other portions of the Animal Welfare Act.

Poor socialization renders dogs fearful and aggressive when they come in contact with people. It is not in the interest of researchers to have dogs who bite and are unmanageable.

Breeding female dogs every single heat, beginning when they are too young, seriously compromises their health and the health of their puppies, leavingthem weak and susceptible to disease. The scientific integrity of medical research is undermined if animal subjects are not healthy.

If puppies are produced at facilities that chronically violate basic humane standards (for food, water, veterinary care, etc.), their health and their value as research subjects are likely to be compromised. As former Senator Bob Dole said, "It is obvious that good animal care is essential to ensuring good quality research."

Less than .3% of all animals used in research are dogs, so the impact of this bill on research will be slight. Furthermore, it is not researchers, but the breeding facilities that supply dogs to them, who will be subject to the Puppy Protection Act's requirements, which will in turn benefit the researchers by ensuring healthier dogs.

Shouldn't Congress stay out of the business of regulating dog breeding practices?

Female dogs at some breeding facilities are made to produce litters every cycle (typically, twice a year) until they are "spent," beginning when they are as young as 6 months old. Such relentless overbreeding causes severe nutritional deficiencies and impairs a dog's immune system, leading to increased risk of infections, illness and organ failure. These concerns go to the heart of humane treatment, and are as appropriate for Congress to address as other areas already covered by the AWA, such as adequate veterinary care, food, water, sanitation, ventilation, and shelter from harsh weather.

Opponents concede that the legislation's restrictions on breeding are so modest that "most breeders have much higher standards than the ones called for" in the Puppy Protection Act; the bill will only affect truly "bad actors."

If Congress puts restrictions on breeding of dogs, won't this lead to breeding restrictions for livestock?

The "slippery slope" argument ignores the fact that Congress will only go as far as it considers necessary and acceptable, and is not bound to extend any law.

Congress has historically afforded dogs extra protections under the Animal Welfare Act and other federal laws (such as banning the sale of dog fur and restricting military research on dogs), in recognition of the special relationship between dogs and people. Livestock are not even subject to the protections of the Animal Welfare Act.

Why not us a "performance-based standard" rather than an "engineering standard" for socialization?

When performance-based standards have been used elsewhere in the Animal Welfare Act (to meet the requirement for promoting psychological well-being of primates), they have proven vague, ineffective, and very difficult to enforce. This approach leaves it up to each facility to figure out how to achieve the desired result, and forces inspectors to make subjective judgments. Conversely, an engineering standard clearly specifies what steps a facility needs to take to comply with the law. The facilities know what is expected of them, and the inspectors know what to check for in determining compliance.

Shouldn't industry experts have a say in developing the socialization standard?

The legislation provides that minimum requirements for the socialization of dogs will be developed by the Secretary of Agriculture as part of the regulatory process, ensuring that commercial breeders will have ample opportunity to influence the standard-setting. The legislation does not dictate the specific socialization requirements.

Why not just focus on better enforcement of existing law and catching those who breed dogs illegally without a license?

The sponsors of S. 1478, along with animal protection organizations, are actively involved in obtaining increased funding for USDA to do a better job enforcing the Animal Welfare Act. In the past few years, Congress has appropriated an additional $13 million to enable USDA to track down more unlicensed facilities, conduct more inspections, and improve follow-up enforcement efforts. Opponents of S. 1478, who argue that Congress should direct its attention to better enforcement of existing law, have done little or nothing to secure additional funds toward that end.

While Congress is making progress addressing the AWA budget shortfall, it is also important to address gaps in the law to better protect dogs and consumers. All the funding in the world will not resolve the problems that the socialization and breeding provisions of the Puppy Protection Act address.

MULTI-LENDER RISK MANAGEMENT

Senator LEAHY. Mr. President, section 541 of S. 1731 makes certain technical adjustments to the current authority of farm credit system institutions to participate with non-system lenders in certain multi-lender risk management transactions. The system's multi-lender risk management authorities have been very successful in achieving the objectives of the 1992 authorizing legislation, as described on page 73 of the committee's report.

Is it the chairman's understanding that the provisions of S. 1731 will facilitate these partnership arrangements between commercial lenders and the system to spread risk among lenders and improve the availability of capital for the agricultural and food system, communication and related technology service companies and utility systems?

Mr. HARKIN. The Senator is correct.

EXECUTIVE SESSION

NOMINATIONS OF MICHAEL J. MELLOY, OF IOWA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE EIGHTH CIRCUIT, AND JAY C. ZAINEY, OF LOUISIANA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF LOUISIANA

The PRESIDING OFFICER (Mr. CARPER). Under the previous order, the Senate will now proceed to executive session to consider Executive Calendar Nos. 670 and 676, which the clerk will report.

The legislative clerk read the nominations of Michael J. Melloy, of Iowa, to be United States Circuit Judge for the Eighth Circuit, and Jay C. Zainey, of Louisiana, to be United States District Judge for the Eastern District of Louisiana.

The PRESIDING OFFICER. Under the previous order, there are now 15 minutes to be equally divided.

The Senator from Vermont.

Mr. LEAHY. Mr. President, I begin by thanking the nominees' home State Senators for working with us on this nomination and by commending the majority leader and our assistant majority leader for bringing this matter to successful conclusion today.

I also want to thank Senator CANTWELL for chairing the hearing in January that laid the groundwork for today's confirmation of Judge Michael Melloy as a judge on the United States Court of Appeals for the Eighth Circuit. That confirmation hearing was held on the second day of this session of Congress and was the twelfth confirmation hearing for judicial nominees since the majority shifted last summer. Judge Melloy and the five district court nominees included in the hearing that Senator CANTWELL chaired are the first judicial nominees to receive a confirmation hearing during January since at least 1995.

Those nominees were all promptly considered by the committee at our business meeting last Thursday and, today, due to that unusually fast start by the committee, Judge Melloy's nomination is being considered by the Senate for final action.

Last year I noticed our first judicial nominations hearing within 10 minutes of the Senate being permitted to reorganize. We held that first hearing last session on the day after committee members were assigned. In fact, during the past 7 months we have held 12 hearings involving judicial nominees. That is more hearings involving judicial nominees than were held in all of 1996, 1997, 1999 or 2000 and a more rapid pace than in either 1995 or 1998. Unlike the preceding six and one-half years in which no hearings were held in 30 of the months, since the Committee has reorganized last summer, we have held at least one hearing for judicial nominees every month. In fact, we held two in July, two unprecedented hearings during last summer's August recess, two in December and three in October. With the hearing at which Judge Melloy appeared, we now have held at least one hearing for judicial nominees every month since we were permitted to reorganize last summer after I became chairman of the committee and the Democrats became the majority party in the Senate.

Judge Melloy's confirmation fills a judicial emergency vacancy. That seat on the Court of Appeals for the Eighth Circuit, which includes eight States—Iowa, Arkansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota—has been vacant since May 1, 1999. I recall that it was not so long ago, in 2000, when the Senate was under Republican control, that another nominee to this very seat on the Eighth Circuit, Bonnie Campbell, did not receive the courtesy of a vote by the committee following the hearing on her nomination. She did not receive a vote due to the previous policy of allowing anonymous holds to be placed on nominees, even though in her case, both of her home State Senators, one a Democrat and the other a Republican, supported her nomination. Bonnie Campbell, the former Attorney General of Iowa, did not receive the courtesy of a vote, up or down, during the 382 days between her nomination by President Clinton and the time that the Bush Administration withdrew her name.

In contrast, we moved expeditiously to consider and report Judge Melloy's nomination to the Eighth Circuit. He participated in the first confirmation hearing this year, and his nomination was favorably reported by the Committee last week, during the first full week of this session. Judge Melloy's confirmation will eliminate the judicial emergency vacancy in that circuit caused, in part, by the committee's failure to act on Bonnie Campbell's nomination when Republicans controlled the Senate and the confirmation process.

Since the change in majority last summer, we have already moved ahead to confirm another new member of the Eighth Circuit. Judge Melloy will join Judge William J. Riley of Nebraska as the second judge considered and confirmed to the Eighth Circuit since the summer. Both nominees were supported by well-respected home-state Senators from both parties.

Judge Melloy will be the seventh Court of Appeals nomination confirmed by the Senate in the last seven months. That is seven more Court of Appeals judges than a Republican majority confirmed in the 1996 session, and as many as were confirmed in all of 1997 and in all of 1999.

During our consideration of Judge Melloy's nomination to be elevated to the Eighth Circuit, we learned that Judge Melloy has a reputation for decisions that are fair, well-reasoned and well-written, without editorial comment or ideological bent. Judge Melloy was nominated to the Northern District of Iowa in 1992 by President George H.W. Bush and confirmed by the Senate. He previously served for six years as a United States Bankruptcy Judge for the Northern District of Iowa. While serving on the District Court for these past 9½ years, Judge Melloy also sat by designation on the Eighth Circuit on several occasions and wrote a number of appellate opinions.

I congratulate the nominee and his family on his confirmation today.

With today's confirmation, the Senate will have confirmed five additional judges since returning late last month. The Senate will have confirmed 33 judges since the change in majority last summer. More than one-quarter of the judges confirmed have been for judicial emergency vacancies, nine so far. Unfortunately, the White House has yet to work with many home-state Senators to send nominees for 14 other judicial emergency vacancies.

I am working to hold another confirmation hearing for judicial nominations, as well, before the end of February, even though it is a short month with a week's recess. The Committee has not held two hearings in the month of February in four years, since 1998.

I noted on January 25 in my statement to the Senate that we inherited a frayed process and are working hard to repair the damage of the last several years. I have already laid out a constructive program of suggestions that would help in that effort and help return the confirmation process to one that is a cooperative, bipartisan effort. I have included suggestions for the White House, that it work with Democrats as well as Republicans, that it encourage rather than forestall the use of bipartisan selection commissions, that it consider carefully the views of home State Senators. Working together, we can make significant progress in filling judicial vacancies.

Mr. HATCH. Mr. President, I am pleased that we are considering today the nominations of two very well-qualified nominees for the Federal courts.

Our circuit nominee is Judge Michael Melloy, who has been nominated for a position on the U.S. Court of Appeals for the Eighth Circuit. Judge Melloy has impeccable credentials for this position: He has served for the past decade as a Federal District court judge in Iowa, and he served as a bankruptcy court judge for six years before then. In his capacity as a district judge, he has had the honor of having been invited to sit by designation with the Eighth Circuit. I am certain that his distinguished experience will serve him well as he makes the move to join the Eighth Circuit on a permanent basis.

Today's district court nominee is Jay Zainey, whom we are considering for the Eastern District of Louisiana. Mr Zainey is an experienced private practitioner who has earned the respect of his colleagues, as reflected in his election as president of the Louisiana State Bar Association. One of the remarkable achievements during his tenure as President was the creation of the first state bar committee in the nation to provide legal referral services for the disabled. He will undoubtedly be a welcome addition to the Eastern District bench.

I have every confidence that both of these nominees will serve on the federal courts with distinction. I commend President Bush for selecting them, and I thank Chairman LEAHY for holding hearings and committee votes on them.

I do note that five other district court nominees were unanimously voted out of committee last week along with Judge Melloy and Mr. Zainey. Given this strong endorsement, I urge the Senate to give their nominations timely consideration as well.

Before I yield the floor, I would like to briefly address our progress on judicial nominees so far during this session of Congress. I began this session on an optimistic note about our opportunity to address the vacancy crisis that plagues the federal judiciary. Nearly 100 seats on the federal bench are presently empty. High numbers of vacancies in the federal judiciary can only result in delay of the administration of justice. And, as Justice Oliver Wendell Holmes once stated, and as some of my Democratic colleagues have observed in the past, "Justice delayed is justice denied." There is simply no viable alternative to confirming judges if we are to make a bona fide effort to fill the vacancies in our Federal judiciary.

Despite some of the negative rhetoric and distortions of the record I have heard over the last couple of weeks, I am still optimistic about our chances for success. As I have mentioned before, we are off to a good start. But we still have much work left to do. Last May, President Bush nominated 11 extremely well-qualified nominees to the circuit court of appeals, but only 3 of them have had hearings thus far. Less than one-third of the administration's total appellate nominees have had hearings. So while we are off to a good start, there is much work left to be done.

In 1994, President Clinton's second year in office, the Senate confirmed 100 judicial nominees. I am confident that, with diligence and determination, we can replicate that feat this year. I pledge to work with my Democratic colleagues to get hearings and confirmation votes for our pending judicial nominees.

Thank you, Mr. President. I yield the floor.

Ms. LANDRIEU. Mr. President, it is my distinct honor to endorse my good friend Jay Zainey for Federal District Court Judge for the Eastern District of Louisiana. I must commend President Bush for this nomination. He has chosen a man who will bring professionalism, dignity, and respect to the Federal bench.

I cannot say enough about Jay. He has had a stellar legal career, practicing law in Louisiana for more than 25 years—the bulk of that time in solo practice in Metarie, LA, helping people draft wills, start businesses, and giving them sound, sage, and accurate legal advice for virtually any situation. In addition to his own practice, Jay has served as a judge and hearing officer in some of our local courts.

His close connection to the community informed the work he did as Louisiana State Bar Association President. Jay established a community involvement committee of the Bar Association to get Louisiana's 18,000 lawyers working on direct service projects like helping out at homeless shelters and soup kitchens. He saw a need in not only his community, but others around the state and used human resources of the bar association to help bring some relief.

What is even more special about Jay is the humanity he has brought to the Bar and the practice of law in our state. Let me tell you about a very special initiative Jay started as State Bar Association president. He established a special committee dedicated to providing legal services for the disabled—the first State bar association in the country to do this. If a family has a disabled child or adult living with them and they need help understanding the Americans with Disabilities Act or they are having trouble sorting through the requirements for SSI eligibility, they can call the State Bar Association for a referral to a lawyer trained in disability issues.

This effort came from Jay's heart. He and his wife Joy are the parents of a disabled child. And while their son Andrew is a source of happiness and pride for their family, Jay also understands the legal challenges families such as his face. His heart moved him to use his professional talents and skills to help disabled Louisianians, improving the quality of life in our State.

I must also acknowledge his wonderful family. He and his wife Joy have a daughter Margaret and two sons, Christopher and Andrew. His family means the world to him and they will inspire his service on the Federal bench.

Mr. President, we need more people such as Jay Zainey on the Federal bench, someone who recognizes that our judicial system is there to help people. It is a powerful tool for the powerless. I heartily endorse his nomination and urge my colleagues to vote to confirm him.

Mr. GRASSLEY. Mr. President, I am glad that we have an opportunity to vote on judges today. One of the judges scheduled to be voted on today is Judge Michael Melloy, who has been appointed by the President and who will hopefully be confirmed by the Senate to be United States Circuit Judge for the Eighth Circuit Court of Appeals.

First of all, before speaking about Judge Melloy, I thank Senator LEAHY, the distinguished chairman of the Senate Judiciary Committee, for bringing the nomination to the committee in the form of a hearing last month and accommodating me on changing the date of the hearing so it could be convenient for me to be there and for immediately putting it on the agenda of the committee.

I thank also all the committee members, each of whom had an opportunity to hold over this nomination for another meeting—under the rules that is an automatic holdover—for not doing it so that this nomination could be advanced very quickly.

For my colleagues who aren't on the Judiciary Committee, I would like to say a few words about Judge Melloy so you can see what an excellent candidate we are putting on the federal appellate bench.

Judge Melloy, who originally hails from Dubuque, IA, has had a very distinguished legal career. He graduated magna cum laude from Loras College in Dubuque, and received his law degree from the University of Iowa. After practicing at an Iowa law firm Judge Melloy was appointed United States Bankruptcy Judge for the Northern District of Iowa, a position he held for approximately 6 years.

In 1992, he was appointed to the United States District Court for the Northern District of Iowa. Here Judge Melloy has served as a fine judge. He has also been active on numerous legal committees, including the Eighth Circuit Judicial Counsel, the Gender Fairness Task Force of the Eighth Circuit, and the Bankruptcy Administration Committee of the Judicial Conference.

As you can see, Judge Melloy has excellent legal qualifications and experience, and he has been a dedicated public servant. He possesses all the qualities that we want to see in a federal judge, intellect, temperament, judgement, and a true commitment to the rule of law. He comes highly recommended by his peers. I know for a fact that Judge Melloy will serve our country well as a judge on the Eighth Circuit court.

I urge my colleagues to join me in supporting Judge Michael Melloy's nomination.

The PRESIDING OFFICER. Under the previous order, there now remain 2 minutes on the Republican side and 6 minutes on the Democratic side.

Mr. GRASSLEY. Then, to be fair to everybody, I ask that the time I spoke be taken off our time.

The PRESIDING OFFICER. The time was counted.

Mr. GRASSLEY. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the question is, Will the Senate advise and consent to the nomination of Michael J. Melloy, of Iowa, to be United States Circuit Judge for the Eighth Circuit? On this question, the yeas and nays have been ordered. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. REID. I announce that the Senator from Georgia (Mr. MILLER) and the Senator from Rhode Island (Mr. REED), are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. REED) would vote "aye."

Mr. NICKLES. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Idaho (Mr. CRAIG), the Senator from Oregon (Mr. SMITH), the Senator from Ohio (Mr. VOINOVICH), the Senator from Virginia (Mr. WARNER), the Senator from Arkansas (Mr. HUTCHINSON), and the Senator from Montana (Mr. BURNS) are necessarily absent.

I further announce that, if present and voting, the Senator from Montana (Mr. BURNS) would vote "yea."

The PRESIDING OFFICER (Mrs. CLINTON). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 91, nays 0, as follows:

[Rollcall Vote No. 21 Ex.]

YEAS—91

Akaka
Allard
Allen
Baucus
Bayh
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Crapo
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Wellstone
Wyden

NOT VOTING—9

Bennett
Burns
Craig
Hutchinson
Miller
Reed
Smith (OR)
Voinovich
Warner

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is laid upon the table, and the President will be immediately notified of the Senate's action.

Under the previous order, the question is, Will the Senate advise and consent to the nomination of Jay C. Zainey, of Louisiana, to be United States District Judge for the Eastern District of Louisiana? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Georgia (Mr. MILLER) and the Senator from Rhode Island (Mr. REED) are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island (Mr. REED) would vote "aye."

Mr. NICKLES. I announce that the Senator from Utah (Mr. BENNETT), the Senator from Idaho (Mr. CRAIG), the Senator from Oregon (Mr. SMITH), the Senator from Ohio (Mr. VOINOVICH), the Senator from Virginia (Mr. WARNER), and the Senator from Arkansas (Mr. HUTCHINSON) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 92, nays 0, as follows:

[Rollcall Vote No. 22 Ex.]

YEAS—92

Akaka
Allard
Allen
Baucus
Bayh
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Crapo
Daschle
Dayton
DeWine
Dodd
Domenici
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln

Lott
Lugar
McCain
McConnell
Mikulski
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Wellstone
Wyden

NOT VOTING—8

Bennett
Craig
Hutchinson
Miller
Reed
Smith (OR)
Voinovich
Warner

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is laid upon the table.

The President will be immediately notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will return to legislative session.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER (Mr. DURBIN). Without objection, it is so ordered.

MORNING BUSINESS

TRIBUTE TO KELLY CLARK

Mr. JEFFORDS. Mr. President, today I rise to recognize Kelly Clark, the snowboarder from West Dover, VT, who on Sunday earned, for the United States, the first gold medal of the 2002 Winter Olympics in the women's halfpipe event.

That is not "half pint." That is "halfpipe." One has to know the skiing history to understand what a halfpipe is.

Kelly's enthusiasm and tremendous skill and ambitious drive are equaled only by her beaming smile. Kelly's achievement on Sunday was more than athletic ability. It means more than pride to her fellow Vermonters. A gold medal in an Olympic event brings people together, especially when they need it most. When have Americans needed someone to root for more than we do right now?

I am especially pleased, of course, that the focus of our attention and congratulations is an 18-year-old from southern Vermont. Thank you, Kelly, for giving your best, for making us proud, and for winning the gold.

I do not know how many have watched these events, but snowboarding is something which really started pretty much in Vermont. It has been perfected there, and now it is all over the world.

Today is Kelly Clark's day.

I yield the floor.

BLACK HISTORY MONTH

Mr. SARBANES. Mr. President, I am pleased to join with my Maryland constituents and millions of Americans in celebrating African-American History Month this February. Since 1926, February has been designated as a time to recognize a crucial part of our diversity: the vast history and legacy that African-Americans have contributed to the founding and building of our Nation. While we have much to celebrate in the achievements of many African-Americans, and the great strides this country has made towards true equality, there is also much work to be done.

This year's theme, designated by The Association for the Study of African-American Life and History, ASALH, is "The Color Line Revisited: Is Racism Dead?" The fact that this question can even be posed indicates the progress that our society has made in race relations over the past 50 years. We must attribute this progress to the sacrifice, vision and commitment of thousands of African-Americans and others who proved that the true strength of our Union lies in the diversity of our population.

One such visionary is Marion Wright Edelman, the founder and president of the Children's Defense Fund. Recently I had the opportunity to hear Ms. Edelman speak at the Annual Martin Luther King, Jr. Memorial Breakfast at Anne Arundel Community College in Maryland. Marion Wright Edelman shares Dr. King's vision of a unified and equal Nation, and acknowledges the great strides that have been made in working towards this vision. Through her work at the Children's Defense Fund, Marion Wright Edelman is helping to ensure that all children in America get a healthy, fair and safe start in life.

Yet despite the great strides that have been made toward eliminating racism and inequality, Ms. Edelman stressed that many disparities still exist. The Children's Defense Fund reports that nearly one in three African-American children are poor in America, compared with 13 percent of white children. Many children are educated in substandard schools. A disproportionate number of African-American children are without health insurance. And African-American juveniles are over-represented on every level of the criminal justice system.

But there is hope, Marion Wright Edelman and the Children's Defense Fund are working hard to correct these inequalities. The Children's Defense Fund acts as a voice for children in America who cannot speak for themselves, and Marion Wright Edelman has been a tireless advocate for children who are suffering and need a helping hand.

There is much that we in Congress can do to continue to improve the quality of life for African-Americans and for all Americans. We can help the parents of working families by raising the minimum wage. We have already passed the "Leave No Child Behind" education reform bill that will provide new standards for schools and teachers, and will help make quality education available to all Americans. We can work on election reform to ensure that all voters are properly registered, and every vote is counted. And we need to make health care available and affordable for African-Americans and all Americans. With these and other reforms we will move further down the path to equality dreamed of by Dr. King.

The terrorist attacks of September 11 left us shocked and wounded, yet we found once again that the strength of this Nation lies within its people and its diversity. In the months that have passed since that day, we have shown the world how people of all races, colors, religions and nationalities create the fabric of our Nation, a fabric that is richer because of our differences. This month we honor the special contribution African-Americans have made to that fabric. Through African-American History Month, we celebrate how far this country has come, and remind ourselves of how far we have to go.

• Mr. SMITH of Oregon. Mr. President, while we are celebrating Black History Month, I want to rise to honor a man named York, arguably the first black American to make a significant contribution to, and cast a vote in, my home State of Oregon.

Most Americans know very little about York, Captain William Clark's "servant," as Clark called him, who made the journey to Oregon with the Lewis and Clark expedition in 1803. Despite his important role in opening the West, it is unfortunate that York has not been remembered along with other early black Americans who helped shape our nation's history.

William Clark's lifelong slave companion, York was roughly the same age as Clark, and by all accounts the two were friends for most of their lives. York was bequeathed to Clark by his father, John Clark, in a will dated July 24, 1799, and on October 29, 1803, he joined Clark and Captain Meriwether Lewis on a journey into history.

York, when he is remembered, is often remembered best for the curiosity he aroused in Native Americans he met during the journey. Apparently, York so fascinated the people he met that there exist numerous stories of women attempting to wash his skin white. According to journal accounts, he sometimes used their fascination to the expedition's advantage, intimidating Arikaras tribesmen, for example, with fantastic tales of his wild youth as a cannibal.

Perhaps because of such stories, York is often described in an inaccurate, negative manner. However, common characterizations more accurately reflect the racial biases of historians than they do York's actual contributions to the expedition. Judging from the journals kept by members of the expedition, York was a reliable and indispensable part of the expedition. During a time when most black Americans were denied access to firearms, York was counted on as a skilled hunter. York also served as a cook, a confidant, and a nurse, as did each member of the party from time to time. One account has York charging into a flash flood, fearing for the safety of Clark, the famed translator Sacagawea, her son, and her husband, Toussaint, who had not yet made it to safety.

The most telling example of York's role in the expedition occurred in November 1805, when the group decided to winter in Oregon. Finding little game on the northern bank of the Columbia River, the group had to decide whether to winter there or cross the river in search of a more hospitable setting. Lewis and Clark took a vote on the matter, and the final tally included the votes of Sacagawea, a woman, and York, a black man. That winter, York and the group built Fort Clatsop, the westernmost outpost of the United States Government at the time, and one of our Nation's major claims on the disputed Oregon country.

It is odd that York is not commonly honored as an American who made possible the western expansion of our nation. The Lewis and Clark expedition, which will soon celebrate its 200th anniversary, is a seminal event in American history, and a black American who contributed significantly to that historic endeavor remains unknown to a nation which owes him a debt of gratitude.●

ADDITIONAL STATEMENTS

TRIBUTE TO LLOYD KIVA NEW

● Mr. BINGAMAN. Mr. President, I rise today to pay tribute to a man who through his dedication and vision made a significant difference in the lives of many people in my home state of New Mexico and around the country. Lloyd Kiva New passed away last Friday in Santa Fe at the age of 85.

A Cherokee from Oklahoma, Lloyd Kiva New was a graduate of the School of the Art Institute of Chicago. He became the first American Indian to obtain a degree in arts education from the institute in 1938. After serving in World War II, he established a fashion design studio in Arizona. He was also instrumental in developing several progressive educational projects, including the Southwest Indian Arts Project.

In 1962, Lloyd Kiva New co-founded the Institute of American Indian Arts, an innovative school located in Santa Fe. He became the IAIA's Art Director and eventually its President. He retired as full-time president of the institute in 1978. He was known for his novel approach to the arts in which he sought to reawaken artistic traditions that had been a primary mode of Indian expression for centuries. He continually urged students not to be bound by existing notions of artistic expression and to reject stereotypical ideas of American Indian art and culture. In part because of his vision, IAIA has been influential is sending art from Indian artist all over America, enriching Indian and mainstream cultures in the process.

The recipient of numerous awards, Lloyd Kiva New also served on the Indian Arts and Crafts Board and the National Council of the Museum of the American Indian. In addition, he was named President Emeritus of the IAIA, was honored as a Living Treasure of Santa Fe, and received the New Mexico Governor's Award for Excellence in the Arts.

I wish to extend my deepest sympathies for his passing to his family and loved ones. His wife, two children, and five grandchildren survive him.

Many people were inspired and encouraged by Lloyd Kiva New over the years. He has left a great legacy and his absence will be deeply felt in the American Indian communities and in the hearts of many individuals.●

LOCAL LAW ENFORCEMENT ACT OF 2001

● Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred July 30, 1992 in Elk Grove, IL. A gay man was assaulted by two men after being invited to go out with them. One of the assailants, Robert F. Braschko, 19, of Rolling Meadows, was charged with criminal damage to a vehicle, battery, and a hate crime in connection with the incident.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

NOMINATION DISCHARGED

The following nomination was discharged from the Committee on Government Affairs pursuant to the order of December 20, 2001:

DEPARTMENT OF DEFENSE

Joseph E. Schmitz, of Maryland, to be Inspector General, Department of Defense.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. WELLSTONE:

S. 1928. A bill to amend section 222 of the Communications Act of 1934 to require affirmative written consent by a customer to the release of customer proprietary network information; to the Committee on Commerce, Science, and Transportation.

By Mr. MCCONNELL:

S. 1929. A bill to amend title II of the Social Security Act to permit Kentucky to operate a separate retirement system for certain public employees; to the Committee on Finance.

By Mr. CONRAD:

S. 1930. A bill to promote the production of energy from wind; to the Committee on Finance.

By Mr. LIEBERMAN (for himself, Ms. COLLINS, Mr. TORRICELLI, Ms. SNOWE, and Mr. COCHRAN):

S. 1931. A bill to amend title XVIII of the Social Security Act to improve patient access to, and utilization of, the colorectal cancer screening benefit under the medicare program; to the Committee on Finance.

ADDITIONAL COSPONSORS

S. 929

At the request of Mr. HUTCHINSON, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 929, a bill to amend the National Labor Relations Act to preserve charitable giving.

S. 1370

At the request of Mr. MCCONNELL, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of S. 1370, a bill to reform the health care liability system.

S. 1737

At the request of Mrs. CLINTON, the names of the Senator from Michigan (Ms. STABENOW), the Senator from Massachusetts (Mr. KERRY), and the Senator from Minnesota (Mr. DAYTON) were added as cosponsors of S. 1737, a bill to provide for homeland security block grants.

S. 1760

At the request of Mrs. LINCOLN, the names of the Senator from South Dakota (Mr. DASCHLE) and the Senator from Washington (Ms. CANTWELL) were added as cosponsors of S. 1760, a bill to amend title XVIII of the Social Security Act to provide for the coverage of marriage and family therapist services and mental health counselor services under part B of the medicare program, and for other purposes.

S. 1799

At the request of Mr. DURBIN, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 1799, a bill to strengthen the national security by encouraging and assisting in the expansion and improvement of educational programs to meet critical needs at the elementary, secondary, and higher education levels.

S. 1800

At the request of Mr. DURBIN, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 1800, a bill to strengthen and improve the management of national security, encourage Government service in areas of critical national security, and to assist government agencies in addressing deficiencies in personnel possessing specialized skills important to national security and incorporating the goals and strategies for recruitment and retention for such skilled personnel into the strategic and performance management systems of Federal agencies.

S. 1897

At the request of Mrs. CARNAHAN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1897, a bill to require disclosure of the sale of securities by an affiliate of the issuer of the securities to be made available to the Commission and to the public in electronic form, and for other purposes.

S. 1900

At the request of Mr. EDWARDS, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1900, a bill to protect against cyberterrorism and cybercrime, and for other purposes.

S. 1912

At the request of Mr. SMITH of Oregon, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 1912, a bill to amend the Endangered Species Act of 1973 to require the Secretary of the Interior and the Secretary of Commerce to give greater weights to scientific or commercial data that is empirical or has been field-tested or peer-reviewed, and for other purposes.

S. 1917

At the request of Mr. SMITH of New Hampshire, the names of the Senator from Idaho (Mr. CRAIG) and the Senator from Wyoming (Mr. THOMAS) were added as cosponsors of S. 1917, a bill to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

S. RES. 109

At the request of Mr. REID, the names of the Senator from New Mexico (Mr. BINGAMAN), the Senator from Maine (Ms. COLLINS), the Senator from Ohio (Mr. DEWINE), the Senator from Hawaii (Mr. INOUYE), the Senator from Maryland (Mr. SARBANES), and the Senator from New Hampshire (Mr. SMITH) were added as cosponsors of S. Res. 109, a resolution designating the second Sunday in the month of December as "National Children's Memorial Day" and the last Friday in the month of April as "Children's Memorial Flag Day."

AMENDMENT NO. 2837

At the request of Mr. GRASSLEY, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of amendment No. 2837.

STATEMENTS ON INTRODUCTED BILLS AND JOINT RESOLUTIONS

By Mr. WELLSTONE:

S. 1928. A bill to amend section 222 of the Communications Act of 1934 to require affirmative written consent by a customer to the release of customer proprietary network information; to the Committee on Commerce, Science, and Transportation.

Mr. WELLSTONE. Mr. President, I rise today to introduce legislation to require telecommunications firms to receive explicit written consent from consumers prior to sharing their customer proprietary network information, or CPNI, with other entities. This is a simple bill that will provide consumers with the privacy protection that they deserve to have and that I believe should already be required under the 1996 Telecommunications Act.

The 1996 Communications Act established as law that CPNI is confidential personal information, requiring customer approval before its release or being shared with others. Congress and the American people count on the Federal Communications Commission, FCC, to carry out that mandate and to protect the privacy of American consumers who use the country's telecommunications system. Therefore, I believe it shouldn't really even be necessary to introduce this legislation, clarifying that approval should mean "express written consent" or, in other words, an "opt-in" approach to protecting privacy. But I share the concern of consumer advocates and 39 State attorneys general that the FCC, which is currently taking comment on the matter, could otherwise adopt an "opt-out" approach to privacy as it relates to CPNI. In my view, and in the view of the consumer advocates and the state attorneys general, an opt-out approach cannot adequately protect consumers' privacy and would not meet Congress's intent in passing the 1996 Communications Act.

An opt-out approach would put the unfair burden on consumers to protect their own confidential personal information that is in the possession of large telecommunications companies, protect it from being shared by those companies with other entities. This can be information of the most sensitive kind, including lists of phone numbers dialed and the duration and timing of calls. An opt-out approach presumes consumer consent that such information could be shared unless the customer goes through an unduly burdensome and uncertain process to request that the provider not share it.

In recent months in Minnesota, for example, Qwest notified customers that the company would begin to share customer information unless the customers notified Qwest that they did not want it shared. The company notice was often overlooked by customers, and it was difficult to understand for many customers who did try to read it. Furthermore, numerous customers reported problems getting through to the company's 800 number, or in navigating the options for opting out of the information sharing scheme. Due to customer complaints, and to the company's credit, Qwest recently reversed its position and will not share any customer information until the FCC issues a final CPNI rule. Meanwhile, however, Qwest and other telecommunications carriers have been advocating heavily for adoption by the FCC of an "opt-out" approach.

I am not telling anyone whether they should want their CPNI shared and made available to marketers. That is up to consumers themselves. I do want to leave that choice to consumers. I believe that means that they must have the opportunity to give their express consent on what personal information and to whom it will be shared before such information is shared.

By Mr. MCCONNELL:

S. 1929. A bill to amend title II of the Social Security to permit Kentucky to operate a separate retirement system for certain public employees; to the Committee on Finance.

Mr. MCCONNELL. Mr. President, I rise today to introduce legislation to add Kentucky to the list of States that are permitted to offer "divided retirement" plans under the Social Security Act.

Three weeks ago, I was contacted by Brian James, president of the Louisville Fraternal Order of Police, FOP, and Tony Cobaugh, president of the Jefferson County FOP. These two law enforcement leaders called my attention to a problem that could jeopardize the retirement security of many of our community's police, fire, and emergency personnel.

In November of 2000, the citizens of Jefferson County and the City of Louisville, KY voted to merge their communities and respective governments into a single entity, which will be known as Greater Louisville. As one might expect, combining two large metropolitan governments in such a short time frame cannot be done without encountering a few difficulties along the way. Jefferson County and the City of Louisville currently operate two very different retirement programs for their police officers. When these two governments merge on January 6, 2003, current Federal law will require the new government to offer a single retirement plan that could dramatically increase the cost of retirement for both our dedicated public safety officers and the new Greater Louisville government.

Thankfully, when the FOP's leaders called this problem to my attention, they also suggested a simple solution, let the police officers and firefighters choose for themselves the retirement system which best meets their needs.

I rise today to offer legislation that will provide retirement stability to our public safety officers by allowing Kentucky to operate what is known as a "divided retirement system." I am pleased to be joined in this effort by Congressman Ron Lewis and Congresswoman Anne Northup who will soon introduce similar legislation in the House of Representatives.

With passage of my legislation and similar legislation by the Kentucky General Assembly, Louisville's and Jefferson County's police officers would decide whether or not they want to participate in Social Security or remain in their traditional retirement plan. While future employees will be automatically enrolled in Social Security, no current officers would be forced into a new retirement system as a result of the merger without their approval.

Current Federal law allows twenty-one states the option of offering divided retirement systems. Unfortunately, Kentucky is not one of these twenty-one States. The legislation I am offering today would change that by adding Kentucky to the list of states designated in the Social Security Act.

It is critical that the Senate provide this retirement stability to the brave men and women who protect the citizens of Louisville and Jefferson County everyday. There is extensive precedent for granting Kentucky this authority, and my legislation enjoys the broad, bi-partisan support of policemen, firefighters, local and state officials. I look forward to working with this coalition, as well as my colleagues in the Senate, to see that this urgently needed legislation is enacted into law this year.

I ask unanimous consent that letters of support from the Louisville FOP, Jefferson County FOP, Louisville Firefighters Union, and State Finance and Administration Cabinet, be printed in the Record.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Fraternal Order of Police,
Louisville Lodge 6,
Louisville, KY, January 7, 2002.

Hon. Mitch McConnell,
Louisville, KY.

Dear Mr. McConnell: Following a referendum held approximately one year ago the voters in our community approved a government merger of the City of Louisville and Jefferson County Kentucky. Currently officers employed by the City of Louisville working for the Louisville Division of Police do not pay into Social Security, due to having been exempted from making such payments by a previous law. On January 06, 2003 when our new government become effective the Louisville Police Officers who I am elected to represent will no longer be excused from Social Security participation.

I would like to see our new government offer a "Divided Referendum" vote that would allow each individual officer the opportunity to choose his or her own preference in participating in Social Security. This would make for a smoother transition as it relates to our members and the new government. For this to be possible there has to be federal legislation sanctioning Kentucky as a "Name State". There are currently twenty-one states that have such designation. Also there has to be changes in the Kentucky. Revised Statutes to allow for the "Divided Referendum" vote.

It is my hope that you would assist our organization in making the necessary changes at both the federal and state levels during this years Congressional Session as well as Kentucky's Legislative Session.

If you have any questions regarding this issue please do not hesitate to call me. Thank you in advance for any consideration you can give this matter. I am looking forward to seeing you in 2002.

Respectfully,

David James,
President.

Fraternal Order of Police,
Jefferson County Lodge No. 14,
Louisville, KY, January 15, 2002.

Hon. Mitch McConnell,
Louisville, KY.

Dear Mr. McConnell: The voters of Louisville and Jefferson County approved the referendum for a consolidated government over one year ago. Now the monumental task of organizing that future government is quickly upon us. As the leader of this labor organization, I must focus on those labor-related issues that affect my membership.

The biggest issue raised to this point is the area of social security. Louisville police officers do not participate in Social Security. However, Jefferson County police officers do participate. Both FOP lodges are working closely on the very probable police merger that will most likely follow the government merger.

Both FOP lodges believe that the members should have the opportunity to decide their futures in reference to Social Security through a "divided referendum". It is our understanding that a change must occur on the state and federal level. Will you help us by changing Kentucky to a "Name State"? Hopefully, we can count on your support for enabling changes at the state or federal level during the 2002 United States Congress or at the Kentucky General Assembly.

Respectfully,

Anthony J. Cobaugh,
President.

Louisville Professional Fire
Fighters Union Local 345,
Louisville, January 28, 2002.

Hon. Mitch McConnell,
Louisville KY.

Dear Mr. McConnell: Following a referendum held approximately one year ago, the voters in our community approved a government merger of the city of Louisville and Jefferson County, Kentucky. An issue has come up concerning Social Security, involving police and fire fighters. Due to a previous law exempting fire fighters, we do not pay into social security. On January 6, 2003 when our new government becomes effective, the members of the Louisville Professional Fire Fighters, Local #345 will no longer be excused from Social Security participation.

I would like to see our newly formed metro government offer a "Divided Referendum" vote that would allow each individual the opportunity to choose his or her own preference in participating in Social Security. For this to be possible there has to be federal legislation sanctioning Kentucky as a "Name State". There are currently twenty-one states that have such legislation. In addition, there has to be changes in the Kentucky Revised Statutes to allow for the "Divided Referendum" vote. If "Name State" status is not obtained, the new government will be forced to match the Social Security, contribution made by more than 1,300 of its employees, including the fire fighters, who currently do not pay into the Social Security, System.

It is my hope that you would assist the Louisville Professional Fire Fighters in making the necessary changes at both the federal and state levels during this year's US Congressional Session as well as Kentucky's Legislative Session.

If you have any questions concerning this issue; please do not hesitate to call me. Thank you in advance for any consideration you can give this matter.

Respectfully,

Michael J. "Howdy" Kurtsinger,
President.

Commonwealth of Kentucky,
Office of the Controller,
Frankfort, KY, February 6, 2002.

Hon. A.M. "Mitch" McConnell,
U.S. Senate,
Russell Senate Office Building, Washington, DC.

Dear Senator McConnell: The Kentucky Division of Social Security is responsible for administering the social security and Medicare program for all public employees in the Commonwealth. This includes not only state employees, but also the employees of all political subdivisions such as school boards, counties, cities, libraries, water districts, etc.

Those public employees who are participating in an employer provided retirement system and not covered for social security and Medicare may join the program via an employee referendum. There are several steps that must be taken during this process, but, under current federal and state statutes, it boils down to a simple majority of the eligible employees approving coverage for all employees of a coverage group.

There is, however, a second mechanism available to certain states that are specifically named in the federal Social Security Act. A referendum of the employees is also conducted, but the outcome of the election differs in that those employees voting for coverage become eligible for participation in the social security and/or Medicare program. Those employees voting against social security coverage are exempt. This is referred as "divided coverage".

Last November, the voters of Jefferson County voted to merge the governments of the City of Louisville and Jefferson County, effective January 6, 2003. The success of the merger efforts, however, also present a problem that must be resolved, that is, the social security and Medicare coverage of several groups of public servants.

Some of the City of Louisville Police and firefighters contribute only the Medicare program, not social security. Other city police and firefighters contribute to neither. The Jefferson County Police and corrections employees contribute to both social security and Medicare. When the merger become effective next year all these coverage groups will be considered as a single group for social security coverage purposes.

The new government, under the current legal situation, will face the dilemma of adversely affecting the employee benefits (eliminating social security coverage) of some of these public servants or bring an additional financial burden on the second group (forcing them to contribute to social security) as well as on the new government (additional employer contributions to social security).

The preferred remedy to this situation is to utilize divided coverage. This would allow each employee to decide for his or herself whether to pay into social security. All new employees hired after a divided referendum is conducted would automatically be enrolled in social security.

The Commonwealth of Kentucky is not included as a "named" state in the Social Security Act and, therefore, its public employers cannot utilize the divided coverage option. We are requesting support for federal legislation amended 42 U.S.C. 418 to include Kentucky as a "named" state and enable Greater Louisville and their employees to take advantage of the divided coverage concept. This would add Kentucky to a list of 21 states included in section 218(d)(6)(C) of the Social Security Act that are currently permitted to conduct divided referendums. The Kentucky General Assembly is proceeding with amendments to the Kentucky Revised Statutes to authorize a divided referendum, contingent upon federal legislative changes.

It should also be noted that providing the Commonwealth with the ability to conduct divided coverage would in no way effect the members of the Kentucky Teachers Retirement System. State statutes prohibit social security coverage under the Commonwealth Section 218 agreement with the Social Security Administration to any individual covered by KTRS.

The Commonwealth of Kentucky and the citizens of Jefferson County need your support for designating Kentucky as a "Named State" by the Congress. I will be glad to answer any questions you may have.

Sincerely,

PATRICK L. DOYLE,
Director, Kentucky Division of Social Security.

COMMONWEALTH OF KENTUCKY,
OFFICE OF THE SECRETARY,
Frankfort, KY, February 6, 2002.

Senator MITCH MCCONNELL,
U.S Senate, Senate Russell Office Bldg., Washington, DC.

DEAR SENATOR MCCONNELL: Last November, the voters of Jefferson County voted to merge the governments of the City of Louisville and Jefferson County, effective January 6, 2003. The success of the merger efforts, however, requires that certain issues involving the social security and Medicare coverage of several groups of public servants be resolved.

Some of the City of Louisville Police and firefighters contribute only to the Medicare program, not social security. Other city police and firefighters contribute to neither. The Jefferson County Police and corrections employees contribute to both social security and Medicare. When the merger becomes effective next year all these coverage groups will be considered as a single group for social security purposes.

The preferred remedy to this situation is to utilize what is termed a "divided referendum". This would allow each employee to decide for his or herself whether to pay into social security. All new employees hired after a divided referendum is conducted would automatically be enrolled in social security.

Before the new government can conduct a divided referendum, the federal Social Security Act must be amended to designate Kentucky a "Named State". This would add Kentucky to a list of 21 states included in section 218(d)(6)(C) of the Social Security Act that are currently permitted to conduct divided referendums. The Greater Louisville Merger Transition Office has recommended this option and is pursuing legislation with the Kentucky General Assembly to authorize divided referendums, contingent on Federal legislative changes.

We support the Greater Louisville Merger Transition Office recommendation and the Commonwealth of Kentucky and the citizens of Jefferson County need your support for designating Kentucky as a "Named State" by the Congress. I will be glad to answer any questions you may have.

Sincerely,

T. KEVIN FLANERY,
Secretary.

By Mr. CONRAD:

S. 1930. A bill to promote the production of energy from wind; to the Committee on Finance.

Mr. CONRAD. Mr. President, I am introducing legislation to promote the development of wind energy production across our Nation. My "Wind Energy Promotion Act of 2002" would provide incentives and clear regulatory hurdles to allow this economically feasible and environmentally friendly electricity source to help meet our National energy needs.

As the Senate begins work to enact a comprehensive National energy policy, we must take advantage of the enormous potential that wind energy offers. Wind is an abundant an inexhaustible renewable resource across our country. North Dakota alone has the potential to produce more than 460,000 megawatts of electricity from wind annually, the highest potential in the Nation.

Wind production costs have fallen dramatically over the last two decades, making production affordable, investment logical, and electricity consumption from wind economical for our Nation. Production costs have declined more than 80 percent since the 1980s, from an average of 38 cents per kilowatt-hour to an average of 3–6 cents per kilowatt-hour today. These costs are predicted to fall even lower in the near future. In addition, wind energy produces no pollution, providing a clean, environmentally friendly power option for the Nation.

However, wind energy development faces a number of obstacles, which my legislation is designed to overcome. First, my bill will extend the valuable wind energy tax credit for five years. The credit expired at the end of last year, and renewal is simply crucial to the industry. Hundreds of millions of dollars of investment in wind energy in my State of North Dakota are on hold because the Senate has not yet acted to extend this credit. It is time to extend the credit now, for a full five years, in order to ensure substantial investment in the industry across the Nation.

Further, my legislation makes it easier for farmers and ranchers to develop wind energy resources. It provides grants and loans to farmers and ranchers and allows producers to put wind turbines on CRP lands. And, because better technology will make investing in both large and small wind harnessing operations more attractive, my bill authorizes more than $500 million over the next four years for wind energy research. My bill also calls for breaking down federal regulatory barriers to wind energy development. The Federal Government should help, not hinder the development of the Nation's wind potential. Because North Dakota and other western States contain large tracts of public lands that contain great wind energy potential, my bill would allow for the development of facilities on public lands. Finally, my legislation would authorize studies on several aspects of developing the Nation's wind energy potential, including one to determine the best possible way to overcome the barriers to adequate transmission of power generated from wind.

My bill is not only a key component to providing energy security for the country; it would provide a much-needed economic stimulus to rural America.

According to the American Wind Energy Association, every 100 megawatts of wind energy development will produce 500 job years of employment. In addition, payments to farmers and ranchers could equal $4 million for every 2,000 megawatts of wind energy production, money our Nation's producers would get simply for allowing wind development on their land. This would be a critical boost to our Nation's rural economy.

Wind energy development would also play a key role in the economy of North Dakota. Extending the production tax credit alone will mean more than $100 million in sales for DMI Industries, LM Glasfiber, and other industry participants in my state in the next year. Using only conservative estimates, the wind industry has the potential to add a half billion dollars to North Dakota's economy in 2002, but only if the Senate acts soon to extend the wind energy production tax credit, the most important component of the legislation I am introducing today.

The Senate will be taking up energy legislation this week. As this debate begins, I will be working to include the provisions of my wind energy legislation in a comprehensive energy policy that our Nation seriously needs. I urge my colleagues to join me in supporting the development of wind energy in the United States through the provisions of my Wind Energy Promotion Act.

By Mr. LIEBERMAN (for himself, Ms. COLLINS, Mr. TORRICELLI, Ms. SNOWE, and Mr. COCHRAN):

S. 1931. A bill to amend title XVIII of the Social Security Act to improve patient access to, and utilization of, the colorectal cancer screening benefit under the Medicare Program; to the Committee on Finance.

Mr. LIEBERMAN. Mr. President, I rise to introduce the "Colon Cancer Screen for Life Act of 2002." I am pleased that my colleagues Senators COLLINS, TORRICELLI, SNOWE and COCHRAN have joined me in introducing this very important bill.

As many of my colleagues know from personal experience, colon cancer is a devastating disease. Nearly 57,000 people die each year from colon cancer. It is the third most commonly diagnosed cancer in both men and women and the second most common cause of cancer-related death in America.

But colon cancer can be combated, controlled and potentially conquered if it's caught in the earliest stages. In fact, colon cancer is a rare form of cancer in that it can even be prevented through screening, if pre-cancerous polyps are quickly identified and removed.

The survival rate when colon cancer is detected at an early, localized stage is 90 percent. But only 37 percent of such cancers are discovered at that stage. The later the disease is caught, the lower the survival rate.

That's why in 1997, Congress led the fight against colon cancer by making screening for the disease a covered benefit for every Medicare recipient. That is especially significant because the risk of colon cancer rises with age.

Heightened awareness and greater access to treatment are working. Over the last 15 years, we've seen steady, if slow, annual declines in both incidence rates and mortality rates tied to colon cancer.

But we can do more, because barriers to screening still exist. Modern technology has blessed us with extremely accurate screening tools, in particular the colonoscopy, which results in higher colon cancer identification rates and better long-term survival rates due to early detection. A consultation with a doctor before a colonoscopy is required to ensure that patients are properly prepared before they undergo the procedure.

Unfortunately, Medicare does not pay for that consultation before a screening, creating an obvious obstacle to preventive treatment for many men and women. The Colon Cancer "Screen for Life" Act would cover these medical visits so that more Medicare beneficiaries will have easy access to screening.

Further, with this legislation, just as Congress has done for screening mammography, screening colonoscopy will not count toward a senior's Medicare deductible. This will remove additional financial disincentives to screening.

Finally, with this bill, we're breaking through another big barrier to early detection and treatment.

The medical reality is that colonoscopy procedures are invasive and require sedation to perform, making it safer for them to be conducted in the hospital or an outpatient setting, where safety standards and emergency procedures are in place, rather than in a private doctor's office. But when doctors perform colonoscopies for Medicare patients in an outpatient setting, they take a hit on cost, because reimbursement for the procedure performed there has decreased by nearly 36 percent since 1997, while reimbursement for the procedure performed in a doctor's private office has increased by 52 percent.

As a result, to balance their budgets, doctors and hospitals are typically forced to space out their Medicare patients, creating long waits for and limited access to these vital screenings. That financial incentive structure is indefensible.

The job of medical services should be cutting cancer, not cutting costs. Unfortunately, today something as critical as colon cancer screening is moderated not by the real needs of patients and their medical doctors, but by market incentives.

To address the problem, the "Screen for Life" Act would increase the payment rates for colonoscopies performed in hospitals and outpatient facilities by 30 percent. The result will be more access to early detection and treatment and thousands of lives saved.

Colon cancer is a formidable foe, but we can make a difference in the fight against it. Early detection and treatment is our first line of defense.

With the help of the Colon Cancer "Screen for Life" Act, I hope that in a decade we'll have fewer cancer cases to contend with and more survivors to celebrate the simple fact that screening saves lives.

Ms. COLLINS. Mr. President, I am pleased to join Senators LIEBERMAN, TORRICELLI, SNOWE, and COCHRAN in introducing the Colon Cancer Screen for Life Act of 2002 to improve patients' access to the colorectal cancer screening benefit under Medicare.

Colorectal cancer is the second leading cause of cancer-related deaths in the United States for both men and women: more than 57,000 Americans will die from this disease this year, yet it is a disease that many of us feel uncomfortable discussing.

The sad irony is that cancer of the colon is probably the most treatable and survivable of all cancers, but only if it is caught early. If detected and treated early, colon cancer is curable in more than 90 percent of diagnosed cases. Conversely, if the cancer is detected in an advanced stage, death rates are high. As many as 92 percent of these patients will die within five years.

Despite the fact that we have extremely effective screening tests for colon cancer, our screening rates for colon cancer, even among those Americans who are most at risk, are woefully low. Moreover, even the addition in 1998 of a new Medicare benefit covering these services has not improved the situation.

In 2000, the General Accounting Office, GAO, conducted a review of claims data to determine the extent to which this new preventive health service has been used. According to the GAO, only 3.8 percent of Medicare patients received either a screening or diagnostic colonoscopy in 1999, far below the recommended use rates and just a one percent increase over the rate in 1995.

Clearly we must find ways to heighten public awareness about the importance of colon cancer screening and remove any remaining barriers that may be preventing Medicare beneficiaries from receiving these critically important services. While the GAO identified a lack of patient awareness, understanding and inclination as the most significant factors inhibiting the use of colorectal cancer screening services, it also found that physician practices affect rates of screening. One factor is the inadequate Medicare reimbursement rates to cover the costs involved.

Medicare reimbursement rates for this procedure have declined in recent years and are almost universally lower than reimbursements under private insurance. Moreover, in many States, the Medicare rates are lower than Medicaid rates. Our legislation will therefore increase the Medicare payment rates for colonoscopies performed both in hospitals and outpatient settings. Specifically, the payment rates in hospitals and outpatient facilities would be increased by 30 percent, while payment for procedures done in physicians' offices would be increased by 10 percent.

Our legislation will also require Medicare to provide reimbursements for pre-procedure consultations to ensure that beneficiaries are properly prepared and educated before they undergo a screening colonoscopy. Medicare currently only pays for the pre-procedure appointment prior to a diagnostic colonoscopy. This pre-procedure visit is no less necessary in the case of a screening colonoscopy and should be covered.

Finally, under our legislation, the normal Part B deductible will not apply for screening colonoscopy, just as it does not apply for screening mammography. This will remove a financial disincentive for seniors to seek screening and increase the likelihood that they will undergo screening colonoscopy.

The Colon Cancer Screen for Your Life Act of 2002 will not only help to ensure the safety of colorectal cancer screenings, but it will also increase Medicare patients' access to this lifesaving procedure, and I urge all of my colleagues to join us as cosponsors.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2843. Mr. ENZI proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

SA 2844. Mr. DAYTON (for himself, Mr. FEINGOLD, Mr. KOHL, Mr. WELLSTONE, and Mr. LEAHY) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2843. Mr. ENZI proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

On page 126, before line 1, insert the following:

SEC. 1 . LIVESTOCK ASSISTANCE PROGRAM.

Section 194 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 6933) is amended to read as follows:

"SEC. 194. LIVESTOCK ASSISTANCE PROGRAM.

"(a) IN GENERAL.—The Secretary shall carry out a program to provide livestock feed assistance to livestock producers affected by disasters.

(b) AUTHORIZATION OF APPROPRIATIONS.—These are authorized to be appropriated to carry out this section $500,000,000 for each of fiscal years 2003 through 2008.

SA 2844. Mr. DAYTON (for himself, Mr. FEINGOLD, Mr. KOHL, Mr. WELLSTONE, and Mr. LEAHY) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SECTION . IMPOSITION OF TARIFF-RATE QUOTAS ON CERTAIN CASEIN AND MILK CONCENTRATES.

(a) CASEIN AND CASEIN PRODUCTS.—

(1) IN GENERAL.—The Additional U.S. notes to chapter 35 of the Harmonized Tariff Schedule of the United States are amended—

(A) in note 1, by striking "subheading 3501.10.10" and inserting "subheadings 3501.10.05, 3501.10.15, and 3501.10.20"; and

(B) by adding at the end the following new note:

"2. The aggregate quantity of casein, caseinates, milk protein concentrate, and other casein derivatives entered under subheadings 3501.10.15, 3501.10.65, and 3501.90.65 in any calendar year shall not exceed 54,051,000 kilograms. Articles the product of Mexico shall not be permitted or included under this quantitative limitation and no such article shall be classifiable therein.".

(2) RATES FOR CERTAIN CASEINS, CASEINATES, AND OTHER DERIVATIVES AND GLUES.—Chapter 35 of the Harmonized Tariff Schedule of the United States is amended by striking subheadings 3501.10 through 3501.90.60, inclusive, and inserting the following new subheadings with article descriptions for subheadings 3501.10 and 3501.90 having the same degree of indentation as the article description for subheading 3502.20.00:

"	3501.10	Casein:			
		Milk protein concentrate:			
	3501.10.05	Described in general note 15 of the tariff schedule and entered pursuant to its provisions	0.37¢/ kg	Free (A*, CA, E, IL, J, MX)	12¢/kg
	3501.10.15	Described in additional U.S. note 2 to this chapter and entered according to its provisions	0.37¢/ kg	Free (A*, CA, E, IL, J)	12¢/kg
	3501.10.20	Other	$2.16/ kg	Free (MX)	$2.81/ kg
		Other:			
	3501.10.55	For industrial uses other than the manufacture of food for humans or other animals or as ingredients in such food	Free	Free (A*, CA, E, IL, J, MX)	Free
		Other:			
	3501.10.60	Described in general note 15 of the tariff schedule and entered pursuant to its provisions	Free	Free (A*, CA, E, IL, J, MX)	12¢/kg
	3501.10.65	Described in additional U.S. note 2 to this chapter and entered according to its provisions	0.37¢/ kg	Free (A*, CA, E, IL, J)	12¢/kg
	3501.10.70	Other	$2.16/ kg	Free (MX)	$2.81/ kg
	3501.90	Other:			
	3501.90.05	Casein glues	6%	Free (A*, CA, E, IL, J, MX)	30%
		Other:			

3501.90.30	For industrial uses other than the manufacture of food for humans or other animals or as ingredients in such food	6%	Free (A*, CA, E, IL, J, MX)	30%
	Other:			
3501.90.55	Described in general note 15 of the tariff schedule and entered pursuant to its provisions	0.37¢/kg	Free (A*, CA, E, IL, J, MX)	12.1¢/kg
3501.90.65	Described in additional U.S. note 2 to this chapter and entered according to its provisions	0.37¢/kg	Free (A*, CA, E, IL, J)	12.1¢/kg
3501.90.70	Other	$2.16/kg	Free (MX)	$2.81/kg".

(b) MILK PROTEIN CONCENTRATES.—

(1) IN GENERAL.—The Additional U.S. notes to chapter 4 of the Harmonized Tariff Schedule of the United States are amended—

(A) in note 13, by striking "subheading 0404.90.10" and inserting "subheadings 0404.90.05, 0404.90.15, and 0404.90.20"; and

(B) by adding at the end the following new note:

"27. The aggregate quantity of milk protein concentrates entered under subheading 0404.90.15 in any calendar year shall not exceed 15,818,000 kilograms. Articles the product of Mexico shall not be permitted or included under this quantitative limitation and no such article shall be classifiable therein.".

(2) RATES FOR CERTAIN MILK PROTEIN CONCENTRATES.—Chapter 4 of the Harmonized Tariff Schedule of the United States is amended by striking subheading 0404.90 through 0404.90.10, inclusive, and inserting the following new subheadings with the article description for subheading 0404.90 having the same degree of indentation as the article description for subheading 0405.10 and the article description for subheadings 0404.90.05, 0404.90.15, and 0404.90.20 having the same degree of indentation as the article description for subheading 0405.20.40:

"0404.90	Other:			
	Milk protein concentrates:			
0404.90.05	Described in general note 15 of the tariff schedule and entered pursuant to its provisions	0.37¢/kg	Free (A*, CA, E, IL, J, MX)	12¢/kg
0404.90.15	Described in additional U.S. note 27 to this chapter and entered pursuant to its provisions	0.37¢/kg	Free (A*, CA, E, IL, J)	12¢/kg
0404.90.20	Other	$1.56/kg	Free (MX)	$2.02/kg".

(c) EFFECTIVE DATE.—The amendments made by this section apply to goods entered, or withdrawn from warehouse for consumption, on or after the first day of the first month after the date that is 15 days after the date of enactment of this Act.

SEC. 2. COMPENSATION AUTHORITY.

(a) IN GENERAL.—If the provisions of section 1 require, the President—

(1) may enter into a trade agreement with any foreign country or instrumentality for the purpose of granting new concessions as compensation in order to maintain the general level of reciprocal and mutually advantageous concessions; and

(2) may proclaim such modification or continuance of any existing duty, or such continuance of existing duty-free or excise treatment, as the President determines to be required or appropriate to carry out any such agreement.

(b) LIMITATIONS.—

(1) IN GENERAL.—No proclamation shall be made pursuant to subsection (a) decreasing any rate of duty to a rate which is less than 70 percent of the existing rate of duty.

(2) SPECIAL RULE FOR CERTAIN DUTY REDUCTIONS.—If the rate of duty in effect at any time is an intermediate stage under section 1102(a) of the Omnibus Trade and Competitiveness Act of 1988, the proclamation made pursuant to subsection (a) may provide for the reduction of each rate of duty at each such stage proclaimed under section 1102(a) by not more than 30 percent of such rate of duty, and may provide for a final rate of duty which is not less than the 70 percent of the rate of duty proclaimed as the final stage under section 1102(a).

(3) ROUNDING.—If the President determines that such action will simplify the computation of the amount of duty computed with respect to an article, the President may exceed the limitations provided in paragraphs (1) and (2) by not more than the lesser of—

(A) the difference between such limitation and the next lower whole number, or

(B) one-half of one percent ad valorem.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON CLEAN AIR, WETLANDS AND CLIMATE CHANGE

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works, Subcommittee on Clean Air, Wetlands, and Climate Change be authorized to meet on Monday, February 11, 2002, at 9:30 a.m. to conduct a field hearing to receive testimony on the impacts of the September 11 attack on air quality and possible related health impacts in the area of the World Trade Center and how to address any such impacts. The hearing will be held at the Alexander Hamilton U.S. Customs House, One Bowling Green, New York, NY.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TRANSPORTATION, INFRASTRUCTURE AND NUCLEAR SAFETY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works, Subcommittee on Transportation, Infrastructure, and Nuclear Safety be authorized to meet on Monday, February 11, 2002, at 1 p.m. to conduct a hearing to examine the administration's 03 budget proposal, the Revenue Aligned Budget Authority, (RABA), mechanism and budget-related reauthorization issues. The hearing will be held in Rm. SD–406.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. LUGAR. Madam President, I ask unanimous consent that Pat Sweeney, a detailee to the Agriculture Committee from the General Accounting Office, be granted privileges of the floor during consideration of the farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT AGREEMENT—S. 1731

Mr. REID. Mr. President, I ask unanimous consent that all first-degree amendments on the finite list of amendments to S. 1731 must be proposed by 3 p.m. Tuesday, February 12, with the exception of managers' amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the Senate resume consideration of the farm bill immediately following the prayer and the pledge at 9:30 a.m. tomorrow; that there be 40 minutes for debate on Senator GRASSLEY's second-degree amendment, No. 2837, to Senator CRAIG's amendment, No. 2835; that following the use or yielding back of that time, there then be 15 minutes equally divided in the usual form in relation to each of the following amendments: the amendment of Senator CRAPO, amendment No. 2533, and the amendment of Senator BAUCUS, amendment No. 2839; that the amendments be debated in the above order; that at the conclusion or yielding back of time the Senate vote in relation to the Grassley second-degree amendment; that upon the conclusion of that vote, Senator REID be recognized to move to table the amendment of Senator CRAPO; that at the conclusion of that vote, the Senate vote in relation to the Baucus amendment with no other amendments in order prior to those ordered votes; and that if any amendment in this agreement is not disposed of at the conclusion of these votes, it shall remain debatable and amendable.

Mr. LUGAR. Reserving the right to object, and I will not object, I commend the distinguished floor leader for working with both sides of the aisle to provide a good structure for our debate tomorrow and for a conclusion of the farm bill debate. I simply wanted to indicate that on our side of the aisle, we have worked closely with the leader and that we have an excellent format. Therefore, I will not object and commend what is occurring and will support it.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, two things: One, on the unanimous consent agreement I first offered, I want to make sure the time is 3 p.m. not 2 p.m. I think I said 3 p.m.

I say to my friend, the manager of the bill, I have spoken to Senator CRAPO and have indicated to him that on my second-degree amendment that is pending, I am going to modify that in the morning. So this amendment should have no bearing on that.

Mr. LUGAR. That is my understanding.

Once again, reserving the right to object, and I will not object, Senator SANTORUM's amendment has been withdrawn from this list. He is modifying the amendment. It may be that amendment can be accepted in due course. If not, it will come in the normal rotation for debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I will simply say, Senator HARKIN and Senator LUGAR have worked very hard on this farm bill—not for days or weeks but for months. I think we are now seeing the light at the end of the tunnel. Senator DASCHLE has asked me to indicate he would very much like to finish this bill tomorrow. It is a very heavy task because during the middle of the day we have the time for the two party conferences, but it can be done, and we are going to do everything we can to work with both sides to see if we can get that done.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, FEBRUARY 12, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. tomorrow, Tuesday, February 12; following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of S. 1731, the farm bill; further, that the Senate recess from 12:30 to 2:15 p.m. for the weekly party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:57 p.m., adjourned until Tuesday, February 12, 2002, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate February 11, 2002:

DEPARTMENT OF STATE

JAMES W. PARDEW, OF ARKANSAS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF BULGARIA.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

LESLIE SILVERMAN, OF VIRGINIA, TO BE A MEMBER OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING JULY 1, 2003, VICE IDA L. CASTRO, RESIGNED.

DEPARTMENT OF EDUCATION

SALLY STROUP, OF VIRGINIA, TO BE ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION, VICE A. LEE FRITSCHLER, RESIGNED.

DEPARTMENT OF JUSTICE

ERIC F. MELGREN, OF KANSAS, TO BE UNITED STATES ATTORNEY FOR THE DISTRICT OF KANSAS FOR THE TERM OF FOUR YEARS, VICE RANDALL K. RATHBUN, RESIGNED.

JOHN B. BROWN, III, OF TEXAS, TO BE DEPUTY ADMINISTRATOR OF DRUG ENFORCEMENT, VICE JULIO F. MERCADO, RESIGNED.

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) MARK M. HAZARA, 3352

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) STEVEN B. KANTROWITZ, 3208

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) JAMES MANZELMANN JR., 4656

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVAL RESERVE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be rear admiral

REAR ADM. (LH) ROBERT M. CLARK, 8433
REAR ADM. (LH) JOHN R. HINES JR., 4374
REAR ADM. (LH) NOEL G. PRESTON, 4806

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES MARINE CORPS UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant colonel

ALBERT R ADLER, 0760
MICHAEL J AHERN, 1436
PETER W AHERN, 3290
JEFFREY A AIVAZ, 4381
JAMES S ALLEY, 5936
DAVID J ANDERSON, 3810
JEFREY M ARNOLD, 0395
JEFFREY K ARRUDA, 3852
DAVID N ASHBY, 5689
BRIAN M BAGGOTT, 7763
DONALD P BALDWIN, 8943
EDWARD D BANTA, 4165
DARRYL G BARNES, 1502
BRIAN M BARTON, 5398
HAROLD C BASS, 8314
GARY F BAUMANN, 3285
ALLEN L BENNETT, 6356
PHILIP J BETZ JR., 0817
MICHAEL A BISZAK, 7238
ANDREW K BLACKHURST, 6917
JAMES M BLAIR, 8699
FREDDIE J BLISH, 3888
PATRICK S BLUBAUGH, 9259
THOMAS G BOGARD, 5863
MATTHEW J BONNOT, 3353
MICHAEL J BOSSE, 7209
ANTHONY W BOWMAN, 2062
KARL D BRANDT, 7818
DAVID A BRANNON, 1757
JAMES M BREITINGER, 2244
RANDAL S BRELAND, 8740
STEVEN P BRODFUEHRER, 0457
JAMES E BROWN, 8125
JAMES R BROWN III, 7520
THOMAS D BRUCE, 2173
MICHAEL A BRUNO, 0444
PETER D BUCK, 6911
BRIAN K BUCKLES, 2110
WILLARD A BUHL, 4090
CLAUDE J BURG, 4071
DENNIS T BURKE, 8466
MICHAEL J BURKE, 6869
RODNEY D BURNETT, 1618
TERRANCE L BURNS, 7182
JERRY A CARPENTER, 3720
ROBERT J CHARETTE JR., 6238
ERIC T CHASE, 1300
STEPHEN A CHILL, 5029
MARY J CHOATE, 5088
ARTHUR COLLINS III, 5936
JOSEPH W COLLINS JR., 1273
JEFFREY P COLWELL, 2001
NORMAN L COOLING, 4735
DENNIS M CUNNIFFE, 1833
WILLIAM R CUNNINGHAM, 8473
TIMOTHY B CUTRIGHT, 6615
BRIAN P CYR, 5953
MICHAEL G DANZER, 1774
JAMES G DAVIDSON, 5342
GREGORY P DEEB, 8267
DAVID A DEMORAT, 8341
DOUGLAS A DENN, 0033
JOSEPH G DENNISON, 0581
RICHARD L DIDDAMS JR., 3195
JAMES T DILLON, 8455
STEPHEN R DINAUER, 0470
DREW T DOOLIN, 7709
THOMAS J DORAN, 9546
JEFFERSON L DUBINOK, 6164
JEFFREY W DUKES, 6641
JAMES F DURAND, 5682
DAVID S EATON, 8348
CHRISTOPHER B EDWARDS, 5378
THOMAS B EIPP, 8417
SCOTT E ERDELATZ, 5851
YORI R ESCALANTE, 8842
DOUGLAS H FAIRFIELD, 7369
CHARLES R FERGUSON JR., 9853
FRANCIS S FERRARO, 9655
BARRY J FITZPATRICK JR., 7236
JOHN W FREDA, 8181
GRANT V FREY, 6924
JEFFREY W FULTZ, 2381
DAVID J FURNESS, 4147
JEFFREY E GAMBER, 5238
JOHN J GAMELIN, 1346
ROGER A GARAY, 3505
RANDALL E GARCIA, 6359
EDWARD C GARDINER, 0909
PETER T GAYNOR, 4881
KEIL R GENTRY, 6658
JOSEPH E GEORGE, 3984
MATTHEW G GLAVY, 1146

TODD M GLENN, 2949
HAL M GOBIN, 1153
WILLIE R GOLDSCHMIDT, 2848
KERRY T GORDON, 2468
DAVID G GOULET, 1234
JOSEPH P GRANATA, 5720
JAMES D GRIFFIN III, 2844
MICHAEL S GROEN, 5918
ERIC G HANSEN, 1834
STEVEN M HANSON, 8776
BLAISE D HARDING, 9762
GARY L HARDY, 3201
WILLIAM D HARROP III, 5246
THOMAS J HARTSHORNE, 1457
JAY L HATTON, 8951
JOHN F HAVRANEK, 4662
DREXEL D HEARD, 6200
SCOTT M HECKERT, 5871
ROBERT M HEIDENREICH, 6645
CLARKE D HENDERSON, 1705
ANTHONY R HERLIHY, 0735
MARCUS O HEWETT, 7478
CHARLES O HOBAUGH, 8690
DANIEL C HODGES, 2592
JEFFREY L HOING, 4619
THOMAS G HOLDEN, 5327
FREDERICK J HOPEWELL, 6809
JAMES G HORTON, 2037
SCOTT A HUELSE, 9636
PAUL E HUXHOLD, 4486
TODD C HYSON, 7809
KEVIN M IIAMS, 6736
WILLIAM M IVORY, 0410
RICHARD C JACKSON II, 7344
JOHN M JANSEN, 1022
KIRK B JANSEN, 3830
JOSEPH M JEFFREY III, 3442
EDWARD M JEFFRIES JR., 9257
ANTHONY J JOHNSON, 4984
JAY E JOHNSON, 1251
MICHAEL W JOHNSON, 5013
STEVEN P JONES, 5830
DEWEY G JORDAN, 0211
DARREN S JUMP, 1495
JAMES J JUSTICE, 5350
JOHN E KASPERSKI, 1078
STEPHEN H KAY, 8815
PETER J KEATING, 2613
KENT J KEITH, 3640
JEFFREY J KENNEY, 7737
SEAN C KILLEEN, 8164
LAWRENCE E KILLMEIER JR., 5962
CARL M KIME, 9088
MICHAEL G KIRBY, 7443
SAMUEL A KIRBY, 3736
ERIC R KLEIBER, 5266
GREGORY F KLEINE, 6667
JOSEPH H KNAPP, 1644
ROBERT R KOSID, 7181
SCOTT J KOSTER, 8102
GREGORY G KOZIUK, 2408
JEFFREY J KRIEGER, 8303
ROBERT C KUCKUK, 0686
MARC J LACLAIR, 0040
JASON J LAGASCA, 0921
MARC H LAMBERT, 2295
PHILIP S LARK, 3074
MARK D LAVIOLETTE, 6077
RANDY J LAWSON, 9656
JAMES J LENEGHAN, 1209
MICHAEL A LESAVAGE, 5719
DEAN F LEVI, 5699
SAMUEL LIMA, 2745
LAURA LITTLE, 7921
TODD L LLOYD, 9654
THOMAS A LOGAN II, 3766
BRIAN D LONG, 6529
RICHARD S LONG, 7243
OWEN R LOVEJOY II, 9435
JAMES B LOVING, 4177
ROBERT D LOYND, 8095
WALTER E LUNDIN, 1276
JON CHESTE A MACCARTNEY, 0833
TIMOTHY J MACKENZIE, 1488
EDWARD O MAGEE JR., 0174
MICHAEL P MAHANEY, 1747
KEVIN P MAHNE, 4699
CHRISTOPHER J MAHONEY, 5501
JOHN D MANZA, 1903
NICHOLAS F MARANO, 5008
THOMAS P MARTIN, 0057
JEFFREY P MARTINEZ, 1813
DOUGLAS E MASON, 2723
DANIEL R MASUR, 2684
TIMOTHY L MATHEWS, 6558
WILLIAM H MAXWELL, 5590
THOMAS F MAY, 1893
CHRISTOPHER T MAYETTE, 4847
EDWARD J MAYS, 9836
CHRISTOPHER R MCCARTHY, 9515
HENRY J MCCLURG, 1332
CHARLES W MCCOBB, 2707
MATTHEW D MCEWEN, 6578
THOMAS D MCGINNIS, 9738
SCOTT L MCLENNAN, 5449
KEITH A MEISENHEIMER, 7623
STEPHEN C MEIZOSO, 0195
ERIC M MELLINGER, 3265
ANDREW R MELLON, 8042
MARK P MELZAR, 3621
PAUL C MERRITT, 6512
RICHARD O MILES JR., 4376
PAUL A MILLER, 2815
DUNCAN S MILNE, 3613
EDWARD H MINCHIN III, 0012
CHRIS W MINER, 1572
JOSEPH T MINICUCCI, 3919
DANIEL P MONAHAN, 1636
GREGGORY B MONK, 4061
CARLO A MONTEMAYOR, 7123
KEITH M MOORE, 4580
LOUIS D MORET, 7457
ROGER J MORIN, 4320
KEVIN J MORONEY, 1552
JEFFREY K MOSHER, 7818
WILLIAM F MULLEN III, 6237
TIMOTHY S MUNDY, 7500
MARK G MYKLEBY, 0887
ANTON H NERAD II, 6393
BRUCE W NEUBERGER, 6971
BARRY C NEULEN, 4289
JOHN M NEUMANN, 2414
BRUCE E NICKLE, 4650
WILLIAM J NIX, 5757
BRENT A NORRIS, 8367
MARK K OBERG, 6039
CHARLES E ODONNELL, 0519
LAWRENCE J OLIVER, 2945
JAMES S OMEARA, 5897
ALAN L ORR II, 8156
MICHAEL J OUZTS, 3157
PETER F OWEN, 7842
BEN H OWENS, 7459
BRIAN S PAGEL, 0892
RICHARD W PALERMO, 9264
CHARLES A PANTEN, 6951
CHRISTOPHER J PAPAJ, 6273
JOHN R PARKER, 9404
MICHAEL B PARKYN, 5349
JAMES R PARRINGTON, 5547
TIMOTHY A PASTVA, 2138
GABRIEL R PATRICIO, 4399
NOELE PATTERSON, 8412
DAVID PERE, 9656
WILLIAM G PEREZ, 5339
DANNY G PETERS, 7981
ANTONIO P PETERSEN, 1496
ANDREW J PFIESTER, 0938
TIMOTHY J PIERSON, 1277
ROBERT N PLANTZ, 6679
MICHAEL D POCKETTE, 9231
KENT S RALSTON, 6800
JAMES D REED II, 1746
MARY H REINWALD, 6895
JEFFREY S RENIER, 1651
LORETTA E REYNOLDS, 1465
FRANK A RICHIE, 3430
SAMUEL M RIDDER II, 9953
PHILLIP J RIDDERHOF, 6652
DAVID A ROBINSON, 0405
KEVIN C ROGERS, 7748
PHILIPPE D ROGERS, 6349
FRANKLIN J ROSA, 7975
CINDY H ROSEN, 2389
THADDEUS A RUANE, 1017
JAMES L RUBINO JR., 4362
AMANDO RUIZ III, 5797
THOMAS W RUSSELL, 0027
JOHN A RUTHERFORD, 4349
JOSEPH RUTLEDGE, 6741
JON E SACHRISON, 8154
SHAUN L SADLER, 8640
MATTHEW T SAMPSON, 1741
RUSSELL A SANBORN, 7303
CHRISTOPHER J SCHLAFER, 5029
KIRK D SCHLOTZHAUER, 1453
LEE F SCHRAM, 5786
PAUL C SCHRECK, 7790
JOHN M SCHULTZ, 8135
WILLIAM P. SCHULZ JR., 6936
DOUGLAS J SCOTT, 9327
WILLIAM R SELLARS, 0849
BRUCE A SHANK, 7458
MICHAEL T SHEERIN, 1581
PAUL A SHELTON, 0617
RICHARD.N SHIZURU, 0186
ROBERT A SICHLER, 0158
GREGORY L SIMMONS, 7503
PHILIP C SKUTA, 6640
AARON T SLAUGHTER, 0035
ERIC M SMITH, 9379
JAMES S SMITH, 5672
RANDY D SMITH, 9755
TRACY R SMITH, 3000
DANIEL J SNYDER, 4424
WILLIAM B SPAHN, 9668
EDWARD N SPICKNALL, 4357
BLAYNE H SPRATLIN, 1536
TODD R STANDARD, 3169
WAYNE R STEELE, 4873
DENNIS H STEGALL, 6512
ERIC J STEIDL, 9623
JOHN C STEVE, 0671
ERIC B STONE, 3322
ROGER L STONE, 7574
RICHARD A STONES, 5951
LYNN A STOVER, 3629
ROGER M STRAUSS, 5209
JOSEPH R STROHMAN, 9197
CHARLES W STUBBS, 9979
THOMAS G SULLIVAN, 1805
JOHN D SUMNER, 3589
JOHN D SWIFT, 7563
DAVID A TAGG, 8004
JAMES R TAYLOR, 0602
JAMES S TEEPLES, 3838
JOSEPH L TERRY, 4214
RICHARD P TIRRELL, 1563
DONALD D TOLBERT JR., 4209
GREGORY M TOLLIVER, 4593
RAYMOND TOLOMEO, 1426
ARTHUR TOMASSETTI, 5482
MICHAEL A TRABUN, 7362
WILLIAM A TUCKER, 0522
CHARLES J TULANEY, 3683
MARK M TULL, 0678
JEFFERY I TURK, 5278
WINBON J TWIFORD III, 1281
WILLIAM T VANATTEN, 1478
PETER L VENOIT, 5094
BRADLEY C VICKERS, 1159
NICHOLAS M VUCKOVICH, 3566
CLINTON D WADSWORTH, 4111
SCOTT A WALKER, 0725
KEVIN J WALL, 5484
THOMAS C WALSH JR., 7858
JOHN W WASEK, 7975
WALTER R WATSON, 3574
STEPHEN M WAUGH, 3077
DANIEL J WAWRZYNIAK, 4583
RICHARD H WEEDE, 8971
MARK A WERTH, 1807
LAWRENCE A WHALEN, 3276
DAVID A WILBUR, 6182
KEVIN H WILD, 0748
LEE B WILLARD, 3132
ROBERT WILLIAMS, 0361
SCOTT P WILLIAMS, 4556
TERRY V WILLIAMS, 8027
JAMES G WILSON, 1411
ANTHONY L WINTERS, 8960
JUSTIN M WISDOM, 8234
MARK R WISE, 7439
LEWIS E WOOD, 2321
CHRISTOPHER I WOODBRIDGE, 1799
JEFFREY R WOODS, 8861
KEVIN T WOOLEY, 5602
KENNETH E WYNN, 9556
PETER E YEAGER, 1546
JOHN E YOUNG, 8430
ROBERT C ZAORSKI JR., 3986
PETER D ZORETIC, 8433

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR REGULAR APPOINTMENT AS A PERMANENT LIMITED DUTY OFFICER IN THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 5589:

To be lieutenant

JOHN J. WHYTE, 9950

THE FOLLOWING NAMED OFFICERS FOR TEMPORARY APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 5721:

To be lieutenant commander

KELLY V AHLM, 3753
SCOTT A BAIR, 7542
PATRICK A BECKER, 6411
JOSEPH J BIONDI, 3188
TODD W BOEHM, 2678
JAMES E BUCKLEY, 5369
MATTHEW S BURTON, 0327
MICHAEL R CONNER, 7976
STEPHEN C DAVIS, 0508
JEFFREY N FARAH, 8389
RICHARD W GARRISON, 9052
LAWRENCE E GONZALES, 4987
VERNON HASTEN, 7489
TRENTON D HESSLINK, 0540
STEVEN D HULL, 6065
ANTHONY J INDELICATO, 9769
ROBERT A KOONCE, 7732
LANCE L LESHER, 7522
JENNIFER C LYONS, 5558
DAVID D NEAL, 4170
JAMES E OGBURN, 0935
MICHAEL J ONEILL, 8072
RODNEY M PATTON, 0052
ERIC L SEVERSEIKE, 6246
MICHAEL R SOWA, 5406
LAURENCE G STOREY, 6178
JOHN M TULLY, 3101
DARIN L VALLETTE, 5730
LARRY P VARNADORE, 4788
STEVEN R VONHEEDER, 3162
WILLIAM G WILKINS JR., 7505
CHRISTIAN B WILLIAMS, 1287
THOMAS A WINTER, 5780

THE FOLLOWING NAMED OFFICERS FOR PERMANENT APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 5589:

To be lieutenant

RENE V ABADESCO, 7015
ALAN D ABSHEAR, 4992
CHERYL A AGE, 6282
WADE ALLEN, 0003
ANDREW J ASHTON, 8264
MATTHEW T ATWOOD, 7669
CHRISTOPHER BAILEY, 4292
LOUIS H I BALOT, 8162
KEVIN S BARNETT, 5571

DAVID W BAXLEY, 9641
WILLIAM M BEGLAU, 0308
BYRON K BENARD, 8009
AMY C BENDER, 7475
EDWARD M BENDER, 7959
JAMES A BERTHELOT, 6133
DAVID M BIRMINGHAM, 4851
WILLIAM H BLANCHARD, 2554
DAVID G BONER, 5860
CLIFTON A BOYCE, 9932
LAMAR R BRADLEY, 8998
EDWARD B BRINSON JR., 4219
BRUCE G BRONK, 3118
CARVIN A BROWN, 9769
JAMES S BROWN, 8380
LEE C BROWN, 3097
MARY A BROWN, 4682
MICHAEL D BROWN, 7268
STUART A BROWN, 5652
JOED M BRUCE, 6032
MARK S BURGETT, 8488
PETER J BURGOS, 3475
CELETA L BURKS, 8192
JOSEPH P BURNS, 2740
LAWRENCE R BUTLER, 6942
REGINAL J CALLES, 5908
DANIEL J CARIUS, 6512
GERALD A CASTLE, 7383
BRYAN K CATOE, 7334
WILLIAM J CLARK, 1274
JOHN W COATES, 0775
KEVIN A COCHRAN, 2131
GARY E COLEMAN, 6003
CLIFFORD COLLINS, 0436
MICHAEL W CONN, 5078
JOHN W CONSTABLE, 9821
BRUCE J CONWAY, 8439
MATTHEW T COOPER, 2110
MICHAEL R CORBIN, 2336
VALENCIA V COURTNEY, 6573
EARL KOLMER COWAN JR., 6035
CHARLES C COWART, 9525
JEFFERY S CURRIER, 2324
MICHAEL L DALE, 4100
MELITON A DASCO, 4455
CHARLES B DAVENPORT, 1098
EDDIE E DAVIS, 7431
JEFFREY S DAVIS, 5334
LAWRENCE W DAY, 7857
CLIFFORD A DEARDEN, 3793
KEITH W DEBBAN, 5551
MICHELLE M DEBOURGE, 3682
THOMAS A DECKER, 5046
MELVIN R DENNING, 8989
JOEL A DOANE, 1936
FRANCIS J DONAHUE, 2539
KARL R DREIKORN, 0797
BRADY JAY DRENNAN, 5416
JAMES C DUDLEY JR., 2110
STEVEN D DUNCAN, 6077
FLOYD A DYAL, 3676
CAROL A EATON, 8929
MARTIN J EBERHARDT, 0713
LAWRENCE A EDWARDS, 8555
KENNETH J ENGLE, 9010
KELLY D ENNIS, 8446
HOWLAND I ENOKIDA, 1274
SEAN B FARRELL, 8934
EDWARD L FEIDT, 4823
JOSEPH G FELTOVIC, 9814
JEFFREY P FENDICK, 6942
KENNETH H FERGUSON, 5997
RAMIRO E FLORES, 6452
STEVEN M FOLEY, 4981
JOHN D FORINGER, 8651
WILLIAM J FRANCIS, 6829
JEFFREY A FRANKS, 8582
JEFFREY S FREELAND, 8777
ALLEN L FRY, 8855
TYLER R FRYE, 4302
FRANK I FUENTES II, 7115
CHARLES P FULWIDER, 2213
DAVID E GARRETSON, 5759
JOHN E GAY, 6483
KEVIN W GILES, 3455
RENE G GOCO, 2369
ALVIN M GONZALEZ, 2260
MARC T GOODE, 6934
MICHAEL S GRANT, 5540
DOUGLAS C GRAVE, 0264
JAMES A GRAY, 5907
STEVEN P GREER, 6134
MICHAEL J GUNTHER, 6460
JOHN E GUSTAFSON, 7211
CHRISTOPHER J HAAS, 8194
WILLIAM S HAFLEY, 7125
JAMES L HAMILTON, 1494
RICHARD P HANSEN, 1677
KEVIN M HAYDEN, 5760
BRUCE B HAYNES, 1331
DONALD HEFFENTRAGER, 6885
TIMOTHY A HILL, 1506
CARL C HINK, 5329
DONALD E HOCUTT, 7621
PATRICK J HOUGH, 1320
DAVID L HUNT, 4416
FRANKLIN W HUNT, 6607
JAMES K INGRAM, 5684
STEVEN D INGRAM, 1970
EARLY JACKSON, 3387
WILLIAM C JESSUP, 4154
ATKINS JINADU, 7650
GORDON W JOHNSON, 0617
MICHAEL E JOHNSTON, 8939
TODD M JOHNSTON, 8252
BONNIE L JONES, 6485
TIMOTHY LYNN JONES, 2923
MICHAEL R KASZUBA, 5163
PAUL JOSEPH KAYLOR, 9615
ROY G KIDDY, 5775
CRIS S KIDWELL, 0455
ANTHONY A KITSON, 4195
PETER J KLOETZKE, 8967
NORMAN G KOSTUCK JR., 3979
WILLIAM M KRUMP, 0900
DAVID L LANDON, 5723
ANTHONY LEONE, 5379
GERALD D LEWIS, 0083
DONALD P LIBBY, 1565
MICHAEL R LITWIN, 2178
JEFFREY S LOCK, 8468
ROBERT E LOEFFLER, 1763
VENCENT W LOGAN, 4632
DAVID W LONG, 5355
KENNETH J LOOKABAUGH, 3711
VICKIE L LUCAS, 4466
MICHAEL R LUTHER, 3851
CHARLES E LYNCH, 8834
LARRY B MABE JR., 6818
CHARLES H MAHER, 0344
PATRICK J MARCOTTE, 8179
CHARLIE L MARTIN, 1098
DANIEL S MARTINDALE, 2218
JOSE A MARTINEZ, 2199
WARREN S MCCALLUM, 3717
GUY E MEFFERD, 9933
JIMMY H MELTON, 0514
DANIEL MITTENDORFF, 6609
ROBERT L MOORE, 4600
CARTER L MORELAND, 3070
JEFFREY T MORGAN, 0232
CHARLES E MORRIS, 4650
JEROME D MORRIS, 9175
HAROLD E MURRAY, 8449
ROBERT D MYERS, 8049
HEZEKIAH NATTA JR., 9559
WILLIAM H NEIGER, 6216
OTTIS R NELSON, 4669
GIL V NICDAO, 4630
PAUL M NIELSON, 4626
DONALD P OCONER, 1037
JOSEPH P OHARA, 4320
MATTHEW ONEILL, 7037
JOSE W OTERO, 0530
PERRY B PAGE, 0046
BARRY C PARHAM, 9010
ROBERT F PAULEY, 3397
WANDA S PEACOCK, 2912
RAYMOND C PENLAND, 7549
TODD S PERRY, 3690
CHRISTINA M PHILLIPS, 6716
MARILEE A PIKE, 8406
ALFREDO M PINEDA, 8844
JAMES W PITCOCK, 4370
YVONNE O PITTS, 3745
TERRY J PRATT, 6583
WILLIAM S PRATT, 3131
CHRISTOPHER PRESSLEY, 6358
JAMES M PYLE, 9573
TIMOTHY R RAGNAR, 0772
EDWARD E RANCOURT, 6000
MARK D REAVIS, 2857
ESTEBAN RICO, 4460
TODD D RILEY, 2635
MICHAEL T RING, 9149
JOHN D RIVERA, 7390
JAMES P RIZZO, 5538
MATTHEW G ROBERTS, 6291
WILLIAM A RODAS, 5503
VICTOR O ROMAN, 6315
MATT C ROOSE, 2721
JAMES A ROSSER, 8034
PATRICK A ROWLAND, 4601
DWAYNE W RUFFNER, 9213
BERNARDO C SALAZAR, 0844
JAMES B SALTER, 8084
ERIC M SAMUELSON, 2608
RONALD A SANDERS, 9265
JACQUELINE SANTILLANES, 1798
ROBERT M SAUNDERS, 7166
JERRY L SCHULTZ, 3356
JON S SCOTT, 3830
LOUIS V SCOTT, 3774
PATRICIA A SCOTT, 0157
DALE W SEXTON, 8036
MICHAEL E SIMPKINS, 3214
CHRISTOPHER SIMPSON, 6806
JAMES A SMITH, 7461
JERRY L SMITH JR., 0329
LEROY SMITH, 5541
NICHOLAS SMITH, 0393
TIMOTHY D SMITH, 2959
MICHAEL R SNIDER, 5199
LYLE V SPAIN, 4100
TIMOTHY L SPAULDING, 7354
PAUL B SPRACKLEN, 4448
STEPHEN L STAAT, 0070
ALLEN R STAMBAUGH, 0608
ERIC J STEIN, 2862
JEFFREY T STEPHENS, 5511
DWAYNE A STRICKLAND, 1717
MALCOLM L STRUTCHEN, 4227
WENDY M SUESS, 0003
LEON B TACKITT, 6910
ANDREW P THOMAS, 7299
KENNETH T THOMPSON, 7490
TRENT M THOMPSON, 7831
GARY S TOMBERLIN, 4709
JACINTO TORIBIO JR., 5011
LEE R TOTTEN, 4684
CRAIG L TRENT, 8773
TRACY I TRUITT, 3085
EUGENE T TSCHUDY, 6584
VICTOR L VAUGHAN, 6164
GEORGE G VERGOS, 6712
MICHAEL S VINING, 9107
JOE L WALKER, 9742
TANYA J WALLACE, 8364
HEATHER J WALTON, 9351
ILONA K WASHINGTON, 0049
DOUGLAS D WASKIEWICZ, 3730
RICHARD P WEISS, 6938
CAROLINE D WELBORN, 9560
CHARLES A WHEATLEY, 1166
MARK S WHITTAKER, 9757
JOHN C WILKERSON, 6878
ERIC M WILLIAMS, 0418
MICHAEL WILLIAMSON, 1360
WINFRED L WILSON, 4281
JOHN F WOLSTENHOLME, 9032
DAVID A WOODS, 6187
SEAN M WOODSIDE, 0790
MARK W YATES, 6150

CONFIRMATIONS

Executive nominations confirmed by the Senate February 11, 2002:

THE JUDICIARY

MICHAEL J. MELLOY, OF IOWA, TO BE UNITED STATES CIRCUIT JUDGE FOR THE EIGHTH CIRCUIT.

JAY C. ZAINEY, OF LOUISIANA, TO BE UNITED STATES DISTRICT JUDGE FOR THE EASTERN DISTRICT OF LOUISIANA.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, February 12, 2002 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 13

9:30 a.m.

Armed Services
Personnel Subcommittee
To hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on active and reserve military and civilian personnel programs.
SR-232A

Environment and Public Works
To hold hearings to examine the President's proposed budget request for fiscal year 2003 for the Environmental Protection Agency.
SD-406

Governmental Affairs
Oversight of Government Management, Restructuring and the District of Columbia Subcommittee
To hold hearings to examine the implementation and enforcement of the Kimberly Process Agreement (to ban the source of income from illicit diamonds).
SD-342

10 a.m.

Judiciary
To hold hearings to examine the application of federal antitrust laws to Major League Baseball.
SD-226

Budget
To continue hearings to examine the President's proposed budget request for fiscal year 2003 and revenue proposals.
SD-608

Banking, Housing, and Urban Affairs
To hold hearings to examine the President's proposed budget request for fiscal year 2003 for the Department of Housing and Urban Development.
SD-538

10:15 a.m.

Foreign Relations
To hold hearings to examine future efforts in the U.S. bilateral and multilateral response, focusing on halting the spread of HIV/AIDS.
SD-419

1:30 p.m.

Finance
To hold hearings to examine sectoral trade disputes, focusing on lumber and steel.
SD-215

2 p.m.

Indian Affairs
To hold oversight hearings on the implementation of the Native American Housing Assistance and Self-Determination Act.
SR-485

Judiciary
Administrative Oversight and the Courts Subcommittee
To hold a briefing to examine the threat of a cyber terror attack.
SD-226

Health, Education, Labor, and Pensions
To hold hearings to examine the limits of existing laws, focusing on protection against genetic discrimination.
SD-430

2:30 p.m.

Intelligence
Closed business meeting to consider pending intelligence matters.
SH-219

4 p.m.

Finance
Business meeting to markup an original bill establishing energy tax incentives.
SD-215

FEBRUARY 14

9:30 a.m.

Armed Services
To hold hearings on proposed legislation authorizing funds for fiscal year 2003 for the Department of Defense, focusing on the results of the Nuclear Post Review; to be followed by closed hearings (in Room SH-219).
SH-216

10 a.m.

Veterans' Affairs
To hold hearings to examine the President's proposed budget request for fiscal year 2003 for veterans' programs.
SR-418

Banking, Housing, and Urban Affairs
To resume oversight hearings to examine accounting and investor protection issues raised by Enron and other public companies.
SD-538

Health, Education, Labor, and Pensions
To hold hearings to examine needs of the working poor.
SD-430

Budget
To continue hearings to examine the President's proposed budget request for fiscal year 2003 and revenue proposals.
SD-608

Finance
Long-term Growth and Debt Reduction Subcommittee
To hold hearings to examine Administration's request to increase the federal debt limit.
SD-215

Foreign Relations
To hold hearings to examine security for the future economy.
SD-419

2:30 p.m.

Energy and Natural Resources
National Parks Subcommittee
To hold hearings on S. 202 and H.R. 2440, to rename Wolf Trap Farm Park for the Performing Arts as "Wolf Trap National Park for the Performing Arts"; S. 1051 and H.R. 1456, to expand the boundary of the Booker T. Washington National Monument; S. 1061 and H.R. 2238, to authorize the Secretary of the Interior to acquire Fern Lake and the surrounding watershed in the States of Kentucky and Tennessee for addition to Cumberland Gap National Historic Park; S. 1649, to amend the Omnibus Parks and Public Lands Management Act of 1996 to increase the authorization of appropriations for the Vancouver National Historic Reserve and for the preservation of Vancouver Barracks; S. 1894, to direct the Secretary of the Interior to conduct a special resource study to determine the national significance of the Miami Circle site in the State of Florida as well as the suitability and feasibility of its inclusion in the National Park System as part of Biscayne National Park; and H.R. 2234, to revise the boundary of the Tumacacori National Historical Park in the State of Arizona.
SD-366

Judiciary
Technology, Terrorism, and Government Information Subcommittee
To hold hearings to examine privacy, identity theft, and protection of personal information in the 21st century.
SD-226

FEBRUARY 26

10 a.m.

Indian Affairs
To hold hearings on rulings of the United States Supreme Court affecting tribal government powers and authorities.
SD-106

Banking, Housing, and Urban Affairs
To resume oversight hearings to examine accounting and investor protection issues, focusing on proposals for change relating to financial reporting by public companies, accounting standards, and oversight of the accounting profession.
SD-538

FEBRUARY 27

9:30 a.m.

Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the Disabled American Veterans and the Veterans of Foreign Wars.

345 Cannon Building

10 a.m.

Armed Services

Readiness and Management Support Subcommittee

To hold hearings to examine acquisition policy issues of the Department of Defense.

SR–222

2 p.m.

Indian Affairs

To hold oversight hearings on the management of Indian Trust Funds.

SD–106

MARCH 5

10 a.m.

Indian Affairs

To hold hearings on the President's proposed budget request for fiscal year 2003 for Indian programs.

SR–485

2:30 p.m.

Veterans' Affairs

To hold hearings on the nomination of Robert H. Roswell, of Florida, to be Under Secretary for Health, and Daniel L. Cooper, of Pennsylvania, to be Under Secretary for Benefits, both of the Department of Veterans Affairs.

SR–418

MARCH 6

10 a.m.

Armed Services

Readiness and Management Support Subcommittee

To hold hearings to examine financial management issues of the Department of Defense.

SR–222

MARCH 7

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Paralyzed Veterans of America, Jewish War Veterans, Blinded Veterans Association, the Non-Commissioned Officers Association, and the Military Order of the Purple Heart.

345 Cannon Building

Indian Affairs

To resume hearings on the President's proposed budget request for fiscal year 2003 for Indian programs.

SR–485

2:30 p.m.

Energy and Natural Resources

National Parks Subcommittee

To hold hearings on S. 213 and H.R. 37, to amend the National Trails System Act to update the feasibility and suitability studies of 4 national historic trails and provide for possible additions to such trails; S. 1069 and H.R. 834, to amend the National Trails System Act to clarify Federal authority relating to land acquisition from willing sellers from the majority of the trails in the System; and H.R. 1384, to amend the National Trails System Act to designate the route in Arizona and New Mexico which the Navajo and Mescalero Apache Indian tribes were forced to walk in 1863 and 1864, for study for potential addition to the National Trails System.

SD–366

MARCH 14

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Gold Star Wives of America, the Fleet Reserve Association, the Air Force Sergeants Association, and the Retired Enlisted Association.

345 Cannon Building

MARCH 20

2 p.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of American Ex-Prisoners of War, the Vietnam Veterans of America, the Retired Officers Association, the National Association of State Directors of Veterans Affairs, and AMVETS.

345 Cannon Building

POSTPONEMENTS

FEBRUARY 13

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings on the nominations of Thomas C. Dorr, of Iowa, to be Under Secretary of Agriculture for Rural Development, and Nancy Southard Bryson, of the District of Columbia, to be General Counsel of the Department of Agriculture; and the nominations of Grace Trujillo Daniel, of California, and Fred L. Dailey, of Ohio, both to be Members of the Board of Directors of the Federal Agricultural Mortgage Corporation, both of the Farm Credit Administration.

SH–216

SENATE—*Tuesday, February 12, 2002*

The Senate met at 9:30 a.m. and was called to order by the Honorable DEBBIE STABENOW, a Senator from the State of Michigan.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Today on Abraham Lincoln's birthday, we pray remembering some of the most significant things he said about prayer. "I have been driven many times upon my knees," he said, "by the overwhelming conviction that I had nowhere else to go. My own wisdom, and that of all about me, seemed insufficient for that day." When asked whether the Lord was on his side, he responded, "I am not at all concerned about that, for I know that the Lord is always on the side of the right. But it is my constant anxiety and prayer that I—and this Nation—should be on the Lord's side."

Let us pray.

Holy, righteous God, so often we sense that same longing to be in profound communion with You because we need vision, wisdom, and courage no one else can give. We long for our prayers to be affirmations that we want to be on Your side rather than appeals for You to join our causes. Forgive us when we act like we have a corner on the truth, and our prayers reach no further than the ceiling. In humility, we spread our concerns before You and ask for Your marching orders and the courage to follow the cadence of Your drumbeat. Through Jesus who taught us to pray, "*Your will be done on earth as it is in heaven.*" Amen.

PLEDGE OF ALLEGIANCE

The Honorable DEBBIE STABENOW led the Pledge of Allegiance, as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 12, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable DEBBIE STABENOW, a Senator from the State of Michigan, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Ms. STABENOW thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The distinguished Senator from Nevada.

SCHEDULE

Mr. REID. Madam President, we are awaiting the arrival of Senator GRASSLEY.

The Senate, today, will resume consideration of the farm bill, with 40 minutes of debate on the Grassley second-degree amendment to the Craig amendment. Following this debate, there will be 15 minutes of debate in relation to the Crapo amendment and then 15 minutes of debate in relation to the Baucus amendment. Following these statements on these measures, the Senate will conduct a series of rollcall votes in relation to the Grassley second-degree amendment, the Crapo amendment, and the Baucus amendment. All amendments, with the exception of the managers' amendment, must be proposed before 3 p.m. today.

The Senate will recess from 12:30 to 2:15 today, which is traditional, for the weekly party conferences.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 1731, which the clerk will report.

The legislative clerk read as follows:

> A bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

Pending:

Daschle (for Harkin) amendment No. 2471, in the nature of a substitute.

Daschle motion to reconsider the vote (Vote No. 377—107th Congress, 1st session) by which the second motion to invoke cloture on Daschle (for Harkin) amendment No. 2471 (listed above) was not agreed to.

Crapo/Craig amendment No. 2533 (to amendment No. 2471), to strike the water conservation program.

Craig amendment No. 2835 (to amendment No. 2471), to provide for a study of a proposal to prohibit certain packers from owning, feeding, or controlling livestock.

Santorum modified amendment No. 2542 (to amendment No. 2471), to improve the standards for the care and treatment of certain animals.

Feinstein amendment No. 2829 (to amendment No. 2471), to make up for any shortfall in the amount sugar supplying countries are allowed to export to the United States each year.

Harkin (for Grassley) amendment No. 2837 (to amendment No. 2835), to make it unlawful for a packer to own, feed, or control livestock intended for slaughter.

Baucus amendment No. 2839 (to amendment No. 2471), to provide emergency agriculture assistance.

Reid amendment No. 2842 (to the language proposed to be stricken by Crapo/Craig amendment No. 2533), to promote water conservation on agricultural land.

Enzi amendment No. 2843 (to amendment No. 2471), to require the Secretary of Agriculture to provide livestock feed assistance to producers affected by disasters.

AMENDMENT NO. 2837

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be 40 minutes of debate, equally divided, on the Grassley amendment No. 2837.

Mr. REID. Senator GRASSLEY has arrived now, so debate can begin.

The ACTING PRESIDENT pro tempore. The Senator from Iowa.

Mr. HARKIN. Madam President, I wish to make a very short statement today. I would refer my colleagues to a lengthier statement I made when——

The ACTING PRESIDENT pro tempore. Who yields time?

If the Senator will suspend, we are on the amendment. The Senator from Iowa, Mr. GRASSLEY, has time. The Senator controls 20 minutes.

Mr. GRASSLEY. Madam President, I yield the Senator from Iowa, my colleague, 3 minutes.

Mr. HARKIN. I thank the Senator for yielding. I did not think we were on the amendment yet.

Madam President, I will make a statement. I made a lengthier statement on Friday when I offered the second-degree amendment for my colleague from Iowa, Senator GRASSLEY.

Farmers and ranchers have long sought a ban on a packer's ability to own livestock. The reasons are simple: When packers own livestock, it gives them a greater ability to manipulate the market because they control the supply, and packer ownership shuts out farmers from the market because the packer fills its plant with company-owned animals.

This past December, the Senate responded to these problems by adopting the Johnson-Grassley amendment by a 51-to-46 margin. That amendment prohibited packers from owning, feeding, or controlling livestock for more than 14 days before processing.

After that amendment was adopted, the packers created a firestorm with a lot of smoke and mirrors about the word "control." They somehow argued that the amendment would affect forward contracting and marketing agreements, even though the amendment did not affect these types of arrangements. Nevertheless, the packers gained some traction by the pure repetition of this argument.

So Senator GRASSLEY, Senator JOHNSON, myself, and others worked with interested groups, such as the American Farm Bureau, to further define "control" so the packers could not even pretend to make the argument that the amendment affects marketing contracts.

This is what the Grassley second-degree amendment does. It makes it clear that farmers may still contract for the sale of their livestock. The amendment does this by stating that it does not affect relationships where the producer "materially participates in the management of the operation with respect to the production of livestock." We use these words because they are familiar terms to farmers and agricultural lawyers. This phrase draws a clear legal line.

Now about the study. Farmers do not want another study that concludes there is a strong correlation between captive supplies and lower prices. The USDA has told us this a number of times before. A report, released on January 18 of this year, included a 15-page appendix of all the previous studies dealing with packer ownership and captive supply. In summary, all these reports basically said: As the packer's use of captive supplies increases, the farmer's price for livestock decreases.

So we know the facts. We have had study after study. We know what is good for our farmers. The National Farmers Union, the American Farm Bureau, and over 100 other farm, commodity, and rural groups are supporting the Grassley amendment. They do not want another study to tell us what the other studies have already told us. They want to limit the packer's ability to manipulate the market; they want a ban on packer ownership; and that is what the Grassley amendment does. That is why I strongly support it and urge our colleagues to support the Grassley amendment.

I thank the Senator for yielding me this time.

The ACTING PRESIDENT pro tempore. The Senator from Indiana.

Mr. LUGAR. Madam President, in a moment the distinguished Senator from Idaho, Mr. CRAIG, will seek recognition on behalf of the opposition to the amendment. I ask Senator CRAIG to control the time on our side.

The ACTING PRESIDENT pro tempore. The Senator from Idaho.

Mr. CRAIG. Madam President, I understand the time on the Grassley second degree was 40 minutes, 20 to each side equally divided.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. CRAIG. I thank the Chair.

I will be brief in the beginning because we have now heard from the chairman of the authorizing committee. I share with the chairman the kind of frustration to which he has just spoken as it relates to livestock prices and transparency and reportability and ownership. There is no question that there is concern in the livestock industry.

I come from a large beef-producing State. I was once a rancher. I am very close to the livestock industry of my State. They have spoken to me about this. We have talked about the issue.

Let me take the Senate back before today to December, when I voted for the Johnson-Harkin-Grassley amendment. I voted for it because I was told these were the words that would deal with concentration or packer ownership. I was concerned at that time, but I was also concerned about the myriad new tools being used in the marketplace of sales and processing and distribution and horizontal and vertical integration and regional differences and operational capacities. All of these things have really not been talked about by the chairman or by Senator GRASSLEY or by Senator JOHNSON. And all of a sudden a variety of very skilled attorneys began to arise and say: Wait a moment. We think there is a very real problem, a very real definitional problem as it relates to the kinds of concerns that are very real in the marketplace today.

The chairman talked about a firestorm of concern erupting. You bet there was. All of a sudden, what about brand name relationships? What about what we call operational capacity in livestock deficit areas, where contracting and relationship keeps what we call the throughput of a slaughter operation so that we can sustain it and its employees? Had that been dealt a fatal blow? Were we really dealing with something that maybe we hadn't effectively thought through?

The firestorm produced a real concern. I worked with Senator GRASSLEY in good faith. He has worked in good faith. Out of that, he has produced a second-degree amendment to mine.

My amendment says, let's spend a couple of hundred days, put the experts together. Don't tread on ice so thin that we could collapse the way the livestock marketing operations work today, the way the new relationships that are building dynamics in the marketplace are working. They went ahead. Over the weekend a second-degree amendment was produced in an effort to try to define what control is, because that really is part of the fundamental issue. I could read it. I think it has already been read. It will be discussed.

I believe this, in part, is a rush to judgment to correct a problem that is yet not effectively studied and/or defined. I am not talking about a study that goes on for year after year. I am talking about us coming back next year, having directed USDA in 200-plus days to look at the full ramifications of the livestock industry and the slaughter operations, the packers, the marketers, the wholesalers, the retailers, the brand names, the carcass quality, all of those kinds of things that are an integrated relationship in a new market today that producers are developing with packers that we are now deciding—or at least some are—is a wrong relationship, and somehow we ought to legislatively step in and, by law, fix it.

I am not opposed to fixing something that is broken, but I am not at all convinced that it is yet broken. It may be influenced. It might be tampered with. I don't know that yet. I think an effective study could do that.

I will agree that a study a few years ago indicated there was manipulation in the market place, there was a minority record that said that captive herd and packer concentration in that regard was a problem. At the same time, I don't think we rush to judgment here and collapse a marketing system that is now growing and creating stability—maybe not the price wanted but clearly stability and brand name and quality to the consumers of our country that is in reality strengthening the market.

That is with what we have to deal. I don't believe the second degree gets us there. It has not been effectively studied. It is in the eye of the legal mind that created it last weekend—not months ago, not with hearings, just this last weekend.

Why don't we take a breather, timeout, 200 days? Examine this amendment against the reality of control and market relationships and contract relationships, and see if this is where this country wants to direct its livestock industry. I would hope not. I hope my colleagues will join with me in opposing this second degree and, as a result, passing the study dealing with this issue.

I reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who yields time? The Senator from Idaho.

Mr. GRASSLEY. I yield 5 minutes to the Senator from South Dakota, Mr. JOHNSON.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota.

Mr. JOHNSON. Madam President, I thank my friend, Senator GRASSLEY, my colleague from Iowa.

I come to the Chamber to make one final stand for my bipartisan amendment that restores fair competition and access in the livestock markets. Fifty-one Senators already voted for this provision which prevents meatpacker ownership of livestock.

I greatly respect the right of my colleagues to demand a second vote on this issue. That is what we will wind up having today. To clear up any question about the intent of our provision, Senators GRASSLEY and HARKIN have offered a second-degree amendment to the Craig language making it clear that forward contracts can be used as a marketing tool for both packers and producers under the underlying amendment that was passed with 51 votes earlier.

I don't think there has ever been a serious issue about whether forward contracting is permitted under the amendment which we passed last December. The leading agricultural experts in the world have examined that legislation and have all concluded that, in fact, there is no prohibition on forward contracting on the underlying amendment.

However, this issue has come up. There have been people who have raised issues. I think it is a red herring for those who simply do not want to roll back the right of packers to own livestock outright, but, nonetheless, this additional language is now being offered, and we will have this debate this morning and vote on this issue.

With this additional clarification, we have the support of most major farm groups: the American Farm Bureau Federation, National Farmers Union, plus many more. However, our colleague from Idaho, who I greatly respect, proposes to strike my amendment in exchange for a study on these issues. It seems to me that we have had studies enough. The Senate Agriculture Committee has held three hearings on concentration of livestock markets, packer ownership, and other issues—in June of 1998, May of 1999, and April of 2000. The problems are clear, and I believe they have been demonstrated.

This amendment applies to hogs, cattle, and sheep. A lot of the most recent controversy has been relative to hogs. The percentage of hogs owned by packers rose from a modest 6.4 percent only in 1994 to a whopping 27 percent only 7 years later in 2001, according to the University of Missouri. This increase in packer-owned hogs means that packers prefer to buy their own hogs instead of paying farmers a fair price. When packers own their own farms and their own livestock, they don't make purchases from farmers who otherwise provide economic contributions to our rural communities—to main street businesses, school districts' tax base, banks, car dealerships, feed stores, and so on.

Frankly, those opposed to my amendment prohibiting packer ownership of livestock simply have a profoundly different vision of what rural America ought to be about. I believe we ought to have independent livestock producers in a position where there is competition, and they can leverage a decent price for their animals. I don't believe the future of livestock production in our Nation ought to be a series of low-paid employees of the packers on their own land bearing all the risk and little of the profit for the production of their animals. That is not the direction I wanted livestock production in America to go.

We had strong bipartisan support for this amendment last December when it was brought up. I am hopeful we can retain that support so that those of us who have a more optimistic vision of a competitive free enterprise and free market economy for livestock producers can in fact envision them having more choices and options about how to sell their animals and where to sell them.

History demonstrates that USDA studies simply won't do the work. A case in point: USDA failed to take action on a petition with regard to packer ownership and captive supply. This petition was submitted in October of 1996, initially published in the Federal Register for comment in January 1997, hearings were held on September 21, 2001, and USDA still has done nothing on this petition.

Additionally, USDA has failed to hire attorneys to lead investigations on competition cases despite the fact that GAO made a recommendation and Congress appropriated increased money for this purpose.

USDA has done a lot of studies in the past. They have found a strong correlation between increased captive supplies and price.

However, the studies conducted by USDA have not made a conclusion. Rather, they have been indecisive as to action, this is why policy and legislation must clarify and strengthen existing law.

I encourage my colleagues to support the Grassley-Harkin second-degree amendment.

Should we vote on Senator CRAIG's amendment, I urge my colleagues to oppose it and put a stop to concentration in the livestock industry.

Have no doubt about it, this is our opportunity to address the issue. Talk is fine. We can do this in 200 days or a year or so down the road. The fact is, this is the farm bill. The likelihood of passing this legislation as a free-standing bill, with all the controversies and lobbying that come into play, is very slight. This is the opportunity. We either act in the context of this farm bill or I fear that years will go by before we have another opportunity to address the integration crisis we have in American agriculture—livestock in particular. We will find that the horse is long out of the barn before we have another opportunity to address this issue.

I ask my fellow colleagues to support the underlying amendment prohibiting packer ownership of livestock, to support the clarification as it applies to forward contracting, and to support Senator GRASSLEY's amendment.

Mr. ROBERTS. Madam President, it is with deep regret that I must rise today in opposition to the second-degree amendment offered by my good friend from Iowa.

His intentions are good, but I sincerely believe his amendment will have unintended effects that will hurt producers in the long run and that could have an unfortunate effect on the livestock industry in the United States—particularly the beef industry in Kansas.

Kansans are proud of the beef industry and the history it has played in our state. From the days of the cattle drives that stretched from Texas to Abilene and Ellsworth it has been one of our top industries.

I have always argued that we need to give our producers every tool necessary to compete and that we should carry a big stick to ensure the packing industry treats producers fairly.

Coming from Dodge City, I fully understand the concerns of those who are worried about the largest packers having control over the market. Prior to a devastating fire in late 2000 at the ConAgra beef division plant in Garden City, KS we had all four of the major meat packers doing business within a 100 mile radius of Dodge City.

While some argue that the packers have a crippling effect on the cattle market, I can tell you that the economy of western Kansas would not survive without the beef industry—individual producers, feeders, and packers.

How important is this industry to Kansas?

Cattle represented 62.6 percent of the 2000 Kansas agricultural cash receipts.

Cattle generated $4.95 billion in cash receipts in 2000. More than double that generated by our second largest commodity—wheat.

Kansas processed 8.21 million head in 2000; grazes 1.5 million stockers annually; and, had 1.52 milliion beef cattle in the State on January 1, 2002.

Kansas ranked first in commercial cattle processed in 2000.

Kansas ranks second in the value of live animals and meat exported to other countries at $969.7 million in 2000.

Kansas ranked second in fed cattle marketed with 5.37 million in 2000, representing 22.3 percent of all cattle fed in the United States.

Kansas ranks second, with 6.34 billion pounds of meat produced in 2000.

These numbers extend simply beyond the number of cattle we have and the producers who raise and feed them. These numbers also represent jobs that are the linchpin of many of our western Kansas communities.

As a couple of examples:

Farmland Industries employees 5260 people in Kansas in its beef packing sector and 850 in pork packing. Most of those jobs are in Dodge City and Liberal, Kansas.

Cargill employees approximately 4500 people. 3600 of these people work in its meat and livestock businesses in Leoti, Dodge City, and Wichita.

If those promoting this amendment are wrong, and it indeed does cause a restructuring in the industry or forces packers to move from the country, the economic impact and ripple effects it could cause would be devastating to the Kansas economy.

Farmland has informed me that it is the legal opinion of their lawyers that this amendment would put them out of the beef and pork packing businesses. We cannot allow that to happen.

I am also deeply concerned that this amendment appears to severely curtail the ability of producers to enter into producer alliances and marketing agreements that allow them to gain additional dollars for the livestock they produce.

Several of these alliances already exist, or are being formed, in Kansas. And I have been told that no fewer than 80 are in some stage of development throughout the United States.

One of the most successful of these alliances has been U.S. Premium Beef.

This producer owned cooperative has become one of the most successful producer initiated businesses I have ever seen.

Last year 13,300 head were marketed through USPB each week.

In fiscal year 2001, USPB cattle earned an average of $18.95 per head in premiums over the cash market. The top 25 percent earned a $46 per head average over the cash market, the top 50 percent $35 per head, and the top 75 percent $27 per head more than selling on the cash market.

U.S. Premium Beef has informed me that despite the best intentions of the authors of this amendment to exempt them from this amendment, USPB would also be put out of business.

I understand the concerns of the supporters of this amendment and many producers who argue for its passage. But I also have many producers in Kansas who argue against its passage, and I cannot in good conscious vote for an amendment that I believe ties the hands of producers to compete against the large meat packers and that I believe could devastate the beef industry in Kansas.

I urge my colleagues to vote against the second-degree amendment offered by Mr. GRASSLEY and to vote for the amendment offered by Mr. CRAIG.

Mr. GRASSLEY. Madam President, I withhold instead of my yielding time back and forth. Rather than using all of my time, the other side will have the last 10 minutes of debate.

Mr. CRAIG. Madam President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. Thirteen minutes, forty-five seconds.

Mr. CRAIG. Let me take just a couple of minutes and then return it to Senator GRASSLEY.

The Senator from South Dakota said studies have languished. Action has languished. Action needs to be taken if the studies yield what he says they might yield. This is a directive from the Congress to USDA to operate in 270 days. It would then not be incumbent upon USDA to act. It would be incumbent upon the Congress to act.

What does my amendment do? It directs that there should be an examination of the relationship of livestock as it relates to 14 days prior to slaughter, livestock producers that market under contract grid, base contracts, forward contracts, rural communities, employees of commercial feedlots, livestock producers, and market feeder livestock, and feedlot owners controlled by packers, market price for livestock—both cash and futures—and the ability of the livestock producers to obtain credit from commercial sources.

What is occurring today under these new relationships with contracts is that the producer can take the contract to the bank and get financing. That has become an important and valuable tool as it relates to a lot of these new relationships. Studies that have been done talk about cooperatives and the relationship they now have with marketers. They talk about how we deal with brand name products and quality control. Those are new relationships that have added value to a product. No, it isn't just a simple matter of concentration so defined by control. We are talking about a new world in the livestock industry and industry planning and adjustments to it.

Do I like it as a traditional cattleman? Probably not. Do some producers? No. Other producers do because they decided to make some adjustments and changes. All of that needs to be studied. There has not been one hearing on this issue. There has been some study but a limited amount of study.

I think that is really the issue. It is not about USDA not acting. It is about the Senate acting when it is properly informed and when we have not rushed to judgment over the weekend by trying to define something that only one attorney, to my knowledge, has had the ability to craft with limited review from anyone else.

I retain the remainder of my time.

Mr. GRASSLEY. Madam President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. Ten minutes, forty-four seconds.

Mr. GRASSLEY. Madam President, I yield myself 5 minutes.

First of all, if you read the history of the Packers and Stockyards Act passed roughly around 1920, I believe you will find a lot of the same arguments being used against the passage of the original act at that particular time as you are now finding used against our efforts to modify the act to a small extent.

We have had a good Packers and Stockyards Act for 80 years. We are trying to bring it up to date. It didn't anticipate the control that a few packers would have over the livestock industry. We are adjusting it to take into consideration new ways of marketing.

Also, I would ask just my Republican colleagues, not my Democrat colleagues—I am not sure exactly which ones I am talking about, but there was a group of us who met with the new Secretary of Agriculture about a year ago—there were probably 8 to 10 Republican Senators present—to give our views on certain issues for her, an incoming new Secretary of Agriculture. I don't take notes on these meetings, but I remember, to my astonishment, the number of my colleagues who told the Secretary of Agriculture as they reflected on the grassroots opinions which they received from their constituents that one of the greatest concerns was about concentration in agriculture. I will bet the distinguished Senator from Michigan, the Presiding Officer, hears that from family farmers in Michigan.

This was not in reference to what I am trying to do today. I don't imply that at all. My amendment is not a result of that meeting. But my amendment has something to do with the opinion that my Republican Senators expressed to the Secretary of Agriculture—that we have to do something to make sure we have more competition in agriculture because of this concern about less competition, and particularly because a few packers have the vast majority of the slaughter of livestock. That is one thing. But it is compounded by their ownership of livestock which they can dump on the market on a day they choose to dump it on the market. That depresses the market, and the marketplace just does not work.

I want my Republican colleagues—I do not know who they were, but they were from the Midwest and the West—to think of that meeting we had with Ann Veneman and the opinions they expressed. I hope they will find my amendment in tune with their points of view.

The other thing I want to make a comment on is the insinuation in the Midwest newspapers and by Smithfield's CEO that if this amendment went through, they were not going to build any new plants in certain States in the Midwest.

I had an opportunity to have a long conversation maybe about 18 months ago with Mr. Luter about competition in agriculture. I had never met him before. He is obviously a very good entrepreneur and has developed Smithfield Foods. Out of that meeting I remember two very distinct things he said. He said, first of all, he wanted me to know that his view was that family farmers for the most part are not good businesspeople and are not very sophisticated. Second, he told me something to the effect he—again, I didn't take notes at those meetings; this is a recollection. I hope I am not doing him an injustice. I am sure Mr. Luter would say that I am. But the second point he made was he thinks there should be a lot of pork producers across the United States. It is just that they should all work for him by feeding his pigs. He has such an arrangement with a lot of pork producers.

That is how he controls the market. He would argue that is how he controls the quality. That is how he satisfies the consumer. I am not insinuating bad motives that he has as a quality producer of pork. I am just saying his attitude is very different from that of the family farmer in the United States. Consequently, I hope that is why we can get this amendment adopted, because we want to help the family farmers.

The PRESIDING OFFICER (Mrs. CLINTON). The Senator has used his time.

Mr. GRASSLEY. I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. CRAIG. Will the Chair please tell me when 5 minutes remains on our side?

The PRESIDING OFFICER. Yes.

Mr. CRAIG. Madam President, let me speak to what Senator GRASSLEY has talked to in general because I share his concern. I attended one of those meetings with him some time ago and I, as many others, have expressed that. My effort today is not to stop what is going on here but to better inform us if we are in fact making the right decision. I want the family farmer to prosper, and for any packer to suggest that family farmers today are less than sophisticated, they don't know the family farmer of Idaho, or Iowa for that matter. They are highly skilled, professional business men and women—some small, some quite large. But they are family farmers who produce the food and fiber of our country.

Here is what I think all of us fail to address, and that is not competition in this country as much as competition from foreign countries, where we see livestock production and packing increasing very rapidly and entering the market both here and around the world. The pork industries both in Canada and Brazil, for example, had an annual growth rate of 6.5 percent from 1995 to 2000, according to the USDA. Both countries already are cost competitive pork suppliers. Canada has excess packing capacity and both countries have space for expansion.

Canada, Argentina, and Australia stand to benefit from a less competitive United States beef industry. What we are talking about are efficiencies and competitiveness, and that is really a part of what we have to look at and what my study directs. Are we simply handicapping the family farmers? Or should we be working with them to assure that they have greater tools of integration, so they can share in the profit line instead of simply standing for the highest or the lowest bidder, if you will, to take their product?

Those are fundamental issues that the Grassley amendment does not address. He would like to think it does. But to simply arbitrarily suggest there is only one problem in the livestock industry today—and that is captive herds—is to suggest almost that we ignore all of the rest of the tools of integration that are beginning to develop out there. I want my cattle men and women and my pork men and women—I have little to no poultry in my State—to be as competitive and as profitable as possible. But I do know one thing: If you deny these efficiencies and the vertical integration to the beef and pork industries—there is one industry out there that is vertically integrated, and that is the poultry industry—those two industries become less competitive while the poultry industry becomes more competitive. That is the reality of what we are facing.

Shouldn't we know about that in detail and shouldn't a study be done before we act instead of collapsing the industry after we have acted?

I retain the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. GRASSLEY. Madam President, I yield 1 minute to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. THOMAS. Madam President, I worked on this proposition, of course, last week. Our purpose, and our goal, is to try to make the marketplace more responsive. Our cattlemen take their cattle into a marketplace, into an auction market, hopefully, to sell at the best price available. Yet we believe sometimes because packers can have their own cattle and their own feedlots prior to the time of the market, it affects that market, and they can adjust it. We only now have about three packers that have 80 percent of the control over this market. This is one of the areas that we believe ought to be remedied. We have it in the package now, and I certainly support Senator GRASSLEY's amendment. I urge our Members to support it.

The PRESIDING OFFICER. Who yields time?

Mr. GRASSLEY. Madam President, I yield myself such time as I might consume. It is my understanding I have 4 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. GRASSLEY. Madam President, I also want to take this opportunity to, hopefully, get some people who represent big population States to look at our amendment. I think it is very much oriented toward helping consumers. We have more competition in the processing of livestock, as well as helping the family farmer.

I am offering this second-degree amendment to the Craig amendment to clear up any concerns raised by the opposition regarding the word "control". The new language reads that a packer may not own or feed hogs or cattle, "through a subsidiary, or through an arrangement that gives the packer operational, managerial, or supervisory control over the livestock, or over the farming operation that produces the livestock, so such an extent that the producer is no longer materially participating in the management of the operation with respect to the production of livestock."

The new test established to clear up the question of what control means is found in the phrase "materially participating." A farmer who materially participates in the farming operation must pay self-employment taxes. Those who do not materially participate, do not have to pay self employment taxes. The phrase has appeared in the IRS Code, section 1402(a) since 1956 and there is a full hopper of case law clarifying the definition.

I came to the floor yesterday and explained that all the talk about this generating excess litigation, or bureaucracy, or limiting farmers risk management options is just talk. It's all blue smoke.

Some of the packers' allies are already trying to complain that this only adds another layer of confusion. That's an absolute lie. What this amendment does is crystalize the issue, and this issue is whether packers should be packers, or packers should be producers.

Let me make this clear. The vote this morning is a vote on whether packers should own livestock, nothing more and nothing less. If you oppose my amendment you support packer ownership. If you oppose my amendment you must believe that independent livestock producers should compete on an even playing field with corporations that can generate hundreds of millions of dollars to compete with farmers. If you oppose my amendment you are supporting packer greed versus the independent producer's need.

Ask any independent producer in the United States. If we were able to ask them if they think packers should be able to compete with them dollar for dollar, who benefits? I realize that AMI has been arguing that "the sky is falling" is this passes, but what would your independent producers really want you to do?

The revised Grassley amendment will inject greater competition, access, transparency and fairness into the livestock marketplace. Small and medium sized livestock operations will gain greater access to markets that will have greater volume and be subject to less manipulation.

The revised bill clarifies that arrangements that do not impose control over the producer can still provide all the benefits of coordination and product specification that many "grid" marketing arrangements desire. We are not limiting independent producers at all, only packers.

I've got letters and endorsements from possibly every group interested in this issue that doesn't allow packers to be included in their membership. These endorsements come from state pork producer and cattlemen groups, to the American Farm Bureau. I have well over 135 organizations that signed a letter in support of my second degree amendment. Just a few of those groups are the: Livestock Marketing Association (who stated they would like to voice their strongest possible support), National Farmers Union, R-CALF USA, Ranchers-Cattlemen Action Legal Fund, United Stockgrowers of America, National Catholic Rural Life Conference, and the Organization for Competitive Markets.

The packers are an important piece in the rural economy, but only a piece, not the whole pie. They think they are the whole pie. The question we need to ask ourselves is whether packers should be packers or packers should also be producers. Is it our intent to let packers compete with producers on an even playing field? Once again, is there any question who will lose this competition?

The reason we keep sows in farrowing stalls is to protect the piglets. Sows are extremely important for the health and well-being of the piglets, but if we let the sow out of the crate we stand the chance of getting the piglets crushed by the sheer weight of the sow, or worse, and watch the sow grow fatter. Let's build a strong farrowing stall for the packers and facilitate the health and well being of our independent producers.

Support the Grassley second-degree, your independent producers would.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Madam President, Senator GRASSLEY and I have worked on a lot of agricultural issues together and a lot of farm issues together, and we are in agreement about 99.9 percent of the time. Today, we differ slightly, only in that I want to make sure the step Senator GRASSLEY, Senator HARKIN, and Senator Johnson are asking the Senate to take, which has a direct impact on the livestock marketing industries of our country, is the right step.

They took a step in December only to have a lot of different legal minds say: Wait a minute. We think you are wrong or we think it could be misinterpreted or we think it could be very destructive to a lot of positive relationships that are now building in the marketing between the producer and the processor.

I have read his amendment. It was read yesterday. I am not quite sure it achieves what he wants it to achieve as it relates to control. It talks about a variety of controls, managerial supervision, control of livestock, to such an extent the producer is no longer materially participating in the management of the operation "with respect to, and the following."

I received a report in the last few days from the Purdue University Department of Agricultural Economics. I ask unanimous consent to have that report printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

IMPLICATIONS OF BANNING PACKER OWNERSHIP OF LIVESTOCK

(By Allan Gray, Ken Foster, and Michael Boehlje)

The goal of this paper is to address some of the issues surrounding Senator Johnson's (D-SD) amendment to the Senate Farm Bill (S. 1731, The Agricultural, Conservation, and Rural Enhancement Act of 2001) that would make it illegal for meat packers to own, feed, or control livestock more than 14 days before slaughter. There has been much debate of this amendment in the press, and much of the debate centers on the word "control" and its likely interpretation in a court of law. These comments address the underlying issues for the motivation and the likely impacts of this proposed amendment for the structure of the livestock industries.

Is defining control important?

The word "control" regardless of its interpretation in a court of law, generates serious concerns. While Fuez, et. al. make arguments that this word could eliminate marketing contracts, Harl, et. al. argue that, in a court of law, control would be interpreted as ownership and would not ban marketing contracts. The issue at hand seems to be that the concept of "control" is, in fact, subject to interpretation. The degree of uncertainty surrounding the interpretation of the word "control" will lead to increased uncertainty about legal business structures and likely increased litigation. These factors will increase transactions costs in livestock industries making them less competitive against other protein sources in both domestic and export markets. If the natural economic tendency is toward tighter alignment of the livestock value/supply chain, as will be argued later in this paper, then packers will move toward tighter vertical linkages without actual ownership if the amendment is enacted. This tendency to push for tighter alignment may be interpreted as control without a more explicit definition and will most assuredly lead to litigation. Thus, the word "control" should be defined more explicitly in the legislation or eliminated to avoid the uncertainty and the increased litigation that would follow if it is not defined.

Having addressed the issue of defining control, there are three other factors that should be explored regarding the impacts of this amendment and whether it can be expected to achieve its intended goals. First, the motivation of packer ownership of livestock should be explored to determine whether it is a demand driven issue or a market power issue. Second, whether this amendment would result in producers maintaining their independence or if some other, more tightly aligned interdependent, governance structure would result needs to be examined. Finally, the impacts of this bill on producers and packers that are located in isolated or "fringe" regions should be considered.

Is packer ownership of livestock (vertical integration) driven by packers trying to respond to market demand and economic forces, or is it driven by packers exercising market power?

The U.S. livestock industry is a mature industry that delivers products to a set of customers with rising incomes who demand a more differentiated, higher-value set of choices in their proteins. In addition, the marketplace is increasingly concerned about food safety and the ability to trace any contamination to the root source. This argument suggests that the market pressures placed on the industry to deliver more differentiated, higher-value, traceable protein products is a key driver in the development of tighter vertical linkages in the livestock industry.

A more tightly aligned livestock supply chain allows the industry to be more responsive to consumer needs, providing growth for its products in mature markets and increasing efficiency. By increasing vertical coordination (whether through vertical ownership or contracting), the industry increases the ability of information to flow quickly and unambiguously along the supply chain (in essence through quantity and quality purchase orders), allowing for quick responses to changes in consumer preferences through new requirements and specifications rather than trying to attract change through price incentives alone. In addition, the packing industry has large investments in fixed assets that are most economical when operated at full capacity. The best way to assure full capacity and better flow scheduling, and better match consumer or retailer quantity and quality requirements, is to develop tighter vertical coordination. Thus, the industry can improve its competitive position through better inventory management that arises from vertical control. Finally, the shared information, learning capacity, and financial gains from vertical coordination may lead to more rapid technological adoption and enhanced efficiencies for the industry, which leads to more affordable and/or desirable products for consumers over time.

Risk in the livestock industry is another important driver of increased vertical coordination. When markets are less coordinated, the market signals and production activities may be less aligned. This misalignment can lead to wide savings in inventories and prices creating a higher degree of variability in income for farmers and packers. Increasing vertical coordination can reduce misalignments that lead to higher variability. In addition, the sharing of risks and rewards in coordinated systems may be different than in an "open" market. Research has shown that producers producing under production contracts (a form of packer ownership) receive lower returns on average than their "open" market counterparts. However, this same research indicates that the variability of returns for producers in production contracts is substantially lower than the variability of their counterpart's returns. This reduction in risk could be a substantial benefit to some producers—these risk reduction benefits would be reduced by the proposed amendment if it prohibits production (not marketing) contracts, which is likely.

An alternative argument for the increase in vertical coordination is that packers are exercising their ability to control the price of live animals. This argument contends that packers have market power in the industry and thus can squeeze producer's margins when they are more vertically aligned. Most studies have found little evidence that packers are exercising pure market power in the live animal markets. However, there is some research suggesting that packers might strategically use captured supplies (company owned or contract produced animals) to reduce the number of animals that they purchase from the open market without risking capacity utilization shortfalls; the result of this behavior is lower live animal prices, than would have otherwise prevailed, on the open market. However, if packers have this so-called monopsony power, it is unlikely to disappear under the terms of the proposed amendment. If there exists substantial market power, then packers will likely find ways to exercise it via exploitative marketing contracts that fit within the bounds of the proposed amendment. If the problem in the livestock industry is one of market power, and it can be documented, then it is an issue of anti-trust and not one of industry structure. Furthermore, the market power of packers is unlikely to be significantly impacted by banning packer ownership of cattle.

In summary, there is a sound argument that vertical coordination in the livestock industries is driven by changes in consumer demand to deliver high-quality, differentiated products to the market place, and to improve the risk/reward sharing between producers and packers in the industry. This amendment would simply eliminate one form of vertical coordination for delivering products to consumers and would be unlikely to impact the market power of packers. In fact, the amendment could, at the margin, increase the packers market power since it would likely lead to an increase in contracting, placing more of the ownership of specific assets in the hands of producers where they are more likely to be exploited by packers. The new market would be one for contracts rather than for live animals, and with more producers seeking those contracts the potential for packers to extract price discriminating rents from the producers is not likely to decrease.

Would this amendment have an open access market with production through independent producers, or would it lead to some other form of supply/value chain governance structure?

The argument above is that tighter vertical alignment through ownership and/or contractual arrangements is primarily driven by the need to meet consumer demands and lower cost. If this is the case, it is unlikely that this (assuming control is not defined as amendment eliminating detailed quality and quantity specified procurement/marketing contracts) would curtail the industry's move towards tighter vertical alignment. That is, this amendment is unlikely to preserve the "independence" of the livestock producers.

The benefits of tighter vertical alignment can be obtained through two forms of supply/value chain governance. The first form would be through vertical integration or ownership. This has been the primary choice of the poultry industry, which is widely credited with being more responsive to customer's needs that has led to increases in the demand for poultry products at the expense of beef and pork. Packer vertical integration in the pork and beef industries is relatively small when compared to the broiler industry. The latest statistics show packer ownership in beef to be between 5 and 7 percent while pork is closer to 20 to 25 percent. However, more than 74 percent of hogs were marketed through some form of vertical coordination in 2000. Thus, while this amendment would eliminate vertical integration in its purest form (i.e., ownership of livestock raw materials), it is unlikely to reverse the trend toward tighter alignment in the livestock supply chain and re-establish the dominance of independent producers of livestock and open access market coordination between producers and packers.

Since this amendment would eliminate the possibility of vertical integration (at least, backward integration by packers), the other choice of governance structure to obtain some of the benefits of vertical alignment is through contracts. However, the economic pressure will likely be to create very tightly controlled contracts with a limited set of "preferred suppliers." This limited set of preferred suppliers would consist of producers with the ability to deliver the quality and quantity of livestock needed by the packer to take advantage of the economic forces in the market place. This set of "preferred" suppliers would have an extremely close relationship with the packer and would, in effect, act as an agent or franchisee for the packer, more or less imitating the vertical integration structure.

This change in the structure of the livestock industry is at best a marginal change from the currently emerging structure. While it is likely that this amendment would shift some of the margins in the industry towards producers, it is likely that these margins would be collected by relatively few select producers "hand chosen" by packers. This leaves most other producers in an unchanged situation with limited access to markets and the necessity to sign contracts (albeit with production companies rather than packers) that more or less specify their production practices and who may own the livestock.

Would packers and producers in areas with limited livestock production and only one or two packing facilities suffer?

It seems likely that livestock production in fringe areas could suffer under this amendment. As stated previously, the fixed cost nature of the packing industry requires a high degree of capacity utilization to achieve profitability. In "fringe" areas where livestock production is limited, packers may need to own a portion of the livestock production to maintain an economically feasible throughput in their plants. By eliminating ownership, these plants may have no alternative but to shut down or be sold at a loss. Because of the limited production and packing capacity in these regions, farmers would likely have to cease operations as well. Thus, it would appear that this bill might favor the regions where production is most concentrated, at the expense of less concentrated areas of production.

Mr. CRAIG. They say the definition of control is in the eye of the beholder and ultimately in the eye of the court, and that is where I believe this relationship will go if it is a mandate of Federal law. We must know where we are going. Is it only an updating of the Packers and Stockyards Act? I think not. I think it is an entirely different relationship of which we need to be clearly aware. When we are talking competitiveness, I want ranchers of Idaho to be as competitive as possible.

What I am frustrated about, and the Purdue University study says it, what about the fringe area where there is only one packinghouse? If this goes through, are we assuming packers are going to go out and build new plants around the West? The West is a fringe area.

We have heard from my colleagues from Idaho. Idaho and Wyoming fit that definition. Our livestock must move elsewhere, or at least to the edge of our borders, to be processed and ultimately to be marketed. That is why capacity, throughput, all of those kinds of things, through contract relationships and owner relationships, has built stability within that market—and competition, and I hope pricing. If I am wrong, the study will prove it.

This is the first time we have directed USDA to look straight at this issue, not around the issue, not about market manipulation but the reality of the current market and changing those relationships, and the impact those changes would have on the profitability of the livestock industry, primarily the beef and the pork industry. The poultry industry is already fully integrated, and we compete, if one is a beef producer or a pork producer, directly with that industry. Therefore, efficiencies must be such to create the profitabilities for a kind of effective competition. That is the reality of the issue we face.

I hope my colleagues vote down the Grassley amendment and recognize that my amendment is not ad infinitum. It is 270 days directed specifically at USDA, with specifics for that study, and then we come back to Congress and the next year the Senators from Idaho, Wyoming, and South Dakota can stand in this Chamber and say here are the facts; here is what we know we are doing; here is a designer amendment to fit the reality of the marketplace, instead of what we believe might be true based on what we think exists today.

I do not want to collapse the livestock industry built on maybes and mights and possibilities. That is the value of the study.

I move to table the second-degree amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2533

The PRESIDING OFFICER. Under the previous order, there will now be 15 minutes of debate equally divided on the Crapo amendment No. 2533.

The Senator from Idaho.

Mr. CRAPO. Madam President, I will take a moment and then yield the remainder of my time to Senator THOMAS from Wyoming.

This amendment is simple. It strikes section 215 from the farm bill. Section 215 contains provisions that would require a landowner who seeks to participate in a portion of the acreage of the CRP to give up his or her water rights either temporarily or permanently. Those kinds of efforts to increase Federal intrusion and Federal control over water management are simply unnecessary and inappropriate. Under the law as we now have it, this very successful conservation program would be hooked not only to the Endangered Species Act, which is something that has never been done before under the farm bill, but also to a requirement that landowners must yield their water rights to the Federal Government in return for the right to participate in this very popular and successful conservation program.

This is an unnecessary intrusion of Federal law into the arena of inserting the Endangered Species Act into the farm bill and is an unnecessary intrusion of Federal law into management of State water rights. For that reason, I encourage the support for this amendment.

I yield the remainder of our time to Senator THOMAS from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. THOMAS. Madam President, I thank the Senator from Idaho for the work he has done in this area. His background—as a matter of fact his legal background—much of it is in the water rights area. So he certainly brings to this Chamber a good deal of not only interest but also knowledge and insight, and I thank him for that.

I rise to support the Crapo amendment in this instance. I think it has a great deal to do with the West, a great deal to do with our traditional use of water. There are, I believe, major concerns behind this idea of the water conservation program. It could result in permanent acquisition of water rights. It preempts State water rights. It extends authority over endangered species to USDA which, of course, is a different operation than we have had.

Endangered species is a very interesting and important aspect to land and water management in the West. It proposes a radical change to the CRP, the conservation reserve, without addressing reforms to ESA, the Endangered Species Act. Interestingly enough, the concept was never discussed in our committee, and I think it makes it more difficult and less practical to bring it up for debate that way.

I am a member of the Agriculture Committee and can attest to the fact it was never debated there. I am quite sure had it been, there are several members of the committee who represent States that experience real problems with how this would impact our lands, and we would have vigorously fought to keep it out.

The allocation of water in the West is done by the States. This is a real tradition and an important States rights issue to us. This is a precious commodity a producer has, and the States vigorously defend any effort that would reduce their rights to make the water allocation. This new water conservation idea is another example of the Federal Government treading on State water rights. For my constituents, the compromise reached allowing the Governors to opt in is certainly not enough.

One of the real difficulties is the possibility that it could result in permanent acquisition of water rights. Program enrollment language does not mention what happens to water upon termination. That is very important.

A provision claims it is not intended to preempt State water. However, if that is the intention, safeguards need to be made. They are not there.

The involvement with the Endangered Species Act, without addressing reform of ESA is very important to those in the West. The jurisdiction over endangered species is under the Department of the Interior. Changing this, then, places a new provision under the Secretary of Agriculture. Obviously that is a conflict.

Certainly those in the West—and I just returned from home over the weekend—have strong points of view about it. Many say if this Reid amendment is included, they do not want a farm bill. That would be a shame.

I yield to my friend from Montana.

Mr. BURNS. I thank my friend. Madam President, how much time remains?

The PRESIDING OFFICER. Two minutes.

Mr. BURNS. How much on the other side?

The PRESIDING OFFICER. Seven and a half minutes.

Mr. BURNS. Madam President, I raise two points. Members on this side of the issue spend a lot of time talking about "shadows."

Senators have to ask themselves, why is this in this bill, No. 1; and, No. 2, why is it important? What is the reason for it? Have we been given a reason why this was in this legislation when it was offered as a stand-alone bill? It did not even gain enough recognition to have a hearing in committee and now we are going to put it into law. I want the other side to defend why they want this piece of legislation. Why do they want this section? I don't want Members to go back to the cloakroom or offices and turn off the TV and not listen to this. I have not heard one reason why it is important to anything that has to do with the production of food and fiber.

It is in there to leave us to fight it. What are we fighting? We don't know. I have not heard anybody come down here and do that. I was gone yesterday and they probably did discuss it and I probably missed it, but nonetheless these ears and these eyes have not heard or seen the reason for this legislation or this section to be in this piece of legislation and what it has to do with food and fiber production and the security of the American people to have their grocery stores full.

That does not make a lot of sense to me. We are going to vote on it.

The PRESIDING OFFICER. Time controlled by the Senator has expired.

The Senator from Nevada.

AMENDMENT NO. 2842, AS MODIFIED

(Purpose: To promote water conservation on agricultural land)

Mr. REID. Under the agreement from last night, I send a modification to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment will be so modified.

(The amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. REID. Madam President, I have spent a great deal of time in the last several days speaking to my friend from the State of Idaho, Senator CRAPO, who is a water expert. He was a water attorney before he came here. We have had some fruitful discussions. I have spoken to many other people in an effort to try to alleviate some of the fears people have. They are fears.

I have come to this Chamber on several occasions to explain to people we have a new West. Nevada is an example. Seventy percent of the people live in Las Vegas, 20 percent live in the metropolitan Reno area, with only 10 percent of the people living outside those two metropolitan areas. The land is no longer controlled by the miners and ranchers. I have great respect for them. My father was a miner. I know how much the ranchers have contributed to the welfare reform of the State of Nevada. I am doing everything I can to help them, but there is a new reality out there.

When we start talking about changing grazing—I have been here before and talked about doing that—as I discussed on Friday, people have serious fears. But they are hearing and talking about things that do not exist. This is an effort to alleviate some of the fears people have. That is what the modification is about. It applies to the States of California, New Mexico, Oregon, Washington, Nevada, Maine, and New Hampshire. It is too bad it does not apply to everybody else, but there are fears people have. By the time it comes around next time, they will see that the other States will be fighting to get in it.

With all due respect to the Farm Bureau, they are the ones in opposition. Every environmental group in America supports this legislation. It is legislation that explicitly prohibits the Federal Government from holding or buying or leasing water rights. A farmer doesn't have to sell water in order to participate. This amendment is not only supported by the environmental community but the International Association of Fish and Wildlife Agencies. For those Members who are in favor of shooting, hunting, and fishing, this association represents all State fish and game departments across the country. They support this effort.

The League of Conservation Voters will score this amendment. Everyone should understand they score very few amendments, very few votes during the year. They are scoring this one. Everyone be aware of that. They support this amendment because it helps States and farmers ease water conflicts by getting farmers income support in drought years and water to endangered fish in other years.

A colleague last week said my water program reminded him of Mark Twain. Mark Twain once said of the West: Whiskey is for drinking and water is for fighting. If they succeed in striking my language, they will be responsible for making sure that is the way things remain. It should not be. A vote to support my motion to table Crapo is a vote to relieve conflict, not create it.

The modified amendment replaces the existing program with pilots. The pilot programs use conservation money and it puts this money into the hands of States and gives them discretion in how to spend it to solve their water conservation problems. It takes nothing away from the States as far as water. The first pilot expands a successful partnership with the Department of Agriculture's Conservation Reserve Program and the State of Oregon to restore habitat and to lease water to help the fish. Under the Conservation Reserve Enhancement Program, States can submit plans to the Department of Agriculture to target resources for restoration.

The Department of Agriculture brings CRP funds to the table and States or nonprofits bring additional funds to get the work done. Today, 17 States have the programs to better target Department of Agriculture funds to resources of State concern. This amendment codifies a plan in existence in the State of Oregon. Under that plan, USDA can pay farmers irrigated rental rates if they transfer water to the State under the plan. But farmers can enroll in the plan even if they do not want to transfer water. This provision reserves 500,000 acres of land for this purpose.

The second provision creates a new water benefits program under this program. The State could help farmers and ranchers fund irrigation efficiency measures, willing farmers could convert from water-intensive crops to less water-intensive crops—I repeat, willingly; no one forces them to do anything—and to lease/sell options or sell water.

Most Western States already have programs similar to this but this Federal money will bolster these programs. We have included language to make certain Eastern States are eligible for these programs as well.

There was concern by my friend from Wyoming that the Endangered Species Act would raise its ugly head. The Federal Government has never confiscated CRP land from endangered species. There is no reason to think they would do so now.

But, if a farmer is concerned about it, he has two choices: A farmer could say I am not going to participate or he can get a safe harbor agreement from the State and the Interior Department. It has been done before. These assurances tell landowners who enter into agreements if they help us restore habitat, whether by dedicating land for a time period or transferring water, at the end of that period they get the land or the water back. It is an established program that has existed for almost 3 years. It gives the good-guy participants in programs such as these the assurance that they will not be penalized under the Endangered Species Act for helping fish and wildlife for a time.

Remember, my amendment prohibits the Federal Government in any way from holding, buying, or leasing water rights. How many times do I need to say that? People keep coming in and saying the Federal Government is going to steal water thus. I repeat, my amendment says the Federal Government will not hold, buy, or lease water rights; No. 2, farmers who want to participate in these program do not have to sell their water to do so; No. 3, States are given the lead role in deciding what water conservation options they want help funding, and this farmer participation is voluntary.

Finally, these programs provide a substantial amount of funding to help support farmer income in drought years and get water to the fish in those years.

Has my time expired?

The PRESIDING OFFICER. The Senator has 17 seconds.

Mr. REID. It has expired. When all time has expired, I want to move to table.

Mr. CRAIG. Parliamentary inquiry: The author of the amendment has just modified his amendment. Is it my understanding the Crapo amendment to strike still pertains to the modified amendment or is it to the original? What will be the circumstance of this vote?

The PRESIDING OFFICER. The Crapo motion to strike still applies to the underlying section of the substitute, which is now subject, as well, to the modification.

Mr. CRAIG. So the amendment to strike covers all action including the substitute language the Senator from Nevada has just offered?

The PRESIDING OFFICER. That is correct.

Mr. CRAIG. I thank the Chair.

Mr. REID. I say to my friend from Idaho, it is my understanding—I am going to move to table Senator CRAPO's striking amendment—how that is decided will determine what language remains.

I think all time has expired. I move to table the Crapo motion to strike. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Mr. President, I rise today to express my full support for the amendment by Senator CRAPO, which I have cosponsored. The purpose of this amendment is to strike section 215 of the farm bill, which we are considering today in the Senate. This section would create a program allowing the Federal Government to purchase the water rights of farmers and others for the purpose of protecting the habitat of certain endangered or threatened species.

While protecting the habitat of threatened species is a worthy goal, one which I have supported, this amendment has the unacceptable consequence of putting in jeopardy our system of State water rights. Let me elaborate. Under this program, private landowners, tribal groups, farmers and other organizations who participate would be required to sell or lease their water rights to the Federal Government. I strongly oppose using federal dollars to establish an incentive for private entities to give up their water rights. The Federal Government has tremendous financial resources and, given free reign, could buy up unlimited acre-feet of precious water in the West. As some of my colleagues already know, Utah is the second driest State in the Union. Water is the lifeblood of Utah, and it is in short supply.

It was only a matter of hours after the first pioneers entered the Salt Lake Valley that they began to break up the dry desert, plant seeds, and dig irrigation canals, bringing the precious water from Utah's snowy mountains to their thirsty lands. It was these farmers—my ancestors—who made Utah blossom like a rose. The families of those original pioneers and their limited water resources have continued to keep Utah's agricultural industry strong. But it has not been easy. This program will create an incentive to strip Utah's farmers of the very thing that makes their livelihood possible.

Although the program is said to be voluntary, even farmers who choose not to participate in it could experience a number of adverse effects because of the participation of a neighbor. Erosion or additional weeds and dust resulting from the disuse of adjoining land—because of this program—or the introduction of species listed under the Endangered Species Act to these program lands could have a negative impact on the livelihood of neighboring farmers.

I am also concerned that section 215 makes considerable changes to existing programs without a proper discussion of those changes in the relevant committees. For example, it creates an unprecedented link between the Endangered Species Act and farm programs. From what I have seen, when the goals of the Endangered Species Act and the needs of farmers come into conflict, the species wins and the farmer loses. I am also concerned with the language of this provision that appears to create a new "sensitive species" category for protecting wildlife. Finally, I am concerned that this language gives powers to the Secretary of Agriculture that have previously only been held by the Secretary of the Interior. This is yet another major policy shift. Changes of this magnitude should not be acted on by the full Senate without the benefit of committee hearings. I urge my colleagues to support Senator CRAPO's amendment to strike this section 215 from the Farm Bill until such time that further light can be shed on its implication for farmers. And I remind my colleagues that the Farm Bill is meant to help our farmers, not hurt them.

AMENDMENT NO. 2839

The PRESIDING OFFICER. Under the previous order, there will now be 15 minutes of debate equally divided on the Baucus amendment No. 2839. Who yields time?

Mr. LUGAR. Madam President, I suggest the absence of a quorum with time to be charged equally to both sides.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAUCUS. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Madam President, I rise today to again discuss an amendment that would provide desperately needed disaster assistance for America's farmers and ranchers.

I would like to begin by thanking my colleagues, Senators ENZI, REID, BURNS, LANDRIEU, DORGAN, JOHNSON, CONRAD, CARNAHAN, DAYTON, STABENOW, LINCOLN, LEVIN, MURRAY, and CANTWELL, for cosponsoring this measure.

This amendment extends to the 2001 crop the same agricultural disaster programs that have proven crucial to American farmers in recent years.

The amendment provides $1.8 billion for the Crop Disaster Program and is intended to cover quality loss due to army worms, $500 million to the Livestock Assistance Program, with $12 million directed to the Native American Livestock Feed Program and $100 million toward the apple market loss assistance program.

Agricultural producers desperately need these disaster programs. Adverse weather conditions have pushed farmers, ranchers, and rural communities to the brink of economic disaster.

These adverse weather conditions came on the heels of sharply escalating operating costs due to higher energy and fertilizer prices.

With weather problems continuing, costs rising, and no time to recover from the drop in farm operating income, it is incumbent on us to take action today.

President Bush understands the crucial role that agriculture plays in America's economy. In a speech delivered to the National Cattlemen's Beef Association's Annual Convention and Trade Show in Denver, He said:

> Our farm economy, our ranchers and farmers provide an incredible part of the nation's economic vitality. If the agricultural economy is not vital, the nation's economy will suffer."

We must give rural America the chance to have a vital economy.

Closer to home, farmers in my State of Montana have compared current drought conditions to the dust bowl years of the 1930s. Many have not taken out their combine in over a year. When there is no harvest, there is no income. And the strain on these rural communities is beginning to mount.

According to Dale Schuler, past president of Montana Grain Growers and a farmer in Choteau County, Montana, nearly 2,000 square miles of crop in his area of central Montana have gone unharvested. That is an area the size of Delaware. And the impact has been horrendous.

To quote Mr. Schuler:

> Farmers and our families haven't had the means to repay our operating loans, let alone buy inputs to plant the crop for the coming year. I believe that we're set to see a mass exodus from Montana not seen since the Great Depression of the 1930s.

Chouteau County, the largest farming county in Montana, the last farm equipment dealer had no choice but to close his doors, the local co-op closed its tire shop, one farm fuel supplier quit, and the fertilizer dealers and grain elevators are laying off workers.

Another farmer from the area, Darin Arganbright, told me that enrollment in local schools has decreased by 50 percent in the past few years. So we are not only losing our current farmers but our future farmers.

A final point. We need to act now—on the farm bill. Producers are making their planting decisions for next year right now. But, without these disaster payments, many banks will refuse to provide operating loans to producers for this upcoming crop year.

In Montana, it is anticipated that 40 percent of producers seeking operating loans this year will be denied if we fail to provide this assistance. Without these loans, many farmers will simply be unable to plant, giving up any hope of economic recovery in the near future.

This would devastate my State's economy and that of the West. Rural America needs a boost. And I believe our amendment does just that.

This measure will provide stimulus our rural communities need to survive by extending the disaster relief programs that have been critical to shoring up farm income over the last 3 years. This relief will allow farmers—and the rural communities that depend upon them—to get back on their feet.

In conclusion, I would like to note that the letters of support for this amendment continue to pour in. These include: The National Association of Wheat Growers; the National Cattlemen's Beef Association; the National Farmers Union; the National Cotton Council; the American Farm Bureau; the United Stockgrowers of America; the National Barley Growers Association; the U.S. Canola Association; the American Soybean Association; the National Sunflower Association; and the Northwest Farm Credit Services.

Our Nation depends on agricultural producers for an abundant, affordable, safe food supply.

Today our Nation's producers depend on us to provide them with much needed and overdue assistance. Let's get the job done.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time in opposition? The Senator from Nevada.

Mr. REID. Madam President, I ask unanimous consent that the order that is now in effect be modified to allow 2 minutes equally divided between each vote and that the latter two votes of the three votes that will take place be 10-minute votes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LUGAR. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Madam President, I yield myself 2 minutes in opposition.

I bring to the attention of Senators that, whatever the merits of this emergency legislation, the cost of these provisions is approximately $2.4 billion. That $2.4 billion would be in addition to the $73.5 billion over a 10-year period of time, which is already the approximate cost of the bill to say nothing about the so-called baseline expenditures—namely, the farm programs which continue, to which in the event this legislation passes $73.5 billion would be added.

I think Senators must weigh the fact that the Senate and the House voted approximately $5.5 billion last year for emergencies. This is in addition to that.

Members must at some point weigh the consequences of the spending of which we are involved. This Senator has suggested ways in which this bill ought to come in for less than $73.5 billion.

I simply note that if the passage of the amendment occurs, we will be adding approximately $2.4 billion to the tab.

I thank the Chair. I yield the floor.

I suggest the absence of a quorum and ask unanimous consent the time be charged to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KYL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. LUGAR. Madam President, I yield time to the distinguished Senator for whatever he may require.

The PRESIDING OFFICER. The Senator is recognized.

Mr. KYL. I thank the Senator.

Madam President, I wish to ask when this body is going to exercise some restraint and some discipline. I hear a lot about the deficit and how we have to be careful to not spend so much that we go into deficit this year. Every time I come to the Chamber, we are voting on yet another amendment to spend more money. This amendment would authorize $2.4 billion in addition to the $73 billion that already is in the farm bill. That is in addition to the $23 billion in emergency ad hoc spending that we have spent during the last 4 years. Last year alone we authorized $5.5 billion in emergency spending.

It doesn't seem to me that we have any restraint or any discipline, or that we are willing to set any kind of priorities. We seem to be out of control with respect to spending. I just ask when we are going to say no.

I want to give my colleagues notice. I am going to tally up all the spending that they propose, and when they come to the floor and talk about the deficit, I am going to confront them with the spending that they proposed.

Obviously, some things have to be voted on. We, obviously, have to support the war on terrorism, and there are a lot of other issues, but when we keep adding emergency upon emergency upon emergency spending to a farm bill that is already $73 billion, clearly we are not exercising restraint.

I want my colleagues to know what I am going to be doing. If they talk about deficit, I am going to talk about the spending they proposed above and beyond what is already in this appropriations bill and the authorizing legislation.

I hope my colleagues will vote not to support this amendment for $2.4 billion in additional spending.

Mr. ENZI. Mr. President, I rise in support of an amendment that would allocate $500 million in emergency spending for the Livestock Assistance Program.

The Livestock Assistance Program, LAP, is an ad hoc program administered by the U.S. Department of Agriculture, USDA, through the Farm Service Agency. It is available to livestock producers in counties that have been declared disaster areas by the President or Secretary of Agriculture. It provides financial relief to livestock producers that are experiencing livestock production loss due to drought and other disasters. Livestock producers in my State of Wyoming have been hard hit by drought and the drought outlook for this year isn't optimistic.

Recently, Wyoming's State climatologist reported that a third year of drought is possible. After Wyoming's warmest summer in 107 years, a normal year would be a relief, but it wouldn't be enough. Unless rains of 125 to 175 percent of normal fall on my State, my ranchers will be facing a third year of drought.

You may not know that in drought, producers usually suffer the loss of grazing sources. The Livestock Assistance Program commonly provides the means to buy supplemental feed for their livestock. Livestock usually require supplemental feeding in the winter.

The program was not funded in fiscal year 2002 in either the emergency agriculture supplemental fiscal year 2002 or the Agricultural appropriations fiscal year 2002 bill. This program should be funded every year that disaster occurs. For 2001, the funding is long overdue. This is a situation where there is no light, just an endless tunnel.

I believe this program funding is critical to the continuing viability of ranches in Wyoming. This amendment would provide short-term, immediate economic stimulus to Wyoming's agricultural population. The program is appropriate for this bill because it upholds the basic purpose of the Farm bill: to support American agriculture. This money will be spent immediately to support purchases of winter feed for livestock.

In my own State, 2002 is shaping up to be the third year of continuous drought. In these conditions, the State's natural resources have been unable to recover. In order to conserve these resources, the State and Federal Government have evicted ranchers from State and Federal leased lands. Producers have been forced to find alternative grazing arrangements where pastureland is limited. Many producers grazed hay fields last summer and fall that had been slotted to provide winter feed. Virtually every indicator, precipitation, snow pack, and reservoir levels, show the drought may get worse.

The Secretary of Agriculture designated counties in my State as drought disaster areas months ago, but my producers still haven't seen the assistance that should accompany that designation. This amendment provides assistance. I urge my colleagues to pass this amendment.

The PRESIDING OFFICER. Who yields time?

The Senator from Montana.

Mr. BAUCUS. Madam President, I would like to say a couple of words with respect to my friend from Arizona saying that he is not going to vote for $2.4 billion because $5 billion was already spent for emergencies.

A couple of points: Implied in his remarks was that we should support emergencies. He mentioned terrorism. He didn't mention al-Qaida, but he implied it. That is correct. We have an emergency. We need additional national security dollars to confront that emergency.

I say to my good friend that we have another emergency. The emergency is the drought. It is crop losses due to weather conditions. It is an emergency. You can't predict it. It happens. The $5 billion my good friend referred to is in every category. That was added on because farmers are losing their shirts under "freedom to fail." That had nothing to do with disaster or weather conditions. It had nothing to do with an emergency, a national security emergency, or a weather-related agricultural emergency.

We need to take care of and support people who are adversely affected by emergencies.

Madam President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Madam President, I yield myself time in opposition.

Let me respond to the Senator from Montana. To equate the national emergency this country faces in its war against terrorism and al-Qaida and an agricultural emergency is to stretch things quite a bit. I understand the desire of colleagues to send money to farmers and ranchers around the country. I would simply point out that in this particular calendar year agricultural income is a positive $59 billion in this country. It was, in fact, higher than it has been for several years. The net worth of farms in this country increased this year as it has at least for the last 3 or 4 years as land values increased substantially.

Let me point out that there may be reasons for specific tailoring of various projects in various areas, but agriculture in America does not face an emergency. Agriculture in America faces at least a point in which our legislation might create problems. I have suggested the problems that will be created are incentives for overproduction, almost a guarantee of lower prices, and almost a guarantee that Members of the Senate will come here reflecting on the lower prices and wonder why that happened but suggest that we spend more money in order to counteract our own policies.

I appreciate that Senators vote generally on the merits of all the elements of the bill, but the particular area in which we are dealing—that of agricultural payments—leaves us very vulnerable, I believe, to fiscal mismanagement, to lower prices, and to a trust that has been betrayed with regard to good judgment in farm policy.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BAUCUS. Madam President, we have a little time, so we can have a little more debate.

Farmers across America strongly support additional aid to our military to protect our national security. That is a given. It is absolute, automatic. But there are also farmers who have suffered tremendous losses.

I ask my good friend from Indiana to visit, at least Montana and he will see thousands of square miles of dust. That is a disaster. There are no combines, nothing. I have walked through those fields. It happens in other parts of the country, too, whether it is from storms or floods or pest diseases.

The Senator's problem is with the farm bill; it is not with disaster assistance payments. We are now focused and voting on a disaster assistance payment. That is entirely separate from the farm bill.

So I urge my colleagues to step up and do what is right and support the farmers who are facing these emergencies. I tell you, they are in dire circumstances. We are losing people in our State of Montana. We are a special State, granted. We do not have a lot of other industries. But other farmers in other States are also facing the same problems, but sometimes from different kinds of disasters, not necessarily always from a drought.

I must say to my good friend, 50, 75, 80 percent of the States in this country are suffering from a drought, let alone other disasters.

I urge my colleagues to just give farmers a chance. If they have a problem with the farm bill, then they should offer amendments to the farm bill, not the disaster assistance program.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Will the Senator from Indiana yield me another 2 minutes?

The PRESIDING OFFICER. The Senator has 50 seconds remaining.

Mr. LUGAR. Madam President, I yield the Senator the 50 seconds.

Mr. KYL. I thank the Senator.

Later on I am going to offer an amendment—a sense-of-the-Senate amendment—to express ourselves on the question of the permanent repeal of the death tax. I daresay most farmers and ranchers in this country would rather see the absolute permanent end of the death tax than they would another handout from the U.S. Government.

So I ask my colleagues to stop and think for a minute about whom they are really helping. If they are willing to support their constituents, their ranchers and farmers, then I think they will want to support me in the repeal of the death tax far more than to vote for yet one more annual subsidy for emergency relief.

The PRESIDING OFFICER. Time has expired.

VOTE ON AMENDMENT NO. 2837

Under the previous order, the question is on agreeing to the motion to table the Grassley amendment.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from West Virginia (Mr. BYRD) is necessarily absent.

The PRESIDING OFFICER (Mr. CARPER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 46, nays 53, as follows:

[Rollcall Vote No. 23 Leg.]

YEAS—46

Akaka
Allard
Allen
Bayh
Bennett
Bond
Boxer
Brownback
Bunning
Cleland
Craig
Crapo
DeWine
Edwards
Ensign
Feinstein
Fitzgerald
Frist
Gramm
Gregg
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Inouye
Kyl
Lincoln
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Nickles
Roberts
Santorum
Schumer
Smith (OR)
Snowe
Specter
Stevens
Thompson
Thurmond
Voinovich
Warner

NAYS—53

Baucus
Biden
Bingaman
Breaux
Burns
Campbell
Cantwell
Carnahan
Carper
Chafee
Clinton
Cochran
Collins
Conrad
Corzine
Daschle
Dayton
Dodd
Domenici
Dorgan
Durbin
Enzi
Feingold
Graham
Grassley
Hagel
Harkin
Hollings
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Mikulski
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Sessions
Shelby
Smith (NH)
Stabenow
Thomas
Torricelli
Wellstone
Wyden

NOT VOTING—1

Byrd

The motion was rejected.

Mr. HARKIN. I move to reconsider the vote.

Mr. GRASSLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I ask that the Senate adopt the Grassley amendment. It is my understanding that would be the next thing in order.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to amendment No. 2837.

The amendment (No. 2837) was agreed to.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2835, as amended.

The amendment (No. 2835), as amended, was agreed to.

AMENDMENT NO. 2842, AS FURTHER MODIFIED

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I have spoken to the manager of this legislation, Senator LUGAR. I have spoken to Senator CRAPO. I want to add the word "only," to make clear eligible States under this program shall include only—and then it lists the States. The word "only" is added.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Mr. President, I ask the Senator from Nevada to restate his request. I could not hear him.

Mr. DOMENICI. Reserving the right to object, I note I was not here yesterday, nor was I in the Senate this morning. So I did not get to work on the amendment that my good friend from Nevada is offering in which he wants to change one word. I note all States similar to New Mexico have been exempt. I do not understand why Senator BINGAMAN went along with the amendment. States in similar water situations—New Mexico, Idaho, California, Oregon, and Washington—are all excluded. Senator Bingaman has concurred that we be in it and that is why he is going to be for the amendment. I think that is a mistake for New Mexico. I wish I had more time to try to convince him and the Senate, but we are now going to vote to include New Mexico while the other Rocky Mountain States made a deal to be excluded, and our Senator is going along with them, without my understanding because I just arrived this morning.

I have no further reservation.

The PRESIDING OFFICER. Is there objection?

The Senator from Nevada.

Mr. REID. So that Senator HELMS could understand, I am adding the word "only" so it is very specific. Senator KYL and others wanted me to add that language, and I have done that.

The PRESIDING OFFICER. Is there objection to the modification? Without objection, it is so ordered.

The modification is as follows:

Eligible States under this program shall include only Nevada, California, New Mexico, Washington, Oregon, Maine, and New Hampshire.

AMENDMENT NO. 2533

The PRESIDING OFFICER. Under the previous order, there are 2 minutes equally divided for debate prior to the vote on the motion to table the Crapo amendment. Who yields time?

The Senator from Idaho.

Mr. CRAPO. Mr. President, this amendment seeks to strike section 215 from the bill. I encourage all Senators not to support the motion to table. The issue is very simple. We have very important and strong conservation programs that have been historic parts of the farm bill. They are critical to our environment and to the conservation in our country. This amendment seeks to attach to that an effort to manage water under the Endangered Species Act in a way which would give further Federal control over what has traditionally been a State perogative: The management, allocation, and use of water. It is critical we not start mixing our domestic farm policy with issues of Endangered Species Act management and with issues of States water rights management, allocation and use.

I encourage all Senators to oppose the motion to table.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. The motion to table is something that is wanted by the conservation communities throughout America. Every environmental group supports this effort. The organization that represents all of the State fish and game departments across the country, the International Association of Fish and Wildlife Agencies, supports this effort. It is good legislation. It takes nothing, I repeat nothing, away from the States.

My State is supportive of my effort here. Nevada's former water engineer and now the head of our conservation agency helped me write this language; he is one of the most conservative people in the State of Nevada. This is something that is good for the States. It is good for the farm communities. It will allow them to do things they have never been able to do before, and the States have programs they could afford. This will allow them to do that. This is good legislation. The motion to table the Crapo amendment would be for a better farm program, and I believe it will lead to passage of this legislation.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Crapo amendment. This is a 10-minute vote. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 55, nays 45, as follows:

[Rollcall Vote No. 24 Leg.]

YEAS—55

Akaka
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Collins
Corzine
Daschle
Dayton
Dodd
Durbin
Edwards
Feingold
Feinstein
Fitzgerald
Graham
Gregg
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Miller
Murray
Nelson (FL)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Smith (NH)
Snowe
Specter
Stabenow
Torricelli
Warner
Wellstone
Wyden

NAYS—45

Allard
Allen
Baucus
Bennett
Bond
Brownback
Bunning
Burns
Campbell
Cochran
Conrad
Craig
Crapo
DeWine
Domenici
Dorgan
Ensign
Enzi
Frist
Gramm
Grassley
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
McCain
McConnell
Murkowski
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (OR)
Stevens
Thomas
Thompson
Thurmond
Voinovich

The motion was agreed to.

Mrs. BOXER. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment (No. 2533), as further modified, was agreed to.

Mr. SARBANES. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2839

The PRESIDING OFFICER. On the next question——

Mr. BYRD. Mr. President, I urge the Chair to insist on order in the Senate.

The PRESIDING OFFICER. The Senate will be in order.

Senators will clear the well.

Mr. BYRD. Mr. President, I hope this is not being charged against the 2 minutes.

The PRESIDING OFFICER. The time is not charged.

There are 2 minutes equally divided prior to the vote in relation to the Baucus amendment.

Who yields time?

The Senator from Indiana.

Mr. LUGAR. Mr. President, I would mention that emergency programs are not new to agriculture. From 1989, that fiscal year, to the present time, over $40 billion has been expended in this way.

During the last 3 years, we have had expenditures of $26.62 billion, $14.99 billion, and $11.17 billion. There appears to be a very strong trend to try to get outside the so-called baseline, plus whatever else occurs in the farm bill for additional expenditures.

The Baucus amendment calls for $2.4 billion outside the $73.5 billion for the 10 years of additional spending in the farm bill or the baseline. For that reason, I oppose it. At the proper time I will raise a point of order under section 205, but I will wait until we have had the 2 minutes expire.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

The Senator from Montana.

Mr. BAUCUS. Mr. President, people can always use figures. It is true that over the entire period of the farm bill that number of dollars has been spent. It is also true that some disaster assistance has been provided to farmers in the past. But it is not true that we spent $11 billion this prior year on disasters. Frankly, the last payment was only $5 billion, and it was not disaster payments; it was supplemental payments because Freedom to Farm was failing.

This is the first time it applies only to 2001. It would be disaster assistance to farmers who suffered disasters in 2001. It is only fair. It is only appropriate.

I might add, there is an $80,000 payment limitation—you can't get disaster payments of more than $80,000—which is very low, I might add, compared to a lot of disasters that occurred across our country. It is only disasters, and very small in comparison to the problems we have been facing.

I urge Senators to support the amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LUGAR. Mr. President, has all time expired?

The PRESIDING OFFICER (Mr. EDWARDS). All time has expired.

Mr. LUGAR. Mr. President, the Baucus amendment contains an emergency designation. Under section 2035 of H.

Con. Res. 290, the fiscal year 2000 budget resolution, I raise a point of order against the amendment.

Mr. BAUCUS. Mr. President, pursuant to section 904 of the Congressional Budget Act of 1974, I move to waive the applicable sections of that act for the purposes of the pending amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 69, nays 30, as follows:

[Rollcall Vote No. 25 Leg.]

YEAS—69

Akaka
Allard
Baucus
Bayh
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Burns
Byrd
Campbell
Cantwell
Carnahan
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Enzi
Feinstein
Graham
Grassley
Hagel
Harkin
Hatch
Hollings
Hutchinson
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Smith (OR)
Snowe
Stabenow
Thomas
Torricelli
Voinovich
Warner
Wellstone
Wyden

NAYS—30

Allen
Brownback
Bunning
Carper
Chafee
DeWine
Ensign
Feingold
Fitzgerald
Frist
Gramm
Gregg
Helms
Hutchison
Kyl
Lott
Lugar
McCain
McConnell
Murkowski
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Specter
Stevens
Thompson
Thurmond

NOT VOTING—1

Domenici

The PRESIDING OFFICER. On this vote, the yeas are 69, the nays are 30. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to. The point of order falls.

Mr. LUGAR. Mr. President, I move to reconsider.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2839.

The amendment (No. 2839) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, we are on the farm bill now. Having completed our votes on all these amendments, the Senator from Kentucky, Mr. MCCONNELL, is here to offer an amendment. He said he would take 5 or 10 minutes. There is work being done by the managers to see whether or not that amendment would be acceptable. They will work on that during the party recesses. When Senator MCCONNELL finishes his remarks, I ask unanimous consent that the Senator from New Mexico, Mr. BINGAMAN, be recognized for up to 10 minutes to speak as in morning business, and then following that we would stand in recess for the party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kentucky.

AMENDMENT NO. 2845 TO AMENDMENT NO. 2471

Mr. MCCONNELL. Mr. President, I have an amendment at the desk, No. 2845. I call it up and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows.

The Senator from Kentucky [Mr. MCCONNELL] proposes an amendment numbered 2845 to amendment No. 2471.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To reduce certain commodity benefits and use the resulting savings to improve nutrition assistance)

On page 128, after line 8, add the following:

SEC. 1 . REDUCTION OF COMMODITY BENEFITS TO IMPROVE NUTRITION ASSISTANCE.

(a) INCOME PROTECTION PRICES FOR COUNTER-CYCLICAL PAYMENTS.—Section 114(c) of the Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 111) is amended by striking paragraph (2) and inserting the following:

"(2) INCOME PROTECTION PRICES.—The income protection prices for contract commodities under paragraph (1)(A) are as follows:

"(A) Wheat, $3.4460 per bushel.

"(B) Corn, $2.3472 per bushel.

"(C) Grain sorghum, $2.3472 per bushel.

"(D) Barley, $2.1973 per bushel.

"(E) Oats, $1.5480 per bushel.

"(F) Upland cotton, $0.6793 per pound.

"(G) Rice, $9.2914 per hundredweight.

"(H) Soybeans, $5.7431 per bushel.

"(I) Oilseeds (other than soybeans), $0.1049 per pound.".

(b) LOAN RATES FOR MARKETING ASSISTANCE LOANS.—

(1) IN GENERAL.—Section 132 of the Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 123(a)) is amended to read as follows:

"SEC. 132. LOAN RATES.

"The loan rate for a marketing assistance loan under section 131 for a loan commodity shall be—

"(1) in the case of wheat, $2.9960 per bushel;

"(2) in the case of corn, $2.0772 per bushel;

"(3) in the case of grain sorghum, $2.0772 per bushel;

"(4) in the case of barley, $1.9973 per bushel;

"(5) in the case of oats, $1.4980 per bushel;

"(6) in the case of upland cotton, $0.5493 per pound;

"(7) in the case of extra long staple cotton, $0.7965 per pound;

"(8) in the case of rice, $6.4914 per hundredweight;

"(9) in the case of soybeans, $5.1931 per bushel;

"(10) in the case of oilseeds (other than soybeans), $0.0949 per pound;

"(11) in the case of graded wool, $1.00 per pound;

"(12) in the case of nongraded wool, $.40 per pound;

"(13) in the case of mohair, $2.00 per pound;

"(14) in the case of honey, $.60 per pound;

"(15) in the case of dry peas, $6.78 per hundredweight;

"(16) in the case of lentils, $12.79 per hundredweight;

"(17) in the case of large chickpeas, $17.44 per hundredweight; and

"(18) in the case of small chickpeas, $8.10 per hundredweight.".

(2) ADJUSTMENT OF LOANS.—

(A) IN GENERAL.—The amendment made by section 123(b) is repealed.

(B) APPLICABILITY.—Section 162 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7282) shall be applied and administered as if the amendment made by section 123(b) had not been enacted.

(c) FOOD STAMP PROGRAM.—

(1) SIMPLIFIED RESOURCE ELIGIBILITY LIMIT.—Section 5(g)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(1)) is amended by striking "a member who is 60 years of age or older" and inserting "an elderly or disabled member".

(2) INCREASE IN BENEFITS TO HOUSEHOLDS WITH CHILDREN.—Section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking paragraph (1) and inserting the following:

"(1) STANDARD DEDUCTION.—

"(A) IN GENERAL.—Subject to the other provisions of this paragraph, the Secretary shall allow a standard deduction for each household that is—

"(i) equal to the applicable percentage specified in subparagraph (D) of the income standard of eligibility established under subsection (c)(1); but

"(ii) not less than the minimum deduction specified in subparagraph (E).

"(B) GUAM.—The Secretary shall allow a standard deduction for each household in Guam that is—

"(i) equal to the applicable percentage specified in subparagraph (D) of twice the income standard of eligibility established under subsection (c)(1) for the 48 contiguous States and the District of Columbia; but

"(ii) not less than the minimum deduction for Guam specified in subparagraph (E).

"(C) HOUSEHOLDS OF 6 OR MORE MEMBERS.—The income standard of eligibility established under subsection (c)(1) for a household of 6 members shall be used to calculate the standard deduction for each household of 6 or more members.

"(D) APPLICABLE PERCENTAGE.—For the purpose of subparagraph (A), the applicable percentage shall be—

"(i) 8 percent for each of fiscal years 2002 through 2004;

"(ii) 8.5 percent for each of fiscal years 2005 through 2007;

"(iii) 9 percent for each of fiscal years 2008 through 2010; and

"(iv) 10 percent for each fiscal year thereafter.

"(E) MINIMUM DEDUCTION.—The minimum deduction shall be $134, $229, $189, $269, and $118 for the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States, respectively.".

(3) EFFECTIVENESS OF CERTAIN PROVISIONS.—Sections 413 and 165(c)(1) shall have no effect.

Mr. McCONNELL. Mr. President, this amendment is being looked at on the other side, and I am optimistic it will be agreed to and thereby hopefully not require a rollcall vote.

Mr. President, we have made progress in the Food Stamp Program during this debate and I rise today to propose two further improvements to that worthwhile program.

President Bush has called for the standard deduction in the Food Stamp Program to reach 10 percent of the poverty level in his new budget proposal. In other words, if the 10-percent deduction were in effect for 2002 a family of four would receive an additional $16 a month.

The present language in the Senate bill does not meet the goal set forth in President Bush's 2003 budget.

I am not asking for increased overall spending levels in the farm bill. The offset to my proposed increase in the Food Stamp Program would come out of a small cut in price supports and loan rates.

I am asking that we consider reductions of less than one cent—less than one cent per bushel—to the price support payments and marketing loan rates in this bill, so that we can continue to address the needs of our Nation's poor and disabled.

We need to complete the task of overhauling the Food Stamp Program's standard income deduction.

The standard income deduction policy affects the eligibility and benefit determination of every food stamp applicant. For the last several years, the standard deduction has been fixed at $134 for every family, regardless of size and regardless of inflation and the fluctuating levels of the national poverty level.

As I mentioned at the outset, we've made some progress on this issue during the farm bill debate. The nutrition title as it now stands adopts the basic policy model recommended by President Bush in his budget and introduced in committee by my colleague Senator LUGAR—that is, it links the income deduction for basic family living expenses to annual poverty levels. By doing so, the amount is indexed by family size and reflects annual economic changes.

As the provision is implemented, food stamp benefits increase modestly. The Dorgan-Grassley amendment took the important step of phasing in the proposal more quickly, and I applaud them for that.

I ask, however, that we finish the job and achieve the goal set forth by President Bush to raise the standard deduction to 10 percent of the poverty level in this farm bill. That is precisely what my amendment will do.

Under my amendment, over the next 10 years, there will be an additional $500 million in the hands of needy families with children. That's $50 million more per year.

Let us remember that half the gains from this change would go to low-wage working families. In addition, over 99 percent of the gains would go to families with children.

The second Food Stamp Program change in my amendment would remedy an inconsistency in the rules that apply to the elderly and disabled. It would apply the same assert rule to both populations.

Given the special needs of our elderly and disabled citizens, Program eligibility rules are somewhat more generous in this area. For example, these families are allowed to deduct excess medical expenses in the calculation of net income.

With respect to food stamp asset rules, however, the elderly and disabled are subject to different policies. Food stamp eligibility for households with an elderly member allows assets equal to $3,000, but asseets for the disabled can't exceed $2,000.

There seems no good reason for such an inconsistency. Both kinds of families face special needs. Further, the distinction for only this policy creates confusion for low-income families and increases the risk of errors for States.

I ask our colleagues to support these improvements to the Food Stamp Program. The total cost of both provisions is $500 million over 10 years. This is a small price to pay to help the neediest families in our Nation.

My amendment is supported by leading nutrition groups such as the Kentucky Task Force on Hunger, the Center on Budget and Policy Priorities, the Food Reseaerch and Action Center, and Second Harvest.

The farm bill is an important safety net for our farmers. Likewise, the Food Stamp Program is an important safety net for our country.

I hope the amendment will be subsequently cleared on both sides.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico is recognized.

AMENDMENT NO. 2842

Mr. BINGAMAN. Mr. President, I thank the assistant majority leader for his help in providing me time to explain a vote we cast fairly recently.

Senator REID proposed a second-degree amendment to the farm bill which I supported. The amendment would be a substitute to the water conservation provision contained in section 215 of the underlying bill. I have reviewed the amendment that Senator REID offered and that the Senate adopted. I believe it is good law, it is good policy, and it is a substantial improvement over the original proposal. So I did support it. I think it is a constructive proposal.

Section 215, as originally conceived, sought to provide direct Federal assistance to farmers by allowing the Federal Government to lease or acquire water rights on a willing seller basis to use as part of a plan to protect and recover certain species and certain habitat. That is a worthy goal, but as in all water-related issues—and we know this in New Mexico perhaps better than in most parts of the country—the devil is in the details.

On close review, valid concerns were raised. No. 1 was whether the program would be conducted pursuant to all applicable State law; No. 2, what would be the implications of Federal ownership of Federal water rights; No. 3, what was the correct linkage between the Conservation Reserve Program and the Endangered Species Act.

So to address these problems, we agreed—this was before Christmas, before the end of the session last year—to prohibit the application of the section 215 water conservation program in any State in which the Governor had not formally agreed to the program being used.

This change, however, although it was a substantial step forward—I thought, again, it was a constructive way to proceed—it was considered insufficient to address the needs of some States, such as my State—States that wanted to make use of the program but were still concerned about the issues I have mentioned—these concerns about Federal ownership of water, in particular. Fortunately, Senator REID was agreeable to making changes in that language and we were able to adopt a much-improved version of the amendment just in the last few minutes.

The amendment that has now been adopted addresses many of the same conservation goals by utilizing two State-based water conservation programs. The first program, which is a water conservation reserve program, would fund States that submit proposals seeking to enroll land in a conservation reserve or to acquire water rights to advance the goals of Federal, State, tribal, or local plans to conserve and protect fish and wildlife.

The second of the two programs that are provided for in Senator REID's new amendment is a water benefits program under which participating States can develop a plan where willing water users are offered assistance or compensation for several different water savings options, such as irrigation efficiency improvements, converting from water-intensive to less water-intensive crops, leasing or selling water rights—again, not to the Federal Government, but to the State. Quite simply, the original concept has been converted into two programs that are State based and State controlled.

Under the new amendment, there is no possibility of the Federal Government buying or leasing water rights. That is prohibited. The remaining Federal role is to review the State proposal to ensure that they fulfill certain general purposes and to prioritize funding between competing proposals in order to get a State plan implemented.

I think it is appropriate that the Federal Government try to provide some assistance to States and to the agricultural community to address these difficult needs that arise when the water needs of farmers compete with the needs of fish and wildlife. This is particularly true where the conflict is exacerbated by Federal laws, such as the Endangered Species Act. There are situations all over the West—in the Rio Grande Valley in my State, in the Colorado River, all the way to the Columbia River—where States, local water users, Indian tribes, and other interested parties are sitting down together and jointly working out water allocation issues for the benefit of all involved.

There is no easy solution. In all of those cases where solutions are developed, they cost money. Let me mention a specific situation we have in New Mexico. The Pecos River flows southeast through New Mexico to the Texas border. That major river basin is, unfortunately, close to a number of issues that include endangered species needs, drought, and the interstate compact with Texas that is the subject of existing U.S. Supreme Court orders.

For all these reasons, our State has had in place a limited program to conserve and protect river flows, similar to that contemplated in the amendment Senator REID offered. The situation now, however, is so severe that local water users, with the help of the State, with the State facilitation, have agreed to new measures, including retiring water rights to ensure compliance with existing legal obligations, and to avoid having water cut off that is being used for municipal and agricultural needs.

Let me emphasize that this is a locally driven process. The Federal Government has not even participated in the discussions. But the reality of the new plan, which has been developed locally, is that it is going to cost an estimated $68 million. It is unclear and unlikely that our State can put together that level of funding. It is quite possible that, through the programs we have included in this amendment, we could provide a very useful tool to New Mexico and to the Pecos River Basin. Stakeholders in the basin have shown they are willing to make tough decisions to avoid even tougher times in the future. The least we can do is try to provide creative ways to bring real resources to the table in support of those efforts. That is a reason I supported Senator REID's amendment.

I know my colleague expressed his dismay that I would agree to provide the option for New Mexico to participate in these programs. In my view, it would be foolhardy for our State not to have that option to participate. There is no mandate that we participate. There is no mandate in any of this legislation that any farmer or water user participate. But having the option to access these resources, in my view, makes a great deal of sense.

In sum, the amendment Senator REID proposed, and the Senate adopted, may prove to be a very effective tool in helping our constituents to deal with the serious water issues they now face. Moreover, the amendment addresses the problems identified by the Farm Bureau and other entities regarding the existing section 215.

First and foremost, there will be no Federal ownership of State-based water rights as part of the program. Second, the amendment is absolutely clear that the program will be implemented as a State program, and only implemented if the State chooses for it to be implemented. There will have to be complete compliance with the substantive and procedural requirements of State water law. Finally, although the State may choose to use its program to help alleviate endangered species conflicts, this is not the sole basis or the application of the program.

Other wildlife and habitat improvement programs are also allowable, and because any water acquisition will be done by the State, Federal actions are limited—something that should alleviate a significant number of the concerns I mentioned before.

I believe the statutory language protects the State's laws and prerogatives. I believe it protects the prerogatives and rights of individual water users. I believe it can be a very useful tool for my State of New Mexico. And if there are still problems with specific aspects of the language, I am certainly willing to consider working on modifications. But it is my strong impression that this is a program that could be of great benefit to many States in the West, and we should have the option to participate if the State so chooses.

Mr. President, I yield the floor.

Mr. REID. Mr. President, I ask unanimous consent that the prior order be amended to allow Senator LUGAR to speak on the McConnell amendment, and when he finishes, we would go into recess for the party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I rise in support of the McConnell amendment. For a very small reduction in the planned increases to price support and loan guarantee rates, two meaningful improvements to the Food Stamp Program become possible. A savings, of about $500 million over 10 years, is created by reducing rates less than a cent per bushel or pound across all crops.

The application of this savings to the Food Stamp Program fulfills a bipartisan goal to further expand the standard deduction provision in the current Senate farm bill. In determining the amount of family income available for food purchases, all applicant households get the same standard deduction for basic living expenses. As my colleague, Senator MCCONNELL points out, the amount, $134 per month, doesn't vary by family size and hasn't changed in value for a number of years. Since the size of the standard deduction affects eligibility and benefit decisions, current policy has resulted in an erosion of benefits.

There is both widespread and bipartisan support for making improvements in this policy area. The administration's new budget, the Senate Agriculture Committee bill, the House nutrition title, my own farm bill proposal, as well as legislation introduced last year by Senators KENNEDY, SPECTER, LEAHY, JEFFORDS, GRAHAM, CLINTON, DASCHLE, CHAFEE, and CORZINE all propose to tie the standard deduction to a percentage of the Federal poverty line.

Under the Senate farm bill, the standard deduction only reaches 9 percent of the poverty line, even when fully phased in. The Bush, Lugar and Kennedy-Specter proposals, in contrast, take the standard deduction to 10 percent of the poverty line over 10 years. The result is a small benefit increase. A food stamp family of four would get an additional $6 per month compared to the current Senate bill.

The second food stamp improvement the McConnell amendment makes is to modestly expand benefit access among low-income disabled persons. Specifically, the amendment would raise the asset ceiling for low-income families with a disabled member from $2,000 to $3,000.

Three thousand dollars is the asset limit for families with an elderly member. Since both the elderly and disabled face limited opportunities to replace assets, it is reasonable to have the same ceiling apply. This provision reduces the need for low-income disabled persons to spend down savings before becoming eligible for food stamp benefits.

Voting for this amendment is a small gesture that makes a positive difference for many and takes a modest step toward repairing the impact of substantial budget cuts sustained by the Food Stamp Program in the mid-1990s.

I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:15 p.m. today.

There being no objection, the Senate, at 12:33 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Presiding Officer (Mr. CLELAND).

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, at 2:50 we will provide an opportunity for Members to offer amendments. Members have until 3 p.m. to offer their amendments or there will be no more amendments than those offered. I ask unanimous consent, regardless of what we are involved in, there be a period from 2:50 until 3 p.m. that Members have the opportunity to offer amendments if they so choose and we would lay amendments aside to allow Senators to offer their amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wyoming.

AMENDMENT NO. 2846 TO AMENDMENT NO. 2471

Mr. ENZI. I ask unanimous consent to lay aside the current amendment and I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. ENZI] proposes an amendment numbered 2846 to amendment numbered 2471.

Mr. ENZI. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To authorize the President to establish a pilot emergency relief program under the Agricultural Trade Development and Assistance Act of 1954 to provide live lamb to Afghanistan)

On page 337, strike line 11 and insert the following:

SEC. 309. PILOT EMERGENCY RELIEF PROGRAM TO PROVIDE LIVE LAMB TO AFGHANISTAN.

Title II of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1721 et seq.) is amended by adding at the end the following:

"SEC. 209. PILOT EMERGENCY RELIEF PROGRAM TO PROVIDE LIVE LAMB TO AFGHANISTAN.

"(a) IN GENERAL.—The President may establish a pilot emergency relief program under this title to provide live lamb to Afghanistan on behalf of the people of the United States.

"(b) REPORT.—Not later than January 1, 2004, the Secretary shall submit to Congress a report that—

"(1)(A) evaluates the success of the program under subsection (a); or

"(B) if the program has not succeeded or has not been implemented, explains in detail why the program has not succeeded or has not been implemented; and

"(2) discusses the feasibility and desirability of providing assistance in the form of live animals.".

Mr. ENZI. Mr. President, I will refrain from most of my debate until later. I will give a brief explanation of what the bill does.

It is a pilot project to provide lamb to Afghanistan. Wyoming has the Air National Guard that has the capability of moving livestock from the United States to Afghanistan, and there are several other units in the United States. It provides the USDA, from among current funds, to purchase a pilot project in lamb and ship it by way of military transport to Afghanistan.

We have heard the story, give a person a fish, it will feed them for a day; teach a person to fish, it will feed them for a lifetime. This is in that category. This is the opportunity to build up their herds. They do not have much refrigeration. They can use the herd, grow the herd, and the production from the herd can be used for food, and it can be butchered at the time they need it, so there is no refrigeration problem.

We think it will solve a lot of problems. The amendment is wide open for how extensive the pilot project could be. It does call for a report in January of 2004 to explain whether it worked or did not work, whether it was implemented or not, and if it was not implemented, to explain why it was not implemented.

The idea is very simple. We should ship live lamb to Afghanistan not only to assist the numerous tribes in rebuilding their flocks of sheep, but to provide immediate protein to their diets.

My amendment would authorize the President to study the feasibility of sending live lamb to Afghanistan. My amendment requires the President to report to Congress on the feasibility of a pilot live lamb program. The report would include information on the cost and the logistics of the program. A favorable report could begin a series of shipments to Afghanistan, while an unfavorable report would lead us to reevaluate how the program could succeed. Because this program only mandates a report, it is budget neutral.

The continued need for food in Afghanistan is great. We are all well-acquainted with the unique problems facing food aid to Afghanistan. The country's northern terrain is mountainous. Few roads traverse the area. The number of roads is even smaller when you consider that food, typically grain, is hauled in large trucks. These trucks require passable roads. Lastly, we have to consider the high altitude of Afghanistan. Much like my own State, winter in Afghanistan shuts down passage on all mountain roads. The only option is to consider moving food aid through the gentler southern landscape. After a brief glance at the countries on Afghanistan's southern border, we know that we couldn't depend on them as ports of entry to ship food aid to Afghanistan.

The idea to ship live lamb to Afghanistan originated when I was considering the great obstacles that prevented trucks from delivering food aid to the interior of Afghanistan. But, if we couldn't move the food, why couldn't the food move itself? Live lamb was the natural answer.

Lamb has been a traditional part of the diet for the people of the region for many years and has no religious prohibitions. Once the lamb arrives at the edge or in the region, it can easily be distributed to the needy area on foot or by truck. Sheep are well known for their agility and ability to adapt to mountainous regions. Once the lambs are distributed, the families, themselves, can decide how and when to slaughter the lambs or even use the lambs to build up their family stock.

Now here in America, most parents wouldn't be comfortable slaughtering a lamb in the back yard. Most families in Afghanistan don't receive their meat on a styrofoam platter in Saran wrap from the grocery store. They are very comfortable slaughtering their own livestock for sustenance in very traditional ways.

In an effort to ensure this program would be handled correctly, I did give USAID, United States Agency for International Development, an opportunity to view an earlier version of the amendment that mandated the program. USAID raised a few concerns to the amendment. One concern is that lamb would not provide the same caloric value per dollar as grain. In response to this and other concerns, I scaled the amendment back to a study. I realize the importance of getting as many calories as possible across the ocean and to the Afghan people today, but my amendment looks ahead to the future. While we address the immediate needs of the Afghan people, we cannot ignore the fact that the people need long-term assistance.

Mr. President, this is a simple idea with a great possibility of benefits for the Afghan people. Congress, and all Americans, are working to assist the Afghan people in the development of a stronger and long-lasting stable government.

As we are all too aware, the people of Afghanistan have suffered over two decades of turmoil, nearly 4 years of drought, and the oppressive rule of the Taliban regime. Even before 2001, Afghanistan had the worst nutrition situation in the world and the highest maternal mortality rate. Nearly one-fifth of Afghans depend on humanitarian aid for survival. In the last year, the situation has gotten even worse.

I am pleased that the United States has been a staunch supporter of the Afghan people and a large contributor of humanitarian aid. In fact, since 1979 the United States has contributed more than $1 billion in humanitarian assistance to the Afghan people. The

United States has represented about two-thirds of the total contribution of the international community. I believe this amendment continues our history of providing aid where it is needed.

The uniqueness of sending live lamb could open the doors for other areas of aid as well. My amendment does not require the program to be carried out, nor does it put additional burdens on the budget, it simply calls for a study. The study of a program that could have an impact on so many people should be supported.

I know my colleagues are aware of the amounts of aid we are already sending to Afghanistan. I am aware that there remain some concerns about how we can send live lamb half-way around the world. I hope my colleagues will support this amendment in order to explore new strategies of providing a long-term aid to the people of Afghanistan.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

AMENDMENT NO. 2847 TO AMENDMENT NO. 2471

Mr. WELLSTONE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is laid aside. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 2847 to amendment No. 2471.

Mr. WELLSTONE. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose. To insert in the environmental quality incentives program provisions relating to confined livestock feeding operations and insert a payment limitation)

Beginning on page 217, strike line 12 and all that follows through page 235, line 6 and insert the following:

(iii) REQUIREMENT.—A comprehensive nutrient management plan shall meet all Federal, State, and local water quality and public health goals and regulations, and in the case of a large confined livestock operation (as defined by the Secretary), shall include all necessary and essential land treatment practices and determined by the Secretary.

(3) ELIGIBLE LAND.—The term "eligible land" means agriculture land (including cropland, grassland, rangeland, pasture, private nonindustrial forest land and other land on which crops or livestock are produced), including agricultural land that the Secretary determines poses a serious threat to soil, water, or related resources by reason of the soil types, terrain, climatic, soil, topographic, flood, or saline characteristics, or other factors or natural hazards.

(4) INNOVATIVE TECHNOLOGY.—The term "innovative technology" means a new conservation technology that, as determined by the Secretary—

(A) maximizes environmental benefits;

(B) complements agricultural production; and

(C) may be adopted in a practical manner.

(5) LAND MANAGEMENT PRACTICE.—The term "land management practice" means a site-specific nutrient or manure management, integrated pest management, irrigation management, tillage or residue management, grazing management, air quality management, or other land management practice carried out on eligible land that the Secretary determines is needed to protect from degradation, in the most cost-effective manner, water, soil, or related resource.

(6) LIVESTOCK.—The term "livestock" means dairy cattle, beef cattle, laying hens, broilers, turkeys, swine, sheep, and other such animals as are determined by the Secretary.

(7) MANAGED GRAZING.—The term "managed grazing" means the application of 1 or more practices that involve the frequent rotation of animals on grazing land to—

(A) enhance plant health;

(B) limit soil erosion;

(C) protect ground and surface water quality; or

(D) benefit wildlife.

(8) MAXIMIZE ENVIRONMENTAL BENEFITS PER DOLLAR EXPENDED.—

(A) IN GENERAL.—The term "maximize environmental benefits per dollar expended" means to maximize environmental benefits to the extent the Secretary determines is practicable and appropriate, taking into account the amount of funding made available to carry out this chapter.

(B) LIMITATION.—The term "maximize environmental benefits per dollar expended" does not require the Secretary—

(i) to require the adoption of the least cost practice or technical assistance; or

(ii) to require the development of a plan under section 1240E as part of an application for payments or technical assistance.

(9) PRACTICE.—The term "practice" means 1 or more structural practices, land management practices, and comprehensive nutrient management planning practices.

(10) PRODUCER.—

(A) IN GENERAL.—The term "producer" means an owner, operator, landlord, tenant, or sharecropper that—

(i) shares in the risk of producing any crop or livestock; and

(ii) is entitled to share in the crop or livestock available for marketing from a farm (or would have shared had the crop or livestock been produced).

(B) HYBRID SEED GROWERS.—In determining whether a grower of hybrid seed is producer, the Secretary shall not take into consideration the existence of hybrid seed contract.

(11) PROGRAM.—The term "program" means the environmental quality incentives program comprised of sections 1240 through 1240J.

(12) STRUCTURAL PRACTICE.—The term "structural practice" means—

(A) the establishment on eligible land of a site-specific animal waste management facility, terrace, grassed waterway, contour grass strip, filterstrip, tailwater pit, permanent wildlife habitat, constructed wetland, or other structural practice that the Secretary determines is needed to protect, in the most cost effective manner, water, soil, or related resources from degradation; and

(B) the capping of abandoned wells on eligible land.

SEC. 1240B. ESTABLISHMENT AND ADMINISTRATION OF ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—During each of the 2002 through 2006 fiscal years, the Secretary shall provide technical assistance, cost-share payments, and incentive payments to producers that enter into contracts with the Secretary under the program.

(2) ELIGIBLE PRACTICES.—

(A) STRUCTURAL PRACTICES.—A producer that implements a structural practice shall be eligible for any combination of technical assistance, cost-share payments, and education.

(B) LANDS MANAGEMENT PRACTICES.—A producer that performs a land management practice shall be eligible for any combination of technical assistance, incentive payments, and education.

(C) COMPREHENSIVE NUTRIENT MANAGEMENT PLANNING.—A producer that develops a comprehensive nutrient management plan shall be eligible for any combination of technical assistance, incentive payments, and education.

(3) EDUCATION.—The Secretary may provide conservation education at national, State, and local levels consistent with the purposes of the program to—

(A) any producer that is eligible for assistance under the program; or

(B) any producer that is engaged in the production of an agricultural commodity.

(b) APPLICATION AND TERM.—With respect to practices implemented under this program—

(1) a contract between a producer and the Secretary may—

(A) apply to 1 or more structural practices, land management practices, and comprehensive nutrient management planning practices; and

(B) have a term of not less than 3, or more than 10 years, as determined appropriate by the Secretary, depending on the practice or practices that are the basis of the contract;

(2) a producer may not enter into more than 1 contract for structural practices involving livestock nutrient management during the period of fiscal years 2002 through 2006; and

(3) a producer that has an interest in more than 1 large confined livestock operation, as defined by the Secretary, may not enter into more than 1 contract for cost-share payments for a storage or treatment facility, or associated waste transport or transfer device, to manage manure, process wastewater, or other animal waste generated by the large confined livestock feeding operation.

(c) APPLICATION AND EVALUATION.—

(1) IN GENERAL.—The Secretary shall establish an application and evaluation process for awarding technical assistance, cost share payments and incentive payments to a producer in exchange for the performance of 1 or more practices that maximize environmental benefits per dollar expended.

(2) COMPARABLE ENVIRONMENTAL VALUE.—

(A) IN GENERAL.—The Secretary shall establish a process for selecting applications for technical assistance, cost share payments, and incentive payments in any case in which there are numerous applications for assistance for practices that would provide substantially the same level of environmental benefits.

(B) CRITERIA.—The process under subparagraph (A) shall be based on—

(i) a reasonable estimate of the projected cost of the proposals described in the applications; and

(ii) the priorities established under the program, and other factors, that maximize environmental benefits per dollar expended.

(3) CONSENT OF OWNER.—If the producer making an offer to implement a structural practice is a tenant of the land involved in

agricultural production, for the offer to be acceptable, the producer shall obtain the consent of the owner of the land with respect to the offer.

(4) Bidding down.—If the Secretary determines that the environmental values of 2 or more applications for technical assistance, cost-share payments, or incentive payments are comparable, the Secretary shall not assign a higher priority to the application only because it would present the least cost to the program established under the program.

(d) Cost-Share Payments.—

(1) In general.—Except as provided in paragraph (2), the cost-share payments provided to a producer proposing to implement 1 or more practices under the program shall be not more than 75 percent of the cost of the practice, as determined by the Secretary.

(2) Exceptions.—

(A) Limited resource and beginning farmers.—The Secretary may increase the amount provided to a producer under paragraph (1) to not more than 90 percent if the producer is a limited resource or beginning farmer or rancher, as determined by the Secretary.

(B) Cost-share assistance from other sources.—Except as provided in paragraph (3), any cost-share payments received by a producer from a State or private organization or person for the implementation of 1 or more practices on eligible land of the producer shall be in addition to the payments provided to the producer under paragraph (1).

(3) Other payments.—A producer shall not be eligible for cost-share payments for practices on eligible land under the program if the producer receives cost-share payments or other benefits for the same practice on the same land under chapter 1 and the program.

(e) Incentive Payments.—The Secretary shall make incentive payments in an amount and at a rate determined by the Secretary to be necessary to encourage a producer to perform 1 or more practices.

(f) Technical Assistance.—

(1) In general.—The Secretary shall allocate funding under the program for the provision of technical assistance according to the purpose and projected cost for which the technical assistance is provided for a fiscal year.

(2) Amount.—The allocated amount may vary according to—

(A) the type of expertise required;

(B) the quantity of time involved; and

(C) other factors as determined appropriate by the Secretary.

(3) Limitation.—Funding for technical assistance under the program shall not exceed the projected cost to the Secretary of the technical assistance provided for a fiscal year.

(4) Other authorities.—The receipt of technical assistance under the program shall not affect the eligibility of the producer to receive technical assistance under other authorities of law available to the Secretary.

(5) Incentive payments for technical assistance.—

(A) In general.—A producer that is eligible to receive technical assistance for a practice involving the development of a comprehensive nutrient management plan may obtain an incentive payment that can be used to obtain technical assistance associated with the development of any component of the comprehensive nutrient management plan.

(B) Purpose.—The purpose of the payment shall be to provide a producer the option of obtaining technical assistance for developing any component of a comprehensive nutrient management plan from a certified provider.

(C) Payment.—The incentive payment shall be—

(i) in addition to cost-share or incentive payments that a producer would otherwise receive for structural practices and land management practices;

(ii) used only to procure technical assistance from a certified provider that is necessary to develop any component of a comprehensive nutrient management plan; and

(iii) in an amount determined appropriate by the Secretary, taking into account—

(I) the extent and complexity of the technical assistance provided;

(II) the costs that the Secretary would have incurred in providing the technical assistance; and

(III) the costs incurred by the private provider in providing the technical assistance.

(D) Eligible practices.—The Secretary may determine, on a case by case basis, whether the development of a comprehensive nutrient management plan is eligible for an incentive payment under this paragraph.

(E) Certification by secretary.—

(i) In general.—Only persons that have been certified by the Secretary under section 1244(f)(3) shall be eligible to provide technical assistance under this subsection.

(ii) Quality assurance.—The Secretary shall ensure that certified providers are capable of providing technical assistance regarding comprehensive nutrient management in a manner that meets the specifications and guidelines of the Secretary and that meets the needs of producers under the program.

(F) Advance payment.—On the determination of the Secretary that the proposed comprehensive nutrient management of a producer is eligible for an incentive payment, the producer may receive a partial advance of the incentive payment in order to procure the services of a certified provider.

(G) Final payment.—The final installment of the incentive payment shall be payable to a producer on presentation to the Secretary of documentation that is satisfactory to the Secretary and that demonstrates—

(i) completion of the technical assistance; and

(ii) the actual cost of the technical assistance.

(g) Modification or Termination of Contracts.—

(1) Voluntary modification or termination.—The Secretary may modify or terminate a contract entered into with a producer under this chapter if—

(A) the producer agrees to the modification or termination; and

(B) the Secretary determines that the modification or termination is in the public interest.

(2) Involuntary termination.—The Secretary may terminate a contract under this chapter if the Secretary determines that the producer violated the contract.

SEC. 1240C. EVALUATION OF OFFERS AND PAYMENTS.

(a) In General.—In evaluating applications for technical assistance, cost-share payments, and incentive payments, the Secretary shall accord a higher priority to assistance and payments that—

(1) maximize environmental benefits per dollar expended; and

(2)(A) address national conservation priorities, including—

(i) meeting Federal, State, and local environmental purposes focused on protecting air and water quality, including assistance to production systems and practices that avoid subjecting an operation to Federal, State, or local environmental regulatory systems;

(ii) applications from livestock producers using managed grazing systems and other pasture and forage based systems;

(iii) comprehensive nutrient management;

(iv) water quality, particularly in impaired watersheds;

(v) soil erosion;

(vi) air quality; or

(vii) pesticide and herbicide management or reduction;

(B) are provided in conservation priority areas established under section 1230(c);

(C) are provided in special projects under section 1243(f)(4) with respect to which State or local governments have provided, or will provide, financial or technical assistance to producers for the same conservation or environmental purposes; or

(D) an innovative technology in connection with a structural practice or land management practice.

SEC. 1240D. DUTIES OF PRODUCERS.

(a) To receive technical assistance, cost-share payments, or incentive payments under the program, a producer shall agree—

(1) to implement an environmental quality incentives program plan that describes conservation and environmental purposes to be achieved through 1 or more practices that are approved by the Secretary;

(2) not to conduct any practices on the farm or ranch that would tend to defeat the purposes of the program;

(3) on the violation of a term or condition of the contract at any time the producer has control of the land—

(A) if the Secretary determines that the violation warrants termination of the contract—

(i) to forfeit all rights to receive payments under the contract; and

(ii) to refund to the Secretary all or a portion of the payments received by the owner or operator under the contract, including any interest on the payments, as determined by the Secretary; or

(B) if the Secretary determines that the violation does not warrant termination of the contract, to refund to the Secretary, or accept adjustments to, the payments provided to the owner or operator, as the Secretary determines to be appropriate;

(4) on the transfer of the right and interest of the producer in land subject to the contract, unless the transferee of the right and interest agrees with the Secretary to assume all obligations of the contract, to refund all cost-share payments and incentive payments received under the program, as determined by the Secretary;

(5) to supply information as required by the Secretary to determine compliance with the program plan and requirements of the program;

(6) to comply with such additional provisions as the Secretary determines are necessary to carry out the program plan; and

(7) to submit a list of all confined livestock feeding operations wholly or partially owned or operated by the applicant.

SEC. 1240E. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM PLAN.

(a) In General.—To be eligible to receive technical assistance, cost-share payments, or incentive payments under the program, a producer of a livestock or agricultural operation shall submit to the Secretary for approval a plan of operations that specifies practices covered under the program, and is based on such terms and conditions, as the Secretary considers necessary to carry out the program, including a description of the practices to be implemented and the purposes to be met by the implementation of the plan, and in the case of confined livestock feeding operations, development and implementation of a comprehensive nutrient management plan, and in the case of confined livestock feeding operations, development and implementation of a comprehensive nutrient management plan.

(b) AVOIDANCE OF DUPLICATION.—The Secretary shall, to the maximum extent practicable, eliminate duplication of planning activities under the program and comparable conservation programs.

SEC. 1240F. DUTIES OF THE SECRETARY.

(a) To the extent appropriate, the Secretary shall assist a producer in achieving the conservation and environmental goals of a program plan by—

(1) providing technical assistance in developing and implementing the plan;

(2) providing technical assistance, cost-share payments, or incentive payments for developing and implementing 1 or more practices, as appropriate;

(3) providing the producer with information, education, and training to aid in implementation of the plan; and

(4) encouraging the producer to obtain technical assistance, cost-share payments, or grants from other Federal, State, local, or private sources.

SEC. 1240G. LIMITATION ON PAYMENTS.

(a) IN GENERAL.—Subject to subsection (b), the total amount of cost-share and incentive payments paid to a producer under this chapter shall not exceed—

(1) $30,000 for any fiscal year, regardless of whether the producer has more than 1 contract under this chapter for the fiscal year;

(2) $90,000 for a contract with a term of 3 years;

(3) $120,000 for a contract with a term of 4 years; or

(4) $150,000 for a contract with a term of more than 4 years.

(b) ATTRIBUTION.—An individual or entity shall not receive, directly or indirectly, total payments from a single or multiple contracts this chapter that exceed $30,000 for any fiscal year.

(c) EXCEPTION TO ANNUAL LIMIT.—The Secretary may exceed the limitation on the annual amount of a payment to a producer under subsection (a)(1) if the Secretary determines that a larger payment is—

(1) essential to accomplish the land management practice or structural practice for which the payment is made to the producer; and

(2) consistent with the maximization of environmental benefits per dollar expended and the purposes of this chapter.

(d) VERIFICATION.—The Secretary shall identify individuals and entities that are eligible for a payment under the program using social security numbers and taxpayer identification numbers, respectively.

Mr. WELLSTONE. This amendment is a modified version of the amendment I offered last week to reform the EQIP program. The central argument against my amendment last week had to do with a size limitation. What this amendment does is speak to some of the concerns of my colleagues, but it still is very much a reform amendment.

No. 1, it would lower the payment limits from $50,000 per year to $30,000 per year with the EQIP program. Right now, it is only $10,000 a year. This is very consistent with the vote last week on payment limitations.

No. 2, it would prevent producers with an interest in more than one large CAFO from receiving more than one EQIP contract. This is the whole idea of conglomerates owning many of these CAFOs and receiving multiple subsidies. Again, we want to try to get support to our midsize producers, our family farmers.

No. 3, it would require producers receiving the EQIP funds to have a comprehensive nutrient management plan, environmental plan.

These are simple measures that I think make the EQIP program have more, if you will, policy integrity. I think it is very consistent with what we have been doing with the farm bill. The last amendment I introduced was a close vote. I think there are now Senators who will support this amendment.

We have the support of, among different organizations, the National Farmers Union, the Environmental Working Group, the Land Stewardship Project, Center for Rural Affairs, the Natural Resources Defense Council, Sustainable Agriculture Coalition, U.S. PIRG, and Campaign for Family Farms and the Environment.

I think this is a good reform amendment, and I will wait for further debate on the amendment, but I wanted to lay it down now. I ask unanimous consent the amendment be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2848 TO AMENDMENT NO. 2471

Mr. LUGAR. Mr. President, I send an amendment to the desk on behalf of Senator PHIL GRAMM of Texas. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the amendment by number.

The assistant legislative clerk read as follows:

The Senator from Indiana [Mr. LUGAR], for Mr. GRAMM, proposes an amendment numbered 2848 to amendment No. 2471.

The amendment is as follows:

(Purpose: To repeal the Hass Avocado Promotion, Research, and Information Act of 2000)

At the appropriate place insert the following:

(1) Title XII of H.R. 5426 of the 106th Congress, as introduced on October 6, 2000 and as enacted by Public Law 106–387 is hereby repealed.

Mr. LUGAR. The purpose of this amendment is to repeal the Hass Avocado Promotion Research and Information Act of 2000.

I ask unanimous consent that this amendment be set aside so I may offer another amendment on behalf of Senator PHIL GRAMM of Texas.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2849 TO AMENDMENT NO. 2471

Mr. LUGAR. I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Indiana [Mr. LUGAR], for Mr. GRAMM, proposes amendment numbered 2849 to amendment No. 2471.

Mr. LUGAR. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide equity and fairness for the promotion of imported Hass avocados)

At the appropriate place insert the following:

Section 1205 of the Hass Avocado Promotion, Research, and Information Act (contained in H.R. 5426 of the 106th Congress, as introduced on October 6, 2000 and as enacted by Public Law 106–387) is amended—

(1) in paragraph (b)(2) by striking subparagraph (A) and inserting in lieu thereof—

"(A) IN GENERAL.—The order shall provide that the Secretary shall appoint the members of the Board, and any alternates, from among domestic producers and importers of Hass avocados subject to assessments under the order to reflect the proportion of domestic production and imports supplying the United States market, which shall be based on the Secretary's determination of the average volume of domestic production of Hass avocados proportionate to the average volume of imports of Hass avocados in the United States over the previous three years.";

(2) in paragraph (b)(2)(B) by striking "under subparagraph (A)(iii) on the basis of the amount of assessments collected from producers and importers over the immediately preceding three-year period" and inserting "under subparagraph (A)";

(3) in paragraph (h)(1)(C)(iii) by striking everything in the first sentence following "by the importer" and inserting in lieu thereof "to the respective importers association, or if there is no such association to the Board, within such time period after the retail sale of such avocados in the United States (not to exceed 60 days after the end of the month in which the sale took place) as is specified for domestically produced avocados."; and

(4) in paragraph (9) by inserting at the end the following:

"(D) All importers of avocados from a country associated with an importers association based on country-of-origin activities shall be required to be members of such importers association, and membership in such importers association shall be open to any foreign avocado exporter or grower who elects to voluntarily join."

Mr. LUGAR. Mr. President, the purpose of this amendment is to provide equity and fairness for the promotion of imported Hass avocados.

I am introducing the amendments at this time in recognition of the fact that we have a deadline of 3 p.m. for introduction of all amendments. At some point, it is certainly possible that Senator GRAMM will come to the floor and argue in behalf of his amendments, and others may do so also.

For the moment, I ask the amendment be laid aside, and I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LUGAR. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2850 TO AMENDMENT NO. 2471

Mr. LUGAR. Mr. President, on behalf of Senator KYL and Senator NICKLES, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

The Senator from Indiana [Mr. LUGAR], for Mr. KYL, for himself and Mr. NICKLES, proposes an amendment numbered 2850 to amendment No. 2471.

Mr. LUGAR. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

SEC. . SENSE OF THE SENATE ON PERMANENT REPEAL OF ESTATE TAXES.

(a) FINDINGS.—

(1) The Economic Growth and Tax Relief Reconciliation Act of 2001 provided substantial relief from federal estate and gift taxes beginning this year and repealed the federal estate tax for one year beginning on January 1, 2010, and

(2) The Economic Growth and Tax Relief Reconciliation Act of 2001 contains a "sunset" provision that reinstates the federal estate tax at its 2001 level beginning on January 1, 2011.

(3) SENSE OF THE SENATE.—Therefore, it is the Sense of the Senate that the repeal of the estate tax should be made permanent by eliminating the sunset provision's applicability to the estate tax.

Mr. LUGAR. Mr. President, I ask the amendment be laid aside, and I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I further ask unanimous consent that it be in order for me to make my remarks seated at my desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

AMENDMENT NO. 2822 TO AMENDMENT NO. 2471

Mr. HELMS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2822 to amendment No. 2471.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To exclude birds, rats of the genus Rattus, and mice of the genus Mus from the definition of animal under the Animal Welfare Act)

On page 945, strike lines 6 and 7 and insert the following:

SEC. 1024. DEFINITION OF ANIMAL UNDER THE ANIMAL WELFARE ACT.

Section 2(g) of the Animal Welfare Act (7 U.S.C. 2132(g)) is amended by striking "excludes horses not used for research purposes and" and inserting the following: "excludes birds, rats of the genus Rattus, and mice of the genus Mus bred for use in research, horses not used for research purposes, and".

SEC. 1025. PENALTIES AND FOREIGN COMMERCE PROVISIONS OF THE ANIMAL WELFARE ACT.

Mr. HELMS. Mr. President, my amendment will clarify once and for all any question about rats, mice and birds used for medical research under the Animal Welfare Act. Approval of this amendment will make sure that none of the important work taking place in the medical research community will be delayed, made more expensive, or be otherwise compromised by regulatory shenanigans on the part of the U.S. Department of Agriculture.

Specifically, this amendment will follow Congressional intent by excluding rats, mice and birds from the definition of "animal" under the Animal Welfare Act. This has been the established practice of USDA during the more than 30 years that the Animal Welfare Act has been the law of the land during which time scientists and researchers have developed extensive protocols based on current regulatory procedures based on that Act.

So, the medical research community was astonished the U.S. Department of Agriculture, weary and browbeat into submission by numerous lawsuits and petitions by the so-called "animal rights" crowd, gave notice of its intent to add rats, mice, and birds under the regulatory umbrella. I hasten to add that 90 percent of the mice, rats, and birds used in animal research are already being regulated by the NIH Office of Laboratory Animal Welfare and the Food and Drug Administration.

But that is not enough for the professional activists who delight in creating mischievous controversies like this. The problem, however, is that their mischief-making in this case has serious real-life complications for the life-saving research in laboratories all over America. The paperwork burden alone is extraordinary: If USDA is allowed to move forward with their new rules, it is estimated that the additional reporting requirements and paperwork will cost the researchers up to $280 million annually.

So instead of searching for cures for breast cancer, cystic fibrosis, heart disease, and diabetes, USDA will force researchers out of the laboratory to spend their time filling out countless forms for yet another federal regulator. This unnecessary paperwork will simply demonstrate what the federal government already knows: that animal researchers already treat research animals in a professional and humane manner.

A rodent could do a lot worse than live out its life span in research facilities. I was surprised to learn from the Wall Street Journal that more than 10 times as many rodents are raised and sold as food for reptiles than are used by the medical research community. But nobody raises a point about that. I wonder if anyone in the Chamber has ever seen a hungry python eat a mouse. If you have, then you know it is not a pretty picture for the mouse. Isn't it far better for the mouse to be fed and watered in a clean laboratory than to end up as a tiny bulge being digested inside an enormous snake?

I suspect Mrs. Helms would have a word or two for me if I forgot to phone the exterminator upon finding evidence that a mouse has taken up residence in our basement. Alas, extermination remains the fate every year of hundreds of thousands of rodents that have not found the relative safety of a research laboratory.

It is anything but a joking matter when regulatory heavy-handedness prevents researchers who are working diligently to find cures for deadly diseases. Consider the following recent medical discoveries in which humane animal research has played a role:

Breast cancer researchers learned recently that laboratory rats that are fed high-fiber diets develop significantly fewer breast tumors than rats receiving little or no fiber.

Asthma researchers recently used transgenic mice to isolate a specific gene that plays a key role in causing human asthma, and have now developed an animal model to test new asthma treatments.

Scientists are aggressively studying rats to learn more about recovery of motor skills after spinal cord injuries, and are already reporting advances in knowledge about the relationship between motor functions and the nerve cells that send signals to motor neurons.

There are dozens of other such examples of the medical advances made as a result of animal research, and I feel a sense of outrage, personally, that a Federal agency would now try to make it more difficult to accomplish this important work that will benefit humanity.

So, Mr. President, I hope the Senate will resist the extremism of activists and deliver a richly deserved rebuke to the methods of these people who are protesting so mightily. It is time to definitively settle this matter, to end the debate, and to approve the pending amendment, thereby allowing scientists to return to the laboratory without the specter of burdensome new Federal regulations to hamstring their research.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

At this time there is not a sufficient second.

Mr. HELMS. Mr. President, thank you very much. I understand that the request for the yeas and nays will be made in my absence by the managers of the bill and others. I have been assured, I assume, we will have a rollcall vote.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

AMENDMENT NO. 2851 TO AMENDMENT NO. 2471

Mr. LUGAR. Mr. President, on behalf of Senator DOMENICI, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Indiana [Mr. LUGAR], for Mr. DOMENICI, proposes an amendment numbered 2851 to amendment No. 2471.

Mr. LUGAR. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require the Secretary of Agriculture to make payments to producers)

Strike section 132 and insert the following:

SEC. 132. NATIONAL DAIRY PROGRAM.

The Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 772(b) of Public Law 107-76) is amended by inserting after section 141 (7 U.S.C. 7251) the following:

"SEC. 142. NATIONAL DAIRY PROGRAM.

"(a) DEFINITIONS.—In this section:

"(1) DAIRY FARM.—

"(A) IN GENERAL.—The term 'dairy farm' means a dairy farm that is—

"(i) located within the United States;

"(ii) permitted under a license issued by State or local agency or the Secretary—

"(I) to market milk for human consumption; or

"(II) to process milk into products for human consumption; and

"(iii) operated by producers that commercially market milk during the payment period.

"(B) EXCLUSION.—The term 'dairy farm' does not include a farm that is operated by a successor to a producer.

"(2) ELIGIBLE PRODUCTION.—The term 'eligible production' means the quantity of milk that is produced and marketed on a dairy farm.

"(3) PAYMENT PERIOD.—The term 'payment period' means—

"(A) the period beginning on December 1, 2001, and ending on September 30, 2002; and

"(B) each of fiscal years 2003 through 2005.

"(4) PRODUCER.—The term 'producer' means the individual or entity that is the holder of the license described in paragraph (1)(A)(ii) for the dairy farm.

"(b) PROGRAM.—The Secretary shall make payments to producers.

"(c) AMOUNT.—Subject to subsection (h), payments to producers on a dairy farm under this section shall be calculated by multiplying—

"(1) the eligible production during the payment period; by

"(2) the payment rate.

"(d) PAYMENT RATE.—

"(1) IN GENERAL.—Subject to paragraph (2), the payment rate for a payment under this subsection shall be equal to $0.315 per hundredweight.

"(2) ADJUSTMENT.—The Secretary may adjust the payment rate under paragraph (1) with respect to the last fiscal year of the payment period if the Secretary determines that there are insufficient funds made available under subsection (h) to carry out this section for that fiscal year.

"(e) APPLICATION FOR PAYMENT.—To be eligible for a payment for a payment period under this section, the producers on a dairy farm shall submit an application to the Secretary in such manner as is prescribed by the Secretary.

"(f) TIMING OF PAYMENTS.—Payments under this section shall be made on an annual basis.

"(g) ADJUSTMENTS.—The Secretary may provide for the adjustment of eligible production of a dairy farm under this section if the production of milk on the dairy farm has been adversely affected by (as determined by the Secretary)—

"(1) damaging weather or a related condition;

"(2) a criminal act of a person other than the producers on the dairy farm; or

"(3) any other act or event beyond the control of the producers on the dairy farm.

"(h) FUNDING.—The Secretary shall use not more than $2,000,000,000 of funds of the Commodity Credit Corporation to carry out this section.".

Mr. LUGAR. Mr. President, Senator DOMENICI proposes a different formula for dairy payments. I will discuss the issue for a few minutes before laying the amendment aside for further debate.

Some in the Senate have decided to provide $2 billion in payments to dairy farmers over the next 5 years. However, there is considerable disparity in the way these payments will be distributed under the Daschle substitute.

The Daschle substitute establishes different payment rates, different target prices, and different payments for a handful of States.

The Daschle substitute would provide 25 percent of the producer payments to producers in States that account for only 18 percent of our Nation's milk.

There is no sound policy reason for this disparity.

Senator DOMENICI has asked that we look specifically at New Mexico. Under the current proposal, New Mexico would average about 6 cents per hundredweight on milk, while producers in Maine would average almost 90 cents.

A 1,000-cow herd in New Mexico would receive from zero, in a low market scenario, to $22,000. If this same farm were located in New York, for example, these numbers could be far higher.

Dairy farmers work in a national market. Dairy farmers not only sell products nationally, but they buy supplies and services nationally.

Dairy farmers from all over the country go to an auction in Indiana to buy heifers for their herds. Under the pending bill, a farmer from Pennsylvania will be able to pay more for heifers than a farmer from Indiana because of the Federal Government has given the Pennsylvania farmer a financial advantage in this transaction.

Senator DOMENICI proposes that we distribute this $2 billion in an equitable manner under a program that is national in scope. Under his amendment, every dairy producer, regardless of where they milk, is treated the same.

Under his proposal, producers in 36 States will receive more than what they would receive under the Daschle substitute.

The amendment is relatively simple. It would provide producers with one annual payment over the next 5 years.

Defining a target price and payment rate would also be difficult under the Daschle procedures. Prices are announced for different classes for different regions using different tests.

To simplify payments, the Domenici amendment proposes to level out the payment with one rate, paid annually on all of a producer's milk. Estimates show 31.5 cents would cover all of the milk nationwide. The $2 billion cap would force the Secretary to adjust in the final year to make sure the amount is not exceeded.

A fixed payment is not only more cost effective to administer, but it will provide predictability in a volatile price market. Producers will be able to plan. If it is already a "good year," producers can set the payment aside for future years that may not be so good or pay down debt to better weather future economic storms.

On behalf of Senator DOMENICI, I urge my colleagues to carefully consider the ramifications for dairy farmers in their States and to vote in favor of the Domenici amendment.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MILLER. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2832, AS MODIFIED, TO AMENDMENT NO. 2471

Mr. MILLER. Mr. President, I lay an amendment on the desk with modification.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Georgia [Mr. MILLER], for himself and Mr. CLELAND, proposes an amendment numbered 2832, as modified, to amendment No. 2471.

The amendment, as modified, is as follows:

(Purpose: To modify the sections providing marketing assistance loans and quality improvement for peanuts)

On page 112, after line 25, insert the following:

"(6) LOAN SERVICING AGENT.—If approved by a majority of historical peanut producers in a State voting in a referendum conducted by the Secretary, as a condition of the Secretary's approval of an entity to serve as a loan servicing agent or to handle or store peanuts for producers that receive any marketing loan benefits in the State, the entity shall agree to provide adequate storage (if available) and handling of peanuts at the commercial rate to other approved loan servicing agents and marketing associations.

On page 116, strike lines 6 through 15 and insert the following:

"(h) AREA MARKETING ASSOCIATION COSTS.—If approved by a majority of historical peanut producers in a State voting in a referendum conducted by the Secretary, the Secretary shall include in a marketing assistance loan made to an area marketing association in a marketing area in the State, at the option of the marketing association, such costs as the area marketing association may reasonably incur in carrying out the responsibilities, operations, and activities of the association and Commodity Credit Corporation under this section.

"(i) DEFINITION OF COMMINGLE.—In this section and section 158H, the term 'commingle', with respect to peanuts, means—

"(1) the mixing of peanuts produced on different farms by the same or different producers; or

"(2) the mixing of peanuts pledged for marketing assistance loans with peanuts that are not pledged for marketing assistance loans, to facilitate storage.

"SEC, 158H. QUALITY IMPROVEMENT.

"(a) OFFICIAL INSPECTION.—

"(1) IN GENERAL.—All peanuts placed under a marketing assistance loan under section 158G or otherwise sold or marketed shall be officially inspected and graded by a Federal or State inspector.

"(2) ACCOUNTING FOR COMMINGLED PEANUTS.—If approved by a majority of historical peanut producers in a State voting in a referendum conducted by the Secretary, all peanuts stored commingled with peanuts covered by a marketing assistance loan in the State shall be graded and exchanged on a dollar value basis, unless the Secretary determines that the beneficial interest in the peanuts covered by the marketing assistance loan have been transferred to other parties prior to demand for delivery.

Mr. MILLER. Mr. President, I ask unanimous consent that Senator HELMS be added as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, the cosponsor will be added.

Mr. MILLER. Thank you, Mr. President.

Mr. President, this is an amendment that we believe will help ease the transition from the peanut quota system to the new market-oriented program.

This amendment would increase the compensation for quota holders from 10 cents per pound to 11 cents per pound. This amendment that we offer today—the Cleland-Miller-Helms amendment—will go a long way to help citizens in more than 15 States make the transition to the new peanut program.

I may be back later, Mr. President, if further debate is needed on this amendment.

I thank the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I applaud the Senators from Georgia for their advocacy on behalf of some of the people who sent them here: those who are growers of peanuts. I tell you, the two Senators from Georgia—Senator CLELAND and Senator MILLER—have been very determined advocates on behalf of the farmers they represent.

I just hope the people back home realize how much energy and effort the two Senators have expended to secure what is needed to help their people.

Senator MILLER, who is a very respected member of the Senate Agriculture Committee, and Senator CLELAND, who had a distinguished record of service in Washington before he ever came to the Senate and is respected on both sides of the aisle, have made very clear how important this is to their constituents.

I salute them for their vigorous efforts.

Mr. President, I rose to speak on another matter, and that is the fundamental challenge we face with this farm bill.

I see in the press repeated indications that farm assistance is no longer needed. Nothing could be further from the truth.

What these media critics seem to fail to realize is that our people are faced with major competition in the world.

Our major competitors are the Europeans. They are providing over $300 an acre of support per year to their producers. We provide $38. We are being outgunned nearly 10 to 1. On export support, the Europeans account for 84 percent of all the world's export subsidy; we account for 3 percent. They are outgunning us nearly 30 to 1.

The fundamental question before this country is whether or not we are going to fight for our people, whether or not we are going to give them a fair, fighting chance.

I thank the Chair.

The PRESIDING OFFICER. The hour of 2:50 having arrived, debate on the current amendment is suspended to allow other amendments to be called up.

The Senator from Vermont.

AMENDMENT NO. 2834 TO AMENDMENT NO. 2471

Mr. LEAHY. Mr. President, I ask that it be in order to offer amendment No. 2834 which I believe is at the desk.

The PRESIDING OFFICER (Mr. MILLER). The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY] proposes an amendment numbered 2834 to amendment No. 2471.

Mr. LEAHY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. LEAHY. Mr. President, I rise today to offer an amendment to authorize the establishment of a new voluntary organic research and promotion program. Just over a year ago we finalized the National Organic Program Rule. As this rule is implemented, it will provide assurance to the American public that the organic food they buy is subject to strict and consistent regulation. In addition, this rule will assist organic producers who want to export their products and will ensure that imported organic agricultural commodities meet standards on par with those of the United States.

In the decade that this rule was under development, the organic industry has experienced tremendous growth rates of more than 20 percent annually—it was estimated that in 2001 sales topped $9 billion.

As this industry continues to develop, it is important to adapt existing programs to support and enhance organic agriculture, as well as provide equitable benefits to organic producers. Currently, organic farmers are required to pay into existing mandatory research and promotion programs for various commodities. Many organic farmers object to this because they believe insufficient checkoff program funds are devoted to promoting or assisting in the development of organic agriculture. While they would prefer to be exempt from those assessments entirely, my amendment offers a viable and fair alternative.

My amendment authorizes a new voluntary organic research and promotion checkoff program, which will only be established if it is proposed and approved by a majority of certified organic producers and handlers.

What distinguishes this from existing checkoff programs is that any assessments under the order would be voluntary, not mandatory—individual farmers will have the flexibility to opt-in or opt-out of this research and promotion program.

To avoid double taxation, producers who choose to contribute to the organic order would be entitled to a credit against assessments under another order—which is similar to the credit producers are entitled to under existing checkoff programs if they contribute to a state or regional order covering the same commodity.

Additional provisions in the amendment address concerns raised about existing checkoff programs—representatives on the board must reflect both the regional distribution and differing scales of organic production and, at least once every four years, a referendum on the continuance of the order must be held.

I urge my colleagues to vote in favor of this amendment, which simply gives organic farmers the opportunity to choose how their research and promotion dollars are spent.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, what is the pending amendment?

The PRESIDING OFFICER. The Leahy amendment.

AMENDMENT NO. 2852 TO AMENDMENT NO. 2471

Mr. HARKIN. Mr. President, I ask unanimous consent that that amendment be set aside so I may offer two other amendments. The first amendment I send to the desk on behalf of Senator KERRY and Senator SNOWE.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for Mr. KERRY, for himself and Ms. SNOWE, proposes an amendment numbered 2852 to amendment No. 2471.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To provide emergency disaster assistance for the commercial fishery failure with respect to Northeast multispecies fisheries)

At the appropriate place, insert the following:

SEC. . COMMERCIAL FISHERIES FAILURE.

(a) IN GENERAL.—In addition to amounts appropriated or otherwise made available by this Act, there are appropriated to the Department of Agriculture $10,000,000 for fiscal year 2002, which shall be transferred to the Commodity Credit Corporation to provide, in consultation with the Secretary of Commerce, emergency disaster assistance for the commercial fishery failure under section 308(b)(1) of the Interjurisdictional Fisheries Act of 1986 (16 U.S.C. 4107(b)(1) with respect to Northeast multispecies fisheries.

(b) PROGRAM REQUIREMENTS.—Amounts made available under this section shall be used to support a voluntary fishing capacity reduction program in the Northeast multispecies fishery that—

(1) is certified by the Secretary of Commerce to be consistent with section 312(b) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861a(b)); and

(2) permanently revokes multispecies limited access fishing permits so as to obtain the maximum sustained reduction in fishing capability at the least cost and in the minimum period of time and to prevent the replacement of fishing capacity removed by the program.

(c) APPLICATION OF INTERIM FINAL RULE.—The program shall be carried out in accordance with the Interim Final Rule under part 648 of title 50, Code of Federal Regulations, or any corresponding regulation or rule promulgated thereunder.

(d) SUNSET.—The authority provided by subsection (a) shall terminate 1 year after the date of enactment of this Act and no amount may be made available under this section thereafter.

AMENDMENT NO. 2853 TO AMENDMENT NO. 2471

Mr. HARKIN. Mr. President, I send to the desk an amendment to S. 1731 on my own behalf.

The PRESIDING OFFICER. Without objection, the pending amendment is laid aside, and the clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 2853 to amendment No. 2471.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To modify the limits on the types of communities in which Rural Business Investment Companies may invest)

At the appropriate place, add the following:

Amend Section 602 by adding after the word "concern" at the end of subsection 384I(c)(3)(C) the words "and not more than 10 percent of the investments shall be made in an area containing a city of over 100,000 in the last decennial Census and the Census Bureau defined urbanized area containing or adjacent to that city".

Mr. HARKIN. As I understand the floor situation—I will consult with my ranking member—with the hour of 3 rapidly approaching, under the unanimous consent agreement previously entered into, all amendments to the pending S. 1731 have to be offered prior to 3 o'clock this afternoon.

Mr. LEAHY. I respond to my colleague that that is our understanding. Hopefully, this colloquy will serve as an announcement to all of our colleagues who may be listening to the debate, wherever they may be, that they should proceed rapidly to the floor. Three o'clock is the cutoff time for the introduction of amendments. On our side of the aisle, we have attempted to make that known in many ways. I am hopeful that at least no one will be under any other illusion. At 3, we will have an opportunity to survey the amendments that have in fact been placed before us to try to determine, as I understand, either time agreements or the ability to accept on both sides of the aisle some of these amendments.

I see, having said that, the distinguished Senator from Oklahoma has arrived just in time.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CLELAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Mr. President, will the Senator yield for a moment?

Mr. CLELAND. I am glad to yield.

Mr. INHOFE. I only have 3 minutes to get under the deadline to offer an amendment.

The PRESIDING OFFICER. The Senator from Oklahoma.

AMENDMENT NO. 2825 TO AMENDMENT NO. 2471

Mr. INHOFE. Mr. President, I call up amendment No. 2825 to S. 1731 and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Mr. President, let me explain the amendment very briefly. I apologize to the Senator from Georgia.

All this does is take the peanut program, which is a dramatically changed program, and delay its implementation for a period of 1 year. Here is the problem we have. If we don't do that, we will have the farmers not knowing, when they go to the bank, what kind of program is going to be adopted right in the middle of their planting season. By doing this, I am sure you will be accommodating the farmers as well as saving some money in this particular year on this bill.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Oklahoma [Mr. INHOFE] proposes an amendment numbered 2825 to amendment No. 2471.

Mr. INHOFE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To require the Secretary of Agriculture to provide marketing assistance loans and loan deficiency payments for each of the 2003 through 2007 crop of peanuts)

On page 111, lines 14 and 15, strike "2002 through 2006" and insert "2003 through 2007".

The PRESIDING OFFICER. The Senator from Georgia.

Mr. CLELAND. If I may continue, I would like to recognize the hard work of my colleague, Senator MILLER, for his amazing transition to an agriculture policy wizard in less than 2 years. His hard work in the Agriculture Committee on this farm bill is a testament to his dedication to Georgia.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I have need to interrupt the distinguished Senator. We are under this limit in this final 10 minutes to offer amendments. If I may have his forbearance, I would like to offer an amendment at this point.

Mr. CLELAND. Very well.

AMENDMENT NO. 2854 TO AMENDMENT NO. 2471

Mr. LUGAR. Mr. President, on behalf of Senator MCCONNELL, I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, the clerk will report.

The legislative clerk read as follows:

The Senator from Indiana [Mr. LUGAR], for Mr. MCCONNELL, proposes an amendment numbered 2854 to amendment No. 2471.

Mr. LUGAR. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes)

On page 984, line 2, strike the period at the end and insert a period and the following:

SEC. 10 . BEAR PROTECTION.

(a) Short Title.—This section may be cited as the "Bear Protection Act of 2002".

(b) Findings.—Congress finds that—

(1) all 8 extant species of bear—Asian black bear, brown bear, polar bear, American black bear, spectacled bear, giant panda, sun bear, and sloth bear—are listed on Appendix I or II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (27 UST 1087; TIAS 8249);

(2)(A) Article XIV of CITES provides that Parties to CITES may adopt stricter domestic measures regarding the conditions for trade, taking, possession, or transport of species listed on Appendix I or II; and

(B) the Parties to CITES adopted a resolution in 1997 (Conf. 10.8) urging the Parties to take immediate action to demonstrably reduce the illegal trade in bear parts;

(3)(A) thousands of bears in Asia are cruelly confined in small cages to be milked for their bile; and

(B) the wild Asian bear population has declined significantly in recent years as a result of habitat loss and poaching due to a strong demand for bear viscera used in traditional medicines and cosmetics;

(4) Federal and State undercover operations have revealed that American bears have been poached for their viscera;

(5) while most American black bear populations are generally stable or increasing, commercial trade could stimulate poaching and threaten certain populations if the demand for bear viscera increases; and

(6) prohibitions against the importation into the United States and exportation from the United States, as well as prohibitions against the interstate trade, of bear viscera and products containing, or labeled or advertised as containing, bear viscera will assist in ensuring that the United States does not contribute to the decline of any bear population as a result of the commercial trade in bear viscera.

(c) Purpose.—The purpose of this section is to ensure the long-term viability of the world's 8 bear species by—

(1) prohibiting interstate and international trade in bear viscera and products containing, or labeled or advertised as containing, bear viscera;

(2) encouraging bilateral and multilateral efforts to eliminate such trade; and

(3) ensuring that adequate Federal legislation exists with respect to domestic trade in bear viscera and products containing, or labeled or advertised as containing, bear viscera.

(d) Definitions.—In this section:

(1) Bear viscera.—The term "bear viscera" means the body fluids or internal organs, including the gallbladder and its contents but not including the blood or brains, of a species of bear.

(2) CITES.—The term "CITES" means the Convention on International Trade in Endangered Species of Wild Fauna and Flora (27 UST 1087; TIAS 8249).

(3) Import.—The term "import" means to land on, bring into, or introduce into any place subject to the jurisdiction of the United States, regardless of whether the landing, bringing, or introduction constitutes an importation within the meaning of the customs laws of the United States.

(4) Person.—The term "person" means—

(A) an individual, corporation, partnership, trust, association, or other private entity;

(B) an officer, employee, agent, department, or instrumentality of—

(i) the Federal Government;

(ii) any State or political subdivision of a State; or

(iii) any foreign government; and

(C) any other entity subject to the jurisdiction of the United States.

(5) Secretary.—The term "Secretary" means the Secretary of the Interior.

(6) State.—The term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, and any other territory, commonwealth, or possession of the United States.

(7) Transport.—The term "transport" means to move, convey, carry, or ship by any means, or to deliver or receive for the purpose of movement, conveyance, carriage, or shipment.

(e) Prohibited Acts.—

(1) In general.—Except as provided in paragraph (2), a person shall not—

(A) import into, or export from, the United States bear viscera or any product, item, or substance containing, or labeled or advertised as containing, bear viscera; or

(B) sell or barter, offer to sell or barter, purchase, possess, transport, deliver, or receive, in interstate or foreign commerce, bear viscera or any product, item, or substance containing, or labeled or advertised as containing, bear viscera.

(2) Exception for wildlife law enforcement purposes.—A person described in subsection (d)(4)(B) may import into, or export from, the United States, or transport between States, bear viscera or any product, item, or substance containing, or labeled or advertised as containing, bear viscera if the importation, exportation, or transportation—

(A) is solely for the purpose of enforcing laws relating to the protection of wildlife; and

(B) is authorized by a valid permit issued under Appendix I or II of CITES, in any case in which such a permit is required under CITES.

(f) Penalties and Enforcement.—

(1) Criminal penalties.—A person that knowingly violates subsection (e) shall be fined under title 18, United States Code, imprisoned not more than 1 year, or both.

(2) Civil penalties.—

(A) Amount.—A person that knowingly violates subsection (e) may be assessed a civil penalty by the Secretary of not more than $25,000 for each violation.

(B) Manner of assessment and collection.—A civil penalty under this paragraph shall be assessed, and may be collected, in the manner in which a civil penalty under the Endangered Species Act of 1973 may be assessed and collected under section 11(a) of that Act (16 U.S.C. 1540(a)).

(3) Seizure and forfeiture.—Any bear viscera or any product, item, or substance imported, exported, sold, bartered, attempted to be imported, exported, sold, or bartered, offered for sale or barter, purchased, possessed, transported, delivered, or received in violation of this subsection (including any regulation issued under this subsection) shall be seized and forfeited to the United States.

(4) Regulations.—After consultation with the Secretary of the Treasury and the United States Trade Representative, the Secretary shall issue such regulations as are necessary to carry out this subsection.

(5) Enforcement.—The Secretary, the Secretary of the Treasury, and the Secretary of the department in which the Coast Guard is operating shall enforce this subsection in the manner in which the Secretaries carry out enforcement activities under section 11(e) of the Endangered Species Act of 1973 (16 U.S.C. 1540(e)).

(6) Use of penalty amounts.—Amounts received as penalties, fines, or forfeiture of property under this subsection shall be used in accordance with section 6(d) of the Lacey Act Amendments of 1981 (16 U.S.C. 3375(d)).

(g) Discussions Concerning Bear Conservation and the Bear Parts Trade.—In order to seek to establish coordinated efforts with other countries to protect bears, the Secretary shall continue discussions concerning trade in bear viscera with—

(1) the appropriate representatives of Parties to CITES; and

(2) the appropriate representatives of countries that are not parties to CITES and that are determined by the Secretary and the United States Trade Representative to be the leading importers, exporters, or consumers of bear viscera.

(h) Certain Rights Not Affected.—Except as provided in subsection (e), nothing in this section affects—

(1) the regulation by any State of the bear population of the State; or

(2) any hunting of bears that is lawful under applicable State law (including regulations).

Mr. LEAHY. Mr. President, I ask unanimous consent the amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is ordered.

The Senator from Georgia.

AMENDMENT NO. 2832

Mr. CLELAND. Mr. President, I am fortunate to hold the seat of one of this Chamber's giants, Senator Richard B. Russell. Senator Russell understood the importance of strong agriculture policy and he once observed: "when we strengthen American agriculture, we strengthen America." The failure of the Senate to complete a farm bill in 2001 was very disappointment to me. But the good news is that I believe we will pass a strong farm bill this week.

One of the hottest issues in the farm bill for Georgia is the change in the current peanut program. Because there are not enough votes to sustain the quota program in Congress and because trade agreements have weakened quotas, I reluctantly agree with my colleagues that the system will be changed.

I visited south Georgia this past weekend where the debate over the ending the quota program is big news. The proposed peanut program that originated in the House, bases the new program on acres determined by peanut producers, rather than by the landowning quota-holders. This shift in the peanut program, from the landowner to the producer, has caused a split among neighbors in south Georgia not seen in many years. Despite this split, I think we should make note of a fact that Senator MILLER has mentioned more than once on this floor: The anti-peanut program forces have not been out in force this year. You may know that in 1996, the peanut program survived in the Senate by only three votes.

I have concerns about small quota-owners, such as widows, veterans, and minority farmers who depend on quotas for their income. They should not be forgotten in the rush for a new farm bill. For that reason, I offer this amendment with Senator MILLER to increase the quota buyout to 12 cents a pound, each year, for 5 years. This is up from the House buyout of 10 cents per pound and will help ease the transition for thousands of retired peanut farmers who invested in peanut quota as, in effect, their pension plan.

I will work to keep the Senate level of support for producers which is $400 million over the House bill for marketing loan rates and countercyclical payments. Also, the Senate farm bill contains language that I have sponsored for years to label the country-of-origin for peanuts. Because consumers should know where their peanuts are grown.

All in all I believe we will pass a strong farm bill that makes sense and substantial progress in meeting the needs of family farmers and our rural communities.

I yield the floor.

Mr. REID. Mr. President, I have spoken to both Senator LUGAR and Senator HARKIN, the two managers of the bill. It has been cleared. I ask unanimous consent that at 3:05 p.m. today, the Senate resume consideration of the Feinstein amendment No. 2829; that the time until 3:35, a half hour, be equally divided and controlled by Senators FEINSTEIN and BREAUX, or their designees; that at 3:35, Senator BREAUX be recognized to offer a motion to table, and that no second-degree amendment be in order prior to the vote in relation to the amendment.

The PRESIDING OFFICER (Mr. CORZINE). Without objection, it is so ordered.

AMENDMENT NO. 2855 TO AMENDMENT NO. 2842

Mr. LUGAR. Mr. President, on behalf of Senator KYL, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Indiana [Mr. LUGAR], for Mr. KYL, proposes an amendment numbered 2855.

The amendment is as follows:

(Purpose: To ensure that the water conservation program is implemented in accordance with all applicable laws)

On page 8, line 19, insert the following:

"(12) IMPLEMENTATION.—In carrying out the program, the Secretary shall—

"(A) ensure, to the maximum extent practicable, that the program does not undermine the implementation of any law in effect as of the date of enactment of this chapter that concerns the transfer or acquisition of water or water rights on a permanent basis;

"(B) implement the program in accordance with the purposes of such laws described in subparagraph (A) as are applicable; and

"(C) comply with—

"(i) all interstate compacts, court decrees, and Federal or State laws (including regulations) that may affect water or water rights; and

"(ii) all procedural and substantive State water law.

On page 8, line 19, strike "(12)" and insert "(13)".

On page 9, line 16, strike "(13)" and insert "(14)".

On page 17, line 20, insert the following:

"(1) IN GENERAL.—Nothing in this section—

On page 17, line 21, strike "(1)" and insert "(A)".

On page 17, line 22, strike "(2)" and insert "(B)".

On page 18, line 1, strike "(3)" and insert "(C)".

On page 18, line 5, strike "(4)" and insert "(D)".

On page 18, line 7, insert the following:

"(2) IMPLEMENTATION.—In carrying out the program, the Secretary shall—

"(A) ensure, to the maximum extent practicable, that the program does not undermine the implementation of any law in effect as of the date of enactment of this chapter that concerns the transfer or acquisition of water or water rights on a permanent basis;

"(B) implement the program in accordance with the purposes of such laws described in subparagraph (A) as are applicable; and

"(C) comply with—

"(i) all interstate compacts, court decrees, and Federal or State laws (including regulations) that may affect water or water rights; and

"(ii) all procedural and substantive State water law.

Mr. HARKIN. Reserving the right to object, Mr. President, I will not object, but there comes a point where we say 3 p.m.—well, is it 3 p.m. or 3:02 or 3:05? I hope we don't have a rush of amendments on either side coming in.

Mr. LUGAR. Mr. President, I appreciate the comment of my colleague. He is correct, obviously. I hope there may be some dispensation in that this request arrived a few seconds after the 3 p.m. time. We have been attempting to accommodate Senators.

I ask unanimous consent that the Kyl amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, because of some confusion, I ask unanimous consent that Senator FEINSTEIN's time start at 3:10 instead of 3:05.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. It will go until 3:40. She gets 15 minutes and Senator BREAUX gets 15 minutes.

AMENDMENT NO. 2829

Mrs. FEINSTEIN. I thank Senator REID, and I thank Senators HARKIN and LUGAR as well.

On Friday, I offered an amendment to the sugar program, which really is a minor amendment, with one exception. It seems anything that has anything to do with the sugar program is frozen and can't be changed. As I noted 6 years ago when I came here, the sugar program works to the great detriment of America's domestic sugar refineries.

The largest of those domestic sugar refineries happens to be in California. It is C&H Sugar. C&H got most of its sugar from Hawaii, and they used to have ads as I grew up: C&H pure cane sugar from Hawaii. It is a plant that can employ about 1,300 people. It can refine about 800,000 pounds of sugar. It is a union plant. It is the only source of employment, the major source of employment, in a small town in the East Bay known as Crockett. You drive over the Carquinez Bridge and you see this big old plant, and that is from where this wonderful sugar comes.

The problem has been, year after year, C&H cannot buy enough sugar to refine. Why? Because the allotments in the sugar program were more than two decades ago. They do not adequately reflect who is buying and who is selling sugar at the time.

The amendment I have offered would simply reallocate the unfilled portion of a country's quota when that country does not fulfill its quota. That is all it does. This is less than 3 percent of the sugar. About 3 percent of the sugar on the world market that is provided for in the allocation quota does not get allocated. So on a first-come-first-served basis, a company that wanted to buy sugar would be able to because the unused allocation of one country would go to another country that is exporting sugar, and on a first-come-first-served basis the refineries of our country would have an opportunity to buy their sugar.

This amendment is supported by C&H Sugar; Colonial Sugar Gramercy, LA; Savannah Foods in Port Wentworth, GA; and Imperial Sugar in Sugar Land, TX.

I ask unanimous consent that two letters be printed in the RECORD in support of the amendment, one from the Coalition for Sugar Reform and the other from Citizens Against Government Waste.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COALITION FOR SUGAR REFORM,
Washington, DC, February 6, 2002.

DEAR SENATOR: On behalf of the Coalition for Sugar Reform, I urge you to vote for an amendment that Sen. Dianne Feinstein will offer to ensure that when the United States announces an import quota for sugar, we actually import all that quota.

Each year, a few countries fail to fully utilize, or fill, their quotas to sell sugar to the United States. Generally, these amounts go unused: Because of the highly restrictive import policy that the United States maintains for sugar, other sugar-producing countries have no opportunity to satisfy the unmet market need represented by the unfilled quota. The Feinstein amendment will require that by June 1 each year, any unused quota be reallocated among qualified supplying countries on a first-come, first-served basis.

This amendment does not increase import quotas. It merely says that when we announce an import quota, we will allow the full amount of that quota to be imported.

This amendment honors our multilateral trade commitments by allowing the full import quota to enter the United States. By setting an example of more efficient and transparent TRQ administration, the amendment advances explicit trade policy goals of the United States. Please support and vote for the Feinstein amendment.

Sincerely,

LAWRENCE T. GRAHAM,
Steering Committee Coordinator.

COUNCIL FOR CITIZENS
AGAINST GOVERNMENT WASTE,
Washington, DC, February 11, 2002.

Hon. DIANNE FEINSTEIN,
U.S. Senate,
Washington, DC

DEAR SENATOR FEINSTEIN: On behalf of the more than one million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I am writing to inform you of our support for your amendment to S. 1731, the Farm Bill, which would ensure that when the United States announces an import quota for sugar, all of that quota will actually be imported.

When countries fail to fully utilize their quotas to sell sugar to the United States, those quotas usually end up being unused. Other sugar-producing countries have no opportunity to satisfy the unmet market need represented by the unfilled quota, as a result of the highly restricted import policy that the United States maintains for sugar.

It is our understanding that your amendment will require that by June 1 of each year, any unused quota be reallocated among qualified supplying countries on a first-come first-served basis. While we also understand that your amendment does not increase import quotas, it will at least ensure that the full amount of the quota be imported.

Athough CCAGW would still prefer the complete elimination of the archaic sugar program, we believe your amendment will at least provide for modest improvement of one of its glaring deficiencies. Thus, CCAGW will consider a vote on your amendment in the 2002 Congressional Ratings.

Sincerely,

TOM SCHATZ,
President.

Mrs. FEINSTEIN. The fact of the matter is, this has been done. The Secretary can do this. As a matter of fact, in 1995 I implored Secretary Glickman to do just this, and he did it. The problem, I say to those opposed to this amendment, is that every year you have to go and lobby; every year you have to try to see that this company and others similar to it are able to get enough sugar. That is not right. Sugar programs should not operate this way.

Awhile ago, we asked GAO to take a look at the sugar program. The GAO came up with exactly what we are proposing today. Let me read a couple of things. Some of the 40 designated countries have been provided an export allocation when they no longer export sugar. According to the GAO, on average, from 1993 to 1998, 10 out of the 40 countries were net importers of sugar. These countries are not exporting sugar because clearly they are importing sugar.

Some countries have similar allocations under the quota despite dramatically different levels of sugar exports. For example, Brazil and the Philippines are both allowed to export around 14 percent of the total quota, but Brazil exports 21 times more sugar than the Philippines worldwide.

In my view, it is unacceptable that sugar quota allocations have not been revised for two decades, despite dramatic changes in the ability of many countries to produce and export sugar.

Is there a way to update the sugar export amounts allowed into the United States without adversely impacting domestic growers? I believe there is, and the amendment I have offered would provide this change.

Incidentally, I would like the RECORD to reflect that Senator GREGG is a cosponsor of this amendment, if I may.

The United States has imported on average, as I said, about 3 percent less sugar than the quota allowed from 1996 through 1998 because some countries did not fill their allocations.

Now the question was asked in the caucus today by the distinguished Senator from Louisiana, What would happen to price if this amendment were passed?

Let me again quote the GAO:

> USTR's current process for allocating the sugar tariff-rate quota does not ensure that all of the sugar allowed under the quota reaches the U.S. market.
>
> The current allocation has resulted in fewer sugar imports than allowed under the tariff-rate quota. From 1996 through 1998, US raw sugar imports averaged about 75,000 tons less annually than the amount USDA allowed USTR to allocate under the tariff-rate quota.

The final quote from the GAO is this:

> Because the shortfalls in the tariff-rate quota reduced US sugar supplies by less than 1 percent, they had a minimal effect on the domestic price of sugar.

So what I am saying is you can have a system that allows domestic refineries to buy sugar that they need from countries that are not using their allocated quota, and this will have a very slight, if any, mark on the domestic price of sugar. What is dreadfully unfair is to have a situation where domestic refineries, hiring men and women who live in this country, that want to refine sugar are prevented from doing so by a bill where the allocations and the quotas have not been revised in two decades.

So I am asking the Senate to please permit this small change in the sugar program.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from Louisiana.

Mr. BREAUX. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Chair recognizes the Senator from Louisiana for 5 minutes.

Mr. BREAUX. Mr. President, let me assure my colleagues who might be listening to this rather arcane and complicated debate, I have the utmost respect for the Senator from California to the point of disagreeing with her on the fact that this is a minor amendment. I think that nothing my colleague from California does is minor. It is always a major effort, and she is to be commended for what she is attempting to do for one refinery in California.

I point out that over the last 10 years, in my own State of Louisiana, we have lost 24 sugar mills. We did not try to change the sugar program to accommodate each one of those mills but, rather, tried to work in a cooperative fashion to have a national program.

The Senator is absolutely correct that about 40 countries around the world have allocations to be able to export approximately 1.25 million tons of sugar into the United States to make sure we have enough sugar for domestic consumption. If a country does not use all of their allocation, it can be reallocated by the Secretary. It does not have to be. The Secretary makes a determination on what amount of sugar we need to fulfill the mandates of the program. If we do need more sugar, and countries have not used their allocation, the Secretary can give to a country an additional allocation.

The difference at this point between what the Senator from California wants to do and the existing program is that they have to reallocate it and bring it into the United States under the terms of the program. It cannot be said to one country that they are going to be the only country in the world that is going to be able to bring sugar into the United States with an allocation that does not comply with the terms of the sugar program. All of the 40 countries that send sugar to the United States have to come in under the terms of the program, and that is at a price that equals about 18 cents a pound. If there is 50 pounds of unallocated sugar and it is said to any country in the world, come in and bid for the right to send that sugar to the United States, they can bid the price down to a point that would have a substantial effect on the market.

This amendment, if it went into effect, and large amounts of sugar were brought in outside of the program, could ultimately result in a large cost to the taxpayer. If it drives down the average price of sugar below the market loan rate, sugar will be forfeited to the Federal Government and taxpayers will be picking up sugar—because the price has gone below the marketing loan—at about 18 cents a pound.

I don't think I have any problem giving the Secretary the right to reallocate sugar, which they now have when there is a shortfall, but not to do it outside of the program. Not to say to all of the countries that participate, you have to do it one way, but other countries, when we reallocate, you can do it without having to meet the terms of the loan itself. The Department does not have to reallocate; they do it if there is a need for the sugar.

The amendment of the Senator from California mandates they reallocate, although it is not required in order to meet our domestic needs. In addition, she would mandate they allow it come in outside the program.

We cannot design a national program for one refinery. I point out the refineries that make sugar are very divided on this issue. For those who do support our amendment, there is an equal number or more who do not. The Domino Sugar refinery in New York opposes it; the Domino refinery in Brooklyn, NY, opposes it; the Domino refinery in Baltimore, MD, opposes it, as well as the refinery in Chalmette, LA.

The problem is there is a national program. The reason one refinery in one State does not have enough sugar is because their principal market has been Hawaii. As the Senator has correctly said, Hawaii is moving out of the sugar program. They have reduced their production of sugar, and that refinery does not find itself with a sufficient amount of sugar. But you cannot redesign the entire national program for one particular refinery and say we are going to let sugar come in to this one refinery outside of the program, with no price protection whatever, and put the entire program in jeopardy, with potential costs to the U.S. taxpayers. If it has the effect of driving the price below the loan level, sugar will be forfeited.

It is very important to note that the program is operated at no cost to the taxpayer. We have no forfeited sugar. We do not want to be in a position of forfeiting sugar. If this amendment were to pass and we mandated that the Secretary reallocate sugar imported into this country outside the program, which is what it does, on a first-come-first-served basis, would not have to meet the terms of the program. So a company could bid and bring in sugar at 5 cents a pound if they wanted to dump in this market. That is what the amendment allows.

I don't mind having it come in under the terms of the program, but to allow sugar to come in and be reallocated outside the terms of the program with regard to price potentially destroys the program and would be at a cost to the American taxpayer.

At the appropriate time, I will offer a motion to table the amendment. I am happy to yield to the Senator.

Mrs. FEINSTEIN. I thank the Senator. Our intent in drafting the amendment was that the sugar that comes in is within the program, not outside the program. But only 40 countries now covered by the program are eligible to participate. If there is an inadvertent error, we will be happy to correct it.

The intent is that it be within the program. Then, from a country that is in the program but is not using its allocation, and sold on a first-come-first-served basis, so if the price is going to be changed, there will not be a buyer for the sugar.

Mr. BREAUX. Let me respond to the Senator. When she uses the term "comes in on a first-come-first-served basis," that is a legal term, a term of art that clearly indicates that it can come in out of the program at a price below the market loan level of 18 cents a pound.

That is the No. 2 problem with the amendment. It would come in outside the terms of the program. It can come in at a price much lower than the 18-cent loan level, which runs the risk of reducing the price of sugar throughout the United States. That is the No. 1 problem.

The second problem is that it mandates it be done. In the past it has always been at the discretion of the Secretary. As the Senator has said, the Secretaries in the past, when they saw a need, have, in fact, allowed it to be reallocated. They can still continue to do that, but it can only be done within the terms of the program.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. I ask the distinguished Senator a question. Would the Senator support the amendment if we amended it to make it clear, in simple English, that the proposal is within the confines of the existing sugar program?

Mr. BREAUX. I respond to the Senator's question by saying that the two things I have a problem with, and I think most of the people who support the program have a problem with, are, No. 1, it is mandatory. The second point is that it would allow on a first-come-first-served basis the sugar to come to the country outside of the program at a price below the loan level.

If that part were corrected, I am fine, but I cannot support it being mandatory. We ought to have the flexibility to allow it, and it has to be brought in under the terms of the program.

Mrs. FEINSTEIN. Provided we could produce those amendments, would the Senator then support that?

Mr. BREAUX. I think more work certainly needs to be done. I think certainly an appropriate and proper discussion—and I have had this discussion with the distinguished chairman—could be during the conference.

I make very clear the two problems I have: No. 1, it is mandatory on the reallocation; and No. 2, that allocation could allow the sugar to come in outside the program, the sugar program at below the marketing loan level which I think would destroy the program. Those are the two concerns that I think most Members have.

Mrs. FEINSTEIN. Mr. President, is it appropriate to set aside this amendment to see if we cannot work out some language with Senator BREAUX?

The PRESIDING OFFICER. It will take unanimous consent to vitiate the current agreement.

Mrs. FEINSTEIN. Senator BREAUX mentioned two things which were our intent, in any event, that would cause him to withdraw his disapproval of the language. I ask it be set aside for a few moments or we suggest the absence of a quorum to work out the differences and add the necessary words.

Mr. BREAUX. I cannot control this, but I am certainly willing to work with the Senator from California. I have stated the two problems.

I am always willing to talk to see if we can work something out.

Mr. REID. The vote is not scheduled for 12 minutes. How about 12 minutes?

Mrs. FEINSTEIN. I take it.

Mr. REID. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, for the information of Senators, Senators FEINSTEIN and BREAUX are in the process of working on their amendment. It will not, at a later time, require a vote. It will be worked out in some other manner. So Members should be notified there will not be a vote on this amendment. It was scheduled, as you know, for 3:40 this afternoon. We have been in a quorum call since then, anticipating there would be a vote. There will not be a vote on the Breaux motion to table the Feinstein amendment.

I also announce that I have spoken to the two managers, Senator LUGAR and Senator HARKIN.

The PRESIDING OFFICER. Is the Senator asking for unanimous consent to vitiate that agreement?

Mr. REID. You took the words right out of my mouth.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I also indicate that Senators HARKIN and LUGAR are in the process, with their staffs, of working through these amendments. We have, I think, 18 amendments. There are a number of them, I have been told, that will be accepted. We expect to have a unanimous consent agreement in the immediate future to handle about six of these amendments.

Mr. President, I ask unanimous consent that the Senate consider the amendments proposed to S. 1731 in the order in which they were offered, beginning with the Santorum amendment No. 2542, as modified, and ending with the Wellstone amendment No. 2847; that there be a time limitation of 20 minutes for debate with respect to each amendment, with the time equally divided and controlled in the usual form; that any second-degree amendments be accorded the same time limitations as the first-degree amendment—Mr. President, first of all, I ask unanimous consent that the unanimous consent proposal I just made be withdrawn. I will offer another one.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I ask unanimous consent that the Senate consider the amendments proposed to S. 1731 in the order in which they were offered, beginning with the Santorum amendment No. 2542, as modified, and ending with the Wellstone amendment No. 2847; that there be a time limitation of 20 minutes for debate with respect to each amendment, with the time equally divided and controlled in the usual form; that if there is a second-degree amendment offered, the first-degree amendment be laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, I further ask unanimous consent that it be in order for the managers to have a stacked sequence of votes beginning at a time agreed upon by the managers and the leaders or their designees.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. I state, Mr. President, as I did earlier, we are trying to work out an agreement to work through the rest of these amendments so that there will be definite times on them. We are in the process of doing that now.

Mr. President, I ask unanimous consent—Senator ENZI is not in the Chamber—that Senator WELLSTONE, who is in the Chamber, be allowed to begin his 20 minutes at this time.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Minnesota.

AMENDMENT NO. 2847

Mr. WELLSTONE. Mr. President, I am going to start speaking on the amendment. We may or may not make one change.

This amendment is a modified version of an amendment I offered last week. It is a reform amendment to the EQIP program.

The argument against the amendment I offered last week—which I think was an important amendment for our independent producers and an important amendment for the environment—was that the size limitation meant that midsized farmers could not expand. I actually thought that an operation with over 5,000 hogs was a pretty large operation in the first place.

But what I am going to do this time is make some changes, which will, hopefully, give us the vote to go over the top.

What this amendment does is comparable to what we have done with crop assistance in the commodity program. Now we have a reasonable payment limit. What we have is a payment limit with the commodity program and, in addition, restrictions on multiple payments and compliance with environmental laws. This amendment would have a reasonable payment limit on EQIP funds. It would restrict producers from receiving multiple EQIP payments. In other words, right now these conglomerates own multiple CAFOs and then get government money for each one of them. It becomes a subsidy in inverse relation to need. And this amendment would require that producers who receive EQIP funds have an environmental plan.

At the moment, the direction in which this amendment goes is as follows: It would lower the payment limits from $50,000 per year to $30,000 per year. Right now, the limit is $10,000. Some farmers don't do multiple-year contracts.

My point is, just as we had payment limits on an earlier vote with the Dorgan amendment, it seems to me we ought to also have payment limits with the EQIP program, if this environmental program is to have the policy integrity, and if we are not to be giving these payments to some of the largest operations that don't need them.

Secondly, it prevents producers with an interest in more than one large CAFO from receiving more than one EQIP contract, which makes all the sense in the world from the point of view of reform. And, again, we are talking about an amendment that has some payment limitation.

Finally, it requires the producers receiving the EQIP funds to have a comprehensive nutrient management plan which is an environmental plan.

It is a reform amendment. I think we have done a lot of good work on this bill. The vote earlier today on the packer ownership amendment was extremely important. We passed the crop payment limitation by a 66-to-31 vote, which was an historic vote.

If my colleagues are in support of payment limitations, they should support this amendment. This amendment puts some reasonable payment limitations back into the Environmental Quality Incentive Program. Current law caps it at $10,000 per year. The underlying legislation increases the cap to $50,000 a year. That is a fivefold increase.

This amendment recognizes the problem we have with the environmental pollution that comes from these large livestock operations, but it places a reasonable payment limit on the program: $30,000 per year up to $150,000 over 5 years.

If we don't put some reasonable payment limits on the program, the flow of benefits is going to be just as we have seen with the commodities: huge payments to huge producers; in this case large livestock conglomerates that over the years have been squeezing independent producers out of existence.

That is what this amendment is all about. Again, let me be crystal clear. This amendment now deals with the argument that some colleagues made that it is not going to let the midsize operations expand. This amendment is consistent with what we have done on payment limits. It is a reform amendment. This amendment plugs a big loophole with multiple CAFOs which is a huge problem when these conglomerates buy up a lot of these confinement operations and then get a subsidy for each one of them.

Finally, this amendment calls for a sound environmental plan, which makes all the sense in world, a comprehensive nutrient management plan. It is a modest amendment. It is a good reform amendment. It is a good environmental amendment. Frankly, it is a good amendment for our independent producers.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. JOHNSON). Who yields time?

The Senator from Iowa.

Mr. HARKIN. Mr. President, I don't know who controls any time on the opposite side. We have examined the amendment on this side and, quite frankly, I think the Senator from Minnesota has made constructive changes to the EQIP program, which I think will inure to the benefit of our livestock producers all over America. On this side, we are prepared to accept the amendment.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, let me respond to the distinguished Senator. I personally favor the amendment. I will ask for 3 more minutes for the hotline on our side to ascertain whether all of us are in agreement. I am hopeful that is the case. If I may have the indulgence of Senators, I will ask for a quorum call for about 3 minutes of time. It would be my hope we could accept the amendment at that point.

The PRESIDING OFFICER. Is there objection?

Mr. WELLSTONE. I wonder if I could say a couple of words while we are waiting. That moves us right along.

Before the Senator from Iowa leaves, let me say this for the record: I hope there will be support. I certainly would be pleased to not have a recorded vote. I know we are trying to move things along. I ask the Senator from Iowa in a bit of a colloquy here for his support in conference committee to keep this in because my experience has been all too often, when there is not a recorded vote and there is a voice vote, then the amendments get tossed aside. I know my colleague supports this amendment. I certainly ask for his support as the chair in the conference committee.

I assume when he nods his head, it means yes.

Mr. HARKIN. I say to my friend from Minnesota, my neighbor to the north, he is a very valuable member of our committee. When this bill is done and I go on to conference, it is my intention as chair to fight for all of the amendments that we in the Senate have adopted on this bill because it will be the Senate's position.

Certainly in this area on the EQIP program, I believe the Senator's amendment improves what we have done in the underlying bill, and certainly I will do everything I can to make sure we keep those provisions.

Mr. WELLSTONE. I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. LUGAR. Mr. President, I suggest the absence of a quorum with the time to be charged equally to both sides.

The PRESIDING OFFICER. Without objection, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I will stay here and wait patiently for our 3-minute limit, and my colleagues can let me know.

Mr. HARKIN. Mr. President, how much time remains on the Wellstone amendment?

The PRESIDING OFFICER. There are 2½ minutes that remain to the proponents; 8 minutes remain in opposition.

Mr. HARKIN. Mr. President, I ask unanimous consent to reserve the remainder of the time, the 2 minutes and the 8 minutes, and now proceed to recognize Senator ENZI who had two amendments offered which are going to be accepted on this side. I don't know if the Senator wanted any time at all, but to move the process along, I see the Senator from Wyoming is on the floor.

I ask unanimous consent that the remainder of the time be reserved and that we now go to the two Enzi amendments. I ask unanimous consent if we could just take 5 minutes on the Enzi amendment and then return to the Wellstone amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Wyoming.

AMENDMENT NO. 2843

Mr. ENZI. Mr. President, I thank everybody who has been working with me on these two very important issues. One of them is an accounting issue. That is to do with an authorization to have some drought assistance for livestock. We have had a livestock assistance program. It has been kind of a last-minute, put-it-on-the-budget effort every year. But the amount of money that gets spent on it every year is a very consistent amount, a good amount. It calls for us to recognize that upfront, provide for it upfront, and give our ranchers some assurance that they are going to have some help.

This morning we passed a very important measure, and that actually provides for last year's drought assistance for livestock payments. People have been through last year's drought. They know they were already heard. One of the fascinating things about this is, it doesn't pay them for their losses. It pays them so they can buy a little feed so they can keep their base stock alive until they can produce again and have a crop. I know that Wyoming's portion of that turns out to be about $15 million. That comes to about $8,000 per rancher, and $8,000 doesn't even buy much feed. But it will get some people through the winter. So I appreciate the concern of everybody and their willingness to accept it.

AMENDMENT NO. 2846

Mr. President, the other amendment, of course, is a pet pilot project which will put lamb in Afghanistan and will solve a problem there. It is so small a project that it can be nonexistent. I know the Department of Agriculture will look at it, and I think it will be one of the things that will solve some problems for people who grow lambs in the West and will build up a herd in Afghanistan so they can be self-sufficient. It is the old story—and I have heard a variation—give a man a fish and feed him for a day; teach a man to fish and he will buy an ugly hat.

I yield the floor.

Mr. HARKIN. Mr. President, we have examined both amendments on this side. They are valuable additions to the farm bill. I think they both have tremendous merit to them. We are pleased to accept them on this side.

AMENDMENT NO. 2847

Mr. LUGAR. Mr. President, let me, first of all, make an announcement before I comment on the amendments of the Senator. There has been an objection on our side to having a voice vote on the Wellstone amendment. Therefore, we will need to have a rollcall vote. Because of the thoughtfulness of the Senator from Iowa, there will be some further time to debate the amendment. I believe there are 8 minutes for the opposition. For all those listening to the debate, if there is opposition to the Wellstone amendment, that time remains. At the end of that time, the Wellstone amendment will be in the stack for votes and disposition after the unanimous consent on the other amendments has been run through, which is to simply say we are going to have a vote, a rollcall, and it will come at the end of the stack that the Senator from Nevada offered a while back.

Mr. WELLSTONE. Will the Senator yield for a question? I missed the first part. There is now a call for a rollcall vote?

Mr. LUGAR. That is correct.

Mr. WELLSTONE. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NOS. 2846 AND 2843

Mr. LUGAR. Mr. President, I will return now to the amendments of the Senator from Wyoming. I had an opportunity to visit with the Senator and to appreciate the depth of his understanding and research with regard to both of these amendments. On our side, we are pleased to accept them and, hopefully, we will have a unanimous vote.

The PRESIDING OFFICER. Without objection, amendment No. 2843 is pending.

Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 2843) was agreed to.

Mr. HARKIN. I move to reconsider that vote.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2846

The PRESIDING OFFICER. Without objection, amendment No. 2846 is now pending.

The question is on agreeing to the amendment.

The amendment (No. 2846) was agreed to.

Mr. HARKIN. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Mr. President, I ask unanimous consent that following the statement of the Senator from Indiana, there be no amendments in order prior to the vote on the Wellstone amendment No. 2847.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Who yields time?

Mr. LUGAR. Mr. President, I suggest the absence of a quorum, with the time being charged to both sides.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. WELLSTONE. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, if other Senators are coming down with amendments, I will stop speaking. Otherwise, I will take about 5 minutes now if we have the time.

Mr. REID. We are on the Senator's time anyway.

Mr. WELLSTONE. I ask unanimous consent for 5 minutes as in morning business.

Mr. LUGAR. Reserving the right to object, the Senator from Wyoming has arrived and may wish to speak on the Wellstone amendment. How much time remains?

The PRESIDING OFFICER. Six minutes in opposition.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me be very clear that we made a modification from the original amendment to deal with some of the problems my colleagues had about expansion. We are doing two things: Lowering the payment limits from $50,000 per year to $30,000 per year, though it can be $30,000 per year over 5 years. This is consistent with the vote we have made on payment limitations. There is no reason for Government subsidies going to the largest of the largest. Second is to prevent producers with an interest in more than one large CAFO to receive multiple EQIP contracts. This is consistent as a reform amendment. Why should conglomerates get payments for multiple CAFOs?

Finally, making sure there is a comprehensive management plan which goes to the producers, which is good, sound environmental practice. As I said, this has the support of a lot of farm organizations and many environmental organizations. It is a good reform vote. I hope we will get a majority vote.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Wyoming is recognized.

Mr. THOMAS. Mr. President, let me make a couple of comments. I have been very involved in this program over time. The Senator brought it up before. It seems to me there are some issues here about which we ought to talk. We didn't talk about it at all in committee. EQIP, in my view, and I think pretty much under the law, is designed to give technical assistance to do good for the environment. They are not tied to nutrients particularly or to any particular kind of action. They ought to be available to people who want take some action, whether it is changing a ditch to make it more workable for the environment, or whatever.

Constantly we keep trying to limit it to certain sizes and you have to report the number of animals that you own. That is not part of the proposition. This idea of nuance was an idea that came up in the Clinton administration. It was never put in as a rule, and now we are going to put it into law. It seems to me that it is an unnecessary amount of detail and is singly trying to target certain areas when really the opportunity is broad.

I was out in my home this weekend and was talking about this—in fact, I guess it was in Denver at the Cattlemen's—and people said: We need more money for EQIP, but we do not want to have more and more rules where every time we try to do something we invite EPA to be here on top of us, and all these other things.

I feel fairly strongly about it. However, I do recognize we need to move forward, and I withdraw my objection.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. I thank the Senator for his cooperation. I am saying that when you put up a facility there has to be a plan of what you are going to do with the waste. That is all I am really saying.

If I heard the Senator from Wyoming correctly, he is not objecting. Are we still going to go forward with a recorded vote or not? I will do it either way, but it sounds as if we could move forward.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. My understanding is that a recorded vote would occur at the expiration of the time of this amendment and the expiration of the time of whatever amendments that were in the original unanimous consent request. In other words, a list of, I think, four amendments needed to be disposed of. So after we have completed work on all of those, there would then be rollcall votes therefore required, and this would be one of those instances.

Mr. THOMAS. Mr. President, is it possible to ask unanimous consent that the rollcall vote on this issue be vitiated?

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate on the amendment? If not, the question is on agreeing to amendment No. 2847.

The amendment (No. 2847) was agreed to.

Mr. WELLSTONE. Mr. President, I move to reconsider the vote and lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2845

The PRESIDING OFFICER. Under the previous order, the McConnell amendment No. 2845 is now pending.

Mr. LUGAR. I suggest the absence of a quorum, with the time being charged to both sides.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REID. Mr. President, it is my understanding that we are now on the McConnell amendment, No. 2845. Is that right?

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. Mr. President, I ask unanimous consent that Senator HARKIN be allowed to offer a second-degree amendment to amendment No. 2845; that the time between now and 5 o'clock be equally divided between Senator HARKIN and Senator MCCONNELL or their designees, and that at 5:45 we vote on the Harkin second-degree amendment and that at 5 o'clock this matter be set aside.

I would say for the information of all Senators, there is a leadership meeting at 5 o'clock. I think it is bicameral. I don't know what it is; I am not attending. We will stay here on the floor and try to work out some other things during that 45-minute period.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HARKIN. To make it clear, we are going to debate now for about 20 minutes on my substitute and the underlying McConnell amendment. That will be set aside. The vote will then occur on my second-degree amendment at 5:45.

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. There may be intervening business between now and then, but there will be no votes until 5:45; is that correct?

The PRESIDING OFFICER. That is correct.

AMENDMENT NO. 2856 TO AMENDMENT NO. 2845

Mr. HARKIN. Mr. President, I have a second-degree amendment. I send it to the desk and ask for its immediate consideration.

The senior assistant bill clerk read as follows:

> The Senator from Iowa [Mr. HARKIN] proposes an amendment numbered 2856 to amendment No. 2845.

Mr. HARKIN. I ask unanimous consent the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

[The text of the amendment is printed in today's RECORD under "Amendments Submitted."]

Mr. HARKIN. Mr. President, please clarify, how much time do I have?

The PRESIDING OFFICER. The Senator has 10 minutes.

Mr. HARKIN. Mr. President, what we have in front of us is the McConnell amendment, which reduces loan rates by less than a quarter of a percent. He takes that money and basically puts it into nutrition programs.

Frankly, my history in both the House and Senate in the Agriculture Committee for 27 years is one of very strong support for nutrition programs.

Let's look at the record. The House of Representatives, in their farm bill, has $3.6 billion over baseline for nutrition programs for 10 years—$3.6 billion. The Senate bill, as we reported it from committee, had $6.2 billion, almost twice as much for nutrition programs over the same period of time.

Due to certain amendments that have been offered and agreed to already on the Senate floor, the amount of money for nutrition now in the pending farm bill is $8.4 billion. That is well over twice what the House has. Could it be more? Yes. We could always do more, of course. But we have tried to keep a well-balanced bill. I submit we have done a lot to address the underlying concerns of accessibility, of assets—of a lot of things—for people who need food stamps and other nutrition programs.

The McConnell amendment, if you divide it all up, would put about $49 million a year additional into a program that already is spending $20 billion a year. Now, $49 million is a lot of money, but compared to $20 billion? I submit this will have almost no effect on the underlying nutrition programs. Really, the way I see this amendment, it is an attempt to take some more money out of commodity programs by reducing the loan rate, which is important as an income support for farmers in my part of the country and, in fact, all over America.

What my amendment does is it says: OK, if you are going to nick the loan rates by a quarter of a percent, let's then leave it as an income support for farmers—one way or the other.

Last Saturday in Denver, CO, President Bush said one of the things he wanted to see in a farm bill was farm savings accounts. He said that. I think the distinguished ranking member has proposed this in the past. Senator GRASSLEY, my colleague from Iowa, has supported this proposal in the past. Others have supported farm savings accounts. We plan to propose a pilot program in the underlying manager's amendment. It provides $36 million for a pilot program. It is not very much, but at least it was there to try to test the idea to see if it was acceptable and see if it would work. Some said that is not enough money.

My second-degree amendment basically says we will take the less than quarter percent cut out of loan rates, but we will take that money, which is about $510 million, and we will put that into the farm savings account as a pilot program in 10 States. With that much money, perhaps we could really find out whether or not this program would work.

The President said he has wanted it. Other people have been supporting it. I have some reservations about the idea, but there are plenty of people on the other side of the aisle, and the President, who have supported this idea. So in the spirit of bipartisanship I would like to include this pilot program so we can all find out exactly how it works and give the USDA some time to work out the details.

Again, the President has requested this program. The pilot program will include 10 States. It will run from 2003 to 2006. To make the program viable, we will ramp up funding to $200 million by 2006.

The pilot program allows the farmer to set up a savings account. The Secretary of Agriculture will then match the producer's contribution. A producer's contribution is limited to $5,000 a year. The farmer can then withdraw from the account when his farm income from that year is less than 90 percent of his farm income averaged over the last 5 years.

Again, we have a strong nutrition title here. We have gone from $3.6 billion in the House to $8.4 billion here. But if we want to have the farm savings accounts, then Senators will have a choice. We have already done a lot for nutrition. I take a back seat to no one in my support for strong nutrition programs. But if the will is to nick the loan rates a little bit—and I guess this is what this is all about—at least let's leave it with some income support for farmers. I am willing to give the benefit of the doubt to my friends on the other side of the aisle. Let's try this farm savings account. Let's see how it works. Maybe I will be proven wrong. I don't know that it will work, but it is probably worth a try. And I know the President wants it.

The President keeps saying he wants bipartisanship. This is bipartisanship. I reach out a hand to those on the other side of the aisle and say fine, let's try the farm savings accounts.

Let me point out one other thing. I mentioned the House had $3.6 billion in nutrition. We are at $8.4 billion. President Bush, in the budget he sent down, has $4.2 billion increases for nutrition programs over the next 10 years. So, as I said, I think we can be proud of what we have done for nutrition in the Senate bill.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. The underlying McConnell amendment which would be wiped out by the second-degree Harkin amendment is for the benefit of disabled people and working families with children. It would simply allocate $50 million over the next 10 years, per year, and pay for it with a thirteen-hundredths-of-1-percent lowering of loan rates, a thirteen-hundredths-of-1-percent reduction in loan rates over 10 years, which is a minuscule reduction in loan rates, to benefit the disabled and working families with children.

That is what the underlying amendment is about. I had hoped the Senator from Iowa, the chairman of the committee, would accept this amendment. It seems to me it is pretty simple. There is not a farmer in America who is going to notice a thirteen-hundredths-of-1-percent reduction in loan rates over 10 years. No farmer is going to recognize that. But a lot of disabled people and working families will recognize the $16-a-month difference that it will make for them.

On this amendment, I speak not only for myself but I speak for the following groups: The Children's Defense Fund, the Kentucky Task Force on Hunger, the Center on Budget and Policy Priorities, the National Council of La Raza, the Food Research and Action Center, America's Second Harvest, Bread for the World, and the Western Regional Antihunger Coalition, which includes the Food Bank of Alaska, the Association of Arizona Food Banks, the California Food Policy Advocates, the California Association of Food Banks, the Idaho Community Action Network, the Montana Food Network, Montana Hunger Coalition, the Oregon Hunger Relief Tax Force, the Oregon Food Bank, the Utahns Against Hunger, the Children's Alliance of Washington, the Washington Association of Churches, and the Washington Food Coalition.

All of these groups are interested in helping provide sustenance for the disabled and working families with children. And the only sacrifice that the McConnell amendment envisions farmers making is a thirteen-hundredths-of-1-percent reduction in loan rates over 10 years.

I don't think there is a need to further explain the underlying amendment. I had hoped Senator HARKIN would accept it. Since he has not chosen to do that, I hope the Harkin second-degree amendment will be defeated and that the underlying amendment supported by all of these groups interested in feeding hungry people and disabled people will be agreed to.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

The Senator from Indiana.

Mr. LUGAR. Mr. President, I yield myself 2 minutes in support of the McConnell amendment.

The distinguished Senator from Kentucky has stated the case well. In earlier debates, both of us pointed out that the McConnell amendment is essential to bringing justice to all Americans who are recipients of food stamps—in this case, among those who are most vulnerable in our society. It does so at a minimal change with regard to payments to farmers. I suspect most farmers recognize that and would commend the intent.

In fairness, my distinguished colleague, the chairman of our committee, does not argue about the intent. Indeed, the Senate bill is much more generous than the House bill in regard to nutrition programs and food stamps in particular and is much more generous than administration proposals. At the same time, we have spent the time in committee attempting to explore equity. This seems to me to be an amendment that rounds this out, and that brings completion to our argument in a very satisfying way.

The savings account idea is a good one, but to introduce it at this point seems to me to be inappropriate. I am most hopeful that Senators who support the McConnell amendment will think through, once again, an opportunity that we have in a humane way to help those who are vulnerable in our society through satisfying nutrition programs.

I thank the Chair. I yield the floor.

Mr. HARKIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Three minutes twenty-two seconds.

Mr. HARKIN. Mr. President, frankly, I think it is quite appropriate. We plan to propose a pilot program in the manager's amendment. This just expands it.

I am trying to do something that reaches across the aisle in a bipartisan atmosphere, something that friends on the other side of the aisle and the President have called for in doing something about these farm savings accounts. I don't really know whether they will work or not, but I am willing to let them try to put some money in the pilot program.

On the other hand, on nutrition programs, there is $49 million a year. Every dollar helps. When you are spending $20 billion a year and say we are going to put in another $49 million, you could look at it and say that doesn't do much. The Senator from Kentucky says we are not taking much out of farmers. You are not taking much out of farmers but you are not doing much to help poor people, either.

If you are going to do that—if you are going to nick the farmers a little bit—rather than holding out false hopes to poor people that somehow you are really going to boost nutrition programs, which you really aren't with this amendment, then at least try to do something that might be meaningful to help farm income in the future.

Quite frankly, $50 million used in the farm savings accounts could be the underpinnings to help farm income in the future. That could be meaningful. But $49 million, or $50 million, on $20 billion for food stamps is, as I said, holding out false hopes to poor people that somehow you have done something.

I suggest to my friend from Kentucky that perhaps he might want to tell the President not to send the budget down here that has $4.2 billion in increases in nutrition programs when we are already at $8.4 billion. I had hoped the President would have sent down a budget that said, no, we need to put more money in nutrition, and we need $8 billion or $10 billion, as the ranking member was trying to do in committee with $10 billion more for nutrition.

On the other hand, that amount of money going into farm savings accounts could be quite significant to a number of farmers.

I yield the floor. I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. How much time remains?

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr. McCONNELL. Mr. President, I will not need to use the whole 5 minutes. Let me restate what this is about. This is about working families with children and disabled people who are eligible for food stamps. It has been suggested by my friend and colleague from Iowa that the amount involved for those people would not be noticed. I would respectfully suggest that $16 a month for a family of four will be noticed and that the loss of thirteen-hundredths of 1 percent on the loan rate will not be noticed by the farmers.

This is an amendment that ought to be approved. As I said earlier, it is supported by a vast array of groups led by the Children's Defense Fund that believes it is necessary to bring this program up to the level that it ought to achieve when looking into the future.

I hope that the Harkin second-degree amendment will be defeated and that the underlying McConnell amendment, supported by the Children's Defense Fund and an array of different organizations, which I listed a few moments ago, will be approved.

Again, this is about $16 a month for working families with children and the disabled, paid for by a thirteen-hundredths of 1 percent reduction in loan rates.

I think this is a tradeoff that every farmer in America would understand. I consider myself a friend of farmers as well. I will bet there is not a farmer in Kentucky who wouldn't think this is an appropriate step to take.

Is the Senator from Iowa out of time?

The PRESIDING OFFICER. The Senator from Iowa has 18 seconds remaining.

Mr. McCONNELL. Mr. President, I am happy to yield back my time if the Senator from Iowa wants to yield back his 18 seconds.

Mr. HARKIN. I yield the remainder of my time.

Mr. McCONNELL. I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Indiana.

AMENDMENT NO. 2822

Mr. LUGAR. Mr. President, let me ask the distinguished chairman of our committee for his attention to the Helms amendment No. 2822 dealing with animal welfare. I wanted to inquire of the Senator with regard to the Helms amendment No. 2822 on animal welfare. It is my understanding that on both sides of the aisle we are prepared to accept that amendment.

Mr. HARKIN. It is a good amendment.

Mr. LUGAR. Will the Chair turn our attention to the Helms amendment No. 2822 and proceed with the regular order with that amendment?

The PRESIDING OFFICER. The amendment is now pending. The question is on agreeing to the amendment.

The amendment (No. 2822) was agreed to.

Mr. LUGAR. Mr. President, I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. DAYTON). The Senator from Nevada.

AMENDMENT NO. 2829

Mr. REID. Mr. President, I ask unanimous consent the Senate now turn to amendment No. 2829.

The PRESIDING OFFICER. Without objection, the amendment is now the pending question.

Mr. REID. Mr. President, Senators BREAUX and FEINSTEIN have worked on this amendment now for the past hour or thereabouts.

AMENDMENT NO. 2829, AS MODIFIED

On their behalf, I send a modification to the desk and ask unanimous consent the amendment be so modified.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

Strike the period at the end of section 143 and insert a period and the following:

SEC. 144. REALLOCATION OF SUGAR QUOTA.

Subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.) is amended by adding at the end the following:

"PART VIII—REALLOCATING SUGAR QUOTA IMPORT SHORTFALLS

"SEC. 360. REALLOCATING CERTAIN SUGAR QUOTAS.

"(a) IN GENERAL.—Notwithstanding any other provision of law, on or after June 1 of each year, the United States Trade Representative, in consultation with the Secretary, shall determine the amount of the quota of cane sugar used by each qualified supplying country for that fiscal year, and may reallocate the unused quota for that fiscal year among qualified supplying countries.

"(b) DEFINITIONS.—In this section:

"(1) QUALIFIED SUPPLYING COUNTRY.—The term 'qualified supplying country' means one of the following 40 foreign countries that is allowed to export cane sugar to the United States under an agreement or any other country with which the United States has an agreement relating to the importation of cane sugar:

Argentina
Australia
Barbados
Belize
Bolivia
Brazil
Colombia
Congo
Costa Rica
Dominican Republic
Ecuador
El Salvador
Fiji
Gabon
Guatemala
Guyana
Haiti
Honduras
India
Ivory Coast
Jamaica
Madagascar
Malawi
Mauritius
Mexico
Mozambique
Nicaragua
Panama
Papua New Guinea
Paraguay
Peru
Philippines
St. Kitts and Nevis
South Africa
Swaziland
Taiwan
Thailand
Trinidad-Tobago
Uruguay
Zimbabwe.

"(2) CANE SUGAR.—The term 'cane sugar' has the same meaning as the term has under part VII.".

The PRESIDING OFFICER. Is there further debate on the amendment, as modified?

If not, the time is yielded back. The question is on agreeing to amendment No. 2829, as modified.

The amendment (No. 2829), as modified, was agreed to.

Mr. REID. I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Indiana.

AMENDMENT NO. 2854

Mr. LUGAR. Mr. President, I ask unanimous consent the Senate now turn to the McConnell amendment No. 2854.

The PRESIDING OFFICER. Without objection, the amendment is now the pending question. Is there further debate on the amendment?

If not, the question is on agreeing to amendment No. 2854.

The amendment (No. 2854) was agreed to.

Mr. LUGAR. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the Senate is not in a quorum call; is that right?

The PRESIDING OFFICER. The Senator is correct.

AMENDMENT NO. 2855

Mr. REID. Mr. President, I ask unanimous consent the Senate now turn to amendment No. 2855, Senator KYL's amendment.

The PRESIDING OFFICER. Without objection, the amendment is now the pending question.

AMENDMENT NO. 2855, AS MODIFIED

Mr. REID. Mr. President, I send a modification to the desk, which has been signed off on by Senator KYL, Senator LUGAR, and Senator HARKIN. I ask unanimous consent the amendment be so modified.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

On page 9, between lines 11 and 12, insert the following:

"(12) IMPLEMENTATION.—In carrying out this subsection, the Secretary shall comply with—

"(A) all interstate compacts, court decrees, and Federal and State laws (including regulations) that may affect water or water rights; and

"(B) all procedural and substantive State water law.

On page 10, line 1, strike "(13)" and insert "(14)".

On page 11, line 9, strike "(14)" and insert "(15)".

On page 10, line 14, strike "(15)" and insert "(16)".

On page 10, line 22, strike "(16)" and insert "(17)".

On page 20, between lines 10 and 11, insert the following:

"(j) IMPLEMENTATION.—In carrying out this section, the Secretary shall comply with—

"(1) all interstate compacts, court decrees, and Federal and State laws (including regulations) that may affect water or water rights; and

"(2) all procedural and substantive State water law.

On page 20, line 11, strike "(j)" and insert "(k)".

On page 20, line 22, strike "(k)" and insert "(l)".

On page 21, line 4, strike "(l)" and insert "(m)".

On page 21, line 9, strike "(m)" and insert "(n)".

On page 21, line 12, strike "(n)" and insert "(o)".

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to amendment No. 2855, as modified.

The amendment (No. 2855), as modified, was agreed to.

Mr. REID. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2542, AS FURTHER MODIFIED

Mr. LUGAR. Mr. President, I ask the that Chair consider an amendment by the Senator from Pennsylvania, Mr. SANTORUM, No. 2542.

The PRESIDING OFFICER. The amendment is now pending. Is there further debate?

Mr. LUGAR. I ask clarification from the Chair. On the copy of the amendment I am looking at, it identifies it as amendment No. 2639. Can the Chair help illuminate?

The PRESIDING OFFICER. As soon as the Chair has been illuminated, the Chair will illuminate.

Mr. LUGAR. I thank the Chair.

The PRESIDING OFFICER. The pending amendment No. 2542 was modified with the text of the amendment the Senator has just referenced.

Mr. HARKIN. It has been modified.

The PRESIDING OFFICER. The Senator is correct. It has been modified.

Mr. LUGAR. I thank the Chair for that information. I ask that the Chair proceed to consideration of the amendment.

The PRESIDING OFFICER. The Chair is momentarily in doubt.

The pending question is amendment No. 2542 as previously modified and with the proposed modification that is now at the desk.

Is there objection to the second modification?

Without objection, the amendment is further modified.

The amendment, as further modified, is as follows:

Beginning on page 2, strike line 11 and all that follows through page 4, line 21, and insert the following:

"(C) for the socialization of dogs intended for sale as pets with other dogs and people, through compliance with a performance standard developed by the Secretary based on the recommendations of veterinarians and animal welfare and behavior experts that—

"(i) identifies actions that dealers and inspectors shall take to ensure adequate socialization; and

"(ii) identifies a set of behavioral measures that inspectors shall use to evaluate adequate socialization; and

"(D) for addressing the initiation and frequency of breeding of female dogs so that a female dog is not—

"(i) bred before the female dog has reached at least 1 year of age; and

"(ii) whelped more frequently than 3 times in any 24-month period.".

(b) SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES.—Section 19 of the Animal Welfare Act (7 U.S.C. 2149) is amended—

(1) by striking "SEC. 19. (a) If the Secretary" and inserting the following:

"SEC. 19. SUSPENSION OR REVOCATION OF LICENSE, CIVIL PENALTIES, JUDICIAL REVIEW, AND CRIMINAL PENALTIES.

"(a) SUSPENSION OR REVOCATION OF LICENSE.—

"(1) IN GENERAL.—If the Secretary";

(2) in subsection (a)—

(A) in paragraph (1) (as designated by paragraph (1)), by striking "if such violation" and all that follows and inserting "if the Secretary determines that 1 or more violations have occurred."; and

(B) by adding at the end the following:

"(2) LICENSE REVOCATION.—If the Secretary finds that any person licensed as a dealer, exhibitor, or operator of an auction sale subject to section 12, has committed a serious violation (as determined by the Secretary) of any rule, regulation, or standard governing the humane handling, transportation, veterinary care, housing, breeding, socialization, feeding, watering, or other humane treatment of dogs under section 12 or 13 on 3 or more separate inspections within any 8-year period, the Secretary shall—

"(A) suspend the license of the person for 21 days; and

"(B) after providing notice and a hearing not more than 30 days after the third violation is noted on an inspection report, revoke the license of the person unless the Secretary makes a written finding that revocation is unwarranted because of extraordinary extenuating circumstances."

Mr. SANTORUM. Mr. President this amendment is a continuation of my interest in the protection and humane treatment of animals, specifically, dogs and puppies. This amendment will crack down on breeders who do not abide by existing requirements for the humane treatment and care of dogs bred for the pet trade. It will also fill some gaps in the law that involve important humane concerns.

There has been extensive coverage of the improper care, abuse, and mistreatment common at "puppy mills" across America. Unsuspecting consumers who purchase these puppies find out that they have latent physical and behavioral problems because of the poor care they received in the important early stage of their lives. This can lead to safety concerns, tremendous expense and heartbreak for families. And for the dogs, it often means they end up taken to shelters where they must be euthanized because they're too aggressive or sickly to be adopted.

My amendment enjoys the support of national animal protection organizations, such as the Humane society of the United States and the American Society for the Prevention of Cruelty to Animals, ASPCA, as well as 861 humane organizations, shelters, and animal control associations. I ask unanimous consent that a listing of these organizations, by State, be printed to the RECORD. Also let the RECORD reflect that my own State of Pennsylvania has 14 organizations on this list ranging from the Western Pennsylvania Westie Rescue Committee, the Humane Society of Lackawanna County and the York County SPCA.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SANTORUM. There are at least 3,000 commercial dog breeding facilities licensed to operate by the United States Department of Agriculture. These facilities are required to comply with the rules and regulations of the Animal Welfare Act, AWA, that sets forth minimal standards for humane handling and treatment. Inspections, to oversee compliance with AWA standards, are performed by the USDA.

There are serious inadequacies with the current system that demand our attention and our action. One problem has been insufficient resources for the USDA to perform timely and routine inspections. Second, inspectors have too few tools to make the assessment of proper care that they must. I have worked for several years on strategies to solve these problems through congressional and agency action.

I was very pleased to be joined last year by one-third of my Senate colleagues in seeking an increased appropriation for USDA to enforce the Animal Welfare Act. USDA has approximately 80 inspectors to inspect nearly 10,000 USDA federally-licensed facilities involving millions of animals. Increases in USDA's enforcement budget will certainly help the agency fulfill its responsibility to ensure compliance with the AWA.

Counting Fiscal Year 2002, Congress has appropriated an additional $13 million since 1999 to enable USDA to track down more unlicensed facilities, conduct more inspections, and improve follow-up enforcement efforts.

And while Congress is making progress addressing the AWA budget shortfall, it is also important to address gaps in the law to better protect dogs and consumers.

That is why I introduced the Puppy Protection Act, along with my colleague Senator DURBIN, to address these additional areas requiring our attention.

Today's amendment is based on that bill, S. 1478, which we introduced on October 1, 2001. The Puppy Protection Act, and our amendment today, will make three very important and needed changes to the Animal Welfare Act's oversight of commercial dog breeding operations.

First, legislation addresses the need for breeding females to be given time to recover between litters and to be protected from breeding in their first year of life.

Second, it requires that dogs receive adequate interaction with other dogs and with people to help prevent behavioral problems in the future.

Third, it encourages swift and strong enforcement against repeat offenders by creating a "three strikes and you're out" system for chronic violators.

The science is clear that dogs who are raised without adequate contact with other dogs and with people are likely to have behavioral problems throughout their lives.

This amendment recognizes the critical importance of the early weeks of a dog's life. The Animal Welfare Act does currently recognize this need.

Our amendment also addresses the issue of breeding and its correlation to an animals's welfare. Sometimes a life of intensive breeding can begin at 6 months of age, well before a dog is mature enough to mother a litter of puppies and still remain healthy.

Relentless overbreeding can cause severe nutritional deficiencies and impairs a dog's immune system, leading to increased risk of infections, illness and organ failure.

These concerns go to the heart of humane treatment, and are as appropriate for Congress to address as other areas already covered by the AWA, such as adequate veterinary care, food, water, sanitation, ventilation, and shelter from harsh weather.

Finally, our amendment addresses the problem of commercial dog breeders who repeatedly violate the requirements of the Animal Welfare Act, but continue to operate.

This carefully-crafted provision will help USDA take action against the genuinely bad actors while allowing for the rights of all individuals in the breeding business. I am deeply concerned about small business and the protection of private property rights, so I have worked with many interested parties to ensure this provision strikes the right balance.

When families decide to buy or adopt a dog, they are taking in a new family member. When they find, after weeks or months of sharing their home with this dog, that their pet has behavioral problems or some latent disease, they often do everything in their power to help their dog with veterinarian care or behavioral training.

Unfortunately, dogs that are maltreated early in life and that have been denied the early contacts that allow them to form solid bonds with people and other animals, may bite or lash out. Families that face these problems will often go to great lengths, and spare no expense, to find a cure for a problem that could easily have been prevented.

Our legislation should not be controversial. It is about protecting animals from mistreatment. It is about preventing heartbreak and loss to families. And it is about doing what is responsible.

Please support the Santorum-Durbin amendment for puppy protection.

EXHIBIT 1

ENDORSEMENT LIST FOR PUPPY PROTECTION ACT

(861 Endorsements—Updated 11/27/01)

ALASKA

Anchorage Animal Control
Gastineau Humane Society (Juneau)
Sitka Animal Shelter (Sitka)

ALABAMA

The Animal Shelter (Anniston)
Barbour County Humane Society Inc. (Eufaula)

BJC Animal Control Services, Inc. (Birmingham)
Central Alabama Animal Shelter (Selma)
Circle of Friends (Montrose)
City of Irondale Animal Control (Irondale)
Dekalb County SPCA (Fort Payne)
Greater Birmingham Humane Society
Humane Society of Elmore County (Wetumpka)
Humane Society of Etowah County (Gadsden)
Humane Society of Chilton County (Clanton)
Humane Society of Pike County (Troy)
Mobile SPCA (Mobile)
Monroe County Humane Society (Monroeville)
Montgomery Humane Society (Montgomery)
St. Clair Animal Shelter (Pell City)
Tuscaloosa Metro Animal Shelter (Tuscaloosa)
Walker County Humane Society (Jasper)

ARIZONA

Berryville Animal Care and Control (Berryville)
Hot Springs Village Animal Welfare League (HPV)
Paragould Animal Welfare Society (Paragould)
Sherwood Animal Services (Sherwood)

ARIZONA

Animal Defense League of Arizona (Tucson)
Arizona Animal Welfare League (Phoenix)
Coconino Humane Association (Flagstaff)
Hacienda De Los Milagros, Inc. (Chino Valley)
Holbrook Police Department (Holbrook)
Humane Society of Sedona (Sedona)
Humane Society of Southern Arizona (Tucson)
Long Lake Animal Shelter/Fort Mojave Ranger Department (Mohave Valley)
Payson Humane Society, Inc. (Payson)

CALIFORNIA

Actors and Others for Animal (North Hollywood)
All for Animals (Santa Barbara)
Animal Friends of the Valley/LEAF (Lake Elsinore)
Animal Protection Institute (Sacramento)
Animal Care Services Division, City of Sacramento (Sacramento)
Animal Place (Vacaville)
Antioch Animal Services (Antioch)
Association of Veterinarians for Animal Rights (Davis)
Benicia/Vallejo Humane Society (Vallejo)
Berkeley Animal Care Services (Berkeley)
California Animal Care (Pam Desert)
California Animal Defense and Anti-Vivisection League, Inc. (Carson)
City of Perris Animal Control (Perris)
City of Sacramento Animal Care Services Division (Sacramento)
City of Santa Barbara Police Department—Animal Control (Santa Barbara)
Contra Costa Humane Society (Pleasant Hill)
Costa Mesa Animal Control (Costa Mesa)
Desert Hot Springs Animal Control (Desert Hot Springs)
Division (Santa Barbara)
Dog Obedience Club of Torrance, CA (Torrance)
Earth Island Institute (San Francisco)
Eileen Hawthorne Fund Inc. (Fort Bragg)
Escondido Humane Society (Escondido)
Friends for Pets Foundation (Sun Valley)
Friends of the Fairmont Animal Shelter (San Leandro)
Friends of Solano County (Fairfield)
Haven Humane Society, Inc. (Redding)
The Healdsburg Animal Shelter (Healdsburg)
Helen Woodward Animal Center (Rancho Santa Fe)
Hollister Animal Shelter (Hollister)
Humane Education Network (Menlo Park)
Humane Society of Imperial County (El Centre)
Humane Society of Tuolumne County (Jamestown)
Kings SPCA (Hanford)
Lake Tahoe Humane Society/SPCA (South Lake Tahoe)
Lawndale Municipal Services, Animal Control Division (Lawndale)
The Marin Humane Society (Novato)
Orange County People for Animals (Irvine)
Orange County SPCA (Huntington Beach)
Pasadena Humane Society and SPCA (Pasadena)
Pet Adoption League (Grass Valley)
Petaluma Animal Services (Petaluma)
Placer County Animal Services (Auburn)
Placer County Animal Services (Kings Beach/Tahoe Vista)
Pleasanton Police Department—Animal Services (Pleasanton)
Rancho Coastal Humane Society (Leucadia)
Reedley Police Department (Reedley)
Retired Greyhound Rescue (Yuba City)
Sacramento County Animal Care and Regulation (Sacramento)
Sacramento SPCA (Sacramento)
Santa Cruz SPCA (Santa Cruz)
Seal Beach Animal Care Center (Seal Beach)
Siskiyou County Animal Control (Yreka)
Solano County Animal Control (Fairfield)
Southeast Area Animal Control Authority (Downey)
Spay Neuter Associates (Ben Lomond)
The SPCA of Monterey County (Monterey)
Stanislaus County Animal Services (Modesto)
State Humane Association of California (Sacramento)
Town and Country Humane Society (Orland)
Town of Truckee Animal Control (Truckee)
Tracy Animal Shelter (Tracy)
Tri-City Animal Shelter (Fremont)
Tulare County Animal Control Shelter. (Visalia)
United Animal Nations/Emergency Rescue Service (Santa Barbara)
Valley Humane Society (Pleasanton)
Woods Humane Society (San Luis Obispo)
Yuba Sutter SPCA (Yuba City)
Yucaipa Animal Placement Society (Yucaipa)

COLORADO

Adams County Animal Control (Commerce City)
Barnwater Cats Rescue Organization (Denver)
Cat Care Society (Lakewood)
Cherry Hills Village Animal Control (Cherry Hills Village)
Delta County Humane Society (Delta)
Denver Animal Control and Shelter (Denver)
The Dreampower Foundation/P.A.A.L.S. (Castle Rock)
Dumb Friends League (Denver)
Good Samaritan Pet Center (Denver)
Humane Society of Boulder Valley (Boulder)
Intermountain Humane Society (Conifer)
Larimer Humane Society (Fort Collins)
Lone Rock Veterinary Clinic (Bailey)
Longmont Humane Society (Longmont)
Montrose Animal Protection Agency (Montrose)
Rangely Animal Shelter (Rangely)
Rocky Mountain Animal Defense (Boulder)
Table Mountain Animal Center (Golden)
Thornton Animal Control (Thornton)

CONNECTICUT

Animal Welfare Associates, Inc. (Stamford)
Connecticut Humane Society (Newington)
Enfield Police Department-Animal Control (Enfield)
Forgotten Felines, Inc. (Clinton)
The Greater New Haven Cat Project, Inc. (New Haven)
Hamilton Sundstrand (West Locks)
Kitty Angels of Connecticut (Coventry)
Meriden Humane Society (Meriden)
Milford Animal Control (Milford)
Per Animal Welfare Society (PAWS) (Norwalk)
Quinebaug Valley Animal Welfare Service (Dayville)
Valley Shore Animal Welfare League (Westbrook)

DELAWARE

Delaware SPCA (Georgetown)
Delaware SPCA (Stanton)

FLORIDA

Alachua County Humane Society (Gainesville)
Animal Rights Foundation of Florida (Pompano Beach)
Animal Welfare League of Charlotte County (Port Charlotte)
Arni Foundation (Daytona Beach)
Baker County Animal Control (Macclenny)
Central Brevard Humane Society-Central (Cocoa)
Central Brevard Humane Society-South (Melbourne)
Citizens for Humane Animal Treatment (Crawfordville)
Clay County Animal Control (Green Cove Springs)
Coral Springs Humane Unit (Coral Springs)
First Coast Humane Society/Nassau County Animal Control (Yulee)
Flayler County Humane Society (Palm Coast)
Halifax Humane Society (Daytona Beach)
Humane Society of Broward County (Fort Lauderdale)
Humane Society of Collier County, Inc. (Naples)
Humane Society of Lake County (Eustis)
Humane Society of Lee County, Inc. (Fort Myers)
Humane Society of Manatee County (Bradenton)
Humane Society of North Pinellas (Clearwater)
Humane Society of St. Lucie County (Fort Pierce)
Humane Society of Tampa Bay (Tampa)
Humane Society of the Treasure Coast, Inc. (Palm City)
Jacksonville Humane Society
Jefferson County Humane Society (Monticello)
Lake City Animal Shelter (Lake City)
Leon County Humane Society (Tallahassee)
Marion County Animal Center (Ocala)
Okaloosa County Animal Services (Fort Walton Beach)
Panhandle Animal Welfare Society (Fort Walton Beach)
Play Acres, Inc. (Wildwood)
Prayer Alliance for Animals (Jupiter)
Putnam County Humane Society (Hollister)
Safe Animal Shelter of Orange Park (Orange Park)

Safe Harbor Animal Rescue and Clinic (Juniper)
South Lake Animal League, Inc. (Clermont)
Southeast Volusia Humane Society (New Smyrna Beach)
SPCA of Hernando County, Inc. (Brooksville)
SPCA of Pinellas County (Largo)
SPCA of West Pasco (New Port Richey)
Suncoast Basset Rescue, Inc. (Gainesville)
Suwannee County Humane Society (Live Oak)
Volusia County Animal Services (Daytona)
Wings of Mercy Animal Rescue (Panama County Beach)

GEORGIA

Animal Rescue Foundation, Inc. (Milledgeville)
Atlanta Humane Society and SPCA, Inc. (Atlanta)
Basset Hound Rescue of Georgia, Inc. (Kennesaw)
Big Canoe Animal Rescue (Big Canoe)
Catoosa County Animal Control (Ringgold)
Charles Smithgall Humane Society, Inc. (Cleveland)
Cherokee County Humane Society (Woodstock)
Clayton County Humane Society (Jonesboro)
Collie Rescue of Metro Atlanta, Inc. (Atlanta)
Coweta County Animal Control Department (Newman)
Crawfordville Shelter (Crawfordville)
Douglas County Humane Society (Douglasville)
Dublin-Laurens Humane Association (Dublin)
Fayette County Animal Shelter (Fayetteville)
Fitzgerald-Ben Hill Humane Society (Fitzgerald)
Forsyth County Humane Society (Cumming)
Georgia Labrador Rescue (Canton)
Glynn County Animal Services (Brunswick)
Golden Retriever Rescue of Atlanta (Peachtree City)
The Good Shepard Humane Society (Sharpsburg)
Homeward Bound Pet Rescue, Inc. (Ellijay)
Humane Services of Middle Georgia (Macon)
Humane Society of Camden County (Kingsland)
Humane Society of Griffin-Spalding County (Experiment)
Humane Society's Mountain Shelter (Blairsville)
Humane Society of Moultrie-Colquitt County (Moultrie)
Humane Society of Northwest Georgia (Dalton)
Lookout Mountain Animal Resources, Inc. (Menlo
Lowndes County Animal Welfare (Valdosta)
Okefenokee Humane Society (Waycross)
Pet Partners of Habersham, Inc. (Cornelia)
Pound Puppies N Kittens (Oxford)
Rescuing Animals in Need, Inc. (Buford)
Rockdale County Animal Care and Control (Conyers)
Small Dog Rescue/Adoption (Cumming)
Society of Human Friends of Georgia, Inc. (Lawrenceville)
Toccoa-Stephens County Animal Shelter (Tocco)
Town of Chester (Chester)
Vidalia Animal Control (Vidalia)
Washington-Wilkes Animal Shelter (Washington)

HAWAII

Hawaii Island Humane Society (Kailua-Kona)
Hawaii Island Humane Society (Keaau)
Hawaiian Humane Society (Honolulu)
Hauai Humane Society (Lihue)
The Maui Humane Society (Puunene)
West Hawaii Humane Society (Kailua-Kona)

IOWA

Animal Control (Creston)
Animal Lifeline of Iowa, Inc. (Carlisle)
Animal Protection Society of Iowa (Des Moines)
Animal Rescue League of Iowa (Des Moines)
Appanoose County Animal Lifeline, Inc. (Centerville)
Boone Area Humane Society (Boone)
Cedar Bend Humane Society (Waterloo)
Cedar Rapids Animal Control (Ely)
Cedar Valley Humane Society (Cedar Rapids)
City of Atlantic Animal Shelter (Atlantic)
Creston Animal Rescue Effort (Creston)
Friends of the Animals of Jasper County (Newton)
Humane Society of Northwest Iowa (Milford)
Humane Society of Scott County (Davenport)
Iowa City Animal Car and Control (Iowa City)
Iowa Federation of Humane Societies (Des Moines)
Jasper County Animal Rescue league and Humane Society (Newton)
Keokuk Humane Society (Keokuk)
Montgomery County Animal Rescue (Red Oak)
Muscatine Humane Society (Muscatine)
Northeast Iowa People for Animal Welfare (Decorah)
Raccoon Valley Humane Society (Adel)
Siouxland Humane Society (Sioux City)
Solution to Over-Population of Pets (Burlington)
Spay Neuter Assistance for Pets (SNAP) (Muscatine)
Vinton Animal Shelter (Vinton)

IDAHO

Animal Ark (Grangeville)
Animal Shelter of Wood River Valley (Hailey)
Bannock Humane Society (Pocatello)
Ferret Haven Shelter/Rescue of Boise, Inc. (Boise)
Humane Society of the Palouse (Moscow)
Idaho Humane Society (Boise)
Kootenai Humane Society (Hayden)
Pocatello Animal Control (Pocatello)
Second Chance Animal Shelter (Payette)
Twin Falls Humane Society (Twin Falls)

ILLINOIS

Alton Area Animal Aid Associaton (Godfrey)
Anderson Animal Shelter (South Elgin)
The Anti-Cruelty Society (Chicago)
Chicago Animal Care and Controll (Chicago)
Community Animal Rescue Effort (Evanston)
Cook County Department of Animal and Rabies Control (Bridgeview)
Friends Forever Humane Society (Freeport)
Hindsdale Humane Society (Hinsdale)
Homes for Endangered and Lost Pets (St. Charles)
Humane Society of Winnebago County (Rockford).
Illinois Federation of Humane Society (Urbana)
Illinois Humane Political Action Committee (Mahomet)
Kankakee County Humane Society (Kankalee)
Metro East Humane Society (Edwardsville)
Naperville Animal Control (Naperville)
Peoria Animal Welfare Shelter (Peoria)
Peoria Humane Society (Poeria)
PetEd Humane Education (Hinsdale)
Quincy Humane Society (Quincy)
South Suburban Humane Society (Chicago Heights)
Tazewell Animal Protective Society (Pekin)
West Suburban Humane Society (Downers Grove)
Winnebago County Animal Services (Rockford)

INDIANA

Allen County SPCA (Fort Wayne)
Cass County Humane Society (Logansport)
Dubois County Humane Society (Jasper)
Elkhart City Police Department-Animal Control Division (Elkhart)
Fort Wayne Animal Care and Control (Ft. Wayne)
Greene County Humane Society (Linton)
Greenfields, Hancock County Animal Control (Greenfield)
Hammond Animal Control (Hammond)
Hendricks County Humane Society (Brownsburg)
Home for Friendless Animals Inc. (Indianapolis)
Humane Society Calumet Area, Inc. (Munster)
Humane Society of Elkhart County (Elkhart)
Humane Society for Hamilton County (Noblesville)
Humane Society of Hobart (Hobart)
Humane Society of Indianapolis (Indianapolis)
Humane Society of Perry County (Tell City)
Johnson County Animal Shelter (Franklin)
La Porte County Animal Control (La Porte)
Madison County SPCA and Humane Society, Inc. (Anderson)
Martin County Humane Society (Loogootee)
Michiana Humane Society (Michigan City)
Monroe County Humane Association (Bloomington)
Morgan County Humane Society (Martinsville)
New Albany/Floyd County Animal Shelter/Control (New Albany)
Owen County Humane Society (Spencer)
Salem Department of Animal Control (Salem)
Scott County Animal Control and Humane Investigations (Scottsburg)
Sellersburg Animal Control (Sellersburg)
Shelbyville/Shelby County Animal Shelter (Shelbyville)
South Bend Animal Care and Control (South Bend)
St. Joseph County Humane Society (Mishawaka)
Starke County Humane Society (North Judson)
Steuben County Humane Society, Inc. (Angola)
Tippecanoe County Humane Society (Lafayette)
Vanderburgh Humane Society, Inc. (Evansville)
Wells County Humane Society, Inc. (Bluffton)

KANSAS

Animal Heaven (Merriam)

Arma Animal Shelter (Arma)
Caring Hands Humane Society (Newton)
Chanute Animal Control Department (Chanute)
City of Kinsley Animal Shelter (Kinsley)
Finney County Humane Society (Garden City)
Ford County Humane Society (Dodge City)
Heart of America Humane Society (Overland Park)
Hutchinson Humane Society (Hutchinson)
Kansas Humane Society of Wichita (Wichita)
Lawrence Humane Society (Lawrence)
Leavenworth Animal Society (Leavenworth)
Medicine Lodge Animal Shelter (Medicine Lodge)
Neosho County Sheriff's Office (Erie)
Salina Animal Shelter (Salina)
S.E.K. Humane Society (Pittsburg)
Southeast Kansas Humane Society (Pittsburg)

KENTUCKY

Boone County Animal Control (Burlington)
Friends of the Shelter/SPCA Kentucky (Florence)
Humane Society of Nelson County (Bardstown)
Jefferson County Animal Control and Protection (Louisville)
Kentucky Coalition for Animal Protection, Inc. (Lexington)
Lexington Humane Society (Lexington)
Marion County Humane Society Inc. (Lebanon)
McCracken County Humane Society, Inc. (Paducah)
Muhlenberg County Humane Society (Greenville)
Woodford Humane Society (Versailles)

LOUISIANA

Calcasieu Parish Animal Control and Protection Department (Lake Charles)
Cat Haven, Inc. (Baton Rouge)
City of Bossier Animal Control (Bossier City)
Coalition of Louisiana Advocates (Pineville)
Don't Be Cruel Sanctuary (Albany)
East Baton Rouge Parish Animal Control Center (Baton Rouge)
Humane Society Adoption Center (Monroe)
Iberia Humane Society (New Iberia)
Jefferson Parish Animal Shelters (Jefferson)
Jefferson SPCA (Jefferson)
League in Support of Animals (New Orleans)
Louisiana SPCA (New Orleans)
Natchitoches Humane Animal Shelter (Natchitoches)
Spay Mart, Inc. (New Orleans)
St. Bernard Parish Animal Control (Chalmette)
St. Charles Humane Society (Destrehan)
St. Tammany Humane Society (Covington)

MASSACHUSETTS

Alliance for Animals (Boston)
Animal Shelter Inc. (Sterling)
Baypath Humane Society of Hopkinton, Inc. (Hopkinton)
The Buddy Dog Humane Society, Inc. (Sudbury)
CEASE (Somerville)
Faces Inc. Dog Rescue and Adoption (West Springfield)
Faxon Animal Rescue League (Fall River)
Lowell Humane Society (Lowell)
MSPCA (Boston)
New England Animal Action, Inc. (Amherst)
North Attleboro Animal Control/Shelter (N. Attleboro)
North Shore Feline Rescue (Middleton)
South Shore Humane Society, Inc. (Braintree)

MARYLAND

Animal Advocates of Howard County (Ellicott City)
Bethany Centennial Animal Hospital (Ellicott City)
Caroline County Humane Society (Ridgely)
Charles County Animal Control Services (La Plata)
Harford County Animal Control (Bel Air)
Humane Society of Baltimore County (Reistertown)
Humane Society of Carroll County, Inc. (Westminister)
The Humane Society of Charles County (Waldorf)
The Humane Society of Dorchester County, Inc. (Cambridge)
The Humane Society of Harford County (Fallston)
Humane Society of Southern Maryland (Temple Hills)
Humane Society of Washington County (Maugansville)
Labrador Retriever Rescue, Inc. (Clinton)
Prince George's County Animal Welfare League (Forestville)
Shady Spring Kennels and Camp for Dogs (Woodbine)
St. Mary's Animal Welfare League, Inc. (Hollywood)

MAINE

The Ark Animal Shelter (Cherryfield)
Boothbay Region Humane Society (Boothbay Harbor)
Bucksport Animal Shelter (Bucksport)
Greater Androscoggiin Humane Society (Auburn)
Houlton Humane Society (Houlton)
Humane Society—Waterville Area (Waterville)
Kennebec Valley Humane Society (Augusta)
Maine Friends of Animals (Falmouth)
Penobscot Valley Humane Society (Lincoln)

MICHIGAN

Adopt-A-Pet (Allegan)
Animal Placement Bureau (Lansing)
Capital Area Humane Society (Lansing)
The Cat Connection (Berkley)
Concern for Criters (Battle Creek)
Friends for Felines Inc. (Lansing)
Grosse Point Animal Adoption Society (Grosse Pointe Farms)
Humane Society of Bay County, Inc. (Bay City)
Humane Society of Huron Valley (Ann Arbor)
Humane Society of Kent County (Walker)
Humane Society of Southwest Michigan (Benton Harbor)
Inkster Animal Control (Inkster)
Iosco County Animal Control (Taws City)
Kalamazoo Humane Society
Lenawee Humane Society (Adrian)
Menominee Animal Shelter (Menominee)
Michigan Animal Adoption Network (Livonia)
Michigan Animal Rescue League (Pontiac)
Michigan Humane Society (Westland)
Michigan Humane Society (Rochester Hills)
Midland County Animal Control (Midland)
Mid-Michigan Animal Welfare League (Standish)
Ottawa Shores Humane Society (West Olive)
Pet Connection Humane Society (Reed City)
Roscommon County Animal Shelter (Roscommon)
The Safe Harbor Haven Inc./Rottweiler Hope (Grand Ledge)
St. Clair Shores Emergency Dispatchers (St. Clair Shores)
St. Joseph County Animal Control (Centreville)
WAG Animal Rescue (Wyandotte)
Wonderful Humane Society (Cadillac)

MINNESOTA

Almost Home Shelter (Mora)
Animal Allies Humane Society (Duluth)
Beltrami Humane Society (Bemidji)
Bernese Mountain Dog Club of the Greater Twin Cities (St. Paul)
Brown County Humane Society (New Ulm)
Carver-Scott Humane Society (Chaska)
Clearwater County Humane Society (Bagley)
Doberman Rescue Minnesota (Prior Lake)
Friends of Animal Humane Society of Carlton County, Inc. (Cloquet)
Hibbing Animal Shelter (Hibbing)
Humane Society of Otter Tail County (Fergus Falls)
Humane Society of Polk County, Inc. (Crookston)
The Humane Society of Wright County (Buffalo)
Isanti County Humane Society (Cambridge)
Minnesota Valley Humane Society (Burnsville)
Second Chance Animal Rescue (White Bear Lake)
Waseca County Humane Society (Waseca)

MISSOURI

Afton Veterinary Clinic (St. Louis)
The Alliance for the Welfare of Animals (Springfield)
Animal House Veterinary Hospital (Arnold)
Animal Protective Association of Missouri (St. Louis)
Audrain Humane Society (Mexico)
Boonville Animal Control Shelter (Boonville)
Callaway Hills Animal Shelter (New Bloomfield)
Caruthersville Humane Society (Caruthersville)
Columbia Lowndes Humane Society (Columbus)
Dent County Animal Welfare Society (Salem)
Dogwood Animal Shelter (Camdenton)
Humane Society of Missouri (St. Louis)
Humane Society of the Ozarks (Farmington)
Humane Society of Southeast Missouri (Cape Girardeau)
Jefferson County Animal Control (Barnhart)
Lebanon Humane Society (Lebanon)
Lee's Summit Municipal Animal Shelter (Lee's Summit)
Marshall Animal Shelter (Marshall)
Northeast Missouri Humane Society (Hannibal)
Olde Towne Fenton Veterinary Hospital (Fenton)
Open Door Animal Sanctuary (House Springs)
Pound Pals (St. Louis)
Saline Animal League (Marshall)
Sikeston Bootheel Humane Society (Sikeston)
St. Charles Humane Society (St. Charles)
St. Joseph Animal Control and Rescue (St. Joseph)
St. Louis Animal Rights Team (St. Louis)
St. Peters Animal Control (St. Peters)
Wayside Waifs (Kansas City)

MISSISSIPPI

Cedarhill Animal Sanctuary, Inc. (Caledonia)

Forest County Humane Society (Hattiesburg)
Humane Society of South Mississippi (Gulfport)
Mississippi Animal Rescue League (Jackson)

MONTANA

Anaconda Police Department—Animal Control
Animal Welfare League of Montana (Billings)
Bitter Root Humane Association (Hamilton)
Bright Eyes Care and Rehab Center, Inc. (Choteau)
Humane Society of Cascade County (Great Falls)
Humane Society of Park County (Livingston)
Mission Valley Animal Shelter (Polson)
Montana Spay/Neuter Taskforce (Victor)
Missoula Humane Society (Missoula)
PAWHS (Deerlodge)

NORTH CAROLINA

Animal Protection Society of Orange County (Chapel Hill)
Carolina Animal Protection Society of Onslow County, Inc. (Jacksonville)
Carteret County Humane Society, Inc. (Morehead City)
Charlotte/Mecklenburg Animal Control Bureau (Charlotte)
Forsyth County Animal Control (Winston-Salem)
Henderson County Humane Society (Hendersonville)
Humane Society of Rowan County (Salisbury)
Justice For Animals, Inc. (Raleigh)
Moore Humane Society (Southern Pines)
North Carolina Animal/Rabies Control Association (Raleigh)
SPCA of Wake County (Garner)
Wake County Animal Control (Raleigh)
Watauga Humane Society (Blowing Rock)

NORTH DAKOTA

Central Dakota Humane Society (Mandan)
James River Humane Society (Jamestown)
Souris Valley Humane Society (Minot)

NEBRASKA

Animal Rescue Society, Inc. (Lincoln)
Capital Humane Society (Lincoln)
Care Seekers (Omaha)
Central Nebraska Humane Society (Grand Island)
Coalition for Animal Protection, Inc. (Omaha)
Dodge County Humane Society (Fremont)
Hearts United for Animals (Auburn)
McCook Humane Society (McCook)
Nebraska Border Collie Rescue (Bellevue)
Nebraska Humane Society (Omaha)
Panhandle Humane Society (Scottsbluff)
White Rose Sanctuary (Gordon)

NEW HAMPSHIRE

Animal Rescue League of New Hampshire (Bedford)
Cocheco Valley Humane Society (Dover)
Collage (Nashua)
Concord-Merrimack County SPCA (Concord)]
Conway Area Humane Society (Center Conway)
Greater Derry Humane Society, Inc. (East Derry)
Humane Society of Greater Nashua (Nashua)
Manchester Animal Shelter (Manchester)
Monadnock Humane Society (W. Swanzey)
New Hampshire Animal Rights League, Inc. (Concord)
The New Hampshire Doberman Rescue League, Inc. (Rochester)
New Hampshire Humane Society (Laconia)
New Hampshire SPCA (Stratham)
Salem Animal Rescue League (North Salem)
Solutions to Overpopulation of Pets, Inc. (Concord)
Sullivan County Humane Society (Claremont)
White Mountain Animal League (Franconia)

NEW JERSEY

Animal Welfare Federation of New Jersey (Montclair)
Associated Humane Societies (Newark)
Cumberland County SPCA (Vineland)
Humane Society of Atlantic County (Atlantic County)
Hunterdon County SPCA (Milford)
Monmouth County SPCA (Eatontown)
Parsippany Animal Shelter (Parsippany)
Paws for a Cause (Brick)

NEW MEXICO

Animal Aid Association of Cibola County (Milan)
Cimarron Police Animal Control (Cimarron)
Deminig/Luna County Humane Society (Derming)
Dona Ana County Humane Society (Las Cruces)
Homeless Animal Rescue Team, Inc. (Los Lunas)
Peoples' Anti-Cruelty Association (Albuquerque)
Rio Grand Animal Humane Association, Inc. (Los Lunas)
Roswell Humane Society (Roswell)
San Juan Animal League (Farmington)
Santa Fe Animal Shelter and Humane Society

NEVADA

Carson/Eagle Valley Humane Society (Carson City)
Nevada Humane Society (Sparks)

NEW YORK

Animal Rights Advocates of Western New York (Amherst)
The Caring Corps, Inc. (New York)
Chautauqua County Humane Society (Jamestown)
Chenango County SPCA (Norwich)
Columbia-Greene Humane Society (Hudson)
Elmore SPCA (Peru)
Finger Lakes SPCA of Central New York (Auburn)
The Fund for Animals (New York)
Humane Society of Rome (Rome)
New York State Animal Control Association (Oswego)
New York State Humane Association (Kingston)
People for Animal Rights, Inc. (Syracuse)
SPCA of Catt County (Olean)
St. Francis Animal Shelter, Inc. (Buffalo)

OHIO

Angles for Animals (Greenford)
Animal Adoption Foundation (Hamilton)
Animal Charity (Youngstown)
Animal Control of Brook Park (Brook Park)
Animal Control-City of Middleburg Heights (Middleburg Heights)
Animal Protection Guild (Canton)
Animal Protective League (Cleveland)
The Animal Shelter Society, Inc. (Zanesville)
Alter Pet Inc. (Sharon Center)
Ashtabula County Humane Society (Jefferson)
Athens County Humane Society (Athens)
Belmont County Animal Shelter (St. Clairsville)
Brown County Animal Shelter (Georgetown)
Canine Therapy Companions (Wooster)
Capital Area Humane Society (Hilliard)
Carroll County Humane Society (Carrollton)
City of Cleveland Dog Kennels (Cleveland)
Crawford County Humane Society (Bucyrus)
Darke County Animal Shelter (Greenville)
Erie County Dog Pound (Sandusky)
Euclid Animal Shelter (Euclid)
Gallia County Animal Welfare League (Gallipolis)
Harrison County Dog Warden (Codiz)
Hearts and Paws (Canal Fulton)
Henry County Humane Society (Napoleon)
Humane Association of Butler County (Trenton)
Humane Association of Warren County (Lebanon)
Humane Society of Delaware County (Delaware)
Humane Society of Erie County (Sandusky)
Humane Society of Greater Dayton (Dayton)
Humane Society of Guernsey County (Cambridge)
Humane Society of the Ohio Valley (Marietta)
The Humane Society of Ottawa County (Port Clinton)
Humane Society of Preble County (Eaton)
Humane Society of Sandusky County (Fremont)
Lake County Dog Shelter (Painesville)
Lake County Humane Society, Inc. (Mentor)
Marion County Humane Society (Marion)
Maumee Valley Save-A-Pet (Waterville)
Medina County Animal Shelter (Medina)
Miami County Animal Shelter (Troy)
Monroe County Humane Society (Woodsfield)
Montgomery County Animal Shelter (Dayton)
Morrow County Humane Society (Mt. Gilead)
North Central Ohio Nature Preservation League (Mansfield)
North Coast Humane Society (Cleveland)
Ohio County Dog Wardens' Association (Delaware)
Ohioans for Animal Rights (Eastlake)
PAWS (Middletown)
Paws and Prayers Per Rescue (Akron)
Pet Birth Control Clinics (Cleveland)
Pet-Guards Shelter (Cuyahoga Falls)
Portage County Animal Protective League (Ravenna)
Portage County Dog Warden (Ravenna)
Rescue, Rehabilitation and Release Wildlife Center (New Philadelphia)
Sandusky County Dog Warden (Fremont)
The Scratching Post (Cincinnati)
Society for the Improvement of Conditions for Stray Animals (Kettering)
SPCA Cincinnati (Cincinnati)
Stark County Humane Society (Louisville)
Their Caretakers (DeGraff)
Toledo Area Humane Society (Maumee)
Tuscarawas County Dog Pound (New Philadelphia).
Wayne County Humane Society (Wooster)
Wester Reserve Humane Society (Euclid)
Wood County Humane Society (Bowling Green)
Wyandot County Humane Society, Inc. (Sandusky)

OKLAHOMA

Animal Aid of Tulsa, Inc. (Tulsa)
Enid SPCA (Enid)
Home at Last Organization (Tulsa)

Humane Society of Cherokee County (Tahlequah)
Oklahoma Humane Federation (Oklahoma City)
Partners for Animal Welfare Society (McAlester)
PAWS (Muskogee)
Petfinders Animal Welfare Society, Inc. (Moore)
Promoting Animal Welfare Society, Inc. (Muskogee)
Stephens County Humane Society (Duncan)
Volunteers for Animal Welfare, Inc. (Oklahoma City)

OREGON

Hood River County Sheriff's Department (Hood River)
Humane Society of Allen County (Lima)
Humane Society of Central Oregon (Bend)
Humane Society of Williamette Valley (Salem)
Jackson County Animal Shelter (Phoenix)
Lakeview Police Department (Lakeview)
Multnomah County Animal Control (Troutdale)
Oregon Humane Society (Portland)
South Coast Humane Society (Brookings)
Wallowa County Humane Society (Enterprise)

PENNSYLVANIA

Antietam Humane Society, Inc. (Waynesboro)
Beaver County Humane Society (Monaca)
Bradford County Humane Society (Ulster)
Chester County SPCA (West Chester)
Cumberland Valley Animal Shelter (Chambersburg)
Humane Society at Lackawanna County (Clarks Summit)
Lehigh Valley Animal Rights Coalition (Allentown)
The Pennsylvania SPCA (Philadelphia)
The Pennsylvania SPCA (Stroudsburg)
Ruth Stein Memorial SPCA (Pottsville)
SPCA of Luzerne County (Wilkes Barre)
Western Pennsylvania Westie Rescue Committee (New Castle)
Women's Humane Society (Bensalem)
York County SPCA (Thomasville).

RHODE ISLAND

Animal Rescue League of SRI (Wakefield)
Potter League for Animals (Newport)
Providence Animal Control Center (Providence)
Warren Animal Shelter (Warren)

SOUTH CAROLINA

The Animal Mission (Columbia)
Animal Protection League of South Carolina (Hopkins)
Beaufort County Animal Shelter and Control (Beaufort)
Blue Ridge Animal Fund (Travelers Rest)
City of Aiken Animal Control (Aiken)
Columbia Animal Shelter (Columbia)
Concerned Citizens for Animals (Simpsonville)
Grand Strand Humane Society (Myrtle Beach)
The Greenville Humane Society (Greenville)
Hanahan Animal Control Office/Animal Shelter (Hanahan)
Hilton Head Humane Association (Hilton Head Island)
Humane Society of Marion County (Marion)
Humane Society of the Midlands (Columbia)
The Humane Society of North Myrtle Beach (North Myrtle Beach)
Kershaw County Humane Society (Camden)
Lancaster County Animal Control (Kershaw)
Lexington Animal Services (Lexington)
Nutritional Medicine Center (North Charleston)
South Carolina Animal Care and Control Association (Columbia)
The Spay/Neuter Association, Inc. (Columbia)
St. Francis Humane Society (Georgetown)
Walter Crowe Animal Shelter (Camden)

SOUTH DAKOTA

Aberdeen Area Humane Society (Aberdeen)
Beadle County Humane Society (Huron)
Humane Society of the Black Hills (Rapid City)

TENNESSEE

Animal Protection Association (Memphis)
Companion Animal Support Services (Nashville)
Fayette County Animal Rescue (Rossville)
Greenville-Greene County Humane Society (Greenville)
Hardin County Humane Society (Savannah)
Hickman Humane Society (Centerville)
Humane Society of Cumberland County (Crossville)
Humane Society of Dickson County (Dickson)
Humane Society of Dover-Stewart County (Dover)
Nashville Humane Association (Nashville)
North Central Tennessee Spay and Neuter (West Lafayette)
Tennessee Humane Association (Knoxville)

TEXAS

Animal Adoption Center (Garland)
Animal Connection of Texas (Dallas)
Animal Defense League (San Antonio)
Animal Shelter and Adoption Center of Galveston Island, Inc. (Galveston)
Affordable Companion Animal Neutering (Austin)
Canyon Lake Animal Shelter Society (Canyon Lake)
Central Texas SPCA (Cedar Park)
Citizens for Animal Protection (Houston)
City of Brownsville-Animal Control (Brownsville)
City of Hurst Animal Services (Hurst)
City Nacogdoches Animal Shelter (Houston)
City of West University Place (Houston)
Doggiemom Rescue (Dallas)
Find-A-Pet (Dallas)
Guadalupe County Humane Society (Sequin)
Harker Heights Animal Control (Harker Heights)
Homeless Pet Placement League (Houston)
H.O.R.S.E.S. in Texas (Chico)
Houston Dachshund Rescue (Spring)
Houston Humane Society (Houston)
Houston SPCA (Houston)
Humane Society of El Paso (El Paso)
Humane Society of Greater Dallas (Dallas)
Humane Society of Harlingen (Harlingen)
Humane Society of Montgomery County (Conroe)
Humane Society of Navarro County (Corsicana)
Humane Society of North Texas (Fort Worth)
Humane Society of Tom Green County (San Angelo)
Jasper Animal Rescue (Jasper)
Lubbock Animal Services (Lubbock)
Metroport Humane Society (Roanoke)
North Central Texas Animal Shelter Coalition (Fort Worth)
Operation Kindness Animal Shelter (Carrollton)
Paws Shelter for Animals (Kyle)
SPCA of Texas (Dallas)
Texas Federation of Humane Society (Austin)
Waco Humane Society and Animal Shelter (Waco)

VIRGINIA

Animal Assistance League (Chesapeake)
Animal Welfare League of Alexandria (Alexandria)
Caring for Creatures (Palmyra)
Charlottesville-Albemarle SPCA (Charlottesville)
Danville Area Humane Society (Danville)
For the Love of Animals in Goochland (Manakin-Sabot)
Henrico Humane Society (Richmond)
Heritage Humane Society (Williamsburg)
Humane Society Montgomery County (Blacksburg)
Humane Society/SPCA of Nelson County (Arrington)
Isle of Wight County Humane Society (Smithfield)
Lynchburg Humane Society Inc. (Lynchburg)
Madison County Humane Society (Madison)
The National Humane Education Society (Leesburg)
New Kent Sherrif's Department (New Kent)
Page County Animal Shelter (Stanley)
Peninsula SPCA (Newport News)
Portsmouth Police Animal Control (Portsmouth)
Potomac Animal Allies, Inc. (Woodbridge)
Prevent a Litter Coalition, Inc. (Reston)
Smyth County Humane Society (Marion)
SPCA of Northern Virginia (Arlington)
SPCA of Martinsville-Henry County (Martinsville)
SPCA of Winchester, Frederick and Clarke Counties (Winchester)
Suffolk Animal Control Shelter (Suffolk)
Tazewell County Animal Shelter (Tazewell)
Vinton Police Department—Animal Control (Vinton)
Virginia Beach SPCA (Virginia Beach)
Wildlife Center of Virginia (Waynesboro)
Williamsburg-James City County Animal Control (Williamsburg)

VERMONT

Addison County Humane Society (Middlebury)
Caledonia Animal Rescue (St. Johnsbury)
Central Vermont Humane Society (Montpelier)
Collie Rescue League of New England (Bradford)
Elizabeth H. Brown Humane Society, Inc. (St. Johnsbury),
Endtrap (White River Junction)
Green Mountain Animal Defenders (Burlington)
Humane Society of Chittenden County (South Burlington)
The Nature Network (North Pomfret)
Rutland County Humane Society (Pittsford)
Rutland Police Department-Animal Control (Rutland)
Second Chance Animal Center (Shaffsbury)
Vermont Volunteer Services for Animals (Woodstock)
Windham County Humane Society (Brattleboro)

WASHINGTON

Animal Protection Society (Friday Harbor)
City of Hoquiam's Animal Control
Ellensburg Animal Shelter (Ellensburg)
Humane Society of Central Washington (Yakima)

The Humane Society of Seattle/King County (Bellevue)

Humane Society of Skagit Valley (Burlington)

Kindred Spirits Animal Sanctuary (Suquamish)

NOAH (Stanwood)

Progressive Animal Welfare Society (Lynnwood)

SpokAnimal C.A.R.E. (Spokane)

Wenatchee Valley Humane Society (Wenatchee)

Whatcom Humane Society (Bellingham)

WISCONSIN

Alliance for Animals (Madison)

Bay Area Humane Society and Animal Shelter, Inc. (Green Bay)

Cats International (Cedarburg)

Chippewa County Humane Association (Chippewa Falls)

Clark County Humane Society (Neillsville)

Coulee Region Humane Society, Inc. (LaCrosse)

Dane County Humane Society (Madison)

Eastshore Humane Association (Chilton)

Eau Claire County Humane Association (Eau Claire)

Elm Brook Humane Society (Brookfield)

Fox Valley Humane Association Ltd (Appleton)

Humane Society of Marathon County (Wausan)

Lincoln County Humane Society Inc. (Merrill)

Northwoods Humane Society (Hayward)

Ozaukee Humane Society (Grafton)

The Pepin County Humane Society (Durand)

Rock County Humane Society (Janesville)

Rusk County Animal Shelter (Ladysmith)

Shawano County Humane Society (Shawano)

Washburn County Area Humane Society (Spooner)

Washington County Humane Society (Slinger)

Wisconsin Humane Society (Milwaukee)

WEST VIRGINIA

Brooke County Animal Welfare League (Wellsburg)

Federation of Humane Organizations of West Virginia (Mineral Wells)

Hampshire County Pet Adoption Program (Paw Paw)

Hancock County Animal Shelter New Cumberland)

Humane Society of Harrison County (Shinnston)

Humane Society of Morgan County (Berkeley Springs)

Humane Society of Parkersburg (Parkersburg)

The Humane Society of Pocahontas County (Hillsboro)

Humane Society of Raleigh County (Beckley)

Jackson County Humane Society/Jackson County Animal Shelter (Cottageville)

Jefferson County Animal Control (Keaneysville)

Kanawha/Charleston Humane Association (Charleston)

Marshall County Animal Rescue League (Glen Dale)

Monroe County Animal League, Inc. (Union)

Morgantown Animal Control (Morgantown)

Ohio County Animal Shelter (Triadelphia)

Ohio County SPCA (Triadelphia)

Ohio County SPCA (Wheeling)

Putnam County Humane Society, Inc. (Scott Depot)

TLC Animal Sanctuary (Clendenin)

Upshur County Humane Society (Buckhannon)

Wetzel County Humane Society (New Martinsville)

WYOMING

Animal Care Center (Laramie)

Caring for Powell Animals (Powell)

Cheyenne Animal Shelter

Dare to Care Animal League (Riverton)

Humane Society of Park County (Cody)

Lander Pet Connection, Inc. (Lander)

Laramie Animal Shelter (Laramie)

PAWS of Jackson Hole (Jackson)

Wyoming Advocates for Animals (Cheyenne)

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment as further modified.

The amendment (No. 2542), as further modified, was agreed to.

Mr. HARKIN. Mr. President, I move to reconsider the vote.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I ask the Chair to bring us to consideration of the Gramm amendment No. 2849.

The PRESIDING OFFICER. That amendment is now pending.

The Senator from Texas.

AMENDMENT NO. 2849, AS MODIFIED

Mr. GRAMM. I send a modification to the desk.

The PRESIDING OFFICER. Without objection, the amendment will be so modified.

The amendment, as modified, is as follows:

(Purpose: To provide equity and fairness for the promotion of imported Hass avocados)

At the appropriate place insert the following:

Section 1205 of the Hass Avocado Promotion, Research, and Information Act (contained in H.R. 5426 of the 106th Congress, as introduced on October 6, 2000 and as enacted by Public Law 106-387) is amended—

(1) in paragraph (b)(2) strike subparagraph (C) and insert in lieu thereof:

(C) FUTURE ALLOCATION.—After five years, the USDA has discretion to revisit the issue of seat allocation on the board.

(2) in paragraph (h)(1)(C)(iii) by striking everything in the first sentence following "shall" and inserting in lieu thereof "be paid not less than 30 days after the avocado clears customs, unless deemed not feasible as determined by the Commissioner of Customs in consultation with the Secretary of Agriculture."

Mr. GRAMM. This is a very simple amendment that tries to bring equity to Mexican producers of avocados by collecting the fee in the same way on imported avocados as we do on domestically grown avocados. It also gives the Department of Agriculture an opportunity in 5 years to look at the representation on the board that spends the money to promote avocados.

I thank the Senator from California, Mrs. FEINSTEIN, for working with me. I commend it to my colleagues.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2849), as modified, was agreed to.

Mr. GRAMM. I move to reconsider the vote.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2856

Mr. HARKIN. Parliamentary inquiry: What now is before the Senate?

The PRESIDING OFFICER. Amendment No. 2856, offered by the Senator from Iowa.

Mr. REID. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the amendment.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) the Senator from Alabama (Mr. SESSIONS), and the Senator from Utah (Mr. BENNETT) are necessarily absent.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 17, nays 80, as follows:

[Rollcall Vote No. 26 Leg.]

YEAS—17

Akaka
Brownback
Carnahan
Graham
Grassley
Hagel
Harkin
Hollings
Hutchison
Inouye
Kohl
Mikulski
Nelson (FL)
Reid
Roberts
Voinovich
Wyden

NAYS—80

Allard
Allen
Baucus
Bayh
Biden
Bingaman
Bond
Boxer
Breaux
Bunning
Burns
Byrd
Campbell
Cantwell
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Gramm
Gregg
Hatch
Helms
Hutchinson
Inhofe
Jeffords
Johnson
Kennedy
Kerry
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Miller
Murkowski
Murray
Nelson (NE)
Nickles
Reed
Rockefeller
Santorum
Sarbanes
Schumer
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens

Thomas
Thompson
Thurmond
Torricelli
Warner
Wellstone

NOT VOTING—3

Bennett
Domenici
Sessions

The amendment (No. 2856) was rejected.

Mr. LUGAR. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2845

The PRESIDING OFFICER. The question is on agreeing to the underlying amendment No. 2845.

The amendment (No. 2845) was agreed to.

Mr. LUGAR. I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Georgia.

AMENDMENT NO. 2832, AS FURTHER MODIFIED

Mr. MILLER. Mr. President, I ask unanimous consent to further modify amendment No. 2832, offered by Senator CLELAND and myself.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment, as further modified, is as follows:

On page 120, line 3, strike "$0.10" and insert "$0.11".

On page 112, strike lines 20 through 25 and insert the following:

"(A) a designated marketing association of peanut producers that is approved by the Secretary, which may own or construct necessary storage facilities. In the Southeast and Southwest areas, such designated marketing association shall be operated primarily on behalf of peanut producers. The designated area marketing association shall be allowed to form marketing pools for peanuts by type and quality, including the creation of a separate pool for Valencia peanuts in New Mexico;

(B) the Farm Service Agency; or

(C) a loan servicing agent approved by the Secretary.

On page 112, after line 25, insert the following:

"(6) LOAN SERVICING AGENT.—If approved by a majority of historical peanut producers in a State voting in a referendum conducted by the Secretary, as a condition of the Secretary's approval of an entity to serve as a loan servicing agent or to handle or store peanuts for producers that receive any marketing loan benefits in the State, the entity shall agree to provide adequate storage (if available) and handling of peanuts at the commercial rate to other approved loan servicing agents and marketing associations.

On page 116, strike lines 6 through 15 and insert the following:

"(h) AREA MARKETING ASSOCIATION COSTS.—If approved by a majority of historical peanut producers in a State voting in a referendum conducted by the Secretary, the Secretary shall deduct in a marketing assistance loan made to an area marketing association in a marketing area in the State such costs as the area marketing association may reasonably incur in carrying out the responsibilities, operations, and activities of the association and Commodity Credit Corporation under this section.

"(i) DEFINITION OF COMMINGLE.—In this section and section 158H, the term 'commingle', with respect to peanuts, means—

"(1) the mixing of peanuts produced on different farms by the same or different producers; or

"(2) the mixing of peanuts pledged for marketing assistance loans with peanuts that are not pledged for marketing assistance loans, to facilitate storage.

"SEC. 158H. QUALITY IMPROVEMENT.

"(a) OFFICIAL INSPECTION.—

"(1) IN GENERAL.—All peanuts placed under a marketing assistance loan under section 158G or otherwise sold or marketed shall be officially inspected and graded by a Federal or State inspector.

"(2) ACCOUNTING FOR COMMINGLED PEANUTS.—If approved by a majority of historical peanut producers in a State voting in a referendum conducted by the Secretary, all peanuts stored commingled with peanuts covered by a marketing assistance loan in the State shall be graded and exchanged on a dollar value basis, unless the Secretary determines that the beneficial interest in the peanuts covered by the marketing assistance loan have been transferred to other parties prior to demand for delivery.

Mr. MILLER. Mr. President, I ask unanimous consent that Senators EDWARDS, WARNER, ALLEN, and SESSIONS be added as cosponsors and that the amendment, as further modified, be agreed to.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The question is on agreeing to amendment No. 2832, as further modified.

The amendment (No. 2832), as further modified, was agreed to.

Mr. LUGAR. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Indiana.

AMENDMENT NO. 2848 WITHDRAWN

Mr. LUGAR. Mr. President, I ask unanimous consent that amendment No. 2848, offered by Senator GRAMM of Texas, be withdrawn.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LUGAR. I thank the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, what is the matter now before the Senate?

The PRESIDING OFFICER. Amendment 2825, offered by the Senator from Oklahoma. The Senator from Iowa.

AMENDMENT NO. 2853

Mr. HARKIN. Mr. President, I ask unanimous consent that the pending amendment be laid aside and that the Harkin amendment No. 2853 be called up.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, this amendment deals with a change, and that has to do with the equity portion of a part of the farm bill that just changes the mix a little bit to cover cities up to 100,000.

The PRESIDING OFFICER. Is there further debate?

The question is on agreeing to amendment No. 2853.

The amendment (No. 2853) was agreed to.

Mr. HARKIN. Mr. President, I move to reconsider the vote.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2850

Mr. HARKIN. Mr. President, I call for the regular order. Might I inquire exactly what the regular order now is before the Senate?

The PRESIDING OFFICER. The regular order is amendment No. 2850 offered on behalf of Senators KYL and NICKLES.

Mr. HARKIN. Mr. President, I understand that the pending amendment before the Senate is the Kyl amendment No. 2850 that deals with a sense of the Senate on estate taxes; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HARKIN. Mr. President, again, we are getting close to the end here. We only have a few amendments left that I have on my list. Most of them have been worked out. I thank all Senators for helping to work out the amendments. I think we have basically the pending amendment, as I understand it. We have an amendment No. 2851 offered by Senator DOMENICI dealing with dairy. We have the Leahy amendment No. 2834 dealing with organics. We have a Kerry-Snowe amendment No. 2852 dealing with commercial fisheries, and we have an Inhofe amendment No. 2825 dealing with peanuts. That is all I have on my list. I ask Senator LUGAR if he has anything else.

Mr. LUGAR. That is my understanding. I believe, in addition, another amendment will be offered in relation to the Kyl-Nickles amendment on estate taxes.

Mr. HARKIN. A second degree?

Mr. LUGAR. A second-degree amendment. But there will be votes on both of those; that is, they will be side by side in the debate.

Mr. HARKIN. Mr. President, we are now on the Kyl amendment No. 2850. I ask the assistant majority leader if we could enter into a time agreement to bring this to a close.

Mr. REID. If I could respond to the manager of the bill for the majority, we attempted to get a time agreement. We could not do that. We agreed to having 30 minutes equally divided. This matter has been debated endlessly for the past several weeks. I think we have heard about all there is to hear. I would hope that those people who are in favor of this legislation would speak, and those opposed to it. Senator CONRAD is going to speak. He has an alternative. The proposal is, we would vote on his and, following that vote, on the underlying Kyl amendment.

Mr. HARKIN. I ask the leader, could we move to that and debate that?

Mr. REID. Senator CONRAD has been on the floor for more than an hour. He is here someplace. He will be here momentarily. But what he did say is he would appreciate it if those who are proposing this legislation would move forward and then, when they have completed their statement, he would offer the second degree, and we would go from there.

Senator KYL is here.

Mr. HARKIN. Senator KYL is here. Wonderful. Now we can move ahead. Get the Senator a podium.

Mr. REID. I inquire through the Chair to my friend, the Senator from Arizona—he is going to speak—are there others who wish to speak?

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, in response to the assistant majority leader, the answer is, yes. Senator GRAMM is prepared to speak. I think Senator HUTCHISON was here a moment ago. Senator NICKLES will be back in about a half hour. So until we know exactly how many people want to speak, I am reluctant to enter into a time agreement. I don't want to take all night, but I don't want to limit it at this point.

If I could further propound an inquiry, it is my understanding we will have separate votes on both the second-degree amendment and on the Kyl-Nickles amendment. What I am unclear of is the effect of the Conrad amendment and whether it would obviate the Kyl amendment. It is a little unclear by virtue of the language. I have only seen a handwritten copy of it. It would be helpful if we knew what the effect of that is before we proceed.

Mr. REID. If I may respond to my friend from Arizona, if the Conrad second-degree amendment passes, then his amendment is gone. If it doesn't pass, then we would come back and vote on his amendment.

Mr. KYL. Mr. President, if I had understood earlier, the idea would be to have a separate up-or-down vote on both. I thought that is what the agreement was. Am I incorrect?

Mr. REID. I think the Senator from Arizona is correct. The Senator from North Dakota has decided he wanted to file a second-degree amendment. I would only say to my friend from Arizona, if you and those who have spoken on behalf of this legislative measure for several weeks now have confidence it has been elaborated upon several times, you should be OK and have a vote on yours.

Mr. KYL. I am sorry. If the suggestion was that we should have a vote, I think there are folks who would like to talk about this.

Mr. REID. I am sorry to interrupt. If we could have some time agreement from the proponents of this legislation, we would work out a side-by-side.

Mr. KYL. Mr. President, I think at 7 o'clock we should revisit this question of a time agreement. We perhaps could enter into it. I want to wait until Senator NICKLES returns.

Mr. DORGAN. Will the Senator yield for an inquiry on that issue?

Mr. REID. I am happy to yield.

Mr. DORGAN. I would inquire, for purposes of scheduling this evening, I understand the Senator's point that someone is now gone for a half an hour and you might want to talk at 7 o'clock about scheduling. Is there any way we might get some notion of whether we will have votes, whether you are intending to accept the time agreement, so that if we are going to have votes later this evening we could get a sense of when that might be?

Mr. REID. If I could respond to my friend, the majority leader wants to finish this bill tonight. We have indicated that the estate tax debate is going to take a little bit of time. Earlier today, we agreed on half an hour evenly divided.

But I say about the amendments pending, Domenici 2851, Leahy, Kerry-Snowe, and Inhofe, if that is still available, if they are not here, I am going to move to table those amendments. We are not going to wait around for people to come by at their convenience and offer their amendments. That is a very good question. We have been on this bill for weeks. We have made tremendous progress today with the help of the managers of this bill. I see no reason we can't finish it tonight. I think we should finish it tonight.

Mr. GRAMM. If the Senator will yield, I thought we had something worked out where the Senator from Arizona, Mr. KYL, would have a sense-of-the-Senate resolution on making the repeal of the death tax permanent and that the Senator from North Dakota, Mr. CONRAD, would have a parallel measure with a sense of the Senate about the Social Security trust fund, and that we would have an opportunity to vote on each so it would be technically possible that both could go into the bill.

If, on the other hand, the Conrad amendment is a substitute for the Kyl amendment and would, in the process of being adopted, kill it, then what we want is an up-or-down vote on the Kyl amendment. We certainly don't object to an up-or-down vote on the Conrad amendment. We don't think it is relevant because 9 years from now, when this would go into effect, we will have a surplus far larger than the repeal of the death tax. But if we could do it where they are parallel, as I understood we were going to do it, I think we can get a time limit and finish our business.

If the Conrad amendment is a substitute so that we are not going to get to vote on a sense of the Senate to repeal the death tax, I don't think we will get an agreement.

Mr. REID. Mr. President, we had an agreement earlier today that was not effectuated with the consent of the Chair. We thought we had an agreement on 30 minutes equally divided on the first- and second-degree amendments and there would be side-by-side votes. The time agreements have broken down.

We acknowledge that this issue has been debated considerably. We are willing to give you an up-or-down vote. But even though it is not relevant to the farm bill, we believe there should be a vote, it should transpire. But we want a time agreement. Otherwise, we are faced with an all-night session here, and it is not necessary. The Senator from Arizona has told me in 25 minutes he would agree to a time agreement. So I think we should all cool our jets for a few minutes and see if we can work our way through this.

Mr. LUGAR. If I may respond to my colleague, shortly, I will offer a motion that the Inhofe amendment be withdrawn. That means there will be only three amendments other than the debate on the estate tax. I inquire if we might get a time agreement of 20 minutes on each of those three amendments.

Mr. REID. To interrupt my friend—and I hope he accepts this—that would be Domenici, Leahy, and Kerry-Snowe.

Mr. LUGAR. Yes. And then perhaps work out time agreements so that there are up-and-down votes on the two estate tax amendments.

Mr. REID. In fact, we could get one of the amendments out of the way before 7 p.m. I think that is appropriate. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LUGAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2825, WITHDRAWN

Mr. LUGAR. Mr. President, I move that the Inhofe amendment No. 2825 be withdrawn.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. I thank the Chair. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KYL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2850

Mr. KYL. Mr. President, I anticipate a unanimous-consent request to be delivered momentarily which will set the stage for the debate on the Kyl-Nickles amendment which I believe is the pending business. But we do not need to waste time prior to that. We can actually begin this discussion and lock that in and proceed. With that understanding—and I have spoken to Senator CONRAD about this—I propose we begin the discussion on this amendment, and when the agreement is ready, we can propound it to the body.

Let me say by way of introduction, and then I will yield to the Senator from Texas for some remarks, that the Kyl-Nickles amendment is a sense of the Senate. We should finish the job we started last year and make the repeal of the death tax permanent.

As my colleagues will recall, because the tax bill was considered under the reconciliation procedure, it could only last 10 years. That means that even though we repealed the death tax in that 10th year, after that, the bill sunsets and we go right back to the position of the death tax as it existed last year, with a 60-percent higher rate and a $675,000 exemption. That is very unfair, it is very poor tax policy, and if we really meant to repeal the death tax, as we voted to do, then we should finish the job we started.

This amendment simply puts us on record as committing to that proposition so that when the appropriate bill comes along, we can accomplish the result. Clearly, this farm bill is an appropriate vehicle for us to discuss this issue as a sense-of-the-Senate issue because there are an awful lot of owners of family farms who would like to see the death tax repealed so they do not have to worry about the burden of it.

To further discuss this proposition, I yield now to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I appreciate very much what Senator KYL and Senator NICKLES are doing because most people think we are on a glidepath to eliminating the death tax. We have taken that vote.

The worst situation we could possibly have is not knowing. Can you imagine how debilitating it would be to plan for a family business or a family farm to think that you would have 9 years at lower inheritance taxes and then in the 10th year, unless you happened to die in the one year we have repealed, you would end up going back to 3 years ago? That just does not make sense.

The best tax policy is one that is stable, that people can count on; that when it is passed, people can plan according to that tax law or policy.

What we have now is the absolute opposite. We have a situation where people cannot plan. They do not know when they are going to die, so they do not know what the inheritance tax is going to be, and they do not know if it really will be repealed because Congress keeps talking back and forth about not repealing something we have already repealed. That is not consistent, and it is not good tax policy.

Family-owned farms and small businesses are the hardest hit because they have assets that are valued greater than the income they can produce. When someone who is the head of a small business or a family farm dies, many times the value of that farm or small business is very high and the family does not have the cashflow to pay the taxes. So what do they do? They sell the family business or family farm to pay the taxes.

This is not money that has never been taxed. No, it is money that was taxed when it was earned, and taxed every year that it has been invested. The money has already had its fair share of taxes taken out.

We have to make a decision in this Congress if we want small businesses to survive. I do. Small family-owned businesses are the basis of our country. Sometimes they grow and prosper and become big businesses. Sometimes they are passed to their children and create livelihoods for children.

Lost in a lot of this debate are the employees of these small businesses and family-owned farms, the people who own nothing but work for these small businesses. What happens when a business has to be sold to pay taxes? All the people relying on that business lose their job. We have heard story after story of a small family business that was the most important business in town and had to be sold. The people working there were out of jobs, in a very small community where one does not just walk across the street and get another job. We have heard that time and again.

I will never forget the letter I saw written by a man who happened to have a farm that his parents had worked very hard to buy, about 100 acres in a beautiful part of Texas, but it was a part of Texas in the old days that was just a farming area. It was not very expensive, not very well known. It was pretty and nice but not that big a deal. Today it is called the hill country, and it is the most expensive land in rural Texas.

When the parents died, the children inherited that farm, but they had to sell their own homes to pay the taxes on that farm because it had escalated to such a great value. They sold their homes and moved into an apartment to keep the family farm.

The bottom line is, going into the third generation, the man said: My children could not possibly get enough cash to pay the taxes for us to pass this farm to them in the third generation. The land is going for $6,000, $7,000 an acre, and the farm will eventually have to be sold.

Mr. President, who gains? Who gains from selling that farm? Who gains from a small business having to be sold to pay taxes? The employees who work for that business lose. They lose their jobs and their livelihoods in the community in which they want to live. Certainly not the family, not the patriarch and the matriarch who worked hard to put that business together. Certainly not the children who may have worked or wanted to be in the family business, who wanted to continue the tradition. They lose.

One might say Uncle Sam gains. But is it really a gain when you tear something out of our economy that is a thriving small business? It is a minuscule amount. It is an amount that has already had taxes paid on it. In fact, the only reason one would ever want to tax an inheritance is to level society, and America was not built on society leveling. America was built on the concept that one could come to this country, work hard, and make as good a living as they could make by the sweat of their brow, and pass on what they have to their children, if that is what they decide to do.

We are not a country that is entrepreneurial, that has a spirit that is looking at society leveling. What good does it do for us to tax at death and disrupt family businesses, family farms, family ranches, families? It does not make sense.

I hope we will pass the amendment offered by Senator KYL and Senator NICKLES that puts the Senate on record we are going to make permanent this tax cut. We have done it once. The Congress has voted for it and the President has signed the bill, but because of a process, it goes out of existence in 10 years and that is not stabilizing, it is destabilizing, and we need to correct it and do the right thing.

So I applaud Senator KYL and Senator NICKLES. I support them fully, and I hope Congress will speak once again. We passed it once; we can do it again. This time let us do it right, and let us do it within a process that says we are doing this and we really mean it; not we are doing this but because of a process that nobody cares about it is going out of existence in 10 years. Let us do it right so people can count on it, so they can plan and so these small businesses can continue to create jobs and be a part of our economy.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, at the appropriate time, I will offer a second-degree amendment that says this: Since both political parties have pledged not to use Social Security surplus funds by spending them for other purposes, and since under the administration's 2003 budget the Federal Government is projected to spend the Social Security surplus for other purposes in each of the next 10 years, and since permanent extension of the inheritance tax repeal would cost, according to the administration's own estimate, approximately $104 billion over the next 10 years and $800 billion in the next 10 years, all of which would further reduce the Social Security surplus, therefore it is the sense of the Senate that no Social Security surplus funds should be used to make currently scheduled tax cuts permanent or for wasteful spending.

The situation we face as a nation is last year when we were addressing the budget, the President and the Congressional Budget Office told us we were going to have $5.6 trillion of surpluses over the next decade. Under the President's budget, that is down to $600 billion. The truth is there are no surpluses left. Let me repeat that. There are no surpluses left, not a dime. Every penny of money that is still available is Social Security money, every dime. There are no surpluses left.

This chart shows it very clearly. This chart shows from 1992 until 2012 the fiscal condition of the country. We were in deep deficit in 1992. Then we started to pull out of it with the 1993 plan that we passed, I might add, without a single vote on the other side of the aisle, not a single vote, and we started moving out of deficit.

In 1997, we passed an additional plan. That one was on a bipartisan basis, and it finished the job. We moved into budget surpluses. We stopped using Social Security trust funds. This chart shows in specific detail what has happened since 1996. In 1996, we were using 100 percent of the Social Security trust funds for other purposes. The same was true in 1997. In 1998, we reduced it so we were only using 30 percent of Social Security money for other purposes.

In 1999 and 2000, we stopped using Social Security money entirely. These were the good days. These were the responsible days. In 2001, we started backsliding. Under the President's budget, President Bush's budget, every year we are going to be using 100 percent of the Social Security money for other purposes.

Let us go back to what we confront. We are headed for deficits this year, fiscal year 2002, 2003, every year through the rest of this decade. Making tax cuts that were previously scheduled permanent means every dime of it is coming out of Social Security.

Where did the money go? The Congressional Budget Office came before the Budget Committee and told us that in the near term the biggest reason was the recession, but over the 10 years of the President's plan, the biggest reason of the tax cuts the President proposed and pushed through Congress last year, 42 percent of the reduction in the surplus and the return to deficits is from the tax cut. Twenty-three percent is from the recession. Eighteen percent of the additional expense is caused by the attack on the United States. Seventeen percent is caused by certain technical changes, largely the underestimation of the cost of Medicare and Social Security.

Last year, we were told there was in the non-trust-fund side of the Federal accounts a $2.7 trillion surplus. That is from where the tax cuts came. But you know what. There is no $2.7 trillion of non-trust-fund money anymore. The Congressional Budget Office tells us, instead of surpluses, there are massive deficits, $2.2 trillion of deficits. What the good Senator from Arizona is saying is do not worry about it. Let us just pile on some more. Let us have some more tax cuts. Let us dig the hole deeper.

What he is saying is, let us not only have the estate tax reductions that are already scheduled, which are significant—and I would correct those who say there is a death tax. There is no death tax in America. Ninety-eight percent of the estates in America pay nothing, zero. They pay no estate tax. That is what we have in America, not a death tax; it is an estate tax. If one has an estate over a certain value, they start to pay something. Why? Because we have determined that is a fair way to distribute tax burden.

The Senator from Texas says this is not part of American history. I beg to disagree. It is a fundamental part of American history. Go back and read what the Founding Fathers had to say on this question. They did not want America to be a land of inherited aristocracy. No, no, no. They wanted this to be a land where people rose and fell on the basis of their own hard work and their own skills and their own talent, not because they inherited from grandpa, not because they inherited from great grandpa. That was not the point of America, and that is why fundamentally we have had an estate tax because our Founding Fathers came from Europe and they saw what inherited aristocracy led to, the concentration of wealth in the hands of a few, and ultimately instability and political chaos. They did not want that for us.

So the reality is, 2 percent of estates in this country pay any estate tax. We are scheduled to raise the exemption to $3.5 million per person. Only three-tenths of 1 percent of estates are at that level. This would mean that one could transfer $7 million and not pay a dime of tax. The Senator from Arizona is not satisfied with that. He wants anybody to be able to pass any amount to their heirs.

The cost in this decade of the Senator's proposal is $104 billion. The cost in the next decade is $800 billion. At the time the baby boomers start to retire, they will take it all out of Social Security funds. That is from where it is coming from.

Here is what we confront at the very time they are talking about adding $800 billion of additional tax cuts: Social Security and Medicare trust funds go cash negative at the very time they are talking about another $800 billion of tax cuts, all of it out of Social Security.

The Director of the Office of Management and Budget came before the Senate Budget Committee and said:

> Put more starkly, Mr. Chairman, the extremes of what will be required to address our retirement are these: We'll have to increase borrowing by very large, likely, unsustainable amounts; raise taxes to 30 percent of GDP, obviously unprecedented in our history; [we are at 19 percent of GDP now in taxes. Anybody think we will go to 30 percent of GDP? If we do not, they will have to be massive cuts in benefits] or eliminate most of the rest of government as we know it. That's the dilemma that faces us in the long run, Mr. Chairman, and these next 10 years will only be the beginning.

I cannot think of an amendment that is more fiscally irresponsible than the one before this body now. The President last year in his State of the Union promised not to use Social Security trust funds for any other purpose. That is the pledge he made. I quote:

> To make sure the retirement savings of America's seniors are not diverted to any other program, my budget protects all $2.6 trillion of the Social Security surplus for Social Security and for Social Security alone.

That is what he said last year.

Now, in reading his budget, we see he will take $2.2 trillion of Social Security and Medicare trust fund money and use it for tax cuts and other expenses of Government.

The Senator from Arizona says that is not enough, let's take even more money from Social Security—let's take it all and not protect any of Social Security.

I don't think so. Those who vote to take it are going to be mighty surprised by the reaction of the American people when they find out we are already on course to eliminate taxes for a couple that would not pay any taxes—not a dime—on $7 million. Now the Senator proposes no limits forever—and take every dime out of the Social Security trust fund.

This reversal in our financial fortune has meant that over the next decade, instead of being virtually debt free by 2008, which is what they told us last year, we now find by 2008 there will be $3 trillion of debt. The result of that is we will be paying as a country $1 trillion more in interest over the next decade. Instead of $600 billion in interest, we will pay $1.6 trillion in interest payments. We ought to quit digging the hole deeper.

This amendment takes more money out of the trust funds to have a tax cut that goes to a fraction of 1 percent of the American people.

The Senator from Arizona and the Senator from Texas earlier argued this is a question of fairness. I agree. It is a question of fairness. Where should the money come from to restore the integrity of the trust funds? Where should it come from? One of the first places we would look is the wealthiest among us, for us to say, if you die and have an estate of over $7 million, maybe you ought to be part of solving this extraordinary problem we now face. I don't think that is unreasonable.

We have had some of the wealthiest people in America before the Finance Committee saying they did not think it was unreasonable for them to make some contribution to restoring the integrity of the trust funds of Social Security and Medicare.

For those who say this money has already been taxed over and over and over, it is not true. Much of this money has never been taxed because it has been locked up in long-term capital gains and people never paid taxes at all.

This is a fundamental question before the Senate, the most basic of questions about priorities, about fiscal responsibility, about paying our bills, about keeping the promise that this President and Members of this Chamber made on the question of not looting or raiding the Social Security trust fund to pay for other things. Now before the Senate is an amendment that says we will take Social Security money and use it to give a tax reduction to the very wealthiest. What a perversion of fairness. Those are not the values of the people I represent. I don't believe those are the values of the American people. I hope when the vote is called tomorrow we will have a chance to vote for the substitute amendment and to defeat the amendment of the Senator from Arizona.

I yield the floor.

The PRESIDING OFFICER (Mr. SCHUMER). The Senator from Texas.

Mr. GRAMM. Mr. President, I agree with every word Senator CONRAD said. Senator CONRAD laments that we are not keeping our promises of not raiding the Social Security trust fund. In fact, in his resolution he talks about not using it for tax cuts or spending.

I remind my colleagues, only a few hours ago on rollcall vote No. 25, we waived the Budget Act to steal $2.4 billion out of the Social Security trust fund. If people look at that vote—I voted against it, the Senator from Arizona voted against it—the Senator from North Dakota voted for the budget waiver that did exactly what he laments today. In the same day we talk about not spending the Social Security trust fund on making the death tax repeal permanent, we waive the Budget Act to take $2.4 billion of it to pay subsidies while we continue to talk about the poor versus the rich. Where did the subsidies go? A select group of people, generally very high income people.

It is very instructive to note that while the assault on making the repeal of the death tax permanent is an assault that is claimed to be protecting Social Security, this very day those who have launched the assault voted to raid the Social Security trust fund when we have a deficit where we are spending Social Security trust fund money and borrowing money. That did not prevent the Senate from spending another $2.4 billion this very single day. That shows how this whole amendment rings hollow.

It does not end there. Let me read this language of the Conrad amendment:

> Therefore it is the Sense of the Senate that no Social Security surplus funds should be used to pay for making currently scheduled tax cuts permanent or for wasteful spending.

Who gets to define "wasteful"? Does that mean every effort to make the death tax repeal permanent is equivalent to wasteful spending? In fact, was adding $2.4 billion to an already bloated farm bill less or more wasteful than making the death tax repeal permanent so that farmers and ranchers will not lose their farms and ranches when they die?

A final point before I turn to the amendment I am for. Senator CONRAD acts as if the passage of the Kyl amendment—and we are just doing a sense of the Senate—would spend Social Security trust fund money. Not so. In fact, the Kyl amendment goes into effect 9 years from now. Nine years from now, in the year 2011—in fact, CONRAD refers to the administration's estimate. Let me tell you what that estimate is.

Nine years from now, when the Kyl amendment would go into effect, by making the tax cut that would be fully implemented permanent, we will have a surplus, according to OMB, of $350 billion. The Social Security surplus will be $290 billion, which is $60 billion less than the surplus we are projected to have.

The repeal of the death tax costs $4 billion. So, in fact, if the death tax repeal were made permanent, if we were voting on, not a sense-of-the-Senate resolution but law today—and we are going to get an opportunity to do that, probably on the so-called energy bill—but if we were voting on it today, this permanency goes into effect in 9 years, in 2011, the projected surplus from the administration—contrary to what the sense-of-the-Senate resolution that Senator CONRAD is offering says—is $350 billion, the Social Security surplus is $290 billion, giving us an on-budget surplus of $60 billion. Repealing the death tax costs $4.249 billion. So even if we were repealing the death tax and making that repeal permanent, we will not spend a penny of Social Security surplus in the year 2011.

Let me also say something about the idea that we are going to have social unrest because we don't make people pay 55 cents out of every dollar they earned in their life to the Government when they die; I think it is stretching someone's conception of social unrest beyond the breaking point. I am opposed to the death tax. None of my people have ever paid a death tax. The only thing I have ever been bequeathed in my life is a cardboard suitcase that my great uncle Bill, my grandmother's brother, left me, full of yellow sports clippings, but I am opposed to the death tax because it is wrong. It is rotten. It is absolutely outrageous that people work a lifetime, they save, skimp, sacrifice, they build up a business, they build up a farm, they build up assets, and then when they die their children have to sell their life's work to give the Government another 55 cents on the dollar tax.

I remind my colleagues that the Kyl provision requires people to pay capital gains tax. If you have untaxed income, you are going to have to pay it. But what it does not have is double taxation.

I believe the American people understand this issue, and I can honestly say, in speaking in my State and around the country, in white-collar crowds or blue-collar crowds, when I talk about killing the death tax, when I talk about not making people sell their business or sell their farm, people always applaud—whether they expect to pay the tax or not.

I think if we view things politically as to who gains and who loses, we often lose in terms of not understanding our own country. This is a question of right and wrong. The death tax is wrong. And the final absurdity is that on the floor of the Senate we claim to be repealing the death tax, Democrats and Republicans voted to repeal it, and yet because of a quirk in the Budget Act we are phasing down the death tax to zero, 9 years from now. So if you die 9 years from now, your children can keep what you have earned, but if you die 10 years from now they have to pay 55 cents out of every dollar of your life's work to the Government.

I think that is wrong. I urge my colleagues to vote for this sense-of-the-Senate resolution. We should be making the repeal of the death tax permanent.

I don't have any concern about committing ourselves to not spend the Social Security surplus in repealing the death tax. The repeal doesn't go into effect until 2011, at which point we simply make what the tax is on that day permanent. By 2011 we are going to have a surplus that far exceeds the Social Security surplus, unless we do what we did today, which is waive the Budget Act to spend it.

I am hopeful that those who vote for the Conrad amendment, tomorrow when we vote on another budget waiver, will vote not to waive the Budget Act. But I hope people will not say to us, "We are really worried, we are worried we are going to use the Social Security surplus to make tax cuts permanent and to make the repeal of the death tax permanent," and at the same time in the same day to take $2.4 billion out of the Social Security trust fund.

I do not understand. If you are concerned about the trust fund for repealing the death tax, how come you are not concerned about it when you are spending money on a bloated agriculture bill? I do not think you can have it both ways.

I think, in the end, people who vote for this resolution, when we vote on another budget waiver to spend more money, I hope they will say: Look, I voted for the Conrad resolution which said I wouldn't spend Social Security trust funds. So while I would love to spend this money, I cannot vote for the waiver.

I bet that many people will vote for this sense-of-the-Senate resolution, then vote not to make the repeal of the death tax permanent, and then the first time we have a vote on busting the budget and spending more Social Security trust fund, they will vote for it.

Maybe that sells where you are from. That doesn't sell where I am from. I am for repealing the death tax. I am for making it permanent. The good news is that everyone should know that by doing that we are not raiding the Social Security trust fund. We raided it today when we waived the budget point of order on $2.4 billion. We stole that money right out of the Social Security trust fund, and everybody who voted for that waiver voted to steal that money out of the Social Security trust fund.

I am proud I did not.

But when we make the death tax repeal permanent, it costs $4 billion in the year 2011, which is when the permanency would kick in. At that point we will have a $60 billion non-Social Security surplus, according to the administration's numbers, if we quit spending money.

I urge my colleagues, however you vote on the Conrad amendment, just be sure you read it before you vote and you are ready to live up to it. I am ready to live up to the sense of the Senate to repeal the death tax. I am ready to live up to the sense of the Senate on the Conrad amendment.

I would strike out "wasteful" because, as we all know, every program you are for is not wasteful. So I thank our dear colleague from Arizona for his leadership. I urge my colleagues to vote for this amendment.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. KYL. Mr. President, I appreciate those remarks of the Senator from Texas. The Senator from Alabama, I know, and the Senator from Oklahoma, as well, want to speak. I just wanted to make a couple of points.

No. 1, President Bush wants us to do this. His budget for this next fiscal year has in it the permanent repeal of the death tax. So he wants us to go forward with it. As the Senator from Texas said, we will have a Social Security surplus at the time when we make this death tax repeal permanent. So we are not raiding the Social Security trust fund, as the Conrad amendment would suggest. In fact, because we are injecting more money into our economy, one could expect there will be additional Federal revenues, not less Federal revenues.

One of the experts on this subject, Dr. William Steger, has estimated that immediate repeal of the death tax would provide a $40 billion automatic stimulus to the economy. He is president of Consad Research Corporation and an adjunct professor of policy sciences at Carnegie Mellon University. So it is a $40 billion automatic stimulus to the economy—not taking the Social Security trust fund.

I will have a lot more to say about this after we enter into our unanimous consent agreement, but I think both the Senator from Alabama and the Senator from Oklahoma would like to speak, and I will yield the floor to them at this point.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, I thank the Senator from Arizona for his hard work and leadership on this. I appreciate the remarks of the Senator from Texas. He is eloquent, as always, and is effective in the points he makes.

First of all, I would like to say why I think it is appropriate that we have this sense-of-the-Senate amendment on the farm bill. It is because it is one of the most significant issues for farmers in America. I speak to farmers frequently. When I first began to campaign for the Senate, they told me right upfront that one of their top priorities was the elimination of the death tax. It threatens everything they do.

I was shocked and really surprised to hear the Senator from North Dakota say he is not worried about people passing on their farms to their children. I thought that was what the farm bill was all about. I thought it was all about trying to preserve a family farm. What good does it do to preserve the farm, have a living wage for farmers, and then make them pay 50 or 55 percent of the value of the farm to the Government every generation?

Eliminating the death tax is about preservation of the farm. I think it is appropriate that we are considering it. It is certainly one of the highest priorities of every agricultural organization of which I know.

Second, let me say why I think this thing is bad economics for America, why it is hurting our economy, and why we need to eliminate it.

First of all, the death tax is extraordinarily difficult to compute and collect by the Federal Government. It produces a lower return based on how much money the taxpayer has to pay than almost any other tax we pay. It is an extraordinarily complex thing. It causes individuals to go through the most intricate gyrations and causes them to make financial decisions they would never make otherwise except to attempt to avoid being decimated or having their heirs decimated by the death tax.

Let me tell you what I am really concerned about. This is an issue that I feel has not been talked about enough. There are a lot of different ideas that people have about why this tax is bad. I would like to talk about a purely economic argument that strikes me as a great unfairness about the death tax.

Let us say International Paper Company, or the Weyerhaeuser Company, owns 1,000 acres of land, and an individual owns 1,000 acres of land and saves some money and manages it well. Then the individual dies. They have to pay an estate tax. But Weyerhaeuser or International Paper, which may own 600,000 acres of land, or maybe multimillion acres of land, never pays a death tax. Big corporations, large stock-held corporations, never have their corporate work—Mr. President, I believe there is a little noise here. Even I can't think very well when it is going on.

The PRESIDING OFFICER. The Senate will be in order.

Mr. SESSIONS. I thank the Chair.

So these large corporations are never impacted by estate taxes, but they are competing with smaller farmers, smaller timber producers, and smaller landowners. Whenever a family member in one of those privately held companies dies, they get whacked by the Federal Government with a tax. It makes them less competitive.

In my State of Alabama, we have seen an extraordinary number of banks go out of business by selling out to larger banks. Small, closely held banks no longer exist today. One of the main reasons is that the family sits around the table and wrestles with what they are going to do about the future. They get an offer from a big holding company to buy them out. They consider how much in taxes they are going to have to pay and how they are going to keep the bank going while paying 55 percent tax on it. They end up selling out, and then we get bigger and larger corporations with more and more concentrations of wealth and less competitiveness in the American economy.

We need and desire more smaller motel companies. We need more small entrepreneurs. We need more stores selling material, like Home Depot or Wal-Mart. But those stores, if they are closely held, end up getting whacked in each generation by an estate tax.

I talked to a young man and his father. They had four motels. He told me they were paying $5,000 a month for insurance on the father's life, trying to make sure that if he were to die, they wouldn't lose their investment.

That is the reality of America. This tax is favoring large corporations in their competitiveness against small corporations and companies and closely held companies. It is not fair. It is not healthy for the economy. We can do better.

I thank the Chair. I yield the floor

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I wish to compliment my friend from Alabama, Senator SESSIONS, for his speech, as well as the Senator from Arizona, Mr. KYL, and the Senator from Texas, Mr. GRAMM, because they have laid it out very plainly and very clearly to the American people.

When we repealed this tax, it was temporary. Some people asked, Why? We did it under a reconciliation instruction. Most Americans don't have a clue what that means. Basically, that instruction was given to Congress, saying you can pass a bill for 10 years. In other words, it had a sunset. We passed the bill that increased the exemption basically from about $750,000 up to about $4 million. It took 9 years to do that. On the 10 years, we said we will just eliminate the tax which is unfair. It is unfair to have a tax on death. It is unfair for the Federal Government to say: When somebody dies, we want half of their estate. We don't care if they built up a big business. Maybe they built up Microsoft, or maybe they built up a series of restaurants, or maybe they built up a manufacturing facility, or maybe they have a large ranch or a large farm which they have had in their family for two or three generations.

We said even if you are fairly large, we don't think the Federal Government should come in and take half of it because you happen to pass away. So we changed it. We said the taxable event will not be death; it will be when the property is sold. That is what we passed.

So the taxable rate, when and if that property is sold, will be at the capital gains rate. It will be at 20 percent, which is plenty of tax, and the taxable event will be figured when the property is sold, when there is money available to pay that tax. That made good, eminent sense.

The bad news is it will be sunset. Presently, we take the exemption of last year. This year, because of the tax changes we made last year, the exemption is $1 million. There is no death tax by the Federal Government if you pass away this year and the taxable estate is less than $1 million. That is an improvement.

We gradually increased that over a period of time. For 2009, we go up to a $3.5 million exemption. We gradually reduce the rate, which is presently 50 percent—last year it was 55—to 45 percent by the year 2009, and there is a $3.5 million exemption. For the year 2010, we said we are going to eliminate it. There will be no taxable event on death. The taxable event will be when the property is sold. The tax rate will be at the capital gains rate, which is 20 percent, instead of the rate of 45 percent. It makes good sense. It is good sense.

Unfortunately, because of the sunset in the year 2011, bingo, nothing happens. So we revert back to last year's law. Instead of having a $3.5 million exemption, we have an exemption of about $1 million. Instead of having the rate at 45 percent, we are going to go back to the rate of 55 or 60 percent. But there was a little 5-percent kicker rate for estates that were between $10 million and $17 million. We go back to a maximum rate in the year 2011 of 60 percent. That is absurd.

A lot of us said we should make the death tax repeal permanent. That is what the sense of the Senate is. Somebody asked, Why isn't this real? We tried to do it on the tax bill we had pending before the Senate—the so-called stimulus package. Senator DASCHLE pulled that bill down. He didn't want a vote on the amendment of my colleague from Arizona and me. Maybe it is because we are going to win. Maybe it is because we are going to change the tax law and do some real good so people can count on it. We didn't get a vote on it.

That is the reason we are here today. We are on the farm bill. We voted on a lot of amendments dealing with agriculture, none of which is as strongly supported as this amendment we are going to vote on tomorrow.

I have spoken to my fair share of agricultural groups—ones that want very little Government involvement and ones that want a lot more than I want. But they are unanimous. When you ask them if they want to repeal the tax, they are in support because they realize that the so-called death tax is one of the most punitive things you can do to American agriculture.

That is telling somebody, who in many cases is asset rich and cash poor: We want half your assets. So they may be trying to pass their farm or ranch on to their kids or to their grandkids, but Uncle Sam says: No, you can't do that because the value of your estate is over $1 million. And you don't have to have a very big farm or ranch for that to happen where the Federal Government wants half.

The Federal Government is entitled to take half? That is going to be the law unless we make repeal permanent. So that is why this is important to agriculture. That is why it is important that the amendment be adopted.

What about the underlying amendment or the "let's confuse the American public" amendment that was offered by our friends on the Democratic side. It is a sense-of-the-Senate amendment. I don't have a problem with the conclusion. It says:

> Therefore it is the Sense of the Senate that no Social Security surplus funds should be used to pay to make currently scheduled tax cuts permanent or for wasteful spending.

I do not want them to be used for wasteful spending.

And "permanent tax cuts," let's see, do we do that in our amendment? The answer is no. So I guess I could support the "therefore," which is the only thing people really read in these resolutions.

If you read the sentence above that, it is just factually incorrect. It says:

> Since permanent extension of the inheritance tax repeal would cost, according to the Administration's estimate, approximately $104 billion over the next 10 years, all of which would further reduce the Social Security surplus . . . .

That is factually incorrect. I am a stickler for facts. I think people are entitled to their own opinion. They are not entitled to their own facts.

If you use the administration's estimate, they estimate that the surplus will exceed Social Security by about $51 billion in the year 2010, $99 billion in the year 2011—the first year this would have real impact—$199 billion in the year 2012, and $395 billion—these are surpluses over and above Social Security. In other words, they are enormous surpluses in the outyears.

You may say this does not really have an impact until the years 2011, 2012, and 2013 because that is when the death tax is repealed, and those are years we have enormous surpluses, including Social Security.

So the amendment is trying to confuse people and bring in Social Security, and so on. Maybe it is confusing, but it is not accurate. It is factually inaccurate. I want people to know that. I do not care how you vote on it. It doesn't mean anything. The sense of Senate says we are not going to use Social Security to pay for permanent tax cuts.

This amendment that Senator KYL and I and Senator GRAMM and Senator SESSIONS have offered does not do that. Are we for wasteful spending? No.

It is interesting to note that people start drawing out Social Security every time we have a tax cut that is real or a tax cut that is proposed as real. But they couldn't care less about spending. Evidently, it is OK to spend money—Social Security money—on anything and everything, and, oh, we will waive the Budget Act to do so, but, oh, in the outyears, when we have enormous surpluses far exceeding Social Security, don't you dare do it. We are going to waive the Social Security flag. It is a false flag. It is false cover. Maybe it makes people feel good. I can care less how people vote on that amendment.

I hope people will vote in favor of the sense of the Senate that says we should make the repeal of the death tax permanent. We should do it. We can afford it. We must do it.

It makes no sense, whatsoever, to have a death tax where the Federal Government is coming in and taking a significant portion of somebody's farm or ranch or business, saying: Oh, we want to take it and use it to pay for other programs, and so on. That does not make sense.

So I compliment my colleagues from Arizona and Texas and Alabama for their work on this amendment. I am happy to cosponsor this amendment.

I urge my colleagues, tomorrow morning, to vote in favor of this sense-of-the-Senate amendment to permanently repeal the death tax. Probably the best thing we can do for agriculture in this entire bill is to make repeal of the death tax permanent.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Mr. President, the proposal before us today to repeal the estate tax rests on profound misunderstandings of this tax, and particularly on who pays this tax.

We have been hearing our colleagues talk about the death tax and that it is stalking every American. It turns out that in 1999, 2.5 million adults died; 49,870 estates incurred a tax liability. A very small fraction of Americans face the estate tax, but I point out, they are the wealthiest Americans. They are not the Social Security recipients. They are not individuals who have worked all their lives and are now with a small pension facing their last days. These are the wealthiest Americans.

It turns out that with the unified credits, with the ability to gift funds to individuals, there is an opportunity—in fact, one that is taken by most Americans—to avoid the estate tax. So this is not a death tax; this is a tax on the very wealthiest Americans. And this is a tax that was really, in many respects, copied from the example of our British brethren across the sea, who saw the corrosive power of wealth that is passed on from generation to generation to generation.

I have heard some of my colleagues on the Republican side talk about how the death tax is an insidious weapon of large corporations to beat down the small workers and farmers in this country. Nothing is further from the truth.

This whole estate tax not only is designed to raise revenue, it is also designed to ensure that great fortunes are not passed down, becoming great and powerful without any check whatsoever.

There is another issue with respect to estate taxes. People talk about it as so unfair because it is a double tax: You get taxed when you earn the money and you get taxed again when you pass away. It turns out that a significant amount of estates consist of unrealized capital gains.

Economists have estimated that 36 percent of the wealth in all taxable estates is in the form of unrealized capital gains: someone purchases a home, someone purchases stock, they hold that stock for years, and at the time of their death, the estate tax is imposed. But also at the time of death, these assets are passed on to their heirs on a stepped-up basis. So without an estate tax, much of this gain would never be taxed.

There is also another myth that we have heard time and time again; that is, really what happens is that this onerous tax takes away from the family farms and the small businesses of America; that they have to liquidate their assets; that they cannot pass them on; that they have to pay everything they have earned just to satisfy this tax.

First of all, recognize this tax applies to very few Americans at all. And second, recognize that, despite all the discussions about the family farms being forced into sale because of this tax, no one can produce any real evidence.

The New York Times did a report, talking about an Iowa State University economist who searched out and tried to find farms that were forced into sale because of the estate tax. He could not find any. Indeed, they cited officials from the American Farm Bureau. They could not find any concrete examples of a farm that was forced to be sold to pay for estate taxes. So the myth of the family farm being eliminated—the sons and daughters standing there being denied their inheritance because of the estate tax—is a myth.

There is also the suggestion that if we repeal the estate tax there will be no effect on charitable contributions. That, too, is a misnomer. There have been studies on this question. One study was by David Joulfaian, a Treasury Department economist, who estimated that eliminating the estate tax would reduce charitable bequests by about 12 percent, or about $1.3 billion in 1998 dollars. This would have a deleterious effect on something that we all want to encourage; that is, contributions to charities.

So for these reasons, and many more, I do not think repeal of the estate tax is something that should become permanent.

It will also have an impact on State budgets because there is a portion of the estate tax which is credited to local States for their purposes. This would have adverse effects on the finances of States and the finances of the Federal Government. Ultimately, we would be trading off estate taxes for the rich, relief for those individual estates, and we would be paying for it with Social Security funds. I believe this is not the right way to proceed.

Much of what is talked about today as the inequity of the estate tax is more myth than reality. The reality is that if we make this permanent, it will be a huge windfall, most of it the result of unrealized capital gains for the very wealthiest Americans, and we will be taking away the resources we need to provide support for seniors, for children, for the educational system, for those things that will make us strong as a nation.

I hope we will reject the proposal offered by the Senator from Arizona.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. CORZINE. Mr. President, I, too, rise in strong support of the second-degree amendment offered by our distinguished chairman of the Budget Committee. His arguments about protecting Social Security and the promotion of fiscal responsibility and basic fairness in our economy are compelling, particularly when we consider it relative to the permanent extension of the inheritance tax.

This amendment stands for a very simple proposition, a principle that no Social Security surplus funds should be used for any other purpose. Under this second-degree amendment, the Senate would go on record opposing the use of Social Security funds for making currently scheduled tax cuts permanent or for wasteful spending.

Social Security is a sacred compact between the American people and their Government. We have promised all Americans if they work hard and play by the rules, when they retire they will not have to live in the fear of poverty. We have promised them a safety net that will provide baseline payments for their retirement years. That is what Social Security is all about, that safety net.

The Kyl amendment and those who would make permanent the estate tax are truly undermining that promise of Social Security. In this decade alone, we will spend $104 billion, if this is made permanent, of Social Security revenues and reserves to fund this new accelerated tax cut. And probably as serious with regard to fiscal issues, we will spend over $800 billion in the following decade just at the time our baby boom generation, those in the demographic bubble, come into play, and when the stresses on Social Security and Medicare and all other Federal Government expenditures will be under most pressure.

This is a bad idea. It is a mistake. The Senator from Rhode Island was speaking in the context of fairness. I wonder why we think 2,800 farm estates out of over 2½ million in 1999 leads us to believe that we need to change this tax policy, particularly when we put it in conjunction with undermining our Social Security payments, and only 48,000 estates were paid in 1998. Then you add in the fact that taxes have not been paid on unrealized capital gains. I don't understand why we want to make the tradeoff of undermining our fiscal position as a nation, undermining our ability to continue to fund Social Security appropriately for such a narrow slice.

We are all asked to sacrifice in a world where we are under constraints because of national defense, homeland security, expenditures we need to make, but we also need to protect our seniors, our Social Security. It seems to me this is a priority that does not match the time nor the place nor the needs of our Nation.

It is not like Social Security is an extraordinarily generous benefit for our seniors. It provides a little more than $10,000 per person per year on average. In New Jersey, that doesn't go a long way toward paying for retirement.

I don't know why we should be putting it at more risk today than we would at other times, particularly since we are talking about such a narrow slice of the American landscape. This is a time when making some adjustments to our estate taxes are perfectly reasonable. We have accomplished that. We continue to do that as we go forward. But why we want to make this permanent, undermine our fiscal integrity, undermine Social Security, and do it with an eye that forgets about the fairness of who is getting the benefit relative to what is going to be charged to the American people as we go forward makes no sense.

I hope my colleagues in the Senate will stand with the distinguished Senator from North Dakota and make sure that we have a true expression of the sense of the Senate that stands with the American people.

When the American people are asked a question, do we want to make permanent these tax cuts or do we want to have a raid on Social Security and an undermining of our retirement benefits, 84 percent of the American people say: Let's stand with Social Security, and let's forgo these tax cuts.

I hope we take that into consideration when we are thinking about what are our priorities in this debate about an estate tax cut acceleration relative to our priorities on fiscal responsibility and protecting our seniors through Social Security.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, if the Senator from Minnesota will withhold briefly, we are at a point now where we can see a finality to this bill. At the present time, it is my understanding on this estate tax debate, Senator KYL and Senator DAYTON are the only two people still left to speak on this. That is my understanding.

I ask unanimous consent that Senator KYL be allowed to speak for up to 15 minutes and Senator DAYTON for up to 15 minutes regarding amendment No. 2850 and that there be no second-degree amendments in order to either amendment; that is, the Conrad amendment or the Kyl amendment; that upon the use or yielding back of the time of the two Senators I have just mentioned, the amendments be set aside to recur Wednesday, tomorrow, February 13, at 9:40 a.m.; that there be a total of 5 minutes for debate on both amendments with the time equally divided and controlled; that at 9:45 a.m., the first vote occur on the Conrad amendment, to be followed immediately by a vote on the Kyl amendment without further intervening action or debate.

Has Senator CONRAD offered his amendment?

The PRESIDING OFFICER. He has not.

Mr. REID. Mr. President, I will offer his amendment. These will be the two amendments that have been talked about here this evening.

The PRESIDING OFFICER. Is there objection? The Senator from Arizona.

Mr. KYL. Reserving the right to object, I would like to suggest one change in the proposal. I know Senator DOMENICI would like to speak tomorrow. He is not here this evening. Since there are no other Senators in the Chamber to listen to this debate except for the four who are here, might I inquire of the assistant majority leader whether he would be agreeable to a total of 10 minutes, with 5 minutes per side, and then adjusting it, the 9:40 or 9:45 time; in other words, to add 2½ minutes per side?

Mr. REID. We accept that suggestion. The vote will be at 9:50.

Mr. KYL. Mr. President, I have no objection to that point. Since there were two previous Democratic speakers, I wonder if the Senator from Minnesota would allow me to proceed.

The PRESIDING OFFICER. Is there objection to the unanimous consent request, as modified? Without objection, it is so ordered.

AMENDMENT NO. 2857

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. CONRAD, proposes an amendment numbered 2857.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following:

Since both political parties have pledged not to misuse Social Security surplus funds by spending them for other purposes; and

Since under the Administration's fiscal year 2003 budget, the federal government is projected to spend the Social Security surplus for other purposes in each of the next 10 years;

Since permanent extension of the inheritance tax repeal would cost, according to the Administration's estimate, approximately $104 billion over the next 10 years, all of which would further reduce the Social Security surplus;

Therefore it is the Sense of the Senate that no Social Security surplus funds should be used to pay to make currently scheduled tax cuts permanent or for wasteful spending.

Mr. REID. Mr. President, I ask unanimous consent that there be 20 minutes each for debate prior to a vote in relation to the following remaining amendments: Domenici 2851, as modified; Kerry-Snowe 2852, with the time equally divided and controlled in the usual form; that the amendments must be debated tonight; that no second-degree amendments be in order to the amendments prior to a vote in relation to the amendments; that if the amendment is not disposed of, then it remains debatable and amendable; that the vote in relation to these amendments occur on Wednesday in a stacked sequence in the order in which they were offered; that there be 2 minutes for explanation between each vote; that upon disposition of all amendments, the remaining provisions of the previous unanimous consent agreement remain in effect; provided further that a managers' amendment still be in order on Wednesday and that Senator MCCAIN be recognized to speak for up to 15 minutes prior to final disposition of this bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 2834, AS MODIFIED

Mr. REID. Mr. President, I send a modification to the desk and state that Senators LEAHY and STEVENS and the two managers have agreed to this amendment. This is in relation to the Leahy amendment No. 2834.

The PRESIDING OFFICER. Is there objection to the modification?

Without objection, the amendment is so modified.

The modification is as follows:

On page 2, line 10, after the word "forestry", insert "or commercial fisheries."

The PRESIDING OFFICER. Is there further debate on the Leahy amendment as modified?

The question is on agreeing to the amendment.

The amendment (No. 2834), as modified, was agreed to.

Mr. LUGAR. I move to reconsider the vote.

Mr. REID. I move to lay that motion on the table.

AMENDMENT NO. 2851, AS MODIFIED

Mr. LUGAR. I call up amendment No. 2851, which I offered on behalf of Senator DOMENICI earlier today, and I send a modification of the amendment to the desk.

The PRESIDING OFFICER. Is there objection to the modification?

Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

Strike section 132 and insert the following:

SEC. 132. NATIONAL DAIRY PROGRAM.

The Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 772(b) of Public Law 107-76) is amended by inserting after section 141 (7 U.S.C. 7251) the following:

"SEC. 142. NATIONAL DAIRY PROGRAM.

"(a) DEFINITIONS.—In this section:

"(1) DAIRY FARM.—

"(A) IN GENERAL.—The term 'dairy farm' means a dairy farm that is—

"(i) located within the United States;

"(ii) permitted under a license issued by State or local agency or the Secretary—

"(I) to market milk for human consumption; or

"(II) to process milk into products for human consumption; and

"(iii) operated by producers that commercially market milk during the payment period.

"(B) EXCLUSION.—The term 'dairy farm' does not include a farm that is operated by a successor to a producer.

"(2) ELIGIBLE PRODUCTION.—The term 'eligible production' means the average quantity of milk marketed for commercial use in which the producer has had a direct or indirect interest during each of the 1999 through 2001 fiscal years.

"(B) each of fiscal years 2003 through 2005.

"(4) PRODUCER.—The term 'producer' means the individual or entity that is the holder of the license described in paragraph (1)(A)(ii) for the dairy farm.

"(b) PROGRAM.—The Secretary shall make payments to producers.

"(c) AMOUNT.—Subject to subsection (h), payments to producers on a dairy farm under this section shall be calculated by multiplying—

"(1) the eligible production; by

"(2) the payment rate.

"(d) PAYMENT RATE.—

"(1) IN GENERAL.—Subject to paragraph (2), the payment rate for a payment under this subsection shall be equal to $0.315 per hundredweight.

"(2) ADJUSTMENT.—The Secretary may adjust the payment rate under paragraph (1) with respect to the last fiscal year of the payment period if the Secretary determines that there are insufficient funds made available under subsection (h) to carry out this section for that fiscal year.

"(e) APPLICATION FOR PAYMENT.—To be eligible for a payment for a payment period under this section, the producers on a dairy farm shall submit an application to the Secretary in such manner as is prescribed by the Secretary.

"(f) TIMING OF PAYMENTS.—Payments under this section shall be made on an annual basis.

"(g) ADJUSTMENTS.—The Secretary may provide for the adjustment of eligible production of a dairy farm under this section if the production of milk on the dairy farm has been adversely affected by (as determined by the Secretary)—

"(1) damaging weather or a related condition;

"(2) a criminal act of a person other than the producers on the dairy farm; or

"(3) any other act or event beyond the control of the producers on the dairy farm.

"(h) FUNDING.—The Secretary shall use not more than $2,000,000,000 of funds of the Commodity Credit Corporation to carry out this section.".

AMENDMENT NO. 2850

The PRESIDING OFFICER. The Senator from Arizona is recognized for 15 minutes.

Mr. KYL. Mr. President, let me explain where we are. We have two competing sense-of-the-Senate amendments. The first is the Kyl-Nickles amendment. Incidentally, I ask unanimous consent that Senator HUTCHINSON of Arkansas be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KYL. This sense-of-the-Senate amendment says we should make permanent the repeal of the death tax that the majority of us voted for last year and the President signed into law. It is kind of a cruel hoax to repeal the death tax after a 10-year period, only to have that sunset the very next year. So if you are lucky enough to die in the year 2010, your heirs don't have to pay the tax. But if you are unlucky enough to live to the year 2011, you go right back to the death tax as it existed last year, with a 60-percent rate, with only a $675,000 exemption. That will be a huge tax increase in that year unless we are able to make the death tax repeal permanent.

I submit that all of us who voted for that—the vast majority of the Members of this body—certainly intended that we weren't playing a trick on the American people. We intended the repeal of the death tax to be permanent rather than just for 1 year. The competing amendment is Senator CONRAD's. The bottom line is that we not spend Social Security money either for tax cuts or wasteful spending. That is a proposition with which I suspect we can all agree.

The only problem with his proposal is in the text of it, an assertion that the proposal to make permanent the repeal of the death tax actually would spend Social Security money. That is incorrect, as has been pointed out by Senators GRAMM and NICKLES.

Let me talk about the reasons we need to make the death tax repeal permanent and why the arguments of those who oppose that are simply incorrect. One of the arguments the Senator from Rhode Island had was that there is the myth that lots of people pay the death tax. Actually, I didn't assert that. I don't think most people would say lots of people pay it. Too many estates pay it. I guess his point was that people don't pay it, estates pay it. Who owns estates? People do—the heirs, the children, usually, of the person who has died. It is not a very happy circumstance that the death of their father or mother causes them to have to pay a tax. All of the other taxes, with two minor exceptions that we have in our Tax Code, are a result of some action that we take, voluntary action. If you want to earn money, you have to pay income tax. The death tax is the only one where you don't choose the event that triggers the tax. You die; you pay a tax. That is not something you voluntarily do.

That is why everyone who has voted for it has agreed it is an unfair tax and it should not be paid. The fact that not that many people pay it is beside the point. It affects millions and millions of people. Whom does it affect? First of all, all the people in the families of the estates that are being taxed. Secondly, it affects all of the people who tried to plan against the eventuality of paying a death tax. There are literally millions of those people.

In 1999, the estimate is that we collected $23 billion in estate tax and, in addition to that, Americans paid an additional $23 billion in estate planning, in insurance, to accountants and lawyers and estate planners. So, in effect, it is a double tax.

Another point the Senator from Rhode Island made was that there is really a demonstrable effect on charitable contributions. He cited a study that said there might be fewer contributions to charity if we repeal the death tax. First, it should not be Federal Government policy to force people to give money to charity. That should be from the heart, not because you have a gun at your head. We can have incentives and we can have a tax credit if you contribute to charity. But we should not say unless you contribute that money to charity, the Government is going to confiscate it from your heirs. That is unfair and not something Federal tax policy should do.

Secondly, to summarize a story of a friend of mine, Jerry Witsosky, who started a small printing company: He eventually hired 200 people. He was one of the most generous people in our community of Phoenix, AZ. He just could not say no. He had Boys and Girls Clubs named after him. He was a very generous person. When he died, his family had to sell the business to pay the estate taxes. They sold it to a big corporation. So much for preventing the accumulation of wealth. Has that big corporation ever contributed to charities in my community? Not that I am aware.

The bottom line is these private, family-owned businesses are pillars of their community. When they have to be sold off to some big corporation, don't tell me you are going to have enhanced contributions to charity as a result.

The Senator from New Jersey had a couple of arguments—I wish he were still here. He is absolutely wrong in both of the arguments he made. I don't think he has actually read the bill that repealed the tax last year or he would not have made the statement that taxes are not paid on unrealized capital gains under the law that exists today, under the bill we passed last year. That is not correct. We substitute the capital gains tax for the estate tax. So for the first time there will be a tax on unrealized capital gains. The only amount we carve out from that is essentially equal to the exemption we have in the law today. So nobody who is exempt from paying the tax today would have to pay the tax 10 years from now. But except for that carveout, there is going to be a capital gains tax substituted for the estate tax. So that argument of the Senator from New Jersey is simply incorrect.

The second argument is also incorrect, that no Social Security surplus funds should ever be used and that that is what would happen if we made permanent the repeal of the estate tax. But that is not correct either. As the Senator from Texas and the Senator from Oklahoma pointed out, at the point in time that the repeal of the death tax is made permanent, we are running huge Social Security surpluses. In 2010, for example, according to OMB, we would have a Social Security surplus that year of $290 billion—a non-Social-Security surplus of $60 billion. Subtract the $4 billion in costs from the repeal of the death tax and you still have $56 billion in non-Social-Security surplus, and you still have the original $290 billion Social Security surplus.

So the OMB numbers—the very numbers referred to in Senator CONRAD's amendment—belie the claim that we would be taking Social Security money in order to pay for the repeal of the death tax. It just isn't true.

Mr. President, what are the reasons for making the repeal of the death tax permanent? The primary reason is fairness. But the secondary reason is the confusion that exists in the code if we don't do that. Think about it. We gradually phase down the amount of death tax until the ninth year, when it finally goes out of existence, and 1 year later it is all back again in its worst form—the form that existed last year. How do you plan against that? Unless you are absolutely certain you are going to die in the year 2010, you are going to have to pay the same lawyers, accountants, buy the same insurance, and do the same estate planning that you do today that you will have to do tomorrow. You will have to do all of those things, and the net result is a very inefficient and wasteful situation—money that is unproductively going to these people who could be put productively back into the economy to create jobs, stimulate the economy and, to be fair, frankly, to our families.

That money is wasted unless you consider money going to lawyers as not being wasted. As a recovering lawyer, I would argue differently. The fact is, that is unproductive capital. Wilbur Steger says if you can repeal it tomorrow, you can inject $40 billion of capital into our economy.

The bottom line is repealing the death tax is good economically. It is also good for the people who have to plan against the eventuality of paying the tax, and it is good for the families who otherwise would have to bear the burden of it.

It is not fair because it is a tax on death rather than voluntary activity. It is bad economic policy and bad tax policy because nobody can figure out under the law we passed last year what they are going to have to do, again, unless they know for sure they are going to die in the year 2010.

Let's go back to the basics. Last year, because of a quirk in the law, we could only pass a 10-year tax bill. We did the best we could. We repealed the estate tax within that 10-year frame. Right after the 10 years expire, the whole provision sunsets, and we go right back to the Tax Code as it existed last year.

Is that what we intended when the vast majority of us voted to repeal the estate tax we call the death tax? No. Were we playing a cruel hoax on our constituents, claiming with great fanfare that we repealed the death tax, but knowing all along we really only repealed it for 1 year? Did we really intend for it to be repealed for 1 year? I daresay everyone who voted for repeal of the death tax is going to support the amendment, the sense-of-the-Senate resolution that says we should make it permanent. Otherwise, they intended something different certainly than I did and, I think, the vast majority of the Americans who support this.

The President in his budget calls for the "permanentizing" of the repeal of the death tax. That is calculated in his budget, and OMB makes crystal clear that budget is not taking one dime from the Social Security surplus to do it. That is why we should reject the proposal of the Senator from North Dakota which has in it a statement that that is what we are doing.

If he is willing to drop that one clause of his sense-of-the-Senate resolution, then I will be the first to vote for his sense-of-the-Senate resolution and urge my colleagues to do so because I agree we should not take Social Security surplus money. But that is not what will happen if we are able to effect a permanent repeal of the death tax.

At the end of the day, this is all about fairness. Is it fair to tax people who are members of a family and who did not choose that the breadwinner in the family die? Is it fair to tax them up to 60 percent of the value of that estate, especially since many of the assets of small businesses and farms are tied up not in cash or liquid assets but in the business itself, so that the net result is they cannot just write a check for that obligation, they literally have to sell the business, as my friend Jerry Witsosky's family had to do? Is that fair?

Is that the policy the U.S. Government should be setting? I submit the answer is no. That is what the vast majority of Senators said last year. The House of Representatives concurred, and the President signed the repeal of the death tax into law.

The only problem with that is, as I have said, it sunsets after the 10th year. That is what we need to correct. We need to find the right vehicle to do that. It has been said the farm bill is not the right bill to do that, even though the tax has a very perverse effect on family farms. That is why we bring this sense-of-the-Senate resolution to our colleagues—if you agree with us that we make the repeal of the death tax permanent, that we intended to do that, and we intend to do as soon as we have the right opportunity and reject the competing sense-of-the-Senate resolution that claims that doing this would take money from the Social Security surplus, something which now three of us have pointed out is absolutely totally false.

If the author of the competing sense-of-the-Senate resolution will drop that claim and will simply say it is the sense of the Senate we not spend the Social Security surplus to "permanentize" tax cuts or on wasteful spending, then we will be happy to support that. We can support both of them. Otherwise, we are going to have to vote against the sense-of-the-Senate resolution of the Senator from North Dakota, and I urge my colleagues to support the sense-of-the-Senate resolution that Senator NICKLES, Senator HUTCHISON, I, and others have sponsored. It is the right thing, it is the fair thing, and it is the honest thing to do for the American people so they are not misled that our action last year in repealing the death tax is for all time. It is not. It is only for 1 year.

I conclude by submitting for the RECORD a list of organizations that support the permanent repeal of the estate tax, what I have been referring to as the death tax, and I ask unanimous consent this list be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE FAMILY BUSINESS ESTATE TAX COALITION

Air Conditioning Contractors of America; American Business Press; American Consulting Engineers Council; American Council for Capital Formation; American Family Business Institute; American Farm Bureau Federation; American Forest and Paper Association; American Forest Resources Council; American Hotel & Lodging Association;

American International Automobile Dealers Association; American Supply Association; American Wholesale Marketers Association; American Vintners Association; Americans for Fair Taxation; Associated Builders & Contractors; Associated Equipment Distributors; Associated General Contractors; Association for Manufacturing Technology.

Citizens Against Government Waste; Citizens for a Sound Economy; Communicating For Agriculture; Construction Industry Manufacturers Association; Farm Credit Council; Fierce and Isakowitz; Food Distributors International; Food Marketing Institute; Guest & Associates; Independent Community Bankers of America; Independent Insurance Agents of America; International Council of Shopping Centers; Kessler & Associates; National Association of Beverage Retailers; National Association of Convenience Stores; National Association of Home Builders; National Association of Manufacturers; National Association of Plumbing-Heating-Cooling Contractors; National Association of Realtors; National Association of Wholesaler-Distributors; National Automobile Dealers Association; National Beer Wholesalers Association; National Cattlemen's Beef Association; National Corn Growers Association; National Cotton Council; National Electrical Contractors Association.

National Federation of Independent Business; National Grocers Association; National Licensed Beverage Association; National Lumber and Building Material Dealers Association; National Marine Manufacturers Association; National Newspaper Association; National Restaurant Association; National Roofing Contractors Association; National Small Business United; National Telephone Cooperative Association; National Tooling & Machining Association; National Utility Contractors Association; Newspaper Association of America; Ocean Spray Cranberries, Inc; Organization for the Promotion & Advancement of Small Telecommunications Companies (OPASTCO); Painting & Decorating Contractors of America; Petroleum Marketers Association of America; Printing Industries of America; Rock Hill Telephone Company; Safeguard America's Family Enterprises; Society of American Florists; Southeastern Lumber Manufacturers; Texas and Southwestern Cattle Raisers Association; Textile Rental Services Association; Tire Association of North America; United States Telecom Association; U.S. Business & Industry Council; U.S. Chamber of Commerce; Wine and Spirits Wholesalers of America; and the Wine Institute.

MEMBERS OF THE SMALL BUSINESS LEGISLATIVE COUNCIL

Air Conditioning Contractors of America; Alliance of Independent Store Owners and Professionals; Alliance of Affordable Services; American Bus Association; American Consulting Engineers Council; American Council of Independent Laboratories; American Machine Tool Distributors Association; American Moving and Storage Association; American Nursery and Landscape Association; American Road & Transportation Builders Association; American Society of Interior Designers; American Society of Travel Agents, Inc.; American Subcontractors Association; Associated Landscape Contractors of America; Association of Small Business Development Centers; Association of Sales and Marketing Companies; Automotive Recyclers Association; Bowling Proprietors Association of America; Building Service Contractors Association International; Business Advertising Council; CBA; Council of Fleet Specialists; Council of Growing Companies; and the Cremation Association of North America.

Direct Selling Association; Electronics Representatives Association; Health Industry Representatives Association; Helicopter Association International; Independent Community Bankers of America; Independent Electrical Contractors, Inc.; Independent Medical Distributors Association; International Association of Refrigerated Warehouses; International Association of Used Equipment Dealers; International Business Brokers Association; International Franchise Association; Machinery Dealers National Association; Mail Advertising Service Association; Manufacturers Agents for the Food Service Industry; Manufacturers Agents National Association; Manufacturers Representatives of America, Inc.; National Association for the Self-Employed; National Association of Plumbing-Heating-Cooling Contractors; and the National Association of Realtors.

National Association of RV Parks and Campgrounds; National Association of Small Business Investment, Companies; National Community Pharmacists Association; National Electrical Contractors Association; National Electrical Manufacturers Representatives Association; National Lumber & Building Material Dealers Association; National Ornamental & Miscellaneous Metals Association; National Paperbox Association; National Private Truck Council; National Retail Hardware Association; National Tooling and Machining Association; National Wood Flooring Association; Painting and Decorating Contractors of America; Petroleum Marketers Association of America; Printing Industries of America, Inc.; Professional Lawn Care Association of America; Promotional Products Association International; The Retailer's Bakery Association; Saturation Mailers Coalition; Small Business Council of America, Inc.; Small Business Exporters Association; SMC Business Councils; Society of American Florists; Specialty Equipment Market Association; Tire Association of North America; Turfgrass Producers International; United Motorcoach Association; Washington Area New Automobile Dealers Association.

Mr. KYL. Mr. President, I hope my colleagues are joined in making permanent the repeal of the death tax, and we can express that is our intention when we vote on this tomorrow morning.

The PRESIDING OFFICER (Mr. JEFFORDS). The Senator from Minnesota is recognized for 15 minutes.

Mr. DAYTON. I thank the Chair.

Mr. President, I want to take a different tack from some of my Democratic colleagues and say to the Senator from Arizona and others who have expressed his point of view that I understand and respect his sentiment as one which reflects also accurately what I have heard from a lot of Minnesota farmers, a lot of Minnesota business owners throughout the State.

I am convinced, regardless of what my particular view might be and regardless of what the facts of the situation might be, that any farmer or business person or probably anybody who has accumulated some estate who even believes it is possible that he or she will ultimately be affected by this tax considers it onerous. I can see for those it does impact, they consider it onerous.

I agree with the Senator from Arizona that the decision made a year ago by the Congress, signed into law, to finally repeal the estate tax entirely in the year 2010 and then reverse that repeal and go back to the pre-2001 tax level is nonsensical, absurd, and should have been recognized last year for what it was, which was an attempt—in fact, a successful effort—to compress 10 years of tax cuts permitted by the budget resolution into the first 9 years of the budget so we would face exactly this predicament and there would be, as the Senator said, and properly so, no logical explanation to the American people for why these tax cuts which occurred over those 9 years are suddenly all going to disappear in the 10th year.

In fact, I think that argument can equally apply to the reduction in the rates which would also go back to their pre-2001 levels if no change is made. The child tax credit, which will go up to $1,000 per child, reverts back down to its pre-2001 $500 level.

I agree with the Senator what was done last year was nonsensical, and any rational person trying to look into that situation, any tax planning expert advising someone about his or her tax plan decisions, especially as that year 2011 approaches, is going to say what it is, and with which I agree: It is nonsensical and ridiculous to conduct tax policy in that way.

I invite the Senator from Arizona to work with me—and I look forward to doing so—to change this practice which I encountered last year which, for the first time, my first year—I understand the tactic, but I think it is fundamentally wrong no matter who perpetrates it, to be having tax changes phasing in, phasing out, and the like. These are the kinds of games and manipulations we all realize occur. No wonder the American people do not think we have a Tax Code they can depend upon, trust, that makes sense. They are right.

In my experience, just about any tax that is imposed upon people is considered onerous. As a policymaker, I guess I am left wondering which of those taxes, from the standpoint of perceived burden and actual burden, would be the prime candidates to be reduced if we had the resources to do so.

I certainly note that competing with the estate tax elimination, in terms of what taxes impact most Americans, the payroll tax would certainly be my first candidate, especially as it affects the employee. Seventy-five percent of working Americans pay more out of their payroll taxes than they do out of their income taxes. And certainly for employers, for businesses, it is perceived as a cost and as an impediment to hiring additional people.

Another inequity we will face over this next decade as it stands today is some 39 million Americans will be bumped up against the alternative minimum tax by the year 2011 under current law.

We should remedy all of those inequities. The bottom line is, and what Senator CONRAD was asking his colleagues to recognize tonight, and what the American people need to understand about the course that we are about to head down, is we cannot afford to make all of these tax cuts and all of the spending increases which the President's budget proposes without seriously weakening the financial strength of this country so that in a decade, at the end of this 10-year budget period, we are likely to be unable to meet the increased demands of Social Security and medical benefits of an aging population.

If we take the President's budget, assume that the Congress does not change one thing about it, and then apply the Office of Management and Budget, the administration's own fiscal expert, consequences of that budget, as Senator CONRAD said, and it bears repeating, for those next 10 years every dollar in the Federal Government's operating budget, the surpluses, will be eliminated. All of the surpluses in the Medicare trust fund for every 1 of those 10 years will be eliminated. Sixty percent of the Social Security trust fund surpluses, totaling $1.5 trillion during that time, will have to be spent to pay for the operating deficits which will result, leaving at the end of those 10 years in the fiscal year 2012, $1 trillion of surpluses in the Social Security trust fund, and $1.9 trillion of debt that has not been paid because of this additional spending—national debt that, I might add, was projected originally a year ago to have been eliminated by the end of these 10 years.

So I repeat, if we, today, were to adopt the budget which the President has sent to the Congress, without a change, if the economy of this country over the next decade performs according to OMB's assumptions, which are that we will come out of the recession quickly, we will boost up above average GDP, and then we will continue at a rate for the rest of the decade that will result in a decade average of 3.1 percent real growth in GDP; in other words a reasonably optimistic economic assumption sustained over 10 years—low inflation, 2.1 percent, unemployment staying at 4.9 percent, good economic conditions—we will still face $849 billion in deficits in our operating budgets which have to be made up by Social Security and Medicare trust fund dollars.

At that point, we end up facing the proposal of Senator KYL and others that we should eliminate the estate tax permanently during that following decade, which the Congressional Budget Office predicts would cost $4 trillion. If we look at the numbers, we will see we cannot afford to sacrifice another $4 trillion in tax revenues during that time.

The Social Security payments are going to increase. The national debt has not been eliminated. Frankly, I am not even as concerned about that decade, at least not tonight, as I am about the decisions we will be making over the next few weeks and months that will affect what precedes that decade.

I assume Senator KYL's amendment will pass tomorrow. It is a sense-of-the-Senate resolution. It has no force of law. It does not start to take effect until the year 2011. That is about as easy a tax cut vote as anybody can ever hope for.

I implore my Republican colleagues, I implore all of my Senate colleagues, to review the President's budget proposals and to review Senator CONRAD's predictions because they essentially agree. They say if that budget is adopted, we are heading into another decade-long spree of cutting taxes. We did last year. Now some want to accelerate those tax cuts. We want to make some of those tax cuts permanent in following decades—popular decisions, every one of them not in context.

We are proposing to embark on a major military spending spree, $451 billion of additional defense spending in the next 5 years compounded through the next 5 years, spending that we are not paying for with the tax cuts; that we are paying for with the Medicare and Social Security trust funds. Those are the unavoidable realities, the unpleasant realities that we would prefer to avoid. If we do that, we will jeopardize the long-term financial security of this Nation.

If we repeat what occurred in the 1980s and send this country down the path of ongoing budget deficits, we will bequeath to our children and those who follow a fiscal nightmare of unprecedented proportions. Regardless of what we do tomorrow with the sense-of-the-Senate resolution, the real decisions we are going to face in the months ahead will not be those kinds of cosmetics. They will be real commitments to tax cuts and to spending increases that will be sweet and appealing at the time, but the reality is they will jeopardize this country's financial strength and stability.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

AMENDMENT NO. 2851

Mr. LUGAR. Mr. President, under the unanimous consent agreement that has been adopted on amendment No. 2851, the Domenici amendment on dairy, that debate must occur this evening. The provision provides for 2 minutes of debate tomorrow prior to the vote, equally divided. Senator DOMENICI is not able to be present. Earlier today, on his behalf, I offered the amendment with a short argument.

I ask that the Chair call up amendment No. 2851.

The PRESIDING OFFICER. The amendment is now pending.

Mr. LUGAR. Mr. President, I yield myself as much time as I may require from the 10 minutes provided to the proponents of the amendment.

The PRESIDING OFFICER. The Senator may proceed.

Mr. LUGAR. Mr. President I will read from a letter which Senator DOMENICI has written to his colleagues in the Senate in support of amendment No. 2851:

> I ask you to join me in making the dairy title of the farm bill equitable to all producers across the country. There is currently $2 billion available in S. 1731 over the next five years for the dairy program. However, the dairy title of the farm bill currently under consideration on the Senate floor gives special treatment to 12 states at the expense of the remaining 38. Specifically, those producers in the 12 New England states currently producing 18% of our nation's milk, will receive a disproportionate 25% in producer payments. This is inconsistent with the vast majority of other programs where the loan rate, or payment rate for a particular commodity is the same for producers all across the country. There is no market justification for this type of division.
>
> FAPRI analysis of S. 1731 shows that the response to these payments would result in depressed market prices. By the last year of the program, estimates predict that income to dairy farmers in every state would be reduced. This is a reduction on all milk—not just milk of a certain level of production. Thus, producers whose milk is not eligible for the payments will be receiving less money for their milk than if the payments were not made at all. To be fair, those producers should not have to pay for this policy. All producers should be allowed to fully participate.
>
> I ask that you support an amendment that will be offered on my behalf that will distribute this $2 billion in a more equitable manner. The program that I propose is national in scope.
>
> Dairy prices can change rapidly from month to month. Rather than burden the Secretary with the costs of computing payment rates and making monthly payments, I propose to streamline this process and make an annual flat payment to producers over the next five years which will approximate the counter-cyclical payments they would receive if computed and paid like other commodities. Estimates show that rate to be approximately 31.5 cents per hundredweight on all milk produced. Under this approach, administrative costs will be reduced and payment uncertainties will be eliminated. A payment on all milk will provide, in gross dollars, as much or more money to virtually all states. A table illustrating this is attached.

I ask unanimous consent to have that printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF PRODUCER PAYMENTS DASCHLE SUBSTITUTE—DOMENICI AMENDMENT

State	2001 production (million)	Eligible pounds (million)	Daschle substitute			Domenici amendment (thous)
			Min ($thous)	Mid ($thous)	Max ($thous)	
Alabama	300	278	486	1,652	3402	3623
Alaska	14.36	13	23	79	163	173
Arizona	2884	854	1494	5079	10457	34824
Arkansas	459	425	743	2528	5204	5542
California	33194	15435	27012	91839	189081	400818
Colorado	1961	1181	2066	7024	14461	23679
Connecticut	459	425	5785	7646	7646	5542
Delaware	140.9	130	1776	2347	2347	1701
Florida	2389	1206	2111	7178	14779	28847
Georgia	1431	1241	2171	7382	15198	17279
Hawaii	106.4	98	172	586	1206	1285
Idaho	7754	3644	6378	21684	44644	93630
Illinois	2020	2006	3510	11935	24572	24392
Indiana	2576	2476	4332	14729	30325	31105
Iowa	3785	3702	6478	22025	45346	45704
Kansas	1560	1444	2527	8591	17688	18837
Kentucky	1657	1654	2894	9839	20258	20008
Louisana	629	582	1019	3464	7132	7595
Maine	656	607	8268	10928	10928	7921
Maryland	1285	1207	16430	21716	21716	15516
Massachusetts	366	339	4613	6097	6097	4419
Michigan	5721	5166	9041	30738	63284	69081
Minnesota	8895	8610	15068	51232	105477	107407
Mississippi	505	467	818	2781	5726	6098
Missouri	1972	1942	3399	11557	23795	23812
Montana	346	320	560	1906	3923	4178
Nebraska	1146	1061	1856	6311	12994	13838
Nevada	485	449	786	2671	5499	5856
New Hampshire	322	298	4058	5364	5364	3888
New Jersey	242	224	3050	4031	4031	2922
New Mexico	5561	1268	2219	7544	15532	67149
New York	11750	11045	150396	198781	198781	141881
North Carolina	1164	1083	1894	6441	13261	14055
North Dakota	655	606	1061	3607	7427	7909
Ohio	4388	4318	7556	25691	52893	52985
Oklahoma	1293	1050	1837	6247	12861	15613
Oregon	1746	1437	2515	8550	17603	21083
Pennsylvania	10849	10697	145669	192520	192520	131002
Rhode Island	23.6	22	297	393	393	285
South Carolina	363	336	588	1999	4116	4383
South Dakota	1631	1432	2506	8521	17542	19694
Tennessee	1335	1324	2318	7880	16223	16120
Texas	5099	4166	7290	24787	51032	61570
Utah	1634	1428	2499	8497	17494	19731
Vermont	2678	2557	34824	46028	46028	32337
Virginia	1878	1850	3237	11006	22660	22677
Washington	5512	3467	6067	20629	42471	66557
West Virginia	249	230	3138	4148	4148	3007
Wisconsin	22225	21558	37727	128272	264089	268367
Wyoming	63	58	102	347	714	761
Total	165,357		552,657	1,092,831	1,720,534	1,996,689

Source: USDA Dairy Products 4/17/01, 7/17/01, 10/16/01, 1/17/02.

Eligible pounds are pounds per operation at or below 8,000,000 per year and approximate the percentages used by FAPRI in its analysis.

Payment rates under Daschle Substitute are from Ken Bailey. Penn State Staff paper #344, December 20, 2001. Analysis of the Dairy Provisions in the Senate Version of the Farm Bill. Payments in the NE Program had to be reduced to keep within the 500 million budgetary cap.

Mr. LUGAR. I continue reading:

I also propose the elimination of caps on payments to producers based upon production. This is a fairness issue. Since 1983, dairy producers have paid assessments for their programs. These assessments have always been without limitation. Now that there are payments, these producers should benefit from the same policy—payments without limitations.

A well known dairy economist with Penn State University, using recent historical prices, estimated that payments for the Northeast farmers would be from 24 cents to 91 cents per hundredweight with an average of 57 cents. At the same time producers elsewhere would receive from nothing to 35 cents with a mid point of 14 cents.

Producers in the same marketing orders who share the same blend prices and the same markets, could be treated vastly different under S. 1731. These producers are members of the same cooperatives, use the same trucking companies and otherwise participate in a single market. Yet, some in the market order stand to make 3 to 4 times as much as their neighbors, while market prices in the rest of the country are significantly reduced as a result of the disparity.

Again, I urge you to join me in making the dairy title equitable to all producers. If you are interested in co-sponsoring this legislation or need additional information, please contact Shelly Randel at 224–1964.

I wish Senator DOMENICI were here to make the statement himself and to further amplify the equity of his program, but common sense would dictate that there should be equity among the States. Clearly, there is not. Clearly, dairy farmers with almost identical conditions and identical cooperatives should have equitable treatment. S. 1731 clearly does not accomplish that.

Therefore, I commend the Domenici amendment to Senators. I am hopeful when the debate concludes tomorrow after the 2 minutes, 1 minute a side to summarize, that Senators will vote in favor of the Domenici amendment.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LUGAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I will ask again that a quorum call be instituted with the time evenly divided between the two sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, water laws are always an issue of great concern. However, they are of even greater concern in this day and age—especially in the West. This was so evident late last night and this morning when a deal was struck that relieves much of the West from participating in the Reid-Bingaman Water Conservation Program, but effectively sends New Mexico water down the river.

All Western Senators, whose States are in much the same situation as New Mexico, opposed the Reid-Bingaman amendment. I came to the floor today and learned that in an attempt to keep this ill-conceived program alive, all Western States with the exception of five—Nevada, New Mexico, Oregon, California, and Washington—were exempted. This was an attempt to get most of the Western Senators who oppose this program from voting against it in its entirety.

I was not consulted about New Mexico being allowed to drop out like other Western States because apparently Senator Bingaman wanted to keep New Mexico in the program—a program that is vehemently opposed by the New Mexico Cattle Growers, the New Mexico Farm and Livestock Bureau, the New Mexico Wool Growers, Inc., the New Mexico Public Lands Council, the Dairy Producers of New Mexico, the Arizona and New Mexico Coalition of Counties, the Middle Rio Grande Conservancy District, the Elephant Butte Irrigation District, and the Carlsbad Irrigation District.

Major policy changes with regard to State water issues should be considered carefully. The Reid-Bingaman proposal has never been the subject of a hearing. My staff has been given at least six drafts of this language—a sign that this should be introduced as legislation, referred to committee, and then brought to the Senate with the benefit of committee review.

The Reid-Bingaman proposal is a State program only in appearance—especially for those Western States who are reclamation States, such as New Mexico. There are many questions left unanswered when it comes to reconciling the Reid-Bingaman program with Federal Reclamation law. For example, does the entity that holds water rights in a reclamation project mean the Secretary of the Interior, the irrigation district or the individual landowner who receives the water under contract with the irrigation district? Is this relationship altered if the land is under a management contract or is leased in accordance with reclamation law? Do all of these parties have to agree? If one landowner enters into an agreement, what happens to the repayment obligations of the irrigation district? Can the irrigation district be forced to transfer water outside district boundaries by the landowner?

Another problem with the Reid-Bingaman program is that it allows the Secretary or a State to use condemnation powers under other authority to further the purposes of this program. I see nothing in this language that prevents either the Federal Government or a State from extorting compliance and eligibility. It is evident from the comments spoken on the floor of the U.S. Senate that the clear objective of this program is to take water from farmers for urban needs by laundering water for conservation.

The Reid-Bingaman program requires that States have a program to protect in stream flows. New Mexico does not have such a program and states that do have a program may not have as comprehensive a program as the sponsors of this amendment want. The New Mexico legislature has previously defeated legislation that would create any type of water bank or similar program.

State water laws—especially in the West—are all different. Yet, the thrust of this program seems to be forcing states to conform their water laws into some Federal mold.

Additionally, the Reid-Bingaman amendment allows for the transfer of water to a "designee of the State." That could be a third party. Presumably, one could be ordered to transfer rights to an urban area or private group or individual. It is not completely clear, but it seems that state water law, especially as it applies to junior appropriators is being preempted.

The "savings" clause in this amendment is too limited. It does not preserve any limitations under other Federal law, nor does it clearly preserve interstate compacts, treaties and the myriad of regulations that define interstate streams.

Finally, I have heard many claim that this program is strictly voluntary. It is voluntary on its face only. The language is drafted to read that anyone who participates is "willing." That is part of what is wrong in the West. We don't have enough water and people do not want to give up what little of this resource they have. If there were willing sellers out in New Mexico, all of the groups I mentioned above would not oppose the Reid-Bingaman program.

Mr. LEAHY. Mr. President, I would like to bring to the Senate's attention an issue that I hope we might continue to work on during the conference on the farm bill. Last year President Bush set a theme that we "should not leave any child behind." While the world has certainly changed in the past year, I believe that one of the reasons we will succeed in the war against terrorism is that we understand the importance of leaving no child behind. It is my hope that as we work through this conference we will keep our children's health as a top priority.

The Food Stamp Act provides assistance to millions of children living in the United States. In 1980, Congress removed Puerto Rico from the food stamp program as a budget-cutting initiative and established in its place the Nutrition Assistance Program, a block grant for Puerto Rico to provide a modified Food Stamp Program. The Nutrition Assistance Program in Puerto Rico known as NAP, provides support to over 400,000 children.

Over the past year, Puerto Rico's Governor Sila Calderon and her administration have moved aggressively and voluntarily to complete implementation of an Electronic Benefits System for the nutrition program. The Commonwealth thus joins the 50 States as they modernize their food stamp distribution services to ensure authorized purchases by the individuals for whom the benefits were intended. They have worked effectively with the USDA's Food and Nutrition Service to strengthen the administration of the program to ensure that limited dollars are stretched to the maximum.

However, as of 2000, the annual purchasing power of NAP was $147 million less than when it was enacted 22 years ago, compared to the cost of household food on the mainland. If you use the index measuring the increased cost of food in Puerto Rico, you find that the purchasing power of the program has fallen by almost $1 billion.

The loss of purchasing power has real effects on real children. If you look at the NAP and compare it to the Federal Food Stamp Program, you find that the program, 1, does not provide similar benefits; and 2, the budget limitations have excluded many low-income children in Puerto Rico from participation in the program.

For example, the Food Stamp Program's monthly income limitation is $1,531 for a family of three on the mainland and in the Virgin Islands, but the NAP program must limit participation in the program to families of three whose income is $558. This amount equals about 47% of the Federal poverty level, while participation in the Federal Food Stamp Program is extended to those whose incomes are less than 150% of the Federal poverty level.

The NAP maximum benefit level for the family of three is $268 as compared to $341 for food stamps on the mainland and $431 on the Virgin Islands. this problem becomes even more egregious when the cost of purchasing essential food items is compared between Puerto Rico and the mainland. For example, a gallon of milk in San Juan costs $3.89 compared to $2.87 in Washington, D.C.

When Congress established the Nutritional Assistance Program it was our intent to reduce cost and permit the Commonwealth flexibility in providing nutrition support. We certainly did not intend to create a gap such as the one that now exists between these two programs.

Puerto Rico's children are U.S. citizens who deserve a greater opportunity for nutritional support. These young men and women will serve in the U.S. military, they will pay Social Security, Medicare and unemployment taxes, and they are expected to compete in the U.S. labor market. I believe that we need to ensure that children who are U.S. citizens and live in Puerto Rico are not left behind when it comes to nutrition.

I look forward to working with the distinguished chairman; the distinguished ranking member Senator LUGAR; and the other conferees to examine alternatives for providing resources to the Nutrition Assistance

Program so that there is some narrowing of the gap between the Federal Food Stamp Program and the Nutrition Assistance Program.

Again, I thank the chairman for his excellent work on this issue, and I look forward to working with him to advance this cause.

Mr. LUGAR. Mr. President, I would like to associate myself with the remarks of my friend, the distinguished Senator from Vermont. As I have indicated in remarks throughout the Senate's deliberations on this bill, nutrition assistance is of paramount importance for enhancing our nation's security. I am familiar with the Nutrition Assistance Program in Puerto Rico and recognize the importance of adjusting benefit levels and income requirements for inflation. This is why Senator COCHRAN and I worked together on legislation, 2 years ago, that now provides such an adjustment. I look forward to working with Senator LEAHY, Chairman HARKIN and the other conferees in the conference on this bill to explore this issue by assessing the needs of low-income Puerto Ricans and possible means of addressing those needs.

PEANUT PROGRAM

Mr. SANTORUM. Mr. President, I rise to engage in a colloquy with my distinguished colleague from Georgia, Mr. MILLER, regarding the peanut title of the proposed farm bill.

My colleague represents the largest peanut growing State and I represent one of the largest peanut product manufacturing States. I compliment him for his leadership and I am pleased by the efforts of the Agriculture Committee in moving to a market-oriented peanut program. My foremost concern is for elimination of the peanut quota system, which has restricted peanut production in the United States. Do the provisions of this farm bill terminate the peanut quota program?

Mr. MILLER. Yes, the legislative language of this farm bill explicitly terminates the peanut quota system effective with the 2002 crop. The bill also provides that the Secretary of Agriculture is to enter into contracts that will compensate quota owners for the lost of their quota.

Mr. SANTORUM. I believe such provisions are useful, but I would like to have the compensation to quota owners terminated 1 year before the end of this 5-year farm bill. I have no problem with the House bill, which buys out quota owners over a 5-year period in the context of a 10-year farm bill.

Mr. MILLER. If we end up with a 5-year farm bill as a result of the House-Senate conference, my quota owners would have no problem in having their quota bought our over 4 years. Therefore, I commit to the Senator to work with the House-Senate conferees to ensure that we end the quota owner buy-out contract 1 year shy of any farm bill reauthorization.

Mr. SANTORUM. I thank my colleague for this unquestioned commitment to finding an agreeable resolution. I understand that these reforms may be difficult for some of his peanut quota growers. However, if we fail to provide real reform of the peanut program we will have done a great disservice to the entire U.S. peanut sector.

Mr. MILLER. Ever-expanding peanut imports are threatening the current and future viability of the peanut industry in Georgia and other peanut-producing and manufacturing states. Peanut growers, shellers, and manufacturers will come under increasing pressure as peanut production and peanut processing infrastructure moves offshore. I am pleased to say that this new peanut program offers a positive resolution for the entire peanut industry, and the new program ensures that the U.S. peanut sector is competitive in the world marketplace.

Mr. SANTORUM. I applaud the leadership and foresight of the Senator from Georgia in developing a peanut program that truly brings needed reform to the program while presenting new opportunities for young peanut farmers.

Mrs. CARNAHAN. Mr. President, I wish to enter a short colloquy with the Senator from Iowa, Chairman of the Agriculture Committee and the floor manager of this bill. As you know, the manager's amendment contains a provision designed to remedy problems that transpired last year in the programs governed by Public Law 107–25. My question is whether this remedy applies to farmers eligible for payments and assistance under Public Law 107–25, but who were denied payments and assistance because their cases were under appeal when the September 30, 2001 deadline passed.

As the distinguished Senator might know, several Missouri farmers did not receive payments and assistance they were entitled to under Public Law 107–25. It was impossible for these Missouri farmers to meet their September 30 deadline because their cases were under appeal. They received no payments even though it was eventually determined that they were eligible for assistance. So, by no fault of their own, several Missouri family farmers face ominous financial situations without the clarifications provided in this amendment.

Mr. HARKIN. I commend the Senator's work on behalf of Missouri family farmers and thank her for her consideration of this amendment. This amendment will indeed apply to farmers who were under appeal status when the deadline passed but later were found to be in compliance and eligible for payments and assistance under Public Law 107–25. The amendment provides that they will receive payments for which they were eligible and have not received. I am pleased that this amendment will help Missouri farmers facing difficult situations.

NUTRITION

Mr. LEAHY. Mr. President, I ask to be recognized for the purpose of engaging in a colloquy with my good friends, the distinguished senior Senators from Massachusetts, Pennsylvania, Florida, and Minnesota. Each of us worked closely with the distinguished Chairman and Ranking Member of the Committee on Agriculture to ensure that the nutrition title of the pending legislation represents an important step forward to improve the program's ability to help low-income children, working poor, and the elderly. As a former chairman of the Agriculture Committee, I know the importance of achieving balance in a farm bill. To ensure broad, bipartisan and bicameral support, a farm bill must have a strong nutrition title that benefits urban and suburban areas that feel less of a direct stake in the agricultural provisions of the bill. I think the pending legislation has that. Unfortunately, the bill passed by the other body earlier this fall does not. A mere $3.6 billion out of a $73.5 billion farm bill does not come close to representing balance and leaves unmet too many of the urgent nutritional needs of low-income families in urban, suburban, and rural areas alike.

Mr. KENNEDY. This farm bill makes important progress in ensuring the nutritional well-being of low-income children. The food stamp program is by far our nation's largest and most important child nutrition program. Over half of all food stamp recipients are children. Four-fifths of all food stamp benefits go to families with children. Despite its important mission, however, this program has been in trouble. Fully half of the savings in the 1996 welfare law came from budget-driven cuts in food stamp benefits. Since then, sharp reductions in the participation rate among eligible households have produced huge additional problems. As a result, significant unmet need exists among low-income children in our country. This legislation takes important steps to address these problems. It recognizes that one of the clear consequences of welfare reform is that children have been hurt. It was never the intention of the 1996 law to cut off these children. This legislation restores benefits to all children to eliminate confusion, and to encourage parents to apply for benefits on behalf of their children. In addition, this legislation recognizes that families with children have greater living expenses than single individuals, and it adjusts the food stamp standard deduction accordingly. It relies on the fundamental concept, similar to the concept in legislation I introduced last year with Senator SPECTER, that food stamp benefits should not start to phase down until a family's income is nine percent above the poverty line. By providing more adequate food assistance benefits to children, we can help ensure that they go to school ready to learn and grow up to be strong, healthy, productive members of our society.

Mr. GRAHAM. Accordingly, one of the most important aspects of the nutrition title of this legislation is its sensitivity to the needs of legal immigrants and their families. Immigrants come to this country today for the same reasons that have brought them here throughout our history: to live in freedom and the opportunity to earn a better life for themselves and their families through hard work. Unfortunately, many immigrants, like other workers in this country, will at times find it difficult to obtain work. Others may be unable to work for a period of time because of workplace injuries or family illnesses. To prevent these hard-working, tax-paying families from suffering serious hardship, it is vital that we extend our country's nutritional safety net, the food stamp program, to more legal immigrants, particularly immigrant children. Unlike its counterpart in the other chamber, the nutrition title of this legislation does just that. I am proud to support that effort.

Mr. WELLSTONE. While falling somewhat short of what I had hoped for in terms of nutrition funding, this legislation nonetheless makes important strides to help ensure that the most vulnerable among us are not left without adequate nutrition in this land of plenty. Refugees and asylees, who enter this country to escape foreign oppression, could receive food stamps for as long as they need them without having to worry about an arbitrary time limit such as the one in current law. Childless unemployed adults could receive six months of food stamps within a twenty-four month period designated by the state. This is still a harsh provision, tougher than the provision that twice passed the Senate in the mid-1990s with bipartisan support. Nonetheless, it would give more people enough time to find new employment before their food stamp eligibility runs out. The legislation also preserves a $25 million fund to help these states provide work slots to persons reaching this time limit. The legislation also helps the very poorest of the poor by increasing the standard deduction and by providing transitional food stamps to persons leaving welfare because they obtained low-paying jobs or because they reached a time limit.

Mr. LEAHY. I fully concur with and support the comments of all four of my distinguished colleagues that have just spoken on the nutrition title of the farm bill. In addition to the many important features of the bill highlighted in their remarks, I would like to add that this legislation also takes major steps to simplify the program. Households would be permitted to report on changes in their circumstances by filling out a simple form every six months rather than having to take time off from work to visit the food stamp office, as often happens today. The cumbersome recertification process would be replaced by the same kind of redetermination process long used in the SSI and Medicaid programs. The crucial excess shelter deduction would be retained. This is essential to protect families in cold weather states like Vermont from facing the cruel choice between heating and eating. Nonetheless, legislation would greatly simplify the calculation of households' utility costs. States would be given the option to conform their definitions of income and resources in the food stamp program to those they use in other programs. This should allow states to eliminate unnecessary questions from their application forms. In simplifying the program, this legislation strives to protect families in need from experiencing hardship. Simplification should be a means of helping the program serve families better, not an end unto itself. I believe the simplification provisions in this legislation meet that test. As a result, this legislation makes important progress toward simplifying the program in ways that the benefit of State administrators and needy families alike.

MARKET ACCESS PROGRAM FUNDING

Mrs. MURRAY. Mr. President, I rise today to speak on an amendment I filed to the farm bill that would enhance funding for the U.S. Department of Agriculture's Market Access Program. I appreciate the support and cosponsorship of Senators FEINSTEIN, CRAIG, CANTWELL, BOXER, and WYDEN on this amendment.

Last year, the House of Representatives passed Trade Promotion authority by one vote, and the World Trade Organization meetings in Doha wrapped up with an agreement to begin a new round of trade negotiations. In Washington, D.C., and in the capitals of nation's around the world, it appears that momentum is building to expand trade.

But in rural areas in my home State, the support for new trade agreements is declining. Apple growers in Omak, WA and asparagus growers in the Yakima Valley are asking tough questions about our trade agreements.

Washington State is the most trade-dependent State in the nation. I have supported opening new markets for our products, whether it's airplanes or apples. I have also been a strong supporter of giving our farmers and businesses the tools they need to compete.

The global marketplace is tough, extremely competitive, and not always based on free market principles. Foreign governments have taken an aggressive posture in promoting their products. We need to be aggressive too.

One way we can be aggressive is to fully fund the Market Access Program. MAP helps nonprofit industry groups and other qualifying entities to conduct market promotion in foreign markets. MAP funds can be used for advertising and other consumer promotions, market research, and technical assistance.

In my home State of Washington, I have seen how MAP can help farmers, cooperatives, and small businesses. For example, each year, the apple industry receives roughly $3 million in export development funds from the USDA Market Access Program.

These funds, matched by grower funds, are used to promote U.S. apples in more than 20 countries throughout the world. Since 1987, when the apple industry first used MAP funds, apple exports have increased by 88 percent. Nearly one-quarter of fresh U.S. apple production is exported each year, with an estimated value of nearly $400 million.

If we are not aggressive, we will not gain market share.

My amendment would have modified the Senate Farm Bill to fund MAP at $200 million by 2004, and brought the Senate bill more in line with the House-passed Farm Bill, which funds MAP at $200 million beginning in fiscal year 2002. While it may not be possible to fully fund MAP at $200 million in fiscal year 2002, I strongly support funding MAP at this level beginning in fiscal year 2003.

Mrs. MURRAY. I want to begin by thanking Senator FEINSTEIN for her strong advocacy for additional Market Access Program funding. I also want to commend the Chairman of the Senate Agriculture Committee, Senator HARKIN, for writing a strong trade title in this Farm Bill. It is clear to me that Senator HARKIN understands how critical USDA trade programs are to our farmers and ranchers, and to hungry nations around the world.

I am concerned, however, about the level of funding for the Market Access Program in the early years of this Farm Bill. I was prepared to offer an amendment to the Farm Bill to add $145 million to the Market Access Program, so that we would fund MAP at $200 million sooner than in the underlying bill. Unfortunately, some controversy arose over the offset for my amendment.

I would ask Senator FEINSTEIN if she believes we need to fund the Market Access Program at $200 million as soon as possible in the final Farm Bill.

Mrs. FEINSTEIN. I agree very strongly with the Senator from Washington that we need to fund the Market Access Program at $200 million.

If American agriculture is to remain competitive, we must ensure that our farmers are given the same support that their foreign competitors receive.

Heavily subsidized foreign citrus entering the U.S. has quadrupled over the last five years, significantly lowering prices domestically for California growers. In the European Union alone, government subsidization of the fresh produce sector reaches upwards of $15 billion each year.

The Market Access Program provides new jobs—jobs for longshoremen, jobs in processing, jobs in transportation, and of course, jobs for growers.

The Market Access Program is an important tool in expanding markets for U.S. agricultural products.

The U.S. Department of Agriculture estimates that each dollar spent on the Market Access Program results in an increase in agricultural exports of between $2 and $7.

Small farmers especially benefit from this program because they would not be able to break into these foreign markets on their own.

The Market Access Program helps create and protect U.S. jobs, combat inequitable trade practices, improve the U.S. balance of trade, and improve farm income.

I thank the Senator from Washington for her leadership on this issue. I look forward to continuing our work together on increasing funding for this valuable program. To the distinguished Chairman of the Agriculture Committee, thank you for your continued help and support.

Mrs. MURRAY. I thank the Senator from California for her remarks. I would ask the Senator from Iowa if he supports raising MAP funding to $200 million as soon as possible in the final Farm Bill that is sent to President Bush.

Mr. HARKIN. I want to thank the Senators from Washington and California for their strong advocacy for the Market Access Program. I believe this is an indispensable program, particularly for specialty crop producers around the country.

To answer the question raised by the Senators from Washington and California, I agree we need to fund MAP at $200 million. The conference committee will have to address many difficult issues, however I believe it is a reasonable goal to try to fund MAP at $200 million as soon as possible, recognizing that it may take some time for USDA to ramp up the program effectively.

Mrs. MURRAY. I thank the Senator from Iowa for his strong support for the Market Access Program and the specialty crop growers in my state.

MILK PROTEIN CONCENTRATE

Mr. DAYTON. Mr. President, today I planned to offer an amendment to the Senate farm bill that would close the milk protein concentrate loophole.

During the Uruguay Round multilateral trade negotiations, the United States agreed to allow a substantial increase in dairy product imports into this country. Tariff-rate quotas were established to allow imports of most dairy products to rise from an average of 2 percent of domestic consumption to as much as 5 percent.

Until recently, these controls have been effective, but foreign exporters now have found ways to circumvent these quotas. Importers are adjusting the protein content of nonfat dry milk so that it is classified by the U.S. Customs Service as milk protein concentrate, or MPC, a product that is not limited by a tariff-rate quota.

There is no tariff-rate quota on MPC because it was a relatively new product when the Uruguay Round WTO agreement was negotiated.

In March 2001, a General Accounting Office study requested by Congress determined that MPC imports have surged by more than 600 percent in just 6 years. MPC imports doubled between 1998 and 1999 alone. According to the GAO study, it appears that some foreign exporters are blending previously processed dairy proteins, such as casein and whey, into nonfat dry milk to boost its protein content. This is being done solely for the purpose of avoiding the U.S. tariff-rate quota for nonfat dry milk. This practice, specifically cited in the GAO report, circumvents statutory regulations designed to restrict imports of nonfat dry milk powder.

I have introduced legislation, S. 847, that would close this loophole by regulating MPC imports in the same manner all other dairy product imports are regulated, by establishing new tariff-rate quotas on MPC. It also would close a similar loophole that exists for casein used in the production of food or feed, while continuing to allow unrestricted access for imports of casein used in the manufacture of glues and for other industrial purposes.

The Minnesota Farmers Union, the Minnesota Milk Producers, the National Milk Producers Federation, and the National Farmers Union strongly support this bill. I have worked closely with these organizations over the past year to find an appropriate legislative vehicle for my bill, and that is why I am now offering this legislation to the Senate Farm Bill.

Mr. BAUCUS. Mr. President, I commend the Senator from Minnesota for his hard work on behalf of U.S. dairy farmers. This bill, however, properly falls under the jurisdiction of the Senate Finance Committee. As chair of the finance Committee, I will work with the Senator from Minnesota to bring the issue to the attention of the Finance Committee members and to find an appropriate legislative vehicle for his proposal this session.

Mr. DAYTON. Mr. President, I thank the Senator from Montana for his strong support for U.S. dairy farmers. I respectfully withdraw my plans to offer this amendment.

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent the Senate now proceed to a period of morning business, with Senators permitted to speak therein for a period not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGES TO THE 2002 APPROPRIATIONS COMMITTEE ALLOCATIONS AND THE BUDGETARY AGGREGATES

Mr. CONRAD. Mr. President, Division C of Public Law 107–117, the Department of Defense and Emergency Supplemental Appropriations for Recovery from and Response to Terrorist Attacks on the United States Act of 2002, increased the statutory limits on discretionary spending for fiscal year 2002. Specifically, it raised the cap on general purpose discretionary budget authority to $681.441 billion and the cap on general purpose discretionary outlays to $670.206 billion. The legislation also increased the cap on outlays for conservation programs to $1.473 billion. Accordingly, I am adjusting the Appropriations Committee's allocation and the budget aggregates to reflect the revised statutory caps.

In addition, Mr. President, section 314 of the Congressional Budget Act, as amended, requires the chairman of the Senate Budget Committee to adjust the budgetary aggregates and the allocation for the Appropriations Committee by the amount of appropriations designated as emergency spending pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. Public Law 107–38, the 2001 Emergency Supplemental Appropriations Act for Recovery from and Response to Terrorist Attacks on the United States, authorized $40 billion in emergency funding. Public Law 107–38 made the first $20 billion immediately available in fiscal year 2001 and the second $20 billion contingent on the enactment of a subsequent appropriation.

Mr. President, I previously adjusted the committee's allocation and the budget aggregates for the 2002 impact on outlays from the first $20 billion provided in 2001. Public Law 107–117, which was signed into law on January 10, 2002, made available the second $20 billion in emergency spending. That budget authority will result in new outlays in 2002 of $8.223 billion. Consequently, I am making further adjustments to the committee's allocation and to the budget aggregates.

Pursuant to section 302 of the Congressional Budget Act, I hereby revise the 2002 allocation provided to the Senate Appropriations Committee in the concurrent budget resolution in the following amounts:

TABLE 1.—REVISED ALLOCATION FOR APPROPRIATIONS COMMITTEE, 2002

[In millions of dollars]

	Budget authority	Outlays
Current allocation:		
General purpose discretionary	549,744	551,379
Highways	0	28,489
Mass transit	0	5,275
Conservation	1,760	1,232
Mandatory	358,567	350,837
Total	901,071	937,212
Adjustments:		
General purpose discretionary	154,496	141,338
Highways	0	0
Mass transit	0	0
Conservation	0	241
Mandatory	0	0
Total	154,496	141,579
Revised allocation:		
General purpose discretionary	704,240	692,717
Highways	0	28,489
Mass transit	0	5,275
Conservation	1,760	1,473
Mandatory	358,567	350,837
Total	1,064,567	1,078,791

Pursuant to section 311 of the Congressional Budget At, I hereby revise the 2002 budget aggregates included in the concurrent budget resolution in the following amounts:

TABLE 2.—REVISED BUDGET AGGREGATES, 2002

[In millions of dollars]

	Budget authority	Outlays
Current allocation: Budget resolution	1,520,019	1,498,600
Adjustsments: Emergency and cap increases	154,496	141,579
Revised allocation: Budget resolution	1,674,515	1,640,179

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred January 31, 1994 in Pensacola, FL. A gay man was struck by a car driven by a man who shouted anti-gay slurs. The driver, James Griffin, 18, was charged with aggravated battery in connection with the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

ASIAN NEW YEAR

Mr. CORZINE. Mr. President, today, February 12, 2002, is the first day of the new lunar year. Americans of Asian heritage are celebrating the beginning of the Year of the Horse. This is an occasion for Asian Americans to gather with their families, think of those who have passed away, enjoy symbolic foods, and usher in good luck and health for the year to come.

As a Nation of immigrants, we all share in this time of celebration and salute the rich customs and energy that people of Asian descent have contributed to America. I am proud that the State of New Jersey is home to over 480,000 Asians and Asian Americans, representing the fifth largest community in the United States. Asian American New Jerseyans are an important and valued part of our diverse and vital community. In these troubled times, I hope you will join me in sharing in celebration and remembrance and help to reaffirm the importance of mutual respect and diversity in our Nation.

ECO-TERRORISM—DOMESTIC TERRORISM HURTS OUR NATION

Mr. CRAIG. Mr. President, I rise today to address the subject of eco-terrorism and the assault on our public lands. Eco-terrorism is described as any crime committed in the name of saving nature. And these "crimes" range from civil disobedience to crimes officially designated as a terrorist act by the FBI. In January a band of criminals who call themselves the Earth Liberation Front (ELF) and the North American Animal Liberation Front (ALF), released a report on their combined crime spree during 2001. They also chose to announce a day of national action for February 12th apparently to protest Congressional hearings on their activities.

While I agree that our public lands needs to be saved for the use of future generations, I believe this should be accomplished through active lands management that promotes the mission statements of our public lands agencies. I denounce those who believe that saving nature means driving metal spikes through trees or burning buildings, actions that threaten human lives.

While these folks characterize burning down research centers, homes, and businesses as a form of self-expression protected by the First Amendment, most Americans would question these wrongheaded beliefs. Neither our government nor the American public will support the activities of ELF and ALF.

These groups of eco-terrorist hide from the law, there organizations have no rosters, no board of directors; they work in "cells"; and they use guerrilla warfare tactics so as not to inform on others. They carry out their acts and then anonymously take credit on behalf of the Earth Liberation Front. They feel it is their duty to commit life-threatening crimes against society to protect nature. Yet they post guidelines on underground websites and give directions as to how to spike trees and build bombs.

Insurance companies are also starting to recognize the risk of eco-terrorism by broadening their definitions of "terrorist activities/organizations" and increasing premiums. As a result, the timber industry is bearing a greater financial burden. If a group that meets the insurance industry definition burns or destroys any equipment, it is NOT covered by insurance. Insurance companies intend to include Earth First!, ELF, and ALF in these new definitions.

Let me give my colleagues, an example of this change. The coverage premium for a helicopter was $10,200 for $5,000,000 liability coverage. The premium increased to $24,000 for $1,000,000 worth of coverage. This is a 140 percent increase in premium for an 80 percent decrease in coverage. This is outrageous! Even the insurance companies recognize the dangers involved in eco-terrorism.

The destruction by ELF and ALF has not been directed at just timber companies, though. Land grant universities are also a target because of the research they provide. To those struggling to pay for the education of their college-age children, the recent ELF and ALF 2001 action report makes for interesting reading. The ELF and ALF claim to have destroyed parts, or all, of several buildings at four major land grant universities and to have attempted to burn down additional buildings at several other universities.

Administrators faced with the cost of rebuilding facilities as well as recreating important research surely now question ELF's definition of "nonviolent." The list of ELF and ALF actions against our educational system is sobering. It includes the University of Washington—Center for Urban Horticulture, $5.6 million; the Oregon State University—destroyed poplar trees and cottonwood trees, $200,000; the University of Arizona—Mt. Graham International Observatory power line, equipment and vehicles monkey wrenched, $200,000; the University of Idaho—Biotech building spray painted and survey stakes pulled, $20,000; the Ohio State University—locks on doors super-glued and spray painted, no cost estimate; the Michigan Tech University—Noblet Forestry Building and Forest Engineering Lab attempted arson, no cost estimate; and the Cornell University—Duck Laboratory ducks stolen, no cost estimate.

The ELF continued its reign of terror as recently as February 3 when it set fire to heavy equipment and a trailer at the University of Minnesota's new plant genetics laboratory.

We're not just talking about the destruction of inanimate public property here. What of the thousands of hours of research that were destroyed in these senseless not-so-random acts of violence? Is it fair to the scientists whose work was destroyed in these facilities, to tell them the American public thinks so little of their work that we will accept these acts as legitimate political statements? Some of these scientists have spent a career working on this research, working to discover ways to make our world and our lives better.

Some advocates demand we protect bio-diversity by setting aside vast areas of forests because they believe a potential cure for cancer or some other disease may be found in these forests. Shouldn't we also be concerned about the potential cures for cancer and other diseases, or other technological advances, that might have been under development at these research centers? The destruction of these buildings and the research housed within these institutions is no less important than the bio-diversity harbored in our forests. The American people, the press, the Congress cannot stand by and ignore these events.

Given the number of training sessions carried out each summer by these organizations, as well as the more mainline environmental groups that teach impressionable young people how to destroy property, I expect our federal government to put more effort into ending this domestic terrorism. I'm also concerned about the financial support groups such as ELF, ALF, the Ruckus Society, and others receive from the large environmental trusts, and others, who support this unlawful behavior. Grants to these organizations that result in the destruction of public and private property make the funding organizations accessories to these crimes.

When we turn a blind eye to these types of activities, and we tell ourselves that these are just young people searching for meaning in their lives, or that these folks are only participating in the political process, we do ourselves and our neighbors a disservice.

When we stand idly by and tell ourselves that these are just timber companies or giant corporations that can afford these events, we diminish ourselves, our society, and the freedom that we enjoy in this great country. The simple fact is: burning down buildings and destroying research facilities and the research housed in those facilities, is a crime, and there is no reason, political or other, that this type of behavior should be accepted by anyone.

"THE OTHER HALF OF THE JOB"

Mr. BIDEN. Mr. President, last week the Washington Post ran an opinion piece authored by Michael McFaul, a professor of political science at Stanford University, entitled "The Other Half of the Job."

Professor McFaul's thesis is that while the budget presented by the President last week contained a significant, and needed, increase in resources for the Department of Defense, it failed to provide a significant, and needed, increase for "the other means for winning the war on terrorism." The budget, Professor McFaul writes, "builds[] greater American capacity to destroy bad states, but it adds hardly any new capacity to construct good states."

I share Professor McFaul's concerns about the inadequacy of the international affairs budget, that is, the funds for the State Department and foreign assistance. The President's budget request for foreign affairs for Fiscal Year 2003 is actually less than the amount provided in Fiscal Year 2002, if the funds provided in the emergency supplemental after September 11 are included in the calculation. America's armed forces are doing a brilliant job in the military campaign in Afghanistan. But it will take American diplomats, and our assistance agencies, working with other partners, to win the peace. We cannot win the peace there, or prevent other failed states from becoming havens for terrorism, without giving our people the tools they need.

I commend Professor McFaul's article to my colleagues. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 5, 2002]

THE OTHER HALF OF THE JOB

(By Michael McFaul)

The United States is at war. President Bush therefore has correctly asked for Congress to approve additional resources to fight this war. The new sums requested—$48 billion for next year alone—are appropriately large. Bush and his administration have astutely defined this new campaign as a battle for civilization itself, and have wisely cautioned that the battle lines will be multifaceted and untraditional.

So why are the new supplemental funds earmarked to fight this new war largely conventional and single-faceted—i.e., money for the armed forces? Without question, the Department of Defense needs and deserves new resources to conduct the next phase of the war on terrorism. The Department of Defense may even need $48 billion for next year.

What is disburbing about President Bush's new budget, though, is how little creative attention or new resources have been devoted to the other means for winning the war on terrorism. The Bush budget is building greater American capacity to destroy bad states, but it adds hardly any new capacity to construct new good states.

We should have learned the importance of following state destruction with state construction, since the 20th century offers up both positive and negative lessons. Many have commented that our current war is new and unprecedented, but it is not. Throughout the 20th century, the central purpose of American power was to defend against and, when possible, destroy tyranny.

American presidents have been at their best when they have embraced the mission of defending liberty at home and spreading liberty abroad. This was the task during World War II. This was the objective (or should have been the mission) during the Cold War. It must be our mission again.

The process of defeating the enemies of liberty is twofold: Crush their regimes that harbor them and then build new democratic, pro-Western regimes in the vacuum.

In the first half of the last century, imperial Japan and fascist Germany constituted the greatest threats to American national security. The destruction of these dictatorships, followed by the imposition of democratic regimes in Germany and Japan, helped make these two countries American allies.

In the second half of the last century, Soviet communism and its supporters represented the greatest threat to American national security. The collapse of Communist autocracies in Europe and then the Soviet Union greatly improved American national security. The emergency of democracies in east Central Europe a decade ago and the fall of dictators in southeast Europe more recently have radically improved the European security climate, and therefore U.S. national security interests. Democratic consolidation in Russia, still an unfinished project, is the best antidote to a return of U.S.-Russian rivalry.

The Cold War, however, also offers sad lessons of what can happen when the United States carries out state destruction of anti-Western, autocratic regimes without following through with state construction of pro-Western, democratic regimes. President Reagan rightly understood that the United States had an interest in overthrowing Communist regimes around the world. The Reagan doctrine channeled major resources to this aim and achieved some successes, including most notably in Afghanistan. State construction there, however, did not follow state destruction. The consequences were tragic for American national security.

So why is the Bush administration not devoting greater capacity for state construction in parallel to increasing resources for state destruction? Bush's pledge of $297 million for Afghanistan for next year is commendable, but this one-time earmark does not constitute a serious, comprehensive strategy for state construction in Afghanistan or the rest of the despotic world that currently threatens the United States.

On the contrary, in the same year that the Department of Defense is receiving an extra $48 billion, many U.S. aid agencies will suffer budget cuts. Moreover, the experience of the past decade of assistance in the post-Communist world shows that aid works best in democratic regimes. Yet budgets for democracy assistance in South Asia and the Middle East are still minuscle. Strikingly, the theme of democracy promotion was absent in President Bush's otherwise brilliant State of the Union speech.

It is absolutely vital that the new regime in Afghanistan succeed. Afghanistan is our new West Germany. The new regime there must stand as a positive example to the rest of the region of how rejection of tyranny and alliance with the West can translate into democratic governance and economic growth. And the United States must demonstrate to the rest of the Muslim world that we take state construction—democratic construction—as seriously as we do state destruction. Beyond Afghanistan, the Bush administration must develop additional, nonmilitary tools for fighting the new war. To succeed, the United States will need its full arsenal of political, diplomatic, economic and military weapons. Bush's statements suggest that he understands this imperative.

Bush's budget, however, suggests a divide between rhetoric and policy.

MINNESOTA CELEBRATES BLACK HISTORY MONTH

Mr. DAYTON. Mr. President, February is a very special month for people in Minnesota and throughout our country. It is "Black History Month," when all of us recognize the many outstanding achievements of African-Americans and their important contributions to our nation. We also honor the African-American men and women who achieved these successes despite obstacles which would have defeated lesser people.

In 1926, Carter Woodson, considered by many to be the "Father of Black History," created Negro History Week. It evolved into Black History Week in the early 1970s. In 1976, February was chosen to be Black History Month, because it included the birthdays of Frederick Douglass and Abraham Lincoln, both of whom made heroic contributions to the lives of African-Americans in this country.

So throughout this month, let us celebrate the accomplishments of so many African-American heroes. They dared to take risks to ensure a better way of life for all people, and the results of their courageous acts have been felt around the world.

Though we have come a long way in our battle for equal rights for all Americans, there is still much to be done. We must be bolder in our efforts to ensure that Americans of every race have every opportunity to share in and contribute to our economic prosperity. That means quality education and health care and adequate housing for all Americans. It means a good job with living wages, so that everyone can earn the American dream. And it means that our tax and budget policies must spread their benefits across all social and economic lines.

We must intensify our push toward a justice system that is color blind in enacting and enforcing our laws. Hate crimes, prejudice, racial profiling, and discrimination must be eliminated now and forever.

We must continue to honor the people who have shaped our society and also recognize the work of today's leaders who endeavor to continue that crusade for equality. Minnesota takes great pride in the African-Americans who have made our State and our country a better place. Their achievements abound throughout public service, the arts, sports, and academia.

Sharon Sayles-Belton has just completed two terms as the Mayor of Minneapolis. Throughout her eight years, she provided extraordinary leadership. Her many accomplishments have left Minneapolis a better City than when she took office, and they will be her lasting legacies for many years to come.

Sharon exemplifies the highest caliber of dedicated public service, which has been a great Minnesota tradition. As a very successful and visible African-American woman, she served as a role model for many girls and young women in the City. And her compassion for others, her steadfast resolve, and her effective leadership are models for all of us.

Mahmoud El Kati, professor of African-American Studies at Macalester College in St. Paul, teaches courses such as "The Black Experience Since World War II" and "Sports and the African-American Community." He is a frequent contributor to the opinion pages of both Twin Cities newspapers as well as the local Black press, and he speaks candidly about African-American society today. Most recently, El Kati has campaigned to name a street in St. Paul after Dr. Martin Luther King, Jr.

Evelyn Fairbanks, a St. Paul native who died last year, was a Renaissance woman. She became the first Black employee at St. Paul's Hamline University, as a cashier. She wrote a memoir, "The Days of Rondo", which portrays her experiences growing up in the Rondo community, the largest Black neighborhood in St. Paul, in the 1930s and '40s. While still employed in various jobs such as factory worker, maid, and director of a neighborhood arts center, Fairbanks earned her undergraduate degree from the University of Minnesota at the age of 40. Later, her memoir was adapted for the stage, as the play Everlasting Arms. In 1995, Hamline University awarded this accomplished woman an honorary doctorate degree.

The mission of Minnesota's Penumbra Theatre is "to bring forth professional productions that are artistically excellent, thought provoking, relevant, entertaining and presented from an African-American perspective." That is how Lou Bellamy, Penumbra's founder and artistic director, runs this nationally recognized theatre. Under Bellamy's leadership, the Penumbra has received numerous honors, including the Jujamcyn Theaters Award for the development of artistic talent.

As the Dean of the University of Minnesota General College, David Taylor does what he loves, assisting educationally disadvantaged students. He is also a scholar of African-American Studies whose greatest influences have been his mother and Dr. Martin Luther King, Jr. Taylor, who grew up in the Summit-University neighborhood of St. Paul, is often called upon to provide an historical perspective on Minnesota's African-American community.

These are just a few of the Minnesotans, past and present, who exemplify the struggle for attainment of human dignity, justice, and self-determination. As we celebrate Black History Month, we can look to them as models of leadership, making Minnesota and this country all that it should be for all our citizens.

VERMONTERS TAKE FIRST GOLD AT 2002 WINTER OLYMPICS

Mr. LEAHY. Mr. President, my colleagues sometimes may wonder whether we Vermonters will ever run out of examples to illustrate the pride we take in our beautiful State and its people. Not today, we won't.

Today I rise to describe two of Vermont's finest athletes representing all Americans at the 2002 Winter Olympics in Salt Lake City.

Vermont's cold winters and plentiful snow breed true winter athletes. We need not look any further than this year's Olympic roster to see this. At least 21 of America's competitors can claim ties to Vermont. Some of them have lived in the Green Mountain State for their entire lives, while others have come to our mountains to attend one of our schools or universities.

During the last two days, two of these Vermonters swept the Olympic snowboarding halfpipe competitions, winning America's first two gold medals of the 2002 Winter Olympics. Vermont is famous for its firsts. Many of snowboarding's newly formed roots reach deep into the Green Mountains of our State. It is fitting that two Vermont snowboarders have shown the world how it is done.

On Sunday, February 10th, 18-year-old Kelly Clark of West Dover, VT, became the first American to win a gold medal in the 2002 Winter Olympics, scoring a 47.9 out of 50 points in the women's halfpipe competition. Then on Monday, Ross Powers, 23, of South Londonderry, Vermont, took gold in the men's halfpipe competition, winning America's second gold medal of this year's Winter Games.

Since the fourth grade, Kelly Clark has been riding the slopes of Vermont. Her parents own a small restaurant near the beautiful resort of Mount Snow. It was on our Green Mountains that Kelly exerted herself beyond belief, pushing the limit, jumping higher and attempting new moves. She succeeded because she refused to let danger, fear, and exhaustion keep her down.

Kelly is no stranger to winning. Only two short months ago she won the gold medal at the Winter X-Games in Aspen, CO. On Sunday, not only did she win the gold medal, but she managed to do it under great pressure. As the last competitor of the event, she only had one last chance to show the world what she could do, and she rose to the challenge.

The day after Kelly introduced herself to the world, Ross Powers won his second Olympic medal adding to a collection of medals he began during the 1998 Nagano Games when snowboarding made its Olympic debut. All the more remarkable is the fact that Ross led America in a medal sweep of a winter event for the first time in nearly half a century. He impressed the judges and spectators by shooting off the snow 15 feet into the air, landing flawlessly and performing trick after trick.

His family and friends back at Vermont's Bromley Mountain and Stratton Mountain resorts watched Ross, as a child snowboard prodigy, work hard and push himself from the time he first strapped a snowboard to his feet at age five. Three years later he began competing.

Recognizing the hard work, determination and financial backing it takes to become a world-class athlete, Ross formed the Ross Powers Foundation. This non-profit program gives talented and hard-working children the financial support they need to follow their winter sports dreams.

I am sure many more of my fellow Vermonters will find their way onto our sports pages before the Olympics leave Salt Lake City. I know that the country shares our pride in the accomplishments of these courageous Olympic athletes. We Vermonters join all Americans in thanking Kelly and Ross, and all Olympic athletes, for their hard work and devotion to competition and to their country.

ADDITIONAL STATEMENTS

RECOGNIZING ROY LEWIS

• Mr. BUNNING. Mr. President, I rise today in order to respectfully recognize the selfless actions of Roy Lewis, a long-time resident of Ashland, KY.

For the last 10 years, Mr. Lewis, 91 years-young, has been the man who every Monday evening hands out tickets at the Community Kitchen in Ashland, KY. Mr. Lewis has been a dedicated and loyal member of the First Baptist Church in Ashland since 1936 and fulfills his ticket duties at the Kitchen only after honoring his commitment as a member of the church teller committee, which counts and prepares the church's Sunday offering to be deposited in the bank. He also regularly teaches Sunday School and serves as the church clerk.

I ask my fellow Members of the Senate to furthermore join me in congratulating Mr. Lewis for being named Deacon Emeritus and Trustee Emeritus last year, and for his 53 years of diligent and undaunted service to the church and the community.

Instead of enjoying his retirement from Ashland Oil by playing golf or traveling, Roy Lewis has chosen to give back to the community and people he has so dearly loved for 91 years. I praise Mr. Lewis for his willingness to put other's needs ahead of his own and thank him for having such a strong character and heart.•

IN RECOGNITION OF THE 90TH ANNIVERSARY OF HADASSAH

• Mr. LEVIN. Mr. President, I ask that the Senate join me today in congratulating Hadassah upon its 90th anniversary. Originally founded in 1912 by Henrietta Szold as a woman's study circle, Hadassah has grown into an organization with over 300,000 members involved with 1,500 chapters across the country. Today, Hadassah is not only the largest woman's group in the country, but also the largest Jewish membership organization in the United States.

Since its inception, Hadassah has been an advocate on behalf of women, Israel and the Jewish diaspora. However, Hadassah has done more than advocate on behalf of these issues, it has taken concrete steps to help people throughout the world. In particular, Hadassah is to be lauded for its provision of world class health care to the people of the Middle East, irrespective of race, religion or nationality. Every year, more than 600,000 patients are treated at the centers operated by the Hadassah Medical Organization, HMO, which includes two hospitals, 90 outpatient clinics, and numerous community health centers. Under the auspices of the HMO, Haddassah also provides medical training during international health crises, including the recent events in Bosnia-Herzegovina and Rawanda.

Though Hadassah's medical efforts are primarily in the Middle East, the organization also has other important initiatives. One of the most notable is a nationwide breast cancer detection and awareness campaign conducted by the Women's Health Department. This campaign includes the Check it Out high school program which strives to educate teens about the dangers of cancer and how to screen oneself for early signs. In addition, Hadassah produces quality educational programs that help Jewish families learn about and celebrate their Jewish culture and heritage.

Hadassah is also affiliated with numerous other programs which provide such services as technical and vocational training and environmental preservation. Of particular note is Youth Aliya, which assists disadvantaged and at risk youth. Through a system of residential villages and day centers these teens have the opportunity to take part in health education programs, vocational training and are offered exposure to and encouragement in art, dance, music and athletics.

The long and storied history of Hadassah and the record of public service by its members is truly commendable. I know that my Senate colleagues will join me in congratulating Hadassah on this significant occasion.•

• Mr. WELLSTONE. Mr. President, I rise today to pay homage to Hadassah, the Women's Zionist Organization of America, on the occasion of its 90th anniversary.

As you may know, Hadassah is the largest women's and the largest Jewish membership organization in the United States. Hadassah's 300,000 volunteers are active throughout the world, including 800 U.S. communities in 48 different States, as well as the District of Columbia and Puerto Rico.

Since 1912, Hadassah volunteers have played a lead role in advancing the cause of social justice, particularly in the areas of education and health. One such endeavor, the breast cancer detection and awareness campaign, "Check It Out," has had powerful, positive effects on women nationwide. The success of Hadassah's youth programs, particularly Young Judaea and Youth Aliya, proves that volunteerism can affect change.

The organization's commitment to a peaceful future in Israel and Palestine also deserves praise. Hadassah has earned accolades for its work in Israel, where they operate a world-renowned medical complex in Jerusalem, made up of two advanced hospitals, with a clientele of more than 600,000 patients of all races, religions and creeds. In addition, the Hadassah Medical Organization is actively involved in global outreach programs in scores of other countries, particularly those in Africa. These international campaigns focus on public health awareness, particularly AIDS education, as well as on treatment of eye diseases.

As the Chairman of the Subcommittee on Near Eastern and South Asian Affairs, I have learned a great deal about the important work of Hadassah. I respect their contributions and appreciate all they have done to advance the legislative agenda of women and Israel.

The spirit of founder Henrietta Szold lives on today, through the dedication and commitment of Hadassah's volunteers. I am proud to offer my commendation on 90 years of quality service.•

HONORING THE CITY OF MOORHEAD FOR ITS COMMITMENT TO RENEWABLE SOURCES OF ENERGY

• Mr. DAYTON. Mr. President, this week, the U.S. Senate will begin consideration of a historic National Energy Policy, which will guarantee our citizens access to affordable, reliable, and renewable sources of energy far into the future. As we begin this historic debate, we can learn much from the efforts of many organizations that have led the way in promoting a greater reliance on renewable sources of energy.

Moorhead, MN is an exceptional example of a city that has demonstrated a clear commitment to renewable sources of energy. Moorhead city officials, and the citizens themselves, are to be applauded for their vision of a city that will continue to reduce its dependence on fossil fuels for their future electricity needs.

The city of Moorhead initiated its "Capture the Wind" program in 1998—offering its municipal electric customers the opportunity to purchase wind energy from a turbine that would be owned and operated by the city. The success of the program has been nothing short of phenomenal.

Three weeks after the announcement of the Capture the Wind program, over 400 Moorhead Public Service customers signed up to purchase electricity from the proposed wind turbine. Because these 400 customers would consume the entire capacity of the proposed turbine, the city began placing additional residents on a Capture the Wind program waiting list.

While all other Moorhead Public Service customers would receive two-thirds of their electricity from hydropower and one-third from a coal-fired electric generation plant, the 400 Capture the Wind charter members would replace their coal-generated electricity with electricity generated by the 750 kilowatt wind turbine to be constructed on the edge of town. The Capture the Wind customers agreed to pay the additional cost of wind-generated electricity, amounting to one-half cent more for each kilowatt-hour of electricity consumed. The additional cost amounts to approximately $5 more per month for the average residential customer. This additional cost is among the lowest in the Nation for wind-generated electricity.

Due to the overwhelming success of the Capture the Wind Program, the city of Moorhead appealed to its utility customers to help Moorhead "catch its second wind" in the fall of 2000. Once again, over 400 new customers signed up for the program—enabling the city to build a second wind turbine alongside its first.

As of last fall, the twin turbines have generated over 3.5 million kilowatt-hours of electricity. Thanks to the customers who have embraced the Capture the Wind program, these turbines have already prevented the emission of over 7.7 million pounds of greenhouse gases into our atmosphere. That has the same positive effect on the environment that would be achieved if we were to remove 770 cars from the road for one year.

At this time, over 925 Moorhead Public Service customers have become Capture the Wind members, accounting for 7.3 percent of all Moorhead utility customers. The National Renewable Energy Laboratory has recognized Moorhead Public Service as the utility with the highest percentage of its customers participating in a renewable energy program in the nation. Moorhead's Capture the Wind program has also earned it the 2001 Energy Innovator Award from the American Public Power Association.

Moorhead City officials are to be commended for the phenomenal success of the city's Capture the Wind program. While many officials staked their reputations on the program's outcome, I would be remiss if I did not mention several leaders who especially contributed to its success. First and foremost, Moorhead's former mayor, Morrie Lanning—a man who served his city as mayor for over 22 years before retiring last December—is to be applauded for his solid support and advocacy for the Capture the Wind program. Moreover, the program would not have been possible without the thousands of hours of work invested by Bill Schwandt, General Manager of Moorhead Public Service, and Christopher Reed, Manager of Energy Services and Marketing.

But most important, the 925 members of the Capture the Wind program deserve special recognition for their commitment to renewable energy. The rest of the Nation can learn much from Moorhead's example. We can learn that when citizens are informed about the importance of reducing our reliance on fossil fuels for our energy needs, many are willing to pay a little bit more to help secure our energy future. The citizens of Moorhead can lead the way to a brighter future for all of us.●

HONORING THE WASHINGTON STATE LABOR COUNCIL

● Mrs. MURRAY. Mr. President, on behalf of all the citizens of Washington State, I am delighted to congratulate the Washington State Labor Council on the 100th anniversary of its original formation. Washington State has a rich labor tradition.

On January 17, 1902, 120 delegates representing 114 local unions and five central labor councils from around Washington State gathered in Tacoma and voted to affiliate with the American Federation of Labor. This local organization eventually merged with the Washington State Congress of Industrial Organizations in 1957, the same time the national AFL and CIO merged, to form the Washington State Labor Council, AFL–CIO.

There have been many challenges faced during their first one hundred years, yet each challenge was faced with dignity and courage, knowing that the struggles faced would build a better life for working men and women. Union members throughout Washington State have risked their own livelihoods to stand up for decent wages, safe working conditions, and job security.

I have enormous respect for the past and present leadership of the Washington State Labor Council. We stand together in the ongoing battle to give working families the strongest possible voice.

For the past 100 years, Washington State's labor community has been a powerful force for progress. Their tireless efforts are indispensable in the daily battles for worker's rights. Countless families across Washington State are better off today because of their commitment.

The Washington State Labor Council has also been at the forefront of the effort to pass fair increases in the state minimum wage, setting standards for the rest of the country to follow. Simply put, the Washington State Labor Council has been there in the trenches, making progress happen.

I look forward to working closely with the Washington State Labor Council on all the great causes we share. Washington State has made real progress because of their work, and will continue to do so with their help now and in all the years ahead.●

WEST VIRGINIA VA MEDICAL FACILITIES HONORED

● Mr. ROCKEFELLER. Mr. President, today I am enormously proud to highlight the recognition of the Department of Veterans Affairs Medical Center in Huntington, in my home State of West Virginia, for excellence in health care delivery.

The Huntington VA Medical Center has received accreditation from the Joint Commission on Accreditation of Healthcare Organizations, JCAHO, as a result of meeting national health care standards. I am very pleased to see this VA health care provider in my home State receiving the accolades it so richly deserves for delivering a high standard of care to veterans.

The Joint Commission, an independent, non-profit organization, is an accreditation body focused on ensuring quality and safety standards for health care on a national level. An on-site survey of the Huntington VA Medical Center, as well as its affiliated facilities, was conducted by the Joint Commission last November, giving Huntington an overall score of 98. Only about 4 percent of all of the facilities that the Joint Commission surveys receive scores of 98 or above a true testament to the quality of health care at the Huntington VA Medical Center.

It is the administration and staff at the Huntington VA Medical Center that make it the superb facility it is. I recognize the hard work and tireless efforts of all the staff there: from the Director's office, maintenance workers, the food preparers, doctors, nurses, physician assistants and physical therapists, to the mental health treatment staff, specialized medicine, emergency, and geriatric care providers. The entire team has made the hospital a true model for quality health care delivery, not just within the VA health care system, but for the entire Nation. I, along with the veterans who receive care at Huntington, thank them for all they do, and encourage them to continue their good work.●

PRESIDENTIAL MESSAGES

The following presidential messages were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

PM–70. A message from the President of the United States, transmitting, pursuant to law, the National Drug Control Strategy for 2002; to the Committee on the Judiciary.

To the Congress of the United States:

I am pleased to transmit the 2002 National Drug Control Strategy, consistent with the Office of National Drug Control Policy Reauthorization Act of 1998 (21 U.S.C. 1705).

Illegal drug use threatens everything that is good about our country. It can break the bonds between parents and children. It can turn productive citizens into addicts, and it can transform schools into places of violence and chaos. Internationally, it finances the work of terrorists who use drug profits to fund their murderous work. Our fight against illegal drug use is a fight for our children's future, for struggling democracies, and against terrorism.

We have made progress in the past. From 1985 to 1992, drug use among high school seniors dropped each year. Progress was steady and, over time, dramatic. However, in recent years we have lost ground. This Strategy represents the first step in the return of the fight against drugs to the center of our national agenda. We must do this for one great moral reason: over time, drugs rob men, women, and children of their dignity and of their character.

We acknowledge that drug use among our young people is at unacceptably high levels. As a Nation, we know how to teach character, and how to dissuade children from ever using illegal drugs. We need to act on that knowledge.

This Strategy also seeks to expand the drug treatment system, while recognizing that even the best treatment program cannot help a drug user who does not seek its assistance. The Strategy also recognizes the vital role of law enforcement and interdiction programs, while focusing on the importance of attacking the drug trade's key vulnerabilities.

Previous Strategies have enjoyed bipartisan political and funding support in the Congress. I ask for your continued support in this critical endeavor.

GEORGE W. BUSH.

THE WHITE HOUSE, *February 12, 2002.*

MESSAGE FROM THE HOUSE

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

At 3:59 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolution:

S. 737. An act to designate the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the "Joseph E. Dini, Jr. Post Office."

S. 970. An act to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the Horatio King Post Office Building.

S. 1026. An act to designate the United States Post Office located at 60 Third Avenue in Long Branch, New Jersey, as the "Pat King Post Office Building."

H.J. Res. 82. A joint resolution recognizing the 91st birthday of Ronald Reagan.

The bills and joint resolution were signed subsequently by the President pro tempore (Mr. BYRD).

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, February 12, 2002, she had presented to the President of the United States the following enrolled bills:

S. 737. An act to designate the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the "Joseph E. Dini, Jr. Post Office."

S. 970. An act to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the Horatio King Post Office Building.

S. 1026. An act to designate the United States Post Office located at 60 Third Avenue in Long Branch, New Jersey, as the "Pat King Post Office Building."

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–5346. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, the Final Sequestration Report to the President and Congress for Fiscal Year 2002; to the Committees on Appropriations; the Budget; Agriculture, Nutrition, and Forestry; Armed Services; Banking, Housing, and Urban Affairs; Commerce, Science, and Transportation; Energy and Natural Resources; Environment and Public Works; Finance; Foreign Relations; Governmental Affairs; Health, Education, Labor, and Pensions; the Judiciary; Rules and Administration; Small Business and Entrepreneurship; and Veterans' Affairs.

EC–5347. A communication from the Acting Director of the Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Montana Regulatory Program" (MT–003–FOR) received on February 8, 2002; to the Committee on Energy and Natural Resources.

EC–5348. A communication from the Director of the Foreign Terrorist Tracking Task Force, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Provision of Aviation Training to Certain Alien Trainees" received on February 8, 2002; to the Committee on the Judiciary.

EC–5349. A communication from the Director of Legislative Affairs, Railroad Retirement Board, transmitting, pursuant to Section 22 of the Railroad Retirement Act of 1974 and Section 502 of the Railroad Retirement Solvency Act of 1983, a report on the actuarial status of the railroad retirement system, including any recommendations for financing changes; to the Committee on Health, Education, Labor, and Pensions.

EC–5350. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Tetraethoxysilane Polymer with Hexamethyldisiloxane; Tolerance Exemption" (FRL6822–4) received on February 8, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5351. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "1,2-Ethanediamine, Polymer with Methyl Oxirane and Oxirane; Tolerance Exemption" (FRL6821–9) received on February 8, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC–5352. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a certification of a proposed license for the export of defense articles to India; to the Committee on Foreign Relations.

EC–5353. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a certification of a proposed license for the export of defense articles to India; to the Committee on Foreign Relations.

EC–5354. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a certification of a proposed license for the export of defense articles to India; to the Committee on Foreign Relations.

EC–5355. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of a certification of a proposed license for the export of defense articles to India; to the Committee on Foreign Relations.

EC–5356. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revision to the California State Implementation Plan, San Joaquin Valley Unified Air Pollution Control District" (FRL7134–2) received on February 8, 2002; to the Committee on Environment and Public Works.

EC–5357. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "NESHAP: Interim Standards for Hazardous Air Pollutants for Hazardous Waste Combustors (Interim Standards Rule)" (FRL7143–3) received on February 8, 2002; to the Committee on Environment and Public Works.

EC–5358. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "NESHAPS: Standards for Hazardous Air Pollutants for Hazardous Waste Combustors (Final Amendments Rule)" (FRL7143–4) received on February 8, 2002; to the Committee on Environment and Public Works.

EC–5359. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; State of Kansas" (FRL7141–7) received on February 8, 2002; to the Committee on Environment and Public Works.

EC–5360. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Plans; State of Missouri" (FRL7141–6) received on February 8, 2002; to the Committee on Environment and Public Works.

EC–5361. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; Reinstatement of Redesignation of Area for Air Quality Planning Purposes; Kentucky Portion of the Cincinnati-Hamilton Area" (FRL7141–9) received on February 8, 2002; to the Committee on Environment and Public Works.

EC–5362. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; West Virginia; Revisions to the Ozone Maintenance Plan for the Huntington-Ashland Area" (FRL7141–1) received on February 8, 2002; to the Committee on Environment and Public Works.

EC–5363. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revisions to the California State Implementation Plan, South Coast Air Quality Management District" (FRL7137–6) received on February 8, 2002; to the Committee on Environment and Public Works.

EC–5364. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Type Certification Procedures for Changed Products; delay of compliance dates" ((RIN2120–AF68)(2002–0001)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5365. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC–10 10, 10F, 15, 30, 30F, 40, and 40F Series Airplanes" ((RIN2120–AA64)(2002–0088)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5366. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Revision of Class E Airspace; Springhill, LA; confirmation of effective date" ((RIN2120–AA66)(2002–0009)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5367. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC–9 81, 82, 83, and 87 Series Airplanes, and Model MD 88 Airplanes" ((RIN2120–AA64)(2002–0087)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5368. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas DC–9 81, 82, 83, and 87 Series Airplanes, and Model MD 88 Airplanes" ((RIN2120–AA64)(2002–0086)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5369. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Rolls-Royce Corporation AE3007 Series Turbofan Engines" ((RIN2120–AA64)(2002–0085)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5370. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Sikorsky Aircraft Corp Model S–76B and S–76C Helicopters" ((RIN2120–AA64)(2002–0084)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5371. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: McDonnell Douglas Model DC–8 70 Series Airplanes" ((RIN2120–AA64)(2002–0083)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5372. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 737–100, 200, and 200C Series Airplanes" ((RIN2120–AA64)(2002–0082)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5373. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747–100, 200B, 200C, 200F, 747SP, and 747SR Series Airplanes" ((RIN2120–AA64)(2002–0081)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5374. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 Series Airplanes" ((RIN2120–AA64)(2002–0080)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5375. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 200C and 200F Series Airplanes" ((RIN2120–AA64)(2002–0079)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5376. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Airworthiness Directives: Boeing Model 747 Series Airplanes" ((RIN2120–AA64)(2002–0078)) received on February 8, 2002; to the Committee on Commerce, Science, and Transportation.

EC–5377. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–237, "Closing of a Public Alley in Square 5851, S.O. 00–94 Act of 2002"; to the Committee on Governmental Affairs.

EC–5378. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–236, "Closing of a Portion of South Avenue, N.E., and Designation of Washington Place, N.E., S.O. 01–312, Act of 2002"; to the Committee on Governmental Affairs.

EC–5379. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–235, "Closing of a Public Alley in Square 220, S.O. 01–2388 Act of 2002"; to the Committee on Governmental Affairs.

EC–5380. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–238, "Chief Financial Officer Establishment Reprogramming During Non-Control Years Technical Amendment Act of 2002"; to the Committee on Governmental Affairs.

EC–5381. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–241, "Closing, Dedication and Designation of Certain Public Streets and Alleys in Squares 5880, 5881, 5882, 5883, 5885, 5890, and S.O. and 01–2384 Act of 2002"; to the Committee on Governmental Affairs.

EC–5382. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–251, "Continuation of Health Coverage Temporary Act of 2002"; to the Committee on Governmental Affairs.

EC–5383. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–252, "Unemployment Compensation Services Temporary Amendment Act of 2002"; to the Committee on Governmental Affairs.

EC–5384. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–253, "Ward Redistricting Residential Permit Parking Temporary Amendment Act of 2002"; to the Committee on Governmental Affairs.

EC–5385. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–254, "Educational Stepladder Temporary Act of 2002"; to the Committee on Governmental Affairs.

EC–5386. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–257, "Operation Enduring Freedom Active Duty Pay Differential Temporary Amendment Act of 2002"; to the Committee on Governmental Affairs.

EC–5387. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–255, "Safety Net Temporary Act of 2002"; to the Committee on Governmental Affairs.

EC–5388. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14–250, "Uniform Athlete Agents Act of 2002"; to the Committee on Governmental Affairs.

EC–5389. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14-231, "Health-Care Facility Unlicensed Personnel Criminal Background Check Amendment Act of 2002"; to the Committee on Governmental Affairs.

EC-5390. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14-232, "Lease-Purchase Agreement Act of 2002"; to the Committee on Governmental Affairs.

EC-5391. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14-233, "Colorectal Cancer Screening Insurance Coverage Requirement Act of 2002"; to the Committee on Governmental Affairs.

EC-5392. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14-234, "Closing of a Public Alley in Square 2837, S.O. 92-195, Act of 2002"; to the Committee on Governmental Affairs.

EC-5393. A communication from the Chairman of the Council of District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14-229, "Health Insurers and Credentialing Intermediaries Uniform Credentialing Form Act of 2002"; to the Committee on Governmental Affairs.

EC-5394. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14-230, "Uniform Consultation Referral Forms Act of 2002"; to the Committee on Governmental Affairs.

EC-5395. A communication from the Comptroller General of the United States, General Accounting Office, transmitting, pursuant to House Report 101-648, a report relative to General Accounting Office employees detailed to congressional committees as of January 25, 2002; to the Committee on Governmental Affairs.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LIEBERMAN for the Committee on Governmental Affairs.

*John L. Howard, of Illinois, to be Chairman of the Special Panel on Appeals for a term of six years.

*Nancy Dorn, of Texas, to be Deputy Director of the Office of Management and Budget.

*Dan Gregory Blair, of the District of Columbia, to be Deputy Director of the Office of Personnel Management.

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

NOMINATION DISCHARGED

The following nomination was discharged from the Committee on Health, Education, Labor, and Pensions pursuant to the unanimous consent agreement of February 12, 2002:

DEPARTMENT OF EDUCATION

William Leidinger, to be Assistant Secretary for Management, Department of Education, Department of Education.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. TORRICELLI:

S. 1932. A bill to require a United States plan to endorse and obtain observer status for Taiwan at the annual summit of the World Health Assembly in May 2002 in Geneva, Switzerland, and for other purposes; to the Committee on Foreign Relations.

By Mr. SHELBY:

S. 1933. A bill to amend the Securities Exchange Act of 1934 and the Securities Act of 1933, to address liability standards in connection with violations of the Federal securities laws, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Ms. MIKULSKI (for herself and Mrs. CLINTON):

S. 1934. A bill to amend the Law Enforcement Pay Equity Act of 2000 to permit certain annuitants of the retirement programs of the United States Park Police and United States Secret Service Uniformed Division to receive the adjustments in pension benefits to which such annuitants would otherwise be entitled as a result of the conversion of members of the United States Park Police and United States Secret Service Uniformed Division to a new salary schedule under the amendments made by such Act; to the Committee on Governmental Affairs.

By Ms. MIKULSKI (for herself, Mr. LEAHY, Mr. BINGAMAN, and Mrs. CLINTON):

S. 1935. A bill to amend chapters 83 and 84 of title 5, United States Code, to include inspectors of the Immigration and Naturalization Service, inspectors and canine enforcement officers of the United States Customs Service, and revenue officers of the Internal Revenue Service as law enforcement officers; to the Committee on Governmental Affairs.

By Mr. DURBIN:

S. 1936. A bill to address the international HIV/AIDS pandemic; to the Committee on Health, Education, Labor, and Pensions.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BINGAMAN (for himself, Mr. LUGAR, Mrs. CARNAHAN, Mr. BOND, Mr. TORRICELLI, and Mr. DEWINE):

S. Res. 207. A resolution designating March 31, 2002, and March 31, 2003, as "National Civilian Conservation Corps Day"; to the Committee on the Judiciary.

By Mr. BROWNBACK (for himself and Mr. WELLSTONE):

S. Con. Res. 96. A concurrent resolution commending President Pervez Musharraf of Pakistan for his leadership and friendship and welcoming him to the United States; considered and agreed to.

ADDITIONAL COSPONSORS

S. 129

At the request of Mrs. CLINTON, her name was added as a cosponsor of S. 129, a bill to amend title 38, United States Code, to provide for the payment of a monthly stipend to the surviving parents (known as "Gold Star Parents") of members of the Armed Forces who die during a period of war.

S. 145

At the request of Mr. THURMOND, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 145, a bill to amend title 10, United States Code, to increase to parity with other surviving spouses the basic annuity that is provided under the uniformed services Survivor Benefit Plan for surviving spouses who are at least 62 years of age, and for other purposes.

S. 170

At the request of Mr. BUNNING, his name was added as a cosponsor of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 207

At the request of Mr. SMITH of New Hampshire, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 207, a bill to amend the Internal Revenue Code of 1986 to provide incentives to introduce new technologies to reduce energy consumption in buildings.

S. 304

At the request of Mr. HATCH, the names of the Senator from Iowa (Mr. GRASSLEY) and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. 304, a bill to reduce illegal drug use and trafficking and to help provide appropriate drug education, prevention, and treatment programs.

S. 683

At the request of Mr. SANTORUM, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 683, a bill to amend the Internal Revenue Code of 1986 to allow individuals a refundable credit against income tax for the purchase of private health insurance, and to establish State health insurance safety-net programs.

S. 806

At the request of Mr. HUTCHINSON, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 806, a bill to guarantee the right of individuals to receive full social security benefits under title II of the Social Security Act with an accurate annual cost-of-living adjustment.

S. 830

At the request of Mr. CHAFEE, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 830, a bill to amend the Public Health Service Act to authorize the Director of the National Institute of Environmental Health Sciences to make grants for the development and operation of research centers regarding environmental factors that may be related to the etiology of breast cancer.

S. 839

At the request of Mrs. HUTCHISON, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 839, a bill to amend title XVIII of the Social Security Act to increase the amount of payment for inpatient hospital services under the medicare program and to freeze the reduction in payments to hospitals for indirect costs of medical education.

S. 950

At the request of Mr. JEFFORDS, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 950, a bill to amend the Clean Air Act to address problems concerning methyl tertiary butyl ether, and for other purposes.

S. 999

At the request of Mr. BUNNING, his name was added as a cosponsor of S. 999, a bill to amend title 10, United States Code, to provide for a Korea Defense Service Medal to be issued to members of the Armed Forces who participated in operations in Korea after the end of the Korean War.

S. 1009

At the request of Mrs. HUTCHISON, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 1009, a bill to require the provision of information to parents and adults concerning bacterial meningitis and the availability of a vaccination with respect to such diseases.

S. 1125

At the request of Mr. MCCONNELL, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 1125, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1209

At the request of Mr. BINGAMAN, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1409

At the request of Mr. MCCONNELL, the names of the Senator from Pennsylvania (Mr. SPECTER) and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. 1409, a bill to impose sanctions against the PLO or the Palestinian Authority if the President determines that those entities have failed to substantially comply with commitments made to the State of Israel.

S. 1749

At the request of Mr. KENNEDY, the name of the Senator from Alaska (Mr. STEVENS) was added as a cosponsor of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1760

At the request of Mrs. LINCOLN, the names of the Senator from New Jersey (Mr. TORRICELLI) and the Senator from Connecticut (Mr. DODD) were added as cosponsors of S. 1760, a bill to amend title XVIII of the Social Security Act to provide for the coverage of marriage and family therapist services and mental health counselor services under part B of the medicare program, and for other purposes.

S. 1765

At the request of Mr. BUNNING, his name was added as a cosponsor of S. 1765, a bill to improve the ability of the United States to prepare for and respond to a biological threat or attack.

S. 1909

At the request of Mr. BOND, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1909, a bill to amend title 10, United States Code, to require the establishment of a unified combatant command for homeland security of the United States, and for other purposes.

S. 1917

At the request of Mr. SMITH of New Hampshire, the names of the Senator from Arkansas (Mr. HUTCHINSON) and the Senator from Wyoming (Mr. ENZI) were added as cosponsors of S. 1917, a bill to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

S. CON. RES. 56

At the request of Mrs. CLINTON, her name was added as a cosponsor of S.Con.Res. 56, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued by the United States Postal Service honoring the members of the Armed Forces who have been awarded the Purple Heart.

AMENDMENT NO. 2829

At the request of Mrs. FEINSTEIN, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of amendment No. 2829.

AMENDMENT NO. 2832

At the request of Mr. BINGAMAN, his name was added as a cosponsor of amendment No. 2832.

At the request of Mr. MILLER, the names of the Senator from North Carolina (Mr. HELMS), the Senator from North Carolina (Mr. EDWARDS), the Senator from Virginia (Mr. WARNER), the Senator from Virginia (Mr. ALLEN); and the Senator from Alabama (Mr. SESSIONS) were added as cosponsors of amendment No. 2832 supra.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SHELBY:

S. 1933. A bill to amend the Securities Exchange Act of 1934 and the Securities Act of 1933, to address liability standards in connection with violations of the Federal securities laws, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. SHELBY Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Investor Protection Act of 2002".

SEC. 2. LIABILITY STANDARDS IN PRIVATE SECURITIES LITIGATION.

(a) IN GENERAL.—Section 21D(f) of the Securities Exchange Act of 1934 (15 U.S.C. 78u-4(f)) is amended to read as follows:

"(f) CIVIL LIABILITY.—

"(1) JOINT AND SEVERAL LIABILITY FOR DAMAGES.—Any covered person against whom a final judgment is entered in a private action arising under this title shall be liable for damages jointly and severally.

"(2) SETTLEMENT DISCHARGE.—

"(A) IN GENERAL.—A covered person who settles any private action arising under this title at any time before final verdict or judgment shall be discharged from all claims for contribution brought by other persons.

"(B) BAR ORDER.—Upon entry of a settlement described in subparagraph (A) by the court, the court shall enter a bar order constituting the final discharge of all obligations to the plaintiff of the settling covered person arising out of the action, which order shall bar all future claims for contribution arising out of the action—

"(i) by any person against the settling covered person; and

"(ii) by the settling covered person against any person, other than a person whose liability has been extinguished by the settlement of the settling covered person.

"(C) REDUCTION.—If a covered person enters into a settlement with the plaintiff prior to final verdict or judgment, the verdict or judgment shall be reduced by the greater of—

"(i) an amount that corresponds to the percentage of responsibility of that covered person; or

"(ii) the amount paid to the plaintiff by that covered person.

"(3) CONTRIBUTION.—

"(A) IN GENERAL.—A covered person who is jointly and severally liable for damages in any private action arising under this title may recover contribution from any other person who, if joined in the original action, would have been liable for the same damages. A claim for contribution shall be determined based on the percentage of responsibility of the claimant and of each person against whom a claim for contribution is made, as determined by the court.

"(B) STATUTE OF LIMITATIONS FOR CONTRIBUTION.—In any private action arising out of this title determining liability, an action for contribution shall be brought not later than 6 months after the date of entry of a final, nonappealable judgment in the action.

"(4) APPLICABILITY.—Nothing in this subsection shall be construed to create, affect, or in any manner modify, the standard for liability associated with any action arising under the securities laws.

"(5) DEFINITIONS.—For purposes of this subsection—

"(A) the term 'covered person' means—

"(i) a defendant in any private action arising under this title; or

"(ii) a defendant in any private action arising under section 11 of the Securities Act of 1933, who is an outside director of the issuer of the securities that are the subject of the action; and

"(B) the term 'outside director' shall have the meaning given such term by rule or regulation of the Commission.".

(b) CONFORMING AMENDMENT TO THE SECURITIES ACT OF 1933.—Section 11(f)(2)(A) of the Securities Act of 1933 (15 U.S.C. 77k(f)(2)(A)) is amended by striking "in accordance" and all that follows through the period and inserting "in accordance with section 21D(f) of the Securities Exchange Act of 1934.".

(c) APPLICABILITY.—The amendments made by this section shall not affect or apply to any private action arising under the securities laws commenced before and pending on the date of enactment of this Act.

SEC. 3. PERSONS WHO AID AND ABET VIOLATIONS.

(a) COMMISSION AUTHORITY.—Section 20(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78t(e)) is amended by striking "knowingly" and inserting "recklessly".

(b) PRIVATE LITIGATION.—Section 21D of the Securities Exchange Act of 1934 (15 U.S.C. 78u-4) is amended by adding at the end the following:

"(g) PERSONS THAT AID OR ABET VIOLATIONS.—Any person that recklessly provides substantial assistance to another person in violation of a provision of this title, or of any rule or regulation issued under this title, shall be deemed to be in violation of such provision to the same extent as the person to whom such assistance is provided.".

SEC. 4. STATUTE OF LIMITATIONS.

Title I of the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.) is amended by adding at the end the following new section:

"SEC. 37. STATUTE OF LIMITATIONS.

"(a) IN GENERAL.—Except as otherwise specifically provided in this title, and notwithstanding section 9(e), an implied private right of action arising under this title may be brought not later than the earlier of—

"(1) 5 years after the date on which the alleged violation occurred; or

"(2) 3 years after the date on which the alleged violation was discovered.

"(b) EFFECTIVE DATE.—The limitations period provided by this section shall apply to all proceedings commenced after the date of enactment of the Investor Protection Act of 2002.".

SEC. 5. REPEAL OF CERTAIN CLASS ACTION LIMITATIONS.

(a) SECURITIES EXCHANGE ACT OF 1934.—Section 28 of the Securities Exchange Act of 1934 (15 U.S.C. 78bb) is amended—

(1) in subsection (a), by striking "Except as provided in subsection (f), the" and inserting "The"; and

(2) by striking subsection (f).

(b) SECURITIES ACT OF 1933.—Section 16 of the Securities Act of 1933 (15 U.S.C. 77p) is amended to read as follows:

"SEC. 16. REMEDIES ADDITIONAL.

"The rights and remedies provided by this title shall be in addition to any and all other rights and remedies that may exist at law or in equity.".

By Ms. MIKULSKI (for herself and Mrs. CLINTON):

S. 1934. A bill to amend the Law Enforcement Pay Equity Act of 2000 to permit certain annuitants of the retirement programs of the United States Park Police and United States Secret Service Uniformed Division to receive the adjustments in pension benefits to which such annuitants would otherwise be entitled as a result of the conversion of members of the United States Park Police and United States Secret Service Uniformed Division to a new salary schedule under the amendments made by such Act; to the Committee on Governmental Affairs.

Ms. MIKULSKI. Mr. President, I rise today to introduce the Federal Law Enforcement Pay Adjustment Equity Act. I am proud to be joined on this bill by my colleague, Senator CLINTON. This legislation amends the Law Enforcement Pay Equity Act of 2000 to allow retired police officers of the United States Secret Service Uniformed Division and the United States Park Police to receive the same Cost of Living Adjustment, COLA, as active officers.

For almost 80 years, Secret Service and Park Police retirees were assured an increase in their pensions whenever their active counterparts received an increase by the "equalization clause" in the District of Columbia Police and Firearms Salary Act, DCRA, of 1958. When the Law Enforcement Pay Equity Act passed in 2000, the automatic link that ensured retirees of getting the same COLA as active officers was severed. This bill would restore that link, guaranteeing that the pension for these retired federal police officers keeps up with the cost of living.

The Law Enforcement Pay Equity Act of 2000 created a sharp inequality in retirement benefits for a small number of retirees, 630 Secret Service retirees and 465 Park Police retirees, roughly eleven hundred in total. They gave years of loyal service, often in difficult and life-threatening situations. They are the only federal retirees who had existing retirement benefits scaled back.

Providing for government retirees and their families has always been an important function of the Federal Government. There is no reason why the government should go back on its word to provide this small group of valuable employees with secure retirement benefits. Restoring the Cost of Living Adjustment to the pensions of 1100 Federal retirees will have a minimal impact on the Federal budget, but a major impact on the quality of life of the people involved.

When it comes to Federal employees, I believe that promises made should be promises kept. These former Secret Service and Park Police officers planned for their retirement with the understanding that their pension would be enough to live on, even as the cost of living increased. They deserve the retirement benefits they were promised when they signed up for service.

I urge my colleagues to join me in expressing support for this bill to restore promised retirement benefits to retired officers of the United States Secret Service Uniformed Division and the United States Park Police.

By Ms. MIKULSKI (for herself, Mr. LEAHY, Mr. BINGAMAN, and Mrs. CLINTON):

S. 1935. A bill to amend chapters 83 and 84 of title 5, United States Code, to include inspectors of the Immigration and Naturalization Service, inspectors and canine enforcement officers of the United States Customs Service, and revenue officers of the Internal Revenue Service as law enforcement officers; to the Committee on Governmental Affairs.

Ms. MIKULSKI. Mr. President, I rise today to introduce the Law Enforcement Officers Retirement Equity Act of 2002. I am proud to be joined on this bill by my colleagues, Senators LEAHY, CLINTON, and BINGAMAN. This legislation will ensure that revenue officers of the Internal Revenue Service, customs inspectors of the U.S. Customs Service, and immigration inspectors of the Immigration and Naturalization Service have the same retirement options as most Federal law enforcement officers and conforms with the Federal law enforcement retirement system.

Under current law, most Federal law enforcement officers and firefighters are eligible to retire at age 50 with 20 years of Federal service. Most people would be surprised to learn that current law does not treat revenue officers, customs inspectors and immigrations inspectors as Federal law enforcement personnel. I feel very strongly that in the light of the increased duties that these men and women are doing to help combat terrorism, keep our homeland secure, and help with the war on drugs we need to do what we can to give them the benefits that they deserve.

This legislation will amend the current law and finally grant the same 20-year retirement to these members of the Internal Revenue Service, Customs Service, and Immigration and Naturalization Service. The employees under this bill have very hazardous, physically challenging occupations, and it is in the public's interest to make sure that these homeland security officials receive the benefits they earn on our frontlines everyday.

The need for a 20-year retirement benefit for inspectors of the Customs Service is very clear. These employees are the country's first line of defense against terrorism and the smuggling of illegal drugs at our borders. They are required to have the same law enforcement training as all other law enforcement personnel. These employees face so many challenges. They may potentially confront criminals in the drug war, organized crime figures, and increasingly sophisticated white-collar criminals.

U.S. Customs inspectors have the authority to arrest those engaged in these crimes if the crimes are committed in their presence. These officers carry a firearm on the job. They are responsible for the most arrests performed by Customs Service employees. Along with U.S. Customs agents, uniformed U.S. Customs inspectors are helping provide additional security at the Nation's airports and could assist U.S. Customs agents with the arrest of anyone violating U.S. Customs laws. They were among the first to respond to the tragedy at the World Trade Center.

The Customs Service interdicts more narcotics than all other law enforcement agencies combined, over a million pounds a year. In 1996, they seized nearly 400 tons of marijuana, over 90 pounds of cocaine, and nearly 1.45 tons of heroin.

Like U.S. Customs Service Inspectors, INS inspectors are part of the first line of defense for homeland security. INS inspectors enforce the nation's immigration laws at more than 300 ports of entry. In the normal course of their duties, they enforce criminal law, make arrests, carry firearms, interrogate applicants for entry, search persons and effects, and seize evidence. Inspector's responsibilities have become increasing complex as political, economic and social unrest has increased globally. The threat of terrorism only increases these responsibilities.

INS Inspectors help secure our borders. In FY 2001, over 510 million inspections were performed by these inspectors with 700,000 individuals were denied entry, and approximately 15,000 criminal aliens being intercepted.

Revenue officers struggle with heavy workloads and a high rate of job stress. Some IRS employees must even employ pseudonyms to hide their identity because of the great threat to their personal safety. The Internal Revenue Service currently provides it's employees with a manual entitled: Assaults and Threats: A Guide to Your Personal Safety to help employees respond to hostile situations. The document advises IRS employees how to handle on-the-job assaults, abuse, threatening telephone calls, and other menacing situations.

This legislation is cost effective. Any cost that is created by this act is more than offset by savings in training costs and increased revenue collection. A 20-year retirement bill for these critical employees will reduce turnover, increase productivity, decrease employee recruitment and development costs, and enhance the retention of a well-trained and experienced work force. These vital Federal employees bear the same risks and work under similar conditions to other law enforcement officials and deserve to receive the same level of benefits.

I urge my colleagues to join me again in this Congress in expressing support for this bill and finally getting it enacted. This bill will improve the effectiveness of our inspector and revenue officer work force to ensure the integrity of our borders and proper collection of the taxes and duties owed to the Federal Government.

Mr. LEAHY. Mr. President, I rise to join my good friend Senator MIKULSKI in introducing the Law Enforcement Officers Retirement Equity Act of 2002. This bill would correct an inequity that exists under current law, whereby U.S. Customs Service and INS Inspectors as well as revenue agents from the IRS are denied the same retirement benefits provided to other law enforcement officers. I have introduced a similar bill, S. 1828, with the support of Senator HATCH and Senator MIKULSKI, which would provide similar benefits to the Nation's Federal prosecutors, who are now more than ever facing the immense dangers and challenges of the war on terrorism. Both measures are long overdue and important corrections in the Federal law.

This bill would increase the retirement benefits given to federal INS and Customs inspectors and IRS Revenue agents by including them as "law enforcement officers," LEOs, under the Federal Employees' Retirement System and the Civil Service Retirement System. The relevant provisions of the United States Code dealing with retirement benefits define an LEO as an employee whose duties are "primarily the investigation, apprehension, or detention" of individuals suspected or convicted of violating Federal law. See 5 U.S.C. §§8331(20) & 8401(17). Under that definition, it is inconceivable that Customs and INS Inspectors and IRS Revenue Agents would not be included, yet they are not. Customs and INS Inspectors spend their entire days searching, questioning, and investigating potential violations of Federal law by those who either cross our borders or those who send goods and freight into and out of the United States. In many cases, they are our first and last defense against smugglers and those who seek to enter the United States unlawfully. IRS Revenue Agents have a long history of tax enforcement, sometime in dangerous circumstances involving contraband materials.

This bill would make these agents and inspectors eligible for immediate, unreduced retirement benefits at age 50 with 20 years of service. For example, those who are covered by the Civil Service Retirement System would receive 50 percent of the average of their three highest years' salary. That is the retirement package that is currently afforded to nearly every other Federal law enforcement employee. Just like the Federal prosecutors covered by S. 1828, there is no good justification for not including these Customs, INS and IRS law enforcement employees with their peers in terms of their retirement benefits, and plenty of good reasons supporting their inclusion.

First and foremost, the danger faced by these men and women supports their inclusion as LEOs. The primary reason for granting enhanced retirement benefits to LEOs is the often dangerous work of law enforcement, and at no time in our Nation's history has both the danger and importance of protecting our Nation's borders been more clear. As the September 11 attacks on our nation amply demonstrated, the tools of terrorism and the terrorists themselves are often imported to the United States from abroad—and often times illegally. The people who are included in this bill are the men and women who literally stand their posts to make sure that, among other things, illegal weapons and terrorists are not allowed into the United States. What could possibly be more dangerous?

I know first hand, from my experience as a former prosecutor in Vermont that the men and women who stand watch at our Northern border put themselves in harm's way each and every day that they put on their uniforms and go to work. In Vermont, I know that these men and women have a proud history of confronting and apprehending those who seek to enter the county illegally and smuggle contraband into the United States. Already, as part of the USA PATRIOT Act, I was able to work to include important provisions which enhanced the protection of our Northern border. This bill is yet another overdue measure which recognizes the importance of such border protection.

Another reason for correcting this inconsistency in the law is the retention of good officers at the agencies which guard the border. Faced with new security challenges, it is crucial that the Customs Service and the INS possess the tools to maintain an experienced and professional cadre of agents at our Nation's land borders, airports, and seaports. When one type of Federal law enforcement officer is provided worse benefits than all others for no good reason, there is a risk that the most qualified and successful agents will move to other comparable jobs with better benefits. Since LEO retirement benefits are currently afforded to nearly every other group of people that enforce our laws, there is currently a risk that the best and most dedicated Customs and INS Inspectors will be lured away from their jobs protecting the border for "greener" pastures. This bill would eliminate this risk by providing proper incentives for the best people to stay right where we want them, protecting our borders.

To conclude, I commend Senator MIKULSI's leadership in this area, and I join her in introducing the Law Enforcement Officers Retirement Equity Act of 2002. For all of these reasons, I urge its swift enactment into law.

By Mr. DURBIN:

S. 1936. A bill to address the international HIV/AIDS pandemic; to the Committee on Health, Education, Labor, and Pensions.

Mr. DURBIN. Mr. President, I rise to introduce the Global Coordination of HIV/AIDS Response Act, known as the Global CARE Act. HIV/AIDS is a national security issue, an economic issue, a health and safety issue, and most importantly a moral issue. It is for these reasons I am proposing comprehensive legislation to address the global HIV/AIDS pandemic. This bill will not solve all these problems. But it does set the bar where the need is, and it does offer innovative ideas to address the global AIDS crisis in a strategic, coordinated, accountable manner.

Since the tragedy of September 11, we have all been focused on combating the war on terrorism, and rightfully so. But as we all know, perhaps even more clearly since September, fighting and preventing terrorism, preparing for and preventing bioterrorist attacks, maintaining international stability, and promoting global economic cooperation and growth require not only a military and political response but also a social and humanitarian effort.

Today's reality is a world in which geographical borders seem to hold less and less significance. As we work to maintain economic prosperity and safety in our own Nation, we must face the fact that globalization is upon us. This has never been more true than in the case of disease. The HIV/AIDS pandemic, tuberculosis and other life threatening infectious diseases know no borders. They cannot be prevented by a missile defense system. We cannot halt the spread of AIDS with bombing raids.

Whether deliberately spread as a man made bioterrorist threats or a naturally occurring, infectious diseases are a pressing national security issue. A CIA report last year noted the link between disease and political chaos, saying that rampant AIDS, tuberculosis and other infectious illnesses were "likely to aggravate, and in some cases, may even provoke, economic decay, social fragmentation and political destabilization in the hardest hit countries."

The epidemic is not confined to Africa. HIV has reached epidemic proportions in India. The World Bank estimates that if effective prevention efforts are not implemented immediately and sustained, India could have more than 37 million people infected with HIV by the year 2005. This is roughly equal to the total number of HIV infections in the world today. The AIDS epidemic is sweeping across Eastern Europe, where HIV infection rates are rising faster in the former Soviet Union than anywhere else in the world according to a U.N. Report on AIDS. The Baltic nation of Estonia reported 10 times as many new infections last year as it did in 1999. In China, the number of people living with AIDS now tops one million. This is a moral issue that cannot be ignored.

The rising rates of infection and the rising death toll are draining national budgets and depriving local economies of their workforce. Last November United Nations officials predicted that some of the most affected African nations could lose more than 20 percent of their Gross Domestic Product, GDP, by 2020 because of AIDS. Recent studies by the World Health Organization's Commission on Macroeconomics and Health show that infections and disease are not only the product of poverty; they also create poverty. By investing in health in developing countries we can save lives and produce clear and measurable financial returns. For example, the Commission reported that well-targeted spending of shared among nations in the amount of $66 billion a year by 2015 could save as many as 8 million lives a year and generate six-fold economic benefits, more than $360 billion a year by 2020.

AIDS is also the single largest contributor to a worldwide resurgence in Tuberculosis, TB. The spread of TB in the developing world has a direct effect on the health and safety of Americans. Last month, forty-eight people in Mobile, Alabama, tested positive for exposure to tuberculosis, three weeks after a graduate student at Spring Hill College died of the disease. The Student, from Nairobi, Kenya, is thought to have contracted TB before coming to the U.S. Also last month, health officials in Mecklenburg County, North Carolina, announced they were treating five people for drug-resistant TB. All were immigrants from countries where TB flourishes. Just last week, the Centers for Disease Control and Prevention indicated that the number of new cases of TB in this country declined in 2000 but the number of cases occurring in the foreign-born U.S. population increased. The point is clear: we cannot maintain our own safety if we neglect the health needs of the developing world.

For all these reasons—national security, economic stability, public health, and our moral obligation, I have introduced the Global CARE Act. It is critically important that we demonstrate the political will to act on this issue. I think it would be productive for Congress to establish clear policy goals and funding targets that represent the real need. It is also our job to ensure that there is accountability for the money that we appropriate, and that we are able to articulate the results of our U.S. investment. It is my hope that by doing this we will secure a serious, effective financial commitment that to date has been woefully inadequate.

The Global Coordination of HIV/AIDS Response Act is grounded in the principles of leadership and accountability.

The policy goals I have set forth in this bill are the following: better coordination among the myriad of U.S. agencies active in the global AIDS fight; a more focused strategic planning initiative that makes the best use of U.S bilateral assistance; increased accountability for the health and policy objectives we seek to achieve with our financial and human investment in AIDS-ravaged countries; the ability to mobilize the most effective human and capacity-building tools to provide some of the building blocks that are needed; and a clear articulation of the broader issues that need to be addressed to have a real impact on HIV/AIDS, including not just prevention but treatment and care, and not just health initiatives but also economic investments.

The Global CARE Act provides specific funding authorizations for the key agencies working on global AIDS, as well as for the Global Fund. Both bilateral and multilateral assistance is needed to address this problem. Before the Leadership and Investment in Fighting and Epidemic, LIFE, initiative authorized USAID to conduct activities specifically focused on global AIDS in FY2000, there was little direction from Congress on this issue. And up until the United Nations and President Bush specifically requested money for the Global Fund, there was little agreement about what was needed. It is now time for Congress to step up to the plate and provide some direction.

The authorized funding levels in the Global CARE Act represent a need that has been well documented. The World Health Organization's Marcoeconomics and Health Commission has determined that by 2007, the international community—donor and affected countries—should be spending $14 billion in response to the AIDS pandemic. Last year, the United Nations called for roughly $10 billion annually.

America has by far the greatest giving capacity, yet we devote the smallest percentage of our overall wealth to efforts aimed at alleviating global poverty and disease. Last year the United States gave one-tenth of 1 percent of its GNP to foreign aid—or $1 for every thousand dollars of its wealth, the lowest giving rate of any rich nation. By comparison, Canada, Japan, Austria, Australia and Germany each gave about one-quarter of 1 percent, of $2.50 for every thousand dollars of wealth.

Many other countries give even more, at rates 8 to 10 times higher than the United States. Based on its share of global GNP, the United States should contribute at least 25 percent of the total AIDS response cost in 2003. Twenty-five percent of the estimated $10 billion needed next year would be $2.5 billion. Hundreds of civic groups and religious leaders have joined together, calling on Congress to provide at least $2.5 billion to combat the pandemic.

The Global CARE Act establishes broad policy goals and activities that are embodied in an international HIV/AIDS Prevention and Capacity Building Initiative and an International Care and Treatment Access Initiative. These goals and activities, which range from education, voluntary testing and counseling, to helping preserve families and ameliorate the orphan crisis, are not parceled out to the various agencies we know are actively engaged in this issue such as the U.S. Agency for International Development (USAID) and the Centers for Disease Control and Prevention (CDC). Rather this legislation generally relies on the existing authorities of the agencies to carry out these broad activities with the requirement that they coordinate their activities with each other and with host country needs and host country plans.

The development of a coordinated, effective, and sustained plan for U.S. bilateral aid in relation to multilateral aid and other nation's bilateral aid is paramount. The U.S. has the opportunity to provide the requisite leadership in this global effort though operating strategically, and in an accountable and transparent manner.

To provide an incentive for such coordination, the bill establishes an interagency working group charged with ensuring that global HIV/AIDS activities are conducted in a coordinated, strategic fashion. Members of this working group include agencies within the Department of State, specifically USAID; agencies within the Department of Health and Human Services, including the Centers for Disease Control and Prevention, the Health Resources and Services Administration, and the National Institutes of Health; the Department of Defense, Labor, Commerce and Agriculture, and the Peace Corps.

This is policy working group with representatives from the agency programs doing the real work. It is my intention that the working group help to ensure that the various agencies we fund to provide bi-lateral assistance are making the most of the money we appropriate; that they are not duplicating efforts; that they are learning from each others' programmatic experience and research in order to implement the best practices; and that they are accountable to Congress and the American people for achieving measurable goals and objectives. In fact, the function of this group is very similar to the interagency working group established in H.R. 2069—legislation that passed the House of Representatives last year.

The Global CARE Act very specifically directs the working group to report back to the Senate Committee on Foreign Relations, the Senate Committee on Health, Education, Labor and Pensions, and the Senate Appropriations Committee, and the corresponding Committees in the House of Representatives, with the following information: 1. The actions being taken to coordinate multiple roles and policies, and foster collaboration among Federal agencies contributing to the global HIV/AIDS activities; 2. A description of the respective roles and activities of each of the working group member agencies; 3. A description of actions taken to carry out the goals and activities authorized in the International AIDS Prevention and Capacity Building Imitative and the International AIDS Care and Treatment Access Initiative set out in the legislation; 4. Recommendation to specific Congressional committees regarding legislative and funding actions that are needed carry out the activities articulated in the bill; and 5. The results of the HIV/AIDS goals and outcomes as established by the working group. In my view, only by requiring very specific reporting requirements will the working group actually work.

The Global CARE Act includes a number of other provisions. Some have been discussed on the Hill, others have not. It authorizes a Global Physician Corps to utilize the human capital we have in our working and retired physicians by providing a mechanism for them to serve overseas where their expertise is so needed.

The bill authorizes a small amount for USAID to work on development and implementing initiatives to improve injection safety. According to the World Health Organization (WHO), each year the overuse of injections and unsafe injections combine to cause an estimated 8 to 16 million hepatitis B virus infections, 2.3 million to 4.7 million hepatitis C infections and 80,000 to 160,000 HIV infections. Together, these chronic infections are responsible for an estimated 10 million new infections, more than 1.8 million deaths, 26 million years of life lost, and more than $535 million in direct medical costs.

It includes a new pilot program to provide a limited procurement of antirectoriviral drugs and technical assistance to programs in host countries. And it includes a very important orphan relief and microcredit component that acknowledges that addressing the AIDS problem requires both an economic and social investment in women and families.

I hope my colleagues will consider the framework and policy I have developed as we work to introduce a unified proposal to address the HIV/AIDS problem. Tackling this pandemic will take more than one good bill—it will take a concerted effort to combine the best ideas and realistic initaitives to get the job done.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 207—DESIGNATING MARCH 31, 2002, AND MARCH 31, 2003, AS "NATIONAL CIVILIAN CONSERVATION CORPS DAY"

Mr. BINGAMAN (for himself, Mr. LUGAR, Mrs. CARNAHAN, Mr. BOND, Mr. TORRICELLI, and Mr. DEWINE) submitted the following resolution; which was referred to the Committee on the Judiciary.

S. RES. 207

Whereas the Civilian Conservation Corps, commonly known as the CCC, was an independent Federal agency that deserves recognition for its lasting contribution to natural resources conservation and infrastructure improvements on public lands in the United States and for its outstanding success in providing employment and training to thousands of Americans;

Whereas March 31, 2002, is the 69th anniversary, and March 31, 2003, is the 70th anniversary, of the signing by President Franklin D. Roosevelt of the Emergency Conservation Work Act, a precursor to the Civilian Conservation Corps Act that established the CCC;

Whereas, between 1933 and 1942, the CCC provided employment and vocational training for more than 3,000,000 men, including unemployed youths, more than 250,000 veterans of the Spanish American War and World War I, and more than 80,000 Native Americans in conservation and natural resources development work, defense work on military reservations, and forest protection;

Whereas the CCC coordinated a mobilization of men, material, and transportation on a scale never previously known in time of peace;

Whereas the CCC managed more than 4,500 camps in every State and the then-territories of Hawaii, Alaska, Puerto Rico, and the Virgin Islands;

Whereas the CCC left a legacy of natural resources and infrastructure improvements that included planting more than 3,000,000,000 trees, building 46,854 bridges, restoring 3,980 historical structures, developing more than 800 state parks, improving 3,462 beaches, creating 405,037 signs, markers, and monuments, and building 63,256 structures and 8,045 wells and pump houses;

Whereas the benefits of many CCC projects are still enjoyed by Americans today in national and state parks, forests, and other lands, including the National Arboretum in Washington, DC, Bandelier National Monument in New Mexico, Great Smoky Mountains National Park in North Carolina and Tennessee, Yosemite National Park in California, Acadia National Park in Maine, Rocky Mountain National Park in Colorado, and Vicksburg National Military Park in Mississippi;

Whereas the CCC provided a foundation of self-confidence, responsibility, discipline, cooperation, communication, and leadership for its participants through education, training, and hard work, and participants made many lasting friendships in the CCC;

Whereas the CCC demonstrated the commitment of the United States to the conservation of land, water, and natural resources on a national level and to leadership in the world on public conservation efforts; and

Whereas the conservation of the Nation's land, water, and natural resources is still an important goal of the American people: Now, therefore, be it

Resolved, That the Senate—

(1) designates both March 31, 2002, and March 31, 2003, as "National Civilian Conservation Corps Day"; and

(2) requests that the President issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

Mr. BINGAMAN. Mr. President, I am pleased to submit a resolution today with Senators LUGAR, CARNAHAN, BOND, TORRICELLI and DEWINE, designating March 31, 2002 and March 31, 2003 as "National Civilian Conservation Corps Day." March 31, 2002 is the 69th anniversary and March 31, 2003 is the 70th anniversary of the signing by President Roosevelt of the Emergency Conservation Work Act, the precursor to the Civilian Conservation Corps Act.

The Civilian Conservation Corps, commonly known as the CCC, was a Depression-era public works program started by President Franklin D. Roosevelt. The CCC put over 3 million young men to work on natural resources conservation and public lands infrastructure improvements. Many of the physical accomplishments of the CCC are still visible, but even more importantly, the CCC also provided its participants with education, lasting friendships, a cooperative spirit, and a foundation of self-confidence and discipline.

Americans still enjoy the benefits of the work done by the CCC in the 1930s and 1940s at national and state parks across the U.S. CCC participants planted more than 3 billion trees, developed more than 800 state parks, improved more than 3,000 beaches and are responsible for countless monuments, signs, wells, and other improvements. CCC camps were located in every State, including the then-territories of Hawaii and Alaska.

CCC alumni across the country still share the bonds of friendship and hard work. The National Association of Civilian Conservation Corps Alumni has thousands of active members from all 50 States whose lives were often dramatically changed for the better by their enrollment years ago. Many traveled for the first time, learned new trades and developed self-confidence, while sending much-needed money home to their families during the Depression.

This resolution would pay tribute to the lasting contribution of the CCC to natural resources conservation and infrastructure improvements and to its outstanding success in providing employment and training to millions of Americans.

SENATE CONCURRENT RESOLUTION 96—COMMENDING PRESIDENT PERVEZ MUSHARRAF OF PAKISTAN FOR HIS LEADERSHIP AND FRIENDSHIP AND WELCOMING HIM TO THE UNITED STATES

Mr. BROWNBACK (for himself and Mr. WELLSTONE) submitted the following concurrent resolution; which was considered and agreed to.

S. CON. RES. 96

Whereas President Pervez Musharraf of Pakistan has shown courageous leadership in cooperating with the United States in the campaign in Afghanistan;

Whereas President Musharraf has shown great fortitude in confronting domestic extremists;

Whereas the efforts of President Musharraf in promoting moderation are both in the national interest of Pakistan and of great importance to Pakistani-American relations;

Whereas the war against terrorism underscores the importance of strengthening the historic bilateral relationship between the United States and Pakistan;

Whereas President Musharraf has worked to improve the political representation of minorities in Pakistan; and

Whereas the Pakistani-American community in the United States makes important contributions to the United States and plays a vital role in developing a closer relationship between the peoples of the United States and Pakistan: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress commends President Pervez Musharraf of Pakistan for his leadership and friendship and welcomes him to the United States.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2845. Mr. MCCONNELL proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

SA 2846. Mr. ENZI proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2847. Mr. WELLSTONE proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2848. Mr. LUGAR (for Mr. GRAMM) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2849. Mr. LUGAR (for Mr. GRAMM) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2850. Mr. LUGAR (for Mr. KYL (for himself, Mr. NICKLES, and Mr. HUTCHINSON)) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2851. Mr. LUGAR (for Mr. DOMENICI) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2852. Mr. HARKIN (for Mr. KERRY (for himself and Ms. SNOWE)) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2853. Mr. HARKIN proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2854. Mr. LUGAR (for Mr. MCCONNELL) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2855. Mr. LUGAR (for Mr. KYL) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

SA 2856. Mr. HARKIN proposed an amendment to amendment SA 2845 submitted by Mr. MCCONNELL and intended to be proposed to the amendment SA 2471 proposed by Mr. DASCHLE to the bill (S. 1731) supra.

SA 2857. Mr. REID (for Mr. CONRAD) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra.

TEXT OF AMENDMENTS

SA 2845. Mr. MCCONNELL proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

On page 128, after line 8, add the following:

SEC. 1___. REDUCTION OF COMMODITY BENEFITS TO IMPROVE NUTRITION ASSISTANCE.

(a) INCOME PROTECTION PRICES FOR COUNTER-CYCLICAL PAYMENTS.—Section 114(c) of the Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 111) is amended by striking paragraph (2) and inserting the following:

"(2) INCOME PROTECTION PRICES.—The income protection prices for contract commodities under paragraph (1)(A) are as follows:

"(A) Wheat, $3.4460 per bushel.

"(B) Corn, $2.3472 per bushel.

"(C) Grain sorghum, $2.3472 per bushel.

"(D) Barley, $2.1973 per bushel.

"(E) Oats, $1.5480 per bushel.

"(F) Upland cotton, $0.6793 per pound.

"(G) Rice, $9.2914 per hundredweight.

"(H) Soybeans, $5.7431 per bushel.

"(I) Oilseeds (other than soybeans), $0.1049 per pound.".

(b) LOAN RATES FOR MARKETING ASSISTANCE LOANS.—

(1) IN GENERAL.—Section 132 of the Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 123(a)) is amended to read as follows:

"SEC. 132. LOAN RATES.

"The loan rate for a marketing assistance loan under section 131 for a loan commodity shall be—

"(1) in the case of wheat, $2.9960 per bushel;

"(2) in the case of corn, $2.0772 per bushel;

"(3) in the case of grain sorghum, $2.0772 per bushel;

"(4) in the case of barley, $1.9973 per bushel;

"(5) in the case of oats, $1.4980 per bushel;

"(6) in the case of upland cotton, $0.5493 per pound;

"(7) in the case of extra long staple cotton, $0.7965 per pound;

"(8) in the case of rice, $6.4914 per hundredweight;

"(9) in the case of soybeans, $5.1931 per bushel;

"(10) in the case of oilseeds (other than soybeans), $0.0949 per pound;

"(11) in the case of graded wool, $1.00 per pound;

"(12) in the case of nongraded wool, $.40 per pound;

"(13) in the case of mohair, $2.00 per pound;

"(14) in the case of honey, $.60 per pound;

"(15) in the case of dry peas, $6.78 per hundredweight;

"(16) in the case of lentils, $12.79 per hundredweight;

"(17) in the case of large chickpeas, $17.44 per hundredweight; and

"(18) in the case of small chickpeas, $8.10 per hundredweight.".

(2) Adjustment of loans.—

(A) In general.—The amendment made by section 123(b) is repealed.

(B) Applicability.—Section 162 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7282) shall be applied and administered as if the amendment made by section 123(b) had not been enacted.

(c) Food Stamp Program.—

(1) Simplified resource eligibility limit.—Section 5(g)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2014(g)(1)) is amended by striking "a member who is 60 years of age or older" and inserting "an elderly or disabled member".

(2) Increase in benefits to households with children.—Section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) is amended by striking paragraph (1) and inserting the following:

"(1) Standard deduction.—

"(A) In general.—Subject to the other provisions of this paragraph, the Secretary shall allow a standard deduction for each household that is—

"(i) equal to the applicable percentage specified in subparagraph (D) of the income standard of eligibility established under subsection (c)(1); but

"(ii) not less than the minimum deduction specified in subparagraph (E).

"(B) Guam.—The Secretary shall allow a standard deduction for each household in Guam that is—

"(i) equal to the applicable percentage specified in subparagraph (D) of twice the income standard of eligibility established under subsection (c)(1) for the 48 contiguous States and the District of Columbia; but

"(ii) not less than the minimum deduction for Guam specified in subparagraph (E).

"(C) Households of 6 or more members.—The income standard of eligibility established under subsection (c)(1) for a household of 6 members shall be used to calculate the standard deduction for each household of 6 or more members.

"(D) Applicable percentage.—For the purpose of subparagraph (A), the applicable percentage shall be—

"(i) 8 percent for each of fiscal years 2002 through 2004;

"(ii) 8.5 percent for each of fiscal years 2005 through 2007;

"(iii) 9 percent for each of fiscal years 2008 through 2010; and

"(iv) 10 percent for each fiscal year thereafter.

"(E) Minimum deduction.—The minimum deduction shall be $134, $229, $189, $269, and $118 for the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States, respectively.".

(3) Effectiveness of certain provisions.—Sections 413 and 165(c)(1) shall have no effect.

SA 2846. Mr. ENZI proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

On page 337, strike line 11 and insert the following:

SEC. 309. PILOT EMERGENCY RELIEF PROGRAM TO PROVIDE LIVE LAMB TO AFGHANISTAN.

Title II of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1721 et seq.) is amended by adding at the end the following:

"SEC. 209. PILOT EMERGENCY RELIEF PROGRAM TO PROVIDE LIVE LAMB TO AFGHANISTAN.

"(a) In General.—The President may establish a pilot emergency relief program under this title to provide live lamb to Afghanistan on behalf of the people of the United States.

"(b). Report.—Not later than January 1, 2004, the Secretary shall submit to Congress a report that—

"(1)(A) evaluates the success of the program under subsection (a); or

"(B) if the program has not succeeded or has not been implemented, explains in detail why the program has not succeeded or has not been implemented; and

"(2) discusses the feasibility and desirability of providing assistance in the form of live animals.".

SA 2847. Mr. WELLSTONE proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Beginning on page 217, strike line 12 and all that follows through page 235, line 6 and insert the following:

(iii) Requirement.—A comprehensive nutrient management plan shall meet all Federal, State, and local water quality and public health goals and regulations, and in the case of a large confined livestock operation (as defined by the Secretary), shall include all necessary and essential land treatment practices and determined by the Secretary.

(3) Eligible land.—The term "eligible land" means agriculture land (including cropland, grassland, rangeland, pasture, private nonindustrial forest land and other land on which crops or livestock are produced), including agricultural land that the Secretary determines poses a serious threat to soil, water, or related resources by reason of the soil types, terrain, climatic, soil, topographic, flood, or saline characteristics, or other factors or natural hazards.

(4) Innovative technology.—The term "innovative technology" means a new conservation technology that, as determined by the Secretary—

(A) maximizes environmental benefits;

(B) complements agricultural production; and

(C) may be adopted in a practical manner.

(5) Land management practice.—The term "land management practice" means a site-specific nutrient or manure management, integrated pest management, irrigation management, tillage or residue management, grazing management, air quality management, or other land management practice carried out on eligible land that the Secretary determines is needed to protect from degradation, in the most cost-effective manner, water, soil, or related resource.

(6) Livestock.—The term "livestock" means dairy cattle, beef cattle, laying hens, broilers, turkeys, swine, sheep, and other such animals as are determined by the Secretary.

(7) Managed grazing.—The term "managed grazing" means the application of 1 or more practices that involve the frequent rotation of animals on grazing land to—

(A) enhance plant health;

(B) limit soil erosion;

(C) protect ground and surface water quality; or

(D) benefit wildlife.

(8) Maximize environmental benefits per dollar expended.—

(A) In general.—The term "maximize environmental benefits per dollar expended" means to maximize environmental benefits to the extent the Secretary determines is practicable and appropriate, taking into account the amount of funding made available to carry out this chapter.

(B) Limitation.—The term "maximize environmental benefits per dollar expended" does not require the Secretary—

(i) to require the adoption of the least cost practice or technical assistance; or

(ii) to require the development of a plan under section 1240E as part of an application for payments or technical assistance.

(9) Practice.—The term "practice" means 1 or more structural practices, land management practices, and comprehensive nutrient management planning practices.

(10) Producer.—

(A) In general.—The term "producer" means an owner, operator, landlord, tenant, or sharecropper that—

(i) shares in the risk of producing any crop or livestock; and

(ii) is entitled to share in the crop or livestock available for marketing from a farm (or would have shared had the crop or livestock been produced).

(B) Hybrid seed growers.—In determining whether a grower of hybrid seed is producer, the Secretary shall not take into consideration the existence of hybrid seed contract.

(11) Program.—The term "program" means the environmental quality incentives program comprised of sections 1240 through 1240J.

(12) Structural practice.—The term "structural practice" means—

(A) the establishment on eligible land of a site-specific animal waste management facility, terrace, grassed waterway, contour grass strip, filterstrip, tailwater pit, permanent wildlife habitat, constructed wetland, or other structural practice that the Secretary determines is needed to protect, in the most cost effective manner, water, soil, or related resources from degradation; and

(B) the capping of abandoned wells on eligible land.

SEC. 1240B. ESTABLISHMENT AND ADMINISTRATION OF ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.

(a) Establishment.—

(1) In general.—During each of the 2002 through 2006 fiscal years, the Secretary shall provide technical assistance, cost-share payments, and incentive payments to producers that enter into contracts with the Secretary under the program.

(2) Eligible practices.—

(A) Structural practices.—A producer that implements a structural practice shall be eligible for any combination of technical assistance, cost-share payments, and education.

(B) Lands management practices.—A producer that performs a land management practice shall be eligible for any combination of technical assistance, incentive payments, and education.

(C) Comprehensive nutrient management planning.—A producer that develops a comprehensive nutrient management plan shall be eligible for any combination of technical assistance, incentive payments, and education.

(3) Education.—The Secretary may provide conservation education at national, State, and local levels consistent with the purposes of the program to—

(A) any producer that is eligible for assistance under the program; or

(B) any producer that is engaged in the production of an agricultural commodity.

(b) Application and Term.—With respect to practices implemented under this program—

(1) a contract between a producer and the Secretary may—

(A) apply to 1 or more structural practices, land management practices, and comprehensive nutrient management planning practices; and

(B) have a term of not less than 3, or more than 10 years, as determined appropriate by the Secretary, depending on the practice or practices that are the basis of the contract;

(2) a producer may not enter into more than 1 contract for structural practices involving livestock nutrient management during the period of fiscal years 2002 through 2006; and

(3) a producer that has an interest in more than 1 large confined livestock operation, as defined by the Secretary, may not enter into more than 1 contract for cost-share payments for a storage or treatment facility, or associated waste transport or transfer device, to manage manure, process wastewater, or other animal waste generated by the large confined livestock feeding operation.

(c) Application and Evaluation.—

(1) In general.—The Secretary shall establish an application and evaluation process for awarding technical assistance, cost share payments and incentive payments to a producer in exchange for the performance of 1 or more practices that maximize environmental benefits per dollar expended.

(2) Comparable environmental value.—

(A) In general.—The Secretary shall establish a process for selecting applications for technical assistance, cost share payments, and incentive payments in any case in which there are numerous applications for assistance for practices that would provide substantially the same level of environmental benefits.

(B) Criteria.—The process under subparagraph (A) shall be based on—

(i) a reasonable estimate of the projected cost of the proposals described in the applications; and

(ii) the priorities established under the program, and other factors, that maximize environmental benefits per dollar expended.

(3) Consent of owner.—If the producer making an offer to implement a structural practice is a tenant of the land involved in agricultural production, for the offer to be acceptable, the producer shall obtain the consent of the owner of the land with respect to the offer.

(4) Bidding down.—If the Secretary determines that the environmental values of 2 or more applications for technical assistance, cost-share payments, or incentive payments are comparable, the Secretary shall not assign a higher priority to the application only because it would present the least cost to the program established under the program.

(d) Cost-Share Payments.—

(1) In general.—Except as provided in paragraph (2), the cost-share payments provided to a producer proposing to implement 1 or more practices under the program shall be not more than 75 percent of the cost of the practice, as determined by the Secretary.

(2) Exceptions.—

(A) Limited resource and beginning farmers.—The Secretary may increase the amount provided to a producer under paragraph (1) to not more than 90 percent if the producer is a limited resource or beginning farmer or rancher, as determined by the Secretary.

(B) Cost-share assistance from other sources.—Except as provided in paragraph (3), any cost-share payments received by a producer from a State or private organization or person for the implementation of 1 or more practices on eligible land of the producer shall be in addition to the payments provided to the producer under paragraph (1).

(3) Other payments.—A producer shall not be eligible for cost-share payments for practices on eligible land under the program if the producer receives cost-share payments or other benefits for the same practice on the same land under chapter 1 and the program.

(e) Incentive Payments.—The Secretary shall make incentive payments in an amount and at a rate determined by the Secretary to be necessary to encourage a producer to perform 1 or more practices.

(f) Technical Assistance.—

(1) In general.—The Secretary shall allocate funding under the program for the provision of technical assistance according to the purpose and projected cost for which the technical assistance is provided for a fiscal year.

(2) Amount.—The allocated amount may vary according to—

(A) the type of expertise required;

(B) the quantity of time involved; and

(C) other factors as determined appropriate by the Secretary.

(3) Limitation.—Funding for technical assistance under the program shall not exceed the projected cost to the Secretary of the technical assistance provided for a fiscal year.

(4) Other authorities.—The receipt of technical assistance under the program shall not affect the eligibility of the producer to receive technical assistance under other authorities of law available to the Secretary.

(5) Incentive payments for technical assistance.—

(A) In general.—A producer that is eligible to receive technical assistance for a practice involving the development of a comprehensive nutrient management plan may obtain an incentive payment that can be used to obtain technical assistance associated with the development of any component of the comprehensive nutrient management plan.

(B) Purpose.—The purpose of the payment shall be to provide a producer the option of obtaining technical assistance for developing any component of a comprehensive nutrient management plan from a certified provider.

(C) Payment.—The incentive payment shall be—

(i) in addition to cost-share or incentive payments that a producer would otherwise receive for structural practices and land management practices;

(ii) used only to procure technical assistance from a certified provider that is necessary to develop any component of a comprehensive nutrient management plan; and

(iii) in an amount determined appropriate by the Secretary, taking into account—

(I) the extent and complexity of the technical assistance provided;

(II) the costs that the Secretary would have incurred in providing the technical assistance; and

(III) the costs incurred by the private provider in providing the technical assistance.

(D) Eligible practices.—The Secretary may determine, on a case by case basis, whether the development of a comprehensive nutrient management plan is eligible for an incentive payment under this paragraph.

(E) Certification by secretary.—

(i) In general.—Only persons that have been certified by the Secretary under section 1244(f)(3) shall be eligible to provide technical assistance under this subsection.

(ii) Quality assurance.—The Secretary shall ensure that certified providers are capable of providing technical assistance regarding comprehensive nutrient management in a manner that meets the specifications and guidelines of the Secretary and that meets the needs of producers under the program.

(F) Advance payment.—On the determination of the Secretary that the proposed comprehensive nutrient management of a producer is eligible for an incentive payment, the producer may receive a partial advance of the incentive payment in order to procure the services of a certified provider.

(G) Final payment.—The final installment of the incentive payment shall be payable to a producer on presentation to the Secretary of documentation that is satisfactory to the Secretary and that demonstrates—

(i) completion of the technical assistance; and

(ii) the actual cost of the technical assistance.

(g) Modification or Termination of Contracts.—

(1) Voluntary modification or termination.—The Secretary may modify or terminate a contract entered into with a producer under this chapter if—

(A) the producer agrees to the modification or termination; and

(B) the Secretary determines that the modification or termination is in the public interest.

(2) Involuntary termination.—The Secretary may terminate a contract under this chapter if the Secretary determines that the producer violated the contract.

SEC. 1240C. EVALUATION OF OFFERS AND PAYMENTS.

(a) In General.—In evaluating applications for technical assistance, cost-share payments, and incentive payments, the Secretary shall accord a higher priority to assistance and payments that—

(1) maximize environmental benefits per dollar expended; and

(2)(A) address national conservation priorities, including—

(i) meeting Federal, State, and local environmental purposes focused on protecting air and water quality, including assistance to production systems and practices that avoid subjecting an operation to Federal, State, or local environmental regulatory systems;

(ii) applications from livestock producers using managed grazing systems and other pasture and forage based systems;

(iii) comprehensive nutrient management;

(iv) water quality, particularly in impaired watersheds;

(v) soil erosion;

(vi) air quality; or

(vii) pesticide and herbicide management or reduction;

(B) are provided in conservation priority areas established under section 1230(c);

(C) are provided in special projects under section 1243(f)(4) with respect to which State or local governments have provided, or will provide, financial or technical assistance to producers for the same conservation or environmental purposes; or

(D) an innovative technology in connection with a structural practice or land management practice.

SEC. 1240D. DUTIES OF PRODUCERS.

(a) To receive technical assistance, cost-share payments, or incentive payments under the program, a producer shall agree—

(1) to implement an environmental quality incentives program plan that describes conservation and environmental purposes to be achieved through 1 or more practices that are approved by the Secretary;

(2) not to conduct any practices on the farm or ranch that would tend to defeat the purposes of the program;

(3) on the violation of a term or condition of the contract at any time the producer has control of the land—

(A) if the Secretary determines that the violation warrants termination of the contract—

(i) to forfeit all rights to receive payments under the contract; and

(ii) to refund to the Secretary all or a portion of the payments received by the owner or operator under the contract, including any interest on the payments, as determined by the Secretary; or

(B) if the Secretary determines that the violation does not warrant termination of the contract, to refund to the Secretary, or accept adjustments to, the payments provided to the owner or operator, as the Secretary determines to be appropriate;

(4) on the transfer of the right and interest of the producer in land subject to the contract, unless the transferee of the right and interest agrees with the Secretary to assume all obligations of the contract, to refund all cost-share payments and incentive payments received under the program, as determined by the Secretary;

(5) to supply information as required by the Secretary to determine compliance with the program plan and requirements of the program;

(6) to comply with such additional provisions as the Secretary determines are necessary to carry out the program plan; and

(7) to submit a list of all confined livestock feeding operations wholly or partially owned or operated by the applicant.

SEC. 1240E. ENVIRONMENTAL QUALITY INCENTIVES PROGRAM PLAN.

(A) In General.—To be eligible to receive technical assistance, cost-share payments, or incentive payments under the program, a producer of a livestock or agricultural operation shall submit to the Secretary for approval a plan of operations that specifies practices covered under the program, and is based on such terms and conditions, as the Secretary considers necessary to carry out the program, including a description of the practices to be implemented and the purposes to be met by the implementation of the plan, and in the case of confined livestock feeding operations, development and implementation of a comprehensive nutrient management plan, and in the case of confined livestock feeding operations, development and implementation of a comprehensive nutrient management plan.

(b) Avoidance of Duplication.—The Secretary shall, to the maximum extent practicable, eliminate duplication of planning activities under the program and comparable conservation programs.

SEC. 1240F. DUTIES OF THE SECRETARY.

(a) To the extent appropriate, the Secretary shall assist a producer in achieving the conservation and environmental goals of a program plan by—

(1) providing technical assistance in developing and implementing the plan;

(2) providing technical assistance, cost-share payments, or incentive payments for developing and implementing 1 or more practices, as appropriate;

(3) providing the producer with information, education, and training to aid in implementation of the plan; and

(4) encouraging the producer to obtain technical assistance, cost-share payments, or grants from other Federal, State, local, or private sources.

SEC. 1240G. LIMITATION ON PAYMENTS.

(a) In General.—Subject to subsection (b), the total amount of cost-share and incentive payments paid to a producer under this chapter shall not exceed—

(1) $30,000 for any fiscal year, regardless of whether the producer has more than 1 contract under this chapter for the fiscal year;

(2) $90,000 for a contract with a term of 3 years;

(3) $120,000 for a contract with a term of 4 years; or

(4) $150,000 for a contract with a term of more than 4 years.

(b) Attribution.—An individual or entity shall not receive, directly or indirectly, total payments from a single or multiple contracts this chapter that exceed $30,000 for any fiscal year.

(c) Exception to Annual Limit.—The Secretary may exceed the limitation on the annual amount of a payment to a producer under subsection (a)(1) if the Secretary determines that a larger payment is—

(1) essential to accomplish the land management practice or structural practice for which the payment is made to the producer; and

(2) consistent with the maximization of environmental benefits per dollar expended and the purposes of this chapter.

(d) Verification.—The Secretary shall identify individuals and entities that are eligible for a payment under the program using social security numbers and taxpayer identification numbers, respectively.

SA 2848. Mr. LUGAR (for Mr. GRAMM) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

At the appropriate place insert the following:

(1) Title XII of H.R. 5426 of the 106th Congress, as introduced on October 6, 2000 and as enacted by Public Law 106-387 is hereby repealed.

SA 2849. Mr. LUGAR (for Mr. GRAMM) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows;

At the appropriate place insert the following:

Section 1205 of the Hass Avocado Promotion, Research, and Information Act (contained in H.R. 5426 of the 106th Congress, as introduced on October 6, 2000 and as enacted by Public Law 106-387) is amended—

(1) in paragraph (b)(2) by striking subparagraph (A) and inserting in lieu thereof:

"(A) In general.—The order shall provide that the Secretary shall appoint the members of the Board, and any alternates, from among domestic producers and importers of Hass avocados subject to assessments under the order to reflect the proportion of domestic production and imports supplying the United States market, which shall be based on the Secretary's determination of the average volume of domestic production of Hass avocados proportionate to the average volume of imports of Hass avocados in the United States over the previous three years.

(2) in paragraph (b)(2)(B) by striking "under subparagraph (A)(iii) on the basis of the amount of assessments collected from producers and importers over the immediately preceding three-year period" and inserting "under subparagraph (A)".

(3) in paragraph (h)(1)(C)(iii) by striking everything in the first sentence following "by the importer" and inserting in lieu thereof "to the respective importers association, or if there is no such association to the Board, within such time period after the retail sale of such avocados in the United States (not to exceed 60 days after the end of the month in which the sale took place) as is specified for domestically produced avocados."; and

(4) in paragraph (9) by inserting at the end the following:

"(D) All importers of avocados from a country associated with an importers association based on country-of-origin activities shall be required to be members of such importers association, and membership in such importers association shall be open to any foreign avocado exporter or grower who elects to voluntarily join."

SA 2850. Mr. LUGAR (for Mr. KYL (for himself, Mr. NICKLES, AND MR. HUTCHINSON)) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows;

At the appropriate place insert the following:

SEC. . SENSE OF THE SENATE ON PERMANENT REPEAL OF ESTATE TAXES.

(a) FINDINGS.—

(1) The Economic Growth and Tax Relief Reconciliation Act of 2001 provided substantial relief from federal estate and gift taxes beginning this year and repealed the federal estate tax for one year beginning on January 1, 2010, and

(2) The Economic Growth and Tax Relief Reconciliation Act of 2001 contains a "sunset" provision that reinstates the federal estate tax at its 2001 level beginning on January 1, 2011;

(b) SENSE OF THE SENATE.—Therefore, it is the Sense of the Senate that the repeal of the estate tax should be made permanent by eliminating the sunset provision's applicability to the estate tax.

SA 2851. Mr. LUGAR (for Mr. DOMENICI) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Strike section 132 and insert the following:

SEC. 132. NATIONAL DAIRY PROGRAM.

The Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 772(b) of Public Law 107–76) is amended by inserting after section 141 (7 U.S.C. 7251) the following:

"SEC. 142. NATIONAL DAIRY PROGRAM.

"(a) DEFINITIONS.—In this section:

"(1) DAIRY FARM.—

"(A) IN GENERAL.—The term 'dairy farm' means a dairy farm that is—

"(i) located within the United States;

"(ii) permitted under a license issued by State or local agency or the Secretary—

"(I) to market milk for human consumption; or

"(II) to process milk into products for human consumption; and

"(iii) operated by producers that commercially market milk during the payment period.

"(B) EXCLUSION.—The term 'dairy farm' does not include a farm that is operated by a successor to a producer.

"(2) ELIGIBLE PRODUCTION.—The term 'eligible production' means the quantity of milk that is produced and marketed on a dairy farm.

"(3) PAYMENT PERIOD.—The term 'payment period' means—

"(A) the period beginning on December 1, 2001, and ending on September 30, 2002; and

"(B) each of fiscal years 2003 through 2005.

"(4) PRODUCER.—The term 'producer' means the individual or entity that is the holder of the license described in paragraph (1)(A)(ii) for the dairy farm.

"(b) PROGRAM.—The Secretary shall make payments to producers.

"(c) AMOUNT.—Subject to subsection (h), payments to producers on a dairy farm under this section shall be calculated by multiplying—

"(1) the eligible production during the payment period; by

"(2) the payment rate.

"(d) PAYMENT RATE.—

"(1) IN GENERAL.—Subject to paragraph (2), the payment rate for a payment under this subsection shall be equal to $0.315 per hundredweight.

"(2) ADJUSTMENT.—The Secretary may adjust the payment rate under paragraph (1) with respect to the last fiscal year of the payment period if the Secretary determines that there are insufficient funds made available under subsection (h) to carry out this section for that fiscal year.

"(e) APPLICATION FOR PAYMENT.—To be eligible for a payment for a payment period under this section, the producers on a dairy farm shall submit an application to the Secretary in such manner as is prescribed by the Secretary.

"(f) TIMING OF PAYMENTS.—Payments under this section shall be made on an annual basis.

"(g) ADJUSTMENTS.—The Secretary may provide for the adjustment of eligible production of a dairy farm under this section if the production of milk on the dairy farm has been adversely affected by (as determined by the Secretary)—

"(1) damaging weather or a related condition;

"(2) a criminal act of a person other than the producers on the dairy farm; or

"(3) any other act or event beyond the control of the producers on the dairy farm.

"(h) FUNDING.—The Secretary shall use not more than $2,000,000,000 of funds of the Commodity Credit Corporation to carry out this section.".

SA 2852. Mr. HARKIN (for Mr. KERRY (for himself and Ms. SNOWE)) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. . COMMERCIAL FISHERIES FAILURE.

(a) IN GENERAL.—In addition to amounts appropriated or otherwise made available by this Act, there are appropriated to the Department of Agriculture $10,000,000 for fiscal year 2002, which shall be transferred to the Commodity Credit Corporation to provide, in consultation with the Secretary of Commerce, emergency disaster assistance for the commercial fishery failure under section 308(b)(1) of the Interjurisdictional Fisheries Act of 1986 (16 U.S.C. 4107(b)(1)) with respect to Northeast multispecies fisheries.

(b) PROGRAM REQUIREMENTS.—Amounts made available under this section shall be used to support a voluntary fishing capacity reduction program in the Northeast multispecies fishery that—

(1) is certified by the Secretary of Commerce to be consistent with section 312(b) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861a(b)); and

(2) permanently revokes multispecies limited access fishing permits so as to obtain the maximum sustained reduction in fishing capacity at the least cost and in the minimum period of time and to prevent the replacement of fishing capacity removed by the program.

(c) APPLICATION OF INTERIM FINAL RULE.—The program shall be carried out in accordance with the Interim Final Rule under part 648 of title 50, Code of Federal Regulations, or any corresponding regulation or rule promulgated thereunder.

(d) SUNSET.—The authority provided by subsection (a) shall terminate 1 year after the date of enactment of this Act and no amount may be made available under this section thereafter.

SA 2853. Mr. HARKIN proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

At the appropriate place, add the following:

Amend Section 602 by adding after the word "concern" at the end of subsection 384I(c)(3)(C) the words "and not more than 10 percent of the investments shall be made in an area containing a city of over 100,000 in the last decennial Census and the Census Bureau defined urbanized area containing or adjacent to that city".

SA 2854. Mr. LUGAR (for Mr. MCCONNELL) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

On page 984, line 2, strike the period at the end and insert a period and the following:

SEC. 10 . BEAR PROTECTION.

(a) SHORT TITLE.—This section may be cited as the "Bear Protection Act of 2002".

(b) FINDINGS.—Congress finds that—

(1) all 8 extant species of bear—Asian black bear, brown bear, polar bear, American black bear, spectacled bear, giant panda, sun bear, and sloth bear—are listed on Appendix I or II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (27 UST 1087; TIAS 8249);

(2)(A) Article XIV of CITES provides that Parties to CITES may adopt stricter domestic measures regarding the conditions for trade, taking, possession, or transport of species listed on Appendix I or II; and

(B) the Parties to CITES adopted a resolution in 1997 (Conf. 10.8) urging the Parties to take immediate action to demonstrably reduce the illegal trade in bear parts;

(3)(A) thousands of bears in Asia are cruelly confined in small cages to be milked for their bile; and

(B) the wild Asian bear population has declined significantly in recent years as a result of habitat loss and poaching due to a strong demand for bear viscera used in traditional medicines and cosmetics;

(4) Federal and State undercover operations have revealed that American bears have been poached for their viscera;

(5) while most American black bear populations are generally stable or increasing, commercial trade could stimulate poaching and threaten certain populations if the demand for bear viscera increases; and

(6) prohibitions against the importation into the United States and exportation from the United States, as well as prohibitions against the interstate trade, of bear viscera and products containing, or labeled or advertised as containing, bear viscera will assist in ensuring that the United States does not contribute to the decline of any bear population as a result of the commercial trade in bear viscera.

(c) PURPOSE.—The purpose of this section is to ensure the long-term viability of the world's 8 bear species by—

(1) prohibiting interstate and international trade in bear viscera and products containing, or labeled or advertised as containing, bear viscera;

(2) encouraging bilateral and multilateral efforts to eliminate such trade; and

(3) ensuring that adequate Federal legislation exists with respect to domestic trade in bear viscera and products containing, or labeled or advertised as containing, bear viscera.

(d) DEFINITIONS.—In this section:

(1) BEAR VISCERA.—The term "bear viscera" means the body fluids or internal organs, including the gallbladder and its contents but not including the blood or brains, of a species of bear.

(2) CITES.—The term "CITES" means the Convention on International Trade in Endangered Species of Wild Fauna and Flora (27 UST 1087; TIAS 8249).

(3) IMPORT.—The term "import" means to land on, bring into, or introduce into any place subject to the jurisdiction of the United States, regardless of whether the landing, bringing, or introduction constitutes an importation within the meaning of the customs laws of the United States.

(4) PERSON.—The term "person" means—

(A) an individual, corporation, partnership, trust, association, or other private entity;

(B) an officer, employee, agent, department, or instrumentality of—

(i) the Federal Government;

(ii) any State or political subdivision of a State; or

(iii) any foreign government; and

(C) any other entity subject to the jurisdiction of the United States.

(5) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(6) STATE.—The term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, and any other territory, commonwealth, or possession of the United States.

(7) TRANSPORT.—The term "transport" means to move, convey, carry, or ship by any means, or to deliver or receive for the purpose of movement, conveyance, carriage, or shipment.

(e) PROHIBITED ACTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), a person shall not—

(A) import into, or export from, the United States bear viscera or any product, item, or substance containing, or labeled or advertised as containing, bear viscera; or

(B) sell or barter, offer to sell or barter, purchase, possess, transport, deliver, or receive, in interstate or foreign commerce, bear viscera or any product, item, or substance containing, or labeled or advertised as containing, bear viscera.

(2) EXCEPTION FOR WILDLIFE LAW ENFORCEMENT PURPOSES.—A person described in subsection (d)(4)(B) may import into, or export from, the United States, or transport between States, bear viscera or any product, item, or substance containing, or labeled or advertised as containing, bear viscera if the importation, exportation, or transportation—

(A) is solely for the purpose of enforcing laws relating to the protection of wildlife; and

(B) is authorized by a valid permit issued under Appendix I or II of CITES, in any case in which such a permit is required under CITES.

(f) PENALTIES AND ENFORCEMENT.—

(1) CRIMINAL PENALTIES.—A person that knowingly violates subsection (e) shall be fined under title 18, United States Code, imprisoned not more than 1 year, or both.

(2) CIVIL PENALTIES.—

(A) AMOUNT.—A person that knowingly violates subsection (e) may be assessed a civil penalty by the Secretary of not more than $25,000 for each violation.

(B) MANNER OF ASSESSMENT AND COLLECTION.—A civil penalty under this paragraph shall be assessed, and may be collected, in the manner in which a civil penalty under the Endangered Species Act of 1973 may be assessed and collected under section 11(a) of that Act (16 U.S.C. 1540(a)).

(3) SEIZURE AND FORFEITURE.—Any bear viscera or any product, item, or substance imported, exported, sold, bartered, attempted to be imported, exported, sold, or bartered, offered for sale or barter, purchased, possessed, transported, delivered, or received in violation of this subsection (including any regulation issued under this subsection) shall be seized and forfeited to the United States.

(4) REGULATIONS.—After consultation with the Secretary of the Treasury and the United States Trade Representative, the Secretary shall issue such regulations as are necessary to carry out this subsection.

(5) ENFORCEMENT.—The Secretary, the Secretary of the Treasury, and the Secretary of the department in which the Coast Guard is operating shall enforce this subsection in the manner in which the Secretaries carry out enforcement activities under section 11(e) of the Endangered Species Act of 1973 (16 U.S.C. 1540(e)).

(6) USE OF PENALTY AMOUNTS.—Amounts received as penalties, fines, or forfeiture of property under this subsection shall be used in accordance with section 6(d) of the Lacey Act Amendments of 1981 (16 U.S.C. 3375(d)).

(g) DISCUSSIONS CONCERNING BEAR CONSERVATION AND THE BEAR PARTS TRADE.—In order to seek to establish coordinated efforts with other countries to protect bears, the Secretary shall continue discussions concerning trade in bear viscera with—

(1) the appropriate representatives of Parties to CITES; and

(2) the appropriate representatives of countries that are not parties to CITES and that are determined by the Secretary and the United States Trade Representative to be the leading importers, exporters, or consumers of bear viscera.

(h) CERTAIN RIGHTS NOT AFFECTED.—Except as provided in subsection (e), nothing in this section affects—

(1) the regulation by any State of the bear population of the State; or

(2) any hunting of bears that is lawful under applicable State law (including regulations).

SA 2855. Mr. LUGAR (for Mr. KYL) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

On page 8, line 19, insert the following:

"(12) IMPLEMENTATION.—In carrying out the program, the Secretary shall—

"(A) ensure, to the maximum extent practicable, that the program does not undermine the implementation of any law in effect as of the date of enactment of this chapter that concerns the transfer or acquisition of water or water rights on a permanent basis;

"(B) implement the program in accordance with the purposes of such laws described in subparagraph (A) as are applicable; and

"(C) comply with—

"(i) all interstate compacts, court decrees, and Federal or State laws (including regulations) that may affect water or water rights; and

"(ii) all procedural and substantive State water law."

On page 8, line 19, strike "(12)" and insert "(13)".

On page 9, line 16, strike "(13) and insert "(14)".

On page 17, line 20, insert the following:

"(1) IN GENERAL.—Nothing in this section—

On page 17, line 21, strike "(1)" and insert "(A)".

On page 17, line 22, strike "(2)" and insert "(B)".

On page 18, line 1, strike "(3)" and insert "(C)".

On page 18, line 5, strike "(4)" and insert "(D)".

On page 18, line 7, insert the following:

"(2) IMPLEMENTATION.—In carrying out the program, the Secretary shall—

"(A) ensure, to the maximum extent practicable, that the program does not undermine the implementation of any law in effect as of the date of enactment of this chapter that concerns the transfer or acquisition of water or water rights on a permanent basis;

"(B) implement the program in accordance with the purposes of such laws described in subparagraph (A) as are applicable; and

"(C) comply with—

"(i) all interstate compacts, court decrees, and Federal or State laws (including regulations) that may affect water or water rights; and

"(ii) all procedural and substantive State water law."

SA 2856. Mr. HARKIN proposed an amendment to amendment SA 2845 submitted by Mr. MCCONNELL and intended to be proposed to the amendment SA 2471 proposed by Mr. DASCHLE to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

Strike all after the first word and insert the following:

SEC. 1___. REDUCTION OF COMMODITY BENEFITS TO ESTABLISH A PILOT PROGRAM FOR FARM COUNTERCYLICAL SAVINGS ACCOUNTS.

(a) Income Protection Prices for Counter-Cyclical Payments.—Section 114(c) of the Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 111) is amended by striking paragraph (2) and inserting the following:

"(2) Income protection prices.—The income protection prices for contract commodities under paragraph (1)(A) are as follows:

"(A) Wheat, $3.4460 per bushel.

"(B) Corn, $2.3472 per bushel.

"(C) Grain sorghum, $2.3472 per bushel.

"(D) Barley, $2.1973 per bushel.

"(E) Oats, $1.5480 per bushel.

"(F) Upland cotton, $0.6793 per pound.

"(G) Rice, $9.2914 per hundredweight.

"(H) Soybeans, $5.7431 per bushel.

"(I) Oilseeds (other than soybeans), $0.1049 per pound.".

(b) Loan Rates for Marketing Assistance Loans.—

(1) In general.—Section 132 of the Federal Agriculture Improvement and Reform Act of 1996 (as amended by section 123(a)) is amended to read as follows:

"SEC. 132. LOAN RATES.

"The loan rate for a marketing assistance loan under section 131 for a loan commodity shall be—

"(1) in the case of wheat, $2.9960 per bushel;

"(2) in the case of corn, $2.0772 per bushel;

"(3) in the case of grain sorghum, $2.0772 per bushel;

"(4) in the case of barley, $1.9973 per bushel;

"(5) in the case of oats, $1.4980 per bushel;

"(6) in the case of upland cotton, $0.5493 per pound;

"(7) in the case of extra long staple cotton, $0.7965 per pound;

"(8) in the case of rice, $6.4914 per hundredweight;

"(9) in the case of soybeans, $5.1931 per bushel;

"(10) in the case of oilseeds (other than soybeans), $0.0949 per pound;

"(11) in the case of graded wool, $1.00 per pound;

"(12) in the case of nongraded wool, $.40 per pound;

"(13) in the case of mohair, $2.00 per pound;

"(14) in the case of honey, $.60 per pound;

"(15) in the case of dry peas, $6.78 per hundredweight;

"(16) in the case of lentils, $12.79 per hundredweight;

"(17) in the case of large chickpeas, $17.44 per hundredweight; and

"(18) in the case of small chickpeas, $8.10 per hundredweight.".

(2) Adjustment of loans.—

(A) In general.—The amendment made by section 123(b) is repealed.

(B) Applicability.—Section 162 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7282) shall be applied and administered as if the amendment made by section 123(b) had not been enacted.

SEC. 1___. PILOT PROGRAM FOR FARM COUNTER-CYCLICAL SAVINGS ACCOUNTS.

Subtitle B of title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7211 et seq.) is amended by adding at the end the following:

"SEC. 119. PILOT PROGRAM FOR FARM COUNTER-CYCLICAL SAVINGS ACCOUNTS.

"(a) Definitions.—In this section:

"(1) Adjusted gross revenue.—The term 'adjusted gross revenue' means the adjusted gross income for all agricultural enterprises of a producer in a year, excluding revenue earned from nonagricultural sources, as determined by the Secretary—

"(A) by taking into account gross receipts from the sale of crops and livestock on all agricultural enterprises of the producer, including insurance indemnities resulting from losses in the agricultural enterprises;

"(B) by including all farm payments paid by the Secretary for all agricultural enterprises of the producer, including any marketing loan gains described in section 1001(3)(A) of the Food Security Act of 1985 (7 U.S.C. 1308(3)(A));

"(C) by deducting the cost or basis of livestock or other items purchased for resale, such as feeder livestock, on all agricultural enterprises of the producer; and

"(D) as represented on—

"(i) a schedule F of the Federal income tax returns of the producer; or

"(ii) a comparable tax form related to the agricultural enterprises of the producer, as approved by the Secretary.

"(2) Agricultural enterprise.—The term 'agricultural enterprise' means the production and marketing of all agricultural commodities (including livestock but excluding tobacco) on a farm or ranch.

"(3) Average adjusted gross revenue.—The term 'average adjusted gross revenue' means—

"(A) the average of the adjusted gross revenue of a producer for each of the preceding 5 taxable years; or

"(B) in the case of a beginning farmer or rancher or other producer that does not have adjusted gross revenue for each of the preceding 5 taxable years, the estimated income of the producer that will be earned from all agricultural enterprises for the applicable year, as determined by the Secretary.

"(4) Producer.—The term 'producer' means an individual or entity, as determined by the Secretary for an applicable year, that—

"(A) shares in the risk of producing, or provides a material contribution in producing, an agricultural commodity for the applicable year;

"(B) has a substantial beneficial interest in the agricultural enterprise in which the agricultural commodity is produced;

"(C)(i) during each of the preceding 5 taxable years, has filed—

"(I) a schedule F of the Federal income tax returns; or

"(II) a comparable tax form related to the agricultural enterprises of the individual or entity, as approved by the Secretary; or

"(ii) is a beginning farmer or rancher or other producer that does not have adjusted gross revenue for each of the preceding 5 taxable years, as determined by the Secretary; and

"(D)(i) has earned at least $50,000 in average adjusted gross revenue over the preceding 5 taxable years;

"(ii) is a limited resource farmer or rancher, as determined by the Secretary; or

"(iii) in the case of a beginning farmer or rancher or other producer that does not have average adjusted gross revenue for the preceding 5 taxable years, has at least $50,000 in estimated income from all agricultural enterprises for the applicable year, as determined by the Secretary.

"(b) Establishment.—For each of fiscal years 2003 through 2006, the Secretary shall establish a pilot program in 10 States (as determined by the Secretary) under which a producer may establish a farm counter-cyclical savings account in the name of the producer in a bank or financial institution selected by the producer and approved by the Secretary.

"(c) Content of Account.—A farm counter-cyclical savings account shall consist of—

"(1) contributions of the producer; and

"(2) matching contributions of the Secretary.

"(d) Producer Contributions.—A producer may deposit such amounts in the account of the producer as the producer considers appropriate.

"(e) Matching Contributions.—

"(1) In general.—Subject to paragraphs (2) through (5), the Secretary shall provide a matching contribution on the amount deposited by the producer into the account.

"(2) Amount.—Subject to paragraph (3), the amount of a matching contribution that the Secretary shall provide under paragraph (1) shall be equal to 2 percent of the average adjusted gross revenue of the producer.

"(3) Maximum contributions for individual producer.—The amount of matching contributions that may be provided by the Secretary for an individual producer under this subsection shall not exceed $5,000 for any applicable fiscal year.

"(4) Maximum contributions for all producers in a State.—The total amount of matching contributions that may be provided by the Secretary for all producers under this program shall not exceed $70,000,000 for fiscal year 2003, $100,000,000 for fiscal year 2004, $140,000,000 for fiscal year 2005, and $200,000,000 for fiscal year 2006.

"(5) Date for matching contributions.—The Secretary shall provide the matching contributions required for a producer under paragraph (1) as of the date that a majority of the covered commodities grown by the producer are harvested.

"(f) Interest.—Funds deposited into the account may earn interest at the commercial rates provided by the bank or financial institution in which the Account is established.

"(g) Use.—Funds credited to the account—

"(1) shall be available for withdrawal by a producer, in accordance with subsection (h); and

"(2) may be used for purposes determined by the producer.

"(h) Withdrawal.—

"(1) In general.—Subject to paragraph (2), in any year, a producer may withdraw funds from the account in an amount that is equal to—

"(A) 90 percent of average adjusted gross revenue of the producer for the previous 5 years; minus

"(B) the adjusted gross revenue of the producer in that year.

"(2) Retirement.—A producer that ceases to be actively engaged in farming, as determined by the Secretary—

"(A) may withdraw the full balance from, and close, the account; and

"(B) may not establish another account.

"(i) Administration.—The Secretary shall administer this section through the Farm Service Agency and local, county, and area offices of the Department of Agriculture.".

SA 2857. Mr. REID (for Mr. Conrad) proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

At the appropriate place insert the following:

Since both political parties have pledged not to misuse Social Security surplus funds by spending them for other purposes; and

Since under the Administration's fiscal year 2003 budget, the federal government is projected to spend the Social Security surplus for other purposes in each of the next 10 years;

Since permanent extension of the inheritance tax repeal would cost, according to the Administration's estimate, approximately $104 billion over the next 10 years, all of which would further reduce the Social Security surplus;

Therefore it is the Sense of the Senate that no Social Security surplus funds should be used to pay to make currently scheduled tax cuts permanent or for wasteful spending.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, February 12, 2002, at 9:30 a.m., in open session to receive testimony on the Defense authorization request for fiscal year 2003 and the Future Years Defense Program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet on February 12, 2002, at 10:00 a.m., to conduct a hearing on "Accounting and Investor Protection Issues Raised by Enron and Other Public Companies."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. REID. Mr. President: I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, February 12, 2002, at 9:30 a.m., on the collapse of Enron in SR–253.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, February 12 at 10:00 a.m., to conduct a hearing. The purpose of this hearing is to receive testimony on the FY 2003 budget requests for the Department of the Interior, the U.S. Forest Service, and the Department of Energy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the sessions of the Senate on Tuesday, February 12, 2002 at 2:30 p.m. to hold a hearing entitled, "Theft of American Intellectual Property: Fighting Crime Abroad and at Home".

Agenda

Witnesses

Panel 1: The Honorable Alan P. Larson, Under Secretary for Economic, Business, and Agricultural Affairs, Department of State, Washington, DC; the Honorable Peter F. Allgeier, Deputy U.S. Trade Representative, Office of U.S. Trade Representative, Washington, DC; and Mr. John S. Gordon, U.S. attorney, Central District of California, Los Angeles, CA.

Panel 2: Mr. Jeff Raikes, Group Vice President, Productivity and Business Services, Microsoft Corporation, Redmond, Washington; Mr. Jack Valenti, President and CEO, Motion Picture Association of America, Washington, DC; Ms. Hilary Rosen, President and CEO, Recording Industry Association of America, Washington, DC; and Mr. Douglas Lowenstein, president, Interactive Digital Software Association, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Tuesday, February 12, 2002 at 10:15 a.m. (immediately following the first vote of the day) for a business meeting to consider the nominations of: 1) Nancy Dorn to be Deputy Director of the Office of Management and Budget; 2) Dan G. Blair to be Deputy Director of the Office of Personnel Management; and 3) John L. Howard to be Chairman, Special Panel on Appeals.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on Early Education: From Science To Practice during the session of the Senate on Tuesday, February 12, 2002. At 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on OxyContin: Balancing Risks and Benefits during the session of the Senate on Tuesday, February 12, 2002. At 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON IMMIGRATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Immigration be authorized to meet to conduct a hearing on Tuesday, February 12, 2002 at 3:00 p.m. in Dirksen 226.

Witness List

Panel I: Arthur "Gene" Dewey, Assistant Secretary of State for the Bureau of Population, Refugees, and Migration, Department of State, Washington, DC; and James Ziglar, Commissioner, U.S. Immigration and Naturalization Service, Washington, DC.

Panel II: Lenny Glickman, chairman, Refugee Council USA, New York, NY; Anastasia Brown, assistant director for processing operations, Migration and Refugee Services, U.S. Conference of Catholic Bishops, Washington, DC; and Bill Frelick, Director of Policy, U.S. Committee for Refugees, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL SECURITY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs' Subcommittee on International Security, Proliferation and Federal Services be authorized to meet on Tuesday, February 12, 2002, at 9:30 a.m. for a hearing regarding "Multilateral Non-proliferation Regimes, Weapons of Mass Destruction Technologies, and the War on Terrorism."

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent that Jeannie Rhee, a fellow on the staff of Senator DASCHLE, be granted the privilege of the floor during debate on S. 1731.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Justin Buoen, who is an intern in my office, be granted the privilege of the floor for the duration of the debate today.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

NOMINATION DISCHARGED

Mr. REID. Mr. President, I ask unanimous consent the Senate proceed to executive session and that the HELP

Committee be discharged from further consideration of the nomination of William Leidinger, to be Assistant Secretary for Management at the Department of Education; that the nomination be confirmed, the motion to reconsider be laid on the table, any statements thereon be printed in the RECORD, and the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

DEPARTMENT OF EDUCATION

William Leidinger, of Virginia, to be Assistant Secretary for Management, Department of Education.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will resume legislative session.

COMMENDING PRESIDENT PERVEZ MUSHARRAF OF PAKISTAN

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to S. Con. Res. 96 submitted earlier today by Senators BROWNBACK and WELLSTONE.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 96) commending President Pervez Musharraf of Pakistan for his leadership and friendship and welcoming him to the United States.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. REID. Mr. President, I ask unanimous consent that the concurrent resolution and preamble be agreed to en bloc, the motion to reconsider be laid on the table, and that any statements thereon be printed in the RECORD with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 96) was agreed to.

The preamble was agreed to.

(The concurrent resolution with its preamble, is printed in today's RECORD under "Statements on Submitted Resolutions".)

ORDERS FOR TOMORROW, FEBRUARY 13, 2002

Mr. REID. Mr. President, I ask unanimous consent when the Senate completes its business today, it adjourn until the hour 9:30 a.m. tomorrow, Wednesday, February 13; that following the prayer and pledge the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate resume consideration of the farm bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. REID. Mr. President, there is going to be a series of rollcall votes in the morning in relation to the farm bill. They will begin at about 9:50 a.m., give or take a minute or two.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:40 p.m., adjourned until Wednesday, February 13, 2002, at 9:30 a.m.

CONFIRMATION

Executive nomination confirmed by the Senate February 12, 2002:

DEPARTMENT OF EDUCATION

WILLIAM LEIDINGER, OF VIRGINIA, TO BE ASSISTANT SECRETARY FOR MANAGEMENT, DEPARTMENT OF EDUCATION.

HOUSE OF REPRESENTATIVES—*Tuesday, February 12, 2002*

The House met at 12:30 p.m.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested.

S. 1206. An act to reauthorize the Appalachian Regional Development Act of 1965, and for other purposes.

MORNING HOUR DEBATES

The SPEAKER. Pursuant to the order of the House of January 23, 2002, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority leader, the minority leader or the minority whip limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Ohio (Mr. BROWN) for 5 minutes.

UNEMPLOYMENT BENEFITS EXTENSION

Mr. BROWN of Ohio. Mr. Speaker, in the first 6 months of 2002, 2 million American workers are expected to exhaust their unemployment benefits. Even when we account for growth in the workforce, this means more workers are expected to exhaust their benefits in the next 3 months than in any first quarter since the early 1970s.

Of those exhausting benefits over the next 6 months, only 4 percent, 4 percent, are expected to receive extensions through State unemployment programs.

This extraordinary number of anticipated exhaustions is due to the huge number of job losses that occurred in the last 6 months of 2001. These job losses were caused by a slowing economy, by unsound trade policies and by the devastating attacks of September 11. To make matters worse, many of the jobs lost in 2001 were good-paying, high-skilled manufacturing jobs that have probably been lost forever.

In my home State of Ohio and across the country, the steel industry has been devastated by a combination of foreign dumping and the current recession. According to the Department of Labor, the U.S. has lost 1.4 million manufacturing jobs since President Bush took office, 1.4 million manufacturing jobs. Total job losses from 2001 reduced our manufacturing base by 8 percent, 8 percent in 1 year, diminishing our industrial capacity to 1964 levels.

In each of the last five recessions, the Federal Government stepped in to provide additional benefits to those temporarily out of work. This recession, Mr. Speaker, should be no different.

Last week efforts to craft a bipartisan stimulus package failed in the Senate. The Senate did, however, approve a 13-week extension of unemployment benefits.

For the last 5 months, however, the Republican leadership in this House has repeatedly promised to help laid-off workers. They made that promise during the debate of the initial disaster relief bill; then they did nothing. They made that promise during the debate of the $5 billion airline bailout bill; then they did nothing. They made that promise in the two economic stimulus bills passed by the House; again, Republican leadership did nothing.

The question is, were their promises to help laid-off workers, to help America's unemployed, were their promises contingent upon simply obtaining new and permanent tax breaks for America's wealthiest companies and wealthiest individuals? To prove this is not the case, I urge the Republican leadership to bring a simple, clean 13-week unemployment benefit extension to the House floor as soon as possible. Our workers have waited long enough.

NBC LIQUOR AND ADVERTISEMENTS ON THE OLYMPICS

The SPEAKER pro tempore (Mr. CULBERSON). Pursuant to the order of the House of January 23, 2002, the gentleman from Virginia (Mr. WOLF) is recognized during morning hour debates for 5 minutes.

Mr. WOLF. Mr. Speaker, as many know, NBC recently announced its decision to begin airing hard liquor advertisements. This decision abruptly terminates over 50 years of corporate responsibility and effective self-regulation.

Now more troubling is that NBC is not even abiding strictly to its own guidelines. For instance, NBC has promised that they will not extend their decision to advertising hard liquor on the Olympics. Well, as this recent article from USA Today says, and I will submit for the RECORD, they are skating on thin ice.

Mr. Speaker, NBC plans to allow the advertisement of products such as Bacardi Silver. Yes, the Olympics, perhaps one of the most youth-oriented sporting events ever, will have promotions for Bacardi Silver and other alcohol advertisements.

Technically, Bacardi Silver is not a distilled spirit since its alcohol content is approximately that of beer; however, we all know the reality of such an advertising tactic. Bacardi is a name people associate with hard liquor, period. Simply put, this appears to be a subterfuge to actually market hard liquor. NBC is allowing direct marketing to youth of a well-known brand of hard liquor by piggybacking onto another product.

This is outrageous. For all the protestations by NBC about their responsible policy of alcohol advertising, it is a sham. Young people, 13-, 14-, 15-year-olds, will be watching the Olympics and see the ads for products such as Bacardi Silver. Does anyone responsible think there will not be any association?

We are just now making progress with regard to dealing with drunk driving by young people.

The Center on Alcohol Advertising conducted a pilot study that demonstrates beer commercials and attendant brands were recognizable by children as young as 9 to 11. That is the exact type of advertisements we are talking about for the Olympics.

What will the consequences of this policy be? In short, more young people drinking will result in increases in drunk driving, teen deaths and alcoholism. Alcohol is a factor in the four leading causes of death among persons age 10 through 24: motor vehicle crashes, unintentional injuries, homicide and suicide. Alcohol-related car crashes are the leading cause of death among teenagers 15 to 24. Young people who begin drinking before age 15 are four times more likely to develop alcohol dependence than those who begin drinking at age 21.

NBC is being irresponsible. NBC will cause the hurt and pain and suffering in the families of many, many people in this United States. The public has spoken out on this issue, and NBC does not care. The National Center for Science in the Public Interest conducted a poll that shows 73 percent of the public believes hard liquor advertising will increase youth drinking. NBC does not care.

We are submitting a letter from 25 groups asking NBC to go back to the policy that it had for 52 years. I also want to close with an article from the

Washington Post that illustrates the real consequences of drunk driving better than any set of statistics. Just this weekend in my congressional district in Sterling, Virginia, a drunk driver killed a boy and his grandfather. Mr. Speaker, imagine receiving that call from the State police if you were the boy's mother. NBC's hard liquor advertising will lead to more drunk driving and more of those phone calls.

I urge Members to speak out on this issue and let NBC know that it ought to do what the American people think appropriate. It ought to go back to its voluntary guidelines that it had for 50 years and do not advertise hard liquor to young people of the country and bring about pain and suffering for families.

The material previously referred to is as follows:

[From USA Today, Feb. 5, 2002]

Marketing by Spirits Makers Gets Icy Reception

(By Michael McCarthy and Theresa Howard)

Figure skating won't be the only closely watched competition at the Salt Lake Games. Major marketing pushes by some big beer and spirits makers also may be dancing on thin ice.

Anheuser-Busch will use the Olympics to roll out a $60 million campaign to launch its Bacardi Silver. And Seagram's rum brand, Captain Morgan, will take to the slopes to tout its sponsorship of the U.S. Ski Team.

Just weeks after Olympics broadcaster NBC eased restrictions on spirits advertising, the debate over alcoholic beverage marketing during the Games is heating up.

"The Olympics are a youth-oriented event," says Kimberly Miller of the Center for Science in the Public Interest. "For the Olympic committee to make the connection between drinking and sports is irresponsible."

But executives from both A–B and Captain Morgan defend their right to be at the Salt Lake Games.

"It's a wonderful opportunity for us," says Bob Lachky, vice president of brand management at Anheuser-Busch. "We'll have a national and international audience."

A–B will air more than 130 commercials for its Budweiser, Bud Light, Michelob and Bacardi Silver brands. A–B is the exclusive malt-beverage sponsor and advertiser of the 2002 Games and has a seven-year deal with the U.S. Olympic Committee to serve as official beer sponsor of the U.S. Olympic Team.

The new Bacardi spots from Momentum in St. Louis are music-driven and heavily feature the sleek new silver bottle. The theme: "Your night just got more interesting."

But A–B will air most of the Bacardi Silver commercials during the evening to avoid targeting younger consumers. Still, A–B has paid millions for its Olympics sponsorships, and Lachky says the company won't avoid big events to mollify critics.

"There's always going to be critics of our industry. But we will do things in a respectful fashion. We're not worried about it," He says.

Captain Morgan is a team sponsor—not a sponsor of the Games themselves. So it's walking an even finer line than Anheuser-Busch, critics say.

"It's a dangerous marketing tactic," says Bob Prazmark, president of Olympic sales and marketing for sports marketing group IMG. "What they are doing is trying to share in some of the glory."

Captain Morgan officials insist they're doing no such thing. Team athletes Evan Dybvig and Shannon Bahrke are restricted from competing or making Olympics appearances while sporting any Captain Morgan-branded gear or apparel.

"We can do things tastefully and stay in the guidelines," says Captain Morgan's Scott Geisler. "Do we stand a risk of raising a little controversy? Perhaps."

Coalition for the Prevention of Alcohol Problems,
Washington, DC, February 6, 2002.

Mr. Robert C. Wright,
Vice Chairman and Executive Officer, General Electric, Chairman and CEO, NBC, New York, NY.

Dear Mr. Wright: As leaders of organizations concerned with public health and the well being of young people and families, we are dismayed by your decision to begin airing hard liquor ads on NBC, ending five decades of responsible voluntary refusal of such ads.

We strongly urge you to reconsider NBC's policy and we respectfully request a meeting with you to discuss our concerns, including a number of gross deficiencies in NBC's guidelines governing the airing of liquor ads.

Too many influences already promote excessive and underage drinking and hard-liquor ads on NBC can only make that problem worse. Alcohol is by far America's number-one youth drug problem. It kills six times more kids than all illicit drugs combined and underage drinking costs our country an estimated $52 billion per year. According to the latest government data, nearly one-third of all 12- to 20-year olds report using alcohol within the past month. Of those youth, nearly 20 percent binge drink.

We are hardly alone in our concern. NBC's decision to begin accepting hard liquor ads flies squarely in the face of public opinion. A survey conducted by Penn, Schoen & Berland Associates, Inc., in mid-December, 2001 found that 68 percent of respondents opposed NBC's action with half (48 percent) registering strong opposition to it. More than 7 of 10 (72 percent) surveyed supported network television policies that voluntarily keep liquor ads off TV, and 70 percent of Americans agreed that it is dangerous to have liquor ads on TV because they will introduce underage youth to liquor. Subsequently public opinion surveys by TV Guide and by Initiative Media North America similarly found that large majorities of Americans oppose NBC's acceptance of liquor ads.

We would like to meet with you at your earliest convenience, preferably in Washington, DC., in the hope of reaching a satisfactory resolution of this issue. We believe that NBC can truly show leadership in protecting young people and serving the public interest. We will follow up with your office in the near future to inquire about arranging a meeting. To reach us, please contact Mr. George Hacker, at (202) 332-9110, x343.

Thank you for your consideration. We hope to hear from you soon.

Sincerely,

George A. Hacker,
Director,
Alcohol Policies Project.

On behalf of the following: Lori Dorfman, Ph.D., Director, Berkeley Media Studies Group; Arthur T. Dean, Chairman, and CEO, Community Anti-Drug Coalitions of America; Joan Kiley, Executive Director, Community Recovery Services; Art Jaeger, Associate Director, Consumer Federation of America; Connie Mackey, Vice President of Government Affairs, Family Research Council; Tom Minnery, Vice President of Public Policy, Focus on the Family; Jim Winkler, General Secretary, General Board of church and Society of the United Methodist Church; David Rosenblum, Executive Director, Join Together; Patricia Harmon, Executive Director, Ohio Parents for Drug Free Youth; Judy Cushing, President and CEO, Oregon Partnership; Rev. Jesse W. Brown, Jr., Executive Director, National Association of African Americans for Positive Imagery.

Bill Burnett, President, National Association of Alcohol and Drug Abuse Counselors; Julie Novak, DNSc, RN, CPNP, President, National Association of Pediatric Nurse Practitioners; Rev. Richard Cizik, Vice-President for Governmental Affairs, National Association of Evangelicals; Vincent Hayden, Chairman, National Black Alcoholism and Addictions Council; Stacia Murphy, President, National Council on Alcoholism and Drug Dependence; Sue Rusche, Executive Director, National Families in Action; Peggy Sapp, President, National Family Partnership; David A. Walsh, Ph.D., President, National Institute on Media and the Family; Jeanette Noltenius, Executive Director, National Latino Council on alcohol and Tobacco Prevention; Shirley Igo, President, National Parent Teachers Association.

John Hutcheson, Executive Director, People Advancing Christian Education; William J. Murray, chairman, Religious Freedom Coalition; Richard D. Land, President, Southern Baptist 'Ethics and Religious Liberty Commission; Andrew McGuire, Executive Director, Trauma Foundation; William T. Devlin, President, Urban Family; The Most Rever and Joseph A. Galante, Chairman, Committee on Communications, United States Conference of Catholic Bishops; and Maureen Sedonaen, Executive Director, Youth Leadership Institute.

[From the Washington Post, Feb. 10, 2002]

Crash Kills Two in Sterling

Two people were killed after a two-car crash involving a drunk driver last night in Sterling, Virginia State Police said.

The crash happened on Route 28 near Route 625 about 8:30 p.m., police said. The victims were believed to be a man in his sixties and a boy.

One of the drivers was also injured in the crash and was flown to an area hospital, police said.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Massachusetts (Mr. Frank) is recognized during morning hour debates for 5 minutes.

Mr. FRANK. Mr. Speaker, not surprisingly in this political city the debate over campaign finance reform has taken the shape of people talking about which party would be advantaged, but there is a more profound issue, more profound even than the kind of subtle corruption that campaign money takes. It goes to the nature of democracy.

We have two systems in this country. We have an economic system, capitalism, which is based on inequality.

It is inequality which drives that system which has been so productive of wealth and which is so broadly supported. If people are not unequally rewarded for their labor, if people are not unequally rewarded for the wisdom of their investment decisions, if people are not unequally rewarded because they respond to consumer demand, capitalism does not work. So inequality, some of us want to keep it from getting excessive, but it is at the heart of that system.

We also have a political system, and the heart of that political system is equality. That was the genius of the American Constitution, not fully realized at the time, a goal that we have been striving towards with some success ever since. What we have in our public policy is a tension between an economic system built on inequality where people are unequally rewarded and unequally powerful and a political system in which people are supposed to be equal, in which people's preferences are supposed to count each equally one for one.

What we have in America today is a corruption of that system in the broadest sense. As money has become more and more influential in politics, the inequality of the economic system has damaged the ability of the political system to function in a way that carries out equality. We cannot allow the inequality that is a necessary element of our capitalism to swamp the equality that is supposed to be the element of our political system.

That is why the Shays-Meehan bill is so important. It reduces the role of money. Soft money is a way that the unequal part of our system gains undue influence over the place where it is supposed to be equal, and that, Mr. Speaker, is the profound philosophical reason why campaign finance reform ought to reduce the role of money, ought to reduce the extent to which inequality undermines formal equality.

Interestingly, some of those opposed to the bill have implicitly acknowledged this. I have heard people say, on the Republican side mostly, we cannot go ahead with that kind of a forum; if we get rid of soft money, the next thing we know, labor and environmentalists and all those people will dominate the election. We have, in fact, had people almost explicitly say that the danger in campaign finance reform is that the people will have too much to say.

Well, that is the way it is supposed to be in the political part of the system. The financial, the economic system has inequality, but in the political system people are supposed to have equality. That is also the answer to those who say that somehow this violates freedom of expression in the first amendment.

I should note, Mr. Speaker, I am somewhat interested to see Members that I have served with for a very long time who for the first time in their careers have become champions of free speech. That is, there are Members who have supported virtually every restriction on free speech, including censorship on the Internet and other rules that the Supreme Court has thrown out, and they have voted for them cheerfully, but when it comes to the power of money to swamp the equal part of our political system, suddenly they become advocates of free speech. Indeed, it seems that many of them are for free speech as long as it is not free. They are for free speech when it costs money, when they can buy it.

In fact, if we look at the purpose of our Constitution and our political system, if we look at the role that equality is supposed to play, we understand, because we do not just interpret the Constitution in the abstract, we interpret it in its context, our political system is meant to be one in which people are equal, and what we are doing with campaign finance reform is restricting the ability of money to swamp that equal sector.

It does not impinge on free speech as we have ever understood it. Everyone in this country will be as free as they ever want to say what they want to say, to speak out. We do say that they cannot use money, they cannot use the inequality that has accrued to them through the capital system to undermine the electoral system.

So, for that reason, precisely because the very heart of the democratic political system is at stake, I hope that we will pass the campaign finance reform bill in an appropriate form, in a form that can go right to the President's desk, because it is essential that we vindicate the equality principle against those who are the beneficiaries of inequality who are seeking to erode it.

TRIBUTE TO ABRAHAM LINCOLN

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Indiana (Mr. PENCE) is recognized during morning hour debates for 5 minutes.

Mr. PENCE. Mr. Speaker, it is February 12, 2002, and on this calendar date 193 years ago today, just scarcely two lifetimes ago, came into the world the 16th President of the United States of America, the father of the Republican Party, the leader who ended slavery and at the same time saved the Union.

□ 1245

I speak, of course, of President Abraham Lincoln, born humbly in Kentucky, raised proudly in Indiana, who then moved and pursued a public and adult career in Illinois.

The Bible tells us, "If you owe debts, pay debts. If honor, then honor. If respect, then respect. I thought today, in the midst of all our debates about other pressing national issues, as now having the privilege of being able to call Abraham Lincoln, the Congressman Abraham Lincoln from 1848, a colleague, that it would be all together fitting to rise today and remember the occasion of his birth, and to do so, Mr. Speaker, with his own words.

Abraham Lincoln spoke of many issues, but of course freedom and the abolition of the evil of human slavery were chief among them.

April 1859: "Those who deny freedom to others deserve it not for themselves; and, under a just God, cannot long retain it."

August 1858: "As I would not be a slave, so I would not be a master. This expresses my idea of democracy."

July 1858: "I leave you, hoping that the lamp of liberty will burn in your bosoms until there shall no longer be a doubt that all men are created equal."

And in June of 1858: "A house divided against itself cannot stand. I believe this government cannot endure permanently half slave and half free. I do not expect the union to be dissolved, I do not expect the House to fall, but I do expect it to cease to be divided. It will become all one thing or all the other."

Abraham Lincoln was also a man of very profound faith, which inspires many millions to this day, writing: "I have been driven many times upon my knees by the overwhelming conviction that I had nowhere else to go. My own wisdom and that of all about me seemed insufficient for the day."

In September of 1864, he wrote: "In regard to this Great Book, I have but to say, it is the best gift God has given to man. All the good the Savior gave to the world was communicated through this book." And in the creation of the very first proclamation of Thanksgiving and a national day of prayer in October of 1863, the President wrote: "I do therefore invite my fellow citizens in every part of the United States, and also those who are at sea and those who are sojourning in foreign lands, to set apart and observe this last day of Thursday of November next, as a day of Thanksgiving and Praise to our beneficent Father who dwelleth in the heavens. And I recommend to them that while offering up the ascriptions justly do to Him for such singular deliverances and blessings, they do also, with humble penitence for our national perverseness and disobedience, commend to His tender care all those who have become widows, orphans, mourners, or sufferers in the lamentable civil strife in which we are unavoidably engaged, and fervently implore the interposition of the Almighty Hand to heal the wounds of the nation and restore it as soon as it may be consistent with Divine purposes to the full enjoyment of peace, harmony, tranquility and union."

President Abraham Lincoln was lastly a man who understood and cherished liberty and knew where its threats would be presented. As he said in January of 1838: "At what point shall we expect the approach of danger? By what means shall we fortify against it? Shall we expect some transatlantic military giant to step the ocean and crush us at a blow? Never. All the armies of Europe, Asia, and Africa combined, with all the treasure of the earth in their military chest, could not by force take a drink from the Ohio or make a track on the Blue Ridge in a thousand years of trial. At what point then is the approach of danger to be expected? I answer: If it ever reach us, it must spring up from among us. It cannot come from abroad. If destruction be our lot, we must ourselves be its author and finisher. As a Nation of free men, we must live through all time or die by suicide."

February 12, 1809, a day the world and America became richer.

WASHINGTON, DC, IS OPEN AND SAFE AND WAITING FOR YOU

The SPEAKER pro tempore (Mr. CULBERSON). Pursuant to the order of the House of January 23, 2002, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized during morning hour debates for 5 minutes.

Ms. NORTON. Mr. Speaker, I have just come from a fair I am sponsoring, along with the D.C. Chamber of Congress, called "Ask Me About Washington." It is a service we are providing to Members and staff, along with a free lunch, that we think may be especially needed this year.

The Galleries are empty, my colleagues. There is a reason. This is an election year. They should be full. But our constituents need information and need reassurance that the barricades and the ugly security do not send a message that we are trying to tell them something: stay away; your Member of Congress does not want to see you this year.

I do not think so, but that will be the effect unless we reach out and become more proactive. The fact is elected officials never want people to stay away. We cannot help it that the security is not as it was. It is being fixed. We sympathize with the Architect of the Capitol and the police board, but we have to do something in the meantime.

I have distributed a fact sheet that I hope Members will send to their own constituents in their constituent mail simply telling them what are absolutely unknown facts for most of them: that Reagan National Airport will be 77 percent up by March 1; telling them everything is open, and all the rest. I think my colleagues will find it informational; and more than that, I think Members will find their constituents will find that they are getting word from Washington that they have not gotten in a long time, not since September 11.

The fact is we have been winging it because we have never had anything like September 11: ad hoc decisions; this open, this closed, this barricade up, this one comes down, a new one comes up. West front steps get closed down. Now that is something we need to hear more about. That is part of the great wonderful axis of Washington created by L'Enfant himself. We need to know more about that, because there ought to be ways to open that up if we just think a little harder.

Do not think I give short shrift to security. I live here 7 days a week, my colleagues; and 600,000 of my constituents live here. We want this place safe, and in fact we do believe it is the safest city in America because this is the Nation's capitol. We know that AWACs and those F–16s are up 24–7. Our constituents do not know. My colleagues' constituents do not know, that is. They need to be told that their Members of Congress want to see them this year, the way we want to see them every year.

Honestly, I do not believe that it is beyond American ingenuity to find ways to be safe and secure and open and democratic at the same time. We have to try harder. Some of the things we need to do are absolutely simple. I have been having conversations with the White House and have suggested that if people left their Social Security numbers, the way they have to anyway if they want to visit someone in the White House, that the White House tours could be open. And I am grateful the White House has decided to open tours to student groups.

So that means we are getting somewhere just because they have begun to think harder. The White House, after a great protest from the press and others when the Christmas tree lighting ceremony closed down, decided to open it up simply by putting the same glass around the President they use during the inauguration. Some of this is not rocket science, but it does require us to think a little harder than we did before September 11.

I will have a bill that I will ask Members to cosponsor called The Open Society With Security bill, because I think we need a Presidential commission to step back and look at how we run an open society when there is global terrorism all around us. I think such a commission would help us get our bearings so that we would not be under the pressure we are under today to make decisions as we go along.

We are doing quite well. We can do much better. The White House is doing much better. The capitol tours are open. Washington is open. Only the monument, which was closed for renovations, is not open. A tour of the Pentagon can be arranged ahead of time. But our constituents do not know that.

I want Members' constituents to come visit Washington because, obviously, that helps my economy; but my colleagues want them to come for a reason which is equally important to them. We do not want a full year in which people think that this is an uninviting place and that this is not the year to come to see their Member of Congress. It is not only an election year; it is the year after September 11. It is a year when we want to make the point that terrorists cannot close us down.

We set the example in the Nation's capitol by opening ourselves up and sending the message that the whole country should be open.

HOUSE LEADERSHIP URGED TO CONSIDER ACCELERATED DEPRECIATION IN STIMULUS PACKAGE

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Illinois (Mr. WELLER) is recognized during morning hour debates for 5 minutes.

Mr. WELLER. Mr. Speaker, today our Nation is at war. We are in a war against terrorism. We are working to build our homeland security, and we are suffering an economic recession. Our Commander in Chief, President Bush, is demonstrating strong, resolute leadership in the war against terrorism. We must not forget that the war against terrorism will last a long time, not just months, but likely years. The war against terrorism will not end in Afghanistan. The al Qaeda terrorism network has a presence in 65 nations, and tens of thousands of terrorists have gone through their death training camps.

Part of winning the war on terrorism is also getting our economy moving again. Clearly, the terrorist attack was directed at our economy. If we look back and remember 1 year ago this month, when President Bush was sworn into office on the east front in inaugural ceremonies, he inherited a weakening economy, an economy which was getting weaker and Americans were beginning to lose their jobs. He proposed a tax cut, a tax cut he said that would put extra money in the pocketbooks of America's consumers, giving them more money to spend at home for their families' needs.

That was enacted into law in June. By Labor Day, economists were telling us the tax cut was working on getting our economy moving again. Unfortunately, the tragedy of the terrorist attacks on September 11 occurred and that tragedy cost thousands of Americans their lives. It was a terrible tragedy, but also it also gave a psychological blow to our economy, causing investors and consumers to step back from decisions they had made prior to September 11. Unfortunately, by stepping back from those decisions, it cost hundreds of thousands, and almost a million, Americans their jobs.

Today, over a million Americans have lost their jobs since the terrorist attacks on September 11, tens of thousands in the area that I represent in the Chicago area. To win the war against terrorism, we must get this economy moving again. We must give Americans the opportunity to go back to work.

I would note that this House, the House of Representatives, has twice, in October and in December, acted to get the economy moving again, passing a bipartisan economic stimulus plan and sending it over to the Senate. Unfortunately, partisan politics prevented our efforts from succeeding in getting to the President's desk and signature into law. I believe we must not give up on our efforts to revitalize this economy and give Americans the opportunity to go back to work.

During these times, some Democratic leaders have called for a tax increase. I am proud to say that this past week the House spoke loud and clear stating opposition overwhelmingly to a Democratic proposal to repeal the Bush tax cut. No economist says that we should raise taxes in a recession, but that we should bring spending under control.

I want to take this opportunity to urge our leadership, as they consider what to do next, to once again move legislation to stimulate our economy and to bring economic security for American workers. I want to rise to suggest one provision that I believe must be included in that package that we send to the President, a provision that is a strong stimulation for our economy. Many of us know it as accelerated depreciation, or depreciation reform, or expensing, or bonus depreciation.

The provision, which has strong bipartisan support in this House, provides for 30 percent expensing, giving faster or quicker cost recovery for a business that buys an asset. Think about it. When someone buys a pickup truck or a computer or security equipment, there is a worker somewhere in America who manufactures that product. There is a worker that is going to install it and service it. And of course there is going to be a worker who is going to operate that piece of equipment. Accelerated depreciation, the 30 percent expensing provision rewards investment in those kinds of jobs.

I would note the only way to take advantage of that tax incentive is to invest and buy and create jobs. Many businesses back home that I know of, since September 11, are also upgrading their security and their safety measures in their plants. Accelerated depreciation will help them better afford to make their plants and places of work safer and more secure for their employees and visitors.

□ 1300

Over the next few days, decisions are going to be made on how we can better help by extending unemployment benefits. The gentleman from California (Mr. THOMAS) and President Bush have urged a tax credit to help the uninsured with health care insurance. That is a good idea, and I believe that should be part of that final package. But I also believe that we mean to combine the unemployment benefits and the health care benefits with incentives to invest in the creation of jobs. Accelerated depreciation of a 30 percent expensing component will help put Americans back to work.

Mr. Speaker, I have a letter signed by almost three dozen Members of this House, a letter circulated by myself and the gentleman from Michigan (Mr. UPTON) and the gentleman from California (Mr. DOOLEY), urging our leadership to include accelerated depreciation in any package that goes to the President, and I include that for the RECORD.

WASHINGTON, DC,
February 6, 2002.

Hon. J. DENNIS HASTERT,
Speaker of the House,
The Capitol, Washington DC.

DEAR SPEAKER HASTERT: We are disappointed by the recent breakdown in negotiations in the Senate on a meaningful economic stimulus package. We firmly believe that Congress can help balance the desire to promote economic growth with efforts to help those workers who have lost their jobs due to the recession.

If the Senate sends the House a bill extending unemployment benefits by 13 weeks, we would encourage you to add the one major economic growth component that is bipartisan and agreed upon by almost everyone, the 30% accelerated depreciation bonus for new investments. Not only is this provision bipartisan, but it is widely supported by most businesses and business groups.

The combination of a temporary unemployment compensation and the 30% bonus depreciation proposal would provided an excellent balance between providing a helping hand to workers out of work and struggling because of the recession and the desire to foster economic growth. The most important feature of the accelerated depreciation proposal is that in order for businesses to take advantage of the bonus, a decision must be made to purchase and invest in new equipment. When businesses make these investments, employees are put back to work engineering, building, installing and operating the new products, thereby stimulating and growing the economy. This type of stimulus is exactly what the economy needs to pull out of the current recession.

We appreciate your consideration and look forward to working with you on this proposal.

Sincerely,
JERRY WELLER.
FRED UPTON.
CAL DOOLEY.

UNEMPLOYED AMERICAN WORKERS NEED ASSISTANCE

The SPEAKER pro tempore (Mr. CULBERSON). Pursuant to the order of the House of January 23, 2002, the gentleman from California (Mr. GEORGE MILLER of California) is recognized during morning hour debates for 5 minutes.

Mr. GEORGE MILLER of California. Mr. Speaker, later this week the House will adjourn for district work period in honor of Presidents Day and give us an opportunity to go home and talk to our constituents. It is a tragedy before we adjourn, we will not deal with the problems of unemployment. Those who were unemployed prior to September 11, who have been unemployed for many, many months, those who were unemployed as a result of September 11 because of the downturn in the economy because of that tragic event against this country, but both of these categories of the unemployed need our help. They are exhausting their unemployment benefits.

Close to a million people have exhausted their unemployment benefits. Many of those who were unemployed were working in occupations that were at the margins. They were not able to build up extensive savings accounts or a rainy day fund for their family. They were not able to pay their mortgage in advance or car payments in advance. When the checks stopped, they were in trouble.

I have now listened to many of these workers in California, Indiana and New Jersey who have testified that they worked for 15 years, 10 years, 8 years, women in professional jobs at banks, truck drivers, people who worked in the dot-com industry, and now they are in serious financial trouble because they are in the process of exhausting their unemployment benefits.

Last week the Senate took the necessary step to extend it for an additional 13 weeks. Last week the House of Representatives did nothing. This week the House of Representatives will do nothing. It is incredible the insensitivity of the Republican leadership to the needs of these hard-working American families. These are people who have really, really good work records. They have been trying to provide for their families for many years. A young man who worked for Sunkist Corporation in California told our meeting that he had been driving a truck for 15 years, he was able to buy a home a few months ago, and now he is scrambling to pay the mortgage. He is invading his retirement benefits and 401(k) to try to save his house. This is not an unusual story.

There is also the issue of over 2 million people who have lost health care benefits because of unemployment. Congress has failed to respond. One of the proposals was to help them provide the payment of the COBRA benefit that allows workers to continue the employer's health insurance plan until reemployed. That is an absolute necessity for many of the unemployed because if they cannot continue that plan and they have a preexisting health condition, or their child has a preexisting health condition or spouse does, that individual's break in employment, break in health insurance means very likely that condition will not be covered when reemployed. That is why the COBRA benefit is so terribly important. Yet for those 2 million people, Congress has done nothing.

The tax credit that the President offers does not solve that problem for hundreds of thousands of families that are in that situation. Or for those people's whose spouses may have had a bout with cancer, or whose children who may have a childhood illness, that would not be covered.

Yet Congress insists it is going to take leave of this town, go home for 13 or 14 days, and we are going to fail to address the needs of these families. We must understand that these families are in dire financial straits. In dire financial straits. They are either adding up their debt because they are living off of what credit card debt they have available to them, they are borrowing from family members, or they are invading their retirement funds. Why in America should a working family that finds itself unemployed through no fault of their own, because of a terrorist activity or because of a downturn in the economy, they showed up and went to work every day, why should they lose all of their assets before we help them with health care or extend them some benefits?

Mr. Speaker, we ought to extend the 13 weeks immediately. If there is a break, and a worker has been working in the hospitality industry or low-paying jobs in this country, 2 weeks, 4 weeks without a check is a devastating event. Maybe Members of Congress cannot understand that, but when Members go home for the district work period, Members need to talk to these people. Then Members will begin to understand the desperate straits that millions of Americans find themselves in because of this Congress' failure to extend the unemployment benefits.

CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Pursuant to the order of the House of January 23, 2002, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Mr. Speaker, I rise today to speak on campaign finance reform, legislation once again before this Chamber. I, like most of my colleagues, support some type of campaign reform. I know that reasonable and balanced reforms to our current campaign finance system is necessary. Unfortunately, the Democrat bill, the Shays-Meehan bill, does not strengthen or improve our campaign finance system as well as I think the Ney-Wynn bill does, which is a Republican alternative.

In fact, I think the Democrat bill does more to harm than help both the political process and the Constitution by hurting the ability of political parties to increase citizen involvement and participation, unconstitutionally limits free speech, and tilts the playing field towards one party or another. For this reason, I applaud the gentleman from Ohio (Mr. NEY) and the gentleman from Maryland (Mr. WYNN) in their bipartisan bill for their efforts at sensible reform for our current system.

Proponents of the Shays-Meehan bill, which is support by the minority leader, the gentleman from Missouri (Mr. GEPHARDT), claim their legislation puts an end to soft money. That is false. None of the proposals before this body ban a complete ban of soft money. Even the most cursory of glances indicates there is no soft money ban in the Shays-Meehan campaign finance legislation.

In reality, this bill bans the national parties from raising or spending soft money, but it does nothing to prevent unions, corporations, and other special interests from spending as much soft money as they want on election activity. As a result, corporations or unions are allowed to give tens of thousands of dollars to each State and local party committee. With over 3,000 counties in the United States, this means corporations and unions will still be permitted to inject millions of dollars of soft money into the political process. As such, the soft money debate amounts to nothing more than a shell game with dollars being shuffled and moved from one part of the table to another, and the American people losing out.

Furthermore, the Democrat plan does not ban soft money advocacy, it only bans it on the eve of an election. Through such rulings as Buckley v. Valeo in 1976 and other cases, the Supreme Court has declared that the government may not regulate political commentaries "to promote a candidate and his views." Since the 1976 Buckley v. Valeo decision, strong majorities have supported protections for the expenditure of money for political communications. The first amendment cannot be sacrificed by government restrictions on issue ads and free speech. No matter how they are dressed up, such restrictions still involve government regulation of political speech.

Mr. Speaker, the proposal to be offered by the gentleman from Ohio (Mr. NEY) and the gentleman from Maryland (Mr. WYNN), supported by the gentleman from Illinois (Mr. HASTERT), is aimed at reforming our current system of laws, but does so in a manner that is rational, balanced, and, most importantly, constitutional. Their legislation bans the use of soft money by national parties for Federal election activities. It does not, however, impose new burdensome Federal laws and rules on State parties. It restores and enhances grassroots politics by allowing State and local parties to continue to assist State and local candidates with funds permissible under applicable State law.

Most importantly, their proposal does not violate constitutional rights to free speech, nor destroy the ability to participate in the political process. So I support fair and balanced solutions to improving our campaign finance system. As such, I have voted accordingly and supported the Hutchinson-Allen bill, which was patterned after the Ney-Wynn bill when it was considered on the House floor in the last Congress. Unfortunately, it failed.

Mr. Speaker, had the rules governing the amendment process not been limited for this upcoming debate, I would have also supported amendments to allow tax credits for up to $200 for individuals for Federal political contributions, thereby creating an incentive for persons of all financial means to participate in the political process.

Additionally, I support allowing permanent resident aliens serving in the Armed Forces to make campaign contributions. And if we really want to clean up the current system, I support prohibiting labor organizations from fund-raising on Federal property through the use of payroll deductions.

If advocates of misguided campaign finance reform are successful in passing this legislation, they will have done nothing to prevent future campaign abuses. Instead, they will be successful in eroding and handicapping Americans' right to free speech and the right to political expression. Therefore, I urge all of my colleagues to support the Ney-Wynn bill.

□ 1315

WHY COMMUNITY SERVICE IS IMPORTANT

The SPEAKER pro tempore (Mr. CULBERSON). Pursuant to the order of the House of January 23, 2002, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, I wanted to make some comments today on how everybody in America probably should do a little more in helping their fellow man in contributing some community service, either at the community or national level.

I was this past week deciding on the essay topic that I ask seniors to write to apply for what I have called the LeGrand Smith Scholarship. It is named after my dad. I simply take all of the pay increases that I have had since I first ran in the Michigan Senate back in 1983; I have put these pay increases into an irrevocable trust for scholarships for graduating seniors. It is designed to reward and acknowledge those individuals in high school that are not only academically capable but also are willing to contribute to others in community service or in leadership positions in high school. Part of that decision in scoring of the committee that decides who the winners are is grading an essay on an essay topic. The committee was just trying to decide, and we had it narrowed down to two topics, why patriotism is important in America or why helping others and working in some community service or national service is important. We decided on the latter. Part of it was maybe because the President in his State of the Union address suggested that we have a Freedom Corps where every individual in America during their lifetime contribute 2 years of community or national service.

I would like to suggest, Mr. Speaker, that a lot of individuals could gain significantly by serving in a community and national service program. I would envision the possibility of taking every senior when they graduate from high school and say that here is an opportunity for you to go maybe in 6 weeks of basic training and then serve in community service. In 1990 we passed a bill in Congress signed by the President, the community and national service legislation, that lays out 20 or 30 different types of community and national service. I envision a system where you could expand that to serve in your local communities, in your local hospitals. Certainly there is a tremendous need now for individuals for service at the national level in many aspects. A national service bill for high school students would have maybe the same kind of 6 weeks of basic training that many of us had in earlier years in boot camp.

When I went into the Air Force, into boot camp, I thought I had a lot of discipline, self-discipline. As it turned out, getting up at 5 o'clock in the morning and going out and doing aggressive exercises and then making a very neat bed and keeping your clothes clean and your shoes shined, plus the patriotism that we learned in terms of working together, in terms of saluting the flag.

But one thing that all of us that served in that basic training also learned in associating with individuals from all kinds of backgrounds, that the individual that had a different religious faith, that the individual that was yellow, black, tan or a different color ended up being just as qualified in their intelligence, just as qualified in their leadership ability, and it gave me a new perspective and also at the same time I think opened new vistas of opportunities of the responsibility of all of us to serve.

When the President suggested a national service program, I wonder how many of us will respond. I think the response should be very aggressive. But I also think it should be considered that every graduating high school senior come into some kind of a program where they would go through 6 weeks of kind of basic training. And maybe with what happened September 11, it is especially important, because we have now learned that those individuals in the Taliban were trained to hate and hate Americans.

Mr. Speaker, in combination with patriotism, I think community and national service is vital for everyone. I encourage all to participate.

Mr. Speaker, I wanted to make some comments today on how everybody in America should consider doing a little more to help others. Helping others in your neighborhood or contributing service, either at the community or national level should be considered an obligation.

I was this past week deciding on the essay topic that I ask seniors to write, as part of their application to apply for what I have called the LeGrand Smith Scholarship. It is named after my dad. I simply take all of the pay increases that I have had since I first ran in the Michigan Senate back in 1983 and put those funds into an irrevocable trust for scholarships for graduating seniors. It is designed to reward and acknowledge those individuals in high school that are not only academically capable but also are willing to contribute to others in community service or in leadership positions in high school. Part of the scoring of the committee that decides winners, is the grading of an essay. The committee was deciding the essay topic and had it narrowed down to two topics; why patriotism is important in America or why helping others and working in some community service or national service is important. We decided on the latter. The President in his State of the Union address suggested that we have a Freedom Corps where every individual in America during their lifetime contribute 2 years of community or national service.

I would like to suggest, Mr. Speaker, that a lot of individuals could gain significantly by serving in a community and national service program. I would envision the possibility of taking every high school senior when they graduate from high school to go into a community and national service program, this would be an opportunity for young people to go through maybe 6 weeks of basic training and then serve in national or community service. In 1990 we passed a bill in Congress signed by the President, the community and national service legislation, that establishes 20 plus different types of community and national service. I envision a system where you could expand that to serve in your local communities, in local hospitals, with senior groups or many other areas of need. Certainly there is a tremendous need now for individuals to serve at the national level in many aspects. A national service bill for high school students would have maybe the same kind of 6 weeks of basic training that many of us had in earlier years in boot camp where you learn discipline, respect for yourself and others as well as patriotism.

When I went into the Air Force, into boot camp, I thought I had a lot of discipline, self-discipline. As it turned out, getting up at 5 o'clock in the morning and going out and doing aggressive exercises and then making a very neat bed and keeping your clothes pressed and your shoes shined as well as education about defending our country plus the patriotism that we learned was valuable.

But one thing that all of us that served in that basic training also learned in associating with individuals from all kinds of backgrounds, was respect for others. We learned that individuals that had different religious faiths, individuals that were yellow, black, tan, white or whatever ended up being just as qualified in their intelligence, just as qualified in their leadership ability and just as nice of people as anyone else. It gave us a new perspective and also at the same time I think opened new vistas of opportunities and the feeling of responsibility to help others when they need help.

When the President suggested a national service program, I wonder how many of us will respond. I think the response should be very aggressive. But I also think it should be a responsibility that every graduating high school senior come into some kind of a program where they would go through 6 weeks of kind of basic training and another four months of serving others. And maybe with what happened September 11, it is especially important.

Mr. Speaker, in combination with patriotism, I think community and national service is a responsibility of all Americans. I encourage all to participate.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m. today.

Accordingly (at 1 o'clock and 18 minutes p.m.), the House stood in recess until 2 p.m.

☐ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. BIGGERT) at 2 p.m.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

God be gracious to us and bless us. God, let Your face shine upon us. Make Your ways known to us. May Your saving power be acknowledged by all nations on the Earth.

Let the people of this Congress praise You, O God, by their words. Let these people praise You in all their deeds.

May the people of the United States rejoice and shout with joy because You embrace all the people of this Nation with justice.

You alone guide all the powers of Earth. So the Earth has given its increase and the peoples of the Earth prosper and praise You. Let all the peoples praise You, O God. Some day soon let all the peoples praise You.

Because the blessings of God even now extend to the ends of the Earth, let all the peoples praise You. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House her approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Minnesota (Mr. PETERSON) come forward and lead the House in the Pledge of Allegiance.

Mr. PETERSON of Minnesota led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Ms. Evans, one of his secretaries.

PROPOSED CAMPAIGN FINANCE REFORM IS FLAWED

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Madam Speaker, later this week the House is going to vote on a bill that claims to reform our campaign finance laws.

Is there too much money in politics? Yes. No one knows that better than the candidates who have to raise it. But the Shays-Meehan bill uses a chain saw where we need a scalpel. This bill goes way beyond regulating the way we contribute to candidates.

The Supreme Court ruled long ago that political donations are constitutionally protected speech. But even if that were not true, surely talking about our elected officials is protected by the first amendment.

But Shays-Meehan supporters are not talking about the provisions in this bill that limit free speech, but those provisions are there. This bill would make it a crime for any citizens group, other than a political action committee, to criticize, praise or even mention a political candidate 60 days before an election.

Madam Speaker, this is an outrage. How dare we even suggest this? The freedom of speech is our most cherished freedom, and it is most important when it comes to choosing our leaders. Madam Speaker, the Shays-Meehan bill is flawed and unconstitutional in this regard.

PAT WOOD SHOULD RESIGN AS CHAIRMAN OF FEDERAL ENERGY REGULATORY COMMISSION

(Mr. PASCRELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASCRELL. Madam Speaker, tonight we begin our debate on campaign finance reform. How fitting that this argument is occurring amidst the investigation into the power wielded by the leaders of Enron Corporation. What a perfect example of the corruption of money in politics.

Last week I reached out to Pat Wood, III, the current Chair of the Federal Energy Regulatory Commission. I urged him to resign.

In light of the influence that Kenneth Lay, the former CEO of Enron Corporation, had over both his appointment to FERC and his subsequent chairmanship of the Commission, it is apparent that Pat Wood's ability to fairly and neutrally oversee the country's energy policies has been irrevocably compromised.

These are just some of the facts surrounding Pat Wood's appointment to FERC. One, Ken Lay interviewed all potential nominees to FERC and presented the President's personnel director with a list of top choices; two, on that list were two of the present Commissioners, Pat Wood, III, and Ms. Nora Brownell; three, a "litmus test" was presented to potential Commissioners during these interviews wherein the nominees were made aware that they must either promote Enron's interests or not receive the appointment, and this is outrageous; and, four, Pat Wood, III, was Kenneth Lay's choice to replace Curtis Hebert.

This is just the beginning and one of the reasons why we need campaign finance reform. These are the facts, not fiction.

REFORM CAMPAIGN FINANCE LAWS

(Mr. CLEMENT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLEMENT. Madam Speaker, 218 signatures. Two hundred eighteen signatures. That is what it took to finally force the Republican leadership to bring campaign finance reform to the floor of this body.

In America we have a substantial number of people who do not vote in elections, who do not participate in elections. Why? Because of the influence of big money.

Should we not base it on the richness of message, rather than the richness of someone's pocketbook? In other countries, many countries of the world, they vote more, they participate more. But we have all this soft money, and you cannot trace that soft money. That is the difficulty and the problem that so many people are having, because it ends up in all these political campaigns all over the country, but you cannot trace it.

We have an opportunity this week, knowing that we have not even had the opportunity to reform since the 1970s, but we have an opportunity this week to bring about campaign finance reform. They have already passed it in the United States Senate. We can do the same thing in the United States House of Representatives, and we can do it by saying to all concerned that we want to give everyone an opportunity to participate in the electoral process, no matter who you are or where you live.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8, rule XX, the Chair will postpone further proceedings today on each motion to suspend the rules on which a recorded vote of the yeas and nays are ordered or on which the vote is objected to under clause 6, rule XX.

Any record vote on postponed questions will be taken after debate has concluded on all motions to suspend the rules, but not before 6:30 p.m. today.

PERMITTING USE OF ROTUNDA OF CAPITOL FOR CEREMONY AS PART OF COMMEMORATION OF DAYS OF REMEMBRANCE OF VICTIMS OF HOLOCAUST

Mr. NEY. Madam Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 325) permitting the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust.

The Clerk read as follows:

H. CON. RES. 325

Resolved by the House of Representatives (the Senate concurring), That the rotunda of the Capitol is authorized to be used on April 9, 2002, for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust. Physical preparations for the ceremony shall be carried out in accordance with such conditions as the Architect of the Capitol may prescribe.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. NEY) and the gentleman from Maryland (Mr. HOYER) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. NEY).

Mr. NEY. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise here today for consideration of House Concurrent Resolution 325, which permits the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the Days of Remembrance of the victims of the Holocaust.

The United States Memorial Council was charged with providing appropriate ways for the Nation to commemorate the Days of Remembrance as an annual national civic commemoration of the Holocaust. As a result of this legislation, the first ceremony in remembrance was held in the rotunda in 1979, and it has been held every year since that time, except for periods when the rotunda was closed for renovations.

This resolution will provide for this year's national ceremony to be held April 9, 2002, in the rotunda of the Capitol. The purpose of the Days of Remembrance is to ask citizens to reflect on the Holocaust, to remember the victims and to strengthen our sense of democracy and human rights.

This ceremony will be the centerpiece of similar remembrance ceremonies to be held throughout the Nation. Members of Congress, government officials, foreign dignitaries, Holocaust survivors and citizens from all walks of life have attended previous ceremonies. At last year's Days of Remembrance commemoration in the Capitol rotunda, President George W. Bush was the keynote speaker. Two years ago, Swedish Prime Minister Goran Persson gave the keynote address.

The theme for this year's Days of Remembrance is the Memories of Courage to honor those who took a stand against Nazi barbarism. In remembering those who took a determined stand against nazism, we honor the memory of those who perished, and we are reminded that individuals do have the power and choice to make a difference in the fight against oppression and murderous hatred.

With the recent September 11 terrorist attacks, we have all been painfully reminded in our Nation of the consequences of hatred. These events have shown us that we must learn the lessons of the past and be ever vigilant against allowing acts of evil to go unchecked.

It was American determination to fight for our sacred principles of freedom and democracy that ultimately liberated the victims of the Holocaust. The same determination will ultimately defeat those who threaten us today.

By remembering the Holocaust we will be reminded of two things: That man is capable of unspeakable acts of evil; and that evil, if resisted, can be conquered.

This an important resolution, Madam Speaker, in memory of, I think, one of the largest tragedies that this world has ever seen.

I want to thank our ranking member, the gentleman from Maryland (Mr. HOYER), for his support of the resolution and the cosponsors, and I urge that we all support this important resolution.

Madam Speaker, I reserve the balance of my time.

Mr. HOYER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H. Con. Res. 325, which authorizes the use of the rotunda for the observance of the Days of Remembrance.

Congress provides for this ceremony every year at this time, and other related events will be occurring all over this country. This is an opportunity for Americans of all faiths and nationalities to reflect on the Holocaust, to remember its victims and to strengthen our sense of democracy and human rights. Very frankly, it is more appropriate perhaps than most years, post-September 11, to remember the atrocities that have been committed against innocent people for reasons of their nationality, their ideology, their place of birth, their place of residence.

It is appropriate, Madam Speaker, that we use the rotunda, which has been the location of so many historic events, to again draw attention to one the greatest tragedies in human history. It reminds us that such events must never be permitted to recur. Very frankly, Madam Speaker, it reminds us that, inevitably, perhaps not on the scale, but that they will reoccur, as they did in New York.

Each year the ceremony has a theme geared to specific events which occurred during the Holocaust. This year's theme for the observance is Memories of Courage, to honor communities and individuals who resisted Nazis and ethnic religious genocide they practiced against Jews, Roma, homosexuals, and, yes, others who were perceived to be different than they.

Such resistance was practiced all across Europe. In Poland, Oskar Schindler, memorialized in the great Spielberg movie Schindler's List, was the subject of the Oscar-winning movie and related how he used jobs in his company as a way to protect a large number of Jews, one of literally thousands of individuals who displayed courage to save others.

Polish Jews in Warsaw revolted in April and May of 1943, fighting street to street, hand to hand, building to building, in one the most dramatic examples of unexpected public resistance to terror and genocide.

It was not only Jews who resisted, of course. For example, in Denmark, in October of 1943, a German diplomat courageously alerted Danish authorities to the impending deportation order sending the occupied country's Jewish population to Nazi death camps. The Danes did not sit idly by. In fact, local fishermen, local citizens, banded together to make sure that almost every Jew got to a boat and was ferried to Sweden.

□ 1415

In fact, Denmark, with a population of over 5,000 Jews, perhaps as many as 7,000, lost only 50 Jews in the holocaust. In fact, Denmark is the only nation, and Yad Vashem, that memorial in Israel that has a tree planted, all the other trees are planted for individuals like Oskar Schindler. History, Madam Speaker, is replete with the example of those who gave shelter to Jewish families or helped smuggle them to safety, sometimes at the loss of their own lives. Those acts of courage and humanity are examples to us today, examples that we ought to act, not perhaps at the risk of our lives, but perhaps only at the risk of our inconvenience, that we ought to act, to reach out, to help, to lift up, and yes, perhaps save lives.

While the Days of Remembrance commemorates historical events of the days of the 1930s and 1940s in Europe, the issues raised, as I have said, by the Holocaust remain fresh in our memories as we survey the political scene in the world today. The nature of war, the identity of an enemy may change; but what remains is the terror, the cruelty, the madness and, yes, the evil of it. It is especially timely now to encourage public reflections on the fate of Holocaust victims and to remember that there was then, as there still is now, evil in the world.

The ceremony we are authorizing today reminds us that individuals as well as nations can be vigilant and can strike a blow to preserve the values on which human civilization rests. I urge passage of this concurrent resolution. I expect it, of course, to pass unanimously. But simply passing it unanimously will not be enough. It will be a time for us to rededicate ourselves as Oskar Schindler did, as the Danes did, as so many others did, to the defense of liberty, the preservation of freedom, and the protection of each and every individual with whom we live on this globe to the extent of our abilities.

Madam Speaker, I reserve the balance of my time.

Mr. NEY. Madam Speaker, I yield 3 minutes to the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Madam Speaker, I rise today to express my support for House Resolution 325, permitting the use of the rotunda of the U.S. Capitol to commemorate the Days of Remembrance of victims of the Holocaust. The use of the capitol rotunda for this occasion is a testament to the lessons taught by the death and suffering of the victims of the Holocaust. I am proud to stand here as a Member of the United States Congress as we recognize these important lessons.

In light of recent events on September 11, now more than ever it is important to remember this dark chapter of human history. It serves to remind us of what can happen when the fundamental tenets of democracy are discarded by dictatorial regimes and individuals are allowed to focus on killing innocent men, women, and children.

While we in the United States, the birthplace of Thomas Jefferson and Martin Luther King, enjoy a great deal of freedom, we must not take these freedoms for granted. We must not forget that genocide and human rights abuses continue to occur around the world. We must not remain silent when such atrocities occur, and we must dedicate ourselves to continue to educate people around the globe about the horrors of the Holocaust. We must be forever mindful of the danger of such intolerance and ensure that it never happens again.

Community-based Holocaust museums are appearing all around the country. This is a reflection of the increasing awareness of the lessons taught by the Holocaust. I am proud to be a founding trustee of the Virginia Holocaust Museum and applaud the efforts of those who join us nationwide to ensure a rightful place for Holocaust education and remembrance.

Only when every person understands the magnitude of the death, destruction, and utter horrors of the Holocaust, can we feel that we have begun to do everything to prevent its recurrence. Therefore, Madam Speaker, as we remember the horrors of this dark chapter in human history and remain dedicated to increasing awareness of the lessons taught by the Holocaust, I am pleased to be here in support of this resolution, permitting the use of the capitol rotunda on this most solemn occasion.

Mr. HOYER. Madam Speaker, I yield myself such time as I may consume.

The reason, of course, it is important to remember is so that we do not repeat the mistakes of the past. We human beings are inclined to do that. Some 60 years have passed since the Holocaust almost, and it perhaps fades in our immediate memory. But ceremonies like this are critically important to remind us that we need to be vigilant.

The gentleman from Virginia correctly observed that the rotunda is an appropriate place to have this ceremony. There probably is no place in the world seen as a symbol of the defense of freedom more than the rotunda. So I am pleased, along with the gentleman from Virginia (Mr. CANTOR) and the gentleman from Ohio (Mr. NEY), the chairman of our committee, whose leadership on these types of issues has been always present and always effective, I am pleased to join them in support of this resolution.

Mr. GILMAN. Madam Speaker, I rise in support of H. Con. Res. 325 and commend the gentleman (Mr. NEY) for bringing this important measure to the floor at this time.

When we talk of the Holocaust we speak of something unprecedented in human history; an abominable atrocity, distinct from any other. The mass murder that was inflicted upon the Jews and a variety of ethnic communities, political groups and unarmed military personnel, must be viewed both as crimes against humanity and acts of genocide and should be remembered as such.

Let us also remember the compassion of the many brave men and women who risked their lives to rescue and shelter Jewish refugees fleeing the Nazi reign of terror. The incidents of countless non-Jews who risked their lives to protect people of another faith were a real as the Nazi death camps themselves.

Yet, until recently, it was easy in the United States to forget the devastation of the Second World War, as this country was spared from the horrors of both the bombing and Hitler's "answer" to the age-old "Jewish Question." Today we are faced with those who wish to use terror as a "final solution," and we must remember the steadfastness and compassion of those who vowed not to give in to the terror that the Nazis inflicted on the civilized world.

Accordingly, I am pleased to support H. Con. Res. 325, authorizing the rotunda of the Capitol to be used on April 9, 2002, for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust. I urge my colleagues to overwhelmingly support this resolution, so that we may never forget the innocent victims of the Holocaust.

Mr. HOYER. Madam Speaker, I yield back the balance of my time.

Mr. NEY. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Ohio (Mr. NEY) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 325.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. NEY. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the subject of H. Con. Res. 325, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

TOM BLILEY POST OFFICE BUILDING

Mr. PUTNAM. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 1748) to designate the facility of the United States Postal Service located at 805 Glen Burnie Road in Richmond, Virginia, as the "Tom Bliley Post Office Building".

The Clerk read as follows:

H.R. 1748

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TOM BLILEY POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 805 Glen Burnie Road in Richmond, Virginia, shall be known and designated as the "Tom Bliley Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Tom Bliley Post Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. PUTNAM) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. PUTNAM).

GENERAL LEAVE

Mr. PUTNAM. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1748.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PUTNAM. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, H.R. 1748, introduced by the distinguished gentleman from Virginia (Mr. CANTOR), a member of the freshman class, designates the facility of the United States Postal Service located at 850 Glen Burnie Road in Richmond, Virginia, as the Tom Bliley Post Office Building. Members of the entire House delegation from the Commonwealth of Virginia are cosponsors of this legislation.

Madam Speaker, Tom Bliley began his political career in 1968 when he was elected to the Richmond City Council and served as vice-mayor. In 1970 he was elected mayor and served in that capacity until 1977. He returned to the family funeral home business until he announced his candidacy for Congress in 1980. He began his service in this Congress on the Committee on Commerce and would eventually become chairman after the historic 1994 elections. He worked with his colleagues on both sides of the aisle to enact major reforms of key industries, including telecommunications, banking, securities, the Internet, and satellite industries. I think that he would regard the Telecommunications Act of 1996 as his greatest accomplishment.

Madam Speaker, I urge adoption of H.R. 1748.

Madam Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I am pleased to join with my colleague from Florida in consideration of this resolution, H.R. 1748, legislation naming a post office after former Representative Thomas Bliley. H.R. 1748, introduced by the gentleman from Virginia (Mr. CANTOR) on May 8, 2001, has met the committee requirements and is supported and cosponsored by the entire Virginia delegation.

Former Representative Bliley, who represented the 7th Congressional District in Virginia, served with great distinction and honor in the Congress from 1980 to 2000. Former Representative Bliley began his political career in Richmond in 1968, first serving on the Richmond City Council, then vice-mayor, and later as mayor. A Democrat in State politics, Thomas Bliley switched to the GOP when he ran for Congress. Prior to leaving Congress, Representative Bliley served as the chairman of the House Committee on Commerce, whose agenda tackled such issues as telecommunications, energy, and environmental matters.

Madam Speaker, he was truly an outstanding member of this body.

Madam Speaker, I reserve the balance of my time.

Mr. PUTNAM. Madam Speaker, I yield 5 minutes to the gentleman from Virginia (Mr. CANTOR), the sponsor of this bill.

Mr. CANTOR. Madam Speaker, it is an honor to speak today in favor of legislation I have introduced to rename a post office building in Richmond, Virginia, after my predecessor, Representative Tom Bliley. Tom Bliley served in this body for 20 years before he retired at the end of the 106th Congress. He served with distinction as a valued member of the Republican Conference and as chairman of the prestigious House Committee on Commerce for 6 years. He was also a man who knew how to keep priorities in life. To those who know Tom Bliley, they know his faith, family, Georgetown basketball, and tennis are important to him.

After graduating from Georgetown University, he entered the Navy as an officer and would join the family funeral home business after his naval service. Tom ran for Richmond City Council in 1968 and won. Two years later, in 1970, he won a 2-year term as mayor of Richmond, a 2-year term that lasted for 7 years.

After 1977, he left the mayor's office and returned to private life. In 1980, Tom Bliley was elected to Congress on the same day as Ronald Reagan. He secured his seat on the House Committee on Energy and Commerce, and immediately began working to return power to the people through competition and elimination of bureaucratic waste and regulation. His biggest local accomplishment was securing Federal funding of the Richmond floodwall. He worked with Members of both sides of the aisle to achieve this important funding for the City of Richmond. The floodwall helped revitalize the downtown economy and is a lasting legacy to Tom Bliley's ability to work with various Members with different political philosophies to accomplish a goal for the good of the people.

Tom Bliley worked hard to advance many initiatives and was elevated to the chairmanship of the prestigious House Committee on Commerce in 1994. It was during this time he achieved his greatest accomplishments. He was able to find common ground with his colleagues to enact telecommunications reform, safe drinking water and food safety legislation, FDA reform, securities tort reform, and the Graham-Leach-Bliley financial services modernization act.

However, his biggest accomplishment in Congress was the Telecommunications Act of 1996, because it is the interstate highway act of the digital age. As the author of this act, he spearheaded the historic legislation bringing greater choice, lower price, and new innovative technologies to consumers. It will go down in history as one of the most important bills of the 20th century.

As an adoptive father, Tom cofounded the Congressional Coalition on Adoption and sponsored over 1 dozen different adoption bills. Most notably, he secured passage into law of the Adoption Awareness Act and was the author of the Hope for Children Act.

□ 1430

He was the author of the Hope for Children Act to increase the adoption tax credits to $10,000. Tom truly stood up for children without voices, and his leadership on adoption issues is missed by a grateful Nation.

Madam Speaker, I would be remiss if I did not recognize another individual who Tom would say is most important, and that is his dear wife Mary Virginia, who now enjoys Tom even more as he is home that much more often, and without her sacrifice over these many, many years and decades, Tom could not have been the leader he was for the Richmond area as well as the Nation.

Madam Speaker, at this time I urge my colleagues to support this legislation.

It is an honor to speak today in favor of legislation I have introduced to rename a post office building after my predecessor, Representative Tom Bliley. Tom Bliley served in this body for twenty years before he retired at the end of the 106th Congress. He served with distinction as a valued member of the Republican caucus and as Chairman of the prestigious House Commerce Committee for six years. He was also a man who knew to keep priorities in life. To those who know Tom Bliley, you know his faith, family, Georgetown basketball, and tennis are important to him.

After graduating from Georgetown University, he entered the navy as an officer and learned history doesn't offer many crystal lessons for those who serve our nation's affairs but there were a few. The strongest lesson he learned and the one most valuable in our roles as House Members is that weakness on the part of those who cherish freedom inevitably brings a threat to that freedom.

After his service in the Navy, he joined the family funeral home business where he eventually assumed the role of President. During that time, he gained important business experience that shaped his attitude towards problems facing small business owners. One day, some community leaders in Richmond came to him and asked him to run for city council. Tom replied he didn't see how he could devote the time to it so they called on his father, who headed the business. They said to him, "This community has been good to you. You can give something back by letting Tom run for city council."

His father agreed. Tom ran. It changed the course of his life, for he was in public service for nearly 3 decades upon retiring in January of this year. Two years later, in 1970, he won a two-year term as Mayor of Richmond—a two year term that lasted for seven years. The seventies were some of the most racially divisive years in our nation's history and Richmond was no exception. During his tenure as mayor, Richmonders were able to pull together and survive these troubled times.

Richmond survived because people worked together to find a common good. His tenure as mayor taught him a lot—lessons that were invaluable to him in the years that followed: understanding that the other fellow has a point of view, understanding that compromise without forsaking your principles is a good thing, and understanding that one can always seek a common ground if you keep your eye on the greater good.

After 1977, he left the mayor's office and returned to private life. In surprising news to many people in 1980, the incumbent Congressman from Richmond announced his retirement and Tom Bliley won the primary and was elected to Congress on the same day as Ronald Reagan. He secured a seat on the House Energy and Commerce Committee and immediately began working to return power to the people through competition and elimination of bureaucratic waste and regulation.

At the same time, he never forgot where he came from and would dutifully mind the business of his constituents. His biggest local accomplishment was securing federal funding of the Richmond flood wall. He worked with Members of both sides of the aisle to achieve this important funding for the city of Richmond. The flood wall helped revitalize the downtown economy and is a lasting legacy to Tom Bliley's ability to work with variouis members with different political philosophies to accomplish a goal for the good of the people.

Tom Bliley worked hard to advance many initiatives and he would go on to say that Republicans caught lightening in the bottle when they swept control of the U.S. House of Representatives for the first time in 40 years in 1994. This historic election elevated Tom Bliley to the Chairmanship of the prestigious House Commerce Committee. It was during this time he achieved his greatest accomplishments. He was able to find common ground with his colleagues to enact telecommunications reform, safe drinking water and food safety legislation, FDA reform, securities tort reform, reform of the securities laws, Internet tax moratorium legislation, International Satellite privatlization, Electronic Signatures legislation, Satellite Home Viewer Act, and the Gramm-Leach-Bliley Financial Services Modernization Act.

However, his biggest accomplishment in Congress was the Telecommunications Act of

1996 because it is the Interstate Highway Act of the Digital Age. As the author of the Telecommunications Act of 1996, he spearheaded historic legislation knocking down regulatory barriers to competition in the telecommunications industry—bringing greater choice, lower prices and new innovative technologies to consumers. It will go down in history as one of the most important bills of the 20th century. It is the vehicle that fueled the technology revolution that is changing the way we live and work in the new century. It is not just about copper wires and telephone companies. It is about e-mail, wireless phones, satellite television, and lower local phone bills.

As a result of the Telecommunications Act, consumers now have a choice in their local phone company. Thanks to increased telephone competition, there are new local phone operators in all 50 states. Consumers have access to new, innovative technologies. Companies are now offering a bundled package of voice, video, and high-speed Internet access. Consumers can now purchase a variety of wireless phones at affordable prices.

The Virginia gentlemen served with distinction but I would be remiss not to talk about his wonderful wife, Mary Virginia, his two children, and four grandchildren. He reserved Sunday for family time and always turned down interviews on Sunday because that is when he took his wife to Mass. His commitment to setting aside time on the weekends for his family gave him peace and solitude away from the nation's business in Washington, D.C.

As an adoptive father, Tom co-founded the Congressional Coalition on Adoption and sponsored over one dozen different adoption bills. Most notably, he secured passage into law the Adoption Awareness Act and was the author of the Hope for Children Act to increase the adoption tax credit to $10,000. I am very pleased to say that my friend, JIM DEMINT, reintroduced the Hope for Children Act this year and it was signed into law by President Bush. Tom truly stood up for children without voices and his leadership on adoption issues is missed by a grateful nation.

I urge my colleagues to support this legislation.

Mr. DAVIS of Illinois. Madam Speaker, I yield such time as he may consume to the distinguished gentleman from Virginia (Mr. SCOTT).

Mr. SCOTT. Madam Speaker, I thank the gentleman from Illinois (Mr. DAVIS) for yielding me time.

Madam Speaker, I rise today in honor of our former congressional colleague and former Virginian, Tom Bliley, for his many years of public service to Virginia and to the Nation. I am, therefore, proud to join my other Virginia colleagues in cosponsoring this bill to name a post office in Richmond, Virginia, in his honor.

Tom Bliley dedicated over 32 years of public service, and 20 of those years have been as a Member of Congress representing the Seventh Congressional District of Virginia culminating in his chairmanship of the Committee on Energy and Commerce.

Before coming to Congress he served on city council and as mayor of Richmond, Virginia. In addition, Tom is the former president of Joseph Bliley Funeral Homes, where he gained an appreciation of the problems facing the small businessman. During his lengthy career he gained respect of Members from both sides of the aisle and from his constituents in the Seventh District. Tom and I both represented parts of Richmond, Virginia, for 8 years, and I was fortunate to be able to work with him on many issues important to the capital of the Commonwealth and, indeed, the Nation.

He was instrumental in ensuring the resources of the James River were efficiently utilized for commerce and recreation. The floodwall mentioned by my colleague from Virginia was part of that effort. He and I worked together to see that the James River and Kanawha Canal riverfront project became a reality. This project restored a portion of the historic canal through the city of Richmond, which is a main hub for revitalization of the historic riverfront. He even sponsored legislation to ensure that the Army Corps of Engineers maintained the James River as a navigable waterway so the commercial and trade enterprises would not be compromised.

I am particularly grateful for his work on the Richmond National Battlefield Park legislation which included recognition of the Battle of New Market Heights as a prémier landmark in African American military history.

With his many accomplishments Tom worked across party lines and with his Virginia delegation colleagues to best represent the issues in interest to the Seventh Congressional District. It is a fitting tribute to his career of public service to honor him with the naming of this post office in Richmond, Virginia.

Madam Speaker, I therefore urge my colleagues to support this legislation.

Mr. PUTNAM. Madam Speaker, I yield 3 minutes to the distinguished and learned gentleman from North Carolina (Mr. COBLE).

Mr. COBLE. Madam Speaker, I thank the gentleman from Florida (Mr. PUTNAM) for his generous introduction. I appreciate that.

Madam Speaker, we serve here in the people's House with dozens of people who represent a wide array of constituents. Some Congressmen stand out as particularly prominent. Tom Bliley is one of these. My staff always referred to him as the Virginia gentleman. He is indeed the Virginia gentleman, bow tie and all.

When grading or rating elected officials, Madam Speaker, certain qualifications surface; integrity, accessibility, willingness to work, among others. Tom Bliley passes these tests with flying colors.

I have spent a good amount of time in their Richmond, Virginia, home, and I came to know Mary Virginia, his wife, well. She has offered him continuous and consistent support during his time in public life.

I have observed Tom Bliley responding to his constituents, expressing care, concern, sensitivity as he went about helping them resolve their various problems. He served that beautiful historic city on the banks of the James River as its mayor, as has been previously stated, prior to his having been elected to serve in the people's House where he served for two decades.

Madam Speaker, I am pleased, indeed, to heartily endorse the proposal to have the post office which serves the West Hampton area in Richmond as the Tom Bliley Post Office, the inimitable Virginia gentleman.

Mr. DAVIS of Illinois. Madam Speaker, I would urge swift passage of this measure.

Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. PUTNAM. Madam Speaker, I yield 2 minutes to the gentleman from the Commonwealth of Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Madam Speaker, I rise today to pay tribute to my friend and former colleague from Virginia's Seventh Congressional District, Tom Bliley, and also to support H.R. 1748, to designate the U.S. Post Office on Glen Burnie Road in Richmond, Virginia, in the chairman's honor. This represents an important way of saluting his service to the Commonwealth and to the country.

Mr. Bliley served as chairman to the House Committee on Energy and Commerce for three terms ending in 2000. He was hand-picked by then-Speaker Gingrich over more senior Members, and his agenda during those 6 years was quite simply to promote commerce.

As chairman, Mr. Bliley was a pragmatist, willing to broker deals behind doors with ideological friends and foes alike. As a result, the committee became one of the most constructive in Congress, promoting free and fair markets, standing for consumer choice and common-sense safeguards for our health and our environment, and keeping a watchful eye on the Federal bureaucracy.

The pleasant, soft-spoken mortician, once dubbed in a magazine's cover story as the most influential funeral director on Earth, started his political career in 1968 when civil leaders sought him to run for the Richmond City Council. He served the city for almost a decade, not only on the council, but also as vice mayor, and then becoming mayor until 1977 when he retired to devote more time to his funeral home business. However, the chairman was not out of politics for long. He enthusiastically reentered when Democrat David Satterfield announced his retirement from Congress in 1980.

Since his first election to Congress, the chairman was recognized by many organizations for his work. He served in various roles with the NATO Parliamentary Assembly. From November of 1994 to October of 1998, he was chairman of its economic committee, and in November 1998, he became one of four Vice Presidents, and with the resignation of its President in May of 2000, the chairman became acting President.

His commitment to balancing the Federal budget earned him the National Watchdog of the Treasury's "Golden Bulldog Award" every year since 1981. He was named a Guardian of Small Business by the NFIB. He has been called the most powerful Virginian since Harry Byrd, and the National Journal cited him as Mr. Smooth.

Madam Speaker, I join with my fellow Virginia colleagues in honoring Tom Bliley, thanking the chairman for his service to our Commonwealth and to our Nation. He has been a friend and mentor to me and many others. His presence in this Chamber has been missed, and I urge passage of this bill.

Mr. PUTNAM. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, it is clear that the gentleman from Mississippi, Mr. Bliley, whom we honor today, has earned the respect of his colleagues on both sides of the aisle and is highly deserving of this honor. Therefore, Madam Speaker, I urge adoption of this measure.

Mr. FORBES. Madam Speaker, as an original cosponsor of this legislation, I wanted to offer my strong support for this bill and to express my admiration for Congressman Tom Bliley and his distinguished career.

Even before his election to Congress in 1980, Congressman Bliley had already accomplished what many would consider a lifetime of service to his country. He was born just south of the James River in Westover Hills. After graduating from Georgetown University, Tom Bliley joined the Navy as an officer where he rose to the rank of lieutenant. Between 1970 and 1977 Congressman Bliley served as Mayor of Richmond. It was his steady hand and wisdom that were credited for guiding the city through some of its most turbulent times.

Many of us here in Congress came to know Congressman Bliley during his twenty years of service in the House of Representatives. Congressman Bliley retired at the end of the 106th Congress as the distinguished Chairman of the House Commerce Committee. While I did not have the honor of serving with Tom Bliley in Congress, I did have the opportunity to work closely with Congressman Bliley on many occasions during my time in the Virginia General Assembly and have always admired his demeanor and dedication to making Virginia and America a better place.

We often see in politics today elected officials that come to Washington to serve themselves rather than their constituents. We often see politicians that cannot resist the temptation to engage in destructive politics. After all, we are all human. However, during his time in Congress Tom Bliley never forgot the people who sent him to Washington and why they sent him in the first place. During every minute of his time in Congress Tom Bliley always had the respect and admiration of his colleagues. Few can make such a claim.

Madam Speaker, I hope the soon to be Tom Bliley Post Office Building will serve as bold tribute to a distinguished Virginian and a noble statesman.

Mr. SCHROCK. Madam Speaker, it is my pleasure to rise today in support of H.R. 1748, which will honor our good friend, Congressman Tom Bliley. For over thirty years, Tom served the people of Richmond and the people of the Commonwealth of Virginia.

As a Vice Mayor and Mayor of Richmond and as the Congressman representing Virginia's Third and Seventh Districts, Tom worked to bring opposing sides together on issues of contention. As Chairman of the House Committee on Commerce, Chairman Bliley brought together lawmakers with very differing views to find consensus on some of the most important laws regulating telecommunications, capital markets, energy, and healthcare. At the same time, Tom stuck to his guns and remained a staunch conservative.

Tom took the helm of the Commerce Committee when we were beginning to see the first stages of the Information Age in the late 1990s. In the six years that he was chairman, the Internet grew exponentially and the telecommunications industry made many important developments. Chairman Bliley avoided knee-jerk reactions to regulate these growing industries, allowing them to grow and flourish.

In addition to serving as a powerful committee chairman, Tom was an ardent advocate for his constituents, making no apologies for working to gain federal support for important projects in his district. From the floodwall along the James River in Richmond to renovation of Main Street Station, Tom looked after his district very closely.

Perhaps Tom's most valuable achievements in Congress were in the area of adoption advocacy and legislation. The adoption tax credit legislation that he shepherded became known as the Tom Bliley Adoption Tax Credit and I am pleased that Congress was able to include expansion of the tax credit in the tax relief legislation passed last year.

Though he has retired from Congress, Tom has not ended his service to the Commonwealth of Virginia. He now sits on the Board of Visitors for the University of Virginia and Affiliated Schools, working to improve higher education quality and expand educational opportunities in Virginia.

I am pleased to be a co-sponsor of H.R. 1748, which will recognize Chairman Bliley for his service to Virginia and his country. His record of distinguished service demonstrates to us all his commitment to the values and principles of freedom and public service. The Tom Bliley Post Office Building will be a testament to his service and dedication, and I urge passage of this legislation.

Mr. DINGELL. Madam Speaker, I rise today in support of H.R. 1748, a bill to designate the United States Postal Service building located at 805 Glen Burnie Road in Richmond, Virginia, as the "Tom Bliley Post Office Building."

Before his departure from the House of Representatives at the conclusion of the 106th Congress, Tom Bliley and I had served together for two decades on the House Committee on Energy and Commerce. As Chairman of the Committee on Commerce during the 104th, 105th, and 106th Congresses, Tom worked to address difficult topics across the vast range of the Committee's jurisdiction.

Tom reached out in a bipartisan manner to move important legislation through the Committee, including the Telecommunications Act of 1996, the Safe Drinking Water Act Amendments of 1996, the State Children's Health Insurance Program, the Food and Drug Administration Modernization Act of 1997, and Digital Signatures legislation. I note that this bipartisanship on the Committee came during a time of intense partisanship in the House.

When we were adversaries, Tom remained a gentleman and a friend. I value his friendship and thank him for his.

I congratulate Tom on his two decades of worthy service to his constituents, the Committee, and the House of Representatives, and can think of no more fitting way to honor him and his fine public service than by dedicating this U.S. Post Office building in his honor.

Mr. WOLF. Madam Speaker, it is a privilege to rise today and join fellow members of the Virginia delegation and other colleagues in support of H.R. 1748, to designate the facility of the United States Postal Service located at 805 Glen Burnie Road in Richmond, Virginia, as the "Tom Bliley Post Office Building," and to pay tribute to our former Virginia colleague who retired from this House at the end of the 106th Congress.

Tom Bliley is a true Virginia gentleman who epitomizes the highest ideals of public service. He came to Congress with me in 1981. It was an honor to serve side by side with him for 20 years. Tom was a perfect match for Virginia's 7th District which includes the city of Richmond, as this is a district replete with a tradition of true statesmen.

Tom left the Congress, having served as chairman of the Commerce Committee, a responsibility he took seriously and performed with incredible legislative skill and expertise. He showed an amazing ability to deal with such complex issues as the electric utility grid and Medicaid formulas to home medical services and drug discounts for veterans.

Tom had a diverse political career before even making his way to Capitol Hill. He was first elected to the Richmond Council as a conservative Democrat in 1968, then as mayor of Richmond from 1970–77, and eventually to the House of Representatives—this time as a Republican. His unique background enabled him to work to achieve bipartisan results while never losing sight of the issues which were important to his district and his constituents.

It is a fitting tribute that a postal facility in his hometown of Richmond will bear his name and will honor his years of service to the Commonwealth of Virginia and to the nation.

Mr. MORAN of Virginia. Madam Speaker, I rise in support of this effort to honor my friend Tom Bliley.

Tom Bliley was first elected to this body in 1980, after a successful career as a businessman and serving on the City Council and later as Mayor of Richmond. Throughout his service in Congress, Tom Bliley was a strong advocate of fiscal responsibility, the free market and consumer choice. As Chairman of the House Commerce Committee for three terms, he steered some of the most significant legislation through Congress in recent years.

Chairman Bliley also served as the dean of the Virginia delegation and, true to this role, he was a leader to all of our Members. We all enjoyed his friendship, and great sense of humor. Tom fought hard to represent the interests of his congressional district, constantly attending to the needs in his local community. Virginia has benefitted enormously from Congressman Bliley's lifetime of public service. A master in the art of bipartisan compromise, bold leadership, and legislative vision, Tom Bliley is an example to all of us. Honoring his tenure in the House of Representatives by designating the Tom Bliley Post Office is a fitting farewell.

Mr. Putnam. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Florida (Mr. PUTNAM) that the House suspend the rules and pass the bill, H.R. 1748.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

BOB DAVIS POST OFFICE BUILDING

Mr. PUTNAM. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 2577) to designate the facility of the United States Postal Service located at 310 South State Street in St. Ignace, Michigan, as the "Bob Davis Post Office Building."

The Clerk read as follows:

H.R. 2577

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BOB DAVIS POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 310 South State Street in St. Ignace, Michigan, shall be known and designated as the "Bob Davis Post Office Building".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the Bob Davis Post Office Building.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. PUTNAM) and the gentleman from Illinois (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. PUTNAM).

GENERAL LEAVE

Mr. PUTNAM. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PUTNAM. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, H.R. 2577, introduced by our distinguished colleague, the gentleman from Michigan (Mr. STUPAK), designates the facility of the United States Postal Service located at 310 South State Street in St. Ignace, Michigan, as the Bob Davis Post Office Building. Members of the entire House delegation from the State of Michigan are cosponsors of this legislation.

Madam Speaker, Bob Davis served in the House of Representatives for 14 years, from 1979 to 1993. He was a member of the House Committee on Armed Services and was also ranking member of the Committee on Merchant Marine and Fisheries.

Among his final acts was sponsorship of the law that created the Calumet Historic Park on Michigan's Keweenaw Peninsula. Madam Speaker, I urge adoption of H.R. 2577.

Madam Speaker, I reserve the balance of my time.

Mr. DAVIS of Illinois. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, as a member of the House Committee on Government Reform, I am pleased to join my colleague in consideration of H.R. 2577, legislation naming a post office after former Representative Robert W. Davis of Michigan, H.R. 2577, introduced by the gentleman from Michigan (Mr. STUPAK) on July 19, 2001. This legislation has met the committee requirement and is supported and cosponsored by the entire Michigan delegation.

Former Representative Bob Davis began his political career in local and State politics. He served on the St. Ignace City Council and in the Michigan house and senate. Elected to Congress in 1978, Bob Davis represented the 11th Congressional District and served until the end of the 102nd Congress. A member of House Committee on Armed Services and the Committee on Merchant Marine and Fisheries, former Representative Bob Davis worked hard to promote funding for the Coast Guard and to assist local businesses to secure Federal contracts.

He was an ideal Representative, always looking after the needs of his constituents.

Madam Speaker, I reserve the balance of my time.

Mr. PUTNAM. Madam Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. BURTON), the distinguished chairman of the Committee on Government Reform.

Mr. BURTON of Indiana. Madam Speaker, I appreciate the gentleman from Florida (Mr. PUTNAM) for yielding me time; and I appreciate the gentleman from Michigan (Mr. STUPAK) for introducing this legislation.

I think the achievements of Bob Davis have been covered and will be covered by the colleagues of mine from the Michigan delegation, but one thing I would like to say is that I was a personal friend of Bob Davis while he was a Member of the House. We participated in sports activities as well as cosponsored legislation here on the floor of the House. There was no finer Representative from the State of Michigan than Bob Davis.

He was an outstanding Member. He really cared about his constituents, and he worked very, very hard. He continues to work hard here in Washington, D.C., advising Members of Congress about legislation that he has an interest in.

So if Bob Davis is watching, we are glad to do this today. We are very happy to name this post office after you. I hope all the people of his district appreciate the work you have put forth on their behalf.

Bob Davis was born in Marquette, Michigan. He graduated from high school in St. Ignace, Michigan.

He attended Northern Michigan University and Hillsdale College, and graduated from Wayne State University in 1954 with a degree in Mortuary Science.

After working as a mortician and funeral director in St. Ignace, Bob was elected to the City Council in 1964 and to the Michigan House of Representatives in 1966.

Bob served in the Michigan House of Representatives from 1966 until 170, when he was elected to the Michigan Senate.

Bob served in the Michigan Senate until 1978. He was Senate Republican Leader from 1974 until 1978.

Bob was first elected to the United States House of Representatives in 1978. He was elected to six more terms before retiring in 1992.

Bob served on the Merchant Marine and Fisheries Committee and the Armed Services Committee. He was a tireless advocate for his district's interests, and a great supporter of the United States Coast Guard.

Mr. DAVIS of Illinois. Madam Speaker, I yield such time as he may consume the gentleman from Michigan (Mr. STUPAK).

Mr. STUPAK. Madam Speaker, I thank the gentleman from Illinois (Mr. DAVIS) for yielding me time.

Madam Speaker, I am pleased to offer H.R. 2577, to designate the facility of the United States Postal Service located at 310 South State Street in St. Ignace, Michigan, as the Bob Davis Post Office.

Nearly 30 years of public service is a record that Bob Davis has compiled to the people of northern Michigan, and I think that years of service deserves recognition. The designation of this post office will be a fitting tribute to a person who worked to improve the quality of life for the people not only of northern Michigan, but all of Michigan.

Mr. Davis started out as a funeral director, much like Mr. Bliley who we just honored a few minutes ago. He was the head of the Davis Funeral Home in St. Ignace. After that, he got involved in local politics and became councilman on the St. Ignace City Council from 1964 to 1966.

Bob Davis was devoted to the St. Ignace community, as we have heard, by serving as president of the St. Ignace Area Chamber of Commerce, president of the St. Ignace Area Industrial Development Corporation. He has been a member of the local Lions Club, the Masonic Lodge, the Royal Arch Masons, Shriner and Eagles Lodge.

It was through this civic involvement that Bob Davis was then elected to State representative in 1966 and elected State senator in 1970, becoming the senate majority leader of the Michigan Legislature in 1974.

Bob Davis went on and served as a delegate to the Michigan State Republican Convention in 1966 through 1978.

□ 1445

Mr. Davis continued his public service by being elected to Congress, serving from January 3, 1979, to January 3, 1993.

As has been stated, he was the ranking member on the House Committee on Armed Services and was especially involved in the Subcommittee on Military Research and Development. He was also ranking member on the merchant marine and fisheries committee.

Among one of his final acts, a project we all continue to work on and Mr. Davis was very proud of, was the sponsorship of the law that created the Calumet Historical Park on the beautiful Keweenaw Peninsula.

His district office, he was the first one to start putting forth district offices, focused on case work and economic development, proving his devotion to constituent service and economic development in a very tough area of northern Michigan.

He returned home to Michigan virtually every other weekend, crisscrossing a district that is one of the largest in the United States. Madam Speaker, I know how big this district is. Twice now it has been reapportioned, and twice it has gotten larger each time, and right now it is one of the largest in the United States. So just getting back and forth and traversing that large district in and of itself is a chore that we undertake. As I said, Mr. Davis did it every other weekend.

So I think, Madam Speaker, a fitting tribute to Bob Davis' service to northern Michigan would be naming the St. Ignace Post Office after him, the Bob Davis Post Office, and I would like to thank the chairman of the Committee on Government Reform, the gentleman from Indiana (Mr. BURTON); and the gentleman from California (Mr. WAXMAN), the ranking member; the gentleman from Florida (Mr. PUTNAM); and the gentleman from Illinois (Mr. DAVIS) for their courtesies, and I ask all my colleagues to support this bill.

Mr. PUTNAM. Madam Speaker, I yield myself such time as I may consume.

We have no further speakers on this side. It is clear that Mr. Davis again enjoys broad support and respect from both sides of the aisle, and we appreciate the gentleman from Michigan (Mr. STUPAK) bringing his accomplishments to the attention of the House. Madam Speaker, I urge adoption of this measure.

Madam Speaker, I yield back the balance of my time.

Mr. DAVIS of Illinois. Madam Speaker, we have no further speakers, and I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. BIGGERT). The question is on the motion offered by the gentleman from Florida (Mr. PUTNAM) that the House suspend the rules and pass the bill, H.R. 2577.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

COMMENDING PRESIDENT PERVEZ MUSHARRAF OF PAKISTAN FOR HIS LEADERSHIP AND FRIENDSHIP AND WELCOMING HIM TO THE UNITED STATES

Mr. HYDE. Madam Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 324) commending President Pervez Musharraf of Pakistan for his leadership and friendship and welcoming him to the United States.

The Clerk read as follows:

H. CON. RES. 324

Whereas President Pervez Musharraf of Pakistan has shown courageous leadership in cooperating with the United States in the fight against terrorism;

Whereas President Musharraf has shown great fortitude in confronting extremists and outlawing terrorism in Pakistan;

Whereas the efforts of President Musharraf in fighting terrorism are both in the national interest of Pakistan and of great importance to Pakistani-American relations;

Whereas the war against terrorism underscores the importance of strengthening the historic bilateral relationship between the United States and Pakistan;

Whereas President Musharraf has worked to improve the political representation of minorities in Pakistan; and

Whereas the Pakistani-American community in the United States makes important contributions to the United States and plays a vital role in developing a closer relationship between the peoples of the United States and Pakistan: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress commends President Pervez Musharraf of Pakistan for his leadership and friendship and welcomes him to the United States.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Madam Speaker, I yield myself such time as I may consume.

I am pleased to call up the resolution to welcome President Musharraf on his most important visit to Washington. I am a cosponsor of this resolution that was introduced today by the distinguished gentleman from Pennsylvania (Mr. PITTS), a member of the Committee on International Relations.

Pakistan has been in the forefront of the war on terrorism, and their efforts to assist the United States have been essential to the great successes to date. The importance of the growing relationship between our two countries is the prevention of further terrorist attacks, and hopefully it will contribute to economic development and stability within Pakistan.

President Musharraf has taken many steps to arrest al Qaeda members and has been working diligently on the release of kidnapped journalist Daniel Pearl. He has undertaken other efforts to curtail the detrimental activities of extremist Islamic groups and has shown particular leadership in trying to take his country in a new direction.

Through this resolution we acknowledge President Musharraf's sincere efforts to improve the security in the region and give hope for a bright future for his country and its deserving people.

I urge the support of my colleagues as we welcome the President of Pakistan to our country.

Madam Speaker, I reserve the balance of my time.

Mr. LANTOS. Madam Speaker, I yield myself as much time as I might consume.

I rise in strong support of this resolution.

I would first like to commend the gentleman from Pennsylvania (Mr. PITTS) for introducing this important resolution, and I want to thank my friend the gentleman from Illinois (Mr. HYDE), the chairman of the Committee on International Relations, for allowing it to move so expeditiously to the floor of the House.

Madam Speaker, 5 months after September 11, we now fully understand the long-term impact of that fateful day. The patterns of international power have been scrambled, and the United States has reexamined its bilateral relationship with almost every nation on the planet.

Today, all the great powers are united against the forces of barbarism. Not since the end of the Second World War have all the nations of the civilized world, including China, Russia, Japan, India, Pakistan and the nations of Europe, joined in common cause against a common enemy.

For some nations in this historic alliance, there was never a doubt that they would be with us in this struggle. For other nations, it was not to be an easy decision. The leaders were buffeted by competing pressures, and the course of least resistance would have been to duck and cover.

Madam Speaker, Pakistani President Pervez Musharraf made a strong and courageous decision to stand with the United States in this battle against terrorism. As a result, Pakistan has become an important ally in this epic struggle.

While all the nations in the global alliance have made some contributions to the battle against terrorism, Pakistan, by virtue of geography and history, has had to shoulder a uniquely heavy burden. It is true that Pakistan had a hand in creating the Taliban, and we cannot forget this, but it is also true that Pakistan is playing a critical role in ensuring that Afghanistan and Pakistan are no longer used as a base for international terrorism.

In his historic speech on January 12, President Musharraf made an eloquent and compelling call for an end to the extremism and terrorism that has plagued Pakistan for the past decade. As we laud him for making the right choice, we must acknowledge that it will not be an easy commitment for him to keep.

Indeed, the kidnapping of Daniel Pearl, an American journalist working in Pakistan, is only the latest manifestation of the life-and-death struggle that is being waged for the future of Pakistan. It is a battle against the anarchist forces of Islamic extremism and violence which seek to capitalize on the despair of the poor. It is a battle that Musharraf must win if he is to restore hope to the people of Pakistan and secure a future for the children of Pakistan.

Madam Speaker, it is vital that the United States demonstrate to the people and Government of Pakistan our commitment to help them secure that future as long as Pakistan continues its commitment to eradicate international terrorism from within its borders.

Finally, I want to reiterate to the people of Pakistan our continued support for a return to democracy in Pakistan. President Musharraf has given his word that he is committed to democracy, and we in the Congress intend to hold him to his word.

I urge my colleagues to support H. Con. Res. 324.

Madam Speaker, I reserve the balance of my time.

GENERAL LEAVE

Mr. HYDE. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the concurrent resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HYDE. Madam Speaker, I am pleased to yield 3 minutes to the distinguished gentleman from Pennsylvania (Mr. PITTS), who is the author of this excellent resolution.

Mr. PITTS. Madam Speaker, I rise today to speak in favor of this resolution welcoming President Musharraf in his visit to the United States this week. He has shown very bold leadership in cooperating with the United States in the war against terrorism. He has made some very difficult decisions, which were politically risky for him to do. Had he chosen the politically easy path, the great successes of the past months would not have been possible.

I think history will describe him as a courageous leader. Despite great risk to himself, to his government, he stood up for what was right and against what was wrong. He has cracked down on the extremists, the terrorists in his country. He has publicly spoken out and cracked down on the leaders guilty of hate speech. He shut down some of the madrassas which were teaching children to hate. He has acted to reform the education those young people receive.

He has put his military into tribal areas along the western border where military forces have never been in their history, as under the British arrangement tribal law supersedes national law. He had to make special negotiations and arrangements to put his military along the western border to interdict the terrorists, the al Qaeda network, as they sought to flee Afghanistan, and he has turned those al Qaeda terrorists over to the United States. In my mind these actions are the definition of courage.

It is no secret that Pakistan is an important ally of the United States. It has been for years. Yet Pakistan faces many challenges. President Musharraf has made good-faith efforts to weed out extremism, restore democracy and the rule of law, to ensure stability in a region that is torn by conflict.

In addition, President Musharraf has led historic change in his country by abolishing the separate electorates that disenfranchised minority ethnic and religious groups and boldly mandating a joint electoral system.

The joint electorate will help ensure that elected officials must respond to the needs of all people in Pakistan instead of ignoring the important issues, particularly fundamental human rights issues, facing ethnic and religious minorities.

I applaud President Musharraf for bringing one of the biggest steps forward for human rights in Pakistan, and I encourage President Musharraf to continue in this direction bringing further reform to eliminate discriminatory laws and procedures, such as the blasphemy law, and to protect and uphold the fundamental human rights of all people in Pakistan.

I thank the gentleman from Illinois (Mr. HYDE), the gentleman from California (Mr. LANTOS) for cosponsoring this resolution, and I urge my colleagues to join me in recognizing the courage, the leadership, the progress of President Musharraf of Pakistan as he visits the United States by voting for this resolution.

Mr. HYDE. Madam Speaker, I am pleased to yield 3 minutes to the learned gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Madam Speaker, I thank the gentleman from Illinois (Mr. HYDE) very much for the time. I want to thank the gentleman who just spoke for introducing this legislation.

I think everything that has been said about Musharraf is accurate and well deserved, but I would like to just digress for a moment and point out that Pakistan has been an ally and friend of the United States as far back as I can remember.

During the Cold War, when other countries in the region were supporting the Soviet Union, at a time when the United States was concerned about its security and an attack from the Soviet Union, Pakistan was always there. When we had the war in Afghanistan the first time, when the Soviet Union invaded, Pakistan was there. They served as a conduit for American supplies going in to stop the Soviet advance.

When we went to Somalia, and there is a movie that is called Black Hawk Down that talks about the travails we experienced in Somalia, Pakistan sent troops, and they were there.

□ 1500

And now, President Musharraf has taken up the mantle of leadership in Pakistan, and he is likewise a great supporter of the United States and the things we jointly believe in. He has arrested and detained over 2,000 militant leaders and extremists in working with us to stop the terrorist threat around the world. He has banned groups that support terrorism, frozen their bank assets and their accounts, clamped down on their fund-raising and closed their offices. In short, he is a friend and ally of the United States even though he has put himself and his administration at risk by doing so.

So, along with my colleagues, I want to welcome President Musharraf to the United States; and I want to say a very strong thank you to him and to the people of Pakistan and the Government of Pakistan, because every time America asks them, unlike some of the other people in that area, they are always there to march beside us. So, President Musharraf, thank you very much for all you do for us and for the free world.

Mr. HYDE. Mr. Speaker, I am pleased to yield 1 minute to the distinguished gentleman from Michigan (Mr. SMITH).

Mr. SMITH of Michigan. Mr. Speaker, I thank the ranking Member and the chairman for bringing this resolution before the House.

The Pakistani word for "thank you" is shukrva. So we express shukrva to all our Pakistani friends in this country and around the world, and especially to President Musharraf. He has made dramatic changes that most of us thought were impossible. It has made a huge difference in our efforts to succeed in the war against terrorism, and hopefully it is going to be the catalyst that allows us to solve many problems, including that of Kashmir and other areas around the world.

So again I suggest we say shukrva to our Pakistani friends.

Mr. McDERMOTT. Mr. Speaker, I rise to join with my colleagues to welcome General Musharraf to the United States. The friendship exhibited by the General's government has been an important component of the war on terrorism. Moreover, the courage that General Musharraf has shown in taking a stance against Pakistan's traditional ally, the Taliban, has been especially welcome.

While we welcome General Musharraf to Washington and congratulate him on his commitment to participating in our war on terrorism, we must also ask our friends in Pakistan some hard questions. For instance, we must ask Pakistan to show the world that it does not support cross-border terrorism into India. Pakistan must clamp down on the dozens of fighters that cross daily into Jammu and Kashmir from Pakistan Occupied Kashmir (POK). If, as the General claimed last week, the fighting in Jammu and Kashmir is indigenous to India, will he order that his borders are tightly sealed against the radical Islamic militants who are based on Pakistani soil and wage war in India?

The General's government would gain tremendously in the international community if it also divulges to the world the status of the "Twenty Most Wanted"—the list of international terrorist leaders that are accused of being sheltered in Pakistan. There can be no doubt that terrorism is alive in Pakistan—we have only to look to the case of the journalist, Daniel Pearl, to show us the Pakistan has not been able fact clamped down on terrorism. Without a sincere, public and tangible series of steps on the part of the General and his government, Pakistan's commitment to fighting terrorism is questionable.

We must also ask the General when he intends to move Pakistan towards democracy. General Musharraf has ignored or had changed Supreme Court orders regarding local elections, and other distinct steps towards a return to democracy. Pakistan has had a long history of democratic instability, and I do not believe that the current global upheaval can justify delay in the return of democracy to Pakistan. We all hold the ideals of democracy and personal freedoms as sacrosanct, and we should not allow our friends in Pakistan to lapse in their progress towards democracy.

I truly extend my gratitude and hand of friendship towards General Musharraf during his visit. But I also must extend my concern that he and those of his ruling stratocracy are not committed to the same goals of peace, stability and democracy that we are. I ask the General to dispel my hesitations and declare loudly that he is truly moving Pakistan towards democracy and that he is staunchly against all international terrorism. Until he stops bizarre diversions like blaming India for the kidnapping of Daniel Pearl and gets serious, it is going to be hard for us to take Pakistan and its interests as anything but dubious.

[From the Washington Post, Feb. 12, 2002]

MR. MUSHARRAF IN WASHINGTON

Gen. Pervez Musharraf of Pakistan arrives in Washington today for what likely will be, at least in part, a celebration of his readiness to join the U.S.-led campaign against terrorism. Any political boost he reaps from his scheduled White House meeting with President Bush will be largely justified; Mr. Musharraf's cooperation has been instrumental to the military campaign in Afghanistan, and his strong public initiative to arrest and reverse the mounting influence of Islamic extremists in Pakistan may prove even more important over time. But the general's visit needs to be more than a love fest. For all he has done in the past five months to advance the counterterrorist cause, the Pakistani leader has much more to do; and the Bush administration should match the political and economic rewards it offers him with concerted pressure to move ahead.

The need to keep pressing Pakistan's ruler seems all the more urgent because of the worrisome signs he offered in the days before his visit. Mr. Musharraf promised in a landmark speech last month to end Pakistan's support of terrorists who have been crossing its border to carry out attacks in India, including an assault on the Indian parliament in December that brought the two countries close to war. But last week he delivered another address that restated Pakistan's longstanding official position that the fighting in Indian-controlled Kashmir is the result of an "indigenous" rebel movement that deserves Pakistan's support. At face value, that stand might look legitimate; but the problem is that Pakistani governments for years have used that formulation as a cover to foment and supply the Kashmir insurrection.

Mr. Musharraf has formally banned the Pakistani militant groups dedicated to the Kashmir cause, including several with close ties to the Afghan Taliban and al Qaeda as well as to Pakistan's military intelligence agency. But some in Pakistan suspect that despite hundreds of reported arrests, his crackdown has not been uncompromising, that many of the militants have been allowed to remain free in exchange for lying low. Those fears could only be heightened by the president's statements to The Washington Post last weekend about the kidnapping of American journalist Daniel Pearl, which Pakistani police believe was orchestrated by a well-known member of one of those extremist Muslim groups. Rather than blame the Pakistani terrorists, or the evident failure of his new campaign to stop them, Mr. Musharraf suggested that India might somehow be behind the kidnapping—an irresponsible and implausible suggestion that is not backed by evidence.

Mr. Musharraf's forthright public condemnations of Islamic extremism, which began well before Sept. 11, leave little doubt that he genuinely would like to fashion a moderate Muslim state that would resemble Turkey rather than Taliban-ruled Afghanistan. But the general faces strong opposition to his project, some of it within his own military; and where the extremists' cause intersects with that of Kashmir, a focus of Pakistani nationalism since the country's foundation, Mr. Musharraf may feel tempted to pull his punches. That is where the Bush administration should intervene: It should make clear to the Pakistani leader that he must decisively break with the terrorists on this front as on others. Mr. Musharraf wants U.S. help in persuading India to begin negotiations on Kashmir, and the Bush administration should weigh whether it can help galvanize a peace process without compromising its longstanding neutrality in that conflict. But it must be clear, too, that continued collaboration between Islamabad and Washington depends on Mr. Musharraf's campaign Islamic extremism proving aggressive and unambiguous in deeds, as well as in words.

Mr. ACKERMAN. Mr. Speaker, I rise today in support of the resolution commending and welcoming General Musharraf of Pakistan. It is fitting that we should commend him for his support of the U.S.-led war on terrorism. Mr. Musharraf has accommodated our requests for bases, allowed us to use Pakistani airspace and otherwise provided us with logistic and intelligence-related support for our operations in Afghanistan. For that we are truly grateful.

Rhetorically, Mr. Musharraf has aligned Pakistan with the nations opposed to terrorism, he abandoned his support of the Taliban in Afghanistan and recently met with Hamid Karzai the interim leader of Afghanistan offering his support for the new regime. In his speech of January 12, Mr. Musharraf pointed Pakistan away from Islamic extremism and back toward the goal of the founders of Pakistan: a secular, moderate, democratic, Muslim state. but there is a long way to go before Pakistan reaches that goal.

For too long, terrorist groups that operate across the line of control in India have been given safe haven in Pakistan. The authors of the attack on the Indian parliament last December and on the state assembly building in Srinigar last October found aid and support in Pakistan. White a series of high-profile arrests and the announcement of a formal ban on militant groups operating in Pakistani are good beginnings, the jury is still out on whether infiltrations across the line of control have stopped.

The steps taken to date are helpful but some recent backsliding is also in evidence. Last week, Mr. Musharraf claimed that the Indian intelligence services where behind the kidnaping of Wall Street Journal reporter Daniel Pearl. Such allegations are baseless and do not help either find Mr. Pearl or lower the level of tension between India and Pakistan.

Beyond this, Mr. Musharraf has returned to the formulation that the terrorist groups in Pakistan are "freedom fighters". This is not acceptable. Pakistan can no longer say it is simply giving "political" support to Kashmiri groups while secretly aiding their infiltration into India. The point of U.S. policy since September 11 has been to oppose *all* terrorists, not just those who are conveniently or easily opposed. Mr. Musharraf must choose, he is either with the terrorists or he is with us, he cannot have both.

On the subject of democracy, Mr. Musharraf has also said the right things. He has laid out a timetable for Pakistan's return to democracy and has held village level elections. Provincial and national assembly elections are scheduled. But we must not forget that Mr. Musharraf is the reason that Pakistan is again off the democratic path. For him to receive full credit for restoring democracy elections at all levels must be held, including elections for his office. All of this is admittedly difficult to accomplish against the backdrop of Islamic extremism, but it is Mr. Musharraf's own timetable and he should be urged to keep it.

Mr. Speaker, it is appropriate for us to welcome Mr. Musharraf and thank him for his support, but we should also be mindful of how much further Pakistan has to go.

Mr. GILMAN. Mr. Speaker, we want to welcome President Musharraf to Washington. President Musharraf has been a brave ally in our war against terrorism. Our nation thanks him for his efforts to find Daniel Pearl the missing Wall Street Journal reporter. We also wish to thank him for closing his nation's borders to members of the Taliban and al Qaeda who are fleeing our armed forces.

Mr. Speaker, nearly 90 constituents of mine died as a result of the September 11 terrorist attack. Accordingly, the visit this week of President Musharraf is significant for our 20th district of New York. The reason is that for many years a number of us in the Congress were concerned about the support that Pakistan gave to the Taliban and, of course, the Taliban sheltered the terrorists who attacked our Nation. President Musharraf is now reining in his countrymen who were responsible for many of the problems in Afghanistan and Kashmir and we commend him for the risks and hard decisions he makes.

Our nation is providing Pakistan significant military economic assistance so that its citizens will feel secure and its society can thrive. We are doing this in the belief that if the people of Pakistan have hope then the extremists will be less able to recruit among the poor.

We feel certain that with President Musharraf's guidance his government will achieve these ends. We know that his efforts to end terrorism will enable all Americans and especially New Yorkers to rest assured that all those innocent people who died in New York did not die in vain.

In like manner, we urge Pres. Musharraf to help resolve the troubled issue of Kashmir between India and Pakistan.

Mr. LANTOS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HYDE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Illinois (Mr. HYDE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 324.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

RADIO FREE AFGHANISTAN ACT

Mr. HYDE. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 2998) to authorize the establishment of Radio Free Afghanistan.

The Clerk read as follows:

Senate amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Radio Free Afghanistan Act".

SEC. 2. ESTABLISHMENT OF RADIO FREE AFGHANISTAN.

(a) REQUIREMENT OF A DETAILED PLAN.—Not later than 15 days after the date of enactment of this Act, RFE/RL, Incorporated, shall submit to the Broadcasting Board of Governors a report setting forth a detailed plan for the provision by RFE/RL, Incorporated, of surrogate broadcasting services in the Dari and Pashto languages to Afghanistan. Such broadcasting services shall be known as "Radio Free Afghanistan".

(b) GRANT AUTHORITY.—

(1) IN GENERAL.—Effective 15 days after the date of enactment of this Act, or the date on which the report required by subsection (a) is submitted, whichever is later, the Broadcasting Board of Governors is authorized to make grants to support Radio Free Afghanistan.

(2) SUPERSEDES EXISTING LIMITATION ON TOTAL ANNUAL GRANT AMOUNTS.—Grants made to RFE/RL, Incorporated, during the fiscal year 2002 for support of Radio Free Afghanistan may be made without regard to section 308(c) of the United States International Broadcasting Act of 1994 (22 U.S.C. 6207(c)).

(c) AVAILABLE AUTHORITIES.—In addition to the authorities in this Act, the authorities applicable to carry out United States Government broadcasting activities under the United States Information and Educational Exchange Act of 1948, the United States International Broadcasting Act of 1994, the Foreign Affairs Reform and Restructuring Act of 1998, and other provisions of law consistent with such purpose may be used to carry out the grant authority of subsection (b).

(d) STANDARDS; OVERSIGHT.—Radio Free Afghanistan shall adhere to the same standards of professionalism and accountability, and shall be subject to the same oversight mechanisms, as other services of RFE/RL, Incorporated.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—In addition to such amounts as are otherwise available for such purposes, the following amounts are authorized to be appropriated to carry out United States Government broadcasting activities under the United States Information and Educational Exchange Act of 1948, the United States International Broadcasting Act of 1994, the Foreign Affairs Reform and Restructuring Act of 1998, and this Act, and to carry out other authorities in law consistent with such purposes:

(1) For "International Broadcasting Operations", $8,000,000 for the fiscal year 2002.

(2) For "Broadcasting Capital Improvements", $9,000,000 for the fiscal year 2002.

(b) AVAILABILITY OF FUNDS.—Amounts appropriated pursuant to subsection (a) are authorized to remain available until expended.

SEC. 4. REPEAL OF BAN ON UNITED STATES TRANSMITTER IN KUWAIT.

Section 226 of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (Public Law 103-236; 108 Stat. 423), is repealed.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois (Mr. HYDE) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

GENERAL LEAVE

Mr. HYDE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. HYDE. Mr. Speaker, I yield myself such time as I may consume.

This bill authorizes the establishment of a new radio service for Afghanistan. The new service will be called Radio Free Afghanistan and will broadcast in the Dari and Pashtu languages. The legislation provides the Broadcasting Board of Governors with the authority to make a grant to Radio Free Europe-Radio Liberty to carry out this new broadcast service.

As a result of the hard work of the bill's original sponsor, the gentleman from California (Mr. ROYCE), the subcommittee chairman, the House passed H.R. 2998 by a vote of 405 to 2 on November 7, 2001. The bill, as amended by the Senate, provides $17 million for fiscal year 2002 for this purpose. I believe the House should concur with the Senate amendment, which makes the following changes to the original House bill:

One, the Senate amendment authorizes funds for fiscal 2002. The House bill was a 2-year authorization. Two, the Senate bill authorizes a total of $17 million for Radio Free Afghanistan. The House bill authorized $27.5 million over 2 years. Three, the Senate bill includes an adjustment to the statutory funding cap on Radio Free Europe-Radio Liberty to accommodate the additional funds required for Radio Free Afghanistan.

All of these changes are acceptable to the committee, and I urge my colleagues to support this measure. Such broadcasting will support the transition in Afghanistan. Concurring in the Senate amendment to the bill will allow it to be sent to the White House for the President's signature.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I rise in strong support of this bill and yield myself such time as I may consume.

Mr. Speaker, I would first like to commend my good friends and colleagues on the Committee on International Relations, the gentleman from California (Mr. ROYCE) and the gentleman from California (Mr. BERMAN), for introducing this bill, and Chairman HYDE for his leadership in bringing the legislation to the floor of the House.

Mr. Speaker, much has changed in the 5 months since the attacks of September 11. Global alliances have shifted, and the world has united against the forces of barbarism and evil. The United States finds itself leading an unprecedented coalition against international terrorism. In short order, we have helped to liberate the people of Afghanistan from the repressive rule of the Taliban regime and their al Qaeda cohorts.

But the fog of war has not yet lifted from Afghanistan, and the war on terrorism is very far from being over. We are fighting a new kind of war which requires new tactics. Our military is adjusting to this asymmetrical warfare with elite forces using the newest U.S. technology and the smartest weapons.

But to win this war, we need more than smart bombs, we need smart diplomacy. We must have more agile tools to communicate our message more effectively. The terrorists use fear and intimidation, lies and half truth to manipulate young minds. International broadcasting and public diplomacy are critical to combating these terrorist tactics and broadening international understanding of the United States and the values that form the basis of our foreign policy.

We cannot win the information war and, hence, the war against terrorism, if we shortchange our public diplomacy. I was dismayed, Mr. Speaker, to see the cuts in funding for international broadcasting in the administration's budget. Not only are there insufficient funds to meet the world-wide programming needs for Radio Free Europe-Radio Liberty, Voice of America, and Radio Free Asia; but the administration's budget does not request a single penny for Radio Free Afghanistan.

Mr. Speaker, it is in this context that I rise in support of H.R. 2998, the Radio Free Afghanistan Act of 2001. Radio Free Afghanistan could be an important element of our foreign policy arsenal, and passage of this legislation will hopefully encourage the administration to seek funding for this new and worthy initiative.

But the imperative of creating a Radio Free Afghanistan is just one example of the need to bolster funding for all areas of the U.S. diplomatic and public diplomacy arsenal. We must increase, not decrease, funds for the international broadcasting agencies.

We must also support the Agency for International Development, which strives to help the poor, the hungry, the illiterate, and the oppressed in Afghanistan and Albania and all across Africa. And we must support the thousands of men and women who represent this Nation in our embassies and consulates across the globe. These are the individuals and the institutions who are on the front lines of the new war we are fighting.

If we are to win this war, we must equip our diplomats with the best tools and the best training, boost or development assistance, and ensure that our international broadcasters are heard throughout the world. H.R. 2998 is an important step in the right direction, and I urge all of my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. HYDE. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from California (Mr. ROYCE).

Mr. ROYCE. Mr. Speaker, I rise in strong support of this legislation, which I authored; and I believe that the establishment of this Radio Free Afghanistan by Radio Free Europe-Radio Liberty is essential for peace and essential for stability in the region. This approach is surrogate broadcasting operating as if Afghanistan had a free and vibrant press, which, unfortunately, it does not.

Now, I have been calling for Radio Free Afghanistan for several years now. I think it is fair to say that the previous administration had no interest in this type of aggressive broadcasting to Afghanistan. For 5 years, we have tried to introduce this concept. And now, finally, with the passage of this bill, the voices of freedom and democracy will fill the air in the region, offering an alternative to the hate radio that has been heard until now, because that hate radio is the methodology of Radio Shariat and other broadcasts; and it has had a very poisonous impact in Afghanistan.

I am convinced that if we had had Radio Free Afghanistan up and running for several years now, the terrorists would not have had the fertile ground they found in Afghanistan. The roots of democracy would have been established. They would not have been ripped out.

The concept behind Radio Free Afghanistan is to do what was done with Radio Free Europe in Poland and in Czechoslovakia and in other states. When we talk today with the leaders of Poland or the Czech Republic, they say that the hearts and minds of those people in those countries were turned by the opportunity to listen to free radio broadcasts from the West on a daily basis, which explained what was actually happening in their society. They were taught the concepts of tolerance, of democracy, and of political pluralism.

And, frankly, information is power. We have the opportunity to teach those same values with these radio broadcasts. We know in Eastern Europe these broadcasts were able to explain and put in context what they were hearing from the Soviet broadcasts, so that people had an alternative, so that people had a frame of reference and could judge the truth of those Soviet broadcasts. Well, that is what people need in Afghanistan and Pakistan today, a chance to judge the truthfulness of the Shariat broadcasts they have been hearing for the last 5 years.

Over time, we know from those leaders that we have talked to, that this was the most effective single thing that changed the attitudes of the average people in Eastern Europe. This legislation that we have today provides 8 hours of broadcasting a day, 4 in Pashtu, 4 in Dari, the two major dialects.

I believe that Afghanistan, for us in the United States, is at a critical point in its history. And I say it is at a critical point because what media did exist there has been totally destroyed. The Taliban destroyed the wherewithal for people to communicate. Eighty-five percent of those people own radios, and it is an opportunity for them now to hear this message.

If the various factions in Afghanistan are going to be able to strike a longlasting governing accord, the free flow of accurate information will be critical. Otherwise, rumor and misinformation and hate broadcasts will kill that country's chance to develop stability. As I met with Afghanistan's interim leader, Chairman Karzai, the other week, he told me how excited he was about the impact these broadcasts are having on the country.

This legislation initially passed the House on November 7, 2001, by a near unanimous vote. It now returns to the House with an amendment from the other body. And although the Senate's amendment scales back the proposal slightly, I am happy to get this bill to the President's desk for his signature; and I look forward to working with the gentleman from Illinois (Mr. HYDE), who has done so much for public diplomacy, and with the gentleman from California (Mr. LANTOS) to authorize Radio Free Afghanistan for fiscal year 2003 as well. That is something we need to do to build upon these crucial broadcasts.

I urge my colleagues to support this legislation, and I thank the gentleman for yielding me this time.

□ 1515

Mr. LANTOS. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from Illinois (Chairman HYDE), the gentleman from California (Mr. LANTOS), the ranking member, and I offer my appreciation to the author of this legislation, the gentleman from California (Mr. ROYCE), as well as the gentleman from California (Mr. BERMAN).

Before the end of the last session, I held a briefing on the treatment of children in Afghanistan. That issue may be different from what we are discussing today, but what I gleaned from that briefing and how children were being treated was also the desire for education, the desire to know a better life, the desire to be part of a better nation.

This legislation, Radio Free Afghanistan, now coming back from the Senate, is legislation that answers the question that we will not return to the previous behavior after the involvement with Russia where it was suggested that America did not stay to help build a nation. Now we can build from within by having a democratic tool, by having people listen to how a nation can be built. The interim government has said they want to ensure that they have a land that respects individuals, the rights of women, the rights of children, the rights of families. Radio Free Afghanistan will be that vehicle to help them understand how they can structure their government.

We know now that President Musharraf is here in the United States from Pakistan, and we hope that this reach will also influence what is going on in his country, and the collective region will be in the business of ensuring that we have a nation that will stand up for the principles of a democratic economy and a democratic nation.

Mr. Speaker, I acknowledge the importance of this legislation. I am pursuing my interest in the treatment of Afghanistan children, but I do know if they have the tools to understand how they can better themselves as they grow and provide a nation based on democratic principles and principles of equality, we will have a friend in that region, along with many other friends.

Mr. Speaker, I thank the gentleman from California (Mr. ROYCE) for his leadership. However we can move this legislation along for the President's desk, we will be better for it, and certainly the region will be a better place for all who live there.

GENERAL LEAVE

Mr. HYDE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2998.

The SPEAKER pro tempore (Mr. SIMPSON). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LANTOS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HYDE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. HYDE) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 2998.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. LANTOS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

SENSE OF CONGRESS REGARDING CRASH OF TRANSPORTE AEREO MILITAR ECUATORIANO (TAME) FLIGHT 120 ON JANUARY 28, 2002

Mr. SMITH of Michigan. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 313) expressing the sense of Congress regarding the crash of Transporte Aereo Militar Ecuatoriano (TAME) Flight 120 on January 28, 2002.

The Clerk read as follows:

H. CON. RES. 313

Whereas Transporte Aereo Militar Ecuatoriano (TAME) Flight 120 was en route from Quito, Ecuador, to Tulcan, Ecuador, when it crashed in the Andes mountains in Colombia on January 28, 2002;

Whereas the crash tragically killed an estimated 92 people;

Whereas the United States has strong cultural and historic ties to Ecuador and Colombia;

Whereas the people of Ecuador and Colombia have already suffered greatly as a result of the crash in the same region of another Ecuadorian aircraft on January 17, 2002, which killed 26 people;

Whereas the civil aviation departments of Ecuador and Colombia are working in concert to facilitate the recovery and identification of the passengers and crew members of TAME Flight 120; and

Whereas professional emergency personnel from Ecuador and Colombia valiantly overcame treacherous terrain and inclement weather to reach the site of the crash and perform emergency services: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That Congress—

(1) sends its heartfelt condolences to the families, friends, and loved ones of the victims of the crash of Transporte Aereo Militar Ecuatoriano (TAME) Flight 120 on January 28, 2002; and

(2) commends the professional emergency personnel from Ecuador and Colombia who responded to the tragic crash of TAME Flight 120 with courage, determination, and skill.

SEC. 2. The Clerk of the House of Representatives shall transmit an enrolled copy of this resolution to the President of Ecuador and to the President of Colombia.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Michigan (Mr. SMITH) and the gentleman from California (Mr. LANTOS) each will control 20 minutes.

The Chair recognizes the gentleman from Michigan (Mr. SMITH).

GENERAL LEAVE

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 313, the concurrent resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SMITH of Michigan. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of this resolution is to express the sense of Congress regarding the crash of an Ecuadorean airliner, TAME flight 120, that happened on January 28. It was en route from Quito, Ecuador, to Cali, Colombia, via Tulçan, Ecuador.

That morning farmers reported hearing a plane flying through thick cloud cover, and then a huge explosion. TAME flight 120 crashed into the slopes of a glacier-capped volcano in southern Colombia. The plane was destroyed on impact. Ninety-two people perished, including seven children and nine crew members.

Rescue workers walked for 5 hours through rugged terrain to reach the site near the summit of the volcano, and very little was immediately found at the crash site, except for small pieces of the wreckage and, sadly, a passport and ID card belonging to one of the victims, a Colombian nun.

I commend the sponsor of this resolution, the gentleman from New York (Mr. CROWLEY). I am pleased to be a sponsor and to join a distinguished bipartisan group of cosponsors in bringing this resolution to the floor this afternoon.

The United States maintains close cultural and economic ties with both Colombia and Ecuador. It is, therefore, appropriate that we act to express Congress' condolences to the families of the victims of the crash and commend the professional emergency personnel from Ecuador and Colombia who responded to this tragic accident.

Mr. Speaker, "Muchas gracias al personal de rescate," which translated is: Thank you all personnel who were involved in the rescue mission.

Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H. Con. Res. 313, and I commend the gentleman from New York (Mr. CROWLEY) for introducing this important resolution. I also want to thank the gentleman from Illinois (Mr. HYDE) for allowing it to move to the floor so expeditiously. The Crowley resolution extends our sincerest condolences to the families and loved ones of those who perished on January 28, 2002, in the crash of TAME flight 120. The resolution also applauds the brave efforts of the Ecuadorean and Colombian rescue teams.

Tragedies strike individuals and families without regard to nationalities. At these times it is important to stand shoulder to shoulder with those affected. Although nothing we can say or do will relieve the pain of those who have lost their loved ones, learning about the cause of the accident may help in the healing process and in preventing future accidents.

In this regard I want to commend the United States National Transportation Safety Board for the assistance it is offering to the Governments of Ecuador and Colombia in reviewing the black boxes of the crashed plane. I hope that the NTSB will be able to complete its review and communicate its findings to all the appropriate authorities in an expeditious manner.

Mr. Speaker, I urge my colleagues to support this measure.

Mr. SMITH of Michigan. Mr. Speaker, I reserve the balance of my time.

Mr. LANTOS. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. CROWLEY), the author of this resolution.

Mr. CROWLEY. Mr. Speaker, I thank the gentleman from Florida (Mr. DIAZ-BALART), the cochair of the Congressional Andean Regional Caucus, for his input and expertise on these important issues. I also thank the gentleman from Illinois (Chairman HYDE) and the gentleman from California (Mr. LANTOS), the ranking member, for facilitating the timely consideration of this measure before us today.

It is with great sadness and a heavy heart that I bring this resolution to the floor today. Since September 11, we have seen countless tragedies, both deliberate and accidental, that have affected us all in many, many different ways. From the terrorist attacks on the World Trade Center, the Pentagon, and the field in Pennsylvania, to the crash of American Airlines flight 587 over the Rockaways in Queens, New York, we have learned to stand together as New Yorkers, as Americans, and as humankind.

Just as the events of the past few months have affected people from around the world, so, too, do the tragedies in other lands affect us. On January 28, 2002, TAME flight 120 crashed into the Colombian Andes killing all 92 people on board. The death toll included over 45 Colombian nationals as well.

This horrific accident has indeed hit very hard close to home. As a representative of the largest Ecuadorean and Colombian communities here in the United States, I rise today to express my heartfelt condolences on behalf of myself, the people that I represent in the Seventh Congressional District of Queens and the Bronx, from the people of New York State, and from our country, the United States of America, to the families of the victims of TAME flight 120.

From Washington to Quito, and Bogota to New York, a bond exists that gives strength to those who have suffered a loss. It is this bond that will help all of us move forward together.

Mr. Speaker, I also extend my heartfelt thanks to the first responders as well as all assistance that our government has given to the countries of Ecuador and Peru. I encourage all my colleagues to support this resolution.

Mr. DIAZ-BALART. Mr. Speaker, I, too, would like to extend my thanks to my friend and colleague, Congressman CROWLEY, for all his work on this resolution.

I also would like to thank Chairman HYDE and Mr. LANTOS for quick consideration of this resolution—and thank Chairman BALLENGER for his support.

Mr. Speaker, this year has made us especially sensitive to how precious life is—and how tragedy can befall each of us without warning.

I extend my own personal condolences—as well as through this resolution—to those who lost loved ones on TAME Flight 120.

Ecuador and Colombia have been strong allies of the United States. Our peoples share strong and deep ties of family and history—Members of my own district being one of many examples. Their sorrow is our sorrow.

And as we also know well—that which can get us through such tragedies are the support of our family and friends.

So I again express my heartfelt condolences, and encourage all of my colleagues to support this resolution.

Mr. LANTOS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of Michigan. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Michigan (Mr. SMITH) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 313.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

REVISING CERTAIN GRANTS FOR CONTINUUM OF CARE ASSISTANCE FOR HOMELESS INDIVIDUALS AND FAMILIES

Mr. GREEN of Wisconsin. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3699) to revise certain grants for continuum of care assistance for homeless individual and families.

The Clerk read as follows:

H.R. 3699

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TREATMENT OF CERTAIN HOMELESS ASSISTANCE GRANTS.

Notwithstanding any other provision of law, the Notice of Funding Availability for Continuum of Care Homeless Assistance Programs for fiscal year 2001, or any action taken in furtherance of such Notice, the Secretary of Housing and Urban Development shall not award a grant pursuant to such Notice to Liberty Center for the Homeless Incorporated in excess of $459,600. If an award has been made to such Center in excess of such amount before the date of the enactment of this Act, the Secretary shall modify the award and distribute the amounts in excess of $459,600 to other applicants from the Jacksonville, Florida, Continuum of Care in the order listed in the project priority chart contained in their application.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. GREEN) and the gentleman from Massachusetts (Mr. FRANK) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. GREEN).

GENERAL LEAVE

Mr. GREEN of Wisconsin. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and insert extraneous material on H.R. 3699.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. GREEN of Wisconsin. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3699 is a simple technical correction to the continuum of care application submitted by the Jacksonville, Florida, local government and nonprofit organizations in response to the annual application process for homeless assistance funding administered by the Department of Housing and Urban Development.

Because of an error in the submitted application, and the interpretation of the HUD Reform Act that would prohibit HUD personnel from amending the application to make the corrections, statutory language is necessary. This bill will merely change the dollar amount to be distributed to the Liberty Center for the Homeless, Incorporated, to reflect an annual amount as opposed to a 10-year amount inadvertently included in the application.

Enactment of this bill and the technical correction will allow the city of Jacksonville and its nonprofit organizations to receive its entire homeless funding under Title IV of the McKinney-Vento Homeless Assistance Act.

While it appears that this is a very minor technical problem, its impact has brought significant disruptions to the efforts of very worthy nonprofit organizations and the city of Jacksonville to coordinate and provide needed services to homeless individuals and families.

□ 1530

I want to thank the Department of Housing and Urban Development for their assistance in resolving this issue. More importantly, however, I want to thank the gentleman from Florida (Mr. CRENSHAW) and the gentlewoman from Florida (Ms. BROWN) for bringing this issue to the attention of the Committee on Financial Services so that we can provide a legislative resolution.

This bill is noncontroversial and has support from the gentlewoman from New Jersey (Mrs. ROUKEMA) and the gentleman from Massachusetts (Mr. FRANK), chairman and ranking member of the Subcommittee on Housing and Community Opportunity, as well as the gentleman from Ohio (Mr. OXLEY) and the gentleman from New York (Mr. LAFALCE), chairman and ranking member of the Committee on Financial Services.

I urge all Members to support H.R. 3699.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Florida (Mr. CRENSHAW).

Mr. CRENSHAW. Mr. Speaker, I urge my colleagues to support H.R. 3699. As has been stated, it simply corrects an administrative and clerical error in a grant application. This legislation corrects a horrible wrong that would inadvertently defund numerous projects in Jacksonville, Florida. This legislation simply turns back the clock to the date that the 11 members of the coalition sat down together and submitted a consolidated continuum-of-care application to help Jacksonville's homeless outreach projects. It does not authorize any additional funding. It only restores the original intent of the homeless coalition's continuum-of-care application allowing funding to be restored to all existing projects and to begin funding for new projects.

Let me again repeat, this legislation will not cost the taxpayers any additional funds; and it will not change the original grant award amount. I want to thank the gentlewoman from Florida (Ms. BROWN) for joining me as an original cosponsor of this legislation.

I urge all of my colleagues to support passage of H.R. 3699.

Mr. FRANK. Mr. Speaker, I yield myself such time as I may consume. I want to apologize for being a little late, but I am pleased to learn that some of the colleagues who preceded us were more concise than I had anticipated. Perhaps I am being too pessimistic about their ability.

I agree very much with what the gentleman from Florida has just said. Let me say as the ranking minority member on the Subcommittee on Housing and Community Opportunity that this is an issue that was brought to my attention early and persistently and persuasively by the gentlewoman from Florida whom the gentleman from Florida has graciously mentioned. I know they worked together on this. She pointed out that this was a matter, as has been explained, that would cost the government nothing; it was simply correcting an error.

I should say this, Mr. Speaker. As a member of the Subcommittee on Housing and Community Opportunity, I hope that the chairman will agree that we can take up legislation that would make this sort of bill unnecessary, that is, there needs to be a capacity at HUD to correct errors of this sort. People make errors. I have had a couple of other cases that were brought to me by Members where errors were made. We have one that I hope will be coming down the pike. I know the minority and majority staffs are working with people from Indiana to try and straighten out one from Indianapolis.

I think a little history is helpful. We had terrible scandals at HUD in the early 80s. When a former member of this body, Jack Kemp, became the Secretary of HUD under the Presidency of George Bush, we worked together, the then Democratic majority in the Congress and Jack Kemp, to tighten up the rules so that the kind of abuses that had happened in the 80s would not happen again. But we appear to have overtightened. We were worried about the abuse of discretion; and we, as sometimes is the case, went too far in the other direction.

So I look forward to working with Secretary Martinez and with the majority on the Subcommittee on Housing and Community Opportunity so that we can restore some common sense, I think we have done a good deal of trying to get rid of the corruption, and the legislation of this sort would not be necessary.

Mr. Speaker, I am very glad that this legislation is being passed for two reasons: first, because it will give some relief to the people of Jacksonville; and, secondly, because I will not now have three conversations a day with my good friend from Jacksonville, Florida (Ms. BROWN), who has been simply indefatigable in working for her constituents on this subject.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Florida (Ms. BROWN) since it will no longer be mine.

Ms. BROWN of Florida. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. FRANK) so much for his leadership and help in this matter that greatly affects the people of Jacksonville. I also want to thank the gentleman from Florida (Mr. CRENSHAW) for his hard work in helping to bring this bill to the floor.

I cannot begin to explain how important this legislation is to the homeless service providers in our hometown of Jacksonville, Florida. Unless this legislation is passed and signed into law, two long-time agencies will stop serving their clients and terminate 16 jobs.

On February 28, the Quest program, which provides psychiatric medication management to over 200 clients, and Goodwill Industries, which last year placed 534 homeless clients in jobs, will end their service. There are also eight other major providers that will be forced to make the same hard decision. This legislation is the only thing that will prevent hundreds of homeless clients from being returned to the streets. Let me repeat this. This is the only thing that will stand in the way of hundreds of homeless clients being returned to the streets. I hope the Senate and the President will quickly get this legislation passed and signed into law. These folks have a tough job to do, and we need to put them back to work.

Mr. CRENSHAW. Mr. Speaker, I rise to urge my colleagues to support H.R. 3699, which I introduced to correct a simple clerical error and will not cost any additional funding. Without the fix my legislation provides, numerous homeless outreach providers in Northeast Florida will be subjected to profound and unintended consequences.

In May 2001, The Emergency Services and Homeless Coalition of Jacksonville submitted a consolidated Continuum of Care Application to the Department of Housing and Urban Development (HUD) requesting a maximum grant of $3.5 million. The intent of this application, consistent with HUD's responsibilities under the SuperNOFA program, was to compete for and obtain funding for a total of 11 Jacksonville homeless outreach projects.

Due to a technical error in the way the grant was submitted, the full funding for all 11 projects in Jacksonville was inadvertently granted to one agency—Liberty Center. Unfortunately, due to an interpretation of the HUD Reform Act, HUD personnel cannot make the needed corrections to remedy the technical error—thus requiring this legislative proposal before us today.

As a result, many of the programs listed on the application will cease to exist due to a lack of funding. One of these projects, the "Quest" program, operated by the Jacksonville Mental Health Resource Center, requested $293,979 and provides psychiatric medication case management to approximately 200 clients and case management services to several hundred others. There are 5 full-time and 2 part-time employees who will be cut. Without this program, these individuals will not have continuous case management basis and other public service facilities will have to deal with these individuals on a crisis basis. This type of problem will ripple through the region and disrupt years of quality service to these patients.

Mr. Speaker, without action today, another program, Goodwill Industries, will be forced to close its Job Options program, a $431,707 renewal in the continuum. Goodwill run out of funding for this project on February 28, which will result in termination of 9 employees. This is a job training program which puts homeless or near homeless clients into paying jobs and off the dole. This past year there were 852 homeless participants enrolled in the program, of which 534 were placed in employment earning an average of $7.95 per hour. It is a very effective program and saves substantial government dollars, which would otherwise have to be spent in support of these clients, were they unable to obtain jobs.

Mr. Speaker, H.R. 3699 simply corrects an administrative and clerical error in a grant application. My legislation corrects a horrible wrong that would inadvertently de-fund numerous projects. The legislation simply turns back the clock to the date the eleven members of the Coalition sat down together and submitted a consolidated Continuum of Care Application to help Jacksonville's homeless outreach projects. The bill does not authorize any additional funding; it only restores the original intent of the Homeless Coalitions Continuum of Care Application, allowing funding to be restored to all existing projects and to begin funding for the new projects. The Liberty Center would keep $459,600 of the grant and the remaining funds of just over $3 million would be dispersed to the other 10 projects in the priority order they were listed on the grant application.

This legislation will not cost the taxpayers any additional funds, and it will not change the original grant award amount of $3,484,778.

Mr. Speaker, I would like to thank my colleague, Ms. Brown for joining me as an original cosponsor of this legislation and urge all my colleagues to support passage of H.R. 3699.

Mr. FRANK. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GREEN of Wisconsin. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Wisconsin (Mr. GREEN) that the House suspend the rules and pass the bill, H.R. 3699.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. FRANK of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

COMMENDING NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION REGARDING NATIONAL CHILD PASSENGER SAFETY WEEK

Mr. PETRI. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 326) commending the National Highway Traffic Safety Administration for their efforts to remind parents and care givers to use child safety seats and seat belts when transporting children in vehicles and -for sponsoring National Child Passenger Safety Week.

The Clerk read as follows:

H. CON. RES. 326

Whereas great progress has been made in increasing the use of child safety seats in vehicles, which has reduced the number of deaths of children involved in traffic accidents, but much more remains to be done;

Whereas more than half of all children killed in motor vehicle crashes in 2000 were completely unrestrained;

Whereas motor vehicle crashes are the leading cause of death for children ages 4 to 14;

Whereas child safety seats reduce fatal injury by 71 percent for infants and by 54 percent for toddlers in passenger cars; and

Whereas the National Highway Traffic Safety Administration sponsors National Child Passenger Safety Week, February 10 through 16, 2002, to help remind parents and care givers that all children should be placed in child safety seats every time they ride in a car or truck: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress commends the National Highway Traffic Safety Administration for its efforts to remind parents and care givers to use child safety seats and seat belts when transporting children in vehicles and for sponsoring National Child Passenger Safety Week, February 10 through 16, 2002.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. PETRI) and the gentleman from Pennsylvania (Mr. BORSKI) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. PETRI).

Mr. PETRI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I urge strong support for this timely resolution. This noncontroversial resolution praises the National Highway Traffic Safety Administration for its efforts to remind parents and care givers to use child safety seats and seat belts. It is fitting that the House consider this resolution this week. February 10 through 16 is National Child Passenger Safety Week. In fact, our action today is what National Child Passenger Safety Week is all about, raising public awareness for this important issue.

On June 27, 2001, nearly 8 months ago, the House passed the extension of the Child Passenger Protection Education Grant program, H.R. 691, offered by the gentleman from Minnesota (Mr. OBERSTAR). While this legislation is yet to be considered by the other body, the program was fully funded this budget year. This valuable program actually prevents deaths and injuries to children. It educates parents as to the proper installation of child restraints, and it trains child passenger safety personnel concerning child restraint use. The gentleman from Minnesota has crafted good legislation, and it would be fitting for its consideration and passage by the other body this week during National Child Passenger Safety Week.

As necessary as the resources H.R. 691 will provide to the States, the job of raising public awareness is important. With motor vehicle crashes being the leading cause of death for children between the ages of 4 to 14, more must be done. Private involvement must be an active component in a successful campaign.

With that in mind, I would like to highlight a relatively new program, that by the Chrysler Motor Corporation, called Fit for a Kid. In this program, a parent can bring their car, regardless of its make, to a participating dealer to learn how to properly fit their child seat. This program, and others like it, are critical elements aimed to raise awareness and increase child protection knowledge.

Federal funds coupled with awareness campaigns, both complemented by fitting stations, will be vital as we work toward reducing child fatalities. I would like to thank the gentleman from Michigan (Mr. CAMP) for his well-timed resolution and ask that my colleagues support the passage of House Concurrent Resolution 326.

Mr. Speaker, I reserve the balance of my time.

Mr. BORSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in the last 25 years, the Nation has made significant gains in child passenger safety. Since then, more than 4,800 children's lives have been saved because of child restraint systems. While the fatality rate for children has decreased steadily, due to population increases and a doubling of highway miles traveled, the number of deaths has not dropped as rapidly. In the year 2000 alone, 2,343 children under the age of 14 were killed and 291,000 were injured in highway crashes. This is a record we can and must improve upon.

Without doubt, the single most effective way to protect our children in the event of a crash is to ensure that all children are buckled up in appropriate restraint systems on every trip. Children aged 2 to 5 who use seat belts rather than child safety seats are 3½ times more likely to be injured in a crash and four times more likely to receive a significant head injury. That is why it is important to remind parents that all children should be placed in child safety seats, booster seats, or seat belts every time they ride in a car or truck. That is why I strongly support this resolution.

Mr. Speaker, we can do more. Federal grant in aid programs are available to help States reduce the toll of death and injury on the Nation's highways. In fiscal year 2000, my own State of Pennsylvania received $323,000 in child passenger protection education grant funds to establish child passenger safety fitting stations in all State police barracks and increase the awareness of rural and minority populations in the State. In fiscal year 2001, the State used its funds to purchase 17 mobile fitting stations, fund child passenger safety courses, and develop new materials to promote child passenger safety among health and medical personnel.

Mr. Speaker, I want to compliment the author of the legislation, the gentleman from Michigan (Mr. CAMP); the distinguished ranking member of the full committee, the gentleman from Minnesota (Mr. OBERSTAR); the chairman of the full committee, the gentleman from Alaska (Mr. YOUNG); and the chairman of our subcommittee, the gentleman from Wisconsin (Mr. PETRI) for their support of this legislation to help us preserve our Nation's most precious resource, our children.

Mr. Speaker, I support the concurrent resolution and urge its approval.

Mr. Speaker, I reserve the balance of my time.

Mr. PETRI. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan (Mr. ROGERS).

Mr. ROGERS of Michigan. Mr. Speaker, I want to congratulate the gentleman from Michigan (Mr. CAMP) for bringing this issue to the forefront. This is extremely important. I know sometimes we can get here and we can espouse statistics and we can talk about for every dollar on a car seat it is $32 saved in the end run. But there is no more believer in this than me.

I thought these programs, quite frankly, a few years ago really were not worth the paper they were printed on. I was driving into a local one to help support it in my community, before the safety seats became kind of chic; and as I went in, the woman who was there showed me what was going on, showed me some of the seats they had confiscated, and showed me some of the numbers of the improperly installed and said, "Can I look at yours?" I had a 2-year-old son at the time. I said, "No thanks. I'm all set. I read the directions. I'm in good shape." She was a pretty persuasive woman. She brings me into the bay and after about 3 minutes said, "Not only is this in wrong, it is probably the worst one I have seen today."

This can happen to any of us. It can happen to all of us. I sponsored an event in my district through the National Safe Kids, we have a Michigan Safe Kids organization, they do phenomenal work, all by volunteers, an incredible group of people. Just that day we had some staggering results. We had 200 people show up. Over 80 seats were confiscated because they were defective. Eighty. It is a very sobering thing as you walk down the line of those car seats and realize that those parents were doing everything they possibly could to make their children safe, not realizing that they were putting them in a seat that might in fact cause injury.

We had a very touching case beyond that. I know these things work. About 2 weeks after that particular event, a woman came up and grabbed my arm as I was walking in the grocery store and with tears in her eyes related the story of not only had she been told at that particular event that her seat was improper but the way they were strapping her young grandchild in, it was across the child's neck and may have caused injury in a serious accident. Two weeks following that event, her car was hit so hard the car spun at a 180-degree turn with her grandchild in the automobile. The grandchild is fine. His name is Zach. We post Zach around my district and around mid-Michigan as exactly the reason that we can show one life for sure and we know thousands of others are saved because of the awareness of this issue.

Four out of five child safety seats are in wrong today. For those of you who are watching and you believe that you are doing everything right at home, trust me, the odds are against you that your safety seat is in correctly.

□ 1545

I cannot stress how important this is. I want to thank again the gentleman from Michigan (Mr. CAMP) for his leadership, and the chairman for his. I appreciate it. Also, thanks to the National Safe Kids Campaign for all they do.

Mr. PETRI. Mr. Speaker, I yield such time as he may consume to the author of the legislation before us, the gentleman from Michigan (Mr. CAMP), to conclude debate on our side on this measure.

Mr. CAMP. Mr. Speaker, I thank the chairman for yielding me time and for his leadership in bringing this legislation to the floor. I also want to thank my colleague the gentleman from Michigan (Mr. ROGERS) for his comments and advocacy of this resolution as well.

Mr. Speaker, this resolution will bring awareness to National Child Passenger Safety Week. A recent survey, as my colleague from Michigan said, found that almost every driver believes that they have installed their child's safety seat correctly. However, almost 80 percent of the seats for children under 8 are improperly installed, and that means most parents do not even realize that they have installed the seats wrong.

Obviously, the benefits from proper restraint are proven when child safety seats reduce fatal injuries by 71 percent for infants and 54 percent for toddlers in passenger cars, and for light trucks it reduces fatal injury by nearly 60 percent.

The consequences of not restraining children are all too clear. More than half of all children under 15 years old killed in car crashes in the year 2000 were completely unrestrained. Small children ages from 2 to 5 who are placed in seat belts rather than child safety seats or booster seats are 3.5 times more likely to be significantly injured in the event of a crash.

Great progress has been made in increasing the use of child safety seats and booster seats, and that progress has decreased the deaths among children and serious injury among children in car and truck crashes. But much more remains to be done.

I urge my colleagues to vote yes on this resolution and remind parents, caregivers and baby-sitters alike that we know how best to protect children when they travel.

Mr. BORSKI. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. PITTS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the motion offered by the gentleman from Wisconsin (Mr. PETRI) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 326.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. BORSKI. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8, rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. PETRI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Con. Res. 326.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

2002 NATIONAL DRUG CONTROL STRATEGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on the Judiciary, the Committee on Agriculture, the Committee on Financial Services, the Committee on Energy and Commerce, the Committee on Education and the Workforce, the Committee on Government Reform, the Committee on International Relations, the Committee on Armed Services, the Committee on Resources, the Committee on Transportation and Infrastructure, the Committee on Ways and Means, the Committee on Veterans' Affairs and the Permanent Select Committee on Intelligence:

To the Congress of the United States:

I am pleased to transmit the 2002 National Drug Control Strategy, consistent with the Office of National Drug Control Policy Reauthorization Act of 1998 (21 U.S.C. 1705).

Illegal drug use threatens everything that is good about our country. It can break the bonds between parents and children. It can turn productive citizens into addicts, and it can transform schools into places of violence and chaos. Internationally, it finances the work of terrorists who use drug profits to fund their murderous work. Our fight against illegal drug use is a fight for our children's future, for struggling democracies, and against terrorism.

We have made progress in the past. From 1985 to 1992, drug use among high school seniors dropped each year. Progress was steady and, over time, dramatic. However, in recent years we have lost ground. This Strategy represents the first step in the return of the fight against drugs to the center of our national agenda. We must do this for one great moral reason: over time, drugs rob men, women, and children of their dignity and of their character.

We acknowledge that drug use among our young people is at unacceptably high levels. As a Nation, we know how to teach character, and how to dissuade children from ever using illegal drugs. We need to act on that knowledge.

This Strategy also seeks to expand the drug treatment system, while recognizing that even the best treatment program cannot help a drug user who does not seek its assistance. The Strategy also recognizes the vital role of law enforcement and interdiction programs, while focusing on the importance of attacking the drug trade's key vulnerabilities.

Previous Strategies have enjoyed bipartisan political and funding support in the Congress. I ask for your continued support in this critical endeavor.

GEORGE W. BUSH.

THE WHITE HOUSE, *February 12, 2002.*

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 5:30 p.m.

Accordingly (at 3 o'clock and 49 minutes p.m.), the House stood in recess until approximately 5:30 p.m.

□ 1735

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. SIMPSON) at 5 o'clock and 35 minutes p.m.

PROVIDING FOR CONSIDERATION OF H.R. 2356, BIPARTISAN CAMPAIGN REFORM ACT OF 2001

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 344 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 344

Resolved, That on the next legislative day after the adoption of this resolution, immediately after the third daily order of business under clause 1 of rule XIV, the House shall resolve into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2356) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on House Administration. After general debate the bill shall be considered for amendment under the five-minute rule. The bill shall be considered as read. No amendment to the bill, or to the bill as perfected by an amendment in the nature of a substitute finally adopted, shall be in order except those printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII and as specified in this resolution.

SEC. 2. (a) Before consideration of any other amendment, it shall be in order to consider the amendments in the nature of a substitute specified in subsection (b). Each such amendment may be offered only in the order specified, may be offered only by the Member designated or a designee of such Member, shall be considered as read, shall be debatable for 40 minutes equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment except as specified in section 3. All points of order against such amendments are waived (except those arising under clause 7 of rule XVI or clause 5(a) of rule XXI). If more than one amendment in the nature of a substitute specified in subsection (b) is adopted, then only the one receiving the greater number of affirmative votes shall be considered as finally adopted in the House and in the Committee of the Whole. In the case of a tie for the greater number of affirmative votes, then only the last amendment to receive that number of affirmative votes shall be considered as finally adopted in the House and in the Committee of the Whole.

(b) The amendments in the nature of a substitute referred to in subsection (a) are as follows:

(1) By the Majority Leader.

(2) By Representative Ney of Ohio.

(3) By Representative Shays of Connecticut.

SEC. 3. (a) After disposition of the amendments in the nature of a substitute specified in section 2(b), the provisions of the bill, or the provisions of the bill as perfected by an amendment in the nature of a substitute finally adopted, shall be considered as an original bill for the purpose of further amendment under the five-minute rule and shall be considered as read. No further amendment shall be in order except those specified in subsection (b) of this section. Each such amendment may be offered only by the Member designated in subsection (b) or a designee of such Member, but not before the legislative day after the day on which such Member announces in accordance with subsection (c) in the House or in the Committee of the Whole the intention of the Member to offer the amendment. Each such amendment shall be considered as read, shall be debatable for 20 minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived (except those arising under clause 7 of rule XVI or clause 5(a) of rule XXI).

(b) The amendments referred to in subsection (a) are as follows:

(1) Ten amendments by the Majority Leader.

(2) Five amendments by the Minority Leader.

(3) Five amendments by Representative Shays of Connecticut or Representative Meehan of Massachusetts.

(c) The announcement referred to in subsection (a) shall describe the amendment by the number assigned to it under clause 8 of rule XVIII and may not be made later than the end of the legislative day on which this resolution is adopted. A Member may make only one such announcement, which must include any amendment the Member intends to offer but must be limited to the number of amendments specified in subsection (b) of this section for the bill or for each substitute specified in section 2(b).

SEC. 4. If the Committee of the Whole rises and reports that it has come to no resolution on the bill, then on the next legislative day, immediately after the third daily order of business under clause 1 of rule XIV, the House shall resolve into the Committee of the Whole for further consideration of the bill.

SEC. 5. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, or the bill as perfected by an amendment in the nature of a substitute finally adopted, to the House with such further amendments as may have been adopted. Any Member may demand a separate vote in the House on any further amendment adopted in the Committee of the Whole to the bill, or to the bill as perfected by an amendment in the nature of a substitute finally adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 6. House Resolution 203 is laid on the table.

The SPEAKER pro tempore. The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

Mr. REYNOLDS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from New York (Mr. FROST), the ranking member of the Committee on Rules, pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 344 is a structured rule providing for consideration of H.R. 2356, the Bipartisan Campaign Finance Reform Act of 2001, with 1 hour of debate in the House, equally divided and controlled by the chairman and ranking minority member of the Committee on House Administration.

I would like to stress that this rule before us was not written by nor is a product of the Committee on Rules. The rule reflects the terms for consideration set forth in the motion to discharge, with the exception of allowing immediate debate this week, versus a later date, as determined by the House rules. The petition calls for amendments to be introduced and printed in the CONGRESSIONAL RECORD by the close of business today.

Equally important, I would like to stress that, essentially, we do not know what amendments we are about to make in order, because the Shays-Meehan, Ney-Wynn and Armey substitutes will not be filed until after this rule is debated and approved.

Unfortunately, it is a shame to see this issue come to the floor in such a convoluted manner. The signers of the discharge petition have set in motion a clumsy and awkward debate that could hardly be called a fair and open process. There were no hearings on the language we will see on the floor tomorrow.

All this comes as a result of the discharge petition. But since circumstances have afforded this opportunity for debate, let us look at the issue before us and what it means to America.

The recent events have forged a true sense of patriotism among all Americans. But we must ask ourselves if we are willing to trample on this newfound nationalism by jeopardizing the most basic of American rights and freedoms, the right to free speech, because in this fourth version of Shays-Meehan, we have gagged Americans, whether in the middle, the right or the left, and will allow only special interests to have access to soft money.

It is reasonable to debate strengthening our campaign finance laws, but taking away first amendment rights and limiting free speech is not the way to do it. Real reform means recognizing that curbing the expense of campaigns should not come at the expense of political liberties. Limiting issue advocacy and curtailing who can say what is both unconstitutional and un-American.

We would be fooling ourselves if we believed the notion that the Shays-Meehan legislation represents a complete ban on soft money. Let us be honest: In this bill there is no such thing as a ban on soft money. At least the Ney-Wynn proposal ensures that such expenditures are used for political party activities, such as voter registration, get out the vote, overhead and fund-raising expenses.

□ 1745

Now, neither this issue nor the bill is new. In fact, the Shays-Meehan bill was in existence even before I came to Congress. But today, Shays-Meehan is in its fourth draft; I repeat, its fourth draft, and is vastly different than what was first proposed.

This new bill creates even bigger loopholes than before, creating a $30 million per year soft-money loophole, restricting broadcast ads for only 60 days prior to an election that even some of the sponsors admit could be unconstitutional, rather than year-round, and loosening even further the loopholes that allow party committees to shift their current soft money over to nonprofits who, in turn, could use 100 percent soft money for issue advocacy.

Mr. Speaker, Shays-Meehan creates a $60 million soft-money loophole for State and local parties. It creates a new loophole to permit a $40 million soft-money building fund for the Democratic National Committee if both amendments are approved by some of the Shays-Meehan supporters. In short, Shays-Meehan establishes a pathway to new and more underground money.

Creating loopholes and granting special exemptions hardly seems like reform.

Even more preposterous is the fact that some sponsors of the Shays-Meehan bill do not want to curtail soft money right away. That is right. Those supporters say, let us wait until after Election Day, the next cycle, before any of this takes effect rather than the current legislation of 30 days. Why? One simple reason: the rhetoric fails to match up to the reality. The bill's sponsors are now in the newspapers and on the talk shows saying how critical this reform package is. But now they say it can wait.

Mr. Speaker, I suspect at some point during this debate my colleagues will attempt to make a correlation between campaign finance reform and the recent Enron scandal. They will demagogue and demagogue again that the corporate downfall of Enron could have in some way been averted had tougher campaign finance laws been on the books. Is there anyone who truly believes this to be the case? Is there anyone who can look those pension holders in the eye and honestly say that campaign finance reform would have prevented Enron's collapse? The only connection between Enron's downfall and campaign finance reform is political convenience.

On a side note, I would like to extend my respect to the gentleman from Ohio (Mr. NEY), the chairman of the Committee on House Administration. As a member of his committee, I have come to respect his realistic and pragmatic approach to real campaign finance reform.

Mr. Speaker, I want to make sure that my colleagues know that today this House will deal once and for all with a major decision on campaign finance reform. It is very important that all Members look very closely and know full well what it is that we may be passing.

The Committee on Rules reported out this rule without recommendation, and, in doing so, I hesitate to ask my colleagues to support the rule. However, by signing the discharge petition, a majority of this House has signaled their desire to have this debate. And so, in mirroring the conciliatory actions of the gentleman from Illinois (Mr. HASTERT), the Speaker of the House, I ask my colleagues to vote "aye" on the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

Mr. Speaker, the rule for considering campaign finance reform is a fair rule, and I intend to support it. This rule was spelled out in the discharge petition that the majority of House Members, including myself, signed. The rule gives both sides a chance to offer substitutes and amendments to the legislation, while also bringing debate on this highly charged issue to a timely conclusion.

The rule designates H.R. 2356, the reported version of the Shays-Meehan campaign finance reform bill, as the base bill. Beginning tomorrow morning, we will have 1 hour of general debate on the bill, equally divided between the gentleman from Ohio (Mr. NEY) and the gentleman from Maryland (Mr. HOYER). Following the general debate, the bill will be considered for amendment.

Members should be aware that the rule requires that all amendments be entered into the CONGRESSIONAL RECORD by the conclusion of this legislative day. It is anticipated that there will be an announcement at some point later this evening by both the majority leader and the Democratic leader about the specific amendments to be considered.

Before consideration of any other amendment, the rule provides that three amendments in the nature of a substitute will be considered. Each substitute will be debated for 40 minutes, equally divided between proponents and opponents. The gentleman from Texas (Mr. ARMEY), the gentleman from Ohio (Mr. NEY), and the gentleman from Connecticut (Mr. SHAYS) are allowed to each offer one substitute. Under the Queen of the Hill procedure, the substitute with the most votes will then be considered the base text.

Following consideration and voting on the substitutes, it will then be in order to consider individual perfecting amendments. These individual amendments are debatable for 20 minutes, equally divided between proponents and opponents. The amendments are allocated as follows: 10 from the gentleman from Texas (Mr. ARMEY), five from the gentleman from Missouri (Mr. GEPHARDT) if he chooses to use them, and five from either the gentleman from Connecticut (Mr. SHAYS) or the gentleman from Massachusetts (Mr. MEEHAN.)

Finally, at the conclusion of the amendment process, the rule provides for a motion to recommit with or without instructions.

Mr. Speaker, the various provisions of the bills before us are technical and somewhat confusing, but there is one thing that is abundantly clear: campaign reform legislation will require both parties to look for alternative means to turn out their base supporters. As many Members know, hard-money contributions are currently regulated by Federal law, while soft-money contributions are not. Hard money is made up of contributions to Federal candidates, Federal multi-candidate PACs, and to the Federal accounts of national and State parties. Soft money is everything else.

Under current law, individuals can give a total of $25,000 a year in hard-money contributions. Unions, corporations, and other associations can set up multi-candidate PACs which can give a limited amount of hard money directly to candidates and to party committees. Thus, multi-candidate PACs can give $5,000 in hard money per election to any Federal candidate, $15,000 per year in hard money to any national party committee, and $5,000 in hard money per year to any State party committee. Employees of corporations, members of unions, and members of associations contribute to these multi-candidate, hard-money PACs, but no corporate or union money can go into these PACs.

Soft money is made up of contributions by individuals to party committees that exceed the individual's $25,000 annual hard-dollar limit, contributions by corporations to party committees, and contributions by labor unions to party committees. Additionally, individuals, corporations, and labor unions can give any amount of soft money to independent organizations not connected to political parties.

The various proposals before the House seek to significantly change all of this. For example, under the Shays-Meehan bill, hard-dollar limits for individuals would be raised from $50,000 per 2-year cycle to $95,000. Soft-money contributions to national party committees by individuals, corporations, and labor unions would be totally banned, and soft-money contributions to State parties would be limited to $10,000 per year, and then could be used only for certain limited purposes. Various restrictions would be placed on the use of soft money by independent organizations not directly connected with a political party.

Mr. Speaker, what does all this mean? Well, the answer depends on the type of political race involved.

Traditionally, the national Democratic Party has relied on soft money to mobilize its minority supporters through grass-roots efforts such as phone banks and door-to-door canvassing. The party has funded statewide-coordinated campaigns designed to turn out minority voters for Presidential voters in key swing States such as Michigan, Pennsylvania, and Illinois, and for its nominees for U.S. Senate and Governor in a number of States.

Republicans have also used soft money to fund coordinated campaigns designed to mobilize their base voters for Presidential and statewide candidates. On balance, however, the mobilization efforts directed at turning out minority voters statewide are more important to Democratic candidates than mobilization efforts funded by the Republican Party.

Some of the funds traditionally used to mobilize base voters could be replaced by the limited soft-money contributions permitted to State parties under Shays-Meehan; but clearly, this will be a challenge for both parties in future statewide campaigns.

The bill's total ban on soft money to national parties, accompanied by a major curtailment of soft money to State parties, will also have a significant effect in campaigns for the U.S. House of Representatives. This is particularly true if the ban on soft-money expenditures by independent groups is held constitutional by the courts.

In recent years, both parties have benefited from soft-money issue ads directed at campaigns for the U.S. House. In 1996, interest groups aligned with the Democratic Party spent millions of dollars on soft-money issue ads directed largely at Republican candidates who supported the Gingrich revolution, which was one of the factors in Democrats picking up nine seats that year.

In 2000, organizations connected with the pharmaceutical industry spent millions of dollars in soft money supporting Republicans and opposing Democrats, thus helping Republicans hold their narrow majority in the House. In both 1998 and 2000, Democratic Party committees and Republican Party committees spent millions of dollars in soft money on issue ads. On balance, Republican Party committees and independent organizations aligned with the Republican Party outspend the Democratic Party, and organizations aligned with the Democratic Party on soft-money issue ads directed at races for the U.S. House of Representatives.

Soft-money expenditures by both Democratic and Republican national parties also occurred on voter turnout efforts for House races during those years and, in some cases, made the difference and the outcome of particular elections. These turnout efforts have been particularly important to Democratic House candidates.

In summary, restrictions on soft money hurt both parties, but in somewhat different ways. Accordingly, Members of the House will have to weigh a variety of factors in deciding how to vote on the various proposals presented under this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield 4 minutes to the gentleman from Georgia (Mr. LINDER).

Mr. LINDER. Mr. Speaker, I believe we have just heard a defense of soft money, if it is used for purposes that the Democrats agree with: do not use it for issue ads, but use it for turning out minority voters, I think I heard him say.

As a member of the Committee on Rules, I must admit that I would not traditionally propose or support using the discharge process to bring this kind of bill to the House floor. However, I do support bringing this measure to the floor for debate, and if that means that we would have to agree to the major tenants of the rule proposed by the discharge petition for H.R. 2356, then so be it.

It is time that we considered this measure. It is time that we laid to rest allegations of unfairness and obstruction, and it is time that we address the fanciful claims that Shays-Meehan bans soft money. It does not.

As my colleagues well know, soft money is defined as money that is raised and spent outside the Federal regulatory framework. Because of this broad definition, there are numerous types of soft money and a significant number of avenues through which soft money can be used to influence Federal elections, thus making it all the more baffling that the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) claim to have eliminated soft money with their sole elimination of national party soft money. Let me state clearly and unequivocally: Shays-Meehan does not ban soft money.

During the 2000 Presidential campaign, the Republican Party and the Democrat Party raised, in national party soft money, roughly $250 million each. However, even totaled, this number pales to the amount of money that corporations and unions spend on electionary activities.

If Congress wishes to ban the use of all soft money to influence political decisions, such a ban would affect or should affect everyone and every organization involved in political activity. It hardly seems appropriate to deny political parties a role in campaigns while allowing corporate conglomerates the opportunity to shape the political debate. In fact, by eliminating the role of parties, corporations and labor unions could become increasingly reliant on loopholes allowing them to spend funds from their general treasuries to influence elections, activities that would be undertaken without Federal regulation.

Truth be told, however, unions are the single biggest spenders of unregulated soft money, expenditures that will not be affected by Shays-Meehan. Dr. Leo Troy, professor of economics at Rutgers University, has been studying unions for more than 2 decades. He estimates that during the 1995–1996 election cycle alone, unions spent more than $300 million just on voter education and get-out-the-vote efforts. This hardly seems like leveling the playing field, as unions can and will continue to influence the political process. If we give individuals, corporations, and unions a legal avenue to funnel soft money into the political process into State and local parties, they will continue to do so.

□ 1800

They will continue to do so. This Shays-Meehan does not ban soft money, nor will it stop other people from engaging in it. This is only logical. This is not reform. This does not even begin to address the concept of reform. Shays-Meehan is merely diverting and channeling soft money into an ever-growing number of parties, while allowing corporations and unions to spend unlimited and unregulated dollars on electioneering. This does not and will not change the amount or type of money in the system, and it certainly does not alter the ability of outside groups to influence elections.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. TURNER), who is the principal author of the discharge petition that brought this matter to the House.

Mr. TURNER. Mr. Speaker, we are at a historic moment in the House of Representatives. This rule which will allow us to debate historic campaign finance reform did not come to this floor without considerable work. This issue has been before the House of Representatives before, and the House passed similar reform legislation but it died in the Senate.

Last year when the Senate passed campaign finance reform, a rule was proposed that was destined to defeat true reform; and it was turned down by the House of Representatives. The Speaker announced that he would not bring it forward again, and we initiated over 7 months ago a discharge procedure led by the Blue Dog Democrats in the House to bring this issue to the floor.

I want to thank Speaker HASTERT for allowing us, once we did reach the 218, to allow the Committee on Rules to adopt the identical rule contained in the petition to allow us to have a fair and open debate on campaign finance reform.

Let there be no mistake about it, this is the opportunity of this House to end the influence, the undue influence of big money in the political process. This is our opportunity to end the 25, 50, 100, quarter of a million dollar contributions and more that are being made today to political parties in the form of what we call soft money. This legislation will restore the public's confidence and trust in the political process. And let there be no mistake, the Ney substitute is not true reform. It does not end soft-money contributions to the political process.

Yesterday, I was able to participate in a press conference with some of the leading business CEOs from around the country who have joined together under the umbrella of the Subcommittee on Economic Development, Public Buildings, and Emergency Management of the Committee on Transportation and Infrastructure. Those business leaders said they are tired of being leaned on for these big checks. They are ready to see this system cleaned up. They are ready to know that when they come before this Congress there is a level playing field for all people, including them.

I am proud to support this legislation and this rule.

Mr. REYNOLDS. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER), the distinguished chairman of the Committee on Rules.

Mr. DREIER. Mr. Speaker, everyone likes to say that they are for reform, and it is very unfortunate that there are some people who are supportive of the Shays-Meehan bill who argue that those of us who are not necessarily supporting their version of what they call reform are somehow opposed to the process of campaign finance reform.

Well, I am proud to stand here and, Mr. Speaker, say that I will take a back seat to no one when it comes to the very important issue of reform. I have been very proud to internally bring about some reforms of this institution. We were able to, in the last Congress, reduce the number of rules in this place from 52 down to 28 rules. We brought about sweeping reforms when we became the majority.

One of the things that I am very proud of, Mr. Speaker, is that when we became the majority we said that we were not going to put in place the kind of rule that we are considering right now for this legislation. It has all of these sort of inside baseball things, like a "king of the hill" procedure. I am not going to get into the details of it, but I will tell you it is unfair and it is wrong. But having said that, I am going to support the rule.

I am going to support the rule simply because 218 members of House of Representatives signed the discharge petition, and for that reason I think it is important that we move ahead. When it comes to the issue of campaign finance reform, I am for it. I am for it, Mr. Speaker. I am a proponent of reform, and I do not want anyone to say that I am not pro-reform. I happen to believe that what we need to do is we need to empower the American people with as much information as possible.

In fact, in the last couple of Congresses I have introduced legislation called the Voter Empowerment Act, and basically what we say, as President Bush has said, we need to instantly make available information on who is supporting whom so the voters can make a decision as to whether or not a Member of Congress is somehow beholden to their contributors.

I also believe that if we are going to ban soft money, we should ban it all the way across the board. And I think we should make this package effective immediately, as my colleague, the gentleman from New York (Mr. RANGEL), said on television on Sunday. I think we should do it now. I believe we should also realize that the proposal before us, which is called reform, we have not actually seen it yet. We will see it somewhere around midnight tonight. So much for a fair and open process. But we will see it very, very late tonight, and then we will proceed.

Based on what I have heard about it, it does impose more regulations on the American people. And I came here to deregulate, and I did not come here to jeopardize the ability of Americans to exercise their first amendment rights.

I happen to believe that another issue needs to be addressed here, Mr. Speaker. I happen to be a strong proponent of the two-party system. I am proud to have worked around the world encouraging the development of political parties. Let us take that historic election which took place in 2000 in Mexico. For 71 year we saw one political party, the PRI Party, the Institution and Revolutionary Party, control Mexico. And with the encouragement of the National Election Party and support from around the world for a degree of political pluralism in Mexico, we saw a political party, when it came to getting support from all over, in a position where they were able to win the election.

Well, we also encouraged it in eastern and central Europe; in Nicaragua we encouraged it. What is it we brought about? We brought about a degree of fairness. We brought about a great contrast. And that is what exists here in the United States today, an interesting clash between the two political parties and then we allow the American people to make a decision.

Well, the measure we are going to be considering, the Shays-Meehan bill, basically undermines the two-party system. If you look at countries where the party systems are really in a state of disarray, they have had real difficulty. I do not want the United States of America to follow that route. I want both the Democratic Party and the Republican Party to remain strong. And I do not like the idea of us empowering the media when it comes to determining who is going to win these elections. I think that is wrong. I think the parties should be able to stand strongly for the ideals on which they were founded.

So I believe that we have a package of reforms that are the right thing to do. I think that we should say that union members should with their dues be able to decide which candidates they support without having a few people here in Washington, D.C. decide how those dollars are expended.

I think we should do everything we can to let the American people know that we want them to have choices and we do not want to jeopardize the great system that we have.

We live with reforms today. They were put into place following Watergate, 1974. I was privileged, I wrote my senior thesis at Claremont-McKenna College on the campaign finance reform of 1974. We live with it today. And while some people talk about the fact that we have some horribly corrupt system here in our Nation's capital, well, I argue that we have a great degree of transparency and we can have even more. And, again, as my friend, the gentleman from New York (Mr. REYNOLDS), said, those who will try to draw this allusion between the bankruptcy of Enron and the political process, obviously, there is no correlation.

We need to encourage people to get involved in the political process, rather than making it unattractive to be involved in the political process. And you make it unattractive when you impose an onerous level of burdens on the American people; and that is exactly what this legislation will do.

I believe also, if we look at this question of a conference, and, again, I am getting back to inside baseball here, if we all want openness, we want to follow the legislative process, those who argue by going to a joint House-Senate conference we are killing the prospect for any kind of reform, I do not believe that for one second. Sure, if given the choice of imposing onerous regulations on the American people undermining their first amendment rights or seeing nothing done, I choose to have nothing done. But I believe the thoughtful reforms that we have in the Ney-Wynn proposal, the disclosure issue that I mentioned, the other kinds of proposals, those can be addressed in a joint House-Senate conference, and we can come back with improved legislation.

So those who say they do not want us to go to conference are in fact saying, let us not follow the constitutional guidelines, the process which was put into place by our framers for making laws. I do not believe that is an open process. I do not believe that is a fair process.

So let us do what we are paid to do here. Let us legislate. Let us work. Let us try to come to a package which will be beneficial for the American people. That should be our number one priority.

Mr. FROST. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. MEEHAN), who has worked tirelessly on this project for a very long time.

Mr. MEEHAN. Mr. Speaker, I rise in support of the rule and thank the ranking member for yielding me time.

Thanks in large part to the efforts of the Blue Dogs, we will consider meaningful campaign finance reform legislation under a fair process. I want to thank every Member who signed that discharge petition, particularly the minority leader, the gentleman from Missouri (Mr. GEPHARDT), who worked tirelessly to get us back to the floor under a fair rule.

Mr. Speaker, with the Enron scandal casting a cloud over the White House and the capital, this House has a historic opportunity to reform our campaign finance laws by ending the soft-money system. Twice this House has passed bipartisan campaign finance reform with over 250 votes, but never with such a strong chance that the bill would become law. Tomorrow will be the moment of truth for reform. The role will be called and the votes will be counted. And over the course of this debate opponents of reform will attempt to perpetuate several myths about our bill in an attempt to stop us. But do not be fooled.

Myth number one, Shays-Meehan has been weakened to the point that it is meaningless. My friend, if that were true, do you think getting this bill passed into law would be so difficult? Would this floor fight be described as Armageddon?

Here are the facts: our bill bans soft-money contributions to the national parties, prevents Federal office holders from raising soft money for parties to spend in Federal elections, and prohibits State parties from spending soft money on TV attack ads attacking Federal candidates.

Myth number two, it is a partisan bill. This is a bipartisan bill. If this were a partisan bill, I have complete confidence that the President of the United States would be waving his veto pen for all of us to see. But he is not. McCain-Feingold, Shays-Meehan, Levin, Castle, Graham, Stenholm, Roukema, Lieberman, Thompson, Snowe, Wamp. The list goes on and on, Democrats and Republicans joining together to say enough is enough.

Myth number three, the Ney bill is a better choice. The truth is the Ney bill allows $900,000 in soft money per donor to be given to national parties in just one election cycle, and unlimited money to the State parties for TV attack ads on Federal candidates. The Ney bill is not serious reform. It is, to put it bluntly, a political device proposed in an attempt to break apart our reform coalition.

Myth number four, Shays-Meehan is unconstitutional. The Supreme Court has upheld contribution limits time and time again. This Court has long upheld laws saying that spending on campaign ads has to be disclosed and has to come from hard money. The Shays-Meehan bill makes sure that campaign ads masquerading as issue discussion are subject to the same laws that uncloaked campaign ads should be.

Mr. Speaker, more than any other recent scandal, the unfolding Enron scandal has made it clear that under the present system money talks and public interest walks. Let us pass campaign finance reform.

Mr. REYNOLDS. Mr. Speaker, I yield 2½ minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, as I voted in favor of bringing this bill and a rule to the floor for debate and deposition last year, I urge my colleagues to support this rule tonight. It is time to yield to the processes of this institution and bring this measure to the floor.

But I also rise, Mr. Speaker, today in strong opposition to the underlying legislation for the single and exclusive reason that I believe in my heart that this legislation is, in fact, despite what the author of the bill just offered into the record, I believe it is, in fact, unconstitutional.

☐ 1815

The gentleman from Massachusetts (Mr. MEEHAN) said on the floor of this Chamber moments ago that the Supreme Court has upheld spending limits, and in that measure he is right, but also in 1996 the Supreme Court ruled that "independent expression of a political party's views is core first amendment activity no less than is the independent expression of individuals, candidates or other political committees." It is precisely those individuals and other political committees that the Shays-Meehan bill bars, Mr. Speaker, from any political communication that mentions one of us incumbent Federal officeholders in the 2 months prior to an election.

One of the great ironies of the debate this week is that many of the supporters of the Shays-Meehan legislation are using the very issue ads that they would ban, financed by the very type of groups that they would ban, to sell this legislation to the American people.

Mr. Speaker, Members of Congress and I had the privilege a little over a year ago to take an oath of office where we promised to uphold and defend the Constitution of the United States. My promise to uphold the Constitution and those blood-bought freedoms constrains me from supporting this legislation.

By barring any groups of Americans other than political action committees from criticizing Members of Congress by name in the 2 months before an election is unconstitutional. It is good for incumbents, bad for democracy; good for bureaucracy, bad for liberty.

Let us support the rule but oppose or amend this underlying legislation to discharge each of our oaths of office.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Maryland (Mr. WYNN), who is one of the principal authors of one of the alternative proposals that we will consider tomorrow.

Mr. WYNN. Mr. Speaker, I thank the gentleman from Texas (Mr. FROST) for yielding me the time and also for his hard work in the course of developing this issue.

Let me begin by saying I take strong exception to the statements by some of the media and some of my colleagues who say that our political system is corrupt in order to advance their own ends and to pass campaign finance reform. There may be Communist dictatorships that are corrupt, there may be Third World despots that are corrupt, but I stand here today for the proposition that the Congress of the United States of America is not corrupt.

There have been no indictments, no convictions to justify the essentially self-serving accusations made by some Members of this body who support campaign finance reform. We differ on issues, we have different constituencies, we have different approaches to economic prosperity. That is all fair game for debate, but I believe to call this institution corrupt is totally unjustified. It paints with a very broad and a very misguided brush.

There are ways our system can be improved, but I do not hear the broadcast media or the print media calling for free air time or free ad space. The role of money in politics is not for personal gain, as would be the case if this were a corrupt government. Rather, money in American politics is a function of free speech, the ability to communicate views through the mass media. Thus the drive for campaign funds is not motivated by corruption, but rather by the necessity to pay for ad time and print space.

There is certainly room for reform to reduce the amount of money in politics and to reduce broadcast attack ads by national parties. That is what many of us want to accomplish with the Ney-Wynn bill. I did an analysis under Ney-Wynn. The top 10 contributors of soft money would have contributed $21 million less than is currently allowable, but excessive bans on so-called soft money only weaken the political parties and strengthens the influence of wealthy individuals and candidates while reducing the role of our national parties.

Next, consider the right of free speech by issue advocates, whether liberal or conservative or even moderate. This is unconstitutionally restricted under the Shays-Meehan bill during the most critical time just before the election, 60 days before the election. This is not only unconstitutional, I submit that it defies common sense and our supposed goal of promoting an informed electorate.

National political parties have an important core function in terms of get out the vote, voter education and voter registration. These functions are critical to both party building and to ensure greater participation in our political process. This is particularly important for minority groups, African Americans, Hispanics, and others, and these functions should not be relegated to so-called other groups whose agenda we are not aware of, but who may, in fact, represent special interests. These are functions the parties should perform.

Moreover, the Shays-Meehan bill restricts State political parties. I submit the States can regulate political activity within their borders. We should not be federalizing elections.

Finally, let me conclude by saying that self-appointed reformers suggest that Shays-Meehan would solve the Enron problem. That is patently absurd. Campaign finance reform would not have enabled Enron to avoid bankruptcy. Campaign finance reform would not have saved those employees and investors from losing their money. It is totally misleading to suggest that Shays-Meehan would have or could prospectively solve the Enron problem.

What we do know is Enron, Arthur Andersen and the accounting industry gave politicians, Senators and House Members lots of hard money. Shays-Meehan does not get rid of hard money; therefore, these direct contributions would continue. But we also know that our system works because disclosure exists. Disclosure allowed us to know who got what, who got how much, and ultimately it allows the voters to make the decisions, not the reformers. That is the way our system should work.

I urge adoption of the rule, rejection of Shays-Meehan and the adoption of a compromise approach that would protect national parties, restrict soft money and not interfere with the States. That is the Ney-Wynn substitute.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

The gentleman from Maryland (Mr. WYNN) is correct, that is exactly why I am a cosponsor of his legislation, because his bill does a better job. It talks about meaningful reform and instantaneous reporting, and it takes a special kind of guy to look in front of a camera and make a statement that the Shays-Meehan bill ends all soft money. It just is not true.

The Shays-Meehan bill empowers special interests to use independent expenditures, underground expenditures to influence campaigns while silencing average Americans.

Most everyone wants to reform our campaign finance laws, but taking away first amendment rights and eliminating free speech is not the way to do it. Make no mistake about it, the Shays-Meehan bill does not ban soft money. Instead, it creates a new road for cash to travel to political parties, allowing up to $60 million in soft money per donor nationwide via the States.

Funneling is not reforming, and if the supporters of Shays-Meehan were serious about campaign finance reform, the bill would completely ban soft money and take effect immediately. It does neither, raising questions about its intentions.

Matter of fact, the first Shays-Meehan bill in 1999 banned all soft money, did not allow State and local political parties to get at soft money. It banned labor, it banned corporations, and it banned the wealthy from being able to put money in. So we talk about a change of what a bill had to do to get 218 motion-to-discharge signers, take a look at the different bills in the fourth draft we are now having before us in Shays-Meehan.

If the Shays-Meehan does not raise hard-money limits for House candidates and combine with other restrictions on finances, it will make the House of Representatives a millionaires' club. Take a look at some of the candidates we have had to recruit through our political parties that had wealth in order to run for public office. Wealth, individual wealth, and then we try to find some gimmicks on how we can have a millionaires' amendment or some other solution. My colleagues should live in fear, all 435 of us, that a wealthy American decides to run, and we have no available solution to get our message out.

The Shays-Meehan campaign finance legislation is no reform at all, rather some mechanism to limit free speech while turning over power and decisions to parts of the media and the wealthy. Limiting issue advocacy and curtailing who could say what and what can be said is definitely unconstitutional, and I have sat in the Committee on Rules where some of the sponsors have admitted it is unconstitutional.

The time has come. We have used a motion to discharge to get this bill on the floor. By gosh, we are going to have the debate tomorrow, maybe into the next day, but there is no longer anyplace to hide that the Senate will take care of it or the White House will take care of it. It is going to be settled right here in the House of Representatives.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut (Ms. DELAURO), the assistant to the minority leader.

Ms. DeLAURO. Mr. Speaker, tomorrow we will consider one of the most important pieces of legislation before the Nation today, the urgent need to overhaul our failed campaign finance system. Last summer we attempted to close many of the loopholes that allowed unregulated and unlimited soft money to poison our electoral system. This is a system that allowed the wealthiest individuals and the biggest corporations to seek unchecked influence.

We proposed ending the phony negative advertising that masqueraded as voter education, but are actually campaign commercials in all but name. We were ready to take these substantial steps toward cleaning up the system.

I wish the Republican leadership had chosen not to become the enemies of reform and change. They have thrown up every procedural roadblock. They cannot imagine a world without such special interest money. They were successful in this intransigence before Enron. Now the winds of change blow strong, and now a majority of this body say, no more.

That is why a bipartisan coalition of Members has forced this bill to the floor with a discharge petition over the objections of the Republican leadership. That we were forced to resort to such a rare parliamentary maneuver speaks volumes about the new urgency in the country.

Make no mistake, those wedded to this corrupt funding system will do all in their power to defeat, alter or contort this bill. They have called consideration of this bill Armageddon. They will attempt to add poison pill amendments that purport to strengthen the bill, but, in fact, are only designed to destroy the delicate bipartisan compromise that the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) have worked hard to put together.

I urge my colleagues to turn these amendments aside so that the President can sign meaningful campaign finance reform, this legislation, into law as soon as possible. The American people are demanding that we clean up this system. The time for reform is now, and in light of recent events, the need has never been greater.

We have in this Chamber tonight a strong and courageous woman, Granny Dee. We see her here and thank her for the long road she has traveled for campaign finance reform. She inspires all of us. I thank her for her hard work. Tomorrow is the day of reckoning.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

Some say that what killed campaign finance in July was not the Republican leadership, it was the Presidential ambition of some of the leadership in the minority.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I would inquire as to the time remaining on each side.

The SPEAKER pro tempore (Mr. THORNBERRY). The gentleman from New York (Mr. REYNOLDS) has 7½ minutes remaining. The gentleman from Texas (Mr. FROST) has 11 minutes remaining.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Mrs. DAVIS).

Mrs. DAVIS of California. Mr. Speaker, I rise today in support of this rule and the Shays-Meehan campaign finance reform bill.

Unlimited contributions are polluting our democratic process. By passing the Shays-Meehan bill, we will even the playing field. We will ensure that people of limited means can come together and send powerful policy messages to their elected officials. The Shays-Meehan will also make our campaign system more transparent.

In my last election a group called Citizens for Better Medicare ran hundreds of TV ads on prescription drug coverage. The problem was that no one knew that these Citizens for Better Medicare were actually pharmaceutical companies. Once Shays-Meehan is signed into law, corporations and large donors will not be able to hide behind these misleading shell groups.

I urge all of my colleagues in this House to vote for real campaign finance reform and pass Shays-Meehan into law.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, I rise in strong support of this rule and in strong support of the Shays-Meehan bill.

I represent a district north of the Golden Gate bridge right across from San Francisco with an 85 percent voter turnout. My constituents, the people I serve, care about a fair campaign process where their involvement counts. They want to ensure that the men and the women who are elected to head our government are truly accountable to their constituents, not special interests. They support the Shays-Meehan bill because they want big money influence out of the election process.

My constituents want to give our children a democratic election system that they will believe they can be part of, and without real reform, Mr. Speaker, we are telling our kids and young voters that only wealthy contributors have a voice in the political process.

Mr. Speaker, I urge my colleagues to vote for the rule and for Shays-Meehan.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Speaker, I rise in opposition to the rule. In case you wonder why the big media outlets, NBC, CBS, ABC and others, are such big supporters of the Shays-Meehan bill, it is not very tough to figure out they will be the only ones left standing, the only ones left able to speak within the 60 days before the election.

□ 1830

And if my colleagues think for a minute these media corporations or these corporations that own media outlets are not biased or that they do not have an axe to grind here in Washington, consider for a minute: Microsoft Corporation, which owns MSNBC, $2,311,926 in soft money last year, or in the last cycle, $820,000 in hard money from their PAC. They spent nearly $5 million lobbying the Congress in 1999. Go down the list: Walt Disney, which owns ABC, over $1 million in soft money, $283,000 in hard money, and spent nearly $3.5 million lobbying the Congress in 1999.

Now, these corporations will be able to speak 60 days before the election. Unlike interest groups or unlike individuals or others, they are allowed to speak. They are allowed to say whatever they want, as they should be. But if we are going to curtail the speech of others, then why not at least require disclosure on the part of the large corporate media outlets?

Should Shays-Meehan be the base bill, I have an amendment that I will offer which would require such disclosure. We cannot stand and say that we want campaign finance reform that is so unbalanced. And I say those who want campaign finance reform should want to apply it equally across the board.

Of course, that is not what this is really about. This is about showing our constituents that we really care about campaign finance reform. I think it is a sham, and I would urge rejection of the rule and rejection of the bill.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from New Mexico (Mr. UDALL).

Mr. UDALL of New Mexico. Mr. Speaker, I thank the gentleman from Texas for yielding me this time.

I support the rule. Opponents of campaign finance reform are spreading erroneous information about Shays-Meehan. The opponents say Shays-Meehan violates the first amendment because it prohibits free speech. In order to reach this conclusion, one must assume money equals speech. Therefore, the rich man's wallet overwhelms the poor man's soap box. Not so in America.

Shays-Meehan simply says that special interest television commercials must play by the same rules as Federal candidates. Corporate dollars, union dues, and unlimited dollars from wealthy individuals are prohibited, but groups are allowed to purchase and run television so long as they disclose the hard-dollar contributions.

I urge my colleagues to support Shays-Meehan. It protects our first amendment rights. It protects our democracy.

Mr. REYNOLDS. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. The basic issue before us is not free speech, but the cost to democracy of opening the floodgates to big money. Soft money, unregulated, undisclosed, was originally intended to help parties register and get out the vote. Instead, it is turning political parties into exchangers of money for so-called issue ads. It is swamping the voice of the citizen. It is corroding the legislative process. It has been said that money is the mother's milk of politics. Instead, big money is becoming its poison.

Look, Shays-Meehan prohibits soft money except in a circumscribed instance. Only in this case, when it relates to registering and getting out the vote. Only in those cases, returning soft money to its original purpose.

I say vote for Shays-Meehan. It is originally what was intended by soft money. It is real reform of the political process.

Mr. REYNOLDS. Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Speaker, I rise in support of the rule. Granny Dee did something very innovative, and she is here tonight in this Chamber. She walked across America for 14 months in support of her dream, campaign finance reform. Tomorrow, we will have an opportunity to give her and other Americans her dream, by passing meaningful reform. The President says he will sign it. The Senate has passed it. All we need to do is keep the poison pill amendments off of it.

Now, Enron was known as a very innovative company. That was their claim to fame before we found out they were really a house of cards. Well, the Enron end game has got to be passing campaign finance reform. It is time for Congress to do something very innovative: to restore public faith in the political system by banning soft money and creating more competitive elections.

This is our Enron end game. Let us pass campaign finance reform and send it to the President for his signature.

Mr. REYNOLDS. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I thank the gentleman for yielding me this time and belatedly apologize for the fact that I think this was a debate he introduced a few months ago, and we are finally debating it, I think under a very fair rule. It gives both sides the opportunity to present their case.

When Abraham Lincoln addressed this Chamber during the Civil War, when we were losing 10,000 Americans a month, he looked at Congress and said, "The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise with the occasion. As our case is new, we must think anew and act anew, and then we will save our country."

I happen to believe what we are going to do tomorrow is about saving our country and our democracy. It is about enforcing the ban on corporate treasury money that took place in 1907; it is about enforcing the ban on union dues money that was passed in 1947; and about making sure that rich individuals cannot buy elections with the law that passed in 1974.

I do not know what the prediction outcome will be tomorrow, but I do know this: we came to this Chamber with a good bill, the Senate took this bill and changed it slightly; and we have taken the Senate changes and incorporated them in our bill with the hope and the prayer that this House will act and pass campaign finance reform and send it back to the Senate for the President's signature.

I do not know if that will happen. But in order for it to happen, we have to kill amendments that gut our proposal. We have to kill amendments that supposedly improve it but break apart the coalition that we have in the House. And we have to make sure that this bill ultimately can be passed by the Senate.

I urge my colleagues to pay attention to this debate, to vote their conscience, and we will all live with the consequences.

Mr. FROST. Mr. Speaker, I would inquire about the time remaining.

The SPEAKER pro tempore (Mr. THORNBERRY). The gentleman from Texas (Mr. FROST) has 6 minutes remaining, and the gentleman from New York (Mr. REYNOLDS) has 3½ minutes remaining.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, Granny Dee would not have walked so many miles if she did not believe in campaign finance reform. The American people believe in campaign finance reform. They want this process and the members of the elected process, the democratic process, to be an open book.

Tomorrow, we can show them that we are by voting for campaign finance reform and not delaying one more moment. This is a complex rule, but it is a fair rule. It will give us an opportunity to debate many issues. I know my local broadcast stations are concerned about one particular issue, impacting on the first amendment. We will be able to debate that. But what we must do and where we must not fail is fail the American people and this democratic process.

We have a lot to export to the world, that is, democracy in its purest sense. The only way we can do so is to support the Shays-Meehan bill tomorrow, have a vigorous debate, and be optimistic about what we need to do to show the American people we do believe their voices can be heard. I ask my colleagues to support Shays-Meehan as well as the rule.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee (Mr. FORD).

Mr. FORD. I thank the gentleman from Texas for yielding me this time.

Mr. Speaker, I have listened with great delight to my friend from New york and others who have expressed their opposition to this bill. It is almost as if my friend from New York would have us do more than what we are doing. I will be interested in hearing some of the debate tomorrow.

Let me be clear. I support campaign finance reform, because I think when we have liberal Democrats and some conservative Republicans saying something is bad, it is probably a good thing. And we will hear a lot of that tomorrow, not just here in this Chamber but even outside this Chamber.

Any time we can limit the money that companies like IBM and AFL-CIO chiefs and union bosses and Enron chiefs give to this process, it is a good thing for the political process. What is it that we are afraid of, actually having to campaign? What is it that we are afraid of, actually having to go home and ask voters to examine and analyze our records? I submit I am one Congressman not afraid to go home and ask the voters to analyze my record without the help of some of these huge corporate dollars, without the help of some of these union dollars. And I hope the majority of my colleagues will see fit to vote that way tomorrow.

Mr. REYNOLDS. Mr. Speaker, I yield myself such time as I may consume.

I listened carefully to my friend from Tennessee, and he kind of wants it both ways. I am never afraid to go home. I go home every single week to my district in western New York to talk to my voters and listen to what they have to say, as they send me to Washington. But the gentleman cannot have it both ways, to where we ban a little bit but we do not really have a level playing field and we just kind of set up the rules.

That is why I am a cosponsor of Ney-Wynn, because it is pretty straightforward. It is pretty straightforward on reform. It is pretty straightforward on quick and accurate information on what is being raised and spent.

And I listened to Andy Card, the Chief of Staff to the President, when he talked about the credentials that he looked for in a bill: a level playing field, banning soft money on both labor and corporations, paycheck protection and instantaneous reporting.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. REYNOLDS. I yield to the gentleman from Tennessee.

Mr. FORD. Mr. Speaker, under the Ney bill, how much money could Ken Lay have contributed, the former chairman of Enron, to the NRC, the DNC, and all the other parties?

Mr. REYNOLDS. Reclaiming my time, Mr. Speaker, I would respond that I would have to get an expert on that; but I can say that under the Shays-Meehan bill, which the gentleman supports, it could be $30 million to both parties with the State and locals.

Mr. FORD. How much could you give to the national parties, I would ask my friend from New York?

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The time is controlled by the gentleman from New York. Requests must be made for Members to yield. Members may not get into a dialogue with one another absent such yielding.

Mr. REYNOLDS. Mr. Speaker, I believe I have answered the question of the gentleman from Tennessee. The Shays-Meehan bill would provide $30 million to both parties at the State and local level. I do not exactly know what the Ney-Wynn bill would provide in those dollars.

But I can say that the Shays-Meehan bill empowers special interests to use independent expenditures, which I really consider underground money, to influence campaigns while silencing average Americans. Most everyone wants to reform our campaign finance laws, but taking away first amendment rights and limiting free speech is not the way to do it.

Mr. HORN. Mr. Speaker, today the House will begin the debate and vote on proposals to reform the way we finance federal election campaigns in this country. Some believe this issue rates very low in public concern, but I believe strongly that the proposals we debate today go to the very heart of our democracy.

This is a debate about the way we will run our elections, which are the foundation and a major safeguard of our republic. It is a debate and a decision about whether every voter will have an equal voice in deciding our nation's future or whether some interests will always have special status because their voices are backed by large financial contributions.

Mr. Speaker, there is nothing wrong with a person providing a financial contribution to a political candidate or committee. It is proper that candidates are supported at the grassroots level through the involvement of friends and neighbors. Each of us is here in large measure because we enjoy and appreciate such support from a wide range of Americans who care about our government and are personally committed to supporting us.

But, there is something wrong with this system when the link between candidates and the grassroots voter—our neighbors and our friends—is broken or bent beyond recognition by an avalanche of big money that comes directly from corporations, labor unions and from a very few, very wealthy individuals. That is the problem we face today.

Direct political contributions from corporations to individual candidates were outlawed in 1907, but today corporations give hundreds of millions of dollars to both parties in the form of "soft money" because current federal law has a loophole allowing such contributions for so-called "party-building activities." This loophole now allows enormous contributions—some of $1 million in a single check—that go directly to the political parties rather than individual candidates. Although giving to political parties may lessen the appearance of corruption, the average American understands that Enron, big tobacco companies and other corporations do not give millions of dollars to a political party just to assure good government.

Mr. Speaker, the choices before the House are clear cut. We can again pass a bill that provides genuine, effective reform of the current system—the bill offered by Mr. SHAYS and Mr. MEEHAN. Some of the alternatives before us have the appearance of reform by at least providing some limits on soft money but they lack real substance because the limits are so high and so wide that they change very little in the current situation.

I believe it is essential that the House stand fast on the cause of campaign finance reform, that we again—for the third time—pass the Shays-Meehan bill. In doing so, we will end the soft-money chase. We also will assure that those who engage in campaign advertising that attacks or promotes candidates must fully disclose the sources of their funding to the voters.

The decision we make today is perhaps the most important decision that this Congress will render. The outcome will influence everything else we do on a vast array of issues and concerns. Mr. Speaker, I urge my colleagues to pass real reform so that we send a clear message to the American people that this Congress intends to restore common sense to our campaign laws.

Mr. FROST. Mr. Speaker, I urge adoption of the rule, and I yield back the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. REYNOLDS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will now put the question on motions to suspend the rules and on House Resolution 344, on which further proceedings were postponed earlier today.

Votes will be taken in the following order:

Concur in the Senate amendment to H.R. 2998, by the yeas and nays;

H.R. 3699, by the yeas and nays;

House Resolution 344, de novo;

And House Concurrent Resolution 326 de novo.

The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

☐ 1845

RADIO FREE AFGHANISTAN ACT

The SPEAKER pro tempore (Mr. THORNBERRY). The pending business is the question of suspending the rules and concurring in the Senate amendment to the bill, H.R. 2998.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. HYDE) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 2998, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 421, nays 2, not voting 11, as follows:

[Roll No. 15]

YEAS—421

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Bermah
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Combest
Conyers
Costello
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode

Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—2

Collins
Paul

NOT VOTING—11

Condit
Cooksey
Cox
Hall (OH)
Hefley
Jefferson
Lewis (KY)
Riley
Tauzin
Traficant
Vitter

□ 1905

Mr. THOMPSON of Mississippi changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SWEENEY). Pursuant to clause 8 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

REVISING CERTAIN GRANTS FOR CONTINUUM OF CARE ASSISTANCE FOR HOMELESS INDIVIDUALS AND FAMILIES

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 3699.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. GREEN) that the House suspend the rules and pass the bill, H.R. 3699, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 421, nays 0, not voting 13, as follows:

[Roll No. 16]

YEAS—421

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
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□ 1916

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 2356, BIPARTISAN CAMPAIGN REFORM ACT OF 2001

The SPEAKER pro tempore (Mr. SWEENEY). The pending business is the question de novo on agreeing to the resolution, H. Res. 344.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to section 6 of House Resolution 344, House Resolution 203 is laid on the table.

COMMENDING NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION REGARDING NATIONAL CHILD PASSENGER SAFETY WEEK

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 326.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin (Mr. PETRI) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 326.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

MODIFYING SPECIAL ORDER FOR COMMITTEE OF WHOLE CONSIDERATION OF H.R. 2356, BIPARTISAN CAMPAIGN REFORM ACT OF 2001

Mr. REYNOLDS. Mr. Speaker, it is my understanding that the minority leader does not intend to offer amendments.

Pursuant to that, I ask unanimous consent that, one, during consideration of H.R. 2356 in the Committee of the Whole pursuant to H. Res. 344, the Chair shall alternate recognition to offer the amendments specified in section 3 between the majority leader or a designee of the majority leader and the gentleman from Connecticut (Mr. SHAYS) or the gentleman from Massachusetts (Mr. MEEHAN) or a designee of either Member only as follows:

□ 1930

The Majority Leader for one amendment;

Representative SHAYS or Representative MEEHAN for one amendment;

The Majority Leader for two amendments in sequence;

Representative SHAYS or Representative MEEHAN for one amendment;

The Majority Leader for two amendments in sequence;

Representative SHAYS or Representative MEEHAN for one amendment;

The Majority Leader for two amendments in sequence;

Representative SHAYS or Representative MEEHAN for one amendment;

The Majority Leader for two amendments in sequence;

Representative SHAYS or Representative MEEHAN for one amendment; and

The Majority Leader for one amendment.

(2) Under section 3(a) of House Resolution 344, a Member listed in section 3(b) may designate another Member to announce, in accordance with section 3(c), the intention to offer any amendment allotted to him under section 3(b).

The SPEAKER pro tempore (Mr. SWEENEY). Is there objection to the request of the gentleman from New York?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 1-minute requests.

CONGRATULATIONS AND THANKS TO LUCY ESPINEL AND REGINE FERNANDEZ-CACIEDO

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, today I rise to congratulate two constituents of my congressional district, Lucy Espinel and Regine Fernandez-Caciedo, for their selfless work on behalf of the neediest folks in south Florida.

Lucy and Regine oversee, without compensation, the "Wish Book" of the Miami Herald charities, featuring those who are not receiving desperately needed assistance.

What is wonderful about the work of these two remarkable women is that they get personally involved with all to understand their unique individual needs. With respect and compassion, Lucy and Regine try to fulfill every wish, whether it be for food, toys for children, medical equipment, medication or furniture.

Lucy and Regine take time out of their work and personal lives; and during these difficult times, when we have been affected in so many ways by tragedies, it is encouraging to know that there are kind individuals like Lucy and Regine to make someone more comfortable.

Mr. Speaker, I wish to extend our congratulations to them; and I thank another constituent of my district, Angel Pardo, for informing me of their work. Please join me in celebrating the contributions of these two humanitarians to our south Florida community, and indeed, to our great Nation.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. CULBERSON). Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

MUSHARRAF'S VISIT TO THE UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I rise this evening to discuss my concerns with H. Con. Res. 322, a resolution introduced by the gentleman from Pennsylvania (Mr. PITTS) this afternoon that commends General Musharraf of Pakistan for his leadership and friendship and welcomes him to the United States.

Mr. Speaker, I agree that General Musharraf was faced with a difficult decision when he was asked, and he cooperated, with the United States in the fight against terrorism. There is much civil unrest throughout Pakistan, and I do believe that there was a risk involved when Musharraf decided to side with the United States.

However, there have been some major shortcomings in Musharraf's promises to root out the Taliban, al Qaeda and certain terrorist groups in Kashmir that are linked to al Qaeda. I sent a letter to President Bush today outlining these shortcomings, and I will include that in the RECORD at this point.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 11, 2002.

Hon. GEORGE W. BUSH,
President of the United States, Washington, DC.

DEAR MR. PRESIDENT: I understand that you, along with other officials in your administration, will be meeting with General Pervez Musharraf on Wednesday during his visit to the United States. I am writing to explain why I continue to oppose lifting the ban on military assistance to Pakistan and the proposal in your budget to provide $50 million in such assistance.

Since September 11 and Musharraf's supposed willingness to fight against terrorism, Pakistani-based militant groups have been carrying out violent cross-border terrorist attacks on innocent civilians throughout Kashmir on a daily basis. In addition, the largest symbol of democracy, the Indian Parliament, was attacked on December 13, 2001 by the same terrorist groups operating out of Pakistan near the Kasmir border.

Musharraf has claimed to crack down on terrorists operating in Pakistan since the attack on the Parliament, however it remains my concern that this is not the case. Although he has arrested nearly 1600 individuals, there is no assurance that these individuals are criminals and there is no notice of whether these individuals are terrorist fighters. In addition, there has been no progress on Pakistan's part to quell the violence taking place in Kasmir. In fact, the Kashmir Solidarity Day last week, Musharraf delivered a speech, which I found to incite violence among these terrorist groups that he refers to as "freedom fighters". Pakistan has openly acknowledged that it provides logistical and moral support to these groups, however, the support extends beyond that to arms and weapons transfers. It is clear that Musharraf is in fact supporting terrorist activities under the guise of calling these groups "freedom fighters".

When you asked Congress last fall to lift the ban on military assistance to Pakistan, there were no plans to provide any such assistance to General Musharraf. State Department representatives appeared before the House International Relations Committee at the time, and in response to my question, stated that no military aid to Pakistan was anticipated.

In your FY 2003 budget proposal you have requested $50 million in military assistance to Pakistan. Frankly, I don't see that the situation has changed in Pakistan to justify such a turnaround. It is alarming that you are proposing military assistance to a country that verbally condemns terrorism on a global level, but that actively supports terrorist activities in its own backyard.

I agree that Pakistan needs extensive aid to rebuild its economy, education system and social structure. However, I cannot support a proposal that funds military assistance to Pakistan given its current leadership under a dictator and its continued backing of militant groups. Historically, U.S. military assistance to Pakistan has been used to arm cross-border terrorists in their attacks on Indian civilians in Kashmir and throughout the nation. There is continued evidence that terrorist groups operating in Pakistan are linked to Al-Qaeda and that their attacks on India are experiments for future attacks on the United States. I do not believe it is in our best interest to provide military assistance to Pakistan, despite their agreement to help in our war on terrorism. South Asia is a very volatile, unstable region and given the current military standoff between Pakistan and India, $50 million worth of U.S. weapons will only aid future conflict in that region.

Thank you for your consideration.

Sincerely,
FRANK PALLONE, JR.

However, tonight, Mr. Speaker, I would like to focus on democracy, or the lack of democracy, in Pakistan. In the Pitts resolution, there is mention of President Musharraf's pursuit of a return to democracy and civil society, in addition to his adherence to the timetable for restoring democratic elections to Pakistan. I do not support this resolution because the opposite is true. Mr. Speaker, Musharraf has made no concrete attempt to restore democracy in Pakistan, and I urge the Congress and the administration to be very wary of any guarantees of a return to civilian rule in Pakistan.

In 1999, General Pervez Musharraf overthrew the civilian-elected government of Pakistan in a military coup and since then has governed Pakistan under military rule. General Musharraf has shown no steps toward returning Pakistan to democratic rule and, in fact, has moved in the opposite direction.

On June 20 of last year, Musharraf declared himself President of Pakistan, which is a clear indication of his desire to maintain a dictatorial stronghold. Musharraf's past actions include dissolving Pakistan's National Assembly, or parliament, and four provincial assemblies. He has claimed that he will hold fair national elections by October of 2002. However, there are no indications that this is likely to occur. October is only 9 months away. As a self-proclaimed president, Musharraf may be seen with more credibility in the eyes of the international community at large, but the fact remains that the people of his nation have never elected him.

Mr. Speaker, on October 16 of last year, the House debated lifting section 508 that would allow military assistance to Pakistan. The United States prohibited the export of U.S. weapons and military assistance under section 508 to countries whose duly elected head of government is deposed.

Today the House debated the Pitts resolution which praises Musharraf for his steps toward returning Pakistan to democracy.

If and when Pakistan exemplifies steps towards establishing a democracy with a civilian-elected government, perhaps then section 508 discussion would have been relevant and perhaps the Pitts resolution would be relevant. But until then, Mr. Speaker, it is crucial for Congress to indicate its support for a restoration to democracy and civilian rule in Pakistan.

A TRIBUTE TO GENERAL OMAR NELSON BRADLEY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. HULSHOF) is recognized for 5 minutes.

Mr. HULSHOF. Mr. Speaker, I rise to pay tribute to one of America's most respected war heroes. In my congressional district, the citizens of Moberly, Missouri, have a lot to be proud of today as they gather to honor the memory of one of its favorite sons, Five Star General Omar Nelson Bradley. It is fitting that at this time of war, we take time out to remember the virtues that he exemplified: honor, dignity, patience, humility, and love of country.

The son of a Randolph County school teacher, Bradley was born on this date, February 12, in 1893 in a log cabin near Moberly, Missouri. After the death of his father when he was 14, Bradley and his mother moved to Moberly where his formative years were spent, and it was during his days at Moberly High School as a star baseball player that Bradley began to develop the leadership skills that would later serve him as a leader of the Allied Forces in World War II.

After he graduated from high school in the spring of 1911, Bradley worked on the Wabash Railroad to earn money to attend the University of Missouri. He was determined to put himself through school until his Sunday school superintendent encouraged him that he might have a chance at receiving a nomination to attend the U.S. Military Academy. So he used what little money he had to catch a train to St. Louis where he took the competitive exams that would determine who from his district would attend West Point. He finished first and was sworn in as a cadet in August of 1911.

During his time at West Point, General Bradley was an above-average student. He graduated 44th out of 164 men in 1915, a class that many have called "the class stars fell on." Nearly 20 of the 1915 graduates achieved the rank of general or higher during World War II. The academy's yearbook, "The Howitzer," predicted that Bradley was destined for great things: "His most prominent characteristic is 'getting there,'" proclaimed the yearbook, and "if he keeps up the clip he's started, some of us will someday be bragging to our grandchildren that 'sure, General Bradley was a classmate of mine.'"

Perhaps the best account of Bradley during his West Point days came from fellow classmate and future President, Dwight David Eisenhower, who wrote in Bradley's yearbook the following words: "True merit is like a river; the deeper it is, the less noise it makes." The humble Bradley was already getting noticed by his peers for his hard work, his intelligence, and his ability to succeed.

General Bradley was determined to out-think and out-prepare his adversaries. He challenged his troops to "set our course by the stars, not by the lights of every passing ship." This brand of resolve, coupled with a Missouri down-to-earth concern and affection for his troops, made General Bradley extremely popular with all of those he commanded. During World War II, aside from the general's stars on his helmet, Bradley was often indistinguishable from many who served alongside him on the front lines. Because of his style of command, the famous war correspondent Ernie Pyle dubbed him "the soldier's general."

General Bradley would demonstrate his tactical and what today we call "people skills" with those he commanded, when in January of 1944 he was given command of the 12th Army Group. With a force of over 1.3 million men, Brad, as he was called, established what would become the western front of the war of Europe, following D-Day. Fighting in such famous battles as the Battle of the Bulge, General Bradley won the admiration of the legendary General George Patton and his West Point classmate General Eisenhower. Eisenhower called Bradley "the master tactician of our forces" and "America's foremost battle leader."

In 1948, Bradley succeeded Eisenhower as Army Chief of Staff and soon became the first chairman of the Joint Chiefs of Staff; and in that capacity, he served both during the beginning of the Korean and Cold Wars. Once he was appointed to be chairman of the Joint Chiefs, Bradley became the last American to receive a fifth general's star.

General Omar Bradley applied the determination, fairness, and care for his fellow man that he learned from his Missouri upbringing. In the process, he became one of our Nation's greatest war heroes, especially to those who served under him. The following statement from the general himself may shed the most light on the character of this man and the inspiration he was to so many; quote: "This is as true in everyday life as it is in battle. We are given one life and the decision is ours to make up our mind on whether to act and, in acting, to live."

It is clear that the leadership of great men like General Omar Nelson Bradley over a half century ago allows us to live as we do today. And on this day, we are honored to show a small portion of our thanks and appreciation to this great citizen, soldier, Missourian, and American.

RECOGNIZING BLACK HISTORY MONTH AND PREVENTING AND DECREASING OBESITY, A GROWING EPIDEMIC IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. TOWNS) is recognized for 5 minutes.

Mr. TOWNS. Mr. Speaker, I rise today to recognize the kickoff of Black History Month and all the great accomplishments that African Americans as a whole have contributed to this great Nation.

As we begin this month in honoring these great people, I would like to single out African American physicians and health care providers. These physicians and health care providers were not only the principal guardians of the black community's health, but were servants of humanity as a whole.

This is why I must stand and strongly urge my fellow Members to support the Surgeon General's call to action to prevent and to decrease obesity, a growing epidemic in the United States. I applaud the United States Surgeon General, David Satcher, and Secretary of Health and Human Services, Tommy Thompson's, initiative; and let me add the borough president of Brooklyn's name to that distinguished list, Mr. Marty Markowitz, to ensure that all Americans understand what they can do to combat this serious disease.

This initiative consists of communication with Americans about related health issues, actions to assist Americans in balancing eating right and exercise, research and evaluation to invest in causes, prevention and treatment of overweight and obesity. This is what the Surgeon General calls CARE. Our support is needed now, not later.

My support begins in my own borough of Brooklyn. On March 20, I will be joining forces with Brooklyn's borough president, Marty Markowitz, to kick off a 3-month-long health community campaign promoting diet, exercise, and the Surgeon General's CARE initiative for Americans. As Members of Congress, we need to fully support the Surgeon General's report and findings as his initiative to combat this growing national problem.

The Surgeon General's Call for Action report states that "obesity has become a national health crisis."

□ 1945

In addition, the instance of overweight and obesity has almost doubled among America's children and adolescents since 1980. It is estimated that one out of every five American children is now obese.

The National Center for Health Statistics reports that 61 percent of Americans over 20 years of age are overweight or clinically obese. The National Center of Health Statistics conducted research from 1991 to 2000 which supports the finding that this epidemic has significantly affected approximately 300,000 weight-related deaths yearly. In addition, the research also shows great disparities in overweight and obesity prevalence based on race, gender and socioeconomic status. Overall, Hispanic Americans have the highest risk of being overweight and obese, followed by African Americans. And women in both ethnic groups are at the highest risk. Further, women of lower socioeconomic status have a 50 percent higher chance to be obese than women in higher socioeconomic strata.

As this epidemic continues to grow, other health consequences need to be considered such as heart disease type 2 diabetes, with a high prevalence in school-age children, cancer, asthma, high blood pressure, arthritis, childbearing complications, and stroke, which is the third leading cause of death among African Americans.

For the past decade the health community has made great strides in these areas, but specifically with heart disease and cancer research, treatment and prevention. However, if the current overweight and obesity epidemic is not managed, all accomplishments made thus far will be for naught. Our Nation's health would be taking gigantic steps backwards.

Last year I introduced H.R. 1641 that would amend Title XIX of the Social Security Act to require States that provide Medicaid prescription drug coverage to cover drugs medically necessary to treat obesity. At a time of national urgency, this amendment to the Social Security Act is crucial.

As I close, I would like to share with my colleagues that the economic cost of this growing epidemic in our Nation was approximately $117 billion, that is B as in boy, in 2000. We need to support the Surgeon General's initiative against obesity in order to ensure America's health in the present and in the future.

I would like to thank my staff, Michelle Scott and others who put together this report.

TRIBUTE TO OLYMPIAN DEREK PARRA

The SPEAKER pro tempore (Mr. CULBERSON). Under a previous order of the House, the gentleman from California (Mr. BACA) is recognized for 5 minutes.

Mr. BACA. Mr. Speaker, I rise today to pay tribute to one of the America's new Olympic heroes. Like all Americans, I have been watching all of our athletes competing in the 2002 Games with great pride. We love the Olympics. We love international spirit and the thrill of competition, the joy of victory and the stories of struggle. The athletes capture our imagination and our hearts.

I have been watching one athlete with particular pride, speed skater Derek Parra, winner of the silver medal in the 5,000-meter event.

You see, Derek Parra is from my district. He went to school with my son, Joe Baca, Jr., in Rialto, and I attend church with Derek's father, Gilbert Parra, at St. Catherine's in Rialto, California.

Derek's family and friends gathered on Saturday at Graziano's Pizza Restaurant in Colton to watch the San Bernardino native break the world record in the 5,000-meter speed skating race with a time of 6 minutes, 17.98 seconds, beating his own best time by 15 seconds.

Derek's silver medal win surprised the world. At 5 feet, 3½ inches, Derek is a small man in a tall man's sport. He is known by his Nordic competitors as "The Little Man with the Big Strokes."

Derek's record-breaking performance and silver medal were a bit of a surprise to even the people who know him best; because the 5,000-meter is not his best race. Friends and family eagerly await his best event, which is the 1,500-meter race on February 19.

Derek grew up in the west side of San Bernardino with his brother and single father. He attended Roosevelt Elementary School and Eisenhower High School. He first learned to skate at the Stardust Roller Rink in Highland, where he became an avid in-line skater.

As a Mexican American youth growing up in southern California, Derek did not set foot on ice until he was 17 years of age. Derek would be 26 years old before he would switch from in-line skating to ice skating in 1996 in order to shoot for the Olympic gold.

Derek's road to the Olympics have not been easy. He and his wife Tiffany have struggled to make ends meet while raising a little girl, Mia Elizabeth, while Derek trained for the Olympics. Unlike most skaters who train full time, Derek worked part time at a Home Depot to help support his family. Derek has doggedly pursued his dream against all odds. When people said he could not do it, he indicated he could do it, and he did do it.

We do not have too many Winter Olympians from San Bernardino. The beauty of the Olympic Games is the opportunity they allow all of us to experience the glory and triumph through our athletes. We feel a connection with them and all the individuals that participated.

The residents of San Bernardino watched their native son with pride as he broke the world record in the 5,000-meter skate to win the silver medal. As the first Mexican American to ever appear in the Winter Olympics, let alone win a medal, Derek has expanded the dreams of millions of Hispanic boys and girls throughout the United States and the world, giving them hope that you have an opportunity to compete in an area where many other individuals do not compete.

Derek Parra is an American hero. One of eight Olympians chosen by fellow teammates to carry the American flag into the opening ceremonies, Derek accepted the honor even though his first race was the next day. While most athletes spend the night before a race resting, Derek jeopardized his medal chances to carry Old Glory.

With two events left in the Games, Derek Parra has already made history and opened the world of possibility for Hispanic Americans. I will be rooting for Derek as he competes in the 1,500- and 10,000-meter races. Bring home the gold medal, Derek. San Bernardino and Rialto are behind you. We all pray for you. Our prayers are with you. We wish you the best. We know you will do the best. You have made us proud.

SUPPORTING CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. LYNCH) is recognized for 5 minutes.

Mr. LYNCH. Mr. Speaker, we are at an important point in our legislative calendar and at a point that will have great impact on the future of this institution, this House and this Congress. We are also at an important point in the history of our country and what direction we might take.

In the next several hours, in the next several days, we will take up the debate of the Shays-Meehan campaign finance legislation. We will have a singular opportunity, Mr. Speaker, to at last take soft money out of politics. We will have one shining moment to end transactional politics on Capitol Hill, and we will have one chance to actually make sure that working families' voices are heard in the halls outside of this Chamber instead of just the voices of special interest groups and high-powered lobbyists. And I hope that my colleagues will see that opportunity and seize it and join together and pass the Shays-Meehan legislation and bring rational, reasonable campaign finance laws into effect in this Congress.

We are also in an important point in our history in terms of what direction this country will take. And those questions will be answered by our debate around the administration's budget and around our own budgetary initiatives that will be put forward on this floor. And I just want to take a moment to just do a gut check on where we are in this country's history.

We are without question the wealthiest generation of any people that has ever walked this Earth. We have acquired in this generation, my generation, greater wealth and done it faster than any other generations on this planet. We have seen in the past 20 years the average income of the top 1 percent of earners in this country increase by a staggering $414,000 per year. We have seen the number of millionaires in our society increase by 400 percent over the past 10 years. The rate of home ownership is through the roof, never been higher in this country.

We are faced now with several challenges, knowing that we are the wealthiest generation, knowing we have the blessings of generations that have gone before us. We have a couple of challenges, and I think the way we face these challenges is instructive as to the type of people and the type of country that we become.

We are faced with the challenge of financing the cost of this war in Afghanistan. And what is our response? If I can take the instruction from the President's State of the Union Address and the instructions of the majority party, we are saying that we do not want to pay for this war. We do not want to pay for this war. We want our tax cuts. That is what we are saying as a generation. We want our tax cuts. Even though we are the wealthiest generations of Americans, do not phase out our tax cuts. Do not delay them. Give us our tax cuts. And instead, we are saying let us build a deficit, and let us just hand the bill, hand the debt owed for this war to our children and to their children.

And that, Mr. Speaker, I see as just disingenuous and to a certain degree cowardly. We have a responsibility to the next generations. We have a responsibility, especially given the blessings that we have in this country, to face up to our responsibility and to pay for the cost of the prosecution of this war. It is a just war, and I stand with the President in the prosecution of this war, but we must face up to our responsibilities.

I also say the way we are facing our responsibilities to pay for Social Security, to provide a secure and decent requirement and health care for America's greatest generations, and instead, what we hear on the floor in our debate is that we should somehow privatize Social Security, we should somehow suggest curtailing benefits to those who are our most vulnerable and most in need. And, Mr. Speaker, I think we have missed, if that is the direction we have taken, we have missed our mission. We have missed our opportunity to strike, I think, a true course consistent with the great traditions in this country of meeting the challenges of each generation.

IN SUPPORT OF THE SHAYS-MEEHAN BILL

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Kentucky (Mr. LUCAS) is recognized for 60 minutes as the designee of the minority leader.

Mr. LUCAS of Kentucky. Mr. Speaker, this evening the Blue Dog Coalition is pleased to take this opportunity on the eve of debate regarding the Shays-Meehan campaign finance reform legislation to stand in strong support of this important reform.

Mr. Speaker, I rise tonight as chairman of the Blue Dog Caucus on Campaign Finance Reform to voice my support for the Shays-Meehan bill. This bill represent real reform, and I strongly encourage my colleagues to support it.

□ 2000

The Shays-Meehan bill is the only campaign finance reform bill that effectively deals with soft money and the sham issue ads.

In 1996, $262 million of unregulated soft money was spent on campaigns. Estimates of the 2000 election place that amount of money, soft money, at about one-half billion dollars. That is billion with a B.

This money from unrevealed sources has the effect of drowning out the voice of the average citizen, and it is often used to run the so-called issue ads funded by the wealthy interest groups which oftentimes flood a candidate's district just days before an election. These ads are put together by unknown, unaccountable sources and are often misleading or sometimes simply untrue. Of course, no one knows where the ad came from, so no one is called to task for these misleading, sham issue ads.

As the recent Enron debacle shows, Congress must avoid even the appearance of impropriety. I cannot say whether or not the executives at Enron broke the law or received special interest as a result of the $1,671,000 of soft money they gave in the 2000 election cycle campaign. They do, after all, deserve a fair hearing, and we are about that process now, but I know that the mere suspicion by the public that Enron did receive special treatment erodes public confidence in our government.

There is no question that the campaign finance system is not working well for the American people. An individual or corporation can literally pour thousands of dollars into the system without identifying themselves or what they represent. I believe we can reform the system to shift the balance back to the people and emphasize the voices of average citizens, not special interest groups, reforming a system that will enable us to focus more attention on the needs of all of our citizens, educating our children, passing a real Patients' Bill of Rights and protecting Social Security and Medicare.

Campaign finance reform is the right thing to do. While it is not the be-all, end-all in government reform, it is a major step in the right direction. The confidence of the American people is at stake. We must return our government to the people.

Mr. Speaker, tonight I have several fellow members of my Blue Dog coalition who are here to speak. The first speaker we have in the coalition to join us this evening, the gentleman from Florida (Mr. BOYD), a strong supporter of campaign finance reform since the 105th Congress and the Blue Dog communications chairman. I am happy to yield time to him so he can speak on this subject tonight.

Mr. BOYD. Mr. Speaker, I want to thank my friend, the gentleman from Kentucky (Mr. LUCAS), who has been a strong advocate and leader for campaign finance reform since his election to this Congress, to this U.S. House, in 1998. I also want to recognize the efforts of the gentleman from Texas (Mr. TURNER), who came into this body in the 1996 election, as did I, for his strong leadership, and of course we all, Mr. Speaker, recognize the leaders in this body, the bipartisan leadership that is provided by the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN), who have been strong and long and tireless advocates for campaign finance reform.

Mr. Speaker, I came to this body after the 1996 election, and our freshman class spent some time together developing what we thought was the most important issues that we could work on together. This freshman class was made up of both parties, members of both parties that came in that 1996 election, which chose together in a bipartisan way the issue of campaign finance reform to work on, and so we have been working, trying to get the campaign finance system of this Nation reformed since that 1996 election.

Mr. Speaker, my colleagues know that our democratic system of government works best when the our individual constituents participate in the largest numbers. We have had diminished participation in our government election systems over the last 20 or 30 years, and I think that diminished participation is due in large part to cynicism. The public has become very cynical about campaigns and how they are financed and who controls them and so on.

I think they are cynical because the public believes that the current system is skewed to give the wealthiest people in this country and the largest special interest groups a greater say in shaping our public policy.

The largest culprit in that cynicism, that causes that cynicism, I believe, is a soft money loophole. Closing this soft money loophole will restore public confidence into our campaign financing system in our elections. Grassroots and personal participation, which we all know, the more personal individual participation we have in the electoral process, the better our democratic system works. If we can improve personal participation and grassroots efforts, then we will go a long way toward improving our system and the participation in that system, and our democracy will work much better.

The political parties will once again, Mr. Speaker, become a resource for manpower and strategy rather than a conduit for unregulated money, which they, over the last 30 years since our last major campaign finance reform has happened, and these parties simply in the most part now have become a conduit for large sums of unregulated soft money. The national parties were healthy and vigorous before the onslaught of soft money, and they can be healthy and vigorous again once we eliminate soft money. In fact, many of us believe that soft money has broken down the effectiveness of our national parties because it dilutes the influence to outside organizations.

Mr. Speaker, the time is now to fix this problem. We need to pass a clean bill that fixes our broken campaign finance system. We passed this bill, this U.S. House passed this bill in the 105th Congress, and it passed the bill in the 106th Congress, under the leadership of the people that I have mentioned earlier, but in both cases the other body failed to take up and pass campaign finance reform.

It is time now, Mr. Speaker, that Congress takes the big money out of the elections process and make sure that everyone has equal access to their government. Mr. Speaker, the President has promised if we will send him a reasonable bill, he will sign it, and it is time now that the Congress produce that bill that the President will look favorably upon and restore confidence to the public in our electoral system.

I want to thank the gentleman from Kentucky (Mr. LUCAS) for allowing me to speak.

Mr. LUCAS of Kentucky. Mr. Speaker, I want to thank the gentleman from Florida (Mr. BOYD) for his remarks.

Mr. Speaker, the newest member of the Blue Dog coalition and a valuable advocate of campaign finance reform, the gentleman from New York (Mr. ISRAEL). I am pleased to yield him time.

Mr. ISRAEL. Mr. Speaker, I thank the gentleman from Kentucky (Mr. LUCAS) for yielding, and I want to thank him also for his leadership of the Blue Dog and his leadership on behalf of campaign finance reform.

Mr. Speaker, as the gentleman just alluded to, I am a proud new member of the Blue Dog. I am the only Blue Dog with this New York accent, but certainly no less committed to the vital principles that the Blue Dogs have been fighting for in this House, and that is fiscal responsibility and a strong defense and campaign finance reform.

Mr. Speaker, last summer I stood on the steps of the New York City birthplace of one of the greatest Presidents that our Nation has ever had. He happened to be a Republican. He happened to be from Long Island. He was Theodore Roosevelt, and his greatest distinction was being a crusader for our environment and a crusader for reform.

I stood on those steps, Mr. Speaker, with our colleagues from the other body, Senator McCAIN and Senator FEINGOLD, and with the sponsors of campaign reform in this House, the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN), and we chose the birthplace of Theodore Roosevelt because he understood the corrupting influence of special interests on our system of government.

Even in the dawn of the 20th century before Enron, before the S&L scandal, before Watergate, Theodore Roosevelt was somebody who understood the corrosive influence of groups who can spend any amount of money they want and say whatever they want, however they want, wherever they want in these unregulated soft money ads.

Theodore Roosevelt said one of the fundamental necessities in a representative government such as ours is to make certain that the men to whom the people delegate their power shall serve the people by whom they are elected and not the special interests. We stood on the steps of his birthplace in defense of that principle, and the best way to deliver on that principle is to pass Shays-Meehan in this House this week.

I cosponsored Shays-Meehan. I signed the discharge petition that is compelling a vote on Shays-Meehan, and we are at a crossroads, and, Mr. Speaker, if anyone needs any evidence of the need for campaign finance reform, let me share with them a conversation I had yesterday in my district in Deer Park with some of the senior citizens I represent.

We were talking about the critical need for a prescription drug benefit for America's seniors, for Long Island seniors. One hundred thousand Long Island seniors have been kicked out of their Medicare HMOs. A million American seniors have lost their prescription drug benefit. And we were talking about that problem, and I was hearing stories from senior citizens who said, I either cut my food bill in half, or I cut my prescription tablets in half because I cannot afford both, and one of the points I made is I have introduced with my colleagues on a bipartisan basis several different resolutions that would provide for Medicare HMO stability, that would answer the crying need of our senior citizens. Some of the people said, well, why cannot we get these things passed; we appreciate your work, but why is not the House of Representatives passing these bills? One woman said to me, her name is Shirley Beja, lives in West Islip, she said, you know, why we do not have campaign finance reform; when we pass campaign finance reform, those other things will become possible.

When we stop the special interests, when people have as much of a voice in this House as the special interests do by flooding our airwaves with unregulated soft money, negative attack ads, that is when people will be put first. When people, regular people, working people have as much influence in this House as the special interests who flood campaign treasuries with unregulated soft money special interests contributions, that is when we will put people first. Maybe that is when we will get a prescription drug benefit.

Mr. Speaker, I want to close by observing some of the debate that I have heard on both sides of the aisle about who Shays-Meehan really helps and who it really hurts. There are some Democrats who believe that Shays-Meehan will help the Republicans, and there are some Republicans who argue adamantly that Shays-Meehan will help the Democrats. Well, Mr. Speaker, how about helping the American people? How about helping America's senior citizens? How about leveling the playing field here on Capitol Hill?

I thank the gentleman from Kentucky (Mr. LUCAS) again for his leadership.

Mr. LUCAS of Kentucky. Mr. Speaker, I thank the gentleman from New York (Mr. ISRAEL) for his comments.

It is my pleasure to recognize my colleague and a fellow Member from the 106th Congress freshman class, the gentleman from Illinois (Mr. PHELPS).

Mr. PHELPS. I want to thank, Mr. Speaker, my good friend and colleague the gentleman from Kentucky (Mr. LUCAS) and the gentleman from Texas (Mr. TURNER) and Shays-Meehan and for all those who have done so much work in regards to getting this issue this far where it should be out in the light of day. We thank them for their leadership.

I join my fellow Blue Dogs in supporting sensible campaign finance reform. I have supported campaign finance reform throughout my entire political career, 14 years in the Illinois State Legislature and now a second term in Congress, and I will continue to do so until laws regarding this issue finally are enacted.

□ 2015

I would like to start off by commending all my colleagues for working hard to bring this issue back to the House floor in such a timely manner, especially, as we mentioned, the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN), as well as everyone who signed the discharge petition.

Remember, the discharge petition is going to extreme efforts to force the leadership to just allow this body, the greatest deliberative body in the world, to do what we are sent here to do: to be able to put these issues out for everyone to understand them, to educate the public of what is going on here, as they compensate our activity. To have to go to the extreme of having the discharge petition in motion reflects that there is a hard, heavy hand on the process that is trying to control true debate, which is really at the base of this issue anyway. So I am glad we are at this particular point.

This is an issue that is important to many of my constituents, so I am pleased that the opportunity has come once again to pass meaningful campaign finance reform legislation. I firmly believe we must reduce the overwhelming influence of money in our political campaigns and return to a system based on healthy debate over candidates' positions on issues.

This means abolishing soft-money contributions to national parties, which includes unregulated, undisclosed contributions by corporations, foreign nationals, labor unions, and wealthy citizens, and restricting soft-money expenditures by State parties in Federal elections. This also means putting a cap on hard-money contributions to national parties by allowing individuals to contribute no more than $57,500 per cycle.

I strongly oppose increasing individual contribution limits, due to the fact that these limits enhance the influence of wealthy individuals at the expense of ordinary citizens. As someone who represents a district in rural southern Illinois, where the per capita income is a little over $11,000 per individual and $22,000 per household, it is extremely important to me that my constituents' concerns are not overshadowed by the large wallets of big business. It is crucial for these people to have a voice in American politics, something I am fighting every day as we face reapportionment, just to have an area down State Illinois, to have a voice in Congress, to speak out on their behalf, even if the majority of them cannot provide a monetary voice, which so often happens with working people.

I have received numerous letters and calls from constituents thanking me for signing the discharge petition and making an effort to get meaningful campaign finance reform legislation back to this House floor. With the 2000 elections using over $450 million in unregulated soft-money contributions, there is no question that the campaign finance system has gotten way out of hand. We need to pass this much-needed campaign finance reform legislation before these record amounts have a chance to once again be broken, if you can imagine that.

Back home in southern Illinois, people just want the issues to be genuinely, fairly debated; and they want to hear from the candidates, where they stand on issues and policies that affect them. They do not like disguised, sneaky methods of advertising, ways that promote negative, name-calling, character destruction and remarks that are hidden behind some technicality or strategy to smear some candidate without even knowing who is paying for the ads or who has designed them or who is responsible for them.

It is time we passed this legislation, and I urge Congress to join me and my Blue Dog colleagues as we make this effort tomorrow.

Mr. LUCAS of Kentucky. I thank the gentleman from Illinois for those comments.

Now it is my pleasure to introduce a committed promoter of campaign finance reform, the only Member of the House from the State of Kansas to sign the discharge petition, a friend of mine, the gentleman from Kansas (Mr. MOORE).

Mr. MOORE. Mr. Speaker, I want to thank the gentleman from Kentucky for his leadership, and I want to thank the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) for their leadership in fighting the long fight here in the House for campaign finance reform. I think we also need to extend our sincere thanks to people in the other body, Senator JOHN MCCAIN and Senator RUSS FEINGOLD, for their long fight and leadership on behalf of campaign finance reform in this country.

On July 30, the Blue Dog coalition, of which I am a member, initiated a discharge petition to force a vote on the bipartisan Shays-Meehan campaign finance reform bill. I wish the House leadership would have provided Members a fair opportunity to vote on Shays-Meehan without that discharge petition last July. But we finally got 218 signatures, which is the magic number, that requires the leadership to bring this to a vote on the House floor. Now we will have our chance for that vote. Now we will have our chance for campaign finance reform.

Mr. Speaker, there is in this country a national crisis of confidence in our election system as a result of the huge sums of money in Federal campaigns. This Shays-Meehan campaign finance bill is nothing more than a reasonable attempt to clean up our campaign system.

There is in this country a widely held belief that special interests and the very wealthiest campaign contributors have way too much influence in our political system. This belief discourages citizen participation in our democracy. A ban on soft money and limitations on issue ads, together with new disclosure requirements, will make our campaigns and elections more open and, hopefully, will counter a growing cynicism in our country towards politics and political candidates. I also hope, Mr. Speaker, that full disclosure and banning huge sums of soft money will increase participation in the political process. At a time when nearly half of all eligible voters do not vote, we need desperately to find new ways to encourage citizen participation. I believe passage of Shays-Meehan will do just that.

There are people, Mr. Speaker, in our country's history who fought and died for the opportunity to vote for the people who would represent them in their government. There are people, Mr. Speaker, around the world who would give anything they could and would fight and die for the opportunity to be able to elect their leaders, to be able to criticize their leaders. We have that opportunity in this country; and yet only about half of the people vote because of the cynicism, because they are so discouraged about our political process, because of all the unregulated soft money in our political process.

During the 106th Congress, Mr. Speaker, I sponsored legislation to require so-called section 527, political organizations, to disclose the names of contributors and expenditures. Full disclosure should be the rule. Passage of Shays-Meehan will continue the important process of implementing disclosure requirements that will expose political donations to the light of day.

The negative impact of huge sums of money on our political system can be seen in the rapid expansion of so-called issue ads, Mr. Speaker. During the 1999–2000 election cycle, about 130 groups ran issue ads at a cost of more than $500 million. What are they getting for that money? Did Enron get more influence than they were entitled to in our political system because of all their contributions? Hearings will answer that question, hopefully.

The amount of money spent on issue ads, which can be paid for with unlimited amounts of money not subject to disclosure amounts, increased by nearly 500 percent between the 1995–1996 and 1999–2000 election cycles. There is no telling, Mr. Speaker, how far spending on issue ads will spin out of control in the years to come.

Television viewers in the third district of Kansas, which I represent, in the Kansas City media market, were subject to more issue ads, a total of 12,028, than any other media market in the country, with the exception of Detroit. These issue ads, run by organizations with innocent sounding names, like Citizens for Better Medicare, presented themselves to voters across the country as disinterested advocates of sound public policy. They are not.

In fact, these and other groups are funded by special interest money, and viewers at home often have no way of telling who paid for these issue ads. The American people have a right to make an informed decision; and the only way that can happen, Mr. Speaker, is by full disclosure, and special interests should not be afraid to disclose their funding of issue ad groups.

The House has passed the bipartisan Shays-Meehan bill twice before. I urge my colleagues on both sides of the aisle to pass this bipartisan legislation tomorrow for the third and final time. I hope and believe that if this goes to the President's desk, the President will sign this into law. If that happens, the Democrats do not win, the Republicans do not win. The true winners in our system, Mr. Speaker, will be the American people.

As Senator JOHN MCCAIN has said on many occasions, it will either be the special interests or the people's interests that will be represented in Congress. We need to come down hard on the side of the American people.

Mr. LUCAS of Kentucky. I thank the gentleman for those comments, my good friend from Kansas.

Mr. Speaker, it is now my pleasure to recognize the gentleman from Crockett, Texas (Mr. TURNER), the House sponsor of the discharge petition and the policy Chair of the Blue Dog coalition. I am pleased to yield to this gentleman for his statement.

Mr. TURNER. I thank the gentleman from Kentucky.

We are at a historic moment in the House of Representatives because we have the opportunity once and for all to end the contributions of large sums of soft money to the political process, a practice which was never intended by those who sought to reform the campaign finance system in the early 1970s. But smart lawyers figured out how to get around those reforms; and we are left today awash in soft money pouring in, $25,000, $50,000, and $100,000 at a time, from special interests.

The connection between those who give hundreds of thousands of dollars to the political process and the shaping of public policy should be apparent to every American. Those of us who have fought for campaign finance reform do so because we believe that the current system is destroying the public's faith and confidence in the legislative process and because we believe that it is time to end the hundreds of thousands of dollar contributions that are polluting this political process.

Enron, we know, contributed over $1.6 million in the last election cycle. We do not know for sure what all they got for that $1.6 million, but we certainly know from our own experience of common sense that they expected something if they were contributing money in the sums of $1.6 million. The American people understand that those with the big bucks speak louder in these halls than the ordinary citizen. That is inconsistent with representative democracy. That is inconsistent with building the kind of government that every American can be proud of and have confidence that when we meet in these halls we work for the public interest rather than the special interest.

Yesterday, I had the opportunity to be a part of a press event hosted by a group called Committee for Economic Development, CED for short.

□ 2030

Mr. Speaker, this is a group who came to Washington to fight for campaign finance reform. No, it was not a group of reformers, those who are on the outside looking in wanting the system to change. These were people who had been on the inside, who had seen the system work. They were a group representing over 300 business leaders who have advocated forcefully for the abolishment of soft money and for the passage of sound campaign finance reform legislation.

The business leaders that came yesterday included a wide range of very well-respected leaders from across our country. We had people like Ed Kangas, the former CEO of Deloitte Touche Tohmatsu, an accounting firm, a man who stated very forcefully that he has seen the system work. He stated, "When government is too intertwined with money, Americans will view it as suspect, and at worst corrupt. Businesses should not have to pay a toll to have their case heard in Washington. There are many times when CEOs feel like the pressure to contribute soft money is nothing less than a shakedown."

That is from a former CEO of a major accounting firm who has made the contributions in soft money, and he is ready to see the system changed.

Other business leaders who gathered here in the Capitol yesterday to speak out in favor of campaign finance reform, including people like Frank Doyle, CED chairman; and Warren Buffett, the chairman of the board of Berkshire Hathaway, Incorporated. We had George Rupp, President of Columbia University and cochair of the CED subcommittee that wrote their report on campaign finance reform. We had Harry Freeman, the former executive vice president of American Express, and dozens of other business leaders speaking out in favor of campaign finance reform.

On the list of supporters of campaign finance reform as published by the Committee for Economic Development, we had a former Vice President; former Republican Secretaries of Defense, Treasury and Labor; a former United States Senator and Republican National Committee chairman; and a former Securities and Exchange Commission Chairman. These men and women understand the way that this system has come to work, and they believe it is corrupt and that it is time for a change.

Charles Cobb, the president of the Committee for Economic Development, had this to say: "The old canard that the business community supports the status quo and fears reform has been demolished. Business leaders know that the current broken system is not good for them or for our democracy. It gives politicians and corporate America a black eye, and it skews the decision-making process. More importantly, it damages our democratic system, and that is not good for our economy, American business or our Nation's future."

That is what America's business leaders had to say about the current system. It is broken. It must change, and tomorrow on the floor of this House we have an historic opportunity to bring about that change.

The bill to be introduced, the Shays-Meehan legislation, has already passed the United States Senate in the form of legislation sponsored by Senator JOHN MCCAIN and Senator RUSS FEINGOLD. Senator MCCAIN was present at the press event yesterday joining with these business leaders for passage of the Shays-Meehan, McCain-Feingold legislation.

All of us who have been involved in the political process understand the difficulty that we all face in raising money for political campaigns, but we have a set of rules that were adopted in the early 1970s that will work quite well. They specify that there are limits, caps, on the amount that individuals can give to political campaigns. We have in the law caps that special interest groups can give to political campaigns. This legislation is designed to make those limits real again by taking away the loopholes that have been created over time by smart lawyers who have told their clients and politicians that you can get around the rules simply by being sure that you are not contributing in a way that could be perceived as coordinating that with a political candidate.

As a consequence, the American people watch during each election cycle a slew of political ads on television paid for by the political parties and special interest groups that are paid for not with regulated contributions, the source of which can be clearly ascertained by anyone who wants to examine the report of a political candidate, but which are hidden from public view by a system that has evolved over time, allowing contributions of soft money in unlimited amounts.

This is a system that we want to change tomorrow on the floor of this House. Let there be no mistake about it, one of the alternatives being offered, the so-called Ney-Wynn substitute, does not clean up the current system. It does not ban soft money from the political process. In fact, Enron could have given 80 percent of the money they gave if the Ney-Wynn substitute becomes law tomorrow.

The only true reform legislation on this floor tomorrow is the Shays-Meehan bill. This is the right bill for America. It is the right bill for this Congress, and it will return political power to the people of this country, to the average citizen who does not have the thousands of dollars to pour in in campaign contributions and special interest money to this process.

When those who are leaned on to give this money in the business community are willing to stand up and tell this Congress they are ready for the system to change, and when many of us who joined together signing the discharge petition which allows us to have this debate when the leadership of this House refused to bring a fair rule to this floor, when the politicians and the business leaders are joining together and saying the system ought to be changed, it seems to me that the system certainly deserves to be changed.

Those who take the money and those who give the money are saying the system is wrong, corrupt, and it is destroying the public's confidence in the political process. We hope every Member of this House will join us tomorrow.

There are many reasons for Members of this House to have questions about this change in campaign finance because many on both sides of the aisle have become addicted to this soft money. They raise it, and by raising it, they secure their positions of power and influence. They know that those that they call to make those big contributions understand that even though maybe unspoken, there is an understanding that those who give the money have the access to the front door of this Congress.

We believe that is wrong. We believe the American people believe it is wrong. We believe it is time to change the system. We look forward tomorrow to having a victory for the American people on the floor of this House.

Mr. LUCAS of Kentucky. Mr. Speaker, in closing this body will have a unique opportunity to restore a voice to our constituents tomorrow when it takes up this campaign finance reform bill. The American system of government is too precious to allow soft money to limit the power of ideas.

In the 2000 election cycle, 980 companies and individuals gave over $100,000 of soft money into that process. The type of reform that we are talking about will protect the ability of individuals and grassroots organizations to build on the power of their ideas and not be overwhelmed by this big money. I believe that is the way our forefathers intended our system to work.

As one of our friends in the other body often says, because of the lack of reform, the big money sits in the front row, and the average citizen sits in the back. We need campaign finance reform, and we need it now.

Mr. Speaker, I hope my colleagues here in this House will do the right thing, stand up for their constituents and pass the Shays-Meehan campaign finance bill.

CAMPAIGN FINANCE REFORM; IMMIGRATION REFORM

The SPEAKER pro tempore (Mr. BROWN of South Carolina). Under the

Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. TANCREDO) is recognized for 60 minutes as the designee of the majority leader.

Mr. TANCREDO. Mr. Speaker, I rise tonight to talk on a subject that often brings me to the floor of the House, and that is immigration and immigration reform.

Before I do that, I have had the opportunity to sit here and listen to my colleagues on the other side of the aisle discuss the upcoming legislation referred to as campaign finance reform or the Shays-Meehan bill which we will be discussing tomorrow.

It strikes me that some other viewpoints may need to be made this evening. First of all, it is intriguing in the way that we can actually identify a piece of legislation to fit our personal desires, as the Members that have introduced it have done. Certainly I have done it. I introduced the Sudan Peace Act. I hope if it passes, eventually we will have peace; but I have no hope that it will happen immediately, or the day after.

Nonetheless, it is interesting how we characterize pieces of legislation here with terms and titles and phrases that we want to put it in a certain light, and we call this thing that we will be discussing tomorrow campaign finance reform.

But, Mr. Speaker, it is anything but that, as many of us know. I have often had the opportunity to discuss this issue and to refer to a game that I am aware of. When I was much younger, I used to work at an amusement park in Denver, Colorado, called Elitch Gardens. I started there as a sweeper when I was 16 years old, and stayed every summer. Pretty soon I was the rides manager of the park and then the summer manager of the park. It put me through college. It was a great place to work.

One of the things that we had in that amusement park was a game, and it was called Whack a Mole. It is a game which at that time the player put in a quarter and took a little hammer out, and the game started. Little mole heads would start popping up. The player would hit the mole here, and it went down, and then the player would hit it over here. And then it started moving faster and faster and faster, and the player tried to keep up with it. And pretty soon the player realized they probably were not going to win. The player probably could not win because it would keep popping up faster. You never could actually beat it.

Mr. Speaker, every time I hear a debate on campaign finance reform, I think of that game because really that is what we are talking about here. We are talking about trying to stop the flow of money into the process of politics. Living in a free society, living in a society governed by the rule of law and the Constitution, in this case the Constitution of the United States which equates and has said over and over again, in politics money is speech; and, therefore, we have a right to free speech, we will never, ever, ever, stop the flow of money into politics.

Now, let us recognize that at the beginning of this discussion. It is never going to happen. If there is anyone out there who thinks it is, and anyone who thinks that it happens anywhere else in the world under any system, let me disabuse that Member of that idea. Money does flow into politics. Is it all because there are people who want to work their way with the Congress of the United States? Undoubtedly some people contribute for that purpose. But the fact is for this country's history, far more, millions more people contribute to the political process with their money not because they want to get something special, not because they want to buy off the politician that they are giving the money to, but because they are supporting people who feel as they feel about issues. It is as simple as that.

Mr. Speaker, in my last campaign I was trying to recollect what we raised, and it was over a million dollars, I know that. I cannot remember the exact amount right now. But I also know when we averaged out the contributions to the campaign, it came to something like $55 per person.

□ 2045

I assure you that the literally thousands of people that contributed to my campaign in amounts of $1, $2, $3, $5, $10, $25, I do not think any of them really believed they were buying my vote on any particular thing. As a matter of fact, I do not believe that most of the people who gave me $1,000 believed they were buying my vote and that if they gave me $1,000, which is the maximum, that somehow I would change who I am, what I believe and what I think and vote for them, for their way, for their attitude and idea.

Mr. Speaker, what really and truly I have to say to the people in this body, to the people listening this evening: if there is a single Member of this body who in their whole career on this floor or in this House has ever cast a vote against their conscience and because a large donor wanted that vote, then they should vote for Shays-Meehan. Because, Mr. Speaker, they need that kind of rationalization, they need to salve their conscience maybe. They need to somehow get out from this feeling that they are being bought. I have heard colleagues stand up here, and in the other body, and say, "The system is corrupt, we're all bought, we're all paid for," and that sort of thing. Maybe they are. Maybe they are. But I must tell you, Mr. Speaker, they do not speak for me.

There are issues on which I feel very strongly. I express them here on the floor. I express them in my vote. In the conference I try to convince my colleagues to see things as I see them, to vote my way. Yes, I came here because I believe in issues. I love the debate. But I should tell you, Mr. Speaker, that people support me, I think, not because they are hoping to change my opinion but because they like my opinion. They want that opinion expressed.

As an example, I am known in, certainly Colorado, for being a very strong critic of the public school system, especially the monopoly system that runs the public schools, not for the teachers themselves, not for the people who work so hard trying to accomplish a task, but the teachers union. I attack it all the time because I think they are an obstacle to education reform. The teachers union, the NEA, the National Education Association, has never given me a dime, not a penny. Nor should they. And I am positive that this thought has never crossed their mind, that maybe if we give Tom Tancredo $1,000 or $5,000 from their PAC, he will start voting on our side on this issue. They know that is not true. They do not give me money. No matter how much money they gave me, I would not vote on that side of the issue. And they know it. That is the way, I am sure, that most of my colleagues are.

We came here with a set of principles, a set of ideas that we want to advance and we tell our constituents what we are and who we are and what we believe in. And they elect us or they do not. And if they elect us, then they expect us to come here and be as forceful as we can, to advocate those positions. And because some people give me money for my campaign who happen to also believe what I believe, would I not be doing them a disservice if I did not try my best to advance those issues?

But I again say, if you are afraid of this, if somehow or other you feel you have been bought and that you cannot withstand the pressure of a large donor that is maybe wanting you to vote for something you do not believe in your conscience, vote for Shays-Meehan. Maybe somehow that will get you off the hook. But I assure you, Mr. Speaker, it will not really change the process. We will once again hit the mole on the head, and it will go down; but it will pop up here and there and everywhere. As you know, Mr. Speaker, when they talk about soft money and hard money, for the most part I think most Americans have not the foggiest idea what we are talking about here. But they maybe like the sound of it: "We're going to stop soft money from coming into the Congress." "Oh, right, good, great. That's exactly what I hope they do."

The reality is, of course, even in this bill that is being brought forward, and it will be brought forward tomorrow afternoon, we do not stop soft money.

We do not stop even really the contribution of hard money. We will still have millions of dollars flowing into the system. They will find other ways to come up. The mole's head will come up in a variety of other holes, and it will come into the system.

I say, look, who cares? Eliminate this charade that we are playing here. Forget about it. I really wish we would remove all restrictions and just say we report every dime. Mr. Speaker, on my campaigns, I report every single penny that comes in, as long as we can identify it. If somebody sends $5 without a name, I guess we cannot. But if someone tells me who they are and they contribute to my campaign, we post it, even though we are not required by law to do that; I think it is anything less than $200. But I post it all, every single penny. Then people can make their own decisions. They can look and say, gee whiz, look, he got all this money from Enron, which I did not get any money from Enron; but from any of these organizations or people, let them make their own conclusions as to whether or not that influenced my vote. Does that change who I am because they gave this to me?

Frankly, Mr. Speaker, it is a charade. That is what is so discouraging. Many of my colleagues stood up in the previous hour and they talked about how cynical people are about the system, that the American public, I think that is the word they used over and over again, that they are cynical. I can understand that. I can understand that. Because if you listened to what was said tonight, you may come away, if you are not really perhaps well aware of the way the process works, you may come away from the debate, you may have come away from our colleagues and said, you know, I think if we pass this bill, there will be no more, quote, "soft money," and that we will have reformed the system, no one here will come to this body influenced by contributions. If they think that, and if we pass this piece of legislation and then a year from now, two years from now we will read accounts of millions of dollars being spent, hundreds of thousands, we will say, "Gee whiz, I thought they took care of that. Wasn't that called Shays-Meehan campaign finance reform? Wasn't that supposed to have taken care of it?" Lo and behold, it did not.

If you want to make people cynical, Mr. Speaker, then pretend that we are going to be doing something incredibly significant here tomorrow, eliminating the influence of money in this body. You and I, and I think even Members of the other side, well, both sides who support this certainly know in their heart of hearts that really things are not going to change that much except they can claim some sort of rationalization later on and say, "Well, we voted for Shays-Meehan."

In a couple of years, Common Cause, other organizations, whatever, other Members of the body will be up here saying we have to stop this hole that this mole's head is coming out of; and there will be a great hue and cry, there will be a big battle between both sides and the press will get into this because, remember, in any way, shape or form could we ever stop them. Of course the press is all in favor of reducing our ability or the ability of other people to have an influence and have their say in government; but you never hear them talking about reducing their own freedoms. And I do not want to. There is the first amendment which, of course, is going to make most of Shays-Meehan unconstitutional, anyway. But the reality is this, that we should not be so focused, we should not get carried away, we should not place more emphasis on all this than it warrants, and it warrants very little, because it really, really and truly will not change much except it very well may do exactly what the proponents suggest is the problem today, it may exacerbate that and make people even more cynical about this process.

But I will tell you, Mr. Speaker, that I will be a "no" vote on that bill, as I was the last time around. Maybe I should not be, because as an incumbent, maybe we should support this kind of legislation, because it does put more of a burden on somebody else to raise money. After all, I have got the advantage of incumbency, I have got the advantage of name recognition and all the things that come with it; and so maybe I should just vote for this bill because it puts us in a better situation, vis-a-vis some opponent who comes and tries to get elected without the benefit of personal money. Because if you are not personally wealthy, it may be harder for you to get your name out, to get known, to get people to understand your position on issues under this kind of legislation. That is true.

If you are wealthy enough, of course, you cannot be stopped. There is a provision in this that says something like if you put more than a certain amount of your own money in, the other limits are raised or whatever; but the reality is, Mr. Speaker, that the Supreme Court has ruled over and over again, you cannot limit someone's ability to put their own money into their own campaign. It is impossible.

There are Senators who, of course, as we know put 30 million or more dollars in; but there are other people who put in millions of dollars and lost. I am not personally a wealthy person. I could never fund my own campaigns out of my pocket. No way. Impossible. I cannot do it. So I have to rely on contributions from other people. Every time I have run, I have run against someone far more wealthy than I, and God bless them for it. That is not a crime. I wish I were in that situation. But I am not. And so I have to rely on the contributions of others to help me level that playing field. That is never going to change. If you want to turn this place into a body of the wealthiest of us, who have the ability to fund their own campaigns, who are not the slightest bit concerned about corporate or political or any other kind of PAC, then fine, Shays-Meehan helps you accomplish that goal. But it does not improve this process, and it does not improve the body as a whole. I worry, because I do think people become cynical. Undeniably, they become cynical.

As I mentioned, Mr. Speaker, that was not the original purpose of my requesting this hour, but as often happens while I sit here and wait for my turn at the plate, I do have the desire to respond to some of the things that I have heard. I am sure there will be others tomorrow who will be more articulate in their observations, in expressing their observations about this bill; but this is the opportunity I have selected for tonight.

Let me get on for a few more minutes and discuss another topic. Here we are 5 months and 1 day from the tragic events of September 11, 5 months and 1 day in which an enormous amount of activity has occurred. The Nation has gone through a gut-wrenching experience. We have responded in ways and as a result of the leadership of our President; we have really risen to the challenge in many respects. In a little over 5 months, we have deployed American forces halfway around the world, we have stopped and defeated a terrorist regime in Afghanistan, we have probably identified terrorists and stopped actions that would have been taken up to this point in time.

We are on the way to the next series of steps in that particular war, although I hesitate to call it war. We have not actually declared war. I wish we had done that. But the fact is that we have done an enormous number of things and to our credit, to the credit of this Nation, to the people of this Nation, to the President of the United States, to the men and women in our Armed Forces, God bless them all. I am proud of them, I am sure, as almost every American is in their heart of hearts. They are proud of what we have been able to accomplish in a relatively short time, with such little bloodshed, especially on our part, on the part of American servicemen and women, but even, quite frankly, on the part of the aggressors in Afghanistan. The reality is that far fewer of them were injured or killed than would have been the case in almost any other conflict of this nature, because our technology and our will is such that we are able to confine the damage to a relatively small area and identify our targets carefully and that sort of thing.

So again, I am proud, I am happy that we have accomplished what we have accomplished. But, Mr. Speaker, we could in fact bomb Afghanistan into dust, into rubble. We could do the same thing in a variety of other countries. We can use our military might and that of our allies to help stop aggression, to help stop terrorism in other countries around the world, and I expect that we may be doing that.

□ 2100

It is covertly now, overtly in some time to come, and I am completely supportive of those efforts. But one thing we have failed to do, one horrible, terrible failure, is that we have failed as of this point in time, 5 months and 1 day, we have failed to secure our own borders.

Mr. Speaker, as I have said on this floor so many times, the defense of this Nation begins at the defense of our borders. We can do everything we are doing all around the world to try and protect American citizens from the threat of terrorism, but, in reality, we must deal with the issue of the defense of our borders, securing our borders, because everything we do externally, everything we do around the world, will never actually work to stop that one ultimate threat, and that is of somebody coming across our borders for the purpose of doing us harm; coming across our borders without us knowing it, without us knowing exactly who they are, what they are intent on doing here, how long they are going to stay here, what they do or are doing while they are here. We have done nothing really to change that. It is amazing.

We have, even in this House, attempted to pass one piece of legislation to address this issue specifically, and that is a bill called the Feinstein-Kyl bill, a Senate bill we passed on the House side, which has been bottled up in the Senate by one Member from West Virginia, one Member of the Senate over there.

They have these strange rules in the other body, as you know, Mr. Speaker, that allows this person to work his or her will over that of the majority, and because this one Member of the Senate has chosen to put a hold on that bill, we have not even been able to pass a piece of legislation that deals with the issue of student visas and tightening up the regulations and requirements on student visas. For heaven's sake, that one thing has not been able to pass.

Needless to say, we have not been able to do an even more important thing. We have not been able to reform the Immigration and Naturalization Service, referred to as the INS. This is the body in which we entrust the responsibility of protecting our borders and determining who is, in fact, here illegally and removing them from this Nation. We have not done that.

We have entrusted that body, but, unfortunately, that organization, the INS, is absolutely incompetent, incapable of doing what we ask of them in the area of enforcement of immigration law. They are both incapable and unwilling, and that is a problem that is very difficult to deal with, because if they had the heart for it, then we could address the issue with resources. If they wanted to do it, then it would be up to us to say, let us see what can we do in this body to make sure you can get the job done. How many dollars will it take? How many field agents will you need? How many people will you need? Tell us, and we will try to address the issue.

But, unfortunately, that is not the real problem. Money is not the problem. In fact, Mr. Speaker, the INS budget from 1993 to the year 2002 went from $1.5 billion to $5.6 billion. It almost quadrupled. The President's budget for 2003 has another $1.2 billion increase, to a total of $6.8 billion.

In all that time and with all that amount of resources available to it, the INS has been incapable and unwilling to defend our borders and to secure internally in the United States our system and our people against the activities of people who come here, terrorists who come here illegally, and also they have not been able to do even the minimum, and that is to actually stop the flow of illegal immigrants across the borders, both north and south, and that is a shame. That is not just a shame, it is a travesty, because, of course, we gave them the money. They chose to use it someplace else.

Now, there are two sides to INS. It is divided into two parts. One is what I call the immigration social worker side, and this is the side that is supposed to help people get their green cards; help people come here and immigrate into the country legally and make sure that they are provided with benefits and that sort of thing and show them how the system works and help them get through it. They do not do that very well either. That is where their heart is and where almost all of their resources go.

The other thing they are supposed to be involved with is enforcement, the actual enforcement of immigration law. But, of course, we know that they turn a blind eye to people coming across this border illegally, so much so that to this point in time we now believe there are at least 11 million, I think it is even higher than that, but at least 11 million people here in this country illegally. They did not come through the process, we do not know who they are, we do not know what they are doing here, and we certainly do not know if they ever go back to wherever they came from. We do not know anything about it.

In fact, when we ask the INS, that is the answer we get for almost every single question; when we pose a question to them, they say, "I am not sure."

I have suggested on more than one occasion a new logo for the INS, on their Web site, printed on all their stationary, a new logo, just a person going like this, Mr. Speaker, a shrug of the shoulders. "I do not know." Because that is all you get from them. "I am not sure." "I do not know." "How many people? We are not positive." "Where are they? We do not know." Let me ask you, do you know how many people are here in the United States who have overstayed their visa? "Oh, a lot. Millions." "I am not sure."

After a while you just realize there is not really any purpose to ask, because this the answer you get: "I do not know." "I am not sure." "I have no idea."

We think so little of this agency, and it really and truly has been sort of one of those stepchildren that you just go, you know, let us not really pay a lot of attention to it, to the point where we have actually appointed someone as the new Director.

Now, this is a time when, as I say, we are facing an enormous, enormous challenge, not just from the possibility of terrorists coming across the border that we do not know about and we do not know who they are and that sort of thing, coming in here illegally, but we are, of course, in the middle of a flood of illegal immigrants, and that has incredible implications for our society. Infrastructure costs, political, economic, you name it, there are going to be massive implications as a result of the huge numbers of people coming into the United States, both legally and illegally. Yet the INS we know to be incapable of dealing with it, and we have known for some time.

In many ways there are many people in this body who really and truly do not care. They want to kind of cast a blind eye to it, to say, "Oh, well, that is true. Millions are coming across, but we need the help, we need the labor, we need the people to work in certain areas." Plus, of course, there are political issues on the Democratic side of the aisle. They recognize that massive immigration eventually translates into votes for them. On our side of the aisle we believe that massive numbers of low-wage earners and low-skill workers will, of course, keep wages down, supply employers with a large pool of potential workers.

So everybody wants to turn a blind eye, and everybody wants the vote. They want the vote of these people coming in. And so we are afraid. We are very, very uptight about this. It makes us very skittish to talk about immigration reform, about reducing the numbers of illegal immigrants. To talk about trying to do something about illegal immigration makes people skittish, let alone reduce the number of legal immigrants, which I believe firmly we should do.

But, nonetheless, we have chosen to ignore it, to pretend it does not exist, to look the other way for political reasons, and so, therefore, we have not paid much attention to the INS, and we really do not care that they are as incompetent as they are and unwilling to do their job, and we keep giving them money, and they keep, of course, misusing it or transferring it to activities that have nothing to do with enforcement.

We have even gotten to the point, Mr. Speaker, if you can believe this, but we just appointed a new Director, a new Director of the INS. This agency, of course, oversees a budget of $6.8 billion. Thousands of people work for it. It has the responsibility of one of the most serious activities of the Federal Government, one of the few responsibilities that is uniquely Federal Government. We debate education issues here and welfare issues here, none of which is truly a Federal responsibility, but this area of immigration, that is uniquely Federal.

We take an organization like that, an organization to which we give $6.8 billion, and we appointed an individual as head of it whose only experience in this particular arena in terms of identifying who is coming and going across borders and that sort of thing is who is coming and going in the door of the other body, because it was the Sergeant at Arms for a lot of years. A nice guy, I am sure. He is the head of the INS.

Maybe we should not be too surprised when people in the INS say things like Fred Alexander, Deputy Director for the Immigration and Naturalization Service, publicly told a group of "undocumented day laborers," this is the Deputy Director for INS, talking to a group of illegal aliens, right, who he should, of course, have had arrested, but, no, he is speaking to them, like at a rally. But, of course, they had nothing to worry about. They were, I am sure, all applauding and having a great time, because he said to them, Mr. Speaker, believe it or not, this is on the list we have on our Web site, we have a list called unbelievable but true immigration stories, and some of them I will go through, because they are astounding. Fred Alexander publicly told a group of "undocumented day laborers" that "it is not a crime to be in the U.S. illegally." It is not a crime to be in the U.S. illegally. "It is a violation," he says, "of civil law."

Oh, heck. Well, gee, you know, I do not know why I was so confused by the words "law" and "legal" and stuff like that. Here he is, "Hey, do not worry. It is not against the law. Come on in." This is the Deputy Director of the INS.

I mean, this would be a joke. It would be a Saturday Night Live skit. It would be great, wonderful. There are lots of them, believe me. If the producers of Saturday Night Live are looking for any sort of material, just go to our Web site, the immigration reform Web site on our Tancredo Web site, and you will see we have, what have I got here, 54 little vignettes so far, and, believe me, they keep coming in every single day, things just as bizarre as that.

The INS spent $31.2 million on a computer system to track down whether visa holders overstayed their visa. The system does not work. They say they need an additional $57 million for the system. Believe me, if we gave them $570 million, or $5 billion, they could not make it work. It is not the hardware that is the problem here.

So I guess again it would not be surprising that we take the Sergeant at Arms from the other body and make him the head of the INS. Who cares, he is a nice guy, a friend of a lot of people in the other body, and, why not? He probably wanted to be appointed to something. Why not the INS? Certainly we do not care. It is no big issue, no big deal.

Well, Mr. Speaker, it is a big deal. It is a very big deal. And it is incredible almost to me that we treat it with such, I do not know, disdain is not the word, I treat it with disdain because it deserves it, but we treat it in a way that it does not reflect its importance to the Nation.

It should be completely reformed. When I say reformed, Mr. Speaker, I do not mean just some cosmetic attempt to pretend like we have actually separated the two sides out, and now we will have one guy that is just the head of enforcement and one guy the head of the social services.

□ 2115

No, we need something far more than that. Right now, Mr. Speaker, we have to actually reform the INS in a way that means abolishing that part of the INS that does any work in immigration enforcement. We have to take its responsibility away from INS; we have to take the responsibility away from the Coast Guard, from Agriculture, from DEA, from all of the other agencies that presently have some role to play.

By the way, I have been on the border, and I have witnessed firsthand the work that our border folks do, that the Border Patrol does; and to them I give all the credit in the world. They work as hard as they can. It is not their fault. Please do not get me wrong in that there are people listening tonight, Mr. Speaker, that have friends, relatives or are themselves employed by the INS. For the most part, they are doing everything they can. We hear from them every day. People call my office every day. INS, people who are agents and have been agents for 30 years, some of them want to speak without going on the record, some of them are willing to become whistleblowers; but almost to a person, they talk about their frustration in trying to do a job that they are incapable of doing as a result of an incompetent administration, as a result of a whole bunch of stupid rules that this Congress has passed.

Come to think of it, and I am sure it is on here in our list of "Amazing But True," and it goes to show you it is not all entirely the INS that is goofball in this area, as I have described, but other groups play a role. On the INS Web site, one can go to it today, tonight, and one can pull up a temporary visa application form. About the third or fourth question that one has to fill out if one is trying to come into the country is one that says, and I am paraphrasing because I do not have it in front of me, it says, are you a terrorist? Have you ever belonged to an organization that has expressed a desire to commit acts of terror in the United States? Are you a member of the Nazi Party? Did you ever do anything in the concentration camps? Answer yes or no. There is this little box that one checks. And one thinks to themselves, well, okay, goofy as that sounds, maybe we are using that if somebody checked no, but then comes in and does something wrong, we can say, we caught you because you lied on your form. We can make the case that is necessary.

But get this: as a result of a member of the other body, a gentleman from Massachusetts who has been around a long time, and he happens to be also the chairman of the immigration committee in the Senate today, he added a provision in 1990 to this that said, by the way, if you check "yes" up here to that question, do not worry, because that is not a reason to keep you out of the United States.

So, as I say, they are confronted with a lot of very, very difficult, the INS, even the people who are trying to do their job, are confronted with a variety of mixed messages. Strange, but true, as I say. Incredible, but true. Please believe me, there are so many stories like that, I do not even know where to begin. But they are all metaphors, in a way. I use them as a metaphor for the whole problem, the whole situation we face.

That one form, that front page of that temporary visitor visa; and here is another one, Mr. Speaker. We were down on the border in El Paso about a month and a half ago, I guess; and we were watching people come through, and we have now set up, and we have paid a lot of money to have a card given to all of the people coming through, especially for just day trips or something like that, and we paid a lot of money for these machines so that the border agent can swipe the card through the machine, and on the screen it will come up and say who this person is, whether or not we know something about them that we do not like. It gives some information and background. Logical. Good idea.

Well, of course, there are so many people coming across, the line goes up over the bridge and into Mexico, and there are literally thousands; I cannot even imagine how many thousands of people were waiting to come across. There are like four or five stations with a Border Patrol agent there. But the crush of humanity is so great that they simply do not swipe the card. The person coming in holds the card up next to their face and walks by, and the agent is like this saying, I am sure that face goes with that card, oh, yes, absolutely. Of course, it is a joke. It is ridiculous. But again, that is a metaphor for the whole system. I am not even saying that this is a bad idea; I am just saying it is another one of those kind of amazing but true things.

But they showed us a door frame. Now, that is all it was, Mr. Speaker, a door frame on wheels. And periodically they would wheel this thing out, and on it in Spanish it is written "drug-sniffing door frame." And they wheel this thing out, and they wait to see if anybody sort of balks at going through it. Excuse me, but the picture always does make me laugh; it is sort of humorous. In a way, listen, they are trying anything. If it works, it works, okay. But it is a metaphor for this whole system. It is completely and totally shot. This thing does not work, Mr. Speaker. It does not work. The best thing we got going for us is a door frame that says "automatic drug-sniffing door frame." Oh, my goodness.

But the people do try. They are overwhelmed. They are overwhelmed. One of the things they told us while we were down there, the people were really working as hard as they could. They knew that the task ahead of them was incredible. They said, you know, the only thing we ask is please do not do something up there that is going to make this job even more difficult. I said, well, like what? And they said, well, for instance, every time you guys start talking about amnesty for all of the people who are here illegally, they said. Do you know what that does here? I mean, the numbers swell. We are trying to hold back a flood; and if you give amnesty again like we did in 1986, telling everybody who came here illegally, oh, that is all right, all is forgiven, of course the flood turns into a tidal wave. Why would we think anything else? Why would we imagine that that would not be the case? That is exactly what would happen. Yet, we still talk about it here.

The night before we adjourned in the last session, we almost passed an amendment to that visa bill I mentioned earlier, the Feinstein-Kyl bill, that would have been an extension of 245(i), which is legalese for amnesty. We almost did it. Thanks to an outcry by literally thousands of people across this country who e-mailed their Congressman or Congresswoman and told them that they really and truly were not excited about that possibility, thanks to doing that, it was pulled; and we did not, in fact, pass an extension of 245(i).

But, Mr. Speaker, I will tell my colleagues what that is. It is another game. I assure my colleagues that it is going to come up again. I assure my colleagues that there are people here in this body, certainly even in the administration, who are trying to figure out a way, along with the President of Mexico and the Government of Mexico, they are trying to figure out a way to bring back 245(i) extension.

This is wrongheaded for a wide variety of reasons, of course, not the least of which is the fact that we could not possibly in a million years, the agency we presently have that we call the INS, could not begin to handle the flood of applications that they would get almost immediately from people that they will not be able to tell; now, the applications will come in and it will say, yes, I have been here a long time and here are some receipts from my rent and whatever, but of course they could be fake; and we will never know exactly who these people are, because we will not have time to do any background checks.

Just like the last time around, we let so many people in and then the last administration, the Clinton administration, pushed to get as many as they could made citizens as quickly as they could; and we ended up making thousands, if memory serves me right, it was something like 60,000 people became citizens of the United States under that process who were felons, because we did not know about it. We could not find out. We did not have time.

So that is one problem, saying, for instance, that within the next 4 months, everybody who is here illegally, come in, get some paperwork in and we will verify it, quote, "verify it," and if we do, you will be given amnesty and on the road to becoming a citizen.

Mr. Speaker, I believe that citizenship in this country is more important and it means more than simply stepping over a line that separates two countries. There is much more to it than that. We should be much more concerned about who we let in, how many we let in, and what they are coming here for. Like every other country on the planet who understands that it is their sovereign right to actually determine who comes into the country and when, how many, and what for. We have abandoned that for a variety of reasons, some political, some idealistic in terms of what people think the world should look like, a place without borders.

But I can assure my colleagues that the consequences of a borderless society are significant and dramatic. Some of them can be characterized by the kind of events we experienced on September 11. But that is, nonetheless, the elimination of the borders, that is exactly where many people want to go; people here in this body, some people in the administration, certainly people in the administrations of other countries for their own reasons and for their own purposes.

Mr. Speaker, there are many, there are legitimate reasons, there are legitimate debates that can be held about whether or not borders should be eliminated; and I have many times suggested that that be the basis of any debate on the issue of immigration; that everyone, everyone should ask themselves, everyone here, everyone in the United States should ask themselves this question, and try to answer it as honestly as they possibly can: Do you believe that borders are necessary in the Nation? Is there a reason for it? Now, some may say, oh, well, that is silly, of course. No, no, listen. Believe me, there are people who would suggest that borders are not necessary, that they are anachronisms, that they prohibit the free flow of trade, of money, and of people, and therefore should simply be eliminated, as is happening. Frankly, the European Union is based on this model that will essentially eliminate borders and all the things that separate countries, establish a common currency, a new governmental system, a European Parliament, and who knows how far that will go; but that is the new world order. And again, it is a legitimate debate topic, but I just want to have the debate.

I want us in this body to actually enter into a debate on that one very basic idea: Do we need borders or not? If Members come down on the side of wanting borders, needing borders, believing that they are necessary, then, of course, we must decide what that means. If we have a border between a country, what do we do about that? Do we actually defend it? Do we actually try to stop people from coming across without permission? Do we provide resources to make sure that the border is meaningful or not? Because if we do not, then of course we should simply side with the group that says eliminate them. After all, we are spending $6.8 billion in just the INS, let alone all the other agencies that have some responsibility for border enforcement. Let us stop this wasteful expenditure. Let us go ahead and say we do not need borders, we do not want them, we just want people to come and go as they please and not spend the money on borders.

Now, I happen to be totally opposed to that concept, but there are people in this body who believe in it. The people at the Cato Institute, a very influential think tank here in this town, who believe in it.

There are, as I said before, there are members of the administration, there are people we have spoken in other countries, specifically Mexico, who absolutely believe in it. One member of the Mexican Government, a gentleman by the name of Juan Hernandez, he is appointed to the newest agency, just been created, and it is a cabinet level agency in Mexico, and his title translates into something like Minister in Charge of Mexicans Living Outside of Mexico.

□ 2130

Interesting job. Interesting job title. Mr. Hernandez happens to be, by the way, an American citizen and also a Mexican citizen. He lives part of the time in Texas and part of the time in Mexico City. He was a teacher at a college in Mexico and a very, very interesting gentleman. Very pleasant individual to speak to, very intelligent. He has a great command of the language. He is a good representative of his particular point of view.

In our discussions when we were in Mexico, several Members and I were meeting with him, and he kept using the word "migration" to describe this process of people coming across the border. By the way, that is typical. Many, many people today have chosen to use the word "migration" to explain the phenomena of people coming across the border into the United States at their will. And so I always stop people when they are doing that, and I stopped this gentleman at the time and I said, you are like many people who talk about this, but you are really incorrectly using the word "migration." It is not migration. Migration is when people move through a country, but when they reach the border of that country and cross it, it is called immigration, and when they do so without the permission of the host country to which they are coming, it is called illegal immigration.

Mr. Hernandez turned to me and the other two Members that were with me and said, Congressman, we are really not talking about two countries here. It is just a region. It is just a region. That was a very, very interesting statement, and a very candid one on his part. And that is what I appreciate about Mr. Hernandez. He was up front with us the whole time. He essentially agreed with the proposition that the United States public policy is. He understands it is made as a result of voting blocs. He wants public policy in the United States to change vis-a-vis Mexico. How do you do that?

Well, you have millions of people here in the United States who have cultural and linguistic ties to Mexico and who will vote for a policy shift in the United States. I mean, he was absolutely clear about it. This is not just some sort of, I do not know, hypothetical that he was talking about. It is not a conspiracy with deep, dark secrets. He was explaining exactly. It is a very logical political strategy if you think about it.

There was a time especially in Mexico that people leaving Mexico were thought of in derogatory and spoken of derogatorily as people who were abandoning their homes, but that has changed. But now they are encouraged, in fact, to do so, but remain connected somehow linguistically, politically to Mexico.

These are interesting facets of the problem we face, and they are part of what should be the debate that goes on in this body and throughout the country over whether or not we should eliminate borders. But if we are going to maintain borders, or at least the facade of a border, then it behooves us, I think, Mr. Speaker, to try and do everything we can to provide integrity to the process.

The first thing we need to do is abolish the INS or that portion of it that deals with enforcement. The first thing we need to do is create a brand new, a brand new agency. We can call it a lot of things. I would suggest that it would be something that would be attached to Governor Ridge's Office of Homeland Security. But whatever we do, we need a brand new structure, one that has a clear line of authority, that has a singleness of purpose, that is given the resources necessary.

We should take away the responsibility from Customs and from the Agricultural Department and all the other agencies that now get in each other's way essentially at the border trying to do their job which sometimes conflicts with the other agencies' jobs and makes it easier for people to come across the border here.

Here is another one of those amazing but true things I was telling you about earlier, Mr. Speaker, another interesting point. Because we have so many different agencies handling our border security, they are assigned each one of stations that people are coming through in their cars. One may be run by Customs. One may be run by Agriculture. One may be run by INS, but each of them have different responsibilities, and different ways of dealing with the issue, and different questions they ask and different things they are looking for.

So people actually will sit on the hills observing this situation down on the border, people coming through; and they will watch through binoculars to see which line is being managed by which agencies. And if you are smuggling people in, you will want to come in through this line. And if you are smuggling drugs through, you will want to come through that line because they have a different sort of emphasis. Amazing, but true.

We have to stop that. We have to combine the agencies, take the responsibilities away and create a brand new one. That is not easy to do here. As you know, Mr. Speaker, this body and the government is not set up to allow tough issues to advance very far. Everybody gets very jealous, very, very guarded about their little kingdom, their little piece of the action here. So when recently Governor Ridge and his staff developed a white paper on border security, and it said that we needed to do exactly what I have just described, it said we must take all of these responsibilities away from the other agencies, we must create one new agency with a singleness of purpose, a clear line of authority and all the rest of it, it set off a firestorm of protest. I think that is the way the article characterized it, a firestorm of protests within the administration, within all the agencies that would be affected.

So we called over there. My office called the Office of Homeland Security; and we said, we were reading an article in the New York Times about this white paper. They said, we do not know what you are talking about. They are taking on the INS logo. I do not know. I am not sure. And we do not know. We said we are reading, we have a white paper that talks about how we should create the new border control agency. They said, no, no, it is all theoretical. Nothing is on paper. Of course, that is not true.

As a matter of fact, maybe I am breaking the news here to the Office of Homeland Security, but the paper is out. The media has it. The one you say does not exist exists. So you might as well 'fess up to it and let us get on with it. Let us try to do it regardless of whether or not the INS gets mad, regardless of whether or not the Department of Agriculture gets mad, regardless of whether or not Treasury gets upset because some sort of their little bailiwick will be affected. Who cares? Who cares?

The job of this body is not to protect any particular agency. The job of this body is to protect the United States of America. And it is impossible to do in this way on the particular system we have created and it is being maintained.

So now we are seeing one or two bills that will come to the floor, and we will try to tinker with it and pretend the rest of it is not a problem. And if we separate the agency into the two parts, enforcement and social services, everything will be okay. But it will not, Mr. Speaker. It will not be okay at all.

The problems will remain, and what we will have done here so many times is create an illusion, created an illusion. We have fixed the problem with INS, we will say. It will not be fixed. People will still stream across the border illegally. Thousands upon thousands of people will be here. Right now there are at least 300,000 people who are here in this country who have been ordered deported. They have actually somehow gotten arrested.

Now, be sure and understand, Mr. Speaker, we are not talking about people who overstayed their visa and we somehow found out about it. I mean, the INS was out there doing their job and said, you know what? I think so-and-so may have overstayed their visa. Let us go find them. No. No. That is not what happened, of course.

What happened was so-and-so violated a law, broke a law, broke some other law. They violated one law because they overstayed their visa, but then many times they also robbed somebody, they raped somebody, they murdered somebody, whatever, but they have been found. They have been brought to trial.

Mr. Speaker, I ask my colleagues to once again consider the importance of this issue of immigration reform and treat it with the respect that it deserves and do not just create another illusion.

RECESS

The SPEAKER pro tempore (Mr. CANTOR). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 9 o'clock and 40 minutes p.m.), the House stood in recess subject to the call of the Chair.

☐ 2207

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. CANTOR) at 10 o'clock and 7 minutes p.m.

ANNOUNCEMENT OF INTENTION TO OFFER AMENDMENTS TO H.R. 2356, CAMPAIGN REFORM ACT OF 2001

Mr. SHAYS. Mr. Speaker, pursuant to House Resolution 344, I hereby announce my intention that the following amendments be offered by the following designees: Amendment No. 10 to be offered by the gentlewoman from West Virginia (Mrs. CAPITO); Amendment No. 11 to be offered by the gentleman from Texas (Mr. GREEN); and Amendment No. 12 to be offered by the gentleman from Tennessee (Mr. WAMP).

In addition, we have provided an amendment in the nature of a substitute to H.R. 2356 as reported, offered by myself and the gentleman from Massachusetts (Mr. MEEHAN).

CAMPAIGN FINANCE REFORM

(Mr. SHAYS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHAYS. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. MEEHAN).

Mr. MEEHAN. Mr. Speaker, will the gentleman yield?

Mr. SHAYS. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Speaker, I concur with these substitutes and amendments. I thank the gentleman from Connecticut and members of the Republican Conference who have worked diligently over a period of the last several months on this bill. I think we have an historic opportunity to make a fundamental change in the way elections in America are carried out. I thank the gentleman for his cooperation. I also thank the minority leader, the gentleman from Missouri (Mr. GEPHARDT), and all of the Members from both sides of the aisle who have been part of this historic process over the last few months.

Mr. SHAYS. Mr. Speaker, I thank the members of the Democratic Caucus who have worked so diligently on this for so many years, and also to thank the gentleman from Missouri (Mr. GEPHARDT), and the gentleman from Illinois (Mr. HASTERT) for acknowledging the petition of 218 Members and allowing this to proceed under the spirit of the petition, but basically without having to call it out on a particular second or fourth Monday. We thank the leadership on both sides of the aisle.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 10 o'clock and 10 minutes p.m.), the House stood in recess subject to the call of the Chair.

☐ 0034

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. CANTOR) at 12 o'clock and 34 minutes a.m.

ANNOUNCEMENT OF INTENTION TO OFFER AMENDMENTS TO H.R. 2356, CAMPAIGN REFORM ACT OF 2001

Mr. SESSIONS. Mr. Speaker, pursuant to the House Resolution 344 and the latter order of the House today, I rise as the designee of the majority leader to announce the following amendments:

If H.R. 2356 is the original bill, for the purpose of further amendments I hereby announce amendment 15 through amendment 24.

If the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS) becomes the original bill, for the purpose of further amendment I hereby announce amendment 25 through amendment 34.

If the amendment in the nature of a substitute offered by the majority leader becomes the original bill, for the purpose of further amendment I hereby announce amendment 35 through amendment 44.

If the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. NEY) becomes the original bill, for the purpose of further amendment I hereby announce amendment 45 through 54.

HOUSE BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the following titles:

January 24, 2002:

H.R. 3392. An act to name the national cemetery in Saratoga, New York, as the Gerald B.H. Solomon Saratoga National Cemetery, and for other purposes.

January 23, 2002:

H.R. 2884. An act to amend the Internal Revenue Code of 1986 to provide tax relief for victims of the terrorist attacks against the United States, and for other purposes.

H.R. 3447. An act to amend title 38, United States Code, to enhance the authority of the Secretary of Veterans Affairs to recruit and retain qualified nurses for the Veterans Health Administration, to provide an additional basis for establishing the inability of veterans to defray expenses of necessary medical care, to enhance certain health care programs of the Department of Veterans Affairs, and for other purposes.

January 17, 2002:

H.R. 2873. An act to extend and amend the program entitled Promoting Safe and Stable Families under title IV–B, subpart 2 of the Social Security Act, and to provide new authority to support programs for mentoring children of incarcerated parents; to amend the Foster Care Independent Living program under title IV–E of that Act to provide for educational and training vouchers for youths aging out of foster care, and for other purposes.

January 16, 2002:

H.R. 1088. An act to amend the Securities Exchange Act of 1934 to reduce fees collected by the Securities and Exchange Commission, and for other purposes.

H.R. 2277. An act to provide for work authorization of nonimmigrant spouses of treaty traders and treaty investors.

H.R. 2278. An act to provide for work authorization for nonimmigrant spouses of intracompany transferees, and to reduce the period of time during which certain intracompany transferees have to be continuously employed before applying for admission to the United States.

H.R. 2336. An act to extend for 4 years, through December 31, 2005, the authority to redact financial disclosure statements of judicial employees and judicial officers.

H.R. 2751. An act to authorize the President to award a gold medal on behalf of the Congress to General Henry H. Shelton and to provide for the production of bronze duplicates of such medal for sale to the public.

January 16, 2002:

H.R. 3030. An act to extend the basic pilot program for employment eligibility verification, and for other purposes.

H.R. 3248. An act to designate the facility of the United States Postal Service located at 65 North Main Street in Cranbury, New Jersey, as the "Todd Beamer Post Office Building".

H.R. 3334. An act to designate the Richard J. Guadagno Headquarters and Visitors Center at Humboldt Bay National Wildlife Refuge, California.

H.R. 3346. An act to amend the Internal Revenue Code of 1986 to simplify the reporting requirements relating to higher education tuition and related expenses.

H.R. 3348. An act to designate the National Foreign Affairs Training Center as the George P. Shultz National Foreign Affairs Training Center.

January 11, 2002:

H.R. 2869. An act to provide certain relief for small businesses from liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, and to amend such act to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

January 10, 2002:

H.R. 2506. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 3061. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 3338. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 2002, and for other purposes.

January 8, 2002:

H.R. 1. An act to close the achievement gap with accountability, flexibility, and choice, so that no child is left behind.

H.R. 643. An act to reauthorize the African Elephant Conservation Act.

H.R. 645. An act to reauthorize the Rhinoceros and Tiger Conservation Act of 1994.

H.R. 2199. An act to amend the National Capital Revitalization and Self-Government Improvement Act of 1997 to permit any Federal law enforcement agency to enter into a cooperative agreement with the Metropolitan Police Department of the District of Columbia to assist the Department in carrying out crime prevention and law enforcement activities in the District of Columbia if deemed appropriate by the Chief of the Department and the United States Attorney for the District of Columbia, and for other purposes.

H.R. 2657. An act to amend title 11, District of Columbia Code, to redesignate the Family Division of the Superior Court of the District of Columbia as the Family Court of the Superior Court, to recruit and retain trained and experienced judges to serve in the Family Court, to promote consistency and efficiency in the assignment of judges to the Family Court and in the consideration of actions and proceedings in the Family Court, and for other purposes.

December 28, 2001:

H.R. 2883. An act to authorize appropriations for fiscal year 2002 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

H.R. 3442. An act to establish the National Museum of African American History and Culture Plan for Action Presidential Commission to develop a plan of action for the establishment and maintenance of the National Museum of African American History and Culture in Washington, DC, and for other purposes.

December 27, 2001:

H.R. 483. An Act regarding the use of the trust land and resources of the Confederated Tribes of the Warm Springs Reservation of Oregon.

H.R. 1291. An Act to amend title 38, United States Code, to modify and improve authorities relating to education benefits, compensation and pension benefits, housing benefits, burial benefits, and vocational rehabilitation benefits for veterans, to modify certain authorities relating to the United States Court of Appeals for Veterans Claims, and for other purposes.

H.R. 2559. An Act to amend chapter 90 of title 5, United States Code, relating to Federal long-term care insurance.

H.R. 3323. An Act to ensure that covered entities comply with the standards for electronic health care transactions and code sets adopted under part C of title XI of the Social Security Act, and for other purposes.

December 21, 2001:

H.R. 10. An Act to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries.

H.R. 1230. An Act to provide for the establishment of the Detroit River International Wildlife Refuge in the State of Michigan, and for other purposes.

H.R. 1761. An Act to designate the facility of the United States Postal Service located at 8588 Richmond Highway in Alexandria, Virginia, as the "Herb Harris Post Office Building".

H.R. 2061. An Act to amend the charter of Southeastern University of the District of Columbia.

H.R. 2540. An Act to amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

H.R. 2716. An Act to amend title 38, United States Code, to revise, improve, and consolidate provisions of law providing benefits and services for homeless veterans.

H.R. 2944. An Act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2002, and for other purposes.

H.J. Res. 79. Joint Resolution making further continuing appropriations for the fiscal year 2002, and for other purposes.

H.J. Res. 80. Joint Resolution appointing the day for the convening of the second session of the One Hundred Seventh Congress.

December 18, 2001:

H.J. Res. 71. Joint Resolution amending title 36, United States Code, to designate September 11 as Patriot Day.

H.R. 717. An Act to amend the Public Health Service Act to provide for research with respect to various forms of muscular dystrophy, including Duchenne, Becker, limb girdle, congenital, facioscapulohumeral, myotonic, oculopharyngeal, distal, and Emery-Dreifuss muscular dystrophies.

H.R. 1766. An Act to designate the facility of the United States Postal Service located at 4270 John Marr Drive in Annandale, Virginia, as the "Stan Parris Post Office Building".

H.R. 2261. An Act to designate the facility of the United States Postal Service located at 2853 Candler Road in Decatur, Georgia, as the "Earl T. Shinhoster Post Office".

H.R. 2299. An Act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 2454. An Act to redesignate the facility of the United States Postal Service located at 5472 Crewshaw Boulevard in Los Angeles, California, as the "Congressman Julian C. Dixon Post Office".

December 15, 2001:

H.J. Res. 78. Joint Resolution making further continuing appropriations for the fiscal year 2002, and for other purposes.

December 14, 2001:

H.R. 2291. An Act to extend the authorization of the Drug-Free Communities Support Program for an additional 5 years, to authorize a National Community Antidrug Coalition Institute, and for other purposes.

December 7, 2001:

H.J. Res. 76. Joint Resolution making further continuing appropriations for the fiscal year 2002, and for other purposes.

November 28, 2001:

H.R. 1042. An Act to prevent the elimination of certain reports.

H.R. 1552. An Act to extend the moratorium enacted by the Internet Tax Freedom Act through November 1, 2003, and for other purposes.

H.R. 2330. An Act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 2500. An Act making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

H.R. 2924. An Act to provide authority to the Federal Power Marketing Administration to reduce vandalism and destruction of property, and for other purposes.

November 26, 2001:

H.R. 2620. An Act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2002, and for other purposes.

November 20, 2001:

H.R. 768. An Act to amend the Improving America's Schools Act of 1994 to extend the favorable treatment of need-based educational aid under the antitrust laws, and for other purposes.

November 17, 2001:

H.J. Res. 74. Joint Resolution making further continuing appropriations for the fiscal year 2002, and for other purposes.

SENATE BILLS AND A JOINT RESOLUTION APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates he had approved and signed bills and a joint resolution (of the Senate) of the following titles:

January 15, 2002:

S. 1202. An Act to amend the Ethics in Government Act of 1978 (5 U.S.C. App.) to extend the authorization of appropriations for the Office of Government Ethics through fiscal year 2006.

S. 1714. An Act to provide for the installation of a plaque to honor Dr. James Harvey Early in the Williamsburg, Kentucky Post Office Building.

S. 1741. An Act to amend title XIX of the Social Security Act to clarify that Indian women with breast or cervical cancer who are eligible for health services provided under a medical care program of the Indian Health Service or of a tribal organization are included in the optional medicaid eligibility category of breast or cervical cancer patients added by the Breast and Cervical Cancer Prevention and Treatment Act of 2000.

S. 1793. An Act to provide the Secretary of Education with specific waiver authority to respond to conditions in the national emergency declared by the President on September 14, 2001.

January 4, 2002:

S. 1789. An Act to amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children.

December 28, 2001:

S. 1438. An Act to authorize appropriations for fiscal year 2002 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

December 21, 2001:

S. 494. An Act to provide for a transition to democracy and to promote economic recovery in Zimbabwe.

S. 1196. An Act to amend the Small Business Investment Act of 1958, and for other purposes.

S.J. Res. 26. Joint Resolution providing for the appointment of Patricia Q. Stonesifer as citizen regent of the Board of Regents of the Smithsonian Institution.

December 12, 2001:

S. 1459. An Act to designate the Federal building and United States courthouse located at 550 West Fort Street in Boise, Idaho, as the "James A. McClure Federal Building and United States Courthouse".

S. 1573. An Act to authorize the provision of educational and health care assistance to the women and children of Afghanistan.

November 19, 2001:

S. 1447. An Act to improve aviation security, and for other purposes.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. JEFFERSON (at the request of Mr. GEPHARDT) for today on account of airplane equipment problems.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. DAVIS of Illinois, for 5 minutes, today.

Mr. PALLONE, for 5 minutes, today.

Ms. MCKINNEY, for 5 minutes, today.

Mr. TOWNS, for 5 minutes, today.

Mr. BACA, for 5 minutes, today.

Mr. LYNCH, for 5 minutes, today.

Mr. UNDERWOOD, for 5 minutes, today.

Mr. GEORGE MILLER of California, for 5 minutes, today.

(The following Members (at the request of Mr. HULSHOF) to revise and extend their remarks and include extraneous material:)

Mr. TOOMEY, for 5 minutes, today.

Mr. FRELINGHUYSEN, for 5 minutes, today.

Mr. HULSHOF, for 5 minutes, today.

ENROLLED BILL SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 82. Joint resolution recognizing the 91st birthday of Ronald Reagan.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 737. An act to designate the facility of the United States Postal Service located at 811 South Main Street in Yerington, Nevada, as the "Joseph E. Dini, Jr. Post Office".

S. 970. An act to designate the facility of the United States Postal Service located at 39 Tremont Street, Paris Hill, Maine, as the "Horatio King Post Office Building".

S. 1026. An act to designate the United States Post Office located at 60 Third Avenue in Long Branch, New Jersey, as the "Pat King Post Office Building".

ADJOURNMENT

Mr. SESSIONS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 36 minutes a.m.), the House adjourned until today, Wednesday, February 13, 2002, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5457. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—1,2-Ethanediamine, Polymer with Methyl Oxirane and Oxirane; Tolerance Exemption [OPP-301214; FRL-6821-9] (RIN: 2070-AB78) received February 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5458. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Tetraethoxysilane Polymer with Hexamethyldisiloxane; Tolerance Exemption [OPP-301216; FRL-6822-4] (RIN 2070-AB78) received February 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5459. A letter from the Assistant General Counsel for Regulations, Department of Housing and Urban Development, transmitting the Department's final rule—Section 8 Housing Assistance Payments Program-Contract Rent Annual Adjustment Factors, Fiscal Year 2002 [Docket No. FR-4715-N-01] received February 1, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5460. A letter from the Secretary, Division of Market Regulation, Securities and Exchange Commission, transmitting the Commission's final rule—Exemption of Transactions in Certain Options and Futures on Security Indexes from Section 31 of the Exchange Act [Release No. 34-45371] received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Financial Services.

5461. A letter from the Acting General Counsel, Consumer Product Safety Commission, transmitting the Commission's final rule—Child-Resistant Packaging for Certain Over-the-Counter Drug Products; Correction—received February 1, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5462. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Integrated Safety Management System Guide—received February 1, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5463. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Air Quality Implementation Plans; West Virginia; Revisions to the Ozone Maintenance Plan for the Huntington-Ashland Area [WV059-6018; FRL-7141-1] received February 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5464. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans Reinstatement of Redesignation of Area for Air Quality Planning Purposes; Kentucky Portion of the Cincinnati-Hamilton Area [KY-116; KY-119-200214a; FRL-7141-9] received February 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5465. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; State of Kansas [KS 0147-1147; FRL-7141-7] received February 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5466. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation plans; State of Missouri [MO 0148-1148; FRL-7141-6] received February 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5467. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—NESHAP: Standards for Hazardous Air Pollutants for Hazardous Waste Combustors (Final Amendments Rule) [FRL-7143-4] (RIN: 2050-AE79) received February 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5468. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—NESHAP: Interim Standards for Hazardous Air Pollutants for Hazardous Waste Combustors (Interim Standards Rule) [FRL-7143-3] (RIN: 2050-AE79) received February 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5469. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the California State Implementation Plan, San Joaquin

Valley Unified Air Pollution Control District [CA 071-0 309; FRL-7134-2] received February 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5470. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the California State Implementation Plan, South Coast Air Quality Management District [CA246-0313; FRL-7137-6] received February 7, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5471. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Huntsville, La Porte, Nacogdoches, and Willis, Texas, and Lake Charles, Louisiana) [MM Docket No. 01-31, RM-10035] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5472. A letter from the Senior Legal Advisor to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations (Grants, Milan, and Shiprock, New Mexico) [MM Docket No. 01-118, RM-10106]; (Van Mert and Columbus Grove, Ohio) [MM Docket No. 01-119, RM-10127]; (Lebanon and Hamilton, Ohio and Fort Thomas, Kentucky)[MM Docket No. 01-122, RM-10130] received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

5473. A letter from the Deputy Chief Financial Officer, National Aeronautics and Space Administration, transmitting the Administration's report on mixed waste, pursuant to 42 U.S.C. 6965; to the Committee on Energy and Commerce.

5474. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to Republic of Korea for defense articles and services (Transmittal No. 02-09), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

5475. A letter from the Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to the Taipei Economic and Cultural Representative Office in the United States for defense articles and services (Transmittal No. 02-11), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

5476. A letter from the Chairman, Council of the District of Columbia, transmitting a copy of D.C. ACT 14-267, "Housing Act of 2002" received February 12, 2002, pursuant to D.C. Code section 1—233(c)(1); to the Committee on Government Reform.

5477. A letter from the Secretary, Department of the Treasury, transmitting two Semiannual Reports which were prepared separately by Treasury's Office of Inspector General (OIG) and the Treasury Inspector General for Tax Administration (TIGTA) for the period through September 30, 2001, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

5478. A letter from the Assistant General Counsel for Regulatory Law, Department of Energy, transmitting the Department's final rule—Privacy Act; Implementation (RIN: 1901-AA69) received February 1, 2002; to the Committee on Government Reform.

5479. A letter from the Principal Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Acquisition Regulation: Empower Procurement Officials and Miscellaneous Technical Amendments [FRL 7128-7] received January 30, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

5480. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Kentucky Regulatory Program [KY-220-FOR] received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5481. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Alabama Regulatory Program [AL-071-FOR] received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5482. A letter from the Acting Director, Office of Surface Mining, Department of the Interior, transmitting the Department's final rule—Individual Civil Penalties—Change of Address for Appeals (RIN: 1029-AC02) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5483. A letter from the Director, Foreign Terrorist Tracking Task Force, Department of Justice, transmitting the Department's final rule—Provision of Aviation Training to Certain Alien Trainees—received January 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5484. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Flight Operational Quality Assurance Program [Docket No. FAA-2000-7554; Amendment No. 13-30] (RIN: 2120-AF04) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5485. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Dayton, TN [Airspace Docket No. 01-ASO-13] received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5486. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Peninsula Regional Medical Center Heliport, Fruitland, MD [Airspace Docket No. 01-AEA-23FR] received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5487. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of a Class E Enroute Domestic Airspace Area, Iron Mountain, CA [Airspace Docket No. 01-AWP-27] received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5488. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Dayton, TN [Airspace Docket No. 01-ASO-13] received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5489. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of a Class E Enroute Domestic Airspace Area, Bristol Mountains, CA [Airspace Docket No. 01-AWP-28] received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5490. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30286; Amdt. No. 2085] received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5491. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30287; Amdt. No. 2086] received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5492. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30285; Amdt. No. 2084] received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5493. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30288; Amdt. No. 2087] received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5494. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC-8 Series Airplanes [Docket No. 2000-NM-280-AD; Amendment 39-12565; AD 2001-26-01] (RIN 2120-AA64) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5495. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Rolls-Royce, plc RB211 Trent 800 Series Turbofan Engines [Docket No. 98-ANE-33-AD; Amendment 39-12575; AD 2001-26-11] (RIN: 2120-AA64) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5496. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC-9-10, -20, -30, and -40 Series Airplanes and C-9 Airplanes [Docket No. 2001-NM-104-AD; Amendment 39-12542; AD 2001-24-25] (RIN: 2120-AA64) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5497. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pilatus Aircraft Ltd Models PC-12 and PC-12/45 Airplanes [Docket No. 2000-CE-77-AD; Amendment 39-12563; AD 2001-25-10] (RIN: 2120-AA64) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5498. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300 B2 Series Airplanes and Model A300 B4-2C, B4-103, and B4-203 Series Airplanes [Docket No. 2000-NM-247-AD; Amendment 39-12572; AD 2001-26-08] (RIN: 2120-AA64) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5499. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes [Docket No. 2002-NM-01-AD; Amendment 39-12608; AD 2002-01-14] (RIN: 2120-AA64) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5500. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model CL-600-2B19 Series Airplanes [Docket No. 2001-NM-383-AD; Amendment 39-12577; AD 2001-26-51] (RIN: 2120-AA64) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5501. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Turbomeca S.A. Arrius 1A Turboshaft Engines [Docket No. 2001-NE-41-AD; Amendment 39-12593; AD 2002-01-02] (RIN: 2120-AA64) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5502. A letter from the Secretary, Department of Health and Human Services, transmitting the progress on the Department's report that was due on August 5, 2001 regarding the findings from a study of the quality and cost of providing Program of All-inclusive Care for the Elderly (PACE) program services as a permanent Medicare program and a Medicaid State plan option and a study of a demonstration of PACE using for-profit providers, pursuant to 42 U.S.C. 1395eee note. Pub.L. 105—33 section 4804 (b)(1) (111 Stat. 551); jointly to the Committees on Ways and Means and Energy and Commerce.

5503. A letter from the Director, Office of Management and Budget, transmitting a report that identifies accounts containing unvouchered expenditures that are potentially subject to audit by the Comptroller General, pursuant to 31 U.S.C. 3524(b); jointly to the Committees on the Budget, Appropriations, and Government Reform.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. HASTINGS of Florida:

H.R. 3714. A bill to amend the Immigration and Nationality Act to facilitate entry into the United States by nonimmigrant aliens for brief temporary stays for the serious illness or death of a member of the alien's immediate family; to the Committee on the Judiciary.

By Mrs. KELLY:

H.R. 3715. A bill to amend section 4531(c) of the Balanced Budget Act of 1997 to permit payment for ALS intercept services furnished in areas other than rural areas, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GOODLATTE:

H.R. 3716. A bill to amend title 18, United States Code, to provide a defense against certain criminal prosecutions for interactive computer service providers; to the Committee on the Judiciary.

By Mr. BACHUS (for himself, Mr. OXLEY, Mr. GILLMOR, Mr. LEACH, Mrs. ROUKEMA, Mr. ROYCE, Mr. NEY, Mr. KING, Mr. WELDON of Florida, Mr. RILEY, Mr. JONES of North Carolina, Mr. MANZULLO, Mr. TIBERI, Mrs. BIGGERT, Mr. THUNE, and Ms. HART):

H.R. 3717. A bill to reform the Federal deposit insurance system, and for other purposes; to the Committee on Financial Services.

By Mrs. BONO:

H.R. 3718. A bill to authorize a right-of-way through Joshua Tree National Park, and for other purposes; to the Committee on Resources.

By Mrs. DAVIS of California (for herself, Mr. EVANS, and Mr. REYES):

H.R. 3719. A bill to amend title 38, United States Code, to increase maximum the amount of a home loan guarantee available to a veteran; to the Committee on Veterans' Affairs.

By Mr. FALEOMAVAEGA:

H.R. 3720. A bill to require the National Oceanic and Atmospheric Administration to establish a tsunami hazard mitigation program for all United States coastal States and insular areas; to the Committee on Resources.

By Mr. GEKAS:

H.R. 3721. A bill to amend the Federal Election Campaign Act of 1971 to require the Federal Election Commission to establish and administer an escrow account for certain campaign contributions that a political committee intends to return to the contributor, and for other purposes; to the Committee on House Administration, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. HART:

H.R. 3722. A bill to require the Director of the Office of Management and Budget to include an outlying county in a metropolitan statistical area if the county meets certain requirements; to the Committee on Government Reform.

By Ms. HART:

H.R. 3723. A bill to direct the Secretary of the Army to establish a program to provide environmental assistance to non-Federal interests in western Pennsylvania, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. HINCHEY:

H.R. 3724. A bill to amend the Internal Revenue Code of 1986 to allow a $1,000 refundable credit for individuals who are active members of volunteer firefighting and emergency medical service organizations; to the Committee on Ways and Means.

By Mr. OWENS:

H.R. 3725. A bill to require disclosure of the sale of securities by insiders of issuers of the securities to be made available to the Commission and to the public in electronic form before the transaction is conducted, and for other purposes; to the Committee on Financial Services.

By Mr. OXLEY:

H.R. 3726. A bill to amend title 18, United States Code, to prohibit video voyeurism in the special maritime and territorial jurisdiction of the United States; to the Committee on the Judiciary.

By Mr. PETERSON of Minnesota (for himself, Mr. MCHUGH, Mr. SAXTON, Mr. GREEN of Wisconsin, Mr. PICKERING, Mr. WALSH, Mr. THOMPSON of California, Mr. STUPAK, and Mr. ROSS):

H.R. 3727. A bill to direct the Secretary of the Interior to issue regulations under the Migratory Bird Treaty Act that authorize States to establish hunting seasons for double-crested cormorants; to the Committee on Resources.

By Mr. REHBERG:

H.R. 3728. A bill to amend the Internal Revenue Code of 1986 to extend section 29 to other facilities; to the Committee on Ways and Means.

By Mr. STRICKLAND (for himself, Mr. NEY, Ms. DEGETTE, Mrs. MORELLA, Mr. CROWLEY, Ms. WATERS, Mr. MCNULTY, Mr. BLAGOJEVICH, Mr. TOWNS, Mr. WYNN, Mr. WAXMAN, Mr. SCHIFF, Mr. PASCRELL, Mr. GREEN of Texas, Mr. STUPAK, Mr. FROST, Ms. ESHOO, Mr. RUSH, Mr. EVANS, Mr. DOOLEY of California, Mr. CONYERS, Mr. OWENS, Mrs. CHRISTENSEN, Mr. CAPUANO, Mr. LAFALCE, and Mr. BRADY of Pennsylvania):

H.R. 3729. A bill to amend titles XIX and XXI of the Social Security Act to improve the health benefits coverage of infants and children under the Medicaid and State children's health insurance program, and for other purposes; to the Committee on Energy and Commerce.

By Ms. WOOLSEY:

H.R. 3730. A bill to expand educational opportunities for recipients of assistance under the program of block grants to States for temporary assistance for needy families; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PITTS (for himself, Mr. HYDE, and Mr. LANTOS):

H. Con. Res. 324. Concurrent resolution commending President Pervez Musharraf of Pakistan for his leadership and friendship and welcoming him to the United States; to the Committee on International Relations. considered and agreed to.

By Mr. NEY (for himself, Mr. HOYER, Mr. LATOURETTE, Mr. FROST, Mr. GILMAN, Mr. FATTAH, Mr. CANNON, Mr. DAVIS of Florida, Mr. LANTOS, and Mr. CANTOR):

H. Con. Res. 325. Concurrent resolution permitting the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust; to the Committee on House Administration. considered and agreed to.

By Mr. CAMP (for himself, Mr. ROGERS of Michigan, and Mr. KNOLLENBERG):

H. Con. Res. 326. Concurrent resolution commending the National Highway Traffic Safety Administration for their efforts to remind parents and care givers to use child safety seats and seat belts when transporting children in vehicles and for sponsoring National Child Passenger Safety Week; to the Committee on Transportation and Infrastructure. considered and agreed to.

By Mr. WEXLER (for himself, Mr. Crenshaw, Mr. Moran of Virginia, and Mr. Foley):

H. Con. Res. 327. Concurrent resolution commending the Republic of Turkey and the State of Israel for the continued strengthening of their political, economic, cultural, and strategic partnership and for their actions in support of the war on terrorism; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 128: Mr. Sabo and Ms. McCollum.

H.R. 133: Ms. Eshoo.

H.R. 183: Mrs. Capps.

H.R. 232: Mr. Boswell.

H.R. 536: Mr. Markey.

H.R. 600: Mr. Calvert, Mr. Thompson of California, Ms. Lofgren, and Mr. Kolbe.

H.R. 633: Ms. McCollum.

H.R. 658: Mr. Kerns.

H.R. 826: Mr. Hall of Texas.

H.R. 832: Mr. Vitter and Mr. Forbes.

H.R. 876: Mr. Coyne and Mr. Simpson.

H.R. 902: Mr. Holt and Mr. Lewis of Kentucky.

H.R. 912: Mrs. Johnson of Connecticut.

H.R. 914: Mr. Cox.

H.R. 952: Mr. Costello.

H.R. 997: Mr. Kildee.

H.R. 1097: Mr. Pastor.

H.R. 1109: Mr. Thornberry, Mr. Coble, Mr. Cannon, and Mr. Boozman.

H.R. 1110: Mr. Platts.

H.R. 1116: Mr. Pallone and Mr. Frelinghuysen.

H.R. 1155: Ms. McCollum.

H.R. 1214: Ms. Pryce of Ohio.

H.R. 1262: Mr. Lynch.

H.R. 1265: Mr. DeFazio.

H.R. 1304: Mr. Souder.

H.R. 1331: Mr. Burton of Indiana.

H.R. 1360: Mr. Delahunt and Mr. Grucci.

H.R. 1433: Mrs. Mink of Hawaii.

H.R. 1434: Mr. Delahunt.

H.R. 1436: Mr. Clement.

H.R. 1460: Mr. Young of Alaska.

H.R. 1474: Mr. Calvert.

H.R. 1475: Mr. Holden, Mr. Engel, Mr. Neal of Massachusetts, and Mr. Hinojosa.

H.R. 1520: Ms. McCollum, Ms. Velázquez, Ms. Pelosi, Mr. Markey, Mr. Udall of New Mexico, Mr. Kennedy of Rhode Island, Mr. Leach, Mr. Thompson of California, Ms. Lofgren, and Ms. McCarthy of Missouri.

H.R. 1522: Mrs. Jones of Ohio.

H.R. 1581: Mr. Peterson of Minnesota.

H.R. 1582: Mr. Towns.

H.R. 1609: Mr. Camp and Mr. Hall of Ohio.

H.R. 1613: Mr. Pascrell.

H.R. 1701: Mr. Linder.

H.R. 1711: Mr. Simpson.

H.R. 1759: Mr. Pastor.

H.R. 1759: Mr. Pence, Mr. Ehlers, Mr. Wynn, Ms. Pryce of Ohio, Mr. Gordon, and Mr. Peterson of Pennsylvania.

H.R. 1796: Mr. Traficant and Mr. Jefferson.

H.R. 1904: Mr. Gonzalez, Mr. McDermott, and Mr. Waxman.

H.R. 1935: Mr. Pallone, Mr. Meehan, Mr. Kerns, Mr. Turner, Mr. Payne, Mr. Kildee, Mr. Capuano, Mr. Horn, Mr. Pomeroy, and Mr. Berry.

H.R. 1943: Ms. Ros-Lehtinen.

H.R. 1951: Mr. Doyle.

H.R. 1956: Mr. Stump, Mr. Blumenauer, and Mr. Forbes.

H.R. 1978: Mr. Paul.

H.R. 1979: Mr. Wilson of South Carolina.

H.R. 2108: Mr. Andrews.

H.R. 2125: Mr. Sawyer, Mr. Wilson of South Carolina, Ms. Lofgren, Mr. Mascara, Mr. Sessions, Mr. Akin, and Mr. Lewis of Kentucky.

H.R. 2148: Mr. Brady of Pennsylvania.

H.R. 2219: Mrs. Morella and Ms. Ros-Lehtinen.

H.R. 2254: Mr. Wynn and Mr. Kennedy of Rhode Island.

H.R. 2258: Mr. Kennedy of Rhode Island.

H.R. 2349: Mr. Clyburn and Mr. Doyle.

H.R. 2357: Mr. Pence.

H.R. 2380: Mr. Frank, Mr. Kildee, and Mr. Dingell.

H.R. 2521: Mr. Wynn, Mr. Cunningham, Mr. Kildee, Mr. Tiahrt, and Mr. Knollengerg.

H.R. 2570: Mrs. Morella, Ms. Roybal-Allard, and Mr. Kildee.

H.R. 2592: Mr. Farr of California.

H.R. 2611: Mr. Brown of Ohio.

H.R. 2613: Mr. Kennedy of Rhode Island.

H.R. 2627: Ms. Watson.

H.R. 2692: Mr. Dingell, Mr. Bishop, and Mr. Lynch.

H.R. 2787: Mr. McGovern, Mr. Kucinich, Ms. Norton, and Mr. Brady of Pennsylvania.

H.R. 2820: Mr. Schiff and Mr. Larsen of Washington.

H.R. 2868: Mr. Stupak and Mrs. Meek of Florida.

H.R. 2908: Mr. Lynch.

H.R. 2957: Mr. Calvert.

H.R. 3113: Mr. Becerra, Mr. Rush, Mr. Rodriguez, and Mr. Sanders.

H.R. 3185: Mr. Price of North Carolina.

H.R. 3231: Mr. Sununu, Mr. Pence, Mr. Calvert, and Mr. Gillmor.

H.R. 3233: Mr. Serrano and Mr. Gutierrez.

H.R. 3246: Mr. Camp, Mr. Kennedy of Rhode Island, and Mr. Platts.

H.R. 3267: Mr. Nadler.

H.R. 3280: Mr. Kildee.

H.R. 3305: Mr. Shays, Ms. Schakowsky, Mr. Walsh, and Mr. Bachus.

H.R. 3321: Ms. Ros-Lehtinen, Mr. Underwood, Ms. Brown of Florida, and Mr. Putnam.

H.R. 3337: Ms. Watson, Mr. Pascrell, Mr. Turner, Mr. Lucas of Kentucky, and Mr. Frank.

H.R. 3389: Mr. Grucci, Mr. Deutsch, Mr. McHugh, Mr. Ackerman, Mr. Horn, Mr. Rangel, Mrs. Meek of Florida, and Mr. Andrews.

H.R. 3414: Mr. Baird and Mr. Brady of Pennsylvania.

H.R. 3424: Mr. Clay, Mr. McHugh, Mr. Walsh, Mr. Stearns, and Ms. Kaptur.

H.R. 3431: Ms. Baldwin, Mr. Blagojevich, Mr. Shaw, Mr. Doyle, Mr. Pastor, and Mr. Blunt.

H.R. 3443: Ms. Hart and Mr. Kildee.

H.R. 3462: Mr. Doyle, Mr. Pastor, Mr. Langevin, and Ms. Ros-Lehtinen.

H.R. 3473: Mr. Gutknecht and Mrs. Cubin.

H.R. 3478: Mr. Faleomavaega.

H.R. 3512: Mr. Stenholm.

H.R. 3524: Ms. Lofgren.

H.R. 3532: Mr. Lynch.

H.R. 3594: Mr. Stupak and Mrs. Maloney of New York.

H.R. 3618: Mr. Thompson of Mississippi, Mr. Lewis of Georgia, and Mr. Bishop

H.R. 3630: Mr. Deutsch.

H.R. 3640: Mr. McDermott and Mr. Baldacci.

H.R. 3642: Ms. Rivers and Mr. Abercrombie.

H.R. 3657: Mr. Hastings of Florida, Mr. Kildee, Mr. Baldacci, Mr. Lipinski, and Mr. Pallone.

H.R. 3661: Mr. Doyle, Mr. Rogers of Michigan, Mr. Ehrlich, Mr. Reynolds, and Mr. Gillmor.

H.R. 3670: Mr. Langevin, Mrs. Thurman, Mr. Brady of Pennsylvania, Mr. Price of North Carolina, Mr. Kleczka, Mr. Ford, Mr. McNulty, Mr. Dooley of California, Mr. Sawyer, Mr. Carson of Oklahoma, Mr. Moore, Mr. Lipinski, Ms. Eddie Bernice Johnson of Texas, Mr. Kind, Mr. Reyes, Mr. Frank, Mr. Hinojosa, Mr. Visclosky, Mr. Kanjorski, Ms. Harman, and Ms. Kilpatrick.

H.R. 3685: Mr. Hefley.

H.R. 3686: Mr. Souder, Mr. Barcia, and Mr. Burton of Indiana.

H.R. 3698: Mr. Hoekstra.

H.R. 3710: Mr. Gordon.

H.R. 3713: Mr. Hansen, Mr. Paul, Mr. Shimkus, Mr. Doyle, Mr. Tiberi, and Mr. Cantor.

H.J. Res. 6: Mr. Meeks of New York.

H.J. Res. 23: Mrs. Myrick.

H. Con. Res. 99: Mr. Pallone, Mr. Brown of Ohio, and Ms. Watson of California.

H. Con. Res. 177: Mr. Kildee and Mr. Underwood.

H. Con. Res. 180: Ms. Carson of Indiana and Mr. Smith of Washington.

H. Con. Res. 216: Mr. Pastor, Mr. Frost, and Mr. Clay.

H. Con. Res. 220: Mr. Kerns.

H. Con. Res. 265: Mr. Pomeroy, Ms. Granger, Mr. Pence, and Mr. Sessions.

H. Con. Res. 304: Mr. Meeks of New York, Mr. Jefferson, Mr. Lantos, Mr. Rangel, Mr. Wynn, Mr. Hastings of Florida, and Mr. Conyers.

H. Con. Res. 311: Mr. McNulty, Mr. Frost, Mr. Barr of Georgia, Mr. Cunningham, Ms. Hooley of Oregon, and Mr. Kildee.

H. Con. Res. 313: Mr. Smith of Michigan.

H. Res. 197: Mr. Burton of Indiana.

H. Res. 225: Mr. Bryant and Mr. Meeks of New York.

H. Res. 265: Mr. Bartlett of Maryland, Mr. Flake, Mr. Chabot, Mr. Sam Johnson of Texas, Mr. Shadegg, Mr. Toomey, Ms. Hart, Mr. Gutknecht, Mr. Tancredo, Mr. Pitts, Mr. Akin, Mr. Herger, Mr. Hilleary, Mr. DeMint, and Mr. Wilson of South Carolina.

H. Res. 339: Mr. Hoyer, Mr. Ballenger, Mr. Bereuter, Mr. Pence, Mr. Blagojevich, and Mr. King.

H. Res. 346: Mr. Brady of Texas, Mr. Burton of Indiana, Mr. Shimkus, Mr. Pickering, Mr. Smith of New Jersey, Mr. Mollohan, Mr. DeMint, Mr. Forbes, Mr. Schaffer, Mr. Ryun of Kansas, Mr. Wynn, Mr. Brady of Pennsylvania, Mr. Shows, Mr. Tiberi, Mr. Manzullo, and Mr. Tiahrt.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 2356

Offered By: Mr. Flake

[Shays Substitute]

Amendment No. 4: Add at the end the following new title:

TITLE VI—DISCLOSURE OF EXEMPT IN-KIND MEDIA EXPENDITURES

SEC. 601. DISCLOSURE OF EXEMPT IN-KIND MEDIA EXPENDITURES

(a) Disclosure Required for Exempt In-Kind Media Expenditures.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by sections 103, 201, 212, and 309(b), is further amended by adding at the end the following new subsection:

"(i) Requiring Broadcaster Disclosure of Expenditures for Voluntary Personal Appearances by Federal Candidates.—

"(1) In general.—A broadcast network or station which is a corporate media outlet shall file a disclosure report under this subsection with respect to each media expenditure communication described in paragraph (2) (including a communication described in such paragraph which is rebroadcast by the network or station). For purposes of this paragraph, a broadcast network shall be considered to have aired such a communication if the network or any station affiliated with the network airs the communication.

"(2) Media expenditure communication described.—A media expenditure communication described in this paragraph is a broadcast, cable, or satellite communication—

"(A) which features or depicts a clearly identified candidate for Federal office in a voluntary appearance by the candidate (including but not limited to an interview with the candidate); and

"(B) which is aired by the network or station during the 60-day period (or, in the case of a primary election, during the 30-day period) which ends on the date of the election for the office sought by the candidate.

"(3) Deadline for filing disclosure report.—Reports under this subsection shall be filed with the Commission not later than 10 days after the network or station airs the media expenditure communication involved.

"(4) Contents of report.—A report filed by a broadcasting network or station under this subsection with respect to a media expenditure communication shall contain the following information:

"(A) The identification of the network or station.

"(B) The name of candidate featured or depicted in the communication.

"(C) The date on which the communication aired and the duration of the appearance of the candidate in the communication, including the appearance of the candidate in any promotional communications aired by the network or station with respect to the communication.

"(D) The value of the exempt in-kind media expenditure (as calculated in accordance with paragraph (5)) derived from the airing of the communication, itemized separately (in the case of a network) by each station affiliated with the network.

"(E) All other costs and expenses paid by the network or station which are associated with the appearance of the candidate in the communication, including (but not limited to) transportation of the Federal candidate, makeup, extraordinary production or transmission costs, promotions, and website broadcasts, itemized separately by each such category.

"(5) Determining value of exempt in-kind media expenditures.—

"(A) In general.—The value of the exempt in-kind media expenditure derived from the airing of a media expenditure communication described in paragraph (2) by a broadcasting network or station shall be equal to the product of the per unit cost of the advertising sold by the network or station for the time during which the communication is aired and the duration of the appearance of the candidate involved in the communication.

"(B) Special rule for national broadcasts.—In the case of a communication which is aired on a nationwide broadcast—

"(i) the broadcasting network from which the broadcast originates shall be responsible for calculating the value of exempt in-kind media expenditures under subparagraph (A); and

"(ii) the value derived from the airing of the communication by the network shall be increased by the value derived from the airing of the communication (as determined under subparagraph (A)) by each station affiliated with the network.

"(6) Corporate media outlet defined.—In this subsection, the term 'corporate media outlet' means a corporation—

"(A) which is owned, operated, or controlled by any other corporation, entity, or holding company;

"(B) which derives income from any service, product, enterprise, or source other than advertising which appears within the media broadcast outlet involved;

"(C) which receives funds directly or indirectly from any level of government; or

"(D) which retains, employs, or otherwise engages the services (directly or indirectly) of any lobbyist who represents the corporation as a registered lobbyist at any level of government.".

(b) Loss of Exemption From Treatment as Expenditure for Communications Aired by Broadcasters Failing to File Reports.—Section 301(9)(B)(i) of such Act (2 U.S.C. 431(9)(B)(i)) is amended by striking the semicolon at the end and inserting the following: ", except that if a broadcast network or station which is a corporate media outlet (as defined in section 304(i)) fails to meet the requirements of section 304(i) with respect to the airing of an media expenditure communication described in section 304(i)(2), this clause shall not apply with respect to the communication, and the airing of the communication shall be treated as an in-kind contribution by the corporate media outlet to the candidate featured or depicted in the communication (in an amount equal to the value determined in accordance with such section);".

H.R. 2356

Offered By: Mr. Goodlatte

[Ney Substitute]

Amendment No. 5: Insert after title III the following:

TITLE IV—DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS

SEC. 401. DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS DURING FEDERAL ELECTION CAMPAIGNS.

(a) In General.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

"DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS BY TELEPHONE

"Sec. 324. (a) Disclosures to Respondents.—Any person who conducts a Federal election poll shall disclose to each respondent the identity of the person sponsoring the poll or paying the expenses associated with the poll, except that if the poll is conducted more than 30 days before the date of the election, the person shall only disclose such information upon the request of the respondent.

"(b) Disclosures to Commission.—Any person who conducts a Federal election poll—

"(1) shall report to the Commission the number of households contacted and include with such report a copy of the poll questions; and

"(2) in the case of a poll for which the results are not to be made public, shall report to the Commission the total cost of the poll and all sources of funds for the poll.

"(c) Definition.—In this section, the term 'Federal election poll' means a survey conducted by telephone or electronic means—

"(1) in which the respondents are interviewed on opinions relating to an election for Federal office; and

"(2) in which not fewer than 1,200 respondents are surveyed.".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to elections occurring after the date of the enactment of this Act.

H.R. 2356

Offered By: Mr. Goodlatte

Amendment No. 6: Add at the end of title III the following:

SEC. 323. DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS DURING FEDERAL ELECTION CAMPAIGNS.

(a) In General.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 319, and 322, is further amended by adding at the end the following new section:

"DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS BY TELEPHONE

"Sec. 326. (a) Disclosures to Respondents.—Any person who conducts a Federal election poll shall disclose to each respondent the identity of the person sponsoring the poll or paying the expenses associated with the poll, except that if the poll is conducted more than 30 days before the date of the election, the person shall only disclose such information upon the request of the respondent.

"(b) Disclosures to Commission.—Any person who conducts a Federal election poll—

"(1) shall report to the Commission the number of households contacted and include with such report a copy of the poll questions; and

"(2) in the case of a poll for which the results are not to be made public, shall report to the Commission the total cost of the poll and all sources of funds for the poll.

"(c) Definition.—In this section, the term 'Federal election poll' means a survey conducted by telephone or electronic means—

"(1) in which the respondents are interviewed on opinions relating to an election for Federal office; and

"(2) in which not fewer than 1,200 respondents are surveyed.".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to elections occurring after the date of the enactment of this Act.

H.R. 2356

Offered By: Mr. Goodlatte

[Armey Substitute]

Amendment No. 7: Add at the end the following:

TITLE —DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS

SEC. . DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS DURING FEDERAL ELECTION CAMPAIGNS.

(a) In General.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS BY TELEPHONE

"Sec. 323. (a) Disclosures to Respondents.—Any person who conducts a Federal election poll shall disclose to each respondent the identity of the person sponsoring the poll or paying the expenses associated with the poll, except that if the poll is conducted more than 30 days before the date of the election, the person shall only disclose such information upon the request of the respondent.

"(b) DISCLOSURES TO COMMISSION.—Any person who conducts a Federal election poll—

"(1) shall report to the Commission the number of households contacted and include with such report a copy of the poll questions; and

"(2) in the case of a poll for which the results are not to be made public, shall report to the Commission the total cost of the poll and all sources of funds for the poll.

"(c) DEFINITION.—In this section, the term 'Federal election poll' means a survey conducted by telephone or electronic means—

"(1) in which the respondents are interviewed on opinions relating to an election for Federal office; and

"(2) in which not fewer than 1,200 respondents are surveyed.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to elections occurring after the date of the enactment of this Act.

H.R. 2356

OFFERED BY: MR. GOODLATTE

[Shays Substitute]

AMENDMENT NO. 8: Add at the end of title III the following:

SEC. 320. DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS DURING FEDERAL ELECTION CAMPAIGNS.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 319, is further amended by adding at the end the following new section:

"DISCLOSURE OF INFORMATION BY PERSONS CONDUCTING POLLS BY TELEPHONE

"SEC. 325. (a) DISCLOSURES TO RESPONDENTS.—Any person who conducts a Federal election poll shall disclose to each respondent the identity of the person sponsoring the poll or paying the expenses associated with the poll, except that if the poll is conducted more than 30 days before the date of the election, the person shall only disclose such information upon the request of the respondent.

"(b) DISCLOSURES TO COMMISSION.—Any person who conducts a Federal election poll—

"(1) shall report to the Commission the number of households contacted and include with such report a copy of the poll questions; and

"(2) in the case of a poll for which the results are not to be made public, shall report to the Commission the total cost of the poll and all sources of funds for the poll.

"(c) DEFINITION.—In this section, the term 'Federal election poll' means a survey conducted by telephone or electronic means—

"(1) in which the respondents are interviewed on opinions relating to an election for Federal office; and

"(2) in which not fewer than 1,200 respondents are surveyed.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to elections occurring after the date of the enactment of this Act.

H.R. 2356

OFFERED BY: MR. SHAYS

AMENDMENT NO. 9. Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Bipartisan Campaign Reform Act of 2002".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

Sec. 101. Soft money of political parties.
Sec. 102. Increased contribution limit for State committees of political parties.
Sec. 103. Reporting requirements.

TITLE II—NONCANDIDATE CAMPAIGN EXPENDITURES

Subtitle A—Electioneering Communications

Sec. 201. Disclosure of electioneering communications.
Sec. 202. Coordinated communications as contributions.
Sec. 203. Prohibition of corporate and labor disbursements for electioneering communications.
Sec. 204. Rules relating to certain targeted electioneering communications.

Subtitle B—Independent and Coordinated Expenditures

Sec. 211. Definition of independent expenditure.
Sec. 212. Reporting requirements for certain independent expenditures.
Sec. 213. Independent versus coordinated expenditures by party.
Sec. 214. Coordination with candidates or political parties.

TITLE III—MISCELLANEOUS

Sec. 301. Use of contributed amounts for certain purposes.
Sec. 302. Prohibition of fundraising on Federal property.
Sec. 303. Strengthening foreign money ban.
Sec. 304. Modification of individual contribution limits in response to expenditures from personal funds.
Sec. 305. Television media rates.
Sec. 306. Limitation on availability of lowest unit charge for Federal candidates attacking opposition.
Sec. 307. Software for filing reports and prompt disclosure of contributions.
Sec. 308. Modification of contribution limits.
Sec. 309. Donations to Presidential inaugural committee.
Sec. 310. Prohibition on fraudulent solicitation of funds.
Sec. 311. Study and report on Clean Money Clean Elections laws.
Sec. 312. Clarity standards for identification of sponsors of election-related advertising.
Sec. 313. Increase in penalties.
Sec. 314. Statute of limitations.
Sec. 315. Sentencing guidelines.
Sec. 316. Increase in penalties imposed for violations of conduit contribution ban.
Sec. 317. Restriction on increased contribution limits by taking into account candidate's available funds.
Sec. 318. Clarification of right of nationals of the United States to make political contributions.
Sec. 319. Prohibition of contributions by minors.

TITLE IV—SEVERABILITY; EFFECTIVE DATE

Sec. 401. Severability.
Sec. 402. Effective date.
Sec. 403. Judicial review.

TITLE V—ADDITIONAL DISCLOSURE PROVISIONS

Sec. 501. Internet access to records.
Sec. 502. Maintenance of website of election reports.
Sec. 503. Additional disclosure reports.
Sec. 504. Public access to broadcasting records.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

"SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

"(a) NATIONAL COMMITTEES.—

"(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) APPLICABILITY.—The prohibition established by paragraph (1) applies to any such national committee, any officer or agent acting on behalf of such a national committee, and any entity that is directly or indirectly established, financed, maintained, or controlled by such a national committee.

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or of individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) APPLICABILITY.—

"(A) IN GENERAL.—Notwithstanding clause (i) or (ii) of section 301(20)(A), and subject to subparagraph (B), paragraph (1) shall not apply to any amount expended or disbursed by a State, district, or local committee of a political party for an activity described in either such clause to the extent the amounts expended or disbursed for such activity are allocated (under regulations prescribed by the Commission) among amounts—

"(i) which consist solely of contributions subject to the limitations, prohibitions, and reporting requirements of this Act (other than amounts described in subparagraph (B)(iii)); and

"(ii) other amounts which are not subject to the limitations, prohibitions, and reporting requirements of this Act (other than any requirements of this subsection).

"(B) CONDITIONS.—Subparagraph (A) shall only apply if—

"(i) the activity does not refer to a clearly identified candidate for Federal office;

"(ii) the amounts expended or disbursed are not for the costs of any broadcasting, cable, or satellite communication, other than a communication which refers solely to a clearly identified candidate for State or local office;

"(iii) the amounts expended or disbursed which are described in subparagraph (A)(ii) are paid from amounts which are donated in accordance with State law and which meet the requirements of subparagraph (C), except that no person (including any person established, financed, maintained, or controlled by such person) may donate more than $10,000 to a State, district, or local committee of a political party in a calendar year for such expenditures or disbursements; and

“(iv) the amounts expended or disbursed are made solely from funds raised by the State, local, or district committee which makes such expenditure or disbursement, and do not include any funds provided to such committee from—

“(I) any other State, local, or district committee of any State party,

“(II) the national committee of a political party (including a national congressional campaign committee of a political party),

“(III) any officer or agent acting on behalf of any committee described in subclause (I) or (II), or

“(IV) any entity directly or indirectly established, financed, maintained, or controlled by any committee described in subclause (I) or (II).

“(C) PROHIBITING INVOLVEMENT OF NATIONAL PARTIES, FEDERAL CANDIDATES AND OFFICEHOLDERS, AND STATE PARTIES ACTING JOINTLY.—Notwithstanding subsection (e) (other than subsection (e)(3)), amounts specifically authorized to be spent under subparagraph (B)(iii) meet the requirements of this subparagraph only if the amounts—

“(i) are not solicited, received, directed, transferred, or spent by or in the name of any person described in subsection (a) or (e); and

“(ii) are not solicited, received, or directed through fundraising activities conducted jointly by 2 or more State, local, or district committees of any political party or their agents, or by a State, local, or district committee of a political party on behalf of the State, local, or district committee of a political party or its agent in one or more other States.

“(c) FUNDRAISING COSTS.—An amount spent by a person described in subsection (a) or (b) to raise funds that are used, in whole or in part, for expenditures and disbursements for a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

“(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to—

“(1) an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) and that makes expenditures or disbursements in connection with an election for Federal office (including expenditures or disbursements for Federal election activity); or

“(2) an organization described in section 527 of such Code (other than a political committee, a State, district, or local committee of a political party, or the authorized campaign committee of a candidate for State or local office).

“(e) FEDERAL CANDIDATES.—

“(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or an individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of 1 or more candidates or individuals holding Federal office, shall not—

“(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

“(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

“(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1), (2), and (3) of section 315(a); and

“(ii) are not from sources prohibited by this Act from making contributions in connection with an election for Federal office.

“(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual described in such paragraph who is or was also a candidate for a State or local office solely in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law and refers only to such State or local candidate, or to any other candidate for the State or local office sought by such candidate, or both.

“(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1) or subsection (b)(2)(C), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

“(4) PERMITTING CERTAIN SOLICITATIONS.—

“(A). GENERAL SOLICITATIONS.—Notwithstanding any other provision of this subsection, an individual described in paragraph (1) may make a general solicitation of funds on behalf of any organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) (other than an entity whose principal purpose is to conduct activities described in clauses (i) and (ii) of section 301(20)(A)) where such solicitation does not specify how the funds will or should be spent.

“(B) CERTAIN SPECIFIC SOLICITATIONS.—In addition to the general solicitations permitted under subparagraph (A), an individual described in paragraph (1) may make a solicitation explicitly to obtain funds for carrying out the activities described in clauses (i) and (ii) of section 301(20)(A), or for an entity whose principal purpose is to conduct such activities, if—

“(i) the solicitation is made only to individuals; and

“(ii) the amount solicited from any individual during any calendar year does not exceed $20,000.

“(f) STATE CANDIDATES.—

“(1) IN GENERAL.—A candidate for State or local office, individual holding State or local office, or an agent of such a candidate or individual may not spend any funds for a communication described in section 301(20)(A)(iii) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

“(2) EXCEPTION FOR CERTAIN COMMUNICATIONS.—Paragraph (1) shall not apply to an individual described in such paragraph if the communication involved is in connection with an election for such State or local office and refers only to such individual or to any other candidate for the State or local office held or sought by such individual, or both.”.

(b) DEFINITIONS.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end thereof the following:

“(20) FEDERAL ELECTION ACTIVITY.—

“(A) IN GENERAL.—The term ‘Federal election activity’ means—

“(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

“(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

“(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

“(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

“(B) EXCLUDED ACTIVITY.—The term ‘Federal election activity’ does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

“(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

“(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

“(iii) the costs of a State, district, or local political convention;

“(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office; and

“(v) the cost of constructing or purchasing an office facility or equipment for a State, district, or local committee.

“(21) GENERIC CAMPAIGN ACTIVITY.—The term ‘generic campaign activity’ means a campaign activity that promotes a political party and does not promote a candidate or non-Federal candidate.

“(22) PUBLIC COMMUNICATION.—The term ‘public communication’ means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, or telephone bank to the general public, or any other form of general public political advertising.

“(23) MASS MAILING.—The term ‘mass mailing’ means a mailing by United States mail or facsimile of more than 500 pieces of mail matter of an identical or substantially similar nature within any 30-day period.

“(24) TELEPHONE BANK.—The term ‘telephone bank’ means more than 500 telephone calls of an identical or substantially similar nature within any 30-day period.”.

SEC. 102. INCREASED CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.

Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.".

SEC. 103. REPORTING REQUIREMENTS.

(a) Reporting Requirements.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following:

"(e) Political Committees.—

"(1) National and congressional political committees.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

"(2) Other political committees to which section 323 applies.—

"(A) In general.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in section 301(20)(A), unless the aggregate amount of such receipts and disbursements during the calendar year is less than $5,000.

"(B) Specific disclosure by state and local parties of certain nonfederal amounts permitted to be spent on federal election activity.—Each report by a political committee under subparagraph (A) of receipts and disbursements made for activities described in section 301(20)(A) shall include a disclosure of all receipts and disbursements described in section 323(b)(2)(A) and (B).

"(3) Itemization.—If a political committee has receipts or disbursements to which this subsection applies from or to any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

"(4) Reporting periods.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a)(4)(B).".

(b) Building Fund Exception to the Definition of Contribution.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xv) as clauses (viii) through (xiv), respectively.

TITLE II—NONCANDIDATE CAMPAIGN EXPENDITURES

Subtitle A—Electioneering Communications

SEC. 201. DISCLOSURE OF ELECTIONEERING COMMUNICATIONS.

(a) In General.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 103, is amended by adding at the end the following new subsection:

"(f) Disclosure of Electioneering Communications.—

"(1) Statement required.—Every person who makes a disbursement for the direct costs of producing and airing electioneering communications in an aggregate amount in excess of $10,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

"(2) Contents of statement.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

"(A) The identification of the person making the disbursement, of any person sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

"(B) The principal place of business of the person making the disbursement, if not an individual.

"(C) The amount of each disbursement of more than $200 during the period covered by the statement and the identification of the person to whom the disbursement was made.

"(D) The elections to which the electioneering communications pertain and the names (if known) of the candidates identified or to be identified.

"(E) If the disbursements were paid out of a segregated bank account which consists of funds contributed solely by individuals who are United States citizens or nationals or lawfully admitted for permanent residence as defined in section 1101(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(2)) directly to this account for electioneering communications, the names and addresses of all contributors who contributed an aggregate amount of $1,000 or more to that account during the period beginning on the first day of the preceding calendar year and ending on the disclosure date. Nothing in this subparagraph is to be construed as a prohibition on the use of funds in such a segregated account for a purpose other than electioneering communications.

"(F) If the disbursements were paid out of funds not described in subparagraph (E), the names and addresses of all contributors who contributed an aggregate amount of $1,000 or more to the person making the disbursement during the period beginning on the first day of the preceding calendar year and ending on the disclosure date.

"(3) Electioneering communication.—For purposes of this subsection—

"(A) In general.—(i) The term 'electioneering communication' means any broadcast, cable, or satellite communication which—

"(I) refers to a clearly identified candidate for Federal office;

"(II) is made within—

"(aa) 60 days before a general, special, or runoff election for the office sought by the candidate; or

"(bb) 30 days before a primary or preference election, or a convention or caucus of a political party that has authority to nominate a candidate, for the office sought by the candidate; and

"(III) in the case of a communication which refers to a candidate for an office other than President or Vice President, is targeted to the relevant electorate.

"(ii) If clause (i) is held to be constitutionally insufficient by final judicial decision to support the regulation provided herein, then the term 'electioneering communication' means any broadcast, cable, or satellite communication which promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate) and which also is suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate. Nothing in this subparagraph shall be construed to affect the interpretation or application of section 100.22(b) of title 11, Code of Federal Regulations.

"(B) Exceptions.—The term 'electioneering communication' does not include—

"(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate;

"(ii) a communication which constitutes an expenditure or an independent expenditure under this Act;

"(iii) a communication which constitutes a candidate debate or forum conducted pursuant to regulations adopted by the Commission, or which solely promotes such a debate or forum and is made by or on behalf of the person sponsoring the debate or forum; or

"(iv) any other communication exempted under such regulations as the Commission may promulgate (consistent with the requirements of this paragraph) to ensure the appropriate implementation of this paragraph, except that under any such regulation a communication may not be exempted if it meets the requirements of this paragraph and is described in section 301(20)(A)(iii).

"(C) Targeting to relevant electorate.—For purposes of this paragraph, a communication which refers to a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication can be received by 50,000 or more persons—

"(i) in the district the candidate seeks to represent, in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

"(ii) in the State the candidate seeks to represent, in the case of a candidate for Senator.

"(4) Disclosure date.—For purposes of this subsection, the term 'disclosure date' means—

"(A) the first date during any calendar year by which a person has made disbursements for the direct costs of producing or airing electioneering communications aggregating in excess of $10,000; and

"(B) any other date during such calendar year by which a person has made disbursements for the direct costs of producing or airing electioneering communications aggregating in excess of $10,000 since the most recent disclosure date for such calendar year.

"(5) Contracts to disburse.—For purposes of this subsection, a person shall be treated as having made a disbursement if the person has executed a contract to make the disbursement.

"(6) Coordination with other requirements.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

"(7) Coordination with Internal Revenue Code.—Nothing in this subsection may be construed to establish, modify, or otherwise affect the definition of political activities or electioneering activities (including the definition of participating in, intervening in, or influencing or attempting to influence a political campaign on behalf of or in opposition to any candidate for public office) for purposes of the Internal Revenue Code of 1986.".

(b) Responsibilities of Federal Communications Commission.—The Federal Communications Commission shall compile and maintain any information the Federal Election Commission may require to carry out section 304(f) of the Federal Election Campaign Act of 1971 (as added by subsection (a)), and shall make such information available to the public on the Federal Communication Commission's website.

SEC. 202. COORDINATED COMMUNICATIONS AS CONTRIBUTIONS.

Section 315(a)(7) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)) is amended —

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

"(C) if—

"(i) any person makes, or contracts to make, any disbursement for any electioneering communication (within the meaning of section 304(f)(3)); and

"(ii) such disbursement is coordinated with a candidate or an authorized committee of such candidate, a Federal, State, or local political party or committee thereof, or an agent or official of any such candidate, party, or committee;

such disbursement or contracting shall be treated as a contribution to the candidate supported by the electioneering communication or that candidate's party and as an expenditure by that candidate or that candidate's party; and".

SEC. 203. PROHIBITION OF CORPORATE AND LABOR DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS.

(a) In General.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by inserting "or for any applicable electioneering communication" before ", but shall not include".

(b) Applicable Electioneering Communication.—Section 316 of such Act is amended by adding at the end the following:

"(c) Rules Relating to Electioneering Communications.—

"(1) Applicable electioneering communication.—For purposes of this section, the term 'applicable electioneering communication' means an electioneering communication (within the meaning of section 304(f)(3)) which is made by any entity described in subsection (a) of this section or by any other person using funds donated by an entity described in subsection (a) of this section.

"(2) Exception.—Notwithstanding paragraph (1), the term 'applicable electioneering communication' does not include a communication by a section 501(c)(4) organization or a political organization (as defined in section 527(e)(1) of the Internal Revenue Code of 1986) made under section 304(f)(2)(E) or (F) of this Act if the communication is paid for exclusively by funds provided directly by individuals who are United States citizens or nationals or lawfully admitted for permanent residence as defined in section 1101(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(2)). For purposes of the preceding sentence, the term 'provided directly by individuals' does not include funds the source of which is an entity described in subsection (a) of this section.

"(3) Special operating rules.—

"(A) Definition under paragraph (1).—An electioneering communication shall be treated as made by an entity described in subsection (a) if an entity described in subsection (a) directly or indirectly disburses any amount for any of the costs of the communication.

"(B) Exception under paragraph (2).—A section 501(c)(4) organization that derives amounts from business activities or receives funds from any entity described in subsection (a) shall be considered to have paid for any communication out of such amounts unless such organization paid for the communication out of a segregated account to which only individuals can contribute, as described in section 304(f)(2)(E).

"(4) Definitions and rules.—For purposes of this subsection—

"(A) the term 'section 501(c)(4) organization' means—

"(i) an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; or

"(ii) an organization which has submitted an application to the Internal Revenue Service for determination of its status as an organization described in clause (i); and

"(B) a person shall be treated as having made a disbursement if the person has executed a contract to make the disbursement.

"(5) Coordination with Internal Revenue Code.—Nothing in this subsection shall be construed to authorize an organization exempt from taxation under section 501(a) of the Internal Revenue Code of 1986 to carry out any activity which is prohibited under such Code.".

SEC. 204. RULES RELATING TO CERTAIN TARGETED ELECTIONEERING COMMUNICATIONS.

Section 316(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b), as added by section 203, is amended by adding at the end the following:

"(6) Special rules for targeted communications.—

"(A) Exception does not apply.—Paragraph (2) shall not apply in the case of a targeted communication that is made by an organization described in such paragraph.

"(B) Targeted communication.—For purposes of subparagraph (A), the term 'targeted communication' means an electioneering communication (as defined in section 304(f)(3)) that is distributed from a television or radio broadcast station or provider of cable or satellite television service and, in the case of a communication which refers to a candidate for an office other than President or Vice President, is targeted to the relevant electorate.

"(C) Definition.—For purposes of this paragraph, a communication is 'targeted to the relevant electorate' if it meets the requirements described in section 304(f)(3)(C).".

Subtitle B—Independent and Coordinated Expenditures

SEC. 211. DEFINITION OF INDEPENDENT EXPENDITURE.

Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

"(17) Independent expenditure.—The term 'independent expenditure' means an expenditure by a person—

"(A) expressly advocating the election or defeat of a clearly identified candidate; and

"(B) that is not made in concert or cooperation with or at the request or suggestion of such candidate, the candidate's authorized political committee, or their agents, or a political party committee or its agents.".

SEC. 212. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) In General.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 201) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C); and

(2) by adding at the end the following:

"(g) Time for Reporting Certain Expenditures.—

"(1) Expenditures aggregating $1,000.—

"(A) Initial report.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours.

"(B) Additional reports.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

"(2) Expenditures aggregating $10,000.—

"(A) Initial report.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours.

"(B) Additional reports.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

"(3) Place of filing; contents.—A report under this subsection—

"(A) shall be filed with the Commission; and

"(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.".

(b) Conforming Amendment.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is amended by striking ", or the second sentence of subsection (c)(2)".

SEC. 213. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking "and (3)" and inserting ", (3), and (4)"; and

(2) by adding at the end the following:

"(4) Independent versus coordinated expenditures by party.—

"(A) In general.—On or after the date on which a political party nominates a candidate, no committee of the political party may make—

"(i) any coordinated expenditure under this subsection with respect to the candidate during the election cycle at any time after it makes any independent expenditure (as defined in section 301(17)) with respect to the candidate during the election cycle; or

"(ii) any independent expenditure (as defined in section 301(17)) with respect to the candidate during the election cycle at any time after it makes any coordinated expenditure under this subsection with respect to the candidate during the election cycle.

"(B) Application.—For purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

"(C) TRANSFERS.—A committee of a political party that makes coordinated expenditures under this subsection with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.".

SEC. 214. COORDINATION WITH CANDIDATES OR POLITICAL PARTIES.

(a) IN GENERAL.—Section 315(a)(7)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)(B)) is amended—

(A) by redesignating clause (ii) as clause (iii); and

(B) by inserting after clause (i) the following new clause:

"(ii) expenditures made by any person (other than a candidate or candidate's authorized committee) in cooperation, consultation, or concert, with, or at the request or suggestion of, a national, State, or local committee of a political party, shall be considered to be contributions made to such party committee; and".

(b) REPEAL OF CURRENT REGULATIONS.—The regulations on coordinated communications paid for by persons other than candidates, authorized committees of candidates, and party committees adopted by the Federal Election Commission and published in the Federal Register at page 76138 of volume 65, Federal Register, on December 6, 2000, are repealed as of the date by which the Commission is required to promulgate new regulations under subsection (c) (as described in the second sentence of section 402(c)).

(c) REGULATIONS BY THE FEDERAL ELECTION COMMISSION.—The Federal Election Commission shall promulgate new regulations on coordinated communications paid for by persons other than candidates, authorized committees of candidates, and party committees. The regulations shall not require agreement or formal collaboration to establish coordination. In addition to any subject determined by the Commission, the regulations shall address—

(A) payments for the republication of campaign materials;

(B) payments for the use of a common vendor;

(C) payments for communications directed or made by persons who previously served as an employee of a candidate or a political party; and

(D) payments for communications made by a person after substantial discussion about the communication with a candidate or a political party.

(d) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by striking "shall include" and inserting "includes a contribution or expenditure, as those terms are defined in section 301, and also includes".

TITLE III—MISCELLANEOUS

SEC. 301. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

"SEC. 313. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

"(a) PERMITTED USES.—A contribution accepted by a candidate, and any other donation received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

"(1) for otherwise authorized expenditures in connection with the campaign for Federal office of the candidate or individual;

"(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

"(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

"(4) for transfers to a national, State, or local committee of a political party.

"(b) PROHIBITED USE.—

"(1) IN GENERAL.—A contribution or donation described in subsection (a) shall not be converted by any person to personal use.

"(2) CONVERSION.—For the purposes of paragraph (1), a contribution or donation shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal office, including—

"(A) a home mortgage, rent, or utility payment;

"(B) a clothing purchase;

"(C) a noncampaign-related automobile expense;

"(D) a country club membership;

"(E) a vacation or other noncampaign-related trip;

"(F) a household food item;

"(G) a tuition payment;

"(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

"(I) dues, fees, and other payments to a health club or recreational facility.".

SEC. 302. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—

"(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. It shall be unlawful for an individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election, while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

"(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both."; and

(2) in subsection (b), by inserting "or Executive Office of the President" after "Congress".

SEC. 303. STRENGTHENING FOREIGN MONEY BAN.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: "CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS"; and

(2) by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—It shall be unlawful for—

"(1) a foreign national, directly or indirectly, to make—

"(A) a contribution or donation of money or other thing of value, or to make an express or implied promise to make a contribution or donation, in connection with a Federal, State, or local election;

"(B) a contribution or donation to a committee of a political party; or

"(C) an expenditure, independent expenditure, or disbursement for an electioneering communication (within the meaning of section 304(f)(3)); or

"(2) a person to solicit, accept, or receive a contribution or donation described in subparagraph (A) or (B) of paragraph (1) from a foreign national.".

SEC. 304. MODIFICATION OF INDIVIDUAL CONTRIBUTION LIMITS IN RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.

(a) INCREASED LIMITS FOR INDIVIDUALS.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended—

(1) in subsection (a)(1), by striking "No person" and inserting "Except as provided in subsection (i), no person"; and

(2) by adding at the end the following:

"(i) INCREASED LIMIT TO ALLOW RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.—

"(1) INCREASE.—

"(A) IN GENERAL.—Subject to paragraph (2), if the opposition personal funds amount with respect to a candidate for election to the office of Senator exceeds the threshold amount, the limit under subsection (a)(1)(A) (in this subsection referred to as the 'applicable limit') with respect to that candidate shall be the increased limit.

"(B) THRESHOLD AMOUNT.—

"(i) STATE-BY-STATE COMPETITIVE AND FAIR CAMPAIGN FORMULA.—In this subsection, the threshold amount with respect to an election cycle of a candidate described in subparagraph (A) is an amount equal to the sum of—

"(I) $150,000; and

"(II) $0.04 multiplied by the voting age population.

"(ii) VOTING AGE POPULATION.—In this subparagraph, the term 'voting age population' means in the case of a candidate for the office of Senator, the voting age population of the State of the candidate (as certified under section 315(e)).

"(C) INCREASED LIMIT.—Except as provided in clause (ii), for purposes of subparagraph (A), if the opposition personal funds amount is over—

"(i) 2 times the threshold amount, but not over 4 times that amount—

"(I) the increased limit shall be 3 times the applicable limit; and

"(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution;

"(ii) 4 times the threshold amount, but not over 10 times that amount—

"(I) the increased limit shall be 6 times the applicable limit; and

"(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution; and

"(iii) 10 times the threshold amount—

"(I) the increased limit shall be 6 times the applicable limit;

"(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution; and

"(III) the limits under subsection (d) with respect to any expenditure by a State or national committee of a political party shall not apply.

"(D) Opposition personal funds amount.—The opposition personal funds amount is an amount equal to the excess (if any) of—

"(i) the greatest aggregate amount of expenditures from personal funds (as defined in section 304(a)(6)(B)) that an opposing candidate in the same election makes; over

"(ii) the aggregate amount of expenditures from personal funds made by the candidate with respect to the election.

"(2) Time to accept contributions under increased limit.—

"(A) In general.—Subject to subparagraph (B), a candidate and the candidate's authorized committee shall not accept any contribution, and a party committee shall not make any expenditure, under the increased limit under paragraph (1)—

"(i) until the candidate has received notification of the opposition personal funds amount under section 304(a)(6)(B); and

"(ii) to the extent that such contribution, when added to the aggregate amount of contributions previously accepted and party expenditures previously made under the increased limits under this subsection for the election cycle, exceeds 110 percent of the opposition personal funds amount.

"(B) Effect of withdrawal of an opposing candidate.—A candidate and a candidate's authorized committee shall not accept any contribution and a party shall not make any expenditure under the increased limit after the date on which an opposing candidate ceases to be a candidate to the extent that the amount of such increased limit is attributable to such an opposing candidate.

"(3) Disposal of excess contributions.—

"(A) In general.—The aggregate amount of contributions accepted by a candidate or a candidate's authorized committee under the increased limit under paragraph (1) and not otherwise expended in connection with the election with respect to which such contributions relate shall, not later than 50 days after the date of such election, be used in the manner described in subparagraph (B).

"(B) Return to contributors.—A candidate or a candidate's authorized committee shall return the excess contribution to the person who made the contribution.

"(j) Limitation on Repayment of Personal Loans.—Any candidate who incurs personal loans made after the effective date of the Bipartisan Campaign Reform Act of 2002 in connection with the candidate's campaign for election shall not repay (directly or indirectly), to the extent such loans exceed $250,000, such loans from any contributions made to such candidate or any authorized committee of such candidate after the date of such election.".

(b) Notification of Expenditures From Personal Funds.—Section 304(a)(6) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (E); and

(2) by inserting after subparagraph (A) the following:

"(B) Notification of expenditure from personal funds.—

"(i) Definition of expenditure from personal funds.—In this subparagraph, the term 'expenditure from personal funds' means—

"(I) an expenditure made by a candidate using personal funds; and

"(II) a contribution or loan made by a candidate using personal funds or a loan secured using such funds to the candidate's authorized committee.

"(ii) Declaration of intent.—Not later than the date that is 15 days after the date on which an individual becomes a candidate for the office of Senator, the candidate shall file a declaration stating the total amount of expenditures from personal funds that the candidate intends to make, or to obligate to make, with respect to the election that will exceed the State-by-State competitive and fair campaign formula with—

"(I) the Commission; and

"(II) each candidate in the same election.

"(iii) Initial notification.—Not later than 24 hours after a candidate described in clause (ii) makes or obligates to make an aggregate amount of expenditures from personal funds in excess of 2 times the threshold amount in connection with any election, the candidate shall file a notification with—

"(I) the Commission; and

"(II) each candidate in the same election.

"(iv) Additional notification.—After a candidate files an initial notification under clause (iii), the candidate shall file an additional notification each time expenditures from personal funds are made or obligated to be made in an aggregate amount that exceed $10,000 with—

"(I) the Commission; and

"(II) each candidate in the same election.

Such notification shall be filed not later than 24 hours after the expenditure is made.

"(v) Contents.—A notification under clause (iii) or (iv) shall include—

"(I) the name of the candidate and the office sought by the candidate;

"(II) the date and amount of each expenditure; and

"(III) the total amount of expenditures from personal funds that the candidate has made, or obligated to make, with respect to an election as of the date of the expenditure that is the subject of the notification.

"(C) Notification of disposal of excess contributions.—In the next regularly scheduled report after the date of the election for which a candidate seeks nomination for election to, or election to, Federal office, the candidate or the candidate's authorized committee shall submit to the Commission a report indicating the source and amount of any excess contributions (as determined under paragraph (1) of section 315(i)) and the manner in which the candidate or the candidate's authorized committee used such funds.

"(D) Enforcement.—For provisions providing for the enforcement of the reporting requirements under this paragraph, see section 309.".

(c) Definitions.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431), as amended by section 101(b), is further amended by adding at the end the following:

"(25) Election cycle.—The term 'election cycle' means the period beginning on the day after the date of the most recent election for the specific office or seat that a candidate is seeking and ending on the date of the next election for that office or seat. For purposes of the preceding sentence, a primary election and a general election shall be considered to be separate elections.

"(26) Personal funds.—The term 'personal funds' means an amount that is derived from—

"(A) any asset that, under applicable State law, at the time the individual became a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had—

"(i) legal and rightful title; or

"(ii) an equitable interest;

"(B) income received during the current election cycle of the candidate, including—

"(i) a salary and other earned income from bona fide employment;

"(ii) dividends and proceeds from the sale of the candidate's stocks or other investments;

"(iii) bequests to the candidate;

"(iv) income from trusts established before the beginning of the election cycle;

"(v) income from trusts established by bequest after the beginning of the election cycle of which the candidate is the beneficiary;

"(vi) gifts of a personal nature that had been customarily received by the candidate prior to the beginning of the election cycle; and

"(vii) proceeds from lotteries and similar legal games of chance; and

"(C) a portion of assets that are jointly owned by the candidate and the candidate's spouse equal to the candidate's share of the asset under the instrument of conveyance or ownership, but if no specific share is indicated by an instrument of conveyance or ownership, the value of ½ of the property.".

SEC. 305. TELEVISION MEDIA RATES.

(a) Lowest Unit Charge.—Subsection (b) of section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by striking "(b) The charges" and inserting the following:

"(b) Charges.—

"(1) In general.—Except as provided in paragraph (2), the charges";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following:

"(2) Television.—The charges made for the use of any television broadcast station, or by a provider of cable or satellite television service, to any person who is a legally qualified candidate for any public office in connection with the campaign of such candidate for nomination for election, or election, to such office shall not exceed, during the periods referred to in paragraph (1)(A), the lowest charge of the station (at any time during the 180-day period preceding the date of the use) for the same amount of time for the same period.".

(b) Rate Available for National Parties.—Section 315(b)(2) of such Act (47 U.S.C. 315(b)(2), as added by subsection (a)(3), is amended by inserting ", or to a national committee of a political party making expenditures under section 315(d) of the Federal Election Campaign Act of 1971 on behalf of such candidate in connection with such campaign," after "such office".

(c) Preemption.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) by redesignating subsections (c) and (d) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c) Preemption.—

"(1) In general.—Except as provided in paragraph (2), a licensee shall not preempt the use of a television broadcast station, or a provider of cable or satellite television service, by an eligible candidate or political committee of a political party who has purchased and paid for such use pursuant to subsection (b)(2).

"(2) Circumstances beyond control of licensee.—If a program to be broadcast by a television broadcast station, or a provider of cable or satellite television service, is preempted because of circumstances beyond the control of the station, any candidate or party advertising spot scheduled to be broadcast during that program may also be preempted.".

(d) RANDOM AUDITS.—Section 315 of such Act (47 U.S.C. 315), as amended by subsection (c), is amended by inserting after subsection (c) the following new subsection:

"(d) RANDOM AUDITS.—

"(1) IN GENERAL.—During the 45-day period preceding a primary election and the 60-day period preceding a general election, the Commission shall conduct random audits of designated market areas to ensure that each television broadcast station, and provider of cable or satellite television service, in those markets is allocating television broadcast advertising time in accordance with this section and section 312.

"(2) MARKETS.—The random audits conducted under paragraph (1) shall cover the following markets:

"(A) At least 6 of the top 50 largest designated market areas (as defined in section 122(j)(2)(C) of title 17, United States Code).

"(B) At least 3 of the 51–100 largest designated market areas (as so defined).

"(C) At least 3 of the 101–150 largest designated market areas (as so defined).

"(D) At least 3 of the 151–210 largest designated market areas (as so defined).

"(3) BROADCAST STATIONS.—Each random audit shall include each of the 3 largest television broadcast networks, 1 independent network, and 1 cable network.".

(e) DEFINITION OF BROADCASTING STATION.—Subsection (e)(1) of section 315 of such Act (47 U.S.C. 315(e)(1)), as redesignated by subsection (c)(1) of this section, is amended by inserting ", a television broadcast station, and a provider of cable or satellite television service" before the semicolon.

(f) STYLISTIC AMENDMENTS.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) in subsection (a), by inserting "IN GENERAL.—" before "If any";

(2) in subsection (e), as redesignated by subsection (c)(1) of this section, by inserting "DEFINITIONS.—" before "For purposes"; and

(3) in subsection (f), as so redesignated, by inserting "REGULATIONS.—" before "The Commission".

SEC. 306. LIMITATION ON AVAILABILITY OF LOWEST UNIT CHARGE FOR FEDERAL CANDIDATES ATTACKING OPPOSITION.

(a) IN GENERAL.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)), as amended by this Act, is amended by adding at the end the following:

"(3) CONTENT OF BROADCASTS.—

"(A) IN GENERAL.—In the case of a candidate for Federal office, such candidate shall not be entitled to receive the rate under paragraph (1)(A) or (2) for the use of any broadcasting station unless the candidate provides written certification to the broadcast station that the candidate (and any authorized committee of the candidate) shall not make any direct reference to another candidate for the same office, in any broadcast using the rights and conditions of access under this Act, unless such reference meets the requirements of subparagraph (C) or (D).

"(B) LIMITATION ON CHARGES.—If a candidate for Federal office (or any authorized committee of such candidate) makes a reference described in subparagraph (A) in any broadcast that does not meet the requirements of subparagraph (C) or (D), such candidate shall not be entitled to receive the rate under paragraph (1)(A) or (2) for such broadcast or any other broadcast during any portion of the 45-day and 60-day periods described in paragraph (1)(A), that occur on or after the date of such broadcast, for election to such office.

"(C) TELEVISION BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a television broadcast, at the end of such broadcast there appears simultaneously, for a period no less than 4 seconds—

"(i) a clearly identifiable photographic or similar image of the candidate; and

"(ii) a clearly readable printed statement, identifying the candidate and stating that the candidate has approved the broadcast and that the candidate's authorized committee paid for the broadcast.

"(D) RADIO BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a radio broadcast, the broadcast includes a personal audio statement by the candidate that identifies the candidate, the office the candidate is seeking, and indicates that the candidate has approved the broadcast.

"(E) CERTIFICATION.—Certifications under this section shall be provided and certified as accurate by the candidate (or any authorized committee of the candidate) at the time of purchase.

"(F) DEFINITIONS.—For purposes of this paragraph, the terms 'authorized committee' and 'Federal office' have the meanings given such terms by section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).".

(b) CONFORMING AMENDMENT.—Section 315(b)(1)(A) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)(A)), as amended by this Act, is amended by inserting "subject to paragraph (3)," before "during the forty-five days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to broadcasts made after the effective date of this Act.

SEC. 307. SOFTWARE FOR FILING REPORTS AND PROMPT DISCLOSURE OF CONTRIBUTIONS.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end the following:

"(12) SOFTWARE FOR FILING OF REPORTS.—

"(A) IN GENERAL.—The Commission shall—

"(i) promulgate standards to be used by vendors to develop software that—

"(I) permits candidates to easily record information concerning receipts and disbursements required to be reported under this Act at the time of the receipt or disbursement;

"(II) allows the information recorded under subclause (I) to be transmitted immediately to the Commission; and

"(III) allows the Commission to post the information on the Internet immediately upon receipt; and

"(ii) make a copy of software that meets the standards promulgated under clause (i) available to each person required to file a designation, statement, or report in electronic form under this Act.

"(B) ADDITIONAL INFORMATION.—To the extent feasible, the Commission shall require vendors to include in the software developed under the standards under subparagraph (A) the ability for any person to file any designation, statement, or report required under this Act in electronic form.

"(C) REQUIRED USE.—Notwithstanding any provision of this Act relating to times for filing reports, each candidate for Federal office (or that candidate's authorized committee) shall use software that meets the standards promulgated under this paragraph once such software is made available to such candidate.

"(D) REQUIRED POSTING.—The Commission shall, as soon as practicable, post on the Internet any information received under this paragraph.".

SEC. 308. MODIFICATION OF CONTRIBUTION LIMITS.

(a) INCREASE IN INDIVIDUAL LIMITS FOR CERTAIN CONTRIBUTIONS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A), by striking "$1,000" and inserting the following: "$2,000 (or, in the case of a candidate for Representative in or Delegate or Resident Commissioner to the Congress, $1,000)"; and

(2) in subparagraph (B), by striking "$20,000" and inserting "$25,000".

(b) INCREASE IN ANNUAL AGGREGATE LIMIT ON INDIVIDUAL CONTRIBUTIONS.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended to read as follows:

"(3) During the period which begins on January 1 of an odd-numbered year and ends on December 31 of the next even-numbered year, no individual may make contributions aggregating more than—

"(A) $37,500, in the case of contributions to candidates and the authorized committees of candidates;

"(B) $57,500, in the case of any other contributions, of which not more than $37,500 may be attributable to contributions to political committees which are not political committees of national political parties.".

(c) INCREASE IN SENATORIAL CAMPAIGN COMMITTEE LIMIT.—Section 315(h) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(h)) is amended by striking "$17,500" and inserting "$35,000".

(d) INDEXING OF CONTRIBUTION LIMITS.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting "(A)" before "At the beginning"; and

(C) by adding at the end the following:

"(B) Except as provided in subparagraph (C), in any calendar year after 2002—

"(i) a limitation established by subsections (a)(1)(A), (a)(1)(B), (a)(3), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

"(ii) each amount so increased shall remain in effect for the calendar year; and

"(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

"(C) In the case of limitations under subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election."; and

(2) in paragraph (2)(B), by striking "means the calendar year 1974" and inserting "means—

"(i) for purposes of subsections (b) and (d), calendar year 1974; and

"(ii) for purposes of subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h), calendar year 2001".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to contributions made on or after January 1, 2003.

SEC. 309. DONATIONS TO PRESIDENTIAL INAUGURAL COMMITTEE.

(a) IN GENERAL.—Chapter 5 of title 36, United States Code, is amended by—

(1) redesignating section 510 as section 511; and

(2) inserting after section 509 the following:

"§ 510. Disclosure of and prohibition on certain donations

"(a) IN GENERAL.—A committee shall not be considered to be the Inaugural Committee for purposes of this chapter unless the committee agrees to, and meets, the requirements of subsections (b) and (c).

"(b) DISCLOSURE.—

"(1) IN GENERAL.—Not later than the date that is 90 days after the date of the Presidential inaugural ceremony, the committee shall file a report with the Federal Election Commission disclosing any donation of money or anything of value made to the committee in an aggregate amount equal to or greater than $200.

"(2) CONTENTS OF REPORT.—A report filed under paragraph (1) shall contain—

"(A) the amount of the donation;

"(B) the date the donation is received; and

"(C) the name and address of the person making the donation.

"(c) LIMITATION.—The committee shall not accept any donation from a foreign national (as defined in section 319(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)))."

(b) REPORTS MADE AVAILABLE BY FEC.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by sections 103, 201, and 212 is amended by adding at the end the following:

"(h) REPORTS FROM INAUGURAL COMMITTEES.—The Federal Election Commission shall make any report filed by an Inaugural Committee under section 510 of title 36, United States Code, accessible to the public at the offices of the Commission and on the Internet not later than 48 hours after the report is received by the Commission.".

SEC. 310. PROHIBITION ON FRAUDULENT SOLICITATION OF FUNDS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting "(a) IN GENERAL.—" before "No person"; and

(2) by adding at the end the following:

"(b) FRAUDULENT SOLICITATION OF FUNDS.—No person shall—

"(1) fraudulently misrepresent the person as speaking, writing, or otherwise acting for or on behalf of any candidate or political party or employee or agent thereof for the purpose of soliciting contributions or donations; or

"(2) willfully and knowingly participate in or conspire to participate in any plan, scheme, or design to violate paragraph (1).".

SEC. 311. STUDY AND REPORT ON CLEAN MONEY CLEAN ELECTIONS LAWS.

(a) CLEAN MONEY CLEAN ELECTIONS DEFINED.—In this section, the term "clean money clean elections" means funds received under State laws that provide in whole or in part for the public financing of election campaigns.

(b) STUDY.—

(1) IN GENERAL.—The Comptroller General shall conduct a study of the clean money clean elections of Arizona and Maine.

(2) MATTERS STUDIED.—

(A) STATISTICS ON CLEAN MONEY CLEAN ELECTIONS CANDIDATES.—The Comptroller General shall determine—

(i) the number of candidates who have chosen to run for public office with clean money clean elections including—

(I) the office for which they were candidates;

(II) whether the candidate was an incumbent or a challenger; and

(III) whether the candidate was successful in the candidate's bid for public office; and

(ii) the number of races in which at least one candidate ran an election with clean money clean elections.

(B) EFFECTS OF CLEAN MONEY CLEAN ELECTIONS.—The Comptroller General of the United States shall describe the effects of public financing under the clean money clean elections laws on the 2000 elections in Arizona and Maine.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress detailing the results of the study conducted under subsection (b).

SEC. 312. CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF ELECTION-RELATED ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking "Whenever" and inserting "Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever";

(ii) by striking "an expenditure" and inserting "a disbursement"; and

(iii) by striking "direct"; and

(iv) by inserting "or makes a disbursement for an electioneering communication (as defined in section 304(f)(3))" after "public political advertising"; and

(B) in paragraph (3), by inserting "and permanent street address, telephone number, or World Wide Web address" after "name"; and

(2) by adding at the end the following:

"(c) SPECIFICATION.—Any printed communication described in subsection (a) shall—

"(1) be of sufficient type size to be clearly readable by the recipient of the communication;

"(2) be contained in a printed box set apart from the other contents of the communication; and

"(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

"(d) ADDITIONAL REQUIREMENTS.—

"(1) COMMUNICATIONS BY CANDIDATES OR AUTHORIZED PERSONS.—

"(A) BY RADIO.—Any communication described in paragraph (1) or (2) of subsection (a) which is transmitted through radio shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(B) BY TELEVISION.—Any communication described in paragraph (1) or (2) of subsection (a) which is transmitted through television shall include, in addition to the requirements of that paragraph, a statement that identifies the candidate and states that the candidate has approved the communication. Such statement—

"(i) shall be conveyed by—

"(I) an unobscured, full-screen view of the candidate making the statement, or

"(II) the candidate in voice-over, accompanied by a clearly identifiable photographic or similar image of the candidate; and

"(ii) shall also appear in writing at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.

"(2) COMMUNICATIONS BY OTHERS.—Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following audio statement: '   is responsible for the content of this advertising.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall be conveyed by an unobscured, full-screen view of a representative of the political committee or other person making the statement, or by a representative of such political committee or other person in voice-over, and shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.".

SEC. 313. INCREASE IN PENALTIES.

(a) IN GENERAL.—Subparagraph (A) of section 309(d)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended to read as follows:

"(A) Any person who knowingly and willfully commits a violation of any provision of this Act which involves the making, receiving, or reporting of any contribution, donation, or expenditure—

"(i) aggregating $25,000 or more during a calendar year shall be fined under title 18, United States Code, or imprisoned for not more than 5 years, or both; or

"(ii) aggregating $2,000 or more (but less than $25,000) during a calendar year shall be fined under such title, or imprisoned for not more than one year, or both.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring on or after the effective date of this Act.

SEC. 314. STATUTE OF LIMITATIONS.

(a) IN GENERAL.—Section 406(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 455(a)) is amended by striking "3" and inserting "5".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring on or after the effective date of this Act.

SEC. 315. SENTENCING GUIDELINES.

(a) IN GENERAL.—The United States Sentencing Commission shall—

(1) promulgate a guideline, or amend an existing guideline under section 994 of title 28, United States Code, in accordance with paragraph (2), for penalties for violations of the Federal Election Campaign Act of 1971 and related election laws; and

(2) submit to Congress an explanation of any guidelines promulgated under paragraph (1) and any legislative or administrative recommendations regarding enforcement of the Federal Election Campaign Act of 1971 and related election laws.

(b) CONSIDERATIONS.—The Commission shall provide guidelines under subsection (a) taking into account the following considerations:

(1) Ensure that the sentencing guidelines and policy statements reflect the serious nature of such violations and the need for aggressive and appropriate law enforcement action to prevent such violations.

(2) Provide a sentencing enhancement for any person convicted of such violation if such violation involves—

(A) a contribution, donation, or expenditure from a foreign source;

(B) a large number of illegal transactions;

(C) a large aggregate amount of illegal contributions, donations, or expenditures;

(D) the receipt or disbursement of governmental funds; and

(E) an intent to achieve a benefit from the Federal Government.

(3) Assure reasonable consistency with other relevant directives and guidelines of the Commission.

(4) Account for aggravating or mitigating circumstances that might justify exceptions, including circumstances for which the sentencing guidelines currently provide sentencing enhancements.

(5) Assure the guidelines adequately meet the purposes of sentencing under section 3553(a)(2) of title 18, United States Code.

(c) EFFECTIVE DATE; EMERGENCY AUTHORITY TO PROMULGATE GUIDELINES.—

(1) EFFECTIVE DATE.—Notwithstanding section 402, the United States Sentencing Commission shall promulgate guidelines under this section not later than the later of—

(A) 90 days after the effective date of this Act; or

(B) 90 days after the date on which at least a majority of the members of the Commission are appointed and holding office.

(2) EMERGENCY AUTHORITY TO PROMULGATE GUIDELINES.—The Commission shall promulgate guidelines under this section in accordance with the procedures set forth in section 21(a) of the Sentencing Reform Act of 1987, as though the authority under such Act has not expired.

SEC. 316. INCREASE IN PENALTIES IMPOSED FOR VIOLATIONS OF CONDUIT CONTRIBUTION BAN.

(a) INCREASE IN CIVIL MONEY PENALTY FOR KNOWING AND WILLFUL VIOLATIONS.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraph (5)(B), by inserting before the period at the end the following: "(or, in the case of a violation of section 320, which is not less than 300 percent of the amount involved in the violation and is not more than the greater of $50,000 or 1000 percent of the amount involved in the violation)"; and

(2) in paragraph (6)(C), by inserting before the period at the end the following: "(or, in the case of a violation of section 320, which is not less than 300 percent of the amount involved in the violation and is not more than the greater of $50,000 or 1000 percent of the amount involved in the violation)".

(b) INCREASE IN CRIMINAL PENALTY.—Section 309(d)(1) of such Act (2 U.S.C. 437g(d)(1)) is amended by adding at the end the following new subparagraph:

"(D) Any person who knowingly and willfully commits a violation of section 320 involving an amount aggregating more than $10,000 during a calendar year shall be—

"(i) imprisoned for not more than 2 years if the amount is less than $25,000 (and subject to imprisonment under subparagraph (A) if the amount is $25,000 or more);

"(ii) fined not less than 300 percent of the amount involved in the violation and not more than the greater of—

"(I) $50,000; or

"(II) 1,000 percent of the amount involved in the violation; or

"(iii) both imprisoned under clause (i) and fined under clause (ii).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the effective date of this Act.

SEC. 317. RESTRICTION ON INCREASED CONTRIBUTION LIMITS BY TAKING INTO ACCOUNT CANDIDATE'S AVAILABLE FUNDS.

Section 315(i)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(i)(1)), as added by this Act, is amended by adding at the end the following:

"(E) SPECIAL RULE FOR CANDIDATE'S CAMPAIGN FUNDS.—

"(i) IN GENERAL.—For purposes of determining the aggregate amount of expenditures from personal funds under subparagraph (D)(ii), such amount shall include the gross receipts advantage of the candidate's authorized committee.

"(ii) GROSS RECEIPTS ADVANTAGE.—For purposes of clause (i), the term 'gross receipts advantage' means the excess, if any, of—

"(I) the aggregate amount of 50 percent of gross receipts of a candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held, over

"(II) the aggregate amount of 50 percent of gross receipts of the opposing candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held.".

SEC. 318. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by inserting after "United States" the following: "or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)".

SEC. 319. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

"PROHIBITION OF CONTRIBUTIONS BY MINORS

"SEC. 324. An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.".

TITLE IV—SEVERABILITY; EFFECTIVE DATE

SEC. 401. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in section 308 and subsection (b), this Act and the amendments made by this Act shall take effect November 6, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a), the following rules shall apply with respect to the spending of such funds by such committee:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from such an election).

(2) At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.

(c) REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Federal Election Commission shall promulgate regulations to carry out title I of this Act and the amendments made by such title. Not later than 270 days after the date of the enactment of this Act, the Federal Election Commission shall promulgate regulations to carry out all other titles of this Act and all other amendments made by this Act which are under the Commission's jurisdiction.

SEC. 403. JUDICIAL REVIEW.

(a) SPECIAL RULES FOR ACTIONS BROUGHT ON CONSTITUTIONAL GROUNDS.—If any action is brought for declaratory or injunctive relief to challenge the constitutionality of any provision of this Act or any amendment made by this Act, the following rules shall apply:

(1) The action shall be filed in the United States District Court for the District of Columbia and shall be heard by a 3-judge court convened pursuant to section 2284 of title 28, United States Code.

(2) A copy of the complaint shall be delivered promptly to the Clerk of the House of Representatives and the Secretary of the Senate.

(3) A final decision in the action shall be reviewable only by appeal directly to the Supreme Court of the United States. Such appeal shall be taken by the filing of a notice of appeal within 10 days, and the filing of a jurisdictional statement within 30 days, of the entry of the final decision.

(4) It shall be the duty of the United States District Court for the District of Columbia and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of the action and appeal.

(b) INTERVENTION BY MEMBERS OF CONGRESS.—In any action in which the constitutionality of any provision of this Act or any amendment made by this Act is raised (including but not limited to an action described in subsection (a)), any member of the House of Representatives (including a Delegate or Resident Commissioner to the Congress) or Senate shall have the right to intervene either in support of or opposition to the position of a party to the case regarding the constitutionality of the provision or amendment. To avoid duplication of efforts and reduce the burdens placed on the parties to the action, the court in any such action may make such orders as it considers necessary, including orders to require intervenors taking similar positions to file joint papers or to be represented by a single attorney at oral argument.

TITLE V—ADDITIONAL DISCLOSURE PROVISIONS

SEC. 501. INTERNET ACCESS TO RECORDS.

Section 304(a)(11)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(B)) is amended to read as follows:

"(B) The Commission shall make a designation, statement, report, or notification that is filed with the Commission under this Act available for inspection by the public in the offices of the Commission and accessible to the public on the Internet not later than 48 hours (or not later than 24 hours in the case of a designation, statement, report, or notification filed electronically) after receipt by the Commission.".

SEC. 502. MAINTENANCE OF WEBSITE OF ELECTION REPORTS.

(a) IN GENERAL.—The Federal Election Commission shall maintain a central site on the Internet to make accessible to the public all publicly available election-related reports and information.

(b) ELECTION-RELATED REPORT.—In this section, the term "election-related report" means any report, designation, or statement required to be filed under the Federal Election Campaign Act of 1971:

(c) COORDINATION WITH OTHER AGENCIES.—Any Federal executive agency receiving election-related information which that agency is required by law to publicly disclose shall cooperate and coordinate with the Federal Election Commission to make such report available through, or for posting on, the site of the Federal Election Commission in a timely manner.

SEC. 503. ADDITIONAL DISCLOSURE REPORTS.

(a) PRINCIPAL CAMPAIGN COMMITTEES.—Section 304(a)(2)(B) of the Federal Election Campaign Act of 1971 is amended by striking "the following reports" and all that follows through the period and inserting "the treasurer shall file quarterly reports, which shall be filed not later than the 15th day after the last day of each calendar quarter, and which shall be complete as of the last day of each calendar quarter, except that the report for the quarter ending December 31 shall be filed not later than January 31 of the following calendar year.".

(b) NATIONAL COMMITTEE OF A POLITICAL PARTY.—Section 304(a)(4) of such Act (2 U.S.C. 434(a)(4)) is amended by adding at the end the following flush sentence: "Notwithstanding the preceding sentence, a national committee of a political party shall file the reports required under subparagraph (B).".

SEC. 504. PUBLIC ACCESS TO BROADCASTING RECORDS.

Section 315 of the Communications Act of 1934 (47 U.S.C. 315), as amended by this Act, is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and inserting after subsection (d) the following:

"(e) POLITICAL RECORD.—

"(1) IN GENERAL.—A licensee shall maintain, and make available for public inspection, a complete record of a request to purchase broadcast time that—

"(A) is made by or on behalf of a legally qualified candidate for public office; or

"(B) communicates a message relating to any political matter of national importance, including—

"(i) a legally qualified candidate;

"(ii) any election to Federal office; or

"(iii) a national legislative issue of public importance.

"(2) CONTENTS OF RECORD.—A record maintained under paragraph (1) shall contain information regarding—

"(A) whether the request to purchase broadcast time is accepted or rejected by the licensee;

"(B) the rate charged for the broadcast time;

"(C) the date and time on which the communication is aired;

"(D) the class of time that is purchased;

"(E) the name of the candidate to which the communication refers and the office to which the candidate is seeking election, the election to which the communication refers, or the issue to which the communication refers (as applicable);

"(F) in the case of a request made by, or on behalf of, a candidate, the name of the candidate, the authorized committee of the candidate, and the treasurer of such committee; and

"(G) in the case of any other request, the name of the person purchasing the time, the name, address, and phone number of a contact person for such person, and a list of the chief executive officers or members of the executive committee or of the board of directors of such person.

"(3) TIME TO MAINTAIN FILE.—The information required under this subsection shall be placed in a political file as soon as possible and shall be retained by the licensee for a period of not less than 2 years.".

H.R. 2356

OFFERED BY: MS. CAPITO

[Shays Substitute]

AMENDMENT NO. 10: Add at the end of title III the following new section:

SEC. 320. MODIFICATION OF INDIVIDUAL CONTRIBUTION LIMITS FOR HOUSE CANDIDATES IN RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.

(a) INCREASED LIMITS.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq,) is amended by inserting after section 315 the following new section:

"MODIFICATION OF CERTAIN LIMITS FOR HOUSE CANDIDATES IN RESPONSE TO PERSONAL FUND EXPENDITURES OF OPPONENTS

"SEC. 315A. (a) AVAILABILITY OF INCREASED LIMIT.—

"(1) IN GENERAL.—Subject to paragraph (3), if the opposition personal funds amount with respect to a candidate for election to the office of Representative in, or Delegate or Resident Commissioner to, the Congress exceeds $350,000—

"(A) the limit under subsection (a)(1)(A) with respect to the candidate shall be tripled;

"(B) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to the candidate if the contribution is made under the increased limit allowed under subparagraph (A) during a period in which the candidate may accept such a contribution; and

"(C) the limits under subsection (d) with respect to any expenditure by a State or national committee of a political party on behalf of the candidate shall not apply.

"(2) DETERMINATION OF OPPOSITION PERSONAL FUNDS AMOUNT.—

"(A) IN GENERAL.—The opposition personal funds amount is an amount equal to the excess (if any) of—

"(i) the greatest aggregate amount of expenditures from personal funds (as defined in subsection (b)(1)) that an opposing candidate in the same election makes; over

"(ii) the aggregate amount of expenditures from personal funds made by the candidate with respect to the election.

"(B) SPECIAL RULE FOR CANDIDATE'S CAMPAIGN FUNDS.—

"(i) IN GENERAL.—For purposes of determining the aggregate amount of expenditures from personal funds under subparagraph (A), such amount shall include the gross receipts advantage of the candidate's authorized committee.

"(ii) GROSS RECEIPTS ADVANTAGE.—For purposes of clause (i), the term 'gross receipts advantage' means the excess, if any, of—

"(I) the aggregate amount of 50 percent of gross receipts of a candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held, over

"(II) the aggregate amount of 50 percent of gross receipts of the opposing candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held.

"(3) TIME TO ACCEPT CONTRIBUTIONS UNDER INCREASED LIMIT.—

"(A) IN GENERAL.—Subject to subparagraph (B), a candidate and the candidate's authorized committee shall not accept any contribution, and a party committee shall not make any expenditure, under the increased limit under paragraph (1)—

"(i) until the candidate has received notification of the opposition personal funds amount under subsection (b)(1); and

"(ii) to the extent that such contribution, when added to the aggregate amount of contributions previously accepted and party expenditures previously made under the increased limits under this subsection for the election cycle, exceeds 100 percent of the opposition personal funds amount.

"(B) EFFECT OF WITHDRAWAL OF AN OPPOSING CANDIDATE.—A candidate and a candidate's authorized committee shall not accept any contribution and a party shall not make any expenditure under the increased limit after the date on which an opposing candidate ceases to be a candidate to the extent that the amount of such increased limit is attributable to such an opposing candidate.

"(4) DISPOSAL OF EXCESS CONTRIBUTIONS.—

"(A) IN GENERAL.—The aggregate amount of contributions accepted by a candidate or a candidate's authorized committee under the increased limit under paragraph (1) and not otherwise expended in connection with the election with respect to which such contributions relate shall, not later than 50 days after the date of such election, be used in the manner described in subparagraph (B).

"(B) RETURN TO CONTRIBUTORS.—A candidate or a candidate's authorized committee shall return the excess contribution to the person who made the contribution.

"(b) NOTIFICATION OF EXPENDITURES FROM PERSONAL FUNDS.—

"(1) IN GENERAL.—

"(A) DEFINITION OF EXPENDITURE FROM PERSONAL FUNDS.—In this paragraph, the term 'expenditure from personal funds' means—

"(i) an expenditure made by a candidate using personal funds; and

"(ii) a contribution or loan made by a candidate using personal funds or a loan secured using such funds to the candidate's authorized committee.

"(B) DECLARATION OF INTENT.—Not later than the date that is 15 days after the date on which an individual becomes a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, the candidate shall file a declaration stating the total amount of expenditures from personal funds that the candidate intends to make, or to obligate to make, with respect to the election that will exceed $350,000.

"(C) INITIAL NOTIFICATION.—Not later than 24 hours after a candidate described in subparagraph (B) makes or obligates to make an aggregate amount of expenditures from personal funds in excess of $350,000 in connection with any election, the candidate shall file a notification.

"(D) ADDITIONAL NOTIFICATION.—After a candidate files an initial notification under subparagraph (C), the candidate shall file an additional notification each time expenditures from personal funds are made or obligated to be made in an aggregate amount that exceeds $10,000. Such notification shall be filed not later than 24 hours after the expenditure is made.

"(E) CONTENTS.—A notification under subparagraph (C) or (D) shall include—

"(i) the name of the candidate and the office sought by the candidate;

"(ii) the date and amount of each expenditure; and

"(iii) the total amount of expenditures from personal funds that the candidate has made, or obligated to make, with respect to an election as of the date of the expenditure that is the subject of the notification.

"(F) PLACE OF FILING.—Each declaration or notification required to be filed by a candidate under subparagraph (C), (D), or (E) shall be filed with—

"(i) the Commission; and

"(ii) each candidate in the same election and the national party of each such candidate.

"(2) NOTIFICATION OF DISPOSAL OF EXCESS CONTRIBUTIONS.—In the next regularly scheduled report after the date of the election for which a candidate seeks nomination for election to, or election to, Federal office, the candidate or the candidate's authorized committee shall submit to the Commission a report indicating the source and amount of any excess contributions (as determined under subsection (a)) and the manner in which the candidate or the candidate's authorized committee used such funds.

"(3) ENFORCEMENT.—For provisions providing for the enforcement of the reporting requirements under this subsection, see section 309.".

(b) CONFORMING AMENDMENT.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 304(a), is amended by striking "subsection (i)," and inserting "subsection (i) and section 315A,".

H.R. 2356,

OFFERED BY: MR. GREEN OF TEXAS

[Shays Substitute]

AMENDMENT NO: 11. Strike section 305.

In section 306(a), strike the subsection designation and all that follows through "CONTENT OF BROADCASTS.—" and insert the following:

(a) IN GENERAL.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) by striking "(b) The charges" and inserting the following:

"(b) CHARGES.—

"(1) IN GENERAL.—The charges";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following:

"(2) CONTENT OF BROADCASTS.—

In section 306(a), strike "or (2)" each place such term appears.

In section 306(b), strike "(3)" and insert "(2)".

H.R. 2356,

OFFERED BY: MR. WAMP

[Shays substitute]

AMENDMENT NO. 12. In section 315(a)(1)(A) of the Federal Election Campaign Act of 1971, as proposed to be amended by section 308(a)(1) of the bill, strike "(or, in the case of a candidate for Representative in or Delegate or Resident Commissioner to the Congress, $1,000)".

H.R. 2356

OFFERED BY: MR. ARMEY

[Amendment in the Nature of a Substitute]

AMENDMENT NO. 13. Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ban it All, Ban it Now Act".

TITLE I—SOFT MONEY ACTIVITIES OF PARTIES AND CANDIDATES

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

"SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

"(a) NATIONAL COMMITTEES.—

"(1) IN GENERAL.—A national committee of a political party (including a national congressional or Senatorial campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) APPLICABILITY.— The prohibition established by paragraph (1) applies—

"(A) to any such national committee, any officer or agent acting on behalf of such a national committee, and any entity that is directly or indirectly established, financed, maintained, or controlled by such a national committee; and

"(B) to all activities of such committee and the persons described in subparagraph (A), including the construction or purchase of an office building or facility, the influencing of the reapportionment decisions of a State, and the financing of litigation relating to the reapportionment decisions of a State.

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—Any amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(c) FUNDRAISING COSTS.—An amount spent by a person described in subsection (a) or (b) to raise funds that are used, in whole or in part, for expenditures and disbursements for a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional or Senatorial campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to—

"(1) an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) and that makes expenditures or disbursements in connection with an election for Federal office (including expenditures or disbursements for Federal election activity); or

"(2) an organization described in section 527 of such Code (other than a political committee, a State, district, or local committee of a political party, or the authorized campaign committee of a candidate for State or local office).

"(e) FEDERAL CANDIDATES.—

"(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or an individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of 1 or more candidates or individuals holding Federal office, shall not—

"(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

"(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

"(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1), (2), and (3) of section 315(a); and

"(ii) are not from sources prohibited by this Act from making contributions in connection with an election for Federal office.

"(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual described in such paragraph who is also a candidate for a State or local office solely in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law and refers only to such State or local candidate, or to any other candidate for the State or local office sought by such candidate, or both.

"(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

"(4) LIMITATION APPLICABLE FOR PURPOSES OF SOLICITATION OF DONATIONS BY INDIVIDUALS TO CERTAIN ORGANIZATIONS.—In the case of the solicitation of funds by any person described in paragraph (1) on behalf of any entity described in subsection (d) which is made specifically for funds to be used for activities described in clauses (i) and (ii) of section 301(20)(A), or made for any such entity which engages primarily in activities described in such clauses, the limitation applicable for purposes of a donation of funds by an individual shall be the limitation set forth in section 315(a)(1)(D).

“(f) STATE CANDIDATES.—

“(1) IN GENERAL.—A candidate for State or local office, individual holding State or local office, or an agent of such a candidate or individual may not spend any funds for a communication described in section 301(20)(A)(iii) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

“(2) EXCEPTION FOR CERTAIN COMMUNICATIONS.—Paragraph (1) shall not apply to an individual described in such paragraph if the communication involved is in connection with an election for such State or local office and refers only to such individual or to any other candidate for the State or local office held or sought by such individual, or both.”.

SEC. 102. DEFINITIONS.

Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

“(20) FEDERAL ELECTION ACTIVITY.—

“(A) IN GENERAL.—The term ‘Federal election activity’ means—

“(i) voter registration activity;

“(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); or

“(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate).

“(B) EXCLUDED ACTIVITY.—The term ‘Federal election activity’ does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

“(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

“(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A); or

“(iii) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

“(21) GENERIC CAMPAIGN ACTIVITY.—The term ‘generic campaign activity’ means a campaign activity that promotes a political party and does not promote a candidate or non-Federal candidate.

“(22) PUBLIC COMMUNICATION.—The term ‘public communication’ means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, or telephone bank to the general public, or any other form of general public political advertising or political advertising directed to an audience of 500 or more people.

“(23) MASS MAILING.—The term ‘mass mailing’ means a mailing by United States mail or facsimile of more than 500 pieces of mail matter of an identical or substantially similar nature within any 1-year period.

“(24) TELEPHONE BANK.—The term ‘telephone bank’ means more than 500 telephone calls of an identical or substantially similar nature within any 1-year period.”.

TITLE II—SOFT MONEY ACTIVITIES OF CORPORATIONS AND LABOR ORGANIZATIONS

SEC. 201. BAN ON USE OF SOFT MONEY FOR NONPARTISAN VOTER REGISTRATION AND GET-OUT-THE-VOTE ACTIVITIES.

Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by striking “(B) nonpartisan registration and get-out-the-vote campaigns” and all that follows through “and (C)” and inserting “and (B)”.

TITLE III—OTHER SOFT MONEY ACTIVITIES

SEC. 301. BAN ON USE OF SOFT MONEY FOR GET-OUT-THE-VOTE ACTIVITIES BY CERTAIN ORGANIZATIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

“BAN ON USE OF NONFEDERAL FUNDS FOR GET-OUT-THE-VOTE ACTIVITIES BY CERTAIN ORGANIZATIONS

“SEC. 324. (a) IN GENERAL.—Any amount expended or disbursed for get-out-the-vote activities by any organization described in subsection (b) shall be made from amounts subject to the limitations, prohibitions, and reporting requirements of this Act.

“(b) ORGANIZATIONS DESCRIBED.—An organization described in this subsection is—

“(1) an organization that is described in section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section); or

“(2) an organization described in section 527 of such Code (other than a State, district, or local committee of a political party, a candidate for State or local office, or the authorized campaign committee of a candidate for State or local office).”.

SEC. 302. BAN ON USE OF SOFT MONEY FOR ANY PARTISAN VOTER REGISTRATION ACTIVITIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 301, is further amended by adding at the end the following new section:

“BAN ON USE OF NONFEDERAL FUNDS FOR PARTISAN VOTER REGISTRATION ACTIVITIES

“SEC. 325. No person may expend or disburse any funds for partisan voter registration activity which are not subject to the limitations, prohibitions, and reporting requirements of this Act.”.

H.R. 2356

OFFERED BY: MR. NEY

[Amendment in the Nature of a Substitute]

AMENDMENT NO. 14. Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Bipartisan Campaign Finance Reform Act of 2002”.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

Sec. 101. Soft money of political parties.
Sec. 102. Increased contribution limits for State committees of political parties and aggregate contribution limit for individuals.
Sec. 103. Reporting requirements.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

Sec. 201. Definitions.
Sec. 202. Express advocacy determined without regard to background music.
Sec. 203. Civil penalty.
Sec. 204. Reporting requirements for certain independent expenditures.
Sec. 205. Independent Versus Coordinated Expenditures by Party.
Sec. 206. Coordination with candidates.

TITLE III—DISCLOSURE

Sec. 301. Filing of reports using computers and facsimile machines.
Sec. 302. Prohibition of deposit of contributions with incomplete contributor information.
Sec. 303. Audits.
Sec. 304. Reporting requirements for contributions of $50 or more.
Sec. 305. Use of candidates' names.
Sec. 306. Prohibition of false representation to solicit contributions.
Sec. 307. Soft money of persons other than political parties.
Sec. 308. Campaign advertising.

TITLE IV—PERSONAL WEALTH OPTION

Sec. 401. Voluntary personal funds expenditure limit.
Sec. 402. Political party committee coordinated expenditures.

TITLE V—MISCELLANEOUS

Sec. 501. Use of contributed amounts for certain purposes.
Sec. 502. Prohibition of fundraising on Federal property.
Sec. 503. Penalties for violations.
Sec. 504. Strengthening foreign money ban.
Sec. 505. Prohibition of contributions by minors.
Sec. 506. Expedited procedures.
Sec. 507. Initiation of enforcement proceeding.
Sec. 508. Protecting equal participation of eligible voters in campaigns and elections.
Sec. 509. Penalty for violation of prohibition against foreign contributions.
Sec. 510. Expedited court review of certain alleged violations of Federal Election Campaign Act of 1971.
Sec. 511. Deposit of certain contributions and donations in treasury account.
Sec. 512. Establishment of a clearinghouse of information on political activities within the Federal Election Commission.
Sec. 513. Clarification of right of nationals of the United States to make political contributions.

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

Sec. 601. Establishment and purpose of Commission.
Sec. 602. Membership of Commission.
Sec. 603. Powers of Commission.
Sec. 604. Report and recommended legislation.
Sec. 605. Termination.
Sec. 606. Authorization of appropriations.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

Sec. 701. Prohibiting use of white house meals and accommodations for political fundraising.

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

Sec. 801. Sense of the Congress regarding applicability of controlling legal authority to fundraising on Federal government property.

TITLE IX—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY
Sec. 901. Requiring national parties to reimburse at cost for use of Air Force One for political fundraising.
Sec. 902. Reimbursement for use of government equipment for campaign-related travel.
TITLE X—PROHIBITING USE OF WALKING AROUND MONEY
Sec. 1001. Prohibiting campaigns from providing currency to individuals for purposes of encouraging turnout on date of election.
TITLE XI—ENHANCING ENFORCEMENT OF CAMPAIGN LAW
Sec. 1101. Enhancing enforcement of campaign finance law.
TITLE XII—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS
Sec. 1201. Severability.
Sec. 1202. Review of constitutional issues.
Sec. 1203. Effective date.
Sec. 1204. Regulations.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"SOFT MONEY OF POLITICAL PARTIES

"SEC. 323. (a) NATIONAL COMMITTEES.—

"(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) and any officers or agents of such party committees, shall not solicit, receive, or direct to another person a contribution, donation, or transfer of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) APPLICABILITY.—This subsection shall apply to an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee of a political party (including a national congressional campaign committee of a political party), or an entity acting on behalf of a national committee, and an officer or agent acting on behalf of any such committee or entity.

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

"(1) IN GENERAL.—An amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity) for Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) FEDERAL ELECTION ACTIVITY.—

"(A) IN GENERAL.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

"(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); and

"(iii) a communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and is made for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).

"(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

"(i) campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, provided the campaign activity is not a Federal election activity described in subparagraph (A);

"(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A);

"(iii) the costs of a State, district, or local political convention;

"(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office;

"(v) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of an individual who spends more than 20 percent of the individual's time on Federal election activity) as determined by a regulation promulgated by the Commission to determine the non-Federal share of a State, district, or local party committee's administrative and overhead expenses; and

"(vi) the cost of constructing or purchasing an office facility or equipment for a State, district or local committee.

"(c) FUNDRAISING COSTS.—An amount spent by a national, State, district, or local committee of a political party, by an entity that is established, financed, maintained, or controlled by a national, State, district, or local committee of a political party, or by an agent or officer of any such committee or entity, to raise funds that are used, in whole or in part, to pay the costs of a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to, an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application to the Commissioner of the Internal Revenue Service for determination of tax-exemption under such section).

"(e) CANDIDATES.—

"(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of one or more candidates or individuals holding Federal office, shall not—

"(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

"(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

"(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1) and (2) of section 315(a); and

"(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

"(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual who is a candidate for a State or local office in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law for any activity other than a Federal election activity.

"(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.".

SEC. 102. INCREASED CONTRIBUTION LIMITS FOR STATE COMMITTEES OF POLITICAL PARTIES AND AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUALS.

(a) CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year that, in the aggregate, exceed $10,000".

(b) AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUAL.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking "$25,000" and inserting "$30,000".

SEC. 103. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 204) is amended by inserting after subsection (e) the following:

"(f) POLITICAL COMMITTEES.—

"(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

"(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in paragraphs (2)(A) and (2)(B)(v) of section 323(b).

"(3) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

“(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).”.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xv) as clauses (viii) through (xii), respectively.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

(a) DEFINITION OF INDEPENDENT EXPENDITURE.—Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

“(17) INDEPENDENT EXPENDITURE.—

“(A) IN GENERAL.—The term ‘independent expenditure’ means an expenditure by a person—

“(i) for a communication that is express advocacy; and

“(ii) that is not coordinated activity or is not provided in coordination with a candidate or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent.”.

(b) DEFINITION OF EXPRESS ADVOCACY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

“(20) EXPRESS ADVOCACY.—

“(A) IN GENERAL.—The term ‘express advocacy’ means a communication that advocates the election or defeat of a candidate by—

“(i) containing a phrase such as ‘vote for’, ‘re-elect’, ‘support’, ‘cast your ballot for’, ‘(name of candidate) for Congress’, ‘(name of candidate) in 1997’, ‘vote against’, ‘defeat’, ‘reject’, or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of one or more clearly identified candidates;

“(ii) referring to one or more clearly identified candidates in a paid advertisement that is transmitted through radio or television within 60 calendar days preceding the date of an election of the candidate and that appears in the State in which the election is occurring, except that with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election; or

“(iii) expressing unmistakable and unambiguous support for or opposition to one or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

“(B) VOTING RECORD AND VOTING GUIDE EXCEPTION.—The term ‘express advocacy’ does not include a communication which is in printed form or posted on the Internet that—

“(i) presents information solely about the voting record or position on a campaign issue of one or more candidates (including any statement by the sponsor of the voting record or voting guide of its agreement or disagreement with the record or position of a candidate), so long as the voting record or voting guide when taken as a whole does not express unmistakable and unambiguous support for or opposition to one or more clearly identified candidates;

“(ii) is not coordinated activity or is not made in coordination with a candidate, political party, or agent of the candidate or party, or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent, except that nothing in this clause may be construed to prevent the sponsor of the voting guide from directing questions in writing to a candidate about the candidate's position on issues for purposes of preparing a voter guide or to prevent the candidate from responding in writing to such questions; and

“(iii) does not contain a phrase such as ‘vote for’, ‘re-elect’, ‘support’, ‘cast your ballot for’, ‘(name of candidate) for Congress’, ‘(name of candidate) in (year)’, ‘vote against’, ‘defeat’, or ‘reject’, or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of one or more clearly identified candidates.”.

(c) DEFINITION OF EXPENDITURE.—Section 301(9)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

(1) in clause (i), by striking “and” at the end;

(2) in clause (ii), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(iii) a payment made by a political committee for a communication that—

“(I) refers to a clearly identified candidate; and

“(II) is for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).”.

SEC. 202. EXPRESS ADVOCACY DETERMINED WITHOUT REGARD TO BACKGROUND MUSIC.

Section 301(20) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(20)), as added by section 201(b), is amended by adding at the end the following new subparagraph:

“(C) BACKGROUND MUSIC.—In determining whether any communication by television or radio broadcast constitutes express advocacy for purposes of this Act, there shall not be taken into account any background music not including lyrics used in such broadcast.”.

SEC. 203. CIVIL PENALTY.

Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(A)—

(i) in clause (i), by striking “clauses (ii)” and inserting “clauses (ii) and (iii)”; and

(ii) by adding at the end the following:

“(iii) If the Commission determines by an affirmative vote of 4 of its members that there is probable cause to believe that a person has made a knowing and willful violation of section 304(c), the Commission shall not enter into a conciliation agreement under this paragraph and may institute a civil action for relief under paragraph (6)(A).”; and

(B) in paragraph (6)(B), by inserting “(except an action instituted in connection with a knowing and willful violation of section 304(c))” after “subparagraph (A)”; and

(2) in subsection (d)(1)—

(A) in subparagraph (A), by striking “Any person” and inserting “Except as provided in subparagraph (D), any person”; and

(B) by adding at the end the following:

“(D) In the case of a knowing and willful violation of section 304(c) that involves the reporting of an independent expenditure, the violation shall not be subject to this subsection.”.

SEC. 204. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) of subsection (c) as subsection (g); and

(3) by inserting after subsection (c)(2) (as amended by paragraph (1)) the following:

“(e) TIME FOR REPORTING CERTAIN EXPENDITURES.—

“(1) EXPENDITURES AGGREGATING $1,000.—

“(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made.

“(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

“(2) EXPENDITURES AGGREGATING $10,000.—

“(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours after that amount of independent expenditures has been made.

“(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

“(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

“(A) shall be filed with the Commission; and

“(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.”.

(b) CONFORMING AMENDMENT.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is amended by striking “, or the second sentence of subsection (c)(2)”.

SEC. 205. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking “and (3)” and inserting “, (3), and (4)”; and

(2) by adding at the end the following:

“(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

“(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, a committee of the political party shall not make both expenditures under this subsection and independent expenditures (as defined in section 301(17)) with respect to the candidate during the election cycle.

“(B) CERTIFICATION.—Before making a coordinated expenditure under this subsection with respect to a candidate, a committee of a political party shall file with the Commission a certification, signed by the treasurer of the committee, that the committee has not and shall not make any independent expenditure with respect to the candidate during the same election cycle.

"(C) APPLICATION.—For the purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

"(D) TRANSFERS.—A committee of a political party that submits a certification under subparagraph (B) with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.".

SEC. 206. COORDINATION WITH CANDIDATES.

(a) DEFINITION OF COORDINATION WITH CANDIDATES.—

(1) SECTION 301(8).—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) in subparagraph (A)—

(i) by striking "or" at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting "; or"; and

(iii) by adding at the end the following:

"(iii) coordinated activity (as defined in subparagraph (C))."; and

(B) by adding at the end the following:

"(C) 'Coordinated activity' means anything of value provided by a person in coordination with a candidate, an agent of the candidate, or the political party of the candidate or its agent for the purpose of influencing a Federal election (regardless of whether the value being provided is a communication that is express advocacy) in which such candidate seeks nomination or election to Federal office, and includes any of the following:

"(i) A payment made by a person in cooperation, consultation, or concert with, at the request or suggestion of, or pursuant to any general or particular understanding with a candidate, the candidate's authorized committee, the political party of the candidate, or an agent acting on behalf of a candidate, authorized committee, or the political party of the candidate.

"(ii) A payment made by a person for the production, dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign material prepared by a candidate, a candidate's authorized committee, or an agent of a candidate or authorized committee (not including a communication described in paragraph (9)(B)(i) or a communication that expressly advocates the candidate's defeat).

"(iii) A payment made by a person based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with the intent that the payment be made.

"(iv) A payment made by a person if, in the same election cycle in which the payment is made, the person making the payment is serving or has served as a member, employee, fundraiser, or agent of the candidate's authorized committee in an executive or policymaking position.

"(v) A payment made by a person if the person making the payment has served in any formal policy making or advisory position with the candidate's campaign or has participated in formal strategic or formal policymaking discussions (other than any discussion treated as a lobbying contact under the Lobbying Disclosure Act of 1995 in the case of a candidate holding Federal office or as a similar lobbying activity in the case of a candidate holding State or other elective office) with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made.

"(vi) A payment made by a person if, in the same election cycle, the person making the payment retains the professional services of any person that has provided or is providing campaign-related services in the same election cycle to a candidate (including services provided through a political committee of the candidate's political party) in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the person retained is retained to work on activities relating to that candidate's campaign.

"(vii) A payment made by a person who has directly participated in fundraising activities with the candidate or in the solicitation or receipt of contributions on behalf of the candidate.

"(viii) A payment made by a person who has communicated with the candidate or an agent of the candidate (including a communication through a political committee of the candidate's political party) after the declaration of candidacy (including a pollster, media consultant, vendor, advisor, or staff member acting on behalf of the candidate), about advertising message, allocation of resources, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics, or strategy.

"(ix) The provision of in-kind professional services or polling data (including services or data provided through a political committee of the candidate's political party) to the candidate or candidate's agent.

"(x) A payment made by a person who has engaged in a coordinated activity with a candidate described in clauses (i) through (ix) for a communication that clearly refers to the candidate or the candidate's opponent and is for the purpose of influencing that candidates's election (regardless of whether the communication is express advocacy).

"(D) For purposes of subparagraph (C), the term 'professional services' means polling, media advice, fundraising, campaign research or direct mail (except for mailhouse services solely for the distribution of voter guides as defined in section 431(20)(B)) services in support of a candidate's pursuit of nomination for election, or election, to Federal office.

"(E) For purposes of subparagraph (C), all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.".

(2) SECTION 315(a)(7).—Section 315(a)(7) (2 U.S.C. 441a(a)(7)) is amended by striking subparagraph (B) and inserting the following:

"(B) a coordinated activity, as described in section 301(8)(C), shall be considered to be a contribution to the candidate, and in the case of a limitation on expenditures, shall be treated as an expenditure by the candidate.

(b) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking "shall include" and inserting "includes a contribution or expenditure, as those terms are defined in section 301, and also includes".

TITLE III—DISCLOSURE

SEC. 301. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following:

"(11)(A) The Commission shall promulgate a regulation under which a person required to file a designation, statement, or report under this Act—

"(i) is required to maintain and file a designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

"(ii) may maintain and file a designation, statement, or report in electronic form or an alternative form, including the use of a facsimile machine, if not required to do so under the regulation promulgated under clause (i).

"(B) The Commission shall make a designation, statement, report, or notification that is filed electronically with the Commission accessible to the public on the Internet not later than 24 hours after the designation, statement, report, or notification is received by the Commission.

"(C) In promulgating a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulation. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.".

SEC. 302. PROHIBITION OF DEPOSIT OF CONTRIBUTIONS WITH INCOMPLETE CONTRIBUTOR INFORMATION.

Section 302 of Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following:

"(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of a candidate's authorized committee shall not deposit, except in an escrow account, or otherwise negotiate a contribution from a person who makes an aggregate amount of contributions in excess of $200 during a calendar year unless the treasurer verifies that the information required by this section with respect to the contributor is complete.".

SEC. 303. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1) IN GENERAL.—" before "The Commission";

(2) by moving the text 2 ems to the right; and

(3) by adding at the end the following:

"(2) RANDOM AUDITS.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act. The selection of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least four members of the Commission.

"(B) LIMITATION.—The Commission shall not conduct an audit or investigation of a candidate's authorized committee under subparagraph (A) until the candidate is no longer a candidate for the office sought by the candidate in an election cycle.

"(C) Applicability.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986.".

(b) Extension of Period During Which Campaign Audits May Be Begun.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by striking "6 months" and inserting "12 months".

SEC. 304. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF $50 OR MORE.

Section 304(b)(3)(A) of the Federal Election Campaign Act at 1971 (2 U.S.C. 434(b)(3)(A) is amended—

(1) by striking "$200" and inserting "$50"; and

(2) by striking the semicolon and inserting ", except that in the case of a person who makes contributions aggregating at least $50 but not more than $200 during the calendar year, the identification need include only the name and address of the person;".

SEC. 305. USE OF CANDIDATES' NAMES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by striking paragraph (4) and inserting the following:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not—

"(i) include the name of any candidate in its name; or

"(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of the committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.".

SEC. 306. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after "Sec. 322." the following: "(a) In General.—"; and

(2) by adding at the end the following:

"(b) Solicitation of Contributions.—No person shall solicit contributions by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.".

SEC. 307. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) In General.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 103(c) and section 204) is amended by adding at the end the following:

"(h) Disbursements of Persons Other Than Political Parties.—

"(1) In general.—A person, other than a political committee of a political party or a person described in section 501(d) of the Internal Revenue Code of 1986, that makes an aggregate amount of disbursements in excess of $50,000 during a calendar year for activities described in paragraph (2) shall file a statement with the Commission—

"(A) on a monthly basis as described in subsection (a)(4)(B); or

"(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursements are made.

"(2) Activity.—The activity described in this paragraph is—

"(A) Federal election activity;

"(B) an activity described in section 316(b)(2)(A) that expresses support for or opposition to a candidate for Federal office or a political party; and

"(C) an activity described in subparagraph (B) or (C) of section 316(b)(2).

"(3) Applicability.—This subsection does not apply to—

"(A) a candidate or a candidate's authorized committees; or

"(B) an independent expenditure.

"(4) Contents.—A statement under this section shall contain such information about the disbursements made during the reporting period as the Commission shall prescribe, including—

"(A) the aggregate amount of disbursements made;

"(B) the name and address of the person or entity to whom a disbursement is made in an aggregate amount in excess of $200;

"(C) the date made, amount, and purpose of the disbursement; and

"(D) if applicable, whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.".

(b) Definition of Generic Campaign Activity.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 201(b)) is further amended by adding at the end the following:

"(21) Generic campaign activity.—The term 'generic campaign activity' means an activity that promotes a political party and does not promote a candidate or non-Federal candidate.".

SEC. 308. CAMPAIGN ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking "Whenever" and inserting "Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever";

(ii) by striking "an expenditure" and inserting "a disbursement"; and

(iii) by striking "direct"; and

(B) in paragraph (3), by inserting "and permanent street address" after "name"; and

(2) by adding at the end the following:

"(c) Any printed communication described in subsection (a) shall—

"(1) be of sufficient type size to be clearly readable by the recipient of the communication;

"(2) be contained in a printed box set apart from the other contents of the communication; and

"(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

"(d)(1) Any communication described in paragraphs (1) or (2) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(2) If a communication described in paragraph (1) is transmitted through television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement that—

"(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

"(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

"(e) Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: '   is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.".

TITLE IV—PERSONAL WEALTH OPTION

SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

"VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT

"Sec. 324. (a) Eligible Congressional Candidate.—

"(1) Primary election.—

"(A) Declaration.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible primary election Congressional candidate if the candidate files with the Commission a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

"(B) Time to file.—The declaration under subparagraph (A) shall be filed not later than the date on which the candidate files with the appropriate State officer as a candidate for the primary election.

"(2) General election.—

"(A) Declaration.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible general election Congressional candidate if the candidate files with the Commission—

"(i) a declaration under penalty of perjury, with supporting documentation as required by the Commission, that the candidate and the candidate's authorized committees did not exceed the personal funds expenditure limit in connection with the primary election; and

"(ii) a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

"(B) Time to file.—The declaration under subparagraph (A) shall be filed not later than 7 days after the earlier of—

"(i) the date on which the candidate qualifies for the general election ballot under State law; or

"(ii) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

"(b) Personal Funds Expenditure Limit.—

"(1) In general.—The aggregate amount of expenditures that may be made in connection with an election by an eligible Congressional candidate or the candidate's authorized committees from the sources described in paragraph (2) shall not exceed $50,000.

"(2) SOURCES.—A source is described in this paragraph if the source is—

"(A) personal funds of the candidate and members of the candidate's immediate family; or

"(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

"(c) CERTIFICATION BY THE COMMISSION.—

"(1) IN GENERAL.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible Congressional candidate.

"(2) TIME FOR CERTIFICATION.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible Congressional candidate.

"(3) REVOCATION.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

"(4) DETERMINATIONS BY COMMISSION.—A determination made by the Commission under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

"(d) PENALTY.—If the Commission revokes the certification of an eligible Congressional candidate—

"(1) the Commission shall notify the candidate of the revocation; and

"(2) the candidate and a candidate's authorized committees shall pay to the Commission an amount equal to the amount of expenditures made by a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).".

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) (as amended by section 204) is amended by adding at the end the following:

"(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for Senator or Representative in or Delegate or Resident Commissioner to the Congress who is not an eligible Congressional candidate (as defined in section 324(a)).".

TITLE V—MISCELLANEOUS

SEC. 501. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

"USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

"SEC. 313. (a) PERMITTED USES.—A contribution accepted by a candidate, and any other amount received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

"(1) for expenditures in connection with the campaign for Federal office of the candidate or individual;

"(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

"(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

"(4) for transfers to a national, State, or local committee of a political party.

"(b) PROHIBITED USE.—

"(1) IN GENERAL.—A contribution or amount described in subsection (a) shall not be converted by any person to personal use.

"(2) CONVERSION.—For the purposes of paragraph (1), a contribution or amount shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal officeholder, including—

"(A) a home mortgage, rent, or utility payment;

"(B) a clothing purchase;

"(C) a noncampaign-related automobile expense;

"(D) a country club membership;

"(E) a vacation or other noncampaign-related trip;

"(F) a household food item;

"(G) a tuition payment;

"(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

"(I) dues, fees, and other payments to a health club or recreational facility.".

SEC. 502. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—

"(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value in connection with a Federal, State, or local election while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

"(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both."; and

(2) in subsection (b), by inserting "or Executive Office of the President" after "Congress".

SEC. 503. PENALTIES FOR VIOLATIONS.

(a) INCREASED PENALTIES.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraphs (5)(A), (6)(A), and (6)(B), by striking "$5,000" and inserting "$10,000"; and

(2) in paragraphs (5)(B) and (6)(C), by striking "$10,000 or an amount equal to 200 percent" and inserting "$20,000 or an amount equal to 300 percent".

(b) EQUITABLE REMEDIES.—Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking the period at the end and inserting ", and may include equitable remedies or penalties, including disgorgement of funds to the Treasury or community service requirements (including requirements to participate in public education programs).".

(c) AUTOMATIC PENALTY FOR LATE FILING.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

"(13) PENALTY FOR LATE FILING.—

"(A) IN GENERAL.—

"(i) MONETARY PENALTIES.—The Commission shall establish a schedule of mandatory monetary penalties that shall be imposed by the Commission for failure to meet a time requirement for filing under section 304.

"(ii) REQUIRED FILING.—In addition to imposing a penalty, the Commission may require a report that has not been filed within the time requirements of section 304 to be filed by a specific date.

"(iii) PROCEDURE.—A penalty or filing requirement imposed under this paragraph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

"(B) FILING AN EXCEPTION.—

"(i) TIME TO FILE.—A political committee shall have 30 days after the imposition of a penalty or filing requirement by the Commission under this paragraph in which to file an exception with the Commission.

"(ii) TIME FOR COMMISSION TO RULE.—Within 30 days after receiving an exception, the Commission shall make a determination that is a final agency action subject to exclusive review by the United States Court of Appeals for the District of Columbia Circuit under section 706 of title 5, United States Code, upon petition filed in that court by the political committee or treasurer that is the subject of the agency action, if the petition is filed within 30 days after the date of the Commission action for which review is sought.";

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: "In any case in which a penalty or filing requirement imposed on a political committee or treasurer under paragraph (13) has not been satisfied, the Commission may institute a civil action for enforcement under paragraph (6)(A)."; and

(B) by inserting before the period at the end of the last sentence the following: "or has failed to pay a penalty or meet a filing requirement imposed under paragraph (13)"; and

(3) in paragraph (6)(A), by striking "paragraph (4)(A)" and inserting "paragraph (4)(A) or (13)".

SEC. 504. STRENGTHENING FOREIGN MONEY BAN.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: "CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS"; and

(2) by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—It shall be unlawful for—

"(1) a foreign national, directly or indirectly, to make—

"(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election; or

"(B) a contribution or donation to a committee of a political party; or

"(2) a person to solicit, accept, or receive such a contribution or donation from a foreign national.".

(b) PROHIBITING USE OF WILLFUL BLINDNESS AS DEFENSE AGAINST CHARGE OF VIOLATING FOREIGN CONTRIBUTION BAN.—

(1) IN GENERAL.—Section 319 of such Act (2 U.S.C. 441e) is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by inserting after subsection (a) the following new subsection:

"(b) PROHIBITING USE OF WILLFUL BLINDNESS DEFENSE.—It shall not be a defense to a violation of subsection (a) that the defendant did not know that the contribution originated from a foreign national if the defendant should have known that the contribution originated from a foreign national, except that the trier of fact may not find that the defendant should have known that the contribution originated from a foreign national solely because of the name of the contributor.".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to violations occurring on or after the date of the enactment of this Act.

(c) PROHIBITION APPLICABLE TO ALL INDIVIDUALS WHO ARE NOT CITIZENS OR NATIONALS OF THE UNITED STATES.—Section 319(b)(2) of such Act (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: ", or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).".

SEC. 505. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 401, is further amended by adding at the end the following new section:

"PROHIBITION OF CONTRIBUTIONS BY MINORS

"SEC. 325. An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.".

SEC. 506. EXPEDITED PROCEDURES.

(a) IN GENERAL.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 503(c)) is amended by adding at the end the following:

"(14)(A) If the complaint in a proceeding was filed within 60 days preceding the date of a general election, the Commission may take action described in this subparagraph.

"(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur, the Commission may order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties.

"(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

"(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

"(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.".

(b) REFERRAL TO ATTORNEY GENERAL.—Section 309(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking subparagraph (C) and inserting the following:

"(C) The Commission may at any time, by an affirmative vote of at least 4 of its members, refer a possible violation of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986, to the Attorney General of the United States, without regard to any limitation set forth in this section.".

SEC. 507. INITIATION OF ENFORCEMENT PROCEEDING.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking "reason to believe that" and inserting "reason to investigate whether".

SEC. 508. PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 505, is further amended by adding at the end the following new section:

"PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS

"SEC. 326. (a) IN GENERAL.—Nothing in this Act may be construed to prohibit any individual eligible to vote in an election for Federal office from making contributions or expenditures in support of a candidate for such an election (including voluntary contributions or expenditures made through a separate segregated fund established by the individual's employer or labor organization) or otherwise participating in any campaign for such an election in the same manner and to the same extent as any other individual eligible to vote in an election for such office.

"(b) NO EFFECT ON GEOGRAPHIC RESTRICTIONS ON CONTRIBUTIONS.—Subsection (a) may not be construed to affect any restriction under this title regarding the portion of contributions accepted by a candidate from persons residing in a particular geographic area.".

SEC. 509. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as amended by section 504(b), is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) PENALTY.—

"(1) IN GENERAL.—Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be more than 10 years, fined in an amount not to exceed $1,000,000, or both.

"(2) EXCEPTION.—Paragraph (1) shall not apply with respect to any violation of subsection (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(22) of the Immigration and Nationality Act).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 510. EXPEDITED COURT REVIEW OF CERTAIN ALLEGED VIOLATIONS OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

(a) IN GENERAL.—Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any other provision of this section, if a candidate (or the candidate's authorized committee) believes that a violation described in paragraph (2) has been committed with respect to an election during the 90-day period preceding the date of the election, the candidate or committee may institute a civil action on behalf of the Commission for relief (including injunctive relief) against the alleged violator in the same manner and under the same terms and conditions as an action instituted by the Commission under subsection (a)(6), except that the court involved shall issue a decision regarding the action as soon as practicable after the action is instituted and to the greatest extent possible issue the decision prior to the date of the election involved.

"(2) A violation described in this paragraph is a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 relating to—

"(A) whether a contribution is in excess of an applicable limit or is otherwise prohibited under this Act; or

"(B) whether an expenditure is an independent expenditure under section 301(17).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after the date of the enactment of this Act.

SEC. 511. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, and 508, is further amended by adding at the end the following new section:

"TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

"SEC. 327. (a) TRANSFER TO COMMISSION.—

"(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

"(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

"(B) the contribution or donation was made in violation of section 315, 316, 317, 319, 320, or 325 (other than a contribution or donation returned within 30 days of receipt by the committee).

"(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

"(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

"(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

"(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

"(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

"(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

"(i) deposit the amount in the escrow account established under subparagraph (A); and "(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

"(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

"(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

"(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code, against the person making the contribution or donation.

"(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

"(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

"(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to investigate whether that the making of the contribution or donation was made in violation of this Act; or

"(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

"(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

"(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.".

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

"(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved.".

(c) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

"(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.".

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

SEC. 512. ESTABLISHMENT OF A CLEARINGHOUSE OF INFORMATION ON POLITICAL ACTIVITIES WITHIN THE FEDERAL ELECTION COMMISSION.

(a) ESTABLISHMENT.—There shall be established within the Federal Election Commission a clearinghouse of public information regarding the political activities of foreign principals and agents of foreign principals. The information comprising this clearinghouse shall include only the following:

(1) All registrations and reports filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) during the preceding 5-year period.

(2) All registrations and reports filed pursuant to the Foreign Agents Registration Act, as amended (22 U.S.C. 611 et seq.), during the preceding 5-year period.

(3) The listings of public hearings, hearing witnesses, and witness affiliations printed in the Congressional Record during the preceding 5-year period.

(4) Public information disclosed pursuant to the rules of the Senate or the House of Representatives regarding honoraria, the receipt of gifts, travel, and earned and unearned income.

(5) All reports filed pursuant to title I of the Ethics in Government Act of 1978 (5 U.S.C. App.) during the preceding 5-year period.

(6) All public information filed with the Federal Election Commission pursuant to the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) during the preceding 5-year period.

(b) DISCLOSURE OF OTHER INFORMATION PROHIBITED.—The disclosure by the clearinghouse, or any officer or employee thereof, of any information other than that set forth in subsection (a) is prohibited, except as otherwise provided by law.

(c) DIRECTOR OF CLEARINGHOUSE.—

(1) DUTIES.—The clearinghouse shall have a Director, who shall administer and manage the responsibilities and all activities of the clearinghouse. In carrying out such duties, the Director shall—

(A) develop a filing, coding, and cross-indexing system to carry out the purposes of this section (which shall include an index of all persons identified in the reports, registrations, and other information comprising the clearinghouse);

(B) notwithstanding any other provision of law, make copies of registrations, reports, and other information comprising the clearinghouse available for public inspection and copying, beginning not later than 30 days after the information is first available to the public, and permit copying of any such registration, report, or other information by hand or by copying machine or, at the request of any person, furnish a copy of any such registration, report, or other information upon payment of the cost of making and furnishing such copy, except that no information contained in such registration or report and no such other information shall be sold or used by any person for the purpose of soliciting contributions or for any profit-making purpose; and

(C) not later than 150 days after the date of the enactment of this Act and at any time thereafter, to prescribe, in consultation with the Comptroller General, such rules, regulations, and forms, in conformity with the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this section in the most effective and efficient manner.

(2) APPOINTMENT.—The Director shall be appointed by the Federal Election Commission.

(3) TERM OF SERVICE.—The Director shall serve a single term of a period of time determined by the Commission, but not to exceed 5 years.

(d) PENALTIES FOR DISCLOSURE OF INFORMATION.—Any person who discloses information in violation of subsection (b), and any person who sells or uses information for the purpose of soliciting contributions or for any profit-making purpose in violation of subsection (c)(1)(B), shall be imprisoned for a period of not more than 1 year, or fined in the amount provided in title 18, United States Code, or both.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to conduct the activities of the clearinghouse.

(f) FOREIGN PRINCIPAL.—In this section, the term "foreign principal" shall have the same meaning given the term "foreign national" under section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as in effect as of the date of the enactment of this Act.

SEC. 513. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(d)(2)), as amended by sections 504(b) and 509(a), is further amended by inserting after "United States" the following: "or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)".

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

SEC. 601. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the "Independent Commission on Campaign Finance Reform" (referred to in this title as the "Commission"). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 602. MEMBERSHIP OF COMMISSION.

(a) COMPOSITION.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) APPOINTMENT.—

(1) IN GENERAL.—Members shall be appointed as follows:

(A) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the House of Representatives.

(D) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) FAILURE TO SUBMIT LIST OF NOMINEES.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list

of nominees to the President during the 15-day period which begins on the date of the enactment of this Act—

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint three members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(3) POLITICAL INDEPENDENT DEFINED.—In this subsection, the term "political independent" means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party office-holder or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party office-holder or candidate.

(c) CHAIRMAN.—At the time of the appointment, the President shall designate one member of the Commission as Chairman of the Commission.

(d) TERMS.—The members of the Commission shall serve for the life of the Commission.

(e) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) POLITICAL AFFILIATION.—Not more than four members of the Commission may be of the same political party.

SEC. 603. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least nine members of the Commission is required when approving all or a portion of the recommended legislation. Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.

SEC. 604. REPORT AND RECOMMENDED LEGISLATION.

(a) REPORT.—Not later than the expiration of the 180-day period which begins on the date on which the second session of the One Hundred Sixth Congress adjourns sine die, the Commission shall submit to the President, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate a report of the activities of the Commission.

(b) RECOMMENDATIONS; DRAFT OF LEGISLATION.—The report under subsection (a) shall include any recommendations for changes in the laws (including regulations) governing the financing of political activity (taking into account the provisions of this Act and the amendments made by this Act), including any changes in the rules of the Senate or the House of Representatives, to which nine or more members of the Commission may agree, together with drafts of—

(1) any legislation (including technical and conforming provisions) recommended by the Commission to implement such recommendations; and

(2) any proposed amendment to the Constitution recommended by the Commission as necessary to implement such recommendations, except that if the Commission includes such a proposed amendment in its report, it shall also include recommendations (and drafts) for legislation which may be implemented prior to the adoption of such proposed amendment.

(c) GOALS OF RECOMMENDATIONS AND LEGISLATION.—In making recommendations and preparing drafts of legislation under this section, the Commission shall consider the following to be its primary goals:

(1) Encouraging fair and open Federal elections which provide voters with meaningful information about candidates and issues.

(2) Eliminating the disproportionate influence of special interest financing of Federal elections.

(3) Creating a more equitable electoral system for challengers and incumbents.

SEC. 605. TERMINATION.

The Commission shall cease to exist 90 days after the date of the submission of its report under section 604.

SEC. 606. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as are necessary to carry out its duties under this title.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

SEC. 701. PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING.

(a) IN GENERAL.—Chapter 29 of title 18, United States Code, is amended by adding at the end the following new section:

"§ 612. Prohibiting use of meals and accommodations at White House for political fundraising

"(a) It shall be unlawful for any person to provide or offer to provide any meals or accommodations at the White House in exchange for any money or other thing of value, or as a reward for the provision of any money or other thing of value, in support of any political party or the campaign for electoral office of any candidate.

"(b) Any person who violates this section shall be fined under this title or imprisoned not more than 3 years, or both.

"(c) For purposes of this section, any official residence or retreat of the President (including private residential areas and the grounds of such a residence or retreat) shall be treated as part of the White House.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end the following new item:

"612. Prohibiting use of meals and accommodations at White House for political fundraising.".

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

SEC. 801. SENSE OF THE CONGRESS REGARDING APPLICABILITY OF CONTROLLING LEGAL AUTHORITY TO FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY.

It is the sense of the Congress that Federal law clearly demonstrates that "controlling legal authority" under title 18, United States Code, prohibits the use of Federal Government property to raise campaign funds.

TITLE IX—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

SEC. 901. REQUIRING NATIONAL PARTIES TO REIMBURSE AT COST FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, 508, and 511, is further amended by adding at the end the following new section:

"REIMBURSEMENT BY POLITICAL PARTIES FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

"SEC. 328. (a) IN GENERAL.—If the President, Vice President, or the head of any executive department (as defined in section 101 of title 5, United States Code) uses Air Force One for transportation for any travel which includes a fundraising event for the benefit of any political committee of a national political party, such political committee shall reimburse the Federal Government for the fair market value of the transportation of the individual involved, based on the cost of an equivalent commercial chartered flight.

"(b) AIR FORCE ONE DEFINED.—In subsection (a), the term 'Air Force One' means the airplane operated by the Air Force which has been specially configured to carry out the mission of transporting the President.".

SEC. 902. REIMBURSEMENT FOR USE OF GOVERNMENT EQUIPMENT FOR CAMPAIGN-RELATED TRAVEL.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, 508, 511, and 901, is further amended by adding at the end the following new section:

"REIMBURSEMENT FOR USE OF GOVERNMENT EQUIPMENT FOR CAMPAIGN-RELATED TRAVEL

"SEC. 329. If a candidate for election for Federal office (other than a candidate who holds Federal office) uses Federal government property as a means of transportation for purposes related (in whole or in part) to the campaign for election for such office, the principal campaign committee of the candidate shall reimburse the Federal government for the costs associated with providing the transportation.".

TITLE X—PROHIBITING USE OF WALKING AROUND MONEY

SEC. 1001. PROHIBITING CAMPAIGNS FROM PROVIDING CURRENCY TO INDIVIDUALS FOR PURPOSES OF ENCOURAGING TURNOUT ON DATE OF ELECTION.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, 508, 511, 901, and 902, is further amended by adding at the end the following new section:

"PROHIBITING USE OF CURRENCY TO PROMOTE ELECTION DAY TURNOUT

"SEC. 330. It shall be unlawful for any political committee to provide currency to any individual (directly or through an agent of the committee) for purposes of encouraging the individual to appear at the polling place for the election.".

TITLE XI—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

SEC. 1101. ENHANCING ENFORCEMENT OF CAMPAIGN FINANCE LAW.

(a) MANDATORY IMPRISONMENT FOR CRIMINAL CONDUCT.—Section 309(d)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended—

(1) in the first sentence, by striking "shall be fined, or imprisoned for not more than one year, or both" and inserting "shall be

imprisoned for not fewer than 1 year and not more than 10 years"; and

(2) by striking the second sentence.

(b) Concurrent Authority of Attorney General To Bring Criminal Actions.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

"(4) In addition to the authority to bring cases referred pursuant to subsection (a)(5), the Attorney General may at any time bring a criminal action for a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986.".

(c) Effective Date.—The amendments made by this section shall apply with respect to actions brought with respect to elections occurring after January 2002.

TITLE XII—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 1201. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 1202. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 1203. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect upon the expiration of the 90-day period which begins on the date of the enactment of this Act.

SEC. 1204. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 45 days after the date of the enactment of this Act.

H.R. 2356

Offered By: Mr. Ney

Amendment No. 15: Amend section 301(20) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(20) Federal election activity.—

"(A) In general.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

"(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

"(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

"(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

"(B) Excluded activity.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

"(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

"(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

"(iii) the costs of a State, district, or local political convention; and

"(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

In section 402(b), strike "At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility." and insert the following: "At no time after such effective date may the committee spend any such funds for activities to defray the costs of the construction or purchase of any office building or facility.".

H.R. 2356

Offered By: Mr. Ney

Amendment No. 16: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Campaign Reform and Citizen Participation Act of 2002".

(b) Table of Contents.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—SOFT MONEY OF NATIONAL PARTIES

Sec. 101. Restrictions on soft money of national political parties.

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

Sec. 201. Increase in limits on certain contributions.
Sec. 202. Increase in limits on contributions to State parties.
Sec. 203. Treatment of contributions to national party under aggregate annual limit on individual contributions.
Sec. 204. Exemption of costs of volunteer campaign materials produced and distributed by parties from treatment as contributions and expenditures.
Sec. 205. Indexing.
Sec. 206. Permitting national parties to establish accounts for making expenditures in excess of limits on behalf of candidates facing wealthy opponents.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

Sec. 301. Disclosure of information on communications broadcast prior to election.
Sec. 302. Disclosure of information on targeted mass communications.

TITLE IV—EFFECTIVE DATE

Sec. 401. Effective date.

TITLE I—SOFT MONEY CF NATIONAL PARTIES

SEC. 101. RESTRICTIONS ON SOFT MONEY OF NATIONAL POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"SOFT MONEY OF NATIONAL POLITICAL PARTIES

"Sec. 323. (a) Prohibiting Use of Soft Money for Federal Election Activity.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value for Federal election activity, or spend any funds for Federal election activity, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(b) Limit on Amount of Nonfederal Funds Provided to Party by Any Person for Any Purpose.—

"(1) Limit on amount.—No person shall make contributions, donations, or transfers of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party in any calendar year in an aggregate amount equal to or greater than $20,000.

"(2) Prohibiting provision of nonfederal funds by individuals.—No individual may make any contribution, donation, or transfer of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party.

"(c) Applicability.—This subsection shall apply to any political committee established and maintained by a national political party, any officer or agent of such a committee acting on behalf of the committee, and any entity that is directly or indirectly established, maintained, or controlled by such a national committee.

"(d) Definitions.—

"(1) Federal election activity.—

"(A) In general.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election, unless the activity constitutes generic campaign activity;

"(ii) voter identification or get-out-the-vote activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot), unless the activity constitutes generic campaign activity;

"(iii) any public communication that refers to or depicts a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

"(iv) any public communication made by means of any broadcast, cable, or satellite communication.

"(B) Exception for certain administrative activities.—The term 'Federal election activity' does not include any activity relating to establishment, administration, or solicitation costs of a political committee established and maintained by a national political party, so long as the funds used to carry out the activity are derived from funds or payments made to the committee which are segregated and used exclusively to defray the costs of such activities.

"(2) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means any activity that does not mention, depict, or otherwise promote a clearly identified Federal candidate.

"(3) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, or direct mail.

"(4) DIRECT MAIL.—The term 'direct mail' means a mailing by a commercial vendor or any mailing made from a commercial list.".

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

SEC. 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS.

(a) CONTRIBUTIONS BY COMMITTEES TO NATIONAL PARTIES.—Section 315(a)(2)(B) of such Act (2 U.S.C. 441a(a)(2)(B)) is amended by striking "$15,000" and inserting "$30,000".

(b) AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking "$25,000" and inserting "$37,500".

SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS TO STATE PARTIES.

(a) CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.".

(b) CONTRIBUTIONS BY COMMITTEES.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.".

SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONAL PARTY UNDER AGGREGATE ANNUAL LIMIT ON INDIVIDUAL CONTRIBUTIONS.

Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441(a)(3)) is amended—

(1) by striking "(3)" and inserting "(3)(A)"; and

(2) by adding at the end the following new subparagraph:

"(B) Subparagraph (A) shall not apply with respect to any contribution made to any political committee established and maintained by a national political party which is not the authorized political committee of any candidate.".

SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER CAMPAIGN MATERIALS PRODUCED AND DISTRIBUTED BY PARTIES FROM TREATMENT AS CONTRIBUTIONS AND EXPENDITURES.

(a) TREATMENT AS CONTRIBUTIONS.—Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking "a State or local committee of a political party of the costs of" and inserting "a national, State, or local committee of a political party of the costs of producing and distributing".

(b) TREATMENT AS EXPENDITURES.—Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking "a State or local committee of a political party of the costs of" and inserting "a national, State, or local committee of a political party of the costs of producing and distributing".

SEC. 205. INDEXING.

Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting "(A)" before "At the beginning"; and

(C) by adding at the end the following:

"(B) Except as provided in subparagraph (C), in any calendar year after 2002—

"(i) a limitation established by subsections (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

"(ii). each amount so increased shall remain in effect for the calendar year; and

"(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

"(C) In the case of limitations under subsections (a) and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election."; and

(2) in paragraph (2)(B), by striking "means the calendar year 1974" and inserting "means—

"(i) for purposes of subsections (b) and (d), calendar year 1974; and

"(ii) for purposes of subsections (a) and (h), calendar year 2001".

SEC. 206. PERMITTING NATIONAL PARTIES TO ESTABLISH ACCOUNTS FOR MAKING EXPENDITURES IN EXCESS OF LIMITS ON BEHALF OF CANDIDATES FACING WEALTHY OPPONENTS.

(a) ESTABLISHMENT OF ACCOUNTS.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following new paragraph:

"(4)(A) Subject to subparagraph (B), the national committee of a political party may make expenditures in connection with the general election campaign of a candidate for Federal office (other than a candidate for President) who is affiliated with such party in an amount in excess of the limit established under paragraph (3) if—

"(i) the candidate's opponent in the general election campaign makes expenditures of personal funds in connection with the campaign in an amount in excess of $100,000 (as provided in the notifications submitted under section 304(a)(6)(B)); and

"(ii) the expenditures are made from a separate account of the party used exclusively for making expenditures pursuant to this paragraph.

"(B) The amount of expenditures made in accordance with subparagraph (A) by the national committee of a political party in connection with the general election campaign of a candidate may not exceed the amount of expenditures of personal funds made by the candidate's opponent in connection with the campaign (as provided in the notifications submitted under section 304(a)(6)(B)).".

(b) WAIVER OF LIMITS ON CONTRIBUTIONS TO ACCOUNTS.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

"(9) The limitations imposed by paragraphs (1)(B), (2)(B), and (3) shall not apply with respect to contributions made to the national committee of a political party which are designated by the donor to be deposited solely into the account established by the party under subsection (d)(4).".

(c) NOTIFICATION OF EXPENDITURES OF PERSONAL FUNDS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following new subparagraph:

"(B)(i) The principal campaign committee of a candidate (other than a candidate for President) shall submit the following notifications relating to expenditures of personal funds by such candidate (including contributions by the candidate or the candidate's spouse to such committee and funds derived from loans made by the candidate or the candidate's spouse to such committee):

"(I) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended (or contributed) with respect to an election exceeds $100,000.

"(II) After the notification is made under subclause (I), a notification of each such subsequent expenditure (or contribution) which, taken together with all such subsequent expenditures (and contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

"(ii) Each of the notifications submitted under clause (i)—

"(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made;

"(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved; and

"(III) shall include the total amount of all such expenditures and contributions made with respect to the same election as of the date of expenditure or contribution which is the subject of the notification.".

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

SEC. 301. DISCLOSURE OF INFORMATION ON COMMUNICATIONS BROADCAST PRIOR TO ELECTION.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(e) DISCLOSURE OF INFORMATION ON CERTAIN COMMUNICATIONS BROADCAST PRIOR TO ELECTIONS.—

"(1) IN GENERAL.—Any person who makes a disbursement for a communication described in paragraph (3) shall, not later than 24 hours after making the disbursement, file with the Commission a statement containing the information required under paragraph (2).

"(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

"(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

"(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

"(C) The amount of the disbursement.

"(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

"(E) The text of the communication involved.

"(3) COMMUNICATIONS DESCRIBED.—

"(A) IN GENERAL.—A communication described in this paragraph is any communication—

"(i) which is disseminated to the public by means of any broadcast, cable, or satellite communication during the 120-day period ending on the date of a Federal election; and

"(ii) which mentions a clearly identified candidate for such election (by name, image, or likeness).

"(B) EXCEPTION.—A communication is not described in this paragraph if—

"(i) the communication appears in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

"(ii) the communication constitutes an expenditure under this Act.

"(4) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to file a statement under this subsection shall be in addition to any other reporting requirement under this Act.

"(5) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.".

SEC. 302. DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 301, is further amended by adding at the end the following new subsection:

"(f) DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.—

"(1) IN GENERAL.—Any person who makes a disbursement for targeted mass communications in an aggregate amount in excess of $50,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

"(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

"(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

"(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

"(C) The amount of each such disbursement of more than $200 made by the person during the period covered by the statement and the identification of the person to whom the disbursement was made.

"(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

"(E) The text of the communication involved.

"(3) TARGETED MASS COMMUNICATION DEFINED.—

"(A) IN GENERAL.—In this subsection, the term 'targeted mass communication' means any communication—

"(i) which is disseminated during the 120-day period ending on the date of a Federal election;

"(ii) which refers to or depicts a clearly identified candidate for such election (by name, image, or likeness); and

"(iii) which is targeted to the relevant electorate.

"(B) TARGETING TO RELEVANT ELECTORATE.—

"(i) BROADCAST COMMUNICATIONS.—For purposes of this paragraph, a communication disseminated to the public by means of any broadcast, cable, or satellite communication which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication is disseminated by a broadcaster whose audience includes—

"(I) a substantial number of residents of the district the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

"(II) a substantial number of residents of the State the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Senator.

"(ii) OTHER COMMUNICATIONS.—For purposes of this paragraph, a communication which is not described in clause (i) which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if—

"(I) more than 10 percent of the total number of intended recipients of the communication are members of the electorate involved with respect to such Federal office; or

"(II) more than 10 percent of the total number of members of the electorate involved with respect to such Federal office receive the communication.

"(C) EXCEPTIONS.—The term 'targeted mass communication' does not include—

"(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

"(ii) a communication made by any membership organization (including a labor organization) or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office; or

"(iii) a communication which constitutes an expenditure under this Act.

"(4) DISCLOSURE DATE.—For purposes of this subsection, the term 'disclosure date' means—

"(A) the first date during any calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000; and

"(B) any other date during such calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000 since the most recent disclosure date for such calendar year.

"(5) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

"(6) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.".

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

H.R. 2356

OFFERED BY: ______

AMENDMENT NO. 17: Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to the Second Amendment of the Constitution

SEC. 221. FINDINGS.

Congress finds the following:

(1) The Second Amendment to the United States Constitution protects the right of individual persons to keep and bear arms.

(2) There are more than 60,000,000 gun owners in the United States.

(3) The Second Amendment to the Constitution of the United States protects the right of Americans to carry firearms in defense of themselves and others.

(4) The United States Court of Appeals in *U.S. v. Emerson* reaffirmed the fact that the right to keep and bear arms is an individual right protected by the Constitution.

(5) Americans who are concerned about threats to their ability to keep and bear arms have the right to petition their government.

(6) The Supreme Court, in *U.S. v. Cruikshank* (92 U.S. 542, 1876) recognized that the right to arms preexisted the Constitution. The Court stated that the right to arms "is not a right granted by the Constitution. Neither is it in any manner dependent upon that instrument for its existence.".

(7) In *Beard v. United States* (158 U.S. 550, 1895) the Court approved the common-law rule that a person "may repel force by force" in self-defense, and concluded that when attacked a person "was entitled to stand his ground and meet any attack made upon him with a deadly weapon, in such a way and with such force" as needed to prevent "great bodily injury or death". The laws of all 50 states, and the constitutions of most States, recognize the right to use armed force in self-defense.

(8) In order to protect Americans' constitutional rights under the Second Amendment, the First Amendment provides the ability for citizens to address the Government.

(9) The First Amendment to the United States Constitution states that, "Congress

shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.''.

(10) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.''.

(11) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.''.

(12) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ''.

(13) Citizens who have an interest in issues about or related to the Second Amendment of the Constitution have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(14) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning the right to keep and bear arms to their elected officials and the general public.

(15) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO THE SECOND AMENDMENT OF THE CONSTITUTION.

None of the restrictions or requirements contained in this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any person who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to the Second Amendment.

H.R. 2356

Offered By:

Amendment No.18: Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Veterans, Military Personnel, or Seniors

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 42,000,000 men and women have served in the United States Armed Forces from the Revolution onward and more than 25 million are still living. Living veterans and their families, plus the living dependents of deceased veterans, constitute a significant part of the present United States population.

(2) American veterans are black and they are white; they are of every race and ethnic heritage. They are men, and they are women. They are Christians, they are Muslims, they are Jews. They are fathers, mothers, sisters, brothers, sons and daughters. They are neighbors, down the street or right next door. They are teachers in our schools, they are factory workers. They are Americans living today who served in the armed services, and they are the more than 1,000,000 who have died in America's wars.

(3) America's veterans are men and women who have fought to protect the United States against foreign aggressors as Soldiers, Sailors, Airmen, Coast Guardsmen and Marines. The members of our elite organization are those who have discharged their very special obligation of citizenship as servicemen and women, and who today continue to expend great time, effort and energy in the service of their fellow veterans and their communities.

(4) There is a bond joining every veteran from every branch of the service. Whether drafted or enlisted, commissioned or noncommissioned, each took an oath, lived by a code, and stood ready to fight and die for their country.

(5) American men and women in uniform risk their lives on a daily basis to defend our freedom and democracy. Americans have always believed that there are values worth fighting for—values and liberties upon which America was founded and which we have carried forward for more than 225 years, that men and women of this great nation gave their lives to preserve.

(6) It is the sacrifice borne by generations of American veterans that has made us strong and has rendered us the beacon of freedom guiding the course of nations throughout the world. American veterans have fought for freedom for Americans, as well as citizens throughout the world. They have helped to defend and preserve the values of freedom of speech, democracy, voting rights, human rights, equal access and the rights of the individual—those values felt and nurtured on every continent in our world.

(7) The freedoms and opportunities we enjoy today were bought and paid for with their devotion to duty and their sacrifices. We can never say it too many times: We are the benefactors of their sacrifice, and we are grateful.

(8) Of the 25,000,000 veterans currently alive, nearly three of every four served during a war or an official period of hostility. About a quarter of the Nation's population—approximately 70,000,000 people—are potentially eligible for Veterans' Administration benefits and services because they are veterans, family members or survivors of veterans.

(9) The present veteran population is estimated at 25,600,000, as of July 1, 1997. Nearly 80 of every 100 living veterans served during defined periods of armed hostilities. Altogether, almost one-third of the nation's population-approximately 70,000,000 persons who are veterans, dependents and survivors of deceased veterans—are potentially eligible for Veterans' Administration benefits and services.

(10) Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War veteran died in 1911; the War of 1812's last dependent died in 1946; the Mexican War's, in 1962.

(11) The Veterans' Administration health care system has grown from 54 hospitals in 1930, to include 171 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. Veterans' Administration health care facilities provide a broad spectrum of medical, surgical, and rehabilitative care.

(12) World War II resulted in not only a vast increase in the veteran population, but also in large number of new benefits enacted by the Congress for veterans of the war. The World War II GI Bill, signed into law on June 22, 1944, is said to have had more impact on the American way of life than any law since the Homestead Act more than a century ago.

(13) About 2,700,000 veterans receive disability compensation or pensions from VA. Also receiving Veterans' Administration benefits are 592,713 widows, children and parents of deceased veterans. Among them are 133,881 survivors of Vietnam era veterans and 295,679 survivors of World War II veterans. In fiscal year 2001, Veterans' Administration planned to spend $22,000,000,000 yearly in disability compensation, death compensation and pension to 3,200,000 people.

(14) Veterans' Administration manages the largest medical education and health professions training program in the United States. Veterans' Administration facilities are affiliated with 107 medical schools, 55 dental schools and more than 1,200 other schools across the country. Each year, about 85,000 health professionals are trained in Veterans' Administration medical centers. More than half of the physicians practicing in the United States have had part of their professional education in the Veterans' Administration health care system.

(15) 75 percent of Veterans' Administration researchers are practicing physicians. Because of their dual roles, Veterans' Administration research often immediately benefits patients. Functional electrical stimulation, a technology using controlled electrical current to activate paralyzed muscles, is being developed at Veterans' Administration clinical facilities and laboratories throughout the country. Through this technology, paraplegic patients have been able to stand and, in some instances, walk short distances and climb stairs. Patients with quadriplegia are able to use their hands to grasp objects.

(16) There are more than 35,000,000 persons in the United States aged 65 and over.

(17) Seniors are a diverse population, each member having his or her own political and economic issues.

(18) Seniors and their families have many important issues for which they seek congressional action. Some of these issues include, but are not limited to, health care, Social Security, and taxes.

(19) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(20) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(21) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(22) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(23) Citizens who have an interest in issues about or related to veterans, military personnel, seniors, and their families have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(24) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning veterans, military personnel, seniors, and their families to their elected officials and the general public.

(25) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO VETERANS, MILITARY PERSONNEL, OR SENIORS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to veterans, military personnel, or senior citizens, or to the immediate family members of veterans, military personnel, or senior citizens.

H.R. 2356

OFFERED BY: ____

AMENDMENT NO. 19: Amend section 402 to read as follows:

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect February 14, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a) which remain unexpended as of such date, the committee shall return the funds on a pro rata basis to the persons who provided the funds to the committee.

H.R. 2356

OFFERED BY: ____

AMENDMENT NO. 20. Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Workers, Farmers, Families, and Individuals

SEC. 221. FINDINGS.

Congress finds the following:

(1) There are approximately 138 million people employed in the United States.

(2) Thousands of organizations and associations represent these employed persons and their employers in numerous forms and forums, not least of which is by participating in our electoral and political system in a number of ways, including informing citizens of key votes that affect their common interests, criticizing and praising elected officials for their position on issues, contributing to candidates and political parties, registering voters, and conducting get-out-the-vote activities.

(3) The rights of American workers to bargain collectively are protected by their First Amendment to the Constitution and by provisions in the National Labor Relations Act. Federal law guarantees the rights of workers to choose whether to bargain collectively through a union.

(4) Fourteen percent of the American workforce has chosen to affiliate with a labor union. Federal law allows workers and unions the opportunity to combine strength and to work together to seek to improve the lives of America's working families, bring fairness and dignity to the workplace and secure social and economic equity in our nation.

(5) Nearly three quarters of all United States business firms have no payroll. Most are self-employed persons operating unincorporated businesses, and may or may not be the owner's principal source of income.

(6) Minorities owned fewer than 7 percent of all United States firms, excluding C corporations, in 1982, but this share soared to about 15 percent by 1997. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(7) In 1999, women made up 46 percent of the labor force. The labor force participation rate of American women was the highest in the world.

(8) Labor/Worker unions represent 16 million working women and men of every race and ethnicity and from every walk of life.

(9) In recent years, union members and their families have mobilized in growing numbers. In the 2000 election, 26 percent of the nation's voters came from union households.

(10) According to the 2000 census, total United States families were totaled at over 105 million.

(11) In 2000, there were 8.7 million African American families.

(12) Asians have larger families than other groups. For example, the average Asian family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(13) American farmers, ranchers, and agricultural managers direct the activities of the world's largest and most productive agricultural sectors. They produce enough food and fiber to meet the needs of the United States and produce a surplus for export.

(14) About 17 percent of raw United States agricultural products are exported yearly, including 83 million metric tons of cereal grains, 1.6 billion pounds of poultry, and 1.4 million metric tons of fresh vegetables.

(15) One-fourth of the world's beef and nearly one-fifth of the world's grain, milk, and eggs are produced in the United States.

(16) With 96 percent of the world's population living outside our borders, the world's most productive farmers need access to international markets to compete.

(17) Every State benefits from the income generated from agricultural exports. 19 States have exports of $1 billion or more.

(18) America's total on United States exports is $49.1 billion and the number of imports is $37.5 billion.

(19) By itself, farming-production agriculture-contributed $60.4 billion toward the national GDP (Gross Domestic Product).

(20) Farmers and ranchers provide food and habitat for 75 percent of the Nation's wildlife.

(21) More than 23 million jobs-17 percent of the civilian workforce-are involved in some phase of growing and getting our food and clothing to us. America now has fewer farmers, but they are producing now more than ever before.

(22) Twenty-two million American workers process, sell, and trade the Nation's food and fiber. Farmers and ranchers work with the Department of Agriculture to produce healthy crops while caring for soil and water.

(23) By February 8, the 39th day of 2002, the average American has earned enough to pay

for their family's food for the entire year. In 1970 it took 12 more days than it does now to earn a full food pantry for the year. Even in 1980 it took 10 more days—49 total days—of earning to put a year's supply of food on the table.

(24) Farmers are facing the 5th straight year of the lowest real net farm income since the Great Depression. Last October, prices farmers received made their sharpest drop since United States Department of Agriculture began keeping records 91 years ago. During this same period the cost of production has hit record highs.

(25) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(26) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(27) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(28) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people".

(29) Citizens who have an interest in issues about or related to their lives have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(30) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy.

(31) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO WORKERS, FARMERS, FAMILIES, AND INDIVIDUALS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to any individual.

H.R. 2356

OFFERED BY:

AMENDMENT NO. 21. Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Civil Rights and Issues Affecting Minorities

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 70 million people in the United States belong to a minority race.

(2) More than 34 million people in the United States are African American, 35 million are Hispanic or Latino, 10 million are Asian, and 2 million are American Indian or Alaska Native.

(3) Minorities account for around 24 percent of the U.S. workforce.

(4) Minorities, who owned fewer than 7 percent of all U.S. firms in 1982, now own more than 15 percent. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(5) Self-employment as a share of each group's nonagricultural labor force (averaged over the 1991-1999 decade) was White, 9.7 percent; African American, 3.8 percent; American Indian, Eskimo, or Aleut, 6.4 percent; and Asian or Pacific Islander, 10.1 percent.

(6) Of U.S. businesses, 5.8 percent were owned by Hispanic Americans, 4.4 percent by Asian Americans, 4.0 percent by African Americans, and 0.9 percent by American Indians.

(7) Of the 4,514,699 jobs in minority-owned businesses in 1997, 48.8 percent were in Asian-owned firms, 30.8 percent in Hispanic-owned firms, 15.9 percent in African American-owned firms, and 6.6 percent in American Native-owned firms.

(8) Minority-owned firms had about $96 billion in payroll in 1997. The average payroll per employee was roughly $21,000 in the major minority groups and ranged from just under $15,000 to just over $27,000 in various subgroups of the minority population.

(9) African Americans were the only race or ethnic group to show an increase in voter participation in congressional elections, increasing their presence at the polls from 37 percent in 1994 to 40 percent in 1998. Nationwide, overall turnout by the voting-age population was down from 45 percent in 1994 to 42 percent in 1998.

(10) In 2000, there were 8.7 million African American families. The United States had 96,000 African American engineers, 41,000 African American physicians and 47,000 African American lawyers in 1999.

(11) The number of Asians and Pacific Islanders voting in congressional elections increased by 366,000 between 1994 and 1998.

(12) Businesses owned by Asians and Pacific Islanders made up 4 percent of the nation's 20.8 million nonfarm businesses.

(13) Asians tend to have larger families—the average family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(14) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(15) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(16) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(17) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(18) Citizens who have an interest in issues about or related to civil rights have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(19) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle

and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning civil rights to their elected officials and the general public.

(20) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO CIVIL RIGHTS AND ISSUES AFFECTING MINORITIES.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to civil rights and issues affecting minorities.

H.R. 2356

OFFERED BY:

AMENDMENT NO. 22: Add at the end the following title:

TITLE VI—NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS

SEC. 601. FINDINGS.

Congress finds the following:

(1) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances."

(2) The First Amendment affords the broadest protection to such political expression in order "to assure [the] unfettered interchange of ideas for the bringing about of political and social changes desired by the people. *Roth v. United States*, 354 U.S. 476, 484 (1957).

(3) According to *Mills v. Alabama*, 384 U.S. 214, 218 (1966), there is practically universal agreement that a major purpose of that Amendment was to protect the free discussion of governmental affairs, "...of course including[ing] discussions of candidates...".

(4) According to *New York Times Co. v. Sullivan*, 376 U.S. 254, 270 (1964), the First Amendment reflects our "profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open". In a republic where the people are sovereign, the ability of the citizenry to make informed choices among candidates for office is essential, for the identities of those who are elected will inevitably shape the course that we follow as a nation.

(5) The First Amendment protects political association as well as political expression. The constitutional right of association explicated in *NAACP v. Alabama*, 357 U.S. 449, 460 (1958), stemmed from the Court's recognition that "[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association." Subsequent decisions have made clear that the First and Fourteenth Amendments guarantee "freedom to associate with others for the common advancement of political beliefs and ideas," a freedom that encompasses "'[t]he right to associate with the political party of one's choice.'" *Kusper v. Pontikes*, 414 U.S. 51, 56, 57, quoted in *Cousins v. Wigoda*, 419 U.S. 477, 487 (1975).

(6) In *Buckley v. Valeo*, the Supreme Court stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(7) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(8) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(9) The courts of the United States have consistently reaffirmed and applied the teachings of *Buckley*, striking down such government overreaching. The courts of the United States have consistently upheld the rights of the citizens of the United States, candidates for public office, political parties, corporations, labor unions, trade associations, non-profit entities, among others. Such decisions provide a very clear line as to what the government can and cannot do with respect to the regulation of campaigns. See *Federal Election Comm'n v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238 (1986); *Federal Election Comm'n v. National Conservative Political Action Comm.*, 470 U.S. 480 (1985); *California Medical Assn. v. Federal Election Comm'n*, 453 U.S. 182 (1981).

(10) The FEC has lost time and time again in court attempting to move away from the express advocacy bright line test of *Buckley v. Valeo*. In fact, in some cases, the FEC has had to pay fees and costs because the theory is frivolous. *See FEC v. Christian Action Network*, 110 F.3d 1049 (4th Cir. 1997), *aff'g* 894 F. Supp. 946 (W.D.Va. 1995); *Maine Right to Life Comm. v. FEC*, 914 F. Supp. 8 (D.Me. 1996), aff'd 98 F.3d 1 (1st Cir. 1996), *cert. denied*, 118 S. Ct. 52 (1997); *Clifton v. FEC*, 114 F.3d 1309 (1st Cir. 1997); *Faucher v. FEC*, 928 F.2d 468, 472 (1st Cir.), *cert. denied*, 502 U.S. 820 (1991); *FEC v. Colorado Republican Federal Campaign Comm.*, 839 F. Supp. 1448 (D. Co.), *rev'd on other grounds*, 59 F.3d 1015 (10th Cir.), *vacated on other grounds*, 116 S. Ct. 2309 (1996); *FEC v. Central Long Island Tax Reform Immediately Comm.*, 616 F.2d 45, 53 (2d Cir. 1980); *Minnesota Citizens Concerned for Life, Inc. v. FEC*, 936 F. Supp. 633 (D. Minn. 1996), *aff'd* 113 F.3d 129 (8th Cir. 1997), *reh'g. en banc denied*, 1997 U.S. App. LEXIS 17528; *West Virginians for Life, Inc. v. Smith*, 960 F. Supp. 1036, 1039 (S.D.W.Va. 1996); *FEC v. Survival Education Fund*, 1994 U.S. Dist. Lexis 210 (S.D.N.Y. 1994), *aff'd in part and rev'd in part*, 65 F.3d 285 (2nd Cir. 1995); *FEC v. National Organization for Women*, 713 F. Supp. 428, 433–34 (D.D.C. 1989); *FEC v. American Federation of State, County and Municipal Employees*, 471 F. Supp. 315, 316–17 (D.D.C. 1979). Even the FEC abandoned the "electioneering communication" standard soon after the 1996 election due to its vagueness.

(11) The courts have also repeatedly upheld the rights of political party committees. As Justice Kennedy noted: "The central holding in *Buckley v. Valeo* is that spending money on one's own speech must be permitted, and that this is what political parties do when they make expenditures FECA restricts." *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 627 (1996) (J. Kennedy, concurring). Justice Thomas added: "As applied in the specific context of campaign funding by political parties, the anticorruption rationale loses its force. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 105–106 (1987). What could it mean for a party to 'corrupt' its candidates or to exercise 'coercive' influence over him? The very aim of a political party is to influence its candidate's stance on issues and, if the candidate takes office or is reelected, his votes. When political parties achieve that aim, that achievement does not, in my view, constitute 'a subversion of the political process.' *Federal Election Comm'n v. NCPAC*, 470 U.S. at 497. For instance, if the Democratic Party spends large sums of money in support of a candidate who wins, takes office, and then implements the Party's platform, that is not corruption; that is successful advocacy of ideas in the political marketplace and representative government in a party system. To borrow a phrase from *Federal Election Comm'n v. NCPAC*, 'the fact that candidates and elected officials may alter or reaffirm their own positions on issues in response to political messages paid for by [political groups] can hardly be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.' *Id.* at 498. Cf. *Federal Election Comm'n v. MCFL*, 479 U.S. at 263 (suggesting that '[v]oluntary political associations do not . . . present the specter of corruption').". *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 647 (1996) (J. Thomas, concurring). Justice Thomas continued: "The structure of political parties is such that the theoretical danger of those groups actually engaging in quid pro quos with candidates is significantly less than the threat of individuals or other groups doing so. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 97–98 (1987) (citing F. Sorauf, *Party Politics in America* 15–18 (5th ed. 1984)). American political parties, generally speaking, have numerous members with a wide variety of interests, features necessary for success in majoritarian elections. Consequently, the influence of any one person or the importance of any single issue within a political party is significantly diffused. For this reason, as the Party's amici argue, see Brief for

Committee for Party Renewal et al. as Amicus Curiae 16, campaign funds donated by parties are considered to be some of 'the cleanest money in politics.' J. Bibby, *Campaign Finance Reform*, 6 Commonsense 1, 10 (Dec. 1983). And, as long as the Court continues to permit Congress to subject individuals to limits on the amount they can give to parties, and those limits are uniform as to all donors, *see* 2 U.S.C. section 441a(a)(1), there is little risk that an individual donor could use a party as a conduit for bribing candidates. *Id.*".

(12) As recently as 2000, the Supreme Court reminded us once again of the vital role that political parties play on our democratic life, by serving as the primary vehicles for the political views and voices of millions and millions of Americans. "Representative democracy in any populous unit of governance is unimaginable without the ability of citizens to band together in promoting the electoral candidates who espouse their political views. The formation of national political parties was almost concurrent with the formation of the Republic itself." *California Democratic Party v. Jones*, 530 U.S. 567 (2000). Moreover, just last year, a Federal court struck down a state law that included a so-called "soft money ban," which in reality was a ban on corporate and union contributions to political parties—which as a factual matter is correct. The *Anchorage Daily News* reported:

(13) A Federal judge says corporations and unions have a constitutional right to give unlimited amounts of "soft money" to political parties, so long as none of the money is used to get specific candidates elected. In a decision dated June 11, U.S. District Judge James Singleton struck down a section of Alaska's 1997 political contributions law that barred corporations, unions and other businesses from contributing any money to political candidates or parties. The ban against corporate contributions to individual candidates is fine, Singleton said. Public concern about the corrupting influence or corporate contributions on a specific candidate is legitimate and important enough to somewhat limit freedom of speech and political association, the judge concluded. But contributions to the noncandidate work of a political party do not raise undue influence issues and therefore may not be restricted, the judge concluded.

(14) Sheila Toomey, *Anchorage Daily News* (June 14, 2001) (reporting on *Kenneth P. Jacobus, et al. vs. State of Alaska, et al.*, No. A97-0272 (D. Alaska filed June 11, 2001).

(15) Nor is speech any less protected by the First Amendment simply because the one making the speech contacted or communicated with others. For some time, the Federal Election Commission held the view that such "coordination" (an undefined term), even of communications that did not contain express advocacy, somehow was problematic, and subject to the limitations and prohibitions of the Act. This view has been rejected by the courts. *Federal Election Commission v. Christian Coalition*, 52 F. Supp. 2d 45 (D.D.C. 1999). In fact, lower Federal courts have held that even political party committee limits on coordinated expenditures are an unconstitutional restriction on speech. *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 213 F.3d 1221 (10th Cir. 2000). Unless a party committee's expenditure is the functional equivalent of a contribution (and thus not "coordinated"), it cannot be limited. See Federal Election Commission v. Colo. Republican Fed. Campaign Comm., 150 L.Ed.2d 461, nt. 17, nt. 2 (J. Thomas, dissenting) (2001). As a factual matter, many party committee "coordinated" expenditures are not the functional equivalent of contributions. *See* Amicus Curie Brief of the National Republican Congressional Committee, *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 150 L.Ed.2d 461 (2001).

(16) Commentators, legal experts and testimony in the record echoes the need to be mindful of the First Amendment. Whether it is the American Civil Liberties Union, see March 10, 2001 ACLU Letter to Senate (and all cases cited therein) & June 14, 2001 ACLU testimony before the House Administration Committee (and cases cited therein), or the counsel to the National Right to Life Committee and the Christian Coalition, see June 14, 2001 testimony of James Bopp before the House Administration Committee (and cases cited therein), experts across the political spectrum have thoughtfully explained the need to ensure the First Amendment rights of citizens of this country.

(17) Citizens who have an interest in issues have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communication in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(18) This Act contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues to their elected officials and the general public.

(19) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 602. NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS.

Notwithstanding any provision of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of people to peaceably assemble, and to petition the government for a redress of grievances, consistent with the rulings of the courts of the United States (as provided in section 601).

H.R. 2356

Offered By: ___

Amendment No. 23: Amend section 323(b) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(b) State, District, and Local Committees.—An amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

Amend section 323(e)(3) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(3) Fundraising events.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

Amend section 304(e)(2) of the Federal Election Campaign Act of 1971, as proposed to be added by section 103(a) of the bill, to read as follows:

"(2) Other political committees to which section 323 applies.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b) applies shall report all receipts and disbursements made for activities described in section 301(20)(A).

H.R. 2356

Offered By: ___

Amendment No. 24: Add at the end of title III the following new section:

SEC. 323. BANNING POLITICAL CONTRIBUTIONS IN FEDERAL ELECTIONS BY ALL INDIVIDUALS NOT CITIZENS OR NATIONALS OF THE UNITED STATES.

Section 319(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: ", or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).".

H.R. 2356

Offered By: Mr. Ney

Amendment No 25: Amend section 301(20) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(20) Federal election activity.—

"(A) In general.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

"(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

"(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

"(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

"(B) Excluded activity.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

"(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

"(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

"(iii) the costs of a State, district, or local political convention; and

"(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

In section 402(b), strike "At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility." and insert the following: "At no time after such effective date may the committee spend any such funds for activities to defray the costs of the construction or purchase of any office building or facility.".

H.R. 2356

OFFERED BY: MR. NEY

[Shays Substitute]

AMENDMENT NO. 26. Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Campaign Reform and Citizen Participation Act of 2002".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—SOFT MONEY OF NATIONAL PARTIES

Sec. 101. Restrictions on soft money of national political parties.

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

Sec. 201. Increase in limits on certain contributions.

Sec. 202. Increase in limits on contributions to State parties.

Sec. 203. Treatment of contributions to national party under aggregate annual limit on individual contributions.

Sec. 204. Exemption of costs of volunteer campaign materials produced and distributed by parties from treatment as contributions and expenditures.

Sec. 205. Indexing.

Sec. 206. Permitting national parties to establish accounts for making expenditures in excess of limits on behalf of candidates facing wealthy opponents.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

Sec. 301. Disclosure of information on communications broadcast prior to election.

Sec. 302. Disclosure of information on targeted mass communications.

TITLE IV—EFFECTIVE DATE

Sec. 401. Effective date.

TITLE I—SOFT MONEY OF NATIONAL PARTIES

SEC. 101. RESTRICTIONS ON SOFT MONEY OF NATIONAL POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"SOFT MONEY OF NATIONAL POLITICAL PARTIES

"SEC. 323. (a) PROHIBITING USE OF SOFT MONEY FOR FEDERAL ELECTION ACTIVITY.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value for Federal election activity, or spend any funds for Federal election activity, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(b) LIMIT ON AMOUNT OF NONFEDERAL FUNDS PROVIDED TO PARTY BY ANY PERSON FOR ANY PURPOSE.—

"(1) LIMIT ON AMOUNT.—No person shall make contributions, donations, or transfers of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party in any calendar year in an aggregate amount equal to or greater than $20,000.

"(2) PROHIBITING PROVISION OF NONFEDERAL FUNDS BY INDIVIDUALS.—No individual may make any contribution, donation, or transfer of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party.

"(c) APPLICABILITY.— This subsection shall apply to any political committee established and maintained by a national political party, any officer or agent of such a committee acting on behalf of the committee, and any entity that is directly or indirectly established, maintained, or controlled by such a national committee.

"(d) DEFINITIONS.—

"(1) FEDERAL ELECTION ACTIVITY.—

"(A) IN GENERAL.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election, unless the activity constitutes generic campaign activity;

"(ii) voter identification or get-out-the-vote activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot), unless the activity constitutes generic campaign activity;

"(iii) any public communication that refers to or depicts a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

"(iv) any public communication made by means of any broadcast, cable, or satellite communication.

"(B) EXCEPTION FOR CERTAIN ADMINISTRATIVE ACTIVITIES.—The term 'Federal election activity' does not include any activity relating to establishment, administration, or solicitation costs of a political committee established and maintained by a national political party, so long as the funds used to carry out the activity are derived from funds or payments made to the committee which are segregated and used exclusively to defray the costs of such activities.

"(2) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means any activity that does not mention, depict, or otherwise promote a clearly identified Federal candidate.

"(3) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, or direct mail.

"(4) DIRECT MAIL.—The term 'direct mail' means a mailing by a commercial vendor or any mailing made from a commercial list.".

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

SEC. 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS.

(a) CONTRIBUTIONS BY COMMITTEES TO NATIONAL PARTIES.—Section 315(a)(2)(B) of such Act (2 U.S.C. 441a(a)(2)(B)) is amended by striking "$15,000" and inserting "$30,000".

(b) AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking "$25,000" and inserting "$37,500".

SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS TO STATE PARTIES.

(a) CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.".

(b) CONTRIBUTIONS BY COMMITTEES.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.".

SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONAL PARTY UNDER AGGREGATE ANNUAL LIMIT ON INDIVIDUAL CONTRIBUTIONS.

Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441(a)(3)) is amended—

(1) by striking "(3)" and inserting "(3)(A)"; and

(2) by adding at the end the following new subparagraph:

"(B) Subparagraph (A) shall not apply with respect to any contribution made to any political committee established and maintained by a national political party which is not the authorized political committee of any candidate.".

SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER CAMPAIGN MATERIALS PRODUCED AND DISTRIBUTED BY PARTIES FROM TREATMENT AS CONTRIBUTIONS AND EXPENDITURES.

(a) TREATMENT AS CONTRIBUTIONS.—Section 301(8)(B)(x) of the Federal Election Campaign

Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking "a State or local committee of a political party of the costs of" and inserting "a national, State, or local committee of a political party of the costs of producing and distributing".

(b) TREATMENT AS EXPENDITURES.—Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking "a State or local committee of a political party of the costs of" and inserting "a national, State, or local committee of a political party of the costs of producing and distributing".

SEC. 205. INDEXING.

Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting "(A)" before "At the beginning"; and

(C) by adding at the end the following:

"(B) Except as provided in subparagraph (C), in any calendar year after 2002—

"(i) a limitation established by subsections (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

"(ii) each amount so increased shall remain in effect for the calendar year; and

"(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

"(C) In the case of limitations under subsections (a) and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election."; and

(2) in paragraph (2)(B), by striking "means the calendar year 1974" and inserting "means—

"(i) for purposes of subsections (b) and (d), calendar year 1974; and

"(ii) for purposes of subsections (a) and (h), calendar year 2001".

SEC. 206. PERMITTING NATIONAL PARTIES TO ESTABLISH ACCOUNTS FOR MAKING EXPENDITURES IN EXCESS OF LIMITS ON BEHALF OF CANDIDATES FACING WEALTHY OPPONENTS.

(a) ESTABLISHMENT OF ACCOUNTS.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following new paragraph:

"(4)(A) Subject to subparagraph (B), the national committee of a political party may make expenditures in connection with the general election campaign of a candidate for Federal office (other than a candidate for President) who is affiliated with such party in an amount in excess of the limit established under paragraph (3) if—

"(i) the candidate's opponent in the general election campaign makes expenditures of personal funds in connection with the campaign in an amount in excess of $100,000 (as provided in the notifications submitted under section 304(a)(6)(B)); and

"(ii) the expenditures are made from a separate account of the party used exclusively for making expenditures pursuant to this paragraph.

"(B) The amount of expenditures made in accordance with subparagraph (A) by the national committee of a political party in connection with the general election campaign of a candidate may not exceed the amount of expenditures of personal funds made by the candidate's opponent in connection with the campaign (as provided in the notifications submitted under section 304(a)(6)(B)).".

(b) WAIVER OF LIMITS ON CONTRIBUTIONS TO ACCOUNTS.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

"(9) The limitations imposed by paragraphs (1)(B), (2)(B), and (3) shall not apply with respect to contributions made to the national committee of a political party which are designated by the donor to be deposited solely into the account established by the party under subsection (d)(4).".

(c) NOTIFICATION OF EXPENDITURES OF PERSONAL FUNDS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following new subparagraph:

"(B)(i) The principal campaign committee of a candidate (other than a candidate for President) shall submit the following notifications relating to expenditures of personal funds by such candidate (including contributions by the candidate or the candidate's spouse to such committee and funds derived from loans made by the candidate or the candidate's spouse to such committee):

"(I) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended (or contributed) with respect to an election exceeds $100,000.

"(II) After the notification is made under subclause (I), a notification of each such subsequent expenditure (or contribution) which, taken together with all such subsequent expenditures (and contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

"(ii) Each of the notifications submitted under clause (i)—

"(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made;

"(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved; and

"(III) shall include the total amount of all such expenditures and contributions made with respect to the same election as of the date of expenditure or contribution which is the subject of the notification.".

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

SEC. 301. DISCLOSURE OF INFORMATION ON COMMUNICATIONS BROADCAST PRIOR TO ELECTION.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(e) DISCLOSURE OF INFORMATION ON CERTAIN COMMUNICATIONS BROADCAST PRIOR TO ELECTIONS.—

"(1) IN GENERAL.—Any person who makes a disbursement for a communication described in paragraph (3) shall, not later than 24 hours after making the disbursement, file with the Commission a statement containing the information required under paragraph (2).

"(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

"(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

"(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

"(C) The amount of the disbursement.

"(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

"(E) The text of the communication involved.

"(3) COMMUNICATIONS DESCRIBED.—

"(A) IN GENERAL.—A communication described in this paragraph is any communication—

"(i) which is disseminated to the public by means of any broadcast, cable, or satellite communication during the 120-day period ending on the date of a Federal election; and

"(ii) which mentions a clearly identified candidate for such election (by name, image, or likeness).

"(B) EXCEPTION.—A communication is not described in this paragraph if—

"(i) the communication appears in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

"(ii) the communication constitutes an expenditure under this Act.

"(4) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to file a statement under this subsection shall be in addition to any other reporting requirement under this Act.

"(5) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.".

SEC. 302. DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 301, is further amended by adding at the end the following new subsection:

"(f) DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.—

"(1) IN GENERAL.—Any person who makes a disbursement for targeted mass communications in an aggregate amount in excess of $50,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

"(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

"(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

"(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

"(C) The amount of each such disbursement of more than $200 made by the person during the period covered by the statement and the identification of the person to whom the disbursement was made.

"(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

"(E) The text of the communication involved.

"(3) TARGETED MASS COMMUNICATION DEFINED.—

"(A) IN GENERAL.—In this subsection, the term 'targeted mass communication' means any communication—

"(i) which is disseminated during the 120-day period ending on the date of a Federal election;

"(ii) which refers to or depicts a clearly identified candidate for such election (by name, image, or likeness); and

"(iii) which is targeted to the relevant electorate.

"(B) TARGETING TO RELEVANT ELECTORATE.—

"(i) BROADCAST COMMUNICATIONS.—For purposes of this paragraph, a communication disseminated to the public by means of any broadcast, cable, or satellite communication which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication is disseminated by a broadcaster whose audience includes—

"(I) a substantial number of residents of the district the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

"(II) a substantial number of residents of the State the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Senator.

"(ii) OTHER COMMUNICATIONS.—For purposes of this paragraph, a communication which is not described in clause (i) which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if—

"(I) more than 10 percent of the total number of intended recipients of the communication are members of the electorate involved with respect to such Federal office; or

"(II) more than 10 percent of the total number of members of the electorate involved with respect to such Federal office receive the communication.

"(C) EXCEPTIONS.—The term 'targeted mass communication' does not include—

"(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

"(ii) a communication made by any membership organization (including a labor organization) or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office; or

"(iii) a communication which constitutes an expenditure under this Act.

"(4) DISCLOSURE DATE.—For purposes of this subsection, the term 'disclosure date' means—

"(A) the first date during any calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000; and

"(B) any other date during such calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000 since the most recent disclosure date for such calendar year.

"(5) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

"(6) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.".

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

H.R. 2356

OFFERED BY: ____

[Shays Substitute]

AMENDMENT NO. 27: Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to the Second Amendment of the Constitution

SEC. 221. FINDINGS.

Congress finds the following:

(1) The Second Amendment to the United States Constitution protects the right of individual persons to keep and bear arms.

(2) There are more than 60,000,000 gun owners in the United States.

(3) The Second Amendment to the Constitution of the United States protects the right of Americans to carry firearms in defense of themselves and others.

(4) The United States Court of Appeals in *U.S. v. Emerson* reaffirmed the fact that the right to keep and bear arms is an individual right protected by the Constitution.

(5) Americans who are concerned about threats to their ability to keep and bear arms have the right to petition their government.

(6) The Supreme Court, in *U.S. v. Cruikshank* (92 U.S. 542, 1876) recognized that the right to arms preexisted the Constitution. The Court stated that the right to arms "is not a right granted by the Constitution. Neither is it in any manner dependent upon that instrument for its existence.".

(7) In *Beard v. United States* (158 U.S. 550, 1895) the Court approved the common-law rule that a person "may repel force by force" in self-defense, and concluded that when attacked a person "was entitled to stand his ground and meet any attack made upon him with a deadly weapon, in such a way and with such force" as needed to prevent "great bodily injury or death". The laws of all 50 states, and the constitutions of most States, recognize the right to use armed force in self-defense.

(8) In order to protect Americans' constitutional rights under the Second Amendment, the First Amendment provides the ability for citizens to address the Government.

(9) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(10) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(11) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(12) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people'".

(13) Citizens who have an interest in issues about or related to the Second Amendment of the Constitution have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(14) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning the right to keep and bear arms to their elected officials and the general public.

(15) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO THE SECOND AMENDMENT OF THE CONSTITUTION.

None of the restrictions or requirements contained in this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any person who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to the Second Amendment.

H.R. 2356

OFFERED BY:

[Shays Substitute]

AMENDMENT NO. 28: Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Veterans, Military Personnel, or Seniors

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 42,000,000 men and women have served in the United States Armed Forces from the Revolution onward and more than 25 million are still living. Living veterans and their families, plus the living dependents of deceased veterans, constitute a significant part of the present United States population.

(2) American veterans are black and they are white; they are of every race and ethnic heritage. They are men, and they are women. They are Christians, they are Muslims, they are Jews. They are fathers; mothers, sisters, brothers, sons and daughters. They are neighbors, down the street or right next door. They are teachers in our schools, they are factory workers. They are Americans living today who served in the armed services, and they are the more than 1,000,000 who have died in America's wars.

(3) America's veterans are men and women who have fought to protect the United States against foreign aggressors as Soldiers, Sailors, Airmen, Coast Guardsmen and Marines. The members of our elite organization are those who have discharged their very special obligation of citizenship as servicemen and women, and who today continue to expend great time, effort and energy in the service of their fellow veterans and their communities.

(4) There is a bond joining every veteran from every branch of the service. Whether drafted or enlisted, commissioned or noncommissioned, each took an oath, lived by a code, and stood ready to fight and die for their country.

(5) American men and women in uniform risk their lives on a daily basis to defend our freedom and democracy. Americans have always believed that there are values worth fighting for—values and liberties upon which America was founded and which we have carried forward for more than 225 years, that men and women of this great nation gave their lives to preserve.

(6) It is the sacrifice borne by generations of American veterans that has made us strong and has rendered us the beacon of freedom guiding the course of nations throughout the world. American veterans have fought for freedom for Americans, as well as citizens throughout the world. They have helped to defend and preserve the values of freedom of speech, democracy, voting rights, human rights, equal access and the rights of the individual—those values felt and nurtured on every continent in our world.

(7) The freedoms and opportunities we enjoy today were bought and paid for with their devotion to duty and their sacrifices. We can never say it too many times: We are the benefactors of their sacrifice, and we are grateful.

(8) Of the 25,000,000 veterans currently alive, nearly three of every four served during a war or an official period of hostility. About a quarter of the Nation's population—approximately 70,000,000 people—are potentially eligible for Veterans' Administration benefits and services because they are veterans, family members or survivors of veterans.

(9) The present veteran population is estimated at 25,600,000, as of July 1, 1997. Nearly 80 of every 100 living veterans served during defined periods of armed hostilities. Altogether, almost one-third of the nation's population—approximately 70,000,000 persons who are veterans, dependents and survivors of deceased veterans—are potentially eligible for Veterans' Administration benefits and services.

(10) Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War veteran died in 1911; the War of 1812's last dependent died in 1946; the Mexican War's, in 1962.

(11) The Veterans' Administration health care system has grown from 54 hospitals in 1930, to include 171 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. Veterans' Administration health care facilities provide a broad spectrum of medical, surgical, and rehabilitative care.

(12) World War II resulted in not only a vast increase in the veteran population, but also in large number of new benefits enacted by the Congress for veterans of the war. The World War II GI Bill, signed into law on June 22, 1944, is said to have had more impact on the American way of life than any law since the Homestead Act more than a century ago.

(13) About 2,700,000 veterans receive disability compensation or pensions from VA. Also receiving Veterans' Administration benefits are 592,713 widows, children and parents of deceased veterans. Among them are 133,881 survivors of Vietnam era veterans and 295,679 survivors of World War II veterans. In fiscal year 2001, Veterans' Administration planned to spend $22,000,000,000 yearly in disability compensation, death compensation and pension to 3,200,000 people.

(14) Veterans' Administration manages the largest medical education and health professions training program in the United States. Veterans' Administration facilities are affiliated with 107 medical schools, 55 dental schools and more than 1,200 other schools across the country. Each year, about 85,000 health professionals are trained in Veterans' Administration medical centers. More than half of the physicians practicing in the United States have had part of their professional education in the Veterans' Administration health care system.

(15) 75 percent of Veterans' Administration researchers are practicing physicians. Because of their dual roles, Veterans' Administration research often immediately benefits patients. Functional electrical stimulation, a technology using controlled electrical current to activate paralyzed muscles, is being developed at Veterans' Administration clinical facilities and laboratories throughout the country. Through this technology, paraplegic patients have been able to stand and, in some instances, walk short distances and climb stairs. Patients with quadriplegia are able to use their hands to grasp objects.

(16) There are more than 35,000,000 persons in the United States aged 65 and over.

(17) Seniors are a diverse population, each member having his or her own political and economic issues.

(18) Seniors and their families have many important issues for which they seek congressional action. Some of these issues include, but are not limited to, health care, Social Security, and taxes.

(19) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(20) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(21) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(22) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(23) Citizens who have an interest in issues about or related to veterans, military personnel, seniors, and their families have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(24) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning veterans, military personnel, seniors, and their families to their elected officials and the general public.

(25) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO VETERANS, MILITARY PERSONNEL, OR SENIORS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to veterans, military personnel, or senior citizens, or to the immediate family members of veterans, military personnel, or senior citizens.

H.R. 2356

OFFERED BY: ___

[Shays Substitute]

AMENDMENT NO. 29. Amend section 402 to read as follows:

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect February 14, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a) which remain unexpended as of such date, the committee shall return the funds on a pro rata basis to the persons who provided the funds to the committee.

H.R. 2356

OFFERED BY: ___

[Shays Substitute]

AMENDMENT NO. 30. Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Workers, Farmers, Families, and Individuals

SEC. 221. FINDINGS.

Congress finds the following:

(1) There are approximately 138 million people employed in the United States.

(2) Thousands of organizations and associations represent these employed persons and their employers in numerous forms and forums, not least of which is by participating in our electoral and political system in a number of ways, including informing citizens of key votes that affect their common interests, criticizing and praising elected officials for their position on issues, contributing to candidates and political parties, registering voters, and conducting get-out-the-vote activities.

(3) The rights of American workers to bargain collectively are protected by their First Amendment to the Constitution and by provisions in the National Labor Relations Act. Federal law guarantees the rights of workers to choose whether to bargain collectively through a union.

(4) Fourteen percent of the American workforce has chosen to affiliate with a labor union. Federal law allows workers and unions the opportunity to combine strength and to work together to seek to improve the lives of America's working families, bring fairness and dignity to the workplace and secure social and economic equity in our nation.

(5) Nearly three quarters of all United States business firms have no payroll. Most are self-employed persons operating unincorporated businesses, and may or may not be the owner's principal source of income.

(6) Minorities owned fewer than 7 percent of all United States firms, excluding C corporations, in 1982, but this share soared to about 15 percent by 1997. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(7) In 1999, women made up 46 percent of the labor force. The labor force participation rate of American women was the highest in the world.

(8) Labor/Worker unions represent 16 million working women and men of every race and ethnicity and from every walk of life.

(9) In recent years, union members and their families have mobilized in growing numbers. In the 2000 election, 26 percent of the nation's voters came from union households.

(10) According to the 2000 census, total United States families were totaled at over 105 million.

(11) In 2000, there were 8.7 million African American families.

(12) Asians have larger families than other groups. For example, the average Asian family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(13) American farmers, ranchers, and agricultural managers direct the activities of the world's largest and most productive agricultural sectors. They produce enough food and fiber to meet the needs of the United States and produce a surplus for export.

(14) About 17 percent of raw United States agricultural products are exported yearly, including 83 million metric tons of cereal grains, 1.6 billion pounds of poultry, and 1.4 million metric tons of fresh vegetables.

(15) One-fourth of the world's beef and nearly one-fifth of the world's grain, milk, and eggs are produced in the United States.

(16) With 96 percent of the world's population living outside our borders, the world's most productive farmers need access to international markets to compete.

(17) Every State benefits from the income generated from agricultural exports. 19 States have exports of $1 billion or more.

(18) America's total on United States exports is $49.1 billion and the number of imports is $37.5 billion.

(19) By itself, farming-production agriculture-contributed $60.4 billion toward the national GDP (Gross Domestic Product).

(20) Farmers and ranchers provide food and habitat for 75 percent of the Nation's wildlife.

(21) More than 23 million jobs-17 percent of the civilian workforce-are involved in some phase of growing and getting our food and clothing to us. America now has fewer farmers, but they are producing now more than ever before.

(22) Twenty-two million American workers process, sell, and trade the Nation's food and fiber. Farmers and ranchers work with the Department of Agriculture to produce healthy crops while caring for soil and water.

(23) By February 8, the 39th day of 2002, the average American has earned enough to pay for their family's food for the entire year. In 1970 it took 12 more days than it does now to earn a full food pantry for the year. Even in 1980 it took 10 more days—49 total days—of earning to put a year's supply of food on the table.

(24) Farmers are facing the 5th straight year of the lowest real net farm income since the Great Depression. Last October, prices farmers received made their sharpest drop since United States Department of Agriculture began keeping records 91 years ago. During this same period the cost of production has hit record highs.

(25) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(26) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(27) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(28) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(29) Citizens who have an interest in issues about or related to their lives have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(30) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the

political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy.

(31) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO WORKERS, FARMERS, FAMILIES, AND INDIVIDUALS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to any individual.

H.R. 2356

OFFERED BY:

[Shays Substitute]

AMENDMENT NO. 31. Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Civil Rights and issues affecting minorities.

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 70 million people in the United States belong to a minority race.

(2) More than 34 million people in the United States are African American, 35 million are Hispanic or Latino, 10 million are Asian, and 2 million are American Indian or Alaska Native.

(3) Minorities account for around 24 percent of the U.S. workforce.

(4) Minorities, who owned fewer than 7 percent of all U.S. firms in 1982, now own more than 15 percent. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(5) Self-employment as a share of each group's nonagricultural labor force (averaged over the 1991–1999 decade) was White, 9.7 percent; African American, 3.8 percent; American Indian, Eskimo, or Aleut, 6.4 percent; and Asian or Pacific Islander, 10.1 percent.

(6) Of U.S. businesses, 5.8 percent were owned by Hispanic Americans, 4.4 percent by Asian Americans, 4.0 percent by African Americans, and 0.9 percent by American Indians.

(7) Of the 4,514,699 jobs in minority-owned businesses in 1997, 48.8 percent were in Asian-owned firms, 30.8 percent in Hispanic-owned firms, 15.9 percent in African American-owned firms, and 6.6 percent in American Native-owned firms.

(8) Minority-owned firms had about $96 billion in payroll in 1997. The average payroll per employee was roughly $21,000 in the major minority groups and ranged from just under $15,000 to just over $27,000 in various subgroups of the minority population.

(9) African Americans were the only race or ethnic group to show an increase in voter participation in congressional elections, increasing their presence at the polls from 37 percent in 1994 to 40 percent in 1998. Nationwide, overall turnout by the voting-age population was down from 45 percent in 1994 to 42 percent in 1998.

(10) In 2000, there were 8.7 million African American families. The United States had 96,000 African American engineers, 41,000 African American physicians and 47,000 African American lawyers in 1999.

(11) The number of Asians and Pacific Islanders voting in congressional elections increased by 366,000 between 1994 and 1998.

(12) Businesses owned by Asians and Pacific Islanders made up 4 percent of the nation's 20.8 million nonfarm businesses.

(13) Asians tend to have larger families - the average family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(14) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(15) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(16) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(17) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(18) Citizens who have an interest in issues about or related to civil rights have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(19) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning civil rights to their elected officials and the general public.

(20) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO CIVIL RIGHTS AND ISSUES AFFECTING MINORITIES.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to civil rights and issues affecting minorities.

H.R. 2356

OFFERED BY:

[Shays Substitute]

AMENDMENT NO. 32: Add at the end the following title:

TITLE VI—NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS

SEC. 601. FINDINGS.

Congress finds the following:

(1) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances."

(2) The First Amendment affords the broadest protection to such political expression in order "to assure [the] unfettered interchange of ideas for the bringing about of political and social changes desired by the people. *Roth v. United States*, 354 U.S. 476, 484 (1957).

(3) According to *Mills v. Alabama*, 384 U.S. 214, 218 (1966), there is practically universal agreement that a major purpose of that Amendment was to protect the free discussion of governmental affairs, "...of course including[ing] discussions of candidates...".

(4) According to *New York Times Co. v. Sullivan*, 376 U.S. 254, 270 (1964), the First Amendment reflects our "profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open". In a republic where the people are sovereign, the ability of the citizenry to make informed choices among candidates for office is essential, for the identities of those who are elected will inevitably shape the course that we follow as a nation.

(5) The First Amendment protects political association as well as political expression. The constitutional right of association explicated in *NAACP v. Alabama*, 357 U.S. 449, 460 (1958), stemmed from the Court's recognition that "[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association." Subsequent decisions have made clear that the First and Fourteenth Amendments guarantee "freedom to

associate with others for the common advancement of political beliefs and ideas," a freedom that encompasses "'[t]he right to associate with the political party of one's choice.'" *Kusper v. Pontikes*, 414 U.S. 51, 56, 57, quoted in *Cousins v. Wigoda*, 419 U.S. 477, 487 (1975).

(6) In *Buckley v. Valeo*, the Supreme Court stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(7) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(8) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people'".

(9) The courts of the United States have consistently reaffirmed and applied the teachings of *Buckley*, striking down such government overreaching. The courts of the United States have consistently upheld the rights of the citizens of the United States, candidates for public office, political parties, corporations, labor unions, trade associations, non-profit entities, among others. Such decisions provide a very clear line as to what the government can and cannot do with respect to the regulation of campaigns. See *Federal Election Comm'n v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238 (1986); *Federal Election Comm'n v. National Conservative Political Action Comm.*, 470 U.S. 480 (1985); *California Medical Assn. v. Federal Election Comm'n*, 453 U.S. 182 (1981).

(10) The FEC has lost time and time again in court attempting to move away from the express advocacy bright line test of *Buckley v. Valeo*. In fact, in some cases, the FEC has had to pay fees and costs because the theory is frivolous. *See FEC v. Christian Action Network*, 110 F.3d 1049 (4th Cir. 1997), *aff'g* 894 F. Supp. 946 (W.D.Va. 1995); *Maine Right to Life Comm. v. FEC*, 914 F. Supp. 8 (D.Me. 1996), aff'd 98 F.3d 1 (1st Cir. 1996), *cert. denied*, 118 S. Ct. 52 (1997); *Clifton v. FEC*, 114 F.3d 1309 (1st Cir. 1997); *Faucher v. FEC*, 928 F.2d 468, 472 (1st Cir.), *cert. denied*, 502 U.S. 820 (1991); *FEC v. Colorado Republican Federal Campaign Comm.*, 839 F. Supp. 1448 (D. Co.), *rev'd on other grounds*, 59 F.3d 1015 (10th Cir.), vacated on other grounds, 116 S. Ct. 2309 (1996); *FEC v. Central Long Island Tax Reform Immediately Comm.*, 616 F.2d 45, 53 (2d Cir. 1980); *Minnesota Citizens Concerned for Life, Inc. v. FEC*, 936 F. Supp. 633 (D. Minn. 1996), *aff'd* 113 F.3d 129 (8th Cir. 1997), *reh'g. en banc denied*, 1997 U.S. App. LEXIS 17528; *West Virginians for Life, Inc. v. Smith*, 960 F. Supp. 1036, 1039 (S.D.W.Va. 1996); *FEC v. Survival Education Fund*, 1994 U.S. Dist. Lexis 210 (S.D.N.Y. 1994), *aff'd in part and rev'd in part*, 65 F.3d 285 (2nd Cir. 1995); *FEC v. National Organization for Women*, 713 F. Supp. 428, 433–34 (D.D.C. 1989); *FEC v. American Federation of State, County and Municipal Employees*, 471 F. Supp. 315, 316–17 (D.D.C. 1979). Even the FEC abandoned the "electioneering communication" standard soon after the 1996 election due to its vagueness.

(11) The courts have also repeatedly upheld the rights of political party committees. As Justice Kennedy noted: "The central holding in *Buckley v. Valeo* is that spending money on one's own speech must be permitted, and that this is what political parties do when they make expenditures FECA restricts." *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 627 (1996) (J. Kennedy, concurring). Justice Thomas added: "As applied in the specific context of campaign funding by political parties, the anticorruption rationale loses its force. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 105–106 (1987). What could it mean for a party to 'corrupt' its candidates or to exercise 'coercive' influence over him? The very aim of a political party is to influence its candidate's stance on issues and, if the candidate, takes office or is reelected, his votes. When political parties achieve that aim, that achievement does not, in my view, constitute 'a subversion of the political process.' *Federal Election Comm'n v. NCPAC*, 470 U.S. at 497. For instance, if the Democratic Party spends large sums of money in support of a candidate who wins, takes office, and then implements the Party's platform, that is not corruption; that is successful advocacy of ideas in the political marketplace and representative government in a party system. To borrow a phrase from *Federal Election Comm'n v. NCPAC*, 'the fact that candidates and elected officials may alter or reaffirm their own positions on issues in response to political messages paid for by [political groups] can hardly be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.' *Id.* at 498. Cf. *Federal Election Comm'n v. MCFL*, 479 U.S. at 263 (suggesting that '[v]oluntary political associations do not...present the specter of corruption')". *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 647 (1996) (J. Thomas, concurring). Justice Thomas continued: "The structure of political parties is such that the theoretical danger of those groups actually engaging in quid pro quos with candidates is significantly less than the threat of individuals or other groups doing so. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 97–98 (1987) (citing F. Sorauf, *Party Politics in America* 15–18 (5th ed. 1984)). American political parties, generally speaking; have numerous members with a wide variety of interests, features necessary for success in majoritarian elections. Consequently, the influence of any one person or the importance of any single issue within a political party is significantly diffused. For this reason, as the Party's amici argue, see Brief for Committee for Party Renewal et al. as Amicus Curiae 16, campaign funds donated by parties are considered to be some of 'the cleanest money in politics.' J. Bibby, *Campaign Finance Reform*, 6 Commonsense 1, 10 (Dec. 1983). And, as long as the Court continues to permit Congress to subject individuals to limits on the amount they can give to parties, and those limits are uniform as to all donors, *see* 2 U.S.C. section 441a(a)(1), there is little risk that an individual donor could use a party as a conduit for bribing candidates. *Id.*".

(12) As recently as 2000, the Supreme Court reminded us once again of the vital role that political parties play on our democratic life, by serving as the primary vehicles for the political views and voices of millions and millions of Americans. "Representative democracy in any populous unit of governance is unimaginable without the ability of citizens to band together in promoting the electoral candidates who espouse their political views. The formation of national political parties was almost concurrent with the formation of the Republic itself." *California Democratic Party v. Jones*, 530 U.S. 567 (2000). Moreover, just last year, a Federal court struck down a state law that included a so-called "soft money ban," which in reality was a ban on corporate and union contributions to political parties—which as a factual matter is correct. The *Anchorage Daily News* reported:

(13) A Federal judge says corporations and unions have a constitutional right to give unlimited amounts of "soft money" to political parties; so long as none of the money is used to get specific candidates elected. In a decision dated June 11, U.S. District Judge James Singleton struck down a section of Alaska's 1997 political contributions law that barred corporations, unions and other businesses from contributing any money to political candidates or parties. The ban against corporate contributions to individual candidates is fine, Singleton said. Public concern about the corrupting influence or corporate contributions on a specific candidate is legitimate and important enough to somewhat limit freedom of speech and political association, the judge concluded. But contributions to the noncandidate work of a political party do not raise undue influence issues and therefore may not be restricted, the judge concluded.

(14) Sheila Toomey, *Anchorage Daily News* (June 14, 2001) (reporting on *Kenneth P. Jacobus, et al. vs. State of Alaska, et al.*, No. A97–0272 (D. Alaska filed June 11, 2001).

(15) Nor is speech any less protected by the First Amendment simply because the one making the speech contacted or communicated with others. For some time, the Federal Election Commission held the view that such "coordination" (an undefined term), even of communications that did not contain express advocacy, somehow was problematic, and subject to the limitations and prohibitions of the Act. This view has been rejected by the courts. *Federal Election Commission v. Christian Coalition*, 52 F. Supp. 2d 45 (D.D.C. 1999). In fact, lower Federal courts have held that even political party committee limits on coordinated expenditures are an unconstitutional restriction on speech. *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 213 F.3d 1221 (10th Cir. 2000). Unless a party committee's expenditure is the functional equivalent of a contribution (and thus not "coordinated"), it cannot be limited. See Federal Election Commission v. Colo. Republican Fed. Campaign Comm., 150

L.Ed.2d 461, nt. 17, nt. 2 (J. Thomas, dissenting) (2001). As a factual matter, many party committee "coordinated" expenditures are not the functional equivalent of contributions. *See* Amicus Curie Brief of the National Republican Congressional Committee, *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 150 L.Ed.2d 461 (2001).

(16) Commentators, legal experts and testimony in the record echoes the need to be mindful of the First Amendment. Whether it is the American Civil Liberties Union, see March 10, 2001 ACLU Letter to Senate (and all cases cited therein) & June 14, 2001 ACLU testimony before the House Administration Committee (and cases cited therein), or the counsel to the National Right to Life Committee and the Christian Coalition, see June 14, 2001 testimony of James Bopp before the House Administration Committee (and cases cited therein), experts across the political spectrum have thoughtfully explained the need to ensure the First Amendment rights of citizens of this country.

(17) Citizens who have an interest in issues have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communication in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(18) This Act contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues to their elected officials and the general public.

(19) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 602. NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS.

Notwithstanding any provision of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of people to peaceably assemble, and to petition the government for a redress of grievances, consistent with the rulings of the courts of the United States (as provided in section 601).

H.R. 2356

OFFERED BY:

[Shays Substitute]

AMENDMENT NO. 33. Amend section 323(b) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—An amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

Amend section 323(e)(3) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

Amend section 304(e)(2) of the Federal Election Campaign Act of 1971, as proposed to be added by section 103(a) of the bill, to read as follows:

"(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b) applies shall report all receipts and disbursements made for activities described in section 301(20)(A), unless the aggregate amount of such receipts and disbursements during the calendar year is less than $5,000.

H.R. 2356

OFFERED BY:

[Shays Substitute]

AMENDMENT NO. 34. Add at the end of title III the following new section:

SEC. 320. BANNING POLITICAL CONTRIBUTIONS IN FEDERAL ELECTIONS BY ALL INDIVIDUALS NOT CITIZENS OR NATIONALS OF THE UNITED STATES.

Section 319(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: ", or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).".

H.R. 2356

OFFERED BY: MR. NEY

[Armey Substitute]

AMENDMENT NO. 35: Amend section 301(20) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(20) FEDERAL ELECTION ACTIVITY.—

"(A) IN GENERAL.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

"(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

"(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

"(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

"(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

"(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

"(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

"(iii) the costs of a State, district, or local political convention; and

"(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

In section 402(b), strike "At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility." and insert the following: "At no time after such effective date may the committee spend any such funds for activities to defray the costs of the construction or purchase of any office building or facility.".

H.R. 2356

OFFERED BY: MR. NEY

[Armey Substitute]

AMENDMENT NO. 36: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Campaign Reform and Citizen Participation Act of 2002".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—SOFT MONEY OF NATIONAL PARTIES

Sec. 101. Restrictions on soft money of national political parties.

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

Sec. 201. Increase in limits on certain contributions.
Sec. 202. Increase in limits on contributions to State parties.
Sec. 203. Treatment of contributions to national party under aggregate annual limit on individual contributions.
Sec. 204. Exemption of costs of volunteer campaign materials produced and distributed by parties from treatment as contributions and expenditures.
Sec. 205. Indexing.
Sec. 206. Permitting national parties to establish accounts for making expenditures in excess of limits on behalf of candidates facing wealthy opponents.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

Sec. 301. Disclosure of information on communications broadcast prior to election.
Sec. 302. Disclosure of information on targeted mass communications.

TITLE IV—EFFECTIVE DATE

Sec. 401. Effective date.

TITLE I—SOFT MONEY OF NATIONAL PARTIES

SEC. 101. RESTRICTIONS ON SOFT MONEY OF NATIONAL POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"SOFT MONEY OF NATIONAL POLITICAL PARTIES

"Sec. 323. (a) Prohibiting Use of Soft Money for Federal Election Activity.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value for Federal election activity, or spend any funds for Federal election activity, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(b) Limit on Amount of Nonfederal Funds Provided to Party by Any Person for Any Purpose.—

"(1) Limit on amount.—No person shall make contributions, donations, or transfers of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party in any calendar year in an aggregate amount equal to or greater than $20,000.

"(2) Prohibiting provision of nonfederal funds by individuals.—No individual may make any contribution, donation, or transfer of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party.

"(c) Applicability.— This subsection shall apply to any political committee established and maintained by a national political party, any officer or agent of such a committee acting on behalf of the committee, and any entity that is directly or indirectly established, maintained, or controlled by such a national committee.

"(d) Definitions.—

"(1) Federal election activity.—

"(A) In general.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election, unless the activity constitutes generic campaign activity;

"(ii) voter identification or get-out-the-vote activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot), unless the activity constitutes generic campaign activity;

"(iii) any public communication that refers to or depicts a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

"(iv) any public communication made by means of any broadcast, cable, or satellite communication.

"(B) Exception for certain administrative activities.—The term 'Federal election activity' does not include any activity relating to establishment, administration, or solicitation costs of a political committee established and maintained by a national political party, so long as the funds used to carry out the activity are derived from funds or payments made to the committee which are segregated and used exclusively to defray the costs of such activities.

"(2) Generic campaign activity.—The term 'generic campaign activity' means any activity that does not mention, depict, or otherwise promote a clearly identified Federal candidate.

"(3) Public communication.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, or direct mail.

"(4) Direct mail.—The term 'direct mail' means a mailing by a commercial vendor or any mailing made from a commercial list.".

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

SEC. 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS.

(a) Contributions by Committees to National Parties.—Section 315(a)(2)(B) of such Act (2 U.S.C. 441a(a)(2)(B)) is amended by striking "$15,000" and inserting "$30,000".

(b) Aggregate Annual Limit on Contributions by Individuals.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking "$25,000" and inserting "$37,500".

SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS TO STATE PARTIES.

(a) Contributions by Individuals.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.".

(b) Contributions by Committees.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.".

SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONAL PARTY UNDER AGGREGATE ANNUAL LIMIT ON INDIVIDUAL CONTRIBUTIONS.

Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441(a)(3)) is amended—

(1) by striking "(3)" and inserting "(3)(A)"; and

(2) by adding at the end the following new subparagraph:

"(B) Subparagraph (A) shall not apply with respect to any contribution made to any political committee established and maintained by a national political party which is not the authorized political committee of any candidate.".

SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER CAMPAIGN MATERIALS PRODUCED AND DISTRIBUTED BY PARTIES FROM TREATMENT AS CONTRIBUTIONS AND EXPENDITURES.

(a) Treatment as Contributions.—Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking "a State or local committee of a political party of the costs of" and inserting "a national, State, or local committee of a political party of the costs of producing and distributing".

(b) Treatment as Expenditures.—Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking "a State or local committee of a political party of the costs of" and inserting "a national, State, or local committee of a political party of the costs of producing and distributing".

SEC. 205. INDEXING.

Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting "(A)" before "At the beginning"; and

(C) by adding at the end the following:

"(B) Except as provided in subparagraph (C), in any calendar year after 2002—

"(i) a limitation established by subsections (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

"(ii) each amount so increased shall remain in effect for the calendar year; and

"(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

"(C) In the case of limitations under subsections (a) and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election."; and

(2) in paragraph (2)(B), by striking "means the calendar year 1974" and inserting "means—

"(i) for purposes of subsections (b) and (d), calendar year 1974; and

"(ii) for purposes of subsections (a) and (h), calendar year 2001".

SEC. 206. PERMITTING NATIONAL PARTIES TO ESTABLISH ACCOUNTS FOR MAKING EXPENDITURES IN EXCESS OF LIMITS ON BEHALF OF CANDIDATES FACING WEALTHY OPPONENTS.

(a) Establishment of Accounts.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following new paragraph:

"(4)(A) Subject to subparagraph (B), the national committee of a political party may make expenditures in connection with the general election campaign of a candidate for Federal office (other than a candidate for President) who is affiliated with such party in an amount in excess of the limit established under paragraph (3) if—

"(i) the candidate's opponent in the general election campaign makes expenditures of personal funds in connection with the campaign in an amount in excess of $100,000 (as provided in the notifications submitted under section 304(a)(6)(B)); and

"(ii) the expenditures are made from a separate account of the party used exclusively for making expenditures pursuant to this paragraph.

“(B) The amount of expenditures made in accordance with subparagraph (A) by the national committee of a political party in connection with the general election campaign of a candidate may not exceed the amount of expenditures of personal funds made by the candidate's opponent in connection with the campaign (as provided in the notifications submitted under section 304(a)(6)(B)).”.

(b) Waiver of Limits on Contributions to Accounts.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

“(9) The limitations imposed by paragraphs (1)(B), (2)(B), and (3) shall not apply with respect to contributions made to the national committee of a political party which are designated by the donor to be deposited solely into the account established by the party under subsection (d)(4).”.

(c) Notification of Expenditures of Personal Funds.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following new subparagraph:

“(B)(i) The principal campaign committee of a candidate (other than a candidate for President) shall submit the following notifications relating to expenditures of personal funds by such candidate (including contributions by the candidate or the candidate's spouse to such committee and funds derived from loans made by the candidate or the candidate's spouse to such committee):

“(I) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended (or contributed) with respect to an election exceeds $100,000.

“(II) After the notification is made under subclause (I), a notification of each such subsequent expenditure (or contribution) which, taken together with all such subsequent expenditures (and contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

“(ii) Each of the notifications submitted under clause (i)—

“(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made;

“(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved; and

“(III) shall include the total amount of all such expenditures and contributions made with respect to the same election as of the date of expenditure or contribution which is the subject of the notification.”.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

SEC. 301. DISCLOSURE OF INFORMATION ON COMMUNICATIONS BROADCAST PRIOR TO ELECTION.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

“(e) Disclosure of Information on Certain Communications Broadcast Prior to Elections.—

“(1) In general.—Any person who makes a disbursement for a communication described in paragraph (3) shall, not later than 24 hours after making the disbursement, file with the Commission a statement containing the information required under paragraph (2).

“(2) Contents of statement.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

“(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

“(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

“(C) The amount of the disbursement.

“(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

“(E) The text of the communication involved.

“(3) Communications described.—

“(A) In general.—A communication described in this paragraph is any communication—

“(i) which is disseminated to the public by means of any broadcast, cable, or satellite communication during the 120-day period ending on the date of a Federal election; and

“(ii) which mentions a clearly identified candidate for such election (by name, image, or likeness).

“(B) Exception.—A communication is not described in this paragraph if—

“(i) the communication appears in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

“(ii) the communication constitutes an expenditure under this Act.

“(4) Coordination with other requirements.—Any requirement to file a statement under this subsection shall be in addition to any other reporting requirement under this Act.

“(5) Clarification of treatment of vendors.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.”.

SEC. 302. DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 301, is further amended by adding at the end the following new subsection:

“(f) Disclosure of Information on Targeted Mass Communications.—

“(1) In general.—Any person who makes a disbursement for targeted mass communications in an aggregate amount in excess of $50,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

“(2) Contents of statement.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

“(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

“(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

“(C) The amount of each such disbursement of more than $200 made by the person during the period covered by the statement and the identification of the person to whom the disbursement was made.

“(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

“(E) The text of the communication involved.

“(3) Targeted mass communication defined.—

“(A) In general.—In this subsection, the term ‘targeted mass communication’ means any communication—

“(i) which is disseminated during the 120-day period ending on the date of a Federal election;

“(ii) which refers to or depicts a clearly identified candidate for such election (by name, image, or likeness); and

“(iii) which is targeted to the relevant electorate.

“(B) Targeting to relevant electorate.—

“(i) Broadcast communications.—For purposes of this paragraph, a communication disseminated to the public by means of any broadcast, cable, or satellite communication which refers to or depicts a clearly identified candidate for Federal office is ‘targeted to the relevant electorate’ if the communication is disseminated by a broadcaster whose audience includes—

“(I) a substantial number of residents of the district the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

“(II) a substantial number of residents of the State the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Senator.

“(ii) Other communications.—For purposes of this paragraph, a communication which is not described in clause (i) which refers to or depicts a clearly identified candidate for Federal office is ‘targeted to the relevant electorate’ if—

“(I) more than 10 percent of the total number of intended recipients of the communication are members of the electorate involved with respect to such Federal office; or

“(II) more than 10 percent of the total number of members of the electorate involved with respect to such Federal office receive the communication.

“(C) Exceptions.—The term ‘targeted mass communication’ does not include—

“(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

“(ii) a communication made by any membership organization (including a labor organization) or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office; or

“(iii) a communication which constitutes an expenditure under this Act.

“(4) Disclosure date.—For purposes of this subsection, the term ‘disclosure date’ means—

"(A) the first date during any calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000; and

"(B) any other date during such calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000 since the most recent disclosure date for such calendar year.

"(5) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

"(6) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.".

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

H.R. 2356

OFFERED BY:

[Armey Substitute]

AMENDMENT NO. 37: Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to the Second Amendment of the Constitution

SEC. 221. FINDINGS.

Congress finds the following:

(1) The Second Amendment to the United States Constitution protects the right of individual persons to keep and bear arms.

(2) There are more than 60,000,000 gun owners in the United States.

(3) The Second Amendment to the Constitution of the United States protects the right of Americans to carry firearms in defense of themselves and others.

(4) The United States Court of Appeals in *U.S. v. Emerson* reaffirmed the fact that the right to keep and bear arms is an individual right protected by the Constitution.

(5) Americans who are concerned about threats to their ability to keep and bear arms have the right to petition their government.

(6) The Supreme Court, in *U.S. v. Cruikshank* (92 U.S. 542, 1876) recognized that the right to arms preexisted the Constitution. The Court stated that the right to arms "is not a right granted by the Constitution. Neither is it in any manner dependent upon that instrument for its existence.".

(7) In *Beard v. United States* (158 U.S. 550, 1895) the Court approved the common-law rule that a person "may repel force by force" in self-defense, and concluded that when attacked a person "was entitled to stand his ground and meet any attack made upon him with a deadly weapon, in such a way and with such force" as needed to prevent "great bodily injury or death". The laws of all 50 states, and the constitutions of most States, recognize the right to use armed force in self-defense.

(8) In order to protect Americans' constitutional rights under the Second Amendment, the First Amendment provides the ability for citizens to address the Government.

(9) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(10) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(11) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(12) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(13) Citizens who have an interest in issues about or related to the Second Amendment of the Constitution have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(14) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning the right to keep and bear arms to their elected officials and the general public.

(15) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO THE SECOND AMENDMENT OF THE CONSTITUTION.

None of the restrictions or requirements contained in this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any person who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to the Second Amendment.

H.R. 2356

OFFERED BY:

[Armey Substitute]

AMENDMENT NO. 38: Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Veterans, Military Personnel, or Seniors

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 42,000,000 men and women have served in the United States Armed Forces from the Revolution onward and more than 25 million are still living. Living veterans and their families, plus the living dependents of deceased veterans, constitute a significant part of the present United States population.

(2) American veterans are black and they are white; they are of every race and ethnic heritage. They are men, and they are women. They are Christians, they are Muslims, they are Jews. They are fathers, mothers, sisters, brothers, sons and daughters. They are neighbors, down the street or right next door. They are teachers in our schools, they are factory workers. They are Americans living today who served in the armed services, and they are the more than 1,000,000 who have died in America's wars.

(3) America's veterans are men and women who have fought to protect the United States against foreign aggressors as Soldiers, Sailors, Airmen, Coast Guardsmen and Marines. The members of our elite organization are those who have discharged their very special obligation of citizenship as servicemen and women, and who today continue to expend great time, effort and energy in the service of their fellow veterans and their communities.

(4) There is a bond joining every veteran from every branch of the service. Whether drafted or enlisted, commissioned or noncommissioned, each took an oath, lived by a code, and stood ready to fight and die for their country.

(5) American men and women in uniform risk their lives on a daily basis to defend our freedom and democracy. Americans have always believed that there are values worth fighting for—values and liberties upon which America was founded and which we have carried forward for more than 225 years, that men and women of this great nation gave their lives to preserve.

(6) It is the sacrifice borne by generations of American veterans that has made us strong and has rendered us the beacon of nations throughout the world. American veterans have fought for freedom for Americans, as well as citizens throughout the world. They have helped to defend and preserve the values of freedom of speech, democracy, voting rights, human rights, equal access and the rights of the individual—those values felt and nurtured on every continent in our world.

(7) The freedoms and opportunities we enjoy today were bought and paid for with

their devotion to duty and their sacrifices. We can never say it too many times: We are the benefactors of their sacrifice, and we are grateful.

(8) Of the 25,000,000 veterans currently alive, nearly three of every four served during a war or an official period of hostility. About a quarter of the Nation's population—approximately 70,000,000 people—are potentially eligible for Veterans' Administration benefits and services because they are veterans, family members or survivors of veterans.

(9) The present veteran population is estimated at 25,600,000, as of July 1, 1997. Nearly 80 of every 100 living veterans served during defined periods of armed hostilities. Altogether, almost one-third of the nation's population—approximately 70,000,000 persons who are veterans, dependents and survivors of deceased veterans—are potentially eligible for Veterans' Administration benefits and services.

(10) Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War veteran died in 1911; the War of 1812's last dependent died in 1946; the Mexican War's, in 1962.

(11) The Veterans' Administration health care system has grown from 54 hospitals in 1930, to include 171 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. Veterans' Administration health care facilities provide a broad spectrum of medical, surgical, and rehabilitative care.

(12) World War II resulted in not only a vast increase in the veteran population, but also in large number of new benefits enacted by the Congress for veterans of the war. The World War II GI Bill, signed into law on June 22, 1944, is said to have had more impact on the American way of life than any law since the Homestead Act more than a century ago.

(13) About 2,700,000 veterans receive disability compensation or pensions from VA. Also receiving Veterans' Administration benefits are 592,713 widows, children and parents of deceased veterans. Among them are 133,881 survivors of Vietnam era veterans and 295,679 survivors of World War II veterans. In fiscal year 2001, Veterans' Administration planned to spend $22,000,000,000 yearly in disability compensation, death compensation and pension to 3,200,000 people.

(14) Veterans' Administration manages the largest medical education and health professions training program in the United States. Veterans' Administration facilities are affiliated with 107 medical schools, 55 dental schools and more than 1,200 other schools across the country. Each year, about 85,000 health professionals are trained in Veterans' Administration medical centers. More than half of the physicians practicing in the United States have had part of their professional education in the Veterans' Administration health care system.

(15) 75 percent of Veterans' Administration researchers are practicing physicians. Because of their dual roles, Veterans' Administration research often immediately benefits patients. Functional electrical stimulation, a technology using controlled electrical current to activate paralyzed muscles, is being developed at Veterans' Administration clinical facilities and laboratories throughout the country. Through this technology, paraplegic patients have been able to stand and, in some instances, walk short distances and climb stairs. Patients with quadriplegia are able to use their hands to grasp objects.

(16) There are more than 35,000,000 persons in the United States aged 65 and over.

(17) Seniors are a diverse population, each member having his or her own political and economic issues.

(18) Seniors and their families have many important issues for which they seek congressional action. Some of these issues include, but are not limited to, health care, Social Security, and taxes.

(19) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(20) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(21) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(22) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(23) Citizens who have an interest in issues about or related to veterans, military personnel, seniors, and their families have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(24) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning veterans, military personnel, seniors, and their families to their elected officials and the general public.

(25) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO VETERANS, MILITARY PERSONNEL, OR SENIORS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to veterans, military personnel, or senior citizens, or to the immediate family members of veterans, military personnel, or senior citizens.

H.R. 2356

OFFERED BY:

[Armey Substitute]

AMENDMENT NO. 39: Amend section 402 to read as follows:

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect February 14, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a) which remain unexpended as of such date, the committee shall return the funds on a pro rata basis to the persons who provided the funds to the committee.

H.R. 2356

OFFERED BY:

[Armey Substitute]

AMENDMENT NO. 40: Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Workers, Farmers, Families, and Individuals

SEC. 221. FINDINGS.

Congress finds the following:

(1) There are approximately 138 million people employed in the United States.

(2) Thousands of organizations and associations represent these employed persons and their employers in numerous forms and forums, not least of which is by participating in our electoral and political system in a number of ways, including informing citizens of key votes that affect their common interests, criticizing and praising elected officials for their position on issues, contributing to candidates and political parties, registering voters, and conducting get-out-the-vote activities.

(3) The rights of American workers to bargain collectively are protected by their First Amendment to the Constitution and by provisions in the National Labor Relations Act. Federal law guarantees the rights of workers to choose whether to bargain collectively through a union.

(4) Fourteen percent of the American workforce has chosen to affiliate with a

labor union. Federal law allows workers and unions the opportunity to combine strength and to work together to seek to improve the lives of America's working families, bring fairness and dignity to the workplace and secure social and economic equity in our nation.

(5) Nearly three quarters of all United States business firms have no payroll. Most are self-employed persons operating unincorporated businesses, and may or may not be the owner's principal source of income.

(6) Minorities owned fewer than 7 percent of all United States firms, excluding C corporations, in 1982, but this share soared to about 15 percent by 1997. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(7) In 1999, women made up 46 percent of the labor force. The labor force participation rate of American women was the highest in the world.

(8) Labor/Worker unions represent 16 million working women and men of every race and ethnicity and from every walk of life.

(9) In recent years, union members and their families have mobilized in growing numbers. In the 2000 election, 26 percent of the nation's voters came from union households.

(10) According to the 2000 census, total United States families were totaled at over 105 million.

(11) In 2000, there were 8.7 million African American families.

(12) Asians have larger families than other groups. For example, the average Asian family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(13) American farmers, ranchers, and agricultural managers direct the activities of the world's largest and most productive agricultural sectors. They produce enough food and fiber to meet the needs of the United States and produce a surplus for export.

(14) About 17 percent of raw United States agricultural products are exported yearly, including 83 million metric tons of cereal grains, 1.6 billion pounds of poultry, and 1.4 million metric tons of fresh vegetables.,

(15) One-fourth of the world's beef and nearly one-fifth of the world's grain, milk, and eggs are produced in the United States.

(16) With 96 percent of the world's population living outside our borders, the world's most productive farmers need access to international markets to compete.

(17) Every State benefits from the income generated from agricultural exports. 19 States have exports of $1 billion or more.

(18) America's total on United States exports is $49.1 billion and the number of imports is $37.5 billion.

(19) By itself, farming—production agriculture—contributed $60.4 billion toward the national GDP (Gross Domestic Product).

(20) Farmers and ranchers provide food and habitat for 75 percent of the Nation's wildlife.

(21) More than 23 million jobs—17 percent of the civilian workforce—are involved in some phase of growing and getting our food and clothing to us. America now has fewer farmers, but they are producing now more than ever before.

(22) Twenty-two million American workers process, sell, and trade the Nation's food and fiber. Farmers and ranchers work with the Department of Agriculture to produce healthy crops while caring for soil and water.

(23) By February 8, the 39th day of 2002, the average American has earned enough to pay for their family's food for the entire year. In 1970 it took 12 more days than it does now to earn a full food pantry for the year. Even in 1980 it took 10 more days—49 total days—of earning to put a year's supply of food on the table.

(24) Farmers are facing the 5th straight year of the lowest real net farm income since the Great Depression. Last October, prices farmers received made their sharpest drop since United States Department of Agriculture began keeping records 91 years ago. During this same period the cost of production has hit record highs.

(25) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(26) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(27) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(28) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(29) Citizens who have an interest in issues about or related to their lives have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(30) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy.

(31) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO WORKERS, FARMERS, FAMILIES, AND INDIVIDUALS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to any individual.

H.R. 2356

OFFERED BY: ____

[Armey Substitute]

AMENDMENT NO. 41: Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Civil Rights and issues affecting minorities.

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 70 million people in the United States belong to a minority race.

(2) More than 34 million people in the United States are African American, 35 million are Hispanic or Latino, 10 million are Asian, and 2 million are American Indian or Alaska Native.

(3) Minorities account for around 24 percent of the U.S. workforce.

(4) Minorities, who owned fewer than 7 percent of all U.S. firms in 1982, now own more than 15 percent. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(5) Self-employment as a share of each group's nonagricultural labor force (averaged over the 1991-1999 decade) was White, 9.7 percent; African American, 3.8 percent; American Indian, Eskimo, or Aleut, 6.4 percent; and Asian or Pacific Islander, 10.1 percent.

(6) Of U.S. businesses, 5.8 percent were owned by Hispanic Americans, 4.4 percent by Asian Americans, 4.0 percent by African Americans, and 0.9 percent by American Indians.

(7) Of the 4,514,699 jobs in minority-owned businesses in 1997, 48.8 percent were in Asian-owned firms, 30.8 percent in Hispanic-owned firms, 15.9 percent in African American-owned firms, and 6.6 percent in American Native-owned firms.

(8) Minority-owned firms had about $96 billion in payroll in 1997. The average payroll per employee was roughly $21,000 in the major minority groups and ranged from just under $15,000 to just over $27,000 in various subgroups of the minority population.

(9) African Americans were the only race or ethnic group to show an increase in voter participation in congressional elections, increasing their presence at the polls from 37

percent in 1994 to 40 percent in 1998. Nationwide, overall turnout by the voting-age population was down from 45 percent in 1994 to 42 percent in 1998.

(10) In 2000, there were 8.7 million African American families. The United States had 96,000 African American engineers, 41,000 African American physicians and 47,000 African American lawyers in 1999.

(11) The number of Asians and Pacific Islanders voting in congressional elections increased by 366,000 between 1994 and 1998.

(12) Businesses owned by Asians and Pacific Islanders made up 4 percent of the nation's 20.8 million nonfarm businesses.

(13) Asians tend to have larger families—the average family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(14) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(15) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(16) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(17) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(18) Citizens who have an interest in issues about or related to civil rights have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(19) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning civil rights to their elected officials and the general public.

(20) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO CIVIL RIGHTS AND ISSUES AFFECTING MINORITIES.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to civil rights.

H.R. 2356

OFFERED BY:

[Armey Substitute]

AMENDMENT NO. 42: Add at the end the following title:

TITLE VI—NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS

SEC. 601. FINDINGS.

Congress finds the following:

(1) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances."

(2) The First Amendment affords the broadest protection to such political expression in order "to assure [the] unfettered interchange of ideas for the bringing about of political and social changes desired by the people. *Roth v. United States*, 354 U.S. 476, 484 (1957).

(3) According to *Mills v. Alabama*, 384 U.S. 214, 218 (1966), there is practically universal agreement that a major purpose of that Amendment was to protect the free discussion of governmental affairs, ". . . of course including[ing] discussions of candidates . . .".

(4) According to *New York Times Co. v. Sullivan*, 376 U.S. 254, 270 (1964), the First Amendment reflects our "profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open". In a republic where the people are sovereign, the ability of the citizenry to make informed choices among candidates for office is essential, for the identities of those who are elected will inevitably shape the course that we follow as a nation.

(5) The First Amendment protects political association as well as political expression. The constitutional right of association explicated in *NAACP v. Alabama*, 357 U.S. 449, 460 (1958), stemmed from the Court's recognition that "[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association." Subsequent decisions have made clear that the First and Fourteenth Amendments guarantee "freedom to associate with others for the common advancement of political beliefs and ideas," a freedom that encompasses " '[t]he right to associate with the political party of one's choice.' " *Kusper v. Pontikes*, 414 U.S. 51, 56, 57, quoted in *Cousins v. Wigoda*, 419 U.S. 477, 487 (1975).

(6) In *Buckley v. Valeo*, the Supreme Court stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(7) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(8) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(9) The courts of the United States have consistently reaffirmed and applied the teachings of *Buckley*, striking down such government overreaching. The courts of the United States have consistently upheld the rights of the citizens of the United States, candidates for public office, political parties, corporations, labor unions, trade associations, non-profit entities, among others. Such decisions provide a very clear line as to what the government can and cannot do with respect to the regulation of campaigns. See *Federal Election Comm'n v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238 (1986); *Federal Election Comm'n v. National Conservative Political Action Comm.*, 470 U.S. 480 (1985); *California Medical Assn. V. Federal Election Comm'n*, 453 U.S. 182 (1981).

(10) The FEC has lost time and time again in court attempting to move away from the express advocacy bright line test of *Buckley v. Valeo*. In fact, in some cases, the FEC has had to pay fees and costs because the theory is frivolous. *See FEC v. Christian Action Network*, 110 F.3d 1049 (4th Cir. 1997), *aff'g* 894 F. Supp. 946 (W.D.Va. 1995); *Maine Right to Life Comm. v. FEC*, 914 F. Supp. 8 (D.Me. 1996), aff'd 98 F.3d 1 (1st Cir. 1996), *cert. denied*, 118 S. Ct. 52 (1997); *Clifton v. FEC*, 114 F.3d 1309

(1st Cir. 1997); *Faucher v. FEC*, 928 F.2d 468, 472 (1st Cir.), *cert. denied*, 502 U.S. 820 (1991); *FEC v. Colorado Republican Federal Campaign Comm.*, 839 F. Supp. 1448 (D. Co.), *rev'd on other grounds*, 59 F.3d 1015 (10th Cir.), vacated on other grounds, 116 S. Ct. 2309 (1996); *FEC v. Central Long Island Tax Reform Immediately Comm.*, 616 F.2d 45, 53 (2d Cir. 1980); *Minnesota Citizens Concerned for Life, Inc. v. FEC*, 936 F. Supp. 633 (D. Minn. 1996), *aff'd* 113 F.3d 129 (8th Cir. 1997), *reh'g. en banc denied*, 1997 U.S. App. LEXIS 17528; *West Virginians for Life, Inc. v. Smith*, 960 F. Supp. 1036, 1039 (S.D.W.Va. 1996); *FEC v. Survival Education Fund*, 1994 U.S. Dist. Lexis 210 (S.D.N.Y. 1994), *aff'd in part and rev'd in part*, 65 F.3d 285 (2nd Cir. 1995); *FEC v. National Organization for Women*, 713 F. Supp. 428, 433–34 (D.D.C. 1989); *FEC v. American Federation of State, County and Municipal Employees*, 471 F. Supp. 315, 316–17 (D.D.C. 1979). Even the FEC abandoned the "electioneering communication" standard soon after the 1996 election due to its vagueness.

(11) The courts have also repeatedly upheld the rights of political party committees. As Justice Kennedy noted; "The central holding in *Buckley v. Valeo* is that spending money on one's own speech must be permitted, and that this is what political parties do when they make expenditures FECA restricts." *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 627 (1996) (J. Kennedy, concurring). Justice Thomas added: "As applied in the specific context of campaign funding by political parties, the anticorruption rationale loses its force. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 105–106 (1987). What could it mean for a party to 'corrupt' its candidates or to exercise 'coercive' influence over him? The very aim of a political party is to influence its candidate's stance on issues and, if the candidate takes office or is reelected, his votes. When political parties achieve that aim, that achievement does not, in my view, constitute 'a subversion of the political process.' *Federal Election Comm'n v. NCPAC*, 470 U.S. at 497. For instance, if the Democratic Party spends large sums of money in support of a candidate who wins, takes office, and then implements the Party's platform, that is not corruption; that is successful advocacy of ideas in the political marketplace and representative government in a party system. To borrow a phrase from *Federal Election Comm'n v. NCPAC*, 'the fact that candidates and elected officials may alter or reaffirm their own positions on issues in response to political messages paid for by [political groups] can hardly be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.' *Id.* at 498. Cf. *Federal Election Comm'n v. MCFL*, 479 U.S. at 263 (suggesting that '[v]oluntary political associations do not . . . present the specter of corruption').". *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 647 (1996) (J. Thomas, concurring). Justice Thomas continued: "The structure of political parties is such that the theoretical danger of those groups actually engaging in quid pro quos with candidates is significantly less than the threat of individuals or other groups doing so. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 97–98 (1987) (citing F. Sorauf, *Party Politics in America* 15–18 (5th ed. 1984)). American political parties, generally speaking, have numerous members with a wide variety of interests, features necessary for success in majoritarian elections. Consequently, the influence of any one person or the importance of any single issue within a political party is significantly diffused. For this reason, as the Party's amici argue, see Brief for Committee for Party Renewal et al. as Amicus Curiae 16, campaign funds donated by parties are considered to be some of 'the cleanest money in politics.' J. Bibby, *Campaign Finance Reform*, 6 Commonsense 1, 10 (Dec. 1983). And, as long as the Court continues to permit Congress to subject individuals to limits on the amount they can give to parties, and those limits are uniform as to all donors, *see* 2 U.S.C. section 441a(a)(1), there is little risk that an individual donor could use a party as a conduit for bribing candidates. *Id.*".

(12) As recently as 2000, the Supreme Court reminded us once again of the vital role that political parties play on our democratic life, by serving as the primary vehicles for the political views and voices of millions and millions of Americans. "Representative democracy in any populous unit of governance is unimaginable without the ability of citizens to band together in promoting the electoral candidates who espouse their political views. The formation of national political parties was almost concurrent with the formation of the Republic itself." *California Democratic Party v. Jones*, 530 U.S. 567 (2000). Moreover, just last year, a Federal court struck down a state law that included a so-called "soft money ban," which in reality was a ban on corporate and union contributions to political parties—which as a factual matter is correct. The *Anchorage Daily News* reported:

(13) A Federal judge says corporations and unions have a constitutional right to give unlimited amounts of "soft money" to political parties, so long as none of the money is used to get specific candidates elected. In a decision dated June 11, U.S. District Judge James Singleton struck down a section of Alaska's 1997 political contributions law that barred corporations, unions and other businesses from contributing any money to political candidates or parties. The ban against corporate contributions to individual candidates is fine, Singleton said. Public concern about the corrupting influence or corporate contributions on a specific candidate is legitimate and important enough to somewhat limit freedom of speech and political association, the judge concluded. But contributions to the noncandidate work of a political party do not raise undue influence issues and therefore may not be restricted, the judge concluded.

(14) Sheila Toomey, *Anchorage Daily News* (June 14, 2001) (reporting on *Kenneth P. Jacobus, et al. vs. State of Alaska, et al.*, No. A97-0272 (D. Alaska filed June 11, 2001).

(15) Nor is speech any less protected by the First Amendment simply because the one making the speech contacted or communicated with others. For some time, the Federal Election Commission held the view that such "coordination" (an undefined term), even of communications that did not contain express advocacy, somehow was problematic, and subject to the limitations and prohibitions of the Act. This view has been rejected by the courts. *Federal Election Commission v. Christian Coalition*, 52 F. Supp. 2d 45 (D.D.C. 1999). In fact, lower Federal courts have held that even political party committee limits on coordinated expenditures are an unconstitutional restriction on speech. *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 213 F.3d 1221 (10th Cir. 2000). Unless a party committee's expenditure is the functional equivalent of a contribution (and thus not "coordinated"), it cannot be limited. See Federal Election Commission v. Colo. Republican Fed. Campaign Comm., 150 L.Ed.2d 461, nt. 17, nt. 2 (J. Thomas, dissenting) (2001). As a factual matter, many party committee "coordinated" expenditures are not the functional equivalent of contributions. *See* Amicus Curie Brief of the National Republican Congressional Committee, *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 150 L.Ed.2d 461 (2001).

(16) Commentators, legal experts and testimony in the record echoes the need to be mindful of the First Amendment. Whether it is the American Civil Liberties Union, see March 10, 2001 ACLU Letter to Senate (and all cases cited therein) & June 14, 2001 ACLU testimony before the House Administration Committee (and cases cited therein), or the counsel to the National Right to Life Committee and the Christian Coalition, see June 14, 2001 testimony of James Bopp before the House Administration Committee (and cases cited therein), experts across the political spectrum have thoughtfully explained the need to ensure the First Amendment rights of citizens of this country.

(17) Citizens who have an interest in issues have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communication in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(18) This Act contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues to their elected officials and the general public.

(19) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 602. NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS.

Notwithstanding any provision of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of people to peaceably assemble, and to petition the government for a redress of grievances, consistent with the rulings of the courts of the United States (as provided in section 601).

H.R. 2356

OFFERED BY:

[Armey Substitute]

AMENDMENT NO. 43: Amend section 323(b) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—An amount that is expended or disbursed for Federal election activity by a

State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

Amend section 323(e)(3) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

Amend section 304(e)(2) of the Federal Election Campaign Act of 1971, as proposed to be added by section 103(a) of the bill, to read as follows:

"(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b) applies shall report all receipts and disbursements made for activities described in section 301(20)(A), unless the aggregate amount of such receipts and disbursements during the calendar year is less than $5,000.

H.R. 2356

OFFERED BY: ____

[Armey Substitute]

AMENDMENT NO. 44: Add at the end the following:

TITLE ____—STRENGTHENING FOREIGN MONEY BAN

SEC. ____. STRENGTHENING FOREIGN MONEY BAN.

(a) BANNING ALL DONATIONS TO CANDIDATES AND PARTIES.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: "CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS"; and

(2) by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—It shall be unlawful for—

"(1) a foreign national, directly or indirectly, to make—

"(A) a contribution or donation of money or other thing of value, or to make an express or implied promise to make a contribution or donation, in connection with a Federal, State, or local election; or

"(B) a contribution or donation to a committee of a political party; or

"(2) a person to solicit, accept, or receive a contribution or donation described in subparagraph (A) or (B) of paragraph (1) from a foreign national.".

(b) EXTENSION OF BAN IN FEDERAL ELECTIONS TO ALL NONCITIZENS.—Section 319(b)(2) of such Act (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: ", or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).".

H.R. 2356

OFFERED BY: MR. NEY

[Ney Substitute]

AMENDMENT NO. 45: Amend section 301(20) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(20) FEDERAL ELECTION ACTIVITY.—

"(A) IN GENERAL.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

"(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

"(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

"(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

"(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

"(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

"(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

"(iii) the costs of a State, district, or local political convention; and

"(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

In section 402(b), strike "At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility." and insert the following: "At no time after such effective date may the committee spend any such funds for activities to defray the costs of the construction or purchase of any office building or facility.".

H.R. 2356

OFFERED BY: MR. NEY

[Ney Substitute]

AMENDMENT NO. 46: Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Campaign Reform and Citizen Participation Act of 2002".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—SOFT MONEY OF NATIONAL PARTIES

Sec. 101. Restrictions on soft money of national political parties.

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

Sec. 201. Increase in limits on certain contributions.
Sec. 202. Increase in limits on contributions to State parties.
Sec. 203. Treatment of contributions to national party under aggregate annual limit on individual contributions.
Sec. 204. Exemption of costs of volunteer campaign materials produced and distributed by parties from treatment as contributions and expenditures.
Sec. 205. Indexing.
Sec. 206. Permitting national parties to establish accounts for making expenditures in excess of limits on behalf of candidates facing wealthy opponents.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

Sec. 301. Disclosure of information on communications broadcast prior to election.
Sec. 302. Disclosure of information on targeted mass communications.

TITLE IV—EFFECTIVE DATE

Sec. 401. Effective date.

TITLE I—SOFT MONEY OF NATIONAL PARTIES

SEC. 101. RESTRICTIONS ON SOFT MONEY OF NATIONAL POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"SOFT MONEY OF NATIONAL POLITICAL PARTIES

"SEC. 323. (a) PROHIBITING USE OF SOFT MONEY FOR FEDERAL ELECTION ACTIVITY.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value for Federal election activity, or spend any funds for Federal election activity, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(b) LIMIT ON AMOUNT OF NONFEDERAL FUNDS PROVIDED TO PARTY BY ANY PERSON FOR ANY PURPOSE.—

"(1) LIMIT ON AMOUNT.—No person shall make contributions, donations, or transfers of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party in any calendar year in an aggregate amount equal to or greater than $20,000.

"(2) PROHIBITING PROVISION OF NONFEDERAL FUNDS BY INDIVIDUALS.—No individual may make any contribution, donation, or transfer of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party.

"(c) APPLICABILITY.— This subsection shall apply to any political committee established and maintained by a national political party, any officer or agent of such a committee acting on behalf of the committee, and any entity that is directly or indirectly established, maintained, or controlled by such a national committee.

"(d) DEFINITIONS.—

"(1) FEDERAL ELECTION ACTIVITY.—

"(A) IN GENERAL.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election, unless the activity constitutes generic campaign activity;

"(ii) voter identification or get-out-the-vote activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot), unless the activity constitutes generic campaign activity;

"(iii) any public communication that refers to or depicts a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

"(iv) any public communication made by means of any broadcast, cable, or satellite communication.

"(B) EXCEPTION FOR CERTAIN ADMINISTRATIVE ACTIVITIES.—The term 'Federal election activity' does not include any activity relating to establishment, administration, or solicitation costs of a political committee established and maintained by a national political party, so long as the funds used to carry out the activity are derived from funds or payments made to the committee which are segregated and used exclusively to defray the costs of such activities.

"(2) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means any activity that does not mention, depict, or otherwise promote a clearly identified Federal candidate.

"(3) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, or direct mail.

"(4) DIRECT MAIL.—The term 'direct mail' means a mailing by a commercial vendor or any mailing made from a commercial list.".

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

SEC. 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS.

(a) CONTRIBUTIONS BY COMMITTEES TO NATIONAL PARTIES.—Section 315(a)(2)(B) of such Act (2 U.S.C. 441a(a)(2)(B)) is amended by striking "$15,000" and inserting "$30,000".

(b) AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking "$25,000" and inserting "$37,500".

SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS TO STATE PARTIES.

(a) CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.".

(b) CONTRIBUTIONS BY COMMITTEES.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.".

SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONAL PARTY UNDER AGGREGATE ANNUAL LIMIT ON INDIVIDUAL CONTRIBUTIONS.

Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441(a)(3)) is amended—

(1) by striking "(3)" and inserting "(3)(A)"; and

(2) by adding at the end the following new subparagraph:

"(B) Subparagraph (A) shall not apply with respect to any contribution made to any political committee established and maintained by a national political party which is not the authorized political committee of any candidate.".

SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER CAMPAIGN MATERIALS PRODUCED AND DISTRIBUTED BY PARTIES FROM TREATMENT AS CONTRIBUTIONS AND EXPENDITURES.

(a) TREATMENT AS CONTRIBUTIONS.—Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking "a State or local committee of a political party of the costs of" and inserting "a national, State, or local committee of a political party of the costs of producing and distributing".

(b) TREATMENT AS EXPENDITURES.—Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking "a State or local committee of a political party of the costs of" and inserting "a national, State, or local committee of a political party of the costs of producing and distributing".

SEC. 205. INDEXING.

Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting "(A)" before "At the beginning"; and

(C) by adding at the end the following:

"(B) Except as provided in subparagraph (C), in any calendar year after 2002—

"(i) a limitation established by subsections (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

"(ii) each amount so increased shall remain in effect for the calendar year; and

"(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

"(C) In the case of limitations under subsections (a) and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election."; and

(2) in paragraph (2)(B), by striking "means the calendar year 1974" and inserting "means—

"(i) for purposes of subsections (b) and (d), calendar year 1974; and

"(ii) for purposes of subsections (a) and (h), calendar year 2001".

SEC. 206. PERMITTING NATIONAL PARTIES TO ESTABLISH ACCOUNTS FOR MAKING EXPENDITURES IN EXCESS OF LIMITS ON BEHALF OF CANDIDATES FACING WEALTHY OPPONENTS.

(a) ESTABLISHMENT OF ACCOUNTS.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following new paragraph:

"(4)(A) Subject to subparagraph (B), the national committee of a political party may make expenditures in connection with the general election campaign of a candidate for Federal office (other than a candidate for President) who is affiliated with such party in an amount in excess of the limit established under paragraph (3) if—

"(i) the candidate's opponent in the general election campaign makes expenditures of personal funds in connection with the campaign in an amount in excess of $100,000 (as provided in the notifications submitted under section 304(a)(6)(B)); and

"(ii) the expenditures are made from a separate account of the party used exclusively for making expenditures pursuant to this paragraph.

"(B) The amount of expenditures made in accordance with subparagraph (A) by the national committee of a political party in connection with the general election campaign of a candidate may not exceed the amount of expenditures of personal funds made by the candidate's opponent in connection with the campaign (as provided in the notifications submitted under section 304(a)(6)(B)).".

(b) WAIVER OF LIMITS ON CONTRIBUTIONS TO ACCOUNTS.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

"(9) The limitations imposed by paragraphs (1)(B), (2)(B), and (3) shall not apply with respect to contributions made to the national committee of a political party which are designated by the donor to be deposited solely into the account established by the party under subsection (d)(4).".

(c) NOTIFICATION OF EXPENDITURES OF PERSONAL FUNDS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following new subparagraph:

"(B)(i) The principal campaign committee of a candidate (other than a candidate for President) shall submit the following notifications relating to expenditures of personal funds by such candidate (including contributions by the candidate or the candidate's spouse to such committee and funds derived from loans made by the candidate or the candidate's spouse to such committee):

"(I) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended (or contributed) with respect to an election exceeds $100,000.

"(II) After the notification is made under subclause (I), a notification of each such subsequent expenditure (or contribution) which, taken together with all such subsequent expenditures (and contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

"(ii) Each of the notifications submitted under clause (i)—

"(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made;

"(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved; and

"(III) shall include the total amount of all such expenditures and contributions made with respect to the same election as of the date of expenditure or contribution which is the subject of the notification.".

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

SEC. 301. DISCLOSURE OF INFORMATION ON COMMUNICATIONS BROADCAST PRIOR TO ELECTION.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

"(e) Disclosure of Information on Certain Communications Broadcast Prior to Elections.—

"(1) In general.—Any person who makes a disbursement for a communication described in paragraph (3) shall, not later than 24 hours after making the disbursement, file with the Commission a statement containing the information required under paragraph (2).

"(2) Contents of statement.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

"(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

"(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

"(C) The amount of the disbursement.

"(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

"(E) The text of the communication involved.

"(3) Communications described.—

"(A) In general.—A communication described in this paragraph is any communication—

"(i) which is disseminated to the public by means of any broadcast, cable, or satellite communication during the 120-day period ending on the date of a Federal election; and

"(ii) which mentions a clearly identified candidate for such election (by name, image, or likeness).

"(B) Exception.—A communication is not described in this paragraph if—

"(i) the communication appears in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

"(ii) the communication constitutes an expenditure under this Act.

"(4) Coordination with other requirements.—Any requirement to file a statement under this subsection shall be in addition to any other reporting requirement under this Act.

"(5) Clarification of treatment of vendors.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.".

SEC. 302. DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 301, is further amended by adding at the end the following new subsection:

"(f) Disclosure of Information on Targeted Mass Communications.—

"(1) In general.—Any person who makes a disbursement for targeted mass communications in an aggregate amount in excess of $50,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

"(2) Contents of statement.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

"(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

"(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

"(C) The amount of each such disbursement of more than $200 made by the person during the period covered by the statement and the identification of the person to whom the disbursement was made.

"(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

"(E) The text of the communication involved.

"(3) Targeted mass communication defined.—

"(A) In general.—In this subsection, the term 'targeted mass communication' means any communication—

"(i) which is disseminated during the 120-day period ending on the date of a Federal election;

"(ii) which refers to or depicts a clearly identified candidate for such election (by name, image, or likeness); and

"(iii) which is targeted to the relevant electorate.

"(B) Targeting to relevant electorate.—

"(i) Broadcast communications.—For purposes of this paragraph, a communication disseminated to the public by means of any broadcast, cable, or satellite communication which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication is disseminated by a broadcaster whose audience includes—

"(I) a substantial number of residents of the district the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

"(II) a substantial number of residents of the State the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Senator.

"(ii) Other communications.—For purposes of this paragraph, a communication which is not described in clause (i) which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if—

"(I) more than 10 percent of the total number of intended recipients of the communication are members of the electorate involved with respect to such Federal office; or

"(II) more than 10 percent of the total number of members of the electorate involved with respect to such Federal office receive the communication.

"(C) Exceptions.—The term 'targeted mass communication' does not include—

"(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

"(ii) a communication made by any membership organization (including a labor organization) or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office; or

"(iii) a communication which constitutes an expenditure under this Act.

"(4) Disclosure date.—For purposes of this subsection, the term 'disclosure date' means—

"(A) the first date during any calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000; and

"(B) any other date during such calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000 since the most recent disclosure date for such calendar year.

"(5) Coordination with other requirements.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

"(6) Clarification of treatment of vendors.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.".

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

H.R. 2356

Offered By:

[Ney substitute]

Amendment No. 47: Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to the Second Amendment of the Constitution

SEC. 221. FINDINGS.

Congress finds the following:

(1) The Second Amendment to the United States Constitution protects the right of individual persons to keep and bear arms.

(2) There are more than 60,000,000 gun owners in the United States.

(3) The Second Amendment to the Constitution of the United States protects the right of Americans to carry firearms in defense of themselves and others.

(4) The United States Court of Appeals in *U.S. v. Emerson* reaffirmed the fact that the

right to keep and bear arms is an individual right protected by the Constitution.

(5) Americans who are concerned about threats to their ability to keep and bear arms have the right to petition their government.

(6) The Supreme Court, in *U.S. v. Cruikshank* (92 U.S. 542, 1876) recognized that the right to arms preexisted the Constitution. The Court stated that the right to arms "is not a right granted by the Constitution. Neither is it in any manner dependent upon that instrument for its existence.".

(7) In *Beard v. United States* (158 U.S. 550, 1895) the Court approved the common-law rule that a person "may repel force by force" in self-defense, and concluded that when attacked a person "was entitled to stand his ground and meet any attack made upon him with a deadly weapon, in such a way and with such force" as needed to prevent "great bodily injury or death". The laws of all 50 states, and the constitutions of most States, recognize the right to use armed force in self-defense.

(8) In order to protect Americans' constitutional rights under the Second Amendment, the First Amendment provides the ability for citizens to address the Government.

(9) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(10) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(11) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(12) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(13) Citizens who have an interest in issues about or related to the Second Amendment of the Constitution have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(14) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning the right to keep and bear arms to their elected officials and the general public.

(15) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO THE SECOND AMENDMENT OF THE CONSTITUTION.

None of the restrictions or requirements contained in this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any person who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to the Second Amendment.

[Ney Substitute] Offered By: ____

AMENDMENT NO. 48: Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Veterans, Military Personnel, or Seniors

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 42,000,000 men and women have served in the United States Armed Forces from the Revolution onward and more than 25 million are still living. Living veterans and their families, plus the living dependents of deceased veterans, constitute a significant part of the present United States population.

(2) American veterans are black and they are white; they are of every race and ethnic heritage. They are men, and they are women. They are Christians, they are Muslims, they are Jews. They are fathers, mothers, sisters, brothers, sons and daughters. They are neighbors, down the street or right next door. They are teachers in our schools, they are factory workers. They are Americans living today who served in the armed services, and they are the more than 1,000,000 who have died in America's wars.

(3) America's veterans are men and women who have fought to protect the United States against foreign aggressors as Soldiers, Sailors, Airmen, Coast Guardsmen and Marines. The members of our elite organization are those who have discharged their very special obligation of citizenship as servicemen and women, and who today continue to expend great time, effort and energy in the service of their fellow veterans and their communities.

(4) There is a bond joining every veteran from every branch of the service. Whether drafted or enlisted, commissioned or noncommissioned, each took an oath, lived by a code, and stood ready to fight and die for their country.

(5) American men and women in uniform risk their lives on a daily basis to defend our freedom and democracy. Americans have always believed that there are values worth fighting for—values and liberties upon which America was founded and which we have carried forward for more than 225 years, that men and women of this great nation gave their lives to preserve.

(6) It is the sacrifice borne by generations of American veterans that has made us strong and has rendered us the beacon of freedom guiding the course of nations throughout the world. American veterans have fought for freedom for Americans, as well as citizens throughout the world. They have helped to defend and preserve the values of freedom of speech, democracy, voting rights, human rights, equal access and the rights of the individual—those values felt and nurtured on every continent in our world.

(7) The freedoms and opportunities we enjoy today were bought and paid for with their devotion to duty and their sacrifices. We can never say it too many times: We are the benefactors of their sacrifice, and we are grateful.

(8) Of the 25,000,000 veterans currently alive, nearly three of every four served during a war or an official period of hostility. About a quarter of the Nation's population—approximately 70,000,000 people—are potentially eligible for Veterans' Administration benefits and services because they are veterans, family members or survivors of veterans.

(9) The present veteran population is estimated at 25,600,000, as of July 1, 1997. Nearly 80 of every 100 living veterans served during defined periods of armed hostilities. Altogether, almost one-third of the nation's population-approximately 70,000,000 persons who are veterans, dependents and survivors of deceased veterans—are potentially eligible for Veterans' Administration benefits and services.

(10) Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War veteran died in 1911; the War of 1812's last dependent died in 1946; the Mexican War's, in 1962.

(11) The Veterans' Administration health care system has grown from 54 hospitals in 1930, to include 171 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. Veterans' Administration health care facilities provide a broad spectrum of medical, surgical, and rehabilitative care.

(12) World War II resulted in not only a vast increase in the veteran population, but also in large number of new benefits enacted by the Congress for veterans of the war. The World War II GI Bill, signed into law on June 22, 1944, is said to have had more impact on the American way of life than any law since the Homestead Act more than a century ago.

(13) About 2,700,000 veterans receive disability compensation or pensions from VA. Also receiving Veterans' Administration benefits are 592,713 widows, children and parents of deceased veterans. Among them are 133,881 survivors of Vietnam era veterans and 295,679 survivors of World War II veterans. In

fiscal year 2001, Veterans' Administration planned to spend $22,000,000,000 yearly in disability compensation, death compensation and pension to 3,200,000 people.

(14) Veterans' Administration manages the largest medical education and health professions training program in the United States. Veterans' Administration facilities are affiliated with 107 medical schools, 55 dental schools and more than 1,200 other schools across the country. Each year, about 85,000 health professionals are trained in Veterans' Administration medical centers. More than half of the physicians practicing in the United States have had part of their professional education in the Veterans' Administration health care system.

(15) 75 percent of Veterans' Administration researchers are practicing physicians. Because of their dual roles, Veterans' Administration research often immediately benefits patients. Functional electrical stimulation, a technology using controlled electrical current to activate paralyzed muscles, is being developed at Veterans' Administration clinical facilities and laboratories throughout the country. Through this technology, paraplegic patients have been able to stand and, in some instances, walk short distances and climb stairs. Patients with quadriplegia are able to use their hands to grasp objects.

(16) There are more than 35,000,000 persons in the United States aged 65 and over.

(17) Seniors are a diverse population, each member having his or her own political and economic issues.

(18) Seniors and their families have many important issues for which they seek congressional action. Some of these issues include, but are not limited to, health care, Social Security, and taxes.

(19) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(20) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(21) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(22) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(23) Citizens who have an interest in issues about or related to veterans, military personnel, seniors, and their families have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(24) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning veterans, military personnel, seniors, and their families to their elected officials and the general public.

(25) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO VETERANS, MILITARY PERSONNEL, OR SENIORS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to veterans, military personnel, or senior citizens, or to the immediate family members of veterans, military personnel, or senior citizens.

H.R. 2356

OFFERED BY:

[Ney Substitute]

AMENDMENT NO. 49: Amend section 402 to read as follows:

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect February 14, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a) which remain unexpended as of such date, the committee shall return the funds on a pro rata basis to the persons who provided the funds to the committee.

H.R. 2356

OFFERED BY:

[Ney Substitute]

AMENDMENT NO. 50: Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Workers, Farmers, Families, and Individuals

SEC. 221. FINDINGS.

Congress finds the following:

(1) There are approximately 138 million people employed in the United States.

(2) Thousands of organizations and associations represent these employed persons and their employers in numerous forms and forums, not least of which is by participating in our electoral and political system in a number of ways, including informing citizens of key votes that affect their common interests, criticizing and praising elected officials for their position on issues, contributing to candidates and political parties, registering voters, and conducting get-out-the-vote activities.

(3) The rights of American workers to bargain collectively are protected by their First Amendment to the Constitution and by provisions in the National Labor Relations Act. Federal law guarantees the rights of workers to choose whether to bargain collectively through a union.

(4) Fourteen percent of the American workforce has chosen to affiliate with a labor union. Federal law allows workers and unions the opportunity to combine strength and to work together to seek to improve the lives of America's working families, bring fairness and dignity to the workplace and secure social and economic equity in our nation.

(5) Nearly three quarters of all United States business firms have no payroll. Most are self-employed persons operating unincorporated businesses, and may or may not be the owner's principal source of income.

(6) Minorities owned fewer than 7 percent of all United States firms, excluding C corporations, in 1982, but this share soared to about 15 percent by 1997. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(7) In 1999, women made up 46 percent of the labor force. The labor force participation rate of American women was the highest in the world.

(8) Labor/Worker unions represent 16 million working women and men of every race and ethnicity and from every walk of life.

(9) In recent years, union members and their families have mobilized in growing numbers. In the 2000 election, 26 percent of the nation's voters came from union households.

(10) According to the 2000 census, total United States families were totaled at over 105 million.

(11) In 2000, there were 8.7 million African American families.

(12) Asians have larger families than other groups. For example, the average Asian family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(13) American farmers, ranchers, and agricultural managers direct the activities of the world's largest and most productive agricultural sectors. They produce enough food and fiber to meet the needs of the United States and produce a surplus for export.

(14) About 17 percent of raw United States agricultural products are exported yearly,

including 83 million metric tons of cereal grains, 1.6 billion pounds of poultry, and 1.4 million metric tons of fresh vegetables.

(15) One-fourth of the world's beef and nearly one-fifth of the world's grain, milk, and eggs are produced in the United States.

(16) With 96 percent of the world's population living outside our borders, the world's most productive farmers need access to international markets to compete.

(17) Every State benefits from the income generated from agricultural exports. 19 States have exports of $1 billion or more.

(18) America's total on United States exports is $49.1 billion and the number of imports is $37.5 billion.

(19) By itself, farming-production agriculture-contributed $60.4 billion toward the national GDP (Gross Domestic Product).

(20) Farmers and ranchers provide food and habitat for 75 percent of the Nation's wildlife.

(21) More than 23 million jobs—17 percent of the civilian workforce—are involved in some phase of growing and getting our food and clothing to us. America now has fewer farmers, but they are producing now more than ever before.

(22) Twenty-two million American workers process, sell, and trade the Nation's food and fiber. Farmers and ranchers work with the Department of Agriculture to produce healthy crops while caring for soil and water.

(23) By February 8, the 39th day of 2002, the average American has earned enough to pay for their family's food for the entire year. In 1970 it took 12 more days than it does now to earn a full food pantry for the year. Even in 1980 it took 10 more days—49 total days—of earning to put a year's supply of food on the table.

(24) Farmers are facing the 5th straight year of the lowest real net farm income since the Great Depression. Last October, prices farmers received made their sharpest drop since United States Department of Agriculture began keeping records 91 years ago. During this same period the cost of production has hit record highs.

(25) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(26) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(27) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(28) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(29) Citizens who have an interest in issues about or related to their lives have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(30) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy.

(31) Candidate campaigns, and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO WORKERS, FARMERS, FAMILIES, AND INDIVIDUALS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to any individual.

H.R. 2356

OFFERED BY:

[Ney Substitute]

AMENDMENT NO. 51: Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Civil Rights and Issues Affecting Minorities

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 70 million people in the United States belong to a minority race.

(2) More than 34 million people in the United States are African American, 35 million are Hispanic or Latino, 10 million are Asian, and 2 million are American Indian or Alaska Native.

(3) Minorities account for around 24 percent of the U.S. workforce.

(4) Minorities, who owned fewer than 7 percent of all U.S. firms in 1982, now own more than 15 percent. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(5) Self-employment as a share of each group's nonagricultural labor force (averaged over the 1991–1999 decade) was White, 9.7 percent; African American, 3.8 percent; American Indian, Eskimo, or Aleut, 6.4 percent; and Asian or Pacific Islander, 10.1 percent.

(6) Of U.S. businesses, 5.8 percent were owned by Hispanic Americans, 4.4 percent by Asian Americans, 4.0 percent by African Americans, and 0.9 percent by American Indians.

(7) Of the 4,514,699 jobs in minority-owned businesses in 1997, 48.8 percent were in Asian-owned firms, 30.8 percent in Hispanic-owned firms, 15.9 percent in African American-owned firms, and 6.6 percent in American Native-owned firms.

(8) Minority-owned firms had about $96 billion in payroll in 1997. The average payroll per employee was roughly $21,000 in the major minority groups and ranged from just under $15,000 to just over $27,000 in various subgroups of the minority population.

(9) African Americans were the only race or ethnic group to show an increase in voter participation in congressional elections, increasing their presence at the polls from 37 percent in 1994 to 40 percent in 1998. Nationwide, overall turnout by the voting-age population was down from 45 percent in 1994 to 42 percent in 1998.

(10) In 2000, there were 8.7 million African American families. The United States had 96,000 African American engineers, 41,000 African American physicians and 47,000 African American lawyers in 1999.

(11) The number of Asians and Pacific Islanders voting in congressional elections increased by 366,000 between 1994 and 1998.

(12) Businesses owned by Asians and Pacific Islanders made up 4 percent of the nation's 20.8 million nonfarm businesses.

(13) Asians tend to have larger families—the average family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(14) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(15) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(16) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(17) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people'".

(18) Citizens who have an interest in issues about or related to civil rights have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(19) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning civil rights to their elected officials and the general public.

(20) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO CIVIL RIGHTS AND ISSUES AFFECTING MINORITIES.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to civil rights and issues affecting minorities.

H.R. 2356

OFFERED BY:

[Ney Substitute]

AMENDMENT NO. 52: Add at the end the following title:

TITLE VI—NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS

SEC. 601. FINDINGS.

Congress finds the following:

(1) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances."

(2) The First Amendment affords the broadest protection to such political expression in order "to assure [the] unfettered interchange of ideas for the bringing about of political and social changes desired by the people. *Roth v. United States*, 354 U.S. 476, 484 (1957).

(3) According to *Mills v. Alabama*, 384 U.S. 214, 218 (1966), there is practically universal agreement that a major purpose of that Amendment was to protect the free discussion of governmental affairs, "...of course including[ing] discussions of candidates...".

(4) According to *New York Times Co. v. Sullivan*, 376 U.S. 254, 270 (1964), the First Amendment reflects our "profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open". In a republic where the people are sovereign, the ability of the citizenry to make informed choices among candidates for office is essential, for the identities of those who are elected will inevitably shape the course that we follow as a nation.

(5) The First Amendment protects political association as well as political expression. The constitutional right of association explicated in *NAACP v. Alabama*, 357 U.S. 449, 460 (1958), stemmed from the Court's recognition that "[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association." Subsequent decisions have made clear that the First and Fourteenth Amendments guarantee "freedom to associate with others for the common advancement of political beliefs and ideas," a freedom that encompasses "'[t]he right to associate with the political party of one's choice.'" *Kusper v. Pontikes*, 414 U.S. 51, 56, 57, quoted in *Cousins v. Wigoda*, 419 U.S. 477, 487 (1975).

(6) In *Buckley v. Valeo*, the Supreme Court stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(7) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(8) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people'".

(9) The courts of the United States have consistently reaffirmed and applied the teachings of *Buckley*, striking down such government overreaching. The courts of the United States have consistently upheld the rights of the citizens of the United States, candidates for public office, political parties, corporations, labor unions, trade associations, non-profit entities, among others. Such decisions provide a very clear line as to what the government can and cannot do with respect to the regulation of campaigns. See *Federal Election Comm'n v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238 (1986); *Federal Election Comm'n v. National Conservative Political Action Comm.*, 470 U.S. 480 (1985); *California Medical Assn. V. Federal Election Comm'n*, 453 U.S. 182 (1981).

(10) The FEC has lost time and time again in court attempting to move away from the express advocacy bright line test of *Buckley v. Valeo*. In fact, in some cases, the FEC has had to pay fees and costs because the theory is frivolous. *See FEC v. Christian Action Network*, 110 F.3d 1049 (4th Cir. 1997), *aff'g* 894 F. Supp. 946 (W.D.Va. 1995); *Maine Right to Life Comm. v. FEC*, 914 F. Supp. 8 (D.Me. 1996), aff'd 98 F.3d 1 (1st Cir. 1996), *cert. denied*, 118 S. Ct. 52 (1997); *Clifton v. FEC*, 114 F.3d 1309 (1st Cir. 1997); *Faucher v. FEC*, 928 F.2d 468, 472 (1st Cir.), *cert. denied*, 502 U.S. 820 (1991); *FEC v. Colorado Republican Federal Campaign Comm.*, 839 F. Supp. 1448 (D. Co.), *rev'd on other grounds*, 59 F.3d 1015 (10th Cir.), vacated on other grounds, 116 S. Ct. 2309 (1996); *FEC v. Central Long Island Tax Reform Immediately Comm.*, 616 F.2d 45, 53 (2d Cir. 1980); *Minnesota Citizens Concerned for Life, Inc. v. FEC*, 936 F. Supp. 633 (D. Minn. 1996), *aff'd* 113 F.3d 129 (8th Cir. 1997), *reh'g. en banc denied*, 1997 U.S. App. LEXIS 17528; *West Virginians for Life, Inc. v. Smith*, 960 F. Supp. 1036, 1039 (S.D.W.Va. 1996); *FEC v. Survival Education Fund*, 1994 U.S. Dist. Lexis 210 (S.D.N.Y. 1994), *aff'd in part and rev'd in part*, 65 F.3d 285 (2nd Cir. 1995); *FEC v. National Organization for Women*, 713 F. Supp. 428, 433–34 (D.D.C. 1989); *FEC v. American Federation of State, County and Municipal Employees*, 471 F. Supp. 315, 316–17 (D.D.C. 1979). Even the FEC abandoned the "electioneering communication" standard soon after the 1996 election due to its vagueness.

(11) The courts have also repeatedly upheld the rights of political party committees. As Justice Kennedy noted: "The central holding in *Buckley v. Valeo* is that spending money on one's own speech must be permitted, and that this is what political parties do when they make expenditures FECA restricts." *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 627 (1996) (J. Kennedy, concurring). Justice Thomas added: "As applied in the specific context of campaign funding by political parties, the anticorruption rationale loses its force. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 105–106 (1987). What could it mean for a party to 'corrupt' its candidates or to exercise 'coercive' influence over him? The very aim of a political party is to influence its candidate's stance on issues and, if the candidate takes office or is reelected, his votes. When political parties achieve that aim, that achievement does not, in my view, constitute 'a subversion of the political process.' *Federal Election Comm'n v. NCPAC*, 470 U.S. at 497. For instance, if the

Democratic Party spends large sums of money in support of a candidate who wins, takes office, and then implements the Party's platform, that is not corruption; that is successful advocacy of ideas in the political marketplace and representative government in a party system. To borrow a phrase from *Federal Election Comm'n v. NCPAC*, 'the fact that candidates and elected officials may alter or reaffirm their own positions on issues in response to political messages paid for by [political groups] can hardly be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.' *Id.* at 498. Cf. *Federal Election Comm'n v. MCFL*, 479 U.S. at 263 (suggesting that '[v]oluntary political associations do not...present the specter of corruption')." *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 647 (1996) (J. Thomas, concurring). Justice Thomas continued: "The structure of political parties is such that the theoretical danger of those groups actually engaging in quid pro quos with candidates is significantly less than the threat of individuals or other groups doing so. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 97–98 (1987) (citing F. Sorauf, *Party Politics in America* 15–18 (5th ed. 1984)). American political parties, generally speaking, have numerous members with a wide variety of interests, features necessary for success in majoritarian elections. Consequently, the influence of any one person or the importance of any single issue within a political party is significantly diffused. For this reason, as the Party's amici argue, see Brief for Committee for Party Renewal et al. as Amicus Curiae 16, campaign funds donated by parties are considered to be some of 'the cleanest money in politics.' J. Bibby, *Campaign Finance Reform*, 6 Commonsense 1, 10 (Dec. 1983). And, as long as the Court continues to permit Congress to subject individuals to limits on the amount they can give to parties, and those limits are uniform as to all donors, *see* 2 U.S.C. section 441a(a)(1), there is little risk that an individual donor could use a party as a conduit for bribing candidates. *Id.*".

(12) As recently as 2000, the Supreme Court reminded us once again of the vital role that political parties play on our democratic life, by serving as the primary vehicles for the political views and voices of millions and millions of Americans. "Representative democracy in any populous unit of governance is unimaginable without the ability of citizens to band together in promoting the electoral candidates who espouse their political views. The formation of national political parties was almost concurrent with the formation of the Republic itself." *California Democratic Party v. Jones*, 530 U.S. 567 (2000). Moreover, just last year, a Federal court struck down a state law that included a so-called "soft money ban," which in reality was a ban on corporate and union contributions to political parties—which as a factual matter is correct. The *Anchorage Daily News* reported:

(13) A Federal judge says corporations and unions have a constitutional right to give unlimited amounts of "soft money" to political parties, so long as none of the money is used to get specific candidates elected. In a decision dated June 11, U.S. District Judge James Singleton struck down a section of Alaska's 1997 political contributions law that barred corporations, unions and other businesses from contributing any money to political candidates or parties. The ban against corporate contributions to individual candidates is fine, Singleton said. Public concern about the corrupting influence or corporate contributions on a specific candidate is legitimate and important enough to somewhat limit freedom of speech and political association, the judge concluded. But contributions to the noncandidate work of a political party do not raise undue influence issues and therefore may not be restricted, the judge concluded.

(14) Sheila Toomey, *Anchorage Daily News* (June 14, 2001) (reporting on *Kenneth P. Jacobus, et al. vs. State of Alaska, et al.*, No. A97-0272 (D. Alaska filed June 11, 2001).

(15) Nor is speech any less protected by the First Amendment simply because the one making the speech contacted or communicated with others. For some time, the Federal Election Commission held the view that such "coordination" (an undefined term), even of communications that did not contain express advocacy, somehow was problematic, and subject to the limitations and prohibitions of the Act. This view has been rejected by the courts. *Federal Election Commission v. Christian Coalition*, 52 F. Supp. 2d 45 (D.D.C. 1999). In fact, lower Federal courts have held that even political party committee limits on coordinated expenditures are an unconstitutional restriction on speech. *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 213 F.3d 1221 (10th Cir. 2000). Unless a party committee's expenditure is the functional equivalent of a contribution (and thus not "coordinated"), it cannot be limited. See Federal Election Commission v. Colo. Republican Fed. Campaign Comm., 150 L.Ed.2d 461, nt. 17, nt. 2 (J. Thomas, dissenting) (2001). As a factual matter, many party committee "coordinated" expenditures are not the functional equivalent of contributions. *See* Amicus Curie Brief of the National Republican Congressional Committee, *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 150 L.Ed.2d 461 (2001).

(16) Commentators, legal experts and testimony in the record echoes the need to be mindful of the First Amendment. Whether it is the American Civil Liberties Union, see March 10, 2001 ACLU Letter to Senate (and all cases cited therein) & June 14, 2001 ACLU testimony before the House Administration Committee (and cases cited therein), or the counsel to the National Right to Life Committee and the Christian Coalition, see June 14, 2001 testimony of James Bopp before the House Administration Committee (and cases cited therein), experts across the political spectrum have thoughtfully explained the need to ensure the First Amendment rights of citizens of this country.

(17) Citizens who have an interest in issues have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communication in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(18) This Act contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues to their elected officials and the general public.

(19) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 602. NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS.

Notwithstanding any provision of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of people to peaceably assemble, and to petition the government for a redress of grievances, consistent with the rulings of the courts of the United States (as provided in section 601).

H.R. 2356

OFFERED BY:

[Ney Substitute]

AMENDMENT NO. 53: Amend section 323(b) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—An amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

Amend section 323(e)(3) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

Amend section 304(e)(2) of the Federal Election Campaign Act of 1971, as proposed to be added by section 103(a) of the bill, to read as follows:

"(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b) applies shall report all receipts and disbursements made for activities described in section 301(20)(A), unless the aggregate amount of such receipts and disbursements during the calendar year is less than $5,000.

H.R. 2356

OFFERED BY:

[Ney Substitute]

AMENDMENT NO. 54: Insert at the end of the Act:

STRENGTHENING FOREIGN MONEY BAN

SEC. . STRENGTHENING FOREIGN MONEY BAN.

(a) BANNING ALL DONATIONS TO CANDIDATES AND PARTIES; BANNING DISBURSEMENTS FOR CERTAIN COMMUNICATIONS.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: "CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS"; and

(2) by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—It shall be unlawful for—

"(1) a foreign national, directly or indirectly, to make—

"(A) a contribution or donation of money or other thing of value, or to make an express or implied promise to make a contribution or donation, in connection with a Federal, State, or local election;

"(B) a contribution or donation to a committee of a political party; or

"(C) an expenditure, independent expenditure, or disbursement for a communication described in section 304(e)(3) or a targeted mass communication (as defined in section 304(f)(3)); or

"(2) a person to solicit, accept, or receive a contribution or donation described in subparagraph (A) or (B) of paragraph (1) from a foreign national.".

(b) EXTENSION OF BAN IN FEDERAL ELECTIONS TO ALL NONCITIZENS.—Section 319(b)(2) of such Act (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: ", or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).".

EXTENSIONS OF REMARKS

EXPRESSING SENSE OF HOUSE THAT SCHEDULED TAX RELIEF SHOULD NOT BE SUSPENDED OR REPEALED

SPEECH OF

HON. TODD TIAHRT

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 6, 2002

Mr. TIAHRT. Mr. Speaker, we made a promise to the American taxpayer last year when Congress worked together with the President to return a portion of the excessive taxes the government collected. Now it seems some are calling for Congress to break that commitment and reverse some of the tax refunds. It is bad enough when the government collects too may taxes. But it is even worse when the government tries to take back money for the second time—money we have already promised to return.

Mr. Speaker, I have had hundreds of my constituents from the Fourth District of Kansas tell me that they were so grateful for the tax relief signed into law last year. I would hate to have to tell them that Congress has changed its mind, that we are not really going to return as much money as we originally agreed to do.

Taxpaying families pay too much as it is. Rather than raise taxes, we need to affirm that the Economic Growth and Tax Relief Reconciliation Act of 2001 was good for all Americans last year, and it is still good for all Americans this year. Congress worked hard with the President, in a bipartisan fashion, to return some of the excessive taxes to the working people of America. And we should declare that the tax relief should go on as scheduled over the next decade. More than that, Mr. Speaker, Congress should make the tax cuts permanent.

Today I call on my colleagues to join me in supporting H. Con. Res. 312, the resolution that affirms tax relief for all taxpayers. The American people need to know that we are serious about our commitments. And especially during this time of economic recession, we must declare our resolve to the hard-working men and women who pay taxes that we will not break our promise. We will not raise your taxes.

Mr. Speaker, keep the tax cuts in place.

TRIBUTE TO DR. MICHAEL FRANZBLAU

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Ms. WOOLSEY. Mr. Speaker, I rise today to honor my friend, Dr. Michael Franzblau, for his many accomplishments. Chief among them is his pursuit of justice as manifested in his efforts to expose Nazi war criminals with particular emphasis on those in the medical profession. Dr. Franzblau's persistence in revealing the misdeeds of Dr. Hans Joachim Sewering of Bavaria demonstrates this dedication. Sewering is known to have murdered infants and children in a doctor-drive project "To Cleanse the Fatherland." A World War II veteran and an avowed enemy of perverted medical research, Dr. Franzblau successfully lobbied the AMA to back efforts to expose Sewering, leading to his resignation as President-elect of the World Medical Association. Michael Franzblau was also instrumental in developing legislation, H. Res. 557, that I sponsored, calling for an investigation into Sewering's war crimes; H. Res. 557 passed the House unanimously in 1998.

Dr. Franzblau had a full medical practice in Marin (Dermatology) and was a retired Professor of Dermatology at the University of California School of Medicine in San Francisco. He has lectured there and elsewhere on the ethics of health care in the Nazi era. Married to Donna Garfield Franzblau for 47 years and the father of three now grown children, Dr. Michael Franzblau has found the time to dedicate himself to other medical causes locally, nationally, and abroad. These include service on California's Medical Quality Review Committee, American Medical Association, and Marin Medical Society; international humanitarian work for Project Hope in Peru, Alliance for Health in Mexico, and a fact finding mission to Ethiopia regarding medical care for 26,000 Ethiopian Jews; assisting in the establishment of the Marin Community Clinic; and authoring bills for the California State Legislature to regulate tanning facilities and to exclude physician participation in executions at San Quentin. The American Cancer Society awarded him for arranging free skin cancer screening clinics in Marin. Dr. Franzblau also served his community on the United Way and Terra Linda Community Services Board.

Dr. Franzblau has devoted his considerable energy to Jewish causes. He served on the Anti-Defamation League, American Israel Public Affairs Committee, Jewish Community Federation Missions to Israel, Maimonedes Society (Marin and Sonoma), and the Marin Jewish Community Center. His passion and dedication have earned him a number of awards, including "The Truth and Justice Award" of the Anti-Defamation league and the "Louis D. Brandeis Award" of the Zionist Organization of America.

Mr. Speaker, Dr. Franzblau is an exemplary citizen and a model of the Hippocratic ideal. His dedication to important causes of justice and humanity, reinforced by the persistent hard work required to accomplish his goals, have earned him the admiration and respect of his community. Dr. Franzblau has long been a university lecturer, but his most important lesson to us goes far beyond the classroom: The health of the individual and the health of society are integrally related, and both are the responsibility of the physician.

ASSOCIATION HEALTH PLANS ARE NEEDED

HON. WILLIAM M. THOMAS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. THOMAS. Mr. Speaker, I rise today to urge that a conference on patient protection legislation be called immediately. The House passed this bill last year and the delay in its enactment is impacting people in my state and beneficiaries in my district. In particular, a recent unfortunate event in California only illustrates the need for timely action on patients' bill of rights legislation, particularly my amendment on association health plans (AHPs).

For several years, Sunkist, the world-renowned citrus and agriculture grower, contracted for a health benefit plan for its growers and workers. The SGP Benefit Plan, a multiple employer welfare arrangement, was regulated under California insurance law, which had some provisions for cash reserves and other protections.

Late last year, the SGP Benefit Plan collapsed and filed for bankruptcy. As a result more than 23,000 participants, including 4,000 Kern and Tulare county beneficiaries, were left without direct health coverage. This interruption of care troubles me, especially since timely passage of the House patient protection bill, supported by President Bush and bipartisan House Members, could have prevented the situation these families are facing today.

Under the House bill, these multiple employer welfare arrangements would be classified as AHPs and be subject to strict solvency standards, including requirements that AHPs have an indemnified back-up plan to prevent unpaid claims in the event of a plan termination, quarterly procedures to demonstrate financial health, and surplus reserve requirements that are on par or greater than similar state law.

Along with requiring higher standards for multiple employer welfare arrangements and other similar employer pool arrangements, the added benefit of my AHP legislation is that it could increase access to health care by reducing burdens and costs employer groups face from multiplicitous and divergent state mandates. Since AHPs would help small businesses work together to purchase health care for their employees and families, according to one study of this legislation, AHPs could reduce the number of uninsured Americans by an estimated 8.5 million people. This is especially timely, since the recent recession and terrorist attacks have affected national employment, thus having an effect on the health care

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

of Americans who depend on employer-sponsored coverage.

In the 21st District of California that I represent, the unemployment rates in Kern and Tulare Counties recently hit 11 percent and 16 percent, respectively. With the District's dependence on agriculture, oil, dairy, and other small business, the potential for AHPs to help provide access or improve health are to my constituents and the self-employed is great.

Sunkist's recent announcement, the rise in the number of uninsured, and the fact that patients, physicians, and other providers have waited too long for reforms are all compelling reasons why patient protection legislation must be enacted soon. Because the House legislation includes many common-sense improvements in patient access, coverage, and liability, along with the important AHP and medical savings accounts provisions, I urge that a conference on this bill be called immediately.

HONORING THE LIFE OF MACK TIMBERLAKE

HON. J.C. WATTS, JR.

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. WATTS of Oklahoma. Mr. Speaker, I rise to pay homage to a dedicated man, husband, father and servant of God, Mack Timberlake. Bishop Timberlake died at the age of fifty-two on January 29, 2002. As senior pastor of the Christian Faith Center in Creedmoor, North Carolina, Mack's creed was to live life to the fullest while fulfilling the vision God has given us.

I extend my dearest sympathies to Mack's wife, Brenda, and their six children. She, like Mack, has devoted her life to serving our Lord and His children. Together, Mack and Brenda have authored seven books.

Bishop Timberlake and I worked together on promoting the faith-based initiative. It is sad that he will not be able to see the fruits of his labor, but I am certain he would be glad to know we are closer with each passing day to making that idea a reality. Serving the least of our brethren is a noble goal Mack never lost sight of. When I continue to work on this endeavor, I will most certainly think of him.

The career of Mack Timberlake was quite extensive. He served as regent on the Board of Trustees for Oral Roberts University, was given an honorary Doctorate of Divinity from Jameson Christian College, wrote a monthly column for "Gospel Today," was the superintendent of nearly 300 students at the Christian Faith Center Academy, co-owned a boutique and served on the Board of Governors for the National Faith Based Initiative.

It is always difficult to say goodbye to a loved one. But it is always a blessing to have known someone who made a difference in people's lives. Mack Timberlake did indeed live life to its fullest while preaching the Gospel and working to make our country, one nation under God, a better one. For that, we are all blessed.

A TRIBUTE TO DAVE LESSTRANG

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. LEWIS of California. Mr. Speaker, I would like today to express my gratitude and appreciation for the hard work and dedication of Dave LesStrang, who for the past 17 years has been a highly-valued member of my office, first as press secretary, and then as deputy chief of staff and legislative director.

Dave LesStrang came to work for me in 1985, a newly-minted 21-year-old college graduate, filled with the zeal and fervor that can only come from participation in college political groups like the Young Americans for Freedom. We hired him as a press secretary, hoping he would grow into the job over time.

It didn't take long for Dave to show the flair for organizing and completing big projects that has marked his career as a congressional staff member. One of my constituents, Hulda Crooks, completed her 21st climb of Mt. Whitney at the age of 89. When I congratulated her, I remarked that I would like to join her if she wanted to try again at 90. She said "sure," and within a few days called to ask if I was getting ready for the hike. I asked Dave to take on the job of organizing the event. He spent long hours working out details and convincing major media of its importance—with the result that the Los Angeles Times carried my photo on its cover for one of the few times in my career in the House.

Years later, Dave helped me convince the Interior Department to name a mountain near Mt. Whitney as Crooks' Peak in honor of that outstanding lady.

Dave indeed grew into the job as press secretary. He is an excellent writer, and over the years has produced thousands of press releases, speeches, constituent letters and other important correspondence that often defines the character of a congressional office. Members of the media praised my office for providing clear and dependable information, a highly valued reputation that we gained in no small part because of Dave's efforts.

He also came to intimately know the needs and character of the Inland Empire and High Desert areas of California, which I have represented for the past two decades. He has personally taken on the cause of an untold number of constituents, ensuring that federal agencies meet their responsibilities and provide top service. A typical example occurred just last year: One of my constituents asked for help in gaining recognition for her father, a pioneer engineer in space technology, from the National Aeronautics and Space Administration. Dave not only got NASA's attention, he helped convince the agency to award the constituent's father the Distinguished Service medal, the highest to be given to civilians.

Dave's willingness to go the extra mile and get spectacular results was also evident on a number of larger-scale projects.

When I was named as chairman of the Appropriations Subcommittee on Veterans Affairs, Housing and Urban Development and Independent Agencies, I was committed to finding ways for more people to reach the American dream of owning their own home. I decided that it would be a powerful symbolic gesture for members of Congress to help build some houses for low-income residents of our nation's capital.

I asked Dave to take on the project, and it soon blossomed into one of the most high-profile charitable efforts ever attempted by House members. Working with Habitat for Humanity, and with the enthusiastic support of Speaker Newt Gingrich and Fannie Mae, Dave organized the Houses That Congress Built, a nationwide campaign that saw nearly all 435 house members personally help build homes in their districts. The effort provided a tremendous boost for the effort to provide affordable homes to low-income Americans. And true to his spirit of going above and beyond, Dave has personally volunteered for hundreds of hours on his own working on Habitat for Humanity houses.

Most of the colleagues from California will remember Dave for the other major success he helped accomplish in recent years: The organizing of our delegation into an effective, cooperative force for the people of California.

When I became chairman of the California Republican Congressional Delegation in 1995, there was little cooperation even among members of my conference, let alone across the aisle in our delegation. Members were divided by personalities, geography and partisanship, and the entire delegation had not come together on an issue since it had been grown beyond 50 members in 1980. Dave helped to reverse that historical trend. As the only staff member serving all California Republicans, he spent hundreds of hours meeting with staff from other California offices and personally walked miles in our congressional buildings winning signatures for delegation-wide letters. Within a year, we had the first letter signed by all 52 members—a feat that is now repeated regularly as our members have learned the value of working together on behalf of our state.

Since he became my legislative director in 1999, Dave has helped me complete many major projects serving our district. Congress has agreed to the expansion of the Army's National Training Center at Fort Irwin, completing a decades-long effort in support of the world's finest training facility. The Seven Oaks Dam has been dedicated along the Santa Ana River, providing flood control protection for millions of people in Southern California. And the new national parks in our desert are becoming good neighbors for the constituents who live around them.

I have always felt that members of my staff are like members of my family, and it has been a pleasure to watch Dave mature in his personal life even as he has become a consummate professional in his job. We were delighted when he met and married Elaine Dalpiaz nine years ago, and thrilled again when he and Elaine became parents to Matthew nearly two years ago.

Mr. Speaker, after 17 years in my office providing these invaluable services to my constituents—and indeed to all Californians and Americans—Dave LesStrang is moving on to a new career working for the EMC Corporation, a cutting-edge firm providing data storage to help protect the records of private industry and government. Please join me in thanking him for his dedication and years of service, and in wishing him and Elaine well in all of their future efforts.

HONORING THE STUDENTS OF THE GRANT HIGH SCHOOL WE THE PEOPLE CLASS

HON. EARL BLUMENAUER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. BLUMENAUER. Mr. Speaker, On May 4-6, 2002, more than 1,200 students from across the United States will visit Washington, D.C. to compete in the national finals of the We the People . . . The Citizen and the Constitution program. This is the most extensive educational program in the country developed specifically to educate young people about the Constitution and the Bill of Rights.

I am proud to announce that a class from Grant High School in my congressional district will represent the state of Oregon in this national event. These young scholars have worked diligently to reach the national finals and through their experience have gained a deep knowledge and understanding of the fundamental principles and values of our constitutional democracy.

The three-day national competition is modeled after hearings in the United States Congress. The hearings consist of oral presentations by high school students before a panel of adult judges on constitutional topics. The students testimony is followed by a period of questioning by the judges who probe the depth of their understanding and ability to apply their constitutional knowledge.

Administered by the Center for Civic Education, the We the People . . . program provides students with a working knowledge of our Constitution, Bill of Rights, and the principles of democratic government. It is inspiring to see these young people advocate the fundamental ideals and principles of our government in the aftermath of the tragedy on September 11. There are the ideals that identify us as a people and bind us together as a nation. It is important for our next generation to understand these values and principles that we hold as standards in our endeavor to preserve and realize the promise of our constitutional democracy.

The class from Grant High School is currently preparing for their upcoming participation in the national competition in Washington, D.C. I wish these young "constitutional experts" the best of luck at the We the People . . . national finals. They represent the future leaders of our nation.

NEW YORK FIREFIGHTER'S TRIBUTE AT NATIONAL PRAYER BREAKFAST

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. WOLF. Mr. Speaker, I was honored to attend the annual National Prayer Breakfast last Thursday morning, Feb. 7, and to hear the moving words of Joseph Finley, a member of Tower Ladder 7 of the Fire Department of New York, among the first responders to the World Trade Center on September 11.

I want to share his inspiring remarks with our colleagues, which includes the names of the heroes from his firehouse who made the ultimate sacrifice that fateful day.

In a letter to me, he called the prayer breakfast an "incredible experience" for his wife Maryellen and himself, but it was also "bittersweet." As he noted, "We wouldn't have been there to experience it if not for September 11th."

He also said, "It was inspiring and reassuring to see that the leaders of our nation have a genuine devotion to God. I believe this will help make our great country an even better place for our children."

Mr. Speaker, Joseph Finley's remarks follow:

Mr. President and Mrs. Bush, it is an honor to be here with you and all of these distinguished guests. I am humbled and privileged to be representing the courageous firefighters of New York City. I am sad, however, for the reason for my participation. I wish that September 11th had never happened.

Prior to that tragic day, the greatest loss of firefighters at any one time in the entire United States occurred in 1966, when 12 firemen lost their lives in the 23rd Street Fire in Manhattan. My father, Lieutenant John Finley of Ladder 7, was one of them. I was 10-years-old.

When people run out of a burning building, we firemen run in. That's what we do. But none of us thought, when we joined the fire department, that we would some day be called upon to fight in a war—a war against terrorism.

For the New York City firefighter, there is an inconsolable wound in our hearts that will never heal. Three hundred forty-three of my "brothers" were murdered. Nine men from my firehouse are gone. We will never forget the evil that has been unjustly unleashed upon us.

When the Twin Towers collapsed, the Fire Department called in every single firefighter in the city. Thousands of us converged on the World Trade Center. Burning paper rained down, grit scratched our eyes, the thick smoke made us cough. Everything was covered in gray ash. The huge plume of smoke was mind-boggling. Our footsteps were muffled by the layers of dust and paper. There was an eerie silence. Who could imagine downtown Manhattan, in the middle of the day, with no one around and we were the only sign of life. the silence was beyond description. No sounds, no sirens, no survivors, just ash, flames and smoke. As we trudged through the wreckage, unable to speak, I literally thought the world was coming to an end.

It was surreal. There were no words to speak, except the prayer in my heart, which said "Lord Jesus, have mercy upon us."

In the midst of that brooding silence and despair and the wreckage of the Towers—something absolutely amazing happened. Church bells started to ring all over downtown. And we realized that we were not alone. Those ringing bells became a poignant reminder of hope.

Our neighbor, the New York Yankees' Chaplain, has stopped by our firehouse almost every day since 9-11. He helped us to remember that we have been left with a great legacy of courage, faith, hope and love. Scripture says "greater love hath no man than to lay down his life for his friends."

One century ago, Edward Crocker, chief of the Fire Department of New York, said:

"I have no ambition in this world but one,
And that is to be a fireman.
The position may, In the eyes of some, appear to be a lowly one;
But those who know the work which a fireman has to do believe his is a noble calling.
Our proudest moment is to save...lives.
Under the impulse of such thought the nobility of the occupation thrills us and stimulates us to deeds of daring,
Even of supreme sacrifice."

Mr. President, I was personally heartened by your own words when you said, "Grief and tragedy and hatred are only for a time. Goodness, remembrance and love have no end."

As a child who lost my own father in the line of duty, I am here as proof that we can get through the anguish and the grief. By returning to the Lord, we will survive. With His help, we will prevail.

And now, an Old Testament reading from the book of Hosea, Chapter 6, verses 1 through 3:

"Come, let us return to the Lord.
He has torn us to pieces
But he will heal us;
He Has injured us
But he will bind up our wounds.
After two days he will revive us;
On the third day he will restore us,
That we may live in his presence.
Let us acknowledge the Lord;
Let us press on to acknowledge him.
As surely as the sun rises,
He will appear;
He will come to us like the winter rains,
Like the spring rains that water the earth."

Amen. Thank you.

The following men from my firehouse were among the 343 firefighters who made the supreme sacrifice on September 11, 2001, at the World Trade Center in New York City:

Battalion Chief John Moran
Captain Vernon Richard
Lieutenant Kenneth Phelan
Firefighter George Cain
Firefighter Robert Foti
Firefighter Charles Mendez
Firefighter Richard Muldowney
Firefighter Douglas Oelschlager
Firefighter Vincent Princiotta

TERRORISTS IN PHILIPPINES MUST RELEASE MARTIN AND GRACIA BURNHAM

HON. TODD TIAHRT

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. TIAHRT. Mr. Speaker, today marks the 262nd day that Martin and Gracia Burnham have been held captive by Muslim terrorists in the Philippines.

As we are ridding Afghanistan of the notorious Taliban, let me introduce you to another organization that has been terrorizing the world and Americans since 1991.

The Abu Sayaf group, known as the ASG, is the smallest yet most radical of the Islamic separatist groups operating in the Southern Philippines. They have known ties to Osama bin Laden's al Qaeda organization. Some ASG members have studied or worked in the Middle East and developed ties to mujahidin while fighting and training in Afghanistan. Activities of the group include bombings, assassinations, kidnapings and extortion payments to promote an independent Islamic state in the Southern Philippines.

ASG has been blazing a bloody trail of murders, abductions, rapes, mutilations, arsons, and other heinous crimes that is possible to match in terms of callous cruelty. I am pleased that we have sent troops to the Philippines who will advise their military. Together with the Philippine government we have an obligation to rid the world of these "evil doers'" and free our fellow Americans from this interminable nightmare.

TRIBUTE TO MS. M. MAUREEN PERKINS

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. PALLONE. Mr. Speaker, I would like to call the attention of my colleagues to a constituent in the 6th District of New Jersey. It is with great pleasure that I introduce and honor Ms. M. Maureen Perkins as she retires from the Department of Defense, CECOM, Fort Monmouth, NJ.

Ms. Perkins retired on January 3, 2002, as a Department of Defense civilian. As a Logistics Management Specialist, she has retired from the Command and Control Systems and Avionics Branch, Force Modernization Division, Readiness Directorate, Logistics and Readiness Center, CECOM, Fort Monmouth.

While in this Branch, Mrs. Perkins has served as Action Officer, Team Leader, Section Chief and Branch Chief for civilians, military and contractor personnel. Her technical and managerial skills were recognized by receipt of numerous performance awards.

Mrs. Perkins' career started in Finance and Accounting at Fort Monmouth. She was promoted a year later to Health Services Command at Patterson Army Hospital, Fort Monmouth, NJ, in the Medical Supply Branch.

After 4 years in Medical Supply, Mrs. Perkins relinquished her career to support her husband's, retired Lieutenant Colonel Franchot Perkins, Army career. She not only provided support to her husband's career, and the raising of their two sons, but she actively participated in the Officer's Wives Club, in which she served a term as a board member. As a military wife, Mrs. Perkins supported the American Red Cross and became a Red Cross volunteer dental assistant at the Dental Clinic in Fort Huachuca, Arizona.

Mrs. Perkins resumed her career at ERADCOM, Fort Monmouth where she received several commendations and honorary awards. Years later, she accepted a promotion, as Chief, Equipment Management Branch, which returned her to Health Services Command at Patterson Army Hospital, Fort Monmouth, NJ.

Mr. Speaker, it is my sincere hope that my colleagues will join me in honoring and recognizing Mrs. M. Perkins' retirement and her significant accomplishments throughout her career in Command and Control Systems and Avionics Branch, Force Modernization Division, Readiness Directorate, Logistics and Readiness Center, CECOM and the United States Army.

A PROCLAMATION RECOGNIZING JASON DWAIN MITCHELL

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. NEY. Mr. Speaker, whereas, Jason Dwain Mitchell has devoted himself to serving others through his membership in the Boy Scouts of America Troop 145; and

Whereas, Jason Mitchell has shared his time and talent with the community in which he resides; and

Whereas, Jason Mitchell has demonstrated a commitment to meet challenges with enthusiasm, confidence and outstanding service; and

Whereas, Jason Mitchell must be commended for the hard work and dedication he put forth in earning the Eagle Scout Award;

Therefore, I join with the entire 18th Congressional District of Ohio in congratulating Jason Dwain Mitchell for his Eagle Scout Award.

CONGRATULATIONS TO HADASSAH ON ITS 90TH ANNIVERSARY

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. FRANK. Mr. Speaker, one of my early memories is of my mother going off to Hadassah meetings. When I was 6 or 7—meaning that these meetings happened during the first half of Hadassah's existence—I was a little resentful. But when I came as an adult to learn of the extraordinarily important work that Hadassah does, I have retroactively given my enthusiastic support for my mother's participation.

I am very familiar with the work of Hadassah, which is the women's Zionist organization, both here in the U.S. and in Israel. In Israel, the medical care provided by the generosity and the diligence of Hadassah members is extremely important and has been particularly valuable during that young nation's history. Here in the U.S., Hadassah has an unequaled role as an advocate for important Jewish values, including support for the state of Israel, and also for a humane and open American society; it does significant community service work; and it is an important educational institution. One of the impressive things about Hadassah is the intergenerational nature of its work.

Mr. Speaker, I am very proud that my mother was a Hadassah member more than 50 years ago, and I am proud as well of my own record in cooperating with this very important organization during my own public career. I am delighted to extend a Mazel Tov to Hadassah as it celebrates its 90th birthday this month.

AUTHORIZE A NATIONAL TSUNAMI HAZARD MITIGATION PROGRAM

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today to introduce legislation to authorize a national tsunami hazard mitigation program for all United States coastal States and insular areas.

Tsunamis are waves generated by vertical movement of a large mass of ocean water. The word "tsunami" is Japanese and means wave in a harbor. Generally, an earthquake will have to be stronger than a magnitude 7.0 to generate a tsunami, and not all large earthquakes generate tsunamis. Tsunamis can be caused by vertical movement of the ocean floor, landslides into or under the water, volcanoes, and large meteorites.

Tsunamis can have a destructive impact near their point of origin, or far from their origin. In the open ocean, a tsunami will pass through a given point as a small to moderate wave, but as the water becomes more shallow the destructive force increases. It is in harbors and other low-lying coastal areas that tsunamis do the most devastation.

The Pacific region average about three destructive tsunamis per century. In recent history, there have been three Alaska earthquakes which generated destructive tsunamis. In 1946, a tsunami was over 100 feet high on Unimak Island; in 1958, a tsunami was over 1700 feet high in Lituya Bay; and in 1964, a tsunami was over 200 feet high in Shoup Bay. In Hawaii, significant tsunamis have occurred in 1868 and 1975.

In an effort to mitigate the hazards caused by tsunamis in the Pacific, in 1994 the Senate Committee on Appropriations directed the National Oceanic and Atmospheric Administration (NOAA) to establish a Pacific tsunami hazard mitigation program. Since then the program has developed to the extent that there are two tsunami warning centers, one in Alaska, and one in Hawaii. Based on information gathered at these two centers from data collected from around the region, tsunami warnings are broadcast throughout the Pacific.

The primary duties of the two tsunami warning centers are to provide tsunami warnings, help coastal communities prepare for future tsunamis through mapping of areas of potential inundation and community education, and to improve the timeliness and accuracy of the warnings through research and development.

The legislation I am introducing today will expand this program to include the coastal states on the Pacific, Atlantic and Gulf coasts, and all of the inhabited territories of the United States. I believe this is necessary assistance which should be provided to our coastal communities. Through effective planning and timely warnings, this program will pay for itself with a significant reduction in federal disaster assistance costs.

I urge my colleagues to support this bill and ask that it be given prompt consideration by the committee of jurisdiction.

CONGRATULATING LAWRENCE BARTELSON ON HIS RETIREMENT

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. NADLER. Mr. Speaker, I rise today to congratulate Lawrence Bartelson on the occasion of his retirement from American International Group (AIG) after thirty years of dedicated service. Born in Brooklyn on March 6, 1941, Larry graduated from Lafayette High School in 1958. After attending the Baruch School of Business and Public Administration at the City College of New York, Larry began his professional career in accounting at the Home Insurance Company. In 1971, Larry joined AIG where he worked as an accounting manager in the Investment Accounting Department. On December 3, 2001, the company honored Larry with a retirement luncheon attended by his fellow employees and friends of AIG.

For most of his life, Larry lived in Brooklyn, where his sister and other family members still reside. In 1993, Larry moved to Manhattan's West Village, where he joined a local block association to promote neighborhood well-being and community preservation. Among Larry's many notable community activities is his involvement in the New York Public Library, where he has been recognized as a member of the Bigelow Society. He is also an active member of the SAGE Forty Plus Group at the Gay, Lesbian, Bisexual and Transgender Community Center in Manhattan.

Larry is devoted to his close-knit family. Larry plans to spend his retirement years in New York City as well as his apartment in Hollywood, Florida, pursuing his various interests and enjoying the things he loves with family, friends and his partner, Bill Hevert. I am pleased to join with my friend, Lewis Goldstein, in congratulating Larry on this milestone. I wish him a productive and enjoyable retirement.

TRIBUTE TO REV. DR. A. EDWARD DAVIS, JR.

HON. ROD R. BLAGOJEVICH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. BLAGOJEVICH. Mr. Speaker, it is an honor for me to rise today to pay tribute to the Honorable Reverend Dr. A. Edward Davis, Jr., Pastor of St. John Missionary Baptist Church in Chicago, Illinois. Pastor Davis preached his first sermon in 1969 and was called to the pastorate of St. John Missionary Baptist Church in 1976. Since that time, God, through him, has made and continues to make a difference in many lives.

Under his leadership and vision, St. John's membership has grown to almost four thousand five hundred members. He preaches two Sunday services and is making preparations to build a new church building which will include an Educational Facility with a full-time Day Care Center. Over thirty-three years of untiring service, faithful dedication to the community and strong leadership have earned him the deserved respect and admiration of all whose lives he has touched.

Pastor Davis has been instrumental in shaping the future of the community, state and country. I applaud his leadership and commend him for toiling so long to provide the type of guidance which has empowered so many to make meaningful contributions to the community. His accomplishments are far too numerous to list but I applaud him for each and every one of them and for having the dream and desire to use his faith as a vehicle to effect social, political and economic change. He is a true testament to his faith and an asset to our country. I commend Pastor A. Edward Davis and wish him many more years of exemplary service to the Lord.

PAYING TRIBUTE TO RICH PERLBERG, NEW PRESIDENT OF THE MICHIGAN PRESS ASSOCIATION

HON. MIKE ROGERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. ROGERS of Michigan. Mr. Speaker, I rise to honor the accomplishments of Rich Perlberg of Brighton, Michigan, who was recently installed as 2002 president of the Michigan Press Association.

Rich Perlberg and his family have been dedicated for three generations to continuing America's tradition of a free press. The Perlberg family also works to keep the newspaper industry viable in a highly competitive era and is fully committed to enhancing the communities they serve.

Rich Perlberg, publisher and general manager of Home Town Newspapers, is both a second generation president and the third Perlberg to head Michigan's volunteer, statewide organization of newspapers. His father, Ed Perlberg was president in 1982, and his brother Bob served in 1992. Actually, the Perlberg family tradition goes back even farther. Rich's grandfather, Floyd, once served as a board member of the now 300-member association.

Rich Perlberg understands that community newspapers are the historians of American life, as well as the watchdogs of community well-being and a cornerstone of the community economy.

Perlberg assumes the Michigan Press Association presidency at a critical time. While newspapers that reflect their communities are the very backbone of the community, the backbone of these publications is retail advertising. Without that revenue, it would be nearly impossible for newspapers to serve their communities. The recent dip in the economy and other media competition for advertising revenue, present Perlberg with a major challenge in the new year.

Perlberg's family tradition in community newspapers and his successful newspaper career make him the right man for Michigan's newspaper industry in 2002. He began his career sweeping floors, proofing ads and writing copy at his father's paper in Bay City, Michigan. He has since risen to lead one of the state's most respected and successful community newspaper groups. He is well-prepared to assume responsibility for the association.

We congratulate Rich Perlberg on his new opportunity and wish him and the Michigan Press Association the very best in the coming year.

THOUGHTS OF RABBI ISRAEL ZOBERMAN ON HIS RECENT TRIP TO THE MIDDLE EAST

HON. J. RANDY FORBES

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. FORBES. Mr. Speaker, on September 11 and in the weeks that followed, it seemed inconceivable that anyone in the world would ever be able to return to true normalcy. The horror of that day would—as well it should—live forever in our hearts and minds. But, in parts of the world, old hatreds have been revived and violence has once again become an everyday occurrence. In particular, the Middle East has again become a tinderbox.

Rabbi Israel Zoberman of the Congregation Beth Chaverim in Virginia Beach, a congregation that draws people from all over the Tidewater area, recently traveled to Israel for the Israel Bonds Rabbinic Conference Solidarity Mission. As someone who had grown up in Israel before coming to the United States to preach, Rabbi Zoberman is regrettably well accustomed to the daily routine of violence in the Middle East. But, he is far from desensitized to its effects on human lives. He published his thoughts on the recent violence in the National Jewish Post, and he has shared them with me. I commend his article to my colleagues' attention as well.

> As an early supporter of mutual accommodation between the Israelis and the Palestinians, I urged in the wake of the 1982 Lebanon War—in an article inserted into the Congressional Record by then Senator Charles Percy of Illinois—for responding creatively to the Palestinian question while guaranteeing Israel's security. Indeed, the 1993 historic handshake between the late Prime Minister Rabin and Chairman Arafat at the south lawn of the White House vindicated those believing in the necessity of peace between the long warring parties. However, the past 16 months have painfully impacted the peace camp following Arafat's initiation of the Second Intifada, violently rejecting former Prime Minister Barak's wide proposal at Camp David to fully end the historic conflict.
>
> While on an Israel Bonds Rabbinic Conference Solidarity Mission, we watched on Israeli TV the captured ship "Karine A," packed with fifty tons of Iranian offensive weapons ordered by the Palestinian Authority. Major General Shlomo Gazit (Res.) who headed the Israeli Army Intelligence branch,

described to us the action as the most daring commando raid since the 1976 Entebbe Operation, also meant to save Jewish lives. All that while General Anthony Zinni was in the region receiving cynical assurances from the Palestinian of their commitment to implement a cease-fire.

U.S. Ambassador Daniel Kurtzer, the second consecutive American Jew to serve in the important post replacing Ambassador Martin Indyk, greeted us most warmly and unequivocally state, "there is a connection between the ship and the Palestinian Authority for which it should answer." Jerusalem's Mayor Ehud Olmert, thanking us heartfeltedly as did Israelis at large for visiting at a trying time, emphasized that the ship's episode illustrates the gap "between Arafat's declarations and deeds" with peace remaining elusive.

Israel's President Moshe Katsav movingly welcoming us in his official residence was highly critical of Arafat's conduct since the Peace Process began, and stressed the internal division the latter created in Israeli society. He emphatically announced, acknowledgingly borrowing President Lincoln's famous phrase, "Mr. Arafat, you cannot fool all the people all the time." The President spoke of the need to vigorously fight terrorism while asserting the meeting points of common interests between Palestinians and Israelis.

Deputy Defense Minister, Dalia Rabin-Pelossof, daughter of the slain Yitzhak Rabin, bemoaned the transition "from hope to despair," calling on Arafat to cease engaging in violence as well as teaching Palestinian children the language of hate and suicide bombing. She regards economic development essential and finds the ultimate solution to be political rather than military. Jacob Perry, who led the Shin Bet, Israel's internal security service, reflected on Israel's long encounter with Arab terrorism even as recently Islamic fundamentalism "openly challenged the West." He praised American Intelligence capability, the failure of September 11th notwithstanding, explaining the difficulty of penetrating the compartmentalized and religiously extreme Muslim terror cells.

Dr. Raanan Gissin, Prime Minister Sharon's Media Advisor, analyzed Arafat's inability to change course and shed off his life's identity as a terrorist, thus bound to remain such. His present forced confinement to West Bank's town of Ramallah will extend till he turns in the murderers of government minister Rehavam Zeevi. Yet Gissin shared, "we have to find a way to live with Arabs" without compromising Israel's overwhelming right to its land, keeping Jerusalem united. He voiced enthusiastic support for President Bush's war on terrorism by unstoppable "democracy on the march." Rabbi Binyamin Elon, assassinated Minister Zeevi's party colleague who jointed the government in his stead as Tourism Minister, cautioned of the need to be strong in face of an enemy regarding Israel's moral code as a weakness. Limor Livnat, Education Minister, refuses to view Arafat as a peace partner in the midst of his waging war against Israel, denying Jerusalem's centrality for the Jewish people.

Encountering the families, fellow soldiers and the classmates of terror victims, including twenty-two immigrant Russian students from Tel Aviv's Shevah Mofet School, we witnessed with horror the bullet-ridden bus where ten Israelis found their death at Emanuel town's entrance. Tearfully facing freedom's high price, we were reassured by the resiliency of the human spirit coupled by Israeli resolve. The bond with America's own pain became most evident. In the deadly stalemate caused by the absence of a negotiated settlement, there is the option of a unilateral separation by Israel with a demilitarized Palestinian entity. The venerated vision of genuine peace will follow, some day, with both sides prayerfully seeking and creating sacred windows of opportunity. Meanwhile, will Chairman Arafat who has inflicted profound anguish on Israelis and Palestinians alike, betraying the precious though fragile essence of transforming and uniting hope of so many, kindly return the Nobel Peace Prize he no longer deserves?

YUCCA MOUNTAIN IS THE BEST OPTION

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. BEREUTER. Mr. Speaker, this Member commends to his colleagues the following editorial from the February 5, 2002, Norfolk Daily News. The editorial stresses the need to move forward on the construction of a nuclear waste site at Yucca Mountain in Nevada. As the editorial indicates, the Yucca Mountain location has been thoroughly studied and reviewed. Now that it has been chosen as the preferred location, Congress should approve the decision and facilitate the development of this site. Such an action would greatly enhance national safety and security.

FURTHER DELAY NOT AN OPTION—YUCCA MOUNTAIN NOW OFFICIALLY DECLARED BEST NUCLEAR WASTE SITE

Nearly 40 years after the federal effort began to find a permanent place to store high-level nuclear waste, a suitable site has been identified. It is now 20 years after Congress promised to have such a facility opened; five years after Congress named the preferred location—Yucca Mountain 90 miles northwest of Las Vegas, Nev.

Exhaustive scientific review has affirmed that site's suitability. The federal Department of Energy has now officially declared that the Nevada site meets the stringent standards prescribed for storing 70,000 tons of high-level, long-lived radioactive waste.

It does not mean transfer of such materials from 130 separate sites across the nation, much of it from nuclear power plants, will occur soon. The next step in the process is for President Bush to approve the recommended site and apply for a federal license. Nevada officials aim to derail the project, and a 1987 law gives that state veto power. Congress can then override the veto.

The process will still consume years, rather than months. And so will design work and construction once an irreversible decision is made. While it is projected now that the repository could be ready to accept waste by 2010, experience proves that is an optimistic timeline.

Opponents lack a key argument, however: that there surely are other, better sites available in the continental United States. Those were weighed long ago, and the sparsely-settled mountainous desert terrain in Nevada, already probed, tunneled and extensively surveyed for its stability, was chosen on justifiable scientific grounds. That the state has a small population might have been a political plus, but determined opposition on the part of its leadership has kept the issue in doubt long after the site should have been ready.

Now it is up to Congress once again to reaffirm its earlier decision, and to offer the best protection against future risks from nuclear waste by proceeding with deliberate speed to store the nuclear waste where it can be monitored carefully for the safety of generations of Americans yet to come.

The sensible majority of today's national political leaders must recognize that the greater good for the greater number is the issue. One state cannot have veto power over 49 others in a matter of vital national importance. Further delay only increases the risks and makes the nation more vulnerable to terrorists and the hazards that nuclear waste represents.

A PROCLAMATION RECOGNIZING JUSTIN DWIGHT MITCHELL

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. NEY. Mr. Speaker, whereas, Justin Dwight Mitchell has devoted himself to serving others through his membership in the Boy Scouts of America Troop 145; and

Whereas, Justin Mitchell has shared his time and talent with the community in which he resides; and

Whereas, Justin Mitchell has demonstrated a commitment to meet challenges with enthusiasm, confidence and outstanding service; and

Whereas, Justin Mitchell must be commended for the hard work and dedication he put forth in earning the Eagle Scout Award;

Therefore, I join with the entire 18th Congressional District of Ohio in congratulating Justin Dwight Mitchell for his Eagle Scout Award.

TRIBUTE TO MR. GERALD R. REED

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. PALLONE. Mr. Speaker, since 1926 Americans have recognized black history annually, first as "Negro History Week" and later as "Black History Month." February was chosen because the month marks the birthdays of two men who seriously impacted the African American, Frederick Douglass and Abraham Lincoln. This year's month long celebration's theme is, "The Journey to Freedom: The Struggles, Trials and Triumphs."

I would like to call the attention of my colleagues to a man who embodies the characteristics of a leader of the African American Population. It is with great pleasure that I introduce and honor Gerald R. Reed as he celebrates his tenth year as a member of Blacks in Government (BIG) and his third year as its president.

In 1992 Mr. Reed began his leadership role within the BIG as President of the Pentagon Chapter. The following year he was the honored recipient of the prestigious BIG National Distinguished Service award.

In 1994, only two years after he joined the organization, Mr. Reed became the President of the Region XI Council. During the three years of his presidency the Council was awarded the bids for the BIG Annual National Training Conference in 1994, 1997, 1998 and year 2000. Additionally, Mr. Reed served on influential BIG National Committees and instituted many major conference improvements as the Co-Chairperson of the BIG National Training Conference in 1997 and 1998.

Furthermore in 1994, during his first year as National President, Mr. Reed successfully implemented many initiatives for BIG, including a partnership with the United States Department of Agriculture Graduate School and several organizational infrastructure improvements.

Mr. Reed is also affiliated with the Black Leadership Forum, the National Coalition for Equity in Public Service, the Leadership Council on Civil Rights, and a VIP member of the Joint Center for Political and Economic Studies.

Mr. Reed is presently employed with the Network Infrastructure Services Agency, Pentagon, (NISA–P) as the Branch Chief for the Systems Applications Development Branch. He holds several degrees including a Master of Science degree in Administration with a concentration in Software Engineering from Central Michigan University. He is a veteran of the United States Army and also the author of "Building A Masterpiece with Simple Poetry."

Many events have been planned in conjunction with this month's Festivities in my district. Mr. Reed has been selected as the guest speaker at this year's Mentors Chapter of Blacks in Government (BIG) annual Black History Month Luncheon in Forth Monmouth, New Jersey.

Mr. Speaker, it is my sincere hope that my colleagues will join me in honoring and recognizing Mr. Reed and his significant accomplishments throughout his career, his work with Blacks in Government and his service to the African American Community.

HONORING THE CHINESE NEW YEAR

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Ms. PELOSI. Mr. Speaker, I rise today to acknowledge the celebration of the Lunar (or Chinese) New Year—the most important of all Chinese festivals. Part of the Asian philosophy includes the belief that as the turning of the new year, you clean your home, sweep away misfortune and welcome in the new year with hopes for prosperity and good luck. We should all take advantage of this opportunity to explore this tradition and embrace the richness of our diversity.

It is the year 4699 by the Chinese calendar, the Year of the Horse. The Lunar New Year is celebrated on the New Moon of the 1st day of the year and ends on the Full Moon 15 days later. It is popularly recognized as the Spring Festival, and is celebrated just before planting begins in the spring, with hopes for a good harvest in the coming year. Family is a major focus of the celebration, especially on New Year's Eve and New Year's day. A ritual paying homage to ancestors is performed in order to unite living family members with those who have departed. Much respect is paid to these ancestors who were responsible for laying the foundations for the fortune and glory of their families. The festivities conclude with the Lantern Festival, on the last night of the celebration, consisting of a parade of people carrying lanterns, and of young men performing a dragon dance.

In San Francisco, the Chinese-American community is a vital, historic and vibrant component of our world-renowned diversity. Chinese-Americans have played a significant role in all aspects of American life including our arts, education, sports, medicine, religion, and politics. Recognition of these gifts and of the cultural diversity in America today was recently symbolized when once again the United States Postal Service issued its annual commemorative stamp honoring the wonderful tradition of the Chinese New Year. I am honored to participate in Chinese New Year celebrations, and I wish all a Gong Hay Fat Choy.

INDIA: CANDIDATE FOR A TERRORIST STATE

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. BURTON of Indiana. Mr. Speaker, it is disappointing to note that India's actions of late have had the effect of undermining our war against terrorism. India's massive military buildup has forced Pakistan to pull troops away from the Afghan border, creating a potential opportunity for Taliban and Al Qaeda leaders to escape.

India claims that this act is in response to Pakistan's failure to turn over alleged terrorists to them, but Pakistan has been cracking down on terrorists and has jailed many of them so far. It will not turn over non-Indians to India, however. India also blames Pakistan for the attack on its parliament, even though India has a record of committing acts of terrorism in the guise of various minorities. Two independent investigations have proven that they did so in Chithisinghpora in March 2000, when they murdered 35 sikhs. The book Soft Target asserts that the Indian government was responsible for shooting down an Air India airliner in 1985, killing 329 people. In addition, India created the militant Liberation Tigers of Tamil Eelam (LTTE), which our government has labeled a "terrorist organization," and put up its leaders in Delhi's finest hotel, according to India Today, India's leading newsmagazine. Internet journalist Justin Raimondo has reported that Defense Minister George Fernandes supplied money and arms to the LTTE. On January 2, columnist Tony Blankley, writing in the Washington Times, reported that the Indian government sponsors cross-border terrorism in the Pakistani province of Sindh.

The time has come for India to release its political prisoners. According to the Movement Against State Repression (MASR), India admitted to holding 52,268 Sikhs as political prisoners in "the world's largest democracy." In addition, according to Amnesty International, tens of thousands of other minorities are also being held in jail.

India has also been guilty of terrorism against the minorities within its own borders. The newspaper Hitavada reported on November 1994 that the Indian government paid $1.5 billion to the late governor of Punjab, Surendra Nath, to foment terrorist activity in Kashmir and Punjab, Khalistan.

If we are going to win the war on terrorism, we must eliminate it wherever it shows up. That includes countries that claim to be democratic. I call on the White House to urge India to end its support for terrorism. In addition, it is time to cut off U.S. aid to India and to declare our support for a free and fair plebiscite in Punjab, Khalistan, in Christian Nagaland, in Kashmir, and in the other minority nations under Indian occupation on the subject of independence.

Mr. Speaker, on January 7, the Council of Khalistan published a press release urging that India be declared a terrorist state. I would like to place it into the RECORD at this time.

[Press Release from the Council of Khalistan, Jan. 7, 2002]

DECLARE INDIA A TERRORIST NATION—IT SPONSORS DOMESTIC AND INTERNATIONAL TERROR

INDIA MUST FREE OVER 52,000 SIKH POLITICAL PRISONERS

WASHINGTON, DC.—"The time has come to declare India a terrorist nation," Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, said today. The Council of Khalistan leads the Sikh Nation's struggle for independence and is the government pro tempore of Khalistan, the Sikh homeland, which declared its independence from India on October 7, 1987. "India pays lip service to the war on terrorism, but it is a terrorist nation itself," Dr. Aulakh said. "If America is committed to eradicating terrorism everywhere, that must include India, a major sponsor of international and domestic terrorism," Dr. Aulakh said.

Columnist Tony Blankley, writing in the Washington Times on January 2, wrote that India sponsors cross-border terrorism in the Pakistani province of Sindh. Internet journalist Justin Raimondo recently reported that Indian Defense Minister George Fernandes raised money for the militant Liberation Tigers of Tamil Eelam (LTTE), which the U.S. government has labelled as a "terrorist organization," and provided arms for them. Journalist Tavleen Singh, writing in India Today, India's premier newsmagazine, reported that the Indian government created the LTTE and put up its leaders in the finest hotel in Delhi.

The Deccan Chronicle reported on December 14 that the Indian government knew of the terrorist attack on its Parliament, which killed 13 people, in advance and that the government did nothing to stop it. No Members of Parliament were killed in the attack, but the victims were lower-caste people. This shows government involvement in the incident. India seeks to use this attack as a pretext for a war against Pakistan. Indian cabinet members have said that Pakistan should be incorporated into India. "Sikhs and Kashmiris will be the main victims of war," said Dr. Aulakh. "This is part of India's design. India is putting the stability of the entire South Asian region at risk for its own hegemonic ambitions," he said.

"We condemn terrorism in all forms, wherever it comes from," he said. "It is time for India to release more than 52,000 Sikh political prisoners and the tens of thousands of other political prisoners and end its repression," Dr. Aulakh said . . . According to a report in May by the Movement Against State Repression, India admitted that 52,268 Sikh political prisoners are rotting in Indian jails without charge or trial. Many have been in illegal custody since 1984. "I call on the Sikh leadership in Punjab to stop making coalitions with the Indian government and work for freedom for the Sikhs and the other minority nations of South Asia," he said.

The book Soft Target, written by two respected Canadian journalists, shows that the Indian government blew up its own airliner in 1985 to provide a pretext for more repression against Sikhns. In November 1994, the newspaper Hitavada reported that the government paid the late governor of Punjab, Surendra Nath, $1.5 billion to generate terrorist activity in Punjab and Kashmir. The Indian government has murdered over 250,000 Sikhs since 1984. Over 75,000 Kashmiri Muslims have been killed since 1988. In May, Indian troops were caught red-handed trying to set fire to a Gurdwara (a Sikh temple) and some Sikh houses in Kashmir. Two independent investigations have proven that the Indian government carried out the March 2000 massacre of 35 Sikhs in Chithisinghpora. In August 1999, U.S. Congressman Dana Rohrabacher said that for Sikhs, Kashmiri Muslims, and other minorities "India might as well be Nazi Germany."

India has also repressed Christians. More than 200,000 Christians have been killed since 1947. Priests have been murdered, nuns have been raped, churches have been burned. Christian schools and prayer halls have been destroyed, and no one has been punished for these acts. Militant Hindu fundamentalists allied with the RSS, the pro-Fascist parent organization of the ruling BJP, burned missionary Graham Staines and his two young sons to death. In 1997, police broke up a Christian religious festival by firing their weapons at it.

"Now is the time for Sikhs, Kashmiris, Nagas, and other nations to claim their freedom," he said. "Now is the time for a Shantmai Morcha (peaceful agitation) for the independence of Khalistan," he said. "If India is truly the democracy it claims, then it should allow a free and fair vote on this issue," Dr. Aulakh said. "Sikhs are a separate nation and ruled Punjab up to 1849 when the British annexed Punjab. The nations and peoples of South Asia must have self-determination now."

CONGRATULATIONS TO TAIWAN PRESIDENT CHEN AND HIS NEW CABINET

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. ENGLISH. Mr. Speaker, as Asians all over the world prepare to celebrate the lunar New Year, I would like to extend good wishes to all my Asian constituents and friends. I would especially like to wish Taiwan President Chen Shui-bian and the people of Taiwan good luck in this year of the Horse, along with continuing economic success and meaningful political reforms.

Since President Chen's inauguration in May 2000, he has made many gestures of good will. This includes encouraging Beijing to start meaningful discussions between Taiwan and Chinese mainland on the issues separating them. It is my hope that both Taiwan and the Chinese mainland will soon begin a dialogue on reunification, leading to a peaceful co-existence, hence, maintaining stability and prosperity in the Asia-Pacific region.

Also, I would like to extend my good wishes to President Chen's new cabinet. Mr. Yu Skyi-kun has been appointed the new premier. Mr. Yu possess a wide range of administrative experience and diplomatic skills which will help bring all political factions together. Other top cabinet posts includes Dr. Lee Ying-yuan, former deputy representative to the United States. In his new role as Secretary-General of the Executive Yuan, Dr. Lee will keep relations between the executive and the legislative branch working smoothly. Another excellent cabinet choice is the new foreign minister Dr. Eugene Chin. Before appointment, he was a diplomat and in previous administrations, he was Minister of Transportation and of Environmental Protection. Last but not least, my best wishes go to Ambassador C.J. Chen. A distinguished career diplomat, he is Taiwan's chief representative in Washington. He is industrious, courteous, and more importantly, experienced. His briefings are crisp, witty, and well-informed. Like many of my colleagues on the Hill, I enjoy working with both him and his knowledgeable and friendly staff. They are wonderful representatives for the Republic of China on Capitol Hill.

Again, my best wishes in the coming year.

TRIBUTE TO COLORADO EDUCATOR MRS. BARB VOGEL

HON. THOMAS G. TANCREDO

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. TANCREDO. Mr. Speaker, I rise today to mark a sad development in my district. I recently learned that one of Colorado's great educators will be retiring at the end of the current school year. Mrs. Barb Vogel will soon be leaving her post at Highline Community Elementary School in Aurora, Colorado. Barb is an outstanding teacher in all respects, but her passion to end slavery around the world, Mr. Speaker, has given me great strength during my short time here in Congress.

Mrs. Vogel and her class of fourth and fifth graders learned of the slave trade in Southern Sudan in 1998 after reading an article about it. Her students, outraged at the realization that slavery still exists in the world today, began to raise money to free Sudanese slaves by manning lemonade stands and collecting change in a jar. In remarkably little time, Mrs. Vogel's "little abolitionists" had raised enough money to free one thousand slaves. The class formed the "Slavery That Oppresses People (STOP)" campaign to help educate students around the world about the horror of slavery as it still exists in Sudan and elsewhere.

When I first came to this body, determined to try to do something about the horrific war in Sudan, remarkably few of my colleagues knew the details of the conflict or the extent of the suffering taking place there. The STOP group has helped immeasurably in the fight against that lack of awareness, with two trips to Washington, including one to give testimony to the Senate Foreign Relations Committee, and one to meet with senior administration officials.

I cannot help but wonder, Mr. Speaker, whether the efforts of Barb Vogel and the STOP campaign have done more to free Sudan from slavery and oppression than have three years of legislative and diplomatic wrangling. In the process of doing so, Barb succeeded in teaching scores of her students that a determined few who are willing to work hard can change the hearts and minds of millions. It is no small feat that she helped her students to prove to the world that one need not be rich or powerful or even grown-up to take a stand against evil.

I have no doubt that the work of the STOP Campaign, led by Mrs. Vogel, will continue after she leaves the classroom in June, and for that, Mr. Speaker, we should all be grateful. I wish Mrs. Vogel the happiest of retirement, for she has certainly earned it.

RECOGNIZING KSEE 24 PORTRAITS OF SUCCESS HONOREES

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. RADANOVICH. Mr. Speaker, I rise today to recognize NBC affiliate KSEE 24 and its Portraits of Success program celebrating African-American History Month. Currently in its eighth year, this program combines public service announcements, a five-part news series, and an awards luncheon to recognize the contributions of distinguished local leaders. This year's honorees are Reuben Phillips, Britt King, Bessie Miller, Walter Pierce, and Dr. Mae Rogers.

Reuben Phillips has worked in and served Fresno since he opened his auto part sales store in 1946. Phillips became the first African-American to serve in Fresno's Finance Department in 1977. He has also volunteered at 25 disaster sites with the Fresno-Madera Chapter of the American Red Cross.

Britt King was named the women's basketball head coach at California State University, Fresno in 1998. Since then she has been building a winning program and bringing talent to the team from all over the Nation. King's impressive resume includes being named Providence College Athlete of the Year in 1986 and Black Coaches' Sports Magazine's Coach of the Year in 1995.

Bessie Miller encourages young people to achieve their dreams through her work as Senior Advisor with Leadership West Fresno. Miller is a Site Manager for the State of California Employment Development Department. She has developed a great rapport with the youth and helps them find the motivation they need to succeed.

Walter Pierce began his work at Fresno State as the university's first affirmative action director. He works through the Office of Advising Services to help students reach their academic goals. Pierce also serves the Athletic

Department as an advisor to athletes and a mentor to coaches.

Dr. Mae Rogers began an after-school multi-level learning program during her work with the Affordable Housing Development Corp. Rogers now works with community school students ordered by the court to find an alternative school program.

Mr. Speaker, I rise today to commend KSEE 24 for their Portraits of Success program and honor Reuben Phillips, Britt King, Bessie Miller, Waler Pierce, and Dr. Mae Rogers for the work they have done in the community. I invite my colleagues to join me in wishing these honorees many more years of continued success.

CONGRATULATIONS LANSDOWNE VOLUNTEER FIRE ASSOCIATION #1, INC. ON 100TH ANNIVERSARY

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. CARDIN. Mr. Speaker, I rise today to congratulate Lansdowne Volunteer Fire Association #1, Inc. on their 100th anniversary.

In response to several local fires that needlessly consumed area homes, citizens of Lansdowne gathered together on February 14, 1902 and resolved to create their own fire department that would protect and preserve the safety and well-being of the entire community. And so, began the history of the Lansdowne Volunteer Fire Association—a history rich with examples of determination, courage, and above all, selflessness.

The Association's members have responded to the call of duty whenever their community, their neighboring community, or their nation needed them. They exemplify the virtues of citizenship. No blizzard, no hurricane, no disaster was ever too great to hinder the members from serving their neighbors.

To this day, the spirit of community that sparked its founders burns relentlessly among the members of the Lansdowne Volunteer Fire Association. I hope my colleagues will join me in saluting the bravery and fortitude that is the essence of the Lansdowne Volunteer Fire Association's service.

RETIREMENT OF MAJOR GENERAL MOORMAN

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. HYDE. Mr. Speaker, I would like to bring to your attention today the exemplary work and most commendable public service of one or our country's outstanding military leaders, Major General William A. Moorman, the Judge Advocate General of the United States Air Force. General Moorman will be retiring after an especially distinguished military career on May 1, 2002:

RETIREMENT OF MAJOR GENERAL WILLIAM A. MOORMAN

General Moorman entered the Air Force in 1971 through the Air Force Reserve Officer Training Corps program. His early assignments included Richards-Gabaur Air Force Base, Missouri, Yokota Air Base, Japan, Homestead Air Force Base, Florida, Luke Air Force Base, Arizona, and at the Pentagon here in Washington, D.C. He later served as the Staff Judge Advocate for 12th Air Force and U.S. Southern Command Air Forces, Bergstrom Air Force Base, Texas; as the first Staff Judge Advocate of U.S. Strategic Air Command, Offutt Air Force Base, Nebraska; Staff Judge Advocate U.S. Air Forces in Europe, Ramstein Air Base, Germany; Commander Air Force Legal Services Agency, Bolling Air Force Base, Washington, D.C.; Staff Judge Advocate Air Combat Command, Langley Air Force Base, Virginia; and finally his current position as The Judge Advocate General of the United States Air Force, where he serves in the Pentagon.

General Moorman was born and raised in Chicago, and his father and mother, James and Mary Moorman, still reside in its suburbs. General Moorman earned a Bachelor of Art's degree in history and economics at the University of Illinois, and then went on to attend the University of Illinois College of Law. He is a graduate of Squadron Officer School, a Distinguished Graduate of Air Command and Staff College, Maxwell Air Force Base, Alabama, and a graduate of the National War College, Fort McNair, Washington, D.C. General Moorman is admitted to practice before the U.S. Court of Appeals for the Armed Forces, the United States District Court for the Seventh Circuit and the Illinois State courts. His military decorations include the Distinguished Service Medal, the Legion on Merit with oak leaf cluster, the Defense Meritorious Service Medal, the Meritorious Service Medal with four oak leaf clusters, and the Armed Forces Expeditionary Medal for his service in Panama during operation JUST CAUSE. General Moorman was also recognized as the Outstanding Young Judge Advocate of the Air Force in 1979, winning the Albert M. Kuhfeld Award, and as the Outstanding Senior Attorney of the Air Force in 1992, winning the Stuart R. Reichart Award.

Since 1999 General Moorman has served as The Judge Advocate General of the Air Force. In that capacity, he led and inspired an organization of over 3000 military and civilian lawyers, paralegals, and support personnel. General Moorman's dynamic leadership, sound judgment, personal and professional integrity and unwavering devotion to duty were instrumental in the successful resolution of numerous difficult issues facing the JAG Department and the Air Force. At the same time, he was a key and trusted advisor to two Air Force Chiefs of Staff who relied on his sound, timely and cogent advice in resolving a host of complex legal and policy issues they encountered as the military leaders of the Department of the Air Force.

A visionary leader, Bill Moorman's tenure as The Judge Advocate General was marked by innovation and an unwavering focus on serving the needs of his Air Force client, wherever and whenever the mission required. From the outset of his assignment as the Judge Advocate General, he set about to leverage technology, particularly the use of electronic media and communications capabilities, and focus the efforts of his Department on a common vision for its evolution in the coming years. He drew upon the collective expertise of his most knowledgeable senior leaders to create several cornerstone publications, including the first ever judge advocate doctrine, and the "TJAG Vision for the 21st Century." These documents articulate a common understanding of the unique and increasingly critical capabilities military legal professionals bring to bear in support of air and space operations and will ensure the momentum his efforts generated continue beyond his tenure.

Another hallmark of General Moorman's leadership was his sustained initiative to maintain the high levels of skill and competency of the legal professionals who comprise the Department. His efforts were instrumental in enactment of legislation authorizing continuation pay for judge advocates, a measure that is reversing a perennial recruiting and retention problem by ameliorating spiraling student loan financial burdens that previously had prevented many of our best and brightest law school graduates from electing to serve in the nation's armed forces.

Perhaps General Moorman's greatest legacy will be his commitment to ensuring the Air Force Judge Advocate General's Department operates in a fashion that seamlessly merges its diverse, traditional fields of practice into the Expeditionary Aerospace Force model. He orchestrated numerous programs to ensure judge advocates are skilled in advising commanders on the application of air and space power across the spectrum of military conflict and also oversaw the creation of a comprehensive guide covering the application of air and space power across the full range of combat and noncombat operations.

In the midst of the tragedy of September 11th, his first thoughts turned to care for the injured at the Pentagon. He used his personal van as an ambulance and drove a wounded civilian employee to Arlington Hospital. He then returned to duty and led the remarkable effort to consider the unique legal issues involved in our homeland defense and the global war on terrorism. His efforts during and after the Pentagon attack underscore the force multiplying effect reliable legal counsel will bring to armed conflict in the 21st century.

Mr. Speaker, I ask that you join me, our colleagues and General Moorman's many friends and family in saluting this distinguished officer's many years of selfless service to the United States of America. I know our Nation, his wife Bobbie, and his family are extremely proud of his accomplishments. It is fitting that the House of Representatives honors him today.

TRIBUTE TO REVEREND J.C. CURRY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. KILDEE. Mr. Speaker, I rise today to pay tribute to a great man, Reverend J.C. Curry. Reverend Curry passed away last Thursday in Flint, Michigan. I am deeply saddened by this event as Reverend Curry was a dear friend. I will miss his guidance, wisdom and joy.

Reverend Doctor Curry was the Pastor of Macedonia Missionary Baptist Church for forty years but his influence extended beyond the walls of the church. He saw every person as a mirror of God and he responded with love and kindness to all. He worked tirelessly to improve Flint. Through his efforts Macedonia Missionary Baptist Church is a vital and vibrant force in the community. Reverend Curry opened doors and invited all persons to join him in spirit filled worship of Jesus Christ.

From his humble beginnings in DeKalb, Mississippi, Reverend Curry began working at the age of eight to support his mother and 11 brothers and sisters. Adversity only fueled his drive to succeed. For four years he served as a minister during World War II. He moved to Flint, earning his high school diploma and working for General Motors for 10 years. He became a full-time pastor and a cherished inspiration to all that knew him.

Reverend Curry epitomized the teachings of Christ contained in Matthew Chapter 6 Verse 3, "But when you do a charitable deed, do not let your left hand know what your right hand is doing." Even though recognition did find him, Reverend Curry worked to reflect the glory of God, not for worldly praise. From the small act of giving a dime to strangers so they could call loved ones or the large act of bringing the words of Jesus Christ to the homebound via WFLT–AM, Reverend Curry sought to demonstrate the compassion and jubilation of Christians. He was a kind, considerate man, always thinking of others before himself.

Mr. Speaker, I ask the House of Representatives to join me in offering condolences to his son, Josiah, and his daughters, Patricia, Louella, and Ondria, his grandchildren, great grandchildren, nieces and nephews. The Flint community has lost one of its cornerstones with Reverend Curry's death. I will mourn his passing.

IN RECOGNITION OF DR. JOHN J. FARRELL

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mrs. MALONEY of New York. Mr. Speaker, I would like to pay tribute to Dr. John J. Farrell who has spent his distinguished career serving and protecting the community. Now, more than ever, we recognize the men and women who dedicate their lives to law enforcement.

During his outstanding career, Dr. Farrell has served Queens in a variety of capacities. After graduating from John Jay College of Criminal Justice, Dr. Farrell became a police officer. Dr. Farrell exemplifies all that is best about New York's Finest: hardworking, talented, and intelligent, he served New York bravely and was promoted to the rank of Inspector. After 30 years of service, Dr. Farrell retired from the police force and went into private practice. He worked as a private investigator and returned to John Jay College of Criminal Justice to earn his doctorate in Forensic Criminology and Investigation.

Aside from his career in law enforcement Dr. Farrell has also specialized in the field of stress management, providing counsel to such businesses as General Motors of Queens and Grubb and Ellis of New York. In 1999 he opened his own hypnotherapy practice.

Dr. Farrell has been a resident of Queens, NY, for more than 38 years. He has been a committed member of the community at large, lending his talents and energy to a wide variety of organizations. He has served as executive director of the Queens Flag Day Committee. He is a board member of the Long Island City YMCA. Dr. Farrell also works as an officer advisor for the U.S. Merchant Marine Academy in Kings Point and as a Family Help Advisor with the U.S. Navy.

Dr. Farrell's outstanding accomplishments have earned him special recognition from organizations as varied as the U.S. Secret Service, the U.S. Postal Service, the F.B.I., the New York Archdiocese, and the Brooklyn Archdiocese, to name a few. He was also awarded a special certificate of appreciation by A.C. Tuller Queensboro North for his service during the tragic events of September 11, 2001.

Mr. Speaker, for his many contributions, I ask that my colleagues join me in saluting Dr. John J. Farrell.

IN SUPPORT OF H.R. 700, ASIAN ELEPHANT CONSERVATION REAUTHORIZATION ACT OF 2001

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today in support of H.R. 700, the Asian Elephant Conservation Reauthorization Act of 2001.

The plight of the Asian elephant is not new. Today there are only about 40,000 wild Asian elephants in 13 countries in South and Southeast Asia. Half of the elephants live in India, while on the other end of the spectrum, there are 40 wild elephants in Nepal. With only 14 fairly large populations, scientists are concerned that the long-term viability of the species has already been significantly reduced.

In 1997, after a precipitous drop in the population of the Asian elephants, Congress passed the Asian Elephant Conservation Act with a 5-year authorization. Since that time, Congress has appropriated approximately $2 million toward Asian elephant conservation, and foreign nations, local authorities and conservation organizations have contributed an additional $1 million. These funds have been used to finance 27 Asian elephant conservation projects in nine nations.

The types of projects funded under the 1997 conservation act have varied with the location and have included construction of antipoaching camps, promotion of elephant conservation, and the study of mobility patterns, population dynamics and feeding patterns of elephants. Projects have also included equipping field staff working in protected areas in India and educating school age children in Asia in the importance of conserving Asian elephants.

H.R. 700 is consistent with other successful legislative efforts including the 1988 African Elephant Conservation Act, the 1994 Rhinoceros and Tiger Conservation Act, and the Great Ape and Neo-Tropical Migratory Bird conservation acts. Passage would authorize funding to the Interior Department's Multi-National Species Conservation Fund for Asian elephants for an additional 5 years, authorize the Department of the Interior to establish an advisory panel to increase public participation in the program, and reauthorize the National Fish and Wildlife Foundation for 3 years.

I urge my colleagues to support the bill.

TRIBUTE TO JOHN W. GADSON, SR.

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to John W. Gadson, Sr. of South Carolina, who is retiring as Director of the Small Business Development Center at South Carolina State University in Orangeburg, South Carolina. Mr. Gadson's long and impressive career spans over forty-seven years and includes many outstanding accomplishments.

Mr. Gadson began his career in 1953, when he joined the United States Army. After serving three years, he was discharged as a Sergeant, and in 1956, enrolled at Clafin College in Orangeburg, South Carolina. Mr. Gadson received a Bachelor's degree in Chemistry Education from South Carolina State College in 1960. He later received a Master's degree in Science Education from Fisk University in Nashville, Tennessee.

His desire to help others lead him to a teaching career. His first teaching job was at Robert Smalls High School in Beaufort, South Carolina. In 1969, he left the classroom to serve as Director of the Beaufort-Jasper Neighborhood Youth Corps Project. This program, which offered work experience and training, was funded by the United States Department of Labor. It allowed Mr. Gadson to demonstrate his administrative skills and management abilities.

The Directorate of Penn Community Services, Inc., located on St. Helena Island, South Carolina, took note of Mr. Gadson's skills and hired him to direct its programs. The historic center served as a critical educational and community development site during the civil rights activities of the 1960's and often hosted Martin Luther King, Jr. and the SCLC staffers.

Included among his many achievements at Peen Center was the establishment of the first Minority Business Development Center in South Carolina in 1972, through the U.S. Department of Commerce Office of Minority Business Enterprise. The center provided numerous services to more than 140 blacks seeking to become entrepreneurs. That same year, he established the Penn Center Black Land Services, Inc.

Mr. Gadson left Penn Center in 1976 to work as a Ford Foundation Fellow at the State Reorganization Commission and later as a Research Assistant and Research Director on the Commission's staff. One of his projects resulted in passage of the new state procurement code, which laid the foundation for the State of South Carolina's increases in the amount of funds spent with minority-owned businesses. Mr. Gadson also served as a member of the Governor's Senior Advisory Team. In 1986, Mr. Gadson was awarded the Order of Palmetto, which is the highest honor that the Governor can give a citizen of the state.

Mr. Speaker, I ask you and my colleagues to join me today in honoring John W. Gadson, Sr. for the incredible service he has provided to the students of South Carolina State University and the citizens of South Carolina.

HONORING A BUFFALO SOLDIER

HON. MIKE ROSS

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. ROSS. Mr. Speaker, today I have the honor to share with you a touching story of dedication to country under extraordinary conditions.

I recently had the pleasure of visiting with a constituent who has dedicated her life to education, teaching and helping others, Mrs. Eunice Davis Pettigrew. Mrs. Pettigrew, now in her 80s, is a former small business owner and retired teacher and counselor at the University of Arkansas at Pine Bluff. Over the past several years, she has continued her lifelong quest for academic excellence by researching the life of her grandfather, Isaac Johnson, who grew up as a slave on a southern plantation and later served in one of the first regular army regiments of African-Americans on the American frontier following the Civil War.

When I visited with Mrs. Pettigrew, she shared with me a heartfelt narrative she recently completed about her grandfather's journey from slave to soldier. Not only did her grandfather overcome a childhood of slavery, he chose to serve his country even in the face of racial prejudice and inequalities as a member of the U.S. Calvary in a regiment that come to be known as the famous "Buffalo Soldiers."

Hearing this story reminded me that we should never forget the challenges our predecessors faced to preserve this great nation. The Civil War ended the nightmare of slavery, but we must all continue to work, together and as individuals, each day to make sure that our country truly is a community of all people.

As this month we celebrate Black History, we should take a moment to remind those like Isaac Johnson and the many others who came before us and made this nation strong, free, and prosperous. It is with humbleness and gratitude that I share with you and submit to the CONGRESSIONAL RECORD Mrs. Pettigrew's narrative about her grandfather, Isaac Johnson, and how he overcame significant challenges to become a true American patriot.

ISAAC JOHNSON, A SLAVE—A BUFFALO SOLDIER

This is a narrative of the life Isaac Johnson, the experiences he had as a slave on a North Carolina plantation as well as his experiences as a soldier on the Western Frontier. It is a study of the development and the survival of one Buffalo Soldier in particular, an unusual combination of events such as the impact that slavery had on Isaac Johnson's life, the Emancipation Proclamation and grandpa's role in the Buffalo Soldiers. It is hoped this writing will make known my grandpa's accomplishments during his life time.

PURPOSE

My name is Eunice Davis Pettigrew. I am Isaac Johnson's grand-daughter. While consulting many secondary materials on the history of the Buffalo Soldiers, the information detailing Isaac Johnson's life comes directly from me. This writing is to make known the facts as documented by my research in the Pine Bluff-Jefferson County Library, The Arkansas Historical Commission and The National Archives. I also have a collection of pictures, notes and the family Bible that I have kept over a period of about forty years. A pictorial tour will reveal some of the injustices that black solders endured. I have researched in eight states namely: Kansas, Missouri, Mississippi, Georgia, Tennessee, Texas, Alabama and Arkansas.

I was about nine (9) years old when my grandmother passed in 1926. My grandpa came to live with us in Pine Bluff Arkansas after my grandmothers' death. Our family eventually moved to Forrest City, Arkansas. During the years that Grandpa lived with my family, he told me many stories of his life as a slave and as a soldier. I was fifteen (15) years of age when my grandpa died on December 7, 1931.

ISAAC JOHNSON'S LIFE SKETCH

My grandpa was born about 1846, a slave in Charlottesville, North Carolina. He was never told his real age. He had only one (1) family member, a sister, who was sold from him at a very early age. Grandpa's mother died during childbirth as well as a twin sister.

To understand the bond that Isaac Johnson and his sister shared, I think first we must examine the slave family. The slave family had no standing in law. Marriages among slaves were not legally recognized and masters rarely respected slaves in selling adults or children. The male's sole purpose was to breed in order to maximize the number of offspring. Slave holders would also take sexual advantage of the female slaves, most of the time with the master's wife's knowledge. This created a multitude of biracial babies and an even larger number of human beings to be used for servitude. Slave owners had little or no regard for the emotional needs of slaves. The slave holder, not the parents, decided at what age children began to work in the fields. The slave family could not offer its children shelter or security, rewards or punishments. Despite all of this, my grandpa spoke on many occasions of the close relationship that he and his sister shared. Grandpa worked as a water boy on the plantation while his sister worked as a wet nurse. She nursed all of the slave babies while the slave women worked the fields. She was also responsible for nursing the master's babies. Grandpa told me about his sister making small bags of sugar and butter called sugar ticks that were used to pacify the babies between feedings. The babies were housed in a tee-pee like structure with pallets all around the walls. My grandpa's sister still found time in her busy day to show him love and affection.

Isaac Johnson remembered never leaving the plantation, so when the opportunity finally arrived he was excited to say the least. On the journey, he remembered looking outside of the covered wagon and thinking out loud what a big world it was. He noticed his sister sitting with her eyes closed and tears streaming down her face. He could not understand her tears at the time because there was so much excitement in the air. He asked her continuously, what was wrong but got no response. It was not until they reached their destination did grandpa's excitement start to fade away. Confusion began to set in for Grandpa, who was approximately two or three years of age at the time. He observed his sister on the auction block and being held up for public display to be sold. On completion of the bidding, his sister was led away blindfolded never to be seen by Grandpa again. What he observed was a very humiliating and degrading experience for his sister. Grandpa cried when he realized she had been taken away from him. The loss that Grandpa felt from this experience would be incomparable to anything else that he would endure in life. No longer did he have that strong family bond of someone to love him.

Grandpa often told me stories of life on the plantation. One incident in particular, a group of slaves had been chained together for a march when a woman went into labor. She was loosed from the chains and left alone to deliver the baby while the others continued on their journey.

To ensure the slaves obeyed the rules as set forth by the Slave Codes and the will of the master, whenever someone was found in violation of a rule, all the salves were called to the "Big House" to watch the punishment of the slave in question. Grandpa told me that he observed many of these beatings. He described to me a large platform with a square cut out of the center in which slaves were placed face down and beat repeatedly with a whip. Violations of these rules were dealt with in a variety of ways. Mutilation and branding were not unknown. However, most violators were whipped. A slave owner was immune from prosecution for any physical abuse against slaves. This was due largely in part to the fact that slaves could only testify against other slaves accused of a crime.

The 1870 Census shows Isaac Johnson living in Montgomery, Alabama, as a store clerk. During this time he lived with Emma Clark, a white woman. Emma Clark was the head of her household and had a two-year-old daughter at the time. It is my belief that Grandpa was Emma Clark's slave. Clark's daughter's name was Maretta Clark, so I believe this was Emma Clark's married name and that her maiden name was Johnson. I further believe my grandfather having no slave family's name to take, took his owner's family name.

My grandpa entered the Army while living in Montgomery, Alabama. He enlisted on the 6th day of May, 1867. He was a private in Company K, 24th Regiment of Infantry. Grandpa was transferred to Company 38 Infantry. He fought in the war with the Comanche Indians in the territory of the Texas Frontier. Isaac Johnson was shot in the right shoulder by a Comanche Indian, while escorting mail from Fort Harker to Fort Union. The wound was received near Cow Creek, Kansas in the Spring of 1868. He was treated at Fort Selden, New Mexico and at Fort Harker by Surgeon McClindon. My grandpa, Isaac Johnson, was honorably discharged at Fort Selden, New Mexico, on about May 6, 1870, due to the injury he received in the Spring of 1868. Grandpa returned to Montgomery, Alabama and to Emma Clark's household. He worked as a hotel employee until he reenlisted in the Army on June 14, 1878. He served in the Colored Cavalry of Saint Louis, Missouri. Isaac Johnson served in the Army for a period of five years but due to his previous injury, complicated by other medical problems, he was honorably discharged at Fort Stanton, New Mexico. He last served in the Company F-9 Regiment Cavalry.

After my grandpa's service in the Army, he lived in several areas including Montgomery, Alabama, Walls, Mississippi, Austin, Mississippi, Plummerville, Arkansas, and Menifee, Arkansas. Grandpa applied for bounty land and this undeveloped land was given to him in the township of Menifee, Arkansas. His family (The Johnsons), his sister-in-law's family (The Williamsons) and the Tally families were among the first settlers of this township. Menifee, Arkansas was my grandpa's home until the death of my grandmother, Sallie Walls Johnson, in 1926.

Isaac Johnson lived with my family in Pine Bluff, Arkansas and then Forrest City, Arkansas until his death on December 7, 1931. He was memorialized and buried at his church, Philadelphia Baptist in Menifee, Arkansas. He is buried in the Community Cemetery with some of his descendants.

HONORING MR. FRANK K. TURNER, PRESIDENT OF AMERICAN SHORT LINE AND REGIONAL RAILROAD ASSOCIATION FOR VISIONARY LEADERSHIP IN THE RAILROAD INDUSTRY

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. CLEMENT. Mr. Speaker, I rise today to honor Mr. Frank K. Turner of Gainesville, Virginia, for visionary leadership in the railroad industry on the occasion of his retirement.

Mr. Turner currently serves as the President of American Short Line and Regional Railroad Association (ASLRRA), a post he has held for some three years. This trade association ably represents 425 short line and regional railroads providing local rail service throughout the United States. Turner's work as a liaison between member railroads and the large railroads of this nation has been extraordinary.

During his tenure, Turner has served as a transportation expert on the Transportation Advisory Group, which advises the Bush Administration on numerous transportation matters of importance. Further, he represents the interests of short line and regional rail systems before Congress, Federal, and State Regulatory Agencies as well as on policy and technical committees of the U.S. Railroad industry.

With a wealth of railroad experience dating back to 1969, Turner has held several key positions throughout the industry, including Vice President of Operations for CSX Intermodal; President and Chief Operating Officer for Midsouth Railroad; and Key-Operating Officer with Norfolk and Western Railway.

A graduate of New Mexico Military Institute and Texas A&M University at Commerce, Turner also served as an officer in the U.S. Marine Corps for eight years and is a Vietnam Veteran.

He is always available to offer a wealth of insight and knowledge into the railroad industry. His love and enthusiasm for rail travel is evident from his longtime commitment to this mode of transportation. With more than thirty years of experience and expertise, Frank Turner has served railroad interests and riders throughout our country well.

BUSH BUDGET BASHES PILT

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. RAHALL. Mr. Speaker, as February 14th approaches it seems appropriate to examine the budget proposed by President Bush to see who gets Valentines and who does not. The lucky ones include the very wealthy who stand to receive huge windfalls as part of the President's massive tax cut. Those who stand to lose include average taxpayers. Take, for example, the President's unwise cuts to the PILT Program.

The federal government owns or manages about 30 percent of the land in this country. Unlike private land owners, however, Uncle Sam is not required to pay property taxes to counties or local governments. Given that such property taxes are the lifeblood of many county budgets, Congress created the Payments in Lieu of Taxes, or PILT, Program. PILT is a formula grant program which reimburses local governments for these lost property tax revenues. Created in 1976, the program accounts for a substantial share of many county budgets, particularly in Western states where the percentage of federal ownership is highest.

Now, there are obviously advantages to having the federal government as a neighbor. Many local communities thrive thanks to tourism dollars attracted by National Parks or federally managed recreation areas. And we all benefit when federal land managers work to protect and preserve our natural resources for future generations to enjoy. But the revenue loss experienced by some local communities is very real and by proposing to slash the amount available to reimburse these communities, the Bush Administration is not being a good neighbor at all.

Such a cut is really just a tax increase on local taxpayers. PILT funds replace lost county revenue and if the Federal Government no longer pays its share, those governments have no choice but to raise local property taxes. Apparently, the President feels that while wealthy Americans' income taxes are too high, local property taxes are not high enough.

This is particularly surprising given that the President claims to be a champion of local government. PILT funding flows directly to local communities and is available for any government purpose, no strings attached. In my home state, the President's plan means that the counties in West Virginia which receive PILT would have $287,000 less to spend on schools, public safety and other local needs.

Perhaps the President is counting on Congress to come to the rescue. The Bush Administration proposed cutting PILT last year and Members of Congress, who care about their counties, stepped in and restored the funding. If that is the plan, next time you hear that the President wants to save money and Congress wants to spend it, remember that PILT is part of the President's "savings."

In my view, the Federal Government should continue striving to be a good neighbor and maintain PILT payments at their current levels. Unfortunately, the Bush Budget plan hits the wealthy with Cupid's arrow but gives local taxpayers the shaft.

TRIBUTE TO WILLIAM R. MILLS, JR.

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. GARY G. MILLER of California. Mr. Speaker, I rise to pay tribute to and honor the accomplishments of William R. Mills, Jr., of Yorba Linda, California.

Bill graduated from the Colorado School of Mines with a degree in engineering in 1959, and earned his masters degree in civil engineering from Loyola University in Los Angeles in 1976.

Bill spent seventeen years with the engineering firm, Planning Research, before breaking off to become an independent water consultant. For the past fourteen years he has presided over the Orange County Water District as its General Manager. Bill is a Diplomate for the American Academy of Environmental Engineers, and Fellow for the American Society of Civil Engineers.

Bill is world renowned for the "Water Factory 21" water filtration system used to purify water used in irrigation in Southern California. This groundwater renovation reservoir provides about 75 percent of the water for the area's 2 million citizens. He has helped promote this technology as far away as Saudi Arabia and has effectively demonstrated this technology to be main stream in the water industry.

Bill's accolades include being named Water Leader of the Year in 1992, Outstanding Member of the WateReuse Association of California in 1994, and the Orange County Engineer of the Year in 1996. He earned the Outstanding Member of the American Desalting Association in 1994 and was later awarded their Presidential Award for Distinguished Service in 1996. Bill's work also earned him the Leadership in Engineering award for Water Resources from the Institute for the Advancement of Engineering in 1999.

Perhaps Bill's greatest accomplishment, though, is his family. Bill and his wife have reared three fine sons who have rewarded him with his greatest pleasure. Bill looks forward to retirement most so that he can begin to enjoy time with his three grandchildren.

I would like to thank Bill for his dedicated service to Southern California and his progressive leadership in addressing the area's tremendous water concerns. I wish him the best in his retirement.

TRIBUTE TO NEA CHAIRMAN, MICHAEL P. HAMMOND

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. HORN. Mr. Speaker, with the passing of Michael P. Hammond, the arts community has lost a true gentleman and first-rate leader. After only one week at his post as chairman of the National Endowment for the Arts, Chairman Hammond left us before he had the chance to apply his wide-ranging knowledge, leadership and vision to the betterment of the arts community.

Just last month, I had the pleasure of meeting with Michael Hammond. He shared with me some of his goals for his new role as NEA chairman. He helped to attract more children to the arts community at an earlier age. And he wanted to generate broader interest in the arts among the general public. I have no doubt that he would have accomplished those goals. He just had that rare gift that you just knew would make a difference. His unique accomplishments as a musician, educator, and advocate for the arts will be very difficult to replace.

Michael Hammond dedicated his life to his love of music and the arts. He was a renowned conductor, composer, and educator and had a keen interest in the relationship between neuroscience and music. He was the former dean of Rice University's Shepherd School of Music and was the founding Dean of Music for the new arts campus of the State University of New York at Purchase, New York, where he later served as president of the University.

A Rhodes scholar at Oxford, and educated at Lawrence University and Delhi University in India, Michael Hammond also taught neuroanatomy and physiology at the University of Wisconsin. As a composer and conductor, he wrote numerous scores for theatre here and abroad. He founded the Prague Mozart Academy in the Czech Republic and served on the Board of the Houston Symphony.

Mr. Speaker, we struggle to express feelings of grief, sorrow and appreciation for his extraordinary man who gave so much to the arts community and was taken from us far too early in life. It would be a fitting tribute to Michael Hammond for those of us who share his passion for the arts to do all we can to carry on his vision to build a greater appreciation for the arts in this country.

TRIBUTE TO HILDA GIBBS

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Ms. McCARTHY of Missouri. Mr. Speaker, I rise today to pay tribute to Hilda Gibbs on her 87th birthday. Hilda has been a pillar of the Plaza Westport community of Kansas City since moving there in 1962. She is currently President of the Plaza Westport Neighborhood Association and has held this post for over 10 years. Her genuine concern and caring for her neighbors have made her tenure as a president a gift that her fellow residents will treasure for a long time.

Hilda Gibbs was born Hilda Lutz in Freiburg, Germany in 1915. After growing up in Germany, she emigrated to France where she trained as a secretary for two years. Upon leaving France, Hilda emigrated to England and served as a nanny. In 1939, she came to New York to join her sister, Ida. She underwent training to become a hostess because at this time you could not waitress in a restaurant without formal training. While in New York, Hilda met and fell in love with her late husband, Bob Gibbs. They were married for 42 years. He was the love of here life, and she of his.

In 1962, Hilda moved with Bob to Kansas City where she has lived ever since. Since becoming the President of the Plaza Westport Neighborhood Association, Hilda has been one of the most vocal and informed advocates for the citizens of Kansas City. Her determination to see things done right has resulted in many memorable victories for the residents she loves so dearly. Whatever the task, Hilda is not afraid to fight until her community wins. She is so involved in her community that she accompanies the codes inspectors as they comb the neighborhood in search of full compliance. This activist spirit has also extended into politics. Hilda has used her informed status to support candidates she feels are the best for Kansas City and the State of Missouri.

Activism is not the only way Hilda is involved in her community. For several years, she and her late husband would spend Fridays as volunteers at the Truman Medical Center, and Hilda continues this ritual today. She is also an avid promoter and proponent of other arts community of Kansas City. Rarely does she miss a performance, but she also used her nights out in Kansas City to teach young women about the arts. Often she invites a young woman to accompany her to various artistic productions throughout the city giving the young woman the opportunity to broaden her cultural horizons.

Mr. Speaker, I ask you to join me in saying "Happy Birthday" to Hilda Gibbs as she turns 87. Her birth in 1915 has given the Kansas City community the gift of a loving, caring individual with commitment and dedication to making the community a better place through activism and service.

TRIBUTE TO MRS. CINDY WALL BEARD

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Mrs. Cindy Wall Beard of South Carolina, a remarkable woman who, despite her battle with cancer, is a leader, a mentor and an inspiration to those in the community.

Mrs. Beard, a native of Scranton, South Carolina, received her high school diploma from The Carolina Academy. She later earned a Bachelor's degree in Administration from Limestone College. After college she worked as an administrator for Wall Home Health Care. She currently resides in Florence, South Carolina, but spends much of her time in nearby Lake City where she is an active member of Lake City Pentecostal Holiness Church exercising her leadership abilities as a Sunday School Teacher, leader of Discipleship, and coordinator of a local non-denominational prayer group called TEARS. In 1996, Mrs. Beard founded the Lake City chapter of the March for Jesus and has organized activities for the celebration every year since.

In May 2001, Mrs. Beard established Project Blessing, a program designed to assist children of families in low-income housing in Lake City. The impact Mrs. Beard has had on members of her community is best exemplified in the story of the Brown Street kids. The birthday of each child on Brown Street has been celebrated. Complete with cake, presents, and enough pizza for the neighborhood, every party was made possible by Mrs. Beard and cooperation from area businesses. She collaborated with Hilton Head residents to make sure Brown Street kids got the gifts on their Christmas wish lists. Always dedicated to her faith, Mrs. Beard established the backyard Sunday School program for Brown Street and other Project Blessing neighborhoods. The impact she has had on the lives of people in the community is immeasurable.

Though these accomplishments would be impressive under any circumstances, perhaps what is most remarkable is Mrs. Beard has contributed all this to the community while fighting a battle against cancer. In 1998 she became a published author with her book, His Messages, a statement of hope and inspiration to others with cancer.

Mr. Speaker, I ask you and my colleagues to join me in recognizing Mrs. Cindy Wall Beard, a women who has touched innumerable lives in her community in countless ways. I commend her on her tireless dedication to others and wish her all the best in the future.

RECOGNIZING THE BATTLING BISHOPS OF OHIO WESLEYAN UNIVERSITY, NCAA DIVISION III WOMEN'S SOCCER NATIONAL CHAMPIONS

HON. PATRICK J. TIBERI

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. TIBERI. Mr. Speaker, I would like to congratulate the Battling Bishops of Ohio Wesleyan University for their first NCAA Division III women's soccer national championship. This victory caps a tremendous season that includes an astounding twenty-one straight wins.

Ohio Wesleyan University is an independent undergraduate liberal arts institution in Delaware, Ohio, with an enviable reputation for education excellence. As an institution renowned for its commitment to teaching and mentoring of the highest quality that nurtures and prepares students to be leaders and informed and involved citizens, Ohio Wesleyan University has reached and maintained a ranking as one of the top liberal arts universities in the country.

I remember well the excitement over the 1988 men's basketball and 1998 men's soccer national championships. Like those earlier teams, the Ohio Wesleyan University women's soccer national championship team has represented their school, their team and themselves with distinction and in the finest tradition of sportsmanship.

DONALD GOULET RETIRING AFTER DISTINGUISHED SERVICE CAREER

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. OXLEY. Mr. Speaker, it is my honor today to salute a good American, Donald Goulet, at the close of his 30-year career as a U.S. Customs Inspector and an FBI Agent.

Don's distinguished service to his nation began in 1966, when he joined the United States Marine Corps. Although as a college student he was exempt from military service, his patriotism and love of country led him to this service. In Vietnam, Don earned the National Defense Service Medal, the Vietnam Service Medal with One Star, two Purple Hearts, and numerous other citations and decorations. Honorably discharged in 1967, Don returned to the University of Maine to continue his educational career, graduating in 1972.

Don joined the Customs Service shortly after his graduation, first serving as an inspector at the border crossing in St. Aurelie, Maine. Over the next decade, he worked at various Customs checkpoints, including a two-year stint in Montreal, Quebec.

In 1982, Don was selected for FBI service and attended the FBI Academy in Quantico, Virginia. After assignment in Boston, Muncie, and New York City, he returned to Maine and worked in the Bangor office for much of the 1990s. Don's last assignment, a three-year tour in Boston, ends this month.

A devoted public servant, Don is even more dedicated to his family. He and his wife of thirty-two years, Donna, are the proud parents of Karen, Keith, and Kristen. An avid hunter and fisherman, Don will have plenty to keep him busy in retirement. He especially enjoys cheering on the Red Sox, the Bruins, and Super Bowl champions New England Patriots.

As a former FBI agent myself, it is my honor to recognize Don Goulet for his selfless service to the Bureau and to our nation. He is rightly proud of his years of service as a Marine, a Customs Inspector, and an FBI agent. I am honored to join his family, friends, and colleagues in thanking him for his dedication and saluting his distinguished career.

TRIBUTE TO WILLIAM J. ALEXANDER

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. GARY G. MILLER of California. Mr. Speaker, it is with great pleasure that I rise to recognize a good friend from the Inland Empire, William J. Alexander. On February 13, 2002, Bill will be celebrating his 59th birthday.

Mr. Alexander is currently Mayor for the City of Rancho Cucamonga, California and has able served on the Council since 1994. Bill is a graduate of Montclair High School and Chaffey College. Bill is a retired Fire Captain from the City of Ontario where he brought forth his services for more than 35 years. He is a member of the Foothill Fire Protection District Board of Directors and he has served as a member of the Public Safety Commission for Rancho Cucamonga. He is also a Certified Bomb Technician having graduated from the FBI Regional Center in Huntsville, Alabama.

Mayor Alexander and his wife have six children and five granddaughters. He has been a resident of western San Bernardino County for more than 40 years. Bill enjoys spending time with his family and makes that a priority even with his demanding schedule. He loves the community that he serves and plans on seeking another four-year term.

Happy 59th birthday, Bill.

TRIBUTE TO MR. FRED GADDIS

HON. CHARLES W. "CHIP" PICKERING

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. PICKERING. Mr. Speaker, I rise today to recognize and pay tribute to Mr. Fred Gaddis, Sr., a former businessman and mayor of Forest, MS. Mr. Gaddis was beloved by the citizens in his community for his vision and dedication to improving the quality of life for all those around him. His death was devastating to those who knew him and certainly affected the town of Forest and Scott County.

Mr. Gaddis attended both Mississippi State University (MSU) and the University of Southern Mississippi (USM). At MSU, he was a classmate of our beloved 3rd District Congressman G.V. "Sonny" Montgomery. He left USM to serve our country in the Navy during World War II as a pilot. After his service to the Nation, he returned to Forest and Scott County where he began his legacy as a pioneer in the poultry industry. He started his first poultry plant with under $1,700 and then built Gaddis Industries, which included 38 poultry farms and several other farming industries. His vision has helped make Scott County the fifth-largest poultry-producing county in America.

He has been recognized at State, national, and world levels for his work in the poultry industry. He even represented the United States Government at the World's Food Fair in Tokyo and Hong Kong. For his pioneering efforts and success in the poultry industry, his picture hangs today in the Mississippi State University Poultry Hall of Fame, and in the Mississippi Agricultural Museum in Jackson.

Besides being a successful and visionary businessman, Mr. Gaddis served the city of Forest as mayor for 32 years where his mission was always serving the people. He fulfilled his mission by improving the quality of life for those in Forest and Scott County. During his tenure as mayor, a new community center, library, fire station, airport, coliseum, and city hall were built. He also personally bought a bus for the school system when they could not afford it, and paid for lunches out of his own resources for the students in the Forest schools before the Federal lunch program was established. As a tribute to his many contributions one of the city parks in Forest is named for him.

Mr. Gaddis was particularly active in community and religious activities. He served as a deacon at Forest Baptist Church, and sponsored the building and furnishing of a cottage in the Baptist Children's Village in Clinton, that houses 14 boys. He is the recipient of the Silver Beaver award from the Boy Scouts and the Troop 63 Eagle Class is named in his honor. Mr. Gaddis is also a Mason and past president of the Lions Club.

Survivors include his wife of 58 years, Mary (better known as "Tweency"), sons Michael and David, daughter Beverly, two sisters, 12 grandchildren, and four great-grandchildren. The citizens of Forest and Scott County will sorely miss him.

Fred Gaddis's resume may span several pages for his successful business, and his vision as a mayor for Forest and service to his community. However, the legacy he leaves behind cannot fully be expressed by what he did, but rather by the people he touched and the way he lived his life. He had a deep love for God, family, friends, and community. I extend my sympathy to his family and all those in Scott County who have been affected by this loss. I am very appreciative of Mr. Gaddis's legacy, and am hopeful that it will encourage others to follow in his footsteps of public service for a better community and concern for others.

PERSONAL EXPLANATION

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. FRELINGHUYSEN. Mr. Speaker, I was unable to be present for rollcall votes on February 5, 6, and 7. Had I been present, I would have voted "yea" on rollcall votes Nos. 6, 7, 8, 9, 10, 11, 12, 13, and 14.

NATIONAL EYE DONATION MONTH

HON. SHERROD BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. BROWN of Ohio. Mr. Speaker, you and I and Americans throughout the country have the power to help restore sight to thousands of people in need. That is the potential inherent in eye donation. By signing a donor card and telling our loved ones about our wish to donate,, each of us can give the precious gift of sight to people like Harold Urick from Cleveland, Ohio. Mr. Urick lost his eyesight as a brave soldier during World War II and later received the gift of sight after a cornea transplant—allowing him to see his family again.

March is National Eye Donor Month. It is an opportunity to celebrate the gift of sight, to honor past donors and their families, and to raise public awareness regarding the importance of eye donation.

Last year, through the miracle of corneal transplantation, 47,000 individuals had their sight restored. This year, thousands of Americans will require sight-restoring cornea transplants. We in Congress can help ensure a sufficient supply of precious corneas by educating the public about the importance of eye donation and encouraging more Americans to become donors.

Our nation's eye banks, along with the Eye Bank Association of America, work tirelessly to restore sight through the advancement and promotion of eye banking. Through meticulous screening procedures, accredited eye banks ensure that Americans in need of a cornea transplant receive safe tissue. Eye banks have developed an informal national distribution system that ensures that tissue can be available whenever a cornea is needed for surgery, but each year the demand for tissue increases.

As National Eye Donation Month approaches, I encourage my colleagues to work with their local eye banks and the Eye Bank Association of America to promote eye donation and provide more people like Mr. Urick with the miracle cornea transplantation provides. There is no gift more meaningful, more profoundly important, than the gift of sight.

TRIBUTE TO KATHRYN WILLIAMS

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to Kathryn Williams of South Carolina, a respected lawyer and the first woman ever to lead the forty-four year old South Carolina Trial Lawyers Association. Ms. Williams career achievements and accomplishments are exemplified in her extraordinary contributions to the State of South Carolina.

Ms. Williams was born in Fort Mill, South Carolina. She received her undergraduate degree from Clemson University and her law degree from the University of South Carolina School of Law. She started her own practice in 1989, not long after graduation.

In 1993, Ms. Williams was named Greenville Likable Lawyer, during a local celebration of law week. Ms. Williams serves on the Board of Governors of the South Carolina Trial Lawyers Association. During her years of involvement in the South Carolina Trial Lawyers Association, Ms. Williams has held various offices, including Editor, Secretary, Treasurer, Vice President and President Elect.

As President of the Trial Lawyers Association for one year Ms. Williams will lead a 1,300-member group of plaintiffs attorneys dedicated to keeping South Carolina's families safe and improving the plaintiffs bar.

Mr. Speaker, I ask you to join me today in honoring Ms. Kathryn Williams for the outstanding service she has provided to the legal profession and citizens of South Carolina. I wish Ms. Williams good luck and Godspeed in her new position.

HONORING THE LATE RICHARD "DICK" DAY

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Ms. WOOLSEY. Mr. Speaker, I rise today to honor the memory of Richard "Dick" Day, a man who walked his talk with both integrity and good humor, and whose life should encourage every citizen working for a better community.

Born in Idaho of a large and boisterous family 67 years ago, Dick Day matured in the hot political atmosphere of the California of the 60's. Not one to fear overwhelming odds, the young Dick Day chaired John F. Kennedy's presidential campaign in the Republican heartland of Orange County. Later, Day attended U.C. Berkeley's Boalt School of Law balancing his studies with a whimsical campaign for a seat in the California legislature, which he lost handily.

After graduation in 1968, the 32-year-old lawyer moved to the fast growing city of Rohnert Park in Sonoma County. The next year, Day moved to Santa Rosa and won election to the Sonoma County Board of Education. In 1970 he lost an election to the Sonoma County Board of Supervisors. In 1979, Day was selected by Governor Jerry Brown to fill a vacancy on the Sonoma County Municipal Court, a position he lost in a mid-year election a year later.

Dick Day's destiny was not to be an office-holder, but to be a man who seized on important issues from the grassroots. Day joined with Bill Kortum, Chuck Rhinehart and others to fight against an attempt by private developers to block 13 miles of spectacular coast from coastal access. As the attorney for Californians Organized to Acquire Access to State Tidelands (COAAST), Day was able to convince the state Supreme Court to overturn a county supervisor decision favorable to developers; and later become instrumental in the passage of a statewide measure that guaranteed public access to beaches in the state and formed a new agency, the California Coastal Commission which is chartered to protect California's coastline from over development.

In an ongoing fight against unrestrained growth, Day served on the board of Sonoma County Tomorrow; was a founder of a coalition of Santa Rosa neighborhood groups and became chair of the Committee to Oppose Warm Springs Dam. Later he helped form Concerned Citizens for Santa Rosa, which became an influential player in Santa Rosa politics and a training ground for several future leaders, including current California Assemblywoman Pat Wiggins. Day was also a founder of Sonoma County Environmental Action, an effective grassroots political organization that helped elect numerous environmental progressives to Sonoma County city and county government. Fighting against sprawl, Day pushed for city-centered transit as a founder of the Sonoma County Transportation Coalition and for downtown revitalization as a member of Heart of Santa Rosa.

Dick Day provided both legal advice and political savvy to all of these groups. Always outspoken, he learned he was most effective in a background role. When there was press release, a letter to the editor, a legal challenge to be written, Dick Day was always ready to serve. He didn't always carry the day, but working with others, he won significant victories in protecting the Russian River against dredging, limiting campaign contributions in local elections, creating greenbelts around the county's cities, and defeating tax measures to widen highways without developing public transit. Representing the Sierra Club he won a settlement from the Santa Rosa City Council in the early 80's, after charging that the Council acted improperly in providing tax incentives to the developers of a shopping center.

Dick Day had many opponents, but no real enemies. It was clear that he was coming from a place of integrity. He was a gregarious man, always armed with a quip. He loved to hold court in Mac's Delicatessen in downtown Santa Rosa, advise and josh his friends, and debate and trade barbs with folks of other political persuasions. Politics was play to Dick as much as it was serious business.

He was blessed with long and loving relationship with his wife, Jean, who was a partner in all of his endeavors, and helped provide a home full of warmth, good conversation and books. Jean died last year, and Dick carried on bravely though his heart was broken.

We will miss Dick Day. His activism showed us that dedicated, informed citizens can make democracy work. And clearly, for all who knew him, Dick Day has been elected to our hearts for life.

THE "ONLINE CRIMINAL LIABILITY STANDARDIZATION ACT"

HON. BOB GOODLATTE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 12, 2002

Mr. GOODLATTE. Mr. Speaker, no single issue will have a greater impact on the future of the Internet than the resolution of how the government will regulate conduct and content on the Internet. That is why I am introducing today, the "Online Criminal Liability Standardization Act", legislation that would create a uniform standard limiting service providers' liability for content that third parties have stored or placed on their systems.

Criminal statutes regulating online criminal activity have taken varied approaches to the liability of service providers. This has created uncertainty for service providers as they wade through the myriad of criminal statutes and the various standards to which they are held liable. Service providers are expected to choose the correct law, from among many competing jurisdictions, and apply it to each of the millions of activities that occur daily on their networks.

Instead of focusing on those who initiate or profit from illegal activity, some proposals would hold service providers criminally liable for the conduct, activities, and decisions of third parties who use their services. Under many of these proposals, culpability would arise regardless of whether a service provider has any relationship with the user or the offending site, or intends to facilitate the illegal activity. These approaches will not work. There are more effective and responsible ways to combat illegal conduct on the Internet. Instead of targeting service providers, solutions should focus on those who engage in unlawful activity.

The "Online Criminal Liability Standardization Act" would amend the criminal code by clarifying that an interactive computer service provider would generally not be liable under federal criminal law for the actions of third party users. This limitation is narrowly constructed, however. First, it applies only to corporations and not to individuals, who perpetrate the vast majority of computer crimes. Second, it applies only to content provided by third parties—not to content that the provider creates or develops jointly with another person. Third, it applies only to communications functions performed in the ordinary course of the corporation's business—so that interactive computer services would not be protected if they undertook a new business venture that was illegal. Fourth, the limitation does not apply in instances where a senior employee of a corporation has actual knowledge of the illegal activity. Fifth, it does not apply to employees of a corporation who may engage in illegal activity. And finally, it does not apply to violations of federal criminal copyright laws.

I urge each of my colleagues to support this important legislation to give service providers certainty and clarity by creating a uniform standard limiting service providers' liability for content that third parties have stored or placed on their systems.

SENATE—*Wednesday, February 13, 2002*

The Senate met at 9:30 a.m. and was called to order by the Honorable JON S. CORZINE, a Senator from the State of New Jersey.

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Blessed God, our Father, You have shown us that there is great spiritual power in praise. When we praise You, our minds and hearts are opened to Your Spirit, burdens are lifted, problems are resolved, and strength is released. So we join our voices with the Psalmist: "I will tell of all Your marvelous works. I will be glad and rejoice in You; I will sing praise to Your name, O Most High."—Psalm 9:1–2.

We confess that often it is difficult to praise You in troublesome times and with frustrating people. And yet it is when we deliberately praise You for them that we receive fresh inspiration. Help us remember what You have taught us: Praising You for the most challenging situations and contentious people transforms us and our attitudes as well as them.

Give us greater confidence in Your inner working in people and Your unseen, but powerful, presence in every situation. Again we join the Psalmist, "Because Your lovingkindness is better than life, our lips shall praise You. Thus I will bless You while I live."—Psalm 63:3–4a. This is a day to praise You, O Lord! Amen.

PLEDGE OF ALLEGIANCE

The Honorable JON S. CORZINE led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. BYRD).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, February 13, 2002.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JON S. CORZINE, a Senator from the State of New Jersey, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. CORZINE thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

Mr. REID. Thank you, Mr. President.

ORDER OF PROCEDURE

Mr. REID. The Senator from Pennsylvania is in the Chamber. Under the order, we are to begin consideration of the farm bill at 9:40.

I ask unanimous consent that the Senator from Pennsylvania be recognized for 4 minutes to speak as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I thank my distinguished colleague for yielding me the time.

(The remarks of Mr. SPECTER pertaining to the introduction of S. 1937 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

AGRICULTURE, CONSERVATION, AND RURAL ENHANCEMENT ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 1731, which the clerk will report.

The bill clerk read as follows:

A bill (S. 1731) to strengthen the safety net for agricultural producers, enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

Pending:

Daschle (for Harkin) amendment No. 2471, in the nature of a substitute.

Daschle motion to reconsider the vote (Vote No. 377—107th Congress, 1st session) by which the second motion to invoke cloture on Daschle (for Harkin) amendment No. 2471 (listed above) was not agreed to.

Lugar (for Kyl/Nickles) amendment No. 2850 (to amendment No. 2471), to express the Sense of the Senate that the repeal of the estate tax should be made permanent by eliminating the sunset provision's applicability to the estate tax.

Lugar (for Domenici) modified amendment No. 2851 (to amendment No. 2471), to require the Secretary of Agriculture to make payments to milk producers.

Harkin (for Kerry/Snowe) amendment No. 2852 (to amendment No. 2471), to provide emergency disaster assistance for the commercial fishery failure with respect to Northeast multispecies fisheries.

Reid (for Conrad) amendment No. 2857 (to amendment No. 2471), to express the Sense of the Senate that no Social Security surplus funds should be used to pay to make currently scheduled tax cuts permanent or for wasteful spending.

TEXT OF AMENDMENT 2834, AS MODIFIED

On page 2, line 10, after the word "forestry," insert: "or commercial fisheries".

AMENDMENTS NOS. 2857 AND 2850

The ACTING PRESIDENT pro tempore. Under the previous order, the hour of 9:40 a.m. having arrived, there will now be a total of 10 minutes debate equally divided on the Conrad amendment No. 2857 and the Kyl amendment No. 2850.

Who yields time? The Senator from North Dakota.

Mr. CONRAD. Mr. President, if the Chair would alert me when I have used 4 minutes.

The ACTING PRESIDENT pro tempore. The Chair will do so.

Mr. CONRAD. Mr. President, the Conrad amendment states the following:

Since both political parties have pledged not to use Social Security surplus funds by spending them for other purposes, and since under the administration's fiscal year 2003 budget the Federal Government is projected to spend Social Security surplus funds for other purposes in each of the next 10 years, and since permanent extension of the inheritance tax repeal would cost, according to the administration's own estimate, approximately $104 billion over the next 10 years, all of which would further reduce the Social Security surplus, therefore, it is the sense of the Senate that no Social Security surplus funds should be used to pay to make currently scheduled tax cuts permanent or for wasteful spending.

Here is where we are. There are no surpluses left. This chart shows, from 1992 to 2012, the fiscal condition of the country. It shows that, while we were able to avoid using Social Security funds or most of the Social Security funds for 4 years, we have now gone back to the old, bad ways of taking every dime of Social Security funds for other purposes—for the President's tax cuts and for other spending priorities.

This is something we all pledged not to do. It is not just in the context of the economic downturn and the war. It is a condition that will confront us the entire rest of this decade, as this chart shows.

Where did the money go? The Congressional Budget Office tells us over the 10-year period 42 percent of the reason for the return to deficits is the tax cut the President proposed and pushed

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

through Congress last year; 23 percent is a result of the economic downturn; 18 percent results from the additional defense and homeland security costs necessitated by our response to the attack on our country; 17 percent came about as a result of technical changes, largely underestimations of the cost of Medicare and Medicaid.

Last year we were told we would have $2.7 trillion of non-trust-fund surpluses over the next decade. That is where the President's tax came from. Now that entire projected surplus is gone, and what we are left with is deficits of $2.2 trillion—every dime of it being financed by the Social Security and Medicare trust funds under the President's proposal.

Last year we were told we would be paying down $2 trillion of debt in the next 10 years. Now the administration informs us that will be only $521 billion.

The consequence of more debt is that we will be paying $1 trillion more in interest costs than we were told last year. That means $1 trillion not available to improve the defense of the country or to strengthen homeland security or to pay down the debt.

Now the Senator from Arizona comes and says we ought to dig the hole deeper. The Senator from Arizona says: We ought to make permanent the estate tax elimination that was part of the tax bill last year. That would cost $104 billion for the rest of this decade, and over the next decade it would cost $800 billion, right at the time the baby boomers begin retiring in large numbers.

The ACTING PRESIDENT pro tempore. The Senator has 1 minute remaining.

Mr. CONRAD. Mr. President, this is where we are headed. In 2016, the Social Security trust funds turn cash negative. Then these surpluses that are being used to pay for tax cuts and other expenses of Government are going to vanish, and instead we will have massive deficits.

I urge my colleagues to support the Conrad amendment, to say no to making permanent tax cuts that would be financed out of the Social Security trust funds. Every Member, virtually every Member, has pledged not to do that. This is the time to reaffirm that commitment to the integrity of the trust funds.

The ACTING PRESIDENT pro tempore. Who yields time? The Senator from Arizona.

Mr. KYL. Mr. President, the problem with the argument of the Senator from North Dakota is that there is not one shred of truth to it. It is absolutely false to contend that we are going to be spending Social Security surplus funds on "permanentizing" the repeal of the death tax. It is simply false.

I ask unanimous consent to print in the RECORD the budget estimates from President Bush's 2003 budget submission which demonstrates this fact.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BUDGET ESTIMATES—PRESIDENT BUSH'S 2003 BUDGET SUBMISSION

[In billions of dollars]

	2008	2009	2010	2011	2012	2003–2012
Baseline non-social security surplus	17	51	99	199	395	463
Effect of extending death tax repeal	−3	−3	−4	−25	−61	−104
Resulting non-social security surplus	14	48	95	174	334	359

Source: President's 2003 budget, OMB.

Mr. KYL. Mr. President, what this shows is that during the period of time we are talking about, we are going to have a non-Social Security surplus of almost a half trillion dollars, $463 billion to be exact.

The Senator from North Dakota can't have it both ways. In his resolution he uses these statistics to calculate how much a permanent repeal of the death tax is going to cost and says it is $104 billion over 10 years. That is what the budget says. But you can't use that statistic and then ignore the other half of the equation, which is that during the same period of time we will have a surplus of $463 billion. That doesn't count any of the Social Security surplus.

If you subtract 104 from 463, you are not even close to getting to the Social Security surplus. You still have a significant $359 billion surplus, plus Social Security.

I ask my colleague this: I would be happy to support his resolution if he would be willing to drop the clause that says it is going to cost $104 billion over the next 10 years, all of which would further reduce the Social Security surplus, since that is a false statement, and also if he would drop the sentence "Under the administration's fiscal budget, the Federal Government is projected to spend the Social Security surplus for other purposes in each of the next 10 years," because that also is demonstrably false under the President's budget submission. Would the Senator from North Dakota be willing to drop those provisions of his amendment, in which case I would be happy to support it and urge my colleagues to do the same?

Mr. CONRAD. I have no intention of dropping those statements which accurately reflect precisely what the President's budget——

Mr. KYL. If the Senator from North Dakota is not willing to amend his resolution, then I will have to urge my colleagues not only to oppose his resolution, because it is simply false in its recitations and is an inaccurate portrayal of what we are going to be doing, but, secondly, it totally misrepresents the effect of our resolution, our sense of the Senate which is very straightforward.

It says: We voted to repeal the death tax. Let's make that permanent. Let's not try to play games with the American people and say we did something which we all know is only going to be in effect for 1 year after which it sunsets.

I defer to my colleague from Oklahoma.

The ACTING PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. NICKLES. How much time remains?

The ACTING PRESIDENT pro tempore. Two minutes.

Mr. NICKLES. On the other side?

The ACTING PRESIDENT pro tempore. Eight seconds.

Mr. NICKLES. Mr. President, I urge my colleagues to support the Kyl-Nickles-Gramm-Sessions amendment to make the death tax repeal permanent. To say we are going to reduce the death tax for the next 9 years, have it go to zero in the year 2010, and then in the year 2011 we are going to have a big increase and go back to death tax rates of 50 or 60 percent is absurd. We need to make it permanent.

This is a sense of the Senate that says it should be permanent. I believe there is a competing resolution offered by my colleague that says: Wait a minute. This is going to take Social Security money. That is not correct. My colleague is entitled to his own opinion. He is not entitled to his own facts. The facts are projected by OMB.

The administration's estimate by OMB is that we are going to have a $99 billion surplus in the year 2010, $199 billion in the year 2011, and $395 billion in 2012. That is not counting Social Security. That is over and above Social Security. Those are the administration's estimates. So we ought to be factual. I don't mind the "therefore, it is the sense of the Senate that the Social Security surplus funds should not be used to make currently scheduled tax cuts permanent or for wasteful spending." Who is for wasteful spending? The part of this that says the $110 billion would be used to reduce Social Security is not factual.

You should not be using a death tax to pay for Social Security in the first place. But it is not in this resolution or in the amendment offered by my friend and colleague from Arizona.

I urge my colleagues, let's do something for agriculture that would be positive and repeal the death tax. Talk to your farmers and ranchers and small businesspeople. Is there something you can do to help them? Yes, repeal the death tax. The Government should not take one-half of somebody's property just because they die. Let's make the death tax repeal permanent.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, Senator KYL talks about the budget baseline.

He is not talking about the President's budget. I submit the President's budget that shows clearly it will be raiding the Social Security trust fund by $1.6 trillion over the next 10 years, and add to it, if we pass the Kyl amendment.

The ACTING PRESIDENT pro tempore. All time has expired. Under the previous order, the question is on agreeing to the Conrad amendment No. 2857.

Mr. CONRAD. Mr. President, I ask for the yeas and nays.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) and the Senator from Utah (Mr. BENNETT) are necessarily absent.

The PRESIDING OFFICER (Mr. EDWARDS). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 27 Leg.]

YEAS—98

Akaka
Allard
Allen
Baucus
Bayh
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bunning
Burns
Byrd
Campbell
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Cochran
Collins
Conrad
Corzine
Craig
Crapo
Daschle
Dayton
DeWine
Dodd
Dorgan
Durbin
Edwards
Ensign
Enzi
Feingold
Feinstein
Fitzgerald
Frist
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Kyl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Lott
Lugar
McCain
McConnell
Mikulski
Miller
Murkowski
Murray
Nelson (FL)
Nelson (NE)
Nickles
Reed
Reid
Roberts
Rockefeller
Santorum
Sarbanes
Schumer
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stabenow
Stevens
Thomas
Thompson
Thurmond
Torricelli
Voinovich
Warner
Wellstone
Wyden

NOT VOTING—2

Bennett
Domenici

The amendment (No. 2857) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote and lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I ask unanimous consent that the next series of votes be 10 minutes in duration.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the question is on agreeing to the Kyl amendment No. 2850.

Mr. GRAMM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) and the Senator from Utah (Mr. BENNETT) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 56, nays 42, as follows:

[Rollcall Vote No. 28 Leg.]

YEAS—56

Allard
Allen
Baucus
Bayh
Bond
Brownback
Bunning
Burns
Campbell
Cleland
Cochran
Collins
Craig
Crapo
DeWine
Ensign
Enzi
Feinstein
Fitzgerald
Frist
Gramm
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Johnson
Kyl
Landrieu
Lincoln
Lott
Lugar
McConnell
Miller
Murkowski
Nelson (FL)
Nelson (NE)
Nickles
Roberts
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner
Wyden

NAYS—42

Akaka
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Chafee
Clinton
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Graham
Harkin
Hollings
Inouye
Jeffords
Kennedy
Kerry
Kohl
Leahy
Levin
Lieberman
McCain
Mikulski
Murray
Reed
Reid
Rockefeller
Sarbanes
Schumer
Stabenow
Torricelli
Wellstone

NOT VOTING—2

Bennett
Domenici

The amendment (No. 2850) was agreed to.

Mr. GRAMM. Mr. President, I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2851, AS MODIFIED

The PRESIDING OFFICER. Under the previous order, there will now be 2 minutes debate prior to a vote in relation to the Domenici amendment, No. 2851, as modified. Who yields time?

Mr. LUGAR. Mr. President, I yield 1 minute in favor of the amendment to myself.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, the Domenici amendment is a straightforward and simple amendment. It says, if we are going to have a dairy support program in the country, it should be fair and equitable for all dairymen. Currently, the bill provides for $2 billion, split 25 percent for New England, although New England provides only 18 percent of the milk. There are other inequities throughout. The Domenici amendment simply says treat everybody the same throughout the country.

It likewise does away with a lot of bureaucratic, complex maneuvers in terms of trying to compute this formula, changing it to a straightforward, once-a-year payment, the same for every dairyman. Because of the equity of the amendment and its simplicity, I commend the amendment to Senators and ask for their vote.

Mr. HARKIN. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, the Domenici amendment is a reflection of failed policies. What it basically says is you pay dairy farmers when markets are good. But when the markets are bad, as Senator LANDRIEU has pointed out time and time again, there is too little help for our dairy farmers. That makes absolutely no sense.

Second, we have a balanced dairy program in the bill, carefully crafted, so that no parts of the country are discriminated against. What the Domenici amendment does is it upsets that. It will foster regional fights again and again and again in the future. We do not want that. We have it carefully crafted in this bill.

Third, we just overwhelmingly voted for payment limitations, but in the Domenici amendment, no matter how big you are, you can get more and more payments. There is no payment limitation whatsoever, no matter the size of the dairy operation.

For those three reasons, I believe the Senate should turn down the Domenici amendment and keep the underlying bill that is fair to the whole country.

Mr. BINGAMAN. Mr. President, I rise today in support of the dairy amendment by my friend and colleague, Senator DOMENICI. I do believe this amendment is an improvement to the dairy provision in the Daschle/Harkin substitute the Senate is now considering. I urge my colleagues to support the amendment.

I believe a market-oriented approach is the right approach for national dairy policy. The existing price support program and the federal milk marketing orders have served the producers and consumers for many years and I am pleased the farm bill extends the price support program until 2006.

The Dashle-Harkin substitute creates a new $2 billion federal dairy payment scheme. Mr. President, the independent Food and Agricultural Policy Research Institute has analyzed the dairy provisions in the substitute. The analysis shows that during the five years of this farm bill, the new federal payments will encourage overproduction and drive down market prices. For the first two years of the farm bill, producer income is up because of the federal payments. But by the third year, the federal payments drop off dramatically and producers are actually worse off for the final two years of the farm bill. Moreover, the market prices for milk used for cheese, butter, and powdered milk are lower every year.

I don't believe the nation will be well served by the new dairy payment scheme in the Daschle/Harkin substitute. That's why I proposed an amendment last month with Senator CRAPO to eliminate the new dairy payment program. Our amendment failed on a vote of 51 to 47.

Though I do not support creating any new dairy payment program, I support this modest amendment because it recognizes the fact that the dairy industry in America has become one national market. Today, milk and milk products are transported long distances economically to meet the needs of consumers in every state. Mr. President, competition encourages efficiency and consumers benefit from national markets.

Unfortunately, the bill as it now is divides the country into two markets. One for 12 Northeast States where producers receive one federal payment for their milk and another one for producers in the other States with a different federal payment. No other agricultural commodity is treated this way in this farm bill. Producers in the 12 States will receive 25 percent of the federal payments, though they produce less than 18 percent of the nation's milk. Moreover, farmers in the 12 States are guaranteed a payment of nearly $17 dollars per hundredweight, while payments elsewhere are based on a fraction of the market rates and undoubtedly will be substantially lower. This amendment combines the two regions and treats producers in every State equally.

Another concern I have with the underlying language is that it is not fair to all farmers. Federal payments would be capped at 8 million pounds, which will put producers in New Mexico at a serious disadvantage in marketing their milk. Because of the cap, producers in New Mexico would receive an average of less than 20 cents per hundredweight for their milk—48th out of the 50 States. Only farmers in Arizona and Wyoming would do worse than New Mexico. Under our amendment, all producers are paid at the same rate.

Finally, we have not fully considered the boundary effects of the new dairy payment scheme. What's going to happen to producers in States like Ohio and Virginia, which border the 12-State region? Will the higher federal payment to producers inside the region hurt the producers just outside the region? Under our amendment, there are no boundary effects because there is only a single, nation-wide payment rate.

New Mexico has one of the nation's fastest growing dairy industries, more than tripling in the past 10 years. In 2001, New Mexico moved up from the tenth to the eighth largest dairy producing State. More recently New Mexico has moved into seventh place. A recent study by Dr. Michael Looper of New Mexico State University showed the dairy industry payroll in New Mexico in 2000 was $25 million per year and the total annual economic impact in the State was $1.6 billion. In Chavez County alone, the economic impact of milk production was a whopping $527 million per year. Dairy is now a critical element of my State's economy, especially in rural areas. I cannot support any new federal program that could endanger New Mexico's vibrant dairy industry.

New Mexico tends to have large, efficient dairies, which are the big losers under the current dairy proposal. These are family-owned dairies in rural areas—just like in the other States. They are bigger because New Mexico has the land and resources to support larger dairies. This amendment is good for the diary farmers in New Mexico and a positive improvement to the underlying bill because it treats farmers in every State equally.

I believe we should work toward a balanced national dairy policy that is fair to all farmers, not one that pits one State against another and large dairies against small producers.

I hope the Senate will soon complete work on this farm bill and I look forward to working with Chairman HARKIN to further improve the dairy programs as the bill moves to conference. I do believe this amendment is a step in the right direction

I commend Senator DOMENICI for his amendment and urge my colleagues to support it.

Mrs. FEINSTEIN. Mr. President, I spoke on the floor in December about how devastating the original farm bill would have been to the California diary industry. And I have said California cannot be left out of any dairy equation.

California is the largest dairy State in the nation. Last year, California dairy farmers produced 32.2 billion pounds of milk—over 19 percent of the nation's supply. With over 2,100 dairy farms in the state, California leads the Nation in total number of milk cows at approximately 1.5 million. The original bill agreed to in the Agriculture Committee would have cost California dairy farmers $1.5 billion over 9 years and driven up prices for consumers by $1.5 billion over 9 years.

The bill on the floor, however, will hold California harmless. While it is difficult to project exactly how much income California dairy farmers will receive, I believe that by supporting the dairy language in the farm bill, an even better result can be achieved for California's dairy farmers. I wish to thank a number of Senators for working together to find a way that the California dairy industry can be held harmless by the dairy provisions in the farm bill.

While the amendment offered by the Senator from New Mexico might seem like a better deal for California than what has been agreed to in the farm bill, I believe the California dairy industry will be better off in the long run if I continue to support the careful balance achieved during the farm bill debate in December. In theory, the amendment offered by the Senator from New Mexico would be good for California because there are no caps, or limitations, on the size of the dairies that will qualify for payments.

However, the California dairy industry is at the point where they believe, like many other farm groups, that we need to get a farm bill passed in the Senate and get to conference. Voting against the Domenici amendment will allow us to pass a bill. A vote for the amendment will bring it down. I will keep a close eye on the conference negotiations and expect California to continue to be held harmless, or made better off.

I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Mr. President, I move to .table the Domenici amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) and the Senator from Utah (Mr. BENNETT) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 56, nays 42, as follows:

[Rollcall Vote No. 29 Leg.]

YEAS—56

Akaka
Baucus
Biden
Bond
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Chafee
Cleland
Clinton
Collins
Conrad
Corzine
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Grassley
Gregg
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Lincoln
Mikulski
Miller
Murray
Nelson (NE)
Reed
Reid
Rockefeller
Santorum
Sarbanes
Schumer
Smith (NH)
Snowe
Specter
Stabenow
Torricelli
Wellstone
Wyden

NAYS—42

Allard
Allen
Bayh
Bingaman
Brownback
Bunning
Burns
Campbell
Cochran
Craig
Crapo
DeWine
Ensign
Enzi
Fitzgerald
Frist
Graham
Gramm
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lott
Lugar
McCain
McConnell
Murkowski
Nelson (FL)
Nickles
Roberts
Sessions
Shelby
Smith (OR)
Stevens
Thomas
Thompson
Thurmond
Voinovich
Warner

NOT VOTING—2

Bennett
Domenici

The motion was agreed to.

Mr. LUGAR. I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2852

The PRESIDING OFFICER. Under the previous order, there will now be 2 minutes of debate prior to a vote in relation to the Kerry-Snowe amendment No. 2852.

Who yields time?

Ms. SNOWE. Mr. President, I am delighted to cosponsor Senator KERRY's important amendment which would provide necessary assistance to a collapsing commercial groundfish fishery. I urge my colleagues to join me in supporting it.

This amendment addresses a very serious problem facing the Northeast, a collapse of its groundfish fishery. This fishery provided over 80 million pounds of food for our Nation last year. This collapse is comparable to a crop failure and is equally deserving of our assistance.

The Federal Government has issued three times the number of permits as the fishery can sustain. The fishermen are now being held accountable for the government's actions and subjected to draconian management measures as a result. We need to help them permanently remove some of this extra capacity.

In particular, the fishermen who rely on catching cod and other groundfish are in need of assistance. This amendment provides $10 million in disaster assistance for these commercial fisherman. It will bring much needed help to those fishermen who need and more importantly want help.

As a voluntary program, this amendment will extend a helping hand to those fishermen who wish to make a transition and permanently exit the multispecies groundfish fishery in the Northeast by giving the Federal Government the means to provide assistance. Additionally, I have worked with Senator KERRY to develop language that ensure the equitable and efficient distribution of this aid.

In my home State of Maine, fishing is an integral part of our livelihood, a common thread that runs along our coast and throughout the State. Unfortunately, we are at a time where fisheries in Maine are in trouble and in need of help. This amendment would provide the needed help.

It is not often that we are presented with a win-win situation, like we are here. Not only will this amendment provide the funding and flexibility needed to help fisherman, but it will promote conservation of the fishery.

I am pleased to support an amendment that will provide the necessary funding and framework to meet one of the many challenges facing our fisherman. Again, I would like to thank Senator KERRY for sponsoring this amendment, and I urge my colleagues to support it.

Mr. KENNEDY. Mr. President, I am pleased to cosponsor the Kerry-Snowe amendment, and thank Senator KERRY and Senator SNOWE for their leadership in bringing this important proposal before the United States Senate.

The Atlantic Northeast Multispecies Fishermen Permit Buyback Program established under this amendment would allow hard-working New England fishermen to retire from this economically stressed industry with dignity, while the work continues to rebuild our fish stocks to sustainable levels.

This fishermen's permit buyback will help end the cycle of boom and bust that plagues our fisheries and assist in developing a long-term sustainable fishery in New England.

Fishing has been an important industry in the United States. In my own State of Massachusetts, as in other States, it is a trade that is rich in tradition. Generation after generation of families has passed on their knowledge of this trade to their children. So it is not just a key part of our economy. It is also as much a part of our heritage as the family farm.

Many port cities across the country rely on fishing as their main industry. This is particularly true in Massachusetts. The city of New Bedford, Massachusetts is the second biggest fishing port in the United States. And we have in our state more than 10,000 fishermen who rely on the sea to earn a living and care for their families.

Over the past few years, we have taken a number of steps to help these hardworking families and this important industry.

The fishermen in Massachusetts did not have health insurance until the State and Federal Government intervened. In fact, even though this is one of the most dangerous occupations in the world, our fishermen did not have health insurance until 1998. Today, as a result of our efforts, 800 fishermen and their families now have health care.

Fishermen have also suffered because of Federal regulations. As a result of federal actions over the past decade, fishing has declined, and the incomes of these families has plummeted as a result.

In recent times, the National Marine Fishing Service has taken steps to help rebuild the fish stocks. The fishing season has been shortened from twelve months to six months and there are catch limits to prevent overfishing of fragile stocks.

At the same time, fishermen have adapted to the changes and working with scientists at the National Marine Fishing Service to help both the fishermen and the government to better understand the steps necessary to protect fishing stocks, while protecting fishing jobs.

For example, in 1999, the scallop industry off George's Bank was set to be closed because it was believed that the scallop stocks were depleted. Scientists and the fishermen worked with NASA to obtain satellite photographs of scallop beds of George's Bank. They were able to get accurate pictures of the scallop beds and found that stocks were full.

This past year the scallop industry logged a record year, with profits over $350 million. This is an example of how science has helped the fishing industry, and is the kind of cooperation that should be supported.

The fishermen have also made changes to their equipment to minimize damage to the environment and fishing stocks.

Preserving this historic industry will be an ongoing challenge. And the Kerry-Snowe amendment moves us ahead in meeting that challenge.

Mr. HARKIN. Mr. President, we have examined this amendment on our side, and we have no objection to this amendment. We are willing to accept this amendment to help the fisheries in the northeastern part of the United States.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, we are prepared to accept this amendment. We are hopeful that the fisheries that will be helped by it will move toward a healthier situation generally for fishing in New England.

We have consulted with our Senators from New England. This is a very important issue for them and to others in the industry. For these reasons, we are prepared to support the amendment.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HARKIN. Yes.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2852.

The amendment (No. 2852) was agreed to.

Mr. HARKIN. I move to reconsider the vote.

Mr. LUGAR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LUGAR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LUGAR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. CARNAHAN). Without objection, it is so ordered.

Mr. LUGAR. Madam President, during these moments while we are attempting to work out the managers' amendment, I would like to take a few minutes to thank the distinguished chairman of the committee, Senator HARKIN, and his staff for their remarkable work and cooperation with members of our staff as we have worked in the Agriculture Committee. I thank also the leaders, Senator DASCHLE and Senator LOTT, Senator NICKLES, and particularly Senator REID, who has guided this process with great persuasion and effectiveness.

I wanted to mention by name each of the members of the Agriculture Committee minority staff to whom I am greatly indebted for their expertise, their faithfulness, and their patience. I commend Katie Boots, Danny Spellacy, Andy Morton, Carol Dubard, Chris Salisbury, Beth Bechdol, Dave Johnson, Erin Shaw, Michael Knipe, Walt Lukken, Terri Nintemann, Jeff Burnam, Andy Fisher, Mark Tyndall, and Keith Luse, who has headed this effort so ably.

We have also had detailees to the committee. From GAO, we had Pat Sweeney, and from USDA, Carol Olander, Dave White, and Benjamin Young. I thank them all, as I know my colleagues do, for their remarkable work.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arizona.

Mr. McCAIN. Madam President, I apologize to my colleagues for holding up the proceedings of the Senate on this very important legislation, but at some point someone has to say "enough."

When I first came to the Senate, which was not as long ago as a number of the other Members, a package of technical amendments was sometimes two, three, four, five amendments that were purely technical in nature. We now have a new Senate record. This package of technical amendments, the managers' package which has been subject to neither debate nor discussion by any Member of this body, is now 396 pages long. It has 137 amendments. Billions of dollars are in the managers' package.

I want to repeat, it is longer than the original House bill. There are authorizations from nutrient reduction pilot programs to a technical correction to the wildlife incentive program changes from $350,000 to $50 million a year in fiscal year 2007. None of these has been debated and discussed, that I know of.

I have selected three that are particularly egregious, on which we will have votes. I would like to say I am familiar with the details of these three amendments on which I am seeking votes, but I am not, because they are technical amendments in a package. In fact, I am interested to see the Senator from Wisconsin in the Chamber because he has sort of been a triggering mechanism to what I am doing right now.

When we had an appropriations bill and I said, "Who has seen the managers' package?" no one said a word, and because it was late at night, I let it go. There were 15 amendments in a managers' package which was millions of dollars earmarked for specific States. I said I would not let that happen again.

Now we have a bill, as I say, a managers' package, which is 396 pages long with 137 amendments. We have been working on this bill for months, as the majority leader pointed out to me. We saw 100 of the amendments last night. We did not see the additional 30 technical amendments until 10 minutes before we were supposed to vote. We cannot operate this way. We cannot operate this way with the taxpayers' money.

If anyone has ever seen a package of technical amendments that exceeds this, I would like to hear from them. I do know what a managers' package is supposed to be, and that is some technical amendments that make technical corrections, not amendments such as No. 127, which adds a section authorizing a technical assistance program for geographically disadvantaged farmers. Do you have that? This is a technical assistance program for geographically disadvantaged farmers, $10 million a year between 2002 and 2006. This is in a managers' package. There are Delta regional economic development grants, additional nutrition technology in the delta region, of $7 million a year. And a pilot program for the Chesapeake Bay until 2006, $70 million.

I am sure these may be good programs. They may be very beneficial. Particularly in the case of the Chesapeake Bay, they may be very important. What is it doing in a managers' package? What is it doing with 130 other amendments in a managers' package?

I will ask for votes on these three amendments. They will, I am sure, be resoundingly carried. I tell my colleagues, the next time we do this, we will have extended debate and discussion and second-degree amendments. It has to stop. My constituents deserve the right to know what is in these amendments. When they are talking about $10, $20, $70 million in an amendment, they should not be in a so-called managers' package.

I don't want to impede the progress of the Senate too long, but I cannot allow this practice to continue. The Senator from Kansas is here. He was the manager of major legislation. I ask if the Senator from Kansas has ever seen a bill with this kind of a managers' package in it? I ask unanimous consent for the Senator from Kansas to respond.

Mr. ROBERTS. I am happy to respond to the distinguished Senator from Arizona. The answer is: No.

Mr. McCAIN. Madam President, I will be glad to address the first amendment. We will have short debate and discussion. As I said, I would like to debate it at length, but I don't know anything about it. That is the reason I am forcing a vote. Maybe we will know something about these various amendments.

I say again to my colleagues, this is not the right way to do the people's business. It is not the right way to do the people's business, a 396-page package of managers' amendments that are supposed to be technical in nature. I am glad to vote on whichever amendment the distinguished managers choose to bring forward.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Madam President, I think the Senator from Arizona has an excellent point. I know people are working hard to try to get the bill completed. There are things in the bill that I think are very good and there are things in the bill I do not agree with at all. There are some amendments that a number of people are concerned about that are important, that are legitimate.

I don't think in the effort of expediency we should be throwing everything in this package. I would hope to have a much more deliberative process in this bill and future bills on something so important to my State, so important to many of the States.

I realize the managers are pressed to get a bill through in a timely fashion. That is important. But on such an extensive bill I don't think we are serving the people's business well to move through it so rapidly. Maybe we have to go longer in the evenings, voting at night, to get some of these amendments done. This is important legislation. It should not be rushed.

Regarding this bill, there is some of it with which I agree; much of it I do not. I hope we do not follow this procedure when we move forward with future pieces of legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Madam President, I defer for a moment before I propound a unanimous consent request.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Madam President, I will respond to the Senator from Arizona on the issue he has raised.

I agree fully with the necessity of openness and providing an opportunity for review, and we have certainly sought to do that to make this amendment available. At the same time, we cannot operate as the Senate unless we have an element of trust in those who have been appointed or elected to lead our committees on both the majority and the minority side. That is why we as a Senate delegate to committees both the authority and the responsibility to develop legislation, to have hearings, to come up with the bills and to bring them on the floor.

I ask any Senator, how could we ever operate as a Senate if every line, every paragraph, every little item in every bill had to be fully debated and discussed and if every Senator is obliged to sit down and go through and debate every item on the floor? It is impossible. That is why we have built up a system involving openness but also trust. That is why when we receive a request for an amendment, if a senator comes from one side and says, he or she wants to put this amendment in the bill, in the managers' amendment, I look at it to make my judgment and then go to Senator LUGAR, the Ranking Member on the other side. I say: Someone on our side is suggesting they want to do this; would you take a look at it, talk to your staff, go to whomever you want to on your side and look it over. I go to Senators on my side and see if there are any objections. If no one raises any objections, and it is good policy we put it in the managers' amendment.

We also are careful that items added through the managers to the bill are not of such major importance that they substantially affect the underlying legislation. That is true of the amendments in here.

The Senator spoke about billions of dollars being in the managers' amendment. That is simply not so. We have kept within the budget allocation. Nothing in the managers' amendment goes beyond our budget allocation. I asked my staff to add up the total in the managers' amendment, all of the items in there. That is, what additional cost is in the managers' amendment that is not in the pending legislation already? It adds up to only about $38 million more over 10 years in mandatory spending than is already in the underlying bill. It is not billions of dollars: $38 million over 10 years. These are items that are not large. There are some technical changes, adjustments and so forth. But it is a very small amount of money when you consider we are talking about a $73.5 billion bill.

I say to my friend from Arizona, we must operate on a system of trust around here. Obviously, with trust there has to be sunshine. The underlying bill and earlier versions of the managers' amendment have been out there for quite some time. Additional amendments were recently added in order to wrap up the bill. These were available for anyone to see. In addition to the checking I described earlier, any Senate staff or any Senator who wants to come see what is in the managers' package can at any time. They just need to ask. There is no secrecy. That is the way we operate.

I hope the Senator from Arizona is not saying from now on, no matter how available and open we make the process, we will not trust anyone. We cannot trust Senator LUGAR; we cannot trust Senator HARKIN; we cannot trust Senator KOHL; we cannot trust Senator ROBERTS. Everything has to be brought onto the Senate floor for every Senator to debate and vote on the most minute detail. We would never get anything done in this Chamber.

This managers' amendment has been carefully drafted. It has been vetted. It has been fully aired and exposed to the sunshine. It has been out there for people to see as it has been drafted. I did not go to the Senator from Arizona and——

Mr. McCAIN. Will the Senator yield for a question?

Mr. HARKIN. I am delighted to yield for a question.

Mr. McCAIN. The fact is, we didn't see 30 of these amendments until 10 minutes before the vote. So how can the Senator say they are out there when we did not see them? We have asked to see them. We have told him we want to see them. It is well known we want to see them. How in the world can the Senator from Iowa say they have been out there when we didn't see them until this morning, and we didn't see the other hundred until last night? The Senator from Iowa is simply not stating the facts as they are.

Mr. HARKIN. I say to my friend from Arizona that my staff tells me that as they have developed the managers' amendment over the last few months, staff has made available the various versions. That they have been e-mailed out constantly to the staff of Agriculture Committee members, so that any one who wanted to, at any point in time, could have seen what was being requested and considered as an amendment. As for the later amendments, we have done the best we can to make them available as soon as possible. Again, both Senator LUGAR and I have signed off on them and worked with members on our respective sides. Finally, the amendment and a summary of it is available for review. We are operating under a consensus approach to this managers' amendment. If there is an objection to putting something in the managers' amendment it does not go in. That is exactly the process that applied to the Kerry-Snowe fisheries amendment. It was our understanding that the Senator from Arizona did not want that amendment in the managers' amendment so we have dealt with it separately on the floor this morning.

Mr. McCAIN. If the Senator will yield further, we did not see 30 of the amendments until this morning. They were not available to anyone. It is a fact. Just as no one had seen the 15 amendments that were earmarked in the appropriations bill I complained about. No one had seen them. It is a fact.

Mr. HARKIN. I do not agree with the characterization by the Senator from Arizona. There were not 30 amendments to the managers' amendment dropped on the Senate just this morning—that is a fact. Some additional work on the managers' amendment occurred last evening. That is the nature of putting together such a substantial bill as this legislation is. But any modifications were signed off on and accepted by the minority staff. They have been available for review. And I am told that most of them, were e-mailed out at around 6 o'clock last night.

Mr. McCAIN. One hundred were mailed out last night at 6 o'clock, and then 30 more came in this morning. That is a little bit different version of the facts.

Mr. HARKIN. I say to the Senator, I have checked again with my staff. There were no where near 30 amendments of a substantial nature that came in this morning.

Mr. McCAIN. I will be glad to get a list of those we were given this morning. There are 30 that we were given shortly before the vote, the final vote on the bill that we were apprised of that we had asked for.

Mr. HARKIN. I am not certain what that is all about. I am told there may have been some after 6 p.m. But, again, I say to the Senator from Arizona, these were cleared on both sides. We never kept any from Senator LUGAR. He never kept any from us—not on either side. We have had our staffs look at them. We have checked with other Members. That is what I am talking about—openness and availability but also trust and trusting whether or not oommittee chairmen and their staffs are sensitive enough, and ranking members are sensitive enough, to say: We don't need to burden the entire Senate with this. We can make a judgment, check as appropriate and make the amendment available.

I also say to my friend from Arizona, even though these are in the managers' package—first of all, it is not billions, it is $38 million, I say to my friend.

Mr. McCAIN. I will be glad to discuss that with the Senator from Iowa. No. 18 is changed from $375,000 to $355 million, and change $50,000 to $50 million. That is just amendment No. 18.

Mr. HARKIN. This was a clear technical amendment. If you look at the underlying bill you will see that previous fiscal year funding was all in the millions. The fact that the latter years were in thousands is obviously a typographical mistake. This did not add any money to the managers' package because it already was scored by CBO as being in the millions.

I say further to my friend——

Mr. McCAIN. I ask unanimous consent to engage in a dialog with the Senator, if that is agreeable? I just want to make sure we observe the rules of the Senate. I ask unanimous consent to engage in a dialog with the Senator from Iowa.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. I am not sure what you would like to debate here.

Mr. McCAIN. It says technical correction in the Wildlife Habitat Incentive Program, technical correction, mandatory funding language, change it from $375,000 to $355 million, in fiscal year 2006; and change $50,000 to $50 million in fiscal year 2007.

Obviously, this is a technical change. Obviously, it is a change of many millions of dollars.

Mr. HARKIN. May I respond? I asked my staff about that. At a cursory reading, as the Senator has done, he says: My gosh, we are going from $375,000 to $355 million in a managers' amendment.

Here is what that is about. In the underlying substitute, there was either a typographical error or a mistake made. It was listed in the legislative language as $375,000, but it was known by everyone to be $375 million, as it was scored by CBO as the correct amount. As I pointed our earlier, if you look at all the funding for WHIP in context it makes sense. There was just a mistake made. So we are correcting the mistake in the underlying bill. A shift was also made of $20 million from WHIP in the managers' amendment, but that did not add to the score in the managers' amendment.

I say to my friend from Arizona, it has already been scored.

Mr. McCAIN. You are still correcting in the underlying bill some $400 million.

Mr. HARKIN. No, there is $375 million already in the underlying bill that has been scored by CBO.

Mr. McCAIN. Plus $50 million. I don't care if it has been scored by CBO or not, it is not in the underlying bill.

Mr. HARKIN. It is in the underlying bill as fully understood. The managers' amendment is only a technical correction to conform to the clear understanding.

Mr. McCAIN. Then you don't need the technical correction. I ask unanimous consent to eliminate technical amendment No. 18.

Mr. HARKIN. I object. Because it is clearly a technical correction that you have taken out of context. What you contend is that real money has been added in the managers' amendment and that is not true. What CBO scores does matter because CBO recognized the typo and we fixed it in the managers' amendment.

The PRESIDING OFFICER. Objection is heard.

Mr. HARKIN. In the underlying bill, the amount of money for the Wildlife Habitat Incentive Program funding language was scored by CBO at $375 million. It was a printing error that was made in the text of the bill, it is mistakenly listed as $375,000 in the underlying bill. Look at all the previous funding levels—they are all in the millions. The technical correction here is to make the underlying bill comport with what CBO has already scored. That is what technical corrections are for.

So I say to my friend from Arizona, if this is illustrative of the problems he has with managers' amendments, I say again, that is why you have to have some trust in the Ranking Member and in the chairman and our respective staffs, that we are operating above board with openness but also that we are only proposing technical corrections and matters that are acceptable to both sides and not objected to by any Member.

Mr. McCAIN. Let me repeat. It's a technical amendment that adds some $400 million.

Here is another one, authorized to be appropriated, $7 million for each of the fiscal years 2000 through 2006. That is another "technical amendment."

But the larger issue here is—the larger issue is why do we need 396 pages of technical corrections to a bill which is larger than the entire House bill and has 130-some technical corrections? There is something wrong here. There is something fundamentally wrong.

I say to the Senator from Iowa, I have been here almost as long as he has—not as long. I have never seen bills that required trust of 396 pages and 130 technical amendments. I have never seen any other farm bill that did, nor has the Senator from Kansas, who used to shepherd these bills through the House.

I am supposed to trust a managers' amendment of 396 pages? I am glad to trust, but in the words of a former President of the United States, "trust but verify" because time after time after time, I have seen amendments put in that are earmarks, specifically for specific areas, specific States, specific congressional districts. I have seen them time after time. It is not only me who is objecting to that. The Citizens Against Government Waste and the Taxpayers Union and every other watchdog organization condemn this practice, and so do I.

I say to the Senator from Iowa, again, I don't know what is done with Agriculture Committee members or Agriculture Committee staff. I know I have had a longstanding request to see any amendments, and particularly any technical amendments. Either the Senator from Iowa or his staff did not show us those amendments until last night. And there were a number of amendments that were added as short a time as a half hour before the final vote.

Your staff can deny it, but it is a fact. So I will not sit still for that kind of procedure. That is why we will have these votes. I am sorry the Senator does not like the fact that I don't trust 130-some amendments I have never seen that cover 396 pages. I think my constituents deserve better than me "trusting"—particularly given all the earmarking and pork-barreling I have seen going on, on the increase over the past several years.

I cannot debate these amendments very well because, as I said, I have not seen them because they were not shown to me or other Members of the Senate. That is pretty much the situation. I am sure many of them are virtuous, but the fact is there is all kinds of money and programs in here.

There are interesting things in here. There is one, No. 110: Adds "gender" to the list of socially disadvantaged groups covered by section 2501, the outreach program for socially disadvantaged farmers.

Could the Senator, just out of curiosity, tell me what a socially disadvantaged farmer is?

Madam President, will the Senator from Iowa yield for a question? What is a "socially disadvantaged farmer"?

Mr. HARKIN. I know the Senator is being a little provocative to make his point. That is OK. There is an existing program to help farmers, including minority farmers, who because of circumstances have a harder time getting credit and making a go of it in farming. While the socially disadvantaged program covers minority farmers, there was not a mention of gender, at least for all of the USDA programs involved. It came to the attention of a Member—not me, but someone who wanted us to do this—that women were not adequately covered in existing law. This was just a correction to put in that program the definition that gender is a basis on which someone may qualify for assistance under the socially disadvantaged program. That way, along with other disadvantaged groups the law would include gender so women in agriculture would receive fair treatment and opportunity. It seems to me to be a very harmless type of provision to put in there. Again, I don't understand why that should be such a big item. We cleared it on both sides.

I hope the Senator is not saying that every time—maybe he is saying this but I do not know—an amendment comes to the managers' package that has been cleared on both sides and is mailed out that we have to send a message to his office specifically asking him to look at it. The process is open. If the Senator wants to have his staff come over at any time, the door is open. They can look at any amendment they want.

Mr. REID. Madam President, will the Senator yield?

Mr. HARKIN. Without losing my right to the floor.

Mr. REID. If I may correct something, I listened to this. I had a heart-to-heart discussion with the Senator from Arizona earlier today. I think that maybe I am partially to blame for what has gone on. I say that because I have been here with the two managers of the bill for several weeks. The Senator from Arizona is right. I do not know which bill it was, but it was one of the last bills we had before the new year. The Senator asked me if I would in the future when there was a managers' package notify him or his staff. He did ask me that. There is no question about that. Last night I should have done that, and I didn't do that. It is not Senator HARKIN's fault or Senator LUGAR's fault. But the Senator from Arizona did come to me the last time we had this problem and I told him I would do that. I didn't do it. It is certainly nothing that is deceptive. I simply didn't do it. I forgot. One of the reasons is that I have such great confidence in the two managers of the bill. I do not know on the minority side if there is a Senator who I have such great respect for than Senator LUGAR. This man is top of the line. He has worked very closely with us on this bill, as my friend, Senator HARKIN, has spoken about many times.

I don't think we need to discuss it here today. I think the Senator from Arizona has a right to be concerned, but his concern should be directed towards me, because, in fact, the last time he indicated he, in the future, was going to raise objections to the managers' amendment. I should have brought this to his attention.

When we talked earlier today, he indicated he wanted to offer amendments to each one of these. I indicated that the unanimous consent agreement wouldn't allow that.

Certainly the Senator from Arizona can do whatever he wishes, but I think we can get to the heart of this if he makes a motion to strike each of these three things about which he is concerned. I think his points will be very well taken.

When this happens again, I will do my best to make sure that he or his staff are aware of the managers' package. I don't want the Senator from Iowa or the Senator from Indiana to be blamed for any of this. I should have on my own brought this to the attention of the Senator from Arizona.

Mr. HARKIN. Madam President, if I might reclaim my time, I thank the Senator from Nevada for that. I harbor no ill will at all. I have great respect for the Senator from Arizona. He knows that. I am just trying to be as open as possible. We all know that legislative matters and requests for changes do come up throughout the process of putting a bill together. Some do come in late, but that is the right of senators to request modifications. However, nobody is trying to ram anything through that people don't know about.

I will say to my friend from Arizona that this managers's amendment has been scrubbed and checked carefully, but there is another stopgap within this process just in case something gets through inadvertently that may not have been obvious or to which someone had a serious objection but had not raised it for some reason. We have to go to conference. Everything in this bill and managers' amendment is out there in that conference. Everything is out there for everybody to see. I say to my friend that there is another level which we are going through. This amendment and this bill are not the final word.

That is the only point I am trying to make.

I yield the floor.

Mr. MCCAIN. I thank the Senator from Nevada. I appreciate his comments on this issue. I say to the Senator from Iowa that I would like to trust everything that goes through this body. I can tell you too many stories of things that went through without my knowledge that cost the taxpayers a whole lot of money. I will tell you about one.

Put into an appropriations bill was a provision that two ships would be built in Pascagoula, MS, in return for which there would be exclusive rights for those ships to sail to the Hawaiian Islands. I never saw that amendment until after it was done. Associated with that was over $1 billion in loan guarantees from the Maritime Administration. I never saw the amendment. The outfit just went bankrupt. The taxpayers have already spent some $300 million-plus which they lost from those loan guarantees, and they stand to lose over $1 billion. I am sure it was a well-meant and a well-intentioned amendment to help both Mississippi and the Hawaiian Islands. I knew it would fail because I know enough about shipbuilding in the United States of America.

Those are the kinds of things that happen time after time—maybe not of that magnitude—because of amendments, which are well-intentioned and probably good in many respects but don't undergo the scrutiny and the hearings and the authorizations necessary to prevent that from happening put into these pieces of legislation.

That proposal I told you about would have never cleared either the Commerce Committee or the Armed Services Committee. It never would have gotten through. It was stuck in an appropriations bill, which we do time after time. The night I was here, I asked: Does anybody know what is in the managers' package? No. It was late at night. So I said: OK. I don't object. There were 15 earmarks of millions of dollars for specific States. That is my taxpayers' money, too.

I say to the Senator that this system is broken. We are now up to 8,000 earmarks on appropriations bills. That is up from less than 2,000 3 years ago. It is wrong. It is just wrong. It is wrong from the standpoint of fiscal discipline and budgetary reasons, but it is also wrong in the respect that these matters need to go through the proper authorizing and appropriations process. At least this is an authorization bill.

I thank the Senator from Nevada for his comments. I am very grateful for the courtesy that he has shown me, not only now but for many years.

I withdraw my requirement to object and to seek to strike these three amendments, and I will agree to go to final passage.

But I say to the Senator from Iowa one more time that this is unprecedented with 396 pages of technical amendments in the managers' package. It is wrong and 1,130-plus technical amendments is wrong. It is not the right way for us to do business. I hope we can do better in the future.

I yield the floor. I am prepared to move to final passage.

The PRESIDING OFFICER (Mr. CARPER). The Senator from Iowa.

AMENDMENT NO. 2859

Mr. HARKIN. Mr. President, I call up the amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Iowa [Mr. HARKIN], for himself and Mr. LUGAR, proposes an amendment numbered 2859.

Mr. HARKIN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in the RECORD under "Amendments Submitted.")

The PRESIDING OFFICER. The question is on agreeing to amendment No. 2859.

The amendment (No. 2859) was agreed to.

Mr. COCHRAN. I move to reconsider the vote.

Mr. HARKIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Without objection, the substitute amendment is agreed to.

The amendment (No. 2471), as amended, was agreed to.

Mr. HARKIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, I am pleased the Senate is about to complete action on this farm bill. While the bill has some positive and helpful provisions, particularly with respect to conservation, rural development, research, and nutrition, I plan to vote against the bill.

One of the primary objectives of farm legislation should be to improve the predictability and effectiveness of the financial safety net available to farmers. However, the payment limitation amendment that was adopted by the Senate will reduce the level of price support and shred the safety-net that our farmers need. According to the Congressional Research Service, cotton farmers would be able to receive benefits on approximately 880 acres, and rice farmers would be able to receive benefits on about 490 acres. Any additional acreage planted to these commodities would not be eligible for any government assistance.

Since 1985, the marketing loan program has been the centerpiece of our Nation's farm policy. The marketing loan program provides reliable and predictable income support for farmers while allowing U.S. commodities to be competitive in the global market. This legislation will make the marketing loan program completely useless.

Considering the bleak forecast for the farm economy, it does not stand to reason that Congress should pass legislation that imposes new rules and regulations which will restrict government assistance so drastically.

I hope we can resolve the differences we have over this bill in conference with the House and bring back a truly beneficial farm bill. I pledge my best efforts to achieve that result.

PRESERVATION OF LAND FOR JOHN OGONOWSKI

Mr. KENNEDY. Mr. President, I commend Senator HARKIN for his effective work on this legislation. I particularly commend Senator HARKIN for his leadership in including programs in this farm bill that will help farmers across the Nation, including those in the Northeast.

I would like to take a few moments to speak about John Ogonowski, the courageous pilot of American Airlines Flight 11, which was hijacked by terrorists on September 11th and which crashed into the first tower of the World Trade Center that day. At the time of his tragic death, John Ogonowski had been working tirelessly to preserve 33 acres of land that had once been part of the Ogonowski farm in Dracut, MA. The Farmland Protection Program serves as a vehicle to help preserve farmland, and I hope that the funds from that program can be used to preserve the land that John cared so much about. I hope that we can make John's dream come true.

Mr. HARKIN. Mr. President, I will be honored to work with the Senator to try to preserve the land in memory of John Ogonowski who was a proud farmer and a brave man. The land in Dracut, MA would stand as a fitting memorial to him. I will work, as the bill progresses, to encourage the use of Farmland Protection Program funds for this important cause.

Mr. KENNEDY. The land in Dracut is along a road that is traveled by many families, commuters, and tourists. All those who pass by the land will know of John Ogonowski's life and his family's love of farming.

John farmed these fields for many years as a young man and was often seen riding on his John Deere tractor with a wave and a smile for those he passed. His family continues to maintain substantial farmland in the community, but John was deeply concerned about this portion that had been sold recently. To John, the original Ogonowski farm was one of the wonders of the world, and John had worked skillfully and tirelessly to create the Dracut Land Trust to preserve it. Now, in a well-deserved tribute to John Ogonowski, we will work to help the Dracut Land Trust preserve these 33 beautiful acres.

CHESAPEAKE BAY NUTRIENT REDUCTION PILOT PROGRAM

Mr. SARBANES. Mr. President, I would like to clarify that it is the intent of this provision to encourage the development of innovative solutions to the nutrient pollution problem in the Chesapeake Bay. The principal focus of the program, as envisioned by Bay-area scientists and organizations, is to create new incentives for farmers to reduce the application of nitrogen by at least 15 percent below what is normally considered best practice and to provide financial protection in the event of reduced yields. In order to implement the provision, it is my expectation that the Risk Management Agency will make available the Nutrient BMP Insurance Endorsement that was approved by the Federal Crop Insurance Corporation on December 12, 2001 in the states of the Chesapeake Bay region, with such modifications as necessary to effectuate the purposes of this section.

Mr. HARKIN. The Senator is correct. The purpose of this provision is to support the development of new and innovative solutions to the Chesapeake Bay's nutrient over-enrichment problem. It provides $70 million for States in the Chesapeake Bay watershed to test new practices that could provide major reductions in nutrient pollution. It will clearly require an underlying risk management instrument and we would expect the Risk Management Agency to make its programs available to implement the yield insurance aspect of this provision. I will be happy to work with the Senator from Maryland in Conference to ensure that the mechanisms to carry out this provision are created or made available.

Mr. SARBANES. I thank the Chairman of the Committee. This provision is a win-win situation for the Bay and farmers. It will reduce nutrient inputs to the Bay and it will enable farmers to lower their operating costs by avoiding the cost of unneeded fertilizer, without risking loss of a portion of their crops. Experience gained in this pilot program will allow better understanding of risks and benefits of this practice.

TECHNICAL ASSISTANCE PROVIDERS

Mr. ROBERTS. Mr. President, it is my understanding that the section on certification of third party technical providers allows the Secretary to certify providers. The legislative language, regarding the certifying programs run by the United States Department of Agriculture is designed so that the USDA does not run the programs in a manner that directly or indirectly undermines the ability of private, long-standing, and highly regarded certification programs like those operated by the Certified Crop Advisors and National Alliance of Independent Crop Consultants.

The intention of the conservation title, and especially this section, as I understand it, ensures that the Nation's farmers and ranchers will be able to continue to receive high quality conservation technical assistance, and that there will be enough technical assistance to allow the complete and proper delivery of the conservation programs funded in the farm bill.

In addition, it is my understanding that the Secretary of Agriculture will consult with and be advised by representatives from federal, state, and local agencies as well as representatives from the private and non-profit sectors on an Advisory Council. It is expected that in selecting representatives, the Secretary shall appoint representatives from the following groups: Natural Resources Conservation Service, Forest Service and Farm Service Agency, the National Association of Conservation Districts, the Certified Crop Advisors, the National Association of State Foresters, the National Alliance of Independent Crop Consultants and the American Society of Agricultural Engineers. Together with other appointed members of the Advisory Council, these representatives will advise the Secretary of the management of certification programs for the provision of technical assistance by third party providers.

Mr. LUGAR. I agree with Senator ROBERTS that those are the intentions of the language regarding non-federal technical assistance providers.

Mr. HARKIN. I also agree with Senator ROBERTS and Senator LUGAR and thank them for working with me on the important work of expanding and enhancing conservation technical assistance. I am a strong supporter of the work done by private third parties including the Certified Crop Advisors and the National Alliance of Independent Crop Consultants. Our bill will allow them to prosper while enhancing technical assistance nation-wide.

Mr. DAYTON. Mr. President, I commend the chairman and ranking member of the Senate Agriculture Committee for accepting my amendment to provide mandatory funding for the Biodiesel Fuel Education Program.

Biodiesel is a home-grown renewable fuel. Even as world oil prices are tightening, America's farmers are producing record crops of soybeans. Unfortunately, U.S. soybean prices are now at record lows. Building demand for biodiesel will help increase these commodity prices while enhancing our Nation's energy security. In Minnesota, soybeans are the number one cash crop, grown on about 7 million acres. As we increase demand for soybeans, thus boosting market prices, we are also investing in the economic well-being of farmers and rural communities across our country.

Minnesota has been a long-time leader in the production of renewable fuels such as ethanol, wind-generated electricity, biomass, and solar energy. As Minnesota's Commissioner of Energy and Economic Development during the 1980's, I know firsthand the important role that federal and state programs play in developing these industries during their infancies. So I strongly support legislation that promotes the use of renewable energy and programs that educate the public in order to create demand.

Last June, I, along with Senator TIM HUTCHINSON of Arkansas, introduced legislation to provide tax incentives for increased use of biodiesel, a renewable fuel made from soybean and other vegetable oils. The biodiesel bill provides a Federal excise tax credit similar to the excise tax credit for ethanol-blended gasoline. The U.S. Department of Agriculture estimates that the resulting increase in biodiesel sales will increase soybean prices by at least 25 percent per bushel. As market prices go higher, the cost of government price supports become lower. The savings realized by the Commodity Credit Corporation, and the American taxpayer, would then be used to cover the cost of the tax credit. My bill directs the savings to the Commodity Credit Corporation to reimburse the Federal Highway Trust Fund for its lost revenues.

Over the past year I have been working with the Senate Finance Committee to include the biodiesel tax credit in the energy tax package that is scheduled to be marked up by the committee this afternoon. I wish to commend the Senator from Arkansas, Mrs. LINCOLN, for her help in this effort. If we are successful in passing this tax credit, an effective education program to educate the public on the benefits of biodiesel fuel will be essential as biodiesel makes the transition from research and development to commercialization.

During the markup of the energy title of the farm bill, the Senate Agriculture Committee passed my amendment to authorize $25 million over the next five years for the Biodiesel Fuel Education Program. My amendment, which passed the committee unanimously, increased the amount available from $1 million to $5 million annually through 2006 for grants to educate Americans about biodiesel. The passage of this amendment was a critical step toward encouraging the production and use of biodiesel.

I am pleased to report that the chairman and ranking member of the Senate Agriculture Committee have now accepted my floor amendment that will provide mandatory funding for the Biodiesel Fuel Education Program. My amendment will avoid the need to go through the annual appropriations process by providing $5 million in mandatory funding annually in fiscal years 2003 through 2006.

The biodiesel tax credit, together with the Biodiesel Fuel Education Program, provides a comprehensive approach to facilitate the entry of biodiesel fuels into the marketplace. Working in tandem, these legislative initiatives will educate the public, increase demand for biodiesel, bring higher prices for farmers, lower government outlays, improve the environment, and lower our dependence on foreign oil.

Mr. BINGAMAN. Mr. President, I rise today to comment Senator HARKIN for including in the farm bill a provision that is crucial to the Great Plains region of our Nation. The provision addresses the alarming decline in groundwater in the Southern Ogallala Aquifer, which extends under four States: Texas, New Mexico, Oklahoma, and Kansas.

A reliable source of groundwater is essential to the well-being and livelihoods of people in the Great Plains region. Local towns and rural areas are dependent on the use of ground water for drinking water, ranching, farming, and other commercial uses. Yet many areas overlying the Ogallala Aquifer have experienced a dramatic depletion of this groundwater resource. Some areas have seen a decline of over 100 feet in aquifer levels during the last half of the twentieth century.

This provision would establish a voluntary 4-year groundwater conservation incentives program for the Southern High Plains Aquifer region. Incentive payments would be made for voluntary land management practices, which may include changes from irrigated to dryland agriculture, changes in cropping patterns to utilize water conserving crops, and other conservation measures that results in significant savings in groundwater use. Cost-share payments will be made for structural practices that will conserve groundwater resources of the High Plains Aquifer, which may include improvement of irrigation systems and purchase of new equipment.

The provision also requires the Secretary of Agriculture to undertake groundwater education efforts in the southern High Plains Aquifer area, cooperating in these efforts by working with the southern High Plains Aquifer states, the land grant colleges and universities in the area and their state cooperative extension services, other educational institutions, and private organizations, as appropriate.

This provision brings focus to an issue that concerns the long-term economic viability of communities in much of America's heartland. This is farm country, and the cornerstone of its economy is its groundwater supply, the Ogallala Aquifer, which allows for irrigated agriculture. The Department of Agriculture estimates that there are over 6 million acres of irrigated agriculture overlying just the southern portion of the Ogallala. These farms use between 6 and 9 million acre feet of water per year. The problem we are confronting is that the aquifer is not sustainable, and it is being depleted rapidly. This threatens the way of life of all who live on the High Plains. This provision will take significant steps to address this serious problem.

Mr. THURMOND. Mr. President, I have offered an amendment, cosponsored by my colleagues from North and South Carolina and Virginia, that will provide temporary relief to flue-cured tobacco growers in our States. I express my appreciation to the chairman and ranking member for accepting our amendment into the manager's package.

Flue-cured tobacco is produced under a system of acreage allotments and marketing quotas. This system involves both the amount of land on which the tobacco may be grown and the amount of tobacco harvested or the yield from that land. Hence, the allotment refers to acreage, while the quota refers to the right to market or sell the poundage produced on the allotted acreage. Usually to simplify discussion of this system, reference is only made to the term "quota."

Originally quota was owned by the producers as a tangible asset that could be passed down through inheritance from the owner to his spouse, his children, his grandchildren, or other heirs. Over time as people left the farm, we now find quota owners who no longer have any connection with Flue-cured tobacco production other than that they derive income from the leasing of their quota to Flue-cured tobacco producers.

In the late 1970s and early 1980s, there was a view that the competition for flue-cured tobacco leases was driving up the cost of production. As a result, in 1983 Congress passed Public Law 98–180. Section 205 of that act stated that flue-cured tobacco growers would not be permitted to lease their allotments and transfer their quotas for 1987 and subsequent crops. The rationale was that if tobacco growers could not lease tobacco quota and transfer it to their farms, then it was presumed that tobacco growers would buy the flue-cured tobacco quota from the quota owners. Conversely, if quota owners could not lease and transfer their quotas, they would be forced to sell them. For whatever reasons, this provision of law has never been enforced by the Secretary of Agriculture. Therefore, quota owners did not sell their quotas to producers. However, since growers could no longer lease and transfer quota, they began to rent the land to which the quota belongs. Through a United States Department of Agriculture, USDA, administrative procedure known as reconstitution, growers combined the quota owners' farms into their own.

Now, the Secretary has determined that USDA will, commencing with the 2002 Flue-cured tobacco crop, began enforcing this 1983 law by a strict interpretation of the rules that define a farm and govern farm reconstitutions. This action by the Secretary is causing considerable confusion and concern among flue-cured tobacco producers and quota owners. Incomes and balance sheets are at risk.

This current effort to enforce the 1983 law to force the sales of flue-cured tobacco quota is most ill times. Current conditions make quota too expensive for the tobacco producers to buy. There are two main reasons for this. First, quota owners are receiving "tobacco quota payments" as a result of the National Tobacco Grower Settlement Trust Agreement, also known as the Phase II settlement. Second, The President's Commission on Improving Economic Opportunity in Communities Dependent upon Tobacco Production While Protecting Public Health has recommended a tobacco quota buyout. Given the current and the potential income streams to tobacco quota owners over and above the quota's value to tobacco growers, few if any tobacco producers could now afford to buy flue-cured tobacco quota. Moreover, the ultimate objective of the recommendations of The President's Commission is to completely do away with the system of tobacco quotas. With the uncertainty surrounding the Federal tobacco program, it is very doubtful that any financial institution would even be willing to lend money to producers to purchasing quota.

My amendment suspends the enforcement of this provision of law for one year, for the 2002 flue-cured tobacco crop. Additionally, it addresses a problem whereby certain local USDA offices are requiring flue-cured tobacco farm combinations to follow the rules governing reconstitutions of production flexibility contract farms rather than the specific rules that control reconstitutions of flue-cured tobacco farms. It also directs the Secretary of Agriculture to study the issue and report back to the Congress within 90 days of enactment of this bill.

Finally, I would note that while flue-cured tobacco is also grown in Georgia, Florida, and Alabama, my amendment, as a result of a particular set of circumstances, will not have any effect on flue-cured tobacco production in those three States nor on any other type of tobacco production. We shall be doing our Carolina and Virginia flue-cured tobacco farmers and quota owners a great service by adopting this amendment in order to give the Secretary time to review the belated, unintended impact of this 1983 legislation and to allow time for a thoughtful, deliberate implementation or consideration of repeal of the provision.

Mr. McCAIN. Mr. President, let me first express my appreciation and respect for the work of the Chairman, Senator HARKIN, and the ranking member, Senator LUGAR, for their dedication to address the challenging issues facing American farmers. In addition to funding commodity programs, this farm bill addresses the country's trade policy commitments, goals to improve farming practices through conservation measures, establishes energy and forestry initiatives, and reauthorizes food and nutrition programs.

Every few years we debate a new farm policy, attempting to reach that elusive goal of economic sustainability in the agriculture sector. Yet little seems to change from farm bill to farm bill except the title of the bill. We're always taking one step forward and two steps back. Payments are more generous, new subsidies are created, and the Federal Government's role is expanding, not shrinking, hurting small farmers, compromising agricultural exports, and penalizing American consumers and taxpayers.

In 1996, we passed a farm bill that was intended to implement a more market-oriented farm policy and wean farmers off government assistance. Instead, five years later, farm subsidies have ballooned by 400 percent. In the year 2000 alone, farm subsidies reached a record level of $22 billion.

Just a few days ago, the Senate approved an amendment to implement a stricter limit on payments to farmers. While certainly laudable, I was disappointed that this amendment does not save the taxpayers any money—the savings are simply redistributed to other federal programs.

Even with this change, it's quite obvious that farm spending is still undeniably generous, with an additional $73.4 billion dedicated to commodity and other farm programs over the next ten years, which is new spending over and above the CBO baseline. Although the Senate bill includes a five-year authorization, and the House bill proposes ten years, both bills propose to spend, in one way or another, the full $73.5 billion in additional spending included in last year's budget resolution. That means, irregardless of a five-year or ten-year bill, the budget commitment for taxpayers could still tab up to $170 billion in total to pay for current programs and cover the costs for new ones proposed in this farm bill.

That is an enormous federal commitment. Just this past December, the Administration proposed to spend $26 billion for its new education bill, a relatively meager amount to be spent on school programs in comparison to farm programs. What is more incredible is that we are asking American taxpayers to foot this $170 billion bill when other compelling priorities remain backlogged or unfunded.

For example:

Indian schools on Native American reservations, suffering from the worst dilapidated school conditions in the country, need $1.2 billion to fix the deferred maintenance backlog at 185 schools.

The Individuals with Disabilities Education Act, which has never been fully funded, would require $10 billion.

And, about $5–6 million a year for Special Subsistence Allowance payments to military households would help get service members off food stamps.

Unfortunately, these will remain low priorities and underfunded as long as farm spending increasingly consumes the federal treasury.

Yesterday, the Senate also voted to suspend budget rules to include an additional $2.4 billion in crop and livestock disaster assistance for 2001 crops in this farm bill. This $2.4 billion is, of course, not subject to budget limitations. This is spending in addition to the $5.5 billion already allocated by the Congress for 2001 crops and $33 billion in ad-hoc or emergency farm assistance provided over the last four years. So, that makes a grand total of $35.4 billion in additional farm spending over and above the $70 billion authorized in the 1996 farm bill.

Where's the reform? Where does this unlimited spending end?

Unfortunately, at the end of the debate, special interests win once again. Let's take a look at the grab-bag for special interests in this farm bill:

This bill restores counter-cyclical target price payments that were eliminated in the 1996 farm bill, potentially spending up to $70 billion for commodity programs for the life of this bill.

A new direct payment program is created for dairy farmers at a cost of $2 billion over a 3–4 year period, with one-quarter of these funds earmarked to the northeast States.

Establishment of a new peanut direct payment program, costing $2.6 billion over 5 years.

Honey, and wool and mohair subsidy programs are reinstated, programs which were either phased out or eliminated in the 1996 farm bill.

Higher loan rates are provided for specific crops such as wheat, corn, cotton, and others.

The Federal sugar subsidy program receives additional props in this bill, not only penalizing consumers with artificially high sugar prices but costing taxpayers $254 million to support the program.

New authorization for payments and loans available to producers of dry peas, lentils, and large and small chickpeas.

Addition of new benefits for soybeans and minor oilseeds farmers.

Mandatory country-of-origin labeling requirements for wild fish—a provision that has not been debated or reviewed, but simply included in the manager's package.

$100 million in emergency assistance for apple producers.

Farm spending has gone unchecked for decades. Only until the GAO and other independent taxpayer groups singled out the disparity of farm payments has some light been shed on this unlimited spending.

The GAO's report, which highlighted the egregious disparity in farm benefits, demonstrated that over 80 percent of farm payments have been distributed to large and medium sized farms, leaving small farmers in the cold.

Even with changes in this bill for payment limitations, there simply is nothing to prevent farm groups from seeking future disaster relief and emergency spending when their commodity payments are limited as proposed in this Senate bill. It would be nothing short of miraculous if this payment limitation provision survived conference negotiations given the expected resistance from entrenched farm interests. The bottom line is that taxpayers face the threat of a return to basic status quo farm policy, lavishing government payouts to large farming operations and conglomerates.

We had an opportunity to implement a real reform proposal, as presented by my distinguished colleague, Senator LUGAR, and I applaud him for his efforts. Senator LUGAR fought a brave fight to force the Senate to debate a more sensible reform of farm policies, fighting against a tide of pressure from his colleagues, the distinguished chairman, and many agriculture groups.

He offered a proposal to substantially reduce federal farm payments and focus assistance on a needs-based approach. He boldly proposed to phase out cherished sugar, peanuts and dairy subsidies. He also suggested that federal assistance is more appropriately focused to those farmers that genuinely need assistance. Sadly, his proposal will never see the light of day beyond this chamber because too many are willing to adhere to the status quo rather than accept progressive policies.

This bill is a great disappointment.

While not all of my colleagues are equally budget conscious when passing such comprehensive legislation, more than a few should be concerned about how this bill could potentially impact U.S. trade commitments.

Today, agricultural exports account for approximately one-fourth of U.S. farm income. Because of this, removing trader barriers to U.S. agricultural goods is more important now than ever. But as we travel around the world, championing the cause of free trade, we must practice what we preach. We cannot possibly expect foreign governments to reduce barriers to entry for U.S. agricultural products, while the United States Congress continues to build up greater barriers domestically, to reduce competition from foreign products.

I am a supporter of free trade. I want American farmers to be able to sell their goods around the world. This bill continues protectionist policies that raise barriers to foreign goods. These efforts will jeopardize the ability of America's farmers to continue to export goods abroad and profit from expanded exports. Passage of this legislation could very well lead to violations of international trade rules and will no doubt complicate the position of the United States in future trade negotiations.

For example, a current one-year ban on catfish imports in effect right now because of a last-minute rider to the agriculture appropriations bill we passed last year. I opposed this ban, but, unfortunately, special interests have also secured a ten-year ban on catfish imports in the House farm bill.

Also included in the managers' package of amendments is a provision that requires country of origin labeling for "wild fish." Not many of my colleagues realize how difficult this provision will be to implement because so many different fish from different sources are often processed within the same fish processing plant. Fish processors will have to completely change the way they operate their business in order to comply with this protectionist measure. Other such trade distorting programs such as dairy and sugar price support programs remain a constant in farm bills.

Farm policy is among the most volatile and complicated matters we deal with in the Congress. But what seems clear to me is that the farm economy seems unable to operate unless the Congress infuses billions of dollars in the form of direct federal payments, mandates government fixed prices, and imposes distorted quotas.

We continue to spend and spend on farm subsidies, despite the projections from CBO, which indicate that if current tax and spending policies remain in place, the total unified budget will show a deficit of $21 billion in 2002 and $14 billion in 2003, and net surpluses every year thereafter through 2012.

According to CBO, the on-budget accounts are projected to post deficits of $181 billion in 2002, $193 billion in 2003, and declining amounts through 2009. On-budget surpluses do not appear again until 2010. And, let's face it, medium- and long-term budget projections are worth little more than the paper they're printed on.

At this time of economic uncertainty, this farm bill is an appalling breach of our federal spending responsibility and our national integrity, while continuing the heavy burden long placed on taxpayers.

I regret that I cannot support this bill. I realize that many agricultural producers in Arizona have relied on some of these farm subsidies and other agriculture programs, particularly from rural development initiatives. Unfortunately, this farm bill, like most other farm bills in years past, tilts benefits toward the bigger farm producing States while Arizona, like many other States, will lose out over the long term.

Sadly this bill fails by all accounts to provide a sound and defensible national farm policy.

Mr. CORZINE. Mr. President, I oppose this legislation, and I wanted to take a few moments of my colleagues' time to explain why.

Let me begin by commending the distinguished chairman of the Agriculture Committee, Senator HARKIN, for his outstanding leadership on agricultural issues and his strong commitment to farmers. There is no more passionate advocate on these issues in the Senate.

Let me also say that I grew up on a farm—a 120 acre family farm. I understand what it means to wake up early and put in the long, hard hours that go along with family farming. I have tremendous respect for the men and women who put food on our nation's table. And I represent a state, the Garden State, with an important agricultural history, although one less dominant today.

But, in my view, the legislation before us is the wrong way to support

America's farmers. It perpetuates an outdated system of subsidies that distorts the market, unfairly benefits a limited number of producers, and, most importantly, imposes excessive costs on all consumers. It distributes these subsidies in a manner that leaves farmers in states like New Jersey with little assistance. And, while this bill does more than other farm bills in recent history, it will use Social Security surpluses for unrelated spending, just when we should be saving to prepare for the baby boomers' retirement.

If we were starting from scratch, no rational person would design the system of agricultural policies that we now have in place, a system begun during the Great Depression. This system provides that most of the federal assistance goes to four crops: wheat, corn, cotton and rice.

If we were starting from scratch, the first question would be: why? What is it about wheat, for example, that justifies giving its producers large subsidies?

The answer is that there is little reason. We have done it in the past. But there is no good reason to give wheat, or any of the other program crops, special treatment that is not provided to other producers.

When Government chooses arbitrarily to favor some products with subsidies, it creates distortions in the market. Farmers might ordinarily be inclined to grow vegetables, soybeans, apples, or other fruits. That may be what consumers want and might make sense economically. But if those fruits do not enjoy government subsidies, many farmers will choose instead to plant more wheat. That reduces the supply of fruit, which raises its price. At the same time, it increases the supply of wheat, which lowers its price.

Under the farm program, moreover, a reduction in the price of wheat then triggers even more Government subsidies. In other words, Government subsidies lead to more government subsidies, as the market gets increasingly distorted. The end result is often higher prices for consumers and, eventually, higher taxes for everybody.

Let me focus on this last point. This bill calls for a dramatic increase in overall spending on agriculture: as reported by committee, a total of $73 billion over baseline levels in the next decade. Note that baseline levels already incorporate the effects of inflation. So a $73 billion increase is a huge amount of money. And the fact is, we cannot afford it.

In large measure because of the tax cuts enacted last year, we already are looking at deficits for years to come. President Bush's budget calls for raiding Social Security surpluses of $1.5 trillion over the next 10 years. And I am afraid that this bill will mean that Social Security surpluses are diverted to pay for farm subsidies. That, in my view, is wrong.

Our Nation faces a huge demographic bubble, as the baby boom generation moves toward retirement. We simply must save more to prepare for that. This is the wrong time to be calling for huge increases in agriculture subsidies.

I also would point out that this bill, like the existing system of farm subsidies, is fundamentally unfair to my State of New Jersey. The overwhelming bulk of the subsidies in this bill will go for commodities that, by and large, are not produced in the Garden State.

In New Jersey, our farmers grow large amounts of specialty crops, such as blueberries, eggplant and asparagus. In fact, New Jersey ranks second in the nation for blueberry production, and fourth in the nation for eggplant and asparagus production. Yet, though New Jersey's farmers meet much of the nation's needs for these crops, none of our blueberry, eggplant or asparagus farmers receive support under the existing commodity programs. That is one reason, Mr. President, that New Jersey got less than one-twentieth of one percent of the total commodity assistance provided by the Federal Government in fiscal year 2001. Less than one-twentieth of one percent!

The people of my State get one of the worst returns on their tax dollar of any State in the nation. This Congress can be generous when it comes to rural areas in other parts of the country. But our State has very different needs. And, when it comes to supporting urban areas, like Newark, Camden or Trenton, we tend to come up short. Yes, HUD helps some. Yes, there are some subsidies for transit. But, overall, the Federal government is not treating my State equitably. We are continuously the 49th of the 50 States in our return on the Federal dollar. That bothers a lot of New Jerseyans. And it bothers me.

Having said that, I recognize that if you simply compare this bill to existing law, there are a few provisions that represent improvements. I do support most of the conservation and nutrition provisions. And I acknowledge the hard work of Senators LEAHY and TORRICELLI in pushing for more fairness for specialty crops.

Yet at the end of the day, the existing system of farm subsidies essentially remains intact in this bill, and the subsidies for favored crops are only increased. That means we will continue to subsidize a limited number of producers. We will continue to distort the market. We will continue to impose higher costs on consumers and taxpayers. We will continue to invade the Social Security Trust Fund. And we will continue to treat my State of New Jersey unfairly.

For these reasons, I cannot in good conscience support this legislation. And I hope that, in time, we can revisit a failed farm policy and achieve real, needed reform.

Mr. NELSON of Nebraska. Mr. President, I rise today to commend my colleagues and the Senate leadership for bringing this legislation, the new federal farm bill, to the floor so early in the year. I think the priority this bill received on the calendar reflects its priority to the Nation, our economy, and especially our rural and agricultural regions.

In my home state of Nebraska, 55,000 families earn their living on the farm. In total, one in four jobs in Nebraska is connected to agriculture. To say the farm bill and Federal farm programs are important to my state is an understatement.

Which is why I was part of a group of sensible, concerned Senators that pushed this body to consider, and pass, a new farm bill last year. We knew that we had to act fast to remedy the problems associated with Freedom to Farm. I know first hand, serving as governor of a rural state during the implementation of that program, that it was a failure and needed to be fixed.

We wanted to get it done last year for two reasons. First, we wanted to give farmers and their lenders as much time as possible to plan for a new federal program. Second, time was running short on the Federal budget clock and in order to maintain an acceptable level of funding for the farm bill, we needed get it done before the budget authority expired for $73.5 billion in new farm bill funds we had secured.

But, that didn't happen. We had an administration that thought we should wait, and a merry band of Senators agreed. So, for reasons still unclear to me, the farm bill was defeated last year, and the only people who suffered were the farmers all across the country who depend on these programs to thrive.

Now, we are here on the precipice of progress. We have addressed the concerns that were raised last year and we may actually pass a new farm bill this week. I must say it's been an interesting process. As the debate on the farm bill was underway last December, simultaneous debates on how best to boost the nation's economy out of a recession were being conducted.

I was part of the economic stimulus discussions, and a part of the farm bill proceedings in the Agriculture Committee. I couldn't help but notice the parallel goals of both bills: to stimulate the economy and to stimulate the agriculture economy.

An argument might be made that the best economic boost for my state, Nebraska, is something to generate activity in the agriculture economic sector. Anything that improves the agricultural economy stirs the overall economy in my state. That is why I am here now. I am here to say that this farm bill represents the best economic hope for rural, agriculture-based, states like Nebraska.

Commodity prices for crops remain at historic lows for the fourth straight year. Livestock producers—the largest sector of agriculture in my State—are facing costly new environmental regulations with frightfully few federal resources to help share the burden.

This farm bill addresses these concerns and will have a positive impact on the rural economy. This farm bill is the right thing to do, even if it's a few weeks late.

We have made great strides with this bill. I am proud to say we have nearly doubled conservation spending—encouraging agriculture to improve resource management and for the first time providing incentives for conservation on land in production.

This farm bill promotes trade, promotes conservation and competition. It breathes new life into our commodity programs.

For example, it reauthorizes the programs for sugar beet growers, which are so critical to the 550 sugar beet families in western Nebraska. It also provides nutrition programs for hungry children and adults, supports our international food donation and trade efforts, and protects millions of acres of environmentally sensitive land, among other important priorities.

The farm bill before us makes a real commitment—both in programs and funding—to rural development. This farm bill removes barriers to the school lunch program for military families by eliminating an accounting glitch that uses their housing allowance to prohibit their participation.

I am pleased that despite the obstacles laid down before us, the Senate is about to do the right thing and pass this needed and important legislation. I urge my colleagues to support the people who feed our nation and the nations around the world, our farmers and ranchers, by supporting the new farm bill.

Mr. WELLSTONE. Mr. President, today I opposed the sense-of-the-Senate amendment offered by the Senator from Arizona. Senator KYL's amendment called for the removal of the sunset date for the estate tax changes made in last year's tax cut package. I opposed it because the proposal was both unfair and unaffordable.

The Senator's proposal was unfair because only a tiny number of Americans pay the estate tax under current law. In fact, in 1999 only 636 Minnesotans paid any estate tax whatsoever. This is simply not a burden that falls on many families. That does not mean that I don't support raising the estate tax exemption to a higher level to shield smaller estates—particularly the few small business owners and farmers who end up being affected by the tax. I would support raising the exemption immediately to $4-5 million, with perhaps higher exemptions for small businesses and farms.

The current law, as amended last summer, provides for much slower and uneven estate tax relief. It has made the estate tax process much more complicated—not less. And when full repeal phases in in 2010, it will shield the wealthiest estates in America—worth hundreds of millions and even billions of dollars—from any tax liability. That's what the Kyl amendment proposed we make permanent and I think it would be terrible policy.

And it is made all the more terrible because it is so expensive. The Kyl proposal would cost $104 billion over the next 10 years—literally to protect a few thousand ultra-wealthy families. Even worse, from 2013–2022 it would cost other taxpayers over $800 billion to provide this "relief." Most of this cost would be financed out of the Social Security surplus and at precisely the moment that the baby boomers start to retire in large numbers.

I will not jeopardize Social Security—which tens of millions of Americans rely upon for their retirement—to grant tax breaks to the heirs of multimillionaires and billionaires. For that reason I opposed the amendment.

Mr. SARBANES. Mr. President, I rise today in support of S. 1731, the 2002 farm bill. This legislation makes much needed changes to the failed farm policies adopted under the 1996 Freedom to Farm Act and charts a course that promises a better future for all of America's family farmers.

The 2002 farm bill takes significant steps in ensuring that the family farmers throughout my State and across the Nation are able to carry on in the face of a rural economy that has continued to lag behind the general economy for two decades. Over the past several years, the Congress has repeatedly had to intervene with a series of ad hoc disaster relief measures in an attempt to remedy the failed farm policy instituted under the so-called "Freedom to Farm Act." The 2002 farm bill takes significant steps toward ensuring that Federal support is provided to those farmers who are most in need. The legislation seeks to reform the farm system by reinstituting an income safety net to provide more support in difficult years and less during good years. It contains provisions to help ensure that commodity payments that individual farmers can receive reach those who need them most: our small and medium sized farmers.

Agriculture plays a vital role in Maryland. It remains the State's largest commercial industry, providing over $17.5 billion in annual revenue. In all, agriculture and related industry employs about 350,000 residents, including those who own and operate Maryland's 12,400 farms. And 2.1 million acres, or 33 percent of the total area of my State, is used for farming. This represents the largest single land use in Maryland.

The commodity title of the farm bill contains a number of provisions that are of particular importance to Maryland's agricultural economy. I would like to just touch upon two, those concerning our dairy producers and our specialty crop farmers.

First, our Nation's dairy policy has been amended to reflect the unique needs of dairy farmers in the Northeast, including Maryland. The 1997 Census of Maryland Agriculture indicates that there are 1,091 dairy farms in the State, a number that is about 600 below 1987, and one which I fear will be significantly lower upon the completion of this year's census. If these small dairy farmers are to succeed, it is essential that they be able to compete on a level playing field. This legislation creates a new counter-cyclical payment system for northeastern states when minimum fluid prices fall below $16.94 per hundredweight.

The farm bill also includes provisions that address the needs of specialty crop producers, crops such as fruits and vegetables that do not benefit from traditional commodity support programs, which are making up an increasingly important part of Maryland's agricultural economy. The legislation includes several provisions concerning specialty crops, including a provision authorizing funds from USDA's Commodity Credit Corporation to be used to purchase these specialty crops over the next 5 years. Further, using savings incurred as a part of the payment limitations amendment, USDA's Risk Management Agency has been directed to develop cost-of-production insurance for a variety of specialty crops to cover documented costs of production in the event of low prices.

The farm bill also includes a significant increase in funding for vital conservation programs, devoting over $21 billion in new spending to conservation efforts over the next 10 years. This figure is double the current baseline spending and marks the largest increase in conservation spending ever in a farm bill. These additional funds mean increased funding for programs of great interest to the State of Maryland, including: wetland restoration, wildlife habitat incentive programs, and above all farmland and grassland protection, critical to helping farmers resist the pressures of sprawl.

The legislation authorizes two new programs targeted specifically at restoring the health of the Chesapeake Bay. First, it authorizes a $70 million nutrient reduction pilot program to encourage the development of innovative solutions to the nutrient pollution problem in the Chesapeake Bay.

Nutrient over-enrichment from agricultural operations and other nonpoint sources is one of the most serious problems facing the Chesapeake Bay. In 1987, the Chesapeake Bay Program established a goal of a 40 percent reduction of controllable loads of nitrogen and phosphorus entering the bay by 2000—a goal that was unprecedented in this country. Over the past 15 years, farmers in the six-state Bay watershed, with assistance from the Conservation Reserve Enhancement Program or so-called CREP and other USDA conservation programs, have made substantial progress in reducing nutrient inputs. From 1985 to 2000, total nitrogen loads to the bay were reduced by 51 million pounds, with the largest percentage of this reduction coming from agriculture. Unfortunately, we continue to fall short of the nitrogen goal. If we are to remove nutrient impairments to the bay, additional reductions from agricultural sources must be made and that will only be accomplished with new and innovative programs.

A recent summit of leading agricultural and marine scientists from across the Nation convened in Maryland concluded that the most effective means to reducing nitrogen losses from agricultural lands is to reduce the over-application of nitrogen that the crops do not use. Because some agricultural crops are relatively inefficient nitrogen users at high yields, the last pound of nitrogen applied to a crop is the least helpful to a farmer's yield, but the most likely to run off into our nation's waters. By providing incentives and financial protections for farmers to accept slightly reduced yields in some years, the Nutrient Reduction Pilot Program will reduce farmers' risks, lower their operational costs, and at the same time substantially decrease nitrogen losses to the environment.

The principal focus of the Nutrient Reduction Pilot Program, as conceived by bay-area scientists and organizations, is to create new incentives for farmers to reduce the application of nitrogen by at least 15 percent below what is normally considered best practice and to provide financial protection in the event of reduced yields. The way the program is envisioned, farmers in an area would bid in and say how much money they would demand for each pound of nitrogen reduced so long as the 15 percent threshold is met. Farmers do not have to agree to farm in any particular way; the only question is have they reduced their nitrogen applications at least 15 percent below recommended levels. The program allows for flexibility in achieving nutrient retention targets through such methods as cover crops, constructed wetlands, stream buffers, and switch grass. The program would be monitored based on actual performance by comparing how much nitrogen is applied to how much is removed in crops. It would also provide rewards based on each increment of superior performance. The program goal is to increase enrollment annually and have one million acres of cropland enrolled in year four. Five to 10 percent of the funding will be used to support promotion and education as well as monitoring and evaluation of program impacts.

I anticipate that in implementing this program, the Department of Agriculture will work with States and the private sector to create the mechanisms to carry out this provision. Specifically, I would anticipate that the Department would work to achieve the following in implementing the program: Target investments in nutrient reductions where they are most cost effective through competitive selection processes and through a bidding process to establish incentive rates; reward producers for each incremental level of nutrient reduction and possibly increasing incentive rates for each incremental level; test a variety of reduction techniques including both decreasing nitrogen inputs by at least 15 percent below land grant university recommended rates and increasing nitrogen removal from agricultural runoff; encourage alternative land use practices that reduce nutrient runoff while still producing income; and develop a complementary nutrient insurance program to provide financial protection to farmers who experience reduced yields due to reductions in nutrient applications.

This is a very important provision that will use market incentives to reduce nitrogen discharge into our Nation's largest estuary. This pilot program is a cutting-edge approach that allows watershed scale testing of a new practice that could provide major reductions in nutrient pollution throughout the Chesapeake Bay watershed while maintaining or enhancing farm viability.

Second, the managers' amendment authorizes the Chesapeake Bay Watershed Forestry Program. Forest loss and fragmentation are occurring rapidly in the Chesapeake Bay region and are among the most important issues facing the Bay and forest management today. According to the National Resources Inventory, the States closest to the Bay lost 350,000 acres of forest between 1987–1997 or almost 100 acres per day. More and more rural areas are being converted to suburban developments resulting in smaller contiguous forest tracts. These trends are leading to a regional forest land base that is more vulnerable to conversion, less likely to be economically viable in the future, and is losing its capacity to protect watershed health and other ecological benefits, such as controlling storm water runoff, erosion and air pollution—all critical to the bay clean-up effort.

Since 1990, the U.S. Forest Service has been an important part of the Chesapeake Bay Program. Administered through the Northeastern Area, State and Private Forestry, this program has worked closely with Federal, State and local partners in the six-State Chesapeake Bay region to demonstrate how forest protection, restoration and stewardship activities, can contribute to achieving the bay restoration goals. Over the past 11 years, it has provided modest levels of technical and financial assistance, averaging approximately $300,000 a year, to develop collaborative watershed projects that address watershed forest conservation, restoration and stewardship. With the signing of the Chesapeake 2000 Agreement, the role of the USDA Forest Service has become more important than ever. Among other provisions, this agreement requires the signatories to conserve existing forests along all streams and shoreline; promote the expansion and connection of contiguous forests; assess the bay's forest lands; and provide technical and financial assistance to local governments to plan for or revise plans, ordinances and subdivision regulations to provide for the conservation and sustainable use of the forest and agricultural lands. To address these goals, the U.S. Forest Service must have additional resources and authority, and that is what this provision seeks to provide.

Specifically, the provision codifies the roles and responsibilities of the USDA Forest Service to the bay restoration effort. It strengthens existing coordination, technical assistance, forest resource assessment, and planning efforts. It authorizes a small grants program to support local agencies, watershed associations and citizen groups in conducting on-the-ground conservation projects. It also establishes a regional applied urban forestry research and training program to enhance urban forests in the watershed. Finally it authorizes $3.5 million for each of fiscal years 2003 through 2006—a modest increase in view of the six-State, 64,000 square mile watershed.

The 2002 farm bill. also authorizes a number of critical programs which will be of great benefit to the people of my State and all Americans. The legislation includes provisions to address the development needs of America's rural communities, including infrastructure funds for businesses and communities to promote genuine revitalization. It doubles the amount proposed by the administration for nutrition programs, in an effort to ensure that no Americans go to bed hungry.

Finally, I am pleased that the legislation strikes an ill-conceived provision proposed by the U.S. Department of Agriculture to dispose of land at the Beltsville Agricultural Research Center. As you know, Beltsville Agricultural Research Center is the Nation's premier agricultural research facility. The research undertaken at Beltsville has helped ensure the irradication of certain plant and animal diseases and the production of high-quality agricultural products so that our farmers and agribusinesses can compete in the global marketplace. And the work at Beltsville has led to products and production methods that are safer for both consumers and the environment. Parceling out this property would most certainly be a step in the wrong direction. Beltsville Agricultural Research Center is a national asset which has served as a much needed buffer in the midst of an otherwise highly developed area. In my view, the Federal Government would not realize proceeds from the sale of this property sufficient to compensate for Beltsville Agricultural Research Center's great value to the Department of Agriculture and to the American public. This sale would be extremely short sighted and ultimately regretted.

In closing, I want to congratulate the chairman of the Agriculture Committee, Senator HARKIN, who has done a terrific job in ensuring that this legislation reflects the needs of America's family farmers and our nation's rural communities. And I urge my colleagues to join with me in supporting its passage.

Mr. BROWNBACK. Mr. President, for several months now, the attention of the Senate has been focused on the condition of farming in America. While this is a rite of some regularity every few years when we consider again the many hundreds of Federal programs that affect American agriculture, it is a subject of ongoing interest for those of us whose States rely disproportionately on farming. As Kansas' Secretary of Agriculture I had a unique opportunity to see all aspects of farming in our state and I rise today to briefly discuss the important priorities for Kansas in this farm bill.

Despite my concerns about many other provisions in this farm bill—I am very pleased to see that our carbon sequestration provisions are included. This portion could help build a new market for farmers—one that pays them for how they produce, not just what they produce.

The Wyden-Brownback amendment builds on this premise and expands it to help us explore how carbon trading might work by using our cooperatives.

Carbon sequestration is a largely untapped resource that can buy us the one thing we need most in this debate: time. The Department of Energy estimates that over the next 50 to 100 years, agricultural lands alone could have the potential to remove anywhere from 40 to 80 billion metric tons of carbon from the atmosphere. If we expand this to include forests, the number will be far greater—indicating there is a real difference that could be made by encouraging a carbon sink approach.

Carbon sequestration alone can not solve the climate change dilemma, but as we search for technological advancements that allow us to create energy with less pollution, and as we continue to research the cause and potential effects of climate change, it only makes sense that we enhance a natural process we already know has the benefit of reducing existing concentrations of greenhouse gases—particularly when this process also improves water quality, soil fertility and wildlife habitat. This is a no-regrets policy—much like taking out insurance on your house or car. We should do no less for the protection of the planet.

In addition to this carbon sequestration provision, I am also pleased that we will be able to address another pressing environmental issue facing our country and particularly Kansas. Water, so essential to cultivation, is a top priority for Kansas farmers and I am pleased to say that this Farm Bill can help in this vital area as well.

The Kansas Water Authority has been considering ways to extend the usable life of the Ogallala Aquifer and assure ground water will be available to meet the needs of future generations. The long term sustainability of ground water supplies is a concern of mine and I am pleased with the portion of the farm bill that creates the Southern High Plains Aquifer Groundwater Conservation Program. This legislation takes the necessary first step to protect and conserve this valuable resource. A reliable source of groundwater is essential to the economy of Kansas. There have been dramatic declines in water table levels in the last half of this century. It is projected that if no action is taken the aquifer could in some portions be completely dry in 100 years. Kansas is one of the States where this decline is especially pronounced.

Through this new program in the farm bill, farmers will be given incentive payments for improving irrigation systems, changing from high-water intensity crops to low-water intensity crops, as well as converting from irrigation to dryland farming. Payments will be made as result of a true savings in groundwater resources. I am pleased to have worked with my colleague, Senator JEFF BINGAMAN, in supporting this portion of the farm bill and hope that the rest of our colleagues will see how important this program is to saving the usable life of the Ogallala Aquifer.

The farm bill currently under consideration is not the bill that I would have drafted, independent of the deliberations of this body. However, this effort is an initiative that is desperately needed by America's farm families. I am hopeful that, working with our colleagues in the other body, we will craft a compromise that protects our priorities. We need a farm bill that can provide a safety net for farmers, but that will not create negative incentives to overproduce and depress crop prices. We need a bill that supports expanding trade opportunities and respects our international commitments. We need a bill that will, in the President's words, "offer producers a reliable safety net that protects them from the financial events and circumstances beyond their control, while enabling them to better manage their individual financial situation." I remain very hopeful that we will be able to speed help to American agriculture and remove the cloud of uncertainty that presently shrouds the prairie farms in Kansas and America's agriculture economy generally.

Mr. KYL. Mr. President, today, the Senate voted 98 to 0, recorded vote No. 27, in support of Senate amendment No. 2857 to S. 1731, the Agriculture, Conservation, and Rural Enhancement Act of 2001.

This amendment contained sense-of-the-Senate language that "no Social Security surplus should be used to pay to make [sic] currently scheduled tax cuts permanent or for wasteful spending." I voted aye because I knew that a vote against it would be construed wrongly as a statement in favor of dipping into the Social Security trust fund.

Factual inaccuracies in the amendment deserve to be noted. It states that "permanent extension of the inheritance tax repeal would cost, according to the administration's estimate, approximately $104 billion over the next 10 years, all of which would further reduce the Social Security surplus."

This statement is factually incorrect. In fact, the confiscatory inheritance—or more accurately, the estate or death tax—will be repealed for 1 year in 2010. In 2011, the death tax is resurrected and at the potency of 2001 rates. I support making permanent the repeal of the death tax. This would in no way endanger the payment of future Social Security benefits.

Over the next 10 years, from 2003 through 2012, the President's budget projects a baseline surplus of $463 billion. That amount does not include any Social Security funds. A permanent death tax repeal is estimated to reduce Federal revenues by $104 billion over that time period. The resulting surplus, made up entirely of non-Social Security funds, would be $359 billion.

To further illustrate the inaccuracy of the contention that permanent repeal would reduce the Social Security surplus by $104 billion, it is useful to look at the effect of permanence in 2011 and 2012.

In 2011, the Federal Government is projected to generate a $199 billion surplus—a surplus that does not include any Social Security funds. Permanently repealing the death tax would reduce Federal revenues by $25 billion in 2011, which is 12.5 percent of the projected surplus for that year.

In 2012, the Federal Government is projected to generate a $395 billion surplus—a surplus that does not include any Social Security funds. Permanently repealing the death tax would reduce federal revenues by $61 billion in 2012, which is 15.4 percent of the projected surplus for that year.

The facts are clear. Making the death tax permanent will not deplete the Social Security surplus. Supporters of the continued existence death tax have long underestimated the depth of moral opposition to this "virtue tax" on our American families, small businesses, family farmers, and ranchers. Unfortunately, the death-tax supporters are now resorting to outright misstatements about the ramifications of permanent repeal. They are attempting to convince the country that making the repeal of this tax permanent will jeopardize our seniors' Social Security benefits. Not true.

That is shameful and false, and a bipartisan majority of the Senate acknowledged so—in approving, right after amendment 2857, my amendment to make repeal of the death tax permanent.

By a vote of 56 to 42, the Senate memorialized its support for the following statement:

"Therefore, it is the Sense of the Senate that the repeal of the estate tax should be made permanent by eliminating the sunset provision's applicability to the estate tax."

Mr. KOHL. Mr. President: I rise today in support of the farm bill and look forward to the House and Senate conferees working quickly to ensure that it is in place for the 2002 crop year. I also rise to explain my opposition to the amendment offered unsuccessfully earlier today by Senator DOMENICI regarding the dairy program included in the Senate version of the farm bill. This amendment would have replaced the dairy program that exists in the farm bill with a program that pays producers regardless of the actual market price of milk. Furthermore, the amendment failed to place a cap on the level of production eligible for a payment.

The Senate version of the farm bill restores a much needed safety-net for farmers and ranchers throughout the country. This bill rewrites the 1996 farm bill which has left farmers vulnerable to the continued downward spiral of prices. Because of the 1996 bill's deficiencies, Congress has had to approve billions of dollars in emergency assistance every year. This is not an effective or responsible or fair way to set the farm policy for our Nation, and I am pleased that the Senate has stepped up to the task of providing needed and honest reform. The Senate bill also provides significant new spending for conservation and nutrition programs. And it targets assistance where it is needed, the small family farm, by limiting Federal payments to $275,000 a year. All in all, the Senate bill is a comprehensive measure that will help farmers in Wisconsin successfully weather volatile price fluctuations and other risks associated with farming.

Of particular interest to my State is the dairy title of this bill. It is counter-cyclical creating a price safety-net for dairy producers when milk prices fall below the 5-year all-milk price or a $16.94 class I price. The Domenici amendment would have made payments to producers regardless of market conditions. I cannot support that. We should provide adequate relief to producers when prices decline, not simply pay farmers to overproduce and depress prices.

Another key component of the dairy program currently in the Senate version of the farm bill is the limitations on payments. I worked with Senator DASCHLE and Senator HARKIN to make sure payments under our dairy program were capped so that benefits would not flow primarily to huge farms. We limit payments to 8 million pounds of production or the amount of milk produced in a year by approximately 400 cows. Given that the average herd size in Wisconsin is 65, I would have preferred a much lower cap. However, the final number was a compromise capable of winning the support of a majority of the States. Unfortunately, the Domenici amendment would undo this fragile coalition by removing any limit on the payment a producer can receive. This uncapping of the benefits would have shifted the level of assistance from the small and medium size producers, who need the help the most, to the larger operators. And while that may be popular out west, where dairy herds routinely run to the thousands, it is unfair to the Midwest and Northeast where smaller family farms predominate.

The dairy program in the Senate bill is not ideal for me nor any other Senator in this body. Yet it represents a significant improvement over previous policies, such as regional price-fixing compacts, and represents a delicate balance between previously warring regions. I am pleased that the Senate rejected the Domenici amendment and agreed to preserve the dairy program we worked out, perhaps the only dairy assistance plan that can garner majority support. Furthermore, I urge the conference committee to consider carefully the enormous effort behind and enormous fragility of the dairy section of this bill. I plead with the committee not to return to the days of bitter regional wars over compacts and other special dairy deals. Let this farm bill be remembered as the legislation that marked the beginning of national and fair dairy policy in this country.

Mrs. LINCOLN. Mr. President, it is with great regret that I vote against the farm bill today. As a member of the Agriculture Committee, I have worked extensively on this bill at the committee level and on the floor. I appreciate Chairman HARKIN and his staff, who have been tireless in their efforts to work with me on behalf of Arkansas farmers. The bill we passed out of the Agriculture Committee was a strong bill that was carefully balanced to represent both the diversity of our various regions and the different elements of our rural economy. But passage of the Dorgan-Grassley amendment on payment limitations last week as well as prohibition on packer ownership of livestock make it untenable for me to support this bill.

I won't go into great detail on the effect of the Dorgan-Grassley payment limitations on Arkansas farmers. Instead, I refer my colleagues to the February 7th CONGRESSIONAL RECORD and the extensive remarks I made during debate on the amendment. In addition, I would like to submit for the RECORD an article from today's Arkansas Democrat-Gazette, which outlines the effect this amendment will have on Arkansas farmers. This article refers to a Congressional Research Service study which finds that a single farmer growing rice will hit his limit at only 487 acres. As I told my colleagues during debate on the Dorgan-Grassley amendment, many farmers in Arkansas have had to extend their farms to over one thousand acres in order to break even because their input costs are so high.

Last week, I cautioned my colleagues that the information they had seen in the press and on websites about plutocrats getting rich off farms payments was misleading. I said that the Environmental Working Group, which was lobbying heavily in favor of payment limitations, did not represent the family farmer. Now it seems that at least one editorial writer agrees with me. I quote from the February 11th Washington Times: "Make no mistake. The agenda of the Environmental Working Group and its financial backers is not simply to eliminate unfair public subsidizes to agribusiness, but to cripple agribusiness altogether. . ."

Freedom to Farm demanded that farmers engage the volatile and subsidized global marketplace and learn how to become more competitive. Now, with passage of these terribly unfair provisions, the Senate would attempt to penalize America's farmers and ranchers for taking the very measures they need to complete in that same global marketplace.

Although I sadly vote against the farm bill today, I look forward to working with Chairman HARKIN and members of the conference committee to modify this version of the farm bill so that I might support a more balanced and fair farm bill conference report.

Mr. President, I ask unanimous consent that the editorials to which I referred be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Times, Feb. 11, 2001]

Behind the Green Curtain

(By Michelle Malkin)

Among the political chattering classes, there's a big buzz over a tiny activist organization called the Environmental Working Group.

Both liberals and conservatives, including the left-leaning New York Times editorial page and the right-leaning Wall Street Journal editorial page, have praised the group's farm subsidy database. The National Journal notes that the research vaulted the group "into the big leagues and, according to many observers, profoundly shaped the congressional debate over pending farm legislation." Hundreds of stories from The Washington Post on down have cited the group's findings over the past month.

Posted on the Internet, the Environmental Working Group database documents $71. billion in federal agricultural handouts from 1996–2000. Some of the money has gone to truly undeserving and ridiculous recipients, including prosperous companies, members of Congress, and part-time celebrity "farmers" such as professional basketball star Scottie Pippen, banking giant David Rockefeller, media mogul Ted Turner and ABC news personality Sam Donaldson.

As a longtime critic of government pork, I agree that the group's database is a commendable public service. But conservative opponents of farm subsidies should perhaps be a little warier of jumping into bed with these radical greens. The Environmental Working Group is not just a humble "nonprofit research outfit," as it is being described by the mainstream press. It is a savvy political animal funded by deep-pocketed foundations with a big-government agenda of their own. And it is engaged in aggressive eco-lobbying that belies its image as an innocuous public charity dedicated to "education" citizens.

The Environmental Working Group's main claim to fame is its anti-chemical fearmongering. It scares pregnant women about the nondangers of chlorinated water and says even one bite of some fruit sprayed with pesticides could cause "dizziness, nausea and blurred vision." The group has also declared war on nail polish, hairspray, playgrounds, portable classrooms and ABC News correspondent John Stossel.

The Environmental Working Group, a nonprofit, 501(c)(3) charity, thrives on funding from an array of extremely liberal foundations. One of its leading benefactors was the W. Alton Jones Foundation—which failed miserably a few years ago in its widely publicized attempt to scare people out of using plastic sandwich bags by claiming they contained endocrine-disrupting chemicals. The group continues to tout the foundation's efforts and plug its alarmist junk science book, "Our Stolen Future," on the group's Web site.

In 2000, the Environment Working Group received a $1.62 million grant over three years from The Joyce Foundation. On its Web site, the eco-advocacy foundation describes the grant's purpose in a political terms as supporting "a concentrated program of agriculture policy reform." But in the foundation's tax filings, the purpose of the Environmental Working Group grant is stated in more explicit detail: "For work on 2002 Farm Bill."

Under federal tax laws, public charities can engage in limited political activities—but the Environmental Working Group's zealous legislative lobbying raises questions about its status as a public charity. In a complaint to be filed this Friday with IRS Commissioner Charles Rossotti, the Bellevue, Wash.-based Center for the Defense of Free Enterprise charges that the Environmental Working Group's "excessive lobbying and politicking" activities are "clearly illegal and should (at a minimum) result in revocation of the organization's tax-exempt status."

The complaint charges that the group hid its lobbying political expenditures, failed to register as a lobbyist in California, submitted false or misleading reports with the IRS, and acted as a political action organization in violation of 501(c)(3) rules. Ron Arnold, executive vice president of the Center for the Defense of Free Enterprise, warns: "The Environmental Working Group is not what it seems. Its goal is not protecting the environment. Its goal is power—political power."

Make no mistake. The agenda of the Environmental Working Group and its financial backers is not simply to eliminate unfair public subsidies to agribusiness, but to cripple agribusiness altogether in favor of "organic" alternatives, increased regulation of manufacturers and tax-supported environmental conservation programs.

Sometimes the enemies of enemies don't always make the best of friends.

[From the Arkansas Democrat-Gazette, Feb. 13, 2001]

Subsidy Cuts To Wound Rice, Cotton Farms

(By Kevin Freking)

WASHINGTON.—A report from the Congressional Research Service confirms that the lower federal subsidy limits approved by the Senate last week would be felt mostly by the nation's rice and cotton farmers. That means Arkansas, the nation's largest rice producer, would be hit particularly hard.

The nonpartisan agency projected the acreage that subsidy recipients could farm before they reach the proposed $275,000 limit. The limit for rice farms would be reached at 731 acres; the limit for cotton farms, at 1,321 acres.

"For cotton and rice, those are not large farms," said Andy Miller, assistant director of governmental affairs for the Arkansas Farm Bureau. "We have many folks with farms larger than that."

How many? It's hard to say at this point, but the number will reach into the thousands, agriculture experts say.

The average farm in Arkansas is slightly more than 300 acres, but most rice and cotton farms are far larger. Census statistics from 1997 show that nearly 1,000 rice farms in Arkansas covered at least 500 acres. And about 500 cotton farms covered 1,000 acres or more.

But even those numbers are conservative, experts said. Arkansas has experienced continued consolidation of farms in the past five years; there are fewer small farms, but the number of large farms has grown.

Also, Arkansas farmers who are not married will be ineligible for a spouse allowance. Their limit would be $225,000 in subsidies, so they could plant even fewer acres. For example, a rice farmer who does qualify for the allowance would hit his limit at only 487 acres, according to the Congressional Research Service.

The limit is part of the farm bill the Senate continued to debate Tuesday. It was supported by many rural lawmakers from the Midwest, and the report shows that farmers in that region will not be affected by a $275,000 limit. For example, a wheat farm will cover nearly 6,000 acres before it reaches the maximum subsidy payment.

The House has already passed its version of the bill, which will set the nation's farm policy for the next five to 10 years. Its bill set a $550,000 limit on subsidies, up from $460,000 under current law.

HOUSE, SENATE VERSIONS

The Senate could bring its bill to a final vote as early as today. If the bill passes as expected, it will be sent to a conference committee in which negotiators would work out the differences between the House and the Senate versions of the bill.

Miller said the Arkansas Farm Bureau has little choice but to oppose the bill before the Senate, "What we're hoping for at this point, if it does come out of the Senate with all these onerous measures for Southern agriculture, that some of this can be worked on in the conference committee," Miller said.

Congressional staff members said it was unclear whether any Arkansans would be named to the committee. The state has two senators, Republican Tim Hutchinson and Democrat Blanche Lincoln, and two congressmen, Democrats Marion Berry and Mike Ross, on agriculture committees.

One rumor expanded upon in a Wall Street Journal editorial Tuesday is that a trade is in the offing. Three senators from the Northeast—Jim Jeffords and Pat Leahy of Vermont, and Jack Reed of Rhode Island—voted against the $275,000 limit when most observers expected them to vote for it. Leahy and Reed are Democrats; Jeffords is the independent whose switch from the Republican Party put the Democrats in control of the Senate.

Leahy, almost sure to be named to the conference committee, could back a higher subsidy cap in exchange for Southern support for the resurrection of a dairy compact that guarantees New England dairy farmers a higher price for their products.

"Nobody will be surprised if [Republican Sen. Thad] Cochran [of Mississippi] suddenly likes the idea of a milk compact. So New Englanders will vote to subsidize rich farmers in Mississippi in return for Southerners voting to soak milk drinkers everywhere," the Journal said.

LIVESTOCK OWNERSHIP

One of the Senate farm-bill votes Tuesday kept a ban on meatpacker ownership of livestock. That's an important issue to Tyson Foods Inc. Tyson recently bought IBP to make the Springdale-based company the largest meat producer in the world.

A bid to kill the ban, backed by both Hutchinson and Lincoln, failed 53–46. IDP officials released a written statement expressing disappointment with the vote.

"IBP depends upon independent livestock operations of all sizes to supply our plants," company officials said in a press release. "While we have no interest in becoming a big player in the livestock feeding business, we believe more government regulation, such as those in the proposed ban, will produce unintended consequences and be detrimental to the livestock industry."

The bill would ban packing companies from owning or having control of cattle, hogs or sheep within two weeks of their slaughter.

The provision is wildly popular in the Midwest, where livestock producers fear they are losing their independence and market power as packing houses gain control over livestock production, much as they have already done with the growing of chickens. Poultry was exempt from the Senate legislation.

IBP officials said that without some degree of packer participation in livestock production, some plants may have to close.

The provision is not part of the House-passed farm bill and so would present another issue for the conference committee to settle.

An amendment offered Monday by Hutchinson and Lincoln will not make it to the floor. A Hutchinson spokesman said managers of the bill declined to offer an amendment that deals with double-crested cormorants.

The large, fish-eating birds are causing havoc for many fish farmers in Arkansas. The senators proposed to let farmers apply to the Agriculture Department for permits to rid their farms of the birds. Now those permits must continue to come from the Fish and Wildlife Service.

The Senate voted to add $2.4 billion in disaster assistance to compensate farmers in Montana and other states who lost crops to drought last year. The Bush administration has already said the bill costs too much, but the disaster aid was approved 69–30.

Mr. EDWARDS. Mr. President, I rise today to offer my support for final passage of the farm bill. I want to thank Chairman HARKIN for his hard work and strong leadership in getting this bill through the Senate.

Not a day goes by that a North Carolina farmer doesn't call my office and tell me that he or she can't get credit with a local bank and can't make planting decisions. And you can't really fault the banks; they are reluctant to make decisions while some here try to play partisan games with farm programs. We must get this bill passed and to the conference committee. We must send a signal to our farmers and our farm lenders that their Government will provide them a safety net.

But while I recognize the importance of moving this process along, I still have serious reservations about this measure and the effect the stringent payment limitations enacted here on this floor will have on my farmers. The Grassley-Dorgan amendment, which I did not support, could quite literally mean the end for many of North Carolina's farmers.

Those who supported this amendment did so in an effort to rid the farm subsidy system of abuses and that's an important goal. I don't think there is a person, myself included, who would argue against ensuring millionaires aren't profiting from Government payments. So I don't question the good faith of those who offered this amendment. But if this amendment remains in the final conference report, it won't rid the system of abuses. In fact, his amendment would hurt those hardworking men and women who are trying to make a decent living on family farms.

Some people like to call this amendment the "Scottie Pippen amendment" after the basketball player who reportedly received farm subsidies. I am sure we have all heard other stories about millionaires supposedly profiting off of this system. But I want to tell you a story about the real impact of this amendment.

Kenneth is a cotton farmer in North Carolina. It costs about $475 an acre to grow cotton in North Carolina, and this year the price was roughly 36 cents per pound. For Kenneth, that meant he lost about $150 an acre—and he would be the first to tell you last year was a good year.

So he got by with subsidies and his Loan Deficiency Payments. Kenneth poured almost every cent of that money back in to that farm. And if this amendment remains in the final bill, Kenneth will no longer be eligible for most of the Government's assistance programs and I suspect he wouldn't be able to survive 1 year.

And if you think he should just hang it up, then what should he do for the other families who partner with him to work that farm? What do you suggests Kenneth do for the farm hands—all with families to support—who will be out of work? And let me tell you, eastern North Carolina is struggling and employment opportunities are few and far between.

I am sure if you asked him, Kenneth would tell you he doesn't like receiving Government payments. I don't want him to have to give up his farm because we here passed an amendment with unintentional consequences.

Talk to my farmers. Talk to the dozens of people who are calling my office every hour scared to death that if this amendment remains in the final conference report, they'll be put out of business. They will tell you the reality. And not a single one of them is a rich, corporate farmer. They are the salt of the earth, hardworking men and women who want to make a decent living on their land.

None of us wants wealthy people to profit from farm subsidies. But payment limitations and gross income caps don't prevent millionaire athletes from profiting from farm subsidies; they punish families with massive debt and not a penny of cash flow, no matter what they are worth on paper.

I urge the conferees to remove this amendment. I trust the conferees will address this problem before they send their report to the full Senate.

Mr. AKAKA. Mr President, I rise today as we debate the farm bill to remind my colleagues of the vulnerability of American agriculture to acts of biological terrorism directed against livestock and crops, commonly known as "agroterrorism." In December, I addressed the need for new technologies to detect biological agents that could be used in malicious attacks against our Nation's agricultural industry.

The hard-working men and women who provide our meat, poultry, and dairy products, our fruits and vegetables, and our lumber and fibers now have a renewed sense of urgency when they consider potential threats to American agriculture. Responding to diseases in plants and animals has always been a fact of life for American farmers and ranchers. Now they are confronted with the possibility of intentional acts to release biological agents that cause disease in crops and livestock.

The impact of an animal or crop disease outbreak could be swift and devastating to the U.S. economy. Although the threat to our Nation's food supply is a serious concern when discussing agroterrorism, we must remember that the primary purpose of agroterrorism is to inflict economic damage. The combined annual sales from the U.S. agricultural sector exceed $100 billion. American agriculture accounts for 13 percent of the gross domestic product and nearly 17 percent of domestic employment. The U.S. accounts for about 15 percent of all global agricultural exports.

The impact of agroterrorism is not a just concern for rural America alone. All of America benefits from a healthy agriculture sector. Therefore, all of America must share in protecting our critical agricultural resources.

Agricultural security for American farmers and protection from the intentional release of biological agents that cause disease in crops and livestock are essential features of the agroterrorism legislation I am drafting. My legislation will help American farmers and ranchers protect their investments and livelihood by providing grants or loans for security measures on their farms and ranches.

As chairman of the Subcommittee on International Security, Proliferation, and Federal Services I have held hearings on the need for enhanced coordination of the Federal agencies that respond to acts of conventional bioterrorism. The same is true for agroterrorism. By strengthening agency coordination and emergency response planning, we will also be preparing the American agricultural sector to deal with both intentional and natural crop and livestock disease outbreaks when they occur.

Many of the diseases that potentially threaten American crops and livestock have been virtually eliminated within the U.S. borders, or have never appeared on American soil. For this reason, a crucial element of agricultural security will involve the surveillance of plant and animal disease outbreaks in foreign countries. The U.S. Department of Agriculture Animal and Plant Health Inspection Service, APHIS, already serves as an agricultural disease watchdog at our borders and around our farms. We must support ongoing APHIS efforts to detect and eradicate diseases at home by establishing stronger connections to the international community of agencies and organizations that monitor plant and animal disease outbreaks.

A critical component of this legislation will involve establishing a legal framework for agroterrorism, including penalties for those who perpetrate destructive acts against crops and livestock. Indeed, acts of biological terrorism are not limited to the intentional release of disease agents to harm humans, livestock or crops. Deliberate and destructive acts against agricultural and forestry research programs are also routinely perpetrated by extremists who oppose biotechnology. These acts of domestic terrorism do not involve the direct use of biological agents, but they can be just as destructive as the intentional release of disease-causing agents.

Recently, States from Washington to Maine have experienced destructive attacks on agricultural research projects. Reports of these acts of vandalism are often suppressed to avoid drawing further attention to the vulnerabilities of Federal and private agricultural research projects. Quite frequently, these attacks fail to destroy biotechnology experiments. Instead, the hard work accomplished by researchers who use traditional crop breeding methods is wiped out in these senseless and illegal activities.

In closing, I would strongly urge my colleagues to lend their attention and support to legislative efforts that will benefit all segments of the U.S. agriculture economy. American farmers, Federal, State and local emergency managers, law enforcement officers, agriculture researchers, and consumers require our help in addressing concerns about the intentional or inadvertent spread of exotic and emerging agricultural diseases and the economic security of the United States' agriculture industry.

Mr. HATCH. Mr. President, nothing the Senate does ths session will be more important than passing a good farm bill that provides a strong safety net and some certainty for our Nation's farmers.

I believe that Chairman HARKIN has put forward a sincere effort to accomplish these goals. However, I find that much to my regret, I must vote against this legislation. There are a number or provisions in the bill that lead me to this conclusion, but chief among them is that it puts at risk our system of water rights in the West. I refuse to compromise Utah's water rights.

Under this bill, farmers would be required to sell or lease their water rights to the Federal Government if they choose to participate in a specific conservation program. This sets a terrible precedent. I strongly oppose using Federal dollars to encourage farmers to give up their water rights. The Federal Government has enormous financial resources with which it could purchase unlimited acre-feet of precious water in the West. I cannot support a large incentive aimed at stripping our farmers of the resource that makes our way of life possible in the West.

The water conservation program I am referring to would also create an unprecedented link between the Endangered Species Act and farm programs. I have no doubt that this will lead to conflicts between the goals of the act and the livelihood of our farmers. From what I have seen, when such a conflict arises the farmer always loses. Our farm families struggle enough. We shouldn't add to this burden.

From a broader perspective, I disagree with the overall approach of this farm bill. I believe it is a return to the outdated, socialistic farm policies of the past. As it is written it, 60 percent of farmers will not benefit from the programs in this bill. The bill provides many billions of dollars on subsidies for overproduced commodity crops such as wheat, cotton, and corn. These crops are important, but what about the many crops being grown by other farmers? In my opinion, the Harkin farm bill does too little for farmers of minor crops, who face just as many difficulties as the farmers of the main commodities.

Still, it is very difficult for me to vote against the farm bill today, because there are provisions in it that Utah's farmers desperately need. I was particularly pleased that the Wool Marketing Loan Deficiency Payment Program for our struggling wool growers was included. This was one of my top priorities. Also important, was the passage of the Baucus amendment, which I supported, that would give needed emergency financial assistance to livestock producers and apple growers who have suffered losses due to drought conditions. Finally, I was able to add a provision that would begin the process of creating a free market for state inspected meat products. Of course, I will fight to keep these provisions in the bill as it goes through the conference committee.

These and other aspects of the farm bill are worthy of my support. However, I do not believe we should benefit farmers on one hand, and threaten their livelihoods and water rights on the other. That is not what a Farm Bill should do, and for that reason I oppose it.

Mr. KERRY. Mr. President, I rise to make a few remarks concerning my amendment No. 2852 to the farm bill, S. 1731. As chairman of the Oceans, Atmosphere and Fisheries Subcommittee I am pleased to be joined by my ranking member, Senator SNOWE, in offering this amendment. In addition, I am pleased to be joined by Senators KENNEDY and COLLINS, two other New England Senators, who know all too well the problems that our fishermen face in New England.

This amendment will permanently revoke Northeast multi-species fishing permits using a "reverse auction," a measure that has been developed to ensure we remove the maximum amount of capacity from the fishery at the lowest possible price to the taxpayers. We have more than 1,600 permits in New England. Approximately two-thirds of these permits allow fishermen to fish for only 88 days each year. The remaining fishermen can fish, on average, 130 days a year based on historical days-at-sea usage. As a result of a similar provision we secured in July of 2000, the National Marine Fisheries Service has begun the process of reducing latent capacity in this fishery, but recent events have indicated the need to expand the program further.

While the New England stocks are slowly recovering after years of substantial restrictions, additional limits are coming. The most recent scientific advice suggests that we need to cut days-at-sea by 65 percent in order to meet our 10-year rebuilding targets for Gulf of Maine cod. Basically, two-thirds of New England fishermen could be down to 31 days a year of fishing, from the 88 days they are allotted today. Obviously working families would be severely affected by such cuts. We also desperately need to reduce capacity so that the size of the fishery is in proportion to the available resource. The current latent permit capacity reduction program will help tremendously, but I am convinced a second round is needed to build a sustainable fishery.

To add pressure to this already difficult situation, the U.S. District Court for the District of Columbia will shortly be issuing its determination on additional management measures that must be taken in this fishery to meet Federal legal requirements as the result of a lawsuit filed by a number of conservation groups against the National Marine Fisheries Service. The plaintiffs have already prevailed in that case, in which the court found unequivocally that the Federal Government, which has the authority to approve or disapprove plans developed by the New England Fishery Management Council, had not ensured that these plans included rebuilding measures required under the management plan nor measures to limit the bycatch of fish. In this fishery, bycatch largely results from vessel-specific mortality controls called "trip limits." I must agree, as does every fisherman I know, the idea of throwing fish overboard in order to meet management goals designed to increase fish abundance is both counterintuitive and wasteful. In order to fix the problem we need to increase the trip limits for our fishermen so they no longer have to waste good fish in order to make a day's pay. However, we cannot increase these trip limits until we have reduced the number of permits available for this fishery.

This is unfortunately a long-term problem for many traditional fishing communities in New England. This money will allow some fishermen to retire with dignity, others no doubt will seek job retraining and enter another profession. I am grateful to the managers of this bill, Senators HARKIN and LUGAR, for agreeing to a voice vote on this amendment. I am confident that this money will allow us to build both sustainable fisheries and sustainable fishing communities in New England in the years to come.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I thank my colleagues for their cooperation and for working through this bill. It has taken a good while. But I believe, all in all, we have come out with a well-balanced bill. It is a comprehensive bill, and it does reflect a great deal of bipartisan cooperation.

I especially commend and thank my ranking member, Senator LUGAR, the former chairman of this committee, for all of his help and his support, his guidance, his suggestions, his very close working relationship to get this bill through. We had an excellent working relationship in the committee. We did that expeditiously.

I knew we were going to have to have votes on the floor. As it turned out, we did have quite a few on different parts of the bill. But I believe, all in all, the relationship has been a great relationship. I thank Senator LUGAR and his staff for that.

I also thank Senator REID for all of his help in pulling people together and getting the votes structured and making sure that we had an orderly process on the floor.

I thank our majority leader, Senator DASCHLE, also a member of the Agriculture Committee, for all of his guidance and leadership in bringing this bill to its final conclusion.

I thank Senator LOTT on the other side for working with us. There were numerous times when I went to Senator LOTT, and we discussed what we were going to do. I can say, without any hesitation, at no time was he less than most helpful in moving this process along. So I thank Senator LOTT for that.

We have had some disagreements, of course. That is the crucible of democracy that we have. We have had our votes. But what may not have been fully reflected on the floor is the extraordinary degree, I believe, of bipartisan cooperation and collaboration we have had throughout the bill.

As I mentioned a number of times, all titles that we reported out of the Committee were reported on bipartisan votes. We have a demonstrated bipartisan majority for this bill on the Senate floor.

So, as I say, the bill is comprehensive. It is balanced. It is the economic recovery vehicle and jobs bill for rural America. We have met our responsibilities to farm families, rural communities, consumers, and the environment. We have done so while fully complying with our budget limitations.

I believe the highlights of the bill are the following:

First, we restore and rebuild the farm income safety net that has been missing for the last 6 years.

Second, we have doubled our commitment to conservation. There are more resources devoted to conservation in this bill than any farm bill that has ever come to the Senate. We are proud of that. We have a new conservation program—the Conservation Security Program—that will move us in a new direction in this country, that will expand conservation to every part of America. Whether it is a corn or soybean field in Iowa, an orchard in Michigan, a citrus orchard in Florida, a vegetable farm in New Jersey, or an almond farm in California, this Conservation Security Program is going to promote conservation throughout the country.

Third, on rural development, we include substantial new funding for a variety of rural community development activities. We also create and fund new rural development initiatives, including new programs for rural equity capital investments in rural America. Senator LUGAR and his staff, and my staff, have worked closely together to develop this consensus rural development title. I believe it is going to provide for crucial new investment in rural America.

Fourth, we have a new title in the farm bill that has never been in any farm bill, a renewable energy title, with $550 million mandatory spending over 5 years for things such as ethanol and soy diesel, and for biomass, wind energy, and hydrogen energy. If nothing else, we learned from September 11, I think, that we have to address our dependance on foreign oil. This bill will start to do that by developing the renewable energy resources in our country.

Fifth, nutrition. In our bill we now over twice what the administration proposed. The administration proposed $4.2 billion in increased nutrition spending over the next 10 years. We have $8.9 billion in this bill. So we can be proud of the fact that we make this great effort to make sure no one goes to bed hungry in America, to make sure we have an adequate system of nutrition assistance through food stamps, emergency food assistance and commodity distribution, in addition to school breakfast and school lunch and other programs.

Lastly, on credit, agricultural trade, agricultural research—all of these titles make substantial improvements to what we have done in the past.

So, in conclusion, I thank Senator LUGAR. I thank all of the staff. I thank the staff on our side. I want to thank all of them by name: Vershawn Perkins, Frank Newkirk, and Bob Sturm. I especially thank Bob because all of the time we were out of our office in the Hart Building, we crowded into his space. I really thank Bob Sturm for all of his help in working out the situation of taking care of our staff.

I thank Terri Roney, Lloyd Ritter, Charlie Rawls, Erin Peterson, Doug O'Brien, Stephanie Mercier, Mary Langowski, Jay Klug, Susan Keith, Eric Juzenas, Sara Hopper, Amy Fredregill, Alison Fox, Kevin Brown, Seth Boffeli, Karil Bialostosky, Rich Bender, and, of course, our outstanding staff director, Mark Halverson.

I cannot say enough good things about Mark and all of the long hours he has put in. I do not know if he has slept in the last 4 months. I do not know if he has or not, but I think he deserves a break now. He has performed superlatively in, guiding, directing, and working with our staffs.

On the other side I will not mention all of the minority staff. I know Senator LUGAR already did. But I do want to mention Keith Luse, the minority staff director, formerly the majority staff director. Again, I thank Keith Luse for all of his wonderful working relationships with me personally, with Mark Halverson, Charlie Rawls, and all the people on our staff. It has just been outstanding. I just cannot thank you enough for all the kindness and generosity you have given to me and to our staff throughout this process.

So, Mr. President, this is a bill that we can go to conference with that we can be proud of. It had strong bipartisan support as we came out of committee. We worked our problems out on the floor, and I think we have a bill that will revitalize and renew rural America.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the vote on final passage of H.R. 2646 occur at 12:30 p.m. today with rule XII, paragraph 4, waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, we are moving to final passage of the farm bill shortly. I would like to make a couple of comments prior to the time we have the vote.

First, I commend our chairman for the extraordinary job he has done. He has been remarkable over a long period of time. His leadership and his cooperation and the tremendous effort he has put forth are to be commended.

Again, one of the most able ranking members we have in the Senate is the ranking member of the Senate Agriculture Committee, Senator LUGAR. I admire him immensely for his intellect and for his ability to work with people on all sides and all philosophies. Once again, he demonstrated his ability, his leadership, and the kind of person he is each and every day he came to the floor. I commend him as well.

Let me also commend, as Senator HARKIN and Senator LUGAR did, the staff. We are very dependent upon our staff on all pieces of legislation; in particular, on the complexities of agricultural policy. I must say for the record and emphatically remind my colleagues of the work that they do, especially the staff I am fortunate to have in my office. I am very grateful to them for their work, for their persistence, for their ability to come up with compromises oftentimes when we really had not thought there was one. I thank them publicly and thank them especially today as we bring this debate to a close.

This has been the longest debate on a farm bill in over 30 years. Sometimes it has felt that way. Thanks to the work done in the committee and on the floor, we now have a farm bill and a farm policy that is improved in many ways, providing certainty for producers and increased commitment to conservation, expanded nutrition, provisions making farmers and ranchers more competitive, and needed assistance for rural development.

I know we have had disagreements over the time period in which we needed to get this farm bill moving. In the end, though, this is a good bill. It will do a lot for rural America that is hurting right now, a rural America that is hurting in large part due to the failure of our current farm policy. Now we need to take the final step and pass it.

Agriculture and the farm economy provide roughly $1.3 trillion to our economy and account for 24 million jobs. Rural America comprises 80 percent of our Nation's landmass and 20 percent of our population.

Our Nation literally cannot afford to leave rural America behind. Yet rural America is hurting as never before. Farmers have already seen prices drop every single year since the current farm bill was approved. They are getting roughly half the prices they were receiving in 1996. The record price drops farmers have seen in recent months and the warnings from USDA that farm income could drop another 20 percent add a level of urgency to this debate.

A recent study by the Bureau of Labor Statistics shows that farmers and ranchers are expected to lose 238,000 jobs over the next 10 years. That is more than any sector of the U.S. economy. That is nearly the population of St. Louis or Pittsburgh or Minneapolis.

We just cannot let that happen. Unless we pass this bill now and get a new law soon, USDA will not be able to implement it for this crop year. Instead, we would leave farm families to rely on a law so flawed that we have needed to grant emergency assistance for each of the last 4 years. Make no mistake, passage of this bill is essential for the survival of rural America.

This fall, I was in my State and met a ranch couple named Hight. When disaster struck on September 11, Don and Adeline Hight of Murdo sold 100 calves and donated the proceeds, about $40,000, to help victims of the attack. The manager of the local livestock association called their donation "an act of true Americanism."

Rural families have always sacrificed for our country. They have been facing a disaster now for years. With this bill, we have a chance to provide certainty to producers, fix our failed farm safety net, and help address the challenges we face in rural America.

I urge my colleagues to support this bill so we can move immediately to conference with the House and then present the bill to the President for his signature as well.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, I understand the distinguished Senator from Maine would like to address us. I invite her to do that.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. COLLINS. Mr. President, I am very pleased that legislation I authored has been included in the final version of the farm bill. The legislation, known as the Suburban and Community Forestry and Open Space Initiative Act, would help to combat the threat of suburban sprawl which has already consumed tens of thousands of acres of forest land in the southern part of my home State.

I very much appreciate the assistance of Senator LUGAR and Senator HARKIN, as well as Senators JACK REED and MIKE CRAPO, who have worked with me to put together this initiative.

Sprawl occurs because the economic value of forest or farmland cannot compete with the value of developed land. In my home State, the problem is particularly acute in southern Maine where over a 100-percent increase in urbanized land over the past two decades has resulted in Greater Portland being labeled as the "sprawl capital of the Northeast."

I am alarmed by the amount of working forest land and open space that has given way to strip malls and cul-du-sacs. Our State is trying hard to respond to this challenge. The people of Maine have approved a bond issue to preserve land through the Land for Maine's Future board, and they continue to use scarce local funds and contribute their time and money to preserve special lands and to support our State's 88 land trusts.

Of course, the problem of sprawl is not limited just to Maine or to the Northeast. Rapid, unmanageable growth affects many States and poses a significant threat to forest land across the United States.

The effects of sprawl were highlighted by a study conducted by the U.S. Forest Service last year. It examined forests in 13 southern States and found that 12 million acres of southern forest land could be lost to sprawl by the year 2020.

In Maine and elsewhere, communities are working hard to come up with new strategies to protect our working forests and to safeguard our communities from the effects of sprawl. I think it is time for the Federal Government to lend a hand to these efforts.

My legislation, which was drafted with the advice of landowners, conservation groups, and forestry experts, would establish a $50 million grant program within the Forest Service to support locally driven projects that preserve working forests. State and local governments as well as nonprofit organizations could compete for funds to purchase land or conservation easements to keep forest lands in their traditional uses.

The $50 million that would be authorized by my legislation would help achieve a number of stewardship objectives. First, it would help prevent forest fragmentation and preserve working forests, helping to maintain the supply of timber that fuels Maine's most significant industries. Second, the resources made available would be a valuable tool for communities that are struggling to properly manage growth and prevent sprawl. Currently, if a community were to turn to the Federal Government for assistance, none would be found.

My bill will change that by making the Federal Government an active partner in preserving forest land and managing sprawl, while leaving decisionmaking to States and communities.

Mr. President, by enacting this legislation, Congress will provide a much needed boost to local conservation initiatives and will help sustain the vitality of our natural-resource-based communities.

I ask unanimous consent that letters of endorsement from the Maine Nature Conservancy, the Maine Audubon Society, and the National Association of State Foresters be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION
OF STATE FORESTERS,
Washington, DC, December 5, 2002.

HON. SUSAN M. COLLINS,
U.S. Senate,
Washington, DC.

DEAR SENATOR COLLINS: On behalf of the National Association of State Foresters, I would like to thank you for your efforts to reduce the impacts of urban and suburban sprawl on our nation's forest lands. Your proposed amendment, the Suburban and Community Forestry and Open Space Initiative, to Chairman Harkin's Farm Bill (S. 1731) demonstrates your commitment to minimizing conversion of suburban forest lands to non forest uses.

We support the overall concepts of the legislation. NASF does not currently have a position on whether easements or title to land purchased with federal funds should be expanded from state to non-profit entities. However, maintaining working forested lands in suburban environments is consistent with NASF's goals.

As the Southern Forest Resource Assessment recently released by the U.S. Forest Service clearly demonstrates, one of the major threats to forest land is urban sprawl. The provisions in the Forestry Title of S. 1731 provide important tools to enable landowners to keep their land in trees and sustain the public benefits their forests provide. Your amendment is another tool to address this critical concern.

Thank you for your commitment to sustainable forest management and to reducing suburban sprawl.

Sincerely,

LARRY A. KOTCHMAN,
President.

MAINE AUDUBON SOCIETY,
Falmouth, ME, November 2, 2001.
Senator SUSAN COLLINS,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR COLLINS: We are pleased to be able to offer our support of your proposed Suburban and Community Forestry and Open Space Initiative Act of 2001, which would expand opportunities for conserving forestland under the Cooperative Forestry Assistance program. This Act offers a new opportunity to protect some of the remaining actively managed forestlands that provide habitat for many of our native species, and encourages those lands to be managed sustainably, with input and use from the local community. This Act comes at a time when pressure to develop small woodlands in southern Maine is ever increasing, interest in conserving those woodlands is also increasing, but funds for forest conservation are still limited.

Southern and Coastal Maine has the highest level of woody plant and wildlife species diversity in the state. Unfortunately, this area is one of the most desirable for development and increasing development pressures are creating a checkerboard of non-contiguous habitat for wildlife. Although the overall population is relatively stable in southern Maine, residents of larger towns and cities are moving to surrounding rural communities, with residential development, both permanent and seasonal homes, spreading into large expresses of formerly agricultural and forested open space.

In its final report dated January 1996, the Maine Environmental Priorities Project (MEPP) concluded that "patterns of development throughout southern and coastal Maine and in riparian zones statewide seriously threatened some species and some rare and critical habitats as well as the overall productivity of Maine's terrestrial ecosystems." Protecting forest land throughout southern Maine wildlife.

During the past two years Maine Audubon, in concert with several other state and federal agencies and nonprofit conservation organizations, has been conducting outreach to municipalities and land trusts to encourage the conservation of forestland, including large blocks of underveloped and unfragmented forestland that provide habitat for a wide variety of Maine's native plants and animals. We are providing local citizens with information about the high value habitats in their community, and many of those we have spoken with are intersted in acting to conserve forest land but have few choices for funding land protection. If the bill passes, we will be able to suggest a new source of funds for their hard work.

Thank you for taking the initiative to help conserve Maine's forest landscape and all the public benefits they provide amidst the threat of sprawl. We look forward to working with you on passage of the bill and on the subsequent rule-making which will speak out just how the bill would be implemented.

Sincerely,

SALLY STOCKWELL,
Director of Conservation.

THE TRUST FOR PUBLIC LAND,
Portland, ME, November 2, 2001.
Hon. SUSAN M. COLLINS,
U.S. Senate,
Washington, DC.

DEAR SENATOR COLLINS: On behalf of the Trust for Public Land, I am pleased to express our support for the Suburban and Community Forestry and Open Space Initiative Act of 2001. This proposal will provide a much-needed focus on working forests that provide important resources in and around Maine's towns and cities that are facing significant development pressures. We applaud your foresight in addressing this issue.

As the Trust for Public Land pursues its mission of protecting land for people in Maine, we are acutely aware of the difficult choices many landowners face as land values rise and development pressures intensify. In addition, the forest lands that lie in the path of development are incredibly important to local residents for a variety of resources, including recreation, wildlife habitat, water quality and open space. Your legislation will allow these critical lands to remain intact as community assets by focusing federal assistance to landowners in areas affected by suburban sprawl. This is a much-needed addition to the resource conservation efforts that states, localities and non-governmental partners are already undertaking and will provide the extra funding leverage needed to successfully meet the challenges of the future.

Our work with willing sellers across the state leads us to believe that the Suburban and Community Forestry and Open Space Initiative Act of 2001 will make a difference in many Maine communities and will leave them in good shape for future generations. Maine's forest resources are absolutely critical to the quality of life that attracts residents and visitors alike, and proposals like this one will ensure that we address the conservation of those resources wisely.

Thank you for your leadership on this and many other issues affecting Maine. We look forward to working with you.

Sincerely,

JENNIFER MELVILLE,
Maine Field Office.

THE NATURE CONSERVANCY,
Brunswick, ME, November 2, 2001.
Hon. SUSAN COLLINS,
U.S. Senate, Russell Senate Office Building,
Washington, DC.

DEAR SENATOR COLLINS: On behalf of the Trustees and 13,000 members of The Nature Conservancy of Maine, I am writing to you in support of your recently filed Suburban and Community Forestry and Open Space Initiative Act of 2001.

From the St. John project in Northern Maine to the Machias River downeast to Mt. Agamenticus in the South, the Nature Conservancy is working in partnership with local communities, the state, and federal governments to protect the best remaining natural place in our state. As population continues to increase in southern Maine, it is becoming increasingly clear that growth and development could overtake and destroy some of southern Maine's most outstanding forests and natural areas. Your legislation could play an important role in forever protecting these places. Two key sites, in particular, come to mind as projects that could benefit from Suburban and Community Forestry and Open Space Initiative funds:

Leavitt Plantation Project, Parsonsfield: Encompassing 8,600 contiguous acres, Leavitt Plantation represents the largest remaining block of forestland in one ownership south of Sebago Lake. Threatened by sprawl and development, this forest includes identified deer wintering and waterfowl/wading bird habitat, and populations of seventeen rare plants. The Leavitt Plantation Forest was to be cut up into as many as 13 parcels early last year. The land's fate as wildlife habitat, hunting and fishing grounds, hiking and snowmobiling destination, and as an economic resource for the region hung in the balance. Today, thanks to the cooperative approach of a forest investment company, a conservation group, the State, a small Maine town, area citizens and more, this land is slated to be protected forever. But additional funds are needed to complete the conservation of this project.

Mt. Agamenticus, York, South Berwick, Elliot, Wells, Ogunquit: Mt. Agamenticus, located in rapidly developing York County, is the largest block of unfragmented, undeveloped land near the coast between Baltimore and Portland. This vast area is rich in native plants and wildlife, and home to important and rare species. The forest also provides an economic boost to the region. Mt. Agamenticus is also one of the largest remaining recreational open spaces in southern coastal Maine, the area is popular with birders, hikers, bikers, and hunters, and a "Mecca" for mountain biking in New England and the area consistently draws visitors from all over the country to experience the mountain. In this rapidly growing area of southern Maine, large, vast areas of open space are becoming very scarce. The remaining forested lands of Mt. Agamenticus area are threatened by sprawl and development. However, if funded, a plan is in place to protect this area for the benefit of the citizens of Maine and future generations.

The Nature Conservancy supports your efforts to bring additional federal funds to projects like these in Southern Maine and throughout the state. Conservation of these great places requires a commitment from the private sector as well as from government, we appreciate your willingness to provide leadership on such a vital issue to the people of Maine.

Sincerely,

KENT WOMMACK,
Executive Director/Vice President.

FRIENDS OF ACADIA,
Bar Harbor, ME, October 16, 2001.
Hon. SUSAN M. COLLINS,
U.S. Senator, Russell Senate Office Building,
Washington, DC.

DEAR SUSAN: Friends of Acadia offers its full support for the anti-sprawl bill you have initiated. It will have utility across Maine.

Your proposal is of special interest in our region. It offers a real hope of dealing with the sprawl that is consuming so much of the Route 3 gateway landscape on the mainland just above Mount Desert Island and Acadia National Park.

Please let me know how we can help you advance this important legislation.

Thank you for your leadership.

Yours sincerely,

W. KENT OLSON,
President.

MAINE COAST HERITAGE TRUST,
Topsham, ME, October 26, 2001.

Re Suburban and Community Forestry and Open Space Initiative Act of 2001.

Senator SUSAN M. COLLINS,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR COLLINS: It is with great enthusiasm that I write to express Maine Coast Heritage Trust's support for your far-sighted Suburban and Community Forestry and Open Space Initiative.

Maine's rural and suburban lands are changing fast as more people move into Maine or move out of Maine's urban areas and into the rural countryside. This pattern of development is altering the character of our state by diminishing both its traditional villages and surrounding open farms and forests. It also has a significant impact on local and state budgets as expensive new schools and roads are built to service these new neighborhoods.

Your initiative would provide important federal funds to be matched by state and private dollars. As you know, Maine voters showed their strong support for conserving open land when they overwhelmingly endorsed the $50 million Land for Maine's Future bond in 1999. Furthermore, the success of Maine's 88 land trusts (perhaps the highest number of trusts per capita in the nation) is a testament to Mainers' commitment to maintaining the rural character of the state. Your proposal would help leverage hard-won public and private dollars.

I was particularly pleased to learn that your proposal would complement the Forest Legacy Program. Forest Legacy has been a critically important source of federal funds for conserving large tracts of Maine's northwoods. Its continuation is vital.

Thank you ever so much for your creative leadership and hard work on behalf of land conservation efforts in Maine and across America.

Sincerely,

JAMES J. ESPY,
President.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to consideration of H.R. 2646, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2646) to provide for the continuation of agricultural programs through fiscal year 2011.

The PRESIDING OFFICER. Under the previous order, all after the enacting clause is stricken and the text of S. 1731, as amended, is inserted in lieu thereof.

The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill was to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

Mr. LUGAR. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New Mexico (Mr. DOMENICI) and the Senator from Utah (Mr. BENNETT) are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 58, nays 40, as follows:

[Rollcall Vote No. 30 Leg.]

YEAS—58

Akaka
Allen
Baucus
Bayh
Biden
Bingaman
Boxer
Breaux
Byrd
Cantwell
Carnahan
Carper
Cleland
Clinton
Collins
Conrad
Daschle
Dayton
Dodd
Dorgan
Durbin
Edwards
Feingold
Feinstein
Fitzgerald
Graham
Grassley
Harkin
Hollings
Inouye
Jeffords
Johnson
Kennedy
Kerry
Kohl
Landrieu
Leahy
Levin
Lieberman
Mikulski
Miller
Murray
Nelson (FL)
Nelson (NE)
Reed
Reid
Rockefeller
Sarbanes
Schumer
Sessions
Shelby
Snowe
Specter
Stabenow
Torricelli
Warner
Wellstone
Wyden

NAYS—40

Allard
Bond
Brownback
Bunning
Burns
Campbell
Chafee
Cochran
Corzine
Craig
Crapo
DeWine
Ensign
Enzi
Frist
Gramm
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Kyl
Lincoln
Lott
Lugar
McCain
McConnell
Murkowski
Nickles
Roberts
Santorum
Smith (NH)
Smith (OR)
Stevens
Thomas
Thompson
Thurmond
Voinovich

NOT VOTING—2

Bennett
Domenici

The bill (H.R. 2646) was passed.

[The bill will appear in a future edition of the RECORD.]

Mr. LUGAR. Mr. President, I move to reconsider the vote and to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senate insists on its amendments and requests a conference with the House on the disagreeing votes of the two Houses.

The majority leader.

ORDER OF PROCEDURE

Mr. DASCHLE. Mr. President, I ask unanimous consent that there be a period for morning business until 2:30 p.m. today, with 60 minutes under the control of Senator BYRD and the remaining time controlled equally between Senators BROWNBACK and TORRICELLI or their designees, and that at 2:30 p.m. today the Senate begin consideration of Calendar No. 239, S. 565, the election reform bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Jersey.

CAMPAIGN FINANCE REFORM

Mr. TORRICELLI. Mr. President, the Congress may now be closer to comprehensive campaign finance reform than at any time in 30 years. It holds the promise of restoring public confidence by reducing the amount of money flowing into American politics while simultaneously reducing the costs of campaigns themselves. It gives a fair chance to challengers, an opportunity for people to bring different ideas and a broader national debate because we end the dominance of special interests money.

This can be an extraordinary, even historic week in the life of the Congress. But the well-crafted balance reached in the Senate is now in jeopardy. Campaign finance reform has meant a change in various institutions within our political culture. One of those institutions is resisting the change. I am speaking of the network broadcast industry. Just as political candidates would be challenged under the law to raise less money under stricter limits, and the political parties would operate under different rules, and the American people would operate under more restrictions to assure that money did not dominate the process, the broadcast industry, operating under Federal license in the use of the public airways, would be challenged to reduce the costs of advertising for Federal campaigns.

The Congress could have insisted on free air time. We could have insisted that time be made available for public debate as in many of the great democracies of Western Europe. Our request was much more modest. Indeed, our request was to put into law that which we believe we had done 30 years ago anyway. In 1971, Congress required that the networks provide advertising rates at the lowest unit rate. Through evasion, by finding loopholes in the law, the television networks have evaded their responsibility under the law.

Senators CORZINE, DURBIN, ENZI, and many of my colleagues offered an amendment on the floor of the Senate, adopted 69 to 31, on a bipartisan basis, requiring once again that the networks provide television advertising at the lowest unit rate in the period immediately before a primary and general election. We did this because a 1990 audit by the FCC found that 80 percent of network television affiliates were failing to make time available as required by law at the lowest unit rate, meaning that a typical candidate ad sold for 65 percent more than what should have been charged—65 percent higher costs than should have been required had the law been followed.

If in this debate on campaign finance reform we lower the amount of money raised without lowering the costs of the campaigns themselves, we will have achieved very little. The best funded incumbents will always find the resources to advertise. The question is, What about those candidates for Federal office who do not represent popular ideas or powerful interests? And what of the challengers who would challenge the status quo, represent new ideas or sometimes unpopular ideas? They will never have the resources to enter into the national political debate.

The goal of campaign finance reform is not to lessen the national debate. It is not to bring less political discussion to the country. It is to have a more vibrant debate, of more varied ideas, less represented by the requirement of political fundraising.

If, indeed, the national broadcasters, represented by millions of dollars' worth of lobbying—and, ironically, the use of their own political contributions—succeed in removing this provision from campaign finance reform, not only have we achieved very little but we add a new distortion to the national political debate.

In the New York metropolitan area, it is not uncommon to charge $30,000, $40,000, and $50,000 for a 30-second ad. How will these ads be purchased? This applies in Chicago or Los Angeles or Miami or Boston. We have eliminated soft money; we are adding restrictions to reduce the amount of money. The simple truth is, most candidates will not be able to afford them at all.

The costs have not stopped rising. Since 1996, the cost of political advertising in some jurisdictions has increased another 30 percent, and it will keep rising as candidates compete not with each other for time but with General Motors or Ford or General Foods or Procter & Gamble.

What have we done to our political system when candidates have to raise money in obscene amounts, from hundreds of thousands of Americans, to buy the public air time on federally licensed stations, air time that belongs to the American people, in order to communicate in the middle of a Federal campaign public policy issues? There is no other Western democracy that has such a system because no one else would tolerate it—and neither should we.

How is it that American politics has deteriorated into this endless spiral of campaign finance, where candidates should be spending their time thinking of new ideas, challenging each other for the Nation's future, where Members of Congress should spend their time legislating, spend time with the American people who have problems—not just the American people who have money?

How did we get here? How did it happen? It is not by chance. In the average Senate campaign, 85 percent of the money raised is going to the television networks. Every year, it is a larger percentage; every year, a higher bill. Yet the broadcasters are arguing that this is unconstitutional—we are taking their property.

For 30 years there has been a requirement that they make the lowest unit rate available. If it was constitutional then, it is constitutional now. They just evaded the law. Every one of them, when they got a Federal license to broadcast, agreed to comply with Federal law and to serve a public purpose. This is no taking. They still will be able to charge exorbitant fees, just the same fees they are charging other corporate customers at different times of the year. We have a right to do it. There is a precedent to do it. And it is fair to put these restrictions on broadcasters.

Second, they say this will lead to perpetual campaigns, reducing the cost of advertising so there is nothing but campaigns, year to year, year after year, all year. The legislation passed by the Senate only makes the lowest unit rate available 45 days before a primary and 60 days before a general election. There are no perpetual campaigns. The time limits are actually quite strict.

Then the broadcasters argue that this is such an onerous burden that they can financially not survive, they can't deal with the cost of making the lowest unit rate available. They are charging political candidates $1 billion to advertise. It is estimated that this will be a reduction of $250 million. I believe the networks, still collecting three-quarters of a billion dollars in political advertising, are doing quite well by this system.

Indeed, the reduction from making the lowest unit rate available would equal less than 1 percent of the $41 billion in ad revenue. If every other segment of our society can deal with change in order to restore integrity in this political process—the political parties forego soft money, Federal candidates eliminate soft money, the American people live with these restrictions, American business accepts these restrictions—can the broadcasters themselves under Federal license, challenged to use the airwaves for the public good, not accept a 1-percent reduction in ad revenue?

It is an extraordinary irony that the media, having rightfully challenged the Congress to change the political fundraising system, having put so much scrutiny on campaign fundraising, has played a vital role in bringing us to this historic moment. But what an irony. While the network anchors rail against the campaign finance system, challenging the Congress to change it, their corporate executives pay millions of dollars in lobbying fees, as we speak, to lobbyists who line the Halls of the House of Representatives, and PAC directors who use the leverage of their political contributions to attempt to intimidate the Congress into eliminating them from this process of change.

I hope this provision of campaign finance reform remains intact. But, if it fails, this Senate will face a difficult moment: The specter of a new campaign finance system in which the amount of money raised will be dramatically reduced, but the cost of the campaigns themselves will continue to dramatically rise.

I recognize that most Members of this Senate can adjust to the new system. Powerful incumbents will find the means to raise the money. But what of the young man or woman who has different ideas, one who represents no powerful interests, who may not live in a State of great wealth or come from a wealthy family? They, too, would like to serve in the Senate. They, too, have contributions to make to our political system. They, too, believe in our country. There is a chance that by the reforms that we passed they will be silenced; for who among them, in raising campaigns funded only by hard money, with access to no other resources, can pay their share of the $1 billion in advertising costs that are the modern equivalent of a gold soap box that the Founding Fathers would have had as a restriction to the exercise of free speech?

What free speech is there, what kind of open political system do we have, if the only means of running for public office is purchasing the gold soap box of our time, a $1 billion price of entry to the network television affiliates? Indeed, that is no free speech at all. That is not an open, competitive political process.

So the next great hurdle of campaign finance reform is now. Do we hold firm, those 69 of us on a bipartisan basis who insisted that as fundraising is controlled, so, too, must be the costs?

I ask my colleagues to remain committed, not for themselves or their interests but for those who would follow us and for those who believe this political system is open and fair to all those who wish to serve their country in the years to come.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MILLER). Without objection, it is so ordered. The Chair recognizes the Senator from West Virginia.

WAR ON TERRORISM

Mr. BYRD. Mr. President, in his State of the Union address on January 29, President Bush reminded the nation, at great length and in great detail, that we are a nation at war, and that we will stop at nothing to rid the world of terrorism.

His words were stirring, his message sweeping.

The war on terror, he said, has only begun:

> Tens of thousands of trained terrorists are still at large. These enemies view the entire world as a battlefield, and we must pursue them wherever they are.

Strong words—strong words indeed.

The President outlined an ambitious agenda for the war against terrorism: first, to shut down terrorist camps, disrupt terrorist plans, and bring terrorists to justice. Second, to prevent terrorists and regimes that seek chemical, biological or nuclear weapons from threatening the United States or the world. The President singled out three such regimes—Iran, Iraq, and North Korea—describing them as an "axis of evil" that is posing a grave and growing danger to the world.

The President's speech laid out a sweeping plan for the U.S. response to global terrorism. It is a manifesto that he has stated many times to many different audiences in the days following that address. At Eglin Air Force Base in Florida last week—Feb. 4—the President told cheering troops that "We're absolutely resolved to find terrorists where they hide and to root them out one by one. . . . History has called us into action, and we will not stop until the threat of global terrorism has been destroyed." Strong words—strong words, indeed.

Less there be any doubt as to where I stand, I have been a hawk on defense issues for all of my 50 years in Congress.

When I came to Congress 50 years ago this year, I was strongly opposed to the entry of Red China into the United Nations. I supported the war in Vietnam and the budgetary requests that President Johnson made. I supported down to the last penny his budgetary requests for defense.

When I came to this body 44 years ago, I went on the Appropriations Committee at the beginning of my service in this body, and I have been on the Appropriations Committee 44 years this year.

I spoke highly of President Bush last Friday in my reference to his speech at the National Prayer Breakfast. His expressions concerning faith I complimented on the floor.

But when it comes to national defense, let nobody have any doubts as to where I stand. I was supporting national defense and appropriations for national defense in Congress when our President, Mr. Bush, was in knee pants. On two committees, I served with the late Senator Richard Russell of Georgia. He was chairman of the Armed Services Committee. He was chairman of the Appropriations Committee. He held both positions—not at the same time but at different times when I was on his committees. I was on the Appropriations Committee and I was on the Armed Services Committee. I supported Senator Stennis of Mississippi, who was one of the giants of the Senate. So I need no one to stand beside me and bear witness to my support for national defense.

During the war in Vietnam, I was majority whip in the Senate during part of the war. I was also secretary of the Democratic Conference during part of that war. There was pretty much solid, undivided support almost at first. Then there developed a divisiveness among Senators on the war in Vietnam.

The late Senator Mike Mansfield was majority leader of the Senate. I became his assistant in 1967 as secretary of the Democratic Conference. I sat on this floor practically every hour of every day and was always at Mike Mansfield's elbow. Then I became the whip. I carried out his wishes on this floor and watched the floor, worked the floor, learned the rules, and Mr. Mansfield pretty much left the floor work to me as his whip.

There came a time in that war when the Vietcong were striking at American soldiers from across the Cambodian and South Vietnamese border. I offered an amendment during a debate in which the late Senator Church, the late Senator Cooper on the other side of the aisle, and others were joined on the matter. I offered an amendment expressing support for the President, who at that time was Richard Nixon, in his efforts to bomb the Vietcong who were, as I say, working from enclaves in Cambodia across the border from South Vietnam.

The Vietcong would go across the border and kill American soldiers. I offered an amendment during that debate, in essence, saying that the President of the United States has a duty to do whatever it takes to protect American boys, who perhaps didn't ask to go to a foreign battlefield. But they were sent into battle and a President has a responsibility to do whatever it takes to protect those men from attack. So I offered that amendment and it was defeated. I lost on the amendment.

I need no one to attest to my credentials when it comes to supporting defense, particularly from an appropriations standpoint—my having been on that committee now for 44 years, as I say, this year.

I have been a hawk on defense issues for all of my 50 years in Congress.

I fully support the President's resolve to strike back at the terrorists who caused such devastation, destruction, and carnage here in our country on September 11, 5 months and 2 days ago today. But I also understand, having lived through several wars and studied the history of many more, that war cannot be fought or won by rhetoric, that true victory is tangible victory, that words do have meaning, that words do have consequences, and that a rhetorical declaration of global war may well precipitate real global conflict, involving horrific loss of life.

It is crucial that we all realize that the war on terrorism is not just a war of hot words. This war, like any war, must have tangible and achievable goals and objectives. There must be benchmarks by which to measure progress in attaining those objectives. And the American people must clearly understand what sacrifices must be made and what constitutes victory. These essential elements must be more clearly defined than they have been thus far. We cannot be left to guess as to what is meant.

I had the opportunity to discuss the war on terror with Defense Secretary Rumsfeld a few days ago when he appeared before the Senate Armed Services Committee. I think it was on February 5. The Secretary appeared before the Committee to explain and defend the President's $379 billion defense budget request for Fiscal Year 2003.

Socrates would say, "Define your Terms." I asked Secretary Rumsfeld to define the parameters of our war on terrorism. What are our goals? What are our objectives? What are the standards by which we should measure success in this war? How will we know when we do achieve victory?

Much has been said about bringing terrorists to justice. We have bombed the Afghanistan mountains into rubble. We have struck deeply at the caves. We have already spent $7 billion in Afghanistan. Where is Osama bin Laden? How will we know when we do achieve victory?

Secretary Rumsfeld is an outstanding Secretary of Defense. I have seen a good many Secretaries of Defense in my time here, and I have a great respect for Secretary Rumsfeld. He has been around a long time, too. I have watched and listened to many of Secretary Rumsfeld's briefings on the war in Afghanistan, and he has impressed me. He is candid, straightforward, and to the point. If he cannot answer a question, generally he says he cannot answer the question.

Unfortunately, Secretary Rumsfeld could not answer my questions, although he certainly was candid. I think he basically told the committee that it is difficult to say how we will know when we have won the war on terrorism.

Although he has said the war on terror has just begun, President Bush has also said on numerous occasions that we are winning the war in Afghanistan. Perhaps it was to our good fortune that there was, one might say, a ready-made military force on the ground there opposing the Taliban.

The President is correct, if winning means routing the Taliban from the Government of Afghanistan. But if winning this war means destroying the al-Qaida terrorist network, or if winning means bringing to justice Osama bin Laden, and Mullah Omar, and the rest of the al-Qaida leadership, then we may have jumped the gun in such expressions. By those standards—standards the President himself has set—we still have a way to go in Afghanistan. In fact, many of the former Taliban forces are still in that country. They have simply switched sides for now. Should circumstances change, they may very well switch back again. Those are the realities of Afghanistan.

The President said in his State of the Union Address: "I will not wait on events, while dangers gather. I will not stand by, as peril draws closer and closer. The United States of America will not permit the world's most dangerous regimes to threaten us with the world's most destructive weapons."

Mr. President, facts matter. Standards matter. Words matter. Words have consequences. When the President described Iran, Iraq, and North Korea as an "axis of evil," and pledged that the United States will not permit those nations to threaten the world with weapons of mass destruction his florid words were cause for alarm to many of our allies. What did the President mean? Was he signaling a plan to attack one or more of these three nations?

I asked Secretary Powell that question during his appearance yesterday before the committee. Secretary Powell answered: There is no plan.

He was very careful in the way he responded to my questions. He said: There is no plan. There is no such recommendation on the President's desk today.

I will put the entire transcript of Secretary Powell's responses, and my questions, in the RECORD at the close of my remarks. But what did the President mean? Was he signaling a plan to attack one or more of these three nations?

Secretary Powell, as I said, was very careful in his responses. Secretary Powell has been around a long time. I remember working with then-National Security Adviser Colin Powell when I was majority leader of the Senate in 1987, 1988.

I remember the INF Treaty. I withstood great pressure from the then-Reagan administration, to bring up that INF Treaty. I withstood that pressure and said: I will not be stampeded into calling up the INF Treaty until we have answers to our questions, until Sam Nunn, who is chairman of the Armed Services Committee, has answers to his questions about futuristic weapons and other very key and important questions. I just will not bring up this treaty. Say what you will, I will not bring it up.

I remember quoting the words from, I believe it was Scott's "The Lady of the Lake":

> Come one, come all! this rock shall fly
> From its firm base as soon as I.

I said: I will not call up this treaty until we have the answers to Sam Nunn's questions, not until we have the answers to David Boren's questions—David Boren was chairman of the Intelligence Committee—not until we have the answers to the questions of Senator Pell. He was chairman of the Foreign Relations Committee.

I said: We have to have these answers before I will call this treaty up. And I did not call it up until we had the answers.

At that time, Colin Powell was National Security Adviser. He scampered across the ocean to Europe to help get those answers. Colin Powell, as I say, at that time, who was the National Security Adviser, complimented the Senate, and complimented me as leader at that time of the Senate, the majority leader, on staying the course, on standing our ground against being pushed into a premature consideration of that INF Treaty. Mr. Powell, himself, said, the Senate rendered a service. And he complimented me personally.

I have had a long experience here with Mr. Colin Powell. He is now Secretary of State, and I have a great deal of confidence in him. He has had the experience. He was a soldier for 35 years, National Security Adviser, Chairman of the Joint Chiefs. He has led men into battle. He has made command decisions. Here is not a man who blew in by the winds from a cyclone that came from far away. He has been around here a long time. He has the experience that gives him the independence of thought.

Secretary Powell was very careful as to how he answered my questions, leaving me to believe that, indeed, the administration is certainly considering, as an option—this is a conclusion I have drawn from what he said and from what newspaper stories have reported—the administration, indeed, has under consideration, as an option—this is my reading, but it would be pretty hard, I think, for others not to reach the same conclusion—that the administration is, indeed, considering, as one of its options in dealing with Iraq and Iran, maybe North Korea—certainly as an option—an attack upon one or more of these states. That is a conclusion I have drawn.

As I said to Secretary of State Powell, does the President have some new evidence of complicity in the September 11 attacks by these three nations? Those are very strong words. The President seems to be saying that we will attack any nation we consider to be a threat. Perhaps I am reading something into the matter that is not there.

The question is, How do we back up that message if Iran, Iraq, and North Korea do not change their behavior? Does the President intend to invade or strike one or more of these nations? Why has he included North Korea in that list? It is certainly not clear to me that North Korea was in any way involved in the September 11 attacks on our Nation. Perhaps I am overlooking something.

A Nation's leaders have a responsibility to think beyond the stirring rhetoric of war, particularly in the case of what could be a long, costly, global conflict which could very well unleash forces most of us only dimly understand and which could cause great loss of life. This Nation's leaders also have a responsibility to obtain the support of the people's elected representatives in Congress before undertaking endeavors which may claim the lives of the Nation's sons and daughters.

The U.S. Constitution. I have a copy of it in my pocket—a copy of the U.S. Constitution. May I say to the distinguished Senator who today sits in the chair and presides over this deliberative body with dignity and skill, may I say that his two representatives from the State of Georgia who signed this Constitution were William Few and Abraham Baldwin. This Constitution still lives. That is the mast which will hold us always to the ship of state—the Constitution.

I hope this administration remembers that there is still a Constitution. I hope that we in this body still remember there is a Constitution to guide us.

This Constitution does not mention "consultations" with Congress. This Constitution does not reference the United Nations and what the United Nations may want or not want. But this Constitution, in section 8 of article I, says that Congress shall have the power to declare war, to raise and support armies, to provide and maintain a navy, and so on. So let us in this body remember that there is still a Constitution. It has served us well, and it will always serve us well.

I am going to follow that Constitution as closely and as nearly as I can follow it in the days to come; in perilous times, if they come. I will support a Commander in Chief when I think he is right. I will not support any Commander in Chief, be he Democrat or Republican, if I think he is making a mistake in such a very serious matter.

The U.S. Constitution declares the President to be the Commander in Chief. But see what the Constitution says about the Commander in Chief. One can almost count the sentences that are enumerated in this Constitution with reference to the Commander in Chief's powers as the number of fingers on one's hand. But there are many sentences, one will find enumerated in this Constitution, with respect to the Congress—many sentences. Let us keep an eye on this Constitution.

The President would do well to obtain the support of the people's elected representatives in Congress before undertaking endeavors which may claim the lives of our Nation's sons and daughters. The Constitution declares the President to be the Commander in Chief, but it is Congress that has the constitutional authority to raise and support armies, to provide and maintain a navy, and to declare war.

It is no accident that the Constitution, in assigning these powers to Congress, includes both the common defense and the general welfare of the Nation on this list. The structure, the scope, and the cost of the Nation's defense have an enormous impact on the general welfare of the people. It is Congress, and specifically the Appropriations Committees of the Congress, that has the responsibility for appropriating the money to fight the war on terrorism.

The President has said that this war is costing American taxpayers over $1 billion a month. We have already spent over $7 billion waging war in Afghanistan. The President's 2003 defense budget amounts to an expenditure of $379 billion, over $1 billion a day. The President is forecasting continued increases in the defense budget.

I will insert into the RECORD the amounts that are being considered and questioned by the administration over the next 10 years for national defense, and the total over that period, I think we will find, will be nearly $5 trillion.

That is serious money. It is made more serious by the fact that we are returning to budget deficits. We are borrowing to support this huge defense budget, and that means we are paying interest on that money that is borrowed, interest on that debt.

How long—we have heard that phrase before—how long, how long can this Nation afford to spend $1 billion a day? We will find that that $1 billion a day will increase substantially over the next 10 years—more than $1 billion a day on defense.

Exactly what level of national security are we buying with that investment of money? What nondefense needs are we forfeiting? As President Bush said in a 1999 speech at the Citadel:

> We must be selective in the use of our military, precisely because America has other great responsibilities that cannot be slighted or compromised.

I agree with every word of that statement by now-President Bush.

We must not allow a bloated defense budget to eat away at our ability to fund other important priorities such as Social Security, Medicare, health care, and education, to name just a few priorities.

Clearly, the budget that was presented to Congress on February 4 sacrifices a great deal for defense. While domestic discretionary spending increases by only 2 percent, and is essentially flat in some areas, the President has asked for an additional $48 billion in military spending, 15 percent above last year's defense budget, which was itself 10 percent above the previous funding level for 2001. The size of the requested increase alone is greater than the military spending of many, if not all, of our NATO allies.

Moreover, such a colossal defense budget increase must be justified. It must be approved by Congress. Both Congress and the American people must understand how this money is to be spent and whether it will really enhance our national security.

Let me repeat: Look, again, at my record of support for appropriations for national defense over a period of 50 years. There is no equivocation in that record.

Congress must also understand much, much more about the proposed $10 billion defense reserve fund that is in this budget, including the plans for its use.

The President's huge defense budget does make minimal cuts in a few outdated weapons systems, but it also increases spending on the big-ticket ships and airplanes that account for a good portion of the U.S. defense procurement funds. Do these types of weapons fit into a national security strategy in today's world, where asymmetrical warfare and the existence of terrorist cells in more than 60 countries, including the United States, seem to constitute the most serious threat to our national security? Are these big-ticket items that we are purchasing moving us toward a 21st century military, or are they squandering tax dollars by continuing a cold war military structure?

May I remind ourselves that there has been on the books a law which requires appointments and agencies to audit and to be able to come up with clear audits of their expenses. The Constitution itself requires a clear accounting of the moneys that are appropriated by Congress. I believe it was last year that I raised this question with Secretary of Defense Rumsfeld. The Defense Department could not identify $3.5 trillion in its more than $7.6 trillion in defense accounts—in accounting entries. Now, if the Defense Department cannot, after a law's having been passed and put on the books requiring Departments to be able to come up with audits, if the Defense Department cannot account for $3.5 trillion in its accounts—it doesn't know what the weapons are, what is on hand, what spare parts are on hand, what spare parts it really needs, what moneys have and have not been spent—how can the American people have confidence enough to support an additional $48 billion for defense this year? Who can account for this money? How are we going to account for it? Where are we going? And we are denying other needs. The President said in his speech to the Citadel some time ago that we must not overlook other very important priorities. How can we do it? Where are we going with all of these expenses?

Are these big-ticket weapons we are purchasing moving us toward a 21st century military, or are we squandering taxpayers' dollars by continuing a cold war military structure? Are these weapons the best ones with which to wage a global war on terrorism, or are they intended to attack the "axis of evil," as the President called Iran, Iraq, and North Korea? Could they be meant to counter the threat of a rising world power such as China? How about China?

No one has explained. These are critical questions for which we have yet to hear clear, concise answers. Congress needs to be given those answers. The American defense budget should not be a cookie jar with goodies for every defense contractor lucky enough to afford a hefty lobbying budget. This Nation is again in deficit status, and we have to guard against committing huge sums for weapons that are not needed, which will only drive us deeper into debt and sap our overall economic strength.

The patriotism that runs deep in the veins of Americans, and the horrors of September 11, have aroused our emotions and galvanized our support for the fight against terror. But that support could wane, both at home and abroad, if the administration does not carefully weigh its use of broad threats, undefined objectives, and the murky consequences of shackling both our domestic and foreign policies to a militaristic fervor which may or may not reflect realistic possibilities or sound choices.

We would do far better to hear clear explanations of our goals in the war on terrorism, and detailed justifications of our defense budget that use cold logic, rather than a hot head. We are a powerful country. There has never been one so powerful. We cannot hope to eliminate terrorism from the world without other nations on our side. A recognition of our limitations in that regard is critical. We are a rich country—so rich that if the Queen of Sheba were today alive, she would come to this country and forget about Solomon in all of his glory. We are a rich country, but we can never, never spend our way into perfect national security—I say perfect national security. Our resources are finite and choices have to be made, and there will always be forces and circumstances in the world that are unpredictable and beyond our control. There always have been and always will be. But we can strive to be a wise nation—one that avoids bombast in favor of methodical analysis, one that understands its extraordinary possibilities as well as its very real limitations on the global stage.

I do not know what these words by President Bush may portend for our future. Are they meant to convey the chilling possibility that Mr. Bush may be contemplating an invasion of Iraq, or Iran, or North Korea? I don't know. Just looking at the words themselves, I cannot understand. Are they meant to be the harbinger of an attack on one or more of these nations? When Secretary Powell testified before the Budget Committee yesterday, he could only give weak assurances that the President "has no plan on his desk" to start a war with one of these countries. It has yet to be seen whether the President's strong words will mean some future action against Iran, Iraq, or North Korea, or whether they are just considered as a rhetorical flourish to a wartime speech.

What is for certain is that other countries have reacted to the use of bellicose terms.

Our European allies are now wondering if the United States will soon call upon them to support military action against one of those three countries.

Hasn't Russian leader Putin raised a question, has he not expressed concern about our intentions toward Iraq? Only yesterday I believe, or the day before, I read in the newspaper about his cautionary words. Russia has issued a strong warning against a possible U.S. attack on Iraq. Alliances between nations can be fractured and broken because of rash or insulting statements.

Iranians who voted for moderate candidates in last year's elections joined with hardliners in taking to the streets of Tehran on Monday, February 11, to protest the categorization of their country as "evil."

I read from the New York Times of the day before yesterday:

> Millions of Iranians galvanized by President Bush's branding of their nation as part of an "axis of evil" marched in a nationwide pep rally today that harkened back to the early days of the Islamic revolution, with the American flag burned for the first time in recent memory.

The story goes on to say:

> Ever since Mr. Bush designated Iran part of an international terrorist network open to American attack, conservatives in Iran have been greatly buoyed, trying to use a resurgence of disgust with America to quash reform at home, daily denouncing Washington and exhorting Iranians to follow suit. This has made it difficult for President Khatami to preserve his reformist agenda of promoting democracy and rooting out corruption an agenda he emphasized today before he, too, criticized American foreign policy.

I ask unanimous consent that this article in its entirety be printed in the CONGRESSIONAL RECORD at the close of my remarks.

The PRESIDING OFFICER (Ms. STABENOW). Without objection, it is so ordered.

(See exhibit 1.)

Mr. BYRD. Madam President, I also ask unanimous consent that at the close of my remarks there be printed a transcript of the questions that I asked of Secretary Colin Powell and his answers when he appeared before the Senate Budget Committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. SCHUMER. Madam President, will my friend from West Virginia yield for a question?

Mr. BYRD. Yes, I yield to the distinguished senior Senator from New York.

Mr. SCHUMER. Madam President, I thank my colleague. Before I ask my question, I wish to thank the Senator from West Virginia for taking to the floor on such an important and timely issue because we are in a grave new world.

No one can doubt the Senator's fidelity as a patriot and somebody who cares about a strong America, an America that defends itself. I followed his career long before I ever came to the Congress in 1980. It was true then and it is every bit as true, even more true today.

Mr. BYRD. I thank the Senator.

Mr. SCHUMER. Only he could give such a speech with the strength that is needed. I wish to ask the Senator a question, given his knowledge of the Constitution and our history.

Senator BYRD has focused on two issues: the ability to declare war and the ability to spend funds in execution of that war. It is my understanding that if there were ever a part where the Founding Fathers wanted the checks and balances of our system—the consultation of the executive branch with the Congress, the legislative branch—it would be in these two areas.

I wonder if the Senator might address that issue briefly because I think it ties his knowledge of history with the very appropriate and apt words of today.

Mr. BYRD. I thank my friend, the senior Senator from New York, whose State experienced the greatest sacrifice in blood and human lives that has ever been brought to this country by terrorists in its entire history, brought in 1 day in the course of a few hours, and is still suffering from the losses that were visited upon New York City by these men who, indeed, were evil men.

The Founding Fathers were very suspicious of a strong Executive. The Framers of our Constitution were not strong devotees of "democracy." They believed in a strong legislative branch. They believed in checks upon an Executive. And so they were rather sparse in the language that they used when it came to enumerating the powers of the Chief Executive, the Chief Magistrate of the country.

Some of the Framers had a concern that a legislature might impinge upon the powers of a Chief Executive; that the vortex of the legislative branch was ever seeking more power. I think in these regards, the Founding Fathers would find that their concerns about a Chief Executive were perhaps well-founded, especially in time of war.

In a time of war, powers and authorities seem to gravitate toward the Chief Magistrate as Commander in Chief. They felt that they had adequately protected against that by virtue of the many powers that are enumerated in the Constitution and vested in the Congress, the most powerful of which, the most important of which is the power of the purse which we find vested in the Congress. We find it in section 9 of the first article of the Constitution.

Yes, they were concerned about an overweening Executive, so they included adequate safeguards. They vested this power to send the Nation's sons and daughters into war in the hands of Congress when they said, in section 8, the Congress shall have the power "To declare war."

This was a safeguard that the Framers wisely put into the hands of the elected representatives in the people's branch—that first branch, mentioned in the very first sentence of the Constitution. There is where the power to make law resides. These are people who are directly elected by the people.

The Framers were not at all enamored with the idea of having an all-powerful Chief Executive.

Mr. SCHUMER. I thank the Senator. His speech, which I have heard thus far, is a marvelous one. I commend it to my colleagues and will read the rest of it myself. I apologize; I must go chair a hearing, but it is one of the reasons I am glad to be in the Senate, to hear brave and important words such as these. I thank the Senator and yield back to him.

Mr. BYRD. I thank the distinguished Senator from New York, Mr. SCHUMER, for his words and his confidence. I thank him also for his reference to the Constitution.

We need to retire into the inner sanctums of our minds and ponder the Constitution every once in awhile.

I also ask unanimous consent that a chart regarding defense budget expenditures be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3).

Mr. BYRD. How lately have we read the Constitution?

When we send a signal to the rest of the world, we should pay more attention to the content of our message than to creating a sound bite. It seems that a new front has opened in our public relations war against terrorism, and the world wants to know what kind of action we may be contemplating to back up those words.

I am reminded of the words of Gaius Sallustius Crispus. Gaius Sallustius Crispus was a Roman historian. He lived between the years 86 and 34 B.C. If one wants to read a good account of the Catilinian conspiracy, one ought to read Sallustius' account of the conspiracy of Catiline. One ought to read Sallustius' account of the Jugurthine War which occurred perhaps between the years 112 and 106 B.C. It was Sallustius Crispus who said, "It is always easy to begin a war but very difficult to stop one, since its beginning and end are not under the control of the same man."

The country is behind the President's efforts thus far to trace the whereabouts and to bring to justice—to use Mr. Bush's words—Osama bin Laden and other terrorist leaders. But if, indeed, the President is contemplating an attack on a sovereign nation, the President should contemplate seeking a declaration of war by Congress in advance. I may very well vote for such a declaration, depending upon the circumstances at the time. I would not rule that out.

As Edmund Burke so well stated, "War never leaves where it found a nation."

The President would be well advised to have the people of the Nation, acting through their elected representatives in Congress, behind him in the event that he seriously contemplates an attack on any one or more of the nations which he included in his "axis of evil" about which he spoke during his State of the Union Address.

Going to war with Iraq or North Korea would be a very—and the same can be said with reference to Iran—serious undertaking. Given the right cause, I would say let's go. Given the right cause and the right circumstances, yes, but let us be cautious and prudent.

North Korea is estimated to have the fourth largest military in the world. Iraq has had 11 years since the Gulf War to rebuild what was once touted as the world's third largest military. Going to war against well-armed foes such as these will require the serious and sustained support of the American people.

The President should not misinterpret the support which he enjoys in poll after poll throughout the Nation to mean that he can throw the weight of the Nation's full military power at any one of these three nations and expect this Nation and its elected representatives to follow down that road without their elected representatives also having had an opportunity to pass some judgments in committing the Nation's blood and the Nation's treasure to the task. In the words of Aeschylus, "the people's voice is a mighty power."

All of us have supported the President in his actions thus far, but there are some things that are worthy of pause. I do not offer my words today in criticism. I merely offer my words as cautionary.

I have heard much saber rattling, much jingoism. It is one thing to track down terrorists, to chase them into the holes and caves, and to vow they shall not hide and we will "get 'em." It is quite another to consider going to war—if that indeed is being weighed as an option in high places—without a declaration of war by Congress, as set forth in the Constitution.

Let me say again, I will leave no doubt about it, I am not saying that a declaration of war on a certain nation at a given time cannot be justified. As to Iraq, for example, there may arguably be a sufficient justification to make a solid case, given our past experiences with that country and the leader of that country. I might very well be one Senator who would support such a declaration at a given time, based upon compelling facts. But as someone once said, "A wise man should try everything before resorting to arms."

There is an old English proverb that says, "He that preaches war is the devil's chaplain." I do not believe that there is any such thing as an inevitable war. Given the history of our relations with Saddam Hussein, it may be that such a conflict one day must take place or shall take place. Our military might is overwhelming, but as Cicero is reported to have said, "An Army is of little value in the field unless there are wise counsels at home." Then, let us have wise counsels, not just consultations. Cato the Elder used to close every speech, every letter, with the words, "Carthage must be destroyed!" Eventually, in the year 146 B.C., Carthage was destroyed. There must be careful counsels, and let us vote when the time comes.

I hope and pray that the President will think and pray carefully as all options are being considered. He will do well to heed, and to read again and again, the records of history. In particular, he must not forget the lessons we learned in the war with Vietnam. We did not lack a mighty military in the field in that war. However, the unstinting, unflagging dedication to the prolonged waging of that contest was lacking among the people back home. It is a lesson worth remembering.

Scriptures say that a strong man armed keepeth his palace. I have supported defense budgets now for 50 years, to keep our "palace," our Ship of State, our country strong. I expect to continue to do so. But there need to be questions asked. It will require a lot of questions and a lot of answers. And they should be asked.

Let us remember the Constitution. It will keep us bound to the mast of our Ship of State.

I yield the floor.

EXHIBIT 1

[From the New York Times, Feb. 12, 2002]

MILLIONS IN IRAN RALLY AGAINST U.S.

(By Neil MacFarquhar)

TEHRAN, Feb. 11.—Millions of Iranians galvanized by President Bush's branding of their nation as part of an "axis of evil" marched in a nationwide pep rally today that harkened back to the early days of the Islamic revolution, with the American flag burned for the first time in recent memory.

Amid the dirgelike chants of "Death to America!" marking the revolution's 23rd anniversary, President Mohammad Khatami tried to display Iran's milder face, stressing his government's interest in détente.

Ever since Mr. Bush designated Iran part of an international terrorist network open to American attack, conservatives in Iran have been greatly buoyed, trying to use a resurgence of disgust with America to quash reform at home, daily denouncing Washington and exhorting Iranians to follow suit. This has made it difficult for President Khatami to preserve his reformist agenda of promoting democracy and rooting out corruption an agenda he emphasized today before he, too, criticized American foreign policy.

"Our policy is a policy of détente, Mr. Khatami told the throng clogging all avenues to Freedom Square in Tehran. "We intend to have ties and peaceful relations with all nations in the world," except Israel.

Although less strident than his old guard foes, Mr. Khatami suggested that the United states was partly to blame for the Sept. 11 terrorist attacks. "The American people," he said, "should ask today how much of the awful and terrifying incidents of Sept. 11 were due to terrorist acts, and how much of it was due to the foreign policy adopted by American officials."

The threat to Iran "originates from the fact that America, or at least some of its officials, see themselves as masters of the world," Mr. Khatami said. "Since they have power, they want to force the world to obey them and exert pressure on countries that disobey. Your revolution threatened America's illegitimate interests in the region, so it is obvious that your are the target of its animosity."

After each important line, the orderly crowd burst into another round of "Death to America!" and waved a variety of signs, including one in English quoting the late revolutionary patriarch, Ayatollah Ruhollah Khomeini, saying, "The U.S. cannot do a damn thing."

The chanting switched occasionally to "Death to Bush!" One man wrapped his white donkey in a hand-painted American flag with "Bush" written on the side, while a truck carried a hug poster mounted with five large close-up photographs of the American president next to five similarly sized pictures of an ape.

In his State of the Union address on Jan. 29, Mr. Bush singled out Iran for trying to develop weapons of mass destruction and for its support for groups like Hezbollah that the United States labels terrorist. In addition, Washington has recently accused Iran of sending weapons to the Palestinians, of trying to undermine the effort to build a stable central government in Afghanistan and of helping Al Qaeda members to escape.

In suggesting that the United States review its own foreign policy rather than cast aspersions. Mr. Khatami specifically cited what he depicted as the plight of Palestinians denied human rights because of American support for Israel.

The threats expressed by Mr. Bush and other administration officials over the last two weeks surprised many in Iran. In some ways, they have united the reformists and the old guard here in criticism of the United States; in other ways, they have strengthened the hand of the conservatives.

Any time we face international problems, democracy stops," said Ali Reza Haghighi, a political science professor. "Now all the discourse must be against the Americans."

Mr. Khatami worked to keep his reformist agenda alive.

Some people must not object that we are talking so much about democracy, religious democracy," he said. "The stress on democracy is the soul of the Islamic revolution."

Mr. Khatami's supporters had envisioned the efforts to rebuild Afghanistan as a kind of side door to re-establishing ties with Washington, a prospect that alarmed the hard-liners who still control many of the levers of power here.

Mr. Bush's remarks thus delighted the old guard, which gleefully presented them as evidence that the American attitude toward Tehran remained unchanged, no matter that Iran helped in toppling the Taliban.

The reformists, while critical of America, have tried to suggest that the actions Mr. Bush criticized were the work of shadowy groups within the Iranian elite who want to keep the country isolated and autocratic.

Possibly reflecting uncertainty over how to deal with an American-backed government in Kabul, Afghanistan was barely mentioned at the rally. "The Taliban were a major bête noire," said one western diplomat. "But now they see a U.S. colony with bases developing in their backyard and they don't know how to handle it."

At the rally, Iranians were generally polite to the few Western reporters in their midst, saying things like "Welcome to Iran." But there were occasional outbursts of animosity. "Garbage!" "Pigs!" "Get out of here!" shouted one woman, while a man veered close to say, "I would like to punch America right in the mouth!" at which point the crowd edged in, bellowing "Death to America!"

While the size of the Tehran crowd was impossible to estimate authoritatively, the wide avenues and highways leading to Freedom Square in Tehran were jammed with hundreds of thousands of people. Iranian television suggested that millions turned out across the country, showing pictures of jammed streets in every city. Marchers said they were more galvanized than in years past because they felt maligned by President Bush.

The turnout also reflected the daily exhortations to attend that accompanied every news bulletin since Mr. Bush's speech. Employees at various government ministries said they had been told to go.

The calls to attend did not move everyone. In affluent north Tehran, where one occasionally hears support for the idea that Mr. Bush should carry through with his threat to bomb, cars laden with skis headed out of town toward the slopes.

As marchers headed toward the rally, periodically one would step out of the crowd to offer spontaneous thoughts about the day. "As long as our revolution is against America, we support it," said one man, wagging his finger. "The day there is peace between this country and America, the revolution is over."

After 23 years, though, the sense of brooding menace that pervaded marches of the past had mellowed. This one felt more like a carnival, complete with a gold coin on offer for the best Uncle Sam effigy.

A yellow banner painted with giant letters in Persian was stretched across one over pass. In the early days of the Islamic Republic it would have been read as "America Is the Greatest Satan." But today the lettering helpfully included its own English translation, reading, "America Is Extremely Naughty."

EXHIBIT 2

BUDGET COMMITTEE HEARING WITH SECRETARY OF STATE COLIN POWELL, FEBRUARY 12, 2002

Senator BYRD. I think the secretary, and I regret that we have scheduled our votes in such a way that we overlooked the importance of these committees and the importance of the questions and the answers that may result in our attendance here and the imposition on the time of witnesses like Secretary Powell.

Let me begin by saying that I join in the commendations that have been expressed by our chairman. I've had a long service with Secretary Powell. When we debated the INF treaty, 1988, I believe it was, I was majority leader for the second time, and Secretary Powell at that time I believe was the national security adviser to the president.

Secretary Powell complimented the Senate on the work that the Senate did on that treaty. I refused to be pushed and pressed and stampeded into a scheduling for debate of that treaty until we had resolved some very, very important questions raised by the then chairman of the Armed Services Committee, Senator Nunn, the then chairman of the Intelligence Committee, Senator Boren, the then chairman of the Foreign Relations Committee, Senator Pell. And I recall that we waited until we got the answers, and the secretary of state—now secretary of state, at the time complimented the Senate on taking the time to resolve these important questions. And Mr. Powell at that time I think engaged himself and was active in helping to resolve some of these very important questions.

So he is a man who has made command decisions, he has led men in war. I think he speaks independently. He has the kind of experience that affords him that view, that independence of thought. He doesn't have to just listen to what somebody else says and reports, he has analyzed many of these questions. And I compliment him on his great service to this country.

Our time is limited. There are two questions I would like to ask. Let me premise the first one by what you have said with respect to the president has no plan to attack, there are no recommendations on his desk at this moment. Now, those are very carefully worded responses to the questions by the chairman, and those of us who have been around here anytime at all recognize that they're not direct answers, and I can understand the secretary.

The president, let me say, though, has made some very bold statements about prosecuting those responsible for the September 11 attacks. The president said that the terrorists are on the run and that they will find no safe haven, there's no cave that's deep enough. He said in the State of the Union address that the terrorists will not escape the justice of this country. I am with the president 100 percent when it comes to punishing the individual terrorists, those who are still living—some of them died on September 11, which was five months ago yesterday—when it comes to punishing those terrorists for the acts of September 11.

But the president has gone further in naming three states that comprise an axis of evil, and you have used that term, Mr. Secretary, already. Iran, Iraq and North Korea, the president has said, "are arming to threaten the peace of the world," and he "will not stand by as peril grows closer and closer. The United States of America will not permit the world's most dangerous regimes to threaten us with the world's most destructive weapons."

Those statements have left me wondering, is the president signaling that we will attack one or more of these countries? Congress passed a resolution on September 14 to authorize the president to use force against those who carried out, assisted or gave safe harbor to those responsible for the attack of September 11. Iran, Iraq and North Korea are not named in that resolution. I've heard no evidence that this axis of evil was responsible for or complicit in the September 11 attacks.

Now, if the president seeks to extend this war on terrorism, a case must be made before Congress and the American people that Iran, Iraq or North Korea are a clear and present danger to our country, and I, for one, am willing to listen to that case. But to carry out the war, the president will need the sustained support of the American people. We saw in Vietnam what the lack of support, sustained support for that war, resulted in. If the president wants to crystallize the support of the American people, he would be well advised to seek from Congress a declaration of war.

After all, we're not talking about using our military against terrorist cabals. We're talking about war against one or more sovereign states. Now, reading many of the news stories about this subject, I have come to a conclusion that while there is no plan perhaps, while there is no recommendation upon the president's desk today perhaps, these matters are evidently being pursued, they're being discussed, they're being considered as options.

Now, when it comes to making war, let's say on Iraq, having been here when you helped to direct the war on Iraq, I possibly could be convinced that we ought to vote—I would vote for a declaration of war. But we're not dealing with Afghanistan if we deal with Iraq. With respect to Iraq and North Korea, we're dealing with countries that have powerful military forces on the ground.

And I would hope, Mr. Secretary, that before we venture into an attack or an invasion or whatever against any one or more of these countries, the help, the support, the sustained support of the American people would be carefully sought through their elected representatives. We ought not to go around shooting from the hip. And I think that some of the statements that have emanated from the administration have alarmed other countries and they're alarming a lot of people in this country.

Now, is the president signaling that we will attack one or more of these countries? If he is considering such an attack as a possible course of action, do you believe, Mr. Secretary, that the president should seek a declaration of war from Congress before unleashing our military might on any one of these sovereign states?

Now, I can understand the inherent powers of the commander in chief. If there's an attack about to occur against this country, he has the inherent power to act. But we have time here to discuss these matters, to discuss the case, to debate pro and con. And I personally believe that the president, before he takes such a step, if that's being considered as an option, we'd better be very careful to bring the American people in on making the case, and we'd better seek a declaration of war from Congress in such a case. That's going to be a very costly venture, if it occurs, it's going to be costly in treasure and in blood, and you know that as well, perhaps more so than I do. And unless he has that support, that sustained support, we'll be engaged in another very costly, dreadful, Vietnam-like venture where the support of the American people vanished. That's one question.

Let me give you one other question to conserve my time, and then you can answer them as you see fit. My other question—well, perhaps you'd better try that one first. [Laughter]

Secretary POWELL. First of all, Senator Byrd, I could not even begin to answer this question without commenting on your opening remarks about the INF treaty. It is one of the more vivid experiences of my career, to have been, shall I say, taught by you about the Senate's prerogatives with respect to treaties. And I'll never forget the meeting you, I and Howard Baker had in your chambers one day, where you made it clear that the Senate had to give its advice and consent in a measured way, only with full information, and I went off to Geneva the very next day to get that full information.

And if I may, I'll never forget you looking at me and say, "We will not be hurried by any summit meeting that you all have scheduled or anything else of that nature, we will do our job." And the Senate did do its job, and I thank you for that guidance and that support at that time.

To get directly to your questions, the president's words in the State of the Union speak for itself. He did not declare war on anyone, nor was he saying he was getting ready to declare war on anyone. In fact, since the State of the Union he has repeated what he had said two times before the State of the Union with respect to Iraq: Let the inspectors in, let the U.N. inspectors in to determine whether or not you were doing the things we are accusing you of, and if you can establish that you are not doing these things, then the world will be a safer place, and you will have dealt with the U.N. We still think we would be better off with someone other than Saddam Hussein running the country.

So the president has made no decisions—to repeat myself—and no recommendations on his desk, even though, as a matter of prudence, we should be examining options with respect to all of these countries. But the first instance is looking at diplomatic and political means.

We have been eyeball to eyeball with North Korea for the last almost 50 years now, and trying to make sure that they are contained, this regime that is a despotic regime. And so I can assure you that the president is very sensitive, first, to the feelings and the views and the perspective of the American people, and he is very appreciative of the role that Congress plays in such matters.

And I'm sure that if he believes some action is taken, or some action is required, he will consult with the Congress, and as a result of consultation will make a judgment as to how Congress should be involved in whatever actions are taken, whether it is by declaration of war or a resolution of the Congress supporting an action that is taken pursuant to some United Nations resolution or through the president's inherent right as commander in chief to engage the armed forces of the United States. You'll recall what we did at the time of the Gulf War, Senator, where with a resolution we then got a resolution from both houses. So I'm sure the president would consult at an appropriate time and determine what he would ask Congress to do, and Congress has, of course, it's own inherent power and right to do what it chooses to do.

Senator BYRD. Mr. Secretary, I thank you for that response. Of course, you and I know that the Constitution does not speak about consultations, nor does it refer to U.N. resolutions. Those are things that have developed over later time. But the Constitution still says that Congress shall have the power to declare war.

And I believe, as I said earlier, that if the president is contemplating attacking one or more of these countries, I would urge that he not just seek consultation, but he seek a declaration of war. And I might very well vote for that, depending on the case that is made at the time.

My second question, I may miss this vote—I'd do that with regret—but I'm very appreciative of this opportunity to visit with you across the table that's here and to ask these questions. By the way, I've cast more roll call votes than any senator in the history of this republic, and this is not a democracy, this is a republic. But I've cast more votes than any other senator in its long history, and so I don't pass up a vote easily, but I will in this case if I have to.

My second question is this. The president's FY 2003 foreign operations budget requests reflect business as usual when it comes to U.S. aid to Egypt and Israel. But despite providing roughly $5 billion a year—my, how the Appropriations Committee would like to use that $5 billion a year to help some of the states in this country and the people throughout this country with some of their problems—$5 billion a year in economic and military assistance to the Middle East, the conflict between the Israelis and the Palestinians continues to worsen.

It seems to me that our foreign aid dollars to the Middle East, which have no strings attached that I know about, and are not conditioned on any progress being made in the peace process, are being squandered in pursuit of an increasingly elusive peace. Now, this subject, this question isn't often laid on the table as plainly as we're doing right now, but I think it ought to be.

Every year we appropriate roughly $5 billion countries with virtually no questions asked, and they look upon it, I think, as an entitlement, almost as an entitlement. They, I'm sure, from what I've read and learned, that they include it in their budgets at the beginning of the budget process because, as I said, they look upon it virtually as an entitlement. They can be pretty sure of it. I think it's time for questions to be asked.

As a result of the current escalation of violence between the Palestinians and the Israelis, the U.S. seems to be increasing its historic tilt toward Israel and abandoning attempts to negotiate with Yasser Arafat. Given the continuing terrorist attacks by the Palestinians, it is understandable that we're fed up with Arafat. But I've read in the media that even some Israeli reserve soldiers are refusing to serve any longer in the occupied West Bank and Gaza Strip, citing the dehumanizing impact of the occupation.

Do you have any concern that the perception of a greater U.S. tilt toward Israel could prove and is proving to be counterproductive by increasing anti-American and anti-Israeli sentiment in the region by emboldening hardline Israelis who are opposed to the peace process and by precluding the U.S. from fulfilling the role of honest broker in the peace process?

I think, Mr. Secretary, that it is time to put some strings on our foreign assistance in the Middle East and to condition our assistance, to condition our assistance on evidence of progress in the peace process. I think that would be the axis of my questions.

I think it's time to condition our assistance on evidence of progress in the peace process. We have a tool here. We don't seem to use it. Both sides are able to count on a continuation of this money every year, it seems to me. It isn't being used as leverage, as it should be, in the pursuit of the peace process, which would be of the greatest benefit to both of those countries and to our own country and to world peace. Yasser Arafat may be unwilling or unable to act on his own, but I have to believe that Egypt and Jordan, and hopefully other Arab nations, would apply considerably more pressure on the Palestinians if their foreign assistance dollars were at stake.

And I have to believe that Israel might be more willing to discuss the issue of Israeli settlements, which are a real bone of contention, in disputed areas if their foreign assistance dollars were at stake. Mr. Secretary, this is my question: Why shouldn't we condition our assistance to the Middle East, why shouldn't we use this leverage on both sides to get them to the peace table and to make them understand that this money is just not going to be had there for the asking, that they have to produce some evidence, they have to show a willingness, they have to act in pursuit of that willingness? That's my question.

Secretary POWELL. Thank you, Senator Byrd. On the first question, as you know, the roughly $4.6 or close to $5 billion that is spent every year for Egypt and Israeli in FMF and ESF funding is a result of decisions that were made many years ago, after the Camp David accord, and there's been a balance between those two, and as a result we did have a peace agreement between Egypt and Israel.

And as part of that, this funding was appropriate to let both sides develop and let both sides feel strong as a result of defensive FMF funding, which allows them to maintain their military. With respect to the situation with the Palestinians and the Israelis, I must say that Egypt has been enormously supportive of our efforts, and Egypt has been applying pressure on Chairman Arafat to get the violence under control so that both sides can move forward to achieve the kind of peace that you talk about.

With respect to should we use Egypt's money to pressure them, they're doing what we ask of them now with respect to this, they're putting pressure on Mr. Arafat. They are one of our strongest interlocutors with respect to how we deal with Mr. Arafat. We have not cut Mr. Arafat off. I am in touch with his closest associates, and I spoke to him about 10 days ago.

With respect to the Israelis, they are under attack from terrorist organizations that are linked to the Palestinian Authority. We saw the ship come in with 50 tons of military equipment that escalated the situation or would have if it arrived. And to say to them, "We're going to cut your funds while you are under these kinds of terrorist attacks unless you do something to reward these terrorist attacks," is not a strategy that I think will be successful. The strategy we are trying right now and applying right now is to remain committed to a vision of these two states living side by side, remain committed to the Mitchell plan, which provides a path to get there, and committed to the Tenet work plan, which gets us into the Mitchell plan by getting a cease-fire, by getting the violence down.

And in recent days I have been in touch once again with the closest aids to Mr. Arafat talking about the specific things that need to be done so that we can get the violence down and then see an Israeli response, because they now are confident of moving forward into the Mitchell plan. The Mitchell plan talks about settlement activities stopping. The Mitchell plan talks about opening closures. The Mitchell plan has everything we need to get the negotiations, negotiations which under appropriate U.N. resolutions 242 and 338 can lead to a settlement of this crisis and a peace between these two sides.

But until Mr. Arafat really is able to crack down, if he can—and I think he still can, I still think he has that authority, people want to push him aside as a leader, but he's still the leader of the Palestinian people, they see him as such and he's the elected leader of the Palestinian Authority. And so I think he has to use his moral authority and his political authority to get the violence down, as which point we can get into a cease-fire and move toward the Mitchell plan.

We are constantly reviewing the level of funding for both Egypt and Israel and the determination of how it should be allocated between FMF and ESF, and we believe they both make solid cases to us every year that justifies the allocation that we have made to them, and that is the case again this year. But we have not walked away from this, and we are always looking for a means by which we can encourage both sides to show restraint, both sides to do everything that is possible to get toward a cease-fire and progress into the Mitchell plan.

Senator BYRD. Mr. Chairman I have signaled to the floor leadership that I'm willing to give up that vote in order to have been here to ask these questions, Secretary Powell, and I gave it up very reluctantly. My attendance record over a period of 44 years, my roll call attendance record is 98.7 percent of the time. I wouldn't have done that for many secretaries.

Secretary POWELL. I'm honored.

Senator BYRD. I thank you for your response to the question. I hope that there will be increased consideration given to my suggestions here as to the use of this assistance. The American taxpayers give up a lot, they give $5 billion a year to these countries, and there needs to be a return to the taxpayers' investment, I believe to use your words, in the Middle East. So I hope that there will be increased consideration of using this leverage.

And also, Mr. Secretary, I hope you'll convey to the president that we need to use our words with care. Words mean something, especially in this context. We cannot shoot from the hip if we're contemplating as one of the options going into one of these countries or attacking them. This would be a very sobering, somber, serious matter, and I would appreciate it if you would tell the president about this.

And I'm not out to pick on the president, I spoke on the Senate floor one Friday about the president, about his speech to the National Prayer Breakfast, and I have many good things I can say about the president. But this is very sobering, and some of the words that have appeared to come from the hip from this administration have caused considerable alarm. I don't have to tell you that, you sense that, I'm sure.

Secretary POWELL, Senator Byrd, thank you. And I've been through several crisis with the president in our year together, some big, some small. There was the Soviet spy crisis of the early days of the administration, then the Chinese reconnaissance plane, and then what we've done since September 11, and I have been through many crises in my career with several presidents.

And this president does not shoot from the hip and he does not act from the hip. He handles each one of these with a clarity of purpose, with patience, with prudence, listens to all the advisers that he has in his administration and gathers the support of the American people and his coalition partners as he moves forward. And I'm sure that as new challenges arise in the future, particularly if they arise with these three countries or other countries, he will act in a similar manner.

Senator BYRD. I hope so, Thank you.

EXHIBIT 3

DEPARTMENT OF DEFENSE.—MILITARY (051)—DISCRETIONARY

[In billions of dollars]

Year	Budget authority
2002	330.8
2003	[1] 379.3
2004	387.9
2005	408.8
2006	429.6
2007	451.4
2008	463.7
2009	476.3
2010	489.3
2011	502.7
2012	516.4
2003–12	4,505.3

Includes $10 billion request for the Defense Emergency Response Fund.

Source: Office of Management and Budget, January 24, 2002.

The PRESIDING OFFICER. The Senator from Kansas.

COMMENDING PRESIDENT MUSHARRAF OF PAKISTAN

Mr. BROWNBACK. Madam President, I appreciate the comments from my colleague from West Virginia and his thoughts. We have some important decisions to make.

I speak on an event taking place currently in the Capitol, the welcoming of the President of Pakistan. Yesterday, we passed a resolution welcoming President Musharraf of Pakistan to the United States. He arrived in Washington last night. He will be here for a couple of days.

I rise to call attention to this visit of President Musharraf and praise his courageous leadership in standing by the United States in its war on terrorism. President Musharraf has taken action within his own country to align with the international community to reject terrorism. It has been a very difficult task for him. Pakistan has been in a great deal of turmoil. President Musharraf has worked to bring calm and peace to that region. But when we went forward with our efforts in Afghanistan, which to date have been quite successful, this was a very trying time in Pakistan.

President Musharraf stood by his commitment to end terrorism, stood by his commitment to work with the United States. That has been a help in our efforts in that region of the world and for the future of Pakistan and relationships with the United States.

In a speech last month, President Musharraf set Pakistan on a new course with his version of a moderate, dynamic, Muslim nation. He reminded the Pakistani people that charity begins at home. It was time to fight the root causes of extremism: poverty, and illiteracy. He has done this at great risk to himself on behalf of a peaceful and prosperous future for Pakistan. He has opened the way to eventual true peace with India. It is an important message for Pakistan, for South Asia, and for the whole world.

President Bush also made note of President Musharraf's important leadership in the State of the Union Address. The President said: Pakistan is now cracking down on terror, and I admire the strong leadership of President Musharraf.

Pakistan's support remains essential to our fight against terrorism. We are grateful to President Musharraf for his leadership. Without it, Operation Enduring Freedom could not have been accomplished and could not have received its accomplishments or made the accomplishments that it has to date. We owe much to the Pakistani people. However, the fight is not yet over and risks still remain. Violent extremists could still undermine peace and security in the region. As we isolate our enemies, so, too, must we aid and draw closer to our friends.

Pakistan's bold stand against terror alongside the United States is not made in a vacuum. There are real economic and social consequences in Pakistan for assisting the United States in our war effort. It would be a failure of U.S. foreign policy not to pursue the means of assisting our ally in its time of need. We must provide assistance to Pakistan in all the areas that will help keep it on track with President Musharraf's vision for a prosperous, strong, independent, modern Islamic state, a democracy of capital markets.

As we have all seen, a small yet very focused and vocal Islamic minority within Pakistan has spoken out against the Pakistani Government and the assistance it received from the United States. The small minority has called for and implemented damaging labor strikes and encouraged countless numbers of young Pakistanis to cross the border into Afghanistan to fight alongside the Taliban. This is a strong vocal minority in Pakistan. A further weakened economy and increased unemployment in Pakistan, the clear results of some weakened markets that have taken place because of the war on terrorism, only add to the influence of fundamentalists in Pakistan by strengthening social and economic unrest on which extremists prey.

This is why it is crucial that the United States now provide assistance and support to Pakistan. It is time to make sure that our policies of all sorts—economic, social policies, geopolitical policies—reflect what is best for America, not only in terms of our economy but also for our future security. Helping Pakistan through this difficult and necessary transition is in the direct interests of the United States. We must support those willing to take on the fight for freedom if we are to see our values flourish around the world.

I am delighted President Musharraf is visiting the United States at this time. I know he will receive a strong, positive welcome from the United States.

PHILIPPINES

Mr. BROWNBACK. Madam President, I will draw the Senate's attention to a second matter. In the Philippines we have troops performing training exercises with the Philippine military. This is very important in helping to subdue a terrorist group called Abu Sayyaf. They have a couple of my constituents. They are being held by the Abu Sayyaf terrorists. We are hopeful this exercise in the Philippines that the Filipino troops are carrying out and the training exercise the United States is doing with the Philippines will result in that group, the Abu Sayyaf, being subdued; the Americans being freed safely and being returned home to their families. They have been held since May of last year and have been on the move constantly in the jungle.

I am appreciative of the administration for stepping forward.

IRAQ

Mr. BROWNBACK. Madam President, as Senator BYRD mentioned, we have serious issues to contemplate concerning Iraq. This is a country we have had conflict with before, a country that has weapons of mass destruction. Iraq has been at war with itself and its neighbors for 22 of the 23 years that Saddam Hussein has ruled that country. The people of Iraq have not known peace under Saddam Hussein.

History reveals repression at home is often the breeding ground for outside aggression. Iraq is certainly a case in point. There has been no peace in Iraq since Saddam Hussein came to power more than two decades ago. First, he declared war on Iran, a war that lasted nearly a decade. He then declared war on the Iraq Kurdish population in the north. He even used chemical weapons against them in his pursuit of total and absolute control of Iraq.

After the war with the Kurds, he declared war on Kuwait, calling Kuwait an integral part of Iraq. Since his defeat at the hands of the U.S.-led coalition, Saddam has spent the past decade defying the United Nations and the United Nations imposed agreements and building weapons of mass destruction to use against his next victims.

History has also shown that authoritarian dictators do not successfully become integrated into civilized society. On the contrary, they seek any and all means to pursue their goals and perceive any positive overtures towards them as acts of weakness on the part of their adversaries. It has been the policy of the U.S. Government to seek the overthrow of Saddam Hussein since the passage of the 1997 Iraq Liberation Act. This policy is strongly supported—it was then and is now—by both Houses of Congress and both parties. It was also embraced by President Bush in the Republican Party platform.

This is going to be a key issue as we continue to look at what we are going to do to remove Saddam Hussein from power. We are not safe. That region of the world is not safe as long as Saddam Hussein rules in Iraq. This situation is not tenable over the long term. I am hopeful we can move forward to see some stability established in the region without Saddam Hussein in power.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Madam President, I ask unanimous consent to be recognized for 5 minutes to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARM POLICY

Mr. CARPER. Madam President, earlier this afternoon, an hour or so ago on this floor, we adopted a new farm policy for our country. In Delaware, in Michigan, even in Connecticut and Kansas, farmers are struggling to try to make a go of it.

Some of the woes that our agricultural communities face are laid at the foot of the agricultural policy which was adopted by the Congress, I believe, in 1996. I would just observe that some of the problems our farmers face may be fairly attributable to that national farm policy. But not all of the woes of agricultural communities can be traced back to the legislation adopted some 6 years ago.

In my own view, the bigger problem is overproduction. In my own view, the bigger problem is we have too much commodity and not enough demand for that commodity, whether the commodity is corn or soybeans, the commodity is milk or rice or cotton or beef—even chicken. We have too much commodity and not enough demand, too much commodity produced in this country and around the world.

The bill we have just passed provides subsidies to support those who are raising major crops, including corn, soybeans, rice, and cotton. Those supports—loan prices—are important. But the answer to what ails our farms and our agricultural communities is not merely more subsidies or greater subsidies. The answer, I believe, ultimately is better alignment of supply and demand.

Let me mention a few ways we can do that. One is through biomass. At a time when our country is importing about 60 percent of the oil we use, we also live in an age where you can take soybean oil and mix it with diesel fuel and provide a perfectly good fuel for diesel vehicles. We can do a similar thing with corn for ethanol vehicles.

We are learning how to transform plants into factories. We can now raise plants that will create an enzyme that is otherwise created in a chemical factory. The plants literally enable you to produce the same enzyme 40 percent cheaper than might be produced with a chemical factory, with fewer negative environmental consequences.

We learned how to infect or inject a virus into a product or crop such as soybeans or even tobacco, and the plant then creates a vaccine which can be used, among other things, to fight cancer.

The folks at DuPont have recently perfected a soybean seed that grows a soybean that produces soy milk that is almost impossible to distinguish from regular milk with respect to its taste.

Those are just some of the things we can do to create more demand, untraditional demand for the enormous amount of commodities, farm commodities we are producing in this country and in other places.

I add to those, we found out in Delaware, as we clean out our chicken houses, we can take some of the chicken litter and, instead of spreading it on our farm fields, we can burn it and derive a Btu value for electricity, and do so in an environmentally clean way. We can take the chicken litter out of chicken houses and treat it under high temperature and make a high nitrogen/high phosphorus fertilizer and ship it across the country and across the world and provide a source of cash revenue for farmers from what was previously a waste product of which we had too much.

One of the aspects I especially like about the bill we passed is it supplements and supports the efforts of States such as Delaware and perhaps others here to preserve agricultural land through conservation. In my State, we have invested tens of millions of dollars, State dollars in recent years, to purchase agricultural development rights, providing money for farmers for farm equipment, irrigation systems, and other ways to support their farming operation by agreeing to put their farms in perpetuity in farmland. It is going to continue to be a farm forever. This legislation we passed here today provides Federal support for what many of us have done at the State level.

The last thing is companies such as DuPont and Syngenta and others in our country have developed ways to create seeds and to grow plants that are more drought resistant than otherwise would be, plants and seeds that are resistant to a particular kind of insect, plants that need fewer fertilizers, less fertilizer, less insecticides, less pesticides. We have the ability, through that kind of research and the application of that research, to build a better mousetrap—if not a better mousetrap, a better soybean plant, and to enable us to have a leg up on the competition in other parts of the world. Those are some of the things, some of the factors that will enable us to help revive our agricultural industry in this country.

There are a lot of good things in that farm bill that we passed. Part of the solution, part of the way out of the duress in which farmers find themselves, is in that legislation. But a good deal is not. I wanted to share some of my thoughts today, and I thank the Chair for indulging me.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, before we move to the business which has been agreed to, I ask unanimous consent to proceed for 1 minute as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THANKING SENATOR ROBERT C. BYRD

Mr. DODD. Before I came to the floor, I had the opportunity to listen to the distinguished senior Senator from West Virginia give some remarks on terrorism. Watching him, listening to him, I am sure all of our colleagues—whether or not you agreed with everything Senator BYRD had to say—felt the deeper growing sense of appreciation in this Chamber that I have for his valued participation. His voice, his sense of warning about matters that this Nation needs to be cognizant of, are extremely helpful and worthwhile. There is no better person, in my view, to express those words of restraint and caution than someone who embodies, I think for all of us, this institution at its very best.

I wanted to take a moment to thank Senator BYRD once again for taking time out to express his views about the concerns of our budget and the priorities of the Nation in these difficult times. I hope those in positions of authority and responsibility will listen carefully to what he has to say.

There is no finer patriot, in my view, than Senator ROBERT C. BYRD. His words of caution about fiscal matters ought to be listened to very carefully. I thank him for his comments.

Madam President, I suggest the absence a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EQUAL PROTECTION OF VOTING RIGHTS ACT OF 2001

The PRESIDING OFFICER. Under the previous order, the clerk will report S. 565 by title.

The assistant legislative clerk read as follows:

> A bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes.

AMENDMENT NO. 2688

Mr. DODD. Madam President, I call up amendment No. 2688.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

> The Senator from Connecticut [Mr. DODD], for himself, Mr. MCCONNELL, Mr. SCHUMER, Mr. BOND, Mr. TORRICELLI, MR. MCCAIN, Mr. DURBIN, Mr. BROWNBACK, Mrs. CLINTON, Mr. DAYTON, Mr. BAYH, Mr. NELSON of Florida, Mrs. CARNAHAN, Mr. KERRY, and Mr. BREAUX, proposes an amendment numbered 2688.

(The amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DODD. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Madam President, some four decades ago, Dr. Martin Luther King said:

> The history of our nation is the history of a long and tireless effort to broaden and to increase the franchise of American citizens.

This afternoon, we are gathered to consider the election reform bill which will live up, in my view, to the words Dr. Martin Luther King uttered 40 years ago; that is, to broaden the franchise of American citizens.

It is a great honor and privilege to bring this bill to the floor, the Equal Protection of Voting Rights Act, with a bipartisan compromise that will be substituted for the committee-reported text of the bill when we get to that point.

As Thomas Paine once said:

> The right to vote is the primary right upon which all other rights are based.

Therefore, there is no greater challenge facing this body than restoring Americans' faith in our electoral process.

Fourteen months ago yesterday, the American public decided—the country decided—who would be the 43rd President of the United States. What we are engaged in today, and will be over the next day or so, is not any discussion or debate about the past. George W. Bush is the President of the United States and has been since January 20 of last year. This bill is about the future, what we can do to try to make our election systems more fair, bring them up to date, to make it possible for people to cast votes more easily, and to see to it that those who may want to corrupt the system somehow will find their job far more difficult.

I consider this to be landmark legislation. It will help to ensure that our voting procedures are uniform and nondiscriminatory, and that Americans can have faith in the integrity of our election results.

While we should not underestimate the significance of this action, we should be cautious not to overstate the Federal role in the administration of Federal elections. This legislation does not replace, nor would I tolerate it replacing, the historic role of State and local election officials, nor does it create a one-size-fits-all approach to balloting in America.

We, by no means, intend to supplant the traditional role that State and local governments have played administering elections for Federal office. But, for the first time, with this legislation, the Congress—the Federal Government—will set basic minimum requirements and provide critical resources for Federal elections.

This bipartisan compromise ensures that the most fundamental right in any democracy—the right to vote and have that vote counted—will be secure. But it also allows States to meet the legislation's broad requirements in a way best suited for their voting jurisdictions.

Notwithstanding this flexible approach, the primary objectives of this compromise remain expanding the franchise, protecting our Federal elections system from corruption, and providing the ongoing leadership that is required of a Federal partner.

Let me be clear from the outset, this legislation is not about one State or one election. While the problems that took place in Florida a year ago last November brought the flaws in our election system to the Nation's attention, these are systemic problems that have existed in many States for many years.

In fact, the General Accounting Office found that 57 percent of voting jurisdictions nationwide experienced major problems conducting the November 2000 elections. Meanwhile, the Caltech/MIT Voting Technology Project found there have been approximately 2 million uncounted, unmarked, or spoiled ballots in each of the last four Presidential elections.

Luckily, unlike many other issues that are presented to the Congress, the vast majority of the flaws in our election system are eminently fixable.

As the National Commission on Federal Election Reform, led by former Presidents Jimmy Carter and Gerald Ford, found:

> The weaknesses in election administration are, to a very great degree, problems that Government can actually solve.

We have the opportunity today to take an incremental step forward toward solving our election problems as we begin debate on the Equal Protection of Voting Rights Act.

This bill also represents a major step forward for the United States Congress. For the very first time, the Federal Government will become a real partner with State and local governments in the administration of Federal elections.

This legislation has been 15 months in the making. In the wake of the November 2000 elections, then-chairman of the Rules Committee, and my good friend, MITCH MCCONNELL, first pledged that our committee would conduct a series of hearings on election reform. Under his leadership, the committee held the initial hearing on March 14 of the year 2001.

When I assumed the committee chairmanship in June, I pledged to continue to make election reform the top legislative priority of the Senate Rules Committee. Toward that end, we held an additional 3 days of hearings on election reform last summer, including the committee's field hearing in Atlanta, GA.

Recognizing that comprehensive election reform legislation could not be a partisan endeavor, we brought together last fall a bipartisan team of Senators devoted to this issue.

Our election reform working group included, of course, Senator MITCH MCCONNELL of Kentucky, who deserves tremendous accolades for initially focusing the Rules Committee on this important issue and for being a great partner in trying to resolve the many difficult issues we resolved in presenting this piece of legislation to our colleagues; our Republican colleague from Missouri, KIT BOND, who was a passionate advocate for including provisions to ensure the integrity of Federal elections; and my fellow Rules Committee members, New York Senator CHUCK SCHUMER and New Jersey Senator BOB TORRICELLI, who were among the very first Members of this body to forcefully push for bipartisan election reform legislation.

I am grateful to all of these Senators for their tireless work and that of their staffs who put in literally hundreds of hours to bring us to this point of considering a proposal on election reform.

All of us worked many months to develop legislation that would try to meet one central goal; that was to make it easier to vote in America and much harder to corrupt our Federal election system.

On December 19 of last year, we introduced the compromise legislation as a Senate substitute amendment No. 2688, an amendment to S. 565, the election reform bill reported out of the Rules Committee on August 2. Today, Majority Leader DASCHLE acted on his commitment to make this bill one of the first items on the Senate agenda during the 2nd session of the 107th Congress and I mark himself his considerable efforts.

Our legislation simply establishes three basic minimum Federal requirements that support our principle of making it easier to vote but harder to corrupt the system: One, voting system standards so that every eligible blind or disabled person and every language minority can cast a vote privately and independently; two, provisional voting so that an eligible voter in America will never be turned away from the voting booth and voting information posted at the polls so that voters are informed of their rights; and three, statewide voter registration lists and verification for first-time voters who register by mail so that all eligible voters who choose to vote will be able to do so and those who are not eligible cannot.

Our bill offers not just goals but some guarantees as well. We ensure that these reforms will be implemented by authorizing the Attorney General to bring civil action against jurisdictions that fail to comply with these requirements. The compromise also establishes a new Federal agency with four bipartisan commissioners. They will be appointed by the President, confirmed by the Senate, and each will serve a single 6-year term. Our colleague, Senator MITCH MCCONNELL, deserves great credit for originating this idea which I think is going to bring great value in years later, as other Congresses meet to consider ways to achieve the goal of making it easier to vote and harder to corrupt the system. That commission, which we will establish with this bill, will serve a very valuable purpose, where election officials from across the country can get unbiased advice and counseling as to what is the best equipment and material to have in order to improve the election system.

The Election Administration Commission will eventually administer the minimum requirements and grant programs to fund them. It will also serve as a national clearinghouse and resource for information on election administration.

Finally, our legislation provides Federal funding to States and localities. For the very first time, again, the Congress and the Federal Government will start paying their fair share of the cost of administering elections for Federal office. I don't believe in having Federal minimum requirements, as logical and as sensible as they are, and not coming up with the resources to our States and localities to pay for them. We do that.

The Senate bill authorizes a total of $3.5 billion towards this end: $3 billion with no matching requirement over 4 years for the purpose of funding the requirements; $400 million in this fiscal year for an incentive grant program to allow States and localities to immediately fund improvements to their voting systems and election administration procedures, including education programs and other such provisions that States may see as being in their interest.

We also authorize $100 million for an accessibility grant program to help make polling places physically accessible to the blind and disabled in this country.

This generous commitment of Federal resources underscores the fact that nothing in this bill establishes an unfunded mandate on States or localities. We give States and localities the resources as well as the flexibility they need to get the job done. We recognize that State and local election officials are uniquely qualified to determine what voting systems and procedures are most appropriate for their individual States and communities.

Importantly, in passing this bill, Congress will also meet the first civil rights challenge of the 21st century. During our hearings on election reform, our committee heard repeated testimony regarding the disproportionate treatment minorities received at the polls in the 2000 elections: African-American men asked about felony convictions; Arab Americans forced to produce citizenship papers or to take a loyalty oath; Hispanic Americans failing to receive language assistance required by the Voting Rights Act of 1965. The committee also received disturbing testimony regarding the disenfranchisement of Americans with disabilities.

There are 21 million Americans with disabilities who did not vote in the last election. This makes the disabled community, persons with disabilities, the single largest demographic group of nonvoters in the United States of America, 21 million. We hope that with the provisions I have already mentioned in this bill, we will see that number, if not disappear entirely, certainly be reduced considerably.

The General Accounting Office found that only 16 percent of all polling places in the contiguous United States are physically accessible from the parking area to the voting room. Not one of the 496 polling places visited by the General Accounting Office on election day 2000 had special ballots or voting equipment adapted for blind voters.

Certain voters and communities are disproportionately affected by the inadequacies in our voting systems and election administration policies and procedures. As evidenced by testimony received by the Rules Committee and numerous commission reports and studies, racial and ethnic minorities, language minorities, disabled voters, overseas and military voters, and poor communities all encountered unique and disproportionate problems with the November 2000 elections—and elections before then, I might add—even after accounting for the effects of income, education, and poor ballot design.

For example, the General Accounting Office found that both a jurisdiction's voting equipment and its demographic makeup had a statistically significant effect on the percentage of uncounted votes. The General Accounting Office found that counties with higher percentages of minority voters had higher rates of uncounted votes.

The GAO also reported that percentages of uncounted Presidential votes were higher in minority areas than others, regardless of voting equipment.

These findings underscore the importance of instituting minimum Federal requirements that will ensure that all voters have an equal opportunity to vote and have their vote counted.

By passing this bipartisan election reform bill, the Senate will help ensure that every single eligible American has the equal opportunity to both cast a vote and, of course, have their vote counted.

Let me be as clear as I can: Nothing in this bill or in this debate is intended to call into question the results of the November 2000 Presidential election. This legislation is not about the past, it is about the future of our democracy. I hope my colleagues will agree that this bill, while not a perfect piece of legislation—it does not deal with every imaginable election reform proposal—is a solid bill. It is a good bill. It is a bill that took a lot of hours and a lot of compromise between people committed to seeing to it that we improve a system that is so fundamental to the workings of our democracy.

The House has already enacted comprehensive election reform. I commend Congressman STENY HOYER and Congressman NEY, who worked very hard to put together a bill that they could pass, and we will have to meet with them and resolve differences if we are able to ultimately pass the bill that Senator McCONNELL and I present to the Senate today.

Certainly the President also deserves a great deal of credit. He could have sat back and not included anything in his budget and said: Let's wait and see what you do up there, if you can get something done, and then talk to me. But the President included $1.2 billion in the budget he submitted several weeks ago for election reform. I thank him in this Chamber; I have done so elsewhere. It is not all the resources we will need, but it is a major commitment by the President of the United States to this issue. Our hope is that we can get our job done and get a bill passed and then take advantage of the offer made by the President in his budget proposal.

Finally, we believe this compromise is constitutionally sound. The compromise is squarely within the broad grant of congressional authority to legislate in the subject area of the administration of Federal elections. The GAO concluded that with regard to the administration of Federal elections, Congress has constitutional authority over both congressional and Presidential elections.

Again, I thank my colleagues who labored so hard. I thank TOM DASCHLE and TRENT LOTT, our respective leaders, for allowing this bill to come to the floor; our staffs, for their tireless work; and again, my colleagues, MITCH McCONNELL, KIT BOND, CHUCK SCHUMER, BOB TORRICELLI, and many others who have expressed their views and thoughts on this legislation.

I thank the witnesses who testified before our committee.

Finally, a very special thanks is reserved for my friend, JOHN CONYERS, the ranking Democrat on the House Judiciary Committee and my coauthor in the House of the original election reform legislation. His commitment to this issue is unparalleled.

With that, I conclude with the words I opened with of Dr. Martin Luther King:

> The history of our Nation is the history of a long and tireless effort to broaden and to increase the franchise of American citizens.

Today, when we gather to discuss this reform measure, we are fulfilling the commitment Martin Luther King suggested in his words 40 years ago—to broaden and increase that franchise.

With that, I yield the floor.

The PRESIDING OFFICER (Mr. JOHNSON). The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, in the context of human history, it was not so long ago that the mere concept of having the right to vote was scarcely imaginable for most people. Even in America, the world's greatest democracy, half our citizenry was denied the right to vote until the 19th amendment was ratified early in the 20th century.

At the outset of the 21st century, we still have work to do to ensure that all Americans who are eligible to vote, who have the right to vote, do indeed have their votes counted on election day—counted, I hasten to add, within an election system in which the integrity of the process is not in question, so voters can know their right to vote is not diminished through fraud committed by others, nor diminished through error, poor procedures, or faulty equipment.

This is the mission that Senator DODD, Senator BOND, Senator SCHUMER, Senator TORRICELLI, and I tasked ourselves with in crafting the bipartisan legislation before the Senate today. We sought to make American election systems more accurate, more accessible, and more honest. And we worked to achieve these ambitious goals within the framework of legislation which both sides of the aisle could support and which would not financially crush the states who will be changed with its implementation.

None of us got everything we wanted in this bill, not even close. There are things in this bill that one or more of us are not big fans of. But that was the price for putting this bipartisan bill together.

The Dodd-McConnell bill is a comprehensive compromise. In other words, it is a target-rich environment for amendments—legitimate, germane, relevant, even laudable efforts to make the bill better, or worse, depending on one's perspective. I myself could easily come up with a couple dozen amendments. My staff already has, just in case. If the Senate passed them all we would, in my view, have crafted the perfect election reform bill.

Regrettably, we all have different notions of what comprises perfection in this realm. So in the interest of advancing a pretty darn good election reform bill, I will not be offering my two dozen meticulously-crafted, well-intentioned amendments to make the bill absolutely perfect.

Senator BOND, who has done tremendous work in making sure that the effort to make voting easier is balanced with provisions to make vote fraud harder, could certainly offer up some excellent amendments to go further in that direction. I think the Senate should do more to reduce vote fraud but, realistically, we are not going to get everything we want in that regard through this Senate. The Dodd-McConnell bill does a lot which is worthwhile, overdue and, significantly, is doable.

This quest for election reform has its roots in the photofinish 2000 presidential election that culminated in the protracted battle over Florida's electoral votes. While that saga was playing out, some of us in the Senate began formulating reform legislation to make a recurrence less likely in the future and to make improvements in the system that election officials in the states have long known needed to be made but for a variety of reasons, primiarly financial, were not done. Over a year ago, Senator TORRICELLI and I proposed a comprehensive election reform bill. Last May, Senator TORRICELLI and I joined with Senator SCHUMER to put together yet another bill. The McConnell-Schumer-Torricelli bill garnered even more bipartisan support with a remarkable cosponsorship list of 71 cosponsors, a solid roster fairly even between Republicans and Democrats. Senator DODD, meanwhile, headed up an effort that had much in common with the McConnell-Schumer-Torricelli approach, but was distinct in important ways, and gathered all the Democrats behind it. Between our bills and others introduced in the past year, we come into this floor debate with over 90 Senators having cosponsored some version of election reform. That is a ringing, approaching unanimous, endorsement for serious election reform.

All of my colleagues who have worked to advance election reform and get us to this point deserve thanks. Most especially, Senator DODD, the Chairman of the Rules Committee, whose dogged determination to put together a consensus these past few months has paid off. He was so focused in pursuit of a bill that as the weeks were going by in December without an agreement, it occurred to me that he would never let up and I might have to spend Christmas around his conference table. Fortunately, there is a Santa Claus and his present to me was a ticket home to Kentucky for Christmas, a bipartisan election reform bill in the can, and CHRIS DODD off my back. I say that, of course, with humor and only the greatest respect for the chairman's tireless effort.

The Dodd-McConnell bill is legislation that the entire Senate can be proud of supporting, and pass knowing that it would significantly improve America's election systems. Americans should also take note that the chairman is a champion in promoting accessibility in elections, a real hero to America's disabled community for whom the right to vote can be difficult to exercise. This bill reflects his commitment in this respect as well. The Dodd-McConnell bill before the Senate incorporates three key principles contained within the original McConnell-Torricelli bill put together over a year ago.

No. 1, Respect for the primary role of the States and localities in election administration. The Constitution's 10th amendment too often get short-shrift around here, but we tried mightily in this compromise to respect it. I will say this bill treads more than I would like on state prerogative but it does so a good deal less than with some of the interest groups out there would like and which some other bills have proposed.

No. 2, Establishment of an independent, bipartisan commission—comprised of two Democrats and two Republicans appointed by the President—to provide ongoing election assistance to the states, in the form of grants and as a clearinghouse for information on new technologies and effective election procedures.

The point to this, in my view, was to have one place in the country, a repository of objective advice, where State and local officials, who are constantly confronted by vendors trying to sell them one election system or another, could go for objective advice. Nobody is selling anything at this commission—just giving objective advice about what kind of upgrade, if any, is necessary to improve the election system in a particular State.

As Chairman DODD can attest, I fervently believe that for long-term reform of election systems, we need a permanent repository for the best, unbiased, objective information that states can tap into the future. At present, the typical county-level or State official is besieged by commercial vendors who want to sell their product, balloting machines and the other implements of election administration. The new commission in the Dodd-McConnell bill will provide objective, state-of-the-art information that can be weighed against whatever sales pitch is coming from vendors.

No. 3, Strong anti-fraud provisions to clean-up voter rolls and ensure integrity in American elections.

We want eligible people to vote. Dogs, cats and cadavers are making far too many appearances in American elections, even though a constitutional amendment giving them a right to vote has not been enacted.

As good as the Dodd-McConnell bill is, and as high as my hopes are that it will result in much better election systems in America, we should temper somewhat the expectations it may raise. We cannot legislate perfection in this arena. Voters are imperfect people whose ballots are counted by imperfect people and tabulated by machines created and maintained by imperfect people. If in the future another presidential election comes down to the wire, with an electorate comprised of hundreds of millions of people virtually evenly split in their candidate preference, then there could well be some controversy in arriving at a conclusion.

In the meantime, the Dodd-McConnell bill would go a long way in making elections better, more accessible, more accurate and more honest. And it would prevent some of the chaos in close, competitive elections. If we can do that, I would call that a pretty good day's work in the Senate.

Again, I compliment Chairman DODD for his persistence in getting us to the point we are, and I thank particularly Senator BOND, Senator SCHUMER, and Senator TORRICELLI.

Mr. MCCAIN. Mr. President, I urge my colleagues to support the compromise amendment in the nature of a substitute to S. 565, the Equal Protection of Voting Rights Act of 2001. I am proud to join Senators DODD, MCCONNELL, SCHUMER, BOND, and TORRICELLI in co-sponsoring this historic piece of legislation designed to improve our Nation's voting practices and procedures. I am glad that we are addressing this issue now, and hope that legislation is enacted soon. In many states, voters will go to the polls this year using much of the same equipment as was used in 2000, which will result in many of the same problems. Our purpose here today is to prevent the problems of the Year 2000 election from occurring in the future.

While we all remember the "butterfly ballots" and "hanging chads" of Florida, we must also consider the facts that show the problems of Election 2000 were nationwide. In Chicago and Cook County, Illinois, nearly 123,000 presidential votes went uncounted, and in Fulton County, Georgia, one of every 16 ballots for president was invalidated. The General Accounting Office found that 57 percent of jurisdictions nationwide had major problems in Election 2000. The MIT/Caltech Voting Project estimates that 4 to 6 million votes were lost. During two hearings by the Senate Commerce Committee, our witnesses testified that many of these problems were caused by outdated and inaccurate lever and punch card voting machines, distinct inadequacies in poll worker and voter education, and confusion over election administration and voting registration procedures. I believe that the mandatory standards and federal grant programs found in the compromise amendment I am cosponsoring will play an important role in resolving these problems in the future.

However, I am concerned that this bill will not address the concerns of disabled voters, who time and again confront physical barriers when they attempt to vote. Disabled voters should not be forced to bring their own ramps to polling places, go through alternative entrances, and put up with numerous other barriers and humiliations when they attempt to vote. According to a 2001 General Accounting Office report, 84 percent of all polling places in the contiguous United States have one or more potential impediments to disabled voters. While many of these polling places use curbside voting, many disabled voters complain that curbside voting infringes on their privacy, when they cast a ballot. So instead of voting, many disabled Americans simply stay home. According to the National Organization on Disability, 21 million voting age citizens with disabilities did not vote. President Alan Reich of the National Organization on Disability summed it up best, when he stated that "there is great irony that a person in a wheelchair can't get into some polling places, whereas a person using a guide dog can get inside, only to find out there is no accessible voting machine." I intend to offer a minor technical amendment to this legislation that I hope will resolve many of these concerns. I urge my colleagues to join me in addressing this issue.

I look forward to working with my colleagues on this historic legislation. This legislation should be addressed in a timely manner by the Senate, and I hope that the conference with the House can also be resolved soon, so that we can send a bill to the President for his signature. I am afraid that it is already too late to do much to help voters for the 2002 election, but we can and must make sure that the problems of Election 2000 are not repeated in 2004.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLARD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2858 TO AMENDMENT NO. 2688

Mr. ALLARD. Mr. President, I have an amendment numbered 2858 at the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Colorado [Mr. ALLARD], for himself and Mr. SMITH of New Hampshire, Mr. GRAMM, Mr. ALLEN, Mr. ROBERTS, Mr. COCHRAN, Ms. COLLINS, and Mr. LUGAR, proposes an amendment numbered 2858 to amendment No. 2688.

Mr. ALLARD. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To clarify the standard for invalidation of ballots cast by absent uniformed services voters in Federal elections, to maximize the access of recently separated uniformed services voters to the polls, to prohibit the refusal of voter registration and absentee ballot applications on grounds of early submission, and to distribute copies of the Federal military voter laws to the States)

On page 68, between lines 2 and 3, insert the following:

TITLE IV—UNIFORMED SERVICES ELECTION REFORM

SEC. 401. STANDARD FOR INVALIDATION OF BALLOTS CAST BY ABSENT UNIFORMED SERVICES VOTERS IN FEDERAL ELECTIONS.

(a) IN GENERAL.—Section 102 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1), as amended by section 1606(a)(1) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1278), is amended—

(1) by striking "Each State" and inserting "(a) IN GENERAL.—Each State"; and

(2) by adding at the end the following:

"(b) STANDARDS FOR INVALIDATION OF CERTAIN BALLOTS.—

"(1) IN GENERAL.—A State may not refuse to count a ballot submitted in an election for Federal office by an absent uniformed services voter—

"(A) solely on the grounds that the ballot lacked—

"(i) a notarized witness signature;

"(ii) an address (other than on a Federal write-in absentee ballot, commonly known as 'SF186');

"(iii) a postmark if there are any other indicia that the vote was cast in a timely manner; or

"(iv) an overseas postmark; or

"(B) solely on the basis of a comparison of signatures on ballots, envelopes, or registration forms unless there is a lack of reasonable similarity between the signatures.

"(2) NO EFFECT ON FILING DEADLINES UNDER STATE LAW.—Nothing in this subsection may be construed to affect the application to ballots submitted by absent uniformed services voters of any ballot submission deadline applicable under State law.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to ballots described in section 102(b) of the Uniformed and Overseas Citizens Absentee Voting Act (as added by such subsection) that are submitted with respect to elections that occur after the date of enactment of this Act.

SEC. 402. MAXIMIZATION OF ACCESS OF RECENTLY SEPARATED UNIFORMED SERVICES VOTERS TO THE POLLS.

(a) IN GENERAL.—Section 102(a) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1), as amended by section 401(a) of this Act and section 1606(a)(1) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1278), is amended—

(1) in paragraph (3), by striking "and" after the semicolon at the end;

(2) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(5) in addition to using the postcard form for the purpose described in paragraph (4), accept and process any otherwise valid voter registration application submitted by a uniformed service voter for the purpose of voting in an election for Federal office; and

"(6) permit each recently separated uniformed services voter to vote in any election for which a voter registration application has been accepted and processed under this section if that voter—

"(A) has registered to vote under this section; and

"(B) is eligible to vote in that election under State law.".

(b) DEFINITIONS.—Section 107 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6) is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (9) and (10), respectively;

(2) by inserting after paragraph (6) the following new paragraph:

"(7) The term 'recently separated uniformed services voter' means any individual who was a uniformed services voter on the date that is 60 days before the date on which the individual seeks to vote and who—

"(A) presents to the election official Department of Defense form 214 evidencing their former status as such a voter, or any other official proof of such status;

"(B) is no longer such a voter; and

"(C) is otherwise qualified to vote in that election.";

(3) by redesignating paragraph (10) (as redesignated by paragraph (1)) as paragraph (11); and

(4) by inserting after paragraph (9) the following new paragraph:

"(10) The term 'uniformed services voter' means—

"(A) a member of a uniformed service in active service;

"(B) a member of the merchant marine; and

"(C) a spouse or dependent of a member referred to in subparagraph (A) or (B) who is qualified to vote.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections for Federal office that occur after the date of enactment of this Act.

SEC. 403. PROHIBITION OF REFUSAL OF VOTER REGISTRATION AND ABSENTEE BALLOT APPLICATIONS ON GROUNDS OF EARLY SUBMISSION.

(a) IN GENERAL.—Section 104 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–3), as amended by section 1606(b) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1279), is amended by adding at the end the following new subsection:

"(e) PROHIBITION OF REFUSAL OF APPLICATIONS ON GROUNDS OF EARLY SUBMISSION.—A State may not refuse to accept or process, with respect to any election for Federal office, any otherwise valid voter registration application or absentee ballot application (including the postcard form prescribed under section 101) submitted by an absent uniformed services voter during a year on the grounds that the voter submitted the application before the first date on which the State otherwise accepts or processes such applications for that year submitted by absentee voters who are not members of the uniformed services.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to elections for Federal office that occur after the date of enactment of this Act.

SEC. 404. DISTRIBUTION OF FEDERAL MILITARY VOTER LAWS TO THE STATES.

Not later than the date that is 60 days after the date of enactment of this Act, the Secretary of Defense (in this section referred to as the "Secretary"), as part of any voting assistance program conducted by the Secretary, shall distribute to each State (as defined in section 107 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6) enough copies of the Federal military voting laws (as identified by the Secretary) so that the State is able to distribute a copy of such laws to each jurisdiction of the State.

The PRESIDING OFFICER. The Senator from New Hampshire.

AMENDMENT NO. 2861 TO AMENDMENT NO. 2858

Mr. SMITH of New Hampshire. Mr. President, I send a second-degree amendment to the Allard amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. SMITH] proposes an amendment numbered 2861 to amendment No. 2858.

Mr. SMITH of New Hampshire. I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(Purpose: To clarify the standard for invalidation of ballots cast by absent uniformed services voters in Federal elections, to maximize the access of recently separated uniformed services voters to the polls, to prohibit the refusal of voter registration and absentee ballot applications on grounds of early submission, and to distribute copies of the Federal military voter laws to the States)

Strike "**SEC. 401.**" and all that follows and insert the following:

STANDARD FOR INVALIDATION OF BALLOTS CAST BY ABSENT UNIFORMED SERVICES VOTERS IN FEDERAL ELECTIONS.

(a) IN GENERAL.—Section 102 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1), as amended by section 1606(a)(1) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1278), is amended—

(1) by striking "Each State" and inserting "(a) IN GENERAL.—Each State"; and

(2) by adding at the end the following:

"(b) STANDARDS FOR INVALIDATION OF CERTAIN BALLOTS.—

"(1) IN GENERAL.—A State may not refuse to count a ballot submitted in an election for Federal office by an absent uniformed services voter—

"(A) solely on the grounds that the ballot lacked—

"(i) a notarized witness signature;

"(ii) an address (other than on a Federal write-in absentee ballot, commonly known as 'SF186');

"(iii) a postmark if there are any other indicia that the vote was cast in a timely manner; or

"(iv) an overseas postmark; or

"(B) solely on the basis of a comparison of signatures on ballots, envelopes, or registration forms unless there is a lack of reasonable similarity between the signatures.

"(2) NO EFFECT ON FILING DEADLINES UNDER STATE LAW.—Nothing in this subsection may be construed to affect the application to ballots submitted by absent uniformed services voters of any ballot submission deadline applicable under State law.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to ballots described in section 102(b) of the Uniformed and Overseas Citizens Absentee Voting Act (as added by such subsection) that are submitted with respect to elections that occur after the date of enactment of this Act.

SEC. 402. MAXIMIZATION OF ACCESS OF RECENTLY SEPARATED UNIFORMED SERVICES VOTERS TO THE POLLS.

(a) IN GENERAL.—Section 102(a) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1), as amended by section 401(a) of this Act and section 1606(a)(1) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1278), is amended—

(1) in paragraph (3), by striking "and" after the semicolon at the end;

(2) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(5) in addition to using the postcard form for the purpose described in paragraph (4), accept and process any otherwise valid voter registration application submitted by a uniformed service voter for the purpose of voting in an election for Federal office; and

"(6) permit each recently separated uniformed services voter to vote in any election for which a voter registration application has been accepted and processed under this section if that voter—

"(A) has registered to vote under this section; and

"(B) is eligible to vote in that election under State law.".

(b) DEFINITIONS.—Section 107 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6) is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (9) and (10), respectively;

(2) by inserting after paragraph (6) the following new paragraph:

"(7) The term 'recently separated uniformed services voter' means any individual who was a uniformed services voter on the date that is 60 days before the date on which the individual seeks to vote and who—

"(A) presents to the election official Department of Defense form 214 evidencing their former status as such a voter, or any other official proof of such status;

"(B) is no longer such a voter; and

"(C) is otherwise qualified to vote in that election.";

(3) by redesignating paragraph (10) (as redesignated by paragraph (1)) as paragraph (11); and

(4) by inserting after paragraph (9) the following new paragraph:

"(10) The term 'uniformed services voter' means—

"(A) a member of a uniformed service in active service;

"(B) a member of the merchant marine; and

"(C) a spouse or dependent of a member referred to in subparagraph (A) or (B) who is qualified to vote.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections for Federal office that occur after the date of enactment of this Act.

SEC. 403. PROHIBITION OF REFUSAL OF VOTER REGISTRATION AND ABSENTEE BALLOT APPLICATIONS ON GROUNDS OF EARLY SUBMISSION.

(a) IN GENERAL.—Section 104 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–3), as amended by section 1606(b) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1279), is amended by adding at the end the following new subsection:

"(e) PROHIBITION OF REFUSAL OF APPLICATIONS ON GROUNDS OF EARLY SUBMISSION.—A State may not refuse to accept or process, with respect to any election for Federal office, any otherwise valid voter registration application or absentee ballot application (including the postcard form prescribed under section 101) submitted by an absent uniformed services voter during a year on the grounds that the voter submitted the application before the first date on which the State otherwise accepts or processes such applications for that year submitted by absentee voters who are not members of the uniformed services.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to elections for Federal office that occur after the date of enactment of this Act.

SEC. 404. DISTRIBUTION OF FEDERAL MILITARY VOTER LAWS TO THE STATES.

Not later than the date that is 60 days after the date of enactment of this Act, the Secretary of Defense (in this section referred to as the "Secretary"), as part of any voting assistance program conducted by the Secretary, shall distribute to each State (as defined in section 107 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6) enough copies of the Federal military voting laws (as identified by the Secretary) so that the State is able to distribute a copy of such laws to each jurisdiction of the State.

SEC. 405. EFFECTIVE DATES.

Notwithstanding the preceding provisions of this title, each effective date otherwise provided under this title shall take effect 1 day after such effective date.

Mr. SMITH of New Hampshire. I am pleased to join with the Senator from Colorado in sponsoring this important amendment to reserve voting rights for our service men and women.

I yield the floor to the sponsor.

Mr. DODD. Is the amendment of the Senator from New Hampshire the same amendment as the amendment of the Senator from Colorado?

The PRESIDING OFFICER. Yes.

The Senator from Colorado.

Mr. ALLARD. Mr. President, I am pleased that the Senate is addressing the matter of election reform. Like carpenters tending to their tools or fishermen working on their nets, this Nation's government must constantly maintain and improve the voting rights of American citizens, the very basis of our democracy.

I am pleased with the work of Senators MCCONNELL and DODD and others on the bill before us. Nobody who has ever participated in an election in any serious way, running, campaigning, judging, and so on, would believe that our system is perfect. It is based on a sound framework, but the devil in the details requires constant exorcism.

Today we are moving to address in this body various problems that have come to our attention, some of them alarmingly so in the November 2000 elections.

I have been in contact with the Colorado Secretary of State, and local election officials, and I know that there are problems on a federal level, on the state level, and the local level. Everybody from county clerks to Senate Rules Committee chairmen have recognized the faults that currently call for correction.

As a Member of the Senate Armed Services, I paid special attention to the complaints I heard from our uniformed services men and women. Without undue politicalization, I believe it is appropriate to at least allude to the spectacle of campaign lawyers hovering over election officials with preprinted military absentee ballot challenge forms. I understand that in an election every opportunity available will be utilized. I think, however, that this body should undertake efforts to ensure that military service men and women are given all due chances to exercise their right to vote.

Now, this body has tried to do so. Last year, during consideration of the

Defense Authorization, the Senate passed a bipartisan amendment strongly supported by Chairman DODD and Senator MCCONNELL that significantly improved the voting rights of military service members. I was pleased at this passage, and so were the various military support groups, veterans organizations, and others who contacted me with their notes of encouragement and support.

Unfortunately, in conference the House refused to accept two of the provisions. I believe their position on this matter was not the correct one. I think they were seriously wrong. And so we must try again.

My current amendment, cosponsored by Senators BOB SMITH, PHIL GRAMM, ALLEN, ROBERTS, COCHRAN, COLLINS, and LUGAR, is another attempt to legislate protection for our military voter's franchise.

The first section prohibits a State from disqualifying a ballot based upon lack of notarization, postmark, address, witness signature, lack of proper postmark, or on the basis of comparison of envelope, ballot and registration signatures alone, these were the basis for most absentee ballot challenges.

There has been report after report of ballots mailed, for instance from deployed ships or other distant postings, without the benefit of postmarking facilities. Sometimes mail is bundled, and the whole group gets one postmark, which could invalidate them all under current law. Further, military "voting officers" are usually junior ranks, quickly trained, and facing numerous other responsibilities.

We can not punish our service personnel for the good faith mistakes of others.

The second section addresses a certain group of voters who can slip through the cracks. Military voters who are discharged and move before an election but after the residency deadline cannot vote through the military absentee ballot system, and sometimes are not able to fulfill deadlines to establish residency in a State.

This language allows them to register absentee and vote in person at their new polling place. This brings military voters into their new community quicker.

The third section contains language denying States the ability to deny a military ballot because it is mailed in too early. There are very good administrative reasons why early ballots are prohibited in some cases, but there are better reasons why we should offer uniform voters—who are subject to rapid deployments, temporary duties, and unexpected assignment changes, the option to secure their vote by mailing their ballot when they can, even if it is early.

Finally, given all the changes considered and passed by the Congress in various vehicles, I have included language directing the DoD to mail a copy of current military voter laws to every state to be distributed to each voting jurisdiction. I think it would be a good idea to assist State Secretaries of States in their duties and clarify Congressional intent by codifying all the modifications.

Given the current deployment schedule of our armed forces, I can conceive of no time more urgent than the present to let our men and women in uniform know that the government of the Unites States will not tolerate any appearance of a challenge to their voting rights. I urge acceptance of this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH of New Hampshire. Mr. President, I rise in strong support of Senator ALLARD's efforts to protect the voting rights of our military men and women. It would be a pretty empty debate on election reform if the Senate ignored the discrimination that military voters suffered in the last Presidential election and, indeed, I would say probably have suffered in the past, in prior elections.

I visited Afghanistan just a month or so ago and saw the circumstances that those men and women were under out there. Had that been at election time, I can imagine how difficult it might have been to make all the arrangements to get ballots to these people, get these ballots out, get them back, and have them counted on time. I think it is important to understand it is the spirit and intent that matters. If a person is trying to get his or her ballot in and it gets in a day or so late but it is in time to be counted, then we ought to err on the side of caution for the military person who is out there putting his or her life on the line for us every day.

I can speak from firsthand experience. I was aboard a ship during the Vietnam war. Although that was not an election time at the time I was out at sea, there were periods of time when we were out at sea for 3 weeks, sometimes longer, with no access to any mail or the opportunity to get any mail off the ship. So had I been in a situation where the Presidential election or any other election was going on during that time, there may have been a time when I might not have been able to get a ballot off the ship. So I think we have to err on the side of caution and make absolutely certain we go out of our way to make sure these ballots are counted.

That is what the Allard-Smith amendment is. I am proud to support it and proud to have my second-degree amendment to be sure we get a vote on this very important measure.

The uniformed services election reform amendment is a comprehensive package for all of our military voters. Section 401 of the amendment provides, for example, that a State may not disqualify a military absentee ballot for some technical reason.

Stop to think about it. Maybe somebody didn't put his name on right or something—some technical reason. Think about the circumstances where, for a smudge, for example, or something might be a technical violation, that ballot could have come out of the mud of Afghanistan, making its way perhaps through rain or sleet or snow or some other way to get to a vehicle, perhaps to a helicopter and then out of there and over to some other location where it can eventually make its way back to Florida or Colorado or New Hampshire or wherever the votes are supposed to be counted. That is a long trek through some very difficult conditions sometimes.

I think it is sad that this new provision of law is necessary. Really, reasonable people ought to make reasonable efforts to count the ballots of our military. We saw, unfortunately, that didn't happen. In Florida, military voters were systematically disenfranchised and there was an organized effort even to refuse to count these ballots. I find that outrageous. There is some irony that all this effort took place in Florida, to disenfranchise military voters, and now look what happened just 9 months later, 9–11. I wonder what some of those same people who refused to count military ballots and were looking for excuses not to count them might be saying right now.

There are no allegations of military voter fraud. That is not the issue. There is a difference between fraud and trying to disqualify ballots for every technical reason that comes down the pipe. Yet military votes were disqualified in the last Presidential election.

If, for example, someone was out at sea and the mail call was missed by an hour and because the mail call was missed by an hour a ballot may not get to the returning ship for another week or so, or perhaps even—whatever, a couple of days or weeks or whatever, and because they missed that one mail call, that means they can't get that ballot in. If it comes in a day late or an hour late or whatever, is it the intent, is it the right thing to do to count that person's ballot? Of course the answer is yes.

Section 402 provides new protections to recently separated uniformed service voters as well. It protects the rights of military voters to register to vote and request absentee ballots. It provides that the Secretary of Defense provide to the States new laws on military voting.

On April 6, I introduced a bill entitled the "Armed Forces Voting Rights Protection Act of 2001." This bill provides an amendment to the Voting Rights Act of 1965, to protect against a discriminated class of voter—the military voter. Isn't it somewhat tragic and ironic that the military voter is discriminated against?

Senator ALLARD's amendment is more comprehensive than mine, and I am more than pleased to support his comprehensive effort to protect the voting rights of the military. The reason why the pending amendment is needed is because current law failed members of the Armed Forces in the last Federal election.

We are not making allegations against anybody about fraud. It needs to be tightened up so we can make it work so the military folks get the benefit of the doubt.

Federal law allowed military voters to be disenfranchised in the State of Florida. The pending amendment would stop discrimination against our military men and women.

Over time, the Federal Government has increased protection of the voting rights of military personnel who serve overseas. Several Federal laws have been enacted since 1942 to enable those in the military and U.S. citizens who live abroad to vote in Federal elections.

The Soldier Voting Act of 1942 was the first attempt to guarantee Federal voting rights for members of the armed services, and that law only applied during wartime. But members of the armed services were provided the use of a postage free, Federal postcard application to request that absentee ballot.

Again, when the request comes in, when you send that request out, are you in a position to get that ballot and mail it out promptly? Not if you are out on some bivouac for a week someplace or you are out in a combat zone somewhere for a month and you don't get back. It may not be convenient for you to get it back that quickly. So we need to get them out there promptly so they can get these ballots filled in and sent back. That expired at the end of World War II.

In 1986 President Reagan signed the Uniformed and Overseas Citizens Voting Act, which required the United States to permit uniformed services voters, their spouses and dependents, and overseas voters who no longer maintain a residence in the U.S., to register absentee and vote by absentee ballot for all elections for Federal office.

These Federal laws were insufficient to protect our men and women in the last election because many of these military voters were disenfranchised by canvassing boards throughout the State of Florida.

Anyway, the pending amendment fixes Federal law to prevent this discrimination. Whether it is accidental or intentional, it does discriminate against military voters stationed overseas. This law would fix that law.

Over 1,500 overseas ballots were challenged in the State of Florida during the election in 2000.

Think about that: 1,500 military ballots changed most of the time on technicalities, and many of those military men and women who served our country in some hostile environment were disenfranchised.

In Tallahassee in November of 2000, Robert Ingram, who was awarded a medal for heroism as a Navy corpsman serving in the Marines in Vietnam, said the following about Florida elections boards:

> They need to count the votes for service people abroad.

It seems to me that to even allow one military ballot to be disqualified on a technical reason is really outrageous.

According to the Miami Herald of November 26, 2000:

> Many canvassing boards have said, however, they followed State law to the letter in disqualifying overseas ballots with no signature, no witness, incorrect address, no postmark or date and a variety of other problems.

Let me focus on one from my own personal experience. When I was aboard ship, you would give a letter to the so-called mailperson on the ship. If he didn't take that down and postmark it that particular day, he might carry it around for a couple or 3 days. Why? Because the mail is not picked up from off the ship. It doesn't happen until you enter port. If you are not going to enter port for 3 days, why postmark it the day it was picked up from you as the person who is mailing the letter?

That is what could happen. That is one example of why the postmark should not be a criteria for why we take a person's right to vote. The pending amendment would fix that law.

The Miami Herald did not cite actual fraud to disqualify 1,500 votes, mere technicalities in the State law.

The pending amendment repairs this problem with Federal law and does not allow a ballot to be disqualified without "evidence of fraud."

If there is evidence of fraud, absolutely the ballots would be disqualified. I think if there is any suggestion, or any indication, or any evidence whatsoever that there was fraud committed, disqualify them. Fraud applies to everybody—military or nonmilitary. If you commit fraud, your ballot shouldn't be counted.

There is evidence that there was a coordinated effort to disenfranchise our military voters, I am sad to say.

Former Montana Governor Mark Racicot said last fall:

> In an effort to win at any cost, the Vice President's lawyers launched a State-wide effort to throw out as many military ballots as they can.

Forty percent of the 3,500 overseas ballots in Florida were thrown out in November of 2000 for technical reasons.

You can go on and on. There is plenty of indication. We don't need to go through all of it.

Felon convictions ranged from murder to rape and drunk driving. What crime did our military personnel commit? I can understand why you wouldn't put a ballot in the hands of a rapist or a murderer or a drunk so he could vote. But no such crimes were committed by our military.

It is not a crime to volunteer to serve in the military. Every vote must count including our military votes.

Basically, the ballots in Florida were disqualified for two reasons: The requirement that ballots must be postmarked by election day, and failure to either have a proper signature or date on the actual ballot. Neither of these issues are currently addressed in the Federal law. So this changes that. Federal law leaves details to the State, such as postmark requirements and authentication of ballots.

In conclusion, I ask that voting rights be restored to our military voters.

This is not something that anybody should oppose. It is not controversial, in my view. I think the Senator from Colorado has a good amendment. It is the least we can do. The statute did not cover it. People got a little bit excited in the heat of a political campaign and were trying to disqualify ballots, or qualify ballots, whatever the case may have been and on whichever side you were on, and the military was caught in the middle. That is not right. We owe it to our service men and women to at least allow them to participate in this great Republic that they sacrifice so much to defend.

I am pleased to support the Allard amendment.

If it is appropriate, I will ask for the yeas and nays on the amendment at this point.

Mr. LUGAR. Mr. President, I am proud to co-sponsor this amendment with my friend and colleague Senator ALLARD, who has been involved deeply in this issue from the first whispers of improprieties following the 2000 election.

Like him and many Americans, my conscience was struck by the failure of our voting system as a whole. The inadequacies exposed in Florida may well have been found in any election district in any county in any state in the Union. While my state of Indiana has been hard at work remedying its own shortfalls, it is essential that coupled with important changes we made as part of the FY 2002 Defense Authorization bill, we take the steps outlined in this amendment to improve the lot of the military voter.

We live in the 21st Century. We are used to instantaneous information and communication and data exchanges. We hold ourselves up as an example to the world in the area of free and fair elections. Everyone can vote, we say. Register, show up at the polls. Or, if you are not going to be in your home state, you can get a paper ballot through the mail and send it in. Simple.

Unfortunately, the reality has been much more complicated. In fact, as recent history has indicated and any military member deployed overseas can tell you, it's not simple. Depending on the election year, DoD goes to varying lengths to get the word out to the individual service members, however, there is no real oversight and many times the Sailor, Soldier, Airman or Marine in the weeks leading up to the election is far away from a polling place without the materials he or she needs to register or vote.

For the overseas military voter, registering and voting is a multi-step process that can take months: first, a member must register to vote; second, a member must request an absentee ballot for each election and its primary; third, the ballot must be received from the local voting jurisdiction; fourth, a member must complete that ballot and get it in to his or her election Board in the allotted time; and last, the ballot is subject to a myriad of state and local election board requirements.

With mail delays, remote deployments and other very real circumstances, it can take literally months to complete the multi-step process. And, in the end, a military voter has no idea whether that ballot was received and counted, or disqualified because of some obscure state standard for those ballots. Some jurisdictions, as we saw in Florida, execute a stringent checklist on each ballot to ensure that it meets exacting standards, unbeknownst to the servicemember.

To say the least, military voters need to plan ahead, especially when they are going to be deployed during an election. Certainly, the right to vote implies some level of responsibility for the member, but even such matters as the proximate scheduling of primary and general elections in some states renders obsolete even the most prudent planning. This is further complicated by run-offs and local ballot issues, making even a 45-day turnaround, the recommended standard, challenging.

This amendment, coupled with the changes we made in the fall, will help alleviate this situation for the 2.7 million military members and their families who may at some time in their careers be sent overseas.

The Government Accounting Office, the Reserve Officers Association, the Carter-Ford Commission and others discuss each of the shortfalls we seek to correct. And, as my colleague from Colorado has stated, we are looking for very modest changes.

Among the provisions we are advocating, Senator ALLARD's amendment clarifies the standards that states must follow when processing the ballots for our military personnel, and in maintaining their registrations following discharge or release from active duty. All states should use the same checklist when evaluating a ballot in a federal election, and it should not be promulgated only during recount proceedings.

Fairness and simplification is important. But even as we tout its merits and strive for simplification, we must maintain a cautious eye on ensuring an accurate list of qualified voters. Fraud happens. As we watch the trend toward more permissive absentee voting, the opportunities to commit fraud could very well expand. The Allard amendment is thoughtful about balancing procedural simplification and standardization with the imperative to prevent fraud.

I strongly encourage my colleagues, on behalf of the men and women in uniform who are serving overseas today and those who will be in the remote corners of the globe in future election seasons, to support this amendment.

Mr. DODD. Mr. President, I don't know of any reason why we can't accept the amendment. I commend both my colleagues. I know this was offered earlier in the Armed Services Committee, and for reasons that the Senator from Colorado may be more aware of as a member of the committee, getting rid of what they considered to be extraneous amendments may have been the rationale.

But I think our colleagues pointed out good rationale as to why it is worthwhile. In fact, the basic thrust of this bill that Senator McCONNELL and I are trying to address is why the two friends offered this amendment; that it ought to be easier to cast the ballots. Too often I think these places can be less than user friendly when it comes to exercising one's franchise. Rejection on minor technicalities and discarding someone's effort to express a choice in an election is something we need to minimize, to put it mildly.

I support the amendment. I am happy to accept it, if the Senator wants to do it that way.

The PRESIDING OFFICER. The yeas and nays were requested.

Is there a sufficient second?

Mr. SMITH of New Hampshire. I didn't formally request it. I said if it is appropriate, I would do it. I withdraw my request.

Mr. McCONNELL. Mr. President, I am certainly pleased to hear the chairman of the committee, Senator DODD, indicate that he is willing to accept the amendment.

I congratulate the Senator from Colorado and the Senator from New Hampshire. When this amendment was offered last year, there was a significant effort to derail it. I think that as a result of the hard work of the Senator from Colorado—I see the Senator from Kansas who is deeply interested in this issue is in the Chamber. They were all chagrined, as I recall, that it was lost in conference on the DOD authorization bill. I think as a result of their perseverance and coming back here today and pressing forward, it seems as if we are on the verge of having it accepted.

I think it is a tribute to the Senators from Colorado, Kansas, and New Hampshire. I thank all three of them.

I see the Senator from Kansas. He might want to address this issue before we wrap it up.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. I thank the Chair, and I thank my distinguished friend from Colorado. Addressing this issue is certainly long overdue. If we are going to have an election reform bill, the very definition of election reform begins with the intent of my friend's legislation.

As most marines know, there are no ex-marines. There are only former marines. As a veteran and as a member of the Armed Services Committee, I recalled what happened in our last election to military personnel.

We witnessed a travesty. Election officials in some areas of the country failed to count thousands of military absentee ballots. This is a slap in the face to the men and women who serve in the armed forces protecting American interests.

We must respect the constitutional rights of all citizens—especially those in uniform defending our country. It seem to me that a very basic Constitutional right was abrogated. This amendment achieves the goal of giving military personnel the confidence that their vote matters.

It ensures that military personnel have the right to cast votes in local, state and federal elections, and makes certain those votes are counted. It extends voter registration, absentee ballot protections, and requires that states prove fraud before disqualifying votes in federal elections.

Until recently, we took for granted the sacrifices our military made on a daily basis. The supreme purpose of the federal government is defense of our homeland. Give those who defend our homeland the same rights and privileges ordinary citizens enjoy.

Consider a 1952 letter written by a former member of this body, which pertains to this issue:

> Many of those in uniform are serving overseas, or in parts of the country distant from their homes. They are unable to return to their states either to register or to vote. Those risking their lives deserve to exercise the right to vote. The least we can do at home is make sure they can enjoy the rights they are preserving.

President Harry Truman penned those words. His support of the military vote was so strong that he signed the Federal Voting Assistance Act into law in 1955. That legislation laid the groundwork for the 1975 Overseas Citizens Voting Rights Act, and it is now being improved the Senator from Colorado and others who are cosponsoring this bill.

Voting is the cornerstone of democracy. Before passing any piece of this legislation, we must first show our appreciation to service men and women by letting them know that their vote is a right, not a privilege.

So again, I credit the distinguished Senator from Colorado, and all those involved—Senator SMITH, Senator McCONNELL, and the distinguished chairman, who I know is also very supportive.

I am very proud to have my name as a cosponsor.

The PRESIDING OFFICER (Mr. NELSON of Florida). The Senator from Colorado.

Mr. ALLARD. Mr. President, I thank the Senator from Kansas for his gracious remarks and really appreciate him working with us on this particular issue. I also thank the Senator from New Hampshire for all his help. I particularly thank the chairman for his support, and the ranking Republican Senator, Mr. McCONNELL, for his help in relation to the amendment.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. SMITH of New Hampshire. If I could have the indulgence of the leader, I would like to share a personal anecdote that does not relate to voting but relates to smudges and things that may occur from time to time.

For military personnel, as you know, some of the ballots were disqualified because of a smudge mark or something not clearly readable.

In 1945, when my father was killed at the end of the Second World War in a plane crash in the Chesapeake Bay—serving in all of his combat missions, he was killed in a military aircraft that went down in the Chesapeake Bay—his body was recovered 2 days later. Of course, in the recovery of his body, they recovered his wallet.

My mother—who was then a young widow with two boys—had to follow the limousine from Virginia back to the funeral parlor in Trenton, NJ, where my father was buried. She had no money for gasoline because we could not use it then; you had to use stamps. The only stamps she had were the stamps from my father's wallet.

After filling up with gas, when she went into the gas station to present those stamps, the attendant would not take the stamps because he said he could not read them; they were smudged.

My mother never forgot that story. Until almost the day she died, she talked about it, about how much that hurt her, that no matter how much pressure was put on that attendant, he refused to accept those stamps.

So I think we have to err on the side of caution for our military. They go through a lot. There is a lot of sacrifice. That story was not about a ballot, but it was about a document, if you will.

So I really appreciate the support of Senator DODD and Senator McCONNELL and Senator ALLARD and others for this amendment.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, if there is no further debate, I ask that we vote on the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to amendment No. 2861.

The amendment (No. 2861) was agreed to.

Mr. DODD. I move to reconsider the vote.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the Allard amendment No. 2858, as modified.

The amendment (No. 2858), as modified, was agreed to.

Mr. DODD. I move to reconsider the vote.

Mr. McCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Mr. President, I rise today to talk about the measure that is before us. I have had the pleasure of coming to this Chamber on several occasions to talk about it as we prepared to move forward.

I think it is vitally important that we have taken up this extremely important measure so early in this session. It is not the first bill to be considered, but it is probably the first new one to be considered after the others that have carried over.

I offer my very special thanks to the distinguished Senator from Connecticut and the Senator from Kentucky for the great work and effort they have put in on this legislation. We have also worked with the Senator from New York, Mr. SCHUMER, and the Senator from New Jersey, Mr. TORRICELLI, because we are all concerned about assuring that we safeguard the most important right that a citizen in a democracy such as ours has; and that is the right to select the leadership, the right to select those who represent them.

Today, together, we are in the process of delivering on the promise that for all Americans we want to make it easier to vote and harder to cheat. I think that is what the American people want: Every American citizen—appropriate age, appropriate qualifications, properly registered—ought to be able to cast a ballot without difficulty. They also ought to be able to do that only once. That is the other part. We should, and we will in this bill, make it very hard for people to cheat. We know that every fraudulent vote cast dilutes the rights of those who cast lawful ballots.

The Missouri Court of Appeals, on election day in November 2000, was presented with a case where an order was entered in St. Louis City Circuit Court to keep the polls open. The court of appeals was very clear. They expressed what higher courts in this land have expressed previously; that is, if you permit people to vote more than once, to vote in the name of a dead person, a nonexistent person, or even a dog, as we have talked about previously in this Chamber, you are diluting and, thus, devaluing the vote of those who cast their vote legally, who have a right to vote, who have a right to have their voice counted, and counted once.

I think we have accomplished this goal. We have worked long and hard. As we know, there has already been one amendment offered that has been acceptable to both sides to improve this bill. So we are not saying that this has dealt with every area. I know there will be several other questions and concerns raised. But I think we have a very good foundation which will move the process forward.

I am not a member of the Rules Committee, nor prior to the year 2000 did I consider myself an expert on election reform.

I first saw the corrosive effects of potential fraud in the 1972 election, when I was running for Governor of Missouri. My opponent engineered an effort to keep the polls open late in St. Louis.

We thought we were doing well, but they kept voting in the city of St. Louis, which runs about 70 percent or more Democratic. We were concerned. The polls stayed open until, as I recall, late in the evening. It finally appeared that there had been enough of a margin in the votes that rolled up out in the State that there were not, even laughably, enough votes in St. Louis to turn it around. So they finally shut it down.

I was elected. I went on to say we were going to clean up the State of Missouri. When I had the power to appoint the election board, as I did in the city of St. Louis, the county of St. Louis, Kansas City, Jackson County—I appointed good, solid Republicans for the Republican positions, and I took the nominations of Democratic members of the Missouri General Assembly to appoint good, solid Democrats.

One of the best protections we have in the voting process is to have good, solid Republicans and good, solid Democrats watching each other, making sure that neither side cheats. That is important.

I am pleased to say that during the 8 years I served as Governor, I thought Missouri ran elections pretty well.

Let's fast forward 28 years: Same State, same city, same play called from the same vote fraud playbook.

I saw firsthand an effort to influence an election illegally. On election day, we heard, in advance, there was going to be a lawsuit filed, as reports circulated throughout the day that they expected there would be voting "irregularities." And sure enough, they went into court.

It was the Gore-Lieberman team that went into court in St. Louis. Fourteen minutes later they filed an almost identical suit in the city of Kansas City, again an overwhelmingly Democratic area. The suit was thrown out in Kansas City.

In St. Louis, they entered an order keeping the polls open. Surprisingly enough, they had recorded messages from Rev. Jesse Jackson being played on the radio saying you can vote until 10 or you can vote down at the election board until midnight. It seems they planned this in advance. The contention they took to the judge was that the Democratically appointed election board in the city of St. Louis was conspiring to prevent the overwhelmingly Democratic voters of St. Louis from voting for the Democratic ticket and therefore they needed to keep the polls open so they could continue to vote.

If you are going to cheat in an election, you don't go into an area where you have an overwhelming number of your votes and have your people conspire to keep your voters from voting for your candidates. Nevertheless, they introduced the measure, and it was ultimately—very shortly, fortunately—overturned by the Missouri Court of Appeals.

This was truly extraordinary. But, frankly, it underscored for me the fact that vote fraud is not merely something to be studied in the history books. You have all heard that joke in various parts of the country—I have used it in some areas in Missouri—I am so committed to politics, when I die I want to be buried in a certain county or even in a certain State because I want to be able to continue voting from the grave.

That is a joke that, unfortunately, was alive and well in St. Louis.

Here is what happened. The day before the 2000 election, there was a prediction that there would be so much confusion on election day that a lawsuit would be necessary to keep the polls open. This candidate for office said: If it requires keeping the polls open a little longer, we are going to get a court order to do it.

Sure enough, as predicted, on election day there was much confusion, some of it from people bussed in. A lawsuit was filed to keep the polls open late. This is where it really gets interesting.

The plaintiff in the case was a man named Robert D. Odom. His lawyer claimed that Robert D. Odom could not vote because of the long lines and feared his client would be unable to vote unless the polls were kept open late. But what we discovered was that Mr. Robert D. Odom's real problem was not that he faced long lines at the polling place. That was not his problem. The main reason that Robert D. Odom was unable to vote had to do with the fact that he had been dead for a year and a half.

Long after the court case was thrown out, when confronted with the uncomfortable fact of the death of Robert D. Odom, Mr. Odom's attorney admitted the mistake, one he never bothered to share with the presiding judge or the court to correct the record. The plaintiff seeking relief, according to that lawyer, wasn't Robert D. Odom. The attorney claimed it was actually Mr. Robert M. Odom, also known in local political circles as Mark Odim, a political operative for a candidate Lacy Clay, who was successful as Democratic candidate for Congress in that election. The plaintiff's identity only raised more troubling questions. The more we dug, the more we found.

In the case of Mark Odom, the Congressman today, we found, despite his plea to the courts for relief from the lines that were too long at the local polling places, the evidence showed that Mr. Odom had in fact already voted earlier that day. The evidence is his own signature on a signature card retrieved from his own polling place.

Certainly we hope he was not trying to vote a second time. What we witnessed in St. Louis was a premeditated effort to keep the polls open late in St. Louis, an overwhelmingly Democratically controlled city, because an aide to a Democratic candidate for Congress feared he would be unable to vote even though he had already voted that day. It sounds incredible, but that is the record. It is right there in the record, and we have the court transcript and the documents to prove it. The judge approved the scheme. The polls were kept open late, until the effort was overturned in the evening.

The effort to keep the polls open late in St. Louis was not the only "irregularity" we saw on election day. Elsewhere in town, a panel of city judges was rubber-stamping court orders to allow unregistered people to vote. The Missouri Constitution says you have to be registered. So they went in, and the secretary of state's office reviewed the applications filed by 1,233 St. Louis city and county residents who were allowed to vote, even though they were not registered to do so.

Here are some of the reasons given to judges for people who failed to register before the deadline passed and were the bases for circuit judges in St. Louis ordering them to be allowed to vote:

I want a Dem President.

I did not know it was required.

I was a felon. I was released on November 1999, and I didn't know that I had to register again to vote.

Parenthetically, you are not permitted to vote if you are a convicted felon unless you have been pardoned.

I was late registering due to me were going through a mental disorder.

Do you know what the city judges did? They rubber-stamped these requests, even though they failed to meet the clear standards under State law for court orders to vote. Only 35 of the 1,268 court orders to vote met the legal standard set by Missouri law.

All of the evidence gathered by Missouri's Secretary of State indicates it was no accident that hundreds, if not thousands, of unregistered people showed up in front of judges willing to rubber-stamp these requests. No accident, indeed. The evidence indicates that there was a premeditated effort to organize the delivery of these illegal voters to the polls, where they would be welcomed by judges all too willing to disregard the law and grant them illegal court orders.

That wasn't the extent of it. The investigation of the secretary of state turned up some truly amazing things: 62 Federal felons voted in that election, along with 52 State felons, people who are not legally entitled to vote; 68 people voted twice; 14 dead people cast votes—I have heard of people with an undying commitment to politics, but that is carrying it a little too far—79 people registered to vacant lots in the city of St. Louis voted in the election; 45 of the city's election judges were not registered to vote as they are required to do in order lawfully to hold the position of election judge; the discovery of 250 addresses that are not identified as apartments from which 8 or more individuals are registered to vote. A random sampling of 54 of these locations indicates that 14 of them might have been used as drop sites for multiple false voter registrations.

All this is only what we know from the press and the public reports. There may be more. There is an ongoing Federal investigation. We don't know what the results of that will be. We can't say. Frankly, we had a very active and alert press corps that began to dig out some of these things and helped bring to the attention of the secretary of state and others what was going on.

Sadly, this vote fraud was not a one-time occurrence in November of 2000. The specter of vote fraud returned to St. Louis as the flowers in the spring. Just before the daffodils were coming up, probably the crocuses, we saw suspect voter mail-in registrations to vote. On the very last day to register to vote before the mayoral primary, someone dropped off 3,000 voter registration cards, most for purported would-be voters in the third and fifth wards north of St. Louis, on 2 specific streets, most written with identical handwriting. And as it turns out, almost every single one of them was fraudulent.

The brazenness of that vote fraud is stunning. One of the fraudulent voter registration cards belonged to what was purported to be a reregistration of the late city alderman, Alberto "Red" Villa. It might have been about the 10th anniversary of his death—certainly, a theologically significant date, but not significant in terms of qualifying for registration. There was a registration card belonging to the deceased mother of another city alderman also found among the 3,000 dropped off on the last day of voter registration.

Yes, even in this day and age, just because you die is not grounds to disqualify you from voting in St. Louis, because everybody knows how you would have voted if you had been there.

Now, it seems that in some places nobody gets stirred up by vote fraud during general elections between Democrats and Republicans. But watch out if it happens during a Democratic primary for mayor because that is real jobs and patronage at stake.

After the shocking attempts to steal the mayoral primary race in St. Louis, the local press reported that the FBI had subpoenaed all of the records at the city election board for both the general election and the mayoral primary.

While we await the results of that Federal investigation, it has already provided quite an education. Some days, I feel as if my staff and I are in a graduate program at the St. Louis school of election fraud. The more we dug into the issue, the more we were able to see the size of the problem in St. Louis.

We found, for example, that the number of registered voters in the city of St. Louis threatens to outnumber the voting-age population. A total of 247,135 St. Louis residents, dead, alive, or even canine, are listed as registered voters, compared to the city's voting-age population of 258,532. That translates to a whopping 96 percent registration rate. Were that they were all legitimate registrations, that would be a tremendous mark of civic involvement and participation in St. Louis. But I am from Missouri; you have to show me that those were all one person, one registration, one vote.

Lest you think I am only talking about St. Louis, according to the Associated Press, there are 18 municipalities in Allegheny County, PA, with more registered voters than voting-age adults. Upper St. Clair has 15,361 registered voters, but, unfortunately, they only have 14,369 residents of voting age.

Back to St. Louis. About one-quarter of registered voters in that city are on the inactive voter list, meaning that the U.S. Postal Service has failed to verify that 70,000 people are actually still living at the addresses from which they registered, or even whether they are still alive.

But it gets worse. More than 23,000 people registered to vote in the city of St. Louis are also registered somewhere else in the State. That means 1 out of 10 St. Louis City voters are double registered. We saw some who were triple registered. Some were even quadruple registered.

In a review of the voter registrations, we found five Missouri voters registered at four different places in the State—certainly among our most active civic volunteers, with four different voting locations. Of course, there is my favorite case of Ritzy Mekler, a loyal St. Louis registered voter, and loyal mixed-breed canine. Yes, a dog is registered to vote in St. Louis. I have respect for the dearly departed such as Red Villa, and I like dogs, but I really don't think either one of them ought to be able to vote.

About the only thing we have not seen in St. Louis is the actual election of a dog or a dead person to political office.

Voting canines is not only a St. Louis problem. There was also the case of Cocoa Fernandez in West Palm Beach, FL. Cocoa's owner registered the dog to shed light on the "failings in our voter registration system."

Some of these cases are humorous. Others are deadly serious. For example, a Saudi man detained by Federal authorities in Denver, CO, for questioning about the September 11 terrorist attacks was found to have registered to vote at the local department of motor vehicles even though he was not a citizen. Worse yet, the records show that he actually voted in last year's Presidential election.

In Greensboro, NC, a Pakistani citizen with links to two of the September 11 hijackers was indicted by a Federal grand jury for having illegally registered to vote.

It is really quite sad that in the 21st century, in the world's greatest democracy, we still tolerate woefully tangled and fouled up voter registration systems that all but invite vote fraud.

I have recounted in the last few minutes some of the stories that formed my education in vote fraud. So while many wanted to talk about Florida after the last election, I wanted to make sure we learned additional lessons from vote fraud in St. Louis and elsewhere. This is not merely a local story. The root cause of what is so terribly wrong with St. Louis elections lies in the Federal law.

More specifically, it lies within the loopholes in the Federal law. For example, Federal law actually makes it very difficult for cities such as St. Louis to maintain accurate voter registration lists. It blocks States from authenticating mail-in registration cards—the first line of defense in preventing vote fraud.

In order to prevent this kind of election scandal from occurring again in St. Louis or elsewhere, I knew we had to fight to close the election law loopholes. I had to share with my Senate colleagues what I had learned. So I testified before the Senate Committee on Governmental Affairs. That brought me to tell my story of the St. Louis problems to CHRIS DODD, chairman of the Rules Committee. I told him how important the topic of election reform was to me. I told him that election reform without protections against vote fraud could not earn my support. He listened, and we talked a great deal and agreed on a formula that we believed could attract bipartisan support. We agreed to write a bill, along with Senator MCCONNELL particularly, and others, to make it easier to vote and much harder to cheat.

I think we have done that. I thank Senator DODD and Senator MCCONNELL for listening to the concerns of Missourians who were outraged by what we saw in the November 2000 elections in St. Louis. We worked closely together for several months to close loopholes while taking every precaution to protect the rights of legal voters. That is what I think we have done.

One of the most important things we did was to agree to make it easier to vote and tougher to cheat. We ought to have statewide registration systems to eliminate the patchwork overlapping of county and city voter registration lists that have resulted in the kinds of multiple registrations and the kind of confusion that certainly bedevils some legitimate voters in St. Louis and elsewhere. No longer are we going to see people registered in four, five different places in any State. We need to find out where they are living and legally registered, and get the others off the rolls so those who are entitled to vote can vote and those who are not entitled to cannot.

Registration cards will now require prospective voters to declare under penalty of perjury that they are U.S. citizens—a very simple but very important affirmation. And individuals who register by mail will be required to provide identification when they vote the first time.

Mr. President, will this stop all vote fraud in St. Louis and all American cities? Of course not. But these changes in Federal law will put power back into State and local law enforcement officials so that they can clean up their rolls.

These are commonsense measures that will strengthen safeguards that protect the ballot box. To any of my colleagues who question the need to strengthen safeguards, just look at what happened in St. Louis. Why is it acceptable to require a photo ID to board an airplane, buy cigarettes, or alcohol, but to not require some kind of identification to carry out the most important of all of our civic responsibilities?

We have a responsibility to ensure that all legally cast votes are counted and an equal responsibility to ensure that legally cast votes are not diluted, downgraded, or nullified by illegal votes. We must strengthen confidence in our voting system. People must know that their votes are actually going to be counted and not discounted.

In the wake of the St. Louis vote fraud scandal, the Missouri Court of Appeals for the Eastern District issued its ruling on the lawsuit to keep the polls open late in St. Louis. As I mentioned earlier, the court's opinion accurately characterized the task now before the Senate, each of us. I quote:

> (C)ommendable zeal to protect voting rights must be tempered by the corresponding duty to protect the integrity of the voting process . . . (E)qual vigilance is required to ensure that only those entitled to vote are allowed to cast a ballot. Otherwise, the rights of those lawfully entitled to vote are inevitably diluted.

That is what we are about today. We are here to see that everybody has an opportunity to vote. We need to clean up the underbrush.

The distinguished Senator from Connecticut has taken a very strong position to ensure that those with special needs are accommodated, and this is landmark legislation to ensure that those who need special assistance or equipment can vote and can participate fully in our system.

Clearly, the steps that we are taking to regularize the registration system are going to go a long way to empower local election officials and State election officials to ensure that everybody who is entitled to vote has a chance to vote but to vote only once.

I look forward to working with my colleagues on the other important measures that will be brought before this body. I thank my colleagues who have worked so long and hard on crafting the bill that is before us, and I trust that we will wind up presenting, not only from this body but from conference with the House, a measure that will go to the President that will be signed into law to ensure that it is easier to vote and tougher to cheat.

I thank the Chair. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, in a moment, I am going to share with my colleagues some endorsements of the underlying substitute bill, the Dodd-McConnell bill, along with others who are cosponsors of the substitute. There are numerous cosponsors of this bill, and I will submit momentarily the list of all those among our colleagues who are cosponsoring this legislation.

Secondly, I will submit a list of various organizations such as the NAACP, the AFL–CIO, Public Citizen, and a lot of other groups that are endorsing the bill as well, and I will submit for the RECORD letters that these organizations have offered on behalf of this legislation. The Congressional Black Caucus is listing this as their No. 1 legislative priority this session of Congress.

I will not read them all, but the following organizations have endorsed the Dodd-McConnell bipartisan compromise on election reform and urge the Senate to act on it: AFL–CIO, the NAACP, the Carter-Ford Commission, Public Citizen, American Association of People with Disabilities, National Federation of the Blind, the United States Cerebral Palsy Associations, People for the American Way, the League of Women Voters, the National Coalition of Black Civic Participation, the Mexican American Legal Defense and Education Fund, Laborers' International Union of North America, U.S. Public Interest Research Group, Common Cause, and a variety of Secretaries of State, both Democrats and Republicans, not all of them but some have specifically sent letters endorsing the legislation.

Mr. President, I ask unanimous consent that some letters expressing why they think this bill is worthy of their support be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WASHINGTON BUREAU, NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE,
Washington DC, February 8, 2002.

Hon. CHRISTOPHER DODD,
Chair, Senate Rules and Administration Committee, U.S. Senate, Washington, DC.

DEAR CHAIRMAN DODD; The National Association for the Advancement of Colored People (NAACP), the nation's oldest, largest and most widely recognized grassroots civil rights organization, strongly supports the Dodd/McConnell/Schumer/Bond substitute to S. 565, the Equal Protection of Voting Rights Act.

The NAACP is well known for being a long and steadfast champion of the American promise of the right to vote. As such, I urge you, on behalf of the more than 500,000 NAACP members across the nation, to move as quickly as possible to pass this important legislation. The sooner comprehensive election reform legislation is enacted, the more assured we can be that every eligible American who wants to vote can, and that his or her vote will be counted.

The NAACP's support of the Dodd/McConnell substitute is based on the fact that it is a balanced, comprehensive response to the problems that have plagued our national electoral system for too long. As we saw in the most recent Presidential election, states and municipalities throughout our nation need to reform their election procedures. The Dodd/McConnell substitute would require that by the year 2006 all voting machines across the nation allow the voter to verify their choices and correct errors before the ballot is cast. The legislation would further require that, by the beginning of the year 2004, all states and local jurisdictions have provisional balloting, which would allow an individual whose eligibility is in question to vote and have the vote set aside pending verification. The legislation would also require states, by January, 2004, to keep computerized voting rolls to help ensure that a state-wide list of eligible voters is readily available on election day and to help cut down on fraud or abuse.

Furthermore, the Dodd/McConnell substitute contains provisions which would dramatically increase access to the voting booths for language minority and disabled Americans. While we do have a few lingering concerns regarding specific provisions currently in the Dodd/McConnell substitute, most specifically the provision requiring that first time voters who registered by mail provide a photo identification, we are committed to working with the you and the bill's other sponsors, as well as the rest of the Senate, to improve them and build upon the bill's obvious merits as we move forward.

While the NAACP applauds and appreciates the fact that the House has already acted on election reform legislation, the final version of the bill (H.R. 3295, the Help America Vote Act), falls short of fixing our electoral problems and, in some instances, represents a step backwards for civil rights laws. Furthermore, H.R. 3295 does not contain any provisions to address election fraud. Due to the fundamental flaws in H.R. 3295, the NAACP was forced to join dozens of other national civil, voting, consumer and disability rights organizations, as well as major national labor and religious organizations in opposing the legislation.

I urge you again, on behalf of the NAACP and every American who is concerned about the protection of our basic democratic right to vote, to pass the strongest election reform legislation possible. The Dodd/McConnell substitute is an aggressive, comprehensive solution to many of the problems that continue to plague our nation, and I hope that you will do all you can to see that it is enacted quickly.

Thank you in advance for your attention to this matter. Please let me know if you have any questions or if there is anything more I can do for you on this or any other matter.

Sincerely,

HILARY O. SHELTON,
Director.

AMERICAL FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, DC, January 18, 2002.

DEAR SENATOR: The AFL–CIO strongly urges you to cosponsor the Dodd-McConnell substitute to S. 565, the Equal Protection of Voting Rights Act, which was also sponsored by Senator Schumer, Bond, Torricelli, McCain, and Durbin.

The bipartisan substitute to S. 565 would help strengthen our democracy by requiring all states to meet three new minimum federal standards over the next few years. More specifically, this legislation would require states to create statewide voter registration lists and allow registered voters whose names do not appear on these lists to cast provisional ballots by 2004. It would also require States to use voting technology by 2006 that informs voters if they have voted for too many candidates, and allows all voters, including the disabled and language minorities, to verify their votes before casting them. In addition, this legislation would authorize federal funds to help states meet these new minimum standards and create a new commission to study various election reform issues, oversee federal elections, and disburse the new federal election reform funds.

Since the House recently passed an election reform bill (H.R. 3295) that does not include the minimum standards necessary to fundamentally improve our nation's election system, the 107th Congress will only be able to pass comprehensive election reform before the 2002 elections if the Senate acts quickly on the substitute to S. 565. While we have concerns with some of the language currently in this legislation, we are committed to working with the bill's sponsors to improve this proposal as if moves forward.

Last Election Day, countless citizens in Florida and throughout the country were denied their Constitutional right to vote by flawed voting equipment, erroneous voter registration records, and confusing ballots. While many lawfully registered voters were disenfranchised outright, others cast votes that ultimately were not counted. Now that the 2000 elections are over, we have a responsibility to use what we learned from this bitter experience to enact comprehensive election reform before the 2002 elections.

For all of these reasons, we strongly urge you to cosponsor the bipartisan Dodd-McConnell substitute to S. 565.

Sincerely,

William Samuel,
Director, Department of Legislation.

American Association of
People With Disabilities,
Washington, DC, February 11, 2002.

Members of the U.S. Senate,
Washington, DC.

Dear Senator: The American Association of People with Disabilities (AAPD), the largest national membership organization dedicated to promoting the economic and political empowerment of all people with disabilities, strongly supports the Dodd/McConnell/Schumer/Bond substitute to S.565, the Equal Protection of Voting Rights Act. On behalf of the nearly 30,000 nation-wide members of AAPD, I urge you to support this important legislation and see that it is brought before the full Senate and passed without any weakening amendments. Our support for moving this legislation to the Senate floor is conditional upon being certain that the photo i.d. requirement will have added to it an attestation allowing voters with disabilities and others who lack a photo i.d. or utility bill to confirm the validity of their registration. We feel that this important addition makes it easy to vote and hard to steal an election.

AAPD has worked to ensure that all members of the disability community cast their votes and have their votes counted. The 2000 presidential election exposed many problems in the nation's electoral system. Millions of votes were either unable to cast their votes or have their votes counted. the sooner comprehensive election reform is passed, the sooner more voters with disabilities will be able to cast their vote with the confidence that their vote was cast to their wishes and that their vote will indeed be counted.

To protect the millions of voters with disabilities and others, the substitute provides for minimum national standards in three essential, but limited areas. Including provisional ballots, statewide voter registration lists, and standards that require voting machines to inform the voter of an error and give the voter the opportunity to correct it. Such standards would also protect against high voting machine error rates.

We are particularly pleased that the substitute's standards offer millions of voters with disabilities the opportunity to cast a secret and independent ballot for the first time and that the legislation provides the states and counties with the necessary funding to make this happen. We are also pleased that the definition of disability, in the substitute bill, includes people with physical, sensory, and mental disabilities.

While AAPD is pleased that election reform has already been addressed in the House, the final version of H.R. 3295, the Help America Vote Act, falls short in fixing electoral problems for voters with disabilities. Due to the fundamental flaws in H.R. 3295, AAPD was forced to join with other national disability, civil rights, and voting groups to oppose this legislation.

I urge you on behalf of the 56 million Americans with disabilities to pass the strongest election reform bill possible. The Dodd/McConnell substitute is that bill and I hope you will do all that you can to see that it is enacted quickly.

Thank you, in advance, for your attention to this matter. Please let me know if you have any questions, or if there is anything more I can do for you on this matter.

Sincerely,

Andrew J. Imparato,
President & CEO.

National Federation
of the Blind,
Baltimore, MD, February 12, 2002.

Hon. Christopher Dodd,
Chairman, Senate Committee on Rules and Administration, U.S. Senate, Washington, DC.

Dear Mr. Chairman: I am writing to express the strong support of the National Federation of the Blind (NFB) for the Equal Protection of Voting Rights Act of 2001 (S. 565), including language we requested to address the needs of people who are blind. Thanks to your efforts and understanding, this legislation points the way for blind people to vote privately and independently at each polling place throughout the United States.

While the 2000 election demonstrated significant problems with our electoral system, consensus regarding the solution has been much more difficult to find. Nonetheless, it is clear that installation of up-to-date technology will occur throughout the United States. This means that voting technology will change, and devices purchased now will set the pattern for decades to come. Therefore, requirements for nonvisual access must be an essential component of the new design. S. 565 will make this happen.

With more than 50,000 members representing every state, the District of Columbia, and Puerto Rico, the NFB is the largest organization of blind people in the United States. As such we know about blindness from our own experience. The right to vote and cast a truly secret ballot is one of our highest priorities, and modern technology can now support this goal. For that reason, we strongly support S. 565 now pending in the Senate.

Sincerely,

James Gashel,
Director of Governmental Affairs.

People for the American Way,
Washington, DC, February 12, 2002.

Hon. Christopher J. Dodd,
U.S. Senate,
Washington, DC.

Dear Senator Dodd: On behalf of the more than 500,000 members and supporters of People For the American Way (PFAW), we write to express our strong support for the Dodd/McConnell/Schumer/Bond substitute to S. 565, the Equal Protection of Voting Rights Act.

PFAW is especially pleased with the strong provisions of this bill which would require each state to meet a set of minimum standards when it comes to voting equipment, the training of poll workers, language minority assistance, provisional ballots, and accessibility for the disabled. We are also pleased that S. 565 contains strong language providing for provisional voting, for the posting of critical election information at polling places on Election Day and for enforcement by the Department of Justice.

We are committed to working with you, and other members of the Senate, to strengthen the bill. Specifically, we want to ensure that first time voters who have registered by mail have the maximum numbers of options available to properly identify themselves to election officials. We would especially support efforts to allow these first time voters to attest to their identity should they not have any other form of identification.

We applaud you for your tireless work in moving election reform to the top of the Congressional agenda, and your leadership and vision of this bipartisan legislation that would facilitate a full democratic participation in elections. We especially want to thank you for your commitment to work with PFAW and our allies in the civil rights, voting rights, labor, and disability communities to make necessary improvements to achieve the full potential of this legislation. We look forward to working with you throughout the legislative process to ensure that comprehensive election reform legislation is enacted.

Sincerely,

Ralph G. Neas,
President.

Stephanie Foster,
Director of Public Policy.

United Cerebral
Palsy Association,
Washington, DC, February 12, 2002.

Senator Christopher J. Dodd,
Russell Senate Office Building,
Washington, DC.

Dear Senator Dodd: On behalf of UCP, our more than 100 affiliates in over 40 States and millions of voters with disabilities, I want to congratulate you on your historic leadership in crafting the Senate bipartisan agreement on election reform.

We are deeply appreciative of your efforts to ensure that—by enacting this legislation—Americans with disabilities will have equal access to the polling place and the voting booth for the first time in history. We are proud and pleased, therefore, to lend our full support of the bipartisan substitute amendment to S. 565, which, it is our understanding, you will bring to the floor as soon as possible so that it can be debated and approved by the full Senate. We believe swift passage of this legislation is essential to strengthening the basic tools of our democracy at a time when the attacks of September 11th remind us all of how vigilant we must be in safeguarding our most basic freedoms.

The Senate bipartisan measure sets vitally needed national minimum voting rights standards. They will let every voter know that regardless of where they live neither their ethnicity nor disability will prevent them from entering their polling place and casting their ballot in privacy knowing it will be counted fairly and accurately. The provisions requiring that new voting systems be accessible and the $100 million grant program to make polling places accessible will go far to realize the full promise of the ADA to make Americans with disabilities first class citizens of our democracy. This is a critical civic lesson for America and the rest of the world as well.

We believe, however, some changes are needed in the substitute amendment to ensure that election reform goes forward in as fair and effective a manner as possible. The first of these relates to the role, which the Access Board will play in providing policy direction to the newly created federal election accessibility grant program. As drafted, the substitute amendment provides that the Attorney General will carry out the grant program consistent with policies and criteria for the approval of funding applications set forth by the Access Board: Responsibility for administering this grant program—as with the other election reform grants established by this bill—will transfer from the U.S. Justice Department to the new Election Administration Commission once it is fully functional. For clarity and continuity sake, we believe that language needs to be added to the bill to make clear that the policies and criteria set by the Access Board for the election grant program shall guide its implementation both at DOJ and the Election Administration Commission.

We also believe that changes need to be made to the provision in the substitute that would require first time voters who register by mail to produce a photo identification card when they show up at the polls or to send a copy of one or other verification of their identity by mail if they vote by secret ballot. While we recognize that this provision is meant to prevent voter fraud, we believe it would prove largely unworkable and therefore, ineffective in doing so. Moreover, we are extremely fearful that this provision would have a significant chilling effect on potential voters, including those with disabilities as well as language and ethnic minorities. Those with disabilities and others often lack formal identification cards through no fault of their own. They must not be denied their fundamental right to vote. Over half the States ensure the accuracy of the balloting process by having each voter sign a statement attesting—under penalty of law—to both their identity and eligibility to vote. This is a far more straightforward and fairer way to ensure the sanctity of elections. We urge you to support the inclusion of the same procedure in the substitute amendment.

As with any living document we believe that there may be changes that could be made to it that either significantly strengthen or undermine its basic intent. We want to urge you as its chief author and all others in the Senate to consider each amendment that may be offered very much in this light and we will keep you informed of our views on all such proposed changes as the Senate debate proceeds.

Thank you once again for your extraordinary leadership.

Sincerely,

KIRSTEN A. NYROP,
Executive Director.

THE NATIONAL COMMISSION
ON FEDERAL ELECTION REFORM,
February 12, 2002.

Senator CHRIS DODD,
U.S. Senate, Russell Senate Office Building, Washington, DC.
Senator MITCH MCCONNELL,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR CHRIS AND MITCH: In 2000 the American electoral system was tested by a political ordeal unlike any in living memory. The American political system proved its resilience. But we must think about the future. We all saw that the ordinary institutions of election administration in the United States just could not readily cope with an extremely close election and had many other weaknesses.

That is why we agreed to lead the foundation-funded National Commission on Federal Election Reform. We issued our report last year and the results have been gratifying. President Bush welcomed the report and endorsed our approach. He has allocated money for election reform in his FY 2003 budget proposal. State and local officials around the country, including many conscientious election administrators, have been galvanized to action. Two months ago the House of Representatives overwhelmingly passed a bipartisan bill on election reform sponsored by Bob Ney and Steny Hoyer.

The fate of federal election reform now rests with you and your colleagues in the Senate.

We were glad to learn that both of you have worked with some of your colleagues to fashion a truly bipartisan bill for the Senate. Your staffs have asked us to comment on the relation of this effort to the Commission's goals.

Naturally your bill was a compromise. Naturally interest groups on both sides of the political spectrum find some things in it they dislike. If we had been writing the bill, we might have made some different choices too, but on the whole it is a good bill and a real improvement over the status quo.

Your bill is clearly a reasonable bipartisan vehicle for moving the legislative process forward. Its core is sound. It addresses the right issues, such as statewide voter rolls and provisional balloting. If it passes the Senate it will go to conference with the Ney-Hoyer bill. There are some aspects of Ney-Hoyer we like better. But there are also some aspects of Dodd-McConnell that have improved on the House approach. So, starting from good foundations on both sides, a conference committee should be well positioned to bring a strong bill back to each House for final approval.

The critical issue now is to get this bipartisan bill to the floor of the Senate as soon as possible. All over the country, state legislatures and county administrators are aware that federal action may be imminent. The states should continue to have the primary responsibility for administering elections, but do so in a national framework. Many of these legislators and officials are now understandably frozen about what they should be doing.

If the 107th Congress passes a bill founded on the current House and Senate bipartisan approaches, you will have achieved a landmark accomplishment. Such a law will touch every county in America—and for the good. With the exception of the civil rights laws of the 1960s, such a law could provide the most important improvements in the democratic election system in our lifetimes.

Sincerely,

GERALD R. FORD,
Honorary Co-Chair.
ROBERT H. MICHEL,
Co-Chair.
SLADE GORTON,
Vice-Chair.
JIMMY CARTER,
Honorary Co-Chair.
LLOYD N. CUTLER,
Co-Chair.
KATHLEEN M. SULLIVAN,
Vice-Chair.

PUBLIC CITIZEN,
Washington, DC, January 18, 2002.

Senator CHRISTOPHER DODD,
Chairman, Senate Rules and Administration Committee, U.S. Senate, Washington DC.

DEAR SENATOR DODD: On behalf of Public Citizen, I am writing to express our strong support for taking up your election reform bill, S. 565 (substitute amendment) as quickly as possible after the Senate reconvenes next week. This bipartisan legislation, which you have done so much to forge, constitutes a major advance on the road to full democratic participation in elections. It is vastly superior to H.R. 3295, the House-passed bill because it establishes strong national voting standards, promotes coherent state and local planning for voting improvements, and includes necessary federal monitoring and enforcement.

As we work with you and the other sponsors of the bill, we are gratified by your commitment to us and other members of the Leadership Conference on Civil Rights coalition to work together on the Senate floor to pass a few needed improvements in the legislation. Such changes will remove unnecessary ambiguity, ensure that the bill's goals are fully achieved, and strengthen the political position of the bill as it heads for Conference.

Thank you Senator once again for your dedication to this fundamental legislation for our democracy.

Sincerely,

JOAN CLAYBROOK,
President.
FRANK CLEMENTE,
Director, Congress Watch.

STATEMENT OF REBEKAH HARRIMAN—EXECUTIVE DIRECTOR—COMMON CAUSE/CONNECTICUT

Common Cause in Connecticut is a nonpartisan citizen's lobby dedicated to ensuring that government is clean, open, and accountable. Central to this mission is our belief that our democracy is participatory and inclusive to all Americans. It is entirely fitting that we come together on this day, the day the country observes the remembrance of the great Reverend Martin Luther King Jr., to show our strong support for The Equal Protection of Voting Rights Act, sponsored by Senator Dodd.

Over forty years ago, thousands of Americans dedicated and gave their lives to a movement that fought to end discrimination and ensure that every American was afforded the opportunity to vote without prejudice. Just over one year ago, hundreds of thousands of Americans were unjustly turned away from the polls or were otherwise locked out of our democracy when their votes were not counted due to faulty voting procedures. We must make every effort to ensure that this injustice does not occur again in America. The Equal Protection Voting Rights Act is strong legislation that will help ensure that every American's vote counts.

Common Cause/CT supports The Equal Protection Voting Rights Act because it would require that each state meet a set of minimum standards when it comes to voting equipment, the training of poll workers, absentee and bilingual ballots, provisional ballots, overseas voters, and accessibility for the disabled.

This legislation would be essential in Connecticut, where our voting equipment must be evaluated. In the year 2000, thousands of votes were invalidated in the presidential election because many of our states' voting systems are outdated, inconsistent, and inaccurate. Common Cause/CT believes it is essential to replace our nearly extinct voting machines and that we strive to have a uniform mechanism for voting in every precinct in Connecticut.

Another important facet of the legislation is the mandate that states compile a statewide voter list. Without a statewide centralized voter registration system that allows for the accurate and timely exchange and updating of information, too many eligible voters are turned away from the polls each election because their name was either failed to be placed on their precinct list by election day or was purged from the rolls in a careless attempt to clean up an inefficiently maintained list. The technology and the administrative know-how already exist in the state and mandating that all jurisdictions participate in the system would greatly reduce the number of Connecticut voters disenfranchised in this way.

The Equal Protection Voting Rights Act also sets an important standard by requiring states to implement provisional balloting. This would ensure that no registered voter in Connecticut is ever turned away from the voting booth.

We believe that every possible step must be taken to ensure that the election process is fair, accurate, and accessible to every voter in the country. We believe that every option must be looked at to afford the most citizens possible the ability to vote with ease and precision. The Equal Protection Voting Rights Act is the type of election reform that is essential to this process and we commend Senator Dodd for his leadership in this crucial fight for justice and equality.

THE LEAGUE OF WOMEN VOTERS
OF THE UNITED STATES,
Washington, DC, February 11, 2002.

Re Election Reform

MEMBERS OF THE U.S. SENATE: The League of Women Voters urges you to support the bipartisan election reform bill developed by Senators Dodd, McConnell, Bond and Schumer. The legislation will be offered as a substitute to S. 565. While the substitute is not perfect, it contains the key elements needed to improve our nation's election systems.

The 2000 election demonstrated that basic reforms are needed at the federal, state and local levels to protect voters and to improve election administration. It is also clear that it is time for the federal government to pay its fair share of the costs of administering federal elections.

The Dodd-McConnell substitute provides for basic national standards in vital, but limited, areas. It provides substantial federal funds for election reform efforts. And it provides a blueprint on which federal, state and local efforts can be built.

To protect voters and improve administration, the substitute provides for minimum national standards in three areas. First, voting systems standards will assure that voters can verify and correct their ballots, as well as be notified of overvotes. These standards also protect against high voting machine error rates and enhance access for persons with disabilities. Second, a national standard will assure that voters can receive provisional ballots. This fail-safe system means that if a voter's name is not found on the registration list at the polls, or if other problems occur, the voter can still cast a ballot that will be counted if the voter's eligibility is confirmed. Third, statewide computerized voter registration lists will be required. This facilitates removal of duplicate registrations across jurisdictions, provides greater assurance that names will be on the rolls, and streamlines administration while combating possible fraud.

The substitute provides funding through state grants programs that will be developed with public involvement. Funds are provided not only for meeting standards, but also for other vital areas of election administration, including poll worker training and providing access to the polls for persons with disabilities. The substitute sets up a new federal commission that can provide effective guidance, while Justice Department enforcement of voter protection laws, such as the Voting Rights Act, is maintained.

While the substitute is a strong bill, it contains a photo ID requirement that will result in discrimination and create real administrative problems at polling places. Though the requirement is described as an anti-fraud device, effective alternatives exist to meet anti-fraud objectives that will not undermine voter participation through absentee balloting by persons with disabilities, seniors and others. We strongly urge you to correct this provision. We are also concerned that the so-called "safe harbor" provisions of the bill will have unintended, deleterious consequences.

The League of Women Voters believes that the Senate must act expeditiously on this important topic. We urge you to move ahead with the Dodd-McConnell substitute, which is clearly preferable to the House-passed bill in setting a workable structure for reform and creating an effective election commission.

America deserves an election system that will protect the most basic and precious right of all citizens in a democracy—the right to vote. Each citizen's right to vote, and to have that vote fairly counted, is at stake.

CAROLYN JEFFERSON-JENKINS,
President.

SECRETARY OF THE STATE,
STATE CAPITOL,
Hartford, CT, January 7, 2002.

Hon. CHRISTOPHER J. DODD,
U.S. Senate, Russell Building, Washington, DC.

DEAR SENATOR DODD: Thank you for your leadership in the area of election reform and for all of your hard work in developing your bi-partisan compromise on election reform. I have reviewed the language in S. 565 and I am extremely pleased with its contents, particularly with the statewide voter registration system and voting machine requirements. The federal funding provided for those and other purposes will greatly benefit Connecticut and all the states.

At the close of the 2001 legislative session, the Connecticut Legislature established a Voting Technology Alternatives Commission to study and make recommendations regarding voting technology issues. The federal guidelines and assistance provided for in S. 565 will help shape both the Commission's final recommendations and any state legislative action in this area. As a member of this Commission, I have already provided all the members of the Commission a copy of S. 565 for their review.

In addition, I will be attending the National Association of Secretaries of the State winter meeting in Washington D.C. from February 7–10 and hope to have the opportunity to meet with you. My Office will contact your staff with more details. I look forward to working with you on the important issue of election reform and I wish you well in securing its passage.

Sincerely,

SUSAN BYSIEWICZ.

SECRETARY OF STATE,
STATE CAPITOL,
Atlanta, GA, January 18, 2001.

Hon. CHRISTOPHER DODD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, DC.

DEAR CHAIRMAN DODD: I am pleased to write to express my support for S. 565 and for your efforts, and that of Senators McConnell, Schumer, Bond and Torricelli, to craft strong, effective and bipartisan election reform legislation.

As you are aware, Georgia has moved to the forefront among states in the drive to acquire and deploy election systems that are more accurate, more convenient and more accessible and disabled voters. With the passage of our own SB 213 last year, Georgia became the first state in the nation to mandate a modern, uniform voting system for every county and every community. This year, Governor Roy Barnes has endorsed our ambitious plan to acquire and deploy new generation electronic voting equipment (DRE) in every Georgia county in time for the November 2002 general election.

While Georgia election officials and policymakers are strongly united behind our initiative to improve voting equipment, critical to our efforts is the expectation that the federal government will be a helpful partner in advancing this goal, and will make available substantial funding to help pay for these improvements. In that regard, we were heartened by House passage of the Ney-Hoyer election reform package, and were then extremely pleased to learn that you, ranking member McConnell and others had reached bipartisan agreement on S. 565.

I believe your legislation provides an excellent platform and roadmap for election reform which, as you know, must primarily be executed at the state and local level. The funding provisions of S. 565 are outstanding, and would enable states to make much needed investments in new voting and registration systems. I also strongly support your emphasis on assuring that blind and disabled voters have a full opportunity to cast their ballots independently and without assistance. The bill's emphasis on assuring that each state has procedures under which a provisional ballot can be cast is also welcome.

While there are areas of the bill where I would prefer some modifications, (as would be the case with nearly any legislation of such magnitude and scope) it is my belief that S. 565 represents a giant step forward towards reaching our goal of designing and deploying election systems that assure that the electoral choice of each and every voter will be accurately counted.

Thank you for your steadfast leadership in moving election reform legislation forward in the United States Senate and I look forward to continuing to work with you to achieve our common goals.

With best wishes,

Sincerely,

CATHY COX.

OFFICE OF THE
SECRETARY OF STATE,
Carson City, NV, January 25, 2002.
Hon. CHRISTOPHER DODD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, DC.

DEAR CHAIRMAN DODD: On behalf of the citizens of Nevada, I would like to express my support for Senate Bill 565, which I feel is an important step in the election reform process. I am especially impressed with the bipartisan support the bill has received, and believe wholeheartedly in many of the provisions called for in S. 565, particularly its focus on civil rights and accessibility issues. Moreover, S. 565 includes an impressive financial commitment from the federal government that will help meet the mandates outlined in the bill, thereby allowing Nevada counties to update antiquated equipment with the latest technology without bearing the enormous cost of undertaking such a project on their own.

I would like to personally thank you for asking for my opinion and thoughts on the legislation. I believe very strongly that as secretaries of state, it is important for us to work as closely as possible with members of Congress as they seek to enact real and meaningful federal voter protections and reform. I hope that as deliberations progress in the House and Senate, secretaries of state will continue to be asked by Congress to add their important voices and experience to the discussions.

The bipartisan leadership demonstrated by you and Senators McConnoll, Schumor, Bond and Torricelli and other members of the U.S. Senate in crafting a package that would be a positive step in the election reform process is very encouraging. The principles outlined in the "Equal Protection of Voting Rights Act" are certainly a step in the right direction, and I recognize S. 565 as important legislation that will better ensure the integrity of the election process.

I have long been an advocate of election reform. In each of the past three sessions of the Nevada State Legislature, I have promoted legislation that would create a statewide system of voter registration. This statewide system would allow the Secretary of State's office to act as a central repository for voter registration rolls, and ease the process of clearing those rolls of duplicate names, deceased persons and others who are ineligible to vote. Although this proposal would have dramatically reduced the potential for voter fraud, it has failed in every legislative session in which it was introduced. Likewise, my calls to improve the absentee balloting process, especially for our overseas military personnel, have faced strong resistance from state legislators. Senate Bill 565 parallels many of my efforts and may motivate Nevada lawmakers to pursue election reform for the Silver State.

Again, thank you for your leadership and efforts in bringing this important legislation to the forefront of deliberations in the U.S. Senate. I look forward to continuing to work closely with you and your colleagues to achieve our common goal of election reform measures that will truly enhance the voting process for all Americans

Respectfully,

DEAN HELLER,
Secretary of State.

Mr. DODD. I know there are discussions going on regarding a couple of proposals to try and work out some things, but I invite my colleagues, who may be engaged in other activities in their respective offices, if nothing particularly important is happening, and if they have a proposal they would like to have heard on on this bill, to come on over. We are open for business on amendments. We will consider them on either side. I do not know of many we have, but there may be some. I have talked to some colleagues who have some questions about the bill. If they do have questions, I invite them to come to the Chamber, and I will try to address them in colloquies to either alleviate their concerns—or heighten them, I suppose, depending upon my answer to their question.

We would like to get this bill done. I know there are other matters. The leader, I know, wants to bring up the energy bill. I think that is the next item on the agenda. Given the amount of work we have put into election reform—and, again, I thank immensely my colleagues from Kentucky, Senator MCCONNELL; Missouri, Senator BOND; New York, Senator SCHUMER; New Jersey, Senator TORRICELLI; TRENT LOTT, and TOM DASCHLE, the majority leader. A lot of work and a tremendous amount of effort has gone into this effort over many hours. Obviously, we are not there yet. We still have to go to a conference with the House. Our fervent hope is to get this done as soon as we can.

With the $3.5 billion that we provide in this bill and the $1.2 billion the President has already put in his budget, there is every reason to believe we could actually get resources back to our States and our localities to improve the election systems for the elections this fall.

There are a lot of other provisions in this bill that do not become effective for several years down the road, but for our Secretaries of State and our registrars of voters across the country who are anxious to get some financial help on these matters, if we get this bill done, get the conference report done, and then get a Presidential signature, which I think we can get if we work out this legislation, then there is every good reason to believe those resources could begin flowing to our States even this year.

I do not need to remind anyone in this Chamber, or anyone in the other body, that the events of September 11 and ensuing events have overwhelmed, obviously, our attention, but it was only 14 months ago that this Nation was fixated on one of the worst election debacles in the history of the country. It is not in any way to question the outcome. We all support the outcome uncategorically. Certainly, watching day after day, week after week—and for the Presiding Officer, this was not just an intellectual exercise.

As the distinguished junior Senator from the State of Florida, he knows painfully how long and how difficult this process was for his own constituents, as not only the Nation but the world was fixated on his State. I have said in this Chamber on numerous occasions, it was an unfair fixation. There were plenty of other places around the country where the problems were identical to the problems that the people of Florida went through, but because of the nature of the electoral college, the attention was focused on Florida.

I think the American public—in fact, every survey I have seen—believes our election system is in desperate need of repair. We lecture a good part of the world about how to conduct elections, how important it is to vote, how important democratic institutions are. We realized what happened last year. According to nonpartisan analyses from Caltech, MIT, the General Accounting Office, the Carter-Ford Commission, along with many other groups around the country who analyzed the elections nationwide, our system is broken. It is in serious shape and it needs repair. That is not an adverse reflection on the thousands and thousands of people all across the country who worked very hard, under very difficult circumstances, to see to it that people had the right to vote and their votes counted. We also painfully know that when it comes to allocating resources at the State level, this is a very difficult budget item; that there are always other items that seem to have more public support than the issue of better voting machines or better equipment or training for poll watchers and the like.

So painfully, despite all of the notoriety about the 2000 election last year, only three States have acted, the State that the Presiding Officer represents so ably, the State of Florida, and the State of Georgia—and a great tribute should go to Cathy Cox, by the way, the Secretary of the State of Georgia. And I want to thank our two colleagues from Georgia, MAX CLELAND and ZELL MILLER, who hosted the Rules Committee's field hearing in Atlanta, GA. Also, the Governor could not have been more gracious. To their great credit, they really stepped up to the plate. Georgia, Maryland and Florida are leading the country today in some of the most innovative ideas on election reform.

Unfortunately, other States did not. There is one other State that did, but after all the events of last year those are all the States that rose to the occasion.

So, again, I invite my colleagues to come on over. We would like to finish this bill. I am not suggesting we go to third reading in the next few minutes, but I invite Members who have amendments to come and give us a chance to consider them, accept what we can of various proposals, debate others, vote on them, if necessary, but move the process along.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I will use my leader time to make a statement at this time.

The PRESIDING OFFICER. The Senator has that right.

(The remarks of Mr. DASCHLE are printed in today's RECORD under "Morning Business."

Mr. DASCHLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. REED). Without objection, it is so ordered.

Mr. SPECTER. Mr. President, I ask unanimous consent that I may speak for up to 15 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. SPECTER are printed in today's RECORD under "Morning Business.")

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the majority leader has asked that I announce there will be no more rollcall votes today. Senator DODD and Senator MCCONNELL have, I will not say begged but they sure have asked people to come over and offer amendments. We need to finish this bill. We have so much more that needs to be done. This is an extremely important bill, one of the most important bills to have come through this body in a long time. These two men have spent not hours or days but weeks and weeks of their time trying to get the bill here. We need to get the bill finished tomorrow.

Those with amendments need to bring them over. We are going to start early in the morning. If they do not, I will join with the managers of the bill to go to third reading. It is not fair to everyone with so much to do to have to wait around for amendments.

There will be no more rollcall votes tonight.

The managers have indicated they will try to clear some amendments tonight that will require no more rollcall votes. These are two of the most experienced managers we could have in the Senate, but they need something to manage. Right now there is a lot of talk about offering amendments, but nothing is happening.

The PRESIDING OFFICER. The Senator from Connecticut.

AMENDMENT NO. 2688

Mr. DODD. Mr. President, I ask unanimous consent that Senate amendment No. 2688, the bipartisan substitute, be agreed to; that the motion to reconsider be laid upon the table; that the bill as thus amended be considered as original text for the purpose of further amendment, and provide further that no points of order are waived by this agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 2688) was agreed to.

AMENDMENT NO. 2874

Mr. DODD. Mr. President, on behalf of myself and the distinguished Senators from Washington, Ms. CANTWELL and Mrs. MURRAY, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD], for Ms. CANTWELL, for herself, Mrs. MURRAY, and Mr. DODD, proposes an amendment numbered 2874.

Mr. DODD. I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amendment is as follows:

(Purpose: To treat absentee ballots and mail-in ballots in the same manner as other paper ballot voting systems under the voting systems standards and to ensure that voters are informed how to correct voting errors before a ballot is cast and counted)

On page 5, strike lines 4 through 14, and insert the following:

(B) A State or locality that uses a paper ballot voting system, a punchcard voting system, or a central count voting system (including mail-in absentee ballots or mail-in ballots), may meet the requirement of subparagraph (A) by—

(i) establishing a voter education program specific to that voting system that notifies each voter of the effect of casting multiple votes for an office; and

(ii) providing the voter with instructions on how to correct the ballot before it is cast and counted (including instructions on how to correct the error through the issuance of a replacement ballot if the voter was otherwise unable to change the ballot or correct any error).

Mr. DODD. I will defer to my colleague from Washington to take a few minutes, if she would like, and describe what this amendment is and what it does. I am informed by my friend from Kentucky that this is an amendment to which we can agree. The staffs have worked on this amendment. But why doesn't the Senator from Washington take a few minutes. I am glad we could work this out with her and others in her State.

The PRESIDING OFFICER. The Senator from Washington.

Ms. CANTWELL. Mr. President, I appreciate Senator DODD's strong commitment to this legislation. Together with Senator MURRAY I also appreciate his efforts here today to work with us on language that preserves the ability of States like ours, that have high volumes of absentee and mail-in voters, to continue to use those mail in systems.

This amendment adds to the voting system standards section of the legislation to make sure that the ability of voters to vote by mail-in and absentee ballot is not limited by our efforts to improve the ability of other voters to cast accurate ballots in the polling place.

This system is very important. The voters of my State are proud of this system and extremely committed to seeing it continue. In addition, I believe the voting by mail adequately protects against the types of problems encountered in Florida because in these elections voters take their time in casting their votes and are able to consult instructions and other ballot information.

Voters in my State have made it clear that they are willing to work with the system but want to make sure mail-in ballots and absentee ballots are preserved. This amendment preserves the ability to vote by mail while also setting forth new safeguards that will better inform voters how to correctly fill out their ballot and ensure their votes are counted.

I thank the leaders of this legislation for their support for this amendment. I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. The amendment of the Senator from Washington is agreed to on this side of the aisle. I am aware of no opposition.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 2874) is agreed to.

Mr. MCCONNELL. Mr. President, I move to reconsider the vote.

Mr. DODD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DODD. Mr. President, the Senator from New York is about to be heard. As the majority whip pointed out, there will be no further rollcall votes tonight, but Senator SCHUMER has an opening statement he would like to make. There is an effort right now to reach agreement on two or three amendments by the Senator from New York. During his remarks on the bill, my hope is we might clear these other three amendments. I think that would be it for the evening, if we can do that.

Mr. MCCONNELL. I say to my friend, we are looking at the amendments now and hope we can achieve that goal shortly.

Mr. SCHUMER. Mr. President, I rise to speak on this legislation with which, as many of my colleagues know, I have been long involved. The legislation we consider today is one of the most important pieces of legislation we will consider all year. Congress has a responsibility to ensure that every eligible American who goes to vote gets to vote and that every vote cast counts.

What we have learned from the 2000 elections is that as strong as our democracy is, we have been lax in the upkeep of the actual mechanism that drives it, our voting systems. That is why we have come together across party lines to pass this election reform legislation.

I thank our chairman, Senator DODD, for his leadership in bringing this critical legislation to the floor. He has been tireless in his devotion to getting it done.

I also commend the ranking member of the committee, Senator McCONNELL, for his commitment to improving our Nation's election systems as well. Senator McCONNELL and I had introduced a bill that in many ways is part of this ultimate bill. I am proud to be part of the effort, along with Senators DODD and BOND and TORRICELLI and McCAIN and DURBIN, to make this happen.

The right to vote, as we all know, is at the very heart of our democracy. It is a right that, throughout our history, brave men and women have risked their well-being, their very lives, to exercise. It was for the right to vote that American patriots fired the shots heard around the world at Lexington and Concord, thereby initiating the Revolutionary War in 1775. It was for the right to vote that Susan B. Anthony bore arrest, trial, and conviction after she challenged laws barring women from the polls by casting a ballot in Rochester, NY, in 1872.

It was for the right to vote that Dr. Martin Luther King, Jr., and other civil rights activists—including my former colleague in the House, Congressman JOHN LEWIS—marched from Selma to Montgomery, AL, in 1965.

Blood continues to be spilled over our democratic ideals. The core reason for the September 11 attacks that so devastated this Nation, and particularly my home State and city, is that terrorists hate our democracy: a democracy where all Americans—regardless of religion, gender, race, economic status, physical ability—have a say in how our Government is run; a democracy where every person is equal, and because some people are in some high theocratic or political position, they don't have any more right to determine the outcome of an election than our average person.

We in the United States have a special obligation, a duty, to ensure the right to vote—not only to honor those who sacrificed so we have this right but to ensure that Americans today and in the future will be fully able to exercise it.

First and foremost, we must have voting machines and systems that are accessible to people, that are easy to use and that work. To my mind, the most important provisions in this bill are the grant provisions that will provide $3.5 billion to states and localities to meet federal standards and to update and modernize their voting systems. Federal funds for the improvement of old voting machines is something that I have been talking about ever since the 2000 election, and was something that I included in my election reform bill last year that Senator McCONNELL and I sponsored.

I first voted in 1969, and I sued the same type of machine when I voted in 2000 in spite of all the technological changes in the intervening years. Just because we are the world's oldest democracy does not mean we have to use the world's oldest technology that is simple.

The problem does not end with the machines, although in my State that is a big problem. Throughout this nation there are inadequately maintained registration lists, confusingly designed ballots, and phone lines that were so busy that voters could not get through to conform their registration status.

In my home state of New York, in November 2000, people waited in line for hours to vote. Many voters—those who could not afford to be late for work or that had to get home to their children—waited in line and ultimately left the polling place without being able to participate in one of the most critical and closest elections of our time.

You should have seen the look on the faces of these people, some of them voting for the first time, doing good for the country, many of them in their work clothes, and the look of disappointment as they waited and waited and then could not vote.

Others waited and waited only to be confronted with the cruel reality that the voting machines in their precinct were broken or that the polling place had run out of emergency ballots. Again, the looks on their faces had a lasting impression on me.

Voting should be accessible, accurate and speedy—in all places, all the time. You cannot say, well, it is good most of the time because the right to vote is so precious. The grant programs included in this bill will allow states and localities to do just that.

This bill also includes standards for the states and localities—which I believe will be a great improvement in the ability of people to vote across this nation.

To Wit:

The bill sets voting system standards that will allow voters to check their ballots and correct errors, that will make voting more accessible for the disabled and non-English speakers, and that requires voting systems to meet the error rate set by the FEC;

The bill establishes provisional voting in every state, which will insure that every person who goes to the polls has the opportunity to cast a ballot;

The bill establishes important anti-fraud provisions, including a statewide computerized voter registration database that will allow poll workers to have the information that they need in front of them on election day.

I think that these provisions make a lot of sense. They will help people to have greater access to the polls while at the same time decreasing fraud in our voting systems.

The final critical piece of this legislation is the establishment of an independent election agency. This is something that I have supported, and that I included in the election reform bill that I introduced with my colleague from Kentucky, Senator McCONNELL.

The bipartisan four-person Commission will oversee the grants programs and the implementation of the federal standards, will provide information to the states and to the public about federal elections, and will keep a watchful eye on our voting systems so that we are continuously updating them. With the Commission in place, hopefully we will never face the situation that we faced in the 2000 elections again.

Like most bipartisan legislation, this bill is a compromise—but I believe that it is a good compromise that is based on core principles that we all share. It will allow us to improve our voting systems and make our election process better.

The right to vote is a sacred trust—a covenant—between the government and the people. I urge all of my colleagues to vote for this bipartisan election reform legislation, so that we can give the American people the election system that they and our grand democracy deserve.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SCHUMER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MILLER). Without objection, it is so ordered.

AMENDMENTS NOS. 2871 AND 2873, EN BLOC

Mr. SCHUMER. Mr. President, I have two amendments which I would like to be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from New York [Mr. SCHUMER] proposes amendments numbered 2871 and 2873, en bloc.

The amendments are as follows:

AMENDMENT NO. 2871

(Purpose: To specify how lever voting systems may meet the multilingual voting materials requirement)

On page 8, strike lines 5 through 18, and insert the following:

(B) EXCEPTIONS.—

(i) If a State meets the criteria of item (aa) of subparagraph (A)(i)(I) with respect to a language, a jurisdiction of that State shall not be required to provide alternative language accessibility under this paragraph with respect to that language if—

(I) less than 5 percent of the total number of voting-age citizens who reside in that jurisdiction speak that language as their first language and are limited-English proficient; and

(II) the jurisdiction does not meet the criteria of item (bb) of such subparagraph with respect to that language.

(ii) A State or locality that uses a lever voting system and that would be required to provide alternative language accessibility under the preceding provisions of this paragraph with respect to an additional language that was not included in the voting system of the State or locality before the date of enactment of this Act may meet the requirements of this paragraph with respect to such additional language by providing alternative language accessibility through the voting systems used to meet the requirement of paragraph (3)(B) if—

(I) it is not practicable to add the alternative language to the lever voting system or the addition of the language would cause the voting system to become more confusing or difficult to read for other voters;

(II) the State or locality has filed a request for a waiver with the Office of Election Administration of the Federal Election Commission or, after the transition date (as defined in section 316(a)(2)), with the Election Administration Commission, that describes the need for the waiver and how the voting system under paragraph (3)(B) would provide alternative language accessibility; and

(III) the Office of Election Administration or the Election Administration Commission (as appropriate) has approved the request filed under subclause (II).

AMENDMENT NO. 2873

(Purpose: To require States and localities to mail a voter registration form to individuals who cast provisional ballots that were not counted)

On page 13, strike line 22, and insert the following: "is not counted (such notice shall include the State's voter registration form); and".

Mr. SCHUMER. Mr. President, these two amendments—both technical in nature, and I believe have been agreed to by the Senators from Connecticut and Kentucky, the majority and minority managers on this bill—deal with two issues. One deals with those States with lever issues, which my State of New York has, and what it allows a State or locality with lever machines to do is apply to DOJ for an exemption that will allow it to meet the linguistic accents requirement in title I. The exemption allows the State or locality to place any new languages that it is required to provide under this act under the DREs, instead of on the lever machines, to place them on the new machines if the State or locality shows that it would be impractical to add the new language to the lever machine or adding it would cause the voting system to become more confusing or difficult to read for other voters, and DOJ certifies this is the case.

The reason is simple. Unlike other machines, the lever machines have limited space. If too many languages were required to be on the machines, it would become confusing and you couldn't really put a ballot together. This gives anybody who speaks those languages an ability to vote on the new machines that will be placed in every voting place that is used for the disabled and others without bollixing up the lever machine.

The second amendment—since we are doing them en bloc, I would like to address both—requires that the notice sent to people whose provisional ballots were not counted includes a voter registration form, obvious for its purpose. If your ballot was not counted, there is probably something wrong with the way you registered or you were not registered, whatever.

By giving these folks a voter registration form, they can reregister quickly and easily. I thank the Senator from Connecticut and the Senator from Kentucky for helping me refine these amendments and, as I mentioned before while they were off the floor, for their fabulous leadership on this bill.

Mr. DODD. Mr. President, I commend the Senator from New York. He has been a great help on this bill, generally speaking. These amendments not only will be important for New York but, as he has talked about them, there are other States as well that will appreciate the contribution the Senator from New York has made in these two proposals.

I am in favor of both of these amendments. I just mention this to the Senator from New York. We are going to be looking at what the cost effect is of slipping in that reregistration form. It may not be much at all. I know the Senator from New York would probably want to know the answer to that as well.

In the meantime, I will accept the amendment and take a look at that. I congratulate him on the amendments.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. I, too, commend the Senator from New York, who has been a collaborator with several of us on this issue going back over the last year, for his extremely important contribution to this bill and thank him for his great work. . .

Mr. SCHUMER. I thank my leader collaborator, coconspirators from Kentucky and Connecticut, and urge adoption of the amendments.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to amendments Nos. 2871 and 2873, en bloc.

The amendments (Nos. 2871 and 2873), en bloc, were agreed to.

Mr. DODD. Mr. President, I move to reconsider the vote.

Mr. MCCONNELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DODD. Mr. President, that will be the business for this evening. Actually, we completed some work. We had about five amendments adopted in the last 4½ hours. I thank, again, the Senator from New York.

Tomorrow morning, we may get to the bill around 10:15. I have been told that if we can get some agreement, maybe tomorrow, on final passage at a decent hour late tomorrow afternoon, early tomorrow evening—I don't know if that is possible or not—it may be possible for us to complete the business of the Senate by tomorrow. That is obviously subject to the work of the two leaders. At least there is a good possibility. I know that will be warm news to those who would like to get back to their respective States earlier rather than later. I can't help but note the smile of the Presiding Officer with that news.

I thank my colleague from Kentucky for his help today in working through this. There will be a series of other amendments, people coming forward with ideas. We want to accommodate everybody we can, realizing that, as we said at the outset, this is new ground we are breaking in many areas. We are very sensitive and conscious of the State and local involvement in this process. We want to accommodate States and localities to the maximum extent possible as we try to become a better partner in the conduct of elections. We are trying to do work that is sometimes a little confusing, but I think we have done a pretty good job so far. I am hopeful tomorrow we can resolve these other amendments.

My final plea is to Members: Please, there are more and more amendments. Some of them, I am told, are just colloquies. Some Members just want to offer the amendment and withdraw it and discuss their idea. I urge Members, please, if you are interested in doing that, come over first thing in the morning so we can get to the amendments that may require votes because we can't resolve them. We will have to just leave them up to the Members to decide whether or not they want to include them in the bill or not. I urge Members to come over.

Mr. SCHUMER. Will the Senator yield for a question?

Mr. DODD. I am happy to yield.

Mr. SCHUMER. We have an amendment we would just like to file this evening as to the signature forms so that people could take a look at it, and signature attestation, I believe, on behalf of myself and perhaps the Senator from Washington, Ms. CANTWELL.

I ask unanimous consent that we be allowed to file that amendment tonight.

Mr. DODD. No problem.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. I thank a lot of people for their work. I note the presence of the Presiding Officer. Cathy Cox, who is Secretary of State of Georgia, I want the Presiding Officer to know, has been incredibly helpful in this process. She is a remarkable person. I know the Senator from Georgia appreciates that extremely. I want to let him and others know how helpful she has been in helping us see through ideas that would be productive and constructive.

With that, I yield the floor.

Mr. McCONNELL. Mr. President, let me add that I, too, would like to see this bill wrapped up early evening tomorrow. I am hopeful, I say to my friend from Connecticut, that we will get the cooperation on this side of the aisle to achieve that goal.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUGAR. Mr. President, I rise today to support my amendment specifying that Election Reform Incentive Grant Program funds may go to States wishing to establish toll-free telephone hotlines to be used by voters reporting possible voting fraud and voting rights abuses.

The election of 2000 reminded us that elections can be close and that public confidence in the outcome of elections depends on the accuracy, fairness, and legality of election procedures. Obtaining accurate results requires ensuring that fraudulent votes not dilute the votes cast by eligible voters and that all eligible citizens have poll access.

Officials from a State's or locality's relevant investigating and enforcing agencies may not have the resources to oversee every polling location. Citizens who witness voting fraud or voting rights abuses may not know where to report a possible violation of law. A toll-free hotline would give citizens a means to help prevent voting fraud and voting rights abuses and would give States the information they need to prosecute violations and implement procedures to prevent further violations.

The Indiana Bipartisan Task Force on Election Integrity recently issued a report developed through months of research and with the input of election officials, voter advocates, and citizens of the State. While the State of Indiana already has implemented many measures that will enhance the integrity of elections, the Task Force recommended additional reforms for that purpose, including the development of a toll-free telephone hotline to be used by voters who believe they have witnessed a voting irregularity or voting rights abuse.

I believe that other States may wish to establish such hotlines, and I believe the hotlines could be an important tool in improving election accuracy, fairness, and legality. For these reasons, I ask my colleagues to support this amendment.

MORNING BUSINESS

Mr. DODD. Mr. President, I ask unanimous consent that the Senate proceed to a period of morning business and that Senators be recognized to speak for a time not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

CELEBRATING BLACK HISTORY MONTH 2002 BY COMMEMORATING AND CONTINUING THE WORK OF GREAT AFRICAN-AMERICANS

Mr. DASCHLE. Mr. President, Willie Morris was one of the great under-recognized American writers of the 20th century. He grew up in Yazoo City, MS—population 12,000—where he learned to tell stories by listening to old Black men who sat in the shade and whittled. He said their eye for detail helped him to see things he otherwise would have missed. At 34, Willie Morris became the youngest-ever editor of America's oldest magazine, "Harper's Weekly." He wrote candidly about race long before most other white writers.

Three years ago, Willie Morris died at the age of 64, leaving behind 19 books, many of them best-sellers. Like all great writers, a part of Willie Morris continues to live on in his words. But there is another part of him that lives on as well. You see, before he died, Willie Morris decided to donate his eyes in order to give someone else a chance to see. As it turned out, his corneas went to two different men, neither of whom he had ever met. One was black, one was white. His friends say he would have loved the irony of his gift: that a man who helped us see the world a little more clearly during his life is still helping people see after his death.

America has changed since Willie Morris was a boy listening to the stories of those old men. We no longer accept legal discrimination. We no longer permit poll taxes to bar African-Americans from voting. We no longer tolerate "separate but equal" schools or water fountains or lunch counters. We have made considerable progress—due, in large part, to courageous African-American leaders including Martin Luther King, Rosa Parks, Thurgood Marshall, and John Lewis. During Black History Month, we honor those leaders and all of the other extraordinary African-Americans who have contributed so greatly to our nation—heroes like Crispus Attucks, who died at the Boston Massacre; Salem Poor, who fought at Bunker Hill and survived that brutal winter at Valley Forge; Harriet Tubman, the Underground Railroad "conductor" who rescued hundreds of people from slavery, served during the Civil War as a Union cook, spy, scout and nurse and was buried with full military honors.

We honor the Tuskegee Airmen, the first African-Americans ever to fly combat aircraft and one of the most decorated fighter squadrons in our nation's history, who fought Nazism in Europe—and racism when they returned home; and Secretary of State Colin Powell, the first African-American to serve as Chairman of America's Joint Chiefs of Staff.

We honor great scientists, including George Washington Carver and Benjamin Banneker, the mathematician and astronomer and the first African-American to receive a Presidential appointment—from Thomas Jefferson. We also honor great orators and champions of human rights, including Frederick Douglass, Sojourner Truth and Barbara Jordan; great educators, such as Mary McLeod Bethune and Booker T. Washington; and great artists, including Marian Anderson, the first African-American soloist to sing with the Metropolitan Opera in New York, Zora Neale Hurston, the novelist and Langston Hughes, "the poet laureate of Harlem."

This month, as the world watches the Olympic Games in Salt Lake City, we also honor extraordinary earlier Olympians like Jesse Owens, who shattered the myth of Aryan supremacy by winning four gold medals at the 1936 Olympics in Berlin; and Wilma Rudolph, the first African-American woman to win three Olympic gold medals, in 1960. We also honor other great athletes including Jackie Robinson, the first African-American to play Major League baseball; and Arthur Ashe, champion of tennis and human rights.

We remember exceptional leaders such as W.E.B. DuBois, one of the founders of the NAACP; A. Philip Randolph, the former vice president of the AFL–CIO and founder of the first African-American trade union; and Ralph Bunche, diplomat, Under Secretary General of the U.N., and the first Black person from any nation ever to win the Nobel Peace Prize. And we honor the countless other African-Americans who changed our nation for the better simply by having the courage to say no to indignity and injustice in their own lives.

The stories of African Americans are the missing chapter in America's history books. If we don't know them, we cannot truly know ourselves.

But it's not enough just to celebrate their work. Especially this year, we must continue their work.

To the terrorists who attacked us on September 11, the America Martin Luther King described—an America built on equality, justice, freedom and human dignity for every person—is not a dream. It is a nightmare. By attacking us, the terrorists thought they could destroy our dream. But they were wrong. Instead of turning on each other in the wake of the attacks, as the terrorists had expected, Americans turned to each other. We came together in ways that most of us had never seen in our lifetimes. We were truly one people, indivisible.

Those of us who work in this building, and people all over the world who look to this Capitol as a symbol of democracy, are incredibly fortunate that another chapter in African-American history was written last fall. Just five days before September 11, former Army Major General Al Lenhardt became this Senate's Sergeant at Arms, the first African-American ever to serve as an elected officer in either the House or the Senate. I know I speak for all of us when I say how grateful we are to him for seeing us safely through September 11 and the anthrax attack.

We are also proud of our men and women in uniform, who are now bringing justice to the killers of September 11. What they are doing is right and necessary. But it is not the only way we can honor the nearly 3,000 innocents who died in New York, at the Pentagon and in western Pennsylvania. We can defy the killers right here at home—by keeping Martin Luther King's dream alive, and strengthening the democracy the terrorists sought to destroy.

We can start this month by strengthening our election system so that we never again experience an election like we did in 2000, when millions of votes went uncounted, especially those of African-Americans. We have an extraordinary opportunity. Senators DODD, MCCONNELL and BOND have given us a good, truly bipartisan election reform bill that requires states to meet uniform, nondiscriminatory voting standards, and provides the resources they need to do so. That bill is on the Senate floor now. I hope we will pass it this week with overwhelming support. If we are a democracy in fact as well as in name, the right to vote and to have that vote count must not be compromised.

The income gap between Blacks and whites in America is narrower today than it has ever been. But it is still too wide. We can do better. Last week, we voted to provide an additional 13 weeks of benefits to laid-off workers who have exhausted their unemployment benefits.

I hope we can still find a way to expand unemployment insurance coverage to part-time workers and recent hires—a disproportionate number of whom are African-American—and to help all laid-off workers maintain their health benefits.

Let's also raise the minimum wage. It's been five years since the last increase. The purchasing power of the minimum wage is now the lowest it's been in more than 30 years. And a full-time minimum wage income won't get you over the poverty line. We can do better.

Nothing has more power than education to move us from separate to equal. Yet today, nearly half-a-century after Brown v. Board of Education, most minority students still attend schools that are predominantly minority. Their class sizes, on average, are larger, their books are older, their lessons are less challenging and their teachers have less training in the subjects they teach. Last year, we passed a promising, bipartisan school reform act. This year, let's work togther to make sure that "Leave No Child Behind" is a promise kept, not a dream deferred. Our goal should be to make sure that every child in America comes to school ready to learn and leaves school ready to succeed.

If we learned anything from the terrible ordeal of September 11, it is that we cannot tolerate acts of hatred and discrimination. Make no mistake about it: Chaining a man to the back of a pickup truck and dragging him to his death for no reason other than the color of his skin is an act of terrorism. And while James' Byrd's death may be the best-known racially motivated hate crime in recent years, it is not the only such crime. A hate crime scars this country every hour and 10 minutes of every day, 365 days a year. In the last Congress, the Senate passed a bipartisan bill strengthening federal protections against hate crimes only to see it die in conference with the House. We need to pass it again this year. And this time, let's make sure it becomes law. W came together on September 11. If we are to stay together, we must stand against every form of bigotry and hatred.

Finally, we know that protecting rights in law is only half the battle. We also need a judiciary that protects our rights in court. As Senators, we have a special obligation to ensure that the men and women who are nominated for lifetime positions on the federal bench or the Supreme Court will protect the basic rights for which so many Americans, from Crispus Attucks on down through the years, have given their lives. Let us honor that obligation this month and every month we are privileged to be here.

We don't need Willie Morris' eyes to see how far America has come on civil rights since he was a boy. We also don't need Willie Morris' eyes to see that there is still a gap between the America we are and the America we can be. We all see those things. Our challenge today is to envision ways to close that gap, and then to transform that vision into law. In doing that, we will honor African-Americans and every American of every race and creed who died on September 11.

I yield the floor.

IMPRESSIVE STEPS TAKEN AGAINST THE WAR ON TERRORISM

Mr. SPECTER. Mr. President, I have sought recognition to comment about our war against terrorism and about the recent statements made by Administration officials concerning possible actions toward Iraq.

At the outset, I compliment President Bush and the Administration for the very effective steps taken on the war against terrorism. We have seen the response to the disastrous, tragic, horrendous events of September 11, with the military moving in, doing in Afghanistan what the Soviets could not do, and doing what the British could not do much earlier. We are well on our way, having defeated the Taliban and al-Qaida; very impressive steps taken in the war against terrorism. The President has done an outstanding job on leadership on this critical issue.

There have been comments recently about the possibility of action against Iraq, and that may well be warranted. On this state of the record, it is my thinking there are quite a number of serious questions which have to be answered. We need to know, with some greater precision, the threat posed by Saddam Hussein with respect to weapons of mass destruction. There is solid evidence about Saddam Hussein having chemical weapons, substantial evidence on biological weapons, and some questions about nuclear weapons. However, there really ought to be a comprehensive analysis as to the precise nature of Saddam Hussein's threat.

Iraq is on the record as having supported terrorism, and it seems to me there ought to be an elaboration as to the terrorist activities which are attributable to Iraq. If there is to be military action, we ought to have a full statement as to Iraq's violations of UN inspections. We know that the UN inspectors have been ousted, but here again, this is an issue where more information is necessary for the Congress and, in my view, for the American people. There also has to be an analysis of what the costs would be, some appraisal in terms of casualties, depending upon the nature of the contemplated action.

Then there is the issue as to what happens after Saddam Hussein is toppled. There is no doubt about the desirability of toppling Saddam Hussein. By twenty-twenty hindsight, perhaps it is regrettable the United States and its allies did not move on Baghdad in 1991.

That, obviously, is water over the dam. There were many factors to be considered including the unwillingness of our allies at that time to move. The U.S. had success against Iraq in 1991, but toppling Saddam Hussein was an action that was obviously not taken.

There have been statements by the President in identifying the axis of evil as Iran, Iraq, and North Korea. The President has stated if we do not have the cooperation of our allies we will act alone, and I think there is a solid basis for the President to say that and for the President to give serious consideration to acting alone.

We know there were many danger signals as to Osama bin Laden and al-Qaida. We know that bin Laden was under indictment for murdering Americans in Mogadishu in 1993. He was under indictment for murdering Americans and others in the embassy attacks in 1998. He was implicated in the terrorism against the USS Cole. He pledged a worldwide "jihad" against the United States. There was substantial authority under international law for what had transpired for the United States to act.

What we have seen in modern times is in effect a non-determination of guilt and action against terrorism as a matter of self-defense recognized under international law. When President Reagan acted against Muammar Qadhafi in April of 1986, that was in effect a non-determination of guilt, and we moved in self-defense against Qadhafi. When President Clinton dispatched missiles to Afghanistan in August of 1998—again, a non-judicial determination of guilt. There would have been total justification for the United States moving against al-Qaida and Osama bin Laden in advance of September 11. That experience suggests we have to make a careful analysis, a calculated analysis of the risks.

It may well be justified as a matter of self-defense to act, and act against Saddam Hussein and Iraq. As we know by twenty-twenty hindsight, the vision is very clear. We know in twenty-twenty hindsight that it would have been wise to have acted against Osama bin Laden and al-Qaida before September 11.

The statements reported from Secretary Colin Powell yesterday, in testifying before the Senate Budget Committee, are worth noting with particularity. Secretary Powell was quoted as saying: "With respect to Iraq, it has long been for several years now a policy of the U.S. Government that regime change would be in the best interests of the region, the best interests of the Iraqi people." Secretary Powell also said: "With respect to Iran and with respect to North Korea, there is no plan to start a war with these nations."

By the grammatical negative pregnant pause, the implication is pretty clear that when the Secretary of State says in formal testimony before the Senate committee that there is no plan to "start a war with these nations," referring to Iran and North Korea, there is a different plan with respect to Iraq. As I say, it may well be justified.

If there is to be a use of force and if there is to be war, under our Constitution it is the responsibility and it is the authority of the Congress of the United States to make the determination to declare war. That constitutional provision is there for a very good reason. We in the Senate and those in the House of Representatives represent the American people, and we speak for the American people. We have seen the bitter lesson from Vietnam that we cannot prosecute a war without the public support. If there is to be the authorization for the use of force or declaration of war, that is a matter that ought to come before the Congress.

These are views I have held for a very long time. In college I studied political science and international relations and served stateside during the period of the Korean war. At that time I wondered about being engaged in a war which was not a matter of congressional determination. That may be a somewhat personal aspect, having been called to service, and I was glad to spend twp years in the U.S. Air Force. I served stateside. However, the question in my mind at that time, having studied international relations and knowing the constitutional provision, was why a war was not declared.

Since coming to the Senate, I have been engaged in debates in this Chamber on this subject on many occasions. In 1983 when there was military action in Lebanon, I had an extensive colloquy with Senator Percy, then Chairman of the Foreign Relations Committee, and asked him if, in fact, Korea was not a war. He said, "yes, it was a war." I asked about Vietnam, "was it a war?" "Yes, it was a war." However, on neither occasion was the declaration determined by the Congress.

On the hearings for nominees for the Supreme Court, that was a question I posed with some frequency to nominees, illustrative of which was the confirmation of Justice David Souter. I recalled on Friday asking him, "was Korea a war?" I wanted to know. I had framed litigation which I took to Senator Baker for determination as to the War Powers Act and constitutionality, thinking there would be an appropriate judicial determination on that subject. Not unexpectedly, Justice Souter said he had not thought about it. So I said, take some time, and over the weekend we had an adjournment and came back on Monday. I said, "you have had time to think about it. Was Korea a war?" He said, "I do not know"—which is not a bad answer. If you do not know, you do not know. There is not much you can say by questioning beyond that. I see Justice Souter from time to time, and that colloquy is something about which he comments from time to time.

When this body took up the resolution for the use of force in 1991, I have a clear recollection that President Bush did not want the resolution put before the Senate and before the House. I think he was concerned whether it would be approved. There was historic debate here in January of 1991. The Senate approved the resolution for the use of force by a vote of 52 to 47. The comments at that time went to the effect that it was a historic event. However, when President Bush had the resolution by the House and by the Senate, it was a much stronger approach.

His reluctance to come before Congress is typical of the tension which exists between the executive and legislative branches, with the Presidents traditionally saying they do not need congressional authorization to act because they have the constitutional authority as Commander in Chief, and the response institutionally from many in the Congress has been, "no, the Congress has the sole authority to involve the United States in war by our sole constitutional authority."

The history of the War Powers Act is a very significant development. The executive branch, the President, while complying with it, traditionally says it is not constitutional; he is not really bound to do so.

We had the issue raised again when President Clinton sent missiles into Baghdad. I took the floor on a number of occasions in 1998 arguing that with the imminence of the likelihood of action by the President on missiles in Baghdad, the House of Representatives and Senate ought to stand up and make that determination. Candidly, the Congress is never very anxious to make that determination. It is easier to let the President make the decision. If he is wrong, he gets the blame. If he is right, then the issue passes.

We did have the debate on the bombing of Yugoslavia. It passed this body. It came to a tie vote, 213-to-213, in the House of Representatives. Therefore, Congress had not authorized that attack. It takes, obviously, a resolution on both sides. However, the bombing went ahead.

We are facing a very serious situation with Iraq. Iraq is a real menace. There is no doubt about that. I think there are very strong United States national interests to topple Saddam Hussein, and I think it is very much in the interests of the people of the region that he be toppled and also very much in the interests of the people of Iraq that he be toppled.

However, I do believe that, constitutionally, it is a judgment which ought to come before the Congress of the United States. I believe there ought to be hearings by the appropriate committees of the Congress to take up these questions as to the specific threats which Saddam Hussein poses and Iraq's specific activities on terrorism—a good bit of it, doubtless, might have to be conducted in closed session. However, some of it could be conducted in an open session: what the costs would be, the casualties, and what happens afterwards.

However, the American people need to know much more of the details, and I believe the Congress needs to know much more of the details than what has been conveyed so far by the Administration. It is my hope that this issue will attract the attention of the Congress of the United States with statements such as this one, with hearings, and with our deliberative process, recognizing the seriousness of the issue and recognizing also our constitutional responsibility.

The PRESIDING OFFICER. The Senator from Pennsylvania has consumed 15 minutes.

Mr. SPECTER. I yield the floor.

LOCAL LAW ENFORCEMENT ACT OF 2001

Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred August 13, 1994 in Sioux City, IA. Two gay men were stabbed and beaten by two attackers because of the victims' sexual orientation. The assailants, Charles Samuel Thomas, 18, and Dennis Evans Smith, 23, were charged with multiple felonies, including two hate crime charges, in connection with the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation, we can change hearts and minds as well.

TRIBUTE TO ROSS POWERS

Mr. JEFFORDS. Mr. President, it came to me as no surprise that again today I have the pleasure to rise and recognize the gold medal effort of a Vermonter on the halfpipe yesterday in Park City, UT at the 2002 Winter Olympics. Ross Powers, who hails from South Londonderry, VT, won the men's snowboarding halfpipe event, a sport that traces its roots back to Vermont, riding a Burton snowboard, which was built in Vermont.

Ross, who led the American sweep of a Winter Olympic event in 46 years, turned 23 on Sunday but is no novice at high competition. In Nagano, Japan 4 years ago, Ross brought home a bronze medal for his country. But his performance yesterday was truly special: it earned him a first-place finish and led the way for Danny Kass and J.J. Thomas to win the sliver and bronze medals, respectively. Three Americans stood atop the podium, and Americans watching everywhere cheered them on.

On behalf of all Vermonters, and all Americans, Ross, congratulations, good luck, and thank you for giving your best yesterday in Utah.

MESSAGE FROM THE HOUSE

At 11:08 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1748. An act to designate the facility of the United States Postal Service located at 805 Glen Burnie Road in Richmond, Virginia, as the "Tom Bliley Post Office Building."

H.R. 2577. An act to designate the facility of the United States Postal Service located at 310 South State Street in St. Ignace, Michigan, as the "Bob Davis Post Office Building."

H.R. 3699. An act to revise certain grants for continuum of care assistance for homeless individual and families.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 313. Concurrent resolution expressing the sense of Congress regarding the crash of Transporte Aereo Militar Ecuatoriano (TAME) Flight 120 on January 28, 2002.

H. Con. Res. 324. Concurrent resolution commending President Pervez Musharraf of Pakistan for his leadership and friendship and welcoming him to the United States.

H. Con. Res. 325. Concurrent resolution permitting the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the days of remembrance of victims of the Holocaust.

H. Con. Res. 326. Concurrent resolution commending the National Highway Traffic Safety Administration for their efforts to remind parents and care givers to use child safety seats and seat belts when transporting children in vehicles and for sponsoring National Child Passenger Safety Week.

The message further announced that the House has agreed to the amendment of the Senate to the bill (H.R. 2998) to authorize the establishment of Radio Free Afghanistan.

The message also announced that pursuant to section 2(b) of Public Law 103–419, the Speaker reappoints on the part of the House of Representatives Dr. Abigal N. Thernstrom of Lexington, Massachusetts, to the Commission on Civil Rights for a 6-year term beginning on February 12, 2002.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated:

H.R. 1748. An act to designate the facility of the United States Postal Service located at 805 Glen Burnie Road in Richmond, Virginia, as the "Tom Bliley Post Office Building"; to the Committee on Governmental Affairs.

H.R. 2577. An act to designate the facility of the United States Postal Service located at 310 South State Street in St. Ignace, Michigan, as the "Bob Davis Post Office Building"; to the Committee on Governmental Affairs.

H.R. 3699. An act to revise certain grants for continuum of care assistance for homeless individual and families; to the Committee on Banking, Housing, and Urban Affairs.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 313. Concurrent resolution expressing the sense of Congress regarding the crash of Transporte Aereo Militar Ecuatoriano (TAME) Flight 120 on January 28, 2002; to the Committee on Foreign Relations.

H. Con. Res. 326. Concurrent resolution commending the National Highway Traffic Safety Administration for their efforts to remind parents and care givers to use child safety seats and seat belts when transporting children in vehicles and for sponsoring National Child Passenger Safety Week; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INOUYE, from the Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 1857: A bill to Encourage the Negotiated Settlement of Tribal Claims.

By Mr. CONRAD, from the Committee on the Budget, unfavorably, without amendment:

S.J. Res. 31: A joint resolution suspending certain provisions of law pursuant to section 258(a)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985.

NOMINATIONS DISCHARGED

The following nominations were discharged from the Committee on Environment and Public Works pursuant to the unanimous consent agreement of February 13, 2002:

ENVIRONMENTAL PROTECTION AGENCY

Linda Morrison Combs, of North Carolina, to be Chief Financial Officer, Environmental Protection Agency.

Morris X. Winn, of Texas, to be an Assistant Administrator of the Environmental Protection Agency.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. SPECTER (for himself and Mr. DURBIN):

S. 1937. A bill to set forth certain requirements for trials and sentencing by military commissions, and for other purposes; to the Committee on Armed Services.

By Mr. GRAHAM (for himself, Mrs. Boxer, and Mrs. Feinstein):

S. 1938. A bill to amend the Consolidated Farm and Rural Development Act to establish a grant program to train farm workers in new agricultural technologies; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. REID (for himself, Mr. Bennett, Mr. Hatch, and Mr. Ensign):

S. 1939. A bill to establish the Great Basin National Heritage Area, Nevada and Utah; to the Committee on Energy and Natural Resources.

By Mr. LEVIN (for himself, Mr. McCain, Mr. Fitzgerald, Mr. Durbin, and Mr. Dayton):

S. 1940. A bill to amend the Internal Revenue Code of 1986 to provide that corporate tax benefits from stock option compensation expenses are allowed only to the extent such expenses are included in a corporation's financial statements; to the Committee on Finance.

By Mr. LEAHY (for himself and Mr. Durbin):

S. 1941. A bill to authorize the President to establish military tribunals to try the terrorists responsible for the September 11, 2001 attacks against the United States, and for other purposes; to the Committee on Armed Services.

By Mrs. LINCOLN (for herself, Mr. Dayton, and Mr. Johnson):

S. 1942. A bill to amend the Internal Revenue Code of 1986 to provide a tax credit to promote the production of biodiesel, and for other purposes; to the Committee on Finance.

By Mr. WARNER (for himself and Mr. Allen):

S. 1943. A bill to expand the boundary of the George Washington Birthplace National Monument, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CAMPBELL:

S. 1944. A bill to revise the boundary of the Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area in the State of Colorado, and for other purposes; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Ms. COLLINS (for herself, Mr. Breaux, Mr. Levin, Mr. Lugar, Mr. Domenici, and Mrs. Hutchison):

S. Res. 208. A resolution commending students who participated in the United States Senate Youth Program between 1962 and 2002; to the Committee on the Judiciary.

By Mr. SMITH of New Hampshire (for himself, Mr. Helms, Mr. Hutchinson, Mr. Inhofe, Mr. Santorum, Mr. Brownback, Mr. DeWine, and Mr. Ensign):

S. Res. 209. A resolution to express the sense of the Senate regarding prenatal care for women and children; to the Committee on Finance.

By Mr. DASCHLE:

S. Con. Res. 97. A concurrent resolution providing for a conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives; considered and agreed to.

ADDITIONAL COSPONSORS

S. 659

At the request of Mr. Crapo, the name of the Senator from South Dakota (Mr. Johnson) was added as a cosponsor of S. 659, a bill to amend title XVIII of the Social Security Act to adjust the labor costs relating to items and services furnished in a geographically reclassified hospital for which reimbursement under the medicare program is provided on a prospective basis.

S. 829

At the request of Mr. Brownback, the name of the Senator from Maine (Ms. Collins) was added as a cosponsor of S. 829, a bill to establish the National Museum of African American History and Culture within the Smithsonian Institution.

S. 852

At the request of Mrs. Feinstein, the name of the Senator from New Mexico (Mr. Bingaman) was added as a cosponsor of S. 852, a bill to support the aspirations of the Tibetan people to safeguard their distinct identity.

S. 1379

At the request of Mr. Kennedy, the names of the Senator from Washington (Ms. Cantwell) and the Senator from Hawaii (Mr. Inouye) were added as cosponsors of S. 1379, a bill to amend the Public Health Service Act to establish an Office of Rare Diseases at the National Institutes of Health, and for other purposes.

S. 1707

At the request of Mr. Jeffords, the names of the Senator from Connecticut (Mr. Dodd) and the Senator from Kansas (Mr. Brownback) were added as cosponsors of S. 1707, a bill to amend title XVIII of the Social Security Act to specify the update for payments under the medicare physician fee schedule for 2002 and to direct the Medicare Payment Advisory Commission to conduct a study on replacing the use of the sustainable growth rate as a factor in determining such update in subsequent years.

S. 1839

At the request of Mrs. Clinton, the name of the Senator from Louisiana (Ms. Landrieu) was added as a cosponsor of S. 1839, a bill to amend the Bank Holding Company Act of 1956, and the Revised Statutes of the United States to prohibit financial holding companies and national banks from engaging, directly or indirectly, in real estate brokerage or real estate management activities, and for other purposes.

S. 1917

At the request of Mr. Jeffords, the names of the Senator from Minnesota (Mr. Dayton) and the Senator from Connecticut (Mr. Dodd) were added as cosponsors of S. 1917, a bill to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century.

S. RES. 132

At the request of Mr. Campbell, the name of the Senator from Idaho (Mr. Craig) was added as a cosponsor of S. Res. 132, a resolution recognizing the social problem of child abuse and neglect, and supporting efforts to enhance public awareness of it.

S. RES. 185

At the request of Mr. Allen, the name of the Senator from Georgia (Mr. Cleland) was added as a cosponsor of S. Res. 185, a resolution recognizing the historical significance of the 100th anniversary of Korean immigration to the United States.

S. RES. 204

At the request of Mr. DeWine, the name of the Senator from Vermont (Mr. Leahy) was added as a cosponsor of S. Res. 204, a resolution expressing the sense of the Senate regarding the importance of United States foreign assistance programs as a diplomatic tool for fighting global terrorism and promoting United States security interests.

AMENDMENT NO. 2842

At the request of Mr. Bingaman, his name was added as a cosponsor of amendment No. 2842 proposed to S. 1731, an original bill to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

AMENDMENT NO. 2850

At the request of Mr. Cochran, his name was added as a cosponsor of amendment No. 2850.

At the request of Mr. Smith of New Hampshire, his name was added as a cosponsor of amendment No. 2850 supra.

AMENDMENT NO. 2851

At the request of Mr. Bingaman, his name was added as a cosponsor of amendment No. 2851.

AMENDMENT NO. 2852

At the request of Mr. Kerry, the name of the Senator from Massachusetts (Mr. Kennedy) was added as a cosponsor of amendment No. 2852.

At the request of Ms. Collins, her name was added as a cosponsor of amendment No. 2852 supra.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER (for himself and Mr. Durbin):

S. 1937. A bill to set forth certain requirements for trials and sentencing by military commissions, and for other purposes; to the Committee on Armed Services.

Mr. SPECTER. Mr. President, I have sought recognition to introduce, on behalf of Senator DURBIN and myself, legislation entitled the "Military Commission Procedures Act of 2002."

The President issued an order establishing generalized procedures for trying members of al-Qaida and the Taliban. It is my view and Senator DURBIN's view that Congress ought to consider what are the appropriate procedures pursuant to our authority under the Constitution, article I, section 8, which gives to the Congress the responsibility and authority "To define and punish . . . Offenses against the Law of Nations."

We have already legislated in part, delegating to the President the authority to establish military tribunals "by regulations which shall, so far as he considers practicable, apply the principles of law and the rules of evidence generally recognized in the trial of criminal cases in the United States district courts, but which may not be contrary to or inconsistent with this chapter."

The President promulgated his order without consultation with Congress. This legislation is a starting point for what we believe ought to be consideration by the Judiciary Committee.

In the President's order, there was a provision that there could be no appeal from any order of the military tribunal. But that, on its face, was inconsistent with the Constitution, which preserves the right of habeas corpus unless there is rebellion or invasion, neither of which had occurred here.

The President's order also allowed for conviction of a capital offense by a two-thirds vote, but that is inconsistent with the Uniform Code of Military Justice, and the law does not allow a regulation to be inconsistent with that law.

So Senator DURBIN and I have provided the modifications that two-thirds is acceptable generally. But if the sentence carries 10 years or more, it requires a three-fourths vote. And for the death penalty, it would require a unanimous vote.

This legislation further provides for right to counsel consistent with the Uniform Code of Military Justice, which would be either military counsel or could be private counsel. But that right is preserved.

On one provision, we have provided that there would be no "Miranda" rights for suspects who are interrogated. I candidly concede that in abrogating "Miranda" rights, that will be a source of some contention, which can be the subject of hearings. But it is our view that we should not give al-Qaida or Taliban prisoners access to counsel before they are questioned, first, for the safety of the soldiers who are doing the questioning, and, second, because of the importance, potentially, that eliciting information would stop further terrorist attacks.

Of course, we could provide no "Miranda" warnings in advance but not allow admissions to be used at trial, but it is our view, subject to hearings and further consideration, that "Miranda" rights ought not to be required.

We have provided for an open trial unless there is classified information; and, if classified information is used, we have incorporated the provisions of the Anti-Terrorism Act of 1996—a compromise worked out by Senator Simon and myself on the floor—which provides for a summary to be given to the defendant and the commission, to be reviewed by the commission, to see if it is adequate to protect sources and methods of classified information and also adequate to inform the defendant of the evidence so that the defendant would have substantially the same ability to make his defense as he would if the classified information was disclosed.

We have not provided any restrictions on rules of evidence, since it is the custom of Congress not to do so. But we think this legislation is an important first step. We now know there is a large contingent of those captive in Guantanamo Bay.

I believe the President made a sound decision in saying that al-Qaida members were not prisoners of war, not subject to the Geneva Convention because they are terrorists, murdering innocent civilians. The President did accord Taliban members the protections of the Geneva Convention.

But these trials will soon start. It is very important that our country and our Government proceed with accepted norms for criminal trials. To have a death penalty imposed on a two-thirds vote, as is in the Presidential order, would not be consistent with our generalized standards. To provide for no appeal is not consistent with the constitutional provisions.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. SPECTER. I ask unanimous consent for 30 seconds to finish my sentence, Mr. President.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SPECTER. We believe this is a starting point. We urge early hearings so we can establish the parameters, so when we deal with these treacherous terrorists, we will, in accordance with American standards, give them basic due process—no more, but basic due process.

Mr. DURBIN. Mr. President, on November 13, 2001, President Bush issued a military order authorizing the use of military commissions to prosecute individuals who may be engaged in activities related to the subject of our campaign against terrorism.

The initial public reaction to the White House action was one of surprise and skepticism: Surprise that the order was issued without any advance notice, and skepticism as to whether the decision is based on sound legal or policy grounds. Many commentators also raised legitimate concerns that the Administration's use of military tribunals could potentially undermine our longheld foreign policy of criticizing other nations' reliance on such tribunals.

My reaction, which, I believe, was echoed by many of my colleagues in Congress, was one of disappointment, in addition to the surprise and skepticism. I was disappointed that Congress was excluded from deliberating a policy as important as this one before the White House announced the order.

I have said repeatedly since September 11 that I fully support the President in his efforts to combat terrorism both here and abroad. In response to September 11, Congress worked hand in hand with the administration on a host of items in a truly cooperative and bipartisan manner, from the passage of a joint resolution authorizing the President to use all necessary force, to the passage of the sweeping anti-terrorism bill.

Yet on the drafting of this military order, Congress was left completely in the dark. The Constitution provides executive powers to the President, not exclusive powers. Our Nation remains strong only if the co-equal branches of government work together.

Any proceeding that takes place under President Bush's order will have to withstand the test of legal scrutiny for years to come. But more importantly, it will also have to pass the scrutiny of our citizens at home and of our friends and enemies abroad who are watching to see how the greatest democracy in history carries out justice.

At the Judiciary Committee hearing held in early December, Senator SPECTER and I both questioned the administration's witness to ascertain the precise constitutional authority upon which the administration was relying in creating this tribunal. We did not receive a satisfactory answer.

We also wanted to know the precise scope and reach of the order in terms of who will be brought before such a tribunal, what procedural and evidentiary standards are to be applied, and what due process safeguards, including appeals, will be in place. We did not receive many details here either.

Instead, the administration asked us to wait for the regulations implementing the order that the Defense Department was preparing.

It has been over 3 months since the President's order was issued, and we have not seen the Defense Department regulations. So I believe it is appropriate for Congress to act now to provide the constitutional authority and guidance on procedures before the first military commission is empaneled under the President's order.

I am introducing the "Military Commission Procedures Act of 2002" with

Senator SPECTER. I believe this bill will provide the executive branch with the legal authority to prosecute potential terrorists captured in the current military campaign abroad.

Our bill is designed to ensure that military commissions are used in the most narrow and necessary circumstances while protecting the basic rights of defendants. The bill limits the jurisdiction of military commissions to try defendants only for violations of the law of war, and not any domestic laws.

The defendants would be entitled to representation by counsel in the same manner as military service members under the Uniform Code of Military Justice. The prosecution would need to prove its case beyond a reasonable doubt, and the death penalty could not be imposed without a unanimous vote as to guilt and to the sentence.

Furthermore, in order to keep the proceedings as open as possible, our bill provides for classified information procedures where the defendant would receive a summary of such evidence while the commission considers the actual evidence in camera and ex parte. The bill also authorizes convicted defendants to petition the U.S. Supreme Court for certiorari.

In short, Senator SPECTER and I believe this bill includes the details that the President's military order of November 13 should have included. More importantly, the bill provides the full force of the congressional and constitutional support behind the President's continuing efforts to wage a war against terrorism.

I urge my colleagues to join us in supporting this legislation.

By Mr. REID (for himself, Mr. BENNETT, Mr. HATCH, and Mr. ENSIGN):

S. 1939. A bill to establish the Great Basin National Heritage Area, Nevada and Utah; to the Committee on Energy and Natural Resources.

Mr. REID. Mr. President, I rise today for myself, Senator ENSIGN, Senator HATCH, and Senator BENNETT to introduce this bill, which will establish a National Heritage Area in eastern Nevada and western Utah.

National Heritage Areas are regions in which residents, businesses, as well as local and tribal governments have joined together in partnership to conserve and celebrate cultural heritage and special landscapes. For Nevada, these include such nationally significant historic areas as the Pony Express and Overland Stage Route, Mormon and other pioneer settlements, historic mining camps and ghost towns, as well as Native American cultural resources such as the Fremont Culture archeological sites.

The bill will also highlight some of Nevada's natural riches. The Great Basin contains great natural diversity, including forests of bristlecone pine, which are renowned for their ability to survive for thousands of years. The Great Basin National Heritage Area includes White Pine County and the Duckwater Reservation in Nevada and Millard County, UT. The Heritage Area will also ensure the preservation of key educational and inspirational opportunities in perpetuity without compromising traditional local control over—and use of—the landscape. Finally, the Great Basin National Heritage Area will provide a framework for celebrating Nevada's and Utah's rich historic, archeological, cultural, and natural resources for both visitors and residents.

The bill will establish a board of directors to manage the area. Consisting of local officials from both counties and tribes, the board will have the authority to receive and spend federal funds and develop a management plan within five years of the bill's passage. The bill mandates the Secretary of the Interior to enter into a memorandum of understanding with the Board of Directors for the management of the resources of the heritage area. The bill also authorizes up to $10 million to carry out the Act but limits Federal funding to no more than fifty percent of the project's costs. The bill allows the Secretary to provide assistance until September 20, 2020.

This bill benefits not just Nevada and Utah, but citizens of all States. It highlights some areas of outstanding cultural and natural value and brings people together to celebrate values that they can be proud of.

By Mr. LEVIN (for himself, Mr. MCCAIN, Mr. FITZGERALD, Mr. DURBIN, and Mr. DAYTON):

S. 1940. A bill to amend the Internal Revenue Code of 1986 to provide that corporate tax benefits from stock option compensation expenses are allowed only to the extent such expenses are included in a corporation's financial statements; to the Committee on Finance.

Mr. LEVIN. Mr. President, today I am pleased to introduce Ending the Double Standard for Stock Options Act along with my colleagues Senator MCCAIN, Senator FITZGERALD and Senator DURBIN.

As another lesson learned from the Enron debacle, this bill addresses a costly and dangerous double standard that allows a company to take a tax deduction for stock option compensation as a business expense while not showing it as a business expense on its financial statement.

Stock options were a driving force behind management decisions at Enron that focused on increasing Enron's stock price rather than the solid growth of the company.

Stock options are opportunities given to certain employees, usually top executives, to purchase a company's stock at a set price for a specified period of time, such as 5 or 10 years. When the stock price increases, the potential profit to the executive rises, and the more stock options an executive has, the smaller the increase needed to realize significant gain.

Stock options are a stealth form of compensation, because they do not, under current accounting rules, have to be shown as an expense on the corporate books. In fact they're the only form of compensation that doesn't have to be treated as an expense at any time. But, like other forms of compensation, option expenses are allowed as a tax deduction for a corporation. It doesn't make sense, but that's the way it is. And this long-standing mismatch between U.S. accounting and tax rules was exploited by Enron to the hilt. The result was both misleading financial statements and an incentive to push accounting rules to the limit in order to artificially raise stock prices so as to make the stock options more valuable.

A New York Times article from last October 21, reports that, "Since 1993, studies from Wall Street to Washington have shown that pushing [stock option] expenses off the income statement has inflated corporate earnings and misled investors about profits, particularly at technology concerns. Options are also a titanic but stealthy transfer of wealth from shareholders to corporate management."

Let's look at how it worked at Enron. We've all heard about the many ways that Enron inflated its earnings and hid its debts by keeping various partnerships off the company books. Well, Enron did the same thing with stock options.

For five years, from 1996 until the year 2000, Enron told its shareholders that it was rolling in revenues. One analysis by Citizens for Tax Justice, using Enron's public filings, reports that Enron claimed a total 5-year income of $1.8 billion. This figure apparently included, however, a number of accounting gimmicks, one of which was Enron's decision to relegate all stock option compensation it had provided to a footnote and to exclude such compensation from its total expenses, even though, according to the same study, the stock option pay over five years had reached almost $600 million. That $600 million, by the way, represented one-third of all the income reported by Enron over a 5-year period.

Yet all $600 million was, legally, kept off-the-books, away from Enron's bottom line. That's because existing U.S. accounting rules allow U.S. companies to omit employee stock option compensation as a charge to earnings on their financial statements. That is a unique rule. Stock option compensation is the only kind of employee compensation that a U.S. company never has to record on its financial statements at any time as an expense. That means Enron could give its executives, directors and other employees $600 million in stock options and never show one penny of that pay on its books. It could dole out stock options like candy and never reduce by one penny its alleged income of $1.8 billion.

The result was that Enron was able to provide extravagant compensation, without ever having to account for that extravagance on its bottom line where stockholders and the public might take notice.

But Enron's misleading financial statements are not the end of the story. The backside of the story is that, at the same time Enron was touting its skyrocketing revenues and providing extravagant pay to insiders, it was apparently telling Uncle Sam that its expenses exceeded its income and its tax liability was little or nothing. The study by Citizens for Tax Justice, after reviewing Enron's public filings, has calculated that, despite claiming a 5-year revenue total of $1.8 billion, Enron apparently failed to pay any U.S. tax in 4 out of the last 5 years. How did a company with $1.8 billion in revenue apparently pay so little in taxes? The same study calculated that with a 35 percent corporate tax rate, Enron should have paid about $625 million over five years. But, apparently, according to the study, the principal way Enron avoided paying these taxes was by claiming that its income had been wiped out by nearly $600 million in stock option expenses, the same $600 million that Enron chose not to put on its financial statements as an expense. While these numbers are based on public filings and not based on a review of the actual tax returns, the significance of Enron's actions is the same, avoiding tax liability through the use of stock options.

As I noted earlier, Enron was not acting illegally here, nor were its actions unique. It took advantage of the tax provisions which we hope to change in our bill which allow a company to claim a stock option expense on its tax return even if the company never lists that expense on the company books. These tax provisions incomprehensibly and indefensibly allow companies to tell Uncle Sam one thing and their stockholders something else.

And to add insult to injury, last year the IRS issued Revenue Ruling 2001–1 which determined that companies whose tax liability was erased through stock option expenses are not subject to the corporate Alternative Minimum Tax. That revenue ruling means that our most successful publicly traded companies, if they dole out enough stock options to insiders, can arrange their affairs to escape paying any taxes. That absurd result leaves the average taxpayer feeling like a chump for paying his fair share when a company like Enron can use its success in the stock market to apparently end up tax free.

Now you may have noticed that, in discussing Enron's tax returns, I have been using the words "appears to" and "apparently." That is because, despite a pending request from Senators BAUCUS and GRASSLEY of the Senate Finance Committee, Enron has yet to release its tax returns to either Congress or the public.

The lack of direct access to Enron's tax returns requires Congress and the public to have to continue making educated guesses about Enron's tax conduct, without having the actual facts. It is much too late and much too serious for Enron to be asking everyone to play this guessing game. Enron is in bankruptcy; it has brought economic loss to individuals and financial institutions across this country; its management claims to have done nothing wrong, and the company professes to be cooperating with investigators.

Enron should immediately release to the public the last five years of its tax returns. Then we'll know with certainty if Enron paid no taxes in 4 out of the last 5 years and why. Then we'll know with certainty if Enron eliminated its taxes primarily through stock option deductions, or whether it used other tax provisions to avoid payment of tax such as diverting income through offshore tax havens. The public and the Congress have a right to know what really happened at Enron.

It is also important to realize that most companies treat stock options the same way Enron did. A recent USA Today article reports that out of the S&P 500 companies, only Boeing and Winn-Dixie currently record stock option expenses on both their financial statements and tax returns. The other 498 companies apparently do not. The article says that had stock option expense been recognized on their earnings statements, the S&P 500's revenues would have fallen by 9 percent, another measure of how much off-the-books stock option pay is out there.

Even more troubling, and something that needs more investigation and attention is the claim in the article that "half a dozen academic studies have concluded that companies time the release of good or bad news near the date that executives are issued their options, orchestrating a potential windfall." In other words, some believe that executives are timing the release of company information around the dates they are to receive their stock options, thereby artificially inflating the value of their options.

The future promises more of the same. A February 3rd New York Times article entitled, "Even Last Year, Option Spigot Was Wide Open," reports that companies are providing more stock options than ever to their executives, even in the face of poor company performance and diluted stockholder earnings. "It's a great time to give options," one expert is quoted as saying. "They're cheap because they involve no change to earnings, and that's important at a time when profits are down."

Ten years ago, some of us tried to end corporate stock option abuses by urging the Board that issues generally accepted accounting principles, the Financial Accounting Standards Board or FASB, to require stock option expenses to be shown on company books. We were not successful. Corporate America fought back tooth and nail. Intense pressure was brought to bear on FASB. Arthur Levitt told the Governmental Affairs Committee last month that he spent 50 percent of his first four months at the SEC talking to corporate executives who wanted to keep their stock option pay off the books. On one day during the height of the campaign, 100 CEOs flew into Washington to lobby Members of Congress on this issue. In 1994, in the midst of this intense lobbying, the Senate voted 88–9 to recommend against putting stock option pay on the books.

Arthur Levitt testified before our committee that one of his greatest regrets from his days at the SEC was that he didn't work harder to get stock options treated as an expense on a company's financial statement. Several accounting firms, including Andersen and Deloitte, now support expensing options. They are joined by more than 80 percent of U.S. financial analysts, as reported in a September 2001 survey conducted by the leading financial research organization, the Association for Investment Management and Research.

In addition, the newly re-constituted International Accounting Standards Board in London, the international equivalent of our FASB, has announced that one of its first projects will be to propose international standards requiring stock options to be expensed on company books. But in a repeat of what happened here in the United States, corporate lobbyists are already organizing to oppose this project. An Enron document uncovered by my Subcommittee casts light on how this battle may be fought.

The document is an email dated February 23, 2001, from David Duncan, the lead auditor of Enron at Andersen, to several Andersen colleagues, describing Enron's reaction to a request that it consider donating funds to the new International Accounting Standards Board.

> Today [Enron Chief Accountant] Rick Causey called to say that Paul Volker had called Ken Lay (Enron Chairman) and asked Enron to make a 5 year, 100k per year commitment to fund the Trust Fund of 'the FASB's International equivalent' . . . . While I believe Rick is inclined to do this given Enron's desire to increase their exposure and influence in rulemaking broadly, he

is interested in knowing whether these type of commitments will add any formal or informal access to this process (i.e., would these type commitments present opportunities to meet with the Trustees of these groups or other benefits). I think any information along this front or further information on the current strategic importance of supporting these groups for the good of consistent rulemaking would help Enron with its decision to be supportive.

First, let me be clear that I'm not suggesting in any way that Paul Volker's request of Enron for a contribution to FASB's international equivalent was in any way improper. It wasn't. That is exactly how these accounting standards boards get funded. And the response by Enron is not really suprising, it's something we've all known but we've never had written confirmation of it. Contributions to the accounting standards boards affect the boards' independence, and that's bad news for reliable accounting.

No one was mincing any words here. Enron wanted to know whether its money would buy access and influence at the new accounting standards board, and its auditor didn't bat an eye at this inquiry but asked his colleagues for "any information along this front."

The bill we are introducing today does not require that stock options be charged to earnings. That is a decision for the accounting standards boards to make. And many of us in Congress will be working on legislation to make the accounting standards board more independent and less vulnerable to pressures from its contributors. The legislation we are offering today would simply state, in essence, that companies can take a tax deduction or tax credit for stock option expenses only to the extent that the company actually recognizes the same stock option expenses in the company books.

The bill does not get into the accounting side of the issue. It does not, for example, tell companies that they have to expense stock options. It does not tell them when to take a stock option expense or how to book that expense. It focuses solely on the income tax deduction and states, in essence, that any tax deduction must mirror the company books. If a company declares a stock option expense on its books, then the company can deduct the expense on its tax return. If there is no stock option expense on the company books, there can be no expense on the company tax return.

That's tax honesty. That will end the stock option double standard.

The stock option double standard has been a long festering problem in corporate America. It has been one of the driving engines of stretching accounting rules to increase the value of a company's stock. Enron has put a face on this faceless problem and shown the cost of off-the-books stock option pay. Like other accounting gimmicks, off-the-books stock option pay coupled with a large tax deduction doesn't pass the smell test, because we all know that "off-the-books" means stealth compensation that is harder to track and easier for insiders to abuse. Add to the stealth factor and the insider abuse factor, a government policy of giving large corporate tax deductions which can completely eliminate a company's tax liability, and you've set the stage for just the type of stock option results we saw at Enron.

It is time to end the stock option double standard, and I urge all of my colleagues to support enactment of this legislation this year.

I ask unanimous consent to print in the RECORD, a bill summary, a section-by-section analysis, and the following materials: "Less than Zero Enron's Corporate Income Tax Payments, 1996–2000" (Citizens for Tax Justice, January 17, 2002); Duncan email (2/23/01); "Enron's fall fuels push for stock option law" (USA Today, 2/8/02); "Even Last Year, Option Spigot Was Wide Open" (New York Times, 2/3/02); "Stock Option Madness" (Washington Post, 1/30/02); "Enron's Way: Pay Packages Foster Spin, Not Results" (New York Times, 1/27/02); and stock option survey results by Association for Investment Management Research, as posted on the AIMR website on 2/8/02.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Citizens for Tax Justice, Jan. 17, 2002]

LESS THAN ZERO: ENRON'S CORPORATE INCOME TAX PAYMENTS, 1996–2000

A January 17, analysis of Enron's financial documents by Citizens for Tax Justice finds that Enron paid no corporate income taxes in four of the last five years—although the company was profitable in each of those years.

Over the five-year period from 1996 to 2000, Enron received a net tax rebate of $381 million. This includes a $278 million tax rebate in 2000 alone.

Over the same period, the company's profit before federal income taxes totaled $1.785 billion. In none of these years was the company's profit less than $87 million.

LESS THAN ZERO: CORPORATE INCOME TAX PAYMENTS BY ENRON, 1996 TO 2000

[Dollars in millions]

	2000	1999	1998	1997	1996	96-00
U.S. profits before federal income taxes	$618	$351	$189	$87	$540	$1.785
Tax at 35% corporate rate would be	216	123	66	30	189	625
Less tax benefits from stock options	−390	−134	−43	−12	−19	−597
Less tax savings from other loopholes, etc.	−104	−94	−36	−1	−173	−409
Federal income taxes paid (+) or rebated(−)	−278	−105	−13	17	−3	−381

At the 35 percent tax rate, Enron's tax on profits in the past five years would have been $625 million, but the company was able to use tax benefits from stock options and other loopholes to reduce its five-year tax total to substantially less than zero.

Among the loopholes used to reduce the company's tax liability was the creation of more than 800 subsidiaries in "tax havens" such as the Cayman Islands.

SUMMARY OF LEVIN-MCCAIN-FITZGERALD-DURBIN ENDING THE DOUBLE STANDARD FOR STOCK OPTIONS ACT, FEBRUARY 13, 2002

The Enron fiasco has brought to light a long-festering problem in how some U.S. corporations use stock options to avoid paying U.S. taxes while overstating earnings. According to one recent analysis reported in the New York Times, Enron apparently failed to pay any U.S. tax in four out of last five years, despite skyrocketing revenues and an alleged five-year pre-tax income from 1996 to 2000, of $1.8 billion. To sidestep paying about $625 million in taxes on its $1.8 billion in income, Enron apparently claimed stock option tax deductions totaling almost $600 million. At the same time, Enron never reported this $600 million as an expense on its financial statements—an expense which, had it been reported, would have reduced Enron's income by one-third.

Enron was able to employ this stock option double standard, because of accounting rules that allow stock option compensation to be kept off a company's books. Right now, many U.S. companies routinely give their executives large numbers of stock options as part of their compensation. When an executive exercises those options, the company can claim a corresponding compensation expense on its tax return, while at the same time employ accounting rules to omit reporting any expense at all on its books. The company can tell Uncle Sam one thing and its shareholders the opposite. That's just what Enron did—it lowered its tax bill by claiming stock option expenses on its tax returns, while overstating its earnings by leaving stock option expenses off its financial statements.

The stock option loophole Enron used makes no sense, but when the Financial Accounting Standards Board—the board that issues accounting standards—tried to change the rules ten years ago, corporations and audit firms fought the Board tooth and nail. They demanded that companies be allowed to continue to keep stock option compensation off the books. In the end, the best the Board could get was a footnote noting the earning charge that should be taken on a company's books. But that stock option footnote—like so many Enron footnotes—doesn't tell the true financial story of a company.

It's time to end the stock option double standard. The Levin-McCain-Fitzgerald-Durbin bill would not legislate accounting standards for stock options or directly require companies to expense stock option pay, but it would require companies to treat stock options on their tax returns the exact same way they treat them on their financial statements. In other words, a company's stock option tax deduction would have to mirror the stock option expense shown on the company's books. If there is no stock option expense on the company books, there can be no expense on the company tax return. If a company declares a stock option expense on its books, then the company can deduct exactly the same amount in the same year on its tax return. The bill would require companies to tell Uncle Sam and their stockholders the same thing—whether employee stock options are an expense and, if so, how much of an expense against company earnings. Enron has already shown how much damage, if not corrected, that the existing stock option double standard can inflict on company bookkeeping, investor confidence, and tax fairness.

The bill cosponsors are Senators Levin, McCain, Fizgerald and Durbin, and the bill is expected to be referred to the Senate Committee on Finance.

SECTION-BY-SECTION ANALYSIS OF ENDING THE DOUBLE STANDARD FOR STOCK OPTIONS ACT

SECTION 1. SHORT TITLE. The short title of the bill is "Ending the Double Standard for Stock Options Act."

SECTION 2. STOCK OPTION DEDUCTIONS AND TAX CREDITS. This section of the bill would amend two Internal Revenue Code sections to address stock options compensation. The first tax code section, 26 U.S.C. 83(h), addresses employer deductions for employee wages paid for by a stock option transfer. The second tax code section, 26 U.S.C. 41(b)(2)(D), addresses employer tax credits for research expenses, including employee wages.

Subsection (a) of this section of the bill would add a new paragraph (2) to the end of 26 U.S.C. 83(h) that would restrict the compensation deduction that a company could claim for the exercise of a stock option by limiting the stock option deduction to the amount that the company has claimed as an expense on its financial statement. This section would also make it clear that the deduction may not be taken prior to the year in which the employee declares the stock option income. In addition, a new subparagraph (2)(B) would require the Treasury Secretary to promulgate rules to apply the new restriction to cases where a parent corporation might issue stock options to the employees of a subsidiary corporation or vice versa.

Subsection (b) of this section of the bill would add a new clause (iv) to the end of 26 U.S.C. 41(b)(2)(D). This new clause would restrict the research tax credit that a company could claim for employee wages paid for by the transfer of property in connection with a stock option by saying that the amount of the credit shall not exceed the amount of the corresponding stock option deduction allowed under 26 U.S.C. 83(h).

The purpose of both new statutory provisions is to ensure that any stock option deduction or credit claimed on a taxpayer's return will mirror, and not exceed, the corresponding stock option expense shown on the taxpayer's financial statement. If no stock option expense is shown on the taxpayer's financial records, there can be no expense taken as a deduction or credit on the taxpayer's return. If a taxpayer declares a stock option expense on its financial statement, then the taxpayer is permitted to claim a corresponding deduction or credit on its return in the same taxable year for exactly the same amount of expense.

Subsection (c) of the bill provides that the amendments made by the Act apply only to wages and property transferred on or after the date of enactment of the Act.

To: Steve M. Samek@ANDERSEN WO; Lawrence A. Reiger@ANDERSEN WO; Gregory J. Jonas@ANDERSEN WO; Jeannot Blanchet@ANDERSEN WO
CC: Michael L. Bennett@ANDERSEN WO; D. Stephen Goddard Jr.@ANDERSEN WO
Date: 02/23/2001 09:56 AM
From: David B. Duncan
Subject: Enron Funding of FASB Trust
Attachments:

I recently asked Enron to consider funding the FASB Trust pursuant to a Steve Samek request.

Today, Rick Causey called to say that Paul Volker had called Ken Lay (Enron Chairman) and asked Enron to make a 5 year, 100k per year commitment to fund the Trust Fund of "the FASB's International equivalent" (best Rick could remember). Lay is asking Causey if this is something that they should do.

While I believe Rick is inclined to do this given Enron's desire to increase their exposure and influence in rulemaking broadly, he is interested in knowing whether these type of commitments will add any formal or informal access to this process (i.e., would these type commitments present opportunities to meet with the Trustees of these groups or other benefits). I think any information along this front or further information on the current strategic importance of supporting these groups for the good of consistent rulemaking would help Enron with its decision to be supportive.

Could any of you guys help me out with more information or point me to someone who could? Thanks.

[From USA Today, Feb. 8, 2002]

ENRON'S FALL FUELS PUSH FOR STOCK OPTION LAW

(Matt Krantz and Del Jones)

The Enron implosion has breathed life into legislation that business leaders thought they had killed in the mid-1990s.

In a highly controversial move, at least three senators want to end the legal tax deductions companies take for stock options they issue to executives and workers unless they subtract the same expense from their earnings.

As it is, almost every company takes a tax deduction for options, but ignores them when it comes to reporting their profits. Among the S&P 500, only Boeing and Winn-Dixie follow the advice of the Financial Accounting Standards Board in recording the cost of options on both ledgers, says David Zion, analyst with Bear Stearns. The rest are like Enron, which took a $625 million tax deduction for options from 1996 to 2000, yet legally included the $625 million on its earnings.

If stock options were treated as an expense, the earnings reported by firms in the S&P 500 would have been 9% lower in 2000, Zion says. Technology companies, more likely to use options for rank-and-file compensation, would be harder hit. Fourteen companies, including Yahoo and Citrix Systems, would have posted losses in 2000, rather than gains. Microsoft and Cisco take large tax deductions for options.

Options are contracts that allow the purchase of stock, usually within five years, at today's price. If the stock rises, the stock can be bought at a discount.

Conventional wisdom has long held that options align the goals of executives and workers with those of the shareholders. Enron has given pause to that thinking because its executives artificially boosted the stock price at the risk of shareholders.

Outright frauds is rare, but at least a half-dozen academic studies have concluded that companies time the release of good or bad news near the date that executives are issued their options, orchestrating a potential windfall.

Sens. Carl Levin, D-Mich., John McCain, R-Ariz., and Peter Fitzgerald, R-Ill., are dusting off the tax-deduction proposal that was defeated by a vote of 88-9 in 1994. At the time, Home Depot founder and CEO Bernard Marcus said he had "never been more strongly opposed to anything."

Citigroup CEO Sanford Weill was quick out of the chute Thursday, warning on CNBC's Squawk Box not to get into an Enron frenzy and hurry through bad legislation.

But Matt Ward, CEO of WestWard Pay Strategies, an options consulting firm in San Francisco, says he fears the legislation stands a better chance of passing this time because of what he calls the "Enron thieves" and because technology companies have been weakened by the economy and don't have the resources or energy to influence Washington.

Ward says a law change would result only in rank-and-file employees losing their stock options. CEOs would continue to get theirs, he says.

"Noises are coming from Washington because some oil company guys have been greedy," Ward says.

David Yermack, associate professor of finance at New York University's Stern School of Business, says he doubts if stock options could have pushed Enron executives into hiding millions of dollars of losses in off-book partnerships. That said, there is no reason options should not count against earnings jut as cash compensation does.

"If Enron has made them reconsider this horrible position, there is silver lining to this debacle," Yermack says.

More than 80% of financial analysts and portfolio managers agree with Yermack, according to a survey by the Association for Investment Management and Research.

"I'm dissatisfied with using fuzzy numbers in doing accounting," says Dick Wagner, president of the Strategic Compensation Research Associates.

[From the New York Times, Feb. 3, 2002]

EVEN LAST YEAR, OPTION SPIGOT WAS WIDE OPEN

(By Stephanie Strom)

Surprise, surprise. Early reports suggest that top executives across America got a bigger dollop of stock options last year as part of their pay.

As corporate earnings and cash flow have ebbed and stock prices have fallen, boards have been doling out options as a cheap, balance-sheet-friendly way of compensating mangers. The annual proxy season, when companies reveal compensation, is just starting. If the disclosures show the trend toward larger option grants holding after a year that most companies would lie to forget, it would seem to make a mockery of the concept of pay for performance. That was the reason options grew so popular in the first place. Yet while some companies are trying to make options better reflect their fortunes, most other simply contend that options are primarily a motivational tool and have never been a reward for performance.

With stock prices stalled, options may not seem attractive now. But executives who receive them can usually count on rich rewards eventually, even if a company does only marginally better. The increase in options, however imposes additional costs on shareholders; the more options granted, the lower the return for investors, since their holdings are, one way or the other, diluted.

But the options keep coming. Chief executives who received more of them last year, even as their companies suffered, include Daniel A. Carp of Eastman Kodak, John T. Chambers of Cisco Systems, Scott G. McNealy of Sun Microsystems and Harvey R. Blau of Aeroflex

And Henry B. Schacht, returning to the helm of troubled Lucent, received annual options grants almost five times the size of those his predecessor received—and more than 17 times the size of the last grant he received the year he retired. "Fiscal 2001 was rather challenging for Lucent, so the grants were made to ensure Henry had management stability through the turnaround," said Mary Lou Ambrus, a Lucent spokeswoman, in explanation.

Changes are, many chief executives received bigger options awards, as proxy statements, filed each March and April by most companies, are expected to show, experts say. Some were no doubt issued to make up for previous grants that had been rendered worthless by tumbling stock prices.

At the same time, the market's recovery has revived hopes that old option grants will not be worthless. "Options typically run for 10 years, and already many of the ones issued in the last year are back in the money," said John N. Lauer, chief executive of Oglebay Norton, a shipping company. "If the economy recovers, those issued in previous years will also regain value."

Mr. Lauer has gained notoriety in corporate circles for his insistence on being paid entirely in options priced well above Oglebay's stock price. Though Oglebay's performance has improved somewhat, options he received five years ago are still worth nothing.

"In a social setting where I'm in a room with other C.E.O.'s, someone will teasingly suggest that they pass the hat for me because I'm not making any money," he said. "I think they figure I'm loony or something."

Mr. Lauer is not the only executive to have high performance goals, but it is safe to say that most executives keep drawing large salaries, plus more and more options. According to a survey done in the third quarter of last year by Pearl Meyer & Partners, a human resources consulting firm in New York, the number of options granted by 50 major companies that will report their 2001 compensation this spring was up an average of 12 percent from 2000.

Consultants expect that trend to continue as companies report 2001 compensation practices this spring. "It's a great time to give options," said Pearl Meyer, president of the firm. "They're cheap because they involve no charge to earnings, and that's important at a time when profits are down and boards are trying to make up for the fact that salaries and bonuses are both down."

But Ms. Meyer and many others in the field—as well as, they say, the members of corporate compensation committees—are not happy to see the increase in options grants. Their expressions of concern are striking because of compensation consultants have been among the biggest champions of the use of options as performance incentives.

The consultants are worried, in part, about the option "overhang"—options outstanding, plus those shares that investors have authorized but that have yet to be granted. More fundamentally, they suggest that the links between a manager's pay and a company's performance—as measured by, say, profitability, market-share growth and smart acquisition strageties—have become more tenuous.

Ms. Meyer suggests that the at-risk components of executive pay be viewed as the legs of a stool; the legs reflecting stock performance has grown longer and longer, while those reflecting business and financial performance have become shorter.

"We have overdosed on options and the stock market," she said. "We're dependent on the stock market for executive compensation, pension payments, directors' compensation, 401(k) plans—our whole economy, practically, is dependent on the market's performance."

That reliance has produced an overhang that dangles like a sword of Damocles over investors. Eventually, their stakes will be diluted—either when companies issue vast quantities of new shares to make good on options grants, or when they undertake share-repurchase programs that eat up cash they might use for operations.

According to a study by Watson Wyatt Worldwide, a human resource consulting company, the average options overhang of the companies in the Standard & Poor's 500-stock index was 14.6 percent of outstanding shares in 2000, up from 13 percent a year earlier.

This spring's numbers will probably show another rise. The overhang "is definitely going to be up" by a percentage point or more in 2001, said Ira T. Kay, a consultant at Watson Wyatt Worldwide, "because people aren't exercising their options the way they were when the stock market was booming."

Mr. Kay predicted that the slowdown in the exercising of options would work to curb the issuing of new ones this year and next, although he anticipates a slow increase over the long term. "I've been in meetings of five boards that were very reluctant to go to shareholders to ask for more shares to underwrite options grants," he said, "They don't think they can justify it."

Companies are losing out on another salutary benefit of options compensation as well—their ability to reduce corporate taxes. Employers get a deduction when employees exercise options, but as Mr. Kay and other compensation consultants note, these days few are cashing them in.

Oddly, shareholder advocates and institutional investors, who stand to lose the most from an option glut, seem sanguine thus far. Some note that while option awards have increased, the value of the awards has collapsed. Pearl Meyer's research shows that the value of option grants fell 7 percent in the first eight months of 2001 after rising steadily for several years.

Some shareholder advocates say that will also help curb future grants, as long as stocks are sluggish.

"We've had a 20 percent drop in the Standard & Poor's index," said Patrick S. McGurn, of Institutional Shareholder Services, a consulting business in Rockville, MD. "And the standard valuation method for options would tell that you'd have to double or triple grants just to get to the level where you were the previous year. Most boards are going to balk at those numbers, particularly when corporate performance has been so poor."

But that may be wishful thinking. Last year, Eastman Kodak took $659 million in restructing charges that, combined with falling sales and market share, pushed its earning down 95 percent. In November it awarded its chief executive, Mr. Carp, options for 250,000 shares at an exercise price of $29.31, Kodak's stock price at the time. All Mr. Carp must do to gain is keep Kodak's stock level.

That grant came on top of the 100,000 options he received in January 2001 at a strike price of $40.97. So Mr. Carp received three and a half times as many options in 2001 as he did in 2000—at markedly lower strike prices. Sandra R. Feil, director for worldwide total compensation at Kodak, said Mr. Carp received two awards last year because the company had changed the time of its grants, to November from January.

As for the increase, Ms. Feil said Kodak had worked with Frederic W. Cook & Company, a compensation consultant, which found that Mr. Carp was in the lowest 25 percent of executives receiving options. "What we've done," she said, "is taken a step, and even a conservative step at that, in getting him out of the lowest quartile."

But what about Kodak's dismal performance last year? "We look at stock options as a long-term incentive that's forward-looking," Ms. Feil said. "We don't look at them as a reward for past performance.

To understand just how easy it is to get richer and richer on options, consider the case of Lawrence J. Ellison, chairman, chief executive and co-founder of the Oracle Compensation, the software maker. In January, with Oracle's stock trading just above $30, near its yearly high of $34, Ellison exercised option grants for about 23 million shares at an average price of 23 cents, for a paper profit of more than $700 million.

It was the biggest options bonanza on record—and Mr. Ellison holds options to buy an additional 47.9 million shares. "He could end up taking $3 billion out of the company," said Judith Fischer, managing director of Executive Compensation Advisory Services, a consulting firm.

Investors are often forgiving of founders like Mr. Ellison, many of whom staked personal assets and invested buckets of sweat equity to get companies off the ground. His paper profit has shrunk to $378 million as Oracle's stock has sagged.

But investors were still piqued by Mr. Ellison's timing. He exercised his options a month before Oracle issued an earnings warning. The options expired on Aug. 1; he was under no pressure to sell them in January.

To protect shareholders from dilutions from options, Oracle routinely buys shares in the market. Other big corporate users of options, like Microsoft and Dell Computer, do, too, contending that it not only protects shareholders, but offers them tax advantages.

But repurchase programs can also have a huge impact on a company's cash flow. Oracle started the fiscal year that began June 1, 2000, with $7.4 billion in cash, then spent $4.3 billion to repurchase shares largely for use in its options program.

At the end of the fiscal year, the company's overhang stood at 28 percent of total outstanding shares. Microsoft has a similarly large overhang, but it also has more cash.

For years, shareholders have pushed companies to make chief executives earn their keep, and they initially applauded the use of options to accomplish that goal. But companies found ways to make sure the options were worth something regardless of performance, by repricing worthless options or replacing them with fistfuls of new ones.

The outcry over those practices, however, may be pushing some companies to make changes.

In the spring of 1999, the Longview Collective Investment Fund, which manages some A.F.L.-C.I.O. pension money, submitted a shareholder proposal to the Chubb Corporation, the insurer, asking it to grant options that would more closely align compensation with performance.

The proposal was defeated. But when Beth W. Young, an independent consultant who advises the A.F.L.-C.I.O. and other pension fund managers, called Chubb the next spring to resubmit the proposal, she was told that Chubb had already incorporated into its incentive plan options that could be exercised only if the stock price rose significantly.

Roughly half the options handed out to Chubb's senior management in 2000 and 2001 have an exercise price 25 percent higher than the stock price on the day they were granted. But only 2 percent to 4 percent of large companies use such "premium priced" options, consultants say.

"The executives who were granted these options will, at least in theory, have a much stronger incentive to take steps to increase the stock price," said Donald B. Lawson, the Chubb senior vice president who manages compensation and benefits.

Chubb also uses "performance shares," which can typically be redeemed only after three years and only if the company clears specific hurdles. In 2000, for example, the performance shares it handed out in 1998 were worthless because the company did not hit those targets.

For Dean R. O'Hare, Chubb's chief executive, that meant his total compensation fell by $448,508 from the previous year. He did get more options, but those largely replaced restricted shares—those that cannot be sold right away—after the company decided not to use them to reward executives, Mr. Lawson said.

Performance shares held by C. Michael Armstrong, the chief executive of AT&T, have proved to be worthless for three years as the company has fallen short of the board's goals for increases in total return to shareholders.

An options award for 419,200 shares granted to Mr. Armstrong at the end of 2000 was also tied to better performance. The options can be exercised only if AT&T produces a $145 billion pretax gain for shareholders in the year that started March 31. On the other hand, another twist on options accelerates the vesting period if a company's shares reach a certain target. In 2000, the Williams Companies granted options with the condition that if, on certain days, the stock traded at 1.4 times the price at the beginning of the year, the options could be exercised immediately rather than over three years.

Other companies are working to get more plain-vanilla stock, not options, into executives' hands—stock they must buy. When Beazer Homes USA, a home builder, went public in 1994, it adopted a management stock purchase program to increase managers' stakes. At the beginning of each year, some 80 executives can choose to give up a percentage of their bonuses to buy stock at a 20 percent discount on the year-end closing price. The stock cannot be sold for three years.

Executives now own roughly 8 percent of the company, said David S. Weiss, Beazer's chief financial officer. "We think it's a good idea to have them put real money at risk, as opposed to just receiving a reward," he said. "Options feel like a gift from the company that the market, through its whims, will reward or not. Shares reflect the company's performance, whether good or bad."

Mr. Kay, at Watson Wyatt, said such pure stock subsidies were gaining popularity. More companies, he said, plan to use contingent options like those at Chubb and AT&T, which try to reflect financial and business performance.

Investors expect the BellSouth Corporation and the Eaton Corporation, for example, to disclose such adjustments in their new proxy statements. A spokesman for Eaton said he was unaware of such a move, and a spokesman for BellSouth declined to comment until the proxy is released in March.

But other boards are already finding ways to limit the risks that performance shares, premium-priced options, performance-accelerated options and other performance-linked tools pose.

Until last April, Archie W. Dunham, chief executive of Conoco, had options giving him the right to buy 700,000 shares. But he could exercise them only if Conoco's shares traded about $35 on each of the five days before Aug. 17 of this year.

Before Conoco bought Gulf Canada Resources in July, however, its board granted a two-year extension to Mr. Dunham and at least six other executives holding those options. "The board thought the climate was right this year for some kind of an acquisition but that it could have an adverse effect on the stock price," John McLemore, a Conoco spokesman, said. "They thought it wouldn't be really fair for those people who held these options to be punished for something that might make it harder for them to meet the conditions."

That means the board rewarded Mr. Dunham and his colleagues for an acquisition that it knew was likely to hurt Conoco's shares, at least temporarily—a courtesy not extended to shareholders.

[From the Washington Post, Jan. 30, 2002]

STOCK OPTION MADNESS

(By Robert J. Samuelson)

As the Enron scandal broadens, we may miss the forest for the trees. The multiplying investigations have created a massive whodunit. Who destroyed documents? Who misled investors? Who twisted or broke accounting rules? The answers may explain what happened at Enron but not necessarily why. We need to search for deeper causes, beginning with stock options. Here's a good idea gone bad—stock options foster a corrosive climate that tempts many executives, and not just those at Enron to play fast and loose when reporting profits.

As everyone knows, stock options exploded in the late 1980s and the 1990s. The theory was simple. If you made top executives and managers into owners, they would act in shareholders' interests. Executives' pay packages became increasingly skewed toward options. In 2000, the typical chief executive officer of one of the country's 350 major companies earned about $5.2 million, with almost half of that reflecting stock options, according to William M. Mercer Inc., a consulting firm. About half of those companies also had stock-option programs for at least half their employees. Up to a point, the theory worked. Twenty years ago, America's corporate managers were widely criticized. Japanese and German companies seemed on a roll. By contrast, their American rivals seemed stodgy, complacent and bureaucratic. Stock options, were one tool in a managerial upheaval that refocused attention away from corporate empire-building and toward improved profitability and efficiency.

All this contributed to the 1990s' economic revival. By holding down costs, companies restrained inflation. By aggressively promoting new products and technologies, companies boosted production and employment. But slowly, stock options became corrupted by carelessness, overuse and greed. As more executives developed big personal stakes in options, the task of keeping the stock price rising became separate from improving the business and its profitability. This is what seems to have happened at Enron.

The company adored stock options. About 60 percent of employees received an annual award of options, equal to 5 percent of their base salary. Executives and top managers got more. At year-end 2000, all Enron managers and workers had options, that could be exercised for nearly 47 million shares. Under a typical plan, a recipient gets an option to buy a given number of shares at the market price on the day the option is issued. This is called "the strike price." But the option usually cannot be exercised for a few years. If the stock's price rises in that time, the option can yield a tidy profit. The lucky recipient buys at the strike price and sells at the market price. On the 47 million Enron options, the average "strike price was about $30 and at the end of 2000, the market price was $83. The potential profit was nearly $2.5 billion.

Given the huge reward, it would have been astonishing if Enron's managers had not become obsessed with the company's stock price and—to the extent possible—tried to influence it. And while Enron's stock soared, why would anyone complain about accounting shenanigans? Whatever the resulting abuses, the pressures are not unique to Enron. It takes a naive view of human nature to think that many executives won't strive to maximize their personal wealth.

This is an invitation to abuse. To influence stock prices, executives can issue optimistic profit projections. They can delay some spending, such as research and development (this temporarily helps profits). They can engage in stock buybacks (these raise per-share earnings, because fewer shares are outstanding). And, of course, they can exploit accounting rules. Even temporary blips in stock prices can create opportunities to unload profitable options.

The point is that the growth of stock options has created huge conflicts of interest that executives will be hard-pressed to avoid. Indeed, many executives will coax as many options as possible from their compensation committees, typically composed of "outside" directors. But because "directors are [manipulated] by management, sympathetic to them, or simply ineffectual," the amounts may well be excessive, argue Harvard law professors Lucian Arye Bebchuk and Jesse Fried and attorney David Walker in a recent study.

Stock options are not evil, but unless we curb the present madness, we are courting continual trouble. Here are three ways to check the overuse of options:

(1) Change the accounting—count options as a cost. Amazingly, when companies issue stock options, they do not have to make a deduction to profits. This encourages companies to create new options. By one common accounting technique, Enron's options would have required deductions of almost $2.4 billion from 1998 through 2000. That would have virtually eliminated the company's profits.

(2) Index stock options to the market. If a company's shares rise in tandem with the overall stock market, the gains don't reflect any management contribution—and yet, most options still increase in value. Executives get a windfall. Options should reward only for gains above the market.

(3) Don't reprice options if the stock falls. Some corporate boards of directors issue new options at lower prices if the company's stock falls. What's the point? Options are supposed to prod executives to improve the company's profits and stock price. Why protect them if they fail?

Within limits, stock options represent a useful reward for management. But we lost those limits, and options became a kind of free money sprinkled about by uncritical corporate directors. The unintended result was a morally lax, get-rich-quick mentality. Unless companies restore limits—prodded, if need be, by new government regulations—one large lesson of the Enron scandal will have been lost.

[From the New York Times, Jan. 27, 2002]

Economic View; Enron's Way: Pay Packages Foster Spin, Not Results

(By David Leonhardt)

As the stock plummeted, investors and employees alike were left with big losses. But one group of shareholders came out ahead—management. Many board members and top executives managed to sell millions of dollars of shares before the big fall and still have something to show for the stock's once-lofty price.

This is the story of Enron, of course, but it hardly ends there. Over the last two years, as the stock market has fallen about 30 percent from its peak, the description fits dozens of other companies as well. For example, Roger G. Ackerman, the former chairman of Corning, sold $14 million of the company's stock last year, mostly when it was trading at about $57 a share, or seven times its current price. Donald R. Scifres, the co-chairman of JDS Uniphase, made $23 million selling company shares last year; the stock has lost nearly 90 percent of its value since January 2001. David R. Alvarez sold $14 million worth of stock in Providian Financial, where he is vice chairman, last year before the company acknowledged that its balance sheet wasn't quite what it was cracked up to be. The stock, which traded at $60 a share last summer, now trades at around $4.

Some of the biggest paydays have come at obscure companies that were once market darlings. John J. Moores, better known as the owner of the San Diego Padres baseball team, made $101 million last year selling shares of Peregrine Systems, on whose board he serves, before its shares fell by more than two-thirds. Richard Aube, a director at Capstone Turbine, made $51 million selling its stock last year, according to Thomson Financial. If you bought when he sold at around $30 a share, your investment would be showing an 80 percent loss now.

The contrast is obviously cringe-inducing. But it is more than that. Even when executives simply fail to live up to their own predictions—rather than break the law, as some people suspect that Enron managers did—the big insider paydays offer a good lesson in how economic incentives are askew in corporate America.

Corporate spin aside, executives do not always prosper most by making their companies great. They can often profit more from creating unrealistic expectations than from delivering consistently impressive results.

Consider two companies. One has a stock price that has appreciated slowly, starting at $20 five years ago and gaining $2 a year, to $30 today. The second company's stock also started at $20 five years ago, then zoomed to $100 after a few years but has since fallen back to $20.

By any reasonable measure, the leaders of the first company have done a better job. Their share price has grown 50 percent, and they have avoided making grandiose predictions that cause Wall Street analysts to set silly targets. The second company has a stock that has underperformed a savings account over the long run, and scores of workers and investors have been burned by false hopes.

Yet if the top executives of both companies had received similar amounts of stock and both sold their shares on a regular schedule, the executives of the second company would actually be ahead. They would have made so much money selling the stock when it was trading near $100 that they would be multimillionaires despite the humbling decline.

This is the Enron model of pay for performance, and it has become common. Executives receive enormous grants of stock or options, saying they are simply aligning their own interests with those of their shareholders. But the packages are so generous that even a temporary rise in the share price, accompanied by the sale of a portion of an executive's stock, can leave him set for life. The appeal of overly aggressive accounting methods and manipulated earnings becomes obvious.

"You're providing C.E.O.'s with a perverse incentive," said Nell Minow, the editor of the Corporate Library, a research firm in Washington. "You're rewarding them for a goal that is not in the interest of long-term shareholders."

The executives who have made millions of dollars selling once-expensive shares say they have done nothing wrong. They simply followed a regular, legal schedule of selling stock, they say, and would be far richer if the stock price had not dropped.

All of that is usually true. But it is also true that when an economic system richly rewards certain behavior, no one should be surprised when that behavior becomes the norm. If you want to change it, you have to change the incentives. The Enron mess has the potential to focus people's attention on the complicated task of doing precisely that.

[From AIMR Exchange, Jan.–Feb. 2002]

Employee Stock Options Should Be Expensed on Income Statements, Survey Shows

In September 2001, AIMR surveyed more than 18,000 members to gauge their responses to a proposed agenda topic of the International Accounting Standards Board (IASB) that could require companies to report the fair value of stock options granted—including those to employees—as an expense on the income statement, reducing earnings. Although share-based payments to employees and others are increasing worldwide, few countries currently have national standards on the topic.

Do you consider share-based (or stock option) plans to be compensation to the parties receiving the benefits of these plans?

Answer. Yes, 88%; no, 6%; it depends, 6%.

Do firms you evaluate and monitor have shared-based (or stock option) plans that grant shares of the firm's stock?

Answer. Yes, 85%; no, 6%; not sure, 9%.

Do you use the information and data that companies provide on share-based plans in your evaluation of the firm's performance and determination of its value?

Answer. Yes, only when it is recognized as a compensation in the income statement; 15%; yes, regardless of whether it is recognized in the income statement, 66%; no, 19%.

Survey results are based on a random polling of more than 18,000 AIMR members, with a 10% response rate.

Do the current accounting requirements for share-based payments need improving, in particular, for those plans covering employees?

Answer. Yes, 74%; no, 26%.

Should the accounting method for all share-based payment transactions (including employee stock option plans) require recognition of an expense in the income statement?

Answer. Total response: Yes, 83%; no, 17%.

Mr. McCAIN. Mr. President, I rise today to introduce legislation with Senators LEVIN, FITZGERALD, and DURBIN, entitled Ending the Double Standard for Stock Options Act. This legislation requires companies to treat stock options for employees as an expense for bookkeeping purposes if they want to claim this expense as a deduction for tax purposes. We introduced similar legislation in 1997 during the 105th Congress but unfortunately, the special interest with a vested stake in the status quo prevented this legislation from seeing the light of day.

Currently, corporations can hide these multimillion-dollar compensation plans from their stockholders or other investors because these plans are not counted as an expense when calculating company earnings. Even the Federal Accounting Standards Board, FASB, recognized that stock options should be treated as an expense for accounting purposes. Accounting disclosure rules issued by FASB require that companies include in their annual reports a footnote disclosing what the company's net earnings would have been if stock option plans were treated as an expense.

The latest scandals involving the collapse of Enron highlight the problem of misleading annual statements and financial statements. According to a recent analysis, from 1996 to 2000, Enron issued nearly $600 million in stock options, collecting tax deductions which allowed the corporation to severely reduce their payment in taxes. Whether or not Enron took advantage of current disclosure rules to hide their financial problems remains a question. The fact remains that current rules allow companies such as Enron to discuss as little as possible. And this prevents investors, Wall Street analyst, corporate executives, and auditors from properly understanding the bottom line of corporations.

One might reasonably ask how an arcane accounting rule could have such a large impact on the bottom line of corporations. The answer lies in the growth and value of stock options as a means of executive compensation.

We have heard the reports of executives making multimillion-dollar salaries, while average worker salaries stagnate or fall. According to one recent report, almost half of the earnings of the typical chief executive officer of a top company reflects stock options. Why shouldn't the value of this compensation package be included in calculating a company's earnings? How can stockowners evaluate the true value of employee compensation if the value is just buried in a footnote somewhere the annual report?

No other type of compensation gets treated as an expense for tax purposes, without also being treated as an expense on the company books. This double standard is exactly the kind of inequitable corporate benefit that makes the American people irate and must be eliminated. If companies do not want to fully disclose on their books how much they are compensating their employees, then they should not be able to claim a tax benefit for it.

This legislation does not require a particular accounting treatment; the accounting decision is left to the company. This legislation simply requires companies to treat stock options the same way for both accounting and tax purposes.

I hope my colleagues will join us in cosponsoring this important legislation that will end the double standard for stock option compensation.

By Mr. LEAHY (for himself and Mr. DURBIN):

S. 1941. A bill to authorize the President to establish military tribunals to try the terrorists responsible for the September 11, 2001 attacks against the United States, and for other purposes; to the Committee on Armed Services.

Mr. LEAHY. Mr. President, on November 13, 2001, President Bush signed a military order authorizing the use of military commissions to try suspected terrorists. This order stimulated an important national debate and led to a series of Judiciary Committee hearings with the Attorney General and others to discuss the many legal, constitutional, and policy questions raised by the use of such tribunals. Our hearings, and the continued public discourse, helped to clarify the scope of the President's order and better define the terms of the debate.

For example, the Judiciary Committee held a hearing on November 28, 2001, at which several legal experts challenged the validity of the military order. Philip Heymann of Harvard Law School, a former Deputy Attorney General, testified that the order was so broad that it amounted to a dangerous claim of executive power. In his view, the order improperly bypassed congressional review, undermined confidence in our civil justice system, and jeopardized relationships with our allies abroad. Retired Air Force Colonel Scott Silliman who is now at Duke Law School, questioned the President's authority to use military commissions with respect to the September 11 attacks absent authorizing legislation by Congress. Professor Silliman also echoed the comments of Professor Heymann, arguing that tribunals convened under the order could adversely impact our international credibility as a Nation under the rule of law.

On December 4, 2001, Senator Schumer chaired another important hearing on the issue of military commissions. Harvard Law Professor Laurence Tribe testified at that hearing that "Congress alone can avoid the constitutional infirmities that plague the Military Tribunal Order of November 13." Professor Tribe argued for the establishment of procedural guidelines to ensure the protection of defendants' due process rights, and called for Congress to set limits in consultation with the President. He cautioned that if the Administration acted on its own—under authority that Professor Tribe believed was constitutionally infirm, any convictions could later be overturned by the courts, with the result that dangerous individuals could be set free. By contrast, convictions obtained by military tribunals constituted under the authority of the Congress and the President acting together would more likely be shielded from constitutional challenge on appeal.

At the same December 4 hearing, Cass Sunstein of the University of Chicago Law School testified that "from the standpoint of both constitutional law and democratic legitimacy, it is far better if the President and Congress act in concert," adding that "the executive branch stands on the firmest ground if it acts pursuant to clear congressional authorization." Professor Sunstein suggested that Congress limit the scope of military tribunals by allowing the use of military tribunals "only on certain essential occasions."

Finally, on December 6, the Judiciary Committee heard from Attorney General Ashcroft on military commissions and a number of other unilateral actions taken by the Administration last fall. I believe that we had a constructive conversation that day, despite our disagreements on substantive points. The Attorney General took issue with anyone who dared question the thinking of the executive branch on such topics, charging them with "fearmongering" and aiding the terrorists. I would note, however, that several members of the Committee, including some of my colleagues from the other side of the aisle, suggested to the Attorney General that if military tribunals were used, they should provide a number of basic due process guarantees. Suggestions like these, coming from both Republicans and Democrats, are not intended to bait the Administration. Rather, constructive criticism can be, should be and has been useful in developing sound policy that can better protect Americans and American soldiers, particularly when they are serving abroad.

The Attorney General testified at our hearing on December 6 that the President does not need the sanction of Congress to convene military commission, but I disagree. Military tribunals may be appropriate under certain circumstances, but only if they are backed by specific congressional authorization. At a minimum, as the distinguished senior Senator from Pennsylvania stated on this floor on November 15, "the executive will be immeasurably strengthened if the Congress backs the President," Clearly, our government is at its strongest when the executive and legislative branches of government act in concert.

We demonstrated this unified strength in negotiating the USA Patriot Act last fall. The Congress, the White House and the Department of Justice worked intensively for seven weeks to craft a bill that provided law enforcement agencies with the tools they said were needed to fight terrorism while preserving American values and democratic principles.

In that same spirit, and with my friend, the senior Senator from Illinois, I am today introducing the Military Tribunal Authorization Act. This legislation would provide the executive branch with the specific authorization it now lacks to use extraordinary tribunals to try members of the al Qaeda terrorist network and those who cooperated with them.

Specifically, this legislation authorizes the use of "extraordinary tribunals" for al Qaeda members, and for persons aiding and abetting al Qaeda in terrorist activities against the United States, who are apprehended in, or fleeing from, Afghanistan. It also authorizes the use of tribunals for those al Qaeda members and abettors who are captured in any other place where there is armed conflict involving the U.S. Armed Forces.

Like the November 13 order, the Military Tribunal Authorization Act exempts U.S. citizens from the jurisdiction of the tribunals, as well as those individuals determined to be prisoners of war under the Geneva Convention. The bill also exempts individuals arrested while present in the United States, since our civilian court system is well-equipped to handle such cases. These exemptions are consistent with the Administration's treatment of Zacharias Moussaoui, the suspected 20th hijacker in the September 11 attacks, who is awaiting trial in Federal district court. A second terrorist suspect, Richard Reid, the so-called "shoe bomber," is also being tried in Federal district court. In fact, one of the nine charges against Reid, "attempted wrecking of a mass transportation vehicle," is a new anti-terrorism offense that was created by the USA Patriot Act. Finally, the Administration has decided to bring Federal criminal charges against John Walker Lindh, who allegedly took up arms against Americans to fight with al Qaeda and the Taliban in Afghanistan.

A significant question raised about the November 13 order is that it vests the President with plenary and unreviewable discretion to determine who is subject to trial by military tribunal. The President's order also implied that those who were arrested under its terms could be held indefinitely. Detainees were to receive a "full and fair trial," but no explanation of the terms "full" and "fair" is offered. While the Administration has deferred providing any explanation to the development of regulations by the Secretary of Defense, requests for an opportunity to review and be consulted about the draft regulations have been denied. This leaves introduction of legislation showing how military tribunals may be constituted to comport with constitutional mandates and values as one of the few avenues to inform the process in development of regulations.

The Military Tribunal Authorization act defines the jurisdiction and procedure of tribunals in a way that ensures a "full and fair" trial for anyone detained. Under the bill, the Secretary of Defense is charged with elaborating on the procedures that the tribunals must follow and publishing any draft regulations in the Federal Register.

First, the bill makes clear that tribunals may adjudicate violations of the law of war, including international laws of armed conflict and crimes against humanity, targeted against U.S. persons. Wars have rules, as defined by the Geneva Conventions and other international agreements. These rules protect civilians from harm and define how captured soldiers must be treated Under the bill, individuals who violated those rules by targeting innocent American civilians can face trial in a military tribunal. In addition, individuals who committed crimes against humanity, such as murder, torture, or other inhumane acts, may face charges in a tribunal.

Second, on the length of detention, the bill authorizes detention of individuals subject to military tribunals for as long as the President certifies that the United States is in armed conflict with al Qaeda or Taliban forces in Afghanistan or elsewhere, or that an investigation, prosecution or post-trial proceeding against the detainee is ongoing. The certification must be made every six months.

Third, on the conditions of confinement, the bill requires that detainees be "treated humanely," which is consistent with the Body of Principles for the Protection of All Persons under Any Form of Detention or Imprisonment, a resolution adopted by the United Nations General Assembly in 1988. this includes adequate food, water, shelter, clothing and medical treatment, hygienic conditions, the necessary means of personal hygiene, and the free exercise of religion. Detention determinations and the conditions of detention are subject to review by the Court of Appeals for the D.C. Circuit.

Fourth, the bill incorporates basic due process guarantees, including the right to independent counsel. In imposing this requirement, I am not suggesting that suspected terrorists deserve special treatment. Rather, the bill follows well-established standards for indigent defense. In the first of its "Ten Commandments" of public defense programs, the Department of Justice calls for full independence of defense counsel and judicial functions. The department's "Ten Commandments" also require that counsel's ability, training, and experience must be matched to the complexity of the case. Providing independent counsel and judicial review is critical to ensuring that any convictions are free from political influence. An independent process with experienced counsel will also safeguard against otherwise valid convictions being overturned for violations of due process or incompetent counsel.

Under the terms of this bill, tribunals would be required to apply reasonable rules of evidence to ensure that material admitted at trial was of probative value. Defendants would be presumed innocent until proven guilty, and proof of guilt must be established beyond a reasonable doubt. Defendants may not be compelled to testify against themselves. Finally, defendants could appeal their convictions and sentences to a higher tribunal, the U.S. Court of Appeals for the Armed Forces.

These procedures do not, as some have claimed, provide greater protections to suspected terrorists than we offer our own soldiers. These are, rather, the very basic guarantees provided under various sources of international law, including the Geneva Conventions, the International Covenant on Civil and Political Rights, the Universal Declaration of Human Rights, and the Statute of the International Criminal Tribunal for former Yugoslavia, among others. Several of the procedural protections are also drawn from the U.S. Rules of Courts-Martial and the Military Rules of Evidence. In addition, the trial procedure statute of the Uniform Code of Military Justice, which is cited in the President's military order, recommends that the President apply to military commissions the principles of law and rules of evidence that are generally recognized by the federal district courts.

I submit for the record a list the international conventions that serve as sources for the eighteen procedural protections included in my bill. As the ABA resolution urges, in establishing military tribunals, we should "give full consideration to the impact . . . as precedents in . . . the use of international legal norms in shaping other nations' responses to future acts of terrorism." Respecting those international legal norms, will redound to the benefit of Americans.

It is important to note that last week the President reevaluated his position on a related issue. He decided to apply the Geneva Conventions to Taliban captives. This decision sends a signal to the world that the United States respects the Geneva Conventions and expects them to be applied to American soldiers captured overseas. I commend Secretary Powell, who supported this application of the Geneva Conventions. I also commend Secretary Rumsfeld, whose draft rules on military commissions contained a number of important procedural protections. Both Secretaries Powell and Rumsfeld have worked to bring the original military order and subsequent decisions over detention within the framework of international law. I urge the Administration to follow this example of flexibility and inclusiveness by working with Congress to establish tribunals that are authorized by statute and consistent with international law.

Finally, the bill comes down squarely on the side of transparency in government by providing that tribunal proceedings should be open and public, and include public availability of the transcripts of the trial and the pronouncement of judgment. The only exceptions are for demonstrable reasons of national security or the necessity to secure the safety of observers, witnesses, tribunal judges, counsel or other persons.

In sum, the Military Tribunal Authorization Act establishes a legal framework for proceedings that are truly "full and fair." The provisions of this bill track very closely with recommendations arrived at independently by the American Bar Association and issued on February 4, 2002. The ABA calls on the executive branch to provide due process guarantees similar to those used in courts-martial, including a number of rights included in this bill. It also urged the Administration to work with Congress in defining the rules for military commissions.

Passage of authorizing legislation would ensure the constitutionality of military tribunals and protect any convictions they might yield, while at the same time showing the world that we will fight terrorists without sacrificing our principles. We can also show by example how we expect our soldiers and nationals to be treated if they are swept into foreign courts or tribunals.

Our government is at its strongest when its executive and legislative branches act in concert. I provided earlier drafts of this legislation to the Attorney General and Secretary of Defense, but received no response. With the introduction of this bill, I again invite the Administration's cooperation and comment.

I ask unanimous consent that the text of the bill and the sectional analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1941

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Military Tribunal Authorization Act of 2002".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The al Qaeda terrorist organization and its leaders have committed unlawful attacks

against the United States, including the August 7, 1998 bombings of the United States embassies in Nairobi, Kenya, and Dar es Salaam, Tanzania, the October 12, 2000 attack on the USS Cole and the September 11, 2001 attacks on the United States.

(2) The al Qaeda terrorist organization and its leaders have threatened renewed attacks on the United States and have threatened the use of weapons of mass destruction.

(3) In violation of the resolutions of the United Nations, the Taliban of Afghanistan provided a safe haven to the al Quaeda terrorist organization and its leaders and allowed the territory of that country to be used as a base from which to sponsor international terrorist operations.

(4) The United Nations Security Council, in Resolution 1267, declared in 1999 that the actions of the Taliban constitute a threat to international peace and security.

(5) The United Nations Security Council, in Resolutions 1368 and 1373, declared in September 2001 that the September 11 attacks against the United States constitute a threat to international peace and security.

(6) The United States is justified in exercising its right of self-defense pursuant to international law and the United Nations Charter.

(7) Congress authorized the President on September 18, 2001, to use all necessary and appropriate force against those nations, organizations, or persons that he determines to have planned, authorized, committed, or aided the September 11 terrorist attacks or harbored such organizations or persons, in order to prevent any future acts of international terrorism against the United States, within the meaning of section 5(b) of the War Powers Resolution.

(8) The United States and its allies are engaged in armed conflict with al Qaeda and the Taliban.

(9) Military trials of the terrorists may be appropriate to protect the safety of the public and those involved in the investigation and prosecution, to facilitate the use of classified information as evidence without compromising intelligence or military efforts, and otherwise to protect national security interests.

(10) Military trials that provide basic procedural guarantees of fairness, consistent with the international law of armed conflict and the International Covenant on Civil and Political Rights (opened for signature December 16, 1966), would garner the support of the community of nations.

(11) Article I, section 8, of the Constitution provides that the Congress, not the President, has the power to "constitute Tribunals inferior to the Supreme Court; ... define and punish ... Offenses against the Law of Nations; ... make Rules concerning Captures on Land and Water; ... make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.".

(12) Congressional authorization is necessary for the establishment of extraordinary tribunals to adjudicate and punish offenses arising from the September 11, 2001 attacks against the United States and to provide a clear and unambiguous legal foundation for such trials.

SEC. 3. ESTABLISHMENT OF EXTRAORDINARY TRIBUNALS.

(a) AUTHORITY.—The President is hereby authorized to establish tribunals for the trial of individuals who—

(1) are not United States persons;

(2) are members of al Qaeda or members of other terrorist organizations knowingly cooperating with members of al Qaeda in planning, authorizing, committing, or aiding in the September 11, 2001 attacks against the United States, or, although not members of any such organization, knowingly aided and abetted members of al Qaeda in such terrorist activities against the United States;

(3) are apprehended in Afghanistan, fleeing from Afghanistan, or in or fleeing from any other place outside the United States where there is armed conflict involving the Armed Forces of the United States; and

(4) are not prisoners of war within the meaning of the Geneva Convention Relative to the Treatment of Prisoners of War, done on August 12, 1949, or any protocol relating thereto.

(b) JURISDICTION.—Tribunals established under subsection (a) may adjudicate violations of the law of war, international laws of armed conflict, and crimes against humanity targeted against United States persons.

(c) AUTHORITY TO ESTABLISH PROCEDURAL RULES.—The Secretary of Defense, in consultation with the Secretary of State and the Attorney General, shall prescribe and publish in the Federal Register, and report to the Committees on the Judiciary of the Senate and the House of Representatives, the rules of evidence and procedure that are to apply to tribunals established under subsection (a).

SEC. 4. PROCEDURAL REQUIREMENTS.

(a) IN GENERAL.—The rules prescribed for a tribunal under section 3(c) shall be designed to ensure a full and fair hearing of the charges against the accused. The rules shall require the following:

(1) That the tribunal be independent and impartial.

(2) That the accused be notified of the particulars of the offense charged or alleged without delay.

(3) That the proceedings be made simultaneously intelligible for participants not conversant in the English language by including translation or interpretation.

(4) That the evidence supporting each alleged offense be given to the accused.

(5) That the accused have the opportunity to be present at trial.

(6) That the accused have a right to be represented by counsel.

(7) That the accused have the opportunity—

(A) to respond to the evidence supporting each alleged offense;

(B) to obtain exculpatory evidence from the prosecution; and

(C) to present exculpatory evidence.

(8) That the accused have the opportunity to confront and cross-examine adverse witnesses and to offer witnesses.

(9) That the proceeding and disposition be expeditious.

(10) That the tribunal apply reasonable rules of evidence designed to ensure admission only of reliable information or material with probative value.

(11) That the accused be afforded all necessary means of defense before and after the trial.

(12) That conviction of an alleged offense be based only upon proof of individual responsibility for the offense.

(13) That conviction of an alleged offense not be based upon an act, offense, or omission that was not an offense under law when it was committed.

(14) That the penalty for an offense not be greater than it was when the offense was committed.

(15) That the accused—

(A) be presumed innocent until proven guilty, and

(B) not be found guilty except upon proof beyond a reasonable doubt.

(16) That the accused not be compelled to confess guilt or testify against himself.

(17) That, subject to subsections (c) and (d), the trial be open and public and include public availability of the transcripts of the trial and the pronouncement of judgment.

(18) That a convicted person be informed of remedies and appeals and the time limits for the exercise of the person's rights to the remedies and appeals under the rules.

(b) IMPOSITION OF THE DEATH PENALTY.—The requirements of the Uniform Code of Military Justice for the imposition of the death penalty shall apply in any case in which a tribunal established under section 3 is requested to adjudge the death penalty.

(c) PUBLIC PROCEEDINGS.—Any proceedings conducted by a tribunal established under section 3, and the proceedings on any appeal of an action of the tribunal, shall be accessible to the public consistent with any demonstrable necessity to secure the safety of observers, witnesses, tribunal judges, counsel, or other persons.

(d) CONFIDENTIALITY OF EVIDENCE.—Evidence available from an agency of the Federal Government that is offered in a trial by a tribunal established under section 3 may be kept secret from the public only when the head of the agency personally certifies in writing that disclosure will cause—

(1) identifiable harm to the prosecution of military objectives or interfere with the capture of members of al Qaeda anywhere;

(2) significant, identifiable harm to intelligence sources or methods; or

(3) substantial risk that such evidence could be used for planning future terrorist attacks.

(e) REVIEW.—

(1) PROCEDURES REQUIRED.—The Secretary of Defense shall provide for prompt review of convictions by tribunals established under section 3 to ensure that the procedural requirements of a full and fair hearing have been met and that the evidence reasonably supports the convictions.

(2) UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES.—The procedures established under paragraph (1) shall, at a minimum, allow for review of the proceedings of the tribunals by the United States Court of Appeals for the Armed Forces established under the Uniform Code of Military Justice.

(3) SUPREME COURT.—The decisions of the United States Court of Appeals for the Armed Forces regarding proceedings of tribunals established under section 3 shall be subject to review by the Supreme Court by writ of certiorari.

SEC. 5. DETENTION.

(a) IN GENERAL.—The President may direct the Secretary of Defense to detain any person who is subject to a tribunal established under section 3 pursuant to rules and regulations that are promulgated by the Secretary and are consistent with the rules of international law.

(b) DURATION OF DETENTION.—

(1) LIMITATION.—A person may be detained under subsection (a) only while—

(A) there is in effect for the purposes of this section a certification by the President that the United States Armed Forces are engaged in a state of armed conflict with al Qaeda or Taliban forces in the region of Afghanistan or with al Qaeda forces elsewhere; or

(B) an investigation with a view toward prosecution, a prosecution, or a post-trial proceeding in the case of such person, pursuant to the provisions of this Act, is ongoing.

(2) CERTIFICATION AND RECERTIFICATION.—A certification of circumstances made under paragraph (1) shall be effective for 180 days. The President may make successive certifications of the circumstances.

(c) DISCLOSURE OF EVIDENCE.—Evidence that may establish that an accused is not a person described in subsection (a) shall be disclosed to the accused and his counsel, except that a summary of such evidence shall be provided to the accused and his counsel when the Attorney General personally certifies that disclosure of the evidence would cause identifiable harm to the prosecution of military objectives in Afghanistan, to the capture of other persons who are subject to this Act or reside outside the United States, or to the prevention of future terrorist acts directed against Americans. A summary of evidence shall be as complete as is possible in order to provide the accused with an evidentiary basis to seek release from detention.

(d) DETENTION REVIEW.—The United States Court of Appeals for the District of Columbia Circuit shall have exclusive jurisdiction to review any determination under this section that the requirements of this section for detaining an accused are satisfied.

(e) CONDITIONS OF DETENTION.—A person detained under this section shall be—

(1) detained at an appropriate location designated by the Secretary of Defense;

(2) treated humanely, without any adverse distinction based on race, color, religion, gender, birth, wealth, or any similar criteria;

(3) afforded adequate food, drinking water, shelter, clothing, and medical treatment;

(4) sheltered under hygienic conditions and provided necessary means of personal hygiene; and

(5) allowed the free exercise of religion consistent with the requirements of such detention.

SEC. 6. SENSE OF CONGRESS.

It is the sense of Congress that the President should seek the cooperation of United States allies and other nations in conducting the investigations and prosecutions, including extraditions, of the persons who aré responsible for the September 11, 2001 attacks on the United States, and use to the fullest extent possible multilateral institutions and mechanisms for carrying out such investigations and prosecutions.

SEC. 7. DEFINITIONS.

In this Act:

(1) SEPTEMBER 11, 2001 ATTACKS ON THE UNITED STATES.—The term "September 11, 2001 attacks on the United States" means the attacks on the Pentagon in the metropolitan area of Washington, District of Columbia, and the World Trade Center, New York, New York, on September 11, 2001, and includes the hijackings of American Airlines flights 77 and 11 and United Airlines flights 175 and 93 on that date.

(2) UNITED STATES PERSON.—The term "United States person" has the meaning given that term in section 101(i) of the Foreign Intelligence Surveillance Act of 1978 (50 U.S.C. 1801(i)).

SEC. 8. TERMINATION OF AUTHORITY.

The authority under this Act shall terminate at the end of December 31, 2005.

MILITARY TRIBUNAL AUTHORIZATION ACT OF 2002—SECTION-BY-SECTION ANALYSIS

Sec. 1. Short Title. The Military Tribunal Authorization Act of 2002.

Sec. 2. Findings. This section outlines twelve findings, including that the al Qaeda terrorist organization and its leaders committed unlawful acts against the United States on September 11, 2001 and on prior occasions; the U.S. is justified in exercising its right to self-defense under international law and the U.N. Charter; the Congress authorized the President to use all necessary force against those who committed, aided or abetted the September 11 attacks in order to prevent future attacks, within the meaning of the War Powers Resolution; military trials may be appropriate to protect public safety, to protect classified information used as evidence, and to protect national security interests; Article I, section 8 of the Constitution provides that the Congress, not the President, has the power to constitute tribunals and to define and punish offenses against the law of nations; and congressional authority is necessary to establish extraordinary tribunals to adjudicate offenses arising from the September 11 attacks.

Sec 3. Establishment of Extraordinary Tribunals. The President is authorized to establish tribunals to try non-U.S. persons who are al Qaeda member (and persons aiding and abetting al Qaeda in terrorist activities against the United States); are apprehended in Afghanistan, apprehended fleeing from Afghanistan, or apprehended in or fleeing from any other place where there is armed conflict involving the U.S. Armed Forces; and are not prisoners of war, as defined by the Geneva Conventions. Tribunals may adjudicate violations of the laws of war targeted against U.S. persons. The Secretary of Defense is charged with promulgating rules of evidence and procedure for the tribunals.

Sec. 4. Procedural Requirements. Rules for tribunals shall require (1) an independent and impartial proceeding; (2) that the accused be informed of the charges against him; (3) that proceedings be conducted with simultaneous translation for non-English speakers; (4) that the accused be shown the evidence against him; (5) that the accused be present at trial if he so chooses; (6) that the accused have the right to be represented by counsel; (7) that the accused have the right to respond to the evidence, and to obtain exculpatory evidence from the prosecution; (8) that the accused have the right to confront and cross-examine adverse witnesses, and to offer witnesses; (9) an expeditious trial and disposition; (10) that the rules of evidence admit only reliable information of probative value; (11) that the accused be afforded all necessary means of defense; (12) that convictions be based only upon proof of individual responsibility; (13) that a conviction may not be based on an act, offense, or omission that was not an offense under law when committed; (14) that the penalty for conviction not be greater than it was when the offense was committed; (15) that the accused is presumed innocent until proven guilty, and that proof of guilt be established beyond a reasonable doubt; (16) that the accused may not be compelled to confess guilt or testify against himself; (17) that trials to be open and public and include public access to transcripts and pronouncement of judgment, with the exceptions described below; and (18) that convicted persons be informed of available remedies and appeals. The bill follows the Uniform Code of Military Justice in requiring a unanimous vote for imposition of the death penalty.

Trial proceedings will generally be accessible to the public with limited exceptions for demonstrable public safety concerns. The bill allows for evidence to be kept secret from the public where disclosure may compromise national security or intelligence sources.

Convictions may be appealed to the U.S. Court of Appeals for the Armed Forces. Any decisions of that court regarding proceedings of tribunals are subject to review by the U.S. Supreme Court by writ of certiorari.

Sec. 5. Detention. This section authorizes detention of individuals who are subject to a tribunal under section 3. In order to detain an individual under the authority of this section, the President must certify that the U.S. is in armed conflict with al Qaeda or Taliban forces in Afghanistan or elsewhere, or that an investigation, prosecution or post-trial proceeding against the detainee is ongoing. This certification must be made every 6 months.

Evidence that may establish that an accused is not subject to detention under this section shall be disclosed to the accused, except that a summary of such evidence will be provided if the Attorney General certifies that disclosure would cause certain identifiable harms. Detentions under this section may be appealed to the U.S. Court of Appeals for the D.C. Circuit.

This section also defines the conditions of detention, requiring that detainees be treated humanely. Humane treatment includes adequate food, water, shelter, clothing and medical treatment, hygienic conditions, the necessary means of personal hygiene, and the free exercise of religion. Detention determinations and the conditions of detention are subject to review by the Court of Appeals for the D.C. Circuit.

Sec. 6. Sense of the Congress. This section calls for the President to seek the cooperation of U.S. allies and other nations in the investigations and prosecutions of those responsible for the September 11 attacks. It also calls for the President to use multilateral institutions to the fullest extent possible in carrying out such investigations and prosecutions.

Sec. 7. Definitions. This section defines the terms, "September 11, 2001 attacks on the U.S.," and "U.S. person." The latter takes its meaning from the definition of the term "U.S. person" in the Foreign Intelligence Surveillance Act of 1978, and includes a citizen of the United States or an alien lawfully admitted for permanent residence.

Sec. 8. Termination of Authority. Authority under the act terminates on December 31, 2005.

By Mr. CAMPBELL:

S. 1944. A bill to revise the boundary of the Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area in the State of Colorado, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. CAMPBELL. Mr. President, today I introduce the Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area Boundary Revision Act of 2002. This bill improves upon my earlier efforts designating the initial park and conservation area.

The Black Canyon of the Gunnison Gorge is a national treasure to be enjoyed by all. The park's combination of geological wonders and diverse wildlife make it one of the most unique natural areas in North America.

The first person to survey the canyon, Abraham Lincoln Fellows, noted in 1901, "our surroundings were of the wildest possible description. The roar of the water . . . was constantly in our ears, and the walls of the canyon, towering half mile in height about us, were seemingly vertical." Similarly, today, visitors can enjoy hiking the deep gorge to the Gunnison River raging below, or look overhead to marvel at eagles and peregrine falcons soaring in the sky.

This bill modifies the legislative boundary of the Gunnison Gorge National Conservation Area allowing even greater access to the park's many recreational opportunities including boating, fishing, and hiking.

This important legislation would expand the National Park by 2,725 acres, for a total of 33,025 acres. The Conservation area will be increased by 5,700 acres, for a total of 63,425 acres. In total this bill adds 7,296 acres to provide habitat for several listed, threatened, endangered and BLM sensitive species including, the Bald Eagle, the River Otter, Delta Lomation, Clay-Loving Buckwheat.

This legislation helps preserve a unique national resource and a source of national pride.

I urge quick passage of this important bill. I ask that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1944

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area Boundary Revision Act of 2002".

SEC. 2. BLACK CANYON OF THE GUNNISON NATIONAL PARK BOUNDARY REVISION.

(a) ESTABLISHMENT.—Section 4(a) of the Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area Act of 1999 (16 U.S.C. 410fff–2(a)) is amended—

(1) by striking "There is hereby established" and inserting the following:

"(1) IN GENERAL.—There is established"; and

(2) by adding at the end the following:

"(2) BOUNDARY REVISION.—The boundary of the Park is revised to include the addition of not more than 2,725 acres, as depicted on the map entitled 'Black Canyon of the Gunnison National Park and Gunnison Gorge NCA Boundary Modifications' and dated January 22, 2002.".

(b) ADMINISTRATION.—Section 4(b) of the Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area Act of 1999 (16 U.S.C. 410fff–2(b)) is amended—

(1) by striking "Upon" and inserting the following:

"(1) LAND TRANSFER.—

"(A) IN GENERAL.—On"; and

(2) by striking "The Secretary shall" and inserting the following:

"(B) ADDITIONAL LAND.—On the date of enactment of the Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area Boundary Revision Act of 2002, the Secretary shall transfer the land under the jurisdiction of the Bureau of Land Management identified as 'Tract C' on the map described in subsection (a)(2) to the administrative jurisdiction of the National Park Service for inclusion in the Park.

"(2) AUTHORITY.—The Secretary shall".

SEC. 3. GRAZING PRIVILEGES AT BLACK CANYON OF THE GUNNISON NATIONAL PARK.

Section 4(e) of the Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area Act of 1999 (16 U.S.C. 410fff–2(e)) is amended—

(1) in paragraph (1)—

(A) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively; and

(B) by inserting after subparagraph (A) the following:

"(B) TRANSFER.—If land authorized for grazing under subparagraph (A) is exchanged for private land under this Act, the Secretary shall transfer any grazing privileges to the private land acquired in the exchange in accordance with this section."; and

(2) in paragraph (3)—

(A) in subparagraph (A), by striking "and" at the end;

(B) by redesignating subparagraph (B) as subparagraph (D);

(C) by inserting after subparagraph (A) the following:

"(B) with respect to the permit or lease issued to LeValley Ranch Ltd., a partnership, for the lifetime of the 2 limited partners as of October 21, 1999;

"(C) with respect to the permit or lease issued to Sanburg Herefords, L.L.P., a partnership, for the lifetime of the 2 general partners as of October 21, 1999; and"; and

(D) in subparagraph (D) (as redesignated by subparagraph (B))—

(i) by striking "partnership, corporation, or" in each place it appears and inserting "corporation or"; and

(ii) by striking "subparagraph (A)" and inserting "subparagraphs (A), (B), or (C)".

SEC. 4. ACQUISITION OF LAND.

(a) AUTHORITY TO ACQUIRE LAND.—Section 5(a)(1) of the Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area Act of 1999 (16 U.S.C. 410fff–3(a)(1)) is amended by inserting "or the map described in section 4(a)(2)" after "the Map".

(b) METHOD OF ACQUISITION.—

(1) IN GENERAL.—Land or interest in land acquired under the amendments made by this Act shall be made in accordance with section 5(a)(2)(A) of the Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area Act of 1999 (16 U.S.C. 410fff–3(a)(2)(A)).

(2) CONSENT.—No land or interest in land may be acquired without the consent of the landowner.

SEC. 5. GUNNISON GORGE NATIONAL CONSERVATION AREA BOUNDARY REVISION.

Section 7(a) of the Black Canyon of the Gunnison National Park and Gunnison Gorge National Conservation Area Act of 1999 (16 U.S.C. 410fff–5(a)) is amended—

(1) by striking "(a) IN GENERAL.—There is established" and inserting the following:

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established"; and

(2) by adding at the end the following:

"(2) BOUNDARY REVISION.—The boundary of the Conservation Area is revised to include the addition of not more than 5,700 acres, as depicted on the map entitled 'Black Canyon of the Gunnison National Park and Gunnison Gorge NCA' Boundary Modifications' and dated January 22, 2002.".

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 208—COMMENDING STUDENTS WHO PARTICIPATED IN THE UNITED STATES SENATE YOUTH PROGRAM BETWEEN 1962 AND 2002

Ms. COLLINS (for herself, Mr. BREAUX, Mr. LEVIN, Mr. LUGAR, Mr. DOMENICI, and Mrs. HUTCHISON) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 208

Whereas the students who have participated in the United States Senate Youth Program (referred to in this resolution as the "Senate Youth Program") over the past 40 years were chosen for their exceptional merit and interest in the political process;

Whereas the students demonstrated outstanding leadership abilities and a strong commitment to community service and have ranked academically in the top 1 percent of their States;

Whereas the Senate Youth Program alumni have continued to achieve unparalleled success in their education and careers and have demonstrated a strong commitment to public service on the local, State, national, and global levels;

Whereas the Senate Youth Program alumni have reflected excellent qualities of citizenship and have contributed to the Nation's constitutional democracy, be it in either professional or volunteer capacities, and have made an indelible impression on their communities;

Whereas the chief State school officers, on behalf of the State Departments of Education, have selected outstanding participants for the Senate Youth Program;

Whereas the Department of Defense, Department of State, and other Federal Departments, as well as Congress, have offered support and provided top level speakers who have inspired and educated the students of the Senate Youth Program; and

Whereas the directors of the William Randolph Hearst Foundation have continually made the Senate Youth Program available for outstanding young students and exposed them to the varied aspects of public service: Now, therefore, be it

Resolved, That the Senate congratulates, honors, and pays tribute to the more than 4,000 exemplary students who have been selected, on their merit, to participate in the United States Senate Youth Program between 1962 and 2002.

Ms. COLLINS. Mr. President, I rise today to introduce a resolution to commemorate the 40th anniversary of the William Randolph Hearst U.S. Senate Youth Program. I am pleased to be joined by Senator BREAUX, who serves with me as a co-chair of the 40th anniversary program, as well as Senators HUTCHISON, DOMENICI, LUGAR, and LEVIN, who all serve on the advisory committee. As the first graduate of the program to become a U.S. Senator, I can honestly say that the week I spent in Washington in 1971, as one of two delegates from Maine, profoundly influenced my life and career.

Even though my family has a long and proud tradition of public service, my great grandfather, my grandfather and my father all served in the State legislature, and both of my parents served as mayor of Caribou, ME, it was the week I spent in Washington with the Senate Youth Program that caused me to seriously consider a career in the public sector.

For the past 40 years, the Senate Youth Program has selected two of the brightest and most active students in each of the 50 States, the District of Columbia, and the Department of Defense schools abroad to spend a week learning about our Nation's government first-hand. Over the years, over 4,000 such students have participated in the program and gone on to serve our Nation in various capacities, having seen first-hand what it means to serve in what has been called the world's greatest deliberative body.

The continued generosity of the William Randolph Hearst Foundation enables students to come to the District of Columbia and see a side of government that few Americans see in their lifetime. Each year the delegates meet with top members of the legislative, executive, and judicial branches.

I remember how fascinated I was as a delegate to listen to Senators BYRD and THURMOND speak to us about the history of the Senate and the issues of the day.

But the highlight of my week was the time I spent talking with my home State Senator, Margaret Chase Smith. I went to Senator Smith's office hoping to shake her hand; instead, she took me into her private office and spent 2 hours talking with me about the importance of public service and the difference one person can make. When I left her office, I remember feeling so proud that she was my Senator and that I could do anything I set my mind to.

So, today it is my pleasure to sponsor this resolution paying tribute to the more than 4,000 delegates who have participated in the Senate Youth Program over the past 40 years, some of whom we may see here in the Congress, at the Supreme Court, or even in the White House in years to come. I urge my colleagues to join me in supporting this measure.

SENATE RESOLUTION 209—TO EXPRESS THE SENSE OF THE SENATE REGARDING PRENATAL CARE FOR WOMEN AND CHILDREN

Mr. SMITH of New Hampshire (for himself, Mr. HELMS, Mr. HUTCHINSON, Mr. INHOFE, Mr. SANTORUM, Mr. BROWNBACK, Mr. DEWINE, and Mr. ENSIGN) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 209

Whereas unborn children benefit from quality prenatal health care;

Whereas the levels of infant mortality, premature delivery, and low birth weight are exceedingly high in the United States as compared with other developed countries;

Whereas low birth weight and premature delivery are causally associated with developmental disabilities among children;

Whereas proper prenatal care can prevent avoidable birth defects;

Whereas new medical advances, together with early diagnosis, can treat children with a wide range of disorders, including spina bifida, HIV/AIDS, fetal distress, and anemia;

Whereas fetal surgery is now able to correct many life-threatening congenital disorders;

Whereas pregnant women benefit from quality health care, including physician care, hospital care, and prescription medications;

Whereas prenatal care can prevent medical and surgical complications that a mother may encounter during pregnancy and delivery;

Whereas prenatal care can identify and treat a mother's preexisting medical conditions, which may be impacted by pregnancy;

Whereas an estimated 10,900,000 women of child-bearing age (18 through 44) do not have health insurance;

Whereas the State Children's Health Insurance Program (SCHIP), created under title XXI of the Social Security Act, expands health coverage to uninsured children whose families earn too much for medicaid but too little to afford private coverage; and

Whereas, on January 31, 2002, the Secretary of Health and Human Services, Tommy Thompson, proposed a regulation to allow States to include coverage for children from conception to age 19, which would allow low-income pregnant mothers to receive prenatal and delivery care: Now, therefore, be it

Resolved, That the Senate—

(1) commends Secretary of Health and Human Services, Tommy Thompson, for moving to immediately make SCHIP resources available to States to care for unborn children and pregnant mothers; and

(2) commends Secretary Thompson for recognizing pregnant mothers and unborn children as deserving of concern about their health and well-being.

SENATE CONCURRENT RESOLUTION 97—PROVIDING FOR A CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND A CONDITIONAL ADJOURNMENT OF THE HOUSE OF REPRESENTATIVES

Mr. DASCHLE submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 97

Resolved by the Senate (the House of Representatives concurring), That when the Senate recesses or adjourns at the close of business on Thursday, February 14, 2002, or Friday, February 15, 2002, on a motion offered pursuant to this concurrent resolution by its Majority Leader or his designee, it stand recessed or adjourned until 12:00 noon on Monday, February 25, 2002, or until such other time on that day as may be specified by its Majority Leader or his designee in the motion to recess or adjourn, or until Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Thursday, February 14, 2002, it stand adjourned until 2:00 p.m. on Tuesday, February 26, 2002, or until Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble at such place and time as they may designate whenever, in their opinion, the public interest shall warrant it.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2858. Mr. ALLARD (for himself, Mr. SMITH, of New Hampshire, Mr. GRAMM, Mr. ALLEN, Mr. ROBERTS, Mr. COCHRAN, Ms. COLLINS, and Mr. LUGAR) submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. DODD to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes.

SA 2859. Mr. HARKIN (for himself and Mr. LUGAR) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

SA 2860. Mr. KERRY submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. DODD to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table.

SA 2861. Mr. SMITH, of New Hampshire proposed an amendment to amendment SA 2858 submitted by Mr. ALLARD and intended to be proposed to the amendment SA 2688 proposed by Mr. DODD to the bill (S. 565) supra.

SA 2862. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. DODD to the bill (S. 565) supra; which was ordered to lie on the table.

SA 2863. Mr. MCCAIN submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. DODD to the bill (S. 565) supra; which was ordered to lie on the table.

SA 2864. Mr. MCCAIN submitted an amendment intended to be proposed to amendment

SA 2688 proposed by Mr. Dodd to the bill (S. 565) supra; which was ordered to lie on the table.

SA 2865. Mr. GRASSLEY submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. Dodd to the bill (S. 565) supra; which was ordered to lie on the table.

SA 2866. Mr. LUGAR submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. Dodd to the bill (S. 565) supra; which was ordered to lie on the table.

SA 2867. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. Dodd to the bill (S. 565) supra; which was ordered to lie on the table.

SA 2868. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. Dodd to the bill (S. 565) supra; which was ordered to lie on the table.

SA 2869. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. Dodd to the bill (S. 565) supra; which was ordered to lie on the table.

SA 2870. Mr. WYDEN (for himself, Ms. Cantwell, and Mrs. Murray) submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. Dodd to the bill (S. 565) supra; which was ordered to lie on the table.

SA 2871. Mr. SCHUMER proposed an amendment to the bill S. 565, supra.

SA 2872. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 565, supra; which was ordered to lie on the table.

SA 2873. Mr. SCHUMER proposed an amendment to the bill S. 565, supra.

SA 2874. Mr. DODD (for Ms. Cantwell (for himself, Mrs. Murray, and Mr. Dodd)) proposed an amendment to the bill S. 565, supra.

SA 2875. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 565, supra; which was ordered to lie on the table.

SA 2876. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 565, supra; which was ordered to lie on the table.

SA 2877. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill S. 565, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2858. Mr. ALLARD (for himself, Mr. Smith of New Hampshire, Mr. Gramm, Mr. Allen, Mr. Roberts, Mr. Cochran, Ms. Collins, and Mr. Lugar) submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. Dodd of the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; as follows:

On page 68, between lines 2 and 3, insert the following:

TITLE IV—UNIFORMED SERVICES ELECTION REFORM

SEC. 401. STANDARD FOR INVALIDATION OF BALLOTS CAST BY ABSENT UNIFORMED SERVICES VOTERS IN FEDERAL ELECTIONS.

(a) In General.—Section 102 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1), as amended by section 1606(a)(1) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1278), is amended—

(1) by striking "Each State" and inserting "(a) In General.—Each State"; and

(2) by adding at the end the following:

"(b) Standards for Invalidation of Certain Ballots.—

"(1) In general.—A State may not refuse to count a ballot submitted in an election for Federal office by an absent uniformed services voter—

"(A) solely on the grounds that the ballot lacked—

"(i) a notarized witness signature;

"(ii) an address (other than on a Federal write-in absentee ballot, commonly known as 'SF186');

"(iii) a postmark if there are any other indicia that the vote was cast in a timely manner; or

"(iv) an overseas postmark; or

"(B) solely on the basis of a comparison of signatures on ballots, envelopes, or registration forms unless there is a lack of reasonable similarity between the signatures.

"(2) No effect on filing deadlines under State law.—Nothing in this subsection may be construed to affect the application to ballots submitted by absent uniformed services voters of any ballot submission deadline applicable under State law.".

(b) Effective Date.—The amendments made by subsection (a) shall apply with respect to ballots described in section 102(b) of the Uniformed and Overseas Citizens Absentee Voting Act (as added by such subsection) that are submitted with respect to elections that occur after the date of enactment of this Act.

SEC. 402. MAXIMIZATION OF ACCESS OF RECENTLY SEPARATED UNIFORMED SERVICES VOTERS TO THE POLLS.

(a) In General.—Section 102(a) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1), as amended by section 401(a) of this Act and section 1606(a)(1) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1278), is amended—

(1) in paragraph (3), by striking "and" after the semicolon at the end;

(2) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(5) in addition to using the postcard form for the purpose described in paragraph (4), accept and process any otherwise valid voter registration application submitted by a uniformed service voter for the purpose of voting in an election for Federal office; and

"(6) permit each recently separated uniformed services voter to vote in any election for which a voter registration application has been accepted and processed under this section if that voter—

"(A) has registered to vote under this section; and

"(B) is eligible to vote in that election under State law.".

(b) Definitions.—Section 107 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6) is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (9) and (10), respectively;

(2) by inserting after paragraph (6) the following new paragraph:

"(7) The term 'recently separated uniformed services voter' means any individual who was a uniformed services voter on the date that is 60 days before the date on which the individual seeks to vote and who—

"(A) presents to the election official Department of Defense form 214 evidencing their former status as such a voter, or any other official proof of such status;

"(B) is no longer such a voter; and

"(C) is otherwise qualified to vote in that election.";

(3) by redesignating paragraph (10) (as redesignated by paragraph (1)) as paragraph (11); and

(4) by inserting after paragraph (9) the following new paragraph:

"(10) The term 'uniformed services voter' means—

"(A) a member of a uniformed service in active service;

"(B) a member of the merchant marine; and

"(C) a spouse or dependent of a member referred to in subparagraph (A) or (B) who is qualified to vote.".

(c) Effective Date.—The amendments made by this section shall apply with respect to elections for Federal office that occur after the date of enactment of this Act.

SEC. 403. PROHIBITION OF REFUSAL OF VOTER REGISTRATION AND ABSENTEE BALLOT APPLICATIONS ON GROUNDS OF EARLY SUBMISSION.

(a) In General.—Section 104 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–3), as amended by section 1606(b) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1279), is amended by adding at the end the following new subsection:

"(e) Prohibition of Refusal of Applications on Grounds of Early Submission.—A State may not refuse to accept or process, with respect to any election for Federal office, any otherwise valid voter registration application or absentee ballot application (including the postcard form prescribed under section 101) submitted by an absent uniformed services voter during a year on the grounds that the voter submitted the application before the first date on which the State otherwise accepts or processes such applications for that year submitted by absentee voters who are not members of the uniformed services.".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to elections for Federal office that occur after the date of enactment of this Act.

SEC. 404. DISTRIBUTION OF FEDERAL MILITARY VOTER LAWS TO THE STATES.

Not later than the date that is 60 days after the date of enactment of this Act, the Secretary of Defense (in this section referred to as the "Secretary"), as part of any voting assistance program conducted by the Secretary, shall distribute to each State (as defined in section 107 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6) enough copies of the Federal military voting laws (as identified by the Secretary) so that the State is able to distribute a copy of such laws to each jurisdiction of the State.

SA 2859. Mr. HARKIN (for himself and Mr. LUGAR) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

On page 12, line 22, strike "mohair,".

On page 34, after line 19, add the following:

SEC. 1 . PILOT PROGRAM FOR FARM COUNTER-CYCLICAL SAVINGS ACCOUNTS.

Subtitle B of title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7211 et seq.) is amended by adding at the end the following:

"SEC. 119. PILOT PROGRAM FOR FARM COUNTER-CYCLICAL SAVINGS ACCOUNTS.

"(a) DEFINITIONS.—In this section:

"(1) ADJUSTED GROSS REVENUE.—The term 'adjusted gross revenue' means the adjusted gross income for all agricultural enterprises of a producer in a year, excluding revenue earned from nonagricultural sources, as determined by the Secretary—

"(A) by taking into account gross receipts from the sale of crops and livestock on all agricultural enterprises of the producer, including insurance indemnities resulting from losses in the agricultural enterprises;

"(B) by including all farm payments paid by the Secretary for all agricultural enterprises of the producer, including any marketing loan gains described in section 1001(3)(A) of the Food Security Act of 1985 (7 U.S.C. 1308(3)(A));

"(C) by deducting the cost or basis of livestock or other items purchased for resale, such as feeder livestock, on all agricultural enterprises of the producer; and

"(D) as represented on—

"(i) a schedule F of the Federal income tax returns of the producer; or

"(ii) a comparable tax form related to the agricultural enterprises of the producer, as approved by the Secretary.

"(2) AGRICULTURAL ENTERPRISE.—The term 'agricultural enterprise' means the production and marketing of all agricultural commodities (including livestock but excluding tobacco) on a farm or ranch.

"(3) AVERAGE ADJUSTED GROSS REVENUE.—The term 'average adjusted gross revenue' means—

"(A) the average of the adjusted gross revenue of a producer for each of the preceding 5 taxable years; or

"(B) in the case of a beginning farmer or rancher or other producer that does not have adjusted gross revenue for each of the preceding 5 taxable years, the estimated income of the producer that will be earned from all agricultural enterprises for the applicable year, as determined by the Secretary.

"(4) PRODUCER.—The term 'producer' means an individual or entity, as determined by the Secretary for an applicable year, that—

"(A) shares in the risk of producing, or provides a material contribution in producing, an agricultural commodity for the applicable year;

"(B) has a substantial beneficial interest in the agricultural enterprise in which the agricultural commodity is produced;

"(C)(i) during each of the preceding 5 taxable years, has filed—

"(I) a schedule F of the Federal income tax returns; or

"(II) a comparable tax form related to the agricultural enterprises of the individual or entity, as approved by the Secretary; or

"(ii) is a beginning farmer or rancher or other producer that does not have adjusted gross revenue for each of the preceding 5 taxable years, as determined by the Secretary; and

"(D)(i) has earned at least $50,000 in average adjusted gross revenue over the preceding 5 taxable years;

"(ii) is a limited resource farmer or rancher, as determined by the Secretary; or

"(iii) in the case of a beginning farmer or rancher or other producer that does not have average adjusted gross revenue for the preceding 5 taxable years, has at least $50,000 in estimated income from all agricultural enterprises for the applicable year, as determined by the Secretary.

"(b) ESTABLISHMENT.—For each of fiscal years 2003 through 2005, the Secretary shall establish a pilot program in 3 States (as determined by the Secretary) under which a producer may establish a farm counter-cyclical savings account in the name of the producer in a bank or financial institution selected by the producer and approved by the Secretary.

"(c) CONTENT OF ACCOUNT.—A farm counter-cyclical savings account shall consist of—

"(1) contributions of the producer; and

"(2) matching contributions of the Secretary.

"(d) PRODUCER CONTRIBUTIONS.—A producer may deposit such amounts in the account of the producer as the producer considers appropriate.

"(e) MATCHING CONTRIBUTIONS.—

"(1) IN GENERAL.—Subject to paragraphs (2) through (5), the Secretary shall provide a matching contribution on the amount deposited by the producer into the account.

"(2) AMOUNT.—Subject to paragraph (3), the amount of a matching contribution that the Secretary shall provide under paragraph (1) shall be equal to 2 percent of the average adjusted gross revenue of the producer.

"(3) MAXIMUM CONTRIBUTIONS FOR INDIVIDUAL PRODUCER.—The amount of matching contributions that may be provided by the Secretary for an individual producer under this subsection shall not exceed $5,000 for any applicable fiscal year.

"(4) MAXIMUM CONTRIBUTIONS FOR ALL PRODUCERS IN A STATE.—The total amount of matching contributions that may be provided by the Secretary for all producers in a State under this subsection shall not exceed $4,000,000 for each of fiscal years 2003 through 2005.

"(5) DATE FOR MATCHING CONTRIBUTIONS.—The Secretary shall provide the matching contributions required for a producer under paragraph (1) as of the date that a majority of the covered commodities grown by the producer are harvested.

"(f) INTEREST.—Funds deposited into the account may earn interest at the commercial rates provided by the bank or financial institution in which the Account is established.

"(g) USE.—Funds credited to the account—

"(1) shall be available for withdrawal by a producer, in accordance with subsection (h); and

"(2) may be used for purposes determined by the producer.

"(h) WITHDRAWAL.—

"(1) IN GENERAL.—Subject to paragraph (2), in any year, a producer may withdraw funds from the account in an amount that is equal to—

"(A) 90 percent of average adjusted gross revenue of the producer for the previous 5 years; minus

"(B) the adjusted gross revenue of the producer in that year.

"(2) RETIREMENT.—A producer that ceases to be actively engaged in farming, as determined by the Secretary—

"(A) may withdraw the full balance from, and close, the account; and

"(B) may not establish another account.

"(i) ADMINISTRATION.—The Secretary shall administer this section through the Farm Service Agency and local, county, and area offices of the Department of Agriculture.".

On page 37, strike lines 1 through 12 and insert the following:

"(12) in the case of nongraded wool (including unshorn pelts), $.40 per pound;

"(13) in the case of honey, $.60 per pound;

"(14) in the case of dry peas, $6.78 per hundredweight;

"(15) in the case of lentils, $12.79 per hundredweight;

"(16) in the case of large chickpeas, $17.44 per hundredweight; and

"(17) in the case of small chickpeas, $8.10 per hundredweight.

On page 40, line 8, strike the closing quotation marks and the following period.

On page 40, after line 8, insert the following:

"(3) 2001 CROP.—Notwithstanding paragraphs (1) and (2), effective for the 2001 crop only, if a producer eligible for a payment under this section loses beneficial interest in the covered commodity, the producer shall be eligible for the payment determined as of the date the producer lost beneficial interest in the covered commodity, as determined by the Secretary.".

SEC. 1 . PAYMENTS IN LIEU OF LOAN DEFICIENCY PAYMENTS FOR GRAZED ACREAGE.

(a) IN GENERAL.—Subtitle C of title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7231 et seq.) is amended by adding at the end the following:

"SEC. 138. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAYMENTS FOR GRAZED ACREAGE.

"(a) IN GENERAL.—For each crop of wheat, grain sorghum, barley, and oats, in the case of the producers on a farm that would be eligible for a loan deficiency payment under section 135 for wheat, grain sorghum, barley, or oats, but that elects to use acreage planted to the wheat, grain sorghum, barley, or oats for the grazing of livestock, the Secretary shall make a payment to the producers on the farm under this section if the producers on the farm enter into an agreement with the Secretary to forgo any other harvesting of the wheat, grain sorghum, barley, or oats on the acreage.

"(b) PAYMENT AMOUNT.—The amount of a payment made to the producers on a farm under this section shall be equal to the amount obtained by multiplying—

"(1) the loan deficiency payment rate determined under section 135(c) in effect, as of the date of the agreement, for the county in which the farm is located; by

"(2) the payment quantity obtained by multiplying—

"(A) the quantity of the grazed acreage on the farm with respect to which the producers on the farm elect to forgo harvesting of wheat, grain sorghum, barley, or oats; and

"(B) the payment yield for that contract commodity on the farm.

"(c) TIME, MANNER, AND AVAILABILITY OF PAYMENT.—

"(1) Time and manner.—A payment under this section shall be made at the same time and in the same manner as loan deficiency payments are made under section 135.

"(2) Availability.—The Secretary shall establish an availability period for the payment authorized by this section that is consistent with the availability period for wheat, grain sorghum, barley, and oats established by the Secretary for marketing assistance loans authorized by this subtitle.

"(d) Prohibition on Crop Insurance or Noninsured Crop Assistance.—The producers on a farm shall not be eligible for insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) or noninsured crop assistance under section 196 with respect to a crop of wheat, grain sorghum, barley, or oats planted on acreage that the producers on the farm elect, in the agreement required by subsection (a), to use for the grazing of livestock in lieu of any other harvesting of the crop.".

On page 53, strike lines 5 through 8 and insert the following:

(b) Definition of Fluid Milk Processor.—Section 1999C(4) of the Fluid Milk Promotion Act of 1990 (7 U.S.C. 6402(4)) is amended by striking "500,000 pounds of fluid milk products in consumer-type packages per month" and inserting "3,000,000 pounds of fluid milk products in consumer-type packages per month (excluding products delivered directly to the place of residence of a consumer)".

On page 59, line 2, strike "Promotion" and insert "Production".

On page 70, strike lines 4 through 9 and insert the following:

(h) Substitutability of Sugar.—Section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272) is amended—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following:

"(i) Substitution of Refined Sugar.—For purposes of Additional U.S. Note 6 to chapter 17 of the Harmonized Tariff Schedule of the United States and the reexport programs and polyhydric alcohol program administered by the Foreign Agricultural Service of the Department of Agriculture, all refined sugars (whether derived from sugar beets or sugarcane) produced by cane sugar refineries and beet sugar processors shall be fully substitutable for the export of sugar under those programs.".

(i) Crops.—Subsection (j) of section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272) (as redesignated by subsection (h)(1)) is amended—

(1) by striking "(other than subsection (f))"; and

(2) by striking "2002" and inserting "2006".

On page 70, line 10, strike "(i)" and insert "(j)".

On page 75, line 16, strike "7251" and insert "7272".

On page 81, line 22, strike "7251" and insert "7272".

On page 86, strike lines 8 through 11 and insert the following:

"(III) Limitations.—The allotment for a new processor under this clause shall not exceed—

"(aa) in the case of the first fiscal year of operation of a new processor, 50,000 short tons (raw value); and

"(bb) in the case of each subsequent fiscal year of operation of the new processor, a quantity established by the Secretary in accordance with this clause and the criteria described in clause (ii) or (iii), as applicable.

"(IV) New entrant states.—

"(aa) In general.—Notwithstanding subparagraphs (A) and (C) of section 359c(e)(3), to accommodate an allocation under subclause (I) to a new processor located in a new entrant mainland State, the Secretary shall provide the new entrant mainland State with an allotment.

"(bb) Effect on other allotments.—The allotment to any new entrant mainland State shall be subtracted, on a pro rata basis, from the allotments otherwise allotted to each mainland State under section 359c(e)(3).

"(V) Adverse effects.—Before providing an initial processor allocation or State allotment to a new entrant processor or a new entrant State under this clause, the Secretary shall take into consideration any adverse effects that the provision of the allocation or allotment may have on existing cane processors and producers in mainland States.

"(VI) Ability to market.—Consistent with section 359c and this section, any processor allocation or State allotment made to a new entrant processor or to a new entrant State under this clause shall be provided only after the applicant processor, or the applicable processors in the State, have demonstrated the ability to process, produce, and market (including the transfer or delivery of the raw cane sugar to a refinery for further processing or marketing) raw cane sugar for the crop year for which the allotment is applicable.

"(VII) Prohibition.—Not more than 1 processor allocation provided under this clause may be applicable to any individual sugar processing facility.

On page 86, line 20, strike "or successor in interest," and insert "successor in interest, or any remaining processor of an affiliated entity,".

On page 93, strike lines 3 through 7 and insert the following:

(2) Part VII of subtitle B of title III of the Agricultural Adjustment Act of 1938 (as amended by subsection (a)) is amended by inserting before section 359b (7 U.S.C. 1359bb) the following:

"SEC. 359a. DEFINITIONS.

On page 94, strike lines 6 through 8 and insert the following:

(4) Section 359j of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359jj) is amended—

(A) in subsection (b), by striking "sections 359a through 359i" and inserting "this part"; and

(B) by striking subsection (c).

On page 96, line 22, strike "If," and insert "Except as provided in subparagraph (C), if,".

On page 97, between lines 10 and 11, insert the following:

"(C) Selection by producer.—If a county in which a historical peanut producer described in subparagraph (A) is located is declared a disaster area during 1 or more of the 4 crop years described in subparagraph (A), for the purposes of determining the 4-year average yield for the historical peanut producer, the historical peanut producer may elect to substitute, for not more than 1 of the crop years during which a disaster is declared—

"(i) the State 4-year average yield of peanuts produced in the State; or

"(ii) the average yield for the historical peanut producer determined by the Secretary under subparagraph (A).

On page 97, lines 11 and 12, strike "Except as provided in paragraph (3), the" and insert "The".

Beginning on page 97, strike line 24 and all that follows through page 98, line 12.

Beginning on page 99, strike line 3 and all that follows through page 100, line 2, and insert the following:

"(b) Assignment of Yield and Acres to Farms.—

"(1) Assignment by historical peanut producers.—For the first crop year that begins after the date of enactment of this section, the Secretary shall provide each historical peanut producer in a State that produced a contract commodity, or another agricultural commodity for which a production adjustment program is carried out under the Agricultural Adjustment Act of 1938 (7 U.S.C. 1281 et seq.), or was prevented from planting a contract commodity, or another such agricultural commodity, during the 2001 crop year with an opportunity to assign the average peanut yield and average acreage determined under subsection (a) for the historical peanut producer to cropland on a farm in the State.

"(2) Assignment to cropland.—In the case of a historical peanut producer on a farm that did not produce a contract commodity, or another such agricultural commodity, and was not prevented from planting a contract commodity or another such agricultural commodity during the 2001 crop year, the average peanut yield and average acreage determined under subsection (a) shall be assigned to the cropland on the farm.

"(3) Payment yield.—The average of all of the yields assigned by historical peanut producers to a farm shall be considered to be the payment yield for the farm for the purpose of making direct payments and counter-cyclical payments under this chapter.

"(4) Peanut acres.—Subject to subsection (e), the total number of acres assigned by historical peanut producers to a farm shall be considered to be the peanut acres for the farm for the purpose of making direct payments and counter-cyclical payments under this chapter.

"(c) Election.—In the case of the first crop year that begins after the date of enactment of this subsection, a historical peanut producer shall notify the Secretary of the assignments described in subsection (b)(1) not later than 180 days after the date of enactment of this section.

Beginning on page 103, line 24, through page 104, line 1, strike "12-month marketing year" and insert "marketing season".

On page 104, lines 5 and 6, strike "12-month marketing year" and insert "marketing season".

On page 105, lines 16 and 17, strike "6 months of the marketing year" and insert "2 months of the marketing season".

On page 122, between lines 10 and 11, insert the following:

SEC. 1__. MARKETING ORDERS FOR CANEBERRIES.

(a) In General.—Section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is amended—

(1) in subsection (2)(A), by inserting "caneberries (including raspberries, blackberries, and loganberries)," after "other than pears, olives, grapefruit, cherries,"; and

(2) in subsection (6)(I), by striking "tomatoes,," and inserting "tomatoes, caneberries (including raspberries, blackberries, and loganberries),".

(b) Conforming Amendment.—Section 8e(a) of the Agricultural Adjustment Act (7 U.S.C. 608e–1(a)), reenacted with amendments by the Agricultural Marketing Agreement Act of

1937, is amended in the first sentence by striking "or apples" and inserting "apples, or caneberries (including raspberries, blackberries, and loganberries)".

SEC. 1 . RESERVE STOCK LEVEL.

Section 301(b)(14)(C) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1301(b)(14)(C)) is amended—

(1) in clause (i), by striking "100,000,000" and inserting "75,000,000"; and

(2) in clause (ii), by striking "15 percent" and inserting "10 percent".

SEC. 1 . FARM RECONSTITUTIONS.

(a) IN GENERAL.—Section 316(a)(1)(A)(ii) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1314b(a)(1)(A)(ii)) is amended by adding at the end the following: "Notwithstanding any other provision of law, for the 2002 crop only, the Secretary shall allow special farm reconstitutions, in lieu of lease and transfer of allotments and quotas, under this section, in accordance with such conditions as are established by the Secretary.".

(b) STUDY.—

(1) IN GENERAL.—The Secretary of Agriculture shall conduct a study on the effects on the limitation on producers to move quota to a farm other than the farm to which the quota was initially assigned under part I of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1311 et seq.).

(2) REPORT.—Not later than 90 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the results of the study.

On page 123, line 2, strike the closing quotation marks and the following period.

On page 123, between lines 2 and 3, insert the following:

"(f) EXPENDITURE LIMITATION.—If the Secretary makes a determination under subsection (e) that expenditures will exceed allowable levels for any applicable reporting period and notifies Congress of the Secretary's intent to make adjustments to ensure that expenditures do not exceed allowable levels, no expenditures under any program proposed to be adjusted by the Secretary may be made after the date that is 18 months after the date of the determination, unless a joint resolution disapproving the adjustments is enacted by both Houses of Congress within 60 days of the date of the notification.

"(g) ANNUAL REPORT ON DOMESTIC SUPPORT.—Not later than April 30 of each year, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

"(1) estimated levels of domestic support for agricultural commodities during the current marketing year and the following marketing year;

"(2) the manner in which the Secretary intends to notify the World Trade Organization of the estimated levels; and

"(3) proposed changes to domestic support programs subject to reduction commitments made in the context of WTO trade negotiations.".

On page 123, line 15, insert "(a) IN GENERAL.—" before "Section".

On page 125, between lines 4 and 5, insert the following:

(b) SENSE OF THE SENATE CONCERNING PURCHASES OF CRANBERRIES.—

(1) FINDINGS.—Congress finds that—

(A) the price per hundred pounds of cranberries has dropped from approximately $70 to approximately $10;

(B) the cost of producing cranberries is between $30 and $35 per hundred pounds, which is much more than the price per hundred pounds of cranberries for each of the past 2 years;

(C) there is a serious economic crisis among cranberry growers in the United States, especially in the States of Wisconsin, Massachusetts, and New Jersey;

(D) the Cranberry Marketing Committee has issued 2 marketing orders, but the marketing orders have not led to higher prices;

(E) although Congress directed the Secretary of Agriculture to use $30,000,000 to purchase cranberries in fiscal year 2001, the price of cranberries has not risen significantly; and

(F) the cranberry industry faces a surplus of cranberries and continuing low prices for cranberries.

(2) SENSE OF THE SENATE.—It is the sense of the Senate that the Secretary of Agriculture should attempt to alleviate the economic crisis among cranberry growers by continuing to expend for each fiscal year for the purchase of cranberries the same amount as the Secretary expended for fiscal year 2001.

In Amendment No. 2826 (END02.085), on page 28, line 22, strike "404" and insert "741".

On page 128, between lines 8 and 9, insert the following:

SEC. 1 . REPORTS ON EQUITABLE RELIEF AND MISACTION-MISINFORMATION REQUESTS.

Section 195 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127; 110 Stat. 946) is amended to read as follows:

"SEC. 195. REPORTS ON EQUITABLE RELIEF AND MISACTION-MISINFORMATION REQUESTS.

"(a) IN GENERAL.—Not later than 90 days after the date of enactment of the Agriculture, Conservation, and Rural Enhancement Act of 2002 and not later than December 1 of fiscal year 2003 and each subsequent fiscal year, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

"(1) the number of requests received by the Secretary during the preceding fiscal year for equitable relief under programs carried out by the Farm Service Agency and the Natural Resources Conservation Service, including a description (by program) of—

"(A) the number of requests received;

"(B) the number of requests approved by the Secretary; and

"(C) the basis for the approval or denial of the requests; and

"(2) the number of requests received by the Secretary during the preceding fiscal year for relief described in section 326 of the Food and Agriculture Act of 1962 (7 U.S.C. 1339a) with respect to programs carried out under this title, including a description (by program) of—

"(A) the number of requests received;

"(B) the number of requests approved by the Secretary; and

"(C) the basis for the approval or denial of the requests.

"(b) APPEALS.—The Secretary, acting through the Director of the National Appeals Division, shall include in each report submitted under subsection (a) a description of actions taken by the Division taken during the preceding fiscal year with respect to requests for relief described in subsection (a).".

SEC. 1 . ESTIMATES OF NET FARM INCOME.

Title I of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7201 et seq.) is amended by adding at the end the following:

"SEC. 197. ESTIMATES OF NET FARM INCOME.

"In each issuance of projections of net farm income, the Secretary shall include (as determined by the Secretary)—

"(1) an estimate of the net farm income earned by commercial producers in the United States; and

"(2) an estimate of the net farm income attributable to commercial producers of each of—

"(A) livestock;

"(B) loan commodities; and

"(C) agricultural commodities other than loan commodities.".

SEC. 1 . COMMODITY CREDIT CORPORATION INVENTORY.

Section 5 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714c) is amended in the last sentence by inserting before the period at the end the following: "(including, at the option of the Corporation, the use of private sector entities)".

SEC. 1 . AGRICULTURAL PRODUCERS SUPPLEMENTAL PAYMENTS AND ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture may use such funds of the Commodity Credit Corporation as are necessary to provide payments and assistance under Public Law 107–25 (115 Stat. 201) to persons that (as determined by the Secretary)—

(1) are eligible to receive the payments or assistance; but

(2) did not receive the payments or assistance prior to October 1, 2001.

(b) LIMITATION.—The amount of payments or assistance provided under Public Law 107–25 and this section to an eligible person described in subsection (a) shall not exceed the amount of payments or assistance the person would have been eligible to receive under Public Law 107–25.

Subtitle E—Payment Limitation Commission

SEC. 1 1. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the "Commission on the Application of Payment Limitations for Agriculture" (referred to in this subtitle as the "Commission").

(b) MEMBERSHIP.—

(1) COMPOSITION.—

(A) IN GENERAL.—The Commission shall be composed of 11 members appointed as follows:

(i) 3 members shall be appointed by the President, of whom 2 shall be from land grant colleges or universities and have expertise in agricultural economics.

(ii) 1 member shall be appointed by the Majority Leader of the Senate.

(iii) 1 member shall be appointed by the Minority Leader of the Senate.

(iv) 1 member shall be appointed by the Speaker of the House of Representatives.

(v) 1 member shall be appointed by the Minority Leader of the House of Representatives.

(vi) 1 member shall be appointed by the Chairman of the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(vii) 1 member shall be appointed by the ranking minority member of the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(viii) 1 member shall be appointed by the Chairman of the Committee on Agriculture of the House of Representatives.

(ix) 1 member shall be appointed by the ranking minority member of the Committee on Agriculture of the House of Representatives.

(B) DIVERSITY OF VIEWS.—The appointing authorities under subparagraph (A) shall seek to ensure that the membership of the Commission has a diversity of experiences and expertise on the issues to be studied by the Commission, such as agricultural production, agricultural lending, farmland appraisal, agricultural accounting and finance, and other relevant areas.

(2) FEDERAL GOVERNMENT EMPLOYMENT.—The membership of the Commission may include 1 or more employees of the Department of Agriculture or other Federal agencies.

(3) DATE OF APPOINTMENTS.—The appointment of a member of the Commission shall be made not later than 60 days after the date of enactment of this Act.

(c) TERM; VACANCIES.—

(1) TERM.—A member shall be appointed for the life of the Commission.

(2) VACANCIES.—A vacancy on the Commission—

(A) shall not affect the powers of the Commission; and

(B) shall be filled in the same manner as the original appointment was made.

(d) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold the initial meeting of the Commission.

(e) MEETINGS.—The Commission shall meet—

(1) on a regular basis, as determined by the Chairperson; and

(2) at the call of the Chairperson or a majority of the members of the Commission.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number of members may hold hearings.

(g) CHAIRPERSON.—The Secretary shall appoint 1 of the members of the Commission to serve as Chairperson of the Commission.

SEC. 1 2. DUTIES.

(a) COMPREHENSIVE REVIEW.—The Commission shall conduct a comprehensive review of—

(1) the laws (including regulations) that apply or fail to apply payment limitations to agricultural commodity and conservation programs administered by the Secretary;

(2) the impact that failing to apply effective payment limitations has on—

(A) the agricultural producers that participate in the programs;

(B) overproduction of agricultural commodities;

(C) the prices that agricultural producers receive for agricultural commodities in the marketplace; and

(D) land prices and rental rates;

(3) the feasibility of improving the application and effectiveness of payment limitation requirements, including the use of commodity certificates and the forfeiture of loan collateral; and

(4) alternatives to payment limitation requirements in effect on the date of enactment of this Act that would apply meaningful limitations to improve the effectiveness and integrity of the requirements.

(b) RECOMMENDATIONS.—In carrying out the review under subsection (a), the Commission shall develop specific recommendations for modifications to applicable legislation and regulations that would improve payment limitation requirements.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Commission shall submit to the President, the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the results of the review conducted, and any recommendations developed, under this section.

SEC. 1 3. POWERS.

(a) HEARINGS.—The Commission may hold such hearings, meet and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out this subtitle.

(b) INFORMATION FROM FEDERAL AGENCIES.—

(1) IN GENERAL.—The Commission may secure directly from a Federal agency such information as the Commission considers necessary to carry out this subtitle.

(2) PROVISION OF INFORMATION.—On request of the Chairperson of the Commission, the head of the agency shall provide the information to the Commission.

(c) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other agencies of the Federal Government.

(d) ASSISTANCE FROM SECRETARY.—The Secretary may provide to the Commission appropriate office space and such reasonable administrative and support services as the Commission may request.

SEC. 1 4. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—

(1) NON-FEDERAL EMPLOYEES.—A member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Commission.

(2) FEDERAL EMPLOYEES.—A member of the Commission who is an officer or employee of the Federal Government shall serve without compensation in addition to the compensation received for the services of the member as an officer or employee of the Federal Government.

(b) TRAVEL EXPENSES.—A member of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5, United States Code, while away from the home or regular place of business of the member in the performance of the duties of the Commission.

SEC. 1 5. FEDERAL ADVISORY COMMITTEE ACT.

The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission or any proceeding of the Commission.

SEC. 1 6. FUNDING.

Of the funds of the Commodity Credit Corporation, the Secretary shall use not more than $100,000 to carry out this subtitle.

SEC. 1 7. TERMINATION OF COMMISSION.

The Commission shall terminate on the day after the date on which the Commission submits the report of the Commission under section 1 2(c).

On page 129, line 14, strike “an producer” and insert “a producer”.

Beginning on page 130, strike line 22 and all that follows through page 131, line 2.

On page 131, line 3, strike “(9)” and insert “(8)”.

On page 131, line 7, strike “(10)” and insert “(9)”.

On page 131, line 20, strike “(11)” and insert “(10)”.

On page 132, line 10, strike “(12)” and insert “(11)”.

On page 132, line 13, strike “(13)” and insert “(12)”.

On page 133, line 4, strike “(14)” and insert “(13)”.

On page 133, line 12, strike “(15)” and insert “(14)”.

On page 133, line 20, strike “(16)” and insert “(15)”.

On page 133, line 23, strike “(17)” and insert “(16)”.

On page 134, line 3, strike “(18)” and insert “(17)”.

On page 134, line 7, strike “(19)” and insert “(18)”.

On page 134, line 11, strike “(20)” and insert “(19)”.

On page 134, line 15, strike “(21)” and insert “(20)”.

On page 134, line 19, strike “(22)” and insert “(21)”.

On page 138, line 13, strike “to eligible” and insert “to all eligible”.

On page 140, line 24, insert “or update existing technologies and practices” before the period.

On page 141, line 1, strike “STATE AND LOCAL” and insert “STATE, TRIBAL, AND LOCAL”.

On page 141, lines 7 and 8, strike “State and” and insert “State or Indian tribe and”.

On page 141, line 11, insert “, Indian tribe,” after “State”.

On page 141, strike lines 13 through 18 and insert the following:

“(i)(I) determined by the State conservationist, in consultation with the State technical committee established under subtitle G and the local subcommittee of the State technical committee; and

“(II) approved by the Secretary; and

“(ii) in the case of land under the jurisdiction of an Indian tribe—

“(I) determined by the Indian tribe, after consultation with the Secretary; and

“(II) approved by the Secretary.

On page 142, line 5, strike “at least” and include “in addition to (c)(1)(C)”.

On page 148, line 11, insert “management of” before “conservation”.

On page 151, line 9, insert “for the entire agricultural operation” before the semicolon.

On page 151, line 11, insert “management of” before “conservation”.

On page 152, line 1, insert “AND REQUIREMENTS” after “PRACTICES”.

On page 152, line 2, insert “and requirements” after “practices”.

On page 153, line 8, insert “as described in subsection (b)(2)(B)” before the period.

On page 154, line 2, insert “management of” before “conservation”.

On page 155, strike lines 15 through 20 and insert the following:

“(A)(i) determined by the State conservationist, in consultation with the State technical committee established under subtitle G and the local subcommittee of the State technical committee; and

“(ii) approved by the Secretary; and

“(B) in the case of land under the jurisdiction of an Indian tribe—

“(i) determined by the Indian tribe, after consultation with the Secretary; and

“(ii) approved by the Secretary.

On page 160, line 7, strike “the” and insert “applicable”.

On page 166, line 9, strike “purposes” and insert “objectives”.

On page 166, line 15, insert “local” before “conservation”.

On page 176, strike lines 8 through 14 and insert the following:

“(h) CONSERVATION SECURITY STATE PROGRAM.—

"(1) In general.—Effective October 1, 2004, the Secretary, in cooperation with appropriate State agencies, may permit 1 State to jointly implement a conservation security program with the Secretary.

On page 177, line 13, insert ", education and outreach, and monitoring and evaluation" after "assistance".

On page 177, line 21, insert after "subtitle to" the following: "enter into agreements with State and local agencies, Indian tribes, and nongovernmental and to".

On page 178, line 6, insert "or tribal" after "State".

On page 178, line 9, insert "or tribal" after "State".

On page 178, line 11, strike "or".

On page 178, between lines 13 and 14, insert the following:

"(iv) other Federal, State, tribal, or local laws; or

On page 178, line 18, strike "or multi-State" and insert ", multistate, or tribal".

On page 181, strike lines 9 through 11 and insert the following:

"(4) Purposes of special projects.—The purposes of special projects carried out under this section shall be to encourage—

Beginning on page 186, strike line 22 and all that follows through page 190, line 24, and insert the following:

"(f) Technical Assistance.—

"(1) In general.—Under any conservation program administered by the Secretary, subject to paragraph (2), technical assistance provided by persons certified under paragraph (3) (including farmers and ranchers) may include—

"(A) conservation planning;

"(B) design, installation, and certification of conservation practices;

"(C) conservation training for producers; and

"(D) such other conservation activities as the Secretary determines to be appropriate.

"(2) Outside assistance.—

"(A) In general.—The Secretary may contract directly with qualified persons not employed by the Department to provide conservation technical assistance.

"(B) Payment by secretary.—Subject to subparagraph (C), the Secretary may provide a payment to an owner, operator, or producer enrolled in a conservation program administered by the Secretary if the owner, operator, or producer elects to obtain technical assistance from a person certified to provide technical assistance under this subsection.

"(C) Nonprivate providers.—In determining whether to provide a payment under subparagraph (B) to a nonprivate provider, the Secretary shall provide a payment if the provision of the payment would result in an increase in the total amount of technical assistance available to producers, as determined by the Secretary.

"(3) Certification of providers of technical assistance.—

"(A) Procedures.—

"(i) In general.—The Secretary shall establish procedures for certifying persons not employed by the Department to provide technical assistance in planning, designing, or certifying activities to participate in any conservation program administered by the Secretary to agricultural producers and landowners participating, or seeking to participate, in conservation programs administered by the Secretary.

"(ii) Non-federal assistance.—The Secretary may request the services of, and enter into a cooperative agreement with, a State water quality agency, State fish and wildlife agency, State forestry agency, State conservation agency or conservation district, or any other governmental or nongovernmental organization or person considered appropriate by the Secretary to assist in providing the technical assistance necessary to develop and implement conservation plans under this title.

"(B) Equivalence.—The Secretary shall ensure that new certification programs of the Department for providers of technical assistance meet or exceed the testing and continuing education standards of any certification program that establishes nationally recognized and accepted standards for training, testing, and other professional qualifications.

"(C) Standards.—The Secretary shall establish standards for the conduct of—

"(i) the certification process conducted by the Secretary; and

"(ii) periodic recertification by the Secretary of providers.

"(D) Certification required.—

"(i) In general.—A provider may not provide to any producer technical assistance described in paragraph (3)(A)(i) unless the provider is certified by the Secretary.

"(ii) Waiver.—The Secretary may exempt a provider from any requirement of this subparagraph if the Secretary determines that the provider has been certified or recertified to provide technical assistance through a program the standards of which meet or exceed standards established by the Secretary under subparagraph (C).

"(E) Fee.—

"(i) In general.—In exchange for certification or recertification, a provider shall pay a fee to the Secretary in an amount determined by the Secretary.

"(ii) Account.—A fee paid to the Secretary under clause (i) shall be—

"(I) credited to the account in the Treasury that incurs costs relating to implementing this subsection; and

"(II) made available to the Secretary for use for conservation programs administered by the Secretary, without further appropriation, until expended.

"(iii) Waiver.—The Secretary may waive any requirement of any provider to pay a fee under this subparagraph if the provider qualifies for a waiver under subparagraph (D)(ii).

"(F) Technical assistance advisory council.—

"(i) Purpose.—The Secretary shall establish a technical assistance advisory council (referred to in this subparagraph as the 'advisory council') to advise the Secretary with respect to the management of certification programs for the provision of technical assistance for third party providers.

"(ii) Membership.—The membership of the advisory council shall include—

"(I) representatives of the Federal Government and appropriate State and local governments; and

"(II) not more than 20 additional members that represent 2 or more of the following:

"(aa) Agricultural producers.

"(bb) Agricultural industries.

"(cc) Wildlife and environmental entities.

"(dd) A minimum of 6 professional societies and organizations.

"(ee) Such other entities (the representation of which on the advisory council shall not exceed 4 members) as the Secretary determines would contribute to the work of the advisory council.

"(iii) Responsibilities.—The advisory council shall advise the Secretary with respect to—

"(I) appropriate standards for certification;

"(II) the status of third party certification programs;

"(III) cases in which waivers for certification, recertification and payment of fees should be allowed;

"(IV) periodic reviews of certification program; and

"(V) guidelines for penalties and disciplinary actions for violation of certification requirements.

"(iv) Meetings.—

"(I) Initial meeting.—Not later than 30 days after the date on which all members of the advisory council have been appointed, the advisory council shall hold the initial meeting of advisory council.

"(II) Subsequent meetings.—The Secretary shall require the advisory council to meet as needed.

"(v) Authorization of appropriations.—There are authorized to be appropriated to carry out this subparagraph such sums as are necessary for each of fiscal years 2002 through 2006.

"(4) Effect on implementation.—Nothing in this subsection shall prohibit or impede the expeditious implementation of the provision of third-party technical assistance under this title.

"(5) Other requirements.—The Secretary may establish such other requirements as the Secretary determines are necessary to carry out this subsection.

On page 191, strike lines 19 through 21 and insert the following:

"(i) provided to the Secretary or a contractor of the Secretary (including information provided under subtitle D) for the purpose of providing

On page 192, line 3, insert "(within the meaning of section 552(b)(4) of title 5, United States Code)" after "proprietary".

On page 192, lines 7 and 8, strike "compiled by the Secretary, such as a list of" and insert "regarding".

On page 193, strike lines 1 through 5 and insert the following:

and producers, and to maintain the integrity of each unit at which primary sampling for data gathering is carried out by the National Resources Inventory (referred to in this subsection as a 'data gathering site'), the specific geographic locations of data gathering sites, and the information generated by the data gathering sites—

On page 194, strike lines 3 and 4 and insert the following:

collecting information from data gathering sites.

On page 194, line 14, strike "National Resources Inventory".

On page 194, lines 20 and 21, strike "that does not allow the identification of" and insert "without naming".

On page 195, between lines 19 and 20, insert the following:

"(5) Data collection, disclosure, and review.—Nothing in this subsection—

"(A) affects any procedure for data collection or disclosure through the National Resources Inventory; or

"(B) limits the authority of Congress or the General Accounting Office to review information collected or disclosed under this subsection.

On page 197, line 5, strike "and" at the end.

On page 197, line 13, strike the period at the end and insert "; and".

On page 197, between lines 13 and 14, insert the following:

(4) improving the regional distribution of program funds and resources to ensure, to the maximum extent practicable, that—

(A) the highest conservation priorities of the United States receive funding; and

(B) regional variations in conservation costs are taken into account.

Beginning on page 205, strike line 12 and all that follows through page 206, line 16, and insert the following:

(d) Duration of Contracts; Hardwood Trees.—Section 1231(e) of the Food Security Act of 1985 (16 U.S.C. 3831(e)) is amended—

(1) in paragraph (1), by striking "For the purpose: and inserting "Except as provided in paragraph (2)(D), for the purpose";

(2) in paragraph (2)—

(A) by striking "In the" and inserting the following:

"(A) In general.—In the";

(B) by striking "The Secretary" and inserting the following:

"(B) Existing hardwood tree contracts.—The Secretary"; and

(C) by adding at the end the following:

"(C) Extension of hardwood tree contracts.—

"(i) In general.—In the case of land devoted to hardwood trees under a contract entered into under this subchapter before the date of enactment of this subparagraph, the Secretary may extend the contract for a term of not more than 15 years.

"(ii) Rental payments.—The amount of a rental payment for a contract extended under clause (i)—

"(I) shall be determined by the Secretary; but

"(II) shall not exceed 50 percent of the rental payment that was applicable to the contract before the contract was extended.

"(D) New hardwood tree contracts.—

"(i) In general.—The Secretary may enter into contracts of not less than 10, nor more than 30, years with owners of land intended to be devoted to hardwood trees after the date of enactment of this paragraph.

"(ii) Payments.—The Secretary shall make payments under a contract described in clause (i)—

"(I) on an annual basis; and

"(II) at such an appropriate rate and in such appropriate amounts as the Secretary shall determine in accordance with subparagraph (C)(ii).

"(E) Hardwood planning goal.—The Secretary shall take such steps as the Secretary determines are necessary to ensure, to the maximum extent practicable, that all hardwood tree sites annually enrolled in the conservation reserve program are reforested with appropriate species."; and

(3) by adding at the end the following:

"(3) 1-year extension.—In the case of a contract described in paragraph (1) the term of which expires during calendar year 2002, an owner or operator of land enrolled under the contract may extend the contract for 1 additional year.".

On page 213, strike line 10 and insert the following:

(l) Study on Economic Effects.—

(1) In general.—Not later than

On page 213, line 15, insert "and social" after "economic".

On page 213, between lines 19 and 20, insert the following:

(2) Components.—The study under paragraph (1) shall include analyses of—

(A) the impact that enrollments in the conservation reserve program described in that paragraph have on rural businesses, civic organizations, and community services (such as schools, public safety, and infrastructure), particularly in communities with a large percentage of whole farm enrollments;

(B) the effect that those enrollments have on rural population and beginning farmers (including a description of any connection between the rate of enrollment and the incidence of absentee ownership); and

(C)(i) the manner in which differential per acre payment rates potentially impact the types of land (by productivity) enrolled;

(ii) changes to the per acre payment rates that may affect that impact; and

(iii) the manner in which differential per acre payment rates could facilitate retention of productive agricultural land in agriculture.

On page 214, line 15, insert "tribal," after "State,".

On page 214, line 22, insert "tribal," after "State,".

On page 217, line 23, insert "or improved" after "new".

On page 218, line 1, insert "or facilitates" after "complements".

On page 220, lines 24 and 25, strike "facility," and insert "facility (including a methane recovery system),".

On page 222, line 9, insert "tribal," after "State,".

On page 230, line 17, strike "(a) In General.—".

On page 231, line 1, insert "tribal," after "State,".

On page 231, line 7, insert "prevention and control" after "soil erosion".

On page 231, line 14, strike "State" and insert "State, tribal,".

On page 234, between lines 6 and 7, insert the following:

"(c) Avoidance of Resource Degradation.—In carrying out the program, the Secretary shall avoid, to the maximum practicable, any practices that would have a significant adverse effect on ecologically sensitive areas (including wetland), as determined by the Secretary.

On page 234, line 21, insert "tribal," after "State,".

On page 236, strike lines 6 through 10 and insert the following:

"(D) reducing negative effects on watersheds, including through the significant reduction in nutrient applications, as determined by the Secretary; and

On page 238, strike lines 17 and 18 and insert the following:

"(C) other educational institutions;

"(D) State cooperative extension services; and

"(E) private organizations.

On page 238, line 21, strike "1241(b)(1)" and insert "1241(b)".

Beginning on page 240, strike line 5 and all that follows through page 241, line 11, and insert the following:

"(b) Nutrient Reduction Pilot Program.—

"(1) Definition of chesapeake executive council.—In this subsection, the term 'Chesapeake Executive Council' means the Federal-State council—

"(A) comprised of—

"(i) the mayor of the District of Columbia;

"(ii) the Governors of the States of Maryland, Pennsylvania, and Virginia;

"(iii) the Administrator of the Environmental Protection Agency; and

"(iv) the Chair of the Chesapeake Bay Commission; and

"(B) charged with the policy leadership, coordination, and implementation of the region-wide Chesapeake Bay Program restoration effort.

"(2) Program.—For each of fiscal years 2003 through 2006, the Secretary shall use funds made available to carry out the program, in the amounts specified in paragraph (5), in the Chesapeake Bay watershed to provide incentive payments to producers to—

"(A) reduce nutrient loads to the Chesapeake Bay; and

"(B) achieve the goals of the Chesapeake Executive Council.

"(3) Priority; measurement; payments.—In carrying out paragraph (2), the Secretary shall—

"(A) give priority to nutrient reduction techniques that reduce nutrient applications rates to a level that is substantially below the level recommended in a best management practice (as identified by the Secretary);

"(B) measure any reduction in nutrient application rates by an appropriate indicator of actual performance (such as the level of nutrients applied or fixed in excess of crop removal); and

"(C) increase the amount of an incentive payment to a producer to reflect superior performance by the producer.

"(4) Partnerships.—The Secretary shall carry out this subsection in partnership with—

"(A) State governments;

"(B) nonprofit organizations approved by the Secretary; and

"(C) State colleges and universities.

"(5) Funding.—

"(A) In general.—Of the amounts made available under section 1241(b) to carry out the program, the Secretary shall use to carry out this subsection—

"(i) $10,000,000 for fiscal year 2003;

"(ii) $15,000,000 for fiscal year 2004;

"(iii) $20,000,000 for fiscal year 2005;

"(iv) $25,000,000 for fiscal year 2006; and

"(v) $0 for fiscal year 2007.

"(B) Unexpended funds.—Any funds made available for a fiscal year under subparagraph (A) that are not obligated by April 1 of the fiscal year shall be used to carry out other activities under this chapter.

On page 243, line 15, strike "$850,00,000" and insert "$850,000,000".

On page 259, strike lines 6 through 9 and insert the following:

a resource conservation and use plan developed through a planning process by a council for a designated area of 1 or more States, or of land under the jurisdiction of an Indian tribe, that includes 1 or more of the following elements:

On page 260, line 24, insert ", including the production of energy crops" after "conservation".

On page 271, line 18, insert "(including aquatic habitat)" after "habitat".

On page 272, line 25, strike "$375,000" and insert "$355,000,000".

On page 273, line 1, strike "$50,000" and insert "$50,000,000".

On page 277, line 10, insert "tribal," after "State,".

On page 283, line 5, strike the closing quotation marks and the following period.

On page 283, between lines 5 and 6, insert the following:

"SEC. 1240Q. GRASSROOTS SOURCE WATER PROTECTION PROGRAM.

"(a) In General.—The Secretary shall establish a national grassroots water protection program to more effectively use onsite technical assistance capabilities of each State rural water association that, as of the date of enactment of this section, operates a wellhead or groundwater protection program in the State.

"(b) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2002 through 2006.".

Beginning on page 283, strike line 9 and all that follows through page 288, line 9, and insert the following:

SEC. 2 . FARMLAND PROTECTION PROGRAM.

(a) IN GENERAL.—Chapter 2 of the Food Security Act of 1985 (as added by section 2) is amended by adding at the end the following:

“Subchapter B—Farmland Protection Program

“SEC. 1238H. DEFINITIONS.

“In this subchapter:

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

“(A) any agency of any State or local government or an Indian tribe (including a farmland protection board or land resource council established under State law); or

“(B) any organization that—

“(i) is organized for, and at all times since the formation of the organization has been operated principally for, 1 or more of the conservation purposes specified in clause (i), (ii), or (iii) of section 170(h)(4)(A) of the Internal Revenue Code of 1986;

“(ii) is an organization described in section 501(c)(3) of that Code that is exempt from taxation under section 501(a) of that Code;

“(iii) is described in section 509(a)(2) of that Code; or

“(iv) is described in section 509(a)(3), and is controlled by an organization described in section 509(a)(2), of that Code.

“(2) ELIGIBLE LAND.—

“(A) IN GENERAL.—The term ‘eligible land’ means land on a farm or ranch that—

“(i)(I) has prime, unique, or other productive soil; or

“(II) contains historical or archaeological resources; and

“(ii) is subject to a pending offer for purchase from an eligible entity.

“(B) INCLUSIONS.—The term ‘eligible land’ includes, on a farm or ranch—

“(i) cropland;

“(ii) rangeland;

“(iii) grassland;

“(iv) pasture land; and

“(v) forest land that is part of an agricultural operation, as determined by the Secretary.

“(3) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

“(4) PROGRAM.—The term ‘program’ means the farmland protection program established under section 1238I(a).

“SEC. 1238I. FARMLAND PROTECTION.

“(a) IN GENERAL.—The Secretary, acting through the Natural Resources Conservation Service, shall establish and carry out a farmland protection program under which the Secretary shall purchase conservation easements or other interests in eligible land that is subject to a pending offer from an eligible entity for the purpose of protecting topsoil by limiting nonagricultural uses of the land.

“(b) CONSERVATION PLAN.—Any highly erodible cropland for which a conservation easement or other interest is purchased under this subchapter shall be subject to the requirements of a conservation plan that requires, at the option of the Secretary, the conversion of the cropland to less intensive uses.

“SEC. 1238J. MARKET VIABILITY PROGRAM.

“For each year for which funds are made available to carry out this subchapter, the Secretary may use not more than $10,000,000 to provide matching market viability grants and technical assistance to farm and ranch operators that participate in the program.”.

(b) FUNDING.—Section 1241 of the Food Security Act of 1985 (16 U.S.C. 3841) (as amended by section 2) is amended by adding at the end the following:

“(d) FARMLAND PROTECTION PROGRAM.—

“(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out subchapter B of chapter 2 (including the provision of technical assistance), to remain available until expended—

“(A) $150,000,000 in fiscal year 2002;

“(B) $250,000,000 in fiscal year 2003;

“(C) $400,000,000 in fiscal year 2004;

“(D) $450,000,000 in fiscal year 2005;

“(E) $500,000,000 in fiscal year 2006; and

“(F) $100,000,000 in fiscal year 2007.”

“(2) COST SHARING.—

“(A) FARMLAND PROTECTION.—

“(i) SHARE PROVIDED UNDER THIS SUBSECTION.—The share of the cost of purchasing a conservation easement or other interest in eligible land described in section 1238I(a) provided under this subsection shall not exceed 50 percent of the appraised fair market value of the conservation easement or other interest in eligible land.

“(ii) SHARE NOT PROVIDED UNDER THIS SUBSECTION.—As part of the share of the cost of purchasing a conservation easement or other interest in eligible land described in section 1238I(a) that is not provided under this subsection, an eligible entity may include a charitable donation by the private landowner from which the eligible land is to be purchased of not more than 25 percent of the fair market value of the conservation easement or other interest in eligible land.

“(iii) BIDDING DOWN.—If the Secretary determines that 2 or more applications for the purchase of a conservation easement or other interest in eligible land described in section 1238I(a) are comparable in achieving the purposes of section 1238I, the Secretary shall not assign a higher priority to any 1 of those applications solely on the basis of lesser cost to the farmland protection program established under section 1238I(a).

“(B) MARKET VIABILITY CONTRIBUTIONS.—As a condition of receiving a grant under section 1238J, a grantee shall provide funds in an amount equal to the amount of the grant.”.

(c) CONFORMING AMENDMENT.—

(1) IN GENERAL.—Section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note) is repealed.

(2) EFFECT ON CONTRACTS.—The amendment made by paragraph (1) shall have no effect on any contract entered into under section 388 of the Federal Agriculture Improvement and Reform Act of 1996 (16 U.S.C. 3830 note) that is in effect as of the date of enactment of this Act.

On page 286, line 23, strike the closing quotation marks.

Beginning on page 288, strike line 10 and all that follows through page 289, line 7.

On page 290, line 8, insert “that are located east of the 98th meridian” before the period.

On page 298, line 24, strike the closing quotation marks and the following period.

On page 298, after line 24, add the following:

“SEC. 1238Q. DELEGATION TO PRIVATE ORGANIZATIONS.

“(a) IN GENERAL.—The Secretary may permit a private conservation or land trust organization (referred to in this section as a ‘private organization’) or a State agency to hold and enforce an easement under this subchapter, in lieu of the Secretary, subject to the right of the Secretary to conduct periodic inspections and enforce the easement, if—

“(1) the Secretary determines that granting the permission will promote grassland and shrubland protection;

“(2) the owner authorizes the private organization or State agency to hold and enforce the easement; and

“(3) the private organization or State agency agrees to assume the costs incurred in administering and enforcing the easement, including the costs of restoration or rehabilitation of the land as specified by the owner and the private organization or State agency.

“(b) APPLICATION.—A private organization or State agency that seeks to hold and enforce an easement under this subchapter shall apply to the Secretary for approval.

“(c) APPROVAL BY SECRETARY.—The Secretary may approve a private organization to hold and enforce an easement under this subchapter if (as determined by the Secretary) the private organization—

“(1)(A) is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 that is exempt from taxation under section 501(a) of that Code; or

“(B) is described in section 509(a)(3), and is controlled by an organization described in section 509(a)(2), of that Code;

“(2) has the relevant experience necessary to administer grassland and shrubland easements;

“(3) has a charter that describes the commitment of the private organization to conserving ranchland, agricultural land, or grassland for grazing and conservation purposes; and

“(4) has the resources necessary to effectuate the purposes of the charter.

“(d) REASSIGNMENT.—

“(1) IN GENERAL.—If a private organization holding an easement on land under this subchapter terminates, not later than 30 days after termination of the private organization, the owner of the land shall reassign the easement to—

“(A) a new private organization that is approved by the Secretary; or

“(B) the Secretary.

“(2) NOTIFICATION OF SECRETARY.—

“(A) IN GENERAL.—If the easement is reassigned to a new private organization, not later than 60 days after the date of reassignment, the owner and the new organization shall notify the Secretary in writing that a reassignment for termination has been made.

“(B) FAILURE TO NOTIFY.—If the owner and the new organization fail to notify the Secretary of the reassignment in accordance with subparagraph (A), the easement shall revert to the control of the Secretary.”.

On page 307, line 17, strike “$50,000,000” and insert “$45,000,000”.

On page 310, strike lines 1 through 3 and insert the following:

(b) BOARD OF TRUSTEES.—

(1) IN GENERAL.—The Institute shall be headed by a board of trustees composed of producers and handlers of organically grown and processed agricultural commodities appointed by the Secretary.

(2) .GEOGRAPHIC REPRESENTATION.—The membership of the Board of Trustees shall reflect equally each of the various regions in the United States in which organically grown and processed agricultural commodities are produced.

Beginning on page 310, strike line 23 and all that follows through page 311, line 12.

On page 311, line 13, strike “(f)” and insert “(e)”.

On page 311, line 16, strike “(g)” and insert “(f)”.

Beginning on page 313, strike line 7 and all that follows through page 320, line 10, and insert the following:

Subtitle E—Miscellaneous

Beginning on page 321, strike line 15 and all that follows through page 328 and insert the following:

SEC. 2 . KLAMATH BASIN.

(a) DEFINITIONS.—In this section:

(1) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

(2) TASK FORCE.—The term "Task Force" means the Klamath Basin Interagency Task Force established under subsection (b).

(b) INTERAGENCY TASK FORCE.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary of Agriculture, in conjunction with the Secretary of the Interior, shall establish the Klamath Basin Interagency Task Force.

(B) APPROVAL OF MEMBER.—A decision of the Task Force that affects any area under the jurisdiction of a member of the Task Force described in paragraph (2) shall not be implemented without the consent of the member.

(2) MEMBERSHIP.—The Task Force shall include representatives of—

(A) the Department of Agriculture, including—

(i) the Natural Resources Conservation Service; and

(ii) the Farm Service Agency;

(B) the Department of the Interior, including—

(i) the United States Fish and Wildlife Service;

(ii) the Bureau of Reclamation; and

(iii) the Bureau of Indian Affairs;

(C) the Department of Commerce, including the National Marine Fisheries Service;

(D) the Council on Environmental Quality;

(E) the Federal Energy Regulatory Commission;

(F) the Environmental Protection Agency; and

(G) the United States Geological Survey.

(3) DUTIES.—The Task Force shall use conservation programs of the Department of Agriculture and other Federal programs in the Klamath Basin in Oregon and California for the purposes of—

(A) promoting agricultural production and environmental quality as compatible Klamath Basin goals;

(B) water conservation and improved agricultural practices;

(C) aquatic ecosystem restoration;

(D) improvement of water quality and quantity;

(E) recovery and enhancement of endangered species, including anadromous fish species and resident fish species; and

(F) restoration of the national wildlife refuges.

(4) COOPERATIVE AGREEMENT.—The Secretary of Agriculture, Secretary of the Interior, and Secretary of Commerce shall enter into a cooperative agreement to—

(A) provide funding to the Task Force; and

(B) use conservation programs administered by the Secretary of Agriculture and other Federal programs administered by the Secretary of the Interior and Secretary of Commerce in carrying out the purposes described in paragraph (3).

(5) GRANT PROGRAM.—

(A) IN GENERAL.—The Task Force shall establish a grant program (including appropriate cost-sharing, monitoring, and enforcement requirements) under which the Secretary of Agriculture, the Secretary of the Interior, or the Secretary of Commerce may enter into 1 or more agreements or contracts with non-Federal entities, Indian tribes (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), environmental organizations, and water districts in the Klamath Basin to carry out the purposes described in paragraph (3).

(B) CONTRACT TERMS.—An agreement or contract under subparagraph (A) shall—

(i) specify the responsibilities of the entity and the Secretary under the agreement or contract;

(ii) provide for such cost-sharing as the Secretary considers appropriate; and

(iii) include mechanisms for monitoring and enforcement requirements.

(c) REPORT AND PLAN.—

(1) DEVELOPMENT.—

(A) REPORT.—Not later than 180 days after the date of enactment of this Act, the Task Force, after soliciting input from the States of California and Oregon, local public agencies, Indian tribes, Klamath Project districts, environmental organizations, and the stakeholder community, shall issue a report that—

(i) considers the impacts of the biological assessment, the biological opinion, activities of the Upper Klamath Basin Working Group, activities of the Pacific Fisheries Restoration Task Force, State water adjudications, and the resolution of tribal rights, that may affect actions of the Task Force; and

(ii) includes a description of Federal spending in the Klamath Basin for fiscal years 2000, 2001, and 2002.

(B) DRAFT PLAN.—Not later than 60 days after completion of the report under subparagraph (A), the Task Force shall develop, and provide public notice of and an opportunity for comment on, a draft 5-year plan to perform the duties of the Task Force under subsection (b)(3).

(C) FINAL PLAN.—Not later than 1 year after the date of enactment of this Act, the Task Force shall finalize the plan described in subparagraph (B).

(2) MATTERS TO BE CONSIDERED.—In developing the plan under paragraph (1), the Task Force shall consider—

(A) the use of water conservation easements by voluntary participants;

(B) purchase of agricultural land from willing sellers, with priority given to land that will enhance natural water storage capabilities;

(C) benefits to the agricultural economy through incentives for the use of irrigation efficiency, water conservation, or other agricultural practices;

(D) wetland restoration;

(E) feasibility studies for alternative water storage, water conservation, demand reduction, and restoration of endangered species;

(F) improvement of upper Klamath Basin watershed and water quality;

(G) improvement of habitat in the Tule Lake National Wildlife Refuge, the Lower Klamath National Wildlife Refuge, and the Upper Klamath Lake National Wildlife Refuge; and

(H) fish screening and water metering.

(d) COOPERATION WITH NON-FEDERAL ENTITIES.—In carrying out the duties of the Task Force under this section, the Task Force shall—

(1) consult with—

(A) environmental, fishing, and agricultural interests; and

(B) on a government-to-government basis, the Klamath, Hoopa, Yurok, and Karuk Tribes;

(2) provide appropriate opportunities for public participation; and

(3) hold meetings at least once every 3 months in the Klamath Basin with opportunities for stakeholder participation.

(e) FUNDING.—

(1) IN GENERAL.—To carry out the purposes described in subsection (b)(3), the Secretary shall use $175,000,000 of the funds of the Commodity Credit Corporation for the period of fiscal years 2003 through 2006, of which—

(A) $15,000,000 shall be made available to the Klamath, Hoopa, Yurok, and Karuk Tribes for use in the State of California; and

(B) $15,000,000 shall be made available to those Tribes for use in the State of Oregon.

(2) FUNDS MADE AVAILABLE TO THE TRIBES.—

(A) IN GENERAL.—The funds made available to the Tribes under paragraph (1) shall be for projects for specific habitat improvement related to the recovery of threatened and endangered species to be carried out by the appropriate tribal natural resources department, consistent with the purposes of this section.

(B) REPORTS.—The Tribes shall provide a biennial report to the Task Force on expenditures of funds during the period covered by the report.

(3) OTHER FUNDS.—The funds made available under paragraph (1) shall be in addition to funds available to the States of California and Oregon under other provisions of this Act (including amendments made by this Act).

(4) UNUSED FUNDING.—Any funds made available for a fiscal year under paragraph (1) that are not obligated by April 1, 2006, may be used to carry out other activities under subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3801 et seq.).

(5) EXPIRATION OF AUTHORITY TO OBLIGATE FUNDS.—The Secretary may not obligate funds made available under this subsection after September 30, 2006.

(f) SAVINGS PROVISION.—Nothing in this section regarding the Klamath Basin affects any right or obligation of any party under any treaty or any other provision of Federal or State law.

(g) COOPERATIVE AGREEMENTS.—Notwithstanding the Federal Grant and Cooperative Agreement Act of 1977 (41 U.S.C. 501 et seq.), the Secretary may enter into cooperative agreements under this section.

On page 331, line 6, strike "a certification of" and insert "evidence of".

On page 331, strike lines 16 through 25 and insert the following:

"(A) submit a single proposal for 1 or more countries in which the certified institutional partner has already demonstrated organizational capacity; and

"(B) receive expedited review of the proposal.".

On page 334, strike lines 9 through 17 and insert the following:

SEC. 3 . FOOD AID CONSULTATIVE GROUP.

Section 205(f) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1725(f)) is amended by striking "2002" and inserting "2006".

On page 335, line 22, add "and" at the end.

On page 335, strike lines 23 through 26.

On page 336, line 1, strike "(4)" and insert "(3)".

Beginning on page 337, strike line 11 and all that follows through page 338, line 5, and insert the following:

SEC. 3 . SALE PROCEDURE.

Section 403 of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1733) is amended—

(1) in subsection (b)—

(A) by striking "The Secretary" and inserting the following:

"(1) IN GENERAL.—In carrying out this Act, the Secretary"; and

(B) by adding at the end the following:

"(2) CURRENCIES.—Sales of commodities described in paragraph (1) may be in United States dollars or in a different currency.";

(2) in subsection (e)—

(A) by striking "In carrying" and inserting the following:

"(1) IN GENERAL.—In carrying"; and

(B) by adding at the end the following:

"(2) SALE PRICE.—Sales of commodities described in paragraph (1) shall be made at a reasonable market price in the economy where the commodity is to be sold, as determined by the Secretary or the Administrator, as appropriate."; and

(3) by adding at the end the following:

"(l) SALE PROCEDURE.—Subsections (b)(2) and (e)(2) shall apply to sales of commodities in recipient countries to generate proceeds to carry out projects under—

"(1) section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)); and

"(2) title VIII of the Agricultural Trade Act of 1978.".

On page 340, line 1, insert "**JOHN OGONOWSKI**" before "**FARMER-TO-FARMER PROGRAM**".

On page 340, line 12, strike "180" and insert "180 days".

On page 340, line 13, strike "360" and insert "12 months".

On page 343, line 6, strike "7251" and insert "5721".

Beginning on page 349, strike line 13 and all that follows through page 350, line 13, and insert the following:

"(a) IN GENERAL.—There are established the Food for Progress Program and the International Food for Education and Nutrition Program through which eligible commodities are made available to eligible organizations to carry out programs of assistance in developing countries.

"(b) FOOD FOR PROGRESS PROGRAM.—

"(1) IN GENERAL.—To provide agricultural commodities to support the introduction or expansion of free trade enterprises in national economies and to promote food security in recipient countries, the Secretary shall establish the Food for Progress Program, under which the Secretary may enter into agreements (including multiyear agreements and agreements for programs in more than 1 country) with entities described in paragraph (2).

"(2) ENTITIES.—The Secretary may enter into agreements under paragraph (1) with—

"(A) the governments of emerging agricultural countries;

"(B) private voluntary organizations;

"(C) nonprofit agricultural organizations and cooperatives;

"(D) nongovernmental organizations; and

"(E) other private entities.

"(3) CONSIDERATIONS.—In determining whether to enter into an agreement to establish a program under paragraph (1), the Secretary shall take into consideration whether an emerging agricultural country is committed to carrying out, or is carrying out, policies that promote—

"(A) economic freedom;

"(B) private production of food commodities for domestic consumption; and

"(C) the creation and expansion of efficient domestic markets for the purchase and sale of those commodities.

On page 350, strike line 18.

On page 352, between lines 19 and 20, insert the following:

"(6) ELIGIBLE COSTS.—Subject to paragraphs (2) and (7), the Secretary shall pay all or part of—

"(A) the costs and charges described in paragraphs (1) through (5) and (7) of section 406(b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1736(b)) with respect to an eligible commodity;

"(B) the internal transportation, storage, and handling costs incurred in moving the eligible commodity, if the Secretary determines that—

"(i) payment of the costs is appropriate; and

"(ii) the recipient country is a low income, net food-importing country that—

"(I) meets the poverty criteria established by the International Bank for Reconstruction and Development for Civil Works Preference; and

"(II) has a national government that is committed to or is working toward, through a national action plan, the World Declaration on Education for All convened in 1990 in Jomtien, Thailand, and the followup Dakar Framework for Action of the World Education Forum in 2000; and

"(C) the projected costs of an eligible organization for administration, sales, monitoring, and technical assistance under an agreement under paragraph (2) (including an itemized budget), taking into consideration, as determined by the Secretary—

"(i) the projected amount of such costs itemized by category; and

"(ii) the projected amount of assistance to be received from other donors.

"(7) FUNDING.—

"(A) COMMODITY CREDIT CORPORATION.—

"(i) IN GENERAL.—Subject to clause (ii), the Secretary may use the funds, facilities, and authorities of the Corporation to carry out this subsection.

"(ii) LIMITATION.—Not more than $150,000,000 for each of fiscal years 2002 through 2005 shall be used to carry out this subsection.

"(B) USE LIMITATIONS.—Of the funds made available under subparagraph (A), the Secretary may use to carry out paragraph (6)(C) not more than $20,000,000 for each of fiscal years 2002 through 2005.

"(C) REALLOCATION.—Funds not allocated under this subsection by April 30 of a fiscal year shall be made available for proposals submitted under the Food for Progress Program under subsection (b).

On page 352, line 20, strike "(6)" and insert "(8)".

On page 354, between lines 4 and 5, insert the following:

"(4) MULTIYEAR AGREEMENTS.—In carrying out this title, on request and subject to the availability of commodities, the Secretary is encouraged to approve agreements that provide for commodities to be made available for distribution on a multiyear basis, if the agreements otherwise meet the requirements of this title.

On page 355, lines 13 and 14, strike "in subsection (h)(2)(C)(i)" and insert "under this title".

On page 356, line 14, strike "a certification of" and insert "evidence of".

On page 357, strike lines 1 through 18 and insert the following:

"(i) submit a single proposal for 1 or more countries in which the certified institutional partner has already demonstrated organizational capacity; and

"(ii) receive expedited review of the proposal.

On page 358, line 11, strike "nearby to" and insert "near".

Beginning on page 358, strike line 21 and all that follows through page 359, line 2, and insert the following:

"(C) HUMANITARIAN OR DEVELOPMENT PURPOSES.—The Secretary may authorize the use of proceeds or exchanges to pay the costs incurred by an eligible organization under this title for—

On page 363, lines 8 and 9, strike "paragraphs (6) through (8)" and insert "paragraphs (5) through (7)".

On page 363, strike lines 12 through 15 and insert the following:

"(2) MINIMUM TONNAGE.—Subject to paragraph (6)(B), not less than 400,000 metric tons of commodities may be provided under this title for the program established under subsection (b) for each of fiscal years 2002 through 2006.

On page 363, line 19, strike "this title" and insert "the program established under subsection (b)".

On page 363, line 22, strike "(7)(B)" and insert "(6)(B)".

On page 364, lines 1 and 2, strike "this section" and all that follows through the period and insert "the program established under subsection (b).".

On page 364, strike lines 3 through 14.

On page 364, line 15, strike "(6)" and insert "(5)".

On page 364, line 21, strike "(7)" and insert "(6)".

On page 364, line 24, strike "this title" and insert "the program established under subsection (b).".

Beginning on page 366, strike line 6 and all that follows through page 367, line 6.

On page 367, line 7, strike "(viii)" and insert "(vi)".

On page 367, line 10, strike "(ix)" and insert "(vii)".

On page 367, line 11, strike "(viii)" and insert "(vi)".

On page 367, strike lines 18 through 23 and insert the following:

"(B) FUNDING.—Except for costs described in clauses (i) through (iii) of subparagraph (A), unless authorized in advance in an appropriations Act or reallocated under subsection (c)(7)(C)—

"(i) not more than $55,000,000 of funds that would be available to carry out paragraph (2) may be used to cover costs under clauses (iv) through (vii) of subparagraph (A); and

"(ii) of the amount provided under clause (i), not more than $12,000,000 shall be made available to cover costs under clauses (vi) and (vii) of subparagraph (A).

On page 367, line 24, strike "(8)" and insert "(7)".

On page 368, line 5, strike "(7)(A)(ix)(I)" and insert "(6)(A)(vii)(I)".

On page 373, strike lines 24 and 25 and insert the following:

(B) by striking "other than the country of origin—" and all that follows and inserting "other than the country of origin, for the purpose of carrying out programs under this subsection.".

On page 375, lines 3 and 4, strike "a certification of" and insert "evidence of".

On page 375, strike lines 14 through 23 and insert the following:

"(A) submit a single proposal for 1 or more countries in which the certified institutional partner has already demonstrated organizational capacity; and

"(B) receive expedited review of the proposal.".

On page 382, between lines 14 and 15, insert the following:

SEC. 3 . REPORT ON USE OF PERISHABLE COMMODITIES.

Not later than 120 days after the date of enactment of this Act, the Secretary of Agriculture shall develop and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on deficiencies in transportation and storage infrastructure and deficiencies in funding that have limited the use, and expansion of use, of highly perishable and semiperishable commodities in international food aid programs of the Department of Agriculture.

SEC. 3___. SENSE OF SENATE CONCERNING FOREIGN ASSISTANCE PROGRAMS.

(a) FINDINGS.—Congress finds that—

(1) the international community faces a continuing epidemic of ethnic, sectarian, and criminal violence;

(2) poverty, hunger, political uncertainty, and social instability are the principal causes of violence and conflict around the world;

(3) broad-based, equitable economic growth and agriculture development facilitates political stability, food security, democracy, and the rule of law;

(4) democratic governments are more likely to advocate and observe international laws, protect civil and human rights, pursue free market economies, and avoid external conflicts;

(5) the United States Agency for International Development has provided critical democracy and governance assistance to a majority of the nations that successfully made the transition to democratic governments during the past 2 decades;

(6) 43 of the top 50 consumer nations of American agricultural products were once United States foreign aid recipients;

(7) in the past 50 years, infant child death rates in the developing world have been reduced by 50 percent, and health conditions around the world have improved more during this period than in any other period;

(8) the United States Agency for International Development child survival programs have significantly contributed to a 10 percent reduction in infant mortality rates worldwide in just the past 8 years;

(9) in providing assistance by the United States and other donors in better seeds and teaching more efficient agricultural techniques over the past 2 decades have helped make it possible to feed an additional 1,000,000,000 people in the world;

(10) despite this progress, approximately 1,200,000,000 people, one-quarter of the world's population, live on less that $1 per day, and approximately 3,000,000,000 people live on only $2 per day;

(11) 95 percent of new births occur in developing countries, including the world's poorest countries; and

(12) only ½ percent of the Federal budget is dedicated to international economic and humanitarian assistance.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) United States foreign assistance programs should play an increased role in the global fight against terrorism to complement the national security objectives of the United States;

(2) the United States should lead coordinated international efforts to provide increased financial assistance to countries with impoverished and disadvantaged populations that are the breeding grounds for terrorism; and

(3) the United States Agency for International Development and the Department of Agriculture should substantially increase humanitarian, economic development, and agricultural assistance to foster international peace and stability and the promotion of human rights.

On page 404, between lines 7 and 8, insert the following:

SEC. 4___. REDEMPTION OF BENEFITS THROUGH GROUP LIVING ARRANGEMENTS.

Section 10 of the Food Stamp Act of 1977 (7 U.S.C. 2019) is amended by inserting after the first sentence the following: "Notwithstanding the preceding sentence, a center, organization, institution, shelter, group living arrangement, or establishment described in that sentence may be authorized to redeem coupons through a financial institution described in that sentence if the center, organization, institution, shelter, group living arrangement, or establishment is equipped with 1 or more point-of-sale devices and is operating in an area in which an electronic benefit transfer system described in section 7(i) has been implemented.".

Beginning on page 416, strike line 11 and all that follows through page 418, line 11, and insert the following:

"(10) ADJUSTMENTS OF PAYMENT ERROR RATE.—

"(A) IN GENERAL.—

"(i) ADJUSTMENT FOR HIGHER PERCENTAGE OF HOUSEHOLDS WITH EARNED INCOME.—With respect to fiscal year 2002 and each fiscal year thereafter, in applying paragraph (1), the Secretary shall adjust the payment error rate determined under paragraph (2)(A) as necessary to take into account any increases in errors that result from the State agency's having a higher percentage of participating households that have earned income than the lesser of—

"(I) the percentage of participating households in all States that have earned income; or

"(II) the percentage of participating households in the State in fiscal year 1992 that had earned income.

"(ii) ADJUSTMENT FOR HIGHER PERCENTAGE OF HOUSEHOLDS WITH NONCITIZEN MEMBERS.—With respect to fiscal year 2002 and each fiscal year thereafter, in applying paragraph (1), the Secretary shall adjust the payment error rate determined under paragraph (2)(A) as necessary to take into account any increases in errors that result from the State agency's having a higher percentage of participating households that have 1 or more members who are not United States citizens than the lesser of—

"(I) the percentage of participating households in all States that have 1 or more members who are not United States citizens; or

"(II) the percentage of participating households in the State in fiscal year 1998 that had 1 or more members who were not United States citizens.

"(B) ADDITIONAL ADJUSTMENTS.—For

On page 419, line 16, strike "430(a)(6))" and insert "   (a)(6))".

Beginning on page 427, strike line 23 and all that follows through page 428, line 5, and insert the following:

(c) PARTICIPANT EXPENSES.—Section 6(d)(4)(I)(i)(I) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)(I)(i)(I)) is amended by striking "except that the State agency may limit such reimbursement to each participant to $25 per month" and inserting "except that, in the case of each of fiscal years 2002 through 2009, the State agency may limit such reimbursement to each participant to $50 per month".

(d) FEDERAL REIMBURSEMENT.—Section 16(h)(3) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(3)) is amended by striking "except that such total amount shall not exceed an amount representing $25 per participant per month" and inserting "except that, in the case of each of fiscal years 2002 through 2009, such total amount shall not exceed an amount representing $50 per participant per month".

On page 438, after line 24, add the following:

(b) REPORT TO CONGRESS AND INCREASED AUTHORIZATION.—

(1) IN GENERAL.—Not later than 270 days after the date of enactment of this Act, the Comptroller General of the United States shall develop and submit to Congress a report that—

(A) describes the similarities and differences (in terms of program administration, rules, benefits, and requirements) between—

(i) the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), other than section 19 of that Act (7 U.S.C. 2028); and

(ii) the program to provide assistance to Puerto Rico under section 19 of that Act (as in effect on the day before the date of enactment of this Act);

(B) specifies the costs and savings associated with each similarity and difference; and

(C) states the recommendation of the Comptroller General as to whether additional funding should be provided to carry out section 19 of that Act.

(2) INCREASED AUTHORIZATION.—Effective on the date of submission to Congress of the report under paragraph (1), there is authorized to be appropriated to carry out section 19 of the Food Stamp Act of 1977 (7 U.S.C. 2028) (in addition to amounts made available to carry out that section under law other than this subsection) $50,000,000 for each fiscal year.

(3) LIMITATION.—No amounts may be made available to carry out paragraph (2) unless specifically provided by an appropriation Act.

On page 439, line 1, strike "(b)" and insert "(c)".

On page 439, line 3, strike "(c)" and insert "(d)".

On page 440, strike line 3 and insert the following:

"(5) meet, as soon as practicable through the provision of grants of not to exceed $25,000 each, specific

On page 440, strike lines 6 and 7 and insert the following:

"(A) infrastructure improvement and development (including the purchase of equipment necessary for the production, handling, or marketing of locally produced food);

On page 441, after line 22, add the following:

SEC. 4___. USE OF APPROVED FOOD SAFETY TECHNOLOGY.

(a) IN GENERAL.—Section 27 of the Food Stamp Act of 1977 (7 U.S.C. 2036) (as amended by section 4   ) is amended by adding at the end the following:

"(d) USE OF APPROVED FOOD SAFETY TECHNOLOGY.—

"(1) IN GENERAL.—In acquiring commodities for distribution through a program specified in paragraph (2), the Secretary shall not prohibit the use of any technology to improve food safety that has been approved by the Secretary or the Secretary of Health and Human Services.

"(2) PROGRAMS.—A program referred to in paragraph (1) is a program authorized under—

"(A) this Act;

"(B) the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93–86);

"(C) the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501 et seq.);

"(D) the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.); or

"(E) the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).".

(b) EFFECTIVE DATE.—The amendment made by this section takes effect on the date of enactment of this Act.

On page 442, line 3, strike "The Food" and insert the following:

(a) IN GENERAL.—The Food

On page 444, between lines 16 and 17, insert the following:

(b) EFFECTIVE DATE.—The amendment made by this section takes effect on the date of enactment of this Act.

On page 448, strike lines 8 through 22 and insert the following:

"(2) AMOUNT OF GRANTS.—

"(A) FISCAL YEAR 2003.—For fiscal year 2003, the amount of each grant per caseload slot shall be equal to $50, adjusted by the percentage change between—

"(i) the value of the State and local government price index, as published by the Bureau of Economic Analysis of the Department of Commerce, for the 12-month period ending June 30, 2001; and

"(ii) the value of that index for the 12-month period ending June 30, 2002.

"(B) FISCAL YEARS 2004 THROUGH 2006.—For each of fiscal years 2004 through 2006, the amount of each grant per caseload slot shall be equal to the amount of the grant per caseload slot for the preceding fiscal year, adjusted by the percentage change between—

"(i) the value of the State and local government price index, as published by the Bureau of Economic Analysis of the Department of Commerce, for the 12-month period ending June 30 of the second preceding fiscal year; and

"(ii) the value of that index for the 12-month period ending June 30 of the preceding fiscal year.";

(2) in subsection (d)(2), by striking "2002" each place it appears and inserting "2006"; and

(3) by striking subsection (l).

On page 454, after line 22, add the following:

SEC. 4 . REPORT ON CONVERSION OF WIC PROGRAM INTO AN INDIVIDUAL ENTITLEMENT PROGRAM.

(a) FINDINGS.—Congress finds that the special supplemental nutrition program for woman, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) (referred to in this section as the 'WIC program')—

(1) safeguards the health of low-income pregnant, postpartum, and breast-feeding women, infants, and children up to 5 years of age who are at nutritional risk through the delivery of individualized food packages, nutrition education, and health referrals;

(2) is associated with a variety of desirable outcomes, including lower incidence of infant mortality, reduced prevalence of very low birth weights, improved nutrient intake among children, improved cognitive development among children, and lower Medicaid costs for women who participate;

(3) is recognized generally as a leading national health and nutrition program;

(4) as a discretionary program, can have inappropriate funding because funding levels must be determined early in the year by the President and the Committees on Appropriations of the House of Representatives and the Senate (referred to in this subsection as the "Committees");

(5) can have funding shortfalls in some years because the economy worsens between the time that funding levels are established and the fiscal year is underway;

(6) may have to deny service or reduce benefits to eligible women, infants, and children in some States as a result of these funding shortfalls;

(7) may be provided with more funding than is required in those years in which the economy improves between the time that funding levels are established and the fiscal year is underway, with the result that the President and the Committees will have committed funds to the WIC program that could have been devoted to other priorities; and

(8) would not have this funding uncertainty if the WIC program were an entitlement program that provided benefits to every eligible woman, infant, and child seeking benefits.

(b) REPORT.—Not later than December 31, 2002, the Secretary of Agriculture shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition and Forestry of the Senate a report that analyzes the conversion of the WIC program from a discretionary program into an individual entitlement program.

(c) CONTENTS.—The report shall—

(1) analyze the conversion of the WIC program into an individual entitlement program, rather than a capped entitlement program for States;

(2) analyze the conversion using at least 3 separate scenarios, including—

(A) 1 scenario under which the costs to the Federal Government approximate current projected funding levels;

(B) 1 scenario under which the costs to the Federal Government approximate current projected funding levels plus 5 percent; and

(C) 1 scenario under which the costs to the Federal Government approximate current projected funding levels plus 7 percent; and

(3) address—

(A) the levels at which, and manner by which, States will be reimbursed for food package costs and administrative costs;

(B) how current cost containment savings will be preserved;

(C) how reimbursement rates will be adjusted annually to reflect inflation or other factors affecting food prices;

(D) how program benefits and services will be affected by the conversion to an individual entitlement program; and

(E) any other issues that arise from converting the WIC program to an individual entitlement program, as determined by the Secretary of Agriculture.

(d) CONSULTATION.—In preparing the report, the Secretary of Agriculture shall consult with—

(1) the Committee on Education and the Workforce of the House of Representatives;

(2) the Committee on Agriculture, Nutrition and Forestry of the Senate;

(3) membership organizations representing State directors and local agencies administering the WIC program;

(4) Governors and other State officials;

(5) research and policy organizations that have a history of carrying out activities on issues affecting the WIC program; and

(6) advocacy organizations representing the needs of the population that is eligible to participate in the WIC program.

(e) FUNDING.—Notwithstanding any other provision of law, the Secretary shall carry out this section using funds made available for necessary expenses to carry out the WIC program.

SEC. 4 . COMMODITY DONATIONS.

The Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note; Public Law 100-237) is amended—

(1) by redesignating sections 17 and 18 as sections 18 and 19, respectively; and

(2) by inserting after section 16 the following:

"SEC. 17. COMMODITY DONATIONS.

"(a) IN GENERAL.—Notwithstanding any other provision of law concerning commodity donations, any commodities acquired in the conduct of the operations of the Commodity Credit Corporation and any commodities acquired under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to the extent that the commodities are in excess of the quantities of commodities needed to carry out other authorized activities of the Commodity Credit Corporation and the Secretary (including any quantity specifically reserved for a specific purpose), may be used for any program authorized to be carried out by the Secretary that involves the acquisition of commodities for use in a domestic feeding program, including any program conducted by the Secretary that provides commodities to individuals in cases of hardship.

"(b) PROGRAMS.—A program described in subsection (a) includes a program authorized by—

"(1) the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501 et seq.);

"(2) the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.);

"(3) the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

"(4) the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.); or

"(5) such other laws as the Secretary determines to be appropriate.".

SEC. 4 . PURCHASES OF LOCALLY PRODUCED FOODS.

(a) IN GENERAL.—The Secretary of Agriculture shall—

(1) encourage institutions participating in the national school lunch program authorized under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the school breakfast program established by section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) to purchase, in addition to other food purchases, locally produced foods for school meal programs to the maximum extent practicable and appropriate;

(2) advise institutions participating in a program described in paragraph (1) of the policy described in that paragraph and post information concerning the policy on the website maintained by the Secretary; and

(3) in accordance with requirements established by the Secretary, provide start-up grants to not more than 200 institutions to defray the initial costs of equipment, materials, and storage facilities, and similar costs, incurred in carrying out the policy described in paragraph (1).

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $400,000 for each of fiscal years 2002 through 2006.

(2) LIMITATION.—No amounts may be made available to carry out this section unless specifically provided by an appropriation Act.

On page 455, strike lines 6 through 20 and insert the following:

(b) PROGRAM PURPOSE.—The purpose of the seniors farmers' market nutrition program is to provide to low-income seniors resources in the form of fresh, nutritious, unprepared, locally grown fruits, vegetables, and herbs from farmers' markets, roadside stands, and community-supported agriculture programs.

On page 456, between lines 12 and 13, insert the following:

(e) AUTHORITY.—The authority provided by this section is in addition to, and not in lieu of, the authority of the Secretary of Agriculture to carry out any similar program under the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.).

SEC. 4___7. FARMERS' MARKET NUTRITION PROGRAM.

Section 17(m)(9) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(m)(9)) is amended—

(1) by striking "(9)(A) There" and inserting the following:

"(9) Funding.—

"(A) In general.—

"(i) Authorization of appropriations.—There"; and

(2) in subparagraph (A), by adding at the end the following:

"(ii) Mandatory funding.—

"(I) In general.—Not later than 30 days after the date of enactment of the Agriculture, Conservation, and Rural Enhancement Act of 2001, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this subsection $15,000,000.

"(II) Receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subclause (I), without further appropriation.".

On page 457, strike lines 6 through 8 and insert the following:

(1) In general.—Not later than 1 year after the implementation of the pilot program required by subsection (a), the Secretary (acting through the Economic Research Service) shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an evaluation of the results of the pilot program to determine—

On page 457, line 12, strike "and".

On page 457, line 14, strike the period at the end and insert "; and".

On page 457, between lines 14 and 15, insert the following:

(F) what effect, if any, the pilot program had on the sale of meals served under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) and the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

On page 536, strike lines 5 through 8 and insert the following:

"(3) a description of how the company intends to work with community-based organizations and local entities (including local economic development companies, local lenders, and local investors) and to seek to address the unmet equity capital needs of the communities served;

On page 539, strike lines 8 through 20 and insert the following:

"(d) Approval; Designation.—

"(1) In general.—Except as provided in paragraph (2), the Secretary may approve an applicant to operate as a Rural Business Investment Company under this subtitle and designate the applicant as a Rural Business Investment Company, if—

"(A) the Secretary determines that the application satisfies the requirements of subsection (b);

"(B) the area in which the Rural Business Investment Company is to conduct its operations, and establishment of branch offices or agencies (if authorized by the articles), are approved by the Secretary; and

"(C) the applicant enters into a participation agreement with the Secretary.

"(2) Capital requirements.—

"(A) In general.—Notwithstanding any other provision of this subtitle, the Secretary may approve an applicant to operate as a Rural Business Investment Company under this subtitle and designate the applicant as a Rural Business Investment Company, if the Secretary determines that the applicant—

"(i) has private capital of less than $2,500,000;

"(ii) would otherwise be approved under this subtitle, except that the applicant does not satisfy the requirements of section 384I(c); and

"(iii) has a viable business plan that reasonably projects profitable operations and that has a reasonable timetable for achieving a level of private capital that satisfies the requirements of section 384I(c).

"(B) Leverage.—An applicant approved under subparagraph (A) shall not be eligible to receive leverage under this subtitle until the applicant satisfies the requirements of section 384I(c).

"(C) Grants.—An applicant approved under subparagraph (A) shall be eligible for grants under section 384H in proportion to the private capital of the applicant, as determined by the Secretary.

On page 540, strike lines 11 through 17 and insert the following:

"(1) guarantee the debentures issued by a Rural Business Investment Company only to the extent that the total face amount of outstanding guaranteed debentures of the Rural Business Investment Company does not exceed the lesser of—

"(A) 300 percent of the private capital of the Rural Business Investment Company; or

"(B) $105,000,000; and

Beginning on page 544, strike line 23 and all that follows through page 547, line 8, and insert the following:

"SEC. 384H. OPERATIONAL ASSISTANCE GRANTS.

"(a) In General.—In accordance with this section, the Secretary may make grants to Rural Business Investment Companies and to other entities, as authorized by this subtitle, to provide operational assistance to smaller enterprises financed, or expected to be financed, by the entities.

"(b) Terms.—Grants made under this section shall be made over a multiyear period (not to exceed 10 years) under such other terms as the Secretary may require.

"(c) Use of Funds.—The proceeds of a grant made under this section may be used by the Rural Business Investment Company receiving the grant only to provide operational assistance in connection with an equity or prospective equity investment in a business located in a rural area.

"(d) Submission of Plans.—A Rural Business Investment Company shall be eligible for a grant under this section only if the Rural Business Investment Company submits to the Secretary, in such form and manner as the Secretary may require, a plan for use of the grant.

"(e) Grant Amount.—

"(1) Rural business investment companies.—The amount of a grant made under this section to a Rural Business Investment Company shall be equal to the lesser of—

"(A) 10 percent of the private capital raised by the Rural Business Investment Company; or

"(B) $1,000,000.

"(2) Other entities.—The amount of a grant made under this section to any entity other than a Rural Business Investment Company shall be equal to the resources (in cash or in kind) raised by the entity in accordance with the requirements applicable to Rural Business Investment Companies under this subtitle.

On page 550, line 7, strike "and".

On page 550, line 10, strike the period at the end and insert a semicolon.

On page 550, between lines 10 and 11, insert the following:

"(D) ensure that the Rural Business Investment Company is designed primarily to meet equity capital needs of the businesses in which the Rural Business Investment Company invests and not to compete with traditional small business financing by commercial lenders; and

"(E) require that the Rural Business Investment Company makes short-term non-equity investments of less than 5 years only to the extent necessary to preserve an existing investment.

Beginning on page 550, strike line 20 and all that follows through page 551, line 12, and insert the following:

"SEC. 384J. FINANCIAL INSTITUTION INVESTMENTS.

"(a) In General.—Except as otherwise provided in this section and notwithstanding any other provision of law, the following banks, associations, and institutions are eligible both to establish and invest in any Rural Business Investment Company or in any entity established to invest solely in Rural Business Investment Companies:

"(1) Any bank or savings association the deposits of which are insured under the Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.)

"(2) Any Farm Credit System institution described in section 1.2(a) of the Farm Credit Act of 1971 (12 U.S.C. 2002(a)).

On page 551, lines 22 and 23, strike "30 percent of the voting" and insert "15 percent of the".

On page 552, line 5, strike "**REQUIREMENT**" and insert "**REQUIREMENTS**".

On page 552, line 6, insert "(a) Rural Business Investment Companies.—" before "Each".

On page 552, between lines 19 and 20, insert the following:

"(b) Public Reports.—

"(1) In general.—The Secretary shall prepare and make available to the public an annual report on the program established under this subtitle, including detailed information on—

"(A) the number of Rural Business Investment Companies licensed by the Secretary during the previous fiscal year;

"(B) the aggregate amount of leverage that Rural Business Investment Companies have received from the Federal Government during the previous fiscal year;

"(C) the aggregate number of each type of leveraged instruments used by Rural Business Investment Companies during the previous fiscal year and how each number compares to previous fiscal years;

"(D) the number of Rural Business Investment Company licenses surrendered and the number of Rural Business Investment Companies placed in liquidation during the previous fiscal year, identifying the amount of leverage each Rural Business Investment Company has received from the Federal Government and the type of leverage instruments each Rural Business Investment Company has used;

"(E) the amount of losses sustained by the Federal Government as a result of operations under this subtitle during the previous fiscal year and an estimate of the total losses that the Federal Government can reasonably expect to incur as a result of the operations during the current fiscal year;

"(F) actions taken by the Secretary to maximize recoupment of funds of the Federal Government incurred to implement and administer the Rural Business Investment Program under this subtitle during the previous fiscal year and to ensure compliance with the requirements of this subtitle (including regulations);

"(G) the amount of Federal Government leverage that each licensee received in the previous fiscal year and the types of leverage instruments each licensee used;

"(H) for each type of financing instrument, the sizes, types of geographic locations, and other characteristics of the small business investment companies using the instrument during the previous fiscal year, including the extent to which the investment companies have used the leverage from each instrument to make loans or equity investments in rural areas; and

"(I) the actions of the Secretary to carry out this subtitle.

"(2) PROHIBITION.—In compiling the report required under paragraph (1), the Secretary may not—

"(A) compile the report in a manner that permits identification of any particular type of investment by an individual Rural Business Investment Company or small business concern in which a Rural Business Investment Company invests; and

"(B) may not release any information that is prohibited under section 1905 of title 18, United States Code.

On page 568, strike line 5 and insert the following:

"(C) WAIVER FOR INDIAN TRIBES.—The Secretary may, at the request of an Indian tribe, waive the requirement under subparagraph (B)(ii) with respect to an application submitted by the Indian tribe for multiple eligible rural areas under the jurisdiction of the Indian tribe.

"(D) AMOUNT OF ENDOWMENT GRANTS.—

On page 568, line 13, insert "or Indian tribe" before the period at the end.

On page 569, strike lines 24 and 25 and insert the following:

may receive a supplemental grant in an amount of—

"(A) not more than $100,000; or

"(B) in the case of a regional application approved under a waiver by the Secretary under subsection (b)(2)(C), not more than $200,000.

On page 576, line 9, insert "or poor Indian tribe" after "area".

On page 582, line 17, strike "grant" and insert "grant, loan, or loan guarantee".

On page 582, strike lines 18 through 20 and insert the following:

"(1) be able to furnish, improve, or extend a broadband service to an eligible rural community; and

On page 586, strike line 3 and insert the following:

"(k) GRANTS FOR PLANNING AND FEASIBILITY STUDIES ON BROADBAND DEPLOYMENT.—

"(1) IN GENERAL.—In addition to any other grants, loans, or loan guarantees made under this section, the Secretary shall make grants to eligible entities specified in paragraph (2) for planning and feasibility studies carried out by those entities on the deployment of broadband services in the areas served by those entities.

"(2) ELIGIBLE ENTITIES.—The entities eligible for grants under this subsection are—

"(A) State governments;

"(B) local governments (including consortia of local governments);

"(C) tribal governments;

"(D) telecommunications cooperatives; and

"(E) appropriate State and regional nonprofit entities (as determined by the Secretary).

"(3) ELIGIBILITY CRITERIA.—

"(A) IN GENERAL.—The Secretary shall establish criteria for eligibility for grants under this subsection, including criteria for the scope of the planning and feasibility studies to be carried out with grants under this subsection.

"(B) CONTRIBUTION BY GRANTEE.—An entity may not be awarded a grant under this subsection unless the entity agrees to contribute (out of funds other than the grant amount) to the planning and feasibility study to be funded by the grant an amount equal to the amount of the grant.

"(4) APPLICATION.—An entity seeking a grant under this subsection shall submit to the Secretary an application for the grant that is in such form, and that contains such information, as the Secretary shall require.

"(5) USE OF GRANT AMOUNTS.—

"(A) IN GENERAL.—Subject to subparagraph (B), an entity that receives a grant under this subsection shall use the grant amount for planning and feasibility studies on the deployment of broadband services in the area of—

"(i) an Indian tribe;

"(ii) a local government;

"(iii) a State;

"(iv) a region of a State; or

"(v) a region of States.

"(B) LIMITATION.—Grant amounts under this subsection may not be used for the construction of buildings or other facilities, the acquisition or improvement of existing buildings or facilities, or the leasing of office space.

"(6) LIMITATION ON GRANT AMOUNTS.—

"(A) STATEWIDE GRANTS.—The amount of the grants made under this subsection in or with respect to any State in any fiscal year may not exceed $250,000.

"(B) LOCAL GOVERNMENT, REGIONAL, OR TRIBAL GRANTS.—The amount of the grants made under this subsection in or with respect to any local government, region, or tribal government in any fiscal year may not exceed $100,000.

"(7) RESERVATION OF FUNDS FOR GRANTS.—

"(A) IN GENERAL.—For each fiscal year, up to 3 percent of the funds made available to carry out this section for the fiscal year shall be reserved for grants under this subsection.

"(B) RELEASE.—Funds reserved under subparagraph (A) for a fiscal year shall be reserved only until April 1 of the fiscal year.

"(8) SUPPLEMENT NOT SUPPLANT.—

"(A) IN GENERAL.—Eligibility for a grant under this subsection shall not affect eligibility for a grant, loan, or loan guarantee under another subsection of this section.

"(B) CONSIDERATIONS.—The Secretary shall not take into account the award of a grant under this subsection, or the award of a grant, loan, or loan guarantee under another subsection of this section, in awarding a grant, loan, or loan guarantee under this subsection or another subsection of this section, as the case may be.

"(l) TERMINATION OF AUTHORITY.—

On page 589, line 10, strike "or" at the end.

On page 589, line 14, strike the period at the end and insert "; or".

On page 589, between lines 14 and 15, insert the following:

"(iii) to create, expand, or operate value-added processing in an area described in paragraph (3)(B)(ii) in connection with production agriculture.

On page 589, strike lines 19 through 21 and insert the following:

"(B) PRIORITY.—The Secretary shall give priority to—

"(i) grant proposals for less than $200,000 submitted under this subsection; and

"(ii) grant proposals submitted by an eligible nonprofit entity with a principal office that is located—

"(I) on land of an existing or former Native American reservation; and

"(II) in a city, town, or unincorporated area that has a population of no more than 5,000 inhabitants.

On page 615, strike lines 4 through 6 and insert the following:

Section 306(a)(11)(D) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(11)(D)) is amended—

(1) by striking "$7,500,000" and inserting "$15,000,000"; and

(2) by striking "2002" and inserting "2006".

Beginning on page 613, strike line 7 and all that follows through page 615, line 2, and insert the following:

"(B) REVOLVING FUNDS FOR FINANCING WATER AND WASTEWATER PROJECTS.—

"(i) IN GENERAL.—The Secretary may make grants to qualified private, nonprofit entities to capitalize revolving funds for the purpose of providing financing to eligible entities for—

"(I) predevelopment costs associated with proposed water and wastewater projects or with existing water and wastewater systems; and

"(II) short-term costs incurred for replacement equipment, small-scale extension services, or other small capital projects that are not part of the regular operations and maintenance activities of existing water and wastewater systems.

"(ii) ELIGIBLE ENTITIES.—To be eligible to obtain financing from a revolving fund under clause (i), an eligible entity shall be eligible to obtain a loan, loan guarantee, or grant under paragraph (1) or this paragraph.

"(iii) MAXIMUM AMOUNT OF FINANCING.—The amount of financing made to an eligible entity under this subparagraph shall not exceed—

"(I) $100,000 for costs described in clause (i)(I); and

"(II) $100,000 for costs described in clause (i)(II).

"(iv) TERM.—The term of financing provided to an eligible entity under this subparagraph shall not exceed 10 years.

"(v) ADMINISTRATION.—The Secretary shall limit the amount of grant funds that may be used by a grant recipient for administrative costs incurred under this subparagraph.

"(vi) ANNUAL REPORT.—A nonprofit entity receiving a grant under this subparagraph shall submit an annual report to the Secretary that describes the number and size of communities served and the type of financing provided.

"(vii) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subparagraph $30,000,000 for each of fiscal years 2002 through 2006.".

On page 624, after line 24, add the following:

SEC. 6 . TRIBAL COLLEGE AND UNIVERSITY ESSENTIAL COMMUNITY FACILITIES.

Section 306(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)) (as amended by section 6) is amended by adding at the end the following:

"(27) TRIBAL COLLEGE AND UNIVERSITY ESSENTIAL COMMUNITY FACILITIES.—

"(A) IN GENERAL.—The Secretary may make grants to tribal colleges and universities (as defined in section 316 of the Higher Education Act of 1965 (20 U.S.C. 1059c)) to provide the Federal share of the cost of developing specific tribal college or university essential community facilities in rural areas.

"(B) FEDERAL SHARE.—

"(i) IN GENERAL.—Except as provided in clauses (ii) and (iii), the Secretary shall, by regulation, establish the maximum percentage of the cost of the facility that may be covered by a grant under this paragraph.

"(ii) Maximum amount.—The amount of a grant provided under this paragraph for a facility shall not exceed 75 percent of the cost of developing the facility.

"(iii) Graduated scale.—The Secretary shall provide for a graduated scale of the percentages of the cost covered by a grant made under this paragraph, with higher percentages for facilities in communities that have lower community population and income levels, as determined by the Secretary.

"(C) Authorization of appropriations.—There is authorized to be appropriated to carry out this paragraph $10,000,000 for each of fiscal years 2003 through 2006.".

On page 626, between lines 5 and 6, insert the following:

SEC. 6___. RURAL BUSINESS ENTERPRISE GRANTS.

Section 310B(c)(1) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(c)(1)) is amended—

(1) by striking "The Secretary" and inserting the following:

"(A) Grants.—The Secretary"; and

(2) by adding at the end the following:

"(B) Small and emerging private business enterprises.—

"(i) In general.—For the purpose of subparagraph (A), a small and emerging private business enterprise shall include (regardless of the number of employees or operating capital of the enterprise) an eligible nonprofit entity, or other tax exempt organization, with a principal office in an area that is located—

"(I) on land of an existing or former Native American reservation; and

"(II) in a city, town, or unincorporated area that has a population of no more than 5,000 inhabitants.

"(ii) Use of grant.—An eligible nonprofit entity, or other tax exempt organization, described in clause (i) may use assistance provided under this paragraph to create, expand, or operate value-added processing in an area described in clause (i) in connection with production agriculture.

"(iii) Priority.—In making grants under this paragraph, the Secretary shall give priority to grants that will be used to provide assistance to eligible nonprofit entities and other tax exempt organizations described in clause (i).".

On page 626, strike lines 7 through 9 and insert the following:

Section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932(e)) is amended—

(1) in paragraph (5)(F), before the period at the end the following: ", except that the Secretary shall not require non-Federal financial support in an amount that is greater than 5 percent in the case of a 1994 institution (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382))"; and

(2) in paragraph (9), by striking "2002" and inserting "2006".

On page 630, line 7, strike "default" and insert "payment default, or the collateral has not been converted,".

On page 638, strike lines 21 through 25 and insert the following:

"(F) Rural entrepreneurs and microenterprise assistance program; national rural cooperative and business equity fund; rural business investment program.—In section 378 and subtitles G and H, the term 'rural area' means an area that is located—

On page 639, between lines 14 and 15, insert the following:

(3) Section 735 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999 (112 Stat. 2681–29) is repealed.

On page 650, strike lines 8 through 11 and insert the following:

"(4) 1 representative of the Secretary of the Interior;

"(5) 1 representative of the Secretary of Transportation; and

"(6) representatives of such other Federal agencies as the Secretary may designate.

On page 664, strike lines 4 through 13 and insert the following:

SEC. 6___. GRANTS FOR TRAINING FARM WORKERS.

Subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.) (as amended by section 6___) is amended by adding at the end the following:

"SEC. 379E. GRANTS FOR TRAINING FARM WORKERS.

"(a) Definition of Eligible Organization.—In this section, the term 'eligible organization' means—

"(1) a nonprofit organization; or

"(2) a consortium of nonprofit organizations, agribusinesses, State and local governments, agricultural labor organizations, farmer cooperatives, or community-based organizations

that has the ability to train farm workers.

"(b) Grants.—The Secretary shall make grants to eligible organizations to provide training to farm workers—

"(1) on the use of technology in agriculture; and

"(2) to develop the specialized skills necessary to produce higher value crops.

"(c) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2002 through 2006.".

On page 664, strike line 14 and insert the following:

SEC. 6___. DELTA REGIONAL AUTHORITY.

(a) Supplements to Federal Grant Programs.—Section 382D of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009aa–3) is amended to read as follows:

"SEC. 382D. SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.

"(a) Finding.—Congress finds that certain States and local communities of the region, including local development districts, may be unable to take maximum advantage of Federal grant programs for which the States and communities are eligible because—

"(1) they lack the economic resources to provide the required matching share; or

"(2) there are insufficient funds available under the applicable Federal law authorizing the Federal grant program to meet pressing needs of the region.

"(b) Federal Grant Program Funding.—Notwithstanding any provision of law limiting the Federal share, the areas eligible for assistance, or the authorizations of appropriations, under any Federal grant program, and in accordance with subsection (c), the Authority, with the approval of the Federal cochairperson and with respect to a project to be carried out in the region, may—

"(1) increase the Federal share of the costs of a project under any Federal grant program to not more than 90 percent (except as provided in section 382F(b)); and

"(2) use amounts made available to carry out this subtitle to pay all or a portion of the increased Federal share.

"(c) Certifications.—

"(1) In general.—In the case of any project for which all or any portion of the basic Federal share of the costs of the project is proposed to be paid under this section, no Federal contribution shall be made until the Federal official administering the Federal law that authorizes the Federal grant program certifies that the project—

"(A) meets (except as provided in subsection (b)) the applicable requirements of the applicable Federal grant program; and

"(B) could be approved for Federal contribution under the Federal grant program if funds were available under the law for the project.

"(2) Certification by authority.—

"(A) In general.—The certifications and determinations required to be made by the Authority for approval of projects under this Act in accordance with section 382I—

"(i) shall be controlling; and

"(ii) shall be accepted by the Federal agencies.

"(B) Acceptance by federal cochairperson.—In the case of any project described in paragraph (1), any finding, report, certification, or documentation required to be submitted with respect to the project to the head of the department, agency, or instrumentality of the Federal Government responsible for the administration of the Federal grant program under which the project is carried out shall be accepted by the Federal cochairperson.".

On page 664, line 15, strike "(a)" and insert "(b)".

On page 664, line 19, strike "(b)" and insert "(c)".

On page 664, after line 22, insert the following:

(d) Delta Region Agricultural Economic Development.—Subtitle D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1981 et seq.) (as amended by section 6___) is amended by adding at the end the following:

"SEC. 379F. DELTA REGION AGRICULTURAL ECONOMIC DEVELOPMENT.

"(a) In General.—The Secretary may make grants to assist in the development of state-of-the-art technology in animal nutrition (including research and development of the technology) and value-added manufacturing to promote an economic platform for the Delta region (as defined in section 382A) to relieve severe economic conditions.

"(b) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section $7,000,000 for each of fiscal years 2002 through 2006.".

(e) Definition of Lower Mississippi.—Section 4(2)(I) of the Delta Development Act (42 U.S.C. 3121 note; Public Law 100–460) is amended by inserting "Butler, Conecuh, Escambia, Monroe," after "Russell,".

Beginning on page 675, strike line 17 and all that follows through page 708, line 12, and insert the following:

SEC. 6___. NORTHERN GREAT PLAINS REGIONAL AUTHORITY.

The Consolidated Farm and Rural Development Act (as amended by section 6___) is amended by adding at the end the following:

"Subtitle K—Northern Great Plains Regional Authority

"SEC. 387A. DEFINITIONS.

"In this subtitle:

"(1) Authority.—The term 'Authority' means the Northern Great Plains Regional Authority established by section 387B.

"(2) Federal grant program.—The term 'Federal grant program' means a Federal grant program to provide assistance in—

"(A) implementing the recommendations of the Northern Great Plains Rural Development Commission established by the Northern Great Plains Rural Development Act (7 U.S.C. 2661 note; Public Law 103-318);

"(B) acquiring or developing land;

"(C) constructing or equipping a highway, road, bridge, or facility;

"(D) carrying out other economic development activities; or

"(E) conducting research activities related to the activities described in subparagraphs (A) through (D).

"(3) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

"(4) REGION.—The term 'region' means the States of Iowa, Minnesota, Nebraska, North Dakota, and South Dakota.

"SEC. 387B. NORTHERN GREAT PLAINS REGIONAL AUTHORITY.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established the Northern Great Plains Regional Authority.

"(2) COMPOSITION.—The Authority shall be composed of—

"(A) a Federal member, to be appointed by the President, by and with the advice and consent of the Senate;

"(B) the Governor (or a designee of the Governor) of each State in the region that elects to participate in the Authority; and

"(C) a member of an Indian tribe, who shall be a chairperson of an Indian tribe in the region or a designee of such a chairperson, to be appointed by the President, by and with the advice and consent of the Senate.

"(3) COCHAIRPERSONS.—The Authority shall be headed by—

"(A) the Federal member, who shall serve—

"(i) as the Federal cochairperson; and

"(ii) as a liaison between the Federal Government and the Authority;

"(B) a State cochairperson, who—

"(i) shall be a Governor of a participating State in the region; and

"(ii) shall be elected by the State members for a term of not less than 1 year; and

"(C) the member of an Indian tribe, who shall serve—

"(i) as the tribal cochairperson; and

"(ii) as a liaison between the governments of Indian tribes in the region and the Authority.

"(b) ALTERNATE MEMBERS.—

"(1) ALTERNATE FEDERAL COCHAIRPERSON.—The President shall appoint an alternate Federal cochairperson.

"(2) STATE ALTERNATES.—

"(A) IN GENERAL.—The State member of a participating State may have a single alternate, who shall be—

"(i) a resident of that State; and

"(ii) appointed by the Governor of the State.

"(B) QUORUM.—A State alternate member shall not be counted toward the establishment of a quorum of the members of the Authority in any case in which a quorum of the State members is required to be present.

"(3) ALTERNATE TRIBAL COCHAIRPERSON.—The President shall appoint an alternate tribal cochairperson, by and with the advice and consent of the Senate.

"(4) DELEGATION OF POWER.—No power or responsibility of the Authority specified in paragraphs (2) and (3) of subsection (c), and no voting right of any member of the Authority, shall be delegated to any person who is not—

"(A) a member of the Authority; or

"(B) entitled to vote in Authority meetings.

"(c) VOTING.—

"(1) IN GENERAL.—A decision by the Authority shall require a majority vote of the Authority (not including any member representing a State that is delinquent under subsection (g)(2)(D)) to be effective.

"(2) QUORUM.—A quorum of State members shall be required to be present for the Authority to make any policy decision, including—

"(A) a modification or revision of an Authority policy decision;

"(B) approval of a State or regional development plan; and

"(C) any allocation of funds among the States.

"(3) PROJECT AND GRANT PROPOSALS.—The approval of project and grant proposals shall be—

"(A) a responsibility of the Authority; and

"(B) conducted in accordance with section 387I.

"(4) VOTING BY ALTERNATE MEMBERS.—An alternate member shall vote in the case of the absence, death, disability, removal, or resignation of the Federal, State, or Indian tribe member for whom the alternate member is an alternate.

"(d) DUTIES.—The Authority shall—

"(1) develop, on a continuing basis, comprehensive and coordinated plans and programs to establish priorities and approve grants for the economic development of the region, giving due consideration to other Federal, State, tribal, and local planning and development activities in the region;

"(2) not later than 220 days after the date of enactment of this subtitle, establish priorities in a development plan for the region (including 5-year regional outcome targets);

"(3) assess the needs and assets of the region based on available research, demonstrations, investigations, assessments, and evaluations of the region prepared by Federal, State, tribal, and local agencies, universities, local development districts, and other nonprofit groups;

"(4) formulate and recommend to the Governors and legislatures of States that participate in the Authority forms of interstate cooperation;

"(5) work with State, tribal, and local agencies in developing appropriate model legislation;

"(6)(A) enhance the capacity of, and provide support for, local development districts in the region; or

"(B) if no local development district exists in an area in a participating State in the region, foster the creation of a local development district;

"(7) encourage private investment in industrial, commercial, and other economic development projects in the region; and

"(8) cooperate with and assist State governments with economic development programs of participating States.

"(e) ADMINISTRATION.—In carrying out subsection (d), the Authority may—

"(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute a description of the proceedings and reports on actions by the Authority as the Authority considers appropriate;

"(2) authorize, through the Federal, State, or tribal cochairperson or any other member of the Authority designated by the Authority, the administration of oaths if the Authority determines that testimony should be taken or evidence received under oath;

"(3) request from any Federal, State, tribal, or local agency such information as may be available to or procurable by the agency that may be of use to the Authority in carrying out the duties of the Authority;

"(4) adopt, amend, and repeal bylaws and rules governing the conduct of business and the performance of duties of the Authority;

"(5) request the head of any Federal agency to detail to the Authority such personnel as the Authority requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

"(6) request the head of any State agency, tribal government, or local government to detail to the Authority such personnel as the Authority requires to carry out duties of the Authority, each such detail to be without loss of seniority, pay, or other employee status;

"(7) provide for coverage of Authority employees in a suitable retirement and employee benefit system by—

"(A) making arrangements or entering into contracts with any participating State government or tribal government; or

"(B) otherwise providing retirement and other employee benefit coverage;

"(8) accept, use, and dispose of gifts or donations of services or real, personal, tangible, or intangible property;

"(9) enter into and perform such contracts, leases, cooperative agreements, or other transactions as are necessary to carry out Authority duties, including any contracts, leases, or cooperative agreements with—

"(A) any department, agency, or instrumentality of the United States;

"(B) any State (including a political subdivision, agency, or instrumentality of the State);

"(C) any Indian tribe in the region; or

"(D) any person, firm, association, or corporation; and

"(10) establish and maintain a central office and field offices at such locations as the Authority may select.

"(f) FEDERAL AGENCY COOPERATION.—A Federal agency shall—

"(1) cooperate with the Authority; and

"(2) provide, on request of the Federal cochairperson, appropriate assistance in carrying out this subtitle, in accordance with applicable Federal laws (including regulations).

"(g) ADMINISTRATIVE EXPENSES.—

"(1) FEDERAL SHARE.—The Federal share of the administrative expenses of the Authority shall be—

"(A) for fiscal year 2002, 100 percent;

"(B) for fiscal year 2003, 75 percent; and

"(C) for fiscal year 2004 and each fiscal year thereafter, 50 percent.

"(2) NON-FEDERAL SHARE.—

"(A) IN GENERAL.—The non-Federal share of the administrative expenses of the Authority shall be paid by non-Federal sources in the States that participate in the Authority.

"(B) SHARE PAID BY EACH STATE.—The share of administrative expenses of the Authority to be paid by non-Federal sources in each State shall be determined by the Authority.

"(C) NO FEDERAL PARTICIPATION.—The Federal cochairperson shall not participate or vote in any decision under subparagraph (B).

"(D) DELINQUENT STATES.—If a State is delinquent in payment of the State's share of administrative expenses of the Authority under this subsection—

"(i) no assistance under this subtitle shall be provided to the State (including assistance to a political subdivision or a resident of the State); and "(ii) no member of the Authority from the State shall participate or vote in any action by the Authority.

"(h) COMPENSATION.—

"(1) FEDERAL AND TRIBAL COCHAIRPERSONS.—The Federal cochairperson and the tribal cochairperson shall be compensated by the Federal Government at the annual rate of basic pay prescribed for level III of the Executive Schedule in subchapter II of chapter 53 of title 5, United States Code.

"(2) ALTERNATE FEDERAL AND TRIBAL COCHAIRPERSONS.—The alternate Federal cochairperson and the alternate tribal cochairperson—

"(A) shall be compensated by the Federal Government at the annual rate of basic pay prescribed for level V of the Executive Schedule described in paragraph (1); and

"(B) when not actively serving as an alternate, shall perform such functions and duties as are delegated by the Federal cochairperson or the tribal cochairperson, respectively.

"(3) STATE MEMBERS AND ALTERNATES.—

"(A) IN GENERAL.—A State shall compensate each member and alternate representing the State on the Authority at the rate established by State law.

"(B) NO ADDITIONAL COMPENSATION.—No State member or alternate member shall receive any salary, or any contribution to or supplementation of salary from any source other than the State for services provided by the member or alternate member to the Authority.

"(4) DETAILED EMPLOYEES.—

"(A) IN GENERAL.—No person detailed to serve the Authority under subsection (e)(6) shall receive any salary or any contribution to or supplementation of salary for services provided to the Authority from—

"(i) any source other than the State, tribal, local, or intergovernmental agency from which the person was detailed; or

"(ii) the Authority.

"(B) VIOLATION.—Any person that violates this paragraph shall be fined not more than $5,000, imprisoned not more than 1 year, or both.

"(C) APPLICABLE LAW.—The Federal cochairperson, the alternate Federal cochairperson, and any Federal officer or employee detailed to duty on the Authority under subsection (e)(5) shall not be subject to subparagraph (A), but shall remain subject to sections 202 through 209 of title 18, United States Code.

"(5) ADDITIONAL PERSONNEL.—

"(A) COMPENSATION.—

"(i) IN GENERAL.—The Authority may appoint and fix the compensation of an executive director and such other personnel as are necessary to enable the Authority to carry out the duties of the Authority.

"(ii) EXCEPTION.—Compensation under clause (i) shall not exceed the maximum rate for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of that title.

"(B) EXECUTIVE DIRECTOR.—The executive director shall be responsible for—

"(i) the carrying out of the administrative duties of the Authority;

"(ii) direction of the Authority staff; and

"(iii) such other duties as the Authority may assign.

"(C) NO FEDERAL EMPLOYEE STATUS.—No member, alternate, officer, or employee of the Authority (except the Federal cochairperson of the Authority, the alternate and staff for the Federal cochairperson, and any Federal employee detailed to the Authority under subsection (e)(5)) shall be considered to be a Federal employee for any purpose.

"(i) CONFLICTS OF INTEREST.—

"(1) IN GENERAL.—Except as provided under paragraph (2), no State member, Indian tribe member, State alternate, officer, or employee of the Authority shall participate personally and substantially as a member, alternate, officer, or employee of the Authority, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in any proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other matter in which, to knowledge of the member, alternate, officer, or employee—

"(A) the member, alternate, officer, or employee;

"(B) the spouse, minor child, partner, or organization (other than a State or political subdivision of the State or the Indian tribe) of the member, alternate, officer, or employee, in which the member, alternate, officer, or employee is serving as officer, director, trustee, partner, or employee; or

"(C) any person or organization with whom the member, alternate, officer, or employee is negotiating or has any arrangement concerning prospective employment;

has a financial interest.

"(2) DISCLOSURE.—Paragraph (1) shall not apply if the State member, Indian tribe member, alternate, officer, or employee—

"(A) immediately advises the Authority of the nature and circumstances of the proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other particular matter presenting a potential conflict of interest;

"(B) makes full disclosure of the financial interest; and

"(C) before the proceeding concerning the matter presenting the conflict of interest, receives a written determination by the Authority that the interest is not so substantial as to be likely to affect the integrity of the services that the Authority may expect from the State member, Indian tribe member, alternate, officer, or employee.

"(3) VIOLATION.—Any person that violates this subsection shall be fined not more than $10,000, imprisoned not more than 2 years, or both.

"(j) VALIDITY OF CONTRACTS, LOANS, AND GRANTS.—The Authority may declare void any contract, loan, or grant of or by the Authority in relation to which the Authority determines that there has been a violation of any provision under subsection (h)(4) or subsection (i) of this subtitle, or sections 202 through 209 of title 18, United States Code.

"SEC. 387C. ECONOMIC AND COMMUNITY DEVELOPMENT GRANTS.

"(a) IN GENERAL.—The Authority may approve grants to States, Indian tribes, local governments, and public and nonprofit organizations for projects, approved in accordance with section 387I—

"(1) to develop the transportation and telecommunication infrastructure of the region for the purpose of facilitating economic development in the region (except that grants for this purpose may be made only to States, Indian tribes, local governments, and nonprofit organizations);

"(2) to assist the region in obtaining the job training, employment-related education, and business development (with an emphasis on entrepreneurship) that are needed to build and maintain strong local economies;

"(3) to provide assistance to severely distressed and underdeveloped areas that lack financial resources for improving basic public services;

"(4) to provide assistance to severely distressed and underdeveloped areas that lack financial resources for equipping industrial parks and related facilities; and

"(5) to otherwise achieve the purposes of this subtitle.

"(b) FUNDING.—

"(1) IN GENERAL.—Funds for grants under subsection (a) may be provided—

"(A) entirely from appropriations to carry out this section;

"(B) in combination with funds available under another Federal grant program; or

"(C) from any other source.

"(2) PRIORITY OF FUNDING.—To best build the foundations for long-term economic development and to complement other Federal, State, and tribal resources in the region, Federal funds available under this subtitle shall be focused on the activities in the following order or priority:

"(A) Basic public infrastructure in distressed counties and isolated areas of distress.

"(B) Transportation and telecommunication infrastructure for the purpose of facilitating economic development in the region.

"(C) Business development, with emphasis on entrepreneurship.

"(D) Job training or employment-related education, with emphasis on use of existing public educational institutions located in the region.

"(3) FEDERAL SHARE IN GRANT PROGRAMS.—Notwithstanding any provision of law limiting the Federal share in any grant program, funds appropriated to carry out this section may be used to increase a Federal share in a grant program, as the Authority determines appropriate.

"SEC. 387D. SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.

"(a) FINDING.—Congress finds that certain States and local communities of the region, including local development districts, may be unable to take maximum advantage of Federal grant programs for which the States and communities are eligible because—

"(1) they lack the economic resources to provide the required matching share; or

"(2) there are insufficient funds available under the applicable Federal law authorizing the Federal grant program to meet pressing needs of the region.

"(b) FEDERAL GRANT PROGRAM FUNDING.—Notwithstanding any provision of law limiting the Federal share, the areas eligible for assistance, or the authorizations of appropriations, under any Federal grant program, and in accordance with subsection (c), the Authority, with the approval of the Federal cochairperson and with respect to a project to be carried out in the region, may—

"(1) increase the Federal share of the costs of a project under any Federal grant program to not more than 90 percent (except as provided in section 387F(b)); and

"(2) use amounts made available to carry out this subtitle to pay all or a portion of the increased Federal share.

"(c) CERTIFICATIONS.—

"(1) IN GENERAL.—In the case of any project for which all or any portion of the basic Federal share of the costs of the project is proposed to be paid under this section, no Federal contribution shall be made until the Federal official administering the Federal law that authorizes the Federal grant program certifies that the project—

"(A) meets (except as provided in subsection (b)) the applicable requirements of the applicable Federal grant program; and

"(B) could be approved for Federal contribution under the Federal grant program if funds were available under the law for the project.

“(2) CERTIFICATION BY AUTHORITY.—

“(A) IN GENERAL.—The certifications and determinations required to be made by the Authority for approval of projects under this Act in accordance with section 387I—

“(i) shall be controlling; and

“(ii) shall be accepted by the Federal agencies.

“(B) ACCEPTANCE BY FEDERAL COCHAIRPERSON.—In the case of any project described in paragraph (1), any finding, report, certification, or documentation required to be submitted with respect to the project to the head of the department, agency, or instrumentality of the Federal Government responsible for the administration of the Federal grant program under which the project is carried out shall be accepted by the Federal cochairperson.

“SEC. 387E. LOCAL DEVELOPMENT DISTRICTS AND ORGANIZATIONS AND NORTHERN GREAT PLAINS INC.

“(a) DEFINITION OF LOCAL DEVELOPMENT DISTRICT.—In this section, the term ‘local development district’ means an entity—

“(1) that—

“(A) is a planning district in existence on the date of enactment of this subtitle that is recognized by the Economic Development Administration of the Department of Commerce; or

“(B) is—

“(i) organized and operated in a manner that ensures broad-based community participation and an effective opportunity for other nonprofit groups to contribute to the development and implementation of programs in the region;

“(ii) governed by a policy board with at least a simple majority of members consisting of—

“(I) elected officials or employees of a general purpose unit of local government who have been appointed to represent the government; or

“(II) individuals appointed by the general purpose unit of local government to represent the government;

“(iii) certified to the Authority as having a charter or authority that includes the economic development of counties or parts of counties or other political subdivisions within the region—

“(I) by the Governor of each State in which the entity is located; or

“(II) by the State officer designated by the appropriate State law to make the certification; and

“(iv)(I) a nonprofit incorporated body organized or chartered under the law of the State in which the entity is located;

“(II) a nonprofit agency or instrumentality of a State or local government;

“(III) a public organization established before the date of enactment of this subtitle under State law for creation of multi-jurisdictional, area-wide planning organizations; or

“(IV) a nonprofit association or combination of bodies, agencies, and instrumentalities described in subclauses (I) through (III); and

“(2) that has not, as certified by the Federal cochairperson—

“(A) inappropriately used Federal grant funds from any Federal source; or

“(B) appointed an officer who, during the period in which another entity inappropriately used Federal grant funds from any Federal source, was an officer of the other entity.

“(b) GRANTS TO LOCAL DEVELOPMENT DISTRICTS.—

“(1) IN GENERAL.—The Authority may make grants for administrative expenses under this section.

“(2) CONDITIONS FOR GRANTS.—

“(A) MAXIMUM AMOUNT.—The amount of any grant awarded under paragraph (1) shall not exceed 80 percent of the administrative expenses of the local development district receiving the grant.

“(B) MAXIMUM PERIOD.—No grant described in paragraph (1) shall be awarded to a State agency certified as a local development district for a period greater than 3 years.

“(C) LOCAL SHARE.—The contributions of a local development district for administrative expenses may be in cash or in kind, fairly evaluated, including space, equipment, and services.

“(c) DUTIES OF LOCAL DEVELOPMENT DISTRICTS.—A local development district shall—

“(1) operate as a lead organization serving multicounty areas in the region at the local level; and

“(2) serve as a liaison between State, tribal, and local governments, nonprofit organizations (including community-based groups and educational institutions), the business community, and citizens that—

“(A) are involved in multijurisdictional planning;

“(B) provide technical assistance to local jurisdictions and potential grantees; and

“(C) provide leadership and civic development assistance.

“(d) NORTHERN GREAT PLAINS INC.—Northern Great Plains Inc., a nonprofit corporation incorporated in the State of Minnesota to implement the recommendations of the Northern Great Plains Rural Development Commission established by the Northern Great Plains Rural Development Act (7 U.S.C. 2661 note; Public Law 103–318)—

“(1) shall serve as an independent, primary resource for the Authority on issues of concern to the region;

“(2) shall advise the Authority on development of international trade;

“(3) may provide research, education, training, and other support to the Authority; and

“(4) may carry out other activities on its own behalf or on behalf of other entities.

“SEC. 387F. DISTRESSED COUNTIES AND AREAS AND NONDISTRESSED COUNTIES.

“(a) DESIGNATIONS.—Not later than 90 days after the date of enactment of this subtitle, and annually thereafter, the Authority, in accordance with such criteria as the Authority may establish, shall designate—

“(1) as distressed counties, counties in the region that are the most severely and persistently distressed and underdeveloped and have high rates of poverty, unemployment, or outmigration;

“(2) as nondistressed counties, counties in the region that are not designated as distressed counties under paragraph (1); and

“(3) as isolated areas of distress, areas located in nondistressed counties (as designated under paragraph (2)) that have high rates of poverty, unemployment, or outmigration.

“(b) DISTRESSED COUNTIES.—

“(1) IN GENERAL.—The Authority shall allocate at least 75 percent of the appropriations made available under section 387M for programs and projects designed to serve the needs of distressed counties and isolated areas of distress in the region.

“(2) FUNDING LIMITATIONS.—The funding limitations under section 387D(b) shall not apply to a project to provide transportation or telecommunication or basic public services to residents of 1 or more distressed counties or isolated areas of distress in the region.

“(c) NONDISTRESSED COUNTIES.—

“(1) IN GENERAL.—Except as provided in this subsection, no funds shall be provided under this subtitle for a project located in a county designated as a nondistressed county under subsection (a)(2).

“(2) EXCEPTIONS.—

“(A) IN GENERAL.—The funding prohibition under paragraph (1) shall not apply to grants to fund the administrative expenses of local development districts under section 387E(b).

“(B) MULTICOUNTY PROJECTS.—The Authority may waive the application of the funding prohibition under paragraph (1) to—

“(i) a multicounty project that includes participation by a nondistressed county; or

“(ii) any other type of project;

if the Authority determines that the project could bring significant benefits to areas of the region outside a nondistressed county.

“(C) ISOLATED AREAS OF DISTRESS.—For a designation of an isolated area of distress for assistance to be effective, the designation shall be supported—

“(i) by the most recent Federal data available; or

“(ii) if no recent Federal data are available, by the most recent data available through the government of the State in which the isolated area of distress is located.

“(d) TRANSPORTATION, TELECOMMUNICATION, AND BASIC PUBLIC INFRASTRUCTURE.—The Authority shall allocate at least 50 percent of any funds made available under section 387M for transportation, telecommunication, and basic public infrastructure projects authorized under paragraphs (1) and (3) of section 387C(a).

“SEC. 387G. DEVELOPMENT PLANNING PROCESS.

“(a) STATE DEVELOPMENT PLAN.—In accordance with policies established by the Authority, each State member shall submit a development plan for the area of the region represented by the State member.

“(b) CONTENT OF PLAN.—A State development plan submitted under subsection (a) shall reflect the goals, objectives, and priorities identified in the regional development plan developed under section 387B(d)(2).

“(c) CONSULTATION WITH INTERESTED LOCAL PARTIES.—In carrying out the development planning process (including the selection of programs and projects for assistance), a State may—

“(1) consult with—

“(A) local development districts; and

“(B) local units of government; and

“(2) take into consideration the goals, objectives, priorities, and recommendations of the entities described in paragraph (1).

“(d) PUBLIC PARTICIPATION.—

“(1) IN GENERAL.—The Authority and applicable State and local development districts shall encourage and assist, to the maximum extent practicable, public participation in the development, revision, and implementation of all plans and programs under this subtitle.

“(2) REGULATIONS.—The Authority shall develop guidelines for providing public participation described in paragraph (1), including public hearings.

“SEC. 387H. PROGRAM DEVELOPMENT CRITERIA.

“(a) IN GENERAL.—In considering programs and projects to be provided assistance under this subtitle, and in establishing a priority ranking of the requests for assistance provided to the Authority, the Authority shall follow procedures that ensure, to the maximum extent practicable, consideration of—

“(1) the relationship of the project or class of projects to overall regional development;

"(2) the per capita income and poverty and unemployment and outmigration rates in an area;

"(3) the financial resources available to the applicants for assistance seeking to carry out the project, with emphasis on ensuring that projects are adequately financed to maximize the probability of successful economic development;

"(4) the importance of the project or class of projects in relation to other projects or classes of projects that may be in competition for the same funds;

"(5) the prospects that the project for which assistance is sought will improve, on a continuing rather than a temporary basis, the opportunities for employment, the average level of income, or the economic development of the area to be served by the project; and

"(6) the extent to which the project design provides for detailed outcome measurements by which grant expenditures and the results of the expenditures may be evaluated.

"(b) NO RELOCATION ASSISTANCE.—No financial assistance authorized by this subtitle shall be used to assist a person or entity in relocating from one area to another, except that financial assistance may be used as otherwise authorized by this title to attract businesses from outside the region to the region.

"(c) MAINTENANCE OF EFFORT.—Funds may be provided for a program or project in a State under this subtitle only if the Authority determines that the level of Federal or State financial assistance provided under a law other than this subtitle, for the same type of program or project in the same area of the State within the region, will not be reduced as a result of funds made available by this subtitle.

"SEC. 387I. APPROVAL OF DEVELOPMENT PLANS AND PROJECTS.

"(a) IN GENERAL.—A State or regional development plan or any multistate subregional plan that is proposed for development under this subtitle shall be reviewed by the Authority.

"(b) EVALUATION BY STATE MEMBER.—An application for a grant or any other assistance for a project under this subtitle shall be made through and evaluated for approval by the State member of the Authority representing the applicant.

"(c) CERTIFICATION.—An application for a grant or other assistance for a project shall be approved only on certification by the State member that the application for the project—

"(1) describes ways in which the project complies with any applicable State development plan;

"(2) meets applicable criteria under section 387H;

"(3) provides adequate assurance that the proposed project will be properly administered, operated, and maintained; and

"(4) otherwise meets the requirements of this subtitle.

"(d) VOTES FOR DECISIONS.—On certification by a State member of the Authority of an application for a grant or other assistance for a specific project under this section, an affirmative vote of the Authority under section 387B(c) shall be required for approval of the application.

"SEC. 387J. CONSENT OF STATES.

"Nothing in this subtitle requires any State to engage in or accept any program under this subtitle without the consent of the State.

"SEC. 387K. RECORDS.

"(a) RECORDS OF THE AUTHORITY.—

"(1) IN GENERAL.—The Authority shall maintain accurate and complete records of all transactions and activities of the Authority.

"(2) AVAILABILITY.—All records of the Authority shall be available for audit and examination by the Comptroller General of the United States and the Inspector General of the Department of Agriculture (including authorized representatives of the Comptroller General and the Inspector General of the Department of Agriculture).

"(b) RECORDS OF RECIPIENTS OF FEDERAL ASSISTANCE.—

"(1) IN GENERAL.—A recipient of Federal funds under this subtitle shall, as required by the Authority, maintain accurate and complete records of transactions and activities financed with Federal funds and report to the Authority on the transactions and activities to the Authority.

"(2) AVAILABILITY.—All records required under paragraph (1) shall be available for audit by the Comptroller General of the United States, the Inspector General of the Department of Agriculture, and the Authority (including authorized representatives of the Comptroller General, the Inspector General of the Department of Agriculture, and the Authority).

"(c) ANNUAL AUDIT.—The Inspector General of the Department of Agriculture shall audit the activities, transactions, and records of the Authority on an annual basis.

"SEC. 387L. ANNUAL REPORT.

"Not later than 180 days after the end of each fiscal year, the Authority shall submit to the President and to Congress a report describing the activities carried out under this subtitle.

"SEC. 387M. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There is authorized to be appropriated to the Authority to carry out this subtitle $30,000,000 for each of fiscal years 2002 through 2006, to remain available until expended.

"(b) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount appropriated under subsection (a) for a fiscal year shall be used for administrative expenses of the Authority.

"(c) MINIMUM STATE SHARE OF GRANTS.—Notwithstanding any other provision of this subtitle, for any fiscal year, the aggregate amount of grants received by a State and all persons or entities in the State under this subtitle shall be not less than ⅓ of the product obtained by multiplying—

"(1) the aggregate amount of grants under this subtitle for the fiscal year; and

"(2) the ratio that—

"(A) the population of the State (as determined by the Secretary of Commerce based on the most recent decennial census for which data are available); bears to

"(B) the population of the region (as so determined).

"SEC. 387N. TERMINATION OF AUTHORITY.

"The authority provided by this subtitle terminates effective October 1, 2006.".

On page 711, strike lines 17 through 25.

On page 716, strike lines 18 through 22.

On page 716, line 23, strike "(c)" and insert "(b)".

On page 737, lines 17 and 18, strike "(including land and facilities at the Beltsville Agricultural Research Center)".

Beginning on page 755, strike line 17 and all that follows through page 756, line 15, and insert the following:

(1) by redesignating subsections (e) through (g) as subsections (f) through (h), respectively;

(2) by inserting after subsection (d) the following:

"(e) GRANT PRIORITY.—In selecting projects for which grants shall be made under this section, the Secretary shall give priority to public and private research or educational institutions and organizations the goals of which include—

"(1) formation of interdisciplinary teams to review or conduct research on the environmental effects of the release of new genetically modified agricultural products;

"(2) conduct of studies relating to biosafety of genetically modified agricultural products;

"(3) evaluation of the cost and benefit for development of an identity preservation system for genetically modified agricultural products;

"(4) establishment of international partnerships for research and education on biosafety issues; or

"(5) formation of interdisciplinary teams to renew and conduct research on the nutritional enhancement and environmental benefits of genetically modified agricultural products."; and

(3) in subsection (h) (as redesignated by paragraph (1)), by striking paragraph (2) and inserting the following:

"(2) WITHHOLDING OF OUTLAYS FOR RESEARCH ON BIOTECHNOLOGY RISK ASSESSMENT.—Of the amounts of outlays made under this section or any other provision of law to carry out research on biotechnology (as defined and determined by the Secretary of Agriculture) for any fiscal year, the Secretary of Agriculture shall withhold at least 3 percent for grants for research on biotechnology risk assessment on all categories identified by the Secretary of Agriculture as biotechnology.".

On page 756, between lines 15 and 16, insert the following:

SEC. 7 . RURAL ELECTRONIC COMMERCE EXTENSION PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) electronic commerce sales in 1998 were approximately $100,000,000,000 and are expected to reach $1,300,000,000,000 by 2003;

(2) electronic commerce presents an enormous opportunity and challenge for small businesses, especially businesses in rural areas;

(3) while infrastructure for electronic commerce is growing rapidly in rural areas, small businesses will not be able to take advantage of the new technology without assistance;

(4) while electronic commerce will give businesses new markets and new ways of doing business, many small businesses in rural areas will have difficulty adopting appropriate electronic commerce business practices and technologies;

(5) the United States has an interest in ensuring that small businesses in rural areas participate in electronic commerce, to encourage success of the businesses, and to promote productivity and economic growth throughout the economy of the United States; and

(6) an electronic commerce extension program should be established using the nationwide county-based infrastructure within the Cooperative Extension Service to help small businesses throughout the United States to identify, adapt, adopt, and use electronic commerce business practices and technologies.

(b) PURPOSE.—The purpose of this section is to establish within the Cooperative State Research, Education, and Extension Service of the Department of Agriculture a rural electronic commerce extension program for small businesses and microenterprises in rural areas of the United States.

(c) PROGRAM.—Subtitle H of title XVI of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5921 et seq.) is amended by adding after section 1669 the following:

"SEC. 1670. RURAL ELECTRONIC COMMERCE EXTENSION PROGRAM.

"(a) DEFINITIONS.—In this section:

"(1) DEVELOPMENT CENTER.—The term 'development center' means—

"(A) the North Central Regional Center for Rural Development;

"(B) the Northeast Regional Center for Rural Development or its designee;

"(C) the Southern Rural Development Center; and

"(D) the Western Rural Development Center or its designee.

"(2) EXTENSION PROGRAM.—The term 'extension program' means the rural electronic commerce extension program established under subsection (b).

"(3) MICROENTERPRISE.—The term 'microenterprise' means a commercial enterprise that has 5 or fewer employees, 1 or more of whom owns the enterprise.

"(4) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture, acting through the Administrator of the Cooperative State Research, Education, and Extension Service.

"(5) SMALL BUSINESS.—The term 'small business' has the meaning given the term 'small-business concern' by section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

"(b) ESTABLISHMENT.—The Secretary shall establish a rural electronic commerce extension program to—

"(1) expand and enhance electronic commerce practices and technology to be used by small businesses and microenterprises in rural areas;

"(2) disseminate information and expertise through a cooperative extension service clearinghouse system in rural areas;

"(3) disseminate management, scientific, engineering, and technical information to small businesses in rural areas through the extension program; and

"(4) use, when appropriate, the expertise, technology, and capabilities of other institutions and organizations, including—

"(A) State and local governments;

"(B) Federal departments and agencies;

"(C) institutions of higher education;

"(D) nonprofit organizations;

"(E) small businesses and microenterprises that have experience in electronic commerce practice and technology; and

"(F) the development centers.

"(c) ADMINISTRATION.—

"(1) IN GENERAL.—In carrying out this section, the Secretary shall—

"(A) provide leadership, support, and coordination for the extension programs;

"(B) establish policies, practices, and procedures to assist rural communities in the adoption and use of electronic commerce techniques;

"(C) identify and strengthen existing mechanisms designed to assist rural areas in the adoption and use of electronic commerce techniques;

"(D) provide grants to fund projects and activities under the extension program; and

"(E) establish a clearinghouse system for States, communities, and businesses to obtain information on best practices, technology transfer, training, education, adoption, and use of electronic commerce in rural areas.

"(2) OFFICE OF RURAL ELECTRONIC COMMERCE.—The Secretary shall establish, in the Cooperative State Research, Education, and Extension Service, an Office of Rural Electronic Commerce to assist in carrying out this section.

"(d) GRANTS.—

"(1) IN GENERAL.—The Secretary shall carry out a program under which—

"(A) funds are distributed to each of the development centers to—

"(i) assemble regional expertise, and develop innovative education programs, that may be adapted and refined by State extension programs;

"(ii) train State-based cooperative extension agents to deliver rural electronic commerce education programs; and

"(iii) establish networks among universities, local governments, and private industries to focus on regional economic issues; and

"(B) competitive grants are made to cooperative extension service programs at land-grant colleges and universities (or consortia of land-grant colleges and universities)—

"(i) to develop and facilitate nationally innovative rural electronic commerce business strategies; and

"(ii) to assist small businesses and microenterprises in identifying, adapting, implementing, and using electronic commerce business practices and technologies.

"(2) ELIGIBILITY.—

"(A) CRITERIA.—

"(i) IN GENERAL.—The Secretary, shall—

"(I) establish criteria for the submission, evaluation, and funding of applications for grants to carry out projects and activities under the extension program; and

"(II) evaluate, rank, and select grant applications described in subclause (I) on the basis of the selection criteria.

"(ii) FACTORS.—The selection criteria established under clause (i) shall include—

"(I) the ability of an applicant to provide training and education on best practices, technology transfer, adoption, and use of electronic commerce in rural communities by small business and microenterprise;

"(II) the quality of the service to be provided by a proposed project or activity under the extension program;

"(III) the extent and geographic diversity of the area served by the proposed project or activity under the extension program;

"(IV) the extent of participation of land-grant colleges and universities in the extension program (including any economic benefits that would result from that participation);

"(V) the percentage of funding and in-kind commitments from non-Federal sources that would be needed by and available for a proposed project or activity under the extension program; and

"(VI) the extent of participation of low-income and minority businesses or microenterprises in a proposed project or activity under the extension program.

"(B) APPLICATION.—As a condition of being considered for the receipt of funds under this section, an applicant shall submit to the Secretary an application that meets the criteria established under subparagraph (A)(i)(I).

"(C) NON-FEDERAL SHARE.—

"(i) IN GENERAL.—As a condition of the receipt of funds under this section, an applicant shall agree to obtain from non-Federal sources (including State, local, nonprofit, or private sector sources) contributions of—

"(I) except as provided in clause (iii), during each of the years in which the extension program receives funding under subsection (g), 50 percent of the estimated capital and annual operating and maintenance costs of the extension program; and

"(II) after expiration of the initial funding period specified in subclause (I), 100 percent of the estimated capital and annual operating and maintenance costs of the extension program.

"(ii) FORM.—The non-Federal share required under clause (i)(I) may be provided in the form of in-kind contributions.

"(iii) EXCEPTION.—The non-Federal share required under clause (i)(I) may be reduced to 25 percent of the estimated capital and annual operating and maintenance costs of the extension program if the grant recipient serves low-income or minority-owned businesses or microenterprises, as determined by the Secretary.

"(3) LIMITATION ON AMOUNT OF FUNDS AWARDED.—

"(A) INDIVIDUAL LAND-GRANT COLLEGES AND UNIVERSITIES.—A land-grant college or university shall not receive funds under this section in an amount that exceeds $900,000.

"(B) CONSORTIA OF LAND-GRANT COLLEGES AND UNIVERSITIES.—With respect to a consortium of land-grant colleges and universities that receives funds under this section—

"(i) the total amount of the funds awarded to the consortium shall not exceed the product obtained by multiplying—

"(I) $900,000; by

"(II) the number of land-grant colleges and universities comprising the consortium; and

"(ii) each land-grant college or university that is a member of the consortium shall receive an equal percentage of the total amount of funds awarded.

"(4) SELECTION.—At least once every 180 days, the Secretary shall evaluate, prioritize, and fund applications for proposed projects and activities under the extension program using the criteria established under paragraph (2)(A)(i)(I).

"(e) EVALUATION.—

"(1) IN GENERAL.—Not later than 1 year after a project or activity under the extension program is funded by a grant under this section, the evaluation panel established under paragraph (2)(A) shall evaluate the project or activity.

"(2) EVALUATION PANEL.—

"(A) IN GENERAL.—Not later than 30 days after the date of enactment of this section, the Secretary shall establish an evaluation panel to—

"(i) establish criteria for evaluating projects and activities under the extension program; and

"(ii) using the criteria established under clause (i), evaluate the projects and activities.

"(B) COMPOSITION.—The evaluation panel shall be composed of—

"(i) appropriate Federal, State, local government, and land-grant college or university officials, as determined by the Secretary; and

"(ii) private individuals with expertise in electronic commerce, technology, or small business, as determined by the Secretary.

"(3) CRITERIA.—The evaluation panel shall evaluate projects and activities under the extension program using criteria established by the Secretary that assess the efficiency and efficacy of the extension program.

"(4) ASSISTANCE FROM GRANT RECIPIENTS.—A recipient of a grant under this section shall, to the maximum extent practicable, provide to the evaluation panel such materials as the evaluation panel may request to assist in the evaluation of any project or activity carried out by the recipient under the extension program.

"(f) REPORT.—Not later than 2 years after the date of enactment of this section, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes—

"(1) the policies, practices, and procedures used to assist rural communities in efforts to adopt and use electronic commerce techniques;

"(2) the clearinghouse system for States, communities, small businesses, and individuals established to obtain information regarding best practices, technology transfer, training, education, adoption, and use of electronic commerce in rural areas; and

"(3) the criteria used for the submission, evaluation, and funding of projects and activities under the extension program.

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $60,000,000 for each of fiscal years 2002 through 2006, of which $20,000,000 for each fiscal year shall be made available to carry out activities under subsection (d)(1)(A).

"(2) ADMINISTRATIVE COSTS.—The Secretary may use not more than 2 percent of the funds made available under paragraph (1) to pay administrative costs incurred in carrying out this section.".

On page 757, strike lines 15 through 18 and insert the following:

"(iv) rapid diagnostic techniques for animal disease agents considered to be risks for agricultural bioterrorism attack, including evaluation of the techniques.

On page 758, strike lines 6 through 12 and insert the following:

"(26) PROGRAM TO COMBAT CHILDHOOD OBESITY.—Research and extension grants may be made under this section to institutions of higher education with demonstrated capacity in basic and clinical obesity research, nutrition research, and community health education research to develop and evaluate community-wide strategies that catalyze partnerships between families and health care, education, recreation, mass media, and other community resources to reduce the incidence of childhood obesity.

On page 760, line 13, strike the closing quotation marks and the following semicolon.

On page 760, between lines 13 and 14, insert the following:

"(29) DAIRY PIPELINE CLEANERS.—Research and extension grants may be made under this section for the purpose of preventing and eliminating the dangers of dairy pipeline cleaner, including—

"(A) developing safer packaging mechanisms and a new transfer mechanism, including a new pumping mechanism for dairy pipeline cleaner;

"(B) outlining—

"(i) the accident history for dairy pipeline cleaner;

"(ii) the causes of accidents involving dairy pipeline cleaner; and

"(iii) potential means of prevention of such accidents, including improved labeling and pump structure; and

"(C) other means of improving efforts to prevent ingestion of dairy pipeline cleaner.

"(30) DEVELOPMENT OF PUBLICLY HELD PLANTS AND ANIMAL VARIETIES; GENETIC RESOURCE CONSERVATION ACTIVITIES.—Research and extension grants may be made under this section to colleges and universities, other Federal agencies, plant breeders, and other interested persons for the purpose of—

"(A) development of publicly held plants and animal varieties (including germplasm for identity-preserved markets); and

"(B) genetic resource conservation activities.";

On page 760, line 16, after "2006", insert the following: ", of which not less than $100,000 for each of fiscal years 2002 through 2006 shall be used to carry out subsection (e)(29)".

On page 761, strike lines 12 through 26 and insert the following:

(C) in paragraph (3), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

"(4) determining desirable traits for organic commodities using advanced genomics, field trials, and other methods;

"(5) pursuing classical and marker-assisted breeding for publicly held varieties of crops and animals optimized for organic systems;

"(6) identifying marketing and policy constraints on the expansion of organic agriculture; and

"(7) conducting advanced on-farm research and development that emphasizes observation of, experimentation with, and innovation for working organic farms, including research relating to production and marketing and to socioeconomic conditions."; and

On page 764, strike lines 3 through 7 and insert the following:

SEC. 7 . PRECISION AGRICULTURE.

Section 403 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7623) is amended—

(1) in subsection (a)—

(A) in paragraph (3)—

(i) in subparagraph (A), inserting "or horticultural" following "agronomic"; and

(ii) in subparagraph (C), by striking "or" at the end;

(iii) in subparagraph (D), by striking the period at the end and inserting "; or"; and

(iv) by adding at the end the following:

"(E) using such information to enable intelligent mechanized harvesting and sorting systems for horticultural crops.";

(B) in paragraph (4)—

(i) in subparagraph (C), by striking "or" at the end;

(ii) in subparagraph (D), by striking the period at the end and inserting "; or"; and

(iii) by adding at the end the following:

"(E) robotic and other intelligent machines for use in horticultural cropping systems."; and

(C) in paragraph (5)(F), by inserting "(including improved use of energy inputs)" after "farm production efficiencies";

(2) in subsection (c)(2)—

(A) by inserting "or horticultural" after "agronomic"; and

(B) by striking "and meteorological variability" and inserting "product variability, and meteorological variability";

(3) in subsection (d)—

(A) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(B) by inserting after paragraph (3) the following:

"(4) Improve farm energy use efficiencies."; and

(4) in subsection (i)(1), by striking "2002" and inserting "2006".

On page 765, between lines 20 and 21, insert the following:

SEC. 7 . BOVINE JOHNE'S DISEASE CONTROL PROGRAM.

Title IV of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621 et seq.) is amended by adding at the end the following:

"SEC. 409. BOVINE JOHNE'S DISEASE CONTROL PROGRAM.

"(a) ESTABLISHMENT.—The Secretary, in coordination with State veterinarians and other appropriate State animal health professionals, may establish a program to conduct research, testing, and evaluation of programs for the control and management of Johne's disease in livestock.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2002 through 2006.".

SEC. 7 . GRANTS FOR YOUTH ORGANIZATIONS.

Title IV of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621 et seq.) (as amended by section 7) is amended by adding at the end the following:

"SEC. 410. GRANTS FOR YOUTH ORGANIZATIONS.

"(a) IN GENERAL.—The Secretary, acting through the Administrator of the Cooperative State Research, Education, and Extension Service, shall make grants to the Girl Scouts of the United States of America, the Boy Scouts of America, the National 4-H Council, and the National FFA Organization to establish pilot projects to expand the programs carried out by the organizations in rural areas and small towns (including, with respect to the National 4-H Council, activities provided for in Public Law 107–19 (115 Stat. 153)).

"(6) Of the funds of the Commodity Credit Corporation, the Secretary shall make available $8 million for fiscal year 2002, which shall remain available until expended.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2003 through 2006.".

SEC. 7 . AGRICULTURAL BIOTECHNOLOGY RESEARCH AND DEVELOPMENT FOR DEVELOPING COUNTRIES.

Title IV of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621 et seq.) (as amended by section 7) is amended by adding at the end the following:

"SEC. 411. AGRICULTURAL BIOTECHNOLOGY RESEARCH AND DEVELOPMENT FOR DEVELOPING COUNTRIES.

"(a) DEFINITIONS.—In this section:

"(1) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(A) an institution of higher education;

"(B) a nonprofit organization; or

"(C) a consortium of for-profit institutions and agricultural research institutions.

"(2) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' means—

"(A) a historically black land-grant college or university;

"(B) a Hispanic-serving institution (as defined in section 1404 of the National, Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)); or

"(C) a tribal college or university that offers a curriculum in agriculture or the biosciences.

"(b) GRANT PROGRAM.—

"(1) IN GENERAL.—The Secretary (acting through the Foreign Agricultural Service) shall establish and administer a program to make competitive grants to eligible entities to develop agricultural biotechnology for developing countries.

"(2) USE OF FUNDS.—Funds provided to an eligible entity under this section may be used for projects that use biotechnology to—

"(A) enhance the nutritional content of agricultural products that can be grown in developing countries;

"(B) increase the yield and safety of agricultural products that can be grown in developing countries;

"(C) increase the yield of agricultural products that are drought- and stress-resistant and that can be grown in developing countries;

"(D) extend the growing range of crops that can be grown in developing countries;

"(E) enhance the shelf-life of fruits and vegetables grown in developing countries;

"(F) develop environmentally sustainable agricultural products that can be grown in developing countries; and

"(G) develop vaccines to immunize against life-threatening illnesses and other medications that can be administered by consuming genetically-engineered agricultural products.

"(c) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2002 through 2006.".

On page 778, strike line 6 and insert the following:

"(8) Chief Dull Knife Memorial College.

On page 784, strike lines 20 through 25 and insert the following:

SEC. 7 . NATIONAL RESEARCH AND TRAINING VIRTUAL CENTERS.

(a) Authorization.—Section 1448 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222c) is amended by striking "2002" each place it appears in subsections (a)(1) and (f) and inserting "2006".

(b) Redesignation.—Section 1448 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222c) is amended—

(1) in the section heading, by striking "centennial" and inserting "virtual"; and

(2) by striking "centennial" each place it appears and inserting "virtual".

On page 797, between lines 4 and 5, insert the following:

SEC. 7 . CARBON CYCLE RESEARCH.

Section 221 of the Agricultural Risk Protection Act of 2000 (114 Stat. 407) is amended—

(1) in subsection (a), by striking "Of the amount" and all that follows through "to provide" and inserting "To the extent that funds are made available for the purpose, the Secretary shall provide";

(2) in subsection (d), by striking "under subsection (a)" and inserting "to carry out this section"; and

(3) by adding at the end the following:

"(e) Authorization of Appropriations.—There are authorized to be appropriated for fiscal years 2002 through 2006 such sums as are necessary to carry out this section.".

On page 804, line 3, after "State,", insert "tribal,".

On page 804, line 7, strike "Federal or State" and insert "Federal, State, or tribal".

On page 808, line 1, strike "State, and" and insert "State, tribal, and".

On page 813, lines 1 and 2, insert "public sector development of new crops and crop varieties," after "systems,".

On page 813, line 23, insert "(as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103))" after "institution".

Beginning on page 815, strike line 16 and all that follows through page 816, line 3, and insert the following:

SEC. 7 . ORGANICALLY PRODUCED PRODUCT RESEARCH AND EDUCATION.

Not later than December 1, 2004, the Secretary, acting through the Administrator of the Economic Research Service, shall prepare, in consultation with the Advisory Committee on Small Farms, and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report on—

(1) the impact on small farms of the implementation of the national organic program under part 205 of title 7, Code of Federal Regulations; and

(2) the production and marketing costs to producers and handlers associated with transitioning to organic production.

On page 816, lines 7 through 9, strike "Agriculture Library), shall facilitate access by research and extension professionals in the United States to, and the use by those professionals of," and insert "Agriculture Library) and the Economic Research Service, shall facilitate access by research and extension professionals, farmers, and other interested persons in the United States to, and the use by those persons of,".

On page 816, between lines 11 and 12, insert the following:

SEC. 7 . REPORT ON PRODUCERS AND HANDLERS OF ORGANIC AGRICULTURAL PRODUCTS.

Not later than 1 year after funds are made available to carry out this section, the Secretary of Agriculture shall submit to Congress a report that—

(1) describes—

(A) the extent to which producers and handlers of organic agricultural products are contributing to research and promotion programs of the Department of Agriculture;

(B) the extent to which producers and handlers of organic agricultural products are surveyed for ideas for research and promotion;

(C) ways in which the programs reflect the contributions made by producers and handlers of organic agricultural products and directly benefit the producers and handlers; and

(D) the implementation of initiatives that directly benefit organic producers and handlers; and

(2) evaluates industry and other proposals for improving the treatment of certified organic agricultural products under Federal marketing orders, including proposals to target additional resources for research and promotion of organic products and to differentiate between certified organic and other products in new or existing volume limitations or other orderly marketing requirements.

On page 837, between lines 14 and 15, insert the following:

SEC. 8 . FOREST LEGACY PROGRAM.

Section 7(l) of the Cooperative Forestry Management Act of 1978 (16 U.S.C. 2103c(l)) is amended by adding at the end the following:

"(3) State authorization.—Notwithstanding any other provision of this Act, a State may authorize any local government, or any qualified organization that is defined in section 170(h)(3) of the Internal Revenue Code of 1986 and organized for at least 1 of the purposes described in clause (i), (ii), or (iii) of section 170(h)(4)(A) of that Code, to acquire in land in the State, in accordance with this section, 1 or more interests in conservation easements to carry out the Forest Legacy Program in the State.".

Beginning on page 840, strike line 23 and all that follows through page 841, line 2, and insert the following:

"(1) at least 1 center shall be located in California, Idaho, Montana, Oregon, or Washington; and

"(2) at least 1 center shall be located in Arizona, Colorado, Nevada, New Mexico, or Wyoming.

Beginning on page 842, strike line 6 and all that follows through page 854, line 3, and insert the following:

SEC. 8 . WILDFIRE PREVENTION AND HAZARDOUS FUEL PURCHASE PILOT PROGRAM.

(a) Findings.—Congress finds that—

(1) the damage caused by wildfire disasters has been equivalent in magnitude to the damage resulting from the Northridge earthquake, Hurricane Andrew, and the recent flooding of the Mississippi River and the Red River;

(2) more than 20,000 communities in the United States are at risk from wildfire and approximately 11,000 of those communities are located near Federal land;

(3) the accumulation of heavy forest fuel loads continues to increase as a result of disease, insect infestations, and drought, further increasing the risk of fire each year;

(4) modification of forest fuel load conditions through the removal of hazardous fuels would—

(A) minimize catastrophic damage from wildfires;

(B) reduce the need for emergency funding to respond to wildfires; and

(C) protect lives, communities, watersheds, and wildlife habitat;

(5) the hazardous fuels removed from forest land represent an abundant renewable resource, as well as a significant supply of biomass for biomass-to-energy facilities;

(6) the United States should invest in technologies that promote economic and entrepreneurial opportunities in processing forest products removed through hazardous fuel reduction activities; and

(7) the United States should—

(A) develop and expand markets for traditionally underused wood and other biomass as an outlet for value-added excessive forest fuels; and

(B) commit resources to support planning, assessments, and project reviews to ensure that hazardous fuels management is accomplished expeditiously and in an environmentally sound manner.

(b) Definitions.—In this section:

(1) Biomass-to-energy facility.—The term "biomass-to-energy facility" means a facility that uses forest biomass or other biomass as a raw material to produce electric energy, useful heat, or a transportation fuel.

(2) Eligible community.—The term "eligible community" means—

(A) any town, township, municipality, or other similar unit of local government (as determined by the Secretary), or any area represented by a nonprofit corporation or institution organized under Federal or State law to promote broad-based economic development, that—

(i) has a population of not more than 10,000 individuals;

(ii) is located within a county in which at least 15 percent of the total primary and secondary labor and proprietor income is derived from forestry, wood products, and forest-related industries, such as recreation, forage production, and tourism; and

(iii) is located near forest land, the condition of which land the Secretary determines poses a substantial present or potential hazard to—

(I) the safety of a forest ecosystem;

(II) the safety of wildlife; or

(III) in the case of a wildfire, the safety of firefighters, other individuals, and communities; and

(B) any county that is not contained within a metropolitan statistical area that meets the conditions described in clauses (ii) and (iii) of subparagraph (A).

(3) FOREST BIOMASS.—The term "forest biomass" means fuel and biomass accumulation from precommercial thinnings, slash, and brush on forest land.

(4) HAZARDOUS FUEL.—The term "hazardous fuel" means any excessive accumulation of forest biomass or other biomass on public or private forest land in the wildland-urban interface (as defined by the Secretary) that—

(A) is located near an eligible community;

(B) is designated as condition class 2 or 3 under the report of the Forest Service entitled "Protecting People and Sustainable Resources in Fire-Adapted Ecosystems", dated October 13, 2000) (including any related maps); and

(C) the Secretary determines poses a substantial present or potential hazard to—

(i) the safety of a forest ecosystem;

(ii) the safety of wildlife; or

(iii) in the case of wildfire, the safety of firefighters, other individuals, and communities.

(5) INDIAN TRIBE.—The term "Indian tribe" has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(6) NATIONAL FIRE PLAN.—The term "National Fire Plan" means the plan prepared by the Secretary of Agriculture and the Secretary of the Interior entitled "Managing the Impact of Wildfires on Communities and the Environment" and dated September 8, 2000.

(7) PERSON.—The term "person" includes—

(A) a community;

(B) an Indian tribe;

(C) a small business, microbusiness, or other business that is incorporated in the United States; and

(D) a nonprofit organization.

(8) SECRETARY.—The term "Secretary" means—

(A) the Secretary of Agriculture (or a designee), with respect to National Forest System land and private land in the United States; and

(B) the Secretary of the Interior (or a designee) with respect to Federal land under the jurisdiction of the Secretary of the Interior or an Indian tribe.

(c) WILDFIRE PREVENTION AND HAZARDOUS FUEL PURCHASE PILOT PROGRAM.—

(1) GRANTS.—

(A) IN GENERAL.—Subject to the availability of appropriations, the Secretary may make grants to—

(i) persons that operate existing or new biomass-to-energy facilities to offset the costs incurred by those persons in purchasing hazardous fuels derived from public and private forest land adjacent to eligible communities; and

(ii) persons in rural communities that are seeking ways to improve the use of, or add value to, hazardous fuels.

(B) SELECTION CRITERIA.—The Secretary shall select recipients for grants under subparagraph (A)(i) based on—

(i) planned purchases by the recipients of hazardous fuels, as demonstrated by the recipient through the submission to the Secretary of such assurances as the Secretary may require;

(ii) the level of anticipated benefits of those purchases in reducing the risk of wildfires;

(iii) the extent to which the biomass-to-energy facility avoids adverse environmental impacts, including cumulative impacts, over the expected life of the biomass-to-energy facility; and

(iv) the demonstrable level of anticipated benefits for eligible communities, including the potential to develop thermal or electric energy resources or affordable energy for communities.

(2) GRANT AMOUNTS.—

(A) IN GENERAL.—A grant under subparagraph (A)(i) shall—

(i) be based on—

(I) the distance required to transport hazardous fuels to a biomass-to-energy facility; and

(II) the cost of removal of hazardous fuels; and

(ii) be in an amount that is at least equal to the product obtained by multiplying—

(I) the number of tons of hazardous fuels delivered to a grant recipient; by

(II) an amount that is at least $5 but not more than $10 per ton of hazardous fuels, as determined by the Secretary taking into consideration the factors described in clause (i).

(B) LIMITATION ON INDIVIDUAL GRANTS.—

(i) IN GENERAL.—Except as provided in clause (ii), a grant under subparagraph (A) shall not exceed $1,500,000 for any biomass-to-energy facility for any fiscal year.

(ii) SMALL BIOMASS-TO-ENERGY FACILITIES.—A biomass-to-energy facility that has an annual production of 5 megawatts or less shall not be subject to the limitation under clause (i).

(3) MONITORING OF GRANT RECIPIENT ACTIVITIES.—

(A) IN GENERAL.—As a condition of receipt of a grant under this subsection, a grant recipient shall keep such records as the Secretary may require, including records that—

(i) completely and accurately disclose the use of grant funds; and

(ii) describe all transactions involved in the purchase of hazardous fuels derived from forest land.

(B) ACCESS.—On notice by the Secretary, the operator of a biomass-to-energy facility that purchases or uses hazardous fuels with funds from a grant under this subsection shall provide the Secretary with—

(i) reasonable access to the biomass-to-energy facility; and

(ii) an opportunity to examine the inventory and records of the biomass-to-energy facility.

(4) MONITORING OF EFFECT OF TREATMENTS.—

(A) IN GENERAL.—To determine and document the environmental impact of hazardous fuel removal, the Secretary shall monitor—

(i) environmental impacts of activities carried out under this subsection; and

(ii) Federal land from which hazardous fuels are removed and sold to a biomass-to-energy facility under this subsection.

(B) EMPLOYMENT.—

(i) IN GENERAL.—The Comptroller General of the United States shall monitor—

(I) the number of jobs created in or near eligible communities as a result of the implementation of this subsection;

(II) the opportunities created for small businesses and microbusinesses as a result of the implementation of this subsection;

(III) the types and amounts of energy supplies created as a result of the implementation of this subsection; and

(IV) energy prices for eligible communities.

(ii) REPORT.—Beginning in fiscal year 2003, the Comptroller General of the United States shall submit to the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Resources and the Committee on Agriculture of the House of Representatives an annual report that describes the information obtained through monitoring under clause (i).

(5) REVIEW AND REPORT.—

(A) IN GENERAL.—Not later than September 30, 2004, the Comptroller General shall submit to each of the committees described in paragraph (4)(B)(ii) a report that describes the results and effectiveness of the pilot program.

(B) REPORTS BY SECRETARY.—The Secretary shall submit to each of the committees described in paragraph (4)(B)(ii) an annual report describing the results of the pilot program that includes—

(i) an identification of the size of each biomass-to-energy facility that receives a grant under this section; and

(ii) the haul radius associated with each grant.

(C) TECHNICAL FEASIBILITY REPORT.—Not later than December 1, 2003, the Secretary of Agriculture, in cooperation with the Forest Products Lab and the Economic Action Program of the Forest Service, shall submit to each of the committees described in paragraph (4)(B)(ii) a report that describes—

(i) the technical feasibility of the use by small-scale biomass energy units of small-diameter trees and forest residues as a source of fuel;

(ii) the environmental impacts relating to the use of small-diameter trees and forest residues as described in clause (i); and

(iii) any social or economic benefits of small-scale biomass energy units for rural communities.

(6) GRANTS TO OTHER PERSONS.—

(A) IN GENERAL.—In addition to biomass-to-energy facilities, the Secretary may make grants under this subsection to persons in rural communities that are seeking ways to improve the use of, or add value to, hazardous fuels.

(B) SELECTION.—The Secretary shall select recipients of grants under subparagraph (A) based on—

(i) the extent to which the grant recipient avoids environmental impacts; and

(ii) the demonstrable level of anticipated benefits to rural communities, including opportunities for small businesses and microbusinesses and the potential for new job creation, that may result from the provision of the grant.

(C) MONITORING.—With respect to a grant made under this paragraph—

(i) the monitoring provisions described in paragraph (3) and applicable to biomass-to-energy facilities shall apply; and

(ii) the Secretary shall monitor the environmental impacts of projects funded by grants provided under this paragraph.

(7) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $50,000,000 for each of fiscal years 2002 through 2006.

(d) LONG-TERM FOREST STEWARDSHIP CONTRACTS FOR HAZARDOUS FUELS REMOVAL.—

(1) ANNUAL ASSESSMENT OF TREATMENT ACREAGE.—

(A) IN GENERAL.—Subject to the availability of appropriations, not later than March 1 of each of fiscal years 2002 through 2006, the Secretary shall submit to Congress an assessment of the number of acres of National Forest System land recommended to be treated during the subsequent fiscal year using stewardship end result contracts authorized by paragraph (3).

(B) COMPONENTS.—The assessment shall—

(i) be based on the treatment schedules contained in the report entitled "Protecting People and Sustaining Resources in Fire-Adapted Ecosystems", dated October 13, 2000, and incorporated into the National Fire Plan;

(ii) identify the acreage by condition class, type of treatment, and treatment year to achieve the restoration goals outlined in the report within 10-, 15-, and 20-year time periods;

(iii) give priority to condition class 3 areas (as described in subsection (b)(4)(B)), including modifications in the restoration goals based on the effects of—

(I) fire;

(II) hazardous fuel treatments under the National Fire Plan; or

(III) updates in data;

(iv) provide information relating to the type of material and estimated quantities and range of sizes of material that shall be included in the treatments;

(v) describe the land allocation categories in which the contract authorities shall be used; and

(vi) give priority to areas described in subsection (b)(4)(A).

(2) FUNDING RECOMMENDATION.—The Secretary shall include in the annual assessment under paragraph (1) a request for funds sufficient to implement the recommendations contained in the assessment using stewardship end result contracts described in paragraph (3) in any case in which the Secretary determines that the objectives of the National Fire Plan would best be accomplished through forest stewardship end result contracting.

(3) STEWARDSHIP END RESULT CONTRACTING.—

(A) IN GENERAL.—Subject to the availability of appropriations, the Secretary may enter into not more than 28 stewardship end result contracts to implement the National Fire Plan on National Forest System land based on the treatment schedules provided in the annual assessments conducted under paragraph (1)(B)(i).

(B) PERIOD OF CONTRACTS.—The contracting goals and authorities described in subsections (b) through (g) of section 347 of the Department of the Interior and Related Agencies Appropriations Act, 1999 (commonly known as the "Stewardship End Result Contracting Demonstration Project") (16 U.S.C. 2104 note; Public Law 105–277), shall apply to contracts entered into under this paragraph, except that 14 of the 28 contracts entered into under subparagraph (A) shall be subject to the conditions that—

(i) funds from the contract, and any offset value of forest products that exceeds the value of the resource improvement treatments carried out under the contract, shall be deposited in the Treasury of the United States;

(ii) section 347(c)(3)(A) of the Department of the Interior and Related Agencies Appropriations Act, 1999 (commonly known as the "Stewardship End Result Contracting Demonstration Project") (16 U.S.C. 2104 note; Public Law 105–277) shall not apply to those contracts; and

(iii) the implementation shall be accomplished using separate contracts for the harvesting or collection, and sale, of merchantable material.

(C) STATUS REPORT.—Beginning with the assessment required under paragraph (1) for fiscal year 2003, the Secretary shall include in the annual assessment under paragraph (1) a status report of the stewardship end result contracts entered into under this paragraph.

(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2002 through 2006.

(e) EXCLUDED AREAS.—In carrying out this section, the Secretary shall—

(1) because of sensitivity of natural, cultural, or historical resources, designate areas to be excluded from any program under this section; and

(2) carry out this section only in the wildland-urban interface, as defined by the Secretary.

(f) TERMINATION OF AUTHORITY.—The authority provided under this section shall terminate on September 30, 2006.

On page 854, strike line 4 and insert the following:

SEC. 809. CHESAPEAKE BAY WATERSHED FORESTRY PROGRAM.

The Cooperative Forestry Assistance Act of 1978 is amended by inserting after section 9 (16 U.S.C. 2105) the following:

"SEC. 9A. CHESAPEAKE BAY WATERSHED FORESTRY PROGRAM.

"(a) DEFINITIONS.—In this section:

"(1) AGREEMENT.—The term 'Agreement' means the Chesapeake 2000 Agreement, an interstate agreement the purpose of which is to correct the nutrient-related problems in the Chesapeake Bay by 2010.

"(2) BAY-AREA STATE.—

"(A) IN GENERAL.—The term 'Bay-area State' means a State any part of which is located in the watershed of the Chesapeake Bay.

"(B) INCLUSION.—The term 'Bay-area State' includes the District of Columbia.

"(3) CHESAPEAKE BAY EXECUTIVE COUNCIL.—The term 'Council' means the Chesapeake Bay Executive Council.

"(4) DIRECTOR.—The term 'Director' means the Director of Chesapeake Bay watershed forestry efforts designated under subsection (b)(2)(A).

"(5) ELIGIBLE ENTITY.—The term 'eligible entity' means—

"(A) the government of a Bay-area State (or a political subdivision); and

"(B) an organization such as an educational institution or a community or conservation organization.

"(6) ELIGIBLE PROJECT.—The term 'eligible project' means a project the purpose of which is to—

"(A) improve wildlife habitat and water quality through the establishment, protection, and stewardship of riparian and wetland forests;

"(B) improve the capacity of a State or nonprofit organization to implement forest conservation, restoration, and stewardship actions;

"(C) develop and implement a watershed management plan that addresses forest conservation and restoration actions;

"(D) provide outreach and assistance to private landowners and communities to restore or protect watersheds through the enhancement of forests;

"(E) develop and implement communication, education, or technology transfer programs that broaden public understanding of the value of trees and forests and management of trees and forests in sustaining and restoring watershed health; and

"(F) conduct applied research, inventory, assessment, or monitoring activities.

"(7) PROGRAM.—The term 'program' means the Chesapeake Bay watershed forestry program established under subsection (b)(1).

"(8) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture, acting through the Chief of the Forest Service.

"(b) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary shall establish the Chesapeake Bay watershed forestry program to provide technical and financial assistance to the Council, Bay-area States, local governments, and nonprofit organizations to carry out eligible projects.

"(2) DIRECTOR.—

"(A) IN GENERAL.—The Secretary shall designate an employee of the Forest Service to serve as the Director for Chesapeake Bay watershed forestry efforts.

"(B) DUTIES.—The Director shall work in cooperation with the Secretary to carry out the purposes of the program described in paragraph (1).

"(c) CHESAPEAKE WATERSHED FORESTRY GRANTS.—

"(1) IN GENERAL.—In carrying out the program, the Secretary, in coordination with the Director, may provide grants to assist eligible entities in carrying out eligible projects.

"(2) COST SHARING.—The amount of a grant awarded under this subsection shall not exceed 75 percent of the total cost of the eligible project.

"(3) ADDITIONAL REQUIREMENTS.—The Secretary, in consultation with the Director, may prescribe any requirements and procedures necessary to carry out this subsection.

"(d) CHESAPEAKE WATERSHED FOREST ASSESSMENT AND CONSERVATION STUDY.—

"(1) IN GENERAL.—The Director, in cooperation with the Council, shall conduct a Chesapeake Bay watershed forestry research and assessment study that—

"(A) assesses the extent and location of forest loss and fragmentation;

"(B) identifies critical forest land that should be protected to achieve the purposes of the Agreement;

"(C) prioritizes afforestation needs;

"(D) recommends—

"(i) management strategies based on actions carried out and information obtained under subparagraphs (A) through (C) to expand conservation and stewardship of the forest ecosystem in the Chesapeake Bay watershed; and

"(ii) ways in which the Federal Government can work with State, county, local, and private entities to conserve critical forests, including recommendations on the feasibility of establishing new units of the National Forest System; and

"(E) identifies further inventory, assessment, and research needed to achieve the purposes of the Agreement.

"(2) REPORT.—Not later than 2 years after the date of enactment of this section, the Director shall submit to Congress a comprehensive report on the results of the study under paragraph (1).

"(e) CHESAPEAKE BAY URBAN WATERSHED FORESTRY RESEARCH COOPERATIVE PROGRAM.—

"(1) IN GENERAL.—The Secretary, in cooperation with the Director, may establish a comprehensive Chesapeake Bay urban watershed forestry research cooperative program to provide technical and financial assistance to eligible entities.

"(2) PURPOSES.—The purposes of the cooperative program shall be—

"(A) to meet the need of the urban population of the Chesapeake Bay watershed in managing forest land in urban and urbanizing areas through a combination of—

"(i) applied research;

"(ii) demonstration projects;

"(iii) implementation guidelines; and

"(iv) training and education;

"(B) to coalesce information from local managers, Federal, State, and private researchers, and state-of-the-art technology to answer critical urban forestry questions relating to air and water quality and watershed health; and

"(C) to provide a link between research and urban and community forestry policy, planning, and management.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

"(1) $3,000,000 for fiscal year 2002; and

"(2) $3,500,000 for each of fiscal years 2003 through 2006.".

SEC. 810. ENHANCED COMMUNITY FIRE PROTECTION.

On page 869, after line 24, add the following:

SEC. 8___. SUBURBAN AND COMMUNITY FORESTRY AND OPEN SPACE INITIATIVE.

The Cooperative Forestry Assistance Act of 1978 is amended by inserting after section 7 (16 U.S.C. 2103c) the following:

"SEC. 7A. SUBURBAN AND COMMUNITY FORESTRY AND OPEN SPACE INITIATIVE.

"(a) DEFINITIONS.—In this section:

"(1) ELIGIBLE ENTITY.—The term 'eligible entity' means a State (including a political subdivision) or nonprofit organization that the Secretary determines under subsection (c)(1)(A)(ii) is eligible to receive a grant under subsection (c)(2).

"(2) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

"(3) PRIVATE FOREST LAND.—The term 'private forest land' means land that is—

"(A)(i) covered by trees; or

"(ii) suitable for growing trees, as determined by the Secretary;

"(B) suburban, as determined by the Secretary; and

"(C) owned by—

"(i) a private entity; or

"(ii) an Indian tribe.

"(4) PROGRAM.—The term 'program' means the Suburban and Community Forestry and Open Space Initiative established by subsection (b).

"(5) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture, acting through the Chief of the Forest Service.

"(b) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established within the Forest Service a program to be known as the 'Suburban and Community Forestry and Open Space Initiative'.

"(2) PURPOSE.—The purpose of the program is to provide assistance to eligible entities to carry out projects and activities to—

"(A) conserve private forest land and maintain working forests in suburban environments; and

"(B) provide communities a means by which to address significant suburban sprawl.

"(c) GRANT PROGRAM.—

"(1) IDENTIFICATION OF ELIGIBLE PRIVATE FOREST LAND.—

"(A) IN GENERAL.—The Secretary, in consultation with State foresters or equivalent State officials and State or county planning offices, shall establish criteria for—

"(i) the identification, subject to subparagraph (B), of private forest land in each State that may be conserved under this section; and

"(ii) the identification of eligible entities.

"(B) CONDITIONS FOR ELIGIBLE PRIVATE FOREST LAND.—Private forest land identified for conservation under subparagraph (A)(i) shall be land that is—

"(i) located in an area that is affected, or threatened to be affected, by significant suburban sprawl, as determined by—

"(I) the appropriate State forester or equivalent State official; and

"(II) the planning office of the State or county in which the private forest land is located; and

"(ii) threatened by present or future conversion to nonforest use.

"(2) GRANTS.—

"(A) PROJECTS AND ACTIVITIES.—

"(i) IN GENERAL.—In carrying out this section, the Secretary shall award grants to eligible entities to carry out a project or activity described in clause (ii).

"(ii) TYPES.—A project or activity referred to in clause (i) is a project or activity that—

"(I) is carried out to conserve private forest land and contain significant suburban sprawl; and

"(II) provides for guaranteed public access to land on which the project or activity is carried out, unless the appropriate State forester or equivalent State official and the State or county planning office request, and provide justification for the request, that the requirement be waived.

"(B) APPLICATION; STEWARDSHIP PLAN.—An eligible entity that seeks to receive a grant under this section shall submit for approval—

"(i) to the Secretary, in such form as the Secretary shall prescribe, an application for the grant (including a description of any private forest land to be conserved using funds from the grant); and

"(ii) to the State forester or equivalent State official, a stewardship plan that describes the manner in which any private forest land to be conserved using funds from the grant will be managed in accordance with this section.

"(C) APPROVAL OR DISAPPROVAL.—

"(i) IN GENERAL.—Subject to clause (ii), as soon as practicable after the date on which the Secretary receives an application under subparagraph (B)(i) or a resubmission under subclause (II)(bb), the Secretary shall—

"(I)(aa) approve the application; and

"(bb) award a grant to the applicant; or

"(II)(aa) disapprove the application; and

"(bb) provide the applicant a statement that describes the reasons why the application was disapproved (including a deadline by which the applicant may resubmit the application).

"(ii) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to applicants that propose to fund projects and activities that promote, in addition to the primary purposes of conserving private forest land and containing significant suburban sprawl—

"(I) the sustainable management of private forest land;

"(II) community and school education programs and curricula relating to sustainable forestry; and

"(III) community involvement in determining the objectives for projects or activities that are funded under this section.

"(3) COST SHARING.—

"(A) IN GENERAL.—The amount of a grant awarded under this section to carry out a project or activity shall not exceed 50 percent of the total cost of the project or activity.

"(B) ASSURANCES.—As a condition of receipt of a grant under this section, an eligible entity shall provide to the Secretary such assurances as the Secretary determines are sufficient to demonstrate that the share of the cost of each project or activity that is not funded by the grant awarded under this section has been secured.

"(C) FORM.—The share of the cost of carrying out any project or activity described in subparagraph (A) that is not funded by a grant awarded under this section may be provided in cash or in kind.

"(d) USE OF GRANT FUNDS FOR PURCHASES OF LAND OR EASEMENTS.—

"(1) PURCHASES.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), funds made available, and grants awarded, under this section may be used to purchase private forest land or interests in private forest land (including conservation easements) only from willing sellers at fair market value.

"(B) SALES AT LESS THAN FAIR MARKET VALUE.—A sale of private forest land or an interest in private forest land at less than fair market value shall be permitted only on certification by the landowner that the sale is being entered into willingly and without coercion.

"(2) TITLE.—Title to private forest land or an interest in private forest land purchased under paragraph (1) may be held, as determined appropriate by the Secretary, by—

"(A) a State (including a political subdivision of a State); or

"(B) a nonprofit organization.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

"(1) $50,000,000 for fiscal year 2003; and

"(2) such sums as are necessary for each fiscal year thereafter.".

On page 871, between lines 22 and 23, insert the following:

SEC. 8___. USDA NATIONAL AGROFORESTRY CENTER.

(a) IN GENERAL.—Section 1243 of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 1642 note; Public Law 101–624) is amended—

(1) by striking the section heading and inserting the following:

"SEC. 1243. USDA NATIONAL AGROFORESTRY CENTER.";

and

(2) in subsection (a)—

(A) by striking "SEMIARID" and inserting "USDA NATIONAL"; and

(B) by striking "Semiarid" and inserting "USDA National".

(b) PROGRAM.—Section 1243(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 1642 note; Public Law 101–624) is amended—

(1) by inserting "the Institute of Tropical Forestry and the Institute of Pacific Islands Forestry of the Forest Service," after "entities,";

(2) in paragraph (1), by striking "on semiarid lands";

(3) in paragraph (3), by striking "from semiarid land";

(4) by striking paragraph (4) and inserting the following:

"(4) collect information on the design and installation of forested riparian and upland buffers to—

"(A) protect water quality; and

"(B) manage water flow;";

(5) in paragraphs (6) and (7), by striking "on semiarid lands" each place it appears;

(6) by striking paragraph (8) and inserting the following:

"(8) provide international leadership in the worldwide development and exchange of agroforestry practices;";

(7) in paragraph (9), by striking "on semiarid lands";

(8) in paragraph (10), by striking "and" at the end;

(9) in paragraph (11), by striking the period at the end and inserting “; and”; and

(10) by adding at the end the following:

“(12) quantify the carbon storage potential of agroforestry practices such as—

“(A) windbreaks;

“(B) forested riparian buffers;

“(C) silvopasture timber and grazing systems; and

“(D) alley cropping.”.

SEC. 8__. OFFICE OF TRIBAL RELATIONS.

The Cooperative Forestry Assistance Act of 1978 is amended by inserting after section 19 (16 U.S.C. 2113) the following:

“SEC. 19A. OFFICE OF TRIBAL RELATIONS.

“(a) DEFINITIONS.—In this section:

“(1) INDIAN TRIBE.—The term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

“(2) OFFICE.—The term ‘Office’ means the Office of Tribal Relations established under subsection (b)(1).

“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture, acting through the Chief of the Forest Service.

“(b) ESTABLISHMENT.—

“(1) IN GENERAL.—The Secretary shall establish within the Forest Service the Office of Tribal Relations.

“(2) DIRECTOR.—The Office shall be headed by a Director, who shall—

“(A) be appointed by the Secretary, in consultation with interested Indian tribes; and

“(B) report directly to the Secretary.

“(3) ADMINISTRATIVE SUPPORT.—The Secretary shall ensure, to the maximum extent practicable, that adequate staffing and funds are made available to enable the Director to carry out the duties described in subsection (c).

“(c) DUTIES OF THE DIRECTOR.—

“(1) IN GENERAL.—The Director shall—

“(A) provide advice to the Secretary on all issues, policies, actions, and programs of the Forest Service that affect Indian tribes, including—

“(i) consultation with tribal governments;

“(ii) programmatic review for equitable tribal participation;

“(iii) monitoring and evaluation of relations between the Forest Service and Indian tribes;

“(iv) the coordination and integration of programs of the Forest Service that affect, or are of interest to, Indian tribes;

“(v) training of Forest Service personnel for competency in tribal relations; and

“(vi) the development of legislation affecting Indian tribes;

“(B) coordinate organizational responsibilities within the administrative units of the Forest Service to ensure that matters affecting the rights and interests of Indian tribes are handled in a manner that is—

“(i) comprehensive;

“(ii) responsive to tribal needs; and

“(iii) consistent with policy guidelines of the Forest Service;

“(C)(i) develop generally applicable policies and procedures of the Forest Service pertaining to Indian tribes; and

“(ii) monitor the application of those policies and procedures throughout the administrative regions of the Forest Service;

“(D) provide such information or guidance to personnel of the Forest Service that are responsible for tribal relations as is required, as determined by the Secretary;

“(E) exercise such direct administrative authority pertaining to tribal relations programs as may be delegated by the Secretary;

“(F) for the purpose of coordinating programs and activities of the Forest Service with programs and actions of other agencies or departments that affect Indian tribes, consult with—

“(i) other agencies of the Department of Agriculture, including the Natural Resources Conservation Service; and

“(ii) other Federal agencies, including—

“(I) the Department of the Interior; and

“(II) the Environmental Protection Agency;

“(G) submit to the Secretary an annual report on the status of relations between the Forest Service and Indian tribes that includes, at a minimum—

“(i) an examination of the participation of Indian tribes in programs administered by the Secretary;

“(ii) a description of the status of initiatives being carried out to improve working relationships with Indian tribes; and

“(iii) recommendations for improvements or other adjustments to operations of the Forest Service that would be beneficial in strengthening working relationships with Indian tribes; and

“(H) carry out such other duties as the Secretary may assign.

“(d) COORDINATION.—In carrying out this section, the Office and other offices within the Forest Service shall consult on matters involving the rights and interests of Indian tribes.”.

SEC. 8__. ASSISTANCE TO TRIBAL GOVERNMENTS.

The Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 et seq.) is amended by adding at the end the following:

“SEC. 21. ASSISTANCE TO TRIBAL GOVERNMENTS.

“(a) DEFINITION OF INDIAN TRIBE.—In this section, the term ‘Indian tribe’ has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

“(b) ESTABLISHMENT.—The Secretary may provide financial, technical, educational and related assistance to Indian tribes for—

“(1) tribal consultation and coordination with the Forest Service on issues relating to—

“(A) tribal rights and interests on National Forest System land (including national forests and national grassland);

“(B) coordinated or cooperative management of resources shared by the Forest Service and Indian tribes; and

“(C) provision of tribal traditional, cultural, or other expertise or knowledge;

“(2) projects and activities for conservation education and awareness with respect to forest land under the jurisdiction of Indian tribes;

“(3) technical assistance for forest resources planning, management, and conservation on land under the jurisdiction of Indian tribes; and

“(4) the acquisition by Indian tribes, from willing sellers, of conservation interests (including conservation easements) in forest land and resources on land under the jurisdiction of the Indian tribes.

“(c) IMPLEMENTATION.—

“(1) IN GENERAL.—Not later than 18 months after the date of enactment of this section, the Secretary shall promulgate regulations to implement subsection (b) (including regulations for determining the distribution of assistance under that subsection).

“(2) CONSULTATION.—In developing regulations under paragraph (1), the Secretary shall engage in full, open, and substantive consultation with Indian tribes and representatives of Indian tribes.

“(d) COORDINATION WITH THE SECRETARY OF THE INTERIOR.—The Secretary shall coordinate with the Secretary of the Interior during the establishment, implementation, and administration of subsection (b) to ensure that programs under that subsection—

“(1) do not conflict with tribal programs provided under the authority of the Department of the Interior; and

“(2) meet the goals of the Indian tribes.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as are necessary for fiscal year 2002 and each fiscal year thereafter.”.

SEC. 8__. SUDDEN OAK DEATH SYNDROME.

(a) FINDINGS.—Congress finds that—

(1) tan oak, coast live oak, Shreve's oak, and black oak trees are among the most beloved features of the topography of California and the Pacific Northwest and efforts should be made to protect those trees from disease;

(2) the die-off of those trees, as a result of the exotic Phytophthora fungus, is approaching epidemic proportions;

(3) very little is known about the new species of Phytophthora, and scientists are struggling to understand the causes of sudden oak death syndrome, the methods of transmittal, and how sudden oak death syndrome can best be treated;

(4) the Phytophthora fungus has been found on—

(A) Rhododendron plants in nurseries in California; and

(B) wild huckleberry plants, potentially endangering the commercial blueberry and cranberry industries;

(5) sudden oak death syndrome threatens to create major economic and environmental problems in California, the Pacific Northwest, and other regions, including—

(A) the increased threat of fire and fallen trees;

(B) the cost of tree removal and a reduction in property values; and

(C) loss of revenue due to—

(i) restrictions on imports of oak products and nursery stock; and

(ii) the impact on the commercial rhododendron, blueberry, and cranberry industries; and

(6) Oregon and Canada have imposed an emergency quarantine on the importation of oak trees, oak products, and certain nursery plants from California.

(b) RESEARCH, MONITORING, AND TREATMENT OF SUDDEN OAK DEATH SYNDROME.—

(1) IN GENERAL.—The Secretary of Agriculture (referred to in this section as the “Secretary”) shall carry out a sudden oak death syndrome research, monitoring, and treatment program to develop methods to control, manage, or eradicate sudden oak death syndrome from oak trees on public and private land.

(2) RESEARCH, MONITORING, AND TREATMENT ACTIVITIES.—In carrying out the program under paragraph (1), the Secretary may—

(A) conduct open space, roadside, and aerial surveys;

(B) provide monitoring technique workshops;

(C) develop baseline information on the distribution, condition, and mortality rates of oaks in California and the Pacific Northwest;

(D) maintain a geographic information system database;

(E) conduct research activities, including research on forest pathology, Phytophthora ecology, forest insects associated with oak decline, urban forestry, arboriculture, forest ecology, fire management, silviculture, landscape ecology, and epidemiology;

(F) evaluate the susceptibility of oaks and other vulnerable species throughout the United States; and

(G) develop and apply treatments.

(c) MANAGEMENT, REGULATION, AND FIRE PREVENTION.—

(1) IN GENERAL.—The Secretary shall conduct sudden oak death syndrome management, regulation, and fire prevention activities to reduce the threat of fire and fallen trees killed by sudden oak death syndrome.

(2) MANAGEMENT, REGULATION, AND FIRE PREVENTION ACTIVITIES.—In carrying out paragraph (1), the Secretary may—

(A) conduct hazard tree assessments;

(B) provide grants to local units of government for hazard tree removal, disposal and recycling, assessment and management of restoration and mitigation projects, green waste treatment facilities, reforestation, resistant tree breeding, and exotic weed control;

(C) increase and improve firefighting and emergency response capabilities in areas where fire hazard has increased due to oak die-off;

(D) treat vegetation to prevent fire, and assessment of fire risk, in areas heavily infected with sudden oak death syndrome;

(E) conduct national surveys and inspections of—

(i) commercial rhododendron and blueberry nurseries; and

(ii) native rhododendron and huckleberry plants;

(F) provide for monitoring of oaks and other vulnerable species throughout the United States to ensure early detection; and

(G) provide diagnostic services.

(d) EDUCATION AND RESEARCH.—

(1) IN GENERAL.—The Secretary shall conduct education and outreach activities to make information available to the public on sudden death oak syndrome.

(2) EDUCATION AND OUTREACH ACTIVITIES.—In carrying out paragraph (1), the Secretary may—

(A) develop and distribute educational materials for homeowners, arborists, urban foresters, park managers, public works personnel, recreationists, nursery workers, landscapers, naturists, firefighting personnel, and other individuals, as the Secretary determines appropriate;

(B) design and maintain a website to provide information on sudden oak death syndrome; and

(C) provide financial and technical support to States, local governments, and nonprofit organizations providing information on sudden oak death syndrome.

(e) SUDDEN OAK DEATH SYNDROME ADVISORY COMMITTEE.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary shall establish a Sudden Oak Death Syndrome Advisory Committee (referred to in this subsection as the "Committee") to assist the Secretary in carrying out this section.

(B) MEMBERSHIP.—

(i) COMPOSITION.—The Committee shall consist of—

(I) 1 representative of the Animal and Plant Health Inspection Service, to be appointed by the Administrator of the Animal and Plant Health Inspection Service;

(II) 1 representative of the Agricultural Research Service, to be appointed by the Administrator of the Agricultural Research Service;

(III) 1 representative of the Forest Service, to be appointed by the Chief of the Forest Service;

(IV) 2 individuals appointed by the Secretary from each of the States affected by sudden oak death syndrome; and

(V) any individual, to be appointed by the Secretary, in consultation with the Governors of the affected States, that the Secretary determines—

(aa) has an interest or expertise in sudden oak death syndrome; and

(bb) would contribute to the Committee.

(ii) DATE OF APPOINTMENTS.—The appointment of a member of the Committee shall be made not later than 90 days after the date of enactment of this Act.

(C) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Committee have been appointed, the Committee shall hold the initial meeting of the Committee.

(2) DUTIES.—

(A) IMPLEMENTATION PLAN.—The Committee shall prepare a comprehensive implementation plan to address the management, control, and eradication of sudden oak death syndrome.

(B) REPORTS.—

(i) INTERIM REPORT.—Not later than 1 year after the date of enactment of this Act, the Committee shall submit to Congress the implementation plan prepared under paragraph (1).

(ii) FINAL REPORT.—Not later than 3 years after the date of enactment of this Act, the Committee shall submit to Congress a report that contains—

(I) a summary of the activities of the Committee;

(II) an accounting of funds received and expended by the Committee; and

(III) findings and recommendations of the Committee.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2002 through 2006—

(1) to carry out subsection (b), $7,500,000, of which not more than $1,500,000 shall be used for treatment;

(2) to carry out subsection (c), $6,000,000;

(3) to carry out subsection (d), $500,000; and

(4) to carry out subsection (e), $250,000.

SEC. 8 . INDEPENDENT INVESTIGATION OF FIREFIGHTER FATALITIES.

In the case of each fatality of an officer or employee of the Forest Service that occurs due to wildfire entrapment or burnover, the Inspector General of the Department of Agriculture shall—

(1) conduct an investigation that does not rely on, and is completely independent of, any investigation of the fatality that is conducted by the Forest Service; and

(2) submit to Congress and the Secretary of Agriculture a report on the fatality.

SEC. 8 . ADAPTIVE ECOSYSTEM RESTORATION OF ARIZONA AND NEW MEXICO FORESTS AND WOODLANDS.

(a) FINDINGS.—Congress finds that—

(1) fire suppression, logging, and overgrazing have degraded the ecological conditions of forests and woodlands in Arizona and New Mexico;

(2) some of those forests and woodlands contain unnaturally high quantities of biomass that are subject to large, high intensity wildfires that endanger human lives and livelihoods and ecological sustainability;

(3) degraded forests and woodlands have led to—

(A) declining biodiversity;

(B) decreased stream and spring flows;

(C) impaired watershed values;

(D) increased susceptibility to insects and diseases;

(E) increases in mortality in the oldest trees; and

(F) degraded habitats for wildlife and humans;

(4) healthy forest and woodland ecosystems—

(A) minimize the threat of unnatural wildfire;

(B) improve wildlife habitat;

(C) increase tree, grass, forb, and shrub productivity;

(D) enhance watershed values; and

(E) provide a basis for economically and environmentally sustainable uses;

(5) forest and woodland treatments intended to restore degraded ecosystems should be developed using the best available scientific knowledge;

(6) treatments not supported by sound science may fail to achieve long-term ecosystem health and resource restoration objectives;

(7)(A) scientific research must be integrated with ongoing land management activities; and

(B) restoration techniques must be continually reevaluated and adapted to reflect new knowledge and to meet the practical needs of land managers and communities developing and implementing restoration treatments; and

(8) scientific knowledge must be translated and transferred to land managers, resource specialists, communities, and stakeholders that collaborate in the development and implementation of those treatments.

(b) PURPOSES.—The purposes of this section are—

(1) to—

(A) improve the ecological health, resource values, and sustainability of forest and woodland ecosystems in Arizona and New Mexico; and

(B) reduce the threat of unnatural wildfire, disease, and insect infestations in those States;

(2) to restore ecosystem structure and function so that ecosystems will—

(A) support biodiversity;

(B) enhance watershed values;

(C) increase water flow to seeps and springs; and

(D) increase tree, grass, forb, and shrub vigor and growth to provide sustainable economic activities for current and future generations;

(3) to develop the scientific knowledge to inform the design of adaptive ecosystem management restoration treatments that will restore long-term ecological health to forests and woodlands in the States; and

(4) to encourage collaboration among land management agencies, communities, and interest groups in developing, implementing, and monitoring adaptive ecosystem management restoration treatments that are ecologically sound, economically viable, and socially responsible.

(c) DEFINITIONS.—In this section:

(1) ADAPTIVE ECOSYSTEM MANAGEMENT.—The term "adaptive ecosystem management" means management practiced by engaging researchers, land managers, resource specialists, policy analysts, decisionmakers, nonprofit organizations, and communities in conducting collaborative large-scale management experiments that seek to restore ecosystem health while seeking unexplored opportunities to enhance natural resource values.

(2) ECOLOGICAL INTEGRITY.—The term "ecological integrity" includes a critical range of variability in biodiversity, ecological processes and structures, regional and historical context, and sustainable forestry practices in forests and woodlands.

(3) ECOLOGICAL RESTORATION.—The term "ecological restoration" means the process of assisting the recovery and management of ecological integrity.

(4) INSTITUTE.—The term "Institute" means an institute established under subsection (d)(1).

(5) LAND MANAGEMENT AGENCY.—The term "land management agency" means a Federal, State, local, or tribal land management agency.

(6) PRACTITIONER.—The term "practitioner" means a person or entity that practices natural resource management.

(7) SECRETARIES.—The term "Secretaries" means—

(A) the Secretary of Agriculture, acting through the Chief of the Forest Service; and

(B) the Secretary of the Interior.

(8) STATE.—The term "State" means—

(A) the State of Arizona; and

(B) the State of New Mexico.

(d) ESTABLISHMENT OF INSTITUTES.—

(1) IN GENERAL.—The Secretary of Agriculture, in consultation with the Secretary of the Interior, shall establish—

(A) an Ecological Restoration Institute in Flagstaff, Arizona; and

(B) an Institute at a college or university in the State of New Mexico selected by the Secretary of Agriculture, in consultation with the Secretary of the Interior.

(2) SCOPE OF RESEARCH; TRANSFER OF INFORMATION.—Each Institute shall—

(A) plan, conduct, or otherwise arrange for applied ecosystem management research that—

(i) assists in answering questions identified by land managers, practitioners, and others concerned with land management; and

(ii) will be useful in the development and implementation of practical, science-based, ecological restoration treatments;

(B) translate scientific knowledge into communication tools that are easily understood by land managers, natural resource professionals, and concerned citizens; and

(C) provide similar information to land managers and other interested persons.

(3) COOPERATION.—Each Institute shall cooperate with—

(A) researchers at colleges and universities in the States that have demonstrated capabilities for research, information dissemination, continuing education, and undergraduate and graduate training, to develop broad capacity to implement ecological restoration in forest and woodland ecosystems; and

(B) other organizations and entities in the region (such as the Western Governors' Association, Southwest Strategy group, the Southwest Fire Management Board, and the Arizona Governor's Forest Health/Fire Plan Advisory Committee), to increase and accelerate efforts to restore forest ecosystem health and abate unnatural and unwanted wildfire.

(4) APPROVAL OF ANNUAL WORK PLAN; REQUISITE ASSURANCES.—As a condition to the receipt of funds made available under subsection (g), for each fiscal year, each Institute shall submit to the Secretary of Agriculture, for review by the Secretary of Agriculture, in consultation with the Secretary of the Interior, an annual work plan that includes assurances, satisfactory to the Secretaries, that the proposed work will serve the information needs of—

(A) land managers;

(B) practitioners;

(C) concerned citizens and communities; and

(D) the States.

(e) COOPERATION BETWEEN INSTITUTES AND FEDERAL AGENCIES.—In carrying out this section, the Secretary of Agriculture, in consultation with the Secretary of the Interior—

(1) shall encourage other Federal departments, agencies, and instrumentalities to use and take advantage of, on a cooperative basis, the expertise and capabilities that are available through the Institutes;

(2) shall encourage cooperation and coordination with other Federal programs relating to—

(A) ecological restoration; and

(B) wildfire risk reduction;

(3) may (notwithstanding chapter 63 of title 31, United States Code)—

(A) enter into contracts, cooperative agreements, interagency personal agreements; and

(B) carry out other transactions;

(4) may accept funds from other Federal departments, agencies, and instrumentalities to supplement or fully fund grants made, and contracts entered into, by the Secretaries;

(5) may promulgate such regulations as the Secretaries consider appropriate;

(6) may support a program of internships for qualified individuals at the undergraduate and graduate levels to carry out the educational and training objectives of this section; and

(7) shall encourage professional education and public information activities relating to the purposes of this section.

(f) MONITORING AND EVALUATION.—

(1) IN GENERAL.—Not later than 5 years after the date of enactment of this Act, and every 5 years thereafter, the Secretary, in consultation with the Secretary of the Interior, shall complete a detailed evaluation of each Institute—

(A) to ensure, to the maximum extent practicable, that the research, communication tools, and information transfer activities of the Institute meet the needs of—

(i) land managers;

(ii) practitioners;

(iii) concerned citizens and communities; and

(iv) the States; and

(B) to determine whether continued provision of Federal assistance to the Institute is warranted.

(2) STANDARDS FOR RECEIPT OF FINANCIAL ASSISTANCE.—If, as a result of an evaluation under paragraph (1), the Secretary, in consultation with the Secretary of the Interior, determines that an Institute does not qualify for further Federal assistance under this section, the Institute shall receive no further Federal assistance under this section until such time as the qualifications of the Institute are reestablished to the satisfaction of the Secretaries.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000 for each fiscal year.

On page 875, at the end of line 3, add "and".

On page 875, beginning on line 9, strike the semicolon and all that follows through line 24 and insert a period.

On page 876, line 4, strike "647" and insert "6· ".

On page 877, strike lines 1 through 7 and insert the following:

"(C) EXCLUSIONS.—The term 'biomass' does not include—

"(i) paper that is commonly recycled; or

"(ii) unsegregated garbage.

On page 884, strike lines 1 through 6 and insert the following:

"(2) BIOREFINERY.—The term 'biorefinery' means equipment and processes that—

"(A) convert biomass into fuels and chemicals; and

"(B) may produce electricity.

On page 885, strike lines 7 through 15 and insert the following:

"(A) IN GENERAL.—In selecting projects to receive grants under subsection (c), the Secretary—

"(i) shall select projects based on the likelihood that the projects will demonstrate the commercial viability of a process for converting biomass into fuels or chemicals; and

"(ii) may consider the likelihood that the projects will produce electricity.

On page 886, line 8, strike "and".

On page 886, line 10, strike the period and insert "; and".

On page 886, between lines 10 and 11, insert the following:

"(x) the potential for developing advanced industrial biotechnology approaches.

On page 898, line 8, strike "15" and insert "30".

On page 898, strike lines 10 through 14 and insert the following:

"(ii) MAXIMUM AMOUNT OF COMBINED GRANT AND LOAN.—The combined amount of a grant and loan made or guaranteed under subsection (a) for a renewable energy system shall not exceed 60 percent of the cost of the renewable energy system.

On page 899, line 8, strike "15" and insert "25".

On page 899, strike lines 11 through 15 and insert the following:

"(ii) MAXIMUM AMOUNT OF COMBINED GRANT AND LOAN.—The combined amount of a grant and loan made or guaranteed under subsection (a) for an energy efficiency project shall not exceed 50 percent of the cost of the energy efficiency improvement.

On page 901, strike line 17 and insert the following:

"(a) FINDINGS.—Congress finds that—

"(1) fuel cells are a highly efficient, clean, and flexible technology for generating electricity from hydrogen that promises to improve the environment, electricity reliability, and energy security;

"(2)(A) because fuel cells can be made in any size, fuel cells can be used for a wide variety of farm applications, including powering farm vehicles, equipment, houses, and other operations; and

"(B) much of the initial use of fuel cells is likely to be in remote and off-grid applications in rural areas; and

"(3) hydrogen is a clean and flexible fuel that can play a critical role in storing and transporting energy produced on farms from renewable sources (including biomass, wind, and solar energy).

"(b) GRANT PROGRAM.—The Secretary of Agriculture, in

On page 902, strike line 5 and insert the following:

"(c) ELIGIBLE ENTITIES.—Under subsection (b), the

On page 902, line 12, strike "research".

On page 902, line 15, strike "or".

On page 902, line 16, strike the period and insert "; or".

On page 902, between lines 16 and 17, insert the following:

"(7) a consortium comprised of entities described in paragraphs (1) through (6)."

On page 902, line 17, strike "(c)" and insert "(d)".

On page 902, line 19, strike "(a)(1)," and insert "(b)(1),".

On page 902, strike line 23 and insert the following:

"(3) generate both usable electricity and heat;

On page 903, line 5, strike "(d)" and insert "(e)".

On page 903, line 7, strike "(a)" and insert "(b)".

On page 903, line 9, strike "(e)" and insert "(f)".

In Amendment No. 2471 (FLO01.633), on page 8, strike lines 21 through 24 and insert the following:

"(A) a college or university or a research foundation maintained by a college or university;

In Amendment No. 2471 (FLO01.633), on page 5, line 11, strike "leakage and performance" and insert "leakage, performance, and permanence"

In Amendment No. 2471 (FLO01.633), on page 10, line 5, strike "and establish".

In Amendment No. 2471 (FLO01.633), on page 10, strike line 15 and insert the following:

"(2) DEVELOPMENT OF BENCHMARK STANDARDS.—

"(A) IN GENERAL.—The Secretary shall develop benchmark standards for measuring the carbon content of soils and plants (including trees) based on—

"(i) information from the conference under paragraph (1);

"(ii) research conducted under this section; and

"(iii) other information available to the Secretary.

"(B) OPPORTUNITY FOR PUBLIC COMMENT.—The Secretary shall provide an opportunity for the public to comment on the benchmark standards developed under subparagraph (A).

"(3) REPORT.—Not later than 180 days after

In Amendment No. 2471 (FLO01.633), on page 13, line 22, strike "emission" and insert "emissions".

In Amendment No. 2471 (FLO01.633), on page 14, lines 9 and 10, strike "farmers and ranchers." and insert "farmers, ranchers, private forest landowners, and State agencies.".

In Amendment No. 2471 (FLO01.633), on page 14, beginning on line 16, strike "farmers and ranchers" and all that follows through line 18 and insert "farmers, ranchers, private forest landowners, and State agencies may better understand the global implications of the activities of the farmers, ranchers, private forest landowners, and State agencies.".

In Amendment No. 2471 (FLO01.633), on page 15, strike lines 12 through 23 and insert the following:

"SEC. 310. FUNDING.

"(a) TRANSFERS BY THE SECRETARY OF THE TREASURY.—

"(1) IN GENERAL.—Not later than 30 days after the date of enactment of this subsection, and on October 1, 2002, and each October 1 thereafter through October 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this title $15,000,000, to remain available until expended.

"(2) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this title the funds transferred under paragraph (1), without further appropriation.

"(b) AUTHORIZATION OF APPROPRIATIONS.—In addition to amounts transferred under subsection (a), there are authorized to be appropriated to carry out this title $49,000,000 for each of fiscal years 2002 through 2006.".

In Amendment No. 2471 (FLO01.633), on page 16, line 6, strike "(as amended by section 661)".

In Amendment No. 2471 (FLO01.633), on page 16, line 8, strike "21" and insert "20".

In Amendment No. 2471 (FLO01.633), on page 16, strike lines 10 through 13 and insert the following:

"(a) DEFINITIONS.—In this section:

"(1) RENEWABLE ENERGY.—The term 'renewable energy' means energy derived from a wind, solar, biomass, geothermal, or hydrogen source.

"(2) RURAL AREA.—The term 'rural area' includes any area that is not within the boundaries of—

"(A) a city, town, village, or borough having a population of more than 20,000; or

"(B) an urbanized area (as determined by the Secretary).

In Amendment No. 2471 (FLO01.633), on page 16, line 17, after "utilities", insert the following: "(as determined by the Secretary)".

In Amendment No. 2471 (FLO01.633), on page 20, line 12, insert "(as amended by section 7)" after "7261 et seq.)".

In Amendment No. 2471 (FLO01.633), on page 20, line 14, strike "409" and insert "412".

In Amendment No. 2471 (FLO01.633), beginning on page 23, strike line 23 and all that follows through page 25, line 10, and insert the following:

"(B) ELIGIBILITY CRITERIA.—To be eligible for a grant under paragraph (1), a project shall (as determined by the Secretary)—

"(i) be designed to—

"(I) achieve long-term sequestration of carbon or long-term reductions in greenhouse gas emissions;

"(II) address concerns regarding leakage and permanence; or

"(III) promote additionality; and

"(ii) not involve—

"(I) the reforestation of land that has been deforested since 1990; or

"(II) the conversion of native grassland.

"(C) PRIORITY CRITERIA.—The Secretary shall give priority in awarding a grant under paragraph (1) to an eligible project that—

"(i) involves multiple parties, a whole farm approach, or any other approach, such as the aggregation of land areas, that would—

"(I) increase the environmental benefits or reduce the transaction costs of the eligible project; and

"(II) reduce the costs of measuring, monitoring, and verifying any net sequestration of carbon or net reduction in greenhouse gas emissions; and

"(ii) provides certain benefits, such as improvements in—

"(I) soil fertility;

"(II) wildlife habitat;

"(III) water quality;

"(IV) soil erosion management;

"(V) the use of renewable resources to produce energy;

"(VI) the avoidance of ecosystem fragmentation; and

"(VII) the promotion of ecosystem restoration with native species.

In Amendment No. 2471 (FLO01.633), on page 26, strike lines 8 through 21.

In Amendment No. 2471 (FLO01.633), on page 26, line 22, strike "(d)" and insert "(c)"

In Amendment No. 2471 (FLO01.633), on page 27, line 6, strike "(e)" and insert "(d)".

On page 930, strike lines 8 through 10 and insert the following:

"Subtitle D—Country of Origin Labeling

"SEC. 281. DEFINITIONS.

On page 930, between lines 21 and 22, insert the following:

"(iv) wild fish;

On page 930, line 22, strike "(iv)" and insert "(v)".

On page 930, line 24, strike "(v)" and insert "(vi)".

On page 932, between lines 5 and 6, insert the following:

"(9) WILD FISH.—

"(A) IN GENERAL.—The term 'wild fish' means naturally-born or hatchery-raised fish and shellfish harvested in the wild.

"(B) INCLUSIONS.—The term 'wild fish' includes a fillet, steak, nugget, and any other flesh from wild fish or shellfish.

"(C) EXCLUSIONS.—The term 'wild fish' excludes net-pen aquacultural or other farm-raised fish.

On page 932, line 6, strike "272" and insert "282".

On page 932, line 20, strike "and" at the end.

On page 932, line 23, strike "and" at the end.

On page 932, after line 23, add the following:

"(C) in the case of wild fish, is—

"(i) harvested in waters of the United States, a territory of the United States, or a State; and

"(ii) processed in the United States, a territory of the United States, or a State, including the waters thereof; and

On page 933, line 1, strike "(C)" and insert "(D)".

On page 933, between lines 3 and 4, insert the following:

"(3) WILD FISH AND FARM-RAISED FISH.—The notice of country of origin for wild fish and farm-raised fish shall distinguish between wild fish and farm-raised fish.

On page 934, line 6, strike "274" and insert "284".

On page 935, line 12, strike "273" and insert "283".

On page 935, line 16, strike "272" and insert "282".

On page 935, line 23, strike "272" and insert "282".

On page 936, line 1, strike "272" and insert "282".

On page 936, line 6, strike "274" and insert "284".

On page 936, line 14, strike "275" and insert "285".

On page 937, strike lines 1 through 3 and insert the following:

"Subtitle E—Commodity-Specific Grading Standards

"SEC. 291. DEFINITION OF SECRETARY.

On page 937, line 6, strike "282" and insert "292".

On page 937, line 12, strike "283" and insert "293".

On page 937, between lines 16 and 17, insert the following:

SEC. 10 . EQUAL CROP INSURANCE TREATMENT OF POTATOES AND SWEET POTATOES.

Section 508(a)(2) of the Federal Crop Insurance Act (7 U.S.C. 1508(a)(2)) is amended in the first sentence by striking "and potatoes" and inserting ", potatoes, and sweet potatoes".

On page 941, between lines 4 and 5, insert the following:

Subtitle C—Animal Health Protection

SEC. 1021. SHORT TITLE.

This subtitle may be cited as the "Animal Health Protection Act".

SEC. 1022. FINDINGS.

Congress finds that—

(1) the prevention, detection, control, and eradication of diseases and pests of animals are essential to protect—

(A) animal health;

(B) the health and welfare of the people of the United States;

(C) the economic interests of the livestock and related industries of the United States;

(D) the environment of the United States; and

(E) interstate commerce and foreign commerce of the United States in animals and other articles;

(2) animal diseases and pests are primarily transmitted by animals and articles regulated under this subtitle;

(3) the health of animals is affected by the methods by which animals and articles are transported in interstate commerce and foreign commerce;

(4) the Secretary must continue to conduct research on animal diseases and pests that constitute a threat to the livestock of the United States; and

(5)(A) all animals and articles regulated under this subtitle are in or affect interstate commerce or foreign commerce; and

(B) regulation by the Secretary and cooperation by the Secretary with foreign countries, States or other jurisdictions, or persons are necessary—

(i) to prevent and eliminate burdens on interstate commerce and foreign commerce;

(ii) to regulate effectively interstate commerce and foreign commerce; and

(iii) to protect the agriculture, environment, economy, and health and welfare of the people of the United States.

SEC. 1023. DEFINITIONS.

In this subtitle:

(1) Animal.—The term "animal" means any member of the animal kingdom (except a human).

(2) Article.—The term "article" means any pest or disease or any material or tangible object that could harbor a pest or disease.

(3) Disease.—The term "disease" means—

(A) any infectious or noninfectious disease or condition affecting the health of livestock; or

(B) any condition detrimental to production of livestock.

(4) Enter.—The term "enter" means to move into the commerce of the United States.

(5) Export.—The term "export" means to move from a place within the territorial limits of the United States to a place outside the territorial limits of the United States.

(6) Facility.—The term "facility" means any structure.

(7) Import.—The term "import" means to move from a place outside the territorial limits of the United States to a place within the territorial limits of the United States.

(8) Indian tribe.—The term "Indian tribe" has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

(9) Interstate commerce.—The term "interstate commerce" means trade, traffic, or other commerce—

(A) between a place in a State and a place in another State, or between places within the same State but through any place outside that State; or

(B) within the District of Columbia or any territory or possession of the United States.

(10) Livestock.—The term "livestock" means all farm-raised animals.

(11) Means of conveyance.—The term "means of conveyance" means any personal property used for or intended for use for the movement of any other personal property.

(12) Move.—The term "move" means—

(A) to carry, enter, import, mail, ship, or transport;

(B) to aid, abet, cause, or induce carrying, entering, importing, mailing, shipping, or transporting;

(C) to offer to carry, enter, import, mail, ship, or transport;

(D) to receive in order to carry, enter, import, mail, ship, or transport;

(E) to release into the environment; or

(F) to allow any of the activities described in this paragraph.

(13) Pest.—The term "pest" means any of the following that can directly or indirectly injure, cause damage to, or cause disease in livestock:

(A) A protozoan.

(B) A plant.

(C) A bacteria.

(D) A fungus.

(E) A virus or viroid.

(F) An infectious agent or other pathogen.

(G) An arthropod.

(H) A parasite.

(I) A prion.

(J) A vector.

(K) An animal.

(L) Any organism similar to or allied with any of the organisms described in this paragraph.

(14) Secretary.—The term "Secretary" means the Secretary of Agriculture.

(15) State.—The term "State" means any of the States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands of the United States, or any territory or possession of the United States.

(16) This subtitle.—Except when used in this section, the term "this subtitle" includes any regulation or order issued by the Secretary under the authority of this subtitle.

(17) United states.—The term "United States" means all of the States.

SEC. 1024. RESTRICTION ON IMPORTATION OR ENTRY.

(a) In General.—The Secretary may prohibit or restrict—

(1) the importation or entry of any animal, article, or means of conveyance, or use of any means of conveyance or facility, if the Secretary determines that the prohibition or restriction is necessary to prevent the introduction into or dissemination within the United States of any pest or disease of livestock;

(2) the further movement of any animal that has strayed into the United States if the Secretary determines that the prohibition or restriction is necessary to prevent the introduction into or dissemination within the United States of any pest or disease of livestock; and

(3) the use of any means of conveyance in connection with the importation or entry of livestock if the Secretary determines that the prohibition or restriction is necessary because the means of conveyance has not been maintained in a clean and sanitary condition or does not have accommodations for the safe and proper movement of livestock.

(b) Regulations.—The Secretary may promulgate regulations requiring that any animal imported or entered be raised or handled under post-importation quarantine conditions by or under the supervision of the Secretary for the purpose of determining whether the animal is or may be affected by any pest or disease of livestock.

(c) Destruction or Removal.—

(1) In general.—The Secretary may order the destruction or removal from the United States of—

(A) any animal, article, or means of conveyance that has been imported but has not entered the United States if the Secretary determines that destruction or removal from the United States is necessary to prevent the introduction into or dissemination within the United States of any pest or disease of livestock;

(B) any animal or progeny of any animal, article, or means of conveyance that has been imported or entered in violation of this subtitle; or

(C) any animal that has strayed into the United States if the Secretary determines that destruction or removal from the United States is necessary to prevent the introduction into or dissemination within the United States of any pest or disease of livestock.

(2) Requirements of owners.—

(A) Orders to disinfect.—The Secretary may require the disinfection of—

(i) a means of conveyance used in connection with the importation of an animal;

(ii) an individual involved in the importation of an animal and personal articles of the individual; and

(iii) any article used in the importation of an animal.

(B) Failure to comply with orders.—If an owner fails to comply with an order of the Secretary under this section, the Secretary may—

(i) take remedial action, destroy, or remove from the United States the animal or progeny of any animal, article, or means of conveyance as authorized under paragraph (1); and

(ii) recover from the owner the costs of any care, handling, disposal, or other action incurred by the Secretary in connection with the remedial action, destruction, or removal.

SEC. 1025. EXPORTATION.

(a) In General.—The Secretary may prohibit or restrict—

(1) the exportation of any animal, article, or means of conveyance if the Secretary determines that the prohibition or restriction is necessary to prevent the dissemination from or within the United States of any pest or disease of livestock;

(2) the exportation of any livestock if the Secretary determines that the livestock is unfit to be moved;

(3) the use of any means of conveyance or facility in connection with the exportation of any animal or article if the Secretary determines that the prohibition or restriction is necessary to prevent the dissemination from or within the United States of any pest or disease of livestock; or

(4) the use of any means of conveyance in connection with the exportation of livestock if the Secretary determines that the prohibition or restriction is necessary because the means of conveyance has not been maintained in a clean and sanitary condition or does not have accommodations for the safe and proper movement and humane treatment of livestock.

(b) Requirements of Owners.—

(1) Orders to disinfect.—The Secretary may require the disinfection of—

(A) a means of conveyance used in connection with the exportation of an animal;

(B) an individual involved in the exportation of an animal and personal articles of the individual; and

(C) any article used in the exportation of an animal.

(2) Failure to comply with orders.—If an owner fails to comply with an order of the Secretary under this section, the Secretary may—

(A) take remedial action with respect to the animal, article, or means of conveyance referred to in paragraph (1); and

(B) recover from the owner the costs of any care, handling, disposal, or other action incurred by the Secretary in connection with the remedial action.

(c) CERTIFICATION.—The Secretary may certify the classification, quality, quantity, condition, processing, handling, or storage of any animal or article intended for export.

SEC. 1026. INTERSTATE MOVEMENT.

The Secretary may prohibit or restrict—

(1) the movement in interstate commerce of any animal, article, or means of conveyance if the Secretary determines that the prohibition or restriction is necessary to prevent the introduction or dissemination of any pest or disease of livestock; and

(2) the use of any means of conveyance or facility in connection with the movement in interstate commerce of any animal or article if the Secretary determines that the prohibition or restriction is necessary to prevent the introduction or dissemination of any pest or disease of livestock.

SEC. 1027. SEIZURE, QUARANTINE, AND DISPOSAL.

(a) IN GENERAL.—The Secretary may hold, seize, quarantine, treat, destroy, dispose of, or take other remedial action with respect to—

(1) any animal or progeny of any animal, article, or means of conveyance that—

(A) is moving or has been moved in interstate commerce or has been imported and entered; and

(B) the Secretary has reason to believe may carry, may have carried, or may have been affected with or exposed to any pest or disease of livestock at the time of movement or that is otherwise in violation of this subtitle;

(2) any animal or progeny of any animal, article, or means of conveyance that is moving or is being handled, or has moved or has been handled, in interstate commerce in violation of this subtitle;

(3) any animal or progeny of any animal, article, or means of conveyance that has been imported, and is moving or is being handled or has moved or has been handled, in violation of this subtitle; or

(4) any animal or progeny of any animal, article, or means of conveyance that the Secretary finds is not being maintained, or has not been maintained, in accordance with any post-importation quarantine, post-importation condition, post-movement quarantine, or post-movement condition in accordance with this subtitle.

(b) EXTRAORDINARY EMERGENCIES.—

(1) IN GENERAL.—Subject to paragraph (2), if the Secretary determines that an extraordinary emergency exists because of the presence in the United States of a pest or disease of livestock and that the presence of the pest or disease threatens the livestock of the United States, the Secretary may—

(A) hold, seize, treat, apply other remedial actions to, destroy (including preventative slaughter), or otherwise dispose of, any animal, article, facility, or means of conveyance if the Secretary determines the action is necessary to prevent the dissemination of the pest or disease; and

(B) prohibit or restrict the movement or use within a State, or any portion of a State of any animal or article, means of conveyance, or facility if the Secretary determines that the prohibition or restriction is necessary to prevent the dissemination of the pest or disease.

(2) STATE ACTION.—

(A) IN GENERAL.—The Secretary may take action in a State under this subsection only on finding that measures being taken by the State are inadequate to control or eradicate the pest or disease, after review and consultation with—

"(i) the Governor or an appropriate animal health official of the State; or

"(ii) in the case of any animal, article, facility, or means of conveyance under the jurisdiction of an Indian tribe, the head of the Indian tribe.

(B) NOTICE.—Subject to subparagraph (C), before any action is taken in a State under subparagraph (A), the Secretary shall—

(i) notify the Governor, an appropriate animal health official of the State, or head of the Indian tribe of the proposed action;

(ii) issue a public announcement of the proposed action; and

(iii) publish in the Federal Register—

(I) the findings of the Secretary;

(II) a description of the proposed action; and

(III) a statement of the reasons for the proposed action.

(C) NOTICE AFTER ACTION.—If it is not practicable to publish in the Federal Register the information required under subparagraph (B)(iii) before taking action under subparagraph (A), the Secretary shall publish the information as soon as practicable, but not later than 10 business days, after commencement of the action.

(c) QUARANTINE, DISPOSAL, OR OTHER REMEDIAL ACTION.—

(1) IN GENERAL.—The Secretary, in writing, may order the owner of any animal, article, facility, or means of conveyance referred to in subsection (a) or (b) to maintain in quarantine, dispose of, or take other remedial action with respect to the animal, article, facility, or means of conveyance, in a manner determined by the Secretary.

(2) FAILURE TO COMPLY WITH ORDERS.—If the owner fails to comply with the order of the Secretary, the Secretary may—

(A) seize, quarantine, dispose of, or take other remedial action with respect to the animal, article, facility, or means of conveyance under subsection (a) or (b); and

(B) recover from the owner the costs of any care, handling, disposal, or other remedial action incurred by the Secretary in connection with the seizure, quarantine, disposal, or other remedial action.

(d) COMPENSATION.—

(1) IN GENERAL.—Except as provided in paragraph (3), the Secretary shall compensate the owner of any animal, article, facility, or means of conveyance that the Secretary requires to be destroyed under this section.

(2) AMOUNT.—

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), the compensation shall be based on the fair market value, as determined by the Secretary, of the destroyed animal, article, facility, or means of conveyance.

(B) LIMITATION.—Compensation paid any owner under this subsection shall not exceed the difference between—

(i) the fair market value of the destroyed animal, article, facility, or means of conveyance; and

(ii) any compensation received by the owner from a State or other source for the destroyed animal, article, facility, or means of conveyance.

(C) REVIEWABILITY OF DETERMINATION.—The determination by the Secretary of the amount to be paid under this subsection shall be final and not subject to judicial review.

(3) EXCEPTIONS.—No payment shall be made by the Secretary under this subsection for—

(A) any animal, article, facility, or means of conveyance that has been moved or handled by the owner in violation of an agreement for the control and eradication of diseases or pests or in violation of this subtitle;

(B) any progeny of any animal or article, which animal or article has been moved or handled by the owner of the animal or article in violation of this subtitle;

(C) any animal, article, or means of conveyance that is refused entry under this subtitle; or

(D) any animal, article, facility, or means of conveyance that becomes or has become affected with or exposed to any pest or disease of livestock because of a violation of an agreement for the control and eradication of diseases or pests or a violation of this subtitle by the owner.

SEC. 1028. INSPECTIONS, SEIZURES, AND WARRANTS.

(a) GUIDELINES.—The activities authorized by this section shall be carried out consistent with guidelines approved by the Attorney General.

(b) WARRANTLESS INSPECTIONS.—The Secretary may stop and inspect, without a warrant, any person or means of conveyance moving—

(1) into the United States, to determine whether the person or means of conveyance is carrying any animal or article regulated under this subtitle;

(2) in interstate commerce, on probable cause to believe that the person or means of conveyance is carrying any animal or article regulated under this subtitle; or

(3) in intrastate commerce from any State, or any portion of a State, quarantined under section 1027(b), on probable cause to believe that the person or means of conveyance is carrying any animal or article quarantined under section 1027(b).

(c) INSPECTIONS WITH WARRANTS.—

(1) IN GENERAL.—The Secretary may enter, with a warrant, any premises in the United States for the purpose of making inspections and seizures under this subtitle.

(2) APPLICATION AND ISSUANCE OF WARRANTS.—

(A) IN GENERAL.—On proper oath or affirmation showing probable cause to believe that there is on certain premises any animal, article, facility, or means of conveyance regulated under this subtitle, a United States judge, a judge of a court of record in the United States, or a United States magistrate judge may issue a warrant for the entry on premises within the jurisdiction of the judge or magistrate to make any inspection or seizure under this subtitle.

(B) EXECUTION.—The warrant may be applied for and executed by the Secretary or any United States marshal.

SEC. 1029. DETECTION, CONTROL, AND ERADICATION OF DISEASES AND PESTS.

(a) IN GENERAL.—The Secretary may carry out operations and measures to detect, control, or eradicate any pest or disease of livestock (including the drawing of blood and diagnostic testing of animals), including animals at a slaughterhouse, stockyard, or other point of concentration.

(b) COMPENSATION.—The Secretary may pay a claim arising out of the destruction of any animal, article, or means of conveyance consistent with the purposes of this subtitle.

SEC. 1030. VETERINARY ACCREDITATION PROGRAM.

(a) IN GENERAL.—The Secretary may establish a veterinary accreditation program that is consistent with this subtitle, including the establishment of standards of conduct for accredited veterinarians.

(b) CONSULTATION.—The Secretary shall consult with State animal health officials regarding the establishment of the veterinary accreditation program.

SEC. 1031. COOPERATION.

(a) IN GENERAL.—To carry out this subtitle, the Secretary may cooperate with other Federal agencies, States or political subdivisions of States, national governments of foreign countries, local governments of foreign countries, domestic or international organizations, domestic or international associations, Indian tribes, and other persons.

(b) RESPONSIBILITY.—The person or other entity cooperating with the Secretary shall be responsible for the authority necessary to carry out operations or measures—

(1) on all land and property within a foreign country or State, or under the jurisdiction of an Indian tribe, other than on land and property owned or controlled by the United States; and

(2) using other facilities and means, as determined by the Secretary.

(c) SCREWWORMS.—

(1) IN GENERAL.—The Secretary may, independently or in cooperation with national governments of foreign countries or international organizations or associations, produce and sell sterile screwworms to any national government of a foreign country or international organization or association, if the Secretary determines that the livestock industry and related industries of the United States will not be adversely affected by the production and sale.

(2) PROCEEDS.—

(A) INDEPENDENT PRODUCTION AND SALE.—If the Secretary independently produces and sells sterile screwworms under paragraph (1), the proceeds of the sale shall be—

(i) deposited into the Treasury of the United States; and

(ii) credited to the account from which the operating expenses of the facility producing the sterile screwworms have been paid.

(B) COOPERATIVE PRODUCTION AND SALE.—

(i) IN GENERAL.—If the Secretary cooperates to produce and sell sterile screwworms under paragraph (1), the proceeds of the sale shall be divided between the United States and the cooperating national government or international organization or association in a manner determined by the Secretary.

(ii) ACCOUNT.—The United States portion of the proceeds shall be—

(I) deposited into the Treasury of the United States; and

(II) credited to the account from which the operating expenses of the facility producing the sterile screwworms have been paid.

(d) COOPERATION IN PROGRAM ADMINISTRATION.—The Secretary may cooperate with State authorities, Indian tribe authorities, or other persons in the administration of regulations for the improvement of livestock and livestock products.

(e) CONSULTATION WITH OTHER FEDERAL AGENCIES.—

(1) IN GENERAL.—The Secretary shall consult with the head of a Federal agency with respect to any activity that is under the jurisdiction of the Federal agency.

(2) LEAD AGENCY.—The Department of Agriculture shall be the lead agency with respect to issues related to pests and diseases of livestock.

SEC. 1032. REIMBURSABLE AGREEMENTS.

(a) AUTHORITY TO ENTER INTO AGREEMENTS.—The Secretary may enter into reimbursable fee agreements with persons for preclearance of animals or articles at locations outside the United States for movement into the United States.

(b) FUNDS COLLECTED FOR PRECLEARANCE.—Funds collected for preclearance activities shall—

(1) be credited to accounts that may be established by the Secretary for carrying out this section; and

(2) remain available until expended for the preclearance activities, without fiscal year limitation.

(c) PAYMENT OF EMPLOYEES.—

(1) IN GENERAL.—Notwithstanding any other law, the Secretary may pay an officer or employee of the Department of Agriculture performing services under this subtitle relating to imports into and exports from the United States for all overtime, night, or holiday work performed by the officer or employee at a rate of pay determined by the Secretary.

(2) REIMBURSEMENT.—

(A) IN GENERAL.—The Secretary may require a person for whom the services are performed to reimburse the Secretary for any expenses paid by the Secretary for the services under this subsection.

(B) USE OF FUNDS.—All funds collected under this subsection shall—

(i) be credited to the account that incurs the costs; and

(ii) remain available until expended, without fiscal year limitation.

(d) LATE PAYMENT PENALTIES.—

(1) COLLECTION.—On failure by a person to reimburse the Secretary in accordance with this section, the Secretary may assess a late payment penalty against the person, including interest on overdue funds, as required by section 3717 of title 31, United States Code.

(2) USE OF FUNDS.—Any late payment penalty and any accrued interest shall—

(A) be credited to the account that incurs the costs; and

(B) remain available until expended, without fiscal year limitation.

SEC. 1033. ADMINISTRATION AND CLAIMS.

(a) ADMINISTRATION.—To carry out this subtitle, the Secretary may—

(1) acquire and maintain real or personal property;

(2) employ a person;

(3) make a grant; and

(4) notwithstanding chapter 63 of title 31, United States Code, enter into a contract, cooperative agreement, memorandum of understanding, or other agreement.

(b) TORT CLAIMS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary may pay a tort claim, in the manner authorized by the first paragraph of section 2672 of title 28, United States Code, if the claim arises outside the United States in connection with an activity authorized under this subtitle.

(2) REQUIREMENTS.—A claim may not be allowed under this subsection unless the claim is presented in writing to the Secretary not later than 2 years after the date on which the claim arises.

SEC. 1034. PENALTIES.

(a) CRIMINAL PENALTIES.—Any person that knowingly violates this subtitle, or that knowingly forges, counterfeits, or, without authority from the Secretary, uses, alters, defaces, or destroys any certificate, permit, or other document provided under this subtitle shall be guilty of a misdemeanor, and, on conviction, shall be fined in accordance with title 18, United States Code, imprisoned not more than 1 year, or both.

(b) CIVIL PENALTIES.—

(1) IN GENERAL.—Any person that violates this subtitle, or that forges, counterfeits, or, without authority from the Secretary, uses, alters, defaces, or destroys any certificate, permit, or other document provided under this subtitle may, after notice and opportunity for a hearing on the record, be assessed a civil penalty by the Secretary that does not exceed the greater of—

(A)(i) $50,000 in the case of any individual, except that the civil penalty may not exceed $1,000 in the case of an initial violation of this subtitle by an individual moving regulated articles not for monetary gain;

(ii) $250,000 in the case of any other person for each violation; and

(iii) $500,000 for all violations adjudicated in a single proceeding; or

(B) twice the gross gain or gross loss for any violation or forgery, counterfeiting, or unauthorized use, alteration, defacing or destruction of a certificate, permit, or other document provided under this subtitle that results in the person's deriving pecuniary gain or causing pecuniary loss to another person.

(2) FACTORS IN DETERMINING CIVIL PENALTY.—In determining the amount of a civil penalty, the Secretary shall take into account the nature, circumstance, extent, and gravity of the violation or violations and the Secretary may consider, with respect to the violator—

(A) the ability to pay;

(B) the effect on ability to continue to do business;

(C) any history of prior violations;

(D) the degree of culpability; and

(E) such other factors as the Secretary considers to be appropriate.

(3) SETTLEMENT OF CIVIL PENALTIES.—The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty that may be assessed under this subsection.

(4) FINALITY OF ORDERS.—

(A) FINAL ORDER.—The order of the Secretary assessing a civil penalty shall be treated as a final order reviewable under chapter 158 of title 28, United States Code.

(B) REVIEW.—The validity of the order of the Secretary may not be reviewed in an action to collect the civil penalty.

(C) INTEREST.—Any civil penalty not paid in full when due under an order assessing the civil penalty shall thereafter accrue interest until paid at the rate of interest applicable to civil judgments of the courts of the United States.

(c) SUSPENSION OR REVOCATION OF ACCREDITATION.—

(1) IN GENERAL.—The Secretary may, after notice and opportunity for a hearing on the record, suspend or revoke the accreditation of any veterinarian accredited under this subtitle that violates this subtitle.

(2) FINAL ORDER.—The order of the Secretary suspending or revoking accreditation shall be treated as a final order reviewable under chapter 158 of title 28, United States Code.

(3) SUMMARY SUSPENSION.—

(A) IN GENERAL.—Notwithstanding paragraph (1), the Secretary may summarily suspend the accreditation of a veterinarian who the Secretary has reason to believe has violated this subtitle.

(B) HEARINGS.—The Secretary shall provide the accredited veterinarian with a subsequent notice and an opportunity for a prompt post-suspension hearing on the record.

(d) LIABILITY FOR ACTS OF AGENTS.—In the construction and enforcement of this subtitle, the act, omission, or failure of any officer, agent, or person acting for or employed by any other person within the scope of the employment or office of the officer, agent, or person, shall be deemed also to be the act, omission, or failure of the other person.

(e) GUIDELINES FOR CIVIL PENALTIES.—The Secretary shall coordinate with the Attorney General to establish guidelines to determine under what circumstances the Secretary may issue a civil penalty or suitable notice of warning in lieu of prosecution by the Attorney General of a violation of this subtitle.

SEC. 1035. ENFORCEMENT.

(a) COLLECTION OF INFORMATION.—

(1) IN GENERAL.—The Secretary may gather and compile information and conduct any inspection or investigation that the Secretary considers to be necessary for the administration or enforcement of this subtitle.

(2) SUBPOENAS.—

(A) IN GENERAL.—The Secretary shall have power to issue a subpoena to compel the attendance and testimony of any witness and the production of any documentary evidenee relating to the administration or enforcement of this subtitle or any matter under investigation in connection with this subtitle.

(B) LOCATION OF PRODUCTION.—The attendance of any witness and production of documentary evidence relevant to the inquiry may be required from any place in the United States.

(C) ENFORCEMENT.—

(i) IN GENERAL.—In case of disobedience to a subpoena by any person, the Secretary may request the Attorney General to invoke the aid of any court of the United States within the jurisdiction in which the investigation is conducted, or where the person resides, is found, transacts business, is licensed to do business, or is incorporated, to require the attendance and testimony of any witness and the production of documentary evidence.

(ii) NONCOMPLIANCE.—In case of a refusal to obey a subpoena issued to any person, a court may order the person to appear before the Secretary and give evidence concerning the matter in question or to produce documentary evidence.

(iii) CONTEMPT.—Any failure to obey the order of the court may be punished by the court as contempt of the court.

(D) COMPENSATION.—

(i) WITNESSES.—A witness summoned by the Secretary under this subtitle shall be paid the same fees and mileage that are paid to a witness in a court of the United States.

(ii) DEPOSITIONS.—A witness whose deposition is taken, and the person taking the deposition, shall be entitled to the same fees that are paid for similar services in a court of the United States.

(E) PROCEDURES.—

(i) PUBLICATION.—The Secretary shall publish procedures for the issuance of subpoenas under this section.

(ii) REVIEW.—The procedures shall include a requirement that subpoenas be reviewed for legal sufficiency and, to be effective, be signed by the Secretary.

(iii) DELEGATION.—If the authority to sign a subpoena is delegated to an agency other than the Office of Administrative Law Judges, the agency receiving the delegation shall seek review of the subpoena for legal sufficiency outside that agency.

(b) AUTHORITY OF ATTORNEY GENERAL.—The Attorney General may—

(1) prosecute, in the name of the United States, all criminal violations of this subtitle that are referred to the Attorney General by the Secretary or are brought to the notice of the Attorney General by any person;

(2) bring an action to enjoin the violation of or to compel compliance with this subtitle, or to enjoin any interference by any person with the Secretary in carrying out this subtitle, in any case in which the Secretary has reason to believe that the person has violated, or is about to violate this subtitle or has interfered, or is about to interfere, with the actions of the Secretary; or

(3) bring an action for the recovery of any unpaid civil penalty, funds under a reimbursable agreement, late payment penalty, or interest assessed under this subtitle.

(c) COURT JURISDICTION.—

(1) IN GENERAL.—The United States district courts, the District Court of Guam, the District Court of the Northern Mariana Islands, the District Court of the Virgin Islands, the highest court of American Samoa, and the United States courts of the other territories and possessions are vested with jurisdiction in all cases arising under this subtitle.

(2) VENUE.—Any action arising under this subtitle may be brought, and process may be served, in the judicial district where a violation or interference occurred or is about to occur, or where the person charged with the violation, interference, impending violation, impending interference, or failure to pay resides, is found, transacts business, is licensed to do business, or is incorporated.

(3) EXCEPTION.—Paragraphs (1) and (2) do not apply to subsections (b) and (c) of section 1034.

SEC. 1036. REGULATIONS AND ORDERS.

The Secretary may promulgate such regulations, and issue such orders, as the Secretary determines necessary to carry out this subtitle.

SEC. 1037. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to carry out this subtitle.

(b) TRANSFER OF FUNDS.—

(1) IN GENERAL.—In connection with an emergency under which a pest or disease of livestock threatens any segment of agricultural production in the United States, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department of Agriculture such funds as the Secretary determines are necessary for the arrest, control, eradication, or prevention of the spread of the pest or disease of livestock and for related expenses.

(2) AVAILABILITY.—Any funds transferred under this subsection shall remain available until expended, without fiscal year limitation.

(c) USE OF FUNDS.—In carrying out this subtitle, the Secretary may use funds made available to carry out this subtitle for—

(1) printing and binding, without regard to section 501 of title 44, United States Code;

(2) the employment of civilian nationals in foreign countries; and

(3) the construction and operation of research laboratories, quarantine stations, and other buildings and facilities for special purposes.

SEC. 1038. REPEALS AND CONFORMING AMENDMENTS.

(a) REPEALS.—The following provisions of law are repealed:

(1) Public Law 97-46 (7 U.S.C. 147b).

(2) Section 101(b) of the Act of September 21, 1944 (7 U.S.C. 429).

(3) The Act of August 28, 1950 (7 U.S.C. 2260).

(4) Section 919 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 2260a).

(5) Section 306 of the Tariff Act of 1930 (19 U.S.C. 1306).

(6) Sections 6 through 8 and 10 of the Act of August 30, 1890 (21 U.S.C. 102 through 105).

(7) The Act of February 2, 1903 (21 U.S.C. 111, 120 through 122).

(8) Sections 2 through 9, 11, and 13 of the Act of May 29, 1884 (21 U.S.C. 112, 113, 114, 114a, 114a-1, 115 through 120, 130).

(9) The first section and sections 2, 3, and 5 of the Act of February 28, 1947 (21 U.S.C. 114b, 114c, 114d, 114d-1).

(10) The Act of June 16, 1948 (21 U.S.C. 114e, 114f).

(11) Public Law 87-209 (21 U.S.C. 114g, 114h).

(12) Section 2506 of the Food, Agriculture, Conservation, and Trade Act of 1990 (21 U.S.C. 114i).

(13) The third and fourth provisos of the fourth paragraph under the heading "BUREAU OF ANIMAL INDUSTRY" of the Act of May 31, 1920 (21 U.S.C. 116).

(14) The first section and sections 2, 3, 4, and 6 of the Act of March 3, 1905 (21 U.S.C. 123 through 127).

(15) The first proviso under the heading "GENERAL EXPENSES, BUREAU OF ANIMAL INDUSTRY" under the heading "BUREAU OF ANIMAL INDUSTRY" of the Act of June 30, 1914 (21 U.S.C. 128).

(16) The fourth proviso under the heading "SALARIES AND EXPENSES" under the heading "ANIMAL AND PLANT HEALTH INSPECTION SERVICE" of title I of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (21 U.S.C. 129).

(17) The third paragraph under the heading "MISCELLANEOUS" of the Act of May 26, 1910 (21 U.S.C. 131).

(18) The first section and sections 2 through 6 and 11 through 13 of Public Law 87-518 (21 U.S.C. 134 through 134h).

(19) Public Law 91-239 (21 U.S.C. 135 through 135b).

(20) Sections 12 through 14 of the Federal Meat Inspection Act (21 U.S.C. 612 through 614).

(21) Chapter 39 of title 46, United States Code.

(b) CONFORMING AMENDMENTS.—

(1) Section 414(b) of the Plant Protection Act (7 U.S.C. 7714(b)) is amended—

(A) in paragraph (1), by striking ", or the owner's agent,"; and

(B) in paragraph (2), by striking "or agent of the owner" each place it appears.

(2) Section 423 of the Plant Protection Act (7 U.S.C. 7733) is amended—

(A) by striking subsection (b) and inserting the following:

"(b) LOCATION OF PRODUCTION.—The attendance of any witness and production of documentary evidence relevant to the inquiry may be required from any place in the United States.";

(B) in the third sentence of subsection (e), by inserting "to an agency other than the Office of Administrative Law Judges" after "is delegated"; and

(C) by striking subsection (f).

(3) Section 11(h) of the Endangered Species Act of 1973 (16 U.S.C. 1540(h)) is amended in the first sentence by striking "animal quarantine laws (21 U.S.C. 101-105, 111-135b, and 612-614)" and inserting "animal quarantine laws (as defined in section 2509(f) of the Food, Agriculture, Conservation, and Trade Act of 1990 (21 U.S.C. 136a(f))".

(4) Section 18 of the Federal Meat Inspection Act (21 U.S.C. 618) is amended by striking "of the cattle" and all that follows through "as herein described" and inserting "of the carcasses and products of cattle, sheep, swine, goats, horses, mules, and other equines".

(5) Section 2509 of the Food, Agriculture, Conservation, and Trade Act of 1990 (21 U.S.C. 136a) is amended—

(A) in subsection (c), by inserting after paragraph (1) the following:

"(2) Veterinary diagnostics.—The Secretary may prescribe and collect fees to recover the costs of carrying out the provisions of the Animal Health Protection Act that relate to veterinary diagnostics."; and

(B) in subsection (f)(1), by striking subparagraphs (B) through (O) and inserting the following:

"(B) section 9 of the Act of August 30, 1890 (21 U.S.C. 101);

"(C) the Animal Health Protection Act; or

"(D) any other Act administered by the Secretary relating to plant or animal diseases or pests.".

(c) Effect on Regulations.—A regulation issued under a provision of law repealed by subsection (a) shall remain in effect until the Secretary issues a regulation under section 1036 that supersedes the earlier regulation.

In Amendment No. 2534 (FLO01.579), on page 1, strike line 2 and insert the following:

Subtitle D—General Provisions

SEC. 10 . FEES FOR PESTICIDES.

(a) Maintenance Fee.—

(1) Amounts for registrants.—Section 4(i)(5) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(i)(5)) is amended—

(A) in subparagraph (A), by striking "each year" and all that follows and inserting "each year $2,300 for each registration";

(B) in subparagraph (D)—

(i) in clause (i), by striking "$55,000" and inserting "$70,000"; and

(ii) in clause (ii), by striking "$95,000" and inserting "$120,000"; and

(C) in subparagraph (E)(i)—

(I) in subclause (I) by striking "$38,500" and inserting "$46,000"; and

(II) in subclause (II), by striking "$66,500" and inserting "$80,000".

(2) Total amount of fees.—Section 4(i)(5)(C) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136(a)–1(i)(5)(C)) is amended—

(A) by striking "(C)(i) The" and inserting the following:

"(C) Total amount of fees.—The";

(B) by striking "$14,000,000 each fiscal year" and inserting "$20,000,000 for the period beginning on January 1, 2002, and ending on February 28, 2002"; and

(C) by striking clause (ii).

(3) Definition of small business.—Section 4(i)(5)(E)(ii) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(i)(5)(E)(ii)) is amended—

(A) in subclause (I), by striking "150" and inserting "500"; and

(B) in subclause (II), by striking "gross revenue from chemicals that did not exceed $40,000,000" and inserting "global gross revenue from pesticides that did not exceed $60,000,000".

(4) Period of effectiveness.—Section 4(i)(5) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(i)(5)) is amended by striking subparagraph (H) and inserting the following:

"(H) Period of effectiveness.—This paragraph shall be in effect during the period beginning on January 1, 2002, and ending on February 28, 2002.".

(b) Other Fees.—Section 4(i)(6) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(i)(6)) is amended by striking "the date of the enactment of this section and ending on September 30, 2001" and inserting "January 1, 2002, and ending on February 28, 2002".

(c) Expedited Processing of Similar Applications.—Section 4(k)(3) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136a–1(k)(3)) is amended—

(1) in the paragraph heading, by striking "Expedited" and inserting "Review of inert ingredients; expedited"; and

(2) in subparagraph (A)—

(A) by striking "each of the" and all that follows through "such fiscal year" and inserting "the period beginning on January 1, 2002, and ending on February 28, 2002, 1/7 of the maintenance fees collected during the period";

(B) by redesignating clauses (i), (ii), and (iii) as subclauses (I), (II), and (III), respectively, and adjusting the margins appropriately; and

(C) by striking "assure the expedited processing and review of any applicant that" and inserting the following:

"(i) review and evaluate inert ingredients; and

"(ii) ensure the expedited processing and review of any application that—".

(d) Pesticide Tolerance Processing Fees.—Section 408(m)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346a(m)(1)) is amended—

(1) by striking "The Administrator" and inserting the following:

"(A) In general.—The Administrator";

(2) by striking "Under the regulations" and inserting the following:

"(B) Inclusions.—Under the regulations";

(3) by redesignating subparagraphs (A), (B), (C), and (D) as clauses (i), (ii), (iii), and (iv), respectively, and adjusting the margins appropriately;

(4) by striking "The regulations may" and inserting the following:

"(C) Waiver; refund.—The regulations may"; and

(5) by adding at the end the following:

"(D) Annual adjustment of fees.—The Administrator may annually promulgate regulations to implement changes in the amounts in the schedule of pesticide tolerance processing fees in effect on the date of enactment of this subparagraph by the same percentage as the annual adjustment to the Federal General Schedule pay scale under section 5303 of title 5, United States Code.

"(E) Period of effectiveness.—This paragraph shall be in effect during the period beginning on January 1, 2002, and ending on February 28, 2002.".

SEC. 10 . PEST MANAGEMENT IN SCHOOLS.

(a) Short Title.—This section may be cited as the "School Environment Protection Act of 2002".

(b) Pest Management.—The Federal Insecticide, Fungicide, and Rodenticide Act is amended—

(1) by redesignating sections 33 and 34 (7 U.S.C. 136x, 136y) as sections 34 and 35, respectively; and

(2) by inserting after section 32 (7 U.S.C. 136w–7) the following:

"SEC. 33. PEST MANAGEMENT IN SCHOOLS.

"(a) Definitions.—In this section:

"(1) Bait.—The term 'bait' means a pesticide that contains an ingredient that serves as a feeding stimulant, odor, pheromone, or other attractant for a target pest.

"(2) Contact person.—The term 'contact person' means an individual who is—

"(A) knowledgeable about school pest management plans; and

"(B) designated by a local educational agency to carry out implementation of the school pest management plan of a school.

"(3) Emergency.—The term 'emergency' means an urgent need to mitigate or eliminate a pest that threatens the health or safety of a student or staff member.

"(4) Local educational agency.—The term 'local educational agency' has the meaning given the term in section 3 of the Elementary and Secondary Education Act of 1965.

"(5) School.—

"(A) In general.—The term 'school' means a public—

"(i) elementary school (as defined in section 3 of the Elementary and Secondary Education Act of 1965);

"(ii) secondary school (as defined in section 3 of that Act);

"(iii) kindergarten or nursery school that is part of an elementary school or secondary school; or

"(iv) tribally-funded school.

"(B) Inclusions.—The term 'school' includes any school building, and any area outside of a school building (including a lawn, playground, sports field, and any other property or facility), that is controlled, managed, or owned by the school or school district.

"(6) School pest management plan.—The term 'school pest management plan' means a pest management plan developed under subsection (b).

"(7) Staff member.—

"(A) In general.—The term 'staff member' means a person employed at a school or local educational agency.

"(B) Exclusions.—The term 'staff member' does not include—

"(i) a person hired by a school, local educational agency, or State to apply a pesticide; or

"(ii) a person assisting in the application of a pesticide.

"(8) State agency.—The term 'State agency' means the an agency of a State, or an agency of an Indian tribe or tribal organization (as those terms are defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), that exercises primary jurisdiction over matters relating to pesticide regulation.

"(9) Universal notification.—The term 'universal notification' means notice provided by a local educational agency or school to—

"(A) parents, legal guardians, or other persons with legal standing as parents of each child attending the school; and

"(B) staff members of the school.

"(b) School Pest Management Plans.—

"(1) State plans.—

"(A) Guidance.—As soon as practicable (but not later than 180 days) after the date of enactment of the School Environment Protection Act of 2002, the Administrator shall develop, in accordance with this section—

"(i) guidance for a school pest management plan; and

"(ii) a sample school pest management plan.

"(B) Plan.—As soon as practicable (but not later than 1 year) after the date of enactment of the School Environment Protection Act of 2002, each State agency shall develop and submit to the Administrator for approval, as part of the State cooperative agreement under section 23, a school pest management plan for local educational agencies in the State.

"(C) Components.—A school pest management plan developed under subparagraph (B) shall, at a minimum—

"(i) implement a system that—

"(I) eliminates or mitigates health risks, or economic or aesthetic damage, caused by pests;

"(II) employs—

"(aa) integrated methods;

"(bb) site or pest inspection;

"(cc) pest population monitoring; and

"(dd) an evaluation of the need for pest management; and

"(III) is developed taking into consideration pest management alternatives (including sanitation, structural repair, and mechanical, biological, cultural, and pesticide strategies) that minimize health and environmental risks;

"(ii) require, for pesticide applications at the school, universal notification to be provided—

"(I) at the beginning of the school year;

"(II) at the midpoint of the school year; and

"(III) at the beginning of any summer session, as determined by the school;

"(iii) establish a registry of staff members of a school, and of parents, legal guardians, or other persons with legal standing as parents of each child attending the school, that have requested to be notified in advance of any pesticide application at the school;

"(iv) establish guidelines that are consistent with the definition of a school pest management plan under subsection (a);

"(v) require that each local educational agency use a certified applicator or a person authorized by the State agency to implement the school pest management plans;

"(vi) be consistent with the State cooperative agreement under section 23; and

"(vii) require the posting of signs in accordance with paragraph (4)(G).

"(D) APPROVAL BY ADMINISTRATOR.—Not later than 90 days after receiving a school pest management plan submitted by a State agency under subparagraph (B), the Administrator shall—

"(i) determine whether the school pest management plan, at a minimum, meets the requirements of subparagraph (C); and

"(ii)(I) if the Administrator determines that the school pest management plan meets the requirements, approve the school pest management plan as part of the State cooperative agreement; or

"(II) if the Administrator determines that the school pest management plan does not meet the requirements—

"(aa) disapprove the school pest management plan;

"(bb) provide the State agency with recommendations for and assistance in revising the school pest management plan to meet the requirements; and

"(cc) provide a 90-day deadline by which the State agency shall resubmit the revised school pest management plan to obtain approval of the plan, in accordance with the State cooperative agreement.

"(E) DISTRIBUTION OF STATE PLAN TO SCHOOLS.—On approval of the school pest management plan of a State agency, the State agency shall make the school pest management plan available to each local educational agency in the State.

"(F) EXCEPTION FOR EXISTING STATE PLANS.—If, on the date of enactment of the School Environment Protection Act of 2002, a State has implemented a school pest management plan that, at a minimum, meets the requirements under subparagraph (C) (as determined by the Administrator), the State agency may maintain the school pest management plan and shall not be required to develop a new school pest management plan under subparagraph (B).

"(2) IMPLEMENTATION BY LOCAL EDUCATIONAL AGENCIES.—

"(A) IN GENERAL.—Not later than 1 year after the date on which a local educational agency receives a copy of a school pest management plan of a State agency under paragraph (1)(E), the local educational agency shall develop and implement in each of the schools under the jurisdiction of the local educational agency a school pest management plan that meets the standards and requirements under the school pest management plan of the State agency, as determined by the Administrator.

"(B) EXCEPTION FOR EXISTING PLANS.—If, on the date of enactment of the School Environment Protection Act of 2002, a State maintains a school pest management plan that, at a minimum, meets the standards and criteria established under this section (as determined by the Administrator), and a local educational agency in the State has implemented the State school pest management plan, the local educational agency may maintain the school pest management plan and shall not be required to develop and implement a new school pest management plan under subparagraph (A).

"(C) APPLICATION OF PESTICIDES AT SCHOOLS.—A school pest management plan shall prohibit—

"(i) the application of a pesticide (other than a pesticide, including a bait, gel or paste, described in paragraph (4)(C)) to any area or room at a school while the area or room is occupied or in use by students or staff members (except students or staff members participating in regular or vocational agricultural instruction involving the use of pesticides); and

"(ii) the use by students or staff members of an area or room treated with a pesticide by broadcast spraying, baseboard spraying, tenting, or fogging during—

"(I) the period specified on the label of the pesticide during which a treated area or room should remain unoccupied; or

"(II) if there is no period specified on the label, the 24-hour period beginning at the end of the treatment.

"(3) CONTACT PERSON.—

"(A) IN GENERAL.—Each local educational agency shall designate a contact person to carry out a school pest management plan in schools under the jurisdiction of the local educational agency.

"(B) DUTIES.—The contact person of a local educational agency shall—

"(i) maintain information about the scheduling of pesticide applications in each school under the jurisdiction of the local educational agency;

"(ii) act as a contact for inquiries, and disseminate information requested by parents or guardians, about the school pest management plan;

"(iii) maintain and make available to parents, legal guardians, or other persons with legal standing as parents of each child attending the school, before and during the notice period and after application—

"(I) copies of material safety data sheet for pesticides applied at the school, or copies of material safety data sheets for end-use dilutions of pesticides applied at the school, if data sheets are available;

"(II) labels and fact sheets approved by the Administrator for all pesticides that may be used by the local educational agency; and

"(III) any final official information related to the pesticide, as provided to the local educational agency by the State agency; and

"(iv) for each school, maintain all pesticide use data for each pesticide used at the school (other than antimicrobial pesticides (as defined in clauses (i) and (ii) of section 2(mm)(1)(A))) for at least 3 years after the date on which the pesticide is applied; and

"(v) make that data available for inspection on request by any person.

"(4) NOTIFICATION.—

"(A) UNIVERSAL NOTIFICATION.—At the beginning of each school year, at the midpoint of each school year, and at the beginning of any summer session (as determined by the school), a local educational agency or school shall provide to staff members of a school, and to parents, legal guardians, and other persons with legal standing as parents of students enrolled at the school, a notice describing the school pest management plan that includes—

"(i) a summary of the requirements and procedures under the school pest management plan;

"(ii) a description of any potential pest problems that the school may experience (including a description of the procedures that may be used to address those problems);

"(iii) the address, telephone number, and Web site address of the Office of Pesticide Programs of the Environmental Protection Agency; and

"(iv) the following statement (including information to be supplied by the school as indicated in brackets):

'As part of a school pest management plan, ________ (insert school name) may use pesticides to control pests. The Environmental Protection Agency (EPA) and ________ (insert name of State agency exercising jurisdiction over pesticide registration and use) registers pesticides for that use. EPA continues to examine registered pesticides to determine that use of the pesticides in accordance with instructions printed on the label does not pose unreasonable risks to human health and the environment. Nevertheless, EPA cannot guarantee that registered pesticides do not pose risks, and unnecessary exposure to pesticides should be avoided. Based in part on recommendations of a 1993 study by the National Academy of Sciences that reviewed registered pesticides and their potential to cause unreasonable adverse effects on human health, particularly on the health of pregnant women, infants, and children, Congress enacted the Food Quality Protection Act of 1996. That law requires EPA to reevaluate all registered pesticides and new pesticides to measure their safety, taking into account the unique exposures and sensitivity that pregnant women, infants, and children may have to pesticides. EPA review under that law is ongoing. You may request to be notified at least 24 hours in advance of pesticide applications to be made and receive information about the applications by registering with the school. Certain pesticides used by the school (including baits, pastes, and gels) are exempt from notification requirements. If you would like more information concerning any pesticide application or any product used at the school, contact ________ (insert name and phone number of contact person).'.

"(B) NOTIFICATION TO PERSONS ON REGISTRY.—

"(i) IN GENERAL.—Except as provided in clause (ii) and paragraph (5)—

"(I) notice of an upcoming pesticide application at a school shall be provided to each person on the registry of the school not later than 24 hours before the end of the last business day during which the school is in session that precedes the day on which the application is to be made; and

"(II) the application of a pesticide for which a notice is given under subclause (I) shall not commence before the end of the business day.

"(ii) NOTIFICATION CONCERNING PESTICIDES USED IN CURRICULA.—If pesticides are used as part of a regular vocational agricultural curriculum of the school, a notice containing the information described in subclauses (I), (IV), (VI), and (VII) of clause (iii) for all pesticides that may be used as a part of that curriculum shall be provided to persons on the registry only once at the beginning of each academic term of the school.

"(iii) CONTENTS OF NOTICE.—A notice under clause (i) shall contain—

"(I) the trade name, common name (if applicable), and Environmental Protection Agency registration number of each pesticide to be applied;

"(II) a description of each location at the school at which a pesticide is to be applied;

"(III) a description of the date and time of application, except that, in the case of an outdoor pesticide application, a notice shall include at least 3 dates, in chronological order, on which the outdoor pesticide application may take place if the preceding date is canceled;

"(IV) information that the State agency shall provide to the local educational agency, including a description of potentially acute and chronic effects that may result from exposure to each pesticide to be applied based on—

"(aa) a description of potentially acute and chronic effects that may result from exposure to each pesticide to be applied, as stated on the label of the pesticide approved by the Administrator;

"(bb) information derived from the material safety data sheet for the end-use dilution of the pesticide to be applied (if available) or the material safety data sheets; and

"(cc) final, official information related to the pesticide prepared by the Administrator and provided to the local educational agency by the State agency;

"(V) a description of the purpose of the application of the pesticide;

"(VI) the address, telephone number, and website address of the Office of Pesticide Programs of the Environmental Protection Agency; and

"(VII) the statement described in subparagraph (A)(iv) (other than the ninth sentence of that statement).

"(C) NOTIFICATION AND POSTING EXEMPTION.—A notice or posting of a sign under subparagraph (A), (B), or (G) shall not be required for the application at a school of—

"(i) an antimicrobial pesticide;

"(ii) a bait, gel, or paste that is placed—

"(I) out of reach of children or in an area that is not accessible to children; or

"(II) in a tamper-resistant or child-resistant container or station; and

"(iii) any pesticide that, as of the date of enactment of the School Environment Protection Act of 2002, is exempt from the requirements of this Act under section 25(b) (including regulations promulgated at section 152 of title 40, Code of Federal Regulations (or any successor regulation)).

"(D) NEW STAFF MEMBERS AND STUDENTS.—After the beginning of each school year, a local educational agency or school within a local educational agency shall provide each notice required under subparagraph (A) to—

"(i) each new staff member who is employed during the school year; and

"(ii) the parent or guardian of each new student enrolled during the school year.

"(E) METHOD OF NOTIFICATION.—A local educational agency or school may provide a notice under this subsection, using information described in paragraph (4), in the form of—

"(i) a written notice sent home with the students and provided to staff members;

"(ii) a telephone call;

"(iii) direct contact;

"(iv) a written notice mailed at least 1 week before the application; or

"(v) a notice delivered electronically (such as through electronic mail or facsimile).

"(F) REISSUANCE.—If the date of the application of the pesticide needs to be extended beyond the period required for notice under this paragraph, the school shall issue a notice containing only the new date and location of application.

"(G) POSTING OF SIGNS.—

"(i) IN GENERAL.—Except as provided in paragraph (5)—

"(I) a school shall post a sign not later than the last business day during which school is in session preceding the date of application of a pesticide at the school; and

"(II) the application for which a sign is posted under subclause (I) shall not commence before the time that is 24 hours after the end of the business day on which the sign is posted.

"(ii) LOCATION.—A sign shall be posted under clause (i)—

"(I) at a central location noticeable to individuals entering the building; and

"(II) at the proposed site of application.

"(iii) ADMINISTRATION.—A sign required to be posted under clause (i) shall—

"(I) remain posted for at least 24 hours after the end of the application;

"(II) be—

"(aa) at least 8½ inches by 11 inches for signs posted inside the school; and

"(bb) at least 4 inches by 5 inches for signs posted outside the school; and

"(III) contain—

"(aa) information about the pest problem for which the application is necessary;

"(bb) the name of each pesticide to be used;

"(cc) the date of application;

"(dd) the name and telephone number of the designated contact person; and

"(ee) the statement contained in subparagraph (A)(iv).

"(iv) OUTDOOR PESTICIDE APPLICATIONS.—

"(I) IN GENERAL.—In the case of an outdoor pesticide application at a school, each sign shall include at least 3 dates, in chronological order, on which the outdoor pesticide application may take place if the preceding date is canceled.

"(II) DURATION OF POSTING.—A sign described in subclause (I) shall be posted after an outdoor pesticide application in accordance with clauses (ii) and (iii).

"(5) EMERGENCIES.—

"(A) IN GENERAL.—A school may apply a pesticide at the school without complying with this part in an emergency, subject to subparagraph (B).

"(B) SUBSEQUENT NOTIFICATION OF PARENTS, GUARDIANS, AND STAFF MEMBERS.—Not later than the earlier of the time that is 24 hours after a school applies a pesticide under this paragraph or on the morning of the next business day, the school shall provide to each parent or guardian of a student listed on the registry, a staff member listed on the registry, and the designated contact person, notice of the application of the pesticide in an emergency that includes—

"(i) the information required for a notice under paragraph (4)(G); and

"(ii) a description of the problem and the factors that required the application of the pesticide to avoid a threat to the health or safety of a student or staff member.

"(C) METHOD OF NOTIFICATION.—The school may provide the notice required by paragraph (B) by any method of notification described in paragraph (4)(E).

"(D) POSTING OF SIGNS.—Immediately after the application of a pesticide under this paragraph, a school shall post a sign warning of the pesticide application in accordance with clauses (ii) through (iv) of paragraph (4)(B).

"(c) RELATIONSHIP TO STATE AND LOCAL REQUIREMENTS.—Nothing in this section (including regulations promulgated under this section)—

"(1) precludes a State or political subdivision of a State from imposing on local educational agencies and schools any requirement under State or local law (including regulations) that is more stringent than the requirements imposed under this section; or

"(2) establishes any exception under, or affects in any other way, section 24(b).

"(d) EXCLUSION OF CERTAIN PEST MANAGEMENT ACTIVITIES.—Nothing in this section (including regulations promulgated under this section) applies to a pest management activity that is conducted—

"(1) on or adjacent to a school; and

"(2) by, or at the direction of, a State or local agency other than a local educational agency.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.".

(c) CONFORMING AMENDMENT.—The table of contents in section 1(b) of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. prec. 121) is amended by striking the items relating to sections 30 through 32 and inserting the following:

"Sec. 30. Minimum requirements for training of maintenance applicators and service technicians.
"Sec. 31. Environmental Protection Agency minor use program.
"Sec. 32. Department of Agriculture minor use program.
  "(a) In general.
  "(b)(1) Minor use pesticide data.
  "(2) Minor Use Pesticide Data Revolving Fund.
"Sec. 33. Pest management in schools.
  "(a) Definitions.
    "(1) Bait.
    "(2) Contact person.
    "(3) Emergency.
    "(4) Local educational agency.
    "(5) School.
    "(6) Staff member.
    "(7) State agency.
    "(8) Universal notification.
  "(b) School pest management plans.
    "(1) State plans.
    "(2) Implementation by local educational agencies.
    "(3) Contact person.
    "(4) Notification.
    "(5) Emergencies.
  "(c) Relationship to State and local requirements.
  "(d) Exclusion of certain pest management activities.
  "(e) Authorization of appropriations.
"Sec. 34. Severability.
"Sec. 35. Authorization of appropriations.".

(d) EFFECTIVE DATE.—This section and the amendments made by this section take effect on October 1, 2002.

On page 945, between lines 5 and 6, insert the following:

SEC. 10 . EXPANSION OF STATE MARKETING PROGRAMS.

(a) STATE MARKETING PROGRAMS.—Section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)) is amended—

(1) by striking "(b) The" and all that follows through ": *Provided*, That no" and inserting the following:

"(b) STATE MARKETING PROGRAMS.—

"(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall make available $7,000,000 for fiscal year 2003, $8,000,000 for fiscal year 2004, and $10,000,000 for each of fiscal years 2005 and 2006 for allotment to State departments of agriculture, State bureaus and departments of markets, State agricultural experiment stations, and other appropriate State agencies for cooperative projects in marketing service and in marketing research to effectuate the purposes of—

"(A) title II of this Act; and

"(B) the Farmer's Market Promotion Program established under section 6 of the Farmer-to-Consumer Direct Marketing Act of 1976.

"(2) SMALL FARMS AND LIMITED RESOURCE FARMERS.—Of the funds made available under paragraph (1), a priority shall be given for initiatives designed to support direct and other marketing efforts of small farms and limited resource farmers.

"(3) STATE FUNDS.—No";

(2) by striking "The funds which" and inserting the following:

"(4) ADDITIONAL FUNDS.—The funds that";

(3) by striking "The allotments" and inserting the following:

"(5) RECIPIENT AGENCIES.—The allotments";

(4) by striking "Such allotments" and inserting the following:

"(6) COOPERATIVE AGREEMENTS.—The allotments"; and

(5) by striking "Should duplication" and inserting the following:

"(7) DUPLICATION.—If duplication".

(b) FARMERS' MARKET PROMOTION PROGRAM.—

(1) SURVEY.—Section 4 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3003) is amended—

(A) in the first sentence, by striking "a continuing" and inserting "an annual"; and

(B) by striking the second sentence.

(2) DIRECT MARKETING ASSISTANCE.—Section 5 of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3004) is amended—

(A) in subsection (a)—

(i) in the first sentence, by striking "Extension Service of the United States Department of Agriculture" and inserting "Secretary"; and

(ii) in the second sentence—

(I) by striking "Extension Service" and inserting "Secretary"; and

(II) by striking "and on the basis of which of these two agencies, or combination thereof, can best perform these activities" and inserting ", as determined by the Secretary";

(B) by redesignating subsection (b) as subsection (c); and

(C) by inserting after subsection (a) the following:

"(b) DEVELOPMENT OF FARMERS' MARKETS.—The Secretary shall—

"(1) work with the Governor of a State, and a State agency designated by the Governor, to develop programs to train managers of farmers' markets;

"(2) develop opportunities to share information among managers of farmers' markets;

"(3) establish a program to train cooperative extension service employees in the development of direct marketing techniques; and

"(4) work with producers to develop farmers' markets.".

(3) FARMERS' MARKET PROMOTION PROGRAM.—The Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3001 et seq.) is amended by inserting after section 5 the following:

"SEC. 6. FARMERS' MARKET PROMOTION PROGRAM.

"(a) ESTABLISHMENT.—The Secretary shall carry out a program, to be known as the 'Farmers' Market Promotion Program' (referred to in this section as the 'Program'), to make grants to eligible entities for projects to establish, expand, and promote farmers' markets.

"(b) PROGRAM PURPOSES.—The purposes of the Program are—

"(1) to increase domestic consumption of agricultural commodities by improving and expanding, or assisting in the improvement and expansion of, domestic farmers' markets, roadside stands, community-supported agriculture programs, and other direct producer-to-consumer infrastructure; and

"(2) to develop, or aid in the development of, new farmers' markets, roadside stands, community-supported agriculture programs, and other direct producer-to-consumer infrastructure.

"(c) ELIGIBLE ENTITIES.—An entity shall be eligible to receive a grant under the Program if the entity is—

"(1) an agricultural cooperative;

"(2) a local government;

"(3) a nonprofit corporation;

"(4) a public benefit corporation;

"(5) an economic development corporation;

"(6) a regional farmers' market authority; or

"(7) such other entity as the Secretary may designate.

"(d) CRITERIA AND GUIDELINES.—The Secretary shall establish criteria and guidelines for the submission, evaluation, and funding of proposed projects under the Program.

"(e) AMOUNT.—

"(1) IN GENERAL.—Under the Program, the amount of a grant to an eligible entity for any 1 project shall be not more than $500,000 for any 1 fiscal year.

"(2) AVAILABILITY.—The amount of a grant to an eligible entity for a project shall be available until expended or until the date on which the project terminates.

"(f) COST SHARING.—

"(1) IN GENERAL.—The share of the costs of a project covered by a grant awarded under the Program shall not exceed 60 percent.

"(2) GRANTEE SHARE.—

"(A) FORM.—The non-Federal share of the cost of a project carried out under the Program may be paid in the form of cash or the provision of services, materials, or other inkind contributions.

"(B) LIMITATION.—The value of any real or personal property owned by an eligible entity as of the date on which the eligible entity submits a proposal for a project under the Program shall not be credited toward the grantee share required under this paragraph.

"(g) FUNDING.—

"(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2002 through 2006.

"(2) LIMITATION.—Except for funds made available pursuant to section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), no amounts may be made available to carry out this section unless specifically provided by an appropriation Act.".

On page 946, line 18, insert "(a) IN GENERAL.—" before "Section".

On page 951, between lines 6 and 7, insert the following:

(b) DEFINITION OF SOCIALLY DISADVANTAGED GROUP.—Section 2501(e)(1) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e)(1)) is amended by striking "racial or ethnic" and inserting "gender, racial, or ethnic".

SEC. 10 . WILD FISH AND WILD SHELLFISH.

Section 2104 of the Organic Foods Production Act of 1990 (7 U.S.C. 6503) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following:

"(c) WILD FISH AND WILD SHELLFISH.—

"(1) IN GENERAL.—Notwithstanding section 2107(a)(1), the Secretary may allow, through regulations promulgated after public notice and opportunity for comment, wild fish or wild shellfish harvested from salt water to be certified or labeled as organic.

"(2) CONSULTATION AND ACCOMMODATION.—In carrying out paragraph (1), the Secretary shall—

"(A) consult with—

"(i) the Secretary of Commerce;

"(ii) the National Organic Standards Board established under section 2119;

"(iii) producers, processors, and sellers; and

"(iv) other interested members of the public; and

"(B) to the maximum extent practicable, accommodate the unique characteristics of the industries in the United States that harvest and process wild fish and shellfish.".

SEC. 10 . ASSISTANT SECRETARY OF AGRICULTURE FOR CIVIL RIGHTS.

(a) IN GENERAL.—Section 218 of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6918) is amended by adding at the end the following:

"(f) ASSISTANT SECRETARY OF AGRICULTURE FOR CIVIL RIGHTS.—

"(1) DEFINITION OF SOCIALLY DISADVANTAGED FARMER OR RANCHER.—In this subsection, the term 'socially disadvantaged farmer or rancher' has the meaning given the term in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)).

"(2) ESTABLISHMENT OF POSITION.—The Secretary shall establish within the Department the position of Assistant Secretary of Agriculture for Civil Rights.

"(3) APPOINTMENT.—The Assistant Secretary of Agriculture for Civil Rights shall be appointed by the President, by and with the advice and consent of the Senate.

"(4) DUTIES.—The Assistant Secretary of Agriculture for Civil Rights shall—

"(A) enforce and coordinate compliance with all civil rights laws and related laws—

"(i) by the agencies of the Department; and

"(ii) under all programs of the Department (including all programs supported with Department funds);

"(B) ensure that—

"(i) the Department has measurable goals for treating customers and employees fairly and on a nondiscriminatory basis; and

"(ii) the goals and the progress made in meeting the goals are included in—

"(I) strategic plans of the Department; and

"(II) annual reviews of the plans;

"(C) compile and publicly disclose data used in assessing civil rights compliance in achieving on a nondiscriminatory basis participation of socially disadvantaged farmers and ranchers in programs of the Department;

"(D)(i) hold Department agency heads and senior executives accountable for civil rights compliance and performance; and

"(ii) assess performance of Department agency heads and senior executives on the basis of success made in those areas;

"(E) ensure, to the maximum extent practicable—

"(i) a sufficient level of participation by socially disadvantaged farmers and ranchers in deliberations of county and area committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)); and

"(ii) that participation data and election results involving the committees are made available to the public; and

"(F) perform such other functions as may be prescribed by the Secretary.".

(b) COMPENSATION.—Section 5315 of title 5, United States Code, is amended by striking "Assistant Secretaries of Agriculture (2)" and inserting "Assistant Secretaries of Agriculture (3)".

(c) CONFORMING AMENDMENTS.—Section 296(b) of the Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 7014(b)) is amended—

(1) in paragraph (3), by striking "or" at the end;

(2) in paragraph (4), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(5) the authority of the Secretary to establish within the Department the position of Assistant Secretary of Agriculture for Civil Rights under section 218(f).".

On page 951, strike lines 7 through 11 and insert the following:

SEC. 10 . TRANSPARENCY AND ACCOUNTABILITY FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS; PUBLIC DISCLOSURE REQUIREMENTS FOR COUNTY COMMITTEE ELECTIONS.

(a) TRANSPARENCY AND ACCOUNTABILITY FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS.—The Food, Agriculture, Conservation, and Trade Act of 1990 is amended by inserting after section 2501 (7 U.S.C. 2279) the following:

"SEC. 2501A. TRANSPARENCY AND ACCOUNTABILITY FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS.

"(a) PURPOSE.—The purpose of this section is to ensure compilation and public disclosure of data to assess and hold the Department of Agriculture accountable for the nondiscriminatory participation of socially disadvantaged farmers and ranchers in programs of the Department.

"(b) DEFINITION OF SOCIALLY DISADVANTAGED FARMER OR RANCHER.—In this section, the term 'socially disadvantaged farmer or rancher' has the meaning given the term in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)).

"(c) COMPILATION OF PROGRAM PARTICIPATION DATA.—

"(1) ANNUAL REQUIREMENT.—For each county and State in the United States, the Secretary shall compute annually the participation rate of socially disadvantaged farmers and ranchers as a percentage of the total participation of all farmers and ranchers for each program of the Department of Agriculture established for farmers or ranchers.

"(2) DETERMINATION OF PARTICIPATION.—In determining the rates under paragraph (1), the Secretary shall consider, for each county and State, the number of socially disadvantaged farmers and ranchers of each race, ethnicity, and gender in proportion to the total number of farmers and ranchers participating in each program.".

(b) PUBLIC DISCLOSURE REQUIREMENTS FOR COUNTY COMMITTEE ELECTIONS.—Section 8(b)(5) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)(5)) is amended by striking subparagraph (B) and inserting the following:

On page 958, line 3, strike the closing quotation marks and insert the following:

"(v) PUBLIC AVAILABILITY AND REPORT TO CONGRESS.—

"(I) PUBLIC DISCLOSURE.—The Secretary shall maintain and make readily available to the public, via website and otherwise in electronic and paper form, all data required to be collected and computed under section 2501A(c) of the Food, Agriculture, Conservation, and Trade Act of 1990 and clause (iii)(V) collected annually since the most recent Census of Agriculture.

"(II) REPORT TO CONGRESS.—After each Census of Agriculture, the Secretary shall report to Congress the rate of loss or gain in participation by each socially disadvantaged group, by race, ethnicity, and gender, since the previous Census.".

On page 958, between lines 3 and 4, insert the following:

SEC. 10 . ANIMAL ENTERPRISE TERRORISM.

(a) IN GENERAL.—Section 43 of title 18, United States Code, is amended—

(1) by striking subsections (a) and (b) and inserting the following:

"(a) OFFENSE.—

"(1) IN GENERAL.—It shall be unlawful for a person to—

"(A) travel in interstate or foreign commerce, or use or cause to be used the mail or any facility in interstate or foreign commerce, for the purpose of causing physical disruption to the functioning of an animal enterprise; and

"(B) intentionally damage or cause the loss of any property (including an animal or record) used by the animal enterprise, or conspire to do so.

"(b) PENALTIES.—

"(1) ECONOMIC DAMAGE.—A person that, in the course of a violation of subsection (a), causes economic damage to an animal enterprise in an amount less than $10,000 shall be imprisoned not more than 6 months, fined under this title, or both.

"(2) MAJOR ECONOMIC DAMAGE.—A person that, in the course of a violation of subsection (a), causes economic damage to an animal enterprise in an amount equal to or greater than $10,000 shall be imprisoned not more than 3 years, fined under this title, or both.

"(3) SERIOUS BODILY INJURY.—A person that, in the course of a violation of subsection (a), causes serious bodily injury to another individual shall be imprisoned not more than 20 years, fined under this title, or both.

"(4) DEATH.—A person that, in the course of a violation of subsection (a), causes the death of an individual shall be imprisoned for life or for any term of years, fined under this title, or both."; and

(2) in subsection (c)—

(A) in the matter preceding paragraph (1), by striking "'restitution—" and inserting "restitution for—";

(B) in paragraph (1)—

(i) by striking "for"; and

(ii) by striking "and" at the end;

(C) in paragraph (2), by striking the period at the end and inserting "; and"; and

(D) by adding at the end the following:

"(3) any other economic damage resulting from the offense.".

On page 958, between lines 7 and 8, insert the following:

SEC. 10 . TRANSPORTATION OF POULTRY AND OTHER ANIMALS.

Section 5402(d)(2) of title 39, United States Code (as amended by section 651(2) of Public Law 107–67 (115 Stat. 557)), is amended by striking subparagraph (C).

SEC. 10 . EMERGENCY GRANTS TO ASSIST LOW-INCOME MIGRANT AND SEASONAL FARMWORKERS.

Section 2281 of the Food, Agriculture, Conservation, and Trade Act of 1990 (42 U.S.C. 5177a) is amended—

(1) in subsection (a), by striking ", not to exceed $20,000,000 annually,"; and

(2) by striking subsection (c) and inserting the following:

"(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $40,000,000 for each of fiscal years 2002 through 2006.".

On page 961, strike lines 8 through 13 and insert the following:

(a) IN GENERAL.—Of funds of the Commodity Credit Corporation, the Secretary of Agriculture (acting through the Agricultural Marketing Service) shall use $3,500,000 for fiscal year 2002, $3,500,000 for each of fiscal years 2003 and 2004, and $3,000,000 for fiscal year 2005 to establish a national organic certification cost-share program to assist producers and handlers of agricultural products in obtaining certification.

On page 961, between lines 5 and 6, insert the following:

SEC. 10 . PRECLEARANCE QUARANTINE INSPECTIONS.

The Food, Agriculture, Conservation, and Trade Act of 1990 is amended by inserting after section 2505 (Public Law 101–624; 104 Stat. 4068) the following:

"SEC. 2505A. PRECLEARANCE QUARANTINE INSPECTIONS.

"(a) IN GENERAL.—Subject to subsection (b), the Secretary of Agriculture, acting through the Administrator of the Animal and Plant Health Inspection Service, shall conduct, at all direct departure and interline airports in the State of Hawaii, preclearance quarantine inspections of persons, baggage, cargo, and any other articles destined for movement from the State of Hawaii to—

"(1) the continental United States;

"(2) Guam;

"(3) Puerto Rico; or

"(4) the Virgin Islands of the United States.

"(b) LIMITATION.—Subsection (a) shall not be implemented unless appropriations for necessary expenses of the Animal and Plant Health Inspection Service for inspection, quarantine, and regulatory activities are increased by an amount not less than $3,000,000 in a fiscal year 2002 appropriation Act other than the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2002 (Public Law 107–76).".

SEC. 10 . EMERGENCY LOANS FOR SEED PRODUCERS.

Section 253(b)(5)(B) of the Agricultural Risk Protection Act of 2000 (Public Law 106–224; 114 Stat. 423) is amended by striking "18 months" and inserting "54 months".

On page 978, line 11, strike "FELONIES" and insert "MAJOR VIOLATIONS".

On page 978, line 13, after "person", insert the following: "that commits a violation of this title described in this subparagraph shall be guilty of a felony and, on conviction,".

On page 979, line 25, strike "MISDEMEANORS" and insert "OTHER VIOLATIONS".

On page 980, line 12, after "person", insert the following: "that commits a violation of this title described in this subparagraph shall be guilty of a misdemeanor and, on conviction,".

On page 982, line 19, insert "used knowingly" after "or".

On page 984, after line 2, insert the following:

SEC. 10 . REVIEW OF STATE MEAT INSPECTION PROGRAMS.

(a) Findings.—Congress finds that—

(1) the goal of a safe and wholesome supply of meat and meat food products throughout the United States would be better served if a consistent set of requirements, established by the Federal Government, were applied to all meat and meat food products, whether produced under State inspection or Federal inspection;

(2) under such a system, Federal and State meat inspection programs would function together to create a seamless inspection system to ensure food safety and inspire consumer confidence in the food supply in interstate commerce; and

(3) such a system would ensure the viability of State meat inspection programs, which should help to foster the viability of small establishments.

(b) Review.—Not later than September 30, 2003, the Secretary of Agriculture shall conduct a comprehensive review of each State meat and poultry inspection program, which shall include—

(1) an analysis of the effectiveness of the State program; and

(2) identification of changes that are necessary to enable the possible future transformation of the State program to a State meat and poultry inspection program that includes the mandatory antemortem and postmortem inspection, reinspection, sanitation, and related requirements of the Federal Meat Inspection Act (21 U.S.C. 601 et seq.) and the Poultry Products Inspection Act (21 U.S.C. 451 et seq.) (including the regulations, directives, notices, policy memoranda, and other regulatory requirements of those Acts).

(c) Comment.—In carrying out subsection (a), the Secretary shall, to the maximum extent practicable, obtain comment from interested parties.

(d) Funding.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 10 . AGRICULTURAL RESEARCH AND TECHNOLOGY.

(a) Scientific Studies.—

(1) In general.—The Secretary of Agriculture shall conduct scientific studies on—

(A) the transmission of spongiform encephalopathy in deer, elk, and moose; and

(B) chronic wasting disease (including the risks that chronic wasting disease poses to livestock).

(2) Report.—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the results of the scientific studies.

(b) Research and Extension Grant Program.—The Secretary shall establish a program to provide research and extension grants to eligible entities (as determined by the Secretary) to develop, for livestock production—

(1) prevention and control methodologies for infectious animal diseases that affect trade; and

(2) laboratory tests to expedite detection of—

(A) infected livestock; and

(B) the presence of diseases within herds or flocks of livestock.

(c) Vaccines.—

(1) Vaccine storage study.—The Secretary shall—

(A) conduct a study to determine the number of doses of livestock disease vaccines that should be available to protect against livestock diseases that could be introduced into the United States; and

(B) compare that number with the number of doses of the livestock disease vaccines that are available as of that date.

(2) Stockpiling of vaccines.—If, after conducting the study and comparison described in paragraph (1), the Secretary determines that there is an insufficient number of doses of a particular vaccine referred to in that paragraph, the Secretary shall take such actions as are necessary to obtain the required additional doses of the vaccine.

(d) Veterinary Training.—The Secretary shall develop a program to maintain in all regions of the United States a sufficient number of Federal and State veterinarians who are well trained in recognition and diagnosis of exotic and endemic animal diseases.

(e) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2002 through 2006.

SEC. 10 . OFFICE OF SCIENCE TECHNOLOGY POLICY.

(a) In General.—The President may—

(1) establish within the Office of Science and Technology Policy a noncareer, senior executive service appointment position for a Veterinary Advisor; and

(2) appoint an individual to the position.

(b) Qualifications; Duties.—The individual appointed to the position described in subsection (a) shall—

(1) hold the degree of Doctor of Veterinary Medicine from an accredited or approved college of veterinary medicine; and

(2) provide to the science advisor of the President expertise in—

(A) exotic and endemic animal disease detection, prevention, and control;

(B) food safety; and

(C) animal agriculture.

(c) Executive Schedule Pay Rates.—Section 5313 of title 5, United States Code, is amended by adding at the end the following:

"Veterinary Advisor, Office of Science and Technology Policy.".

SEC. 10 . OPERATION OF AGRICULTURAL AND NATURAL RESOURCE PROGRAMS ON TRIBAL TRUST LAND.

(a) Review.—The Secretary of Agriculture (referred to in this section as the "Secretary"), in consultation with the Secretary of the Interior, shall conduct a review of the operation of agricultural and natural resource programs available to farmers and ranchers operating on tribal and trust land, including—

(1) natural resource management programs;

(2) incentive programs; and

(3) farm income support programs.

(b) Administration.—The Secretary shall carry out programs described in subsection (a) in a manner that, to the maximum extent practicable, is consistent with the American Indian Agricultural Resource Management Act (25 U.S.C. 3701 et seq.).

(c) Fact-Finding Team.—The Secretary shall establish a fact-finding team to obtain input from local officials and program recipients to assist in carrying out this section.

(d) Report.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes actions taken to carry out this section, including a plan to implement the actions.

SEC. 10 . ASSISTANCE FOR GEOGRAPHICALLY DISADVANTAGED FARMERS AND RANCHERS.

(a) Definitions.—In this section:

(1) Department.—The term "Department" means the Department of Agriculture.

(2) Eligible entity.—The term "eligible entity" means—

(A) any community-based organization, network, or coalition of community-based organizations that—

(i) has demonstrated experience in providing agricultural education or other agriculturally related services to geographically disadvantaged farmers and ranchers;

(ii) has provided to the Secretary documentary evidence of work with geographically disadvantaged farmers and ranchers during the 2-year period preceding the submission of an application for assistance under this section; and

(iii) has not engaged in activities prohibited under section 501(c)(3) of the Internal Revenue Code of 1986;

(B)(i) a land-grant college or university that is located in an insular area (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)) (as amended by section 701(a)) or in a State other than 1 of the 48 contiguous States; and

(ii) any other institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)) that has demonstrated experience in providing agricultural education or other agriculture-related services to geographically disadvantaged farmers and ranchers in a region; and

(C) an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) or national tribal organization that has demonstrated experience in providing agriculture education or other agriculturally related services to geographically disadvantaged farmers and ranchers in a region.

(3) Geographically disadvantaged farmer or rancher.—The term "geographically disadvantaged farmer or rancher" means a farmer or rancher in an insular area (as defined in section 1404 of the National Agricultural Research, Extension and Teaching Policy Act of 1977 (7 U.S.C. 3103)) (as amended by section 701(a)) or in a State, other than one of the 48 contiguous States.

(4) Secretary.—The term "Secretary" means the Secretary of Agriculture.

(b) Program.—The Secretary shall carry out an assistance program to encourage and assist geographically disadvantaged farmers and ranchers—

(1) in owning and operating farms and ranches; and

(2) in participating equitably in the full range of agricultural programs offered by the Department.

(c) Requirements.—The assistance program under subsection (b) shall—

(1) enhance coordination of technical assistance and education efforts authorized under various agricultural programs; and

(2) include information on, and assistance with—

(A) commodity, conservation, credit, rural, and business development programs;

(B) application and bidding procedures;

(C) farm and risk management;

(D) marketing; and

(E) other activities essential to participation in agricultural and other programs of the Department.

(d) Grants and Contracts.—The Secretary may make grants to, and enter into contracts and other agreements with, an eligible entity to provide information and technical assistance under this section.

(e) Report.—Not later than 1 year after funds are made available to carry out this section, the Secretary shall submit to Congress a report that identifies barriers to efficient and competitive transportation of inputs and products by geographically disadvantaged farmers and ranchers.

(f) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2002 through 2006.

SEC. 10 . SENSE OF SENATE REGARDING USE OF THE NAME GINSENG.

It is the sense of the Senate that the Commissioner of Food and Drugs should promulgate regulations to ensure that, for the purposes of section 403 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 343), the name "ginseng" or any name that includes the word "ginseng" shall be used in reference only to an herb or herbal ingredient that—

(1) is a part of a plant of 1 of the species of the genus Panax; and

(2) is produced in compliance with United States law regarding the use of pesticides.

Subtitle E—Studies and Reports

SEC. 10 . REPORT ON POUCHED AND CANNED SALMON.

(a) In General.—Not later than 120 days after the date of enactment of this Act, the Secretary of Agriculture (referred to in this section as the "Secretary") shall submit to Congress a report on efforts to expand the promotion, marketing, and purchasing of pouched and canned salmon harvested and processed in the United States under food and nutrition programs administered by the Secretary.

(b) Components.—The report under subsection (a) shall include—

(1) an analysis of pouched and canned salmon inventories in the United States that, as of the date on which the report is submitted, are available for purchase;

(2) an analysis of the demand for pouched and canned salmon and value-added products (such as salmon "nuggets") by—

(A) partners of the Department of Agriculture (including other appropriate Federal agencies); and

(B) consumers; and

(3) an analysis of impediments to additional purchases of pouched and canned salmon, including—

(A) any marketing issues; and

(B) recommendations for methods to resolve those impediments.

SEC. 10 . SETTLEMENT AGREEMENT REPORT.

Not later than December 31, 2002, and annually thereafter through 2006, the Comptroller General of the United States shall submit to Congress a report that describes all programs and activities that States have carried out using funds received under all phases of the Master Settlement Agreement of 1997.

SEC. 10 . REPORT ON GENETICALLY MODIFIED PEST-PROTECTED PLANTS.

(a) Findings.—Congress finds that—

(1) in 2000, the Committee on Genetically Modified Pest-Protected Plants of the Board on Agriculture and Natural Resources of the National Research Council made several recommendations concerning food safety, ecological research, and monitoring needs for transgenic crops with plant incorporated protectants; and

(2) the Committee recommended enhancements to certain operational aspects of the regulatory framework for agricultural biotechnology, such as—

(A) improving coordination and enhanced consistency of review across all regulatory agencies; and

(B) clarifying the scope of the regulatory jurisdiction of the Animal and Plant Health Inspection Service.

(b) Sense of Congress.—It is the sense of Congress that, not later than 90 days after the date of enactment of this Act, the Secretary of Agriculture should—

(1) review the recommendations described in subsection (a); and

(2) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes actions taken to implement those recommendations by agencies within the Department of Agriculture, including agencies that develop or implement programs or objectives relating to marketing, regulation, food safety, research, education, or economics.

(b) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section—

(1) $10,000,000 for fiscal year 2002; and

(2) such sums as are necessary for each subsequent fiscal year.

SEC. 10 . STUDY OF CREATION OF LITTER BANK BY UNIVERSITY OF ARKANSAS.

(a) In General.—The Secretary of Agriculture shall conduct a study to evaluate the creation of a litter bank by the Department of Agriculture at the University of Arkansas for the purpose of enhancing health and viability of watersheds in areas with large concentrations of animal producing units.

(b) Components.—In conducting the study, the Secretary shall evaluate the costs, needs, and means by which litter may be collected and distributed outside the applicable watershed to reduce potential point source and nonpoint source phosphorous pollution.

(c) Report.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study.

SEC. 10 . STUDY OF FEASIBILITY OF PRODUCER INDEMNIFICATION FROM GOVERNMENT-CAUSED DISASTERS.

(a) Findings.—Congress finds that the implementation of Federal disaster assistance programs fails to adequately address situations in which disaster conditions are primarily the result of Federal action.

(b) Authority.—The Secretary of Agriculture shall conduct a study of the feasibility of expanding eligibility for crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), and noninsured crop assistance under section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333), to agricultural producers experiencing disaster conditions caused primarily by Federal agency action.

(c) Report.—Not later than 150 days after the date of enactment of this Act, the Secretary shall submit report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study, including any recommendations.

SEC. 10 . REPORT ON SALE AND USE OF PESTICIDES FOR AGRICULTURAL USES.

Not later than 120 days after the date of enactment of this Act, the Administrator of the Environmental Protection Agency shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the manner in which the Agency is applying regulations of the Agency governing the sale and use of pesticides for agricultural use to electronic commerce transactions.

SEC. 10 . REPORT ON RATS, MICE, AND BIRDS.

(a) In General.—Not later than 1 year after date enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the implications of including rats, mice, and birds within the definition of animal under the Animal Welfare Act (7 U.S.C. 2131 et seq.).

(b) Requirements.—The report under subsection (a) shall—

(1) be completed by the Comptroller General of the United States;

(2) contain a description of the number and types of entities that currently use rats, mice, and birds, and are not subjected to regulations of the Department of Agriculture;

(3) contain estimates of the numbers of rats, mice, and birds currently used in research facilities that are not currently regulated by the United States Department of Agriculture;

(4) contain an estimate of the additional costs likely to be incurred by breeders and research facilities resulting from the additional regulatory requirements needed in order to afford the same levels of protection to rats, mice, and birds as is provided for species currently regulated by the Department of Agriculture, detailing the costs associated with individual regulatory requirements;

(5) contain an estimate of the additional funding that the Animal and Plant Health Inspection Service would require to be able to ensure that the level of compliance with respect to other regulated animals is not diminished by the increase in the number of facilities that would require inspections after a rule extending the definition to include rats, mice, and birds goes into effect; and

(6) contain recommendations for ensuring that the regulatory burden is no greater than that already applied to rodent species under the Animal Welfare Act (7 U.S.C. 2131 et seq.).

SEC. 10 . TASK FORCE ON NATIONAL INSTITUTES FOR PLANT AND AGRICULTURAL SCIENCES.

(a) In General.—Not later than 90 days after the date of enactment of this Act, the Secretary of Agriculture shall establish a task force to evaluate the merits of establishing 1 or more National Institutes for Plant and Agricultural Sciences.

(b) Membership.—

(1) In general.—The Task Force shall consist of at least 8 members, appointed by the Secretary, that—

(A) have a broad-based background in food, nutrition, biotechnology, crop production methods, environmental science, or related disciplines; and

(B) are familiar with the infrastructure used to conduct Federal and private research, including—

(i) the National Institutes of Health;

(ii) the National Science Foundation;

(iii) the National Aeronautics and Space Administration;

(iv) the Department of Energy laboratory system;

(v) the Agricultural Research Service; and

(vi) the Cooperative State Research and Extension Service.

(2) Private sector.—Of the members appointed under paragraph (1), the Secretary shall appoint at least 6 members that are members of the private sector, including institutions of higher education.

(3) Plant and agricultural sciences research.—Of the members appointed under

paragraph (1), the Secretary shall appoint at least 2 members that have an extensive background and preeminence in the field of plant and agricultural sciences research.

(4) Chairperson.—Of the members appointed under paragraph (1), the Secretary shall designate a Chairperson that has significant leadership experience in educational and research institutions and in depth knowledge of the research enterprises of the United States.

(5) Consultation.—Before appointing members of the Task Force under this subsection, the Secretary shall consult with the National Academy of Sciences and the Office of Science and Technology Policy.

(c) Duties.—The Task Force shall—

(1) evaluate and compare—

(A) publicly funded agricultural and plant sciences research activities, including competitively awarded research; and

(B) privately funded agricultural and plant sciences research activities;

(2) evaluate and compare—

(A) competitive publicly funded agricultural research activities; and

(B) other forms of publicly funded research, such as medical research;

including an assessment of the methods of evaluation, administration, and funding;

(3) evaluate the need for competitive public plant and agricultural sciences research necessary—

(A) to increase crop yields and productivity;

(B) to improve environmental quality;

(C) to enhance the value of farm output to agricultural producers and consumers;

(D) to promote health and improve nutrition;

(E) to enhance food safety; and

(F) to increase effective agricultural production to meet the future needs of the growing population of the world, especially in developing countries;

(4) evaluate the merits of establishing 1 or more National Institutes for Plant and Agricultural Sciences, that is similar to the National Institute of Health—

(A) to coordinate competitive, innovative research and technological development and innovation;

(B) to ensure the necessary supply of scientific personnel in order to ensure the competitiveness of the United States in an increasingly global trade market for agricultural products; and

(C) to facilitate the integration of scientific advances from medical sciences, engineering, and information technologies into plant and agricultural sciences; and

(5) if establishment of 1 or more National Institutes for Plant and Agricultural Sciences is recommended, provide further recommendations to the Secretary, including recommendations on—

(A) the structure for establishing the Institutes;

(B) the location of the Institutes in 1 or more multistate regions with preeminence in plant, agricultural, and related biological sciences (including in existing Federal plant and animal research facilities and land grant institutions), in order—

(i) to use all relevant fields of knowledge; and

(ii) to promote collaborative and interdisciplinary research; and

(C) the amount of funding necessary to establish the Institutes.

(d) Report.—Not later than July 1, 2003, the Task Force shall submit to the Committee on Agriculture of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Secretary a report that describes the results of the evaluation conducted under this section, including recommendations described in subsection (c)(5).

On page 985, in section 1041(b), strike "456" each place it appears and insert "4___".

On page 987, after line 2, add the following:

SEC. 10___. COMMODITY CREDIT CORPORATION FUNDING.

Except for funds made available through a user fee or funds made available in an appropriation act, notwithstanding any other provision of this Act or an amendment made by this Act, any funds that are made available through the transfer of funds from the Secretary of the Treasury to the Secretary of Agriculture expressly under this Act or an amendment made by this Act shall be made available through funds of the Commodity Credit Corporation.

Strike page 888, line 24, through page 889 line 2, and insert in lieu thereof the following "Of the funds of the Commodity Credit Corporation, the Secretary shall make available $5 million for each fiscal year 2003 through 2006."

SEC. 1___. ADJUSTED GROSS REVENUE INSURANCE PILOT PROGRAM.

Section 523 of the Federal Crop Insurance Act (7 U.S.C. 1523) is amended by adding at the end the following:

"(e) Adjusted Gross Revenue Insurance Pilot Program.—

"(1) In general.—The Corporation shall carry out, through at least the 2004 reinsurance year, the adjusted gross revenue insurance pilot program in effect for the 2002 reinsurance year.

"(2) Additional counties.—

"(A) In general.—In addition to counties otherwise included in the pilot program, the Corporation shall include in the pilot program for the 2003 reinsurance year at least 8 counties in the State that produces (as of the date of enactment of this subsection) the highest quantity of specialty crops for which adjusted gross revenue insurance under this title is not available.

"(B) Selection criteria.—In carrying out subparagraph (A), the Corporation shall include in the pilot program counties that (as determined by the Corporation) produce a significant quantity of specialty crops.".

"SEC. . PASTEURIZATION.

"For the purposes of any provision of federal law under which a food or food product is required to undergo a treatment of pasteurization, the term 'pasteurization' means any safe treatment that—

"(1) is a treatment prescribed as pasteurization applicable to the food or food product under any Federal law (including a regulation); or

"(2) has been demonstrated to the satisfaction of the Secretary of HHS to achieve a level of reduction in the food or food product of the microorganisms of public health concern that—

"(A) is at least as protective of the public health a treatment described in paragraph (1); and

"(B) is effective for a period that is at least as long as the shelf life of the food or food product when stored under normal, moderate, and severe abuse conditions.".

Strike "Agriculture, Conservation, and Rural Enhancement Act of 2001" each place it appears and insert "Agriculture, Conservation, and Rural Enhancement Act of 2002".

SA 2860. Mr. KERRY submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. Dodd to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

On page 68, between lines 17 and 18, insert the following:

SEC. 402. FEDERAL ELECTION DAY.

(a) Election Day Observed.—

(1) Designation.—November 5, 2002, and November 2, 2004, are designated as "Federal Election Day".

(2) Legal public holiday.—Federal Election Day—

(A) is a legal public holiday for the purpose of statutes relating to pay and leave of employees;

(B) shall be treated as a holiday in accordance with section 6103 of title 5, United States Code; and

(C) shall begin at 1 o'clock post meridian.

(3) Regulations.—The President may prescribe regulations to carry out this subsection.

(b) GAO Study.—

(1) In general.—The Comptroller General shall conduct a study of the impact on voter participation of making Federal Election Day a legal public holiday.

(2) Report.—Not later than May 2, 2005, the Comptroller General shall submit a report to Congress and the President detailing the results of the study conducted under paragraph (1).

SA 2861. Mr. SMITH of New Hampshire proposed an amendment to amendment SA 2858 submitted by Mr. Allard and intended to be proposed to the amendment SA 2688 proposed by Mr. Dodd to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; as follows:

Strike "**SEC. 401.**" and all that follows and insert the following:

STANDARD FOR INVALIDATION OF BALLOTS CAST BY ABSENT UNIFORMED SERVICES VOTERS IN FEDERAL ELECTIONS.

(a) In General.—Section 102 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1), as amended by section 1606(a)(1) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1278), is amended—

(1) by striking "Each State" and inserting "(a) In General.—Each State"; and

(2) by adding at the end the following:

"(b) Standards for Invalidation of Certain Ballots.—

"(1) In general.—A State may not refuse to count a ballot submitted in an election for Federal office by an absent uniformed services voter—

"(A) solely on the grounds that the ballot lacked—

"(i) a notarized witness signature;

"(ii) an address (other than on a Federal write-in absentee ballot, commonly known as 'SF186');

"(iii) a postmark if there are any other indicia that the vote was cast in a timely manner; or

"(iv) an overseas postmark; or

"(B) solely on the basis of a comparison of signatures on ballots, envelopes, or registration forms unless there is a lack of reasonable similarity between the signatures.

"(2) No effect on filing deadlines under state law.—Nothing in this subsection may be construed to affect the application to ballots submitted by absent uniformed services voters of any ballot submission deadline applicable under State law.".

(b) Effective Date.—The amendments made by subsection (a) shall apply with respect to ballots described in section 102(b) of the Uniformed and Overseas Citizens Absentee Voting Act (as added by such subsection) that are submitted with respect to elections that occur after the date of enactment of this Act.

SEC. 402. MAXIMIZATION OF ACCESS OF RECENTLY SEPARATED UNIFORMED SERVICES VOTERS TO THE POLLS.

(a) In General.—Section 102(a) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1), as amended by section 401(a) of this Act and section 1606(a)(1) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1278), is amended—

(1) in paragraph (3), by striking "and" after the semicolon at the end;

(2) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(5) in addition to using the postcard form for the purpose described in paragraph (4), accept and process any otherwise valid voter registration application submitted by a uniformed service voter for the purpose of voting in an election for Federal office; and

"(6) permit each recently separated uniformed services voter to vote in any election for which a voter registration application has been accepted and processed under this section if that voter—

"(A) has registered to vote under this section; and

"(B) is eligible to vote in that election under State law.".

(b) Definitions.—Section 107 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6) is amended—

(1) by redesignating paragraphs (7) and (8) as paragraphs (9) and (10), respectively;

(2) by inserting after paragraph (6) the following new paragraph:

"(7) The term 'recently separated uniformed services voter' means any individual who was a uniformed services voter on the date that is 60 days before the date on which the individual seeks to vote and who—

"(A) presents to the election official Department of Defense form 214 evidencing their former status as such a voter, or any other official proof of such status;

"(B) is no longer such a voter; and

"(C) is otherwise qualified to vote in that election.";

(3) by redesignating paragraph (10) (as redesignated by paragraph (1)) as paragraph (11); and

(4) by inserting after paragraph (9) the following new paragraph:

"(10) The term 'uniformed services voter' means—

"(A) a member of a uniformed service in active service;

"(B) a member of the merchant marine; and

"(C) a spouse or dependent of a member referred to in subparagraph (A) or (B) who is qualified to vote.".

(c) Effective Date.—The amendments made by this section shall apply with respect to elections for Federal office that occur after the date of enactment of this Act.

SEC. 403. PROHIBITION OF REFUSAL OF VOTER REGISTRATION AND ABSENTEE BALLOT APPLICATIONS ON GROUNDS OF EARLY SUBMISSION.

(a) In General.—Section 104 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–3), as amended by section 1606(b) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1279), is amended by adding at the end the following new subsection:

"(e) Prohibition of Refusal of Applications on Grounds of Early Submission.—A State may not refuse to accept or process, with respect to any election for Federal office, any otherwise valid voter registration application or absentee ballot application (including the postcard form prescribed under section 101) submitted by an absent uniformed services voter during a year on the grounds that the voter submitted the application before the first date on which the State otherwise accepts or processes such applications for that year submitted by absentee voters who are not members of the uniformed services.".

(b) Effective Date.—The amendment made by subsection (a) shall apply with respect to elections for Federal office that occur after the date of enactment of this Act.

SEC. 404. DISTRIBUTION OF FEDERAL MILITARY VOTER LAWS TO THE STATES.

Not later than the date that is 60 days after the date of enactment of this Act, the Secretary of Defense (in this section referred to as the "Secretary"), as part of any voting assistance program conducted by the Secretary, shall distribute to each State (as defined in section 107 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–6) enough copies of the Federal military voting laws (as identified by the Secretary) so that the State is able to distribute a copy of such laws to each jurisdiction of the State.

SEC. 405. EFFECTIVE DATES.

Notwithstanding the preceding provisions of this title, each effective date otherwise provided under this title shall take effect 1 day after such effective date.

SA 2862. Mr. McCAIN submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. Dodd to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

On page 10, line 22, strike "Commission" and insert "Commission, in consultation with the Architectural and Transportation Barriers Compliance Board,".

On page 64, line 19, strike "316(a)(2))." and insert "316(a)(2)), except that—

"(1) the Architectural and Transportation Barriers Compliance Board shall remain responsible under section 223 for the general policies and criteria for the approval of applications submitted under section 222(a); and

"(2) in revising the voting systems standards under section 101(c)(2) the Commission shall consult with the Architectural and Transportation Barriers Compliance Board.".

SA 2863. Mr. McCAIN submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. Dodd to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

On page 10, line 22, strike "Commission" and insert "Commission, in consultation with the Architectural and Transportation Barriers Compliance Board,".

SA 2864. Mr. McCAIN submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. Dodd to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

On page 64, line 19, strike "316(a)(2))." and insert "316(a)(2)), except that—

"(1) the Architectural and Transportation Barriers Compliance Board shall remain responsible under section 223 for the general policies and criteria for the approval of applications submitted under section 222(a); and

"(2) in revising the voting systems standards under section 101(c)(2) the Commission shall consult with the Architectural and Transportation Barriers Compliance Board.".

SA 2865. Mr. GRASSLEY submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. DODD to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows;

On page 68, between lines 17 and 18, insert the following:

SEC. 402. DELIVERY OF MAIL FROM OVERSEAS PRECEDING FEDERAL ELECTIONS.

(a) RESPONSIBILITIES OF SECRETARY OF DEFENSE.—

(1) ADDITIONAL DUTIES.—Section 1566(g) of title 10, United States Code, as added by section 1602(a)(1) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107-107; 115 Stat. 1274), is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by striking paragraph (2) and inserting the following new paragraphs:

"(2) The Secretary shall ensure that voting materials are transmitted expeditiously by military postal authorities at all times. The Secretary shall, to the maximum extent practicable, implement measures to ensure that a postmark or other official proof of mailing date is provided on each absentee ballot collected at any overseas location or vessel at sea whenever the Department of Defense is responsible for collecting mail for return shipment to the United States. The Secretary shall ensure that the measures implemented under the preceding sentence do not result in the delivery of absentee ballots to the final destination of such ballots after the date on which the election for Federal office is held.

"(3) The Secretary of each military department shall, to the maximum extent practicable, provide notice to members of the armed forces stationed at that installation of the last date before a general Federal election for which absentee ballots mailed from a postal facility located at that installation can reasonably be expected to be timely delivered to the appropriate State and local election officials.".

(2) REPORT.—The Secretary of Defense shall submit to Congress a report describing the measures to be implemented under section 1566(g)(2) of title 10, United States Code (as added by paragraph (1)), to ensure the timely transmittal and postmarking of voting materials and identifying the persons responsible for implementing such measures.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in section 1602 of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107-107; 115 Stat. 1274) upon the enactment of that Act.

SA 2866. Mr. LUGAR submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. DODD to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

On page 38, strike lines 9 through 12, and insert the following:

submitted under section 212(c)(1)(B) of such section;

(6) to establish toll-free telephone hotlines that voters may use to report possible voting fraud and voting rights abuses; or

(7) to meet the requirements under section 101, 102, or 103.

SA 2867. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. DODD to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

On page 54, strike lines 15 through 17, and insert the following: "hours, including the advisability of establishing a uniform poll closing time;".

SA 2868. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. DODD to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections; and for other purposes; which was ordered to lie on the table; as follows:

On page 68, between lines 17 and 18, insert the following:

SEC. 402. ESTABLISHMENT OF ELECTION DAY IN FEDERAL ELECTION YEARS AS A LEGAL PUBLIC HOLIDAY.

Section 6103(a) of title 5, United States code, is amended by inserting after the item relating to Veterans Day the following:

"Election Day, the Tuesday next after the first Monday in November in each even-numbered year.".

SA 2869. Ms. LANDRIEU submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. DODD to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

On page 68, between lines 17 and 18, insert the following:

SEC. ___. SENSE OF THE SENATE REGARDING STATE AND LOCAL INPUT INTO CHANGES MADE TO THE ELECTORAL PROCESS.

(a) FINDINGS.—Congress finds the following:

(1) Although Congress has the responsibility to ensure that our citizens' right to vote is protected, and that votes are counted in a fair and accurate manner, States and localities have a vested interest in the electoral process.

(2) The Federal Government should ensure that States and localities have some say in any election mandates placed upon the States and localities.

(3) Congress should ensure that any election reform laws contain provisions for input by State and local election officials.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Department of Justice and the Committee on Election Reform should take steps to ensure that States and localities are allowed some input into any changes that are made to the electoral process, preferably through some type of advisory committee or commission.

SA 2870. Mr. WYDEN (for himself, Ms. CANTWELL, and Mrs. MURRAY) submitted an amendment intended to be proposed to amendment SA 2688 proposed by Mr. DODD to the bill (S. 565) to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

On page 18, beginning with line 8, strike through page 19, line 19, and insert the following:

(b) Requirements for Voters Who Register by Mail.—

(1) In general.—Notwithstanding section 6(c) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-4(c)) and subject to paragraph (3), a State shall, in a uniform and nondiscriminatory manner, require an individual to meet the requirements of paragraph (2) if—

(A) the individual has registered to vote in a jurisdiction by mail; and

(B) the individual has not previously voted in an election for Federal office in that State.

(2) Requirements.—

(A) In general.—An individual meets the requirements of this paragraph if the individual—

(i) in the case of an individual who votes in person—

(I) presents to the appropriate State or local election official a current and valid photo identification;

(II) presents to the appropriate State or local election official a copy of a current utility bill, bank statement, Government check, paycheck, or other Government document that shows the name and address of the voter;

(III) provides written affirmation on a form provided by the appropriate State or local election official of the individual's identity; or

(IV) provides a signature or personal mark for matching with the signature or personal mark on record with the appropriate State or local election official; or

(ii) in the case of an individual who votes by mail, submits with the ballot—

(I) a copy of a current and valid photo identification;

(II) a copy of a current utility bill, bank statement, Government check, paycheck, or other Government document that shows the name and address of the voter; or

(III) a signature or personal mark for matching with the signature or personal mark on record with the appropriate State or local election official.

(B) Signature Comparison.—Notwithstanding the requirements of subparagaph (A), a State may elect to require voters described in subsection (b)(1)(A) and (B) to provide a signature or personal mark for matching with the voter's signature or personal mark on record with a state or local election official, in lieu of the requirements under such subparagraph. States making such election shall provide notice to such voters consistent with the notice provided for provisional ballots under Section 102(a)(5) and (6).

On line 20, change "(B)" to "(C)."

SA 2871. Mr. SCHUMER proposed an amendment to the bill S. 565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; as follows:

On page 8, strike lines 5 through 18, and insert the following:

(B) Exceptions.—

(i) If a State meets the criteria of item (aa) of subparagraph (A)(i)(I) with respect to a language, a jurisdiction of that State shall not be required to provide alternative language accessibility under this paragraph with respect to that language if—

(I) less than 5 percent of the total number of voting-age citizens who reside in that jurisdiction speak that language as their first language and are limited-English proficient; and

(II) the jurisdiction does not meet the criteria of item (bb) of such subparagraph with respect to that language.

(ii) A State or locality that uses a lever voting system and that would be required to provide alternative language accessibility under the preceding provisions of this paragraph with respect to an additional language that was not included in the voting system of the State or locality before the date of enactment of this Act may meet the requirements of this paragraph with respect to such additional language by providing alternative language accessibility through the voting systems used to meet the requirement of paragraph (3)(B) if—

(I) it is not practicable to add the alternative language to the lever voting system or the addition of the language would cause the voting system to become more confusing or difficult to read for other voters;

(II) the State or locality has filed a request for a waiver with the Office of Election Administration of the Federal Election Commission or, after the transition date (as defined in section 316(a)(2)), with the Election Administration Commission, that describes the need for the waiver and how the voting system under paragraph (3)(B) would provide alternative language accessibility; and

(III) the Office of Election Administration or the Election Administration Commission (as appropriate) has approved the request filed under subclause (II).

SA 2872. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

On page 21, strike lines 1 through 5, and insert the following:

(B)(i) Except as provided in clause (ii), the question "Will you be 18 years of age on or before election day?" and boxes for the applicant to check to indicate whether or not the applicant will be 18 years of age or older on election day.

(ii) If the State law permits an individual to register to vote even though the individual will not be 18 years of age or older on election day, the State may substitute a question reflecting the State's age requirement for the question in clause (i).

SA 2873. Mr. SCHUMER proposed an amendment to the bill S. 565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for purposes; as follows:

On page 13, strike line 22, and insert the following: "is not counted (such notice shall include the State's voter registration form); and".

SA 2874. Mr. DODD (for Ms. CANTWELL (for himself, Mrs. MURRAY, and Mr. DODD)) proposed an amendment to the bill S. 565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; as follows:

On page 5, strike lines 4 through 14, and insert the following:

(B) A State or locality that uses a paper ballot voting system, a punchcard voting system, or a central count voting system (including mail-in absentee ballots or mail-in ballots), may meet the requirement of subparagraph (A) by—

(i) establishing a voter education program specific to that voting system that notifies each voter of the effect of casting multiple votes for an office; and

(ii) providing the voter with instructions on how to correct the ballot before it is cast and counted (including instructions on how to correct the error through the issuance of a replacement ballot if the voter was otherwise unable to change the ballot or correct any error).

SA 2875. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

On page 19, strike lines 10 through 24, and insert the following:

voter;

(III) provides written affirmation on a form provided by the appropriate State or local election official of the individual's identity; or

(IV) provides a signature or personal mark that matches the signature or personal mark of the individual on record with a State or local election official; or

(ii) in the case of an individual who votes by mail, submits with the ballot—

(I) a copy of a current and valid photo identification;

(II) a copy of a current utility bill, bank statement, Government check, paycheck, or other Government document that shows the name and address of the voter; or

(III) provides a signature or personal mark that matches the signature or personal mark of the individual on record with a State or local election official.

(B) PROVISIONAL VOTING.—An individual who desires to vote in person, but who does not meet the requirements of subparagraph (A)(i), may cast a provisional ballot under section 102(a).

(3) IDENTITY VERIFICATION BY SIGNATURE OR PERSONAL MARK.—

(A) IN GENERAL.—In lieu of the requirements of paragraph (1), a State may require each individual described in such paragraph to provide a signature or personal mark for the purpose of matching such signature or mark with the signature or personal mark of that individual on record with a State or local election official.

(B) NOTICE REQUIREMENTS.—If a State elects to adopt the requirements described in subparagraph (A), the State shall—

(i) provide each individual providing a signature or personal mark under such subparagraph with—

(I) written information similar to the information described in paragraph (5) of section 102(a); and

(II) notice similar to the notice described in paragraph (6)(A) of such section; and

(ii) establish a free access system similar to the system described in paragraph (6)(B) of such section.

On page 18, line 13, after "shall" insert "in a uniform and non-discriminatory manner".

SA 2876. Mr. SCHUMER submitted an amendment intended to be proposed by him to the bill S. 565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 18, line 8, strike through page 19, line 24, and insert the following:

(b) REQUIREMENTS FOR VOTERS WHO REGISTER BY MAIL.—

(1) IN GENERAL.—Notwithstanding section 6(c) of the National Voter Registration Act of 1993 (42 U.S.C. 1973gg-4(c)) and subject to paragraph (3), a State shall, in a uniform and nondiscriminatory manner, require an individual to meet the requirements of paragraph (2) if—

(A) the individual has registered to vote in a jurisdiction by mail; and

(B) the individual has not previously voted in an election for Federal office in that State.

(2) REQUIREMENTS.—

(A) IN GENERAL.—An individual meets the requirements of this paragraph if the individual—

(i) in the case of an individual who votes in person—

(I) presents to the appropriate State or local election official a current and valid photo identification;

(II) presents to the appropriate State or local election official a copy of a current utility bill, bank statement, Government check, paycheck, or other Government document that shows the name and address of the voter;

(III) provides written affirmation on a form provided by the appropriate State or local election official of the individual's identity; or

(IV) provides a signature or personal mark that matches the signature or personal mark of the individual on record with a State or local election official; or

(ii) in the case of an individual who votes by mail, submits with the ballot—

(I) a copy of a current and valid photo identification;

(II) a copy of a current utility bill, bank statement, Government check, paycheck, or other Government document that shows the name and address of the voter; or

(III) provides a signature or personal mark that matches the signature or personal mark of the individual on record with a State or local election official.

(B) PROVISIONAL VOTING.—An individual who desires to vote in person, but who does not meet the requirements of subparagraph (A)(i), may cast a provisional ballot under section 102(a).

(3) IDENTITY VERIFICATION BY SIGNATURE OR PERSONAL MARK.—

(A) IN GENERAL.—In lieu of the requirements of paragraph (1), a State may require each individual described in such paragraph to provide a signature or personal mark for the purpose of matching such signature or mark with the signature or personal mark of that individual on record with a State or local election official.

(B) NOTICE REQUIREMENTS.—If a State elects to adopt the requirements described in subparagraph (A), the State shall—

(i) provide each individual providing a signature or personal mark under such subparagraph with—

(I) written information similar to the information described in paragraph (5) of section 102(a); and

(II) notice similar to the notice described in paragraph (6)(A) of such section; and

(ii) establish a free access system similar to the system described in paragraph (6)(B) of such section.

On page 21, strike lines 24 and 25, and insert the following:

section (b) on and after January 1, 2004.

On page 38, strike lines 2 and 3, and insert the following:

procedures and programs to identify,

On page 68, strike lines 19 and 20, and insert the following:

(a) IN GENERAL.—Nothing in this Act may be construed to authorize

SA 2877. Ms. CANTWELL submitted an amendment intended to be proposed by her to the bill S. 565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table; as follows:

On page 69, after line 19, add the following:

SEC. . DEVELOPMENT AND USE OF ELECTRONIC AND ONLINE VOTING SYSTEMS.

Nothing in this Act may be construed to limit the development or use of electronic or online voting systems as long as such systems meet the voting systems standards and the other requirements established under title I.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to conduct a nomination hearing during the session of the Senate on Wednesday, February 13, 2002. The purpose of this hearing will be to consider the following nominations: Thomas Dorr the nominee for Under Secretary of Rural Development: Nancy Bryson, the administration's nominee to serve as general counsel for USDA: and Grace Daniel and Fred Dailey who are nominated to serve on the Board of Federal Agricultural Mortgage Corporation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet on February 13, 2002, at 10 a.m., to conduct a hearing on "HUD's FY03 Budget and Legislative Proposals."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works be authorized to meet on Wednesday, February 13, 2002 at 9:30 a.m. to conduct a hearing to examine the administration's Fiscal Year 2003 budget proposal for the Environment Protection Agency. The hearing will be held in SD–406.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Wednesday, February 13, 2002 at 10:00 a.m. to hear testimony on "The Sectoral Trade Dispute: Lumber and Steel."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Wednesday, February 13, 2002 at 1:30 p.m. to hear testimony on "The Sectoral Trade Dispute: Lumber and Steel."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet in open executive session during the session of the Senate on Wednesday, February 13, 2002 at 4 p.m., on "Energy Tax Incentives."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on Protecting Against Genetic Discrimination: The Limits Of Existing Law during the session of the Senate on Wednesday, February 13, 2002, at 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Wednesday, February 13, 2002, at 2 p.m. in room 485 Russell Senate Building to conduct an oversight hearing on the Implementation of the Native American Housing Assistance and Self-Determination Act. A business meeting to mark up S. 1857, tribal claims, will precede the hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on "The Application of Federal Antitrust Laws to Major League Baseball" on Wednesday, February 13, 2002 at 10 a.m. in Dirksen Room 226.

Witness List

Panel I: The Honorable PAUL WELLSTONE, the Honorable BILL NELSON, and the Honorable MARK DAYTON.

Panel II: The Honorable Bob Butterworth, Attorney General of Florida, Tallahassee, FL; the Honorable Lori Swanson, Deputy Attorney General of Minnesota, St. Paul, MN; Mr. Robert DuPuy, Executive Vice President and Chief Legal Officer, Office of the Commissioner of Major League Baseball, New York, NY; Mr. Donald M. Fehr, Executive Director and General Counsel, Major League Baseball Players Association, New York, NY; and Mr. Stan Brand, Vice President, Minor League Baseball, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, February 13, 2002 at 2:30 p.m. to hold a closed business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ADMINISTRATIVE OVERSIGHT AND COURTS

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Administrative Oversight and the Courts be authorized to meet on Wednesday, February 13, 2002 at 2 p.m. in Dirksen 226, to conduct a public briefing by Richard A. Clarke, Special Advisor to the President for Cyberspace Security and Chairman of the President's Infrastructure Board, the White House, Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, RESTRUCTURING, AND THE DISTRICT OF COLUMBIA

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia be authorized to meet on Wednesday, February 13, 2002 at 9:30 a.m. for a hearing to examine "Illicit Diamonds, Conflict and Terrorism: The Role of U.S. Agencies in Fighting the Conflict Diamond Trade."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PERSONNEL

Mr. DASCHLE. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, February 13, 2002, at 9:20 a.m., in open session to receive testimony on active and reserve military and civilian personnel programs, in review of the Defense authorization request for fiscal year 2003.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. REID. Mr. President, I ask unanimous consent that privileges of the floor be granted to Lee Telega, a member of Senator CLINTON's staff, for the pendency of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider Calendar Nos. 696 and 698. I ask unanimous consent that these nominations be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and that any statements relating to the nominations be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were considered and confirmed, as follows:

SPECIAL PANEL ON APPEALS

John L. Howard, of Illinois, to be Chairman of the Special Panel on Appeals for a term of six years.

OFFICE OF PERSONNEL MANAGEMENT

Dan Gregory Blair, of the District of Columbia, to be Deputy Director of the Office of Personnel Management.

NOMINATIONS DISCHARGED

Mr. REID. Mr. President, I ask unanimous consent that the Environment and Public Works Committee be discharged from further consideration of the following nominations: Linda Combs, to be Chief Financial Officer at the Environmental Protection Agency, and Morris Winn, to be Assistant Administrator for Administration and Resources Management at the Environmental Protection Agency; that the nominations be considered and confirmed, the motions to reconsider be laid upon the table, that any statements relating to the nominations be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations were considered and confirmed, as follows:

ENVIRONMENTAL PROTECTION AGENCY

Linda Morrison Combs, of North Carolina, to be Chief Financial Officer, Environmental Protection Agency.

Morris X. Winn, of Texas, to be an Assistant Administrator of the Environmental Protection Agency.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

READING OF WASHINGTON'S FAREWELL ADDRESS

Mr. REID. Mr. President, notwithstanding the resolution of the Senate of January 24, 1901, I ask unanimous consent that the traditional reading of Washington's Farewell Address take place on Monday, February 25, 2002.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to the order of the Senate of January 24, 1901, as modified by the order of February 13, 2002, appoints the Senator from New Jersey (Mr. CORZINE) to read Washington's Farewell Address on February 25, 2002.

PERMITTING USE OF ROTUNDA OF CAPITOL

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H. Con. Res. 325 just received from the House.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 325) permitting the use of the rotunda of the Capitol for a ceremony as part of the commemoration of the days of remembrance of the victims of the Holocaust.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. REID. I ask unanimous consent that the concurrent resolution be considered agreed to and the motion to reconsider be laid upon the table, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (H. Con. Res. 325) was agreed to.

CONDITIONAL ADJOURNMENT OR RECESS OF THE SENATE AND HOUSE

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Con. Res. 97, which is at the desk.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 97) providing for a conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. REID. I ask unanimous consent that the concurrent resolution be agreed to and the motion to reconsider be laid upon the table, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 97) was agreed to.

(The text of the resolution is printed in today's RECORD under "Statements on Submitted Resolutions.")

UNANIMOUS CONSENT AGREEMENT—S.J. RES. 31

Mr. REID. Mr. President, I ask unanimous consent that at a time determined by the majority leader, following consultation with the Republican leader, the Senate turn to the consideration of Calendar No. 315, S.J. Res. 31; that the statutory time limitation be reduced to 30 minutes, with the time equally divided and controlled between the chairman and ranking member of the Budget Committee or their designees; that upon the use or yielding back of time, the Senate proceed to vote on passage of the joint resolution, without further action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR THURSDAY, FEBRUARY 14, 2002

Mr. REID. I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m., Thursday, February 14; that following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and there be a period of morning business until 10:15 a.m., with Senators permitted to speak for up to 10 minutes each, with the first 20 minutes under the control of Senators DORGAN and HAGEL; further, that at 10:15 a.m. the Senate resume consideration of the election reform bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:28 p.m., adjourned until Thursday, February 14, 2002, at 9:30 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 13, 2002:

SPECIAL PANEL ON APPEALS

JOHN L. HOWARD, OF ILLINOIS, TO BE CHAIRMAN OF THE SPECIAL PANEL ON APPEALS FOR A TERM OF SIX YEARS.

OFFICE OF PERSONNEL MANAGEMENT

DAN GREGORY BLAIR, OF THE DISTRICT OF COLUMBIA, TO BE DEPUTY DIRECTOR OF THE OFFICE OF PERSONNEL MANAGEMENT.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

ENVIRONMENTAL PROTECTION AGENCY

MORRIS X. WINN, OF TEXAS, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY.

LINDA MORRISON COMBS, OF NORTH CAROLINA, TO BE CHIEF FINANCIAL OFFICER, ENVIRONMENTAL PROTECTION AGENCY.

HOUSE OF REPRESENTATIVES—*February 13, 2002*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. CULBERSON).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

THE SPEAKER'S ROOMS
U.S. HOUSE OF REPRESENTATIVES
Washington, DC, February 13, 2002.

I hereby appoint the Honorable JOHN ABNEY CULBERSON to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Out of the depths we cry to You, O Lord.

From the depths of Ground Zero, from the chasm in the Pentagon and from the seared field in Pennsylvania with bitter tears, the soul of this Nation was ripped open and we have cried, cried out to You, O Lord.

Lord, hear our prayer.

We have mourned. We have lamented. We have been robbed of illusions. The reality of evil we have faced.

Be attentive, Lord, to our plea for mercy.

Our frailty has been revealed; our mortality known. In our confrontation we reached out to one another and found some satisfaction. Our living resolve has been strong, but the threat of evil surrounds us. At times we sense the evil within.

Lord, show us Your mercy. Lord, be close to all the Members of Congress and the people they represent today and in the days ahead as we all continue to seek Your mercy.

Lift us out of our burdens for in You and You alone is the fullness of redemption now and forever. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. MCNULTY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Speaker's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MCNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 378, nays 40, not voting 16, as follows:

[Roll No. 17]

YEAS—378

Abercrombie
Ackerman
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boozman
Boswell
Boucher
Boyd
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Cox
Coyne
Cramer
Crenshaw
Crowley
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
Eshoo
Evans
Farr
Fattah
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pastor
Paul
Payne
Pelosi
Pence
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Stump
Sununu
Sweeney
Tanner
Tauscher
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Upton
Velázquez
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (PA)
Wexler
Whitfield
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wynn

NAYS—40

Aderholt
Borski
Brady (PA)
Capuano
Costello
Crane
DeFazio
English
Etheridge
Everett
Filner
Gutknecht
Hefley
Hilliard
Kennedy (MN)
Kucinich
Larsen (WA)
LoBiondo
McDermott
McNulty
Moore
Oberstar
Pallone
Pascrell
Peterson (MN)
Platts
Ramstad
Sabo
Sanchez
Schaffer
Strickland
Stupak
Taylor (MS)
Thompson (CA)
Thompson (MS)
Udall (NM)
Visclosky
Waters
Weller
Wicker

NOT VOTING—16

Callahan
Clay
Cubin
Ehrlich
Houghton
Lipinski
Meek (FL)
Riley
Sanders
Schrock
Tancredo
Traficant
Weldon (FL)
Wu
Young (AK)
Young (FL)

☐ 1027

Mrs. CAPPS changed her vote from "nay" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

MOTION TO ADJOURN

Mr. LEWIS. Mr. Speaker, I move that the House do now adjourn.

PARLIAMENTARY INQUIRY

Mr. FOLEY. Mr. Speaker, if this is the most important bill to be sent to the floor by discharge petition by the minority, then why is it they call for adjournment on the day of the bill's presentation on the floor?

The SPEAKER pro tempore (Mr. CULBERSON). The gentleman from Florida is recognized for a proper parliamentary inquiry. The gentleman will state his inquiry.

Mr. FOLEY. Mr. Speaker, does the bill, as presented under the rule, comply with the dictates of the discharge petition, or are we operating under a substitute version?

The SPEAKER pro tempore. The House is operating under the terms of House Resolution 344.

A motion to adjourn has been offered, and it is not debatable. The question is on the motion offered by the gentleman from Georgia (Mr. LEWIS).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. LEWIS of Georgia. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 13, noes 405, not voting 16, as follows:

[Roll No. 18]

AYES—13

Cannon
Cummings
Flake
Gilman
Johnson, Sam
Jones (NC)
Kingston
Otter
Ryun (KS)
Sessions
Skeen
Tiahrt
Towns

NOES—405

Abercrombie
Ackerman
Aderholt
Akin
Allen
Andrews
Armey
Baca
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Culberson
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schaffer
Schakowsky
Schiff
Scott
Sensenbrenner
Serrano
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiberi
Tierney
Toomey
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn

NOT VOTING—16

Bachus
Bass
Callahan
Clay
Cubin
Ehrlich
Hunter
McCrery
Meek (FL)
Pickering
Riley
Schrock
Tancredo
Traficant
Young (AK)
Young (FL)

☐ 1045

Mrs. JONES of Ohio changed her vote from "aye" to "no."

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. CULBERSON). Will the gentleman from Virginia (Mr. CANTOR) come forward and lead the House in the Pledge of Allegiance.

Mr. CANTOR led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

GENERAL LEAVE

Mr. NEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 2356.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

BIPARTISAN CAMPAIGN REFORM ACT OF 2001

The SPEAKER pro tempore. Pursuant to House Resolution 344, the House now resolves itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2356.

☐ 1048

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2356) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform, with Mr. LAHOOD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Ohio (Mr. NEY) and the gentleman from Maryland (Mr. HOYER) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. NEY).

Mr. NEY. Mr. Chairman, I yield myself such time as I may consume.

This is going to be a long debate today, and tonight, and I do believe that is good. The legislation we are debating is extremely important. The last time this Congress passed significant campaign finance reform legislation was 27 years ago. We could be living with the consequences of any bill we pass today for decades to come. That is important, I think, for the challengers across this Nation, the men and women who want to aspire to be able to speak on the floor of this House. So what we are doing is important for our energetic give and take of public debate.

Today, as in any debate, a lot of claims are going to be made about the various bills and amendments. I think right at the outset, before we get under way, we ought to define our terms. We are going to hear a lot tonight about a ban—let me repeat that, a ban—on soft money. According to Webster's dictionary, to ban means to prohibit the use, performance or distribution of. In politics, we often contort language, but I would like to make it plain and clear, the bill under consideration today, H.R. 2356, the Shays-Meehan bill, does not ban soft money under any definition or under any stretch of the imagination. I am certain that we will hear otherwise from some of our colleagues today, but the fact is anyone who tells you that this version, I believe this is the fourth version of what I call an altered state of a piece of legislation, that this version of Shays-Meehan bans soft money is simply not telling you the truth and is not being accurate.

It could be argued that previous versions of Shays-Meehan did ban soft money. H.R. 380, the bill the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) introduced last January, and the versions of Shays-Meehan approved by this House in years past, did ban soft money donations to political parties. I would argue that even those bills were not real, true soft money bans because they did nothing to restrict how unions, corporations and wealthy individuals spent soft money. Those bills did ban soft money donations, but not soft money expenditures. So whether or not earlier Shays-Meehan bills really banned soft money could be debated.

What cannot be debated, however, is the simple fact that this newest version of Shays-Meehan fails to ban soft money, again under any definition. It cannot even be seriously argued that H.R. 2356 bans soft money. Anyone who claims that it does is either deliberately misrepresenting the facts, or they just do not know what is in this new piece of legislation.

The difference between H.R. 2356 and the previous versions of Shays-Meehan is that H.R. 2356 now permits political parties to accept soft money donations. Even if this bill were to be adopted today, unions, corporations and wealthy individuals could still donate massive amounts of soft money to State and local political parties. These donations are permitted up to $10,000 and can be made to every State and local party in the country. With over 3,000 counties in the United States, this means that a corporation or a union, or Enron, because we have talked about that a lot in the last couple of weeks for emotional purposes, could donate up to $30 million to one political party provided they spread it around the country. If somebody wanted to give to both parties, they could give up to $60 million, provided they spread it around the country.

We are going to hear a lot of talk about Enron today and how the Enron debacle demonstrates the need for campaign finance reform. There are two things to say about that. Even if this bill had been law, it would not have prevented the Enron collapse. Unfortunately, I have had constituents that have called me up and said, is it true what I am hearing on TV, what is being insinuated, that people's money could have been saved from the terrible things that the corporate top of the ladder did to people? This bill, if passed, would not have changed that. Let us not fool the American public to make them think that people could get their money back. All the money that Enron gave could still have been given even if this bill were law.

Some will say, well, they could not have given it to the national parties. Ask yourself, does it really matter? If a company wants to influence the political process by spreading a lot of money around, does it really matter if the money is given to a national party instead of a State party? Are we to believe that if a company was giving millions of dollars in contributions to a political party, its influence would somehow be diminished because it spread the money around to a lot of State parties instead of simply giving it to a national party? I do not think so. All this bill does is spread soft money around the country. It redirects it. It does not ban it.

This bill also imposes a number of serious restrictions of political speech. It prevents an organization from spending its own money promoting a message its members believe in if they happen to mention a candidate in the 60 days before an election. That is not America. That is not free speech. Whether it is the left, the middle or the right, people should not be gagged in this country, and they are gagged under this bill.

Supporters of the bill will argue that they do not restrict free speech at all, they simply require that it be funded with hard dollars. Let there be no mistake, this bill, the Shays-Meehan bill, burdens free expression and free speech. To claim that it is not a burden is to simply misrepresent the facts of this bill.

It has been said that to give people a right to unlimited freedom of expression while limiting the amount they can spend promoting their message is like telling someone they can drive as far as they want, but they can only spend a certain amount on gasoline to get them there. Well, telling people they can speak as much as they want so long as they use hard money is like telling people they can drive as far as they want, but they can only buy one gallon of gas at a time. Even worse, it is like telling them they cannot use their own money to buy the gas, but can only use money that they are able to raise from people they run into along the way. Could it really be argued that such burdens did not restrict travel? I do not think so. But proponents of the Shays-Meehan legislation want to put similar burdens on free speech and then claim they have not restricted free speech. It is obviously simply not accurate.

This is going to be a long debate today. I look forward to it. As we proceed, I hope Members will listen to the substance of the provisions being put forward. Shays-Meehan has retained the brand name, but the quality of the product has totally changed. Today we are going to have a good opportunity to debate and consider what this legislation would actually do. I look forward to that debate.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) may each control 7 minutes of the time allocated to me and that they may yield such time.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

I have great respect for my chairman, and great affection for him as well, but we disagree on this piece of legislation. On the one hand he says that Shays-Meehan does not do much. On the other hand his leader, the Speaker of the House, says that it is Armageddon for those who rely on soft money to perpetuate their power.

Mr. Chairman, the long road to victory on campaign finance reform has not been paved with ease. But as Woodrow Wilson once remarked, "Nothing is worthwhile that is not hard." And so it is today in this our third vote in 4 years on real, meaningful campaign finance reform.

We have passed virtually identical versions of this Shays-Meehan bill twice before by overwhelming bipartisan votes, 252–179 in 1998 and 252–177 in 1999. But today's vote, which comes only after a discharge petition, led by my friend the gentleman from Texas (Mr. TURNER), permitted this issue to come to the floor over the objections of the Republican leadership, this day is clearly the most important yet. Unlike in years past, the other body already has passed nearly identical legislation. Thus, the enactment of meaningful campaign finance reform is within our sights this day.

This issue, like the issue of election reform, which the Senate hopefully will soon take up, strikes at the very core of our participatory democracy. When the typical American, the man or woman who works hard every day, pays their taxes and raises their children, hears about campaign contributions and the tens of thousands or even hundreds of thousands of dollars, they cannot help but wonder, has democracy passed me by? Has democracy been reduced to a form of government of and by and for the most affluent?

Make no mistake, I reject the cynical and, I believe, false notion that contributions and policy decisions are inevitably linked. But none of us could be so naive as to reject the infrequent reality and the too frequent appearance of such a relationship. Every one of us recognizes that in public life, appearances are as important many times as reality. One five-letter word ought to crystallize the point for us. The chairman is right. Enron. None of us knows for certain whether that Texas energy company received any special treatment because of its enormous campaign contributions, from either party, but I am confident that congressional investigations and our regulatory and legal processes will get to the bottom of that.

But there is no denying these facts: When Enron began to implode, its calls to officials at the highest level of our national government did not go unanswered. And, when the Bush administration began to draft its energy policy, it rolled out the red carpet for Enron's participation.

In and of themselves, these facts mean little. But the American people have every reason and every right to wonder, did Enron receive special treatment because of its contributions? Even the Supreme Court of the United States has recognized that we cannot ignore appearances. In Buckley v. Valeo, it upheld campaign contribution limits because they serve the government's compelling interest in protecting the integrity of elections by preventing even the appearance of impropriety.

Unfortunately, Mr. Chairman, the appearance that something is fundamentally wrong with our campaign finance system has clearly reached the boiling point, and thus Shays-Meehan is not only necessary, it is essential. This legislation, in short, will ban so-called soft money contributions to the national political parties and prohibit soft money from being used for sham issue ads by third-party groups that most of us would agree are nothing more than campaign ads. While this legislation will clearly reorder the ways in which candidates and parties finance campaigns, it is a modest but crucial investment in our participatory democracy.

We are the role model for democracy in the world.

□ 1100

We have learned that we cannot take our democratic values for granted and we cannot be so naive as to believe that the appearances do not matter. As we seek to expand democracy's reach abroad, it is only fitting that we strengthen her foundation at home. That is precisely, precisely, what this legislation is intended to do.

Because it is so critical, I urge every one of my colleagues to support this legislation this day. Its time has come.

Mr. Chairman, I am glad to yield 2 minutes to the distinguished gentleman from Texas (Mr. TURNER), who has been such a leader in this effort.

Mr. TURNER. Mr. Chairman, this House today has a historic opportunity to end the influence of big money on public policy making. Today we are going to have the opportunity to vote on a bill, the Shays-Meehan bill, H.R. 2356, that has been worked on for many months in an effort to try to craft a bill that not only will pass this House, but that will be acceptable to the United States Senate, where they have already passed a strong campaign finance reform bill under the leadership of Senator MCCAIN and Senator FEINGOLD.

Let there be no mistake about what is going on on this floor today: we have heard reference in the opening remarks to a bill that will be offered that will be purported and suggested to be "superior" to the Shays-Meehan proposal.

There should be no mistake about it: whether the bill is better or worse, the bill will never see the light of day, because the purpose of those who seek to amend or substitute the Shays-Meehan bill today, their purpose is to be sure that the bill they pass is not acceptable to the Senate, where it will be relegated to a conference committee, which will be a black hole of certain death to the bill because the Speaker of the House, who has designated this Shays-Meehan legislation as Armageddon, would have the authority to appoint the conferees to that conference committee. You can be well assured that the conferees that are appointed will be opposed to true campaign reform, and once again this Congress will have failed to return the power of this House to the people of this country and to get it out of the hands of the special interests.

We have passed campaign finance reform in this House before in the last Congress and the Senate failed to pass it. This year the Senate passed it first, and it is our job to pass it now.

Support true campaign reform today, the Shays-Meehan bill, and oppose these efforts to kill it.

Mr. NEY. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri (Mr. BLUNT), the distinguished deputy chief whip.

Mr. BLUNT. Mr. Chairman, I thank the gentleman for yielding me time, and I look forward to this debate today. I think this debate will in all likelihood produce a result, whether that result is out of conference or from the floor today. Those who suggest that a conference would not work, I think, overlook the desire that the President has, that others have, to have campaign finance reform.

The idea that we would file a bill at 11 o'clock or so last night, that I think is substantially different from the bill that was filed a year ago, and we would be told on the floor today that really this cannot be improved, that any amendment is a killer amendment, or a conference is a bad thing, we take very important pieces of legislation to conference and usually they benefit from that conference. Certainly the White House can be more involved in a conference than they would ever be involved in debate on the floor.

This is a bill that for weeks and months now we have talked about a bill that would, I think, the phrase, the term of art, is ban unlimited soft money. The truth is, there are plenty of soft-money loopholes in this bill. Banning unlimited soft money sounds like you are really doing something, when maybe you are not doing that at all.

There is a loophole of about $60 million, where you could give money to all the political organizations in the country, the State parties, the county parties, the legislative district parties. This is a huge loophole in this bill where soft money is still involved. There is the ability to build buildings with soft money. There is the ability to do all kinds of things with soft money; and at the same time we hear that somehow soft money is corrupting.

Well, let us accept that premise as we debate today, for at least part of the debate. If soft money is bad, it is all bad. We all know that money can go from account to account. If soft money is corrupting, why would we want to have an exception so that the Democratic National Committee could build a building with soft money? We do not want them to have a building that has been corrupted by the influence of soft money.

If soft money is corrupting, why would we allow in the bill that was filed last night soft money to be used to pay off loans from this election cycle? Pages 78 and 79 of this bill, there is a huge problem in this bill, because it opens the door wide for soft money today. Not only does it not ban soft money in the future, but it opens the door absolutely for spending soft money in this election cycle we are in right now.

Maybe that was misdrafted. Maybe that is a mistake. I would like for somebody to come to the floor and explained what those pages mean, because when you read them, it appears they mean you can borrow hard money today, spend it for hard-money purposes, and, on November 6, pay off that loan with soft money.

Mr. MEEHAN. Mr. Chairman, will the gentleman yield?

Mr. BLUNT. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, no, you cannot do that. That is illegal under the present law, and it would be illegal if this bill passed. All this says is if there are bills that come in after the deadline, you can pay those bills in accordance with Federal law. So if there was a soft-money bill that could only be paid for with soft money, you could pay it before the January 1 date. The same is true for hard money.

But you could not borrow, hard money and then pay it off with soft money. That would be illegal.

Mr. BLUNT. Mr. Chairman, reclaiming my time, I know my friend from Massachusetts has worked hard on this bill. He has had a bill in the past on the floor that is much tougher than this bill, that did have a total ban on soft money. It had the ability to audit campaign accounts at random. It had some stiff criminal penalties. Those are gone from this bill.

What you intended to do and what you did may have been two different things. I am told they are two different things. On November 6, in fact, you could take the soft money you had on hand and pay off any past debts you had, no matter what purpose those past debts were incurred for.

To open the door totally to soft money in the cycle we are in is even worse than postponing the date to begin the bill. We cannot let that happen. We cannot talk about a soft-money ban for months and then bring a bill to the floor at midnight that does just the opposite. I am very concerned about that. I am sure it is going to be widely debated today.

The gentleman will have plenty of time to look at the specific language with his attorneys and respond to the problem that I think this bill that was filed last night creates in just being totally at odds with what we have said this bill would do or what proponents of the bill said it would do for over a year.

Mr. MEEHAN. Mr. Chairman, if the gentleman will yield further, so basically the gentleman is saying all of the Members who have opposed reform, abolishing soft money, now say they want it in effect right now right away? Is that what the gentleman is suggesting?

Mr. BLUNT. Mr. Chairman, that is not what I am suggesting at all.

Mr. MEEHAN. If we are going to do a campaign finance bill, the people who have opposed reform now say, well, if we are really going to do it, let us put it in effect right away?

Mr. BLUNT. Mr. Chairman, reclaiming my time, there will be an amendment that says that. There will be an amendment that says if there is bad, let us go ahead and eliminate it, and let us eliminate all of it. I will be voting for that amendment.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Pennsylvania (Mr. FATTAH), a member of the Committee on House Administration.

Mr. FATTAH. Mr. Chairman, I rise in support of the bipartisan Shays-Meehan campaign finance bill.

Against all odds, with the persistence and tenacity of the sponsors and with the skill of my ranking member, I believe that this House today is going to rise in a bipartisan fashion and pass this bill, oppose the amendments that would cause it to end up, as so many other attempts in the past have ended up, not coming to full fruition; and we are going to give President Bush, who promised on the campaign trail that he was a reformer with results, an opportunity to put the Presidential signature on a bill that would indeed ban unlimited soft money and move elections back to a democratic process, have elections be elections, rather than auctions.

Mr. Chairman, I think that in our country, the work of the Congress today is going to go a long way in terms of restoring confidence in our form of government.

Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DREIER).

Mr. DREIER. Mr. Chairman, we are strong proponents of campaign finance reform. Do not let anybody say we are not. We want to dramatically enhance the opportunity for voters to be empowered so they can make the right decision. But I think it is important for us to go back to the founding.

In 1787, we saw three of our framers, James Madison, Alexander Hamilton and John Jay, write under a nom de plum, in fact, not full disclosure, under the name of Publius, the Federalist Papers, and they had a very interesting debate about what it is that generates the interests of people.

In Federalist No. 10, James Madison talked about political faction, how the opportunity for people to come together and demonstrate their interests is something that is a fact of life. In fact, he said in Federalist No. 10, "Faction is to governing like air is to fire."

So we have these attempts being made by some to impose extraordinarily onerous regulations on the American people, jeopardizing their opportunity to come together and pursue a political interest that they have, that a shared group has; and I believe that it is wrong. I believe it is wrong to impose those kinds of regulations.

I do believe also, Mr. Chairman, that we need to realize that we have a very important constitutional responsibility here, and that is to go through the process of lawmaking.

The way it works is the United States House of Representatives passes a bill, the United States Senate passes a bill; they go to a House-Senate conference to make sure that they can reconcile those differences. We have a bicameral legislature. The Senate has already passed this measure. The House should work its will, not marching in lockstep.

People have talked about how a conference would jeopardize this fragile coalition for reform. Well, what it does is if they try to simply go without a conference, they are jeopardizing the opportunity for the White House, the President of the United States, who wants to bring about meaningful reforms, to have his say; and it is jeopardizing the opportunity for us to work our legislative will.

Mr. Chairman, we need to do everything that we possibly can to ensure that we bring about true reform.

Mr. MEEHAN. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, if James Madison could see the $4 million in unregulated soft money that went from Enron to both political parties, if James Madison could see that 70 percent of the soft money from Enron since 1995 went to both political parties, if James Madison could see the $1.7 million in the last election cycle, he would be rolling over in his grave.

Mr. Chairman, it is my pleasure to yield 1 minute to the gentlewoman from Michigan (Ms. RIVERS), who has been an advocate for campaign finance reform since she got to the House of Representatives.

Ms. RIVERS. Mr. Chairman, the previous speaker mentioned the Constitution, and I think it is important that we collectively take a look at what constitutional case law tells us what Congress can do as it addresses campaign finance reform.

Congress can prohibit the use of corporate treasury funds and union dues money in Federal elections. Congress can limit contributions to candidates, parties and political committees. Congress can pass laws to combat actual corruption and the appearance of corruption. Congress can require disclosure of the source and size of certain kinds of spending and most contributions. Congress can regulate coordinated expenditures, though thwart attempts to circumvent existing election law.

In short, constitutionally Congress has many tools available to it to regulate campaign finance reform. The Supreme Court has spoken on this issue. Shays-Meehan does no more than what the Supreme Court has already endorsed as tools for Congress to use.

The Shays-Meehan bill is constitutional, and it is absolutely needed. I urge support.

□ 1115

Mr. HOYER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Georgia (Mr. LEWIS), who has fought for democracy and voting rights probably more than anybody in this body.

Mr. LEWIS of Georgia. Mr. Chairman, I rise in strong support of the Shays-Meehan bill. Now is the time for us to do what is right. It is time to remove the corrupting influence of soft money from the political process. It is time to open up the political process and let the average person come in and participate. It is time to let all of our citizens have an equal voice.

We must pass Shays-Meehan to lessen the people's growing cynicism. Soft money and big campaign contributions have polluted the political process. When people give $50,000 or $100,000 to candidates, they expect something, and, most of the time, they get something for it. We are sending the wrong message to the American people. It is time for us to enact real reform. It is time to restore the people's faith in their government.

This bill is good for America. It is not just good for the political parties, for Democrats and Republicans, it is good for our country.

There is too much money in politics. Political candidates should not be up for sale to the highest bidder. Too many of us spend too much of our time dialing for dollars. We should not be elected this way. This should not be the essence of our democracy.

I did not march across the bridge at Selma on March 7, 1965, and almost lose my life to become part of a political system so corrupt that it pollutes the very idea of what we marched for. That is not why President Lyndon B. Johnson signed the Voting Rights Act.

Mr. Chairman, there is a better way. Shays-Meehan is a better way. It is not a cure-all. It is not a panacea. But it is a significant and extraordinary step toward cleaning up the process and fixing this broken system.

We have a mandate. We have a mission. We have an obligation to do this on our watch, on our time. We must pass Shays-Meehan today.

Mr. NEY. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. DELAY), our whip.

Mr. DELAY. Mr. Chairman, let me first say that I do not think there is one Member, Democrat, Republican, liberal, or conservative, that is corrupt in this House. I think what is corrupting in this House is the misinformation, especially the misinformation that we have heard over the last few weeks, incredible misinformation; misinformation, for instance, that we are in this bill banning soft money, we know that is not the truth; misinformation that it is not unconstitutional to stop people from exercising their right to be involved in the political process.

Let me just point this out: Those who want to ban soft money, I appreciate that and respect it; I do not agree with it. Those who want to regulate through government the participation in the political process, I respect them trying to do that; I disagree with it. We ought to let the voters decide through instant disclosure to be able to tell and see while people are collecting their money and spending it to decide. We should be empowering voters, not government bureaucrats.

But those that constantly say they are trying to ban soft money bring a bill to this floor that is seriously flawed and, in fact, creates new opportunities to raise soft money. It is misinformation like the previous speaker to say that hundreds of thousands of dollars are going straight to candidates. That is not the definition of soft money. Soft money is monies raised from corporations and others that go to political parties, and that is what they are attempting to do is to ban that money. But they are not doing it in this bill.

Let me just read the bill. In the bill they first move the effective date until after the election, so they do not want to ban it for this election, because they have a bunch of it in the bank and they want to spend it. But they move it until after the election. Then it says in the bill, "Prior to January 1, the committee may spend such funds to retire outstanding debts or obligations, both soft and hard money, that are incurred prior to such effective date, election date, so long as such debts and obligations were incurred solely in connection with an election held on or before November 5."

They want to be able to spend the soft money they already raised, and do we know how they do it? They want to be able to borrow hard money and soft money, and then after the election, between November 5 and January 1, there will be a huge stampede to raise all this corrupting soft money to pay off their loans. That is in the bill. That does not ban soft money. That creates a situation that requires more soft money and a huge move towards that soft money that they think is so corrupting.

For the first time, we will be paying off hard money with soft money. I repeat that. We are paying off hard money with soft money, completely changing the situation and the way that we are doing it.

Then, then they say that they want to limit the parties' participation in the election.

This bill does not contain real reform. Instead, this bill strips citizens of their political rights and unconstitutionally attempts to regulate political speech.

The primary protection of our first amendment is the right of average citizens to get together and to freely and fully criticize their government. Political speech is the key to political freedom, and Shays-Meehan would radically weaken our first amendment right by inappropriately and unwisely constraining the right to political speech. Shays-Meehan denies Americans, denies American citizens their fundamental right to criticize politicians for 2 months before the election.

Now, we all know that the last days before an election are a very crucial period of political dialogue. That is when voters are really paying attention, and that is the precise reason that this incumbent protection scheme that is in the bill will suppress political speech 60 days before Election Day. Shays-Meehan strengthens incumbents and makes it far harder for their constituents to hold them accountable.

This is a sham. It shuts down the system, Mr. Chairman. It shuts down political speech. It shuts down the opportunity to participate in elections. In a country the size of the United States, an individual citizen has very little chance of joining the political debate without banding together with others, so by blocking citizens' groups from participating in days leading up to an election, Shays-Meehan removes a very vital tool that citizens can use to hold elected officials accountable.

This is Swiss cheese. It is full of holes. It does not do what the authors want. It is like a fine wine that does not get better with age, it just rots.

Mr. SHAYS. Mr. Chairman, I yield myself 1 minute, and then I intend to yield 2 minutes to the gentleman from Tennessee (Mr. WAMP).

Mr. Chairman, just to correct the inaccuracies of the previous speaker, we say 60 days to an election, you have to use hard money contributions. We limit no speech. We just say you cannot do it with corporate treasury money, union dues money, or unlimited money from individuals. The effective date begins November 6 because we are 16 months already into this election. We already have primaries in process, and our bill basically has a 30-day provision in primaries.

There is absolutely nothing in our bill, it is a red herring, that suggests one can use soft money to pay hard money obligations. It is against the law. We did not change that law.

So, with all due respect to one who I think is really the best majority whip ever to be in this House, he is just dead wrong on all the issues he described.

Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Chairman, I thank the gentleman for yielding me this time.

A lot of emotion in the House today, and there will be all through the day. This is the end of a long process, I believe, and the closer we get to finality, the higher the temperature gets. So let us try to stay calm and look at these issues.

A lot of discussion about Enron. I agree: Enron would not have changed, I do not think, even if our bill had been signed into law. It was an auditing, business scandal. There is no evidence it is a campaign finance scandal, but that does not mean that it should not point out the need for reform, because other corporations and large powerful groups in this country will try to use these large contributions to influence us, and they have, and they do, and they will, and it needs to stop. It is a loophole. This is the best effort in a generation to bring about change.

There is an old saying that the devil is in the details. It is a matter of history now that on this issue, because it affects the majorities, it affects the parties, and it affects our own reelection; it is not the devil in the details, it is death in the details, and that is why the only way to bring this about is to work through these debates and to keep some kind of bipartisan coalition together to do this.

Now, it is a weird marriage between certain people here in the House, but we need to transcend the divisions between the parties and put the voters, the taxpayers, and the people ahead of the parties.

There are about 250 people in this House that have now agreed over and over again on the principles that are in this bill. There is going to be a lot of noise about these details that we have worked through to bring us to this point. People who say that money is speech need to understand, if that is true, there are a lot of people in this country that cannot be heard. Money is not speech. We need to stand up for the first amendment and treat these groups and these people playing politics in elections the same as the candidates themselves. That is the underlying message, and that is what this legislation actually does. They can talk until they are blue in the face or wrap themselves in the first amendment all they want to. This bill is fair to everyone, and we need to consider it and pass it today.

Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in strong opposition to Shays-Meehan today, principally, because of the oath of office that I took, flanked by my three small children a little over a year ago, right over there. That oath of office charged me with upholding and defending the Constitution of the United States of America.

Now, the gentleman from Massachusetts quoted James Madison. James Madison, the Father of the Constitution, wrote very simple words: The Congress shall make no law abridging the freedom of speech. Now, last night I was involved in the debate on the rule, and I went back to our home in the Washington area, and my 10-year-old son, who had just finished his first unit on the Constitution of the United States, said, undoubtedly biased, Dad, you were right, because I just read that Congress shall make no law abridging the freedom of speech.

Now, as much as that meant to me as a dad for my 10-year-old son to say that I was right, I truly believe I am right. The Supreme Court agrees with me and my 10-year-old son, saying recently that first amendment activity applies no less to independent expression by individuals or political committees than it does to political parties, and the truth is that Shays-Meehan bars individuals and organizations from their first amendment rights during 2 months prior to an election.

I suspect that my friends on my side, and on the other side of the aisle, know this may be found to be true, and that is why there has been strong opposition in this Chamber and the other to allowing a nonseverability provision to this measure.

Even though I will oppose this bill, Mr. Chairman, it is my hope that we can change it, that we can fix it, we can close those soft money loopholes. I will support an amendment to ban all soft money from the process, which Shays-Meehan does not do, and I will also vote to ban the use of soft money for building political party buildings or paying off debt this fall.

The truth is, this bill is good for incumbents, bad for democracy; good for bureaucracy, bad for liberty. Vote “no” on Shays-Meehan.

Mr. MEEHAN. Mr. Chairman, I yield myself 15 seconds.

This bill does not prevent any individual, any individual or any groups of individuals, from speaking out 60 days before an election. They simply have to use hard money, and the public has a right to know where that money comes from under the Supreme Court decision and under the Constitution. There is no way it stops anyone.

Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. ESHOO). She and I came to the Congress together in 1993, and she has been a forceful, eloquent spokesperson for campaign finance reform.

Ms. ESHOO. Mr. Chairman, first I would like to salute the authors of this bill for their courage, for their vision, and for their tenacity.

Today is the day in this House of Representatives. I think that the eyes of the Nation are really on us. They want to see if we are going to step over the line and say that we are going to do something for democracy. This is about democracy, and it is about respecting the voice of the people.

□ 1130

Every election both parties try to get people to go out and vote. We try to inspire them with our ideas for a better future, not only for themselves and our country but for our world. Fewer and fewer and fewer people are going out to vote. Why? Because they think their voice does not count.

Today's newspaper says that the voices in the Republican caucus that vote for the real Shays-Meehan bill are going to be punished. We cannot tolerate this. This is not good for democracy. Have the courage to vote for the best in America, for our system that is the bright shining light of the world. Vote for the only real meaningful campaign finance reform bill, Shays-Meehan, McCain-Feingold. Send it to the President. We will be ahead, America. And we will be judged for it.

Mr. NEY. Mr. Chairman, I yield myself 15 seconds.

If my colleagues will read the New York Post, they adequately point out that the New York Times editorial asking people to call their Members of Congress would be illegal, illegal under Shays-Meehan, if it were put into a radio or TV advertisement 60 days before the election. But you can use all the soft money in the world you want for newspaper print.

Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, I was actually a little taken aback by my friend, the previous speaker, when she talked about the voice of the people not being heard because of all this soft money in politics. The fact of the matter is when you collate elections, you will find out that the more money that gets spent on campaigns, whether it is on the ground or on the air, it drives up the turnout, not lowers turnouts. We can show you election after election where you have bigger spending campaigns and it drives turnout and voter interest, and you get better penetration with the electorate. So, I think that issue does not wash.

This legislation is not about candidates. It really does not affect the way most individuals will run their own race or raise money as Members of Congress. What it does is affect political parties. If you believe as I do that political parties have been a very, very important part of the American political system, have, in fact, strengthened American democracy, a two party system in my judgement is something that has stabilized American democracy and keeps us much different from other countries.

This drives a lot of money away from the political parties and puts them out into the system to interest groups, basically the right and the left. Political parties tend to center the American political debate, which I think is a good thing.

For moderation, this legislation is the death knell because instead of candidates, independent members within each party being able to appeal to their political party, they have to appeal to interest groups to help make up funding gaps that may occur in these particular elections.

But what concerns me the most is the bait and switch we see in this legislation before us. Written under the dead of night, we see a new substitute, Shays-Meehan IV, V, VI, I do not know which number this is. I refer specifically to title IV, severability effective date, section 402 section B(1) where it says, "Prior to January 1, 2003 the committee," meaning the political party committees, NRCC, DCCC, "can spend funds for retiring outstanding debts or obligations incurred prior to such effective date, so long as the debts were incurred solely in connection with an election date on or before November 5, 2002."

What this means is under this legislation which displaces existing legislation pertaining to this, and there is no other language in this substitute that would replace the language in existing law, it means that political parties could borrow hard dollars in this year's election cycle and replace them with soft dollars that they could raise. So soft dollars can basically pay for hard-dollar borrowing.

This is exactly opposite of what this legislation is intended to do. I do not know if the authors understand what is written in this. We have counsel opinions that we will enter into the RECORD later.

Mr. MEEHAN. Mr. Chairman, will the gentleman yield?

Mr. TOM DAVIS of Virginia. I yield to the gentleman from Connecticut.

Mr. MEEHAN. Mr. Chairman, this legislation does not allow somebody to borrow hard money and then pay it back in soft money. In fact, no one can raise any soft money under this bill after the next election. So what the gentleman is saying just simply is not true.

Mr. TOM DAVIS of Virginia. Reclaiming my time, one could use their building fund which is specifically protected under this to collateralize a loan which is soft dollars, which can collateralize a loan and come back and pay it back. That is what we can do under this legislation. I will be happy to have further discussions with the gentleman. I hope it is his intent to say that hard dollars have to be replaced with hard dollars. I hope that we can get additional statements on the record. But this language does not say that.

Mr. SHAYS. Mr. Chairman, I yield myself 15 seconds.

I will explain to the gentleman that this bill was not written in the dead of night. It was introduced last year. It was brought before the House before 10 o'clock. And it is very clear what it does. It enforces the 1907 law and the 1947 law and the 1974 law, all of which are constitutional.

Mr. Chairman, I yield 1 minute to the gracious gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Chairman, today the House of Representatives has a historic opportunity to take a stand, a strong stand against the corrupting influence of big money campaign contributions with passage of the Shays-Meehan Campaign Finance Reform Bill. I just really must applaud the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) for their tireless efforts for a more responsive and responsible campaign finance system.

The Senate has taken action. It is now up to this body to once again pass real reforming that will bring an end to the corruption and cynicism that surrounds public service because of the obscene amounts of money and soft money that have found its way into the political process.

Think about it. Soft money has been at the heart of every political or corporate scandal over the past decade. Enron is currently the poster child for campaign finance reform; but even before Enron became a household word, the need for reform was just as great. Political fund raising records were shattered during the 2000 elections and soft-money contributions rose to more than $450 million, nearly double the $231 million raised in the 1995–96 cycle, more than five times raised in 1991–92.

It invites corruption. It erodes confidence in government. Let us pass Shays-Meehan.

Mr. NEY. Mr. Chairman, may I inquire as to how much time is remaining?

The CHAIRMAN. The gentleman from Ohio (Mr. NEY) has 6¼ minutes remaining. The gentleman from Maryland (Mr. HOYER) has 6 minutes remaining. The gentleman from Connecticut (Mr. SHAYS) has 2¾ minutes remaining. The gentleman from Massachusetts (Mr. MEEHAN) has 4½ minutes remaining.

Mr. NEY. Mr. Chairman, I yield 3 minutes to the gentleman and from Kansas (Mr. TIAHRT).

Mr. TIAHRT. Mr. Chairman, I rise in support of campaign reform and in opposition to Shays-Meehan. There is no doubt we do need to change some things about the campaign process. We should, number one, have full and complete reporting disclosure. There is no reason why it could not be on the Internet; whenever dollars are contributed within 24 hours, it would be reported. We should require that every dollar spent in the political process should be voluntarily spent, voluntarily contributed. Right now every dollar I raise is a check written by somebody who has contributed to my campaign. Yet there are millions of union workers who have to have their money, their contributions automatically withdrawn from their pay check and used to support candidates for which they do not vote for or support.

Thomas Jefferson said, "It is tyrannical and sinful to force a man to contribute to political views for which he disagrees."

Shays-Meehan does nothing to reform this tyranny. It also does do some reforms. It does reform the campaign laws. It forms campaign dollars into pork for special interests. Let me name one of them. This bill restricts soft money and third parties from using their monies for free speech through the broadcast media 60 days before election. No soft money for 60 days in television, radio, or cable; but it does allow it in the print media.

Well, it is no wonder that the New York Times, USA Today, even the Winfield Courier, Winfield, KS, supports Shays-Meehan because it affects their bottom line. It is pork for papers, pork for newspapers. Well, that kind of reform is not what we need in the political process.

It also does not regulate gutter politics. In 1996 unregulated, unreported dollars were used in my campaign to make phone calls to women in the Fourth Congressional District in Kansas to say I allowed my daughter to pose for sexually provocative photos. My daughter was 14 years old at that time. She was crushed. She was devastated. She could not go to school. And there is nothing in this bill that you are proposing for reform to stop that kind of gutter politics.

It does not reform the campaign laws where you need to reform it. Instead, you come up with this pork for papers and other inequities and limits in free speech. So I think it is a very inadequate bill, Mr. Chairman. It merely shifts where the political dollars will be spent. It does not regulate completely, especially in the area of gutter politics. And it gives special interests, the newspapers, a financial benefit through the campaign process. Pork for newspapers.

I suggest that we vote against the Shays-Meehan bill, and I say we vote for the Armey substitute and bring true reform to the campaign process.

Mr. MEEHAN. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. Mr. Chairman, I rise in support of Shays-Meehan Campaign Finance Reform.

This was the first bill I co-sponsored after emerging from the most expensive House race in the history of this institution. This bill basically comes down to a single question and a single proposition, and that is, do we wish to allow special interests to spend unlimited amounts of money anonymously right before an election, or do we believe the American people are entitled to know who is spending the money to influence the outcomes of elections right when the election is coming up?

That is what this all boils down to. There is no first amendment issue here. Everything is permitted. All speech is permitted under Shays-Meehan. The question is does it need to be disclosed who is paying the freight. And notwithstanding all the protests from the opposition that is making the arguments today this bill is too strong. It is too weak. It goes too far. It does not go far enough. Me thinks the opposition doth protest too much.

The fact of the matter is the opposition to Shays-Meehan like it the way it is. They want special interests to be able to spend what they will, when they will, and not disclose who they are. That is wrong and today we have the chance to change it. Support Shays-Meehan.

Mr. NEY. Mr. Chairman, I yield 2½ minutes to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Chairman, I thank the gentleman from Ohio (Mr. NEY) for yielding me time.

We are told the purpose of this legislation is to lessen the influence of corporations on the political process.

We are told that James Madison would not recognize the system we have today. I would submit that James Madison would be appalled if he knew of the blatant inconsistencies we have in the bill.

Corporations cannot spend their treasury money in the last 60 days of an election. However, if you consider that the parent company of CNN spent $2 billion in soft money last year, yet they will be able to speak during the last 60 days of an election unabated. They have a media exemption. The parent company of ABC spent $1 million last year in soft money to both parties; NBC nearly a half million dollars; CBS, 23,000; Fox nearly 700,000. Yet these entities will be able to speak within the last 60 days like nobody else.

If you wonder why the big media corporations support this legislation it is because they will be the only one ones standing after this is passed. If that is not inconsistent, what is? Now, are the supporters of this legislation blind to this? I would submit they are not.

Just a few months ago supporters of this legislation were pushing for hearings on the fact that one of the parent companies of NBC tried to weigh in with NBC on when to call the election for one of the candidates in Florida. If that is not a conflict of interest, what is? We have got to recognize that you cannot treat one corporation differently than another.

This is just one of the problems with the bill, and I would urge a "no" vote.

Mr. SHAYS. Mr. Chairman, I yield myself 15 seconds.

I just point out we are trying to enforce the 1907 law banning the corporate treasury money, the 1947 law banning union dues money, and the 1974 law which bans unlimited sums by one individual in a collective campaign and to enforce all three laws. You can still advertise 60 days prior to an election with hard money.

Mr. Chairman, I yield 1 minute to my colleague, the gentleman from Iowa (Mr. LEACH).

Mr. LEACH. Mr. Chairman, I rise in support of the Shays-Meehan bill with some reluctance. It is too little, too late, too compromised. Nonetheless it represent a credible step to constraining one of the worst abuses in our current system, the rising tide of soft money.

At issue is the shape of American democracy; at issue also is the shape of our political parties. There is a question of balance of power between the parties, but shape matters too. Do we want our parties dependent on the big and powerful or the individual citizen?

The system needs reform; so do the parties. In a new-fangled world, what is needed is old-fashioned politics, old-fashioned political parties, old-fashioned people-oriented representation. The case for Shays-Meehan is imperfect, but it is also compelling.

□ 1145

Mr. HOYER. Mr. Chairman, I yield 3½ minutes to the distinguished gentleman from Florida (Mr. DAVIS), who has been a leader on campaign finance reform since he first arrived in January 1997.

Mr. DAVIS of Florida. Mr. Chairman, I rise in strong support of the Shays-Meehan bipartisan campaign finance reform bill. There has been a lot of debate, a lot of speculation on the floor of the House today as to who benefits under the bill. Is it Republicans, Democrats, labor unions, corporations, the media? The truth of the matter is we really do not know how this law is going to be used in the endless contest between the parties and all the competing interest groups; but the one thing we do know about this bill is it will reduce the amount of money that has infected and taken over politics, and it will begin to shift control back to the people for whose benefit this institution was founded. It will give them more control over the outcome of elections.

This bill is not a panacea. It is not perfect. What it attempts to do is to close the two most gaping loopholes that exist in our campaign finance system today, the uncontrolled issue ads that are influencing the outcome of elections today and soft money.

The story that was just told I found incredibly offensive about the ad that was used against a Republican Member of Congress, making up blatant lies about a member of his family. One of the best things we could do to protect the voters against that kind of trash is to force people to put their names on these ads because right now there are people running ads in this country on every end of the political spectrum that refuse to put their names on their ads.

We had a hearing in which some of these groups said, if you force us to put our names on these political ads, we will not run the ads. Our response was what is wrong with that, if you are not willing to publicly associate yourself with the inflammatory and often deceitful content?

Mr. LINDER. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Florida. I yield to the gentleman from Georgia.

Mr. LINDER. Mr. Chairman, does the current Shays-Meehan bill require the signature or the identification of the sponsor?

Mr. DAVIS of Florida. Mr. Chairman, reclaiming my time, the Shays-Meehan proposal subjects those people who attempt to influence the outcome of an election to the same requirements that congressional candidates face now when they spend money to influence the election. There will be meaningful full disclosure that will allow the voters to judge who is making the statement and I believe will force people to discontinue making these inflammatory, deceitful actions.

The second point that this bill addresses is incredible proliferation of soft money. I think it is fair to say there are thousands of people who are being forced or choosing to make campaign contributions of unlimited amounts to both political parties, and this is not for good government.

Soft money was created to support political parties to encourage people to get the vote out and that will continue under Shays-Meehan. It was not intended to take over control.

I just want to conclude by saying the amount of soft money was $86 million in 1992, $260 million in 1996; over half of a billion dollars in the year 2000, a half a billion dollars. We need to put a stop to that. We need to adopt this bill. It is for the good of the people. It is not for the good of a particular political party, and I urge my colleagues to adopt the Shays-Meehan bill.

Mr. NEY. Mr. Chairman, I yield 10 seconds to the gentleman from Georgia (Mr. LINDER).

Mr. LINDER. Mr. Chairman, I want to congratulate the gentleman from Florida (Mr. DAVIS), who just spoke on his points. He made them all so equally well in committee. The question I asked is does this bill require that identification, and there is no evidence to me that it does.

Mr. MEEHAN. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. DOGGETT), a leader in campaign finance reform.

Mr. DOGGETT. Mr. Chairman, the gentleman from Illinois (Mr. HASTERT) has declared that this bill represents "Armageddon", the "life or death" of the Republican Party and the loss of control of the House. But the strange thing is that last session I heard one Member of the Democratic leadership make essentially the same claim in reverse, that Democrats would be assured defeat by passage of such legislation. Both cannot be right. Indeed, both are wrong.

The truth is that a political party that cannot survive without unlimited amounts of unregulated contributions and hate ads does not deserve to govern. A vote for the bipartisan Shays-Meehan bill does not test loyalty to a party. It tests loyalty to meaningful democracy.

Did my colleagues hear the story about the lobbyist who gave a million dollars to a political party in soft money donations and demanded absolutely nothing in return? Well, neither has anyone else. To avoid government of, by, and for the highest bidder, accept no substitute. There is only one alternative, the Shays-Meehan bipartisan proposal.

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from Delaware (Mr. CASTLE).

Mr. CASTLE. Mr. Chairman, I thank the gentleman from Connecticut (Mr. SHAYS) for yielding me the time, and I do rise in support of the Shays-Meehan legislation.

I rise in support of this because I have watched elections in this country for a long time now, and I have seen the evolution from individuals running for office with knowledge as to who their contributors were to advertisements which are being run by outside groups without any acknowledgment as to exactly who they are. There might be names on the ad, but that was the extent of it. Who contributed to it, exactly what it is they represent, all these nebulous figures out there, we cannot do anything about; and I think frankly we have to do it, and the best way to do it is to ban soft money.

I wish we were banning soft money entirely. We know we are not at the State level, but we are at the Federal level; and I think it is a step in the right direction and something we should do. I think that the hard money, so that we know who gave it, it is limited as to how much it is, is the way to go as far as future elections are concerned.

I would also point out, and I have heard this question a lot, that this legislation does not ban voter guides in terms of how people voted and what the story may be with respect to that; and it also does not limit free speech. It only speaks to the source of money that pays for the speech.

For all these reasons, I would encourage everyone to support the Shays-Meehan legislation.

The CHAIRMAN. The Chair would announce the gentleman from Ohio (Mr. NEY) has 1¾ minutes remaining. The gentleman from Maryland (Mr. HOYER) has 2½ minutes remaining. The gentleman from Connecticut (Mr. SHAYS) has 30 seconds remaining. The gentleman from Massachusetts (Mr. MEEHAN) has 2½ minutes remaining.

Mr. SHAYS. Mr. Chairman, I yield myself the remaining time.

This is going to be a long day. I think it will be a good day. I think we will have disagreements, but I think we can do it with graciousness.

We are going to have three substitutes that come before us, the gentleman from Texas's (Mr. ARMEY) substitute, the gentleman from Ohio's (Mr. NEY) substitute, and the Shays-Meehan substitute. We are asking for a "no" vote on the first two substitutes and passage of the Shays-Meehan substitute; and then we will have 13 amendments brought before the House if, in fact, the Shays-Meehan substitute is the one that stands.

We are trying to enforce the 1907 law banning corporate treasury money, the 1947 money banning union dues money, and enforce the 1974 law banning unlimited sums of money. That is what our attempt is.

Mr. MEEHAN. Mr. Chairman, I yield myself the remaining time.

We have a historic opportunity today, a historic opportunity to pass real campaign finance reform; and I want to thank the gentleman from Missouri (Mr. GEPHARDT) for the hard work he has put into this and my partner, the gentleman from Connecticut (Mr. SHAYS), who has worked diligently over the years. There are so many Republicans, the gentlewoman from New Jersey (Mrs. ROUKEMA), the gentleman from Tennessee (Mr. WAMP) who did such a wonderful job on the floor. We are going to hear more from the gentleman from Tennessee (Mr. WAMP) as this debate goes on. So many Democrats who have stood together for campaign finance reform, our colleagues in the other body.

What makes this unique is we understand campaign finance reform will die if we let this go to a conference committee. So we have preconferenced this bill over a period of the last year, making sure that Democrats and Republicans have equal footing, making sure that the Senate and the House negotiate in good faith so that we now have a wonderful opportunity to pass this bill and send it over to the Senate where it will still need 60 votes.

Then we are going to send it over to the President, and the President has made it very clear to the Republican leadership and anyone else in this House, do not count on me to veto this bill. Why is it the President made it clear? Because this President knows what we all know, that there is a cloud over the Capitol and the White House because of this Enron scandal, and the American people are demanding that that cloud be removed by removing this soft money system that has had such a corrupting influence on the decisions that we make day in and day out, making good people do bad things. They want this removed and the President wants this removed, I am sure. I am sure that is why he will sign this bill.

Let us join together today and have a good debate. But let everyone know, the other side that is trying to kill this bill does not have a philosophical perspective. They do not have a set of principles that are determining what amendments they offer. What they offer is anything they can think of to defeat this bill, anything that they can think of to send this bill to conference. It has gotten so wild over the other side that they are actually putting in a substitute that is a bill that we were working on a few years ago before we preconferenced.

We have a unique opportunity. Let us join together and pass Shays-Meehan.

PARLIAMENTARY INQUIRY

Mr. KINGSTON. Mr. Chairman, parliamentary inquiry? Mr. Chairman, the Member says other Members have no principles. Is he not attacking them, and is that not grounds for having words taken down, by questioning the motivation of why Members vote?

Mr. MEEHAN. Mr. Chairman, if the gentleman from Georgia (Mr. KINGSTON) will read the quote, though, he will find that it was not——

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. MEEHAN) has expired.

Mr. KINGSTON. Mr. Chairman, parliamentary inquiry?

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. KINGSTON. Mr. Chairman, if a Member says or casts aspersions as to why other Members are voting, is that not a personal attack and, therefore, the words that we would have taken down ordinarily, by questioning their motivation?

The CHAIRMAN. It is not proper for a Member to arraign the motives of another Member.

The gentleman from Maryland (Mr. HOYER).

Mr. KINGSTON. Mr. Chairman, parliamentary inquiry?

The CHAIRMAN. Does the gentleman from Maryland (Mr. HOYER) yield for that purpose?

Mr. HOYER. Mr. Chairman, no, sir.

The CHAIRMAN. The gentleman from Maryland (Mr. HOYER) is recognized.

Mr. HOYER. Mr. Chairman, I yield 15 seconds to the gentleman from Massachusetts (Mr. MEEHAN) to respond to the gentleman from Georgia (Mr. KINGSTON).

Mr. MEEHAN. Mr. Chairman, what I was referring to was the principles on the concept of campaign finance reform, the principles of the concept. That is what I referred to. That is what we are debating. It is not personal, it is substantive; and we are going to debate it till 3 a.m. if we need to, and we are going to win in the end.

Mr. HOYER. Mr. Chairman, I am pleased to yield the balance of our time to the distinguished gentlewoman from California (Ms. PELOSI), the Democratic whip.

Ms. PELOSI. Mr. Chairman, I thank the distinguished gentleman from Maryland (Mr. HOYER) for yielding me the time and for his leadership on this important campaign finance reform and on electoral reform as well. I commend the gentleman from Massachusetts (Mr. MEEHAN), my colleague, for his tremendous leadership and that of the gentleman from Connecticut (Mr. SHAYS) for his, and the distinguished leadership of our leader, the gentleman from Missouri (Mr. GEPHARDT), for bringing us to this very, very important and historic day.

Today, we have an opportunity to achieve a great victory for the American people, to bring democracy back to them. Every one of us who serves in the Congress takes an oath of office to protect and defend the Constitution of the United States from all enemies, foreign and domestic. The corrosive and corrupting effect of special interests' big money in the political process is indeed a danger to our participatory democracy.

This beautiful city in which we serve 200 years ago was built on a swamp and a swamp it is again today, a swamp of special interest money. Today we have the opportunity to drain that swamp. We have the opportunity to bring a more wholesome attitude to the Washington atmosphere, to Washington, D.C. We have an opportunity to create a new architecture of political fundraising in our country which devolves to the grassroots, to the people from which power comes and where it belongs.

□ 1200

We have an opportunity today to send a valentine to the American people; to tell them they are important to us; that what they think matters to us; that they should have faith in government and they should have hope that the issues that they care about will have a fair shake and not be eclipsed by the blizzard, by the blizzard of special interest money in Washington, DC.

A vote for the bipartisan Shays-Meehan bill, the only real campaign finance reform bill, will end, will end the corrosive influence of special interest money and level the playing field so that all Americans can participate and be heard.

Mr. Chairman, imagine a situation where we clear the deck, where we make a clean sweep and we start fresh for the American people, where the money that is raised is at the grassroots level, and we train a cadre of young people interested in politics, interested in government, a more wholesome situation for our country. I urge a "yes" vote for Shays-Meehan and a "no" on all the poison pills.

Mr. NEY. Mr. Chairman, I yield myself the balance of my time, and I want to thank my distinguished ranking member for giving me a few more minutes here.

Let me say this and say it in the right way. This is well-intentioned by individuals. And this is regardless of the last comment, because I do not think we need to be saying that because we do not support something, that there is something ethically challenged about an individual. So this is well-intentioned, it is just not well-crafted.

And we hear the words "vote your conscience," but of course the implication today that we have heard is that if we do not vote for Shays-Meehan, then there is something wrong with our conscience. And I do not believe that about the other side.

Let me just say that this bill does gag millions of union workers in this country. Soft money can be spent on newspaper ads, but the money of those workers, their hard-earned money, cannot be spent where they want to direct it, into radio or TV. It does gag people who work in business. It does gag the rights of free speech, unless of course, again, the money is spent on a newspaper ad. That is just not the American way.

The amendments we will see today are good-intentioned amendments. This is not the same bill. Enron could have spent $60 million under Shays-Meehan. We know that. They can pay off building funds under Shays-Meehan by using it as a collateral backup for hard money that can be paid off after the election.

And, by the way, why is this not effective immediately? Last year, before the Committee on House Administration, people banged their fist and said, we have to do the whole thing by May, or we need a discharge petition. We accommodated it and moved it to around the first of July. It had to be done right there on the spot. Now all of a sudden we can do it after the election.

Challengers in this country are going to have a hard time figuring this bill out. This is an incumbent protection bill. It is not crafted the right way. The amendments we will see today are good substantive amendments that will not kill this bill, but will make this bill acceptable.

Mr. SERRANO. Mr. Chairman, I rise in support of H.R. 2356, the Shays-Meehan Bipartisan Campaign Finance Reform Bill.

First, I congratulate our colleagues from Connecticut (Mr. SHAYS) and Massachusetts (Mr. MEEHAN) for their diligence and persistence on this issue over the years. I remind my colleagues that legislation very similar to the bill under consideration today has passed the House twice before.

I also applaud the courage of the 218 Members, particularly our 20 Republican friends, who signed the discharge petition that finally allows the House to work its will on campaign finance reform. It is an unusual procedure, but was necessary in this case.

The 2000 elections were the most expensive ever, coming in at almost $3 billion. This is appalling. The system is broken. The American people are justified in lacking confidence that their priorities are considered as seriously as those of the big donors.

The influence of money in American politics is a problem as old as the Nation. It is discouraging to remember that the broken campaign finance system that Shays-Meehan would replace was itself once seen as a reform, designed to limit undue influence by large unregulated and undisclosed campaign contributions, but that big money soon found its way around the reforms through soft money and "independent" advertising.

The principles behind any meaningful reform are clear:

National parties, congressional committees, and Federal candidates must get along without soliciting or spending soft money. Under the Shays-Meehan bill, limited soft money will remain available to state and local parties for necessary voter registration and get-out-the-vote activities, but not to support Federal candidates.

Campaign advertisements masquerading as issue advocacy must be regulated. Shays-Meehan will require that broadcast communications that mention a Federal candidate must be paid for with hard money—which includes corporate and union PAC funds—within 60 days of a general or 30 days of a primary election.

There are other important provisions, including enhanced disclosure of the financial sponsorship of electioneering communications, new FEC rules for coordinated communications, and limiting the cost of broadcast advertising by candidates to reduce the onerous cost of running for Federal office today.

But basically, Mr. Chairman, the Shays-Meehan bill will replace a badly broken system with one that will limit the influence of soft money and "issue" advertising in Federal campaigns and begin to restore the faith of the American people in our campaign system.

Under the rule, several "poison pill" amendments will be offered to defeat the Shays-Meehan bill, either by gutting it or by sending it to near certain death in conference. One of the most alarming is the amendment to ban campaign contributions by legal permanent residents of the United States. These are people who live, work, and pay taxes in this country, and making contributions to candidates and parties is they only way they can influence the makeup of the government and public policy until they achieve citizenship and the vote. They are committed to America and should not be silenced.

Shays-Meehan is a reform that is long overdue. I urge my colleagues to reject the "poison pills" and to vote for Bipartisan Campaign Finance Reform.

Mrs. MCCARTHY of New York. Mr. Chairman, I rise in strong support of H.R. 2356, the Shays-Meehan Bipartisan Campaign Finance Reform Act of 2001. This legislation provides desperately needed reform to our current campaign system. As a proud cosponsor, and one of the 218 Members to sign the discharge petition needed to force a vote on this bill, I believe we can finally remedy many of the ongoing concerns associated with hard and soft money in our political system.

In the past, proposed election law revisions raised First Amendment objections, created new loopholes in the current law, or negatively affected get-out-the-vote (GOTV) efforts and voter registration. I believe H.R. 2356 overcomes these concerns and gets at the heart of election reform—special interests in Washington. This legislation bans soft money to national parties, reins in campaign attack ads that masquerade as issue ads, and addresses GOTV concerns. A strong consensus of my constituents on Long Island have consistently voiced their support for this important piece of legislation. Their disenchantment with the current system results in fewer Americans exercising their right to vote. Congress has the opportunity to address the concerns over the corrupting influence of money in politics and public policy and pass real campaign finance reform.

Shays-Meehan is the real campaign finance reform bill that closes loopholes in our current system. It's time to pass this legislation and reform a political system that is awash in money. I urge my colleagues to support this important measure.

Mr. KNOLLENBERG. Mr. Chairman, I rise today to express my concerns with the campaign finance legislation introduced by Representatives SHAYS and MEEHAN. This legislation is derived from the same mindset that produced our current campaign finance laws that so-called reformers object to: money is bad, all politicians are corrupt, and the American people are not capable of hearing several points of view and making a rational decision.

The supporters of the Shays-Meehan bill would have you think that those of us with other ideas for reform do not really support reform. This claim is ridiculous. Let me be clear, Mr. Speaker, I support real reform with no loopholes and full disclosure—not just lip service to reform.

Attempting to avoid a conference with the Senate is not the path to true reform. A conference would provide the opportunity to work out the imperfections in this bill and ensure that the reforms are truly effective and constitutional.

While I respect and share the intentions of the sponsors of this bill, today's legislation suffers from numerous defects, not the least of which is that several parts are patently unconstitutional. And what happened with the 1970s-era campaign finance reform will happen with this bill—parts will be stricken by the courts, opening new loopholes and creating a greater mess.

This bill fails to effectively ban soft money as supporters claim by allowing up to $60 million in soft money per donor nationwide via the states. Plus, it is conveniently scheduled to go into effect the day after the November 2002 elections.

Furthermore, this legislation does nothing to protect union employees who do not want their dues used to support political causes they personally oppose.

I also have serious concerns that this bill restricts political speech at the time that voters are listening just before elections. It transfers the constitutional right to discuss issues from the people to the media. The media will decide who and what will be heard and who will hear it and when. It empowers the media and special interests to use independent expenditures to influence campaign while limiting average Americans.

When citizens send their resources to an issue-advocacy organization to promote a cause they believe in, they and the organization they are supporting are exercising both their right to free association and their right to free speech. Shays-Meehan seeks to curtail those right by imposing these harsh restrictions on grassroots issue discussion. It is essential that all Americans, not only rich individuals and PACs have the right to advocate positions.

Mr. Chairman, let's pass real campaign finance reform that holds federal lawmakers accountable to their constituents by requiring full and frequent disclosure, decreasing the role of soft money, removing unrealistic contribution limits, and opening our political process to the many voices that exist in this country.

Mr. COSTELLO. Mr. Chairman, I rise today in support of H.R. 2356, the Bipartisan Campaign Finance Reform Act. Concerns over the corrupting influence of money on politics have long been an issue of national debate, centered on the enduring issues of high campaign costs and reliance on interest groups for needed campaign funds. I believe rising election costs have led to uncontrolled spending, with too much time spent raising funds and the appearance that elections and public policy are bought and sold. Debate has also focused on the role of interest groups in campaign funding, especially through political action committees. I believe one way to fix our campaign finance system is through more regulation with spending limits.

I have been pushing campaign finance reform since coming to Congress and introduced my own legislation H.R. 462, the Campaign Finance System Reform Act, during the 105th Congress. This legislation set voluntary spending limits at $600,000 per election cycle, banned public financing of campaigns through the use of matching funds, and required that 100 percent of funds raised must come from the congressional district in which the candidate is running.

In July 2001, the House Republican leadership initially scheduled a debate on campaign finance reform. However, the rule crafted was unfair because it broke the Shays-Meehan bill into 14 separate parts to be voted on individually. Following the defeat of this rule, the Republican leadership announced it would not bring the bill back to the floor for consideration. A discharge petition was circulated, forcing the bill back to the House floor for debate.

The Bipartisan Campaign Finance Reform Act is the only legislation before the House which effectively deals with the dual problems of soft money and sham issue advertisements. This bill would ban the massive use of soft money contributions to political parties, thus closing the soft money loophole and restoring public confidence in our system. These donations totaled nearly $500 million in the last election. Much of this money was used to fund negative commercials, called issue ads, that evade spending limits that apply to each candidate's official campaign.

Some opponents say this bill will inhibit voter participation. However, this bill seeks to increase voter turnout by allowing state parties to collect limited amounts of soft money to be used for voter participation and get-out-the-vote activities. Under the bill, state and local parties would have sufficient funds for get-out-the vote activities, but could not divert this soft money into sham issue ads.

The Ney-Wynn substitute is an honest but not sufficient attempt at reform and is at this point solely a way for the Republican leadership to kill the Shays-Meehan and McCain-Feingold reform bills. This substitute does nothing to curb wealthy special interests on the political process by allowing unlimited soft money contributions to state and local parties creating a huge loophole that undermines reform. Furthermore, Ney-Wynn does nothing to halt issue ads.

Mr. Chairman, I have pushed for a fair vote on this important issue and have put forth legislation which will truly reform the system. I acknowledge this legislation is not perfect. However, this legislation is an opportunity to enact reforms that are critical at this time. For these reasons, I support this legislation and encourage my colleagues to do the same.

Mr. ETHERIDGE. Mr. Chairman, I rise today in support of meaningful campaign finance reform.

I strongly support serious reform of the campaign finance system. We must eliminate the corrupting influence of special interest money from our political system and restore the faith of the American people in our public institutions. Neither party can claim total innocence of Washington misdeeds, and I believe the people of North Carolina sent me to Congress to work in a bipartisan manner to serve the public interest. That is what I try to do every day as a United States Representative.

At the beginning of the105th Congress, my freshman class agreed that we would work on a bipartisan basis to reform the way that campaigns for public office are funded in this country. Since then 5 years have passed and we have yet to see any campaign finance reform signed into law.

Today we have a chance to pass legislation sponsored by Representatives SHAYS and MEEHAN that is almost identical to Senate-passed legislation sponsored by Senators McCAIN and FEINGOLD. If we are able to pass this legislation without too much change we can send this legislation directly to President Bush who has promised to sign it. I sincerely regret that the Republican Leadership is working to alter, weaken and undermine the responsible campaign finance reform legislation sponsored by my colleagues Representatives SHAYS and MEEHAN in order to send it to a Conference where it is sure to die yet again. The people of this country are discouraged by this type of cynical behavior from this Congress and will not be fooled by this attempt to bury campaign finance reform legislation.

Mr. Chairman, the American people deserve a campaign election system with integrity. I sincerely hope that meaningful campaign finance reform will be signed into law before the end of the 107th Congress.

Mr. STARK Mr. Chairman, I rise today in strong support of H.R. 2356, the Shays-Meehan Bipartisan Campaign Reform Act of 2001. Campaign Finance reform is long overdue and I am very pleased, after such a long struggle with those who oppose reform, to see this bill on the floor today.

Money has become far too important to our campaigns and reform is certainly necessary. In my opinion, we should do away with our private campaign financing system altogether and publicly fund political campaigns. This would level the playing field so that anyone could participate in the political process.

Though the Shays-Meehan bill doesn't go that far, it certainly makes dramatic improvements. This bill has several important provisions to improve our campaign finance laws: it bans soft money from national parties; it reins in campaign advertisements which claim to be "issue advocacy" ads; it enhances disclosure of political expenses; and it provides the Federal Election Commission with stronger tools to enforce campaign finance laws.

By passing this bill today, we as leaders can finally recognize what the American public has known for years: there is too much money in politics. In the last election, the average winning House candidate raised $919,649 toward his or her election. The average winning Senate candidate raised $7,345,468. With this much money in politics, it is virtually impossible for elected officials to remain unaffected by the disproportionate influence of those who wield tremendous wealth. If only we were raising these millions of dollars to provide health insurance for our nation's children. Now that would be a worthy expenditure of funds.

If our government is truly to remain "of, by and for the people," then we must ensure that the people, not corporate donors, are responsible for electing their leaders. The Bipartisan Campaign Reform Act of 2001 will go a long way toward ensuring this goal. I will vote for this very important bill and I urge my colleagues to do the same.

Mr. DINGELL. Mr. Chairman, I rise today in strong support of the Shays-Meehan substitute. This is historic legislation, one of the most important reform bills in a generation.

I also wish to thank Mr. SHAYS and Mr. MEEHAN for their hard work and dedication to ensuring that we have a fair process and the opportunity to make meaningful reforms to our campaign finance laws this year. I also congratulate Mr. turner and the Blue Dogs on a successful discharge petition.

Mr. Chairman, the Republican and Democratic parties raised nearly half a billion dollars in soft money during the 1999–2000 election cycle. Of this amount, over 473 million was given by 147 individuals in amounts of $500,000 or more. This influx of unregulated soft money, no matter where it comes from, taints us all individually, and collectively works to increase the public's cynicism and destroy faith in Congress.

Today we have the opportunity to pass a complete ban on federal soft money and reign in sham issue ads. Shays-Meehan is the only bill before us today that will accomplish these goals. It is important to note that this bill also protects the ability of state and local parties to promote voter registration and get out the vote activities on election day, and assure the fullest possible participation in our democracy. I urge all Members to support Shays-Meehan and vote down all poison pill amendments.

Mr. BORSKI. Mr. Chairman, I rise in strong support of the Shays-Meehan Campaign Finance Reform Act and urge my colleagues to vote against all "poison pill" amendments that will be offered today. I am proud to cosponsor this bipartisan legislation, which represents the best, real opportunity to reform our broken campaign finance system.

The issue of campaign finance reform cuts to the essence of democracy. Our unique American political system will not survive without the participation of the average American citizen. Unfortunately, more and more Americans are dropping out—with each election, fewer Americans are voting. They are doing so because they no longer believe that their vote matters. As they see more and more money pouring into campaigns, they believe that their voice is being drowned out by wealthy special interests.

Despite the cynicism of the American public, Congress has failed to enact significant campaign finance reform legislation since 1974. In that year, in the wake of the Watergate Scandal, Congress imposed tough spending limits on direct, "hard money" contributions to candidates. Unfortunately, no at that time forsaw how two loopholes in the law would lead to a gross corruption of our political system.

The first loophole is "soft" money—the unregulated and unlimited contributions to the political parties from corporations, labor unions, or wealthy individuals. "Soft" money allows wealthy special interests to skirt around "hard" money limits and dump unlimited sums of money into a campaign.

The unfolding Enron scandal provides a clear example of the pernicious influence of soft money. In the 2000 election cycle, Enron executives contributed $1.7 million—70 percent of which came in the form of soft money. Most Americans see a clear link between these contributions and Enron's quest for special treatment by Congress. Clearly, the Enron scandal has eroded the public's confidence in their government.

Soft money is used to finance the second loophole in campaign finance law: sham issue advertisements. This loophole allows special interests to spend huge sums of money on campaign ads advocating either the defeat or election of a candidate. As long as these ads do not use the magic words "vote for" or "vote against," they are deemed "issue advocacy" under current law and therefore not subject to campaign spending limits or disclosure requirements.

During the 2000 elections, the television and radio airwaves were flooded with these sham issue ads—many of which were negative attack ads. Americans who see or hear these ads have no idea who pays for them because no disclosure is required. They drown out the voice of the average American citizen, and even sometimes of the candidates themselves. Without reform, we can certainly expect a huge increase in these sham issue ads.

The Shays-Meehan bill begins to restore public confidence in our electoral system by closing these two egregious loopholes. The bill bans all contributions of soft money to federal campaigns. Specifically, it bans national party committees from soliciting, receiving, directing or spending soft money.

Shays-Meehan also closes the "issue advocacy" loophole. It broadens the presently absurd definition of electioneering activity, or "express" advocacy, to include any communication that refers, in support or opposition, to a candidate. This would not prevent public organizations from running advertisements, but would ensure that ads clearly designed to influence an election are regulated under federal law. We have laws clearly designed to regulate and disclose campaign donations and expenditures, and no one should be allowed to evade them. Shays-Meehan would ensure that everyone involved in influencing elections plays by the same rules.

Opponents have argued that the Shays-Meehan bill undermines the First Amendment right of free speech. However, the Supreme Court has ruled that Congress has a broad ability to protect the political process from corruption and the appearance of corruption. It has upheld as constitutional the ability to limit contributions by individuals and political committees to candidates. The Supreme Court has also clearly permitted Congress to distinguish between issue advocacy on the one hand, and electioneering or "express advocacy" on the other.

The Meehan-Shays proposal will not cure our campaign finance system of all it evils—and I certainly support more far reaching restrictions on campaign contributions and expenditures. However, the bill will take a modest but significant first step toward restoring integrity in our political system. It will limit the influence of wealthy special interests and help to restore the voice of average American citizens in our political process. In short, enactment of this legislation is essential to the survival of American democracy.

Mr. PAUL. Mr. Chairman, the Enron bankruptcy and the subsequent revelations regarding Enron's political influence have once again brought campaign finance to the forefront of the congressional agenda. Ironically, many of the strongest proponents of campaign finance reform are among those who receive the largest donations from special interests seeking state favors. In fact, some legislators who were involved in the government-created savings and loan scandal of the late eighties and early nineties today pose as born again advocates of "good government" via campaign finance reform!

Mr. Chairman, this so-called "reform" legislation is clearly unconstitutional. Many have pointed out that the First amendment unquestionably grants individuals and businesses the free and unfettered right to advertise, lobby, and contribute to politicians as they choose. Campaign reform legislation blows a huge hole in these First amendment protections by criminalizing criticism of elected officials. Thus, passage of this bill will import into American law the totalitarian concept that government officials should be able to use their power to silence their critics.

The case against this provision was best stated by Herb Titus, one of America's leading constitutional scholars, in his paper *Campaign-Finance Reform: A Constitutional Analysis:* "At the heart of the guarantee of the freedom of speech is the prohibition against any law designed to protect the reputation of the government to the end that the people have confidence in their current governors. As seditious libel laws protecting the reputation of the government unconstitutionally abridge the freedom of speech, so also do campaign-finance reform laws."

The damage this bill does to the First amendment is certainly a sufficient reason to oppose it. However, as Professor Titus demonstrates in his analysis of the bill, the most important reason to oppose this bill is that the Constitution does not grant Congress the power to regulate campaigns. In fact, article II expressly authorizes the regulation of elections, so the omission of campaigns is glaring.

This legislation thus represents an attempt by Congress to fix a problem created by excessive government intervention in the economy with another infringement on the people's constitutional liberties. The real problem is not that government lacks power to control campaign financing, but that the federal government has excessive power over our economy and lives.

It is the power of the welfare-regulatory state which creates a tremendous incentive to protect one's own interests by "investing" in politicians. Since the problem is not a lack of federal laws, or rules regulating campaign spending, more laws won't help. We hardly suffer from too much freedom. Any effort to solve the campaign finance problem with more laws will only make things worse by further undermining the principles of liberty and private property ownership.

Attempts to address the problems of special interest influence through new unconstitutional rules and regulations address only the symptoms while ignoring the root cause of the problem. Tough enforcement of spending rules will merely drive the influence underground, since the stakes are too high and much is to be gained by exerting influence over government—legally or not. The more open and legal campaign expenditures are, the easier it is for voters to know who's buying influence from whom.

There is a tremendous incentive for every special interest group to influence government. Every individual, bank, or corporation that does business with government invests plenty in influencing government. Lobbyists spend over a hundred million dollars per month trying to influence Congress. Taxpayer dollars are endlessly spent by bureaucrats in their effort to convince Congress to protect their own empires. Government has tremendous influence over the economy and financial markets through interest rate controls, contracts, regulations, loans, and grants. Corporations and others are "forced" to participate in the process out of greed as well as self-defense—since that's the way the system works. Equalizing competition and balancing power—such as between labor and business—is a common practice. As long as this system remains in place, the incentive to buy influence will continue.

Many reformers recognize this, and either like the system or believe that it's futile to bring about changes. They argue that curtailing influence is the only option left, even if it involves compromising freedom of political speech by regulating political money.

It's naive to believe stricter rules will make a difference. If members of Congress resisted the temptation to support unconstitutional legislation to benefit special interests, this whole discussion would be unnecessary. Because members do yield to the pressure, the reformers believe that more rules regulating political speech will solve the problem.

The reformers argue that it's only the fault of those trying to influence government and not the fault of the members of Congress who yield to the pressure, or the system that generates the abuse. This allows members to avoid assuming responsibility for their own acts, and instead places the blame on those who exert pressure on Congress through the political process—which is a basic right bestowed on all Americans. The reformer's argument is "Stop us before we succumb to the special interest groups."

Politicans unable to accept this responsibility clamor for a system that diminishes the need for them to persuade individuals and groups to donate money to their campaigns. Instead of persuasion, they endorse coercing taxpayers to finance campaigns.

This only changes the special interest groups that control government policy. Instead of voluntary groups making their own decisions with their own money, politicians and bureaucrats dictate how political campaigns will be financed. Not only will politicians and bureaucrats gain influence over elections, other nondeserving people will benefit. Clearly, incumbents will greatly benefit by more controls over campaign spending—a benefit to which the reformers will never admit.

Mr. Chairman, the freedoms of the American people should not be restricted because some politicians cannot control themselves. We need to get money out of government. Only then will money not be important in politics. Campaign finance laws, such as those before us today, will not make politicians more ethical, but they will make it harder for average Americans to influence Washington. The case against this bill was eloquently made by Herb Titus in the paper referenced above: "Campaign-finance reform is truly a wolf in sheep's clothing. Promising reform, it hides incumbent perquisites. Promising competition, it favors monopoly. Promising integrity, it fosters corruption. Real campaign-finance reform calls for a return to America's original constitutional principles of limited and decentralized government power, thereby preserving the power of the people."

I urge my colleagues to listen to Professor Titus and reject this unconstitutional proposal. Instead, I hope my colleagues will work to reduce special interest influence in Washington and restore integrity to politics by reducing the federal government to its constitutional limits.

Mr. NADLER. Mr. Chairman, big money is a cancer on our political system that must be removed or we risk devolving into an oligarchy like so many other republics before us. It is the constant money chase and submission to the special interests that corrupts our system and makes our constituents lose faith in their government. It's why there is such disinterest in politics back home and such low voter turnout. Our constituents don't think we care about them. They think we only care about raising money. They believe that their participation, their voices, cannot count against the power of big money, and recent experience says they are right.

Once upon a time, when someone wanted to run for office, the first question we used to ask was what kind of political support can you generate. Now the first question we ask is how much money can you raise. Better yet, we find a rich candidate who'll finance his or her own campaign. It's impossible to run on good ideas alone anymore, you need millions of dollars to go with them. With this system we risk electing candidates less attuned to their communities than to their big contributors.

This is not a perfect bill, but it is a good first step. If we do not take this 1st step today, the history books may eventually say that like the Roman Republic, the United States had a good 200 to 250-year run at democracy, and then it degenerated into an oligarchy like all the rest. Don't let that happen. Pass Shays-Meehan and begin to restore integrity to our political process.

Mr. CUNNINGHAM. Mr. Chairman, today we are being asked to vote for a campaign finance reform bill. And, like most in this body, I see that we are currently at a place where special interest money is threatening our democracy. Votes should not and cannot be influenced by money. But in our fervor to achieve reform, let us not blindly support any piece of legislation that dons a reform mask. Rather, we owe it to our constituents to strip away the disguises and pass legislation that will actually accomplish the ends that it claims to achieve.

While I applaud the ends of the Shays-Meehan legislation—to get special interest money out of politics—I cannot support the means. What good is closing one loophole only to create 50 more in the process? Today, I implore my colleagues to look at the facts and take a moment to understand what this legislation does. Please, look past the smoke and mirrors and understand the many problems with the Shays-Meehan bill.

Good intentions do not equal good legislation and passing bad legislation does not fix a problem—it merely creates more problems. Americans deserve better than the pretense of reform and I would hate to see this bill pass the House today, only to revisit the issue next year after we wake up to realize the monster we have created.

The Shays-Meehan legislation does not remove soft money from politics. Rather, it bans this contribution at the federal level, only to allow a union or a corporation to give up to $10,000 at the county and state level. This means that a single union or corporation will be able to give more than $30 million per election. In my estimation, not only does this not help the problem, it actually makes it worse. Instead of having a single national party collecting soft money, we will have 50 state parties collecting it. Their offices will line the streets of DC with union and corporate lobbyists throwing a parade with $10,000 checks raining down like tickertape for every state party. Is this closing a loophole or making a mockery of our system?

Accountability is the key to reform. The problem with soft money is that it is hard to know where it is spent. When voters cannot discern where elected officials are getting the money to finance their campaign efforts, there is no accountability. By restricting the way that unions and corporations can participate in the political process openly, these interest groups will resort to issue advocacy and independent expenditures, activities that do not fall under any laws. Unlimited and unregulated resources can be devoted to these types of expenditures. With the passage of Shays-Meehan, accountability is out the window. We will push campaign-related activities made on behalf of candidates by outside groups into an abyss of unregulated anonymous money.

Mr. Chairman, I cannot in good conscience vote for a bill that is going to put more loopholes in a campaign finance system that has enough problems on its own. We need good legislation that still allows for political participation and that demands accountability. it is for this reason that I support the Ney-Wynn substitute. This legislation does not prohibit participation or force disclosure into oblivion. Rather, it sets reasonable caps on soft money contributions to national parties. Ney-Wynn allows national parties to perform one of their key functions of get-out-the-vote efforts and voter registration drives. These are efforts that are financed by soft money. Ney-Wynn allows soft money to national parties, but only to be used for these purposes. Furthermore, it regulates the types of independent expenditures that can be made by unions and corporations, specifically limiting television ads for longer than the mere 60 days as mandated under Shays-Meehan.

Ney-Wynn reforms our system of financing campaigns without loopholes but with sound policy. Mr. Chairman, I urge my colleagues to closely examine these two pieces of legislation. Bad legislation with a nice name is still bad legislation. The Ney-Wynn substitute contains real reform and real reform is what we need.

Mr. KIND. Mr. Chairman, since taking office, I have been a dedicated supporter of campaign finance reform, and I commend my friends—Representatives SHAYS and MEEHAN—for their persistence on this issue. During my first term, every day the House was in session, I gave a statement on the floor in support of campaign finance reform. I hope that the House will have the courage to pass true reform measures today.

Without question, there is too much money in our current political system. Running for office has become increasingly expensive, forcing candidates to spend unacceptable amounts of time fundraising, and discouraging qualified challengers from running for office because they cannot afford the price of admission. What should be a competition of ideas has become a battle of wealth.

In 2000, the national party committees raised $495 million in unregulated soft money, almost twice the amount raised in 1996. At this rate, it will not be long before billion dollar campaigns are commonplace. Though opponents of reform say the public does not care about this issue, the residents of Wisconsin's Third District tell me otherwise. They see where our system is headed and demand reform from Congress, Shays-Meehan heeds their mandate by banning soft money donations to the national parties, and imposing tight limits on the collection and use of soft money by State and local parties.

Unfortunately, those of us that would like to see genuine changes in the campaign finance system must contend with the false reform legislation supported by the House leadership. This legislation does not truly change the current system and does nothing to stem the rising tide of soft money that circumvents and erodes it. For example, under the Ney-Wynn substitute, Enron and its executives would still have been able to give 76 percent of the money they gave in 2000 to national parties.

Right now we stand on the brink of historic reform. Reform that will put the power of democracy back in the hands of ordinary Americans. Reform that will force politicians and political parties to get back to the grassroots level. Mr. Chairman, the American people have waited long enough. Now is the time for positive bipartisan action on this bill.

This bill is not the panacea to what ails our political system; it is not perfect, but it is a significant step in the right direction by banning the largest political contributions that ordinary citizens cannot give. A vote for Shays-Meehan today is a vote to better empower the American people and to begin to level the playing field of access in our political system.

Mr. GEORGE MILLER of California. I rise today in the strongest possible support of the Shays-Meehan campaign finance reform bill to ban "soft money."

Individual rights are the hallmark of our country.

As nations across the globe struggle to end oppressive dictatorships, our political system shines as a beacon of equality. Every person, regardless of race, income, or religion is afforded a vote and every vote is equal.

Unfortunately, the bedrock of our democracy is compromised by the constant assault of financial contributions to the political system. Instead of one person, one vote, campaign contributions are taking our system towards a one dollar, one vote system.

Every aspect of our life is impacted by the influence big contributions are having over elected officials.

Enron is a case study in how huge corporate contributions undermine the public's confidence in our democracy.

The shadow of doubt grows each day that Vice President CHENEY refuses to release meeting records related to the development of the Bush administration's energy policy. We need to reform campaign finance law to ensure that corporations and special interest groups are not able to purchase political influence, turning Congress and the Presidency into a "cash and carry" operation.

A recent article in the Washington Post tells a story which should send a chill down the spine of every American who cherishes our democratic system. According to the February 10, 2002, Washington Post article, "Hard Money, Strong Arms and 'Matrix': How Enron Dealt with Congress, Bureaucracy," Enron turned campaign finance contributions into a science. According to the article,

> With each proposed change in federal regulations, lobbyists punch details into a computer, allowing Enron economists in Houston to calculate just how much a rule change would cost. If the final figure was too high, executives used it as the cue to stoke their vast influence machine, mobilizing lobbyists and dialing up politicians who had accepted some of Enron's million in campaign contributions.
>
> To raise campaign cash, Enron relied not just on individual contribution but also on a well-funded political action committee that distributed money to candidates of both parties . . . Since 1990, Enron's political committees have given federal candidates and parties more than $1 million.

Mr. Chairman, campaign finance reform comes down to just one, very important thing—protecting our democracy.

Because of large, unregulated contributions, known as "soft money," special interests and corporations often get special representation by elected officials, special representation that often is in conflict with the larger public interest.

Critical issues in our society are directly affected by the undo influence of narrow special interests, particularly when there is money at stake. Energy companies, for example, can negotiate a $30 billion tax cut while the Bush Administration submits a budget to Congress that actually cuts the total level of funding for the historic education reforms that just one month ago he signed into law.

Pick any issue that you care about. Campaign finance reform is needed to allow those issues to have their day in Congress and the White House. Issues such as health care, making child care affordable and of high quality, protecting the environment, protecting Social Security or providing a real prescription drug benefit through Medicare and care for Seniors.

Instead of a system that gives the greatest deference to those in greatest need, the voices of narrow special interests use large unregulated political contributions to drown out the voices of our average citizens. Things have got to change.

Today, the House of Representatives will again take up legislation to significantly reform our campaign finance laws.

Last year, the Republican leadership resorted to parliamentary tricks to water down bipartisan campaign finance reform legislation which had passed the Senate. However, supporters of clean campaigns were not deterred. It took 218 Members of the House, including me, to sign a "discharge petition" that forced the Republican leadership to bring this important matter before the entire Congress again for a vote.

While we are assured a vote today, opponents of reform, including the Republican leadership of this House, are working hard to once again use parliamentary tricks to block or weaken meaningful campaign finance reform.

My hope is that the collapse of Enron is the straw that will break the back of opposition to real campaign finance reform. We need reform that will shine the light on the shadows of doubt left by the Enron scandal.

We need to pass the Shays-Meehan soft money ban today so that tomorrow our children can have a brighter future.

Mr. SHAYS. Mr. Chairman, I rise today as a principal sponsor of the campaign finance legislation before the House. I want to explain what this legislation seeks to accomplish and why banning soft money is critical for our democracy. Last year, the Senate courageously passed the McCain-Feingold bill. It is now time for this House to take a similar stand and finally put an end to the deluge of soft money contributions that weakens our democracy.

Our system is awash in soft money, and everyone is degraded as a result. Not surprisingly, in poll after poll, voters express their cynicism about politics and their dismay with the current campaign finance system. Disgusted with the overriding influence of money in Washington, citizens, in ever-increasing numbers, are not exercising their precious right to vote in federal elections.

Our flawed campaign finance system is also taking its toll on qualified and principled candidates for political office. Since soft money contributions are essentially limitless, we and other elected officials are under unrelenting pressure to raise more and more money, thus increasing the potential for actual and apparent corruption. In increasing numbers, good people decide not to run, or drop out of public life, because they cannot stomach the hunt for huge donations and all that comes with it. Those elected officials who stay spend far too much time fundraising and not enough time listening to their constituents and doing their jobs.

The reform legislation we introduce today strengthens First Amendment values. It will ensure that elected officials are more responsive to the voices of their constituents and do not appear beholden only to big money. As your own constituents would surely tell you, stemming the tide of soft money would improve their access to government—and enhance their First Amendment rights—by allowing them to participate in the process. And it will keep good people interested in serving in Government. Neither the First Amendment nor or Nation is served by large soft money donations that drive citizens away from voting in elections and candidates away from running in them. So, this is not only a campaign finance reform bill, it is a democracy revitalization bill.

Let's look at the growth of soft money in our campaigns. According to Common Cause, in 1988, the two parties raised a total of $45 million in soft money. In 1992, the figure rose dramatically to $84.4 million. In 1996, soft money contributions ballooned to $235.9 million—almost a quarter of a billion dollars. In this past presidential election, the total amount of soft money raised by both parties climbed still further to a staggering $463.1 million—nearly double the soft money contributions of the previous presidential election and ten times the amount raised only a decade ago.

These vast amounts could not have been raised directly for a candidate's campaign under current law, which subjects individual contributions to an aggregate $25,000 annual limit and a $1,000 per candidate per election limit. Despite these clear caps on legal contributions, individuals are contributing up to $100,000 and $250,000. Moreover, unions and corporations—entities that are barred from giving directly to candidates from their general treasuries—are responsible for many of these contributions.

Opponents of reform argue that this flood of soft money does not corrupt our politicians and does not even appear to corrupt the political process. They argue that soft money contributions are technically made to political parties, and not to candidates, and thus any exchange of favors for contributions is unlikely. Soft money may not be used to advocate expressly for a candidate, they argue, so there is less chance that soft money donors will actually influence candidates, or at least appear to influence them.

That argument elevates form over the substance most Americans ruefully see. First, even though the money often goes to parties, it's the candidates themselves and their surrogates who solicit soft money. The candidates know who makes these huge contributions and what these contributors expect. Candidates not only solicit these funds themselves, they meet with big donors who have important issues pending before the government; and sometimes, the candidates' or the party's position appear to change after such meetings. Additionally, the soft money candidates raise for their political parties is often directed back into their campaigns. This creates the appearance of corruption that pervades politics today—on both sides of the aisle. Let me discuss some powerful reminders of this distressing fact about our democracy.

Let's take the already infamous Enron story as an example: in the 1999/2000 election cycle Enron contributed over $2 million in soft money to the national parties—$1.4 million to the Republicans, and $600,000 to the Democrats. These large soft money gifts have cost a pall of doubt over the many elected federal officials who raised or received Enron's money. The Enron example proves that the appearance of impropriety has the same corrosive effect as actual impropriety. Federal officeholders, knowing that their reputations are being tainted and their good character being questioned by receipt of Enron contributions are rushing headlong to return contributions they were only too willing to accept before the scandal broke. The actions and motives of government officials who did deal with, or could have dealt with Enron, are being called into question. For example, The New Yorker asks whether Administration officials, who might have taken actions that would have cushioned the impact of Enron's fall on employees and the economy, declined to act precisely because they were afraid the public would conclude their actions were motivated by the large soft money contributions Enron gave to the Republican Party. The Washington Post asks whether the policy views of a Senator as esteemed for probity as Senator LIEBERMAN are subject to question because of his receipt of contributions. Even in the investigations into Enron do not yield convincing proof of a particular quid pro quo, the Enron contributions have brought leaders of both parties into disrepute in the eyes of the public.

Let's also recall the Hudson Casino story. A few years ago, three bands of Wisconsin Indian tribes wanted to open a casino in Hudson, WI, near the Minnesota border. A neighboring set of Minnesota tribes opposed the plan, because the Wisconsin casino would compete with their profitable casino. These Minnesota tribes gave large sums of soft money to the Democratic National Committee. This gave them instant access to the Chairman of the DNC, who promised to get the Administration to help. He immediately called a high-ranking White House official, who in turn contacted the Department of the Interior—immediately after the Minnesota tribes had made substantial contributions to the DNC. This chain of events, and Interior's rejection of the Wisconsin application, created the strong appearance of impropriety even though Interior career staff had decided the case on the merits. This led to an independent counsel investigation and two debilitating congressional investigations into whether the government was for sale.

The tobacco industry provides another example. As the Thompson Committee Minority Report makes clear, in the 1996 election cycle, the tobacco industry gave roughly $10.1 million in political contributions, of which $6.8 million was soft money. In previous election cycles, the industry divided its campaign contributions equally between the parties, but in 1996 over 80 percent went to the Republicans. The GOP collected $5.8 million in soft money from tobacco interests and tobacco PACs. A study published in the Journal of the American Medical Association noted that "House members receiving the most tobacco money were 14.4 times as likely to vote with the industry as members receiving the least; in the Senate the number was 42.2. In the 104th Congress, the Republican majority defeated legislation that would have raised taxes on tobacco and preserved millions of dollars in subsidies for the industry. Again the appearance of improper influence is overwhelming.

Finally, we have Roger Tamraz. He served as a Republican Eagle in the 1980s during Republican Administrations and a Democratic Trustee in the 1990s during a Democratic Administration. In 1996, Tamraz has already contributed $200,000 to the Democratic National Committee, and made it clear he was considering donating an additional $400,000. These promises enabled him to hold six private meetings with the President to discuss Mr. Tamraz's proposed oil pipeline project in the Caucasus. Although the National Security Council, which strong opposed this plan, ultimately prevailed, a series of calls were made to employees of the Department of Energy and the National Security Council making it very clear that a change in policy would mean "a lot of money for the DNC." Tamraz unabashedly explained why he gave—to gain access to officials in power. At the Thompson Committee hearings Tamraz spoke plainly—"I think next time I'll give $600,000. . . . [Y]ou set the rules, and we are following the rules. . . . This is politics as usual. What is new?"

Sadly, there are other blockbuster stories like these. But, as Representative Eric Fingerhut wisely reminded us a few years ago, people often focus just on "the grand-slam example of the influence of these interests. But you can [also] find a million singles . . . regulator change, banking committee legislation . . . a change in when you get audited. . . . Think of the committee and you can think of the interest group or the company that will have an interest. . . ." Let's all be honest with ourselves: we have all been in situations where we would rather fit in an appointment with a contributor than risk losing his or her donation. When, as a result of a Member's efforts, someone makes a significant donation to the party, and then the donor calls the Member a month later and wants to meet, it's very difficult to say no, and few of us do say no.

A majority of the Supreme Court correctly observed in its Colorado Republican II decision, which upheld limits on the coordinated expenditures of political parties, that the parties "act as agents for spending on behalf of those who seek to produce obligated officeholders." The Supreme Court quoted former Senator Paul Simon, who explained: "I believe people contribute to party committees on both sides of the aisle for the same reason that Federal Express [and other industries do], because they want favors." The former Senator also recounted a debate over a bill favored by Federal Express during which a colleague exclaimed "we've got to pay attention to who is buttering our bread." The Supreme Court concluded in Colorado Republican II that it would be myopic to refuse "to see how the power of money actually works in the political structure."

Mr. Chairman, the massive soft money loophole that has eviscerated the campaign finance laws is having an insidious effect on the health of our democracy. Our democracy is dependent for its vitality on citizen participation and engagement—citizens who care, citizens who vote, citizens who run for and serve in office. But look what is happening.

The current system has turned voters off—they are increasingly cynical about politics and politicians, and fewer are exercising their right to vote. In poll after poll, voters express their cynicism about politics and the campaign finance system. A recent Time magazine poll found that in 1961, 76 percent of Americans said they trusted the government; in 2001, only 19 percent expressed the same trust. A 1997 New York Times poll found that 89 percent of Americans believe the country's campaign finance system is in need of fundamental changes, 75 percent polled believe that their public officials make or change policy decisions as a result of money received from major contributors. A Fox News poll from May 2001 found that over 80 percent of the public believes that big companies and PACs have too much control in Washington.

As former Senator George Mitchell has said: "The public has come to believe that members of Congress are not responsive to their constituents, but rather are responsive to those who contribute the funds that help members of Congress get elected. It is a corrupting view, in that it corrupts the trust and confidence that people must have in a democratic society. . . ." Former Senator Wyche Fowler echoed these views: "The public has now lost confidence in [Congress]. Because the public now thinks that it is money—and only money—that makes the decisions."

This general distrust has discouraged our future leaders—the young generation—from going to the polls. In 1972, the first time 18-year-olds could vote, 50 percent of 18–24 year-olds cast a vote. By 1996, that number had fallen to 32 percent. There is much evidence—and our own experience with our constituents confirms—that one of the major reasons citizens increasingly fail to vote is their perception that their vote makes no difference because of the role of money in politics and the influence of special interest groups. In one survey asking young people why they do not vote, a plurality said "they don't think their vote makes a difference"; 64 percent agreed that "government is run by a few big interests looking out for themselves, not for the benefit of all." In another recent poll, 57 percent expressed dissatisfaction with the political system. Many emphasized that politicians can't be trusted, that money plays too large a role in politics, and that special interest groups disproportionately influence policy.

It is vital to the continued health of our democracy that the citizenry remain alert and involved and participate by, among other things, voting in federal elections. The need to reverse the lack of confidence voters feel in their elected officials and their resulting lack of engagement in the political process is a compelling justification for banning soft money contributions. The Supreme Court would seem to agree. In its recent Shrink Missouri decision it said: "[l]eave the perception of impropriety unanswered, and the cynical assumption that large donors call the tune could jeopardize the willingness of voters to take part in democratic governance." Our Supreme Court has consistently held that view for over 25 years. In Buckley, the Court observed that even where the influence of money does not rise to the level of bribery, it can work subtly to erode public confidence in the system to the detriment of our democracy.

It is also important to the health of our democracy that qualified people come forward to run in elections and to serve as elected representatives. Having the best candidates is good not only in and of itself for obvious reasons but will increase citizen participation in elections. Unfortunately, in recent years, some of our finest legislators across the nation—such as Senator Nunn—have left public service, bemoaning our system of financing campaigns. The average senator has to raise $11,600 every week during his or her six years in office in order to be reelected. Former Senator DeConcini of Arizona put it: "You walk around on eggshells. One of the reasons I got out of the race was that I didn't want to raise the money." As Thomas Mann of the Brookings Institution has explained: "The threat to the health of the American democracy stems rather from what candidates and their supporters must do to raise the sums needed to complete successfully. The cost of mounting a major campaign is a huge disincentive to candidacy for people of ordinary means who lack the stomach for nonstop fund raising."

The soft-money ban that forms the core of this legislation aims to restore public faith in our democracy. By enacting this legislation, we will, in Senator MCCAIN's words, "change the public's widespread belief that politicians have no greater purpose than [their] own reelection." We have a historic opportunity here not only to end the appearance of corruption, but to reinvigorate our democracy by making individual citizens' votes count, and by encouraging the most qualified candidates to run for election.

Mr. Chairman, since the 1971 passage of the Federal Election Campaign Act and the Buckley decision, there have been strict limits on contributions given by individuals and political action committees to federal candidates. But, as many have recognized, the soft-money loophole undermines these curbs. As the Washington Post put it: "The national party organizations are used to raise and spend on behalf of their candidates funds that the candidates are forbidden to raise and spend themselves. It's a fictional distinction." Although FECA provides clear contribution limits, candidates and parties easily circumvent FECA's hard money restrictions by raising soft money. In its most recent decision on campaign finance, the Supreme Court observed that our political parties are "in a position to be used to circumvent contribution limits that apply to individuals and PACs, and thereby to exacerbate the threat of corruption and apparent corruption that those contribution limits are aimed at reducing." In a recent memorandum of Soft Money Rulemaking, the Federal Election Commission's General Counsel found that "national party committees rely in large part on the access they can provide to federal officials, or on the more direct influence of federal officeholders and candidates, to solicit large sums from corporations, labor unions, and other donors that provide most of their soft money."

Mr. Chairman, it is vital for our democracy that we act today to ban soft money. Soft money has reintroduced into the Federal campaign finance system the very kinds of contributions that the federal laws intended to exclude—namely donations from corporations, unions, as well as large individual contributions. Soft money is not just a loophole, it is the loophole that ate the law. Let's send a clear message today that our democracy—and our integrity—is not for sale.

Mr. BLUMENAUER. Mr. Chairman, this evening's legislation is near and dear to my heart. I began my political career in college working on election reform. Two years later, I was the author of Oregon's legislation establishing campaign spending limits. It was my proposal that prohibited the insidious practice of holding legislation hostage until individuals and interest groups in effect paid "ransom" to legislative barons. So, in recent years, I have been saddened that narrow and, I think inappropriate, readings of the Oregon and U.S. Constitution have restricted the ability of the political process to police itself.

Our current campaign financing system is doubly troubling for me because it symbolizes not only what is wrong with campaigns but also what is wrong with the decision-making process in Congress. It is appalling the lengths to which the political process has been twisted and the huge sums of money that are spent opposing reasonable legislation and moderate candidates. The extreme, hard-edged and too-often hidden opponents of the public interest which are financed by soft money and anonymous contributions create a situation where the sheer volume of expenditure drowns out rational discourse.

A campaign finance system where large contributors and special interest groups have the loudest voice threatens the foundation of our democracy. It calls into question the integrity of our elections and of our government. We have a responsibility to strengthen our democracy by eliminating the influence of soft money. Large soft-money donations and anonymous political attack ads have a corrosive influence on the political process. Soft money is bad for the people who give it, bad for the people who receive it and bad for the American people.

I have supported the Shays-Meehan legislation since I came to Congress. We need to reduce the amount of time that is taken away from legislative business in order to pursue the mad chase for campaign dollars. The legislation before us is the best way to start. Keeping an open and accountable campaign finance system in this country is an ongoing struggle which too seldom commands the attention of either the Congress or the public in ways that it should. Today we've broken through that barrier.

Ms. HARMAN. Mr. Chairman, for ten years, I have supported every meaningful bill on campaign finance reform. Today, the House has a chance to make history by passing a bill that can become law.

Many say this bill does not go far enough—and they are right. But it is a bill the Senate has passed—and passing it today avoids a conference, which could well become a graveyard.

I say, let's take this important step.

I have experienced the impact of soft money ads designed to distort my record. Approximately $4 million worth of these ads targeted me in the 2000 election cycle. This practice drives good people out of politics and discourages voters. Indeed, the whole point is to depress voting.

I say enough.

Shays-Meehan can pass today. The time has come.

Ms. LEE. Mr. Chairman, I rise today in strong support of H.R. 2356, the bipartisan Shays-Meehan campaign finance reform legislation. It is time that we take the soft money out of our political system.

In fact, not only do I support eliminating soft money, but I support full public financing for campaigns. I am hopeful that once Shays-Meehan passes and is signed into law that we can focus our efforts on passing legislation to provide for public financing.

I am proud to be a cosponsor of Shays-Meehan and a signer of the discharge petition to bring this important legislation to the floor today. I want to thank the sponsors of this legislation especially for committing to voter registration and get-out-the-vote activities, which are essential for the election of minority candidates.

The Enron scandal has shown us once again the importance of passing meaningful campaign finance reform. While Enron and Arthur Andersen executives and the corporations donated over $11 million to political campaigns since 1989, workers at Enron lost their jobs and their life savings. This is an outrage and once again shows the need for corporate responsibility and of course for passage of Shays-Meehan.

Let's get the money out of politics. That's what campaign finance reform is all about. That means banning soft money and certainly not increasing hard money. Let's defeat these amendments that take us in the wrong direction, those that take us away from real reform.

I urge my colleagues to vote for a clean Shays-Meehan bill and to defeat all poison pill amendments.

Ms. DEGETTE. Mr. Chairman, I rise today in support of the Bipartisan Campaign Reform Act as presented by my distinguished colleagues Mr. MEEHAN and Mr. SHAYS. This bill represents a watershed in our democracy. Today, we can remove from campaigns the shadow of special interests and move toward an electoral system in which every American will have an equal voice in our democratic process.

For too long, our nation's campaigns have been tainted by soft money sleight-of-hand, campaigns in which large amounts of money are solicited from a few contributors and mysteriously distributed.

For too long, we have winked as soft money came in by the truckload for "party-enhancing activities" when it was common knowledge that it really was used for "issue ads" that came uncomfortably close to supporting candidates.

Many took advantage of the soft money loophole to gain inordinate access to our country's leaders and lowered our nation's political parties to little more than middlemen for moving soft money for corporations and wealthy individuals.

In the past few weeks, in my capacity on the Energy and Commerce Committee's Subcommittee on Oversight and Investigations, I have had the opportunity to observe how some corporations have attempted to escape scrutiny in part by taking advantage of the loopholes in our campaign system. I have seen how the company's dealings have raised questions in the minds of Americans about how soft money can be used to gain access, influence, and power.

Our democracy cannot operate at its best without openness. This legislation will shine light onto the campaign finance process, bringing disclosure, structure, and accountability. This legislation disarms both political parties, limiting soft money from both corporations and unions. It increases the amount of hard money that can be contributed and allows adequate funds for our state parties to conduct vital get out the vote activities.

I would like to commend my colleagues for their persistence and perseverance in their effort to get their bill passed. They have compromised on important measures in order to gain bi-partisan support. Their efforts to move this legislation forward are a tribute to those who have fought and died for a free and just nation, to those who have struggled for an open and honest political system. I urge my colleagues to not let this moment pass us by, to vote for the Shays/Meehan bill and for a reformed campaign finance system that will clean up our campaigns and give our political process back to the people.

Mr. BENTSEN. Mr. Chairman, as one who has consistently supported the Shays-Meehan Campaign Finance Reform bill (H.R. 2356) and who signed its discharge petition, I rise in strong support of this critical reform legislation. I also would like to recognize the leadership of CHRIS SHAYS and MARTY MEEHAN, as well as my Texas colleague, JIM TURNER, on this issue.

Mr. Chairman, our campaign finance laws must be reformed to reduce the influence of money in politics and restore the balance originally achieved by the Federal Election Campaign Act of 1974 (FECA). Since coming to Congress in 1995, I have come to believe that our political process faces the very real risk of being hijacked by the prevalence of "soft money" contributions. In the last election cycle alone, the two major parties took in nearly $500 million in soft money. Certainly, such huge, unregulated "soft money" contributions to political parties threaten to corrupt the integrity of our political process. Mr. Chairman, Shays-Meehan represents an extraordinary opportunity to give voice to citizens whose individual voices are increasingly being drowned out by unregulated issue ads that purport to provide voter education but are actually not-so-veiled efforts at influencing the public's views of a certain political candidate.

H.R. 2356 strikes a critical balance between the need to protect our rights to free speech, guaranteed under the U.S. Constitution, and the need to make meaningful reforms to our political system. Shays-Meehan would ban the raising of soft money by national parties and federal candidates that is currently outside the restrictions and prohibitions of the federal regulatory framework. H.R. 2356 would, however, allow State and local parties to accept annual donations of $10,000 per individual for get-out-the-vote and voter-registration efforts in federal elections, so long as such efforts do not mention a federal candidate. Additionally, Shays-Meehan places new limits on aggregate individual contributions to national political parties and candidates for president and Congress at $95,000. Of that, no more than $57,500 of that could be given to party organizations, and $37,500 to candidates. I am also pleased that H.R. 2356 requires greater FEC disclosure requirements for independent expenditures of more than $1,000 made within 20 days of an election. I do not believe disclosure, in and of itself, stifles Free Speech.

Though I support Shays-Meehan, I recognize that it is not perfect. One troubling aspect is how it raises the hard money limit on contributions to Senate candidates to $2,000 but maintains the $1,000 for hard money limit contributions to House candidates. The last time we were slated to consider Shays-Meehan in the House, I submitted an amendment to the House Rules Committee to maintain the hard money limit of $1,000 for all candidates for Federal elective offices. Though I strongly believe that my amendment would have enhanced Shays-Meehan, it was blocked by the Republican leadership. Alternatively, the Republicans will propose raising the level of hard dollars that House candidates can raise to $2,000 per cycle. While I strongly oppose the disparity between the House and Senate, I do not support raising hard money limits to $2,000, as proposed in the Wamp amendment. I cannot see how injecting more hard money into our political system advances the goals of the underlying bill, Mr. Chairman, be assured that once Shays-Meehan clears the House, I will continue to work at having the disparity in hard money limits to be fully addressed.

Additionally, I would note that I have some concerns over how the measure restricts independent advertisements within 60 days of an election by unions, corporations and nonprofits but allows political action committees (PACs) associated with unions and corporations to donate soft money for such ads so long as the ads do not expressly advocate support or opposition for a candidate. Though I believe that a blanket prohibition on direct expenditures by unions, corporations and nonprofits may raise some constitutional questions, I support this provision because it will create greater transparency in the crucial days before an election.

Finally, in recent days, I have heard from a number of local Texas broadcasters who voiced serious concerns about how Shays-Meehan's lowest unit charge (LUC) provision will impact their abilities to sell broadcast ads. Under Shays-Meehan, stations would be compelled to sell air time to Federal candidates at the best advertising rate of last 180 days. Having campaigned in a major media market, I appreciate the goal of this provision—to ensure that candidates are not priced out of television, a powerful medium to reach voters. That being said, I am concerned that extending special treatment exclusively to federal candidates would result in state and local candidates, and for that matter local small businesses, becoming priced out of the market. For this reason, I am supporting an amendment offered by my colleague, GENE GREEN, to maintain the current LUC rules which qualify political candidates to the same rate as the broadcaster's most favored commercial advertiser.

Mr. Chairman, despite my concerns about individual provisions, the train has left the station on this issue, leaving members with two choices. They can hop aboard or get out of the way. Mr. Chairman, at this time it is critical that this body beat back the efforts of those among us who would try to derail the process, by offering amendments that are sure to divide the fragile coalition for reform. While Shays-Meehan may not be perfect, it does represent our best chance at instituting the broadest reform of our Nation's campaign finance laws in a quarter century. Mr. Chairman, I strongly urge my colleagues to get behind this effort and approve Shays-Meehan.

Mr. WU. Mr. Chairman, I absolutely support H.R. 2356, the Bipartisan Campaign Finance Reform Act.

Our current campaign finance system contributes now to a culture of cynicism. It hurts our institutions, it hurts our government, and it is an attack on the integrity of our political process.

Our Congress must be unbought and unbossed.

That's why I want to stop the flood of unregulated and unreported money in campaigns. I want to eliminate the undue influence of special interests in elections. I want to encourage strong grassroots participation. And I would like to return power to where it belongs—with the people.

The Shays-Meehan bill does this: It bans soft money raised by national parties and by candidates for Federal office. It ends issue ads, which are really attack ads under the guide of "issues." And, it clarifies what election activities non-profits can do on behalf of our candidates for Federal office.

We must ban soft money. It is nothing more than a backdoor way to avoid the contribution limits that are now placed on candidates. Soft money is influencing our process almost as much as direct contributions to candidates do. In fact, Republicans and Democrats raised over $460 million in 2000 in soft money. And let's face it, special interest groups that contribute large sums of this soft money have an influence on the political process.

This is why we need to pass Shays-Meehan.

In 2000, we spent $3 billion on election activities. That is too much time and too much money spent on fundraising when it could be spent on doing what is important—passing legislation to improve our health care, our education system, and our economic stability.

We must do more to address the fact that the largest voting block in America is the noshows. Campaign Finance Reform can deal with this cynicism.

I urge my colleagues in the strongest way to pass Shays-Meehan. It will be one of the best things we can do for democracy.

Mr. KIRK. Mr. Chairman, I rise today in strong support of the Shays-Meehan Bipartisan Campaign Finance Reform Bill. We must take action now to clean our political financing system, eliminate corrupting special interests, and enhance accountability. As we have seen in years past, the role of soft money on our campaign system extends far beyond our nation's borders. Not only are corporations and unions able to pump exorbitant amounts of soft money into Federal campaigns under current law, but so too are foreign nationals across the globe.

In the last ten years, China has stood out as the most infamous contributor of soft money funds, particularly during the 1996 election cycle. Beginning in 1995, reports indicate that Chinese officials planned on channeling more than $2 million in to U.S. presidential and congressional campaigns. By supporting Shays-Meehan, we have a genuine opportunity to shut down this source of funds that has become synonymous with the 1996 Presidential election. Foreign nationals in China took advantage of the massive soft money loophole to funnel illegal funds into Federal political campaigns through campaign committees, and as current law states, nothing will stop them from repeating these practices. Because there are no current disclosure requirements for the funding sources of issue ads, foreign governments could finance advertising efforts with complete anonymity.

We must pass comprehensive legislation that eliminates this soft money loophole and the growing potential influence of nations such as China. The Shays-Meehan bill will completely ban soft money fund-raising for national parties. If the Shays-Meehan bill had been in effect in 1996, China's negative role in influencing campaigns could have been avoided.

In the wake of September 11, global security is one of the highest priorities for the United States. We must not undermine our nation's federal election process by leaving a gaping loophole for foreign nationals to exert their potentially harmful influence. The sooner we pass the Shays-Meehan campaign finance bill, the sooner we will be able to eliminate the negative influence of governments on our nation's democratic process.

Mr. UDALL of Colorado. Mr. Chairman, this will be one of the most important votes of the year—in fact, it likely will be one of the most important for years to come.

The legislation before us addresses one of the most serious threats to the continued health of our democracy—the perception that the national government is for sale to the highest bidder.

I say perception, because I think all of us are motivated by a sincere desire to make decisions that are in the best interests of our country and that are based on the best information available. I know that my judgment is not for sale, and I am confident that goes for every one of our colleagues as well.

But I also understand why many people think otherwise.

They know that since 1988 both parties have increasingly used funds that are supposed to go for party-building—so-called "soft money"—to instead support or oppose candidates through the unsubtle subterfuge of so-called "issue ads" and similar devices. And they know that past attempts to stop that subterfuge have been stopped by a veto or by obstruction

So, it is not surprising that many people think that money talks so loudly that they cannot be heard.

All too often, that is the perception—and as we all know, when it comes to public opinion perception is reality. I want to change that perception by changing its cause—the "soft money" loopholes in current law. I believe we need to get rid of unlimited "soft money" contributions and act to open the election process to all.

This is not a new position for me. Starting with my first year as a Member of Congress, I have been a cosponsor of the Shays-Meehan campaign finance legislation. I have consistently voted in support of similar legislation since 1999. I signed the discharge petition that has brought the bill to the floor today.

And I supported the Shays-Meehan substitute and opposed amendments to it because I want the House to pass a bill as similar as possible to the McCain-Feingold bill that has already passed the Senate. I think that was essential because otherwise there would have been too great a risk that the bill will die in conference.

I am well aware that this legislation is not perfect. But no legislation is perfect, and this bill makes crucial improvements in campaign-finance laws. It deserves and needs to be enacted.

And so now, as we come to the time for a final decision, I urge all our colleagues to join me in voting for passage of this bill.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the bill is considered as having been read for amendment under the 5-minute rule.

The text of H.R. 2356 is as follows:

H.R. 2356

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Bipartisan Campaign Reform Act of 2001".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

Sec. 101. Soft money of political parties.
Sec. 102. Increased contribution limits for State committees of political parties and aggregate contribution limit for individuals.
Sec. 103. Reporting requirements.

TITLE II—NONCANDIDATE CAMPAIGN EXPENDITURES

Subtitle A—Electioneering Communications

Sec. 201. Disclosure of electioneering communications.
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TITLE IV—SEVERABILITY; EFFECTIVE DATE

Sec. 401. Severability.
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Sec. 501. Internet access to records.
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TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

"SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

"(a) NATIONAL COMMITTEES.—

"(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) APPLICABILITY.— The prohibition established by paragraph (1) applies to any such national committee, any officer or agent acting on behalf of such a national committee, and any entity that is directly or indirectly established, financed, maintained, or controlled by such a national committee.

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) APPLICABILITY.—

"(A) IN GENERAL.—Notwithstanding clause (i) or (ii) of section 301(20)(A), and subject to subparagraph (B), paragraph (1) shall not apply to any amount expended or disbursed by a State, district, or local committee of a political party in existence as of the date of the enactment of the Bipartisan Campaign Reform Act of 2001 for an activity described in either such clause to the extent the amounts expended or disbursed for such activity are allocated under regulations prescribed by the Commission which require not less than 50 percent of the amounts expended or disbursed be paid from a Federal allocation account consisting solely of contributions subject to the limitations, prohibitions, and reporting requirements of this Act (not including funds specifically authorized to be spent under subparagraph (B)(iii)).

"(B) CONDITIONS.—Subparagraph (A) shall only apply if—

"(i) the activity does not refer to a clearly identified candidate for Federal office;

"(ii) the amounts expended or disbursed are not for the costs of any broadcasting, cable, or satellite communication, other than a communication which refers solely to a clearly identified candidate for State or local office;

"(iii) the amounts expended or disbursed which are not from a Federal allocation account described in subparagraph (A) are paid from amounts which are donated in accordance with State law and which meet the requirements of subparagraph (C), except that no person (including any person established, financed, maintained, or controlled by such person) may donate more than $10,000 to a State, district, or local committee of a political party in a calendar year for such expenditures or disbursements; and

"(iv) the amounts expended or disbursed are made solely from funds raised by the State, local, or district committee which makes such expenditure or disbursement, and do not include any funds provided to such committee from—

"(I) any other State, local, or district committee of any State party,

"(II) the national committee of a political party (including a national congressional campaign committee of a political party),

"(III) any officer or agent acting on behalf of any committee described in subclause (I) or (II), or

"(IV) any entity directly or indirectly established, financed, maintained, or controlled by any committee described in subclause (I) or (II).

"(C) PROHIBITING INVOLVEMENT OF NATIONAL PARTIES, FEDERAL CANDIDATES AND OFFICEHOLDERS, AND STATE PARTIES ACTING JOINTLY.—Notwithstanding subsection (e) (other than subsection (e)(3)), amounts specifically authorized to be spent under subparagraph (B)(iii) meet the requirements of this subparagraph only if the amounts—

"(i) are not solicited, received, directed, transferred, or spent by or in the name of any person described in subsection (a) or (e); and

"(ii) are not solicited, received, or directed through fundraising activities conducted jointly by 2 or more State, local, or district committees of any political party or their agents, or by a State, local, or district committee of a political party on behalf of the State, local, or district committee of a political party or its agent in one or more other States.

"(c) Fundraising Costs.—An amount spent by a person described in subsection (a) or (b) to raise funds that are used, in whole or in part, for expenditures and disbursements for a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(d) Tax-Exempt Organizations.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to—

"(1) an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) and that makes expenditures or disbursements in connection with an election for Federal office (including expenditures or disbursements for Federal election activity); or

"(2) an organization described in section 527 of such Code (other than a political committee, a State, district, or local committee of a political party, or the authorized campaign committee of a candidate for State or local office).

"(e) Federal Candidates.—

"(1) In general.—A candidate, individual holding Federal office, agent of a candidate or an individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of 1 or more candidates or individuals holding Federal office, shall not—

"(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

"(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

"(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1), (2), and (3) of section 315(a); and

"(ii) are not from sources prohibited by this Act from making contributions in connection with an election for Federal office.

"(2) State law.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual described in such paragraph who is also a candidate for a State or local office solely in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law and refers only to such State or local candidate, or to any other candidate for the State or local office sought by such candidate, or both.

"(3) Fundraising events.—Notwithstanding paragraph (1) or subsection (b)(2)(C), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

"(4) Limitation applicable for purposes of solicitation of donations by individuals to certain organizations.—In the case of the solicitation of funds by any person described in paragraph (1) on behalf of any entity described in subsection (d) which is made specifically for funds to be used for activities described in clauses (i) and (ii) of section 301(20)(A), or made for any such entity which engages primarily in activities described in such clauses, the limitation applicable for purposes of a donation of funds by an individual shall be the limitation set forth in section 315(a)(1)(D).

"(5) Treatment of amounts used to influence or challenge State reapportionment.—Nothing in this subsection shall prevent or limit an individual described in paragraph (1) from soliciting or spending funds to be used exclusively for the purpose of influencing the reapportionment decisions of a State or the financing of litigation which relates exclusively to the reapportionment decisions made by a State.

"(f) State Candidates.—

"(1) In general.—A candidate for State or local office, individual holding State or local office, or an agent of such a candidate or individual may not spend any funds for a communication described in section 301(20)(A)(iii) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Exception for certain communications.—Paragraph (1) shall not apply to an individual described in such paragraph if the communication involved is in connection with an election for such State or local office and refers only to such individual or to any other candidate for the State or local office held or sought by such individual, or both.".

(b) Definitions.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end thereof the following:

"(20) Federal election activity.—

"(A) In general.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

"(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

"(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

"(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

"(B) Excluded activity.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

"(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

"(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A);

"(iii) the costs of a State, district, or local political convention;

"(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office; and

"(v) the cost of constructing or purchasing an office facility or equipment for a State, district, or local committee.

"(21) Generic campaign activity.—The term 'generic campaign activity' means a campaign activity that promotes a political party and does not promote a candidate or non-Federal candidate.

"(22) Public communication.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, or telephone bank to the general public, or any other form of general public political advertising.

"(23) Mass mailing.—The term 'mass mailing' means a mailing by United States mail or facsimile of more than 500 pieces of mail matter of an identical or substantially similar nature within any 30-day period.

"(24) Telephone bank.—The term 'telephone bank' means more than 500 telephone calls of an identical or substantially similar nature within any 30-day period.".

SEC. 102. INCREASED CONTRIBUTION LIMITS FOR STATE COMMITTEES OF POLITICAL PARTIES AND AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUALS.

(a) Contribution Limit for State Committees of Political Parties.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.".

(b) Aggregate Contribution Limit for Individual.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking "$25,000" and inserting "$30,000".

SEC. 103. REPORTING REQUIREMENTS.

(a) Reporting Requirements.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following:

"(e) Political Committees.—

"(1) National and congressional political committees.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

"(2) Other political committees to which section 323 applies.—

"(A) In general.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in section 301(20)(A).

"(B) Specific disclosure by State and local parties of certain nonfederal

AMOUNTS PERMITTED TO BE SPENT ON FEDERAL ELECTION ACTIVITY.—Each report by a political committee under subparagraph (A) of receipts and disbursements made for activities described in section 301(20)(A) shall include a disclosure of all receipts and disbursements made section 323(b)(2)(A) and (B).

"(3) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from or to any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

"(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a)(4)(B).".

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xv) as clauses (viii) through (xiv), respectively.

TITLE II—NONCANDIDATE CAMPAIGN EXPENDITURES

Subtitle A—Electioneering Communications

SEC. 201. DISCLOSURE OF ELECTIONEERING COMMUNICATIONS.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 103, is amended by adding at the end the following new subsection:

"(f) DISCLOSURE OF ELECTIONEERING COMMUNICATIONS.—

"(1) STATEMENT REQUIRED.—Every person who makes a disbursement for the direct costs of producing and airing electioneering communications in an aggregate amount in excess of $10,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

"(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

"(A) The identification of the person making the disbursement, of any person sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

"(B) The principal place of business of the person making the disbursement, if not an individual.

"(C) The amount of each disbursement of more than $200 during the period covered by the statement and the identification of the person to whom the disbursement was made.

"(D) The elections to which the electioneering communications pertain and the names (if known) of the candidates identified or to be identified.

"(E) If the disbursements were paid out of a segregated bank account which consists of funds contributed solely by individuals who are United States citizens or nationals or lawfully admitted for permanent residence as defined in section 1101(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(2)) directly to this account for electioneering communications, the names and addresses of all contributors who contributed an aggregate amount of $1,000 or more to that account during the period beginning on the first day of the preceding calendar year and ending on the disclosure date. Nothing in this subparagraph is to be construed as a prohibition on the use of funds in such a segregated account for a purpose other than electioneering communications.

"(F) If the disbursements were paid out of funds not described in subparagraph (E), the names and addresses of all contributors who contributed an aggregate amount of $1,000 or more to the person making the disbursement during the period beginning on the first day of the preceding calendar year and ending on the disclosure date.

"(3) ELECTIONEERING COMMUNICATION.—For purposes of this subsection—

"(A) IN GENERAL.—(i) The term 'electioneering communication' means any broadcast, cable, or satellite communication which—

"(I) refers to a clearly identified candidate for Federal office;

"(II) is made within—

"(aa) 60 days before a general, special, or runoff election for the office sought by the candidate; or

"(bb) 30 days before a primary or preference election, or a convention or caucus of a political party that has authority to nominate a candidate, for the office sought by the candidate; and

"(III) in the case of a communication which refers to a candidate for an office other than President or Vice President, is targeted to the relevant electorate.

"(ii) If clause (i) is held to be constitutionally insufficient by final judicial decision to support the regulation provided herein, then the term 'electioneering communication' means any broadcast, cable, or satellite communication which promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate) and which also is suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate. Nothing in this subparagraph shall be construed to affect the interpretation or application of section 100.22(b) of title 11, Code of Federal Regulations.

"(B) EXCEPTIONS.—The term 'electioneering communication' does not include—

"(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate;

"(ii) a communication which constitutes an expenditure or an independent expenditure under this Act;

"(iii) a communication which constitutes a candidate debate or forum conducted pursuant to regulations adopted by the Commission, or which solely promotes such a debate or forum and is made by or on behalf of the person sponsoring the debate or forum; or

"(iv) any other communication exempted under such regulations as the Commission may promulgate (consistent with the requirements of this paragraph) to ensure the appropriate implementation of this paragraph, except that under any such regulation a communication may not be exempted if it meets the requirements of this paragraph and is described in section 301(20)(A)(iii).

"(C) TARGETING TO RELEVANT ELECTORATE.—For purposes of this paragraph, a communication which refers to a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication can be received by 50,000 or more persons—

"(i) in the district the candidate seeks to represent, in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

"(ii) in the State the candidate seeks to represent, in the case of a candidate for Senator.

"(4) DISCLOSURE DATE.—For purposes of this subsection, the term 'disclosure date' means—

"(A) the first date during any calendar year by which a person has made disbursements for the direct costs of producing or airing electioneering communications aggregating in excess of $10,000; and

"(B) any other date during such calendar year by which a person has made disbursements for the direct costs of producing or airing electioneering communications aggregating in excess of $10,000 since the most recent disclosure date for such calendar year.

"(5) CONTRACTS TO DISBURSE.—For purposes of this subsection, a person shall be treated as having made a disbursement if the person has executed a contract to make the disbursement.

"(6) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

"(7) COORDINATION WITH INTERNAL REVENUE CODE.—Nothing in this subsection may be construed to establish, modify, or otherwise affect the definition of political activities or electioneering activities (including the definition of participating in, intervening in, or influencing or attempting to influence a political campaign on behalf of or in opposition to any candidate for public office) for purposes of the Internal Revenue Code of 1986.".

(b) RESPONSIBILITIES OF FEDERAL COMMUNICATIONS COMMISSION.—The Federal Communications Commission shall compile and maintain any information the Federal Election Commission may require to carry out section 304(f) of the Federal Election Campaign Act of 1971 (as added by subsection (a)), and shall make such information available to the public on the Federal Communication Commission's website.

SEC. 202. COORDINATED COMMUNICATIONS AS CONTRIBUTIONS.

Section 315(a)(7) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)) is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

"(C) if—

"(i) any person makes, or contracts to make, any disbursement for any electioneering communication (within the meaning of section 304(f)(3)); and

"(ii) such disbursement is coordinated with a candidate or an authorized committee of such candidate, a Federal, State, or local political party or committee thereof, or an agent or official of any such candidate, party, or committee;

such disbursement or contracting shall be treated as a contribution to the candidate supported by the electioneering communication or that candidate's party and as an expenditure by that candidate or that candidate's party; and".

SEC. 203. PROHIBITION OF CORPORATE AND LABOR DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS.

(a) IN GENERAL.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by inserting "or for any applicable electioneering communication" before ", but shall not include".

(b) APPLICABLE ELECTIONEERING COMMUNICATION.—Section 316 of such Act is amended by adding at the end the following:

"(c) RULES RELATING TO ELECTIONEERING COMMUNICATIONS.—

"(1) APPLICABLE ELECTIONEERING COMMUNICATION.—For purposes of this section, the term 'applicable electioneering communication' means an electioneering communication (within the meaning of section 304(f)(3)) which is made by any entity described in subsection (a) of this section or by any other person using funds donated by an entity described in subsection (a) of this section.

"(2) EXCEPTION.—Notwithstanding paragraph (1), the term 'applicable electioneering communication' does not include a communication by a section 501(c)(4) organization or a political organization (as defined in section 527(e)(1) of such Code) made under section 304(f)(2)(E) or (F) of this Act if the communication is paid for exclusively by funds provided directly by individuals who are United States citizens or nationals or lawfully admitted for permanent residence as defined in section 1101(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(2)). For purposes of the preceding sentence, the term 'provided directly by individuals' does not include funds the source of which is an entity described in subsection (a) of this section.

"(3) SPECIAL OPERATING RULES.—

"(A) DEFINITION UNDER PARAGRAPH (1).—An electioneering communication shall be treated as made by an entity described in subsection (a) if an entity described in subsection (a) directly or indirectly disburses any amount for any of the costs of the communication.

"(B) EXCEPTION UNDER PARAGRAPH (2).—A section 501(c)(4) organization that derives amounts from business activities or receives funds from any entity described in subsection (a) shall be considered to have paid for any communication out of such amounts unless such organization paid for the communication out of a segregated account to which only individuals can contribute, as described in section 304(f)(2)(E).

"(4) DEFINITIONS AND RULES.—For purposes of this subsection—

"(A) the term 'section 501(c)(4) organization' means—

"(i) an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; or

"(ii) an organization which has submitted an application to the Internal Revenue Service for determination of its status as an organization described in clause (i); and

"(B) a person shall be treated as having made a disbursement if the person has executed a contract to make the disbursement.

"(5) COORDINATION WITH INTERNAL REVENUE CODE.—Nothing in this subsection shall be construed to authorize an organization exempt from taxation under section 501(a) of the Internal Revenue Code of 1986 to carry out any activity which is prohibited under such Code.".

SEC. 204. RULES RELATING TO CERTAIN TARGETED ELECTIONEERING COMMUNICATIONS.

Section 316(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b), as added by section 203, is amended by adding at the end the following:

"(6) SPECIAL RULES FOR TARGETED COMMUNICATIONS.—

"(A) EXCEPTION DOES NOT APPLY.—Paragraph (2) shall not apply in the case of a targeted communication that is made by an organization described in such paragraph.

"(B) TARGETED COMMUNICATION.—For purposes of subparagraph (A), the term 'targeted communication' means an electioneering communication (as defined in section 304(f)(3)) that is distributed from a television or radio broadcast station or provider of cable or satellite television service and, in the case of a communication which refers to a candidate for an office other than President or Vice President, is targeted to the relevant electorate.

"(C) DEFINITION.—For purposes of this paragraph, a communication is 'targeted to the relevant electorate' if it meets the requirements described in section 304(f)(3)(C).".

Subtitle B—Independent and Coordinated Expenditures

SEC. 211. DEFINITION OF INDEPENDENT EXPENDITURE.

Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

"(17) INDEPENDENT EXPENDITURE.—The term 'independent expenditure' means an expenditure by a person—

"(A) expressly advocating the election or defeat of a clearly identified candidate; and

"(B) that is not made in concert or cooperation with, at the request or suggestion of, or pursuant to any general or particular understanding with, such candidate, the candidate's authorized political committee, or their agents, or a political party committee or its agents.".

SEC. 212. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 201) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C); and

(2) by adding at the end the following:

"(g) TIME FOR REPORTING CERTAIN EXPENDITURES.—

"(1) EXPENDITURES AGGREGATING $1,000.—

"(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours.

"(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

"(2) EXPENDITURES AGGREGATING $10,000.—

"(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours.

"(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

"(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

"(A) shall be filed with the Commission; and

"(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.".

(b) CONFORMING AMENDMENT.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is amended by striking ", or the second sentence of subsection (c)(2)".

SEC. 213. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking "and (3)" and inserting ", (3), and (4)"; and

(2) by adding at the end the following:

"(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

"(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, a committee of the political party shall not make both expenditures under this subsection and independent expenditures (as defined in section 301(17)) with respect to the candidate during the election cycle.

"(B) CERTIFICATION.—Before making a coordinated expenditure under this subsection with respect to a candidate, a committee of a political party shall file with the Commission a certification, signed by the treasurer of the committee, that the committee, on or after the date described in subparagraph (A), has not and shall not make any independent expenditure with respect to the candidate during the same election cycle.

"(C) APPLICATION.—For purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

"(D) TRANSFERS.—A committee of a political party that submits a certification under subparagraph (B) with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.".

SEC. 214. COORDINATION WITH CANDIDATES OR POLITICAL PARTIES.

(a) IN GENERAL.—

(1) COORDINATED EXPENDITURE OR DISBURSEMENT TREATED AS CONTRIBUTION.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) by striking "or" at the end of subparagraph (A)(i);

(B) by striking "purpose." in subparagraph (A)(ii) and inserting "purpose;"; and

(C) by adding at the end of subparagraph (A) the following:

"(iii) any coordinated expenditure or other disbursement made by any person in connection with a candidate's election, regardless of whether the expenditure or disbursement is for a communication that contains express advocacy; or

"(iv) any coordinated expenditure or other disbursement made in coordination with a national committee, State committee, or other political committee of a political party by a person (other than a candidate or a candidate's authorized committee) in connection with an election, regardless of whether the expenditure or disbursement is for a communication that contains express advocacy.".

(2) CONFORMING AMENDMENT.—Section 315(a)(7) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)) is amended by striking subparagraph (B) and inserting the following:

“(B) a coordinated expenditure or disbursement described in—

“(i) section 301(8)(A)(iii) shall be considered to be a contribution to the candidate and an expenditure by the candidate; and

“(ii) section 301(8)(A)(iv) shall be considered to be a contribution to, and an expenditure by, the political party committee; and”.

(b) DEFINITION OF COORDINATION.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended by adding at the end the following:

“(C) For purposes of subparagraph (A)(iii) and (iv), the term ‘coordinated expenditure or other disbursement’ means a payment made in concert or cooperation with, at the request or suggestion of, or pursuant to any general or particular understanding with, such candidate, the candidate's authorized political committee, or their agents, or a political party committee or its agents.”.

(c) REGULATIONS BY THE FEDERAL ELECTION COMMISSION.—(1) Within 90 days of the effective date of this Act, the Federal Election Commission shall promulgate new regulations to enforce the statutory standard set by section 301(8)(C) of the Federal Election Campaign Act of 1971 (as added by subsection (b)) and section 301(17)(B) of such Act (as amended by section 211). The regulations shall not require collaboration or agreement to establish coordination. In addition to any subject determined by the Commission, the regulations shall address—

(A) payments for the republication of campaign materials;

(B) payments for the use of a common vendor;

(C) payments for communications directed or made by persons who previously served as an employee of a candidate or a political party; and

(D) payments for communications made by a person after substantial discussion about the communication with a candidate or a political party.

(2) The regulations on coordination adopted by the Federal Election Commission and published in the Federal Register at page 76138 of volume 65, Federal Register, on December 6, 2000, are repealed as of 90 days after the effective date of this Act.

(d) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by striking “shall include” and inserting “includes a contribution or expenditure, as those terms are defined in section 301, and also includes”.

TITLE III—MISCELLANEOUS

SEC. 301. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

“SEC. 313. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

“(a) PERMITTED USES.—A contribution accepted by a candidate, and any other donation received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

“(1) for otherwise authorized expenditures in connection with the campaign for Federal office of the candidate or individual;

“(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

“(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

“(4) for transfers to a national, State, or local committee of a political party.

“(b) PROHIBITED USE.—

“(1) IN GENERAL.—A contribution or donation described in subsection (a) shall not be converted by any person to personal use.

“(2) CONVERSION.—For the purposes of paragraph (1), a contribution or donation shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal office, including—

“(A) a home mortgage, rent, or utility payment;

“(B) a clothing purchase;

“(C) a noncampaign-related automobile expense;

“(D) a country club membership;

“(E) a vacation or other noncampaign-related trip;

“(F) a household food item;

“(G) a tuition payment;

“(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

“(I) dues, fees, and other payments to a health club or recreational facility.”.

SEC. 302. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

“(a) PROHIBITION.—

“(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. It shall be unlawful for an individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election, while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

“(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both.”; and

(2) in subsection (b), by inserting “or Executive Office of the President” after “Congress” .

SEC. 303. STRENGTHENING FOREIGN MONEY BAN.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: “CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS”; and

(2) by striking subsection (a) and inserting the following:

“(a) PROHIBITION.—It shall be unlawful for—

“(1) a foreign national, directly or indirectly, to make—

“(A) a contribution or donation of money or other thing of value, or to make an express or implied promise to make a contribution or donation, in connection with a Federal, State, or local election;

“(B) a contribution or donation to a committee of a political party; or

“(C) an expenditure, independent expenditure, or disbursement for an electioneering communication (within the meaning of section 304(f)(3)); or

“(2) a person to solicit, accept, or receive a contribution or donation described in subparagraph (A) or (B) of paragraph (1) from a foreign national.”.

SEC. 304. MODIFICATION OF INDIVIDUAL CONTRIBUTION LIMITS IN RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.

(a) INCREASED LIMITS FOR INDIVIDUALS.—

(1) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended—

(A) in subsection (a)(1), by striking “No person” and inserting “Except as provided in subsection (i), no person”; and

(B) by adding at the end the following:

“(i) INCREASED LIMIT TO ALLOW RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.—

“(1) INCREASE.—

“(A) IN GENERAL.—Subject to paragraph (2), if the opposition personal funds amount with respect to a candidate for election to the office of Senator exceeds the threshold amount, the limit under subsection (a)(1)(A) (in this subsection referred to as the ‘applicable limit’) with respect to that candidate shall be the increased limit.

“(B) THRESHOLD AMOUNT.—

“(i) STATE-BY-STATE COMPETITIVE AND FAIR CAMPAIGN FORMULA.—In this subsection, the threshold amount with respect to an election cycle of a candidate described in subparagraph (A) is an amount equal to the sum of—

“(I) $150,000; and

“(II) $0.04 multiplied by the voting age population.

“(ii) VOTING AGE POPULATION.—In this subparagraph, the term ‘voting age population’ means in the case of a candidate for the office of Senator, the voting age population of the State of the candidate (as certified under section 315(e)).

“(C) INCREASED LIMIT.—Except as provided in clause (ii), for purposes of subparagraph (A), if the opposition personal funds amount is over—

“(i) 2 times the threshold amount, but not over 4 times that amount—

“(I) the increased limit shall be 3 times the applicable limit; and

“(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution;

“(ii) 4 times the threshold amount, but not over 10 times that amount—

“(I) the increased limit shall be 6 times the applicable limit; and

“(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution; and

“(iii) 10 times the threshold amount—

“(I) the increased limit shall be 6 times the applicable limit;

“(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution; and

“(III) the limits under subsection (d) with respect to any expenditure by a State or national committee of a political party shall not apply.

“(D) OPPOSITION PERSONAL FUNDS AMOUNT.—The opposition personal funds amount is an amount equal to the excess (if any) of—

"(i) the greatest aggregate amount of expenditures from personal funds (as defined in section 304(a)(6)(B)) that an opposing candidate in the same election makes; over

"(ii) the aggregate amount of expenditures from personal funds made by the candidate with respect to the election.

"(2) TIME TO ACCEPT CONTRIBUTIONS UNDER INCREASED LIMIT.—

"(A) IN GENERAL.—Subject to subparagraph (B), a candidate and the candidate's authorized committee shall not accept any contribution, and a party committee shall not make any expenditure, under the increased limit under paragraph (1)—

"(i) until the candidate has received notification of the opposition personal funds amount under section 304(a)(6)(B); and

"(ii) to the extent that such contribution, when added to the aggregate amount of contributions previously accepted and party expenditures previously made under the increased limits under this subsection for the election cycle, exceeds 110 percent of the opposition personal funds amount.

"(B) EFFECT OF WITHDRAWAL OF AN OPPOSING CANDIDATE.—A candidate and a candidate's authorized committee shall not accept any contribution and a party shall not make any expenditure under the increased limit after the date on which an opposing candidate ceases to be a candidate to the extent that the amount of such increased limit is attributable to such an opposing candidate.

"(3) DISPOSAL OF EXCESS CONTRIBUTIONS.—

"(A) IN GENERAL.—The aggregate amount of contributions accepted by a candidate or a candidate's authorized committee under the increased limit under paragraph (1) and not otherwise expended in connection with the election with respect to which such contributions relate shall, not later than 50 days after the date of such election, be used in the manner described in subparagraph (B).

"(B) RETURN TO CONTRIBUTORS.—A candidate or a candidate's authorized committee shall return the excess contribution to the person who made the contribution.

"(j) LIMITATION ON REPAYMENT OF PERSONAL LOANS.—Any candidate who incurs personal loans made after the date of enactment of the Bipartisan Campaign Reform Act of 2001 in connection with the candidate's campaign for election shall not repay (directly or indirectly), to the extent such loans exceed $250,000, such loans from any contributions made to such candidate or any authorized committee of such candidate after the date of such election.".

(b) NOTIFICATION OF EXPENDITURES FROM PERSONAL FUNDS.—Section 304(a)(6) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (E); and

(2) by inserting after subparagraph (A) the following:

"(B) NOTIFICATION OF EXPENDITURE FROM PERSONAL FUNDS.—

"(i) DEFINITION OF EXPENDITURE FROM PERSONAL FUNDS.—In this subparagraph, the term 'expenditure from personal funds' means—

"(I) an expenditure made by a candidate using personal funds; and

"(II) a contribution or loan made by a candidate using personal funds or a loan secured using such funds to the candidate's authorized committee.

"(ii) DECLARATION OF INTENT.—Not later than the date that is 15 days after the date on which an individual becomes a candidate for the office of Senator, the candidate shall file a declaration stating the total amount of expenditures from personal funds that the candidate intends to make, or to obligate to make, with respect to the election that will exceed the State-by-State competitive and fair campaign formula with—

"(I) the Commission; and

"(II) each candidate in the same election.

"(iii) INITIAL NOTIFICATION.—Not later than 24 hours after a candidate described in clause (ii) makes or obligates to make an aggregate amount of expenditures from personal funds in excess of 2 times the threshold amount in connection with any election, the candidate shall file a notification with—

"(I) the Commission; and

"(II) each candidate in the same election.

"(iv) ADDITIONAL NOTIFICATION.—After a candidate files an initial notification under clause (iii), the candidate shall file an additional notification each time expenditures from personal funds are made or obligated to be made in an aggregate amount that exceed $10,000 with—

"(I) the Commission; and

"(II) each candidate in the same election.

Such notification shall be filed not later than 24 hours after the expenditure is made.

"(v) CONTENTS.—A notification under clause (iii) or (iv) shall include—

"(I) the name of the candidate and the office sought by the candidate;

"(II) the date and amount of each expenditure; and

"(III) the total amount of expenditures from personal funds that the candidate has made, or obligated to make, with respect to an election as of the date of the expenditure that is the subject of the notification.

"(C) NOTIFICATION OF DISPOSAL OF EXCESS CONTRIBUTIONS.—In the next regularly scheduled report after the date of the election for which a candidate seeks nomination for election to, or election to, Federal office, the candidate or the candidate's authorized committee shall submit to the Commission a report indicating the source and amount of any excess contributions (as determined under paragraph (1) of section 315(i)) and the manner in which the candidate or the candidate's authorized committee used such funds.

"(D) ENFORCEMENT.—For provisions providing for the enforcement of the reporting requirements under this paragraph, see section 309.".

(c) DEFINITIONS.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431), as amended by section 101(a), is further amended by adding at the end the following:

"(25) ELECTION CYCLE.—The term 'election cycle' means the period beginning on the day after the date of the most recent election for the specific office or seat that a candidate is seeking and ending on the date of the next election for that office or seat. For purposes of the preceding sentence, a primary election and a general election shall be considered to be separate elections.

"(26) PERSONAL FUNDS.—The term 'personal funds' means an amount that is derived from—

"(A) any asset that, under applicable State law, at the time the individual became a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had—

"(i) legal and rightful title; or

"(ii) an equitable interest;

"(B) income received during the current election cycle of the candidate, including—

"(i) a salary and other earned income from bona fide employment;

"(ii) dividends and proceeds from the sale of the candidate's stocks or other investments;

"(iii) bequests to the candidate;

"(iv) income from trusts established before the beginning of the election cycle;

"(v) income from trusts established by bequest after the beginning of the election cycle of which the candidate is the beneficiary;

"(vi) gifts of a personal nature that had been customarily received by the candidate prior to the beginning of the election cycle; and

"(vii) proceeds from lotteries and similar legal games of chance; and

"(C) a portion of assets that are jointly owned by the candidate and the candidate's spouse equal to the candidate's share of the asset under the instrument of conveyance or ownership, but if no specific share is indicated by an instrument of conveyance or ownership, the value of ½ of the property.".

SEC. 305. TELEVISION MEDIA RATES.

(a) LOWEST UNIT CHARGE.—Subsection (b) of section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by striking "(b) The charges" and inserting the following:

"(b) CHARGES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the charges";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following:

"(2) TELEVISION.—The charges made for the use of any television broadcast station, or by a provider of cable or satellite television service, to any person who is a legally qualified candidate for any public office in connection with the campaign of such candidate for nomination for election, or election, to such office shall not exceed, during the periods referred to in paragraph (1)(A), the lowest charge of the station (at any time during the 180-day period preceding the date of the use) for the same amount of time for the same period.".

(b) RATE AVAILABLE FOR NATIONAL PARTIES.—Section 315(b)(2) of such Act (47 U.S.C. 315(b)(2), as added by subsection (a)(3), is amended by inserting ", or to a national committee of a political party making expenditures under section 315(d) of the Federal Election Campaign Act of 1971 on behalf of such candidate in connection with such campaign," after "such office".

(c) PREEMPTION.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) by redesignating subsections (c) and (d) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c) PREEMPTION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), a licensee shall not preempt the use of a television broadcast station, or a provider of cable or satellite television service, by an eligible candidate or political committee of a political party who has purchased and paid for such use pursuant to subsection (b)(2).

"(2) CIRCUMSTANCES BEYOND CONTROL OF LICENSEE.—If a program to be broadcast by a television broadcast station, or a provider of cable or satellite television service, is preempted because of circumstances beyond the control of the station, any candidate or party advertising spot scheduled to be broadcast during that program may also be preempted.".

(d) RANDOM AUDITS.—Section 315 of such Act (47 U.S.C. 315), as amended by subsection (c), is amended by inserting after subsection (c) the following new subsection:

"(d) Random Audits.—

"(1) In general.—During the 45-day period preceding a primary election and the 60-day period preceding a general election, the Commission shall conduct random audits of designated market areas to ensure that each television broadcast station, and provider of cable or satellite television service, in those markets is allocating television broadcast advertising time in accordance with this section and section 312.

"(2) Markets.—The random audits conducted under paragraph (1) shall cover the following markets:

"(A) At least 6 of the top 50 largest designated market areas (as defined in section 122(j)(2)(C) of title 17, United States Code).

"(B) At least 3 of the 51–100 largest designated market areas (as so defined).

"(C) At least 3 of the 101–150 largest designated market areas (as so defined).

"(D) At least 3 of the 151–210 largest designated market areas (as so defined).

"(3) Broadcast stations.—Each random audit shall include each of the 3 largest television broadcast networks, 1 independent network, and 1 cable network.".

(e) Definition of Broadcasting Station.—Subsection (e) of section 315 of such Act (47 U.S.C. 315(e)), as redesignated by subsection (c)(1) of this section, is amended by inserting ", a television broadcast station, and a provider of cable or satellite television service" before the semicolon.

(f) Stylistic Amendments.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) in subsection (a), by inserting "In General.—" before "If any";

(2) in subsection (e), as redesignated by subsection (c)(1) of this section, by inserting "Definitions.—" before "For purposes"; and

(3) in subsection (f), as so redesignated, by inserting "Regulations.—" before "The Commission".

SEC. 306. LIMITATION ON AVAILABILITY OF LOWEST UNIT CHARGE FOR FEDERAL CANDIDATES ATTACKING OPPOSITION.

(a) In General.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)), as amended by this Act, is amended by adding at the end the following:

"(3) Content of broadcasts.—

"(A) In general.—In the case of a candidate for Federal office, such candidate shall not be entitled to receive the rate under paragraph (1)(A) or (2) for the use of any broadcasting station unless the candidate provides written certification to the broadcast station that the candidate (and any authorized committee of the candidate) shall not make any direct reference to another candidate for the same office, in any broadcast using the rights and conditions of access under this Act, unless such reference meets the requirements of subparagraph (C) or (D).

"(B) Limitation on charges.—If a candidate for Federal office (or any authorized committee of such candidate) makes a reference described in subparagraph (A) in any broadcast that does not meet the requirements of subparagraph (C) or (D), such candidate shall not be entitled to receive the rate under paragraph (1)(A) or (2) for such broadcast or any other broadcast during any portion of the 45-day and 60-day periods described in paragraph (1)(A), that occur on or after the date of such broadcast, for election to such office.

"(C) Television broadcasts.—A candidate meets the requirements of this subparagraph if, in the case of a television broadcast, at the end of such broadcast there appears simultaneously, for a period no less than 4 seconds—

"(i) a clearly identifiable photographic or similar image of the candidate; and

"(ii) a clearly readable printed statement, identifying the candidate and stating that the candidate has approved the broadcast and that the candidate's authorized committee paid for the broadcast.

"(D) Radio broadcasts.—A candidate meets the requirements of this subparagraph if, in the case of a radio broadcast, the broadcast includes a personal audio statement by the candidate that identifies the candidate, the office the candidate is seeking, and indicates that the candidate has approved the broadcast.

"(E) Certification.—Certifications under this section shall be provided and certified as accurate by the candidate (or any authorized committee of the candidate) at the time of purchase.

"(F) Definitions.—For purposes of this paragraph, the terms 'authorized committee' and 'Federal office' have the meanings given such terms by section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).".

(b) Conforming Amendment.—Section 315(b)(1)(A) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)(A)), as amended by this Act, is amended by inserting "subject to paragraph (3)," before "during the forty-five days".

(c) Effective Date.—The amendments made by this section shall apply to broadcasts made after the date of enactment of this Act.

SEC. 307. SOFTWARE FOR FILING REPORTS AND PROMPT DISCLOSURE OF CONTRIBUTIONS.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end the following:

"(12) Software for filing of reports.—

"(A) In general.—The Commission shall—

"(i) promulgate standards to be used by vendors to develop software that—

"(I) permits candidates to easily record information concerning receipts and disbursements required to be reported under this Act at the time of the receipt or disbursement;

"(II) allows the information recorded under subclause (I) to be transmitted immediately to the Commission; and

"(III) allows the Commission to post the information on the Internet immediately upon receipt; and

"(ii) make a copy of software that meets the standards promulgated under clause (i) available to each person required to file a designation, statement, or report in electronic form under this Act.

"(B) Additional information.—To the extent feasible, the Commission shall require vendors to include in the software developed under the standards under subparagraph (A) the ability for any person to file any designation, statement, or report required under this Act in electronic form.

"(C) Required use.—Notwithstanding any provision of this Act relating to times for filing reports, each candidate for Federal office (or that candidate's authorized committee) shall use software that meets the standards promulgated under this paragraph once such software is made available to such candidate.

"(D) Required posting.—The Commission shall, as soon as practicable, post on the Internet any information received under this paragraph.".

SEC. 308. MODIFICATION OF CONTRIBUTION LIMITS.

(a) Increase in Individual Limits for Certain Contributions.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A), by striking "$1,000" and inserting the following: "$2,000 (or, in the case of a candidate for Representative in or Delegate or Resident Commissioner to the Congress, $1,000)"; and

(2) in subparagraph (B), by striking "$20,000" and inserting "$25,000".

(b) Increase in Aggregate Individual Limit.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)), as amended by section 102(b), is amended by striking "$30,000" and inserting "$37,500".

(c) Increase in Senatorial Campaign Committee Limit.—Section 315(h) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(h)) is amended by striking "$17,500" and inserting "$35,000".

(d) Indexing of Contribution Limits.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting "(A)" before "At the beginning"; and

(C) by adding at the end the following:

"(B) Except as provided in subparagraph (C), in any calendar year after 2002—

"(i) a limitation established by subsections (a)(1)(A), (a)(1)(B), (a)(3), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

"(ii) each amount so increased shall remain in effect for the calendar year; and

"(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

"(C) In the case of limitations under subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election."; and

(2) in paragraph (2)(B), by striking "means the calendar year 1974" and inserting "means—

"(i) for purposes of subsections (b) and (d), calendar year 1974; and

"(ii) for purposes of subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h) calendar year 2001".

(e) Effective Date.—The amendments made by this section shall apply to contributions made after the date of enactment of this Act.

SEC. 309. DONATIONS TO PRESIDENTIAL INAUGURAL COMMITTEE.

(a) In General.—Chapter 5 of title 36, United States Code, is amended by—

(1) redesignating section 510 as section 511; and

(2) inserting after section 509 the following:

"§ 510. Disclosure of and prohibition on certain donations.

"(a) In general.—A committee shall not be considered to be the Inaugural Committee for purposes of this chapter unless the committee agrees to, and meets, the requirements of subsections (b) and (c).

"(b) Disclosure.—

"(1) In general.—Not later than the date that is 90 days after the date of the Presidential inaugural ceremony, the committee shall file a report with the Federal Election Commission disclosing any donation of money or anything of value made to the committee in an aggregate amount equal to or greater than $200.

"(2) Contents of report.—A report filed under paragraph (1) shall contain—

"(A) the amount of the donation;

"(B) the date the donation is received; and

"(C) the name and address of the person making the donation.

"(c) Limitation.—The committee shall not accept any donation from a foreign national (as defined in section 319(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)))."

(b) Reports Made Available by FEC.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by sections 103, 201, and 212 is amended by adding at the end the following:

"(h) Reports From Inaugural Committees.—The Federal Election Commission shall make any report filed by an Inaugural Committee under section 510 of title 36, United States Code, accessible to the public at the offices of the Commission and on the Internet not later than 48 hours after the report is received by the Commission.".

SEC. 310. PROHIBITION ON FRAUDULENT SOLICITATION OF FUNDS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting "(a) In General.—" before "No person"; and

(2) by adding at the end the following:

"(b) Fraudulent Solicitation of Funds.—No person shall—

"(1) fraudulently misrepresent the person as speaking, writing, or otherwise acting for or on behalf of any candidate or political party or employee or agent thereof for the purpose of soliciting contributions or donations; or

"(2) willfully and knowingly participate in or conspire to participate in any plan, scheme, or design to violate paragraph (1).".

SEC. 311. STUDY AND REPORT ON CLEAN MONEY CLEAN ELECTIONS LAWS.

(a) Clean Money Clean Elections Defined.—In this section, the term "clean money clean elections" means funds received under State laws that provide in whole or in part for the public financing of election campaigns.

(b) Study.—

(1) In general.—The Comptroller General shall conduct a study of the clean money clean elections of Arizona and Maine.

(2) Matters studied.—

(A) Statistics on clean money clean elections candidates.—The Comptroller General shall determine—

(i) the number of candidates who have chosen to run for public office with clean money clean elections including—

(I) the office for which they were candidates;

(II) whether the candidate was an incumbent or a challenger; and

(III) whether the candidate was successful in the candidate's bid for public office; and

(ii) the number of races in which at least one candidate ran an election with clean money clean elections.

(B) Effects of clean money clean elections.—The Comptroller General of the United States shall describe the effects of public financing under the clean money clean elections laws on the 2000 elections in Arizona and Maine.

(c) Report.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress detailing the results of the study conducted under subsection (b).

SEC. 312. CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF ELECTION-RELATED ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking "Whenever" and inserting "Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever";

(ii) by striking "an expenditure" and inserting "a disbursement"; and

(iii) by striking "direct"; and

(iv) by inserting "or makes a disbursement for an electioneering communication (as defined in section 304(f)(3))" after "public political advertising"; and

(B) in paragraph (3), by inserting "and permanent street address, telephone number, or World Wide Web address" after "name"; and

(2) by adding at the end the following:

"(c) Specification.—Any printed communication described in subsection (a) shall—

"(1) be of sufficient type size to be clearly readable by the recipient of the communication;

"(2) be contained in a printed box set apart from the other contents of the communication; and

"(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

"(d) Additional Requirements.—

"(1) Audio statement.—

"(A) Candidate.—Any communication described in paragraphs (1) or (2) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(B) Other persons.—Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: '________ is responsible for the content of this advertising.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.

"(2) Television.—If a communication described in paragraph (1)(A) is transmitted through television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement that—

"(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

"(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.".

SEC. 313. INCREASE IN PENALTIES.

(a) In General.—Subparagraph (A) of section 309(d)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended to read as follows:

"(A) Any person who knowingly and willfully commits a violation of any provision of this Act which involves the making, receiving, or reporting of any contribution, donation, or expenditure—

"(i) aggregating $25,000 or more during a calendar year shall be fined under title 18, United States Code, or imprisoned for not more than 5 years, or both; or

"(ii) aggregating $2,000 or more (but less than $25,000) during a calendar year shall be fined under such title, or imprisoned for not more than one year, or both.".

(b) Effective Date.—The amendment made by this section shall apply to violations occurring on or after the date of enactment of this Act.

SEC. 314. STATUTE OF LIMITATIONS.

(a) In General.—Section 406(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 455(a)) is amended by striking "3" and inserting "5".

(b) Effective Date.—The amendment made by this section shall apply to violations occurring on or after the date of enactment of this Act.

SEC. 315. SENTENCING GUIDELINES.

(a) In General.—The United States Sentencing Commission shall—

(1) promulgate a guideline, or amend an existing guideline under section 994 of title 28, United States Code, in accordance with paragraph (2), for penalties for violations of the Federal Election Campaign Act of 1971 and related election laws; and

(2) submit to Congress an explanation of any guidelines promulgated under paragraph (1) and any legislative or administrative recommendations regarding enforcement of the Federal Election Campaign Act of 1971 and related election laws.

(b) Considerations.—The Commission shall provide guidelines under subsection (a) taking into account the following considerations:

(1) Ensure that the sentencing guidelines and policy statements reflect the serious nature of such violations and the need for aggressive and appropriate law enforcement action to prevent such violations.

(2) Provide a sentencing enhancement for any person convicted of such violation if such violation involves—

(A) a contribution, donation, or expenditure from a foreign source;

(B) a large number of illegal transactions;

(C) a large aggregate amount of illegal contributions, donations, or expenditures;

(D) the receipt or disbursement of governmental funds; and

(E) an intent to achieve a benefit from the Federal Government.

(3) Provide a sentencing enhancement for any violation by a person who is a candidate or a high-ranking campaign official for such candidate.

(4) Assure reasonable consistency with other relevant directives and guidelines of the Commission.

(5) Account for aggravating or mitigating circumstances that might justify exceptions, including circumstances for which the sentencing guidelines currently provide sentencing enhancements.

(6) Assure the guidelines adequately meet the purposes of sentencing under section 3553(a)(2) of title 18, United States Code.

(c) Effective Date; Emergency Authority To Promulgate Guidelines.—

(1) Effective date.—Notwithstanding section 402, the United States Sentencing Commission shall promulgate guidelines under this section not later than the later of—

(A) 90 days after the date of enactment of this Act; or

(B) 90 days after the date on which at least a majority of the members of the Commission are appointed and holding office.

(2) EMERGENCY AUTHORITY TO PROMULGATE GUIDELINES.—The Commission shall promulgate guidelines under this section in accordance with the procedures set forth in section 21(a) of the Sentencing Reform Act of 1987, as though the authority under such Act has not expired.

SEC. 316. INCREASE IN PENALTIES IMPOSED FOR VIOLATIONS OF CONDUIT CONTRIBUTION BAN.

(a) INCREASE IN CIVIL MONEY PENALTY FOR KNOWING AND WILLFUL VIOLATIONS.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraph (5)(B), by inserting before the period at the end the following: "(or, in the case of a violation of section 320, which is not less than 300 percent of the amount involved in the violation and is not more than the greater of $50,000 or 1000 percent of the amount involved in the violation)"; and

(2) in paragraph (6)(C), by inserting before the period at the end the following: "(or, in the case of a violation of section 320, which is not less than 300 percent of the amount involved in the violation and is not more than the greater of $50,000 or 1000 percent of the amount involved in the violation)".

(b) INCREASE IN CRIMINAL PENALTY.—Section 309(d)(1) of such Act (2 U.S.C. 437g(d)(1)) is amended by adding at the end the following new subparagraph:

"(D) Any person who knowingly and willfully commits a violation of section 320 involving an amount aggregating more than $10,000 during a calendar year shall be—

"(i) imprisoned for not more than 2 years if the amount is less than $25,000 (and subject to imprisonment under subparagraph (A) if the amount is $25,000 or more);

"(ii) fined not less than 300 percent of the amount involved in the violation and not more than the greater of—

"(I) $50,000; or

"(II) 1,000 percent of the amount involved in the violation; or

"(iii) both imprisoned under clause (i) and fined under clause (ii).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of enactment of this Act.

SEC. 317. RESTRICTION ON INCREASED CONTRIBUTION LIMITS BY TAKING INTO ACCOUNT CANDIDATE'S AVAILABLE FUNDS.

Section 315(i)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(i)(1)), as added by this Act, is amended by adding at the end the following:

"(E) SPECIAL RULE FOR CANDIDATE'S CAMPAIGN FUNDS.—

"(i) IN GENERAL.—For purposes of determining the aggregate amount of expenditures from personal funds under subparagraph (D)(ii), such amount shall include the gross receipts advantage of the candidate's authorized committee.

"(ii) GROSS RECEIPTS ADVANTAGE.—For purposes of clause (i), the term 'gross receipts advantage' means the excess, if any, of—

"(I) the aggregate amount of 50 percent of gross receipts of a candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held, over

"(II) the aggregate amount of 50 percent of gross receipts of the opposing candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held.

SEC. 318. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(d)(2)) is amended by inserting after "United States" the following: "or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)".

SEC. 319. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

"PROHIBITION OF CONTRIBUTIONS BY MINORS

"SEC. 324. An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.".

SEC. 320. DEFINITION OF CONTRIBUTIONS MADE THROUGH INTERMEDIARY OR CONDUIT FOR PURPOSES OF APPLYING CONTRIBUTION LIMITS.

The first sentence of section 315(a)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(8)) is amended by striking "including contributions which are in any way earmarked or otherwise directed through an intermediary or conduit to such candidate," and inserting the following: "including contributions which are in any way earmarked or otherwise arranged or directed through an intermediary or conduit to such candidate, or solicited by such candidate to support the candidate's election and arranged or suggested by the candidate to be spent by or through an intermediary to support or assist the candidate's election,".

SEC. 321. PROHIBITING AUTHORIZED COMMITTEES FROM FORMING JOINT FUNDRAISING COMMITTEES WITH POLITICAL PARTY COMMITTEES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by adding at the end the following new paragraph:

"(6) No authorized committee of a candidate for Federal office may form a joint fundraising committee with any political committee of a political party.".

SEC. 322. REGULATIONS TO PROHIBIT EFFORTS TO EVADE REQUIREMENTS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 319, is further amended by adding at the end the following new section:

"REGULATIONS TO PROHIBIT EFFORTS TO EVADE REQUIREMENTS

"SEC. 325. The Commission shall promulgate regulations to prohibit efforts to evade or circumvent the limitations, prohibitions, and reporting requirements of this Act.".

TITLE IV—SEVERABILITY; EFFECTIVE DATE

SEC. 401. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect 30 days after the date of its enactment.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a), the following rules shall apply with respect to the spending of such funds by such committee:

(1) During the period which begins on such effective date and ends 90 days thereafter or December 31, 2001 (whichever occurs later), the committee may spend such funds for any activity permitted for the use of such funds prior to such effective date.

(2) During the period which begins on such effective date and ends March 31, 2001, the committee may transfer such funds without limit to any committee of a State or local political party, any organization described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code, or any organization described in section 527 of such Code. Nothing in this paragraph may be construed to permit any committee or organization to which such funds are transferred to use such funds in a manner inconsistent with any of the applicable provisions of this Act or the amendments made by this Act.

(3) At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.

SEC. 403. JUDICIAL REVIEW.

(a) SPECIAL RULES FOR CERTAIN ACTIONS BROUGHT ON CONSTITUTIONAL GROUNDS.—If any person who is aggrieved by any of the provisions of this Act or any amendment made by this Act (or who would be aggrieved by any such provision or amendment when the provision or amendment becomes effective) brings an action which names the United States as the defendant for declaratory or injunctive relief to challenge the constitutionality of the provision or amendment within the 90-day period which begins on the date of the enactment of this Act, the following rules shall apply:

(1) The action shall be filed in the United States District Court for the District of Columbia and shall be heard by a 3-judge court convened pursuant to section 2284 of title 28, United States Code.

(2) A copy of the complaint shall be delivered promptly to the Clerk of the House of Representatives and the Secretary of the Senate.

(3) A final decision in the action shall be reviewable only by appeal directly to the United States Supreme Court. Such appeal shall be taken by the filing of a notice of appeal within 10 days, and the filing of a jurisdictional statement within 30 days, of the entry of the final decision.

(4) It shall be the duty of the United States District Court for the District of Columbia and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of the action and appeal.

(b) INTERVENTION BY MEMBERS OF CONGRESS.—In any action in which the constitutionality of any provision of this Act or any amendment made by this Act is raised (including but not limited to an action described in subsection (a)), any member of the House of Representatives (including a Delegate or Resident Commissioner to the Congress) or Senate shall have the right to intervene either in support of or opposition to the position of a party to the case regarding the constitutionality of the provision or amendment. To avoid duplication of efforts and reduce the burdens placed on the parties to the action, the court in any such action may make such orders as it considers necessary, including orders to require intervenors taking similar positions to file joint papers or to be represented by a single attorney at oral argument.

TITLE V—ADDITIONAL DISCLOSURE PROVISIONS

SEC. 501. INTERNET ACCESS TO RECORDS.

Section 304(a)(11)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(B)) is amended to read as follows:

"(B) The Commission shall make a designation, statement, report, or notification that is filed with the Commission under this Act available for inspection by the public in the offices of the Commission and accessible to the public on the Internet not later than 48 hours (or not later than 24 hours in the case of a designation, statement, report, or notification filed electronically) after receipt by the Commission.".

SEC. 502. MAINTENANCE OF WEBSITE OF ELECTION REPORTS.

(a) In General.—The Federal Election Commission shall maintain a central site on the Internet to make accessible to the public all publicly available election-related reports and information.

(b) Election-Related Report.—In this section, the term "election-related report" means any report, designation, or statement required to be filed under the Federal Election Campaign Act of 1971.

(c) Coordination With Other Agencies.—Any Federal executive agency receiving election-related information which that agency is required by law to publicly disclose shall cooperate and coordinate with the Federal Election Commission to make such report available through, or for posting on, the site of the Federal Election Commission in a timely manner.

SEC. 503. ADDITIONAL MONTHLY AND QUARTERLY DISCLOSURE REPORTS.

(a) Principal Campaign Committees.—

(1) Monthly reports.—Section 304(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(2)(A)) is amended by striking clause (iii) and inserting the following:

"(iii) additional monthly reports, which shall be filed not later than the 20th day after the last day of the month and shall be complete as of the last day of the month, except that monthly reports shall not be required under this clause in November and December and a year end report shall be filed not later than January 31 of the following calendar year.".

(2) Quarterly reports.—Section 304(a)(2)(B) of such Act is amended by striking "the following reports" and all that follows through the period and inserting "the treasurer shall file quarterly reports, which shall be filed not later than the 15th day after the last day of each calendar quarter, and which shall be complete as of the last day of each calendar quarter, except that the report for the quarter ending December 31 shall be filed not later than January 31 of the following calendar year.".

(b) National Committee of a Political Party.—Section 304(a)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(4)) is amended by adding at the end the following flush sentence: "Notwithstanding the preceding sentence, a national committee of a political party shall file the reports required under subparagraph (B).".

(c) Conforming Amendments.—

(1) Section 304.—Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended—

(A) in paragraph (3)(A)(ii), by striking "quarterly reports" and inserting "monthly reports"; and

(B) in paragraph (8), by striking "quarterly report under paragraph (2)(A)(iii) or paragraph (4)(A)(i)" and inserting "monthly report under paragraph (2)(A)(iii) or paragraph (4)(A)".

(2) Section 309.—Section 309(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(b)) is amended by striking "calendar quarter" and inserting "month".

SEC. 504. PUBLIC ACCESS TO BROADCASTING RECORDS.

Section 315 of the Communications Act of 1934 (47 U.S.C. 315), as amended by this Act, is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and inserting after subsection (d) the following:

"(e) Political Record.—

"(1) In general.—A licensee shall maintain, and make available for public inspection, a complete record of a request to purchase broadcast time that—

"(A) is made by or on behalf of a legally qualified candidate for public office; or

"(B) communicates a message relating to any political matter of national importance, including—

"(i) a legally qualified candidate;

"(ii) any election to Federal office; or

"(iii) a national legislative issue of public importance.

"(2) Contents of record.—A record maintained under paragraph (1) shall contain information regarding—

"(A) whether the request to purchase broadcast time is accepted or rejected by the licensee;

"(B) the rate charged for the broadcast time;

"(C) the date and time on which the communication is aired;

"(D) the class of time that is purchased;

"(E) the name of the candidate to which the communication refers and the office to which the candidate is seeking election, the election to which the communication refers, or the issue to which the communication refers (as applicable);

"(F) in the case of a request made by, or on behalf of, a candidate, the name of the candidate, the authorized committee of the candidate, and the treasurer of such committee; and

"(G) in the case of any other request, the name of the person purchasing the time, the name, address, and phone number of a contact person for such person, and a list of the chief executive officers or members of the executive committee or of the board of directors of such person.

"(3) Time to maintain file.—The information required under this subsection shall be placed in a political file as soon as possible and shall be retained by the licensee for a period of not less than 2 years.".

The CHAIRMAN. No amendment to the bill, or to the bill as perfected by an amendment in the nature of a substitute finally adopted, shall be in order except those printed in the portion of the Congressional Record designated for that purpose or otherwise specified in House Resolution 344.

Before consideration of any other amendment, it shall be in order to consider each amendment in the nature of a substitute specified in section 2 of the resolution. Each such amendment may be offered only in the order specified, may be offered only by the Member designated or a designee, shall be considered read, shall be debatable for 40 minutes, equally divided and controlled by the proponent and an opponent, and shall not be subject to amendment except as specified in section 3 of the resolution.

If more than one amendment in the nature of a substitute specified in section 2 is adopted, only the one receiving the greater number of affirmative votes shall be considered as finally adopted. In the case of a tie for the greater number of affirmative votes, only the last amendment to receive that number of affirmative votes shall be considered as finally adopted.

After disposition of the amendments in the nature of a substitute specified in section 2, the provisions of the bill, or the provisions of the bill as perfected by an amendment in the nature of a substitute finally adopted, shall be considered as an original bill for the purpose of further amendment under the 5-minute rule and shall be considered read.

No further amendment shall be in order except those specified in section 3 of the resolution. Each such amendment may be offered only by the Member designated or a designee. Each such amendment shall be considered read, shall be debatable for 20 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question.

Pursuant to the order of the House of Tuesday, February 12, 2002, the Chair shall alternate recognition to offer the amendments specified in section 3 between the majority leader or a designee or the majority leader, and Representative Shays or Representative Meehan or a designee of either Member, only as follows:

The majority leader for one amendment;

Representative Shays or Representative Meehan for one amendment;

The majority leader for 2 amendments in sequence;

Representative Shays or Representative Meehan for one amendment;

The majority leader for two amendments in sequence;

Representative Shays or Representative Meehan for one amendment;

The majority leader for two amendments in sequence;

Representative Shays or Representative Meehan for one amendment;

The majority leader for two amendments in sequence;

Representative SHAYS or Representative MEEHAN for one amendment; and

The majority leader for one amendment.

It is now in order to consider the amendment in the nature of a substitute numbered 13 specified in section 2 of House Resolution 344 by the gentleman from Texas (Mr. ARMEY).

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 13 OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute No. 13 offered by Mr. ARMEY:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ban it All, Ban it Now Act".

TITLE I—SOFT MONEY ACTIVITIES OF PARTIES AND CANDIDATES

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

"SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

"(a) NATIONAL COMMITTEES.—

"(1) IN GENERAL.—A national committee of a political party (including a national congressional or Senatorial campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) APPLICABILITY.— The prohibition established by paragraph (1) applies—

"(A) to any such national committee, any officer or agent acting on behalf of such a national committee, and any entity that is directly or indirectly established, financed, maintained, or controlled by such a national committee; and

"(B) to all activities of such committee and the persons described in subparagraph (A), including the construction or purchase of an office building or facility, the influencing of the reapportionment decisions of a State, and the financing of litigation relating to the reapportionment decisions of a State.

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—Any amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(c) FUNDRAISING COSTS.—An amount spent by a person described in subsection (a) or (b) to raise funds that are used, in whole or in part, for expenditures and disbursements for a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional or Senatorial campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to—

"(1) an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) and that makes expenditures or disbursements in connection with an election for Federal office (including expenditures or disbursements for Federal election activity); or

"(2) an organization described in section 527 of such Code (other than a political committee, a State, district, or local committee of a political party, or the authorized campaign committee of a candidate for State or local office).

"(e) FEDERAL CANDIDATES.—

"(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or an individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of 1 or more candidates or individuals holding Federal office, shall not—

"(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

"(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

"(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1), (2), and (3) of section 315(a); and

"(ii) are not from sources prohibited by this Act from making contributions in connection with an election for Federal office.

"(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual described in such paragraph who is also a candidate for a State or local office solely in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law and refers only to such State or local candidate, or to any other candidate for the State or local office sought by such candidate, or both.

"(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

"(4) LIMITATION APPLICABLE FOR PURPOSES OF SOLICITATION OF DONATIONS BY INDIVIDUALS TO CERTAIN ORGANIZATIONS.—In the case of the solicitation of funds by any person described in paragraph (1) on behalf of any entity described in subsection (d) which is made specifically for funds to be used for activities described in clauses (i) and (ii) of section 301(20)(A), or made for any such entity which engages primarily in activities described in such clauses, the limitation applicable for purposes of a donation of funds by an individual shall be the limitation set forth in section 315(a)(1)(D).

"(f) STATE CANDIDATES.—

"(1) IN GENERAL.—A candidate for State or local office, individual holding State or local office, or an agent of such a candidate or individual may not spend any funds for a communication described in section 301(20)(A)(iii) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) EXCEPTION FOR CERTAIN COMMUNICATIONS.—Paragraph (1) shall not apply to an individual described in such paragraph if the communication involved is in connection with an election for such State or local office and refers only to such individual or to any other candidate for the State or local office held or sought by such individual, or both.".

SEC. 102. DEFINITIONS.

Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

"(20) FEDERAL ELECTION ACTIVITY.—

"(A) IN GENERAL.—The term 'Federal election activity' means—

"(i) voter registration activity;

"(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); or

"(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate).

"(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

"(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

"(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A); or

"(iii) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

"(21) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means a campaign activity that promotes a political party and does not promote a candidate or non-Federal candidate.

"(22) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, or telephone bank to the general public, or any other form of general public political advertising or political advertising directed to an audience of 500 or more people.

"(23) MASS MAILING.—The term 'mass mailing' means a mailing by United States mail or facsimile of more than 500 pieces of mail matter of an identical or substantially similar nature within any 1-year period.

"(24) TELEPHONE BANK.—The term 'telephone bank' means more than 500 telephone calls of an identical or substantially similar nature within any 1-year period.".

TITLE II—SOFT MONEY ACTIVITIES OF CORPORATIONS AND LABOR ORGANIZATIONS

SEC. 201. BAN ON USE OF SOFT MONEY FOR NONPARTISAN VOTER REGISTRATION AND GET-OUT-THE-VOTE ACTIVITIES.

Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by striking "(B) nonpartisan registration and get-out-the-vote campaigns" and all that follows through "and (C)" and inserting "and (B)".

TITLE III—OTHER SOFT MONEY ACTIVITIES

SEC. 301. BAN ON USE OF SOFT MONEY FOR GET-OUT-THE-VOTE ACTIVITIES BY CERTAIN ORGANIZATIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

"BAN ON USE OF NONFEDERAL FUNDS FOR GET-OUT-THE-VOTE ACTIVITIES BY CERTAIN ORGANIZATIONS

"SEC. 324. (a) IN GENERAL.—Any amount expended or disbursed for get-out-the-vote activities by any organization described in subsection (b) shall be made from amounts subject to the limitations, prohibitions, and reporting requirements of this Act.

"(b) ORGANIZATIONS DESCRIBED.—An organization described in this subsection is—

"(1) an organization that is described in section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section); or

"(2) an organization described in section 527 of such Code (other than a State, district, or local committee of a political party, a candidate for State or local office, or the authorized campaign committee of a candidate for State or local office).".

SEC. 302. BAN ON USE OF SOFT MONEY FOR ANY PARTISAN VOTER REGISTRATION ACTIVITIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 301, is further amended by adding at the end the following new section:

"BAN ON USE OF NONFEDERAL FUNDS FOR PARTISAN VOTER REGISTRATION ACTIVITIES

"SEC. 325. No person may expend or disburse any funds for partisan voter registration activity which are not subject to the limitations, prohibitions, and reporting requirements of this Act.".

The CHAIRMAN. Pursuant to section 2 of House Resolution 344, the gentleman from Texas (Mr. ARMEY) and a Member opposed each will control 20 minutes.

Chair recognizes the gentleman from Texas (Mr. ARMEY), the majority leader.

Mr. HOYER. Mr. Chairman, I claim the time in opposition.

The CHAIRMAN. The gentleman will be recognized.

Mr. ARMEY. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, in light of today's debate, that I anticipate will feature a great deal of self-flagellation and tacit indictment of one another, let me state at the outset that I am not now, never have been, nor ever will be corrupted by contributions to my campaign in soft or hard money, and I do not believe any of my colleagues have now, ever have been, or ever will be corrupted.

That is a great fiction for demagoguery, but it is not the facts of who we are, and we ought to have the courage to stand up and say, my colleagues, that we are decent, honest, hard-working servants of this country, our respective districts, and the ideas that we embrace. And I, for one, am proud to make that comment about myself and my colleagues.

We have in this debate a great deal of allegiance to Shays-Meehan. There is Shays-Meehan No. 1, the original bill that attracted a lot of cosponsorship, and a lot of people will come to the floor and say, I am for that, and by their commitment to Shays-Meehan will be for the original Shays-Meehan bill, a couple of years old now.

There are those who will say I am committed to what I call Shays-Meehan No. 2; that revision of the original Shays-Meehan that featured 17 amendments that were offered by a rule earlier in this Congress, in 17 separate amendments, which was considered unfair and resulted in the rule being voted down, principally by proponents of Shays-Meehan.

Or there may be those who believe in Shays-Meehan No. 3; that which we discovered in the wee hours of the morning as they were presented last night with some seven or eight new amendments to it, which will be offered later as a substitute by the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN).

What is the common thread that runs through Shays-Meehan No. 1, No. 2, and No. 3? A consistent pattern of the accumulation of loopholes to the soft money ban. It may be that my memory does not serve me well, but it is possible perhaps Shays-Meehan No. 1, the original, did have an immediate, full, complete, comprehensive ban on soft money. That may or may not have been the case, but it is sure not the case now.

We have in the accumulation of loopholes some 20 loopholes to the soft money ban. The one thing for certain we can say about Shays-Meehan, as we will see it on this floor, is there is no full soft money ban now.

My favorite loophole of the soft money ban, and the only one I will talk about because there are so many loopholes, is the one that popped up last night around midnight. That loophole, under the guise of reform, allows people to do with soft money after reform what they cannot do legally today, and that is borrow soft money, spend it as hard money, and then after the election to pay it off as soft money. That one cracks me up.

How in the world could anybody with a straight face say I am here with a heartfelt commitment to get rid of the evils of soft money and vote or even offer such an amendment to Shays-Meehan?

If my colleagues want to end soft money now, now, vote for the Armey substitute. It does not end soft money after the election, it does not end soft money after we have used it to manipulate hard money, it is now. So if, in fact, my colleagues have the courage of their convictions and they want to put their money where their mouth is, their soft money where their soft-spoken mouth is, vote for Armey and get rid of soft money now.

If my colleagues do not want to get rid of soft money now, then quit talking about it. I mean, at least do us the courtesy of giving us the benefit of the doubt with respect to the suspicion that we are not total idiots. We are either for a ban on soft money now or we are not. We are either for tricks and gimmicks, exceptions and loopholes or we are not. If we are for a real ban now, vote for Armey.

Mr. Chairman, I ask unanimous consent that I be allowed to yield the debate time I have remaining on my amendment to the gentleman from Georgia (Mr. LINDER), and I further ask unanimous consent that he be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) may each control 5 minutes of the time allocated to me, and that they may yield such time.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I have in my hand a letter from Mr. Larry Noble, executive director and general counsel of the Center for Responsive Politics, who was the former General Counsel of the Federal Election Commission, and I quote from that letter:

> "It is clear under Federal election law that only hard money can be used to pay off a loan that was used for hard money expenditures."

Constantly, the other side has been using as a windmill that they want to have us quixotically focus on, this incorrect claim that we somehow allow soft money to be used to pay off hard money debt. The letter goes on to say, "I see nothing in section 402(b)(1) of the Shays-Meehan Substitute," referred to by so many of the speakers, "that would supersede current Federal law. Under section 402(b)(1), soft money funds on hand after elections could only be used to pay off debts or obligations used for soft money expenditures."

Mr. Chairman, I provide for the RECORD the letter I just quoted from.

CENTER FOR RESPONSIVE POLITICS,
Washington, DC, February 13, 2002.

Hon. CHRISTOPHER SHAYS,
Longworth Building, Washington, DC.

DEAR CONGRESSMAN SHAYS: This is in response to your question regarding whether a national committee of a political party can use soft money to pay off a debt or obligation that was used to fund expenditures that must be paid for with hard money. It is clear under federal election law that only hard money can be used to pay off a loan that was used for hard money expenditures. I see nothing in Section 402(b)(1) of the Shays-Meehan Substitute Amendment that would supersede current federal law. Under Section 402(b)(1), soft money funds on hand after the election could only be used to pay off debts or obligations used for soft money expenditures.

If you have any other questions, please do not hesitate to contact me.

Sincerely,

LARRY NOBLE,
Executive Director and General Counsel, (Former General Counsel of the Federal Election Commission).

Mr. LINDER. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DOOLITTLE), who has some time constraints, and then I will make my comments.

□ 1215

Mr. DOOLITTLE. Mr. Chairman, I thank the gentleman for yielding me this time.

I draw Members' attention to an article in today's Washington Post, not by a Republican or a conservative, by Robert J. Samuelson, entitled "It Is Not Reform, It Is Deception." That is all this Shays-Meehan bill and the McCain-Feingold bill are about. I encourage Members to read it because it is not from a Republican perspective, and yet it makes all the Republican arguments. With all of the demagoguery we are going to hear today, I hope Members will read this because in one little summary, Members will get the essence of what this is all about.

Mr. Chairman, the disastrous present law that we have was given to us by the same liberals who are now bringing to us an updated version in the Shays-Meehan bill. This law was rammed through in 1974 by liberal Democrats in the far left of the think tanks to try and take advantage of Republicans through the law and making it harder for them to campaign. It worked. It took us 20 additional years before we won the House of Representatives as a result of that law.

If this disastrous bill passes today unamended, I suspect we will have another 20 years in the trenches before we ever come back. Why is it right to abuse the law to skew it in favor of one party and against another? It is terribly wrong.

As Samuelson says, it is not reform, it is deception. I support the amendment of the gentleman from Georgia (Mr. LINDER). If we ban soft money, ban it cleanly, not with 85 pages of exceptions like the Shays-Meehan bill does. Ban it cleanly. It does not need to be banned, but I am going to vote for the amendment because I want the bill to go to conference.

This disastrous system the Democrats gave us needs to be fixed. The only way to fix it and get a level playing field is to send it to conference. I support the gentleman's amendment.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the gentleman from Virginia (Mr. MORAN.)

Mr. MORAN of Virginia. Mr. Chairman, first of all, I take great exception to the majority leader's words that we think that he is a total idiot. Not only is the gentleman very clever, but his amendment is very clever. It is not the words that are the problem, it is the intent. In fact, only 8 cents out of every soft-money dollar spent in the 2000 campaign cycle spent by the parties went to voter education, phone banks, voter registration, get-out-the-vote, traditional party-building activities. The problem is the intent. If this passes, it will go to conference, and it will be killed in conference.

Mr. LINDER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, to begin to address the question of intent, this bill, or the vast majority of this bill, was actually introduced March 15, 2001. It was introduced by me after talking to many people about it because I believe if we want to get rid of soft money, Members ought to do that.

Every year since 1995, this body has been offered a version of Shays-Meehan, and in every Congress we have listened to our colleagues take the floor of the House to vilify soft money and all of its evils and ills; yet in all of the various incantations of the Shays-Meehan language that we have seen over the years, we have never seen a version that bans soft money in Federal elections. Let me say that again. In all of the various incantations of the Shays-Meehan language that we have seen over the years, we have never seen a version that bans soft money in Federal elections.

Further, in nary a rendition of the Shays-Meehan bill, have the authors banned all soft money immediately. That is right. Yet for the rest of this day and into the night, we are going to hear that this proposal bans soft money. It calls to mind the wonderful line from Alice in Wonderland when one of the character says, "When I use a word, it means exactly what I want it to mean." That is what "ban" is going to be today.

Mr. Chairman, I am the former chairman of the National Republican Congressional Committee. I ran that committee on the very soft dollars that we seek to ban today. So when I speak about the need to end soft money in Federal politics, I know of what I speak. It is from that background that I came to the floor proudly today to support the ban-it-all, ban-it-now reform legislation of the gentleman from Texas. I support campaign finance reform.

In fact, even as a former NRCC chairman, I introduced my own campaign finance reform legislation in this Congress, legislation that would ban all soft money used by national committees, corporations, and labor unions. I am pleased that much of that bill is incorporated in this substitute today. But the debate here today is not about my language; it is about my principles. And while I support campaign finance reform, principle prevents me from supporting Shays-Meehan.

Mr. Chairman, all Americans deserve a voice in the political process, and we need campaign finance reform to ensure that all voices are heard. Yet Shays-Meehan simply silences some voices altogether while amplifying others. Shays-Meehan creates a playing field, but it is not a level playing field. It is a field where winners are guaranteed. Clever rhetoric and good intentions have never been able to hide this fatal flaw.

While soft money is certainly not the root of all evil in modern politics, all direct contributions to national parties from corporations, labor unions, or individuals should fall under the same regulation as direct contributions to candidates fall under. Ultimately, campaign finance reform must be about fairness. Bringing corporations, labor unions, interest groups, and individuals under the same regulations as everyone else is the only way to achieve honest fairness.

The substitute put forth by the majority leader and I does not play favorites. It does not pick winners and losers. It does not use clever language or fancy phrases. Rather, it identifies a single societal goal, accountability and disclosure in politics; and then it proceeds to be certain that this end is achieved. It identifies a single problem in politics and focuses all of its energy and power on effecting a solution; and that is the bill we have before us today.

In 12 simple pages, this bill bans every dollar of unregulated, unaccountable, and undisclosed money that can be constitutionally eliminated from Federal politics. Again, every cent of unregulated, unaccountable or undisclosed money that can be constitutionally eliminated from Federal politics is eliminated by this language. Why? Because America is asking for accountability from its government, and we answer that call. We answer it not next cycle, not next year, not in 60 to 90 days, but we answer the call today, now. Not in 100 pages, not in 75, not in 50; but in 12 simple pages, this bill addresses completely what the proponents of Shays-Meehan language have been attacking for nearly a decade. Do not let the length fool Members. The language of the substitute is thorough, it is total, and it is complete; and it actually does ban soft money.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield the balance of my time to the gentleman from Florida (Mr. DAVIS) and ask unanimous consent that as a member of the Committee on House Administration, that he may control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Utah (Mr. MATHESON).

Mr. MATHESON. Mr. Chairman, simply stated, campaigns in this country really ought to be a dialogue between candidates and voters. Members all have their own personal experiences. I was just elected in November of 2000. That dialogue that should have been taking place between candidates and voters was diluted and in fact polluted by massive amounts of unaccountable soft money. That is money that funded issue commercials that were sham ads that were deceptive, or they contained out-and-out lies; and there was no one to hold accountable, including my opponent. And, quite frankly, my opponent took some blame for that, and it was inappropriate. Today is the day we can stand up and try to clean up this process so Members have that appropriate dialogue between candidates and voters. I encourage Members to support the Shays-Meehan bill.

Mr. LINDER. Mr. Chairman, I yield 2½ minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I thank the gentleman for introducing a bill that is relatively clean of the hypocrisy that we seem to have in some of the other bills. It is interesting that we hear over and over again that the Shays-Meehan bill bans soft money; and yet if we look at it, and I advise Members to look at the doggone bill because if Members say it bans soft money, they have not read the bill or they are misrepresenting the bill. It is one or the other.

But what it basically does is it reregulates soft money and tilts the scale more favorably to certain special interest groups. It is analogous to pushing food around on the plate to make momma think the vegetables have been eaten. I hated green peas. I know the game. I did it all of the time. That is what is going on here. Members are patting ourselves on the back and head and acting holier than thou and saying we banned soft money today.

Mr. Chairman, it does not do that. It creates a $60 million soft money loophole for State and local parties. It allows the Democratic National Committee to build a $40 million headquarters building with soft money. It lets candidates solicit unlimited soft money for 501(c) groups; and it allows soft money to buy billboards, direct mail, telephones, and door-to-door political activities. What a ban.

It also is curious to me that the supporters of this bill decry how badly needed it is and how we should have done it yesterday, but postpone it until after this year's election.

Mr. Chairman, I want a show of hands, how many Members think that is a good idea? Members want it, but think it is a good idea to wait until after the election. I applaud those Members for their honesty. I will make the observation that the majority of the Members did not raise their hands.

Mr. Chairman, let me say this is not a ban on soft money. This is a make-believe bill. It just reregulates things and skews things. I know the New York Times wants it, and a lot of Members worry about The Washington Post and the New York Times. And if I was in the DCCC, I would look at this bill very favorably, but it does not do anything to clean out what is perceived to be the problem with politics.

Mr. Chairman, I believe that the Linder-Armey bill does a much better job in that regard, and I urge my colleagues to support it.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Washington (Mr. BAIRD).

Mr. BAIRD. Mr. Chairman, Members of the House know it, Senator MCCAIN knows it, Granny Dee knows it, and most importantly, our constituents know it. Money and campaign financing are having a corrosive influence on the political process today.

I personally reject the charge that it is corrupting Members of this august body, but Members all know with absolute certainty that the process of raising money is taking precious, precious time away from the matters that are before us. We know with equal certainty that many Members of this body pause at least once to ask themselves how a vote will affect their contributions when they should be asking solely how it will affect this great Nation.

In this debate we have heard the majority party assert that passage of Shays-Meehan and McCain-Feingold will harm their political fund-raising. That is symptomatic of the problem. We should not be asking is this good for one party or another. Members should be asking solely and simply: Is it good for the United States of America and the people we represent? Shays-Meehan is good. Pass this bill. Reject the poison pills and send it to the President.

Mr. MEEHAN. Mr. Chairman, I yield the balance of my time to the gentleman from Michigan (Mr. LEVIN) and ask unanimous consent that he may control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The CHAIRMAN. The gentleman from Georgia (Mr. LINDER) has 8½ minutes remaining. The gentleman from Florida (Mr. DAVIS) has 6½ minutes remaining. The gentleman from Connecticut has 5 minutes remaining. The gentleman from Michigan (Mr. LEVIN) has 5 minutes remaining.

Mr. LINDER. Mr. Chairman, I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. BLUMENAUER).

Mr. BLUMENAUER. Mr. Chairman, part of the legacy of President Teddy Roosevelt was an effort to get rid of corporate contributions to Federal elections, and they have been illegal for almost a century. But what we have seen over time, the evolution of a system that has permitted corporate contributions to move into the political process, be the process of soft money, something that is corrupting on those who have to contribute it, who have to receive it. It is not good for the American public.

Mr. Chairman, what we have here today in this amendment is a ploy to attempt to allow the current system to continue. There is no objective here in terms of reforming campaign finance.

□ 1230

We have heard it from some of our friends in the opposition, they want to simply get it to a conference committee where it will die a lingering, quiet death, and people can continue to manipulate the current system. My hats are off to our colleagues, the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN), for their work throughout the last 6 years to get us to this point where we can actually get something passed that will make a difference.

I urge my colleagues to reject this amendment and approve Shays-Meehan.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee (Mr. FORD).

Mr. FORD. Mr. Chairman, we are addicted to this money, Democrats, Republicans, and I daresay the Independent, but I know the gentleman from Vermont (Mr. SANDERS) is not. We love the golf tournaments, the concerts, the traveling, all the wonderful things that this soft money allows us to do in this Congress. But let us be honest. Some on this side of the aisle have suggested, my dear friend the gentleman from Ohio (Mr. NEY) has suggested that this bill is an incumbent protection bill. Currently for those watching on C-SPAN and those in the gallery, 97 percent of us get reelected each time we run. So how much more of an incumbent protection bill will it actually be?

Your argument would be strengthened if somehow or another you could prove that more money correlated to a bigger voter turnout. But what we have seen over the last three election cycles is that more people are turned off by all of this money, more people are turned off by all of this rhetoric than they are actually activated. This notion that somehow or another this soft money will activate grassroots organizations, the facts do not support it.

Vote down this amendment. I say to my dear friend the gentleman from Texas (Mr. ARMEY), I wish we could have had you when we were negotiating this soft money ban from early on.

Vote "no" on Armey. Allow Shays-Meehan to pass.

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. The Chair would remind Members to address remarks to the Chair and not to those in the audience.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from Rhode Island (Mr. LANGEVIN).

Mr. LANGEVIN. Mr. Chairman, I rise in strong support of the historic Shays-Meehan Campaign Finance Reform Act today. For too long, our Nation's elections have been tainted by the effects of soft money, and the Shays-Meehan bill is the only measure that will put an end to this corrupting influence.

Public participation is the cornerstone of a healthy democracy. As secretary of state of Rhode Island, I worked to make government more accessible to our citizens. However, despite these advances, my constituents still feel disheartened by our Nation's election system because large sums of money drown out the voice of the average voter.

Reform is never easy. We often forget the immense courage exhibited by our Founding Fathers in challenging the status quo. We must remember this lesson and vote for true campaign finance reform that will take the reins of democracy out of the hands of corporations and interest groups and restore the voice of our citizens. Vote against the Armey substitute and for Shays-Meehan.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. I thank the gentleman for yielding me this time.

Mr. Chairman, current campaign finance laws were written to curb the abuses of another generation. Thirty years later, a new plague has infected our Nation's elections, soft money. This money, these unlimited contributions, are used to run attack ads, and they do distort our public policy choices here. That is why I urge all my colleagues to defeat all of these amendments and substitutes that are being proposed and to pass Shays-Meehan. If this government is to remain a government of the people, by the people and for the people, we must take soft money out of this campaign finance system. We must pass Shays-Meehan and take these unlimited contributions and set them aside. Our democracy will work, and work far better than it does today, if we pass this bill.

Mr. LINDER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Florida (Mr. KELLER).

Mr. KELLER. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise today in strong support of the gentleman from Texas' campaign finance reform bill to completely ban all soft money.

I support this bill for three reasons: First, this bill completely bans all soft money to national, State and local parties, unlike the Shays-Meehan bill which has a $60 million loophole for soft money to State and local parties.

Second, the Shays-Meehan bill is blatantly unconstitutional, because it attempts to ban outside groups from running any television or radio ads 60 days before an election. The gentleman from Texas' bill contains no such constitutional problems.

Third, it is critical that we pass the Armey campaign finance reform bill in order to send this legislation into the conference committee so that the President of the United States will have some input into the campaign finance reform debate. Specifically, President Bush has repeatedly said that paycheck protection is an important component to any campaign finance reform bill, yet there currently is not a paycheck protection component to the Shays-Meehan bill.

Mr. SHAYS. Mr. Chairman, I yield myself 15 seconds to point out to the gentleman that our bill does not ban outside ads 60 days to an election. It just says you cannot use corporate treasury money, union dues money or unlimited money.

Mr. Chairman, I reserve the balance of my time.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. I thank the gentleman for yielding time.

I applaud the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) for their distinguished and hard work that has brought this bill to the floor today.

Mr. Chairman, many of my colleagues on the other side of the aisle have used the word "hypocrisy," but the biggest hypocrite, the only hypocrite in this body today is anyone who votes against Shays-Meehan and for any of the poison pills or the substitutes that will send it, the bill that they are supporting, to the conference committee where it will certainly die and be killed in conference.

Shays-Meehan has already passed the Senate. It has the fragile flower of consensus that has been worked out carefully, over 10 years. We have the best opportunity now in 10 years to pass meaningful reform, send it to the President, and he says he will sign it.

If Members are serious about campaign finance, then vote for Shays-Meehan and show the American public that our government is not for sale.

Mr. LINDER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Chairman, I rise in support of the Armey amendment, which frankly is an amendment that really points out what a sham the Shays-Meehan legislation is.

The Shays-Meehan legislation says it bans soft money. No, it does not. It has got a $60 million soft money loophole, and the sponsors know it. The Armey legislation actually is a true soft money ban. So if you want to get rid of soft money, vote for the Armey amendment.

But also I want to urge my colleagues to read the bill, because not only is Shays-Meehan a sham, but also there is a betrayal in this legislation. Many Members were urged to sign the discharge petition saying we needed to rush it to the floor. Of course the effective date now is postponed until after the election, negating that argument. But also last night at midnight, there was a change made to the bill which will allow committees such as the Democratic Congressional Committee to borrow money against their building fund, which has up to $40 million, to borrow hard money and pay it back with soft money; pay a hard money loan with soft money, a total betrayal of the basic principles of Shays-Meehan.

Mr. SHAYS. Mr. Chairman, I yield myself 1 minute to say to the distinguished gentleman, he is just dead wrong. He is dead wrong about what he has said.

First, this bill was not brought in at the midnight hour. That is just simply inaccurate. He is simply inaccurate about somehow that this is a sly thing to have the bill take effect in November. No, the reason why it is taking effect in November is that we have had 16 months already pass. Sixteen months have already passed. And so it becomes extraordinarily difficult to implement a bill in which 16 months have passed.

Mr. LINDER. Mr. Chairman, I continue to reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, it is my distinct pleasure to yield 1 minute to the gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Chairman, I rise in opposition to the substitute. The moment of truth has arrived. I came to this House 4 years ago in a special election. My very first official act after being sworn into office was to cosponsor the bill by the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN). It is still one of the proudest moments of my career. The gentleman from Connecticut and the gentleman from Massachusetts have kept the torch burning for many years. I salute them. I also salute my 20 friends on the other side of the aisle who have signed the discharge petition, who have acted courageously and stood up to their own leadership.

Mr. Chairman, we have all seen the abuses and excesses of our political system. We also know that these substitute bills do not represent reform. They are cynical attempts to force the bill into conference with the Senate, where it has died many times before.

Before any of us ever heard the word Enron, we knew full well that the voices of our constituents can and are often drowned out by powerful groups with endless resources. In so many of our national debates, from prescription drugs to patients' rights to our energy policy, special interests have held sway over the people's interests. It is time today to pass Shays-Meehan to honor the people we represent, the American people.

Mr. LINDER. Mr. Chairman, I yield myself such time as I may consume.

I would like to point out that there was nothing cynical about my intent to introduce this bill a year ago. There is nothing cynical about supporting it now.

Mr. Chairman, I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Chairman, on September 11 our democracy was tested by foreign terrorists. With unity and resolve, we met that test.

Today our democracy faces a different challenge, a cancer from within, in the form of massive campaign contributions called soft money. The victims of this cancer are the millions of decent, hard-working Americans whose voices are being drowned in a sea of special interest contributions.

Trying to call million-dollar contributions "free speech" gives a new meaning to the phrase "money talks." And Americans know that in Washington, DC, money is talking too loudly.

Free speech is a fundamental right, but in a democracy, the strength of a citizen's voice should depend upon the quality of one's ideas, not the quantity of one's bank account.

Let us unite once again in defense of our democracy. Let us affirm the great American ideal that this should truly be the people's House, where the voice of every citizen is heard, not just a privileged few.

Vote for Shays-Meehan and oppose all Trojan horse substitutes.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from California (Mrs. TAUSCHER).

Mrs. TAUSCHER. I thank my friend and colleague for yielding time.

Mr. Chairman, I have supported Shays-Meehan since being elected to Congress in 1996. I helped pass this bill twice. I hope today we can get a clean bill so we can vote for it again. I urge my colleagues to oppose the Armey substitute so we can get a clean vote today on Shays-Meehan.

Our democracy deserves honest campaigns and honest elections. Voters deserve to know the truth about who is working to affect election outcomes, including the people and interest groups bankrolling ads and campaigns. There is no reason parties need to collect large, unregulated amounts of money that can be used to directly influence elections. Campaign finance reform will help restore the public's faith in elected officials and the legislative process.

Unfortunately, the Republican leadership will stop at nothing to kill this bill, only further distancing working families from their government.

□ 1245

I hope supporters of reform in previous years will keep working with both parties and support real reform again this year and today when it really matters.

Mr. LINDER. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I rise in support of the amendment because it offers us a straightforward choice: either you ban soft money or you do not.

It was our second President, John Adams, who pointed out that facts are stubborn things. And on pages 78 and 79 of the Shays-Meehan bill, here it is: "This act and the amendments made by this act shall take effect November 6, 2002."

It is a fair question to ask: Why would we set up a new loophole to really have a type of legalized money laundering, hard money for soft money, all the little gyrations we can have? Certainly not for partisan advantage from my high-minded friends on the left or my well-meaning friends on the right. Certainly not for that. But yet, at the end of the day, how can you deny it?

Facts are stubborn things. I do not question the intent, although it is provocative. But if it is good enough to ban soft money, why not do it now, and not wait until the day after election day? Do it now.

Mr. SHAYS. Mr. Chairman, I yield myself 15 seconds to point out to the gentleman that there is nothing in this bill that allows soft money to be replacing hard money; nothing in this bill whatsoever.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from South Carolina (Mr. GRAHAM).

Mr. GRAHAM. Mr. Chairman, the hardest thing I think in politics or life is to argue with people you are close to personally and that you share a common philosophy and way of doing business with. That is where I find myself. I find myself in the distinct minority among my party. I find myself hearing the Speaker and others saying this particular piece of legislation would destroy my party. I respectfully disagree, but it is no fun being where we are at today.

In 1996, when we first started talking about reforming this system, it sounded good to me, and it still does. Half the people in this country vote. Of those eligible to vote, half of those do not even register. We are getting down to just a few people having participation feelings about our government.

I am convinced, rightly or wrongly, that the way we conduct campaigns is turning Americans off in droves.

The soft money problem, I am glad this amendment is up. We need to ban soft money. I would say to the gentleman from Arizona (Mr. HAYWORTH), we need to do it now, we really do; and I am going to vote for that. But I am going to vote for Shays-Meehan.

A lot of this is games. But let me tell you what it is like. If you give $25,000 to the Republican Party, the Democratic Party wants $30,000, because it gets out in about 30 seconds. If you are a company out there and they call you up on the phone wanting money, you say no at your own peril. If there is a bill in Congress that affects the average everyday American, somebody can send $10 million up here to either party, and you will never convince me that does not affect the quality of legislation.

I am ready and willing to do something about it, even if I have to argue and disagree with the people that I hold dear personally and professionally. I think America needs to change the way we conduct our campaigns, and I am willing to pay a price by making my friends mad at me.

Mr. LEVIN. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. CROWLEY).

Mr. CROWLEY. Mr. Chairman, who are we kidding? We are not kidding the American people. They get this. They know that if we pass this substitute or any of 10 amendments by the majority, that, for all practical purposes, we will have killed Shays-Meehan and true campaign finance reform for this year.

You talk about cooking something up at the last minute. My understanding is our side of the aisle only got notice of this substitute at 1 a.m. this morning. It is unfortunate, but if the sponsors of this substitute really wanted to be actively engaged in this process, they should have done it earlier, and many of their proposals quite possibly could have been included in the ultimate Shays-Meehan bill. But they failed to do that, and we find ourselves now with this substitute before us.

I say we vote it down, we pass Shays-Meehan, and bring real campaign finance reform to the people of this so-deserving country.

Mr. LINDER. Mr. Chairman, I am pleased to yield 1 minute to the gentlewoman from Pennsylvania (Ms. HART).

Ms. HART. Mr. Chairman, I rise in support of the substitute. I rise in support of the substitute because the base bill is not perfect. Granted, no bill is perfect. This bill does one thing that it should not do, it continues to allow soft money participation in campaigns.

When I speak with people in my district, they want us to clean up campaigns. They ask me to support Shays-Meehan. I discuss with them what they are really concerned about regarding campaigns, and they say they want us to eliminate soft money. That is what this substitute does.

Many of us signed a Common Cause pledge when we ran a couple of years ago that said I will support a complete ban on soft money and will oppose any legislation that does not completely ban soft money.

Now, many of those who are supporting the bill as it is written today, the Shays-Meehan bill, are not banning soft money and are violating the Common Cause pledge.

I am going to stick with the pledge, support the bill that eliminates soft money, and also support the bill that makes sure that these changes take effect now.

Mr. DAVIS of Florida. Mr. Chairman, I ask unanimous consent to return control of the time on this side to the gentleman from Maryland (Mr. HOYER).

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I would like to say this bill does have a purpose: it allows people to honor their pledge, but then kill campaign finance reform. This bill is not a bill that can pass the Senate. It is a bill that is not going to go anywhere. It is a bill that would force a conference committee, and in the conference committee we know what is going to happen.

So this is why this bill has finally come forward. There will be a few people that say I want a pure bill. They can say I lived up to my pledge and helped kill campaign finance reform in the process.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentlewoman from the District of Columbia (Ms. NORTON).

Ms. NORTON. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, a Presidential spokesman has just said good things about Shays-Meehan and Ney-Wynn. After Enron I suspect the President to ultimately choose Shays-Meehan, and so should we.

Opponents have now put forward a substitute they have always argued was unconstitutional because it bans all soft money. Shays-Meehan skillfully threads its way through the constitutional thicket to conform with the Buckley Supreme Court decision.

The President sees no way around Enron and campaign finance reform. I think he will shortly see that all roads to reform lead to Shays-Meehan.

Mr. LINDER. Mr. Chairman, can the Chair tell us how much time is remaining?

The CHAIRMAN. The gentleman from Georgia (Mr. LINDER) has 4½ minutes remaining, the gentleman from Maryland (Mr. HOYER) has 2 minutes remaining, the gentleman from Connecticut (Mr. SHAYS) has 30 seconds remaining, and the gentleman from Michigan (Mr. LEVIN) has 1 minute.

Mr. LINDER. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin (Mr. GREEN).

Mr. GREEN of Wisconsin. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I know it is early in what will be a long day; but in many ways, it is already midnight at the costume party. It is time we remove our masks and we see who is who. We need to be very clear where we are right now, and I hope the folks who are watching the debate are very clear on where we are right now.

Shays-Meehan, as filed late last night, does not ban soft money. Let me repeat that. Shays-Meehan does not ban soft money. It restricts it, it plays with it, but it does not ban soft money.

I notice that my friends on the other side are avoiding a debate on details. Our side talks details; their side talks generalities. Why? Because the details are not favorable to them.

As my colleague, the gentleman from Arizona (Mr. HAYWORTH), did earlier, I encourage everyone to look at pages 78 and 79 of this bill. Do not take my word for it. Look at the bill yourself. It has a State and local party loophole to soft money that is $60 million nationwide. That is a ban on soft money? It does not ban unlimited contributions from Indian tribes and their general treasury. It contains a special loophole for what we all know is the DNC building fund. On page 78 and 79 you can see it for yourself. Is that a ban on soft money? It even arguably allows soft money to be used as collateral for hard-money loans.

They say this amendment is a poison pill. If it is, it is a poison pill that is worth about $40 million to the other side. This is not a swiss cheese soft-money ban, as one of my colleagues referred to it. It is something full of holes and loopholes, but there is not enough cheese here for it to qualify.

Mr. Chairman, if you want to ban soft money, there is only one vote today that bans soft money. This is it. Nobody, nobody who votes against this substitute amendment, can say they voted to ban soft money.

Mr. SHAYS. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I just would like to point out to the gentleman that soft money had its introduction to enable people to build buildings. We did not create this. It has been in the bill forever.

We are just simply saying that if a party is, frankly, stupid enough to spend its soft money to build a building instead of campaigning against us, be our guest. If they have committed to it, they cannot raise any soft money after November 6, but they certainly can pay their bills on money they set aside.

I would prefer them building a building rather than running against us, and that is their choice. You cannot use any soft money for any hard-money expenditure, which the gentleman is also incorrect about.

Mr. HOYER. Mr. Chairman, I yield myself 1 minute, and then I will yield the balance of my time to the gentleman from Michigan (Mr. LEVIN) for the purpose of closing.

Mr. Chairman, I rise in opposition to the Armey substitute. The debate here is saying that if you do not vote to ban all soft money, do not vote to ban any soft money. When the proponents of the amendment to ban all soft money know that its inevitable effect will be to ban no soft money, does that sound somewhat Orwellian? It is. Does it sound like giving with the right hand and taken away with the left? It is.

My friends, all of us know, everybody in America knows, there is but one opportunity to ban at least a large portion of soft money, and that is Shays-Meehan. Vote against this Armey substitute.

Mr. LINDER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I would like to point out that for those who think this is cynical, this bill was essentially introduced in March of last year. Both parties raised about the same amount of soft money, about $245 million in the last cycle; and we should ban it all, and those who do not want to ban it all, do not want to ban it.

The Shays-Meehan bill will only reduce soft money for national political parties; admittedly, not to local parties, admittedly not to interest groups. They can still continue to use soft money. Only national political parties will be totally forbidden from using soft money.

Yet, we are going to drive wedges between the national parties and special interest groups. We are going to make our politics narrower and narrower in focus, because interest groups tend to have a single interest. Whether it is pro- or anti-abortion, pro- or anti-gun, pro- or anti-environmental, they are single-issue organizations, and they will be unfettered in their use of soft money, and we will have candidates across this country trying to genuflect between the alter of this group or that group, and not to the people with the broadened philosophy, but with narrow interests. That is bad for our politics; it is bad for our policy.

□ 1300

This substitute was not cynical. For those who say it is a poison pill, let me just say that that is a bad cliche, and, for the most part, cliches are substitutes for rigorous thought. This was put forth a long time ago. It could have been read long before Shays-Meehan was ever even produced at midnight last night. In fact, many of the folks who signed the discharge petition which passed the rule to put this bill on the floor have not read this Shays-Meehan version yet. This is only the most recent iteration.

If we want simply to curb some soft money, but not all, support Shays-Meehan. If we want to simply marginally reduce corporate, union and special interest loopholes, support Shays-Meehan. If we want to nibble around the edges of this debate year after year after year, then the Shays-Meehan is the bill for you. But if we want a complete and total ban on every dollar of soft money involved in Federal election advocacy today, then join me and the gentleman from Texas (Mr. ARMEY), and support this substitute. Join us. Ban it all; ban it now.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Mr. Chairman, I yield myself the remainder of my time, and I thank the gentleman from Maryland (Mr. HOYER) for yielding me the time.

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Chairman, the Speaker has apparently said that it is Armageddon for the Republicans if Shays-Meehan passes. I think the real problem is that it would be Armageddon for them if they defeated it. So what we are seeing here are tactics to obscure the issue.

Shays-Meehan does not nibble around the edges of soft money. It gets at the vice, and that is the unrestricted use of soft money for so-called issue ads. All it allows in a very circumscribed way, very circumscribed, is money for registration and get-out-the-vote. We will go into that later. Mr. Chairman, $40 million. It is absurd to talk that way. What Shays-Meehan tries to do is to preserve the democratic processes of registration and getting out the vote.

What does the Armey amendment do? What it essentially says is no one can use even their own funds to help register people or get them out to vote, whether it is the NAACP or the NRA or anybody else. Nobody can use any of their own treasury monies. It is antidemocratic. What it is is a smokescreen, and we can see through it. The opposition cannot decide whether it wants to open the spigot altogether or shut it down altogether. You are moving from pillar to post when the solid position in the middle of this issue is Shays-Meehan.

Vote down the Armey amendment and let us pass true reform. The day has come for Shays-Meehan, McCain-Feingold, and nothing is going to stop that effort.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. ARMEY).

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SHAYS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 179, noes 249, not voting 6, as follows:

[Roll No. 19]

AYES—179

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Bartlett
Barton
Biggert
Bilirakis
Blunt
Bonilla
Bono
Boozman
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Duncan
Ehlers
Emerson
English
Everett
Ferguson
Flake
Fletcher
Forbes
Fossella
Gallegly
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Paul
Pence
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thornberry
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Watkins (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Young (AK)
Young (FL)

NOES—249

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barr
Barrett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Boehner
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Ford
Frank
Frelinghuysen
Frost
Ganske
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kirk
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Petri
Phelps
Platts
Pomeroy
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schaffer
Schakowsky
Schiff
Scott
Serrano
Shays

Sherman
Simmons
Skelton
Slaughter
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Thomas
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walsh
Wamp
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Wolf
Woolsey
Wu
Wynn

NOT VOTING—6

Owens
Peterson (PA)
Riley
Traficant
Waters
Watts (OK)

□ 1323

Ms. DEGETTE changed her vote from "aye" to "no."

Mr. TERRY, Mr. REYNOLDS and Mr. FOSSELLA changed their vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. PETERSON of Pennsylvania. Mr. Chairman, on rollcall No. 19 I was unavoidably detained. Had I been present, I would have voted "aye."

Stated against:

Ms. WATERS. Mr. Chairman, I missed the last vote because of a problem at the elevator. I could not get here. Had I been here I would have voted no.

Mr. OWENS. Mr. Chairman, earlier today I was unavoidably absent and missed rollcall vote No. 19. If present I would have voted "nay."

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 14 OFFERED BY MR. NEY

Mr. NEY. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute No. 14 offered by Mr. NEY.

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Bipartisan Campaign Finance Reform Act of 2002".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

Sec. 101. Soft money of political parties.
Sec. 102. Increased contribution limits for State committees of political parties and aggregate contribution limit for individuals.
Sec. 103. Reporting requirements.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

Sec. 201. Definitions.
Sec. 202. Express advocacy determined without regard to background music.
Sec. 203. Civil penalty.
Sec. 204. Reporting requirements for certain independent expenditures.
Sec. 205. Independent versus coordinated expenditures by party.
Sec. 206. Coordination with candidates.

TITLE III—DISCLOSURE

Sec. 301. Filing of reports using computers and facsimile machines.
Sec. 302. Prohibition of deposit of contributions with incomplete contributor information.
Sec. 303. Audits.
Sec. 304. Reporting requirements for contributions of $50 or more.
Sec. 305. Use of candidates' names.
Sec. 306. Prohibition of false representation to solicit contributions.
Sec. 307. Soft money of persons other than political parties.
Sec. 308. Campaign advertising.

TITLE IV—PERSONAL WEALTH OPTION

Sec. 401. Voluntary personal funds expenditure limit.
Sec. 402. Political party committee coordinated expenditures.

TITLE V—MISCELLANEOUS

Sec. 501. Use of contributed amounts for certain purposes.
Sec. 502. Prohibition of fundraising on Federal property.
Sec. 503. Penalties for violations.
Sec. 504. Strengthening foreign money ban.
Sec. 505. Prohibition of contributions by minors.
Sec. 506. Expedited procedures.
Sec. 507. Initiation of enforcement proceeding.
Sec. 508. Protecting equal participation of eligible voters in campaigns and elections.
Sec. 509. Penalty for violation of prohibition against foreign contributions.
Sec. 510. Expedited court review of certain alleged violations of Federal Election Campaign Act of 1971.
Sec. 511. Deposit of certain contributions and donations in treasury account.
Sec. 512. Establishment of a clearinghouse of information on political activities within the Federal Election Commission.
Sec. 513. Clarification of right of nationals of the United States to make political contributions.

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

Sec. 601. Establishment and purpose of Commission.
Sec. 602. Membership of Commission.
Sec. 603. Powers of Commission.
Sec. 604. Report and recommended legislation.
Sec. 605. Termination.
Sec. 606. Authorization of appropriations.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

Sec. 701. Prohibiting use of white house meals and accommodations for political fundraising.

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

Sec. 801. Sense of the Congress regarding applicability of controlling legal authority to fundraising on Federal government property.

TITLE IX—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

Sec. 901. Requiring national parties to reimburse at cost for use of Air Force One for political fundraising.
Sec. 902. Reimbursement for use of government equipment for campaign-related travel.

TITLE X—PROHIBITING USE OF WALKING AROUND MONEY

Sec. 1001. Prohibiting campaigns from providing currency to individuals for purposes of encouraging turnout on date of election.

TITLE XI—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

Sec. 1101. Enhancing enforcement of campaign finance law.

TITLE XII—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

Sec. 1201. Severability.
Sec. 1202. Review of constitutional issues.
Sec. 1203. Effective date.
Sec. 1204. Regulations.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"SOFT MONEY OF POLITICAL PARTIES

"SEC. 323. (a) NATIONAL COMMITTEES.—

"(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) and any officers or agents of such party committees, shall not solicit, receive, or direct to another person a contribution, donation, or transfer of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) APPLICABILITY.—This subsection shall apply to an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee of a political party (including a national congressional campaign committee of a political party), or an entity acting on behalf of a national committee, and an officer or agent acting on behalf of any such committee or entity.

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

"(1) IN GENERAL.—An amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity) for Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) FEDERAL ELECTION ACTIVITY.—

"(A) IN GENERAL.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

"(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); and

"(iii) a communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and is made for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).

"(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

"(i) campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, provided the campaign activity is not a Federal election activity described in subparagraph (A);

"(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A);

"(iii) the costs of a State, district, or local political convention;

"(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office;

"(v) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of an individual who spends more than 20 percent of the individual's time on Federal election activity) as determined by a regulation promulgated by the Commission to determine the non-Federal share of a State, district, or local party committee's administrative and overhead expenses; and

"(vi) the cost of constructing or purchasing an office facility or equipment for a State, district or local committee.

"(c) FUNDRAISING COSTS.—An amount spent by a national, State, district, or local committee of a political party, by an entity that is established, financed, maintained, or controlled by a national, State, district, or local committee of a political party, or by an agent or officer of any such committee or entity, to raise funds that are used, in whole or in part, to pay the costs of a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to, an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application to the Commissioner of the Internal Revenue Service for determination of tax-exemption under such section).

"(e) CANDIDATES.—

"(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of one or more candidates or individuals holding Federal office, shall not—

"(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

"(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

"(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1) and (2) of section 315(a); and

"(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

"(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual who is a candidate for a State or local office in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law for any activity other than a Federal election activity.

"(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.".

SEC. 102. INCREASED CONTRIBUTION LIMITS FOR STATE COMMITTEES OF POLITICAL PARTIES AND AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUALS.

(a) CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year that, in the aggregate, exceed $10,000".

(b) AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUAL.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking "$25,000" and inserting "$30,000".

SEC. 103. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 204) is amended by inserting after subsection (e) the following:

"(f) POLITICAL COMMITTEES.—

"(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

"(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in paragraphs (2)(A) and (2)(B)(v) of section 323(b).

"(3) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

"(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).".

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xv) as clauses (viii) through (xii), respectively.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

(a) DEFINITION OF INDEPENDENT EXPENDITURE.—Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

"(17) INDEPENDENT EXPENDITURE.—

"(A) IN GENERAL.—The term 'independent expenditure' means an expenditure by a person—

"(i) for a communication that is express advocacy; and

"(ii) that is not coordinated activity or is not provided in coordination with a candidate or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent.".

(b) DEFINITION OF EXPRESS ADVOCACY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

"(20) EXPRESS ADVOCACY.—

"(A) IN GENERAL.—The term 'express advocacy' means a communication that advocates the election or defeat of a candidate by—

"(i) containing a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of one or more clearly identified candidates;

"(ii) referring to one or more clearly identified candidates in a paid advertisement that is transmitted through radio or television within 60 calendar days preceding the date of an election of the candidate and that appears in the State in which the election is occurring, except that with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election; or

"(iii) expressing unmistakable and unambiguous support for or opposition to one or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

"(B) VOTING RECORD AND VOTING GUIDE EXCEPTION.—The term 'express advocacy' does not include a communication which is in printed form or posted on the Internet that—

"(i) presents information solely about the voting record or position on a campaign issue of one or more candidates (including any statement by the sponsor of the voting record or voting guide of its agreement or disagreement with the record or position of a candidate), so long as the voting record or voting guide when taken as a whole does not express unmistakable and unambiguous support for or opposition to one or more clearly identified candidates;

"(ii) is not coordinated activity or is not made in coordination with a candidate, political party, or agent of the candidate or party, or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent, except that nothing in this clause may be construed to prevent the sponsor of the voting guide from directing questions in writing to a candidate about the candidate's position on issues for purposes of preparing a voter guide or to prevent the candidate from responding in writing to such questions; and

"(iii) does not contain a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in (year)', 'vote against', 'defeat', or 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of one or more clearly identified candidates.".

(c) Definition of Expenditure.—Section 301(9)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

(1) in clause (i), by striking "and" at the end;

(2) in clause (ii), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(iii) a payment made by a political committee for a communication that—

"(I) refers to a clearly identified candidate; and

"(II) is for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).".

SEC. 202. EXPRESS ADVOCACY DETERMINED WITHOUT REGARD TO BACKGROUND MUSIC.

Section 301(20) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(20)), as added by section 201(b), is amended by adding at the end the following new subparagraph:

"(C) Background music.—In determining whether any communication by television or radio broadcast constitutes express advocacy for purposes of this Act, there shall not be taken into account any background music not including lyrics used in such broadcast.".

SEC. 203. CIVIL PENALTY.

Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(A)—

(i) in clause (i), by striking "clauses (ii)" and inserting "clauses (ii) and (iii)"; and

(ii) by adding at the end the following:

"(iii) If the Commission determines by an affirmative vote of 4 of its members that there is probable cause to believe that a person has made a knowing and willful violation of section 304(c), the Commission shall not enter into a conciliation agreement under this paragraph and may institute a civil action for relief under paragraph (6)(A)."; and

(B) in paragraph (6)(B), by inserting "(except an action instituted in connection with a knowing and willful violation of section 304(c))" after "subparagraph (A)"; and

(2) in subsection (d)(1)—

(A) in subparagraph (A), by striking "Any person" and inserting "Except as provided in subparagraph (D), any person"; and

(B) by adding at the end the following:

"(D) In the case of a knowing and willful violation of section 304(c) that involves the reporting of an independent expenditure, the violation shall not be subject to this subsection.".

SEC. 204. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) In General.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) of subsection (c) as subsection (g); and

(3) by inserting after subsection (c)(2) (as amended by paragraph (1)) the following:

"(e) Time for Reporting Certain Expenditures.—

"(1) Expenditures aggregating $1,000.—

"(A) Initial report.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made.

"(B) Additional reports.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

"(2) Expenditures aggregating $10,000.—

"(A) Initial report.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours after that amount of independent expenditures has been made.

"(B) Additional reports.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

"(3) Place of filing; contents.—A report under this subsection—

"(A) shall be filed with the Commission; and

"(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.".

(b) Conforming Amendment.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is amended by striking ", or the second sentence of subsection (c)(2)".

SEC. 205. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking "and (3)" and inserting ", (3), and (4)"; and

(2) by adding at the end the following:

"(4) Independent Versus Coordinated Expenditures by Party.—

"(A) In general.—On or after the date on which a political party nominates a candidate, a committee of the political party shall not make both expenditures under this subsection and independent expenditures (as defined in section 301(17)) with respect to the candidate during the election cycle.

"(B) Certification.—Before making a coordinated expenditure under this subsection with respect to a candidate, a committee of a political party shall file with the Commission a certification, signed by the treasurer of the committee, that the committee has not and shall not make any independent expenditure with respect to the candidate during the same election cycle.

"(C) Application.—For the purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

"(D) Transfers.—A committee of a political party that submits a certification under subparagraph (B) with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.".

SEC. 206. COORDINATION WITH CANDIDATES.

(a) Definition of Coordination With Candidates.—

(1) Section 301(8).—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) in subparagraph (A)—

(i) by striking "or" at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting "; or"; and

(iii) by adding at the end the following:

"(iii) coordinated activity (as defined in subparagraph (C))."; and

(B) by adding at the end the following:

"(C) 'Coordinated activity' means anything of value provided by a person in coordination with a candidate, an agent of the candidate, or the political party of the candidate or its agent for the purpose of influencing a Federal election (regardless of whether the value being provided is a communication that is express advocacy) in which such candidate seeks nomination or election to Federal office, and includes any of the following:

"(i) A payment made by a person in cooperation, consultation, or concert with, at the request or suggestion of, or pursuant to any general or particular understanding with a candidate, the candidate's authorized committee, the political party of the candidate, or an agent acting on behalf of a candidate, authorized committee, or the political party of the candidate.

"(ii) A payment made by a person for the production, dissemination, distribution, or republication, in whole or in part, of any broadcast or any written, graphic, or other form of campaign material prepared by a candidate, a candidate's authorized committee, or an agent of a candidate or authorized committee (not including a communication described in paragraph (9)(B)(i) or a communication that expressly advocates the candidate's defeat).

"(iii) A payment made by a person based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with the intent that the payment be made.

"(iv) A payment made by a person if, in the same election cycle in which the payment is made, the person making the payment is serving or has served as a member, employee, fundraiser, or agent of the candidate's authorized committee in an executive or policymaking position.

"(v) A payment made by a person if the person making the payment has served in any formal policy making or advisory position with the candidate's campaign or has participated in formal strategic or formal policymaking discussions (other than any discussion treated as a lobbying contact under the Lobbying Disclosure Act of 1995 in the case of a candidate holding Federal office or as a similar lobbying activity in the case of a candidate holding State or other elective office) with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made.

"(vi) A payment made by a person if, in the same election cycle, the person making the payment retains the professional services of any person that has provided or is providing campaign-related services in the same election cycle to a candidate (including services provided through a political committee of the candidate's political party) in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the person retained is retained to work on activities relating to that candidate's campaign.

"(vii) A payment made by a person who has directly participated in fundraising activities with the candidate or in the solicitation or receipt of contributions on behalf of the candidate.

"(viii) A payment made by a person who has communicated with the candidate or an agent of the candidate (including a communication through a political committee of the candidate's political party) after the declaration of candidacy (including a pollster, media consultant, vendor, advisor, or staff member acting on behalf of the candidate), about advertising message, allocation of resources, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics, or strategy.

"(ix) The provision of in-kind professional services or polling data (including services or data provided through a political committee of the candidate's political party) to the candidate or candidate's agent.

"(x) A payment made by a person who has engaged in a coordinated activity with a candidate described in clauses (i) through (ix) for a communication that clearly refers to the candidate or the candidate's opponent and is for the purpose of influencing that candidates's election (regardless of whether the communication is express advocacy).

"(D) For purposes of subparagraph (C), the term 'professional services' means polling, media advice, fundraising, campaign research or direct mail (except for mailhouse services solely for the distribution of voter guides as defined in section 431(20)(B)) services in support of a candidate's pursuit of nomination for election, or election, to Federal office.

"(E) For purposes of subparagraph (C), all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.".

(2) Section 315(a)(7).—Section 315(a)(7) (2 U.S.C. 441a(a)(7)) is amended by striking subparagraph (B) and inserting the following:

"(B) a coordinated activity, as described in section 301(8)(C), shall be considered to be a contribution to the candidate, and in the case of a limitation on expenditures, shall be treated as an expenditure by the candidate.

(b) Meaning of Contribution or Expenditure for the Purposes of Section 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking "shall include" and inserting "includes a contribution or expenditure, as those terms are defined in section 301, and also includes".

TITLE III—DISCLOSURE

SEC. 301. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following:

"(11)(A) The Commission shall promulgate a regulation under which a person required to file a designation, statement, or report under this Act—

"(i) is required to maintain and file a designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

"(ii) may maintain and file a designation, statement, or report in electronic form or an alternative form, including the use of a facsimile machine, if not required to do so under the regulation promulgated under clause (i).

"(B) The Commission shall make a designation, statement, report, or notification that is filed electronically with the Commission accessible to the public on the Internet not later than 24 hours after the designation, statement, report, or notification is received by the Commission.

"(C) In promulgating a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulation. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.".

SEC. 302. PROHIBITION OF DEPOSIT OF CONTRIBUTIONS WITH INCOMPLETE CONTRIBUTOR INFORMATION.

Section 302 of Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following:

"(j) Deposit of Contributions.—The treasurer of a candidate's authorized committee shall not deposit, except in an escrow account, or otherwise negotiate a contribution from a person who makes an aggregate amount of contributions in excess of $200 during a calendar year unless the treasurer verifies that the information required by this section with respect to the contributor is complete.".

SEC. 303. AUDITS.

(a) Random Audits.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1) In general.—" before "The Commission";

(2) by moving the text 2 ems to the right; and

(3) by adding at the end the following:

"(2) Random audits.—

"(A) In general.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act. The selection of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least four members of the Commission.

"(B) Limitation.—The Commission shall not conduct an audit or investigation of a candidate's authorized committee under subparagraph (A) until the candidate is no longer a candidate for the office sought by the candidate in an election cycle.

"(C) Applicability.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986.".

(b) Extension of Period During Which Campaign Audits May Be Begun.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by striking "6 months" and inserting "12 months".

SEC. 304. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF $50 OR MORE.

Section 304(b)(3)(A) of the Federal Election Campaign Act at 1971 (2 U.S.C. 434(b)(3)(A) is amended—

(1) by striking "$200" and inserting "$50"; and

(2) by striking the semicolon and inserting ", except that in the case of a person who makes contributions aggregating at least $50 but not more than $200 during the calendar year, the identification need include only the name and address of the person;".

SEC. 305. USE OF CANDIDATES' NAMES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by striking paragraph (4) and inserting the following:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not—

"(i) include the name of any candidate in its name; or

"(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of the committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.".

SEC. 306. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after "Sec. 322." the following: "(a) In General.—"; and

(2) by adding at the end the following:

"(b) Solicitation of Contributions.—No person shall solicit contributions by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.".

SEC. 307. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) In General.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 103(c) and section 204) is amended by adding at the end the following:

"(h) Disbursements of Persons Other Than Political Parties.—

"(1) In general.—A person, other than a political committee of a political party or a person described in section 501(d) of the Internal Revenue Code of 1986, that makes an aggregate amount of disbursements in excess of $50,000 during a calendar year for activities described in paragraph (2) shall file a statement with the Commission—

"(A) on a monthly basis as described in subsection (a)(4)(B); or

"(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursements are made.

"(2) Activity.—The activity described in this paragraph is—

"(A) Federal election activity;

"(B) an activity described in section 316(b)(2)(A) that expresses support for or opposition to a candidate for Federal office or a political party; and

"(C) an activity described in subparagraph (B) or (C) of section 316(b)(2).

“(3) APPLICABILITY.—This subsection does not apply to—

“(A) a candidate or a candidate's authorized committees; or

“(B) an independent expenditure.

“(4) CONTENTS.—A statement under this section shall contain such information about the disbursements made during the reporting period as the Commission shall prescribe, including—

“(A) the aggregate amount of disbursements made;

“(B) the name and address of the person or entity to whom a disbursement is made in an aggregate amount in excess of $200;

“(C) the date made, amount, and purpose of the disbursement; and

“(D) if applicable, whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.”.

(b) DEFINITION OF GENERIC CAMPAIGN ACTIVITY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 201(b)) is further amended by adding at the end the following:

“(21) GENERIC CAMPAIGN ACTIVITY.—The term ‘generic campaign activity’ means an activity that promotes a political party and does not promote a candidate or non-Federal candidate.”.

SEC. 308. CAMPAIGN ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking “Whenever” and inserting “Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever”;

(ii) by striking “an expenditure” and inserting “a disbursement”; and

(iii) by striking “direct”; and

(B) in paragraph (3), by inserting “and permanent street address” after “name”; and

(2) by adding at the end the following:

“(c) Any printed communication described in subsection (a) shall—

“(1) be of sufficient type size to be clearly readable by the recipient of the communication;

“(2) be contained in a printed box set apart from the other contents of the communication; and

“(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

“(d)(1) Any communication described in paragraphs (1) or (2) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

“(2) If a communication described in paragraph (1) is transmitted through television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement that—

“(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

“(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

“(e) Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: ‘______ is responsible for the content of this advertisement.’ (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.”.

TITLE IV—PERSONAL WEALTH OPTION

SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

“VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT

“SEC. 324. (a) ELIGIBLE CONGRESSIONAL CANDIDATE.—

“(1) PRIMARY ELECTION.—

“(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible primary election Congressional candidate if the candidate files with the Commission a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

“(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than the date on which the candidate files with the appropriate State officer as a candidate for the primary election.

“(2) GENERAL ELECTION.—

“(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible general election Congressional candidate if the candidate files with the Commission—

“(i) a declaration under penalty of perjury, with supporting documentation as required by the Commission, that the candidate and the candidate's authorized committees did not exceed the personal funds expenditure limit in connection with the primary election; and

“(ii) a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

“(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than 7 days after the earlier of—

“(i) the date on which the candidate qualifies for the general election ballot under State law; or

“(ii) if under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

“(b) PERSONAL FUNDS EXPENDITURE LIMIT.—

“(1) IN GENERAL.—The aggregate amount of expenditures that may be made in connection with an election by an eligible Congressional candidate or the candidate's authorized committees from the sources described in paragraph (2) shall not exceed $50,000.

“(2) SOURCES.—A source is described in this paragraph if the source is—

“(A) personal funds of the candidate and members of the candidate's immediate family; or

“(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

“(c) CERTIFICATION BY THE COMMISSION.—

“(1) IN GENERAL.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible Congressional candidate.

“(2) TIME FOR CERTIFICATION.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible Congressional candidate.

“(3) REVOCATION.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

“(4) DETERMINATIONS BY COMMISSION.—A determination made by the Commission under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

“(d) PENALTY.—If the Commission revokes the certification of an eligible Congressional candidate—

“(1) the Commission shall notify the candidate of the revocation; and

“(2) the candidate and a candidate's authorized committees shall pay to the Commission an amount equal to the amount of expenditures made by a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).”.

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) (as amended by section 204) is amended by adding at the end the following:

“(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for Senator or Representative in or Delegate or Resident Commissioner to the Congress who is not an eligible Congressional candidate (as defined in section 324(a)).”.

TITLE V—MISCELLANEOUS

SEC. 501. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

“USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

“SEC. 313. (a) PERMITTED USES.—A contribution accepted by a candidate, and any other amount received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

“(1) for expenditures in connection with the campaign for Federal office of the candidate or individual;

“(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

“(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

“(4) for transfers to a national, State, or local committee of a political party.

“(b) PROHIBITED USE.—

"(1) IN GENERAL.—A contribution or amount described in subsection (a) shall not be converted by any person to personal use.

"(2) CONVERSION.—For the purposes of paragraph (1), a contribution or amount shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal officeholder, including—

"(A) a home mortgage, rent, or utility payment;

"(B) a clothing purchase;

"(C) a noncampaign-related automobile expense;

"(D) a country club membership;

"(E) a vacation or other noncampaign-related trip;

"(F) a household food item;

"(G) a tuition payment;

"(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

"(I) dues, fees, and other payments to a health club or recreational facility.".

SEC. 502. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—

"(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value in connection with a Federal, State, or local election while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

"(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both."; and

(2) in subsection (b), by inserting "or Executive Office of the President" after "Congress".

SEC. 503. PENALTIES FOR VIOLATIONS.

(a) INCREASED PENALTIES.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraphs (5)(A), (6)(A), and (6)(B), by striking "$5,000" and inserting "$10,000"; and

(2) in paragraphs (5)(B) and (6)(C), by striking "$10,000 or an amount equal to 200 percent" and inserting "$20,000 or an amount equal to 300 percent".

(b) EQUITABLE REMEDIES.—Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking the period at the end and inserting ", and may include equitable remedies or penalties, including disgorgement of funds to the Treasury or community service requirements (including requirements to participate in public education programs).".

(c) AUTOMATIC PENALTY FOR LATE FILING.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

"(13) PENALTY FOR LATE FILING.—

"(A) IN GENERAL.—

"(i) MONETARY PENALTIES.—The Commission shall establish a schedule of mandatory monetary penalties that shall be imposed by the Commission for failure to meet a time requirement for filing under section 304.

"(ii) REQUIRED FILING.—In addition to imposing a penalty, the Commission may require a report that has not been filed within the time requirements of section 304 to be filed by a specific date.

"(iii) PROCEDURE.—A penalty or filing requirement imposed under this paragraph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

"(B) FILING AN EXCEPTION.—

"(i) TIME TO FILE.—A political committee shall have 30 days after the imposition of a penalty or filing requirement by the Commission under this paragraph in which to file an exception with the Commission.

"(ii) TIME FOR COMMISSION TO RULE.—Within 30 days after receiving an exception, the Commission shall make a determination that is a final agency action subject to exclusive review by the United States Court of Appeals for the District of Columbia Circuit under section 706 of title 5, United States Code, upon petition filed in that court by the political committee or treasurer that is the subject of the agency action, if the petition is filed within 30 days after the date of the Commission action for which review is sought.";

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: "In any case in which a penalty or filing requirement imposed on a political committee or treasurer under paragraph (13) has not been satisfied, the Commission may institute a civil action for enforcement under paragraph (6)(A)."; and

(B) by inserting before the period at the end of the last sentence the following: "or has failed to pay a penalty or meet a filing requirement imposed under paragraph (13)"; and

(3) in paragraph (6)(A), by striking "paragraph (4)(A)" and inserting "paragraph (4)(A) or (13)".

SEC. 504. STRENGTHENING FOREIGN MONEY BAN.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: "CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS"; and

(2) by striking subsection (a) and inserting the following:

"(a) PROHIBITION.—It shall be unlawful for—

"(1) a foreign national, directly or indirectly, to make—

"(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election; or

"(B) a contribution or donation to a committee of a political party; or

"(2) a person to solicit, accept, or receive such a contribution or donation from a foreign national.".

(b) PROHIBITING USE OF WILLFUL BLINDNESS AS DEFENSE AGAINST CHARGE OF VIOLATING FOREIGN CONTRIBUTION BAN.—

(1) IN GENERAL.—Section 319 of such Act (2 U.S.C. 441e) is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by inserting after subsection (a) the following new subsection:

"(b) PROHIBITING USE OF WILLFUL BLINDNESS DEFENSE.—It shall not be a defense to a violation of subsection (a) that the defendant did not know that the contribution originated from a foreign national if the defendant should have known that the contribution originated from a foreign national, except that the trier of fact may not find that the defendant should have known that the contribution originated from a foreign national solely because of the name of the contributor.".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to violations occurring on or after the date of the enactment of this Act.

(c) PROHIBITION APPLICABLE TO ALL INDIVIDUALS WHO ARE NOT CITIZENS OR NATIONALS OF THE UNITED STATES.—Section 319(b)(2) of such Act (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: ", or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).".

SEC. 505. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 401, is further amended by adding at the end the following new section:

"PROHIBITION OF CONTRIBUTIONS BY MINORS

"SEC. 325. An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.".

SEC. 506. EXPEDITED PROCEDURES.

(a) IN GENERAL.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 503(c)) is amended by adding at the end the following:

"(14)(A) If the complaint in a proceeding was filed within 60 days preceding the date of a general election, the Commission may take action described in this subparagraph.

"(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur, the Commission may order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties.

"(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

"(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

"(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.".

(b) REFERRAL TO ATTORNEY GENERAL.—Section 309(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking subparagraph (C) and inserting the following:

"(C) The Commission may at any time, by an affirmative vote of at least 4 of its members, refer a possible violation of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986, to the Attorney General of the United States, without regard to any limitation set forth in this section.".

SEC. 507. INITIATION OF ENFORCEMENT PROCEEDING.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking "reason to believe that" and inserting "reason to investigate whether".

SEC. 508. PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 505, is further amended by adding at the end the following new section:

"PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS

"SEC. 326. (a) IN GENERAL.—Nothing in this Act may be construed to prohibit any individual eligible to vote in an election for Federal office from making contributions or expenditures in support of a candidate for such an election (including voluntary contributions or expenditures made through a separate segregated fund established by the individual's employer or labor organization) or otherwise participating in any campaign for such an election in the same manner and to the same extent as any other individual eligible to vote in an election for such office.

"(b) NO EFFECT ON GEOGRAPHIC RESTRICTIONS ON CONTRIBUTIONS.—Subsection (a) may not be construed to affect any restriction under this title regarding the portion of contributions accepted by a candidate from persons residing in a particular geographic area.".

SEC. 509. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as amended by section 504(b), is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) PENALTY.—

"(1) IN GENERAL.—Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be more than 10 years, fined in an amount not to exceed $1,000,000, or both.

"(2) EXCEPTION.—Paragraph (1) shall not apply with respect to any violation of subsection (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(22) of the Immigration and Nationality Act).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 510. EXPEDITED COURT REVIEW OF CERTAIN ALLEGED VIOLATIONS OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

(a) IN GENERAL.—Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d) Notwithstanding any other provision of this section, if a candidate (or the candidate's authorized committee) believes that a violation described in paragraph (2) has been committed with respect to an election during the 90-day period preceding the date of the election, the candidate or committee may institute a civil action on behalf of the Commission for relief (including injunctive relief) against the alleged violator in the same manner and under the same terms and conditions as an action instituted by the Commission under subsection (a)(6), except that the court involved shall issue a decision regarding the action as soon as practicable after the action is instituted and to the greatest extent possible issue the decision prior to the date of the election involved.

"(2) A violation described in this paragraph is a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 relating to—

"(A) whether a contribution is in excess of an applicable limit or is otherwise prohibited under this Act; or

"(B) whether an expenditure is an independent expenditure under section 301(17).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after the date of the enactment of this Act.

SEC. 511. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, and 508, is further amended by adding at the end the following new section:

"TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

"SEC. 327. (a) TRANSFER TO COMMISSION.—

"(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

"(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

"(B) the contribution or donation was made in violation of section 315, 316, 317, 319, 320, or 325 (other than a contribution or donation returned within 30 days of receipt by the committee).

"(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

"(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

"(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

"(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

"(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

"(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

"(i) deposit the amount in the escrow account established under subparagraph (A); and

"(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

"(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

"(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

"(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code, against the person making the contribution or donation.

"(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

"(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

"(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to investigate whether that the making of the contribution or donation was made in violation of this Act; or

"(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

"(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

"(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.".

(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph:

"(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved.".

(c) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

"(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.".

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

SEC. 512. ESTABLISHMENT OF A CLEARINGHOUSE OF INFORMATION ON POLITICAL ACTIVITIES WITHIN THE FEDERAL ELECTION COMMISSION.

(a) ESTABLISHMENT.—There shall be established within the Federal Election Commission a clearinghouse of public information regarding the political activities of foreign principals and agents of foreign principals. The information comprising this clearinghouse shall include only the following:

(1) All registrations and reports filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) during the preceding 5-year period.

(2) All registrations and reports filed pursuant to the Foreign Agents Registration Act, as amended (22 U.S.C. 611 et seq.), during the preceding 5-year period.

(3) The listings of public hearings, hearing witnesses, and witness affiliations printed in the Congressional Record during the preceding 5-year period.

(4) Public information disclosed pursuant to the rules of the Senate or the House of Representatives regarding honoraria, the receipt of gifts, travel, and earned and unearned income.

(5) All reports filed pursuant to title I of the Ethics in Government Act of 1978 (5 U.S.C. App.) during the preceding 5-year period.

(6) All public information filed with the Federal Election Commission pursuant to the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) during the preceding 5-year period.

(b) DISCLOSURE OF OTHER INFORMATION PROHIBITED.—The disclosure by the clearinghouse, or any officer or employee thereof, of any information other than that set forth in subsection (a) is prohibited, except as otherwise provided by law.

(c) DIRECTOR OF CLEARINGHOUSE.—

(1) DUTIES.—The clearinghouse shall have a Director, who shall administer and manage the responsibilities and all activities of the clearinghouse. In carrying out such duties, the Director shall—

(A) develop a filing, coding, and cross-indexing system to carry out the purposes of this section (which shall include an index of all persons identified in the reports, registrations, and other information comprising the clearinghouse);

(B) notwithstanding any other provision of law, make copies of registrations, reports, and other information comprising the clearinghouse available for public inspection and copying, beginning not later than 30 days after the information is first available to the public, and permit copying of any such registration, report, or other information by hand or by copying machine or, at the request of any person, furnish a copy of any such registration, report, or other information upon payment of the cost of making and furnishing such copy, except that no information contained in such registration or report and no such other information shall be sold or used by any person for the purpose of soliciting contributions or for any profit-making purpose; and

(C) not later than 150 days after the date of the enactment of this Act and at any time thereafter, to prescribe, in consultation with the Comptroller General, such rules, regulations, and forms, in conformity with the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this section in the most effective and efficient manner.

(2) APPOINTMENT.—The Director shall be appointed by the Federal Election Commission.

(3) TERM OF SERVICE.—The Director shall serve a single term of a period of time determined by the Commission, but not to exceed 5 years.

(d) PENALTIES FOR DISCLOSURE OF INFORMATION.—Any person who discloses information in violation of subsection (b), and any person who sells or uses information for the purpose of soliciting contributions or for any profit-making purpose in violation of subsection (c)(1)(B), shall be imprisoned for a period of not more than 1 year, or fined in the amount provided in title 18, United States Code, or both.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to conduct the activities of the clearinghouse.

(f) FOREIGN PRINCIPAL.—In this section, the term "foreign principal" shall have the same meaning given the term "foreign national" under section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as in effect as of the date of the enactment of this Act.

SEC. 513. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(d)(2)), as amended by sections 504(b) and 509(a), is further amended by inserting after "United States" the following: "or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)".

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

SEC. 601. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the "Independent Commission on Campaign Finance Reform" (referred to in this title as the "Commission"). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 602. MEMBERSHIP OF COMMISSION.

(a) COMPOSITION.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) APPOINTMENT.—

(1) IN GENERAL.—Members shall be appointed as follows:

(A) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the House of Representatives.

(D) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) FAILURE TO SUBMIT LIST OF NOMINEES.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list of nominees to the President during the 15-day period which begins on the date of the enactment of this Act—

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint three members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(3) POLITICAL INDEPENDENT DEFINED.—In this subsection, the term "political independent" means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party office-holder or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party office-holder or candidate.

(c) CHAIRMAN.—At the time of the appointment, the President shall designate one member of the Commission as Chairman of the Commission.

(d) TERMS.—The members of the Commission shall serve for the life of the Commission.

(e) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) POLITICAL AFFILIATION.—Not more than four members of the Commission may be of the same political party.

SEC. 603. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least nine members of the Commission is required when approving all or a portion of the recommended legislation. Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.

SEC. 604. REPORT AND RECOMMENDED LEGISLATION.

(a) REPORT.—Not later than the expiration of the 180-day period which begins on the date on which the second session of the One Hundred Sixth Congress adjourns sine die, the Commission shall submit to the President, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate a report of the activities of the Commission.

(b) RECOMMENDATIONS; DRAFT OF LEGISLATION.—The report under subsection (a) shall include any recommendations for changes in the laws (including regulations) governing the financing of political activity (taking into account the provisions of this Act and the amendments made by this Act), including any changes in the rules of the Senate or the House of Representatives, to which nine or more members of the Commission may agree, together with drafts of—

(1) any legislation (including technical and conforming provisions) recommended by the Commission to implement such recommendations; and

(2) any proposed amendment to the Constitution recommended by the Commission as necessary to implement such recommendations, except that if the Commission includes such a proposed amendment in

its report, it shall also include recommendations (and drafts) for legislation which may be implemented prior to the adoption of such proposed amendment.

(c) GOALS OF RECOMMENDATIONS AND LEGISLATION.—In making recommendations and preparing drafts of legislation under this section, the Commission shall consider the following to be its primary goals:

(1) Encouraging fair and open Federal elections which provide voters with meaningful information about candidates and issues.

(2) Eliminating the disproportionate influence of special interest financing of Federal elections.

(3) Creating a more equitable electoral system for challengers and incumbents.

SEC. 605. TERMINATION.

The Commission shall cease to exist 90 days after the date of the submission of its report under section 604.

SEC. 606. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as are necessary to carry out its duties under this title.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

SEC. 701. PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING.

(a) IN GENERAL.—Chapter 29 of title 18, United States Code, is amended by adding at the end the following new section:

"§612. Prohibiting use of meals and accommodations at White House for political fundraising

"(a) It shall be unlawful for any person to provide or offer to provide any meals or accommodations at the White House in exchange for any money or other thing of value, or as a reward for the provision of any money or other thing of value, in support of any political party or the campaign for electoral office of any candidate.

"(b) Any person who violates this section shall be fined under this title or imprisoned not more than 3 years, or both.

"(c) For purposes of this section, any official residence or retreat of the President (including private residential areas and the grounds of such a residence or retreat) shall be treated as part of the White House.".

(b) CLERICAL AMENDMENT.—The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end the following new item:

"612. Prohibiting use of meals and accommodations at White House for political fundraising.".

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

SEC. 801. SENSE OF THE CONGRESS REGARDING APPLICABILITY OF CONTROLLING LEGAL AUTHORITY TO FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY.

It is the sense of the Congress that Federal law clearly demonstrates that "controlling legal authority" under title 18, United States Code, prohibits the use of Federal Government property to raise campaign funds.

TITLE IX—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

SEC. 901. REQUIRING NATIONAL PARTIES TO REIMBURSE AT COST FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, 508, and 511, is further amended by adding at the end the following new section:

"REIMBURSEMENT BY POLITICAL PARTIES FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

"SEC. 328. (a) IN GENERAL.—If the President, Vice President, or the head of any executive department (as defined in section 101 of title 5, United States Code) uses Air Force One for transportation for any travel which includes a fundraising event for the benefit of any political committee of a national political party, such political committee shall reimburse the Federal Government for the fair market value of the transportation of the individual involved, based on the cost of an equivalent commercial chartered flight.

"(b) AIR FORCE ONE DEFINED.—In subsection (a), the term 'Air Force One' means the airplane operated by the Air Force which has been specially configured to carry out the mission of transporting the President.".

SEC. 902. REIMBURSEMENT FOR USE OF GOVERNMENT EQUIPMENT FOR CAMPAIGN-RELATED TRAVEL.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, 508, 511, and 901, is further amended by adding at the end the following new section:

"REIMBURSEMENT FOR USE OF GOVERNMENT EQUIPMENT FOR CAMPAIGN-RELATED TRAVEL

"SEC. 329. If a candidate for election for Federal office (other than a candidate who holds Federal office) uses Federal government property as a means of transportation for purposes related (in whole or in part) to the campaign for election for such office, the principal campaign committee of the candidate shall reimburse the Federal government for the costs associated with providing the transportation.".

TITLE X—PROHIBITING USE OF WALKING AROUND MONEY

SEC. 1001. PROHIBITING CAMPAIGNS FROM PROVIDING CURRENCY TO INDIVIDUALS FOR PURPOSES OF ENCOURAGING TURNOUT ON DATE OF ELECTION.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 505, 508, 511, 901, and 902, is further amended by adding at the end the following new section:

"PROHIBITING USE OF CURRENCY TO PROMOTE ELECTION DAY TURNOUT

"SEC. 330. It shall be unlawful for any political committee to provide currency to any individual (directly or through an agent of the committee) for purposes of encouraging the individual to appear at the polling place for the election.".

TITLE XI—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

SEC. 1101. ENHANCING ENFORCEMENT OF CAMPAIGN FINANCE LAW.

(a) MANDATORY IMPRISONMENT FOR CRIMINAL CONDUCT.—Section 309(d)(1)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended—

(1) in the first sentence, by striking "shall be fined, or imprisoned for not more than one year, or both" and inserting "shall be imprisoned for not fewer than 1 year and not more than 10 years"; and

(2) by striking the second sentence.

(b) CONCURRENT AUTHORITY OF ATTORNEY GENERAL TO BRING CRIMINAL ACTIONS.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

"(4) In addition to the authority to bring cases referred pursuant to subsection (a)(5), the Attorney General may at any time bring a criminal action for a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to actions brought with respect to elections occurring after January 2002.

TITLE XII—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 1201. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 1202. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 1203. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect upon the expiration of the 90-day period which begins on the date of the enactment of this Act.

SEC. 1204. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 45 days after the date of the enactment of this Act.

The CHAIRMAN. Pursuant to section 2 of House Resolution 344, the gentleman from Ohio (Mr. NEY) and a Member opposed (Mr. HOYER) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio (Mr. NEY).

Mr. NEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I hope that this is an historic substitute today because I think we are going to come together; and I am sure the gentleman from Massachusetts (Mr. MEEHAN) and the gentleman from Connecticut (Mr. SHAYS) are going to stand up at this microphone, I am positive, and probably embrace and endorse this substitute. Now, I could be wrong, but I have a good feeling about this one.

One common refrain we have heard is that the Congress must pass campaign finance reform now because it has previously passed the House by wide margins. Well, the substitute I offer today is the bill that this House passed previously. I offer it not because I think it is really a good bill and not because I particularly want to see it passed; on the contrary, I think this is a bad piece of legislation. I voted against it in the last Congress. I wish it had not passed then, and I really do not again want to see it particularly passed today.

☐ 1330

With all sincerity, I offer this today because I want to give Members the opportunity to vote on a bill that they previously supported which never made it to the President's desk, and so Members have indicated they would like to have the chance to have that vote and it is a good, honest vote.

As we all know, in previous Congresses Members here were able to cast a vote for this legislation knowing that it would never become law. They could vote for it here knowing that it would not get past the other body or it would not be signed by the President. We all knew that was the game plan in some cases. Things are a little different this year.

The Senate has already passed a version of campaign finance reform. The President has given no indication that he intends to veto a bill that would reach his desk. So unlike previous votes, today's vote really does matter. We are not playing games anymore. As some have said, we are now shooting with real bullets.

The legislation that passes this House is very likely to reach the President's desk and to become law. Given that, I think it is important to give Members the opportunity to enact legislation that they previously supported on this floor, and so I offer as my substitute the language of H.R. 417, the Shays-Meehan legislation which passed in the 106th Congress by a vote of 252 to 177.

I would like to say that this substitute is exactly the same bill that was passed in the previous Congress. Unfortunately, the bill has changed so much it is no longer germane to the Shays-Meehan bill on the floor today, and that is due to the constantly evolving product that we are dealing with. Let me repeat that because I think Members need to realize this. The Shays-Meehan bill that is on the floor today is so different from the one we passed in the previous Congress that the bill is not even germane to the new Shays-Meehan bill.

Accordingly, some changes have been necessary for this substitute to be in order, some sections had to be stricken. In essence, however, the substitute is the Shays-Meehan bill that passed previously.

Offering this as an amendment, in addition to giving Members an opportunity to be consistent in their voting, provides an opportunity to highlight the evolution in the Shays-Meehan legislation that was introduced last night brought forth. As Members know, the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) introduced a bill very similar to H.R. 417 at the start of this Congress. That bill, H.R. 380, was introduced on January 31, 2001; but that is not the Shays-Meehan bill that they have chosen to bring to the floor today.

Instead, on June 28, 2001, one day before my committee, the Committee on House Administration, was scheduled to mark up campaign finance legislation, they introduced a new bill, H.R. 2356. That is the bill that serves as the base text today. The substitute offered today by the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) that we saw for the first time last night makes even further changes to their bill.

Members need to be aware that the bill they are being asked to vote on today is not the same bill that they supported previously in the 106th Congress. For example, this amendment, the old Shays bill, banned soft money. The new bill simply does not ban all soft money. We have talked about the loophole we can drive a truck through.

In this substitute, which the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) previously supported, soft-money contributions to the political parties for Federal election activities were banned. In the new version, today's version, there is no ban. State and local parties are permitted to receive soft-money contributions from unions and corporations. So if my colleagues want to ban soft money and they voted previously to do so, they should vote for this substitute because the new Shays bill simply will not do it.

In the old Shays bill issue ads were banned 365 days a year. In the new Shays-Meehan bill, they are banned for only 90 days, meaning that under the new Shays bill unions and corporations can use soft money to run attack ads 275 days a year. If my colleagues want to ban issue ads funded with soft money, they should vote for this substitute because the new Shays bill simply will not do it.

In the old Shays bill, soft money could be used for any form of election-related communication, meaning they could not use soft money for television ad and newspaper ad or a pamphlet. In the new Shays bill, the only form of communication that cannot be funded with soft money are broadcast ads run during the 60 days before an election or the 30 days before a primary. Meaning, under the new Shays-Meehan bill, groups can continue to use an unlimited amount of unregulated money on mass mailings, phone banks and push polls. If my colleagues want an issue-ad restriction that would stop all communications funded with soft money, they should vote for this substitute because the new Shays bill simply will not do it.

Those are just some of the biggest examples of the changes that have been made. Here are some others:

The old Shays bill did not treat House and Senate candidates differently. The new one does. The new bill allows candidates for the Senate and for the Presidency to accept $2,000 from an individual per election, but House candidates can only receive $1,000. If my colleagues think House and Senate candidates should have the same contribution limits, they should vote for the substitute because the new Shays bill will not do it.

The old Shays bill did not include a soft-money loophole that would allow a political party to keep any soft money it had as long as it wanted to build a new headquarters. The new Shays-Meehan bill does. So if my colleagues do not think a political party should be able to use money to build a new headquarters, vote for the substitute.

The old Shays bill required publicly funded candidates to certify that no soft money was raised to benefit their candidacies. The new Shays bill simply does not do it.

The old Shays-Meehan bill banned the use of the White House for political fund-raising. The new Shays-Meehan bill simply does not do it.

The list goes on and on and on. It is obvious that the bill on the floor today, though it bears the name Shays-Meehan label, is not the old Shays-Meehan bill. While the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) do not want to give Members the opportunity to vote on the provisions, I think we can give them the opportunity to vote on the substitute.

Some will say that offering this amendment as a substitute is anti-reform now. Was not then, it is now. That argument simply amazes me, frankly, Mr. Chairman. Somebody will make a good case to prove me wrong, I am sure, in a couple of minutes. I have faith in my colleagues.

I am sure that if my colleagues went back and looked at all the newspaper editorials that were urging Members to vote for the substitute at the time it was offered in the last Congress my colleagues will see that Members were told that if they did not vote for H.R. 417 they were against reform. Now with essentially the same bill being offered today through this substitute, we will hear that to vote for it is to be against reform. It is surreal. It is Alice in Wonderland.

I look forward to the vote on this substitute. I plan to vote against it because I think it is a bad bill. New Shays, old Shays, I think they are all kind of a little bit bad, need a little bit of correction, little bit of work, which we an do together if we pass a couple of good amendments, keep it going; but I look forward to seeing how Members vote on it today.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) may each control 5 minutes of the time allocated to me and that they may yield time.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Maryland (Mr. CARDIN), the distinguished former speaker of the Maryland House, member of the Committee on Ways and Means and my good friend.

Mr. CARDIN. Mr. Chairman, I was listening to my friend, the gentleman from Ohio (Mr. NEY), explain the reasons why he submitted the amendment or substitute, and I think it is a good reason to vote against it. We are in agreement.

Let me try to simplify it. If my colleagues are for reform, if they want to try to start down the path to restore confidence in our system, where the public will believe that special interest dollars are not going to have more influence but less influence on what we do in this body, if my colleagues want to move down that path, then they have to put some of their own personal views aside. There is only one opportunity in this Congress to get it done and that is to vote against the Ney substitute, to vote for the Shays-Meehan bill and McCain-Feingold. That is going to be the only opportunity we are going to have.

So, yes, each of us could try to craft a bill that we think is best, or we could try to understand the explanation of the gentleman from Ohio (Mr. NEY) as to why he is offering his amendment, which I have a hard time following; or we can vote for the only bill that is going to have a chance of being signed that will reduce special interest dollars, soft money, that will close loopholes in the law. I urge my colleagues to reject Ney and support the Shays-Meehan bill.

Mr. Chairman, I rise today in strong support of H.R. 2356, the Bipartisan Campaign Reform Act, sponsored by Mr. SHAYS and Mr. MEEHAN, and by Senator MCCAIN and Senator FEINGOLD. I am an original co-sponsor of this important legislation, and I urge members of the House to defeat the proposed substitutes to Shays-Meehan, as well as those amendments designed to derail the bill and prevent meaningful campaign finance reform legislation from being enacted into law.

Special interest campaign contributions represent a serious threat to public confidence in our government. The amount of money contributed to candidates for Congress and President calls into question the independence of our elected officials to make judgments in the public interest. As the level of spending in campaigns has continued to rise, those concerns have grown more serious. As members of Congress, we have a responsibility to strengthen our democracy by significantly reducing the influence of money. Recent scandals have proven, beyond the shadow of a doubt, that corporate wrongdoers can buy access and influence in Washington at the expense of regular working men and women.

The bill would close two large loopholes in the law that contribute to the corruption of our political system. One loophole is so-called "soft money" contributions, which are unregulated and unlimited contributions from wealthy special interest groups. Another major loophole deals with "independent" issue advertisements, which allow special interests to seek to influence the outcome of an election campaign by spending large sums of money on advertising campaigns. Currently, these ads which are clearly aimed at influencing an election can be worded in a way that they are deemed issue advocacy and are not subject to campaign spending limits or disclosure requirements.

Other major changes to our campaign financing system proposed in the bill would require Federal Election Commission (FEC) reports on candidate fund-raising and expenditures to be filed electronically, and provide Internet posting of this and other disclosure data. The FEC would be required to post such information within 48 hours of filing. The bill would also change from quarterly to monthly the filing requirements for candidates in election years, ensuring more timely information for the voting public on their candidates for election. In addition, the bill would provide for expedited and more effective FEC procedures, which would give the FEC greater enforcement authority and ability to crack down on violators of our campaign finance laws. The FEC, under the bill, would also serve as an information clearinghouse that would provide easy access to citizens and the media to lobbying reports, reports filed under the Foreign Agents Registration Act, Congressional witness lists and gift disclosures.

Mr. Chairman, the time has come for us to start to restore the confidence of the American people in our democratic system by reducing the influence of special interest money. We have the opportunity to do just that today by supporting the Bipartisan Campaign Reform Act.

Mr. NEY. Mr. Chairman, I yield 15 seconds to myself.

As I understand it, now it is a bad bill; it is not a reform bill. It was good then; it is not good now. I am still a little puzzled, I guess, Mr. Chairman.

Mr. Chairman, I yield 3 minutes to the gentleman from Illinois (Mr. WELLER), my friend.

Mr. WELLER. Mr. Chairman, I rise in support of the Ney substitute based on the principles that were articulated by the sponsors of this legislation in the last Congress who claimed at the time that the original version of Shays-Meehan was based on principle. If my colleagues take time to read the latest version of Shays-Meehan, they see that it has abandoned principle. What is the basic premises for Shays-Meehan? Banning that evil thing called soft money.

Shays-Meehan is so full of loopholes today that it allows for $60 million in soft money to continue to be part of the process. It is so full of loopholes that independent advocacy attack ads are prohibited on electronic media, they are prohibited from spending money to advocate a position up until the election on TV or radio; but they can still buy full page ads in the New York Times, The Washington Post, U.S.A Today, and all the other print media. The question is why does the print media get that loophole and not electronic, television, or radio? It is a good question. Something we want to ask.

I also wonder why they changed the effective date. We were urged in this House to move quickly, we have got to act quickly, got to do it now, we need to have a discharge petition, we got to do it now so it affects the next election. The bill comes to the floor and last night they changed the bill so it is not effective until after the election. So what is the hurry, huh? Maybe it could matter.

The other thing that really to me is what is something that really shows the lack of principle in the current Shays-Meehan is if we read the bill on page 78 and 79 which points out that under the current version of Shays-Meehan, which goes into effect the day after the election, that they can borrow hard money which according to the advocates of Shays-Meehan is good money, borrow hard money from a local bank or some form of financial institution, but after the election they can use soft money to pay it back. Hmm. Think about that principle.

Take the Democratic Congressional Committee, $40 million in their building account. They can use that $40 million as collateral to borrow millions in hard money and continue to solicit soft money up until the election. When the election is over with, pay off that hard money loan with soft money. Hmm, so much about principle.

I realize there is a lot of good intentions by those who may want to vote for Shays-Meehan. It is not the same bill. It is no longer based on principle. It has become a sham, and I urge a no vote on Shays-Meehan.

Mr. SHAYS. Mr. Chairman, I yield 1 minute to myself to correct the "hmm" of my colleague, who basically said something that simply was not accurate. They cannot use soft money to pay off a hard-money debt. That is simply not true.

This bill is different. Our bill is different than it was because a funny thing happened. The Senate got to look at our bill and they made some changes. They added the Levin amendment, which allows soft money, no more than $10,000 if a State allows it, not for Federal elections, and it cannot be used for any campaigns. That is what they do. So the Levin amendment makes our bill different.

Then we have the Snow-Jeffords amendment in the Senate which says 60 days to an election. So that is why, in fact, the bill is different. The bill is different because the Senate changed it, and we want a bill similar to what the Senate has done.

Mr. NEY. Mr. Chairman, I yield 15 seconds to myself.

So it is okay for the Senate to make some changes and we can accept that and morph the original bill 252 people voted for and get to the point we are at today, but it is not okay to take some type of an amendment, which there are good amendments, today from the floor of this House and introduce them. So the Senate has the sacred hand or something in this?

Mr. Chairman, I yield 30 seconds to the gentleman from Illinois (Mr. WELLER).

Mr. WELLER. Mr. Chairman, I thank the gentleman from Ohio (Mr. NEY) for yielding me the time.

Let me read the language of the bill, and I urge everyone to take time to read the language of the bill. Page 79, line 12: "Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002, or any run-off election or recount resulting in such an election."

If my colleagues read the bill, they can borrow hard money and pay it back with soft money. Lack of principle.

Mr. SHAYS. Mr. Chairman, I yield 30 seconds to myself to just say my colleagues have to read the bill and know the law. The law makes it illegal to use soft money for a hard-money expenditure.

The purpose of this is if they incurred a soft-money expenditure before the election day and the person wants to get paid afterwards, they get paid up to the date of January. A soft-money expense for a soft-money expenditure, a hard-money expense for a hard-money expenditure; but one does not always pay the bill before the expense.

Mr. MEEHAN. Mr. Chairman, I yield 45 seconds to myself.

In addition to that, Larry Noble, the executive director/general counsel of the Center for Responsive Politics, the former general counsel of the Federal Elections Commission, clearly states in this letter that I will again have added to the RECORD: "It is clear under Federal election law that only hard money can be used to pay off a loan that was used for hard money expenditures.

□ 1345

There is nothing in the Shays-Meehan Substitute that would supersede the current Federal law. Under this section, soft money funds on hand after the election could only be used to pay off debts or obligations used for soft money expenditures. That is the law.

One of the great things I have really enjoyed is working with my colleague, the gentleman from Ohio (Mr. NEY), on campaign finance reform. I was just so disappointed, after debating the Ney bill with him over the last year, that when it came time to put in a substitute, we did not get the Ney bill. I was looking forward to that.

The letter I referred to earlier is hereby inserted for the RECORD.

CENTER FOR RESPONSIVE POLITICS,
Washington, DC, February 13, 2002.

Hon. CHRISTOPHER SHAYS,
Longworth Building,
Washington, DC.

DEAR CONGRESSMAN SHAYS: This is in response to your question regarding whether a national committee of a political party can use soft money to pay off a debt or obligation that was used to fund expenditures that must be paid for with hard money. It is clear under federal election law that only hard money can be used to pay off a loan that was used for hard money expenditures. I see nothing in Section 402(b)(1) of the Shays-Meehan Substitute Amendment that would supersede current federal law. Under Section 402(b)(1), soft money funds on hand after the election could only be used to pay off debts or obligations used for soft money expenditures.

If you have any other questions, please do not hesitate to contact me.

Sincerely,

LARRY NOBLE,
Executive Director and General Counsel.

Mr. MEEHAN. Mr. Chairman, I yield 1½ minutes to the independent gentleman from Vermont (Mr. SANDERS).

Mr. SANDERS. Mr. Chairman, I thank the gentleman for yielding me this time.

The current campaign finance system is a disaster, and it is an embarrassment to American democracy. Shays-Meehan is not going to solve all the problems. It is not going to do away with all of the influence that corporate America and the big money interests have over the political process and the enormous degree to which they can control the agenda that Congress debates.

But, Mr. Chairman, if anyone wants to know why Congress in its wisdom passes a tax law that provides hundreds of billions of dollars in tax breaks to the richest 1 percent, but is somehow unable to raise the minimum wage, look at campaign finance and the huge amounts of money that corporate America spends and the $25,000-a-plate dinners that they hold.

If anyone wants to know why prescription drug costs in this country are by far the highest in the world, and why Congress year after year is unable to pass prescription drug reform to protect the elderly and the sick, understand the tens of millions of dollars that the pharmaceutical industry pours into the United States Congress and into the White House.

If anyone wants to understand why we are the only country in the world without a national health care system and why the cost of health care is twice as much per person in this country than in any other Nation, look at what the insurance industry spends trying to get their way against the will of the American people.

Mr. Chairman, the time is now to end big money influence. Let us pass this bill.

Mr. MEEHAN. Mr. Chairman, I ask unanimous consent to yield the balance of my time to the gentleman from Tennessee (Mr. FORD), and ask further that he be allowed to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. NEY. Mr. Chairman, I yield myself 1 minute.

Before my colleague leaves the floor, I want to rekindle his faith in our system, because there is a Ney-Wynn amendment coming. So the gentleman will have that chance, the whole bill we debated, the gentleman is going to have that chance to vote, and I just wanted to reassure him of that.

Mr. MEEHAN. Mr. Chairman, will the gentleman yield?

Mr. NEY. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, I was just disappointed that it was not a substitute.

Mr. NEY. I just did not want the gentleman to leave without being rekindled.

Mr. MEEHAN. I thank the gentleman.

Mr. NEY. Mr. Chairman, reclaiming my time, I think a lot of issues that do or do not pass here are debated, obviously, on their merits, whether it is prescription drugs or health care or Social Security. And when we start to talk about the money in the system and the influence, this bill is not going to change that.

Wealthy individuals, in my opinion, are still going to be in the system, unregulated, to do as they want with advocacy. But groups that are pushing, for example, for prescription drugs, their voices will be silenced, in the Shays-Meehan approach, in the last 60 days if they want to go to the radio ads or they want to go to the TV ads. I do not think that is a level playing field, letting one or two wealthy individuals in this country push around the advocacy as they please. Maybe they will want to stop prescription drugs, perhaps help prescription drugs, but, on the other hand, a lot of people who will advocate for a lot of good things for Americans, their voices will be silenced.

Mr. FORD. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman has 2¾ minutes.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. Mr. Chairman, I rise today in strong support of the Shays-Meehan bill and in opposition to the Ney substitute.

When I entered Congress back in 1997, Mr. Chairman, one of the first things I did was help organize a bipartisan freshman campaign finance reform task force. Even as political neophytes in this institution, we knew then what is true today, that the political system was awash with money; that there were too many powerful special interest groups dominating the agenda in Washington; and that it was wrong and it needed to change.

The legislation we came up with called for a ban on the unregulated, unlimited, soft money contributions. That is consistent with the Shays-Meehan bill before us today, soft money, by the way, that reached the level of $500 million in the last election alone. Unfortunately, I believe the Ney substitute today is just a cynical ploy to try to get a bill, or any bill, that is different from the Senate, passed so the opponents of reform can kill it in the conference committee.

They are not the only ones who have been very cynical about finance reform. The American people have been cynical, too, and not because they do not believe there is too much money or too much influence of money in the political system, but they do not believe Congress will do anything about it.

The day of reckoning has arrived today, and I urge my colleagues to support real finance reform, the Shays-Meehan bill, and vote "no" on the Ney substitute.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. HOEFFEL).

Mr. HOEFFEL. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in opposition to the Ney substitute, because it is clearly designed to send campaign reform to conference where it will die. I rise in full support of the Shays-Meehan underlying bill.

It is time that we get soft money out of Federal elections. It is time that we control the sham issue ads. In fact, Mr. Chairman, it is time for a lot more reform. This is only one good step forward into cleaning up our Federal elections.

We should consider other steps that would limit the corrupting influence of private money on public campaigns. We should consider a measure of public financing for congressional elections, as we do for Presidential elections. We should consider ways to raise the discourse and stop the negative ads, and do other things to clean up our system and restore a sense to the democratic process that it belongs to the people, not the big donors, and restore a sense that it matters what we say in campaigns and what people do in campaigns.

I oppose the substitute and support Shays-Meehan.

Mr. FORD. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Wisconsin (Ms. BALDWIN), my friend.

Ms. BALDWIN. Mr. Chairman, I rise in strong support of the Shays-Meehan substitute and against the Ney substitute before us. Americans in my district and across the Nation are disillusioned and have been calling out for reform for years, only to discover their collective voices have fallen on the deaf ears of the leadership of this House.

Since my constituents sent me here as their representative, as their voice, hundreds upon hundreds have contacted me regarding this very issue: campaign finance reform. They want public servants who are beholden to the voters of their district, not to special interest groups and their soft money contributions. They want policy and laws drafted by those acting in the public interest, not those carrying water for narrow private special interests.

No comments were more compelling than the one young author from Wisconsin who contacted me regarding Shays-Meehan. As a young voter, he said, "I am encouraged by the possibility that this bill will be one necessary step. People will again trust their government. There is nothing more important to our democracy."

We must pass this bill.

Mr. NEY. Mr. Chairman, I yield 4 minutes to the gentleman from Ohio (Mr. OXLEY), chairman of the Committee on Financial Services.

Mr. OXLEY. Mr. Chairman, I thank the gentleman for yielding me this time, and let me first pay tribute to my good friend and colleague from the Buckeye State, the gentleman from Ohio (Mr. NEY). He has done this body enormous service in his chairmanship and his leadership on this important issue of campaign finance reform.

Let us make no mistake about where we are today. A vote for the Ney substitute is really a vote about campaign finance reform. It addresses the real issues underlying what we are here for today, and I want to pay particular tribute to him. He has been steadfast and consistent, unlike the sponsors of the original bill that was introduced, which has changed so many times I cannot keep track of it. But I wish to say to the gentleman from Ohio (Mr. NEY) and to the gentleman from Maryland (Mr. WYNN) that they have remained consistent throughout.

I have been concerned that our approach to campaign finance reform, driven by, I think, some well-meaning reformers and also some folks that may have a special interest, that we are punishing the political parties in our attempt to clean up the system. The political parties are really the essence of our system here. Nothing in the Constitution talks about political parties. Political parties developed as part of our democracy, and they have been a critical part of our democracy.

Why would we want to take power, influence, and ability away from a political party and give it to special interests or to the media? I just do not understand that. Why would we want to say to the Republican Party in Ohio that they cannot have the ability to go out and recruit candidates and talk to voters and send out mailings and, yes, give contributions to candidates who proudly wear their party label? I thought that was what political parties were all about.

Under this legislation, under the underlying legislation, the Shays-Meehan bill, we treat political parties like they are another special interest. Just the contrary. Our political parties represent the ideals that we both share as Republicans and Democrats.

If the Republican Party in Ohio thought it was important enough that I get reelected, why should they not be able to contribute any amount of money they want to my campaign? After all, their job is to recruit and find candidates to fill public offices. That is what they do. So we are going to say to them, oh, this is terrible, you cannot take soft money, you cannot be involved in contributing to candidates' races because you would be unduly influencing the donees. I am sorry, but I just do not accept that.

I also do not accept the fact that we are going to give the media total control of the airwaves and the newspapers the ability to influence voters when, in fact, other groups who have maybe the same first amendment rights, I would like to think have the same first amendment rights, are going to be constricted in what they are able to spend and what they are able to say. So the media says to us, you need to clean up the system. Oh, by the way, we want to make sure that we get top dollar for our ads that we run during the political season, but at the same time we want to be able to control the discourse.

So the first amendment applies to the newspapers, it applies to The New York Times, it applies to the networks, but it does not apply to political discourse by organized groups. What a shame that is.

Let us support the Ney substitute and get on with the business.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Washington State (Mr. INSLEE).

Mr. INSLEE. Mr. Chairman, an hour ago a woman named Marilyn Robinson testified over in the Rayburn Building. She told the story about her 18-year-old son Liam Wood, who was killed in the explosion of a gasoline pipeline. Two hundred thousand gallons of gasoline were released and exploded, incinerating two young children and killing her son.

□ 1400

The reason her son died in part was because this institution did not pass any meaningful laws to make sure gasoline pipelines do not explode. The reason this institution failed in that duty is in part because we are shackled by special interest money. I am here to say for the spirit of Ms. Wood and those who can potentially be victims of this continued slavery to special interest money, that we should bury this cynical amendment that throughout history has stopped any campaign finance reform. We should bury it today so that others may live.

Mr. NEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is not a cynical substitute. This is Shays-Meehan that 252 people voted for and said that this is the only measure. This is what was going to go to the desk of President Bush. This is not something that I created last night. This is the bill.

Mr. Chairman, I yield 3 minutes to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, I know that feelings are strong on both sides.

I want to shed light on the issue about the soft-money loophole in the Shays-Meehan substitute this afternoon.

We have heard about a letter from Larry Noble, who is no longer associated with the Federal Election Commission. At one point he was General Counsel. He is now associated with the Center for Responsive Politics, and I think we understand where that opinion comes from. Mr. Noble has a long history of losing cases at the FEC, the list of cases he has lost being far larger than the cases he has won. In fact, one case he litigated, the Christian Action Network, which is in my home fourth district, he not only lost it, the FEC was faced with fees and sanctions that were imposed against the FEC. We believe his letter is erroneous. It has nothing to do with the current FEC, which is not addressing this.

Mr. Chairman, I have a memorandum that I will include for the RECORD from Patton Boggs that basically says in contrast to current law, the proposed language in the Shays-Meehan substitute would allow a national party committee to pay any debt with soft non-Federal dollars in the period from November 5, 2002 to January 1, 2003. Specifically, it could be used to retire outstanding debts or obligations that were incurred with the 2002 elections.

This is not consistent with the current regulations. This would be illegal under current law, which would not allow us to borrow hard dollars and pay them off with soft dollars. This would allow building-fund dollars which now are limited to building funds to basically repay hard-dollar obligations that were barred; and under the building-fund loophole that we find later in the legislation, that could be replenished later down the road with soft dollars. That is under the language.

I am hard pressed to understand the arguments from the other side unless their committees can come forward and make it clear that they would not try to do this in terms of what the interpretations are.

I have also looked at Trevor Potter's Web site, the Campaign Finance Institute, and although they are saying one thing to Members, their own Web site states that new transition rules in the Shays-Meehan substitute provides that through the end of 2002 the national parties may spend excess soft money to pay off any outstanding debts. Sponsors and opponents of the bill dispute whether the provisions would allow soft money to be used to pay off hard money debts. We seem to have that disagreement today. But he notes on the Web site that the text provides that soft money could be used to retire outstanding debts incurred solely in connection with an election. That means hard dollars. That is what it means under the law. It does not make any reference to contributions or expenditures, i.e. hard money, or non-Federal joint or allocated activities which include soft money.

I do not question the motives of the other side, but when we come up with amendments drafted in the dead of night, submitted the evening before, drafting errors occur. I think that we have that there. I urge support of Ney-Wynn and defeat of the Shays-Meehan substitute.

The memorandum previously referred to is as follows:

PATTON BOGGS LLP,
Washington, DC, February 13, 2002.

Re Shays-Meehan Effective Date.

The proposed Shays-Meehan effective date language (section 402) provides that:

(a) IN GENERAL.—Except as otherwise provided in section 308 and subsection (b), this Act and the amendments made by this Act shall take effect November 6, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a), the following rules shall apply with respect to the spending of such funds by such committee:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from such an election).

(2) At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.

The Federal Election Campaign Act and current Federal Election Commission regulations require federal expenses (including federal debts) to be paid out of the federal account. See, e.g., 11 C.F.R. §102.5. Moreover, the regulations also require allocations between federal and non-federal activities. 11 C.F.R. §106.5.

In contrast to current law, the proposed language would allow a national party committee to pay any debt with soft, non-federal dollars in the period from November 5, 2002 to January 1, 2003. Specifically, it could be used to "retire outstanding debts or obligations" that were incurred in connection with the 2002 elections. It fails to differentiate between federal debt and non-federal debt. This is not consistent with the current regulations that specifically require hard debt to be paid with hard dollars. Moreover, the language explicitly references "debts or obligations incurred . . . solely in connection with an election"—this appears to mean hard dollar debt.

The lack of specificity in the language means that a portion of hard dollar debt or obligations could be paid for with soft money. Any legal test of this provision would take many years under the FEC enforcement process. (Also note that Title I of H.R. 2356, new language would be added at section 323(b)(2)(A) specifying that state parties must expend funds "to the extent the amounts expended or disbursed for such activity are allocated (under regulations prescribed by the Commission) among amounts . . . .")

As a practical matter, the plain wording of the proposed language would allow a national party committee to borrow hard dollars, spend those dollars in the upcoming election, and then use the remaining soft dollars to repay the debt. Moreover, such a hard dollar loan could be secured with non-federal dollars as collateral, particularly the funds in the building fund.

The provision also permits a flood of special interest soft money to the national party committees to finance new elaborate and fancy headquarters. This loophole continues to provide a home for large, unlimited, soft money dollars at the national party committees.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Chairman, America, America, the witching hour is upon campaign finance reform. Please pay close attention to how we Members of Congress vote. Everyone claims to be doing the right thing. Everyone seems to be saying they support reform. But make no mistake about it, there is only one bill here that creates real reform for our Nation's campaign finance laws while passing the Senate, and that is Shays-Meehan.

Our political system has gone bad mad. In the 2000 election, candidates spent more than $4 billion, a 50 percent increase since 1996. That is obscene. Who is giving all of this money to the parties? Is it the little guy? No. Not even the medium guy. Instead, there are big donations from big corporations. Obviously Enron, which has given almost $6 million to Federal candidates, $3.5 million of that $6 million was soft money. Did they know what they were doing? This is not misinformation. If Members want to talk about a Web site, go on their Web site and see their numbers.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. GREENWOOD).

Mr. GREENWOOD. Mr. Chairman, I oppose the Ney substitute because I believe it and the amendment thereto to follow will kill our crusade against soft money, and our crusade against soft money has to win if our democracy is to prevail.

There are those who say that soft money, corporate money, labor money is really about philosophy. It is not about corruption. It is about how these organizations support the parties of their choice with their dollars.

For the last 2 months I have spent most of my time investigating the Enron scandal. Just to give an example of what Enron did to further its philosophy, in March of 2000 it gave $50,000 to the Democratic National Committee. The next month in April it gave $75,000 to the Republican National Committee. In May it gave $50,000 to the Democratic National Committee. In June it gave $50,000 to the Republican National Committee. And the day before that, it had given $50,000 to the Democratic Senatorial Committee.

Mr. Chairman, this is not about philosophy, this is about access and influence; and it corrupts our process. If a Member of this body went to Enron and called them on the phone and said, I would like a check for $50,000 or cash for $50,000, that Member would go to jail for corruption as he or she should. If Enron Corporation gave $50,000 to one of our congressional campaigns, we would go to jail, as we should, because that is corrupt. But somehow if the same Member of Congress goes over to the Democratic Committee or Republican Committee and picks up the phone and says, I need a check for $50,000 for my party so we can get our people elected, that is not corruption? The American people know that is corruption. It does corrupt the process.

I have listened to my colleagues on both sides of the aisle lament that without these dollars they cannot get reelected. I remember on Take Your Daughter to Work Day a few years ago I brought my 12-year-old daughter down, and at a Republican National Committee function we were talking about the money we had to raise and how costly it was going to be, and she tapped me on the shoulder and whispered into my ear, and she said, "Everybody should just do what is right, and if you do what is right, the people will elect you."

Mr. Chairman, Members should do what is really right and vote for Shays-Meehan.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. KUCINICH), a former mayor of Cleveland and an outstanding reformer in our body.

Mr. KUCINICH. Mr. Chairman, it is time for this Congress to rescue and secure democracy from the soft-money slavery of special interests and the clutches of the best-government-money-can-buy. We must stand here on the highest hill in the land and tell corporate interests, which give hundreds of millions in soft-money contributions who hold this government hostage, let my people go.

Finance and credit card companies gave $9 million in corporate campaign cash, and ordinary people ended up with higher rates of foreclosure. Let my people go.

Banking and security interests gave $87 million for banking deregulation, which undermines consumers' economic interests. Let my people go.

Corporate campaign cash buys higher electric rates. Let my people go.

Corporate campaign cash buys a higher rate of prescription drugs. Let my people go.

Corporate campaign cash bought fast track which cost Americans millions of jobs. Let my people go.

Corporate campaign cash wants to buy the privatization of Social Security. Let my people go.

Mr. Chairman, freedom is on the line today. Free this Congress. Free this system. Free democracy from the yoke of corporate control. Let my people go. Pass the Shays-Meehan substitute.

Mr. HOYER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Missouri (Ms. MCCARTHY).

Ms. MCCARTHY of Missouri. Mr. Chairman, I commend the gentleman from Ohio (Mr. NEY) with regard to his work on election reform which was very bipartisan and passed this House nearly unanimously. That is why I am troubled today with having him stand up and present a bill for our support that he opposes personally, and opposes the bill we all seek, which has bipartisan support and will genuinely reform our campaign laws.

To reform election laws and campaign laws in the same session would enforce in people's mind that we have indeed our process up here and restored integrity to our election system. The confidence of the American people is at stake, and we deserve to serve them as we have in the past and continue to do so today.

Mr. Chairman, Shays-Meehan legislation will rein in that soft money and the deceptive ads that frustrate and confuse and also undermine the election system; and it will provide the American public with important information on which individuals or organizations are trying to influence their vote. I urge adoption of Shays-Meehan and oppose the Ney substitute.

Mr. FORD. Mr. Chairman, I yield 1¼ minutes to the gentlewoman from Michigan (Ms. RIVERS).

Ms. RIVERS. Mr. Chairman, as I listen to this debate and as I have listened to it over the years, we have been here before on this, I am reminded of the legendary creature, the hydra. The hydra, if one of its heads was cut off, it would grow two more. That is the way the arguments against Shays-Meehan seem to be. How many arguments do we have to hear? How many times do we have to endure this?

Today we hear that the bill that would not be supported 3 months ago is now the bill that should be embraced today. And then after arguing that, they suggest that the people on this side of the aisle are not operating from principle. Well, what is the principle that is driving the argument against reform? It seems to be the desire to protect the status quo at any cost by any argument no matter how specious.

Mr. Chairman, we have a shameful voter-participation record in this country. We have a political system that is not trusted by the people it governs. Enough is enough. It is time to end the cynical games, both political and parliamentary, that perpetuate this system. It is time to defeat the substitute, pass Shays-Meehan and finally, finally, pass campaign finance reform.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Chairman, hopefully today will be a day where the American public wins. Five years ago as a freshman class president, I joined new Members of the 105th Congress view this institution and the way they view the White House.

We pledged that no matter what or how tough the going got, we would clean up the way elections are run. We knew that massive amounts of unregulated money have a corrosive influence on our political process. In fact, unregulated soft-money giving has increased by 137 percent since we made our pledge.

□ 1415

And so here we are, on the verge of finally doing something about it by passing campaign finance reform. But if we do not pass a clean version of the Shays-Meehan bill, the campaign finance reform obstructionists will once again rest easy, knowing that the will of the public will be subverted by special interests, only this time in conference committee. It is time we kept our promise.

I urge my colleagues to join me in voting "no" on the Ney substitute as well as any poison pill amendments that will be considered.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York (Mr. ISRAEL).

Mr. ISRAEL. Mr. Chairman, I rise against this substitute. I am one of those Members who has been working on a bipartisan basis to strengthen Medicare and provide affordable prescription drugs to seniors. I know that this fall as sure as the leaves turn, I will turn on my television and there is going to be some phony ad, backed by soft money, by some innocent-sounding group masking a special interest, drowning out the real voices of real people and real seniors. It is enough.

I have heard the debate on both sides of the aisle on who Shays-Meehan really helps and who it hurts. There are some Democrats who say that Shays-Meehan will really help the Republicans, and there are some Republicans who say that Shays-Meehan will really help the Democrats. Mr. Chairman, how about helping the American people? How about putting them ahead of politics for once in this House? That is what we should be doing. The only way to truly do that is to pass Shays-Meehan and not substitutes designed to defeat it.

Mr. SHAYS. Mr. Chairman, I yield myself the balance of my time.

I would point out that in conversation with Trevor Potter, who had just been recently discussed, he pointed out that he totally disagrees with what was said by the gentleman from Virginia (Mr. TOM DAVIS), and the reference to his Website was, in fact, not even his Website.

And that this $40 million fund that is being described, Democrats have $3.2 million in their building fund and Republicans have $1.8 million in their building fund. So if the Democrats have $40 million, they would have to raise from this point on the difference, basically $36.8 million, and then not spend it against candidates who are running for office.

Again, I just repeat, if the Democrats want to raise $36.8 million and spend it on a building fund instead of campaigns, I think Republicans should probably encourage them to do that.

I would like to also point out that our bill is, in fact, a compromise. It is a compromise.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, many of us have been on a very long journey, and we believe that today is the final stop, and the doors of the train will not open until we complete the accounting of all those who have ridden with us. And I think we will find that most of us believe that today is the day to pass the Shays-Meehan campaign finance reform legislation, and we believe that all the debate that you will hear today is procedural, that what the American people want us to do is to act on substance. They want us to restate our commitment to the values of America that democracy rules and that the people's voice speaks louder than special interests.

Thomas Jefferson wrote that individuals who are elected are divided into two parties, those who fear and distrust the people and those who identify themselves with the people, have confidence in them, cherish and consider them as the most honest and safe. I cherish the people. I believe we can win by voting for Shays-Meehan campaign finance reform, and support the people's interest.

Mr. FORD. Mr. Chairman, I yield the balance of my time to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. I thank the gentleman for yielding me this time.

Mr. Chairman, we ought to vote "no" on this amendment. The gentleman from Ohio (Mr. NEY) voted "no" on this amendment originally. He offers this amendment as a substitute because he says it was offered before. That is correct. It was offered before it was perfected. Shays-Meehan now offer their perfected version, which is the preferred version by supporters of campaign finance reform.

I urge, therefore, every individual in this House who wants to support campaign finance reform and see that bill placed on the President's desk to vote against my distinguished chairman and friend, the gentleman from Ohio, and keep campaign finance reform alive.

The CHAIRMAN. The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. NEY).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. NEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 53, noes 377, not voting 4, as follows:

[Roll No. 20]

AYES—53

Aderholt
Akin
Bachus
Ballenger
Barton
Bono
Cantor
Capito
Combest
Cubin
Culberson
Davis, Jo Ann
DeMint
Diaz-Balart
Doolittle
Duncan
Emerson
English
Fletcher
Forbes
Frelinghuysen
Gekas
Gillmor
Jenkins
Johnson (CT)
Johnson, Sam
LaTourette
McCrery
McHugh
McInnis
Nussle
Osborne
Otter
Pitts
Pryce (OH)
Radanovich
Regula
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Rush
Saxton
Schrock
Shimkus
Shows
Skeen
Smith (MI)
Souder
Taylor (NC)
Upton
Vitter
Weldon (PA)
Wilson (SC)

NOES—377

Abercrombie
Ackerman
Allen
Andrews
Armey
Baca
Baird
Baker
Baldacci
Baldwin
Barcia
Barr
Barrett
Bartlett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Boozman
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Tom
Deal
DeFazio
DeGette
DeLauro
DeLay
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Engel
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Ferguson
Filner
Flake
Foley
Ford
Fossella
Frank
Frost
Gallegly
Ganske
Gephardt
Gibbons
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (IL)
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Latham
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Platts
Pombo
Pomeroy
Portman
Price (NC)
Putnam
Quinn
Rahall
Ramstad
Rangel
Rehberg
Reyes
Reynolds
Rivers
Rodriguez
Roemer
Rogers (KY)
Ross
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schaffer
Schakowsky
Schiff
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry

Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walden
Walsh
Wamp
Waters
Watkins (OK)
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—4

Delahunt
Lipinski
Riley
Traficant

□ 1443

Messrs. GARY G. MILLER of California, ISSA, BARRETT of Wisconsin, ARMEY, SHERWOOD, LEWIS of Kentucky, RANGEL, BONIOR, SMITH of Texas, HANSEN, NORWOOD, SHUSTER, JEFF MILLER of Florida, CANNON, BONILLA, TANCREDO, ISTOOK, LARGENT, CRANE, GOSS, EHRLICH, BRYANT, BURTON of Indiana, EHLERS, WATTS of Oklahoma and TAUZIN and Mrs. TAUSCHER and Mrs. MYRICK changed their vote from "aye" to "no."

Mr. GILLMOR and Mr. BACHUS changed their vote from "no" to "aye."

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mrs. JOHNSON of Connecticut. Mr. Chairman, on rollcall No. 20 I inadvertently voted "aye." I would like the RECORD to show that I meant to vote "no."

Mr. RUSH. Mr. Chairman, on rollcall No. 20, I inadvertently cast an "aye" vote when my vote should have been "no" in opposition to the Ney substitute to H.R. 2356.

The Ney substitute would undermine the ability of Legal Permanent Residents to participate in the political system. I ask that the RECORD reflect my opposition to the Ney substitute.

The CHAIRMAN. It is now in order to consider the amendment in the nature of a substitute numbered 9 specified in section 2 of House Resolution 344 offered by the gentleman from Connecticut (Mr. SHAYS).

□ 1445

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 9 OFFERED BY MR. SHAYS

Mr. SHAYS. Mr. Chairman, I offer an amendment in the nature of a substitute.

The CHAIRMAN. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute No. 9 offered by Mr. SHAYS:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Bipartisan Campaign Reform Act of 2002".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

Sec. 101. Soft money of political parties.
Sec. 102. Increased contribution limit for State committees of political parties.
Sec. 103. Reporting requirements.

TITLE II—NONCANDIDATE CAMPAIGN EXPENDITURES

Subtitle A—Electioneering Communications

Sec. 201. Disclosure of electioneering communications.
Sec. 202. Coordinated communications as contributions.
Sec. 203. Prohibition of corporate and labor disbursements for electioneering communications.
Sec. 204. Rules relating to certain targeted electioneering communications.

Subtitle B—Independent and Coordinated Expenditures

Sec. 211. Definition of independent expenditure.
Sec. 212. Reporting requirements for certain independent expenditures.
Sec. 213. Independent versus coordinated expenditures by party.
Sec. 214. Coordination with candidates or political parties.

TITLE III—MISCELLANEOUS

Sec. 301. Use of contributed amounts for certain purposes.
Sec. 302. Prohibition of fundraising on Federal property.
Sec. 303. Strengthening foreign money ban.
Sec. 304. Modification of individual contribution limits in response to expenditures from personal funds.
Sec. 305. Television media rates.
Sec. 306. Limitation on availability of lowest unit charge for Federal candidates attacking opposition.
Sec. 307. Software for filing reports and prompt disclosure of contributions.
Sec. 308. Modification of contribution limits.
Sec. 309. Donations to Presidential inaugural committee.
Sec. 310. Prohibition on fraudulent solicitation of funds.
Sec. 311. Study and report on Clean Money Clean Elections laws.
Sec. 312. Clarity standards for identification of sponsors of election-related advertising.
Sec. 313. Increase in penalties.
Sec. 314. Statute of limitations.
Sec. 315. Sentencing guidelines.
Sec. 316. Increase in penalties imposed for violations of conduit contribution ban.
Sec. 317. Restriction on increased contribution limits by taking into account candidate's available funds.
Sec. 318. Clarification of right of nationals of the United States to make political contributions.
Sec. 319. Prohibition of contributions by minors, .

TITLE IV—SEVERABILITY; EFFECTIVE DATE

Sec. 401. Severability.
Sec. 402. Effective date.
Sec. 403. Judicial review.

TITLE V—ADDITIONAL DISCLOSURE PROVISIONS

Sec. 501. Internet access to records.
Sec. 502. Maintenance of website of election reports.
Sec. 503. Additional disclosure reports.
Sec. 504. Public access to broadcasting records.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

"SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

"(a) NATIONAL COMMITTEES.—

"(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) APPLICABILITY.—The prohibition established by paragraph (1) applies to any such national committee, any officer or agent acting on behalf of such a national committee, and any entity that is directly or indirectly established, financed, maintained, or controlled by such a national committee.

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

"(1) IN GENERAL.—Except as provided in paragraph (2), an amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or of individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) APPLICABILITY.—

"(A) IN GENERAL.—Notwithstanding clause (i) or (ii) of section 301(20)(A), and subject to subparagraph (B), paragraph (1) shall not apply to any amount expended or disbursed by a State, district, or local committee of a political party for an activity described in either such clause to the extent the amounts expended or disbursed for such activity are allocated (under regulations prescribed by the Commission) among amounts—

"(i) which consist solely of contributions subject to the limitations, prohibitions, and reporting requirements of this Act (other than amounts described in subparagraph (B)(iii)); and

"(ii) other amounts which are not subject to the limitations, prohibitions, and reporting requirements of this Act (other than any requirements of this subsection).

"(B) CONDITIONS.—Subparagraph (A) shall only apply if—

"(i) the activity does not refer to a clearly identified candidate for Federal office;

"(ii) the amounts expended or disbursed are not for the costs of any broadcasting, cable, or satellite communication, other than a communication which refers solely to a clearly identified candidate for State or local office;

"(iii) the amounts expended or disbursed which are described in subparagraph (A)(ii) are paid from amounts which are donated in accordance with State law and which meet the requirements of subparagraph (C), except that no person (including any person established, financed, maintained, or controlled by such person) may donate more than $10,000 to a State, district, or local committee of a political party in a calendar year for such expenditures or disbursements; and

“(iv) the amounts expended or disbursed are made solely from funds raised by the State, local, or district committee which makes such expenditure or disbursement, and do not include any funds provided to such committee from—

“(I) any other State, local, or district committee of any State party,

“(II) the national committee of a political party (including a national congressional campaign committee of a political party),

“(III) any officer or agent acting on behalf of any committee described in subclause (I) or (II), or

“(IV) any entity directly or indirectly established, financed, maintained, or controlled by any committee described in subclause (I) or (II).

“(C) PROHIBITING INVOLVEMENT OF NATIONAL PARTIES, FEDERAL CANDIDATES AND OFFICEHOLDERS, AND STATE PARTIES ACTING JOINTLY.—Notwithstanding subsection (e) (other than subsection (e)(3)), amounts specifically authorized to be spent under subparagraph (B)(iii) meet the requirements of this subparagraph only if the amounts—

“(i) are not solicited, received, directed, transferred, or spent by or in the name of any person described in subsection (a) or (e); and

“(ii) are not solicited, received, or directed through fundraising activities conducted jointly by 2 or more State, local, or district committees of any political party or their agents, or by a State, local, or district committee of a political party on behalf of the State, local, or district committee of a political party or its agent in one or more other States.

“(c) FUNDRAISING COSTS.—An amount spent by a person described in subsection (a) or (b) to raise funds that are used, in whole or in part, for expenditures and disbursements for a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

“(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to—

“(1) an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) and that makes expenditures or disbursements in connection with an election for Federal office (including expenditures or disbursements for Federal election activity); or

“(2) an organization described in section 527 of such Code (other than a political committee, a State, district, or local committee of a political party, or the authorized campaign committee of a candidate for State or local office).

“(e) FEDERAL CANDIDATES.—

“(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or an individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of 1 or more candidates or individuals holding Federal office, shall not—

“(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

“(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

“(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1), (2), and (3) of section 315(a); and

“(ii) are not from sources prohibited by this Act from making contributions in connection with an election for Federal office.

“(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual described in such paragraph who is or was also a candidate for a State or local office solely in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law and refers only to such State or local candidate, or to any other candidate for the State or local office sought by such candidate, or both.

“(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1) or subsection (b)(2)(C), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

“(4) PERMITTING CERTAIN SOLICITATIONS.—

“(A) GENERAL SOLICITATIONS.—Notwithstanding any other provision of this subsection, an individual described in paragraph (1) may make a general solicitation of funds on behalf of any organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section) (other than an entity whose principal purpose is to conduct activities described in clauses (i) and (ii) of section 301(20)(A)) where such solicitation does not specify how the funds will or should be spent.

“(B) CERTAIN SPECIFIC SOLICITATIONS.—In addition to the general solicitations permitted under subparagraph (A), an individual described in paragraph (1) may make a solicitation explicitly to obtain funds for carrying out the activities described in clauses (i) and (ii) of section 301(20)(A), or for an entity whose principal purpose is to conduct such activities, if—

“(i) the solicitation is made only to individuals; and

“(ii) the amount solicited from any individual during any calendar year does not exceed $20,000.

“(f) STATE CANDIDATES.—

“(1) IN GENERAL.—A candidate for State or local office, individual holding State or local office, or an agent of such a candidate or individual may not spend any funds for a communication described in section 301(20)(A)(iii) unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act.

“(2) EXCEPTION FOR CERTAIN COMMUNICATIONS.—Paragraph (1) shall not apply to an individual described in such paragraph if the communication involved is in connection with an election for such State or local office and refers only to such individual or to any other candidate for the State or local office held or sought by such individual, or both.”.

(b) DEFINITIONS.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end thereof the following:

“(20) FEDERAL ELECTION ACTIVITY.—

“(A) IN GENERAL.—The term ‘Federal election activity’ means—

“(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

“(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

“(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

“(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

“(B) EXCLUDED ACTIVITY.—The term ‘Federal election activity’ does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

“(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

“(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

“(iii) the costs of a State, district, or local political convention;

“(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office; and

“(v) the cost of constructing or purchasing an office facility or equipment for a State, district, or local committee.

“(21) GENERIC CAMPAIGN ACTIVITY.—The term ‘generic campaign activity’ means a campaign activity that promotes a political party and does not promote a candidate or non-Federal candidate.

“(22) PUBLIC COMMUNICATION.—The term ‘public communication’ means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, mass mailing, or telephone bank to the general public, or any other form of general public political advertising.

“(23) MASS MAILING.—The term ‘mass mailing’ means a mailing by United States mail or facsimile of more than 500 pieces of mail matter of an identical or substantially similar nature within any 30-day period.

“(24) TELEPHONE BANK.—The term ‘telephone bank’ means more than 500 telephone calls of an identical or substantially similar nature within any 30-day period.”.

SEC. 102. INCREASED CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.

Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking “or” at the end;

(2) in subparagraph (C)—

(A) by inserting “(other than a committee described in subparagraph (D))” after “committee”; and

(B) by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following:

“(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.”.

SEC. 103. REPORTING REQUIREMENTS.

(a) Reporting Requirements.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following:

“(e) Political Committees.—

“(1) National and congressional political committees.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

“(2) Other political committees to which section 323 applies.—

“(A) In general.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in section 301(20)(A), unless the aggregate amount of such receipts and disbursements during the calendar year is less than $5,000.

“(B) Specific disclosure by state and local parties of certain nonfederal amounts permitted to be spent on federal election activity.—Each report by a political committee under subparagraph (A) of receipts and disbursements made for activities described in section 301(20)(A) shall include a disclosure of all receipts and disbursements described in section 323(b)(2)(A) and (B).

“(3) Itemization.—If a political committee has receipts or disbursements to which this subsection applies from or to any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

“(4) Reporting periods.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a)(4)(B).”.

(b) Building Fund Exception to the Definition of Contribution.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xv) as clauses (viii) through (xiv), respectively.

TITLE II—NONCANDIDATE CAMPAIGN EXPENDITURES

Subtitle A—Electioneering Communications

SEC. 201. DISCLOSURE OF ELECTIONEERING COMMUNICATIONS.

(a) In General.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 103, is amended by adding at the end the following new subsection:

“(f) Disclosure of Electioneering Communications.—

“(1) Statement required.—Every person who makes a disbursement for the direct costs of producing and airing electioneering communications in an aggregate amount in excess of $10,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

“(2) Contents of statement.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

“(A) The identification of the person making the disbursement, of any person sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

“(B) The principal place of business of the person making the disbursement, if not an individual.

“(C) The amount of each disbursement of more than $200 during the period covered by the statement and the identification of the person to whom the disbursement was made.

“(D) The elections to which the electioneering communications pertain and the names (if known) of the candidates identified or to be identified.

“(E) If the disbursements were paid out of a segregated bank account which consists of funds contributed solely by individuals who are United States citizens or nationals or lawfully admitted for permanent residence as defined in section 1101(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(2)) directly to this account for electioneering communications, the names and addresses of all contributors who contributed an aggregate amount of $1,000 or more to that account during the period beginning on the first day of the preceding calendar year and ending on the disclosure date. Nothing in this subparagraph is to be construed as a prohibition on the use of funds in such a segregated account for a purpose other than electioneering communications.

“(F) If the disbursements were paid out of funds not described in subparagraph (E), the names and addresses of all contributors who contributed an aggregate amount of $1,000 or more to the person making the disbursement during the period beginning on the first day of the preceding calendar year and ending on the disclosure date.

“(3) Electioneering communication.—For purposes of this subsection—

“(A) In general.—(i) The term ‘electioneering communication’ means any broadcast, cable, or satellite communication which—

“(I) refers to a clearly identified candidate for Federal office;

“(II) is made within—

“(aa) 60 days before a general, special, or runoff election for the office sought by the candidate; or

“(bb) 30 days before a primary or preference election, or a convention or caucus of a political party that has authority to nominate a candidate, for the office sought by the candidate; and

“(III) in the case of a communication which refers to a candidate for an office other than President or Vice President, is targeted to the relevant electorate.

“(ii) If clause (i) is held to be constitutionally insufficient by final judicial decision to support the regulation provided herein, then the term ‘electioneering communication’ means any broadcast, cable, or satellite communication which promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate) and which also is suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate. Nothing in this subparagraph shall be construed to affect the interpretation or application of section 100.22(b) of title 11, Code of Federal Regulations.

“(B) Exceptions.—The term ‘electioneering communication’ does not include—

“(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate;

“(ii) a communication which constitutes an expenditure or an independent expenditure under this Act;

“(iii) a communication which constitutes a candidate debate or forum conducted pursuant to regulations adopted by the Commission, or which solely promotes such a debate or forum and is made by or on behalf of the person sponsoring the debate or forum; or

“(iv) any other communication exempted under such regulations as the Commission may promulgate (consistent with the requirements of this paragraph) to ensure the appropriate implementation of this paragraph, except that under any such regulation a communication may not be exempted if it meets the requirements of this paragraph and is described in section 301(20)(A)(iii).

“(C) Targeting to relevant electorate.—For purposes of this paragraph, a communication which refers to a clearly identified candidate for Federal office is ‘targeted to the relevant electorate’ if the communication can be received by 50,000 or more persons—

“(i) in the district the candidate seeks to represent, in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

“(ii) in the State the candidate seeks to represent, in the case of a candidate for Senator.

“(4) Disclosure date.—For purposes of this subsection, the term ‘disclosure date’ means—

“(A) the first date during any calendar year by which a person has made disbursements for the direct costs of producing or airing electioneering communications aggregating in excess of $10,000; and

“(B) any other date during such calendar year by which a person has made disbursements for the direct costs of producing or airing electioneering communications aggregating in excess of $10,000 since the most recent disclosure date for such calendar year.

“(5) Contracts to disburse.—For purposes of this subsection, a person shall be treated as having made a disbursement if the person has executed a contract to make the disbursement.

“(6) Coordination with other requirements.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

“(7) Coordination with Internal Revenue Code.—Nothing in this subsection may be construed to establish, modify, or otherwise affect the definition of political activities or electioneering activities (including the definition of participating in, intervening in, or influencing or attempting to influence a political campaign on behalf of or in opposition to any candidate for public office) for purposes of the Internal Revenue Code of 1986.”.

(b) RESPONSIBILITIES OF FEDERAL COMMUNICATIONS COMMISSION.—The Federal Communications Commission shall compile and maintain any information the Federal Election Commission may require to carry out section 304(f) of the Federal Election Campaign Act of 1971 (as added by subsection (a)), and shall make such information available to the public on the Federal Communication Commission's website.

SEC. 202. COORDINATED COMMUNICATIONS AS CONTRIBUTIONS.

Section 315(a)(7) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)) is amended —

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

"(C) if—

"(i) any person makes, or contracts to make, any disbursement for any electioneering communication (within the meaning of section 304(f)(3)); and

"(ii) such disbursement is coordinated with a candidate or an authorized committee of such candidate, a Federal, State, or local political party or committee thereof, or an agent or official of any such candidate, party, or committee;

such disbursement or contracting shall be treated as a contribution to the candidate supported by the electioneering communication or that candidate's party and as an expenditure by that candidate or that candidate's party; and".

SEC. 203. PROHIBITION OF CORPORATE AND LABOR DISBURSEMENTS FOR ELECTIONEERING COMMUNICATIONS.

(a) IN GENERAL.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by inserting "or for any applicable electioneering communication" before ", but shall not include".

(b) APPLICABLE ELECTIONEERING COMMUNICATION.—Section 316 of such Act is amended by adding at the end the following:

"(c) RULES RELATING TO ELECTIONEERING COMMUNICATIONS.—

"(1) APPLICABLE ELECTIONEERING COMMUNICATION.—For purposes of this section, the term 'applicable electioneering communication' means an electioneering communication (within the meaning of section 304(f)(3)) which is made by any entity described in subsection (a) of this section or by any other person using funds donated by an entity described in subsection (a) of this section.

"(2) EXCEPTION.—Notwithstanding paragraph (1), the term 'applicable electioneering communication' does not include a communication by a section 501(c)(4) organization or a political organization (as defined in section 527(e)(1) of the Internal Revenue Code of 1986) made under section 304(f)(2)(E) or (F) of this Act if the communication is paid for exclusively by funds provided directly by individuals who are United States citizens or nationals or lawfully admitted for permanent residence as defined in section 1101(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(2)). For purposes of the preceding sentence, the term 'provided directly by individuals' does not include funds the source of which is an entity described in subsection (a) of this section.

"(3) SPECIAL OPERATING RULES.—

"(A) DEFINITION UNDER PARAGRAPH (1).—An electioneering communication shall be treated as made by an entity described in subsection (a) if an entity described in subsection (a) directly or indirectly disburses any amount for any of the costs of the communication.

"(B) EXCEPTION UNDER PARAGRAPH (2).—A section 501(c)(4) organization that derives amounts from business activities or receives funds from any entity described in subsection (a) shall be considered to have paid for any communication out of such amounts unless such organization paid for the communication out of a segregated account to which only individuals can contribute, as described in section 304(f)(2)(E).

"(4) DEFINITIONS AND RULES.—For purposes of this subsection—

"(A) the term 'section 501(c)(4) organization' means—

"(i) an organization described in section 501(c)(4) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; or

"(ii) an organization which has submitted an application to the Internal Revenue Service for determination of its status as an organization described in clause (i); and

"(B) a person shall be treated as having made a disbursement if the person has executed a contract to make the disbursement.

"(5) COORDINATION WITH INTERNAL REVENUE CODE.—Nothing in this subsection shall be construed to authorize an organization exempt from taxation under section 501(a) of the Internal Revenue Code of 1986 to carry out any activity which is prohibited under such Code.".

SEC. 204. RULES RELATING TO CERTAIN TARGETED ELECTIONEERING COMMUNICATIONS.

Section 316(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b), as added by section 203, is amended by adding at the end the following:

"(6) SPECIAL RULES FOR TARGETED COMMUNICATIONS.—

"(A) EXCEPTION DOES NOT APPLY.—Paragraph (2) shall not apply in the case of a targeted communication that is made by an organization described in such paragraph.

"(B) TARGETED COMMUNICATION.—For purposes of subparagraph (A), the term 'targeted communication' means an electioneering communication (as defined in section 304(f)(3)) that is distributed from a television or radio broadcast station or provider of cable or satellite television service and, in the case of a communication which refers to a candidate for an office other than President or Vice President, is targeted to the relevant electorate.

"(C) DEFINITION.—For purposes of this paragraph, a communication is 'targeted to the relevant electorate' if it meets the requirements described in section 304(f)(3)(C).".

Subtitle B—Independent and Coordinated Expenditures

SEC. 211. DEFINITION OF INDEPENDENT EXPENDITURE.

Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

"(17) INDEPENDENT EXPENDITURE.—The term 'independent expenditure' means an expenditure by a person—

"(A) expressly advocating the election or defeat of a clearly identified candidate; and

"(B) that is not made in concert or cooperation with or at the request or suggestion of such candidate, the candidate's authorized political committee, or their agents, or a political party committee or its agents.".

SEC. 212. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 201) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C); and

(2) by adding at the end the following:

"(g) TIME FOR REPORTING CERTAIN EXPENDITURES.—

"(1) EXPENDITURES AGGREGATING $1,000.—

"(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours.

"(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

"(2) EXPENDITURES AGGREGATING $10,000.—

"(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours.

"(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

"(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

"(A) shall be filed with the Commission; and

"(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.".

(b) CONFORMING AMENDMENT.—Section 304(a)(5) of such Act (2 U.S.C. 434(a)(5)) is amended by striking ", or the second sentence of subsection (c)(2)".

SEC. 213. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking "and (3)" and inserting ", (3), and (4)"; and

(2) by adding at the end the following:

"(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

"(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, no committee of the political party may make—

"(i) any coordinated expenditure under this subsection with respect to the candidate during the election cycle at any time after it makes any independent expenditure (as defined in section 301(17)) with respect to the candidate during the election cycle; or

"(ii) any independent expenditure (as defined in section 301(17)) with respect to the candidate during the election cycle at any time after it makes any coordinated expenditure under this subsection with respect to the candidate during the election cycle.

"(B) APPLICATION.—For purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

“(C) TRANSFERS.—A committee of a political party that makes coordinated expenditures under this subsection with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.”.

SEC. 214. COORDINATION WITH CANDIDATES OR POLITICAL PARTIES.

(a) IN GENERAL.—Section 315(a)(7)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)(B)) is amended—

(A) by redesignating clause (ii) as clause (iii); and

(B) by inserting after clause (i) the following new clause:

“(ii) expenditures made by any person (other than a candidate or candidate's authorized committee) in cooperation, consultation, or concert, with, or at the request or suggestion of, a national, State, or local committee of a political party, shall be considered to be contributions made to such party committee; and”.

(b) REPEAL OF CURRENT REGULATIONS.—The regulations on coordinated communications paid for by persons other than candidates, authorized committees of candidates, and party committees adopted by the Federal Election Commission and published in the Federal Register at page 76138 of volume 65, Federal Register, on December 6, 2000, are repealed as of the date by which the Commission is required to promulgate new regulations under subsection (c) (as described in the second sentence of section 402(c)).

(c) REGULATIONS BY THE FEDERAL ELECTION COMMISSION.—The Federal Election Commission shall promulgate new regulations on coordinated communications paid for by persons other than candidates, authorized committees of candidates, and party committees. The regulations shall not require agreement or formal collaboration to establish coordination. In addition to any subject determined by the Commission, the regulations shall address—

(A) payments for the republication of campaign materials;

(B) payments for the use of a common vendor;

(C) payments for communications directed or made by persons who previously served as an employee of a candidate or a political party; and

(D) payments for communications made by a person after substantial discussion about the communication with a candidate or a political party.

(d) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by striking “shall include” and inserting “includes a contribution or expenditure, as those terms are defined in section 301, and also includes”.

TITLE III—MISCELLANEOUS

SEC. 301. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

“SEC. 313. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

“(a) PERMITTED USES.—A contribution accepted by a candidate, and any other donation received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

“(1) for otherwise authorized expenditures in connection with the campaign for Federal office of the candidate or individual;

“(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

“(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

“(4) for transfers to a national, State, or local committee of a political party.

“(b) PROHIBITED USE.—

“(1) IN GENERAL.—A contribution or donation described in subsection (a) shall not be converted by any person to personal use.

“(2) CONVERSION.—For the purposes of paragraph (1), a contribution or donation shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal office, including—

“(A) a home mortgage, rent, or utility payment;

“(B) a clothing purchase;

“(C) a noncampaign-related automobile expense;

“(D) a country club membership;

“(E) a vacation or other noncampaign-related trip;

“(F) a household food item;

“(G) a tuition payment;

“(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

“(I) dues, fees, and other payments to a health club or recreational facility.”.

SEC. 302. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

“(a) PROHIBITION.—

“(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. It shall be unlawful for an individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election, while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

“(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both.”; and

(2) in subsection (b), by inserting “or Executive Office of the President” after “Congress”.

SEC. 303. STRENGTHENING FOREIGN MONEY BAN.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: “CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS”; and

(2) by striking subsection (a) and inserting the following:

“(a) PROHIBITION.—It shall be unlawful for—

“(1) a foreign national, directly or indirectly, to make—

“(A) a contribution or donation of money or other thing of value, or to make an express or implied promise to make a contribution or donation, in connection with a Federal, State, or local election;

“(B) a contribution or donation to a committee of a political party; or

“(C) an expenditure, independent expenditure, or disbursement for an electioneering communication (within the meaning of section 304(f)(3)); or

“(2) a person to solicit, accept, or receive a contribution or donation described in subparagraph (A) or (B) of paragraph (1) from a foreign national.”.

SEC. 304. MODIFICATION OF INDIVIDUAL CONTRIBUTION LIMITS IN RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.

(a) INCREASED LIMITS FOR INDIVIDUALS.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended—

(1) in subsection (a)(1), by striking “No person” and inserting “Except as provided in subsection (i), no person”; and

(2) by adding at the end the following:

“(i) INCREASED LIMIT TO ALLOW RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.—

“(1) INCREASE.—

“(A) IN GENERAL.—Subject to paragraph (2), if the opposition personal funds amount with respect to a candidate for election to the office of Senator exceeds the threshold amount, the limit under subsection (a)(1)(A) (in this subsection referred to as the ‘applicable limit’) with respect to that candidate shall be the increased limit.

“(B) THRESHOLD AMOUNT.—

“(i) STATE-BY-STATE COMPETITIVE AND FAIR CAMPAIGN FORMULA.—In this subsection, the threshold amount with respect to an election cycle of a candidate described in subparagraph (A) is an amount equal to the sum of—

“(I) $150,000; and

“(II) $0.04 multiplied by the voting age population.

“(ii) VOTING AGE POPULATION.—In this subparagraph, the term ‘voting age population’ means in the case of a candidate for the office of Senator, the voting age population of the State of the candidate (as certified under section 315(e)).

“(C) INCREASED LIMIT.—Except as provided in clause (ii), for purposes of subparagraph (A), if the opposition personal funds amount is over—

“(i) 2 times the threshold amount, but not over 4 times that amount—

“(I) the increased limit shall be 3 times the applicable limit; and

“(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution;

“(ii) 4 times the threshold amount, but not over 10 times that amount—

“(I) the increased limit shall be 6 times the applicable limit; and

“(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution; and

“(iii) 10 times the threshold amount—

“(I) the increased limit shall be 6 times the applicable limit;

“(II) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to a candidate if such contribution is made under the increased limit of subparagraph (A) during a period in which the candidate may accept such a contribution; and

"(III) the limits under subsection (d) with respect to any expenditure by a State or national committee of a political party shall not apply.

"(D) Opposition personal funds amount.—The opposition personal funds amount is an amount equal to the excess (if any) of—

"(i) the greatest aggregate amount of expenditures from personal funds (as defined in section 304(a)(6)(B)) that an opposing candidate in the same election makes; over

"(ii) the aggregate amount of expenditures from personal funds made by the candidate with respect to the election.

"(2) Time to accept contributions under increased limit.—

"(A) In general.—Subject to subparagraph (B), a candidate and the candidate's authorized committee shall not accept any contribution, and a party committee shall not make any expenditure, under the increased limit under paragraph (1)—

"(i) until the candidate has received notification of the opposition personal funds amount under section 304(a)(6)(B); and

"(ii) to the extent that such contribution, when added to the aggregate amount of contributions previously accepted and party expenditures previously made under the increased limits under this subsection for the election cycle, exceeds 110 percent of the opposition personal funds amount.

"(B) Effect of withdrawal of an opposing candidate.—A candidate and a candidate's authorized committee shall not accept any contribution and a party shall not make any expenditure under the increased limit after the date on which an opposing candidate ceases to be a candidate to the extent that the amount of such increased limit is attributable to such an opposing candidate.

"(3) Disposal of excess contributions.—

"(A) In general.—The aggregate amount of contributions accepted by a candidate or a candidate's authorized committee under the increased limit under paragraph (1) and not otherwise expended in connection with the election with respect to which such contributions relate shall, not later than 50 days after the date of such election, be used in the manner described in subparagraph (B).

"(B) Return to contributors.—A candidate or a candidate's authorized committee shall return the excess contribution to the person who made the contribution.

"(j) Limitation on Repayment of Personal Loans.—Any candidate who incurs personal loans made after the effective date of the Bipartisan Campaign Reform Act of 2002 in connection with the candidate's campaign for election shall not repay (directly or indirectly), to the extent such loans exceed $250,000, such loans from any contributions made to such candidate or any authorized committee of such candidate after the date of such election.".

(b) Notification of Expenditures From Personal Funds.—Section 304(a)(6) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (E); and

(2) by inserting after subparagraph (A) the following:

"(B) Notification of expenditure from personal funds.—

"(i) Definition of expenditure from personal funds.—In this subparagraph, the term 'expenditure from personal funds' means—

"(I) an expenditure made by a candidate using personal funds; and

"(II) a contribution or loan made by a candidate using personal funds or a loan secured using such funds to the candidate's authorized committee.

"(ii) Declaration of intent.—Not later than the date that is 15 days after the date on which an individual becomes a candidate for the office of Senator, the candidate shall file a declaration stating the total amount of expenditures from personal funds that the candidate intends to make, or to obligate to make, with respect to the election that will exceed the State-by-State competitive and fair campaign formula with—

"(I) the Commission; and

"(II) each candidate in the same election.

"(iii) Initial notification.—Not later than 24 hours after a candidate described in clause (ii) makes or obligates to make an aggregate amount of expenditures from personal funds in excess of 2 times the threshold amount in connection with any election, the candidate shall file a notification with—

"(I) the Commission; and

"(II) each candidate in the same election.

"(iv) Additional notification.—After a candidate files an initial notification under clause (iii), the candidate shall file an additional notification each time expenditures from personal funds are made or obligated to be made in an aggregate amount that exceed $10,000 with—

"(I) the Commission; and

"(II) each candidate in the same election.

Such notification shall be filed not later than 24 hours after the expenditure is made.

"(v) Contents.—A notification under clause (iii) or (iv) shall include—

"(I) the name of the candidate and the office sought by the candidate;

"(II) the date and amount of each expenditure; and

"(III) the total amount of expenditures from personal funds that the candidate has made, or obligated to make, with respect to an election as of the date of the expenditure that is the subject of the notification.

"(C) Notification of disposal of excess contributions.—In the next regularly scheduled report after the date of the election for which a candidate seeks nomination for election to, or election to, Federal office, the candidate or the candidate's authorized committee shall submit to the Commission a report indicating the source and amount of any excess contributions (as determined under paragraph (1) of section 315(i)) and the manner in which the candidate or the candidate's authorized committee used such funds.

"(D) Enforcement.—For provisions providing for the enforcement of the reporting requirements under this paragraph, see section 309.".

(c) Definitions.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431), as amended by section 101(b), is further amended by adding at the end the following:

"(25) Election cycle.—The term 'election cycle' means the period beginning on the day after the date of the most recent election for the specific office or seat that a candidate is seeking and ending on the date of the next election for that office or seat. For purposes of the preceding sentence, a primary election and a general election shall be considered to be separate elections.

"(26) Personal funds.—The term 'personal funds' means an amount that is derived from—

"(A) any asset that, under applicable State law, at the time the individual became a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had—

"(i) legal and rightful title; or

"(ii) an equitable interest;

"(B) income received during the current election cycle of the candidate, including—

"(i) a salary and other earned income from bona fide employment;

"(ii) dividends and proceeds from the sale of the candidate's stocks or other investments;

"(iii) bequests to the candidate;

"(iv) income from trusts established before the beginning of the election cycle;

"(v) income from trusts established by bequest after the beginning of the election cycle of which the candidate is the beneficiary;

"(vi) gifts of a personal nature that had been customarily received by the candidate prior to the beginning of the election cycle; and

"(vii) proceeds from lotteries and similar legal games of chance; and

"(C) a portion of assets that are jointly owned by the candidate and the candidate's spouse equal to the candidate's share of the asset under the instrument of conveyance or ownership, but if no specific share is indicated by an instrument of conveyance or ownership, the value of ½ of the property.".

SEC. 305. TELEVISION MEDIA RATES.

(a) Lowest Unit Charge.—Subsection (b) of section 315 of the Communications Act of 1934 (47 U.S.C. 315) is amended—

(1) by striking "(b) The charges" and inserting the following:

"(b) Charges.—

"(1) In general.—Except as provided in paragraph (2), the charges";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following:

"(2) Television.—The charges made for the use of any television broadcast station, or by a provider of cable or satellite television service, to any person who is a legally qualified candidate for any public office in connection with the campaign of such candidate for nomination for election, or election, to such office shall not exceed, during the periods referred to in paragraph (1)(A), the lowest charge of the station (at any time during the 180-day period preceding the date of the use) for the same amount of time for the same period.".

(b) Rate Available for National Parties.—Section 315(b)(2) of such Act (47 U.S.C. 315(b)(2), as added by subsection (a)(3), is amended by inserting ", or to a national committee of a political party making expenditures under section 315(d) of the Federal Election Campaign Act of 1971 on behalf of such candidate in connection with such campaign," after "such office".

(c) Preemption.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) by redesignating subsections (c) and (d) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c) Preemption.—

"(1) In general.—Except as provided in paragraph (2), a licensee shall not preempt the use of a television broadcast station, or a provider of cable or satellite television service, by an eligible candidate or political committee of a political party who has purchased and paid for such use pursuant to subsection (b)(2).

"(2) Circumstances beyond control of licensee.—If a program to be broadcast by a television broadcast station, or a provider of cable or satellite television service, is preempted because of circumstances beyond the control of the station, any candidate or party advertising spot scheduled to be broadcast during that program may also be preempted.".

(d) RANDOM AUDITS.—Section 315 of such Act (47 U.S.C. 315), as amended by subsection (c), is amended by inserting after subsection (c) the following new subsection:

"(d) RANDOM AUDITS.—

"(1) IN GENERAL.—During the 45-day period preceding a primary election and the 60-day period preceding a general election, the Commission shall conduct random audits of designated market areas to ensure that each television broadcast station, and provider of cable or satellite television service, in those markets is allocating television broadcast advertising time in accordance with this section and section 312.

"(2) MARKETS.—The random audits conducted under paragraph (1) shall cover the following markets:

"(A) At least 6 of the top 50 largest designated market areas (as defined in section 122(j)(2)(C) of title 17, United States Code).

"(B) At least 3 of the 51–100 largest designated market areas (as so defined).

"(C) At least 3 of the 101–150 largest designated market areas (as so defined).

"(D) At least 3 of the 151–210 largest designated market areas (as so defined).

"(3) BROADCAST STATIONS.—Each random audit shall include each of the 3 largest television broadcast networks, 1 independent network, and 1 cable network.".

(e) DEFINITION OF BROADCASTING STATION.—Subsection (e)(1) of section 315 of such Act (47 U.S.C. 315(e)(1)), as redesignated by subsection (c)(1) of this section, is amended by inserting ", a television broadcast station, and a provider of cable or satellite television service" before the semicolon.

(f) STYLISTIC AMENDMENTS.—Section 315 of such Act (47 U.S.C. 315) is amended—

(1) in subsection (a), by inserting "IN GENERAL.—" before "If any";

(2) in subsection (e), as redesignated by subsection (c)(1) of this section, by inserting "DEFINITIONS.—" before "For purposes"; and

(3) in subsection (f), as so redesignated, by inserting "REGULATIONS.—" before "The Commission".

SEC. 306. LIMITATION ON AVAILABILITY OF LOWEST UNIT CHARGE FOR FEDERAL CANDIDATES ATTACKING OPPOSITION.

(a) IN GENERAL.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)), as amended by this Act, is amended by adding at the end the following:

"(3) CONTENT OF BROADCASTS.—

"(A) IN GENERAL.—In the case of a candidate for Federal office, such candidate shall not be entitled to receive the rate under paragraph (1)(A) or (2) for the use of any broadcasting station unless the candidate provides written certification to the broadcast station that the candidate (and any authorized committee of the candidate) shall not make any direct reference to another candidate for the same office, in any broadcast using the rights and conditions of access under this Act, unless such reference meets the requirements of subparagraph (C) or (D).

"(B) LIMITATION ON CHARGES.—If a candidate for Federal office (or any authorized committee of such candidate) makes a reference described in subparagraph (A) in any broadcast that does not meet the requirements of subparagraph (C) or (D), such candidate shall not be entitled to receive the rate under paragraph (1)(A) or (2) for such broadcast or any other broadcast during any portion of the 45-day and 60-day periods described in paragraph (1)(A), that occur on or after the date of such broadcast, for election to such office.

"(C) TELEVISION BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a television broadcast, at the end of such broadcast there appears simultaneously, for a period no less than 4 seconds—

"(i) a clearly identifiable photographic or similar image of the candidate; and

"(ii) a clearly readable printed statement, identifying the candidate and stating that the candidate has approved the broadcast and that the candidate's authorized committee paid for the broadcast.

"(D) RADIO BROADCASTS.—A candidate meets the requirements of this subparagraph if, in the case of a radio broadcast, the broadcast includes a personal audio statement by the candidate that identifies the candidate, the office the candidate is seeking, and indicates that the candidate has approved the broadcast.

"(E) CERTIFICATION.—Certifications under this section shall be provided and certified as accurate by the candidate (or any authorized committee of the candidate) at the time of purchase.

"(F) DEFINITIONS.—For purposes of this paragraph, the terms 'authorized committee' and 'Federal office' have the meanings given such terms by section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431).".

(b) CONFORMING AMENDMENT.—Section 315(b)(1)(A) of the Communications Act of 1934 (47 U.S.C. 315(b)(1)(A)), as amended by this Act, is amended by inserting "subject to paragraph (3)," before "during the forty-five days".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to broadcasts made after the effective date of this Act.

SEC. 307. SOFTWARE FOR FILING REPORTS AND PROMPT DISCLOSURE OF CONTRIBUTIONS.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by adding at the end the following:

"(12) SOFTWARE FOR FILING OF REPORTS.—

"(A) IN GENERAL.—The Commission shall—

"(i) promulgate standards to be used by vendors to develop software that—

"(I) permits candidates to easily record information concerning receipts and disbursements required to be reported under this Act at the time of the receipt or disbursement;

"(II) allows the information recorded under subclause (I) to be transmitted immediately to the Commission; and

"(III) allows the Commission to post the information on the Internet immediately upon receipt; and

"(ii) make a copy of software that meets the standards promulgated under clause (i) available to each person required to file a designation, statement, or report in electronic form under this Act.

"(B) ADDITIONAL INFORMATION.—To the extent feasible, the Commission shall require vendors to include in the software developed under the standards under subparagraph (A) the ability for any person to file any designation, statement, or report required under this Act in electronic form.

"(C) REQUIRED USE.—Notwithstanding any provision of this Act relating to times for filing reports, each candidate for Federal office (or that candidate's authorized committee) shall use software that meets the standards promulgated under this paragraph once such software is made available to such candidate.

"(D) REQUIRED POSTING.—The Commission shall, as soon as practicable, post on the Internet any information received under this paragraph.".

SEC. 308. MODIFICATION OF CONTRIBUTION LIMITS.

(a) INCREASE IN INDIVIDUAL LIMITS FOR CERTAIN CONTRIBUTIONS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (A), by striking "$1,000" and inserting the following: "$2,000 (or, in the case of a candidate for Representative in or Delegate or Resident Commissioner to the Congress, $1,000)"; and

(2) in subparagraph (B), by striking "$20,000" and inserting "$25,000".

(b) INCREASE IN ANNUAL AGGREGATE LIMIT ON INDIVIDUAL CONTRIBUTIONS.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended to read as follows:

"(3) During the period which begins on January 1 of an odd-numbered year and ends on December 31 of the next even-numbered year, no individual may make contributions aggregating more than—

"(A) $37,500, in the case of contributions to candidates and the authorized committees of candidates;

"(B) $57,500, in the case of any other contributions, of which not more than $37,500 may be attributable to contributions to political committees which are not political committees of national political parties.".

(c) INCREASE IN SENATORIAL CAMPAIGN COMMITTEE LIMIT.—Section 315(h) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(h)) is amended by striking "$17,500" and inserting "$35,000".

(d) INDEXING OF CONTRIBUTION LIMITS.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting "(A)" before "At the beginning"; and

(C) by adding at the end the following:

"(B) Except as provided in subparagraph (C), in any calendar year after 2002—

"(i) a limitation established by subsections (a)(1)(A), (a)(1)(B), (a)(3), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

"(ii) each amount so increased shall remain in effect for the calendar year; and

"(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

"(C) In the case of limitations under subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election."; and

(2) in paragraph (2)(B), by striking "means the calendar year 1974" and inserting "means—

"(i) for purposes of subsections (b) and (d), calendar year 1974; and

"(ii) for purposes of subsections (a)(1)(A), (a)(1)(B), (a)(3), and (h), calendar year 2001".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to contributions made on or after January 1, 2003.

SEC. 309. DONATIONS TO PRESIDENTIAL INAUGURAL COMMITTEE.

(a) IN GENERAL.—Chapter 5 of title 36, United States Code, is amended by—

(1) redesignating section 510 as section 511; and

(2) inserting after section 509 the following:

"§ 510. Disclosure of and prohibition on certain donations

"(a) IN GENERAL.—A committee shall not be considered to be the Inaugural Committee for purposes of this chapter unless the committee agrees to, and meets, the requirements of subsections (b) and (c).

"(b) DISCLOSURE.—

"(1) IN GENERAL.—Not later than the date that is 90 days after the date of the Presidential inaugural ceremony, the committee shall file a report with the Federal Election Commission disclosing any donation of money or anything of value made to the committee in an aggregate amount equal to or greater than $200.

"(2) CONTENTS OF REPORT.—A report filed under paragraph (1) shall contain—

"(A) the amount of the donation;

"(B) the date the donation is received; and

"(C) the name and address of the person making the donation.

"(c) LIMITATION.—The committee shall not accept any donation from a foreign national (as defined in section 319(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)))."

(b) REPORTS MADE AVAILABLE BY FEC.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by sections 103, 201, and 212 is amended by adding at the end the following:

"(h) REPORTS FROM INAUGURAL COMMITTEES.—The Federal Election Commission shall make any report filed by an Inaugural Committee under section 510 of title 36, United States Code, accessible to the public at the offices of the Commission and on the Internet not later than 48 hours after the report is received by the Commission.".

SEC. 310. PROHIBITION ON FRAUDULENT SOLICITATION OF FUNDS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting "(a) IN GENERAL.—" before "No person"; and

(2) by adding at the end the following:

"(b) FRAUDULENT SOLICITATION OF FUNDS.—No person shall—

"(1) fraudulently misrepresent the person as speaking, writing, or otherwise acting for or on behalf of any candidate or political party or employee or agent thereof for the purpose of soliciting contributions or donations; or

"(2) willfully and knowingly participate in or conspire to participate in any plan, scheme, or design to violate paragraph (1).".

SEC. 311. STUDY AND REPORT ON CLEAN MONEY CLEAN ELECTIONS LAWS.

(a) CLEAN MONEY CLEAN ELECTIONS DEFINED.—In this section, the term "clean money clean elections" means funds received under State laws that provide in whole or in part for the public financing of election campaigns.

(b) STUDY.—

(1) IN GENERAL.—The Comptroller General shall conduct a study of the clean money clean elections of Arizona and Maine.

(2) MATTERS STUDIED.—

(A) STATISTICS ON CLEAN MONEY CLEAN ELECTIONS CANDIDATES.—The Comptroller General shall determine—

(i) the number of candidates who have chosen to run for public office with clean money clean elections including—

(I) the office for which they were candidates;

(II) whether the candidate was an incumbent or a challenger; and

(III) whether the candidate was successful in the candidate's bid for public office; and

(ii) the number of races in which at least one candidate ran an election with clean money clean elections.

(B) EFFECTS OF CLEAN MONEY CLEAN ELECTIONS.—The Comptroller General of the United States shall describe the effects of public financing under the clean money clean elections laws on the 2000 elections in Arizona and Maine.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Congress detailing the results of the study conducted under subsection (b).

SEC. 312. CLARITY STANDARDS FOR IDENTIFICATION OF SPONSORS OF ELECTION-RELATED ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking "Whenever" and inserting "Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever";

(ii) by striking "an expenditure" and inserting "a disbursement"; and

(iii) by striking "direct"; and

(iv) by inserting "or makes a disbursement for an electioneering communication (as defined in section 304(f)(3))" after "public political advertising"; and

(B) in paragraph (3), by inserting "and permanent street address, telephone number, or World Wide Web address" after "name"; and

(2) by adding at the end the following:

"(c) SPECIFICATION.—Any printed communication described in subsection (a) shall—

"(1) be of sufficient type size to be clearly readable by the recipient of the communication;

"(2) be contained in a printed box set apart from the other contents of the communication; and

"(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

"(d) ADDITIONAL REQUIREMENTS.—

"(1) COMMUNICATIONS BY CANDIDATES OR AUTHORIZED PERSONS.—

"(A) BY RADIO.—Any communication described in paragraph (1) or (2) of subsection (a) which is transmitted through radio shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(B) BY TELEVISION.—Any communication described in paragraph (1) or (2) of subsection (a) which is transmitted through television shall include, in addition to the requirements of that paragraph, a statement that identifies the candidate and states that the candidate has approved the communication. Such statement—

"(i) shall be conveyed by—

"(I) an unobscured, full-screen view of the candidate making the statement, or

"(II) the candidate in voice-over, accompanied by a clearly identifiable photographic or similar image of the candidate; and

"(ii) shall also appear in writing at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.

"(2) COMMUNICATIONS BY OTHERS.—Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following audio statement: ' is responsible for the content of this advertising.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall be conveyed by an unobscured, full-screen view of a representative of the political committee or other person making the statement, or by a representative of such political committee or other person in voice-over, and shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.".

SEC. 313. INCREASE IN PENALTIES.

(a) IN GENERAL.—Subparagraph (A) of section 309(d)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)(A)) is amended to read as follows:

"(A) Any person who knowingly and willfully commits a violation of any provision of this Act which involves the making, receiving, or reporting of any contribution, donation, or expenditure—

"(i) aggregating $25,000 or more during a calendar year shall be fined under title 18, United States Code, or imprisoned for not more than 5 years, or both; or

"(ii) aggregating $2,000 or more (but less than $25,000) during a calendar year shall be fined under such title, or imprisoned for not more than one year, or both.".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring on or after the effective date of this Act.

SEC. 314. STATUTE OF LIMITATIONS.

(a) IN GENERAL.—Section 406(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 455(a)) is amended by striking "3" and inserting "5".

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to violations occurring on or after the effective date of this Act.

SEC. 315. SENTENCING GUIDELINES.

(a) IN GENERAL.—The United States Sentencing Commission shall—

(1) promulgate a guideline, or amend an existing guideline under section 994 of title 28, United States Code, in accordance with paragraph (2), for penalties for violations of the Federal Election Campaign Act of 1971 and related election laws; and

(2) submit to Congress an explanation of any guidelines promulgated under paragraph (1) and any legislative or administrative recommendations regarding enforcement of the Federal Election Campaign Act of 1971 and related election laws.

(b) CONSIDERATIONS.—The Commission shall provide guidelines under subsection (a) taking into account the following considerations:

(1) Ensure that the sentencing guidelines and policy statements reflect the serious nature of such violations and the need for aggressive and appropriate law enforcement action to prevent such violations.

(2) Provide a sentencing enhancement for any person convicted of such violation if such violation involves—

(A) a contribution, donation, or expenditure from a foreign source;

(B) a large number of illegal transactions;

(C) a large aggregate amount of illegal contributions, donations, or expenditures;

(D) the receipt or disbursement of governmental funds; and

(E) an intent to achieve a benefit from the Federal Government.

(3) Assure reasonable consistency with other relevant directives and guidelines of the Commission.

(4) Account for aggravating or mitigating circumstances that might justify exceptions, including circumstances for which the sentencing guidelines currently provide sentencing enhancements.

(5) Assure the guidelines adequately meet the purposes of sentencing under section 3553(a)(2) of title 18, United States Code.

(c) EFFECTIVE DATE; EMERGENCY AUTHORITY TO PROMULGATE GUIDELINES.—

(1) EFFECTIVE DATE.—Notwithstanding section 402, the United States Sentencing Commission shall promulgate guidelines under this section not later than the later of—

(A) 90 days after the effective date of this Act; or

(B) 90 days after the date on which at least a majority of the members of the Commission are appointed and holding office.

(2) EMERGENCY AUTHORITY TO PROMULGATE GUIDELINES.—The Commission shall promulgate guidelines under this section in accordance with the procedures set forth in section 21(a) of the Sentencing Reform Act of 1987, as though the authority under such Act has not expired.

SEC. 316. INCREASE IN PENALTIES IMPOSED FOR VIOLATIONS OF CONDUIT CONTRIBUTION BAN.

(a) INCREASE IN CIVIL MONEY PENALTY FOR KNOWING AND WILLFUL VIOLATIONS.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraph (5)(B), by inserting before the period at the end the following: "(or, in the case of a violation of section 320, which is not less than 300 percent of the amount involved in the violation and is not more than the greater of $50,000 or 1000 percent of the amount involved in the violation)"; and

(2) in paragraph (6)(C), by inserting before the period at the end the following: "(or, in the case of a violation of section 320, which is not less than 300 percent of the amount involved in the violation and is not more than the greater of $50,000 or 1000 percent of the amount involved in the violation)".

(b) INCREASE IN CRIMINAL PENALTY.—Section 309(d)(1) of such Act (2 U.S.C. 437g(d)(1)) is amended by adding at the end the following new subparagraph:

"(D) Any person who knowingly and willfully commits a violation of section 320 involving an amount aggregating more than $10,000 during a calendar year shall be—

"(i) imprisoned for not more than 2 years if the amount is less than $25,000 (and subject to imprisonment under subparagraph (A) if the amount is $25,000 or more);

"(ii) fined not less than 300 percent of the amount involved in the violation and not more than the greater of—

"(I) $50,000; or

"(II) 1,000 percent of the amount involved in the violation; or

"(iii) both imprisoned under clause (i) and fined under clause (ii).".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the effective date of this Act.

SEC. 317. RESTRICTION ON INCREASED CONTRIBUTION LIMITS BY TAKING INTO ACCOUNT CANDIDATE'S AVAILABLE FUNDS.

Section 315(i)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(i)(1)), as added by this Act, is amended by adding at the end the following:

"(E) SPECIAL RULE FOR CANDIDATE'S CAMPAIGN FUNDS.—

"(i) IN GENERAL.—For purposes of determining the aggregate amount of expenditures from personal funds under subparagraph (D)(ii), such amount shall include the gross receipts advantage of the candidate's authorized committee.

"(ii) GROSS RECEIPTS ADVANTAGE.—For purposes of clause (i), the term 'gross receipts advantage' means the excess, if any, of—

"(I) the aggregate amount of 50 percent of gross receipts of a candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held, over

"(II) the aggregate amount of 50 percent of gross receipts of the opposing candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held.".

SEC. 318. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by inserting after "United States" the following: "or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)".

SEC. 319. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

"PROHIBITION OF CONTRIBUTIONS BY MINORS

"SEC. 324. An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.".

TITLE IV—SEVERABILITY; EFFECTIVE DATE

SEC. 401. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in section 308 and subsection (b), this Act and the amendments made by this Act shall take effect November 6, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a), the following rules shall apply with respect to the spending of such funds by such committee:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from such an election).

(2) At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility.

(c) REGULATIONS.—Not later than 90 days after the date of the enactment of this Act, the Federal Election Commission shall promulgate regulations to carry out title I of this Act and the amendments made by such title. Not later than 270 days after the date of the enactment of this Act, the Federal Election Commission shall promulgate regulations to carry out all other titles of this Act and all other amendments made by this Act which are under the Commission's jurisdiction.

SEC. 403. JUDICIAL REVIEW.

(a) SPECIAL RULES FOR ACTIONS BROUGHT ON CONSTITUTIONAL GROUNDS.—If any action is brought for declaratory or injunctive relief to challenge the constitutionality of any provision of this Act or any amendment made by this Act, the following rules shall apply:

(1) The action shall be filed in the United States District Court for the District of Columbia and shall be heard by a 3-judge court convened pursuant to section 2284 of title 28, United States Code.

(2) A copy of the complaint shall be delivered promptly to the Clerk of the House of Representatives and the Secretary of the Senate.

(3) A final decision in the action shall be reviewable only by appeal directly to the Supreme Court of the United States. Such appeal shall be taken by the filing of a notice of appeal within 10 days, and the filing of a jurisdictional statement within 30 days, of the entry of the final decision.

(4) It shall be the duty of the United States District Court for the District of Columbia and the Supreme Court of the United States to advance on the docket and to expedite to the greatest possible extent the disposition of the action and appeal.

(b) INTERVENTION BY MEMBERS OF CONGRESS.—In any action in which the constitutionality of any provision of this Act or any amendment made by this Act is raised (including but not limited to an action described in subsection (a)), any member of the House of Representatives (including a Delegate or Resident Commissioner to the Congress) or Senate shall have the right to intervene either in support of or opposition to the position of a party to the case regarding the constitutionality of the provision or amendment. To avoid duplication of efforts and reduce the burdens placed on the parties to the action, the court in any such action may make such orders as it considers necessary, including orders to require intervenors taking similar positions to file joint papers or to be represented by a single attorney at oral argument.

TITLE V—ADDITIONAL DISCLOSURE PROVISIONS

SEC. 501. INTERNET ACCESS TO RECORDS.

Section 304(a)(11)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(B)) is amended to read as follows:

"(B) The Commission shall make a designation, statement, report, or notification that is filed with the Commission under this Act available for inspection by the public in the offices of the Commission and accessible to the public on the Internet not later than 48 hours (or not later than 24 hours in the case of a designation, statement, report, or notification filed electronically) after receipt by the Commission.".

SEC. 502. MAINTENANCE OF WEBSITE OF ELECTION REPORTS.

(a) IN GENERAL.—The Federal Election Commission shall maintain a central site on the Internet to make accessible to the public all publicly available election-related reports and information.

(b) ELECTION-RELATED REPORT.—In this section, the term "election-related report" means any report, designation, or statement required to be filed under the Federal Election Campaign Act of 1971.

(c) COORDINATION WITH OTHER AGENCIES.—Any Federal executive agency receiving election-related information which that agency is required by law to publicly disclose shall cooperate and coordinate with the Federal Election Commission to make such report available through, or for posting on, the site of the Federal Election Commission in a timely manner.

SEC. 503. ADDITIONAL DISCLOSURE REPORTS.

(a) PRINCIPAL CAMPAIGN COMMITTEES.—Section 304(a)(2)(B) of the Federal Election Campaign Act of 1971 is amended by striking "the following reports" and all that follows through the period and inserting "the treasurer shall file quarterly reports, which shall be filed not later than the 15th day after the last day of each calendar quarter, and which shall be complete as of the last day of each calendar quarter, except that the report for the quarter ending December 31 shall be filed not later than January 31 of the following calendar year.".

(b) NATIONAL COMMITTEE OF A POLITICAL PARTY.—Section 304(a)(4) of such Act (2 U.S.C. 434(a)(4)) is amended by adding at the end the following flush sentence: "Notwithstanding the preceding sentence, a national committee of a political party shall file the reports required under subparagraph (B).".

SEC. 504. PUBLIC ACCESS TO BROADCASTING RECORDS.

Section 315 of the Communications Act of 1934 (47 U.S.C. 315), as amended by this Act, is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and inserting after subsection (d) the following:

"(e) POLITICAL RECORD.—

"(1) IN GENERAL.—A licensee shall maintain, and make available for public inspection, a complete record of a request to purchase broadcast time that—

"(A) is made by or on behalf of a legally qualified candidate for public office; or

"(B) communicates a message relating to any political matter of national importance, including—

"(i) a legally qualified candidate;

"(ii) any election to Federal office; or

"(iii) a national legislative issue of public importance.

"(2) CONTENTS OF RECORD.—A record maintained under paragraph (1) shall contain information regarding—

"(A) whether the request to purchase broadcast time is accepted or rejected by the licensee;

"(B) the rate charged for the broadcast time;

"(C) the date and time on which the communication is aired;

"(D) the class of time that is purchased;

"(E) the name of the candidate to which the communication refers and the office to which the candidate is seeking election, the election to which the communication refers, or the issue to which the communication refers (as applicable);

"(F) in the case of a request made by, or on behalf of, a candidate, the name of the candidate, the authorized committee of the candidate, and the treasurer of such committee; and

"(G) in the case of any other request, the name of the person purchasing the time, the name, address, and phone number of a contact person for such person, and a list of the chief executive officers or members of the executive committee or of the board of directors of such person.

"(3) TIME TO MAINTAIN FILE.—The information required under this subsection shall be placed in a political file as soon as possible and shall be retained by the licensee for a period of not less than 2 years.".

The CHAIRMAN. Pursuant to section 2 of House Resolution 344, the gentleman from Connecticut (Mr. SHAYS) and a Member opposed each will control 20 minutes.

Mr. NEY. Mr. Chairman, I claim the time in opposition to the amendment.

Mr. SHAYS. Mr. Chairman, for the purposes of yielding, I yield 5 minutes to the gentleman from Maryland (Mr. HOYER) and 7½ minutes to the gentleman from Massachusetts (Mr. MEEHAN), and I ask unanimous consent that they be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would just say that this is, in fact, the amendment that has worked its way through the House on two occasions, in 1998 and 1999, and on both occasions has been changed slightly. This amendment now has gone to the Senate in which the Senate worked on 21 amendments, and we met with Senators from both sides of the aisle to learn what they needed in that bill in order for them to pass it, and we think we have worked out a bill that is about 85 percent of what we had hoped it would be in 1998 and 1999. This is not the identical bill that passed the Chamber in 1998 and 1999, but it is darn close.

I am asking this House to vote out this substitute and allow this to be the base bill, so that we can then have the 10 amendments from the gentleman from Texas (Mr. ARMEY) and the 3 amendments that will be offered by the gentleman from Massachusetts (Mr. MEEHAN) and myself, and by other individuals.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Michigan (Mr. DINGELL), the dean of the House.

Mr. DINGELL. Mr. Chairman, I rise to assert my strong support for the Shays-Meehan substitute and to urge my colleagues to do likewise and to vote down all poison pills and crippling amendments.

Mr. MEEHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill before us represents bipartisan, bicameral campaign finance reform. A lot has been said on the floor of the House relative to changes in this bill over a period of the last several months. This bill has been a bipartisan, bicameral work in progress over a period of the last several years. I want to thank my Republican colleagues, particularly the gentleman from Connecticut (Mr. SHAYS) for his efforts, as well as our colleagues from both sides of the aisle in the other body.

We have crafted a bill that gets at the soft money system that is clearly out of control. All one has to do is go back to one's home district and listen to people talk about unlimited contributions to both political parties, corporate contributions, union treasury dues being used for political campaigns, and wealthy individuals contributing unlimited amounts of money to the parties.

Mr. Chairman, Senator MCCAIN once said that it is going to take a scandal to get this bill passed. That was back two or three scandals ago when we were looking at foreign nationals coming in and contributing millions of dollars. The latest one is Enron, $4 million over the last 10 years in soft money; 70 percent of all of the money that Enron has contributed since 1995, soft money, including nearly $2 million in the last election cycle.

We face an historic vote. It is time for the votes to be counted. The Congress, the House has an opportunity to fundamentally change the soft money system that has been such an abuse over the last decade. The eyes of this entire country are looking at this House to determine whether or not our bipartisanship and bicameral work will pay off and send a bill over to the United States Senate and get it to the President's desk.

I thank all of the Members on both sides of the aisle that have made this moment possible. Now it is time for a gut check. All the Members who have been for reform over the last several years have to look within themselves to show the courage, the independence, the commitment to true reform, to make this reform happen today in the House of Representatives.

Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut (Ms.

DELAURO), who has played such a critical role in our efforts to pass campaign finance reform.

Ms. DELAURO. Mr. Chairman, today, at long last, we are on the precipice of cleaning up our electoral system, of standing up to special interests, standing up for democracy.

This is an historic moment. We have the opportunity to end the era of unregulated soft money. We may bring to a close a period when ordinary citizens could not be heard above the clamor of the special interests. Today is the day Congress can say no to special treatment. The people say no more Enrons.

I ask my colleagues, Democrats and Republicans, to stand together to defend this bill against the onslaught. Our opposition will make certain that every vote on every amendment today pits us against one another, but the American people are fed up with business as usual. They stand with us as we bring down the curtain on this era.

We have a responsibility to strengthen our democracy. Vote for the bipartisan Shays-Meehan substitute. Turn aside the poison pill amendments so that in our political process we can empower people over money.

Mr. NEY. Mr. Chairman, I yield 4 minutes to the gentleman from Texas (Mr. DELAY), the majority whip.

Mr. DELAY. Mr. Chairman, I appreciate the gentleman yielding me this time.

Mr. Chairman, I rise in opposition to this substitute, to the substitute to the substitute to the substitute for Shays-Meehan. With this substitute, I say to my colleagues, if we pass this substitute, we can no longer call it campaign finance reform, it is now campaign finance regulation, because with this substitute more loopholes are created, more changes are made, and those changes are made to satisfy people's own special interests, either in the Senate or in the House. This substitute pits the national parties against special interest groups, unions and others, and weakens our national party system.

This substitute, as we found out this morning, when written last night, wanted to protect the good soft money that the Democrat national parties have already raised and the good soft money that they are going to raise between now and the election by changing the effective date. And they changed the effective date until the next election. Now, what is the difference? If it is bad soft money, and if it is corrupting like they say, then what is the difference in doing it now or after the election? The difference is they have a bunch of soft money that they think is good now and they want to use it. Not only that, but this creates a system that allows them to borrow soft money and hard money and then pay it off with soft money, a brand new approach to campaign finance. It is regulation when you pick winners and losers.

Now, they have said that they disagree, that my interpretation of their language is wrong, and they tried it out on a couple of lawyers, a Mr. Larry Noble. Mr. Larry Noble happens to be a lobbyist for the Center of Responsive Politics. He is a former FEC counsel that was a pretty bad one. He lost almost every case that he ever brought before the FEC, and he writes that our interpretation is wrong.

Then, to add cynicism to this whole process, they sent a person by the name of Trevor Potter over to the Republican Tuesday Group. Now, Trevor Potter is a lobbyist for the Campaign Finance Institute. He is on the board of Common Cause, and he was formerly Senator McCain's Presidential counsel. He spoke to the Tuesday Group, told them one thing, and when we pull up his Web site, he says something completely different than what he told the Republican Tuesday Group.

Now, when a bunch of lawyers start going around, there is smoke, and where there is smoke, there is fire. The point is that I am no lawyer, so I am not encumbered. When I read this legislation, it is quite clear that they can borrow money, hard or soft, and pay it off with soft money. They can do it. They are opening loopholes everywhere. This is not reform. This is regulation.

Mr. TOM DAVIS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Virginia, the chairman of the NRCC.

Mr. TOM DAVIS of Virginia. Mr. Chairman, a statement was made earlier that Trevor Potter has now disowned. For clarification, and this is the Website that I would ask be included in the RECORD, the Website makes it very clear that it does not make reference to contributions or expenditures; in other words, that the Federal dollars goes along with what the gentleman just said. Trevor Potter is a trustee of the organization. It may appear that he is now disowning the statement of the organization of which he is on the letterhead.

There is just a lot of double-talk going on around here today. It looks to me like an honest drafting error, but it is a very serious error that changes the rule of the game that allows unlimited amounts of soft money to be spent as Federal dollars in this election cycle, and it is currently illegal.

Mr. DELAY. Mr. Chairman, reclaiming my time, I would just correct the gentleman. It is not an honest drafting error, it is intentional so that they can use their good soft money and pay for it later with other soft money. It is their use of soft money when they stand before the American people saying they are getting rid of this terrible soft money.

Mr. HOYER. Mr. Chairman, I yield myself 35 seconds.

We believe the interpretation of the gentleman from Virginia and the majority whip is absolutely incorrect; wrong. It does not do what they say it does.

However, having said that, for the RECORD, it is clearly the drafters' intent that it not allow, nor do we believe it does allow, the use of soft money to pay hard money bills.

So the interpretation is clear, and the intent is without question. The representations of the chairman of the NRCC are incorrect.

Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from Kentucky (Mr. WHITFIELD).

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Mr. WHITFIELD. Mr. Chairman, when I think about the Shays-Meehan bill, I think of many people who have described it in the news media as an incumbent protection act. And I think that adequately describes what this bill is all about because we all know that if you are an incumbent Member of Congress, it is very easy to raise hard money through political action committees. But if you are a challenger to an incumbent, it is very difficult to raise hard money, and you get your best support from soft money through issue advocacy ads.

The only thing this legislation does is it does not apply in any way to money spent by politicians for their campaigns, but does seriously restrict money spent by other groups and entities to talk about campaigns, and particularly that is true within the last 60 days of an election.

The Supreme Court has made it very clear that there are two types of money. Hard money; if you expressly advocate the defeat or election of a candidate, you can only use hard money. But if you talk about issues and tell people the way a candidate votes on an issue without expressly advocating his defeat or election, you can use soft money. But Shays-Meehan says that any ad run within 60 days of an election must use hard money. And the Supreme Court and other Federal courts have consistently said that if you create obstacles to participating in the election system in the democracy that we live in, then it is unconstitutional. So I do not think there is any question that trying to deprive people of speaking within the last 60 days of an election unless they meet all of the requirements in meeting the rules and regulations set out by the Federal Election Commission, unless they are able to meet that hard burden, then they are shut out of the political system. I urge a no vote on Shays-Meehan.

Mr. MEEHAN. Mr. Chairman, I yield myself 15 seconds.

The gentleman from Kentucky says this is an incumbent protection bill.

Look, under the soft money system in the last election cycle, 98 percent of the Members of Congress who ran for reelection were reelected. The cycle before that under the soft money system, 98 percent of the Members of Congress who ran for reelection were reelected. We could not have a system that is more friendly to incumbents than the system we have right now.

Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Chairman, today the people's House can clean up our election system. We have a real chance.

My constituents in Marin and Sonoma Counties just north of San Francisco across the Golden Gate Bridge vote 85 percent every time we have an election. They come out. They want to make sure that the Shays-Meehan bill is passed because they wisely understand the influence of big money on our government. My constituents want fair campaign processes where everyone's involvement counts. They want a government that is trustworthy and responsive to their needs, not the needs of special interests. They want our children to have an election system that they will be proud to participate in.

Without real reform we tell our children that only wealthy contributors have a voice in the political process. I urge my colleagues support the Shays-Meehan bill. Vote for it and show our children that we want them to participate, too.

Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi (Mr. WICKER).

Mr. WICKER. Mr. Chairman, first of all, I want to say I appreciate my friend, the gentleman from Connecticut (Mr. SHAYS), frankly acknowledging that the bill that is before us today is different from the one that he has been advocating in the past.

I wonder, Mr. Chairman, however, if this has sunk in on the American people, the fact that this is a substantially different bill and it was changed at midnight last night to accommodate certain votes that were needed to enact the legislation. One of the more egregious changes is the creation of a giant loophole in the so-called soft money ban. Under the Shays-Meehan amendment, Members of Congress would be allowed to raise soft money from 501(c) organizations.

Now, these are special interest groups that have a legitimate place in our society. However, if the Shays proposal is enacted as it is now before us, the use of 501(c) organizations will drastically change.

Last year we all remember one ad from a 501(c) coordinated organization in the Presidential campaign. The ad focused on the horrific death of a young man in Texas and criticized then-candidate Bush for not supporting a proposal regarding hate crimes. By creating this loophole regarding special interest groups, sham 501(c) organizations will be popping up all over the country to funnel soft money to campaigns. Members will be able to get their biggest contributors to say, "I know of a good government group that is involved in voter education. Would you please donate a million dollars to this good government group?" And then the good government group gets involved in voter education and politics in that Congressman's district, aiding or abetting the Congressman's campaign.

Remember previous finance reforms? They were supposed to fix our campaign system; instead they created new loopholes. Mr. Chairman, this is a brand new loophole created at midnight last night. I urge my colleagues to oppose this Shay substitute for that very reason.

Mr. MEEHAN. Mr. Chairman, I yield 2¾ minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I want to welcome converts. I do not always get a chance to do that, but for years here I have tried to defend freedom of expression, free speech and the first amendment. We have passed information censoring the Internet that was thrown out unanimously by the Supreme Court. We have passed other restrictions. And, frankly, I have usually found most of my friends on the other side voting for these restrictions, but today is the day of conversion.

The first amendment and freedom of speech have gained today defenders that they have never had before. Unfortunately, I am afraid they will never have them in the future either. But, for instance, I was looking at the amendment that will be offered later by the majority leader in defense of the first amendment. The first four cases he cites are from the Warren Court. Oh, for the days of Warren and Douglas and Black and Brennan. That is the version of the first amendment that they are embracing, and if I thought that was a lasting embrace, I would welcome it. But it is a very temporary use of a particular version of the first amendment that they never had before and they will never have again.

Let us be very clear that if you are, in fact, going to adopt their version of the first amendment, which I think is not a correct one, you are going to encompass a lot more than simply letting yourselves spend money, although maybe that is a distinction.

I thought about it as free speech. You have had a number of people, including the majority whip who just spoke, who had not previously distinguished himself, in my view, as a great defender of free speech. The key is this: They are for free speech as long as it is not free. If you pay for the speech, they are for it. Free free speech they never defend, but paid free speech is something that many of these people find acceptable.

I will tell Members this, that, in fact, if you endorse this version of virtually untrammeled free expression, understand that in no way logically and philosophically can you confine it to this. We have obscenity decisions being quoted here. We have decisions about the right to speak in very radical terms about opposition to the government. It does not fit logically to be someone who has been for severe restrictions on free speech in every other context and suddenly become a first amendment absolutist in this case.

And the doctrine of free speech that is being used to try to discredit this bill, which I think is an inaccurate one, because the notion that speech you pay for is somehow fully endowed and that no restriction can be made and no regulation on that, that does not seem to me to be free speech. But if that is what people hold, let me say the lead Senate opponent of this says to be consistent he is against the flag burning amendment because he says he is against this on free speech grounds, the Senator from Kentucky, and he is against the flag burning constitutional amendment.

So let us be clear, if you want to adopt that version of free speech, adopt it, but you cannot turn it on and off like a water faucet.

Mr. HOYER. Mr. Chairman, I yield 2 minutes to the distinguished vice chairman of the Democratic Caucus, the gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Chairman, our system of campaign finance is out of control, drowning in money, including the money of corporate polluters and scam artists like the Enron crowd, and in the process drowning out the voices of working Americans and their families.

I ask why do we not have a patients' bill of rights and why do we have a fiasco like Enron? The unlimited, unregulated special interest soft money has got to go. It has got to go now, today, once and for all.

Mr. Chairman, democracy is about the people. It is about every single person who can hear my voice. This is their House, their Congress, their government, and they want it back. But the Republican leadership has done everything it can to kill this bill. In fact, the only way we got this bill to the floor was by getting Members to sign a discharge petition to force the leadership to give this bill a chance. Well, today they may try to defeat campaign finance reform with procedural tactics and poison bill amendments, and we have to defeat those efforts.

Millions of special interest soft money should not undermine the millions of Americans who want their vote to be the powerful tool in this democracy. For the sake of our democracy, we have to defeat these tactics, level the playing fields, get the special interest soft money out of politics once and for all, and return this government to the American people.

Vote for Shays-Meehan. Vote against all of the poison pills, and let us have a new day dawn in our democracy, one that is a democracy in which the individual citizens' right to their vote and the power of their vote will ultimately determine the fate of policy in this country, not hundreds of millions of dollars of special interest monies.

The CHAIRMAN. The gentleman from Connecticut (Mr. SHAYS) has 6½ minutes remaining. The gentleman from Ohio (Mr. NEY) has 12 minutes remaining. The gentleman from Maryland (Mr. HOYER) has 2½ minutes remaining. The gentleman from Ohio (Mr. NEY) has the right to close.

Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Chairman, it is not reform. It is deception. That is what Mr. Samuelson from the Washington Post says about Shays-Meehan. I want to keep repeating that. It is not reform. It is deception. Because that is exactly what it is. It is deception.

By the way, one part of this deception I really like which is this part about the loan provision is marvelous. That is perfectly consistent with my plan for deregulation, which would eliminate all the limits and would solve this problem once and for all because we would have full disclosure, and you would not have to have this subterfuge of soft money and issue ads and independent expenditures and all these things that are getting worse and worse because of you folks. You gave us the present law, and you are making it worse. But this loan provision is fantastic.

I want to draw everyone's attention to it. If this horrible bill somehow becomes law, we will take full advantage of it, I promise you, because we can do this, too, as Republicans thanks to the provision that you have given us.

Here is the analysis I am reading from. "In contrast to current law, the proposed language would allow the national party committee to pay any debt with soft non-Federal dollars from the period of November 5, 2002, to January 1, 2003."

Now, that is not consistent with the current regulations that specifically require hard debt to be paid with hard dollars. As a practical matter, the plain wording of the proposed language would allow a national party committee to borrow hard dollars, spend those dollars in an upcoming election, and then use the remaining soft dollars to pay the debt. This is great. You cannot even do this under current law, but under the change you are making, it is just effective, just for the end of this year we will be able to do this.

Why not just go all the way, defeat your bill and pass deregulation, which really does solve the problem? Because if soft money is evil, why is it good for you to be able to do this and pack it in with all you can with your collateralized loans to get all the advantage you can out of this election? Just like Samuelson said, "It is not reform. It is deception."

□ 1515

Mr. HOYER. Mr. Chairman, I reserve the balance of my time.

Mr. NEY. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, let me say just a few months ago we sat in this body and the advocates at that point said that this bill needs to be passed now, that we could not delay it, we wanted to get it ready for the next cycle. Now just a few months later, instead of being ready for the 2002 cycle and because the campaign committee on the other side of the aisle has been unable to raise hard dollars and retire their hard dollar debt and they have looked at the discrepancy between the committees, they want the rules to be delayed in implementation until the next election. Why? So they can spend their soft dollars this year. So they can trade their soft dollars this year for hard dollars under the loophole that has been discovered in the drafting.

It reminds me of the old drunk who swears he is going to quit drinking tomorrow but tonight he is going to get real drunk and tie it down. That is what they are doing.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. TOM DAVIS of Virginia. I yield to the gentleman from Tennessee.

Mr. FORD. Mr. Chairman, I know the gentleman made the point about the Democratic Party, but was not the gentleman quoted in the front page of one of our local newspapers here on the Hill urging us not to consider a telecom bill because it would hurt campaign contributions to the party?

Mr. TOM DAVIS of Virginia. Mr. Chairman, I do not believe I was quoted as saying that.

Tonight this substitute is not fair. It is not bipartisan. It is written to gain the current system. Their leadership on the other side woke up and found they had a huge hard-dollar gap. If my colleagues reject this substitute, remember this, those who signed the petition: if my colleagues reject the substitute, we are down to the base bill. That is the bill my colleagues signed the discharge petition for. They have not lost anything.

This substitute was unveiled for the first time last evening at 10 p.m. That is when the public, that is when the opposition got to see it; and as we can see, drafting errors occur sometimes when people do these things at the last moment, and I think that is the problem that we have here.

The underlying bill would still stand if this substitute is rejected. I oppose this legislation as it is now being amended again. I say to my friends who signed the discharge petition, if my colleagues reject this and beat this they have still the underlying bill. That is what they signed the discharge petition for and we can go on amendments from there.

Mr. SHAYS. Mr. Chairman, I yield myself 15 seconds to just point out, we petitioned out the base bill; but we also knew we were going to come forward with the amendments that we intended to come forward with in July which was divided into 13 parts. So it is all part of a process and this is a substitute, and this is ultimately what we hoped would happen.

Mr. NEY. Mr. Chairman, I yield 15 seconds to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, if I could say to my friend, I understand that was part of the process, but he has to understand that nobody knew when they signed the petition what this amendment would be, what this substitute would be; and so for many members who signed the petition, if they do not like this, they can be consistent with signing this petition and vote against this substitute. That is the only point. I would say my friend and honorable gentleman who has offered this, I think, is most sincere.

Mr. HOYER. Mr. Chairman, can the Chair tell me what the time is remaining?

The CHAIRMAN. The gentleman from Maryland (Mr. HOYER) has 2½ minutes remaining. The gentleman from Ohio (Mr. NEY) has 7¾ minutes remaining. The gentleman from Connecticut (Mr. SHAYS) has 6¼ minutes remaining, and the gentleman from Ohio (Mr. NEY) has the right to close.

Mr. SHAYS. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. BOEHLERT).

Mr. BOEHLERT. Mr. Chairman, I rise in strong support of the Shays-Meehan substitute.

The reason we need Shays-Meehan is quite simple. The American people are continuing to lose faith and confidence in our political system because of the unregulated flow of soft money into the campaign coffers. In fact, we need to look no further for proof of America's dissatisfaction than the dismal 51 percent turnout of registered voters in the last election, one of the closest elections in history.

Quite frankly, I am sort of tired of apologizing for a system that I think works quite well. People think money taints every decision that is made in this Congress. This is not so. I do not believe it for a minute, but the fact of the matter is people think it and they are losing confidence. We need to change the system.

Shays-Meehan is not perfect, but it is much better than what we have; and for those who would argue that we should do nothing, I would say they are not listening to the voice and they are not considering the will of the American people. The time for campaign finance reform is long overdue, and the Shays-Meehan substitute is one way to get reform to the President's desk, and I feel confident that he will sign it.

Mr. SHAYS. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN. The gentleman from Connecticut (Mr. SHAYS) has 5¼ minutes remaining.

Mr. SHAYS. Mr. Chairman, I yield 4 minutes to the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Chairman, I thank the gentleman from Connecticut (Mr. SHAYS) for the honor of participating here in the closing of the debate on this meaningful legislation.

President Roosevelt, the Democrat, FDR, said we have nothing to fear but fear itself. I say to our friends in leadership, do not be afraid of this legislation. Do not be afraid of giving up soft money. I know that fear drives a lot of their actions, but we should not be afraid to go into a new era and to leave the old behind.

I think a lot of their mentality is that they cannot survive without it. I respect them but I respectfully disagree. I think both parties will do just fine without it. The American people will be encouraged greatly, the process will be cleaned up, and we will take a major step in the right direction.

In a lot of ways this debate is about the leadership versus rank-and-file Members because the truth is there are a lot of rank-and-file Members on both sides, people of goodwill, that know this is a problem and know that something needs to be done about it. My hope is that they will come together later today and along the way for that common purpose.

The people ask how could a bill that has overwhelmingly passed the House twice in recent years, passed the Senate with 59 votes, come up again today and have so much opposition; and I can only tell them that the closer we get to finality the more intense the fight, the higher the temperature.

President Roosevelt, the Republican, Teddy, passionately fought to make sure that large corporations, rich and powerful people, were not treated differently than ordinary citizens, that they did not receive special treatment. I have got to tell my colleagues this soft-money loophole has brought about that result a hundred years later.

My party needs to recommit itself to those TR principles, to make sure that ordinary citizens have just as much protection under our laws and under our rules as rich and powerful people.

Soft money is now being given in a shameful way. It has proliferated beyond measure in recent years, and it is a real corrupting influence. Legislation comes before this body at the same time these large unlimited, unregulated contributions go to the political parties. That is wrong. We must stop it.

Even the opponents of Shays-Meehan earlier today with their amendments acknowledge it is a problem. They even offered an amendment to ban it. We have made a lot of progress in the last 4 years because their amendments prove that we are on a just mission.

This is the people's House. Civility and respect should rule. My colleagues may not want to hear this, but Republicans are not always right and Democrats are not always wrong. Neither party has an exclusive on integrity or ideas. We need to come together as people of goodwill, Democrats and Republicans, who might not agree on any other issues and put the people ahead of our parties, ahead of our own reelection, ahead of all the lobbying and the special interests and do what has not been done in 28 years in the United States of America.

We need to move this process forward today and beat back the amendments because this is the most meaningful reform in a generation, and this is the moment. We have been on this mission for a long time. Today, together, in a civil and respectful way, we will prevail.

Mr. NEY. Mr. Chairman, I yield myself such time as I may consume.

I would note that we are not afraid to give up soft money. If it is bad next year, it is bad now. Let us do it immediately instead of waiting till next year.

Mr. Chairman, I yield 3 minutes to the gentleman from Missouri (Mr. BLUNT).

Mr. BLUNT. Mr. Chairman, I thank the gentleman from Ohio (Mr. NEY) for yielding me the time.

We will have a chance to do what the Shays-Meehan bill did in an earlier time, to ban all soft money. It did that, it had random FEC audits, it had strong penalties for violators. None of those things are there, and one of the things that is there is this huge confusion over what can be done with the money that is in the coffers of the parties after the November 5 election this year.

This is what happens when my colleagues file a bill at 10 or 11 o'clock at night to vote on the next day that did not have committee hearings, that everybody says would just be devastated by going through the regular process and going through conference.

There has been a lot of discussion about that, a lot of letters flying around, lots of things put on the file. I just received from two of the current commissioners of the FEC, David Mason, the chairman, and Bradley Smith, the commissioner, a letter indicating their views, not the official views of the agency, because they have not met yet; but this is the chairman and one of the commissioners.

This says that "the transition rule allowing national party committees to spend soft money between November 6, 2002, and January 1, 2003, does not prohibit the use of soft money to pay debts related to Federal elections. Because the proposed bill effectively invalidates the Federal Election Commission's soft money allocation regulations," which as they apply to national parties, "as of the effective date of November 6, no rule of the Commission would address how parties could use these funds to retire debts." Two current commissioners of the FEC say in the concluding sentence, "If Congress wishes to prohibit the use of soft money to retire hard money debts during the transition period, the legislation should be amended to specify this restriction."

That is exactly what we have been saying on the floor all day. It is, in fact, the case. It opens the door fully to use any soft money that can be collected or is in either party's coffers this year to retire hard-money debts this year. That may not be what my friends who drafted this legislation thought it would mean. Maybe they did not even look at this particular provision that was being drafted, but that is what it means. Not only does this bill not close the door on soft money in the future, it knocks down the door on the impact that soft money would have in this election.

We will see the greatest race for soft money, if this bill passes, that we have seen to date. Last cycle, my friends on the Democratic side collected more soft money than we did on the Republican side. I suppose they could do that again. If they do this in a partisan sense, it would make a lot of sense. I cannot believe that would be the result they would want the American people to think was the purpose of campaign finance reform.

That is what this bill says. It should have had a hearing. A conference would be a good thing. We need to do this in the regular order. We are not doing it that way.

Mr. HOYER. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, I know the two commissioners and I have a lot of dealings with the FEC, but they must have had a very quick reading. The fact of the matter is section 441(b) of the Federal Election Campaign Act prohibits what they assert the bill allows, and the transition rule to which they refer does not affect this provision. So that I fear what has happened is they have analyzed the transition provision without analyzing existing law which is not changed, which prohibits that which the gentleman from Virginia (Mr. TOM DAVIS) and the gentleman from Missouri (Mr. BLUNT) and others have asserted would happen.

Mr. Chairman, I yield 45 seconds to the gentleman from Wisconsin (Mr. BARRETT) and apologize for not having more time to yield.

Mr. BARRETT of Wisconsin. Mr. Chairman, I stand as a proud supporter of the Shays-Meehan bill and congratulate the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) for the fine work that they have done. It is time. It is time that we start moving this train for reform forward.

What we have heard this afternoon is we have heard people who have long opposed campaign finance reform come down to this well and try to nitpick, try to nitpick at this bill. They are trying to love this bill to death, to death because the last thing they want to do is have campaign finance reform in this country.

This bill is not perfect; but for the first time in a generation, we are trying to clean up this system.

□ 1530

I love having people in this country involved in our democracy. It is the ultimate participatory sport. But fewer and fewer people believe that they can have an impact in our democracy when big money rules the day.

Mr. Chairman, it is time for us to pass this bill.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to the distinguished gentleman from Massachusetts (Mr. NEAL).

Mr. NEAL of Massachusetts. Mr. Chairman, I thank the gentleman for a long 45 seconds.

The gentleman from Virginia (Mr. DAVIS), my friend, raised the question earlier why did somebody sign the discharge petition. It is the first one I have signed in 14 years in this House, and I was number 218, precisely for the purpose of giving the American people a full and fair discussion about campaign finance.

Everybody knows what has happened in this institution. It is no secret that the Republican leadership is opposed to campaign finance. Enron has cast a new day around here.

This debate appears to be complicated. The task ahead of us is really quite simple. The time is now to adopt this legislation. This part of our campaign finance season in this House is known for one thing: It is search and destroy with soft money. It is not to enlighten. It is to eviscerate the public debate.

Mr. Chairman, I would suggest now that we take down the "For Sale" sign that hangs over this wonderful old House and pass Shays-Meehan. We need to move forward with this campaign finance bill.

Mr. SHAYS. Mr. Chairman, I yield the balance of my time to the distinguished gentleman from Delaware (Mr. CASTLE).

Mr. CASTLE. Mr. Chairman, I thank the gentleman for yielding me this time, and I, too, rise in strong support of Shays-Meehan.

This has been going on for 3 or 4 years. We hear statements being made such as this bill was drafted at 10 or 11 at night, or there should have been committee hearings and whatever. It has been going on for a long time. We hear about all the substitutes and whatever, but the truth of the matter is that what we have before us is what has been worked out by a lot of people who have worked on this bill.

We cannot revert to the underlying bill here. If we did, it would go to conference and the bill would be dead. Instead, we have to face what we are doing, and basically in this legislation we are doing things that I think need to happen. We are not doing other things which should not happen. We are not banning voter guides.

I disagree entirely with the argument that you can use soft money to pay off hard money debts. That is another section entirely of the Code, and I hope everybody will take the time to read that carefully. And the support for that comes from the Democratic side, I might add.

There is no limit to free speech here. I have heard that. There is no limit whatsoever to free speech. In fact, there are no real changes in what we are limiting here. We are just focusing on the methodology by which money is paid for campaigns, not what is stated, not free speech. That is just an absolutely wrong statement with respect to that.

This bill basically plays no tricks. What you see is what you get. It is taking soft money, the large contributions which have come in from corporations, labor unions, wealthy individuals, into the parties, and then are spent to their benefit out altogether and is providing for a good financial package and good elections.

We should all support the Shays-Meehan substitute.

Mr. HOYER. Mr. Chairman, I yield such time as she may consume to the gentlewoman from California (Ms. MILLENDER-MCDONALD).

Ms. MILLENDER-MCDONALD. Mr. Chairman, I stand in strong support of the Shays-Meehan bill, as it will help us to clean up our campaign financing system.

Mr. Chairman, I rise in opposition to the Ney amendment because it deviates from the original Shays-Meehan bill that we supported in the House. At this juncture, when we are debating the merits of campaign finance reform, it is critical that we send a clear message to the American people that we are not pawns of campaign contributors.

Furthermore, given the cynical attitudes of the American public about the affect of campaign contributions on the actions of Representatives, we must send a deafening message.

Notwithstanding our past history of using soft monies to facilitate traditional and legitimate Get Out The Vote [GOTV] election-day efforts, we are prepared to embrace a clean piece of campaign legislation, Shays-Meehan, which will place us on the footpath of political integrity.

Mr. Chairman, we stand on the brink of challenge and change. The challenge is whether we will support true campaign finance reform and will change the landscape of campaigns; or will we opt to poison the well of potential campaign finance reform by supporting poison pill amendments. I urge my colleagues to vote down all such amendments and support Shays-Meehan. Give full democracy back to the people.

Mr. Chairman, I rise today as an ardent supporter of the Shays-Meehan substitute because it is time for this House to pass true campaign finance reform.

We have a unique opportunity to step up to the plate and hit a homerun for promoting true change in the way we finance campaigns. The American people continue to be cynical about whether their legislators are bought by special interests. The path to true reform is being blocked by poison pill amendments that if agreed to, would have the effect of serving as procedural landmines that will have destroyed well-conceived and crafted reform language.

I urge my colleagues to choose the path of cleaning up our campaign finance and encourage them and vote down all poison pill amendments, and support the Shays-Meehan substitute.

Mr. HOYER. Mr. Chairman, I yield such time as she may consume to the distinguished gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. Mr. Chairman, I likewise request unanimous consent to revise and extend my remarks, and I congratulate the extraordinary leadership of the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) in bringing this historic, important bill to the floor. I strongly, strongly support it.

Mr. Chairman, I rise today in support of the bipartisan and common sense Shays-Meehan bill.

The time has come to take the money out of politics and return the system to the American people.

We have passed this legislation twice, and it's time to send it to the President.

Shays-Meehan would prohibit officeholders and candidates from soliciting soft money in connection with federal elections and would prevent national and state parties from spending soft money on federal election activities.

The legislation also would allow capped soft money contributions to state and local parties to be used for limited, non-federal voter registration and get-out-the-vote activity.

Shays-Meehan would bring honesty back to political advertising by prohibiting the use of corporate and union treasury money for broadcast communications that mention a federal candidate within 60 days of a general election or 30 days of a primary.

We need only to look at the Enron scandal to see how much access money can buy in Washington. Recent media reports have indicated that Enron established a cleverly calculated system to determine how much money to funnel into the coffers of politicians. If a rule change would cost Enron too much money, it was time to get out their wallets.

Enron donated to many campaigns, and played the lobbying game as well as anyone.

We must accept the hard truth that if there weren't so much money in politics, there might be more money in the 401k accounts of Enron employees.

Shays-Meehan will take big money out of politics by ending soft money contributions to the national political parties and by bringing honesty back to campaign advertising.

Today, we have the opportunity to pass meaningful campaign finance reform.

However, we can accept no substitutes, alternatives, or poison pill amendments, which are all designed to prevent this bill from being passed.

Vote for real reform. Vote for Shays-Meehan.

Mr. HOYER. Mr. Chairman, I yield myself the balance of my time.

We come to the end of the debate on the central amendment. This is the amendment. This is the vote. This is the time when Congress will decide whether or not we will have campaign finance reform.

I ask my colleagues to vote "yes" on this amendment. I ask them to take this historic step for the House and for America.

Mr. NEY. Mr. Chairman, I yield myself the balance of my time.

It was mentioned that this bill has changed slightly at the beginning of this debate. This bill is a different species. It has morphed all the way through the system. And the sad part about it is that it has not done it at the desks of the committees, it has done it in the back rooms. We can do communication these days, I guess, in the back rooms and change something, but, oh, if we want to do an amendment on the floor of the House, it is a poison pill, even if it is a good amendment. And that was quoted in the newspapers.

For my colleagues who want to ban soft money, Shays-Meehan does not ban soft money. We can drive an Enron limousine, $60 million worth, across this country through this bill. It does not do what the original Shays-Meehan did, what they said it would do. So if we want to ban soft money, it does not do it.

It does not ban all the issue ads. It only prohibits broadcast ads. It is unconstitutional. An issue ad ban is likely to be struck down. Then what are we really going to be stuck with?

It weakens the national parties, but it makes special interest groups and individuals stronger. We have a great two-party system, and any other party that wants to come onto the scene in this country will be weakened by this bill. They will have to come begging for their approval and money from the incumbents.

It treats House and Senate candidates differently. We have talked about that. The charity money-raising that is going to go on here and the influence-peddling that can come out of that is going to be absolutely amazing. If we truly want to clean the system up, this goes in reverse.

I am asking people to vote "no," because my colleagues are going to have some amendments and alternatives in the Ney-Wynn proposal that is coming up that has disclosure and the good things I think we need to do and which embark upon reform. This does not do it. This is a different animal today that we are dealing with.

Above all, the worst part of this bill, I believe, Mr. Chairman, and I hope the American people understand, that as we stand here and debate this today is the fact that we have the greatest democracy in the world, where people speak out, they say what they want to say, groups push either direction for advocacy, for what they think is right in this country, but this does gag groups, make no bones about it.

Groups can spend all the soft money they want in the newspapers. If they want to speak for the second amendment from an NRA perspective, if they want to speak for gun control, they are going to have a problem. Millions of people involved in the labor movement are going to have a problem. Millions of people that work in small businesses, the people of this country, Mr. Chairman, that go out on the treadmill every day trying to figure out how on Earth they are going to feed their families and keep their communities going, the people that have a right to speak out are going to be gagged.

I ask my colleagues to look into their hearts. They know we are right on these issues. They know this has changed. We can do the right thing. We will have some alternatives coming down the road today. That is what we need to do, vote "no" on this. This is not the same bill. This is a sham bill. It has the loopholes; it does not do what we thought it was going to do. It does not do what they said it would do last year.

We need to be able to let the American people speak freely. Do not gag Americans. Vote "no" on this measure.

Mr. SHAYS. Mr. Chairman, I rise to discuss an issue in the Shays-Meehan bill that has prompted some questions—what fundraising activities may federal candidates and officeholders engage in.

These are important and legitimate questions, and I intend here to clarify the lines drawn in the bill. It is a key purpose of the bill to stop the use of soft money as a means of buying influence and access with federal officials. As an important part of this goal, we have taken federal officials, including Members of Congress, out of the business of raising soft money for political parties, political committees and candidates. Federal candidates and officeholders, furthermore, cannot establish or control political committees that raise or spend soft money.

We recognize that Federal officeholders and candidates raise money for nonprofit organizations. The bill applies some restrictions to such fundraising activities when the principal purpose of the organization involves get-out-the-vote and voter registration activities, or where the solicitation is specifically for the purpose of the funds being used for GOTV and voter registration activities. In addition, federal officeholders and candidates cannot raise money for nonprofit organizations to use on public communications that mention a federal candidate.

SOLICITATIONS FOR PARTY COMMITTEES

The basic rule in the bill is that federal candidates and officials cannot raise non-federal (or soft) money donations—that is, funds that do not comply with federal contribution limits and source prohibitions.

Thus, the rule for solicitations by federal officeholders or candidates for party committees is simple: federal candidates and officeholders cannot solicit soft money funds for any party committee—national, state or local.

Federal candidates and officeholders also cannot raise funds in connection with a non-Federal election, unless those funds comply with federal contribution limits and source prohibitions. Thus, if a Federal candidate or officeholder raises money for a state candidate, the amounts solicited need to comply with the source and amount limitations in federal law.

This, of course, means that a federal candidate or official can continue to solicit hard money for party committees. So a federal officeholder can, on behalf of his or her national party committees, including their congressional campaign committees, solicit individuals for contributions of up to $25,000 per year, or $50,000 per election cycle, per committee (subject, of course, to a donor's aggregate hard money contribution limit of $57,500 to all party committees in a two-year cycle).

A federal official can also solicit individuals for hard money donations to state party committees—under the bill of up to $10,000 per year, or $20,000 per cycle, from an individual subject again to the donor's aggregate contribution limit, and up to $5,000 per year or $10,000 per cycle from a federal PAC. These funds can be spent by the state party for activities in connection with a federal election, including for federal election activities.

A federal official can, in addition, solicit money for a state party to spend on non-federal elections, as long as the funds comply with federal limits and source prohibitions. This would allow a federal official to solicit up to $10,000 a year from an individual, or up to $5,000 per year from a PAC, to donate to the state party non-federal account, even if that same individual has already given a similar amount to the state party hard money account.

The Levin amendment expressly provides that federal candidates and officeholders can not solicit the funds authorized to be spent under the Levin amendment.

Similarly, a federal official can solicit money for state candidates, but such solicitations would be subject to the federal contribution limits and source prohibitions—$2,000 per election from individuals and $5,000 per election from PACs, and no contributions from corporations or labor unions.

SOLICITATIONS FOR OUTSIDE GROUPS

The bill allows federal officials and candidates to make general solicitations without restriction for outside non-profit groups (those exempt from taxation under the Internal Revenue Code, such as 501(c)(3) and (c)(4) groups), so long as the group is not one with a principal purpose of conducting get-out-the-vote or voter registration activities, and so long as the money is not solicited specifically for the purpose of conducting GOTV and voter registration activities. The general solicitation cannot specify how the funds will or should be spent.

An official can also make a solicitation for non-profit groups that do principally engage in such voter activities, or for funds specifically to be spent for GOTV or voter registration activities, but the solicitation must be made only to individuals, and is no more than $20,000 per year. An official cannot solicit funds from a corporation or labor union for such purposes.

These restrictions apply to the solicitation of funds by a federal candidate or official. A federal official can sit on the board of a non-profit or otherwise participate in the activities of the nonprofit, so long as he or she was not engaged in raising money for the non-profit on election-related activities. A federal candidate or officeholder cannot direct the expenditure of such funds.

Mr. KILDEE. Mr. Chairman, this is a historical day for this House and for this country.

Today we have the opportunity to limit the scandalous infusion of money into the electoral process.

Our Founding Fathers never foresaw this existing system for democratic elections.

Today we can move closer to the principles of those Founding Fathers.

Vote for the substitute offered today by Mr. SHAYS and Mr. MEEHAN.

This may be our last best chance.

Mr. FALEOMAVAEGA. Mr. Chairman, I rise today in support of the Shays-Meehan substitute and want to explain one provision in the bill which will clarify campaign finance law with respect to contributions to federal candidates by U.S. nationals.

American Samoa is the only jurisdiction under U.S. authority in which a person can be born with the status of U.S. national. A national is a person who owes his or her allegiance to the United States, but is not a citizen. U.S. nationals travel with U.S. passports and are eligible for permanent residence in the United States. They are not foreign citizens or foreign nationals. In fact, they have most of the same privileges and immunities as U.S. citizens. However, federal campaign law was enacted before American Samoa had representation in the U.S. Congress and current law fails to address the issue of contributions from U.S. nationals.

Mr. Chairman, federal campaign law currently specifies that U.S. citizens and permanent resident foreign nationals may make contributions to candidates for federal office. Although there is an advisory opinion from the Federal Election Commission which interprets current law to allow U.S. nationals to contribute to federal elections, a federal court could at any time interpret the law to exclude U.S. nationals. Our failure to amend current law could also be interpreted to mean that Congress originally intended to prohibit U.S. nationals from contributing to federal elections.

Mr. Chairman, I do not believe it was or is the intent of Congress, or the law, to exclude U.S. nationals from contributing to federal campaigns. Congress simply enacted a law before American Samoa had representation in the U.S. Congress. Now it is time to amend the law to specifically address the issue of U.S. nationals. Therefore, I urge my colleagues to support this technical change in any bill which moves forward.

Mr. RAMSTAD. Mr. Chairman, today we are casting historic votes on the most important campaign finance reforms since the Watergate reforms of 25 years ago.

Today, we will finally have the opportunity to eradicate the biggest cancer on the federal campaign finance system—soft money.

Shays-Meehan will go a long way in reducing the disproportionate and undue influence of unregulated and unlimited soft money.

We should pass this common-sense reform legislation to restore people's trust in the system and give the American people a bigger voice in their government.

Mr. Chairman, let's get real honest for a minute! The truth is that both political parties are addicted to soft money, and campaign finance reform gives both parties heartburn.

But the political parties will survive and continue to flourish with these reforms, and public faith in the political process will be enhanced.

Let's do the right thing! Let's rid the system of unregulated, unlimited soft money. Let's pass Shays-Meehan.

The American people deserve nothing less!

Mr. SHAYS. Mr. Chairman, I rise to discuss one of the key sections of the Shays-Meehan substitute, the soft money provisions relating to national and state parties. The state party provisions contain a section, commonly referred to as the Levin amendment, that I want to take this opportunity to explain. In addition, some who oppose campaign finance reform characterize the Levin amendment as a major loophole in the Shays-Meehan substitute. They are wrong. This discussion is intended to spell out what the Levin amendment does and does not allow.

SHAYS-MEEHAN'S TREATMENT OF NATIONAL PARTY SOFT MONEY

The soft money provisions of the Shays-Meehan bill regarding the national political parties operate in a straight-forward way. The national parties are prohibited entirely from raising or spending any soft money. At the national party level, the ban on soft money is complete. This ban covers not only the national party committees themselves, but also the congressional campaign committees of the national parties. And it covers any officer or agent acting on behalf of the national party committees, as well as any entity that is established, financed, maintained or controlled by a national party committee.

The purpose of these provisions is simple: to put the national parties entirely out of the soft money business. The provision is intended to be comprehensive at the national party level. Simply put, the national parties, and anyone operating for or on behalf of them, are not to raise or spend, nor to direct or control, soft money. This ban covers all activities of the national parties, even those that might appear to affect only non-federal elections. Because the national parties operate at the national level, and are inextricably intertwined with federal officeholders and candidates, who raise the money for the national party committees, there is a close connection between the funding of the national parties and the corrupting dangers of soft money on the federal political process. The only effective way to address this problem of corruption is to ban entirely all raising and spending of soft money by the national parties.

SHAYS-MEEHAN'S TREATMENT OF STATE PARTY SOFT MONEY

The treatment of the state parties is different. This is because state parties obviously engage in activities which are purely directed to non-federal elections. The Shays-Meehan bill does not regulate the kind of money that can be raised by the state parties. That is left to state law. What the bill does do is direct the state parties to spend only hard money on those activities which affect, even in part, federal elections. This is necessary to prevent blatant evasion of the federal campaign finance laws.

This approach is in many ways similar to current law. Currently, if a state party engages in activity that directly affects federal elections—such as running an ad that says "vote for Congressman Smith"—the state party would be required to spend hard money on these activities. Similarly, if the state party engages in activity that purely affects state elections—such as an ad that says "vote for Governor Smith"—it could spend whatever non-federal money is permitted under state law.

The Shays-Meehan bill does not change either one of these propositions.

But there is a range of activities that state parties engage in that, by their very nature, affect both federal and non-federal elections. These are the familiar "party building activities," such as get-out-the vote drives or voter registration drives. These activities—registering voters to vote in elections that have both federal and non-federal candidates, or engaging in activities designed to bring them to the polls to vote for federal and non-federal candidates—clearly have an impact on both federal and non-federal elections.

Under current law, state parties pay for these "mixed" activities using a mixture of both hard and soft money pursuant to allocation formulae set by the Federal Election Commission. But these allocation rules have proven wholly inadequate to guard against the use of soft money to influence federal campaigns. Much state party "party building activity" is directed principally to influence federal elections, and all of the party voter activity inevitably does have a substantial impact on federal campaigns. Further, the state parties run TV and radio ads, purportedly as "issue ads," that directly praise or criticize federal candidates by name without using words like "vote for" or "vote against"—and the FEC has taken the unrealistic position that such ads have an impact on both federal and non-federal elections, and should accordingly be funded with an allocated mixture of hard and soft money.

The Shays-Meehan bill addresses these problems by simply applying the principle of current law—that state parties must use solely hard money to pay for activities that affect federal elections—to a category of activities which clearly affect federal elections and which the bill defines as "federal election activities." Section 101(b) of the bill defines these activities as the following:

(i) Voter registration activity in the last four months before a Federal election.

(ii) Voter identification, GOTV, and generic campaign activity (i.e., activity relating to a party not a specific candidate) that is conducted in an election in which a Federal candidate appears on the ballot.

(iii) Public communications (also a defined term that includes communications by radio, TV, newspapers, phone banks and other methods of public political advertising) that refer to a clearly identified Federal candidate and that promotes or supports, or attacks or opposes, a federal candidate for that office.

(iv) Services provided by employees of a state or local party who spend more than 25 percent of their compensated time on Federal elections.

This definition of "Federal election activities" is significant because in section 101(a) of the bill (new section 323(b) of the Act), there is a requirement that state parties spend only Federal money (hard money) on "Federal election activities." That is how the Shays-Meehan bill prevents soft money from being injected into federal races through the state parties.

Again, the bill does not restrict fundraising by state parties. That is left as a matter of state law. But it does say to the state parties that when they spend money on activities that affect federal elections, including the defined category of "Federal election activities," they must spend solely hard money for those activities.

The lack of a state party soft money provision is a fundamental shortcoming of the proposal of Mr. NEY and Mr. WYNN. The restrictions on state parties using soft money to influence federal elections is one of the most important features of the Shays-Meehan bill. Much of the soft money being raised today by the national parties is transferred to state parties to be spent on activities that influence federal elections. An effective effort to address state party soft money spending to influence federal elections is absolutely essential to real campaign finance reform and solving the soft money problem.

THE LEVIN AMENDMENT

Critics have contended that the state parties should not be prevented from spending money that is legal in their state on activities that are designed to improve voter turnout and assist state candidates in a state election. When the McCain-Feingold bill was considered in the Senate last year. Senator CARL LEVIN of Michigan, a long-time and strong supporter of the bill, worked with the sponsors of the legislation to craft a provision to allow limited spending of soft money by state parties on a limited subset of state party activities. On the Senate floor, Senator LEVIN explained that his amendment:

> . . . will allow the use of some non-Federal dollars by State parties for voter registration and get out the vote, where the contributions are allowed by State law, where there is no reference to Federal candidates, where limited to $10,000 of the contribution which is allowed by State law, and where the allocation between Federal and non-Federal dollars is set by the Federal Election Commission.

Senator LEVIN also specified: "These are dollars not raised through any effort on the part of Federal officeholders, Federal candidates, or national parties. These are non-Federal dollars allowed by State law."

CHANGES TO THE LEVIN AMENDMENT IN SHAYS-MEEHAN

In addressing the Levin amendment in our substitute, the sponsors of the Shays-Meehan bill wanted to accomplish two things. First, we wanted to respect the original intent and purpose of the Levin amendment. Second, we wanted to make sure that it did not create a new loophole for corporations, unions, wealthy individuals to exploit. In our view, those purposes were not in conflict, since Senator LEVIN made it clear it was not his intent to undermine the campaign finance reform effort, but only to support legitimate state party activities that promote voter participation by allowing a limited amount of non-federal money to be used for those purposes.

The changes in the Levin amendment incorporated in our substitute have been agreed on with the sponsors of the Senate bill. They do not change the essential thrust of the Levin amendment, but they do provide additional restrictions to help ensure that the amendment will not become a new loophole in the law.

DESCRIPTION OF REVISED LEVIN AMENDMENT

With that background in mind, let me describe the Levin amendment, as modified in the Shays-Meehan substitute. New section 323(b)(2)(A) of the FECA permits state parties to spend non-federal money (soft money) on certain Federal election activities, as long as the spending is made up of both Federal money (hard money) and soft money in a ratio to be prescribed by the FEC. The activities that state and local parties can pay for under this exception are voter registration in the last 120 days prior to an election, and certain GOTV and other activities specified in new section 301(20)(A)(ii).

Under new section 323(b)(2)(B)(i), the exception applies only if the activity paid for does not refer to a clearly identified Federal candidate. In addition, under new section 323(b)(2)(B)(ii), the exception does not apply to any activity that involves a broadcast, cable or satellite communication, unless that communication refers only to state and local candidates. In other words, GOTV efforts paid for in part with so-called "Levin money" may mention state or local candidates or contain a generic party message, but they cannot mention Federal candidates. And if these efforts are carried out through radio or TV ads they must mention clearly identified state or local candidates only, or they will be subject to the state party soft money restrictions and no "Levin money" can be used. To be clear, "Levin money" cannot be used by state parties to pay for broadcast ads that mention federal candidates.

In addition, the soft money or "Levin money" portion of the spending is subject to a number of restrictions. Under new section 323(b)(2)(B)(iii), it must be legally raised under state law, and no person can give more than $10,000 per year to a individual state or local committee, even if state law permits greater contributions. So if a state allows direct corporate or labor union contributions to political parties corporations and unions can make contributions of up to $10,000 or the state limit, whichever is lower, to the party committee each year. Obviously, if a state prohibits corporate or labor union contributions to political parties, the Levin amendment does not supersede that prohibition, and corporate or union contributions of "Levin money' would be banned.

After the Senate passed the Levin amendment, the question arose whether the amendment was intended to limit a donor to a single $10,000 contribution to all of the non-Federal political committees in a state, or to permit separate contributions to the state committee and local committees. Since the Senate appears to have intended that there is not a single per donor limit on all contributions to party committees in a state, further restrictions on the raising and spending of "Levin money" by the committees are imposed in order to prevent the Levin amendment from becoming a new loophole.

Accordingly, under new section 323(b)(2)(B)(iv), the version of the amendment contained in the Shays-Meehan substitute, all of the non-Federal and Federal money spent on the activities authorized by the Levin amendment must be raised solely by the committee doing the spending. Transfers of money between committees are not permitted. Thus, a county committee of a political party may accept a $10,000 contribution, but it must raise and spend that money itself, and it cannot work with any other party committee in raising or spending that money. It cannot transfer that money to the state committee. Furthermore, it must itself raise the hard money allocation required by the FEC, and it may not accept a transfer of hard money from a state or national party committee to satisfy that allocation requirement.

Finally, and very importantly, in new section 323(b)(2)(C), we affirm that federal candidates or officeholders and the national parties may not participate in the raising or spending of the soft money that is permitted to be spent under the Levin amendment. In addition, joint fundraisers between state committees or state and local committees are not permitted. Prohibiting Members of Congress and Executive Branch officials from being involved in soft money fundraising is one of the central purposes of the campaign finance reform effort. Consistent with Senator LEVIN's original intent, this new provision will ensure that that central purpose of the bill is not undermined. The joint fundraising prohibition will prevent a single fundraiser for multiple state and local party committees.

Mr. Chairman, let me address two additional questions that have arisen as to the interpretation of the Levin amendment. First, the $10,000 per year limit applies collectively to a corporation and its subsidiaries, and to a union and its locals, in the same way as contributions from PACS set up by subsidiaries and local unions are treated under current law. See 2 U.S.C. §441a(a)(5). To allow a separate contribution limit to apply to subsidiaries of a corporation or locals of a union would completely undermine the $10,000 limit as a check against the Levin amendment being used to continue the unlimited contributions that the soft money system now permits.

Second, while state and local committees may accept separate contributions of up to $10,000 per year from donors permitted to give that much under state law, state and local committees are not allowed to create their own multiple subsidiary committees to raise separate $10,000 contributions under this provision. The proliferation of new state party committees (e.g., the Northern California Republican Party Committee, the Southern California Party Committee or the New York Democratic Committee A, Committee B, Committee C, etc.) would be in complete contradiction to the provision, which allows only limited amounts of non-federal money to be given to a state or local committee for limited party-building activities that do not refer to federal candidates.

Mr. KLECZKA. Mr. Chairman, today, at long last, the House of Representatives will finally get a fair vote on campaign finance reform legislation. In order to reach this point, 218 Members had to sign a discharge petition to force the anti-reform Republican leadership to bring this measure to the floor for a debate and hopefully passage. H.R. 2356, the Bipartisan Campaign Reform Act of 2001, is necessary if we are to remove the undue influence of soft money on our political process and the unregulated issue advertisements that inundate our airwaves during each election season.

When Congress passed the Federal Election Campaign Act (FECA) of 1971 it included a provision that allowed national political parties to use unregulated contributions, "soft money," for generic party-building activities such as get-out-the-vote drives and voter registration efforts. Initially, the parties adhered to the restrictions on the use of soft money, but soon began shifting soft money contributions to state parties to be used for paid television and radio campaign advertisements. Under FECA, such advertisements were supposed to be paid for by regulated hard money that is raised through limited contributions to political parties and candidates.

We have recently seen an unacceptable increase in the amount of soft money used in campaigns. In the year 2000 elections alone, $495 million in soft money was spent by the parties, an amount that is nearly double the $262 million spent four years earlier. The steadily increasing use of soft money to skirt federal campaign contribution laws has given it a growing role in our system of elections that cannot be allowed to continue.

An equally troubling aspect of today's campaign system is the number of issue advertisements broadcast on the television and radio. Although these ads technically adhere to federal campaign regulations, they violate the spirit of the law. Issue ads are supposed to be used to discuss issues of legislation, not to attack or support candidates, like they often do today. Through this loophole, corporations, unions, and other organizations have avoided federal reporting and disclosure laws by running ads that avoid the magic words "vote for," "vote against," "support," and "defeat." Since the ads are technically campaign ads, the people paying for them do not need to identify themselves or their supporters, which is contrary to the basic tenets of campaign-finance regulations.

H.R. 2356 would fill in the gaps left by FECA. First, it would ban all national party use of soft money. In order to ensure that get-out-the-vote drives and other genuinely generic party activities are not hindered, it would allow state and local parties to spend soft money on these activities. Individuals, corporations, and labor unions can give $10,000 in soft money to party committees organized at the state, county, and local level for these legitimate efforts.

H.R. 2356 would also prevent corporations and organizations from skirting the law with unregulated issue advertisements by requiring that all campaign ads for federal office be paid for with publicly disclosed and regulated campaign funds that are subject to federal contribution limits. This would be achieved by expanding the definition of "campaign advertisement" to include any ads that clearly identify a federal candidate made within 60 days of a general election or 30 days of a primary and are targeted to that candidate's electorate.

Some of my colleagues claim that these regulations would violate the freedom of speech guaranteed by the First Amendment. That is simply untrue. Corporations, labor unions, and other organizations would still be permitted to use any funds they have to run ads that discuss issues of legislation, so long as they do not specifically refer to a candidate for federal office. If they do mention a candidate by name, all they have to do is to use hard money, which is regulated, subject to contribution limits and disclosure laws. These groups may also fund advertisements that do attack or support a specific candidate, the only requirement being that they do so through the established regulated process using hard money donations to their political action committees.

This bill would also retain several important hard money contribution limits. Individuals would still be permitted to contribute only $1000 per election to candidates for the House of Representatives and political action committees would be restricted to the current $5000 per election limit.

This day has been a long time coming. We need to reduce the influence of unregulated money which has been flowing at an increasing rate into our political system. H.R. 2356 reigns in soft money and issue advertising that has operated outside the framework of our campaign-finance laws. I urge my colleagues to support the amendments that the reform measure's authors must offer in order to get the complete bill to the floor under the GOP leadership's rule. Similarly, I urge Members to oppose those "poison pill" amendments designed to kill the bill, and instead support final passage of this important measure.

Mr. SHAYS. Mr. Chairman, I rise to address the scope of an exception to the definition of "electioneering communications" set out in section 201(3)(B), which include (i) news distributed by broadcast stations that are not owned or controlled by a candidate, (ii) independent expenditures, (iii) candidate debates and forums and (iv) "any other communication exempted under such regulations as the Commission may promulgate . . . to ensure appropriate implementation of this paragraph." I wish to discuss the purpose of the fourth exception.

The definition of "electioneering communication" is a bright line test covering all broadcast, satellite and cable communications that refer to a clearly identified federal candidate and that are made within the immediate pre-election period of 60 days before a general election or 30 days before a primary. But it is possible that there could be some communications that will fall within this definition even though they are plainly and unquestionably not related to the election.

Section 201(3)(B)(iv) was added to the bill to provide Commission with some limited discretion in administering the statute so that it can issue regulations to exempt such communications from the definition of "electioneering communications" because they are wholly unrelated to an election.

For instance, if a church that regularly broadcasts its religious services does so in the pre-election period and mentions in passing and as part of its service the name of an elected official who is also a candidate, and the Commission can reasonably conclude that the routine and incidental mention of the official does not promote his candidacy, the Commission could promulgate a rule to exempt that type of communication from the definition of "electioneering communications." There could be other examples where the Commission could conclude that the broadcast communication in the immediate pre-election period does not in any way promote or support any candidate, or oppose his opponent.

Charities exempt from taxation under Section 501(c)(3) of the Internal Revenue Code are prohibited by existing tax law from supporting or opposing candidates for elective office. Notwithstanding this prohibition, some such charities have run ads in the guise of so-called "issue advocacy" that clearly have had the effect of promoting or opposing federal candidates. Because of these cases, we do not intend that Section 201(3)(B)(iv) be used by the FEC to create any per se exemption from the definition of "electioneering communications" for speech by Section 501(c)(3) charities. Nor do we indent that Section 201(3)(B)(iv) apply only to communications by section 501(c)(3) charities.

But we do urge the FEC to take cognizance of the standards that have been developed by the IRS in administering the law governing Section 501(c)(3) charities, and to determine the standards, if any, that can be applied to exempt specific categories of speech where it is clear that such communications are made in a manner that is neutral in nature, wholly unrelated to an election, and cannot be used to promote or attack any federal candidates.

We urge the Commission to exercise this rulemaking power within 90 days of the effective date of the bill. We also expect the Commission to use its Advisory Opinion process to address these situations both before and after the issuance of regulations.

The CHAIRMAN. All time has expired.

The question is on the amendment in the nature of a substitute offered by the gentleman from Connecticut (Mr. SHAYS).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SHAYS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 240, noes 191, not voting 3, as follows:

[Roll No. 21]

AYES—240

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Ford
Frank
Frelinghuysen
Frost
Ganske
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kirk
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Petri
Phelps
Platts
Pomeroy
Price (NC)
Quinn
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (MI)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (PA)
Wexler
Wolf
Woolsey
Wu

NOES—191

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Bono
Boozman
Brady (TX)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Forbes
Fossella
Gallegly
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Lucas (OK)
Manzullo
McCrery
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Rahall
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Toomey
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wynn
Young (AK)
Young (FL)

NOT VOTING—3

Cubin
Riley
Traficant

□ 1607

Ms. HART and Mr. SKEEN changed their vote from "aye" to "no."

So the amendment in the nature of a substitute was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Under the rule, the substitute is finally adopted.

(By unanimous consent, Mr. LARGENT was allowed to speak out of order.)

FAREWELL REMARKS

Mr. LARGENT. Mr. Chairman, this being my last week to serve in Congress, I wanted to make just a brief statement to my friends and colleagues.

Last week my youngest son Kramer completed an essay on Mark Twain. I was struck by how many facts about Mark Twain's life reminded me of my 7 years in Congress. Samuel Clemens was born at the appearance of Halley's Comet in 1835 and died the next time it came around in 1910. I thought about that as I prepare to cast my last vote in Congress on campaign finance reform and harken back to the days of 1994 when the first vote I cast was on GATT, the last vote of the 103rd Congress.

In my son's report I also learned something I did not know, that Samuel Clemens' alias, Mark Twain, was actually a nautical term that was used by riverboat crews, and it denoted two fathoms, or 12 feet, the depth necessary for safe passage.

We in Congress often refer to our Nation as our ship of state, and we hear pollsters ask questions to voters, do you think that the ship is headed in the right direction or the wrong direction? I ran for Congress in 1994 because I believed our country was headed in the wrong direction, and I wanted to make a difference, like most of you, the reason that you ran.

Now, 7 years later, I believe that together we have worked to move our country into safer waters. We worked together to balance the budget, we overhauled welfare, we cut taxes, we strengthened the military together, we deregulated telecommunications and repealed Glass-Steagall.

Yes, much good has been accomplished the last 7 years, but as we all know, there are always potentially treacherous waters around the next bend. The long-term solvency of Social Security and Medicare, the unrestrained growth of government spending and the ongoing war on terrorism are all shoals upon which we could run aground.

As I leave Congress, I wish to thank you all for the gift of your wisdom, your guidance and your friendship that you have given me, and I want to thank you all for your service to our great country. I admire and respect each of you. Early on I have to admit that I sometimes felt frustrated when some of you did not think like I did. Though we will always have different points of view in this body, I have come to appreciate the fact that many of you hold thoughtful and principled positions that differ from my own. I recognize that our divergent views on the left and right, among Democrats and Republicans, southerners and northerners, those representing the east coast and the west coast, are a great strength of this Congress. The right course and safe passage for the Nation is not the exclusive property of either side.

Serving with you all in this esteemed body has been the greatest honor and the greatest privilege that I have ever known. I want to thank the great Oklahomans who entrusted me with this rare privilege, and I thank you, my friends and colleagues, for your efforts to serve our Nation. I will never forget this 7-year journey.

As I return to my home State to seek the office of Governor, I will continue to pray for each of you. I will pray that God would grant you insight as you help our Nation navigate through the challenges ahead. Thank you, and may God bless you and our great Nation.

☐ 1615

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment offered by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 32 OFFERED BY MR. HYDE

Mr. HYDE. Mr. Chairman, as the designee of the majority leader, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 32 offered by Mr. HYDE:

Add at the end the following title:

TITLE VI—NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS

SEC. 601. FINDINGS.

Congress finds the following:

(1) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances."

(2) The First Amendment affords the broadest protection to such political expression in order "to assure [the] unfettered interchange of ideas for the bringing about of political and social changes desired by the people. *Roth v. United States*, 354 U.S. 476, 484 (1957).

(3) According to *Mills v. Alabama*, 384 U.S. 214, 218 (1966), there is practically universal agreement that a major purpose of that Amendment was to protect the free discussion of governmental affairs, ". . . of course including[ing] discussions of candidates . . .".

(4) According to *New York Times Co. v. Sullivan*, 376 U.S. 254, 270 (1964), the First Amendment reflects our "profound national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open". In a republic where the people are sovereign, the ability of the citizenry to make informed choices among candidates for office is essential, for the identities of those who are elected will inevitably shape the course that we follow as a nation.

(5) The First Amendment protects political association as well as political expression. The constitutional right of association explicated in *NAACP v. Alabama*, 357 U.S. 449, 460 (1958), stemmed from the Court's recognition that "[e]ffective advocacy of both public and private points of view, particularly controversial ones, is undeniably enhanced by group association." Subsequent decisions have made clear that the First and Fourteenth Amendments guarantee "freedom to associate with others for the common advancement of political beliefs and ideas," a freedom that encompasses "'[t]he right to associate with the political party of one's choice.'" *Kusper v. Pontikes*, 414 U.S. 51, 56, 57, quoted in *Cousins v. Wigoda*, 419 U.S. 477, 487 (1975).

(6) In *Buckley v. Valeo*, the Supreme Court stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(7) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(8) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people'".

(9) The courts of the United States have consistently reaffirmed and applied the teachings of *Buckley*, striking down such government overreaching. The courts of the United States have consistently upheld the rights of the citizens of the United States, candidates for public office, political parties, corporations, labor unions, trade associations, non-profit entities, among others. Such decisions provide a very clear line as to what the government can and cannot do with respect to the regulation of campaigns. See *Federal Election Comm'n v. Massachusetts Citizens for Life, Inc.*, 479 U.S. 238 (1986); *Federal Election Comm'n v. National Conservative Political Action Comm.*, 470 U.S. 480 (1985); *California Medical Assn. v. Federal Election Comm'n*, 453 U.S. 182 (1981).

(10) The FEC has lost time and time again in court attempting to move away from the express advocacy bright line test of *Buckley v. Valeo*. In fact, in some cases, the FEC has had to pay fees and costs because the theory is frivolous. *See FEC v. Christian Action Network*, 110 F.3d 1049 (4th Cir. 1997), *aff'g* 894 F. Supp. 946 (W.D.Va. 1995); *Maine Right to Life Comm. v. FEC*, 914 F. Supp. 8 (D.Me. 1996), aff'd 98 F.3d 1 (1st Cir. 1996), *cert. denied*, 118 S. Ct. 52 (1997); *Clifton v. FEC*, 114 F.3d 1309 (1st Cir. 1997); *Faucher v. FEC*, 928 F.2d 468, 472 (1st Cir.), *cert. denied*, 502 U.S. 820 (1991); *FEC v. Colorado Republican Federal Campaign Comm.*, 839 F. Supp. 1448 (D. Co.), *rev'd on other grounds*, 59 F.3d 1015 (10th Cir.), vacated on other grounds, 116 S. Ct. 2309 (1996); *FEC v. Central Long Island Tax Reform Immediately Comm.*, 616 F.2d 45, 53 (2d Cir. 1980); *Minnesota Citizens Concerned for Life, Inc. v. FEC*, 936 F. Supp. 633 (D. Minn. 1996), *aff'd* 113 F.3d 129 (8th Cir. 1997), *reh'g. en banc denied*, 1997 U.S. App. LEXIS 17528; *West Virginians for Life, Inc. v. Smith*, 960 F. Supp. 1036, 1039 (S.D.W.Va. 1996); *FEC v. Survival Education Fund*, 1994 U.S. Dist. Lexis 210 (S.D.N.Y. 1994), *aff'd in part and rev'd in part*, 65 F.3d 285 (2nd Cir. 1995); *FEC v. National Organization for Women*, 713 F. Supp. 428, 433–34 (D.D.C. 1989); *FEC v. American Federation of State, County and Municipal Employees*, 471 F. Supp. 315, 316–17 (D.D.C. 1979). Even the FEC abandoned the "electioneering communication" standard soon after the 1996 election due to its vagueness.

(11) The courts have also repeatedly upheld the rights of political party committees. As Justice Kennedy noted: "The central holding in *Buckley v. Valeo* is that spending money on one's own speech must be permitted, and that this is what political parties do when they make expenditures FECA restricts." *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 627 (1996) (J. Kennedy, concurring). Justice Thomas added: "As applied in the specific context of campaign funding by political parties, the anticorruption rationale loses its force. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 105–106 (1987). What could it mean for a party to 'corrupt' its candidates or to exercise 'coercive' influence over him? The very aim of a political party is to influence its candidate's stance on issues and, if the candidate takes office or is reelected, his votes. When political parties achieve that aim, that achievement does not, in my view, constitute 'a subversion of the political process.' *Federal Election Comm'n v. NCPAC*, 470 U.S. at 497. For instance, if the Democratic Party spends large sums of money in support of a candidate who wins, takes office, and then implements the Party's platform, that is not corruption; that is successful advocacy of ideas in the political marketplace and representative government in a party system. To borrow a phrase from *Federal Election Comm'n v. NCPAC*, 'the fact that candidates and elected officials may alter or reaffirm their own positions on issues in response to political messages paid for by [political groups] can hardly be called corruption, for one of the essential features of democracy is the presentation of the electorate of varying points of view.' *Id.* at 498. Cf. *Federal Election Comm'n v. MCFL*, 479 U.S. at 263 (suggesting that '[v]oluntary political associations do not . . . present the specter of corruption').". *Colo. Republican Fed. Campaign Comm. v. Federal Election Comm'n*, 518 U.S. 604, 647 (1996) (J. Thomas, concurring). Justice Thomas continued: "The structure of political parties is such that the theoretical danger of those groups actually engaging in quid pro quos with candidates is significantly less than the threat of individuals or other groups doing so. See Nahra, *Political Parties and the Campaign Finance Laws: Dilemmas, Concerns and Opportunities*, 56 Ford L. Rev. 53, 97–98 (1987) (citing F. Sorauf, *Party Politics in America* 15–18 (5th ed. 1984)). American political parties, generally speaking, have numerous members with a wide variety of interests, features necessary for success in majoritarian elections. Consequently, the influence of any one person or the importance of any single issue within a political party is significantly diffused. For this reason, as the Party's amici argue, see Brief for Committee for Party Renewal et al. as Amicus Curiae 16, campaign funds donated by

parties are considered to be some of 'the cleanest money in politics.' J. Bibby, *Campaign Finance Reform*, 6 Commonsense 1, 10 (Dec. 1983). And, as long as the Court continues to permit Congress to subject individuals to limits on the amount they can give to parties, and those limits are uniform as to all donors, *see* 2 U.S.C. section 441a(a)(1), there is little risk that an individual donor could use a party as a conduit for bribing candidates. *Id.*".

(12) As recently as 2000, the Supreme Court reminded us once again of the vital role that political parties play on our democratic life, by serving as the primary vehicles for the political views and voices of millions and millions of Americans. "Representative democracy in any populous unit of governance is unimaginable without the ability of citizens to band together in promoting the electoral candidates who espouse their political views. The formation of national political parties was almost concurrent with the formation of the Republic itself." *California Democratic Party v. Jones*, 530 U.S. 567 (2000). Moreover, just last year, a Federal court struck down a state law that included a so-called "soft money ban," which in reality was a ban on corporate and union contributions to political parties—which as a factual matter is correct. The *Anchorage Daily News* reported:

(13) A Federal judge says corporations and unions have a constitutional right to give unlimited amounts of "soft money" to political parties, so long as none of the money is used to get specific candidates elected. In a decision dated June 11, U.S. District Judge James Singleton struck down a section of Alaska's 1997 political contributions law that barred corporations, unions and other businesses from contributing any money to political candidates or parties. The ban against corporate contributions to individual candidates is fine, Singleton said. Public concern about the corrupting influence or corporate contributions on a specific candidate is legitimate and important enough to somewhat limit freedom of speech and political association, the judge concluded. But contributions to the noncandidate work of a political party do not raise undue influence issues and therefore may not be restricted, the judge concluded.

(14) Sheila Toomey, *Anchorage Daily News* (June 14, 2001) (reporting on *Kenneth P. Jacobus, et al. vs. State of Alaska, et al.*, No. A97-0272 (D. Alaska filed June 11, 2001).

(15) Nor is speech any less protected by the First Amendment simply because the one making the speech contacted or communicated with others. For some time, the Federal Election Commission held the view that such "coordination" (an undefined term), even of communications that did not contain express advocacy, somehow was problematic, and subject to the limitations and prohibitions of the Act. This view has been rejected by the courts. *Federal Election Commission v. Christian Coalition*, 52 F. Supp. 2d 45 (D.D.C. 1999). In fact, lower Federal courts have held that even political party committee limits on coordinated expenditures are an unconstitutional restriction on speech. *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 213 F.3d 1221 (10th Cir. 2000). Unless a party committee's expenditure is the functional equivalent of a contribution (and thus not "coordinated"), it cannot be limited. See Federal Election Commission v. Colo. Republican Fed. Campaign Comm., 150 L.Ed.2d 461, nt. 17, nt. 2 (J. Thomas, dissenting) (2001). As a factual matter, many party committee "coordinated" expenditures are not the functional equivalent of contributions. *See* Amicus Curie Brief of the National Republican Congressional Committee, *Federal Election Commission v. Colo. Republican Fed. Campaign Comm.*, 150 L.Ed.2d 461 (2001).

(16) Commentators, legal experts and testimony in the record echoes the need to be mindful of the First Amendment. Whether it is the American Civil Liberties Union, see March 10, 2001 ACLU Letter to Senate (and all cases cited therein) & June 14, 2001 ACLU testimony before the House Administration Committee (and cases cited therein), or the counsel to the National Right to Life Committee and the Christian Coalition, see June 14, 2001 testimony of James Bopp before the House Administration Committee (and cases cited therein), experts across the political spectrum have thoughtfully explained the need to ensure the First Amendment rights of citizens of this country.

(17) Citizens who have an interest in issues have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communication in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(18) This Act contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues to their elected officials and the general public.

(19) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 602. NO RESTRICTIONS ON FIRST AMENDMENT RIGHTS.

Notwithstanding any provision of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of people to peaceably assemble, and to petition the government for a redress of grievances, consistent with the rulings of the courts of the United States (as provided in section 601).

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Illinois (Mr. HYDE) and a Member opposed each will control 10 minutes.

Does the gentleman from Maryland (Mr. HOYER) seek to control the time in opposition?

Mr. HOYER. Mr. Chairman, I do.

The CHAIRMAN pro tempore. The gentleman from Maryland (Mr. HOYER) will be recognized for 10 minutes.

The Chair recognizes the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Chairman, I yield myself such time as I may consume.

Mr. HYDE. Mr. Chairman, with the passage of the Shays-Meehan substitute all the suspense seems to have gone out of this controversy, and all I have to look forward to is the gentleman from Massachusetts (Mr. FRANK) berating me for not being a charter member of the Earl Warren Fan Club, and I await his bashes with mild interest.

Mr. Chairman, since some of us feel that the first amendment is in jeopardy, nonetheless, rereading the first amendment of our Constitution might be therapeutic. "Congress shall make no law," no law, emphasis my own, "respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances."

Now, the amendment I am offering consists of 14 pages. The first 13 are a listing of findings based on Supreme Court decisions explaining the first amendment and/or its relationship to free speech.

For example, on page 2, we cite the New York Times Company versus Sullivan, a 1964 case which said the first amendment reflects our "profound and national commitment to the principle that debate on public issues should be uninhibited, robust, and wide-open." The first amendment protects political association as well as political expression, NAACP versus Alabama, and so on. Page 3 of the amendment quotes Buckley v. Valeo.

But the essence of what I am offering is section 602, which is on pages 13 and 14, and if I may read that, you will have the amendment's gravamen in your grasp.

"Section 602: Notwithstanding any provisions of this Act, and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that Amendment, specifically the freedom of speech or of the press, or the right of the people to peaceably assemble, and to petition the government for redress of grievances, consistent with the rulings of the courts of the United States."

So, that is rather simple. Supporting my amendment gives us a chance to reaffirm our loyalty, our dedication, our devotion to the first amendment.

Now, before going on much farther, I would like to give the House a quotation from an article, January 28, 2002, in the National Journal, and this is by Stewart Taylor, Jr., who is not conservative. I do not think he is liberal. I think he is a true moderate.

But in writing about this issue, he said something that I found extraordinarily interesting. Mr. Taylor says Shays-Meehan's most extreme and least publicized provisions have nothing to do with soft money. One would make it a Federal crime for any association of citizens other than PACs to criticize, praise or even name a candidate for Congress in an ad broadcast in his or her State within 30 days of a primary or 60 days of a general election. Another would define illegal spending/coordination with candidates so broadly as to make it risky for any group to praise or even mention at any time in any public communications a Member of Congress with whom it had met or worked on legislative issues.

I think that is interesting, and that is another reason why I am very disturbed about what we are doing here today.

If ever there was a time where free speech should be unfettered, robust, it is at election time. Instead, this legislation in essence tells democracy to shut up and sit down. We are suffocating uninhibited political advocacy, that rare dynamic earned for us by the blood of our forefathers. And why? Because there is too much money in politics.

No, we are not talking about Major League Baseball, a utility infielder. We are not talking about a professional basketball team or a rock band. We are talking about politics.

In the last Presidential election, so excited by the prospect of picking a President, 51 percent of those eligible to vote, of voting age, bothered to vote. Now, it seems to me a little more interest in a Presidential election in a viable democracy is certainly called for.

In the congressional cycle of 1999 and 2000, I am talking about 2 years now, Congress raised $1.05 billion. Coca-Cola, in one year, 2000, marketing and advertising, spent $1.74 billion. One B–2 Stealth Bomber costs $1.16 billion. So too much money in politics is, I think, a bit of a stretch.

By banning soft money to the political parties from unions, corporations and individuals, money that pays for issue ads, you do real damage to the parties. You emasculate them and you make the voices of the special interests the last and the loudest voices to be heard in the campaign. A vigorous two-party system has been the bedrock of our democracy. You hurt challengers and reinforce incumbency, and political advocacy is strangled, not encouraged.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me start by saying that we all respect the gentleman from Illinois. Those who read this amendment will nod their heads in agreement on much of this amendment. But I am reminded of the words of the great President from the State of Illinois, the State of the gentleman from Illinois (Mr. HYDE), Abraham Lincoln. Abraham Lincoln once observed during the course of the Civil War that if in the end things turned out all right, nothing that was said would matter; but however, if in the end things turned out wrong, that all the angels in Heaven speaking on its behalf would not matter.

In the last page of this amendment, section 602, the language says: "Notwithstanding any provision of this Act and in recognition of the First Amendment to the United States Constitution, nothing in this Act or in any amendment made by this Act may be construed to abridge those freedoms found in that amendment."

With all due respect, that is not within the power of this Congress. It is not within the power of this Congress to say that this is constitutional or it is not constitutional. And why is that? It is because the Founding Fathers' genius was to separate the powers and to give to an independent judiciary the right to say whether an act of Congress is constitutional or whether it was not.

If that were not the case, then a majority of us could say, "No, that which we have done is constitutional." That clearly would not be consistent with either the separation of powers, or the general purpose for the creation of a Supreme Court, which could protect the minority. And I say to my friend from Illinois, that nothing we say in this bill can abridge the constitutional rights of any American, if the Supreme Court determines by five or more votes, that we have abridged those rights. It is not within our power, except by way of a constitutional amendment, which, of course, this bill is not, to take that step.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I just want to say it is true, we do not have the power to adjudicate constitutionality, but we certainly have the power to recognize it when we see it and assert our opinion that something is unconstitutional. We are sworn to protect that document.

Mr. HOYER. Mr. Chairman, reclaiming my time, I agree with the gentleman; and I say to the gentleman, he and I have voted on different sides of an issue that I think was a very central first amendment right. He and I differed on that issue. But our opinion on that issue, other than that it may have motivated each of us to vote, is irrelevant. In the final analysis what is relevant, what is important to the individual, is what the Supreme Court of the United States says we did, and nothing we say in our legislation, affirming its constitutionality or questioning its constitutionality, will make any difference. It is the opinion of the Supreme Court that will make the difference.

Therefore, I oppose this amendment, not because its sentiment is wrong—because its sentiment is not—but because it is mere surplusage, and not relevant to this legislation. I do not mean to say to the gentleman from Illinois that his opinion as to the constitutionality of one or more provisions of the act is not relevant. Clearly it is, and it may well motivate his vote on this particular piece of legislation. But to add this surplusage does not add to or subtract from the substance of this legislation.

I would hope that this body would reject this amendment because of the process that this amendment will require the legislation to then go through.

Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Michigan (Ms. RIVERS).

Ms. RIVERS. Mr. Chairman, Shays-Meehan does not prohibit speech of any type. It seeks to stop the use of soft money to pay for campaign ads. This is a long-standing authority that Congress has been able to exercise, starting with prohibitions on corporation monies in 1907, unions in 1947, and then 1974 for Buckley v. Valeo.

Soft money is not protected by the Constitution. Soft money was created by the FEC in 1978. It is a creature of the Federal bureaucracy. It has no particular standing under the Constitution. The Supreme Court has never held soft money to be constitutionally inviolate, and to argue that the Congress cannot undo what a Federal agent has wrought is to deliberately ignore who is the master and who is the servant. There is no free-speech violation in Shays-Meehan and no reason to support this amendment.

□ 1630

Mr. HYDE. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Chairman, I thank the distinguished chairman for yielding me this time, and I rise in strong support of the Hyde amendment to this legislation.

I consider it a privilege to debate men of such eloquence as the gentleman from Maryland in this Chamber, but, if I may say so, I take issue with the assertion that the determination of constitutionality is outside of our purview. I will grant the point to the gentleman from Maryland that it is not our purview under this Constitution to determine what is and is not constitutional, but I would offer that while it is not our power, it is most assuredly our duty expressed in the oath of office that every man and woman who has served in this institution takes, an oath of office to defend and uphold and support the Constitution of the United States of America. It presupposes that we make a judgment in our own hearts, in our own minds, and express it with our own vote about that which we consider to be constitutional and that which we do not.

I must tell my colleagues, Mr. Chairman, that this bill's prohibition of political speech in the last 2 months by individuals or organizations other than political action committees is even to my 10-year-old son a clear violation of those words that "Congress shall make no law abridging the freedom of speech." Only by adopting the Hyde amendment will we as an institution say that whatever the courts may do, and, if I may say so, they have occasionally made some bone-headed decisions, whatever the courts may do at whatever level, that it was never the intention of this institution to trample on that first amendment.

If I may say, Mr. Chairman, I think many of the advocates of this bill suspect the provisions might be unconstitutional. It is perhaps the reason why they oppose the nonseverability provisions that have attempted to be added to this bill. I believe it is the reason why they do not want to stand with those of us that say, if there is a part of this found unconstitutional, then all of it must be rejected. Let us say yes to the blood-bought freedoms of the Bill of Rights and yes to the Hyde amendment.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Illinois (Mr. HYDE) has 1 minute remaining; the gentleman from Maryland (Mr. HOYER) has 4½ minutes remaining.

Mr. HOYER. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, I was struck by reading the findings. Members will be pleased to know that if they vote for this amendment, they will be certifying the American Civil Liberties Union as an expert on the interpretation of the first amendment.

Now, I often agree with the ACLU on the First Amendment, not on some other amendments, but I think this is a new height in freedom of expression. Look at finding 16 on page 12: Whether it is the American Civil Liberties Union or the counsel to National Right to Life, experts have thoughtfully explained this need. I am sure the ACLU appreciates the gentleman from Illinois's very occasional endorsement, because I must say, having served on the Committee on the Judiciary with him for years, I do not remember too many other occasions when he and the ACLU have agreed on constitutionality; not on the antiterrorism bill.

In fact, I agree with the gentleman from Indiana. I do not think we should vote for things that we think are unconstitutional. That is why I have consistently voted against the censorship of the Internet which this House passes every other year, and, in the alternative year, the Supreme Court throws out.

The fact is that there is a pattern here of people who have never found much virtue with the ACLU and the first amendment suddenly becomes believers. Now, it also sanctifies here the case of New York against Sullivan, the libel case that I have heard Members be critical of, but people also talk about draftsmanship. Let me say I was particularly impressed with finding 14.

This is the finding. Finding 14: Sheila Toomey, Anchorage Daily News. It does not say anything else, except that she was reporting on a story. So Ms. Toomey, whoever she is, has now become an official finding of the United States if you pass that amendment. That is a great honor to her. So you have sanctified the expertise of the ACLU, you have officially found Ms. Toomey, who probably did not know heretofore that she was lost, and you have, in fact, added surplus verbiage, at best.

The gentleman from Illinois is well aware nothing we can do could impinge on the First Amendment. So what this amendment comes down to, in addition to certifying the expertise of the ACLU, and they will appreciate every Republican who votes that way, and they will probably cite you in their literature, and you may expect the people in your own districts to be thanked by the ACLU for sending a supporter of their expertise to the Congress of the United States and to officially vote and certify them as experts.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. FRANK. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, is the gentleman aware that in this resolution a case is cited by name, Federal Election Commission v. Colorado Republican Federal Campaign Commission, citing a case that has been overruled by the Supreme Court? Was the gentleman aware of that?

Mr. FRANK. Mr. Chairman, I was not, but I hope Sheila Toomey has not been lost in this thing.

Mr. HOYER. Mr. Chairman, I hope not..

The CHAIRMAN pro tempore. The gentleman from Illinois (Mr. HYDE) has 1 minute remaining; the gentleman from Maryland (Mr. HOYER) has 2 minutes remaining.

Mr. HYDE. Mr. Chairman, I had some people who wanted to talk, but they do not seem to be here.

Mr. HOYER. Mr. Chairman, if the gentleman will yield for 1 minute, I have the right to close, and I have 2 minutes, and I will yield to the gentleman from Tennessee (Mr. CLEMENT), and then the gentleman from Illinois can take his minute, and I will take the last minute to close.

Mr. HYDE. Mr. Chairman, I thank the gentleman from Maryland. Just so the gentleman from Massachusetts (Mr. FRANK) does not leave the room.

Mr. HOYER. Mr. Chairman, I cannot guarantee that, I would say to the gentleman.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee (Mr. CLEMENT).

Mr. CLEMENT. Mr. Chairman, I thank the gentleman for yielding me this time.

This is a critical debate, and I am very pleased, number one, that the Shays-Meehan passed by such an overwhelming vote. Now we have various amendments that could very well impact Shays-Meehan. I am not a lawyer, I am not a constitutional scholar, but I know one thing, that this language contains biased findings and attempts to impose a one-sided interpretation of the First Amendment as a matter of statutory law to falsely imply that the Shays-Meehan bill violates the First Amendment.

All of us have to look at all of these amendments very, very closely, particularly these perfecting amendments, and how is it going to affect Shays-Meehan, because we have a good piece of legislation. We have not had any major reform on campaign finance reform since the 1970s. Why? Because of Watergate. And why are we getting the vote on Shays-Meehan and real campaign finance reform today? Because of the Enron scandal. Let us support strongly Shays-Meehan.

Mr. HYDE. Mr. Chairman, I yield myself such time as I may consume just to say to my friend from the upper regions of Massachusetts that Nadine Strossen, the president of the ACLU, has written me several warm letters, and we have worked together on civil asset forfeiture, a concept that the gentleman has supported. So we found common ground on more than one issue with the ACLU.

Lastly, I would hope the gentleman would read section 602. The inaccuracies and errors in the petition itself are the result of midnight draftsmanship which is brought upon us as a gift from the gentleman from Maryland (Mr. HOYER) and his party whose devotion to rapidity sometimes intrudes on coherence.

Mr. HOYER. Mr. Chairman, will the gentleman yield on that point?

Mr. HYDE. Surely.

Mr. HOYER. Mr. Chairman, first of all, the gentleman from Maryland (Mr. HOYER) was not involved in this, but secondly, let me say to the gentleman that I will remind him of his remarks as we go through legislation in the coming months.

The CHAIRMAN pro tempore. The time of the gentleman from Illinois (Mr. HYDE) has expired.

Mr. HOYER. Mr. Chairman, I yield 10 seconds to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, this is the second time we have heard reference on the other side to the haste, et cetera. These are the people who refused to let the bill out. These are the people who bottled it up and forced it to be forced out by the petition. So I have never seen a case where people guilty of a misdeed freely blamed other people for the consequences of their own action. Yes, it was not done the appropriate way. That is because the other side would not allow it to be done in the appropriate way.

Mr. HOYER. Mr. Chairman, I have 50 seconds remaining; is that correct?

The CHAIRMAN pro tempore. The gentleman from Maryland (Mr. HOYER) is recognized for the remaining time.

Mr. HOYER. Mr. Chairman, first of all, let me respond to the gentleman from Illinois. These issues were raised over 2 years ago, not last night, not the night before, or the night before that. The issues we raise in this legislation were raised 2 years ago, and 4 years ago, and we all know that. They are legitimate issues, and they will be issues that will be fought out in the future in front of the Supreme Court.

But this amendment is not appropriate on this piece of legislation at this time, not because we do not subscribe to the first amendment, not because we do not want to ensure that the Constitution is followed in our legislation, but because we all know that it is time to act, time to adopt this reform, and not the time to pretend that we are doing things that we do not have the power to do. Vote this amendment down.

Mr. ISSA. Mr. Chairman, I rise today in support of this amendment and I want to thank my colleague and friend, Chairman HYDE for bringing it to the floor. Mr. Chairman, this amendment strikes at the very heart of this debate, but, more importantly, it strikes at the heart of our Constitution, which is the bedrock of our great nation and the foundation of our democracy. This afternoon Members of Congress have the opportunity to lay partisan self-interests aside and vote to support the 1st amendment to the Constitution. There are no frills to this amendment, there are no special interests who are serviced in this amendment. Rather, it serves the interests and protects a fundamental right of the American people. It states simply and seeks only to insure that nothing in the act shall violate the 1st amendment to the Constitution of the United States—our right to speak freely, to speak politically without the threat of censorship or retribution from the government. Are we going to turn our backs today on this fundamental right, to sacrifice our freedom of speech on the altar of campaign finance reform?

Let me remind some of my colleagues who will not support this amendment what we believe about free speech in this country. We believe that free speech is an inalienable right. We believe that all people should be allowed to express their political beliefs openly, without arbitrary rules that restrict the means with which they can share and debate ideas. We believe that our constitution should govern Congress' laws, not the other way around. Mr. Chairman, this amendment assures the constitutionality of this proposed law. By supporting our Constitution, and our freedom as Americans to enjoy free speech, it affords the broadest protection to political expression, and it assures the unfettered exchange of ideas.

Mr. Chairman, every type of organized communication takes money. Pamphlets need to be printed, letters need to be written and mailed, and television ads need to be broadcasted. The scam that is being pulled here by my colleagues who support H.R. 2356 is really quite remarkable. In the name of stabilizing our Nation's political system, they want to prevent people from spending the money necessary to share their ideas with each other. Whether this is the result of malicious intent or a totally misguided effort to "reform" our campaign finance system, it is not any less outrageous.

Mr. Chairman, I urge my colleagues to take a look at this amendment, search their hearts, and vote to protect our Constitution. Let's have campaign finance reform, but let's live up to our oath of office and protect our Constitution.

Mr. BEREUTER. Mr. Chairman, this Member would like to take this opportunity to explain his "present" vote on the Hyde amendment to H.R. 2356, the Campaign Reform Act of 2001. This Member voted "present" on the amendment as he believes that there is nothing Congress can do through such an amendment itself to assure that the language of this measure is constitutional. As to the matter of the constitutionality of any such legislation, that determination is within the power and authority given to our judicial branch—not the Congress. The language offered in the Hyde amendment is irrelevant. It is the nature of the language itself which will be judged to be constitutional by the courts and ultimately by the U.S. Supreme Court. That fact is one reason why the "Severability Clause" is essential to foster some advancement of campaign finance reform legislation.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Illinois (Mr. HYDE).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. HYDE. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 188, noes 237, answered "present" 1, not voting 9, as follows:

[Roll No. 22]

AYES—188

Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Bono
Boozman
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Flake
Fletcher
Forbes
Fossella
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Smith (MI)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Weller
Wicker
Wilson (NM)
Wilson (SC)
Wynn
Young (AK)
Young (FL)

NOES—237

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Foley
Ford
Frank
Frelinghuysen
Frost
Ganske
Gephardt
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kirk
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney

McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Petri
Phelps
Platts
Pomeroy
Price (NC)
Quinn
Rahall
Ramstad
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walsh
Wamp
Waters
Watson (CA)
Waxman
Weiner
Weldon (PA)
Wexler
Wolf
Woolsey
Wu

ANSWERED "PRESENT"—1

Bereuter

NOT VOTING—9

Aderholt
Brady (TX)
Cubin
Rangel
Riley
Smith (NJ)
Traficant
Watt (NC)
Whitfield

□ 1700

Ms. MCCOLLUM and Ms. SANCHEZ changed their vote from "aye" to "no."

Ms. PRYCE of Ohio and Mr. GILCHREST changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. ADERHOLT. Mr. Chairman, on rollcall No. 22 I was inadvertently detained. Had I been present, I would have voted "aye."

Mr. WHITFIELD. Mr. Chairman, on rollcall No. 22 I was unavoidably detained. Had I been present, I would have voted "aye."

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Connecticut (Mr. SHAYS) or the gentleman from Massachusetts (Mr. MEEHAN).

AMENDMENT NO. 11 OFFERED BY MR. GREEN OF TEXAS

Mr. GREEN of Texas. Mr. Chairman, I offer an amendment as the designee of the gentleman from Connecticut (Mr. SHAYS).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 11 offered by Mr. GREEN of Texas:

Strike section 305.

In section 306(a), strike the subsection designation and all that follows through "CONTENT OF BROADCASTS.—" and insert the following:

(a) IN GENERAL.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) by striking "(b) The charges" and inserting the following:

"(b) CHARGES.—

"(1) IN GENERAL.—The charges";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively; and

(3) by adding at the end the following:

"(2) CONTENT OF BROADCASTS.—

In section 306(a), strike "or (2)" each place such term appears.

In section 306(b), strike "(3)" and insert "(2)".

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Texas (Mr. GREEN) and a Member opposed each will control 10 minutes.

The Chair recognizes the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I ask unanimous consent to split our allowable time with the gentleman from North Carolina (Mr. BURR), my colleague from the Committee on Energy and Commerce.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN pro tempore.

The gentleman from North Carolina (Mr. BURR) will control 5 minutes and the gentleman from Texas (Mr. GREEN) will control 5 minutes.

The gentleman from Texas is recognized for 5 minutes.

Mr. GREEN of Texas. Mr. Chairman, I yield myself 1 minute.

As a long-time supporter of the Shays-Meehan legislation, including signing the discharge petition, I believe we are on the verge of passing this historic campaign finance legislation. I am offering an amendment that would correct, I think, an oversight that was in the Senate bill that came to the House; and that is what my colleague, the gentleman from North Carolina (Mr. BURR), and I are doing.

The amendment we are offering today is not a poison pill, and if passed would not force the underlying bill into conference with the Senate. Senators MCCAIN and FEINGOLD have already indicated that the passage of this amendment would not be a hindrance in the Senate. It is not a poison pill.

This amendment is designed to remove a provision out of the Shays-Meehan bill that creates a new perk for candidates for Federal offices. We cannot blame the problems associated with the high costs of campaigning on television, and this is an example of Congress overreaching and helping ourselves; and that is why we offer this amendment and encourage my colleagues to support it.

Mr. Chairman, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Chairman, I rise in opposition to the Green amendment.

The CHAIRMAN pro tempore. The gentlewoman from New York (Ms. SLAUGHTER) will control 10 minutes.

Ms. SLAUGHTER. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, it is no wonder that so many of our colleagues have been lobbying heavily to oppose the section 305, despite the fact that the air waves are a public resource. And let me restate that again. Despite the fact that the airwaves belong to the people of the United States, the Broadcasting Industry Association has spent millions of dollars lobbying against legislation to regulate political ads. If we add up the money that was spent lobbying for the broadcasting industry from 1996 to 1999, the total is well over $111 million.

In the past few years, I have personally encountered the power of the broadcasting lobby. Throughout the 1990s I lobbied for a bill called Fairness in Political Advertising which would have required stations to offer modest blocks of free television time to candidates. However, the broadcasting industry spent $11 million to defeat that one bill. The broadcasting industry has successfully blocked reform by spending vast amounts of money to protect its interest. I find it extremely ironic that this body would consider an amendment to protect this special interest group as we work to limit the influence of special interest money in our political process. If we are really serious about campaign finance reform we must preclude this provision.

Please join me in supporting the lowest unit charge provision within Shays-Meehan, which passed the Senate by over two to one and obviously is realized by the Senate to be an integral part of campaign finance reform. This part of this legislation is a simple way to close the loophole in existing law that has never worked, never worked in the way it was designed.

By reducing the greatest single expense of campaigns, we can decrease the need for candidates to raise outrageous amounts of money, and this is an excellent way for us to improve political discourse in the electoral process and to balance the playing field.

Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. NADLER).

Mr. NADLER. Mr. Chairman, we all know that the major problem we are dealing with in all this campaign finance reform legislation is that the cost of campaigning, of getting a message out to the public, has gotten out of hand; and consequently, Members and challengers feel compelled to spend much of their time in an ever-increasing race of trying to get more and more money from contributors, from special interest groups, et cetera; and that has caused all the problems that we have been dealing with.

TV stations use a public resource. We have given them the license to use the public air waves, a scarce public resource, because they are limited for free. Just a few years ago we gave them for nothing $77 billion to the broadcasters of additional spectrum. Senator Dole was quite outraged, and properly so, at this.

Now they have the nerve to say that we should not enforce the 1971 law that said that when they sell ads to political candidates they must do it at the lowest rate they give it to anyone else. There are two loopholes to this law. One, they will sell a candidate an ad for the lowest cost; but then they will say, oh, we are going to bump the candidate from 6 p.m. the day before the election to 3 a.m. because someone else is willing to pay a higher rate, unless of course the candidate pays the premium rate to guarantee getting the 6 p.m. slot. No candidate can risk that, so everybody pays the premium rate. They have completely undermined the existing law which says they have got to pay the cheapest rate.

All this bill does, and the amendment would negate, is enforce the existing law and say they must give them unpreemptible time so people can take it and it means it at the lowest rate they have sold for the last few months.

Secondly, it is amazing to see that the sponsor of this amendment would say that this is a new perk for candidates. It is not a perk for candidates. It is saying that as a beginning of paying off their obligation to the public, we no longer have the equal-time doctrine, we no longer have the fairness doctrine, we no longer enforce anything that says they have got to really cover political campaigns for the public service requirement for which they get their license. They do not have to cover someone that 45 seconds per campaign or 45 seconds per election per night. We are simply saying sell the ads, but sell it as the Congress has said 30 years ago, for the lowest unit rate they sell it to anybody else.

TV ads cost 80 percent of the cost of all communication to voters. There is no reason why we cannot ask these broadcasters who get, again their entire product is on public air waves, which we give them for free, we license to them for free, the least we can ask is that they enable candidates to try to conduct election campaigns for the cheapest rate they sell to other people to strengthen our democracy.

Mr. BURR of North Carolina. Mr. Chairman, I yield 30 seconds to the gentleman from Louisiana (Mr. TAUZIN), the chairman of the Committee on Energy and Commerce.

Mr. TAUZIN. Mr. Chairman, if ever there was an amendment that provided preferential speech in America it is the Torricelli amendment, and we ought to strike it.

This amendment says that somehow Federal candidates for office in America, Federal politicians are entitled to special privileges, special rates, special time on the broadcast waves of America while other citizens are treated differently. Other citizens do not get those breaks. Other people who want to speak in this country politically do not get those breaks, just Federal candidates. Come on.

This is the sort of thing the Founding Fathers worried about when they wrote the first amendment that said we should protect American citizens against the government dictating free speech.

Mr. BURR of North Carolina. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. BOEHNER), the chairman of the Committee on Education and the Workforce.

Mr. BOEHNER. Mr. Chairman, I want to thank the gentleman from North Carolina for yielding me the time.

Every 2 years we as Members raise our right hand and swear to uphold and defend the Constitution of the United States. That means when bills come before this House we have a responsibility to, in our opinion, look to see if we are, in fact, following the Constitution.

One of the unconstitutional provisions in the underlying bill is this provision that would require broadcasters to sell time at the lowest unit cost of any time during the last 180 days. It is clearly unconstitutional. There is no requirement in here that newspapers sell us ad time at the lowest possible rate or radio stations who get their air waves from the public. There is no requirement there that they pay the lowest unit cost.

This is a subsidy to Federal office holders and only Federal office holders. It is blatantly unconstitutional. We should support the amendment offered by our colleagues, the gentleman from Texas (Mr. GREEN) and the gentleman from North Carolina (Mr. BURR), and approve this product.

Mr. GREEN of Texas. Mr. Chairman, I yield 45 seconds to the gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Chairman, the Torricelli language allows Federal candidates to buy premium air time at a dirt cheap price. Some say that if ad time costs less, campaigns will spend less. To the contrary, they will spend more. If my colleagues think people are sick of 30-second attack ads now, imagine how they will feel if we keep the Torricelli language.

We have got to get back to the basics, the firm handshake, the sincere look in the eye and the sympathetic ear. Not only would this amendment require us to rely on personal connections with the people, it will also prevent us from placing an unfair burden on the broadcast industry. As Federal candidates we do not deserve special treatment. Vote for this amendment.

Ms. SLAUGHTER. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN pro tempore. The gentlewoman from New York (Ms. SLAUGHTER) has 5 minutes remaining. The gentleman from Texas (Mr. GREEN) has 3¼ minutes remaining, and the gentleman from North Carolina (Mr. BURR) has 2½ minutes remaining.

☐ 1715

Ms. SLAUGHTER. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan (Mr. LEVIN).

Mr. LEVIN. Mr. Chairman, I do not understand the argument that this part of Shays-Meehan is unconstitutional. The LUC provision has been in the law for 30 years. The problem is that it is not working.

TV advertising is a major method of communication. It is said by the proponents of this amendment that TV is only 25 percent, but in contested elections it is probably 60 or 70 percent of the cost.

And here is what has been happening with the present law, and I read and I quote from someone who is a time buyer. "It's become common practice for station ad salesmen to pressure you out of buying LUC into buying nonpreemptible by telling you it's the only way they can be sure the ads will be run when you want."

And so here is the problem. These TV costs have been skyrocketing. There is a question of corporate responsibility here. The last month of the election of 2000, the TV stations on the average gave 1 minute of time, free media, for candidate discourse. So I think there is a real challenge to the broadcast industry.

The Senate addressed it by a 70-to-30 vote. By a 70-to-30 vote. This amendment would reverse it and essentially leave us back where we were. That is not a responsible approach to the needs of democracy or a responsible approach by the broadcast media of this country.

I urge for that reason that we defeat the Green amendment.

Mr. BURR of North Carolina. Mr. Chairman, I yield 1 minute to the gentleman from Nebraska (Mr. OSBORNE), the greatest football coach in my lifetime.

Mr. OSBORNE. Mr. Chairman, I thank the gentleman for yielding me the time and for that fine endorsement. I appreciate it.

I rise in support of the Green-Burr amendment, which would strike section 305 of the Shays-Meehan bill. While attempting to reform the campaign finance system, section 305 unfairly burdens television stations. Giving political candidates dramatically lower rates for advertising hurts the television industry and interferes with normal commerce. Lowering the amount of money candidates spend on television ads supplants advertisers who pay standard rates, and this is very unfair.

In addition, section 305 will not reduce campaign spending. If candidates are allowed to buy cheaper spots on television, this will only lead to a large influx of political ads during the campaign season.

I urge support for the Green-Burr amendment.

Mr. GREEN of Texas. Mr. Chairman, I yield 45 seconds to the gentleman from New York (Mr. TOWNS).

Mr. TOWNS. Mr. Chairman, I rise to strongly urge my colleagues to vote "yes" on the Green-Burr amendment.

Everyone in this Chamber agrees that campaigns are too expensive and that the majority of the money is spent on the airwaves. I can understand how some might think that the solution is to lower the cost of air time, but they are so wrong.

It sounds great, but the only thing lowering the rates of television air time will do is to increase the amount of ads that will be on. It will increase the cost of campaigns.

I would like to commend the gentleman from Texas and the gentleman from North Carolina for offering this cost-saving amendment, and I urge my colleagues to support this amendment. This is the right thing to do.

Ms. SLAUGHTER. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. OWENS), one of our brightest and most articulate Members and my colleague from New York.

Mr. OWENS. Mr. Chairman, the airwaves, the spectrum, is owned by the American people. Most of the American people do not know that we own it and that the representatives of government, including the Members of Congress, are the trustees for the American people. We need to take back our airwaves and use our airwaves and our spectrum and our media for the benefit of the people.

This is not an infringement upon the rights of the broadcasters. This is a fulfillment of the capacity and the possibilities of the broadcast media. Most of the industrialized nations, the civilized nations, are providing greater access to media for candidates, far greater than we are. So we need to take this first step.

The broadcasters are very anxious, upset, because they know if we take one step, it might lead to a greater realization by the public as a whole that the airwaves belong to the people. Freedom of speech has to be guaranteed some way. We cannot do it the way we do with the print media, where anybody can get access to the print. We regulate, we carefully regulate the airwaves and the spectrum.

There is not enough room for everybody, so those who are regulated must bow to the regulation which puts forward the interest of the people. They must bow to certainly making our political campaigns more accessible to people.

Big money will always have an advantage, as long as we leave the broadcasters in charge, to charge what they want to charge. Eventually we must reach the point where the airwaves time is mostly free. That is the point they do not want us to move toward, and any step in that direction is going to hurt. That is why we have such great resistance to this tiny step forward by having them lower the unit cost to allow everybody to be able to afford, or most candidates better afford access to the media.

It belongs to us in the first place. We are not infringing on any God-given right of the broadcasters. We are returning the spectrum to the people and letting the people know it belongs to them.

Mr. BURR of North Carolina. Mr. Chairman, it is a pleasure to yield 1 minute to the gentleman from Florida (Mr. STEARNS), the chairman of the Subcommittee on Commerce, Trade, and Consumer Protection of the Committee on Energy and Commerce.

Mr. STEARNS. Mr. Chairman, I thank my colleague. I rise in strong support of the Green-Burr amendment.

Do my colleagues want to see what happens when we force the networks to subsidize the races for Members of Congress? Go to the June 10, 1998, article in The Hill magazine. They talked about the campaign in California. The campaign was such that the requests for political advertising were so overly demanding, the networks could not even comply. The TV stations in response to such high demands were forced to restrict local and State candidates besides those running for Governor from airing political ads. As a result, some TV stations even refused to take ads from campaigns other than the Governor or Federal candidates, infuriating candidates for other office, squeezing out all candidates for local races.

Without this amendment, this bill will result in further socializing political campaigns. Furthermore, it epitomizes the law of unintended consequences, ultimately doing more harm than good in attempting to level the political playing field.

So I urge the Green-Burr amendment.

Mr. GREEN of Texas. Mr. Chairman, how much time is remaining?

The CHAIRMAN pro tempore. The gentleman from Texas (Mr. GREEN) has 2½ minutes remaining, the gentleman from North Carolina (Mr. BURR) has 1½ minutes remaining, and the gentlewoman from New York (Ms. SLAUGHTER) has 1 minute remaining.

Mr. GREEN of Texas. Mr. Chairman, I yield 45 seconds to my colleague, the gentleman from Hawaii (Mr. ABERCROMBIE).

Mr. ABERCROMBIE. Mr. Chairman, if we hear one more talk about special interests. This is all special interests. The question is whether it is in the public interest or not.

I can tell my colleagues what is going to happen, and we all better remember it. All politics is local. And out where I am anyway, if anyone thinks they are going to show the football game at one time and another infomercial at another time, and that is going to work out somehow in the number of days that you got where you get the lowest rate, you are dreaming.

What is going to happen is the local advertisers, aside from me or aside from my colleagues, are going to have to make up the difference. And I am not going back in my district and tell people that are trying to make a living, especially after 9/11, in their advertising that they have to pay more so that people can listen to me.

All I am trying to do when I get down there is express all the virtues I have. And at least in my district they already know I am full of virtue.

Mr. Chairman, I rise in support of the Burr-Green amendment.

It obviates Section 305 of underlying bill, a provision that does not address the central issues of the campaign finance debate: soft money and so-called "issue ads".

The language in Section 305 is well intentioned. It seeks to lower the costs of campaigns, a goal everyone agrees is worthwhile.

However, the mechanism if flawed. Forcing broadcasters to charge artificially low rates for political ads only invites them to look elsewhere to make up the lost revenue. Section 305 virtually forces them to raise the rates for non-political ads.

Using an example from my home state of Hawaii, is it realistic to expect a station to charge the same rate for the UH-BYU football game as for a late-night infomercial? If we force broadcasters to do that, we shouldn't be surprised when business economics compel them to charge more for the ads in slots with smaller audiences. And who ultimately winds up paying for the added charge? Not the advertisers—they're going to turn around and make it up with higher prices for their goods and services.

So the ultimate subsidizer of forced ad rate reductions is—you guessed it—the consumer. That's you, me and all the people in our districts. We'll pay more for food, prescription drugs, gasoline—everything from Spam musubi to that neighbor island trip for a family reunion.

The bottom line is that Burr-Green is pro-consumer. It has no effect on the thrust of Shays-Meehan. This is an amendment that every Member can support, regardless of which side of this debate you're on.

Ms. SLAUGHTER. Mr. Chairman, I yield myself the balance of my time.

This is a debate that has gone on one way or another here in the House since the early 1970s. It was considered a great reform in 1970 that we would try to do something about controlling television time.

I even remember there was a bill way back in the dark days by Congressman Udall when he was here. Congressman Udall did not believe if you owned a major television station in a media market that you should also own the newspapers and all the radio stations, and Congress agreed with him. It was really quite an astonishing thing.

We will never see the like of that again, because I think we have gotten to the point now where, at least in my media market, there is not a homegrown station there. They are all bought out by conglomerates back and forth, and several have one room where large machines spill out talk radio all day long, call-in shows. At any rate, that is media in America today.

As my colleague, the gentleman from New York (Mr. OWENS), pointed out, almost every civilized country in the world understands it is an important thing for democracy, not to help candidates out, but for democracy, to hear two sides of an issue. We have not been able to do that in the United States over the media since 1986 when it was taken away.

We are on the cusp of history here, and I want to urge my colleagues not to take a chance on losing this bill by annoying the Senate, who passed this 2 to 1. Please vote "no."

Mr. BURR of North Carolina. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina (Mr. GRAHAM), a good friend and a proven reformer.

Mr. GRAHAM. Mr. Chairman, I am not bound by the rule that if it passes in the Senate 2 to 1, it is a good idea. That may come later in my life, but not right now.

This is not reform. When I signed up in 1996, I never envisioned that reform would be that we would require a local TV station to sell some Federal politician an ad at a cheap rate during the Super Bowl almost a year before the election. That is not reform. And that should not kill any effort to reform the way we do our campaigns.

By making the campaigns start a year earlier, or 7 or 8 or 9 months earlier, and giving a Federal politician a better deal than we give somebody living in our own State, that is not reform, that is bad business. Vote for the amendment.

Mr. GREEN of Texas. Mr. Chairman, I yield myself 45 seconds.

Mr. Chairman, there have been studies done, and every campaign is different, but that the average amount spent on TV in a campaign is 25 percent. Now, maybe somebody is spending more than that percent, but maybe they should do like my colleague the gentleman from Ohio (Mr. STRICKLAND) suggested and get out and meet the folks. We may still need to do TV, but there are a lot of other ways to do it.

We already enjoy, since 1971, the lowest unit cost preferences when we buy political ads. No other elected officials can enjoy that. What this would do with the Torricelli amendment is add insult to injury. The lowest unit cost means that we politicians or public servants get the same rates broadcasters provide their best-paying commercial customers. What the Torricelli amendment does is back that up and say we can pick the rates of the dog days of summer. That is what is wrong. That is why we need to vote for this amendment.

Mr. BURR of North Carolina. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, since 1971, an amazing thing has happened. This law has actually worked, with no complaint since 1995, and yet we are here talking about changing it. The result on average is that candidates have received a 30 percent discount.

To my colleagues that are here, I ask that we not shift this to the businesses in communities. They do not need it now. To my colleagues who are here, I suggest we support this legislation because it is the right thing to do.

□ 1730

Mr. GREEN of Texas. Mr. Chairman, I yield the balance of my time to the gentleman from Michigan (Mr. DINGELL).

Mr. DINGELL. Mr. Chairman, shame on us. This is an outrage. Current law says that Members of Congress get the lowest unit rate now on radio and television. This amendment says we get the lowest unit rate on the basis of being preemptable. That makes the other users of the broadcast spectrum subsidize us. The mom-and-pop stores, the drugstores, the automobile dealers, are all going to be paying our costs for our political ads, as will the local political candidates.

We are literally putting our hands in the pockets of the local folks to get ourselves a special benefit. I do not have the arrogance to vote for a proposal of this kind, or to say this is in the public interest. This is nothing more or less than dipping into the pockets of the home folks to get Members a subsidy for the campaign. What is the change that it makes? It changes the law so that now, if passed, the bill would give special treatment to us above and beyond these other persons. This is unfair. I urge Members to adopt the amendment which will be approved by the Senate. Read BNA's publication this morning.

The CHAIRMAN pro tempore (Mr. THORNBERRY). All time has expired.

The question is on the amendment offered by the gentleman from Texas (Mr. GREEN).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. GREEN of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 327, noes 101, not voting 6, as follows:

[Roll No. 23]

AYES—327

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berry
Biggert
Bilirakis
Bishop
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boozman
Borski
Boswell
Boucher
Boyd
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cooksey
Costello
Cox
Cramer
Crane
Crenshaw
Culberson
Cummings
Cunningham
Davis (FL)
Davis, Jo Ann
Davis, Tom
Deal
DeGette
Delahunt
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehrlich
Emerson
Engel
English
Etheridge
Everett
Fattah
Ferguson
Filner
Flake
Fletcher
Forbes
Ford
Fossella
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Hostettler
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Issa
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Luther
Lynch
Maloney (CT)
Manzullo
Mascara
Matheson
Matsui
McCarthy (MO)
McCrery
McHugh
McInnis
McIntyre
McKeon
Meek (FL)
Meeks (NY)
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Osborne
Ose
Otter
Oxley
Pallone
Pastor
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reyes
Reynolds
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Roukema
Royce
Rush
Ryan (WI)

Ryun (KS)
Sanchez
Sandlin
Sawyer
Saxton
Schaffer
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spratt
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Thurman
Tiahrt
Tiberi
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wynn
Young (AK)
Young (FL)

NOES—101

Ackerman
Barrett
Berman
Blagojevich
Brady (PA)
Capuano
Conyers
Coyne
Crowley
Davis (CA)
Davis (IL)
DeFazio
DeLauro
Doggett
Ehlers
Eshoo
Evans
Farr
Foley
Frank
Gephardt
Hall (OH)
Harman
Hastings (FL)
Hinchey
Hoeffel
Holt
Honda
Horn
Houghton
Israel
Jackson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kildee
Kilpatrick
Kleczka
LaFalce
Langevin
Lantos
Largent
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lofgren
Lowey
Maloney (NY)
Markey
McCarthy (NY)
McCollum
McDermott
McGovern
McKinney
McNulty
Meehan
Menendez
Millender-McDonald
Miller, George
Murtha
Nadler
Napolitano
Obey
Olver
Owens
Pascrell
Payne
Pelosi
Pomeroy
Rangel
Rivers
Rothman
Roybal-Allard
Sabo
Sanders
Schakowsky
Schiff
Shays
Sherman
Sherwood
Slaughter
Smith (WA)
Solis
Stark
Tauscher
Thompson (CA)
Thune
Tierney
Velázquez
Visclosky
Vitter
Waters
Watson (CA)
Waxman
Weiner
Wexler
Woolsey
Wu

NOT VOTING—6

Brady (TX)
Cubin
Gutierrez
Riley
Traficant
Watt (NC)

□ 1750

Ms. McCOLLUM changed her vote from "aye" to "no."

Mrs. MORELLA, Mr. PALLONE and Mr. McHUGH changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 27 OFFERED BY MR. PICKERING

Mr. PICKERING. Mr. Chairman, as the designee of the majority leader, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 27 offered by Mr. PICKERING:

Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to the Second Amendment of the Constitution

SEC. 221. FINDINGS.

Congress finds the following:

(1) The Second Amendment to the United States Constitution protects the right of individual persons to keep and bear arms.

(2) There are more than 60,000,000 gun owners in the United States.

(3) The Second Amendment to the Constitution of the United States protects the right of Americans to carry firearms in defense of themselves and others.

(4) The United States Court of Appeals in *U.S. v. Emerson* reaffirmed the fact that the right to keep and bear arms is an individual right protected by the Constitution.

(5) Americans who are concerned about threats to their ability to keep and bear arms have the right to petition their government.

(6) The Supreme Court, in *U.S. v. Cruikshank* (92 U.S. 542, 1876) recognized that the right to arms preexisted the Constitution. The Court stated that the right to arms "is not a right granted by the Constitution. Neither is it in any manner dependent upon that instrument for its existence.".

(7) In *Beard v. United States* (158 U.S. 550, 1895) the Court approved the common-law rule that a person "may repel force by force" in self-defense, and concluded that when attacked a person "was entitled to stand his ground and meet any attack made upon him with a deadly weapon, in such a way and with such force" as needed to prevent "great bodily injury or death". The laws of all 50 states, and the constitutions of most States, recognize the right to use armed force in self-defense.

(8) In order to protect Americans' constitutional rights under the Second Amendment, the First Amendment provides the ability for citizens to address the Government.

(9) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(10) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(11) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(12) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(13) Citizens who have an interest in issues about or related to the Second Amendment of the Constitution have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(14) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning the right to keep and bear arms to their elected officials and the general public.

(15) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO THE SECOND AMENDMENT OF THE CONSTITUTION.

None of the restrictions or requirements contained in this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any person who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to the Second Amendment.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Mississippi (Mr. PICKERING) and the gentleman from Texas (Mr. STENHOLM) each will control 10 minutes.

The Chair recognizes the gentleman from Mississippi (Mr. PICKERING).

Mr. PICKERING. Mr. Chairman, I yield myself such time as I may consume.

My amendment is very compact, simple and precise. My amendment preserves the free speech rights of any constituency or grassroots organization that desires to educate the public as to the voting record, statements or actions of Federal officeholders or candidates for office as they relate to the second amendment. This amendment protects all parties that want to engage in the debate over the second amendment, from Sarah Brady to the NRA.

One of the fundamental problems I have with this legislation is its regulation of free speech by grassroots organizations that engage in issue advocacy and educating the public to the voting record and positions of candidates. The base text of Shays-Meehan regulates the free speech of everyone from the far left to the far right, from the pro-life movement to farmers, from veterans groups to religious organizations.

I regret that I did not have more time to draft an amendment that would have been able to restore more of the free speech rights of some of these other organizations; however, I believe this amendment is a bright line for which Members must make a stand on whether they support the first amendment protections afforded to our citizens and afforded to grassroots organizations, or whether they support the regulation of these groups' free speech rights.

In short, you are either for the first amendment and the second amendment, or you oppose those free speech first amendment rights and the rights of those who want to defend the second amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. STENHOLM. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. SCHIFF).

Mr. SCHIFF. I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in opposition to this amendment, which effectively states that the provisions of campaign finance reform shall not apply to any form of communication on any matter pertaining to the second amendment.

Imagine a world in which campaign finance reform applies to everything except the second amendment, and you might ask, how could that possibly be constitutional? And, of course, the answer is, it cannot be. We cannot single out any amendment, no matter how favored it might be, for different treatment under the law. Those regulations that are content-based, as opposed to time, place or manner, are the most suspect under the first amendment, and plainly we cannot constitutionally single out the second amendment, or any other, for different treatment under the campaign finance laws.

But even if we could, is this good policy? And, of course, it is not. Whether you are a strict constructionist of the second amendment or you are not, whether you are pro-gun control or anti-gun control, why would you want to allow unlimited, unaccountable, anonymous expenditures on campaign ads around election time on something as important as the second amendment and be precluded from knowing who is paying for it? Because if this amendment were to pass and somehow be constitutional, that is what we would have. We would have these anonymous, unlimited expenditures on ads about the second amendment, and you would not know who is paying the freight. How can that possibly be good policy? It is not. Whatever your position on the second amendment is, this is bad policy.

So why is it offered when it is plainly unconstitutional and when it is bad policy whether you are for or against a strict construction of the second amendment? It is offered precisely because it is unconstitutional, because it would force the bill into conference committee, because it would effectively kill Shays-Meehan.

Make no bones about it. These amendments are all over the boards. This one goes after the second amendment; another, civil rights. But the design is the same. It is to kill reform. Oppose this amendment.

Mr. PICKERING. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. DOOLITTLE).

Mr. DOOLITTLE. Mr. Chairman, again to quote from today's Washington Post, Robert Samuelson, not a conservative, not even a Republican, says of Shays-Meehan, "It's not reform, it's deception." "It's not reform, it's deception."

Why are we offering this on the second amendment, the previous speaker asked? We have amendments to exempt everyone, frankly. The point we want to make is that this deception is trying to curb the free speech rights of all Americans. It is unbelievable how, despite the facts, these people continue to pursue this quest to regulate and crimp down as much as you can on the amount of money that can be spent.

Mr. Samuelson, if anybody takes the time to read this, says this about campaign contributions:

"Do restrictions on campaign contributions curb free speech? Yes.

□ 1800

"Because modern communication, TV, mailings, phone banks, Internet sites require money, limits on contributions restrict communication. More restrictions on contributions to political candidates and parties is self-defeating. It simply encourages outside groups, unions, industry associations, environmental groups with their own agendas to increase campaign spending to influence elections."

Mr. Chairman, the only reason we have all of the soft money is because these so-called reformers with their failed reforms who gave us the present law have so restricted the amounts of money that can be contributed from hard-money sources that all you have left is soft money.

When they get done taking away the soft money, we will move the speech further out into these so-called special interest groups. The previous speaker talked about, well, would this not be terrible, having these unaccountable groups? If he wants the unaccountable groups, vote for Shays-Meehan.

It is not reform, it is deception, to quote once again Mr. Samuelson, because I guarantee you, you are moving speech away from the candidate and out into third parties increasingly as you clamp down on the amount of money that can be spent. You empower some groups at the expense of others.

We think groups that want to discuss the second amendment ought to be able to do so. We think all Americans ought to be able to do so. We will offer amendments to protect the rights of all Americans, and I guess you can vote against all of their rights too.

Mr. STENHOLM. Mr. Chairman, I yield 30 seconds to the gentleman from Texas (Mr. GREEN).

Mr. GREEN of Texas. Mr. Chairman, I am a strong supporter of the second amendment and proud to be a life member of the NRA and the Texas Rifle Association and Houston Gun Collectors; and if I thought this Shays-Meehan would stop those groups from contacting me or any of my constituents, I would vote for the amendment. But that is not true.

They can do the letters, everything they need to do to make sure their members know how we as Members of Congress are voting. That is why I think this is just another one of those poison pill amendments to come up with an issue that is not there. That is why I urge a vote in opposition to this amendment.

Mr. PICKERING. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Chairman, I thank the gentleman for yielding me time, and I rise in strong support of his amendment.

The constitutional rights of many Americans are being trampled upon by this legislation; but I want to address my remarks to a more troubling issue, an issue that arose last night at midnight. It is the language on page 79 of this legislation which does something shocking. It provides that in this election and this election only, you can spend money that you borrow as though it were hard money to expressly advocate the defeat of a candidate, and then you can repay that debt with soft money.

If soft money is so evil, why was this language inserted in the bill late last night? I know that Mr. SHAYS did not write this language; and I know that both sides, Mr. SHAYS and his colleagues on the other side, have said it is not our intent to do that, and I have read the two letters they have produced to address that issue.

But it is our job not to rely on our intent, but on the words we write; and I would urge my colleagues to read the words on page 79. They are very clear. They say: "The committee may spend such funds to retire outstanding debts."

It does not say outstanding soft-money debts, CHRIS. It says outstanding debts of every kind. I have read both of the letters that you have produced, and I want to ask you, CHRIS, if you understand that this language means that you can take soft money that you have on hand and spend borrowed money for hard-money purposes, you can advocate the defeat of a candidate with that and then repay it with soft money, something you say you do not intend, are you willing to amend this? Because that is what this language does. It will create a huge loophole through which $40 million of money can be borrowed and then spent on hard-money purposes to advocate the defeat of candidates this year, and then repaid with soft money. The letters do not say to the contrary, CHRIS.

Mr. SHAYS. Mr. Chairman, will the gentleman yield?

Mr. SHADEGG. I yield to the gentleman from Connecticut.

Mr. SHAYS. Mr. Chairman, I would say to the gentleman, we do not agree with the gentleman's analysis, but I want to answer the question.

Mr. SHADEGG. Reclaiming my time, find me one sentence in here, CHRIS, find me one word, you can read English, do you have page 79 of your bill?

Mr. SHAYS. Yes, I do.

Mr. SHADEGG. Will you please read it, CHRIS?

Mr. SHAYS. I did read it. That is what I gave you.

Mr. SHADEGG. No. Well, read it right now, and read these words, CHRIS. Would you read these words? It says "retire outstanding debts."

Mr. SHAYS. I do not disagree with the gentleman's words. I do not disagree. But may I have a chance to respond?

ANNOUNCEMENT BY THE CHAIRMAN PRO TEMPORE

The CHAIRMAN pro tempore (Mr. THORNBERRY). Members will suspend.

The Chair would request that Members yield time properly, and the Chair further requests Members address their remarks to the Chair, and finally the Chair requests that Members refer to other Members by their proper State designation and not by first names.

The gentleman from Arizona controls the time.

Mr. SHADEGG. CHRIS, I would be happy to yield to you, if you would look at the words and insert, or the gentleman from Connecticut. Will the gentleman from Connecticut read the words of his bill and show me a word in there that says that it cannot be used to repay hard debts?

Mr. SHAYS. If the gentleman will yield further, I would cite to the gentleman the entire law. It is illegal to use soft money for hard money. I would just answer this one question you asked me. Please allow me this opportunity, if I could. If there was a vehicle that we can satisfy your ambiguity, the ambiguity that you think exists, I would be eager to settle this and to adopt it. Eager to.

Mr. SHADEGG. Oh, it is not ambiguous, CHRIS.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi (Mr. SHOWS).

Mr. SHOWS. Mr. Chairman, I appreciate my friend yielding me time.

Mr. Chairman, I am pleased to speak in favor of this language protecting the constitutional freedoms guaranteed to Americans by the second amendment. The second amendment does not belong to the Republican Party, and it does not belong to the Democrats either; it belongs to all the people in this great country.

No one in this Chamber is a stronger advocate of second amendment freedoms than I am, and I appreciate having this time to make this clear to my colleagues. I am committed to protecting our second amendment freedoms and to making sure that the language we are debating right now is included in any campaign reform legislation that is advanced by this House.

Let us pass this pro-freedom amendment.

The CHAIRMAN pro tempore. The gentleman from Mississippi (Mr. PICKERING) has 2½ minutes remaining, and the gentleman from Texas (Mr. STENHOLM) has 6½ minutes remaining.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from Tennessee (Mr. FORD).

Mr. FORD. Mr. Chairman, my dear friend, the gentleman from Arizona (Mr. SHADEGG), there is probably little that can be done to satisfy his concerns, I would say to the gentleman from Connecticut (Mr. SHAYS), because he was opposed to the bill before reading the excerpt from last night.

I am reminded in some ways as I hear my colleagues of the recent Presidential race, when our current President, and congratulations again to him, would say to his opponent, Al Gore, that this guy will say anything to win. In a lot of ways, my friends on this side of the aisle are pulling any and everything out of their hat to try to confuse and distort Members on this side and their own to try to send this bill to conference.

I would say to the gentleman from California (Mr. DOOLITTLE), the same columnist you cite over and over again, Mr. Samuelson, he referred to the Republican tax package as deceptive also. Maybe he is wrong on both fronts.

I say to my friend, the gentleman from Texas (Mr. ARMEY), and to my dear friend, the gentleman from Virginia (Mr. TOM DAVIS), and to my friend, the gentleman from Texas (Mr. DELAY), all the amendments that are being offered, this is the same group that was opposed to campaign finance before we arrived here today.

I close on this: the addiction to soft money, all of us will be okay without it. We can find ways to pay for our golf tournaments, to pay for our resort visits. We can find ways to pay for all of those things we pay for with soft money now. Vote for Shays-Meehan. Vote down these poisoned amendments.

Mr. STENHOLM. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. ANDREWS).

Mr. ANDREWS. Mr. Chairman, I thank my friend for yielding me time.

Mr. Chairman, we should all oppose this amendment irrespective of our position for or against gun control. We should oppose this amendment because it is unconstitutional. It violates the equal protection clause of the U.S. Constitution. The underlying bill is a proper regulation of free speech. What is wrong with this amendment is that it segregates that regulation of free speech according to what you are saying.

So this body is going to say if you speak about the second amendment, you have one set of rights; but if you speak about anything else, anything else, you do not have that same set of rights.

On its face, on its face, this amendment violates the equal protection clause of the United States Constitution; and whether you are for gun control or against gun control, you should honor your oath to uphold the Constitution and oppose this amendment.

Mr. PICKERING. Mr. Chairman, I yield 1 minute to the gentleman from Illinois (Mr. SHIMKUS).

Mr. SHIMKUS. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, you have heard me say many times on this floor that freedom is not free, and it is paid for by the blood of our sons and daughters.

This is a constitutional issue. This is a right of people to protect their right to keep and bear arms. Allowing people to have that discourse is critical in this constitutional Republic.

I am proud that my constituents have called me today overwhelmingly in support of this amendment. I am going to be true to them. This is a pro-gun vote, and I want you to know and my constituents to know that I am standing up for the second amendment with this vote.

Mr. STENHOLM. Mr. Chairman, I yield 30 seconds to the gentleman from Arkansas (Mr. SNYDER).

Mr. SNYDER. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, the Constitution is not a buffet table. We cannot walk in and pick and choose which rights we want to protect. That is what this amendment does.

I have people back home that care greatly about prayer in schools. This amendment will not let them have the same rules as gun owners back home. I have people back home that care about the President's faith-based initiative. This amendment does not protect their rights of speech in the same way.

The Constitution is not a buffet table, that we select one thing we like and one thing we do not. Vote "no" on this blatantly unconstitutional amendment.

Mr. STENHOLM. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I rise in strong opposition to this amendment. I have read it. It has nothing to do with the second amendment. It has nothing to do with the first amendment. It has everything to do with creating a little mischief on the bill before us today. That is all that it does.

I am reminded at this time of the infamous words of Will Rogers when he said, "It ain't people's ignorance that bothers me so much, it is them knowing so much that ain't so that is the problem."

As you listen to the debate and discussion on this, I would challenge anyone to find anyone in this body more strongly in favor of the second amendment and/or the first amendment, and that is why I rise in strong opposition to this amendment. The amendment before us would create a tremendous loophole that would allow the flood of soft money from wealthy individuals, corporations and union dues to continue to unfairly dominate our electoral system.

There is a lot of misinformation about what the Shays-Meehan bill actually does, and it is circulating all over my district today. The Shays-Meehan bill does not prohibit political advertisement by groups prior to an election. It does not prohibit using the name of any Member of Congress or other candidate in a group's political advertisement. It does not prohibit any group from providing its Members information about the records of elected officials through mailings or other communications.

The bill simply requires that independent organizations who participate in the political process do so in the sunshine so voters know who is trying to influence their decision and make their own judgment about the ads. Under the bill before us, any organization could run ads right up to election day, mentioning names of candidates and their positions as they wish, so long as they comply with the rules that apply to everyone else, including Members of Congress. I have to comply with these rules, and I do not feel they restrict my speech in any way.

I strongly support free speech. I strongly support the right of anyone to say whatever they want to about me or anyone else running for office. But I do not believe that the right to free speech is about the ability of someone to spend $1 million to influence elections without disclosing who they are or where they get their money.

I do not believe that the first amendment offers individuals or groups to spend unlimited amounts of money to influence an election without disclosing who they are and where their money is coming from. This bill should not be a problem for groups such as the National Rifle Association and National Right-to-Life who have a large political action committee, and they can use that to finance whatever ads they want to.

□ 1815

The folks who will be affected by this bill are those who are not willing to be open and aboveboard in their efforts to influence elections. The current campaign finance system gives a loudspeaker to wealthy individuals who can afford to make large political donations and gives the average working man and woman little voice in the political process. Our campaign rules have been abused by smart lawyers and political consultants who have found loopholes to get around the law. We need to put teeth back into laws long on the books preventing corporate treasury money, union dues, and unlimited contributions from wealthy individuals from being used for campaign ads. We need to be closing these loopholes, not creating new loopholes that can be abused to avoid sunshine.

Vote against this amendment. This amendment will create a gigantic loophole that we are trying to close, those of us who support the Shays-Meehan. Oppose this amendment. It has nothing to do with the second amendment or the first amendment. It has everything to do with whether or not we are going to clean up our political system just a little bit.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Mississippi (Mr. PICKERING) has 1½ minutes remaining.

Mr. PICKERING. Mr. Chairman, I yield myself the remaining time.

Let me use the words of those who advocate this reform to tell what this legislation is all about. They are very clear about their purposes.

Scott Harshberger, the president of the Washington D.C.-based Common Cause, says, "We need to make the connection with every person who cares about gun control that there is a need for campaign finance reform because that is how you are going to break their power."

He goes on to say, "The equation," he says, "is a simple one. A vote for campaign finance reform is a vote against the second amendment gun lobby." It says, "This is one of those times when there is a very direct connection." They say, "A vote for campaign finance reform is a vote for policies about guns."

It is very clear that their intent here is to gut and to defeat those who want to advocate and defend the second amendment. A vote here is to take away the rights of those on the first amendment, the freedom of speech, to help defeat those who want to defend the second amendment.

This is about the second amendment. The whole underlying text of the legislation of this section is unconstitutional. I am convinced it will be struck down. But we need to make sure that people know what is really going on right here. This is an attempt by their own words to defeat those who want to defend and protect the second amendment. If one stands for the second amendment, if one believes in the first amendment, then I urge my colleagues to support this amendment.

Mr. BARR of Georgia. Mr. Chairman, I rise today in support of the amendment to H.R. 2356, offered by Representative CHIP PICKERING.

This so-called campaign finance reform legislation is a direct attack on every American's fundamental right of free speech. It is the 1st amendment right of free speech that is most necessary to protect and defend the Bill of Rights and the entire Constitution.

Those supporting this legislation have delivered long and flowery orations, telling us how campaign finance "reform" is about the wealthy and the corrupt influencing our electoral process. In fact, it is about who controls the information being delivered to the electorate. Should it be the liberal and media elitists who are so removed from the average American? Should it be this same group that at every opportunity attempts to prohibit law-abiding Americans everywhere from owning firearms? Or should it be grassroots organizations; reflecting the views of their millions of members? It should be the latter, and the Pickering amendment will help ensure that.

It is preposterous to place the power of media access into the hands of the elite; and the Pickering Amendment will at least ensure this cabal will not be able to dominate the 2nd Amendment debate that is the lifeblood of our freedoms. If this vital amendment fails, then one of our most fundamental liberties will be diminished. That small group of elitists who disdain the common American, and scorn their right to own firearms, will do everything in their power to influence the gun debate by libeling candidates who stand firm in the protection of the 2nd amendment.

It is our constitutional freedom that is at stake here, and we must not allow it to be jeopardized under the guise of "reforming the electoral process." I urge you to vote "aye" on the Pickering amendment.

The CHAIRMAN pro tempore. All time for debate has expired.

The question is on the amendment offered by the gentleman from Mississippi (Mr. PICKERING).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. PICKERING. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 209, noes 219, not voting 7, as follows:

[Roll No. 24]

AYES—209

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bereuter
Biggert
Bilirakis
Bishop
Blunt
Boehner
Bonilla
Bono
Boozman
Boswell
Boyd
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehrlich
Emerson
English
Everett
Flake
Forbes
Fossella
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Mollohan
Moran (KS)
Myrick
Nethercutt
Ney
Norwood
Nussle
Osborne
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Rahall
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Royce
Ryan (WI)
Ryun (KS)
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simmons
Simpson
Skeen
Smith (NJ)
Smith (TX)
Souder
Stearns
Strickland
Stump
Sununu
Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Young (AK)
Young (FL)

NOES—219

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Ehlers
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Foley
Ford
Frank
Frelinghuysen
Frost
Gephardt
Gilchrest
Gilman
Gonzalez
Green (TX)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kildee
Kilpatrick
Kind (WI)
Kirk
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Northup
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Platts
Pomeroy
Price (NC)
Quinn
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Skelton
Slaughter
Smith (MI)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Stupak
Tauscher
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (PA)
Wexler
Wolf
Woolsey
Wu
Wynn

NOT VOTING—7

Boucher
Brady (TX)
Fletcher
Kennedy (RI)
Riley
Roukema
Traficant

☐ 1847

Mr. WAMP and Mr. WATT of North Carolina changed their vote from "aye" to "no."

Mr. RADANOVICH and Mr. EHRLICH changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. FLETCHER. Mr. Chairman, on rollcall No. 24, I was unavoidably detained. Had I been present, I would have voted "aye."

Stated against:

Mr. KENNEDY of Rhode Island. Mr. Chairman, on rollcall No. 24, I was unavoidably detained. Had I been present, I would have voted "no."

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 31 OFFERED BY MR. WATTS OF OKLAHOMA

Mr. WATTS of Oklahoma. Mr. Chairman, I offer an amendment as the designee of the gentleman from Texas (Mr. ARMEY).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 31 offered by Mr. WATTS of Oklahoma:

Add at the end title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Civil Rights and Issues Affecting Minorities

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 70 million people in the United States belong to a minority race.

(2) More than 34 million people in the United States are African American, 35 million are Hispanic or Latino, 10 million are Asian, and 2 million are American Indian or Alaska Native.

(3) Minorities account for around 24 percent of the U.S. workforce.

(4) Minorities, who owned fewer than 7 percent of all U.S. firms in 1982, now own more than 15 percent. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(5) Self-employment as a share of each group's nonagricultural labor force (averaged over the 1991–1999 decade) was White, 9.7 percent; African American, 3.8 percent; American Indian, Eskimo, or Aleut, 6.4 percent; and Asian or Pacific Islander, 10.1 percent.

(6) Of U.S. businesses, 5.8 percent were owned by Hispanic Americans, 4.4 percent by Asian Americans, 4.0 percent by African Americans, and 0.9 percent by American Indians.

(7) Of the 4,514,699 jobs in minority-owned businesses in 1997, 48.8 percent were in Asian-owned firms, 30.8 percent in Hispanic-owned firms, 15.9 percent in African American-owned firms, and 6.6 percent in American Native-owned firms.

(8) Minority-owned firms had about $96 billion in payroll in 1997. The average payroll per employee was roughly $21,000 in the major minority groups and ranged from just under $15,000 to just over $27,000 in various subgroups of the minority population.

(9) African Americans were the only race or ethnic group to show an increase in voter participation in congressional elections, increasing their presence at the polls from 37 percent in 1994 to 40 percent in 1998. Nationwide, overall turnout by the voting-age population was down from 45 percent in 1994 to 42 percent in 1998.

(10) In 2000, there were 8.7 million African American families. The United States had 96,000 African American engineers, 41,000 African American physicians and 47,000 African American lawyers in 1999.

(11) The number of Asians and Pacific Islanders voting in congressional elections increased by 366,000 between 1994 and 1998.

(12) Businesses owned by Asians and Pacific Islanders made up 4 percent of the nation's 20.8 million nonfarm businesses.

(13) Asians tend to have larger families—the average family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(14) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(15) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(16) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(17) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(18) Citizens who have an interest in issues about or related to civil rights have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(19) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning civil rights to their elected officials and the general public.

(20) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO CIVIL RIGHTS AND ISSUES AFFECTING MINORITIES.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to civil rights and issues affecting minorities.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Oklahoma (Mr. WATTS) and a Member opposed, the gentleman from Maryland (Mr. HOYER), each will control 10 minutes.

The Chair recognizes the gentleman from Oklahoma (Mr. WATTS).

Mr. WATTS of Oklahoma. Mr. Chairman, I yield myself such time as I may consume.

I rise to stand up for free speech on civil rights and other issues involving members of minority communities. This bill will create consequences for all constituents that are not good.

The 34 million Americans of African descent, 35 million Hispanics and Latinos, 10 million Asian Americans, and 2 million American Indians deserve the right to free speech as enshrined in the first amendment to the United States Constitution. These important constituencies have interests that are unique and special. They should not be gagged in the name of reform.

Mr. Chairman, this amendment is pretty simple. It states that no restrictions in the Shays-Meehan bill can ban statements, actions or positions of a candidate pertaining to civil rights and other issues affecting minorities.

This amendment is not about soft money. It is not about the RNC, the DNC, the NRCC, the DCCC. It makes clear, regardless of political party, issues concerning civil rights and minorities will not be restricted in any way as a result of some parameters on free speech politicians write today to protect their incumbency.

Let us take education for example, Mr. Chairman. It is a documented fact that Americans in the black communities support giving parents the choice of where to send their kids to school. They support the right to send students to private and religious schools if they think those schools are better suited to their educational needs. Why should an organized group of black parents not be able to communicate on television or radio, at any time, their opinions on a candidate's views about parental choice? I would also ask the question, if it is bad somehow or another to say that they cannot voice their concerns, their opinions in the last 60 days, why should they be able to voice their concerns at all? If it is bad in the last 60 days, it ought to be bad all year round. Under the Shays-Meehan bill, these parents would be silenced. Under my amendment, we protect their first amendment rights.

The voices of African Americans should not be constrained. The thoughts and ideas of those speaking on issues concerning minorities and civil rights must not be muted. The right to free speech is too important to sacrifice at the altar of what I believe is a flawed campaign finance bill.

Winston Churchill, in a speech to the British House of Commons in 1944, said: "The United States is a land of free speech. Nowhere is speech freer." I say we might not like what people say about us, but we ought to protect the right to say it.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield 2½ minutes to the gentleman from North Carolina (Mr. PRICE) at the outset for the purpose of entering a colloquy with the gentleman from Massachusetts (Mr. MEEHAN), and then I will respond.

Mr. PRICE of North Carolina. Mr. Chairman, I thank the gentleman from Maryland (Mr. HOYER) for yielding me the time.

Mr. Chairman, I rise in strong support of the Shays-Meehan bill, which would plug two gaping loopholes that have made a mockery of the law. It would ban unlimited, unaccountable soft-money contributions; and it would place issue-advocacy ads that mention candidates under the same rules that govern other campaign ads.

Campaign reform is not just about money, however. It is also about encouraging truthfulness and a focus on the issues. We cannot and should not regulate the content of ads, but we can and must ensure that candidates take responsibility for the content of their ads and their campaign materials. That is the intent of the provisions in the bill that would strengthen the disclaimers contained in radio and TV ads.

I am grateful to the gentleman from Massachusetts (Mr. MEEHAN) and the gentleman from Connecticut (Mr. SHAYS) for working with me to include most components of my Stand by Your Ad bill, H.R. 156, in this bill. The Shays-Meehan bill improves upon similar Senate-passed language, giving candidates and representatives of political committees the option of appearing full screen in their television ads and delivering the disclaimer directly, or delivering the disclaimer in voice-over with a "clearly identifiable" picture on the screen. This tracks the law passed in North Carolina in 1999, which most believe had a positive effect on the 2000 gubernatorial elections.

There is one aspect of the bill's language about which I wish to seek additional clarification, and I would like to yield to the gentleman from Massachusetts (Mr. MEEHAN) to get an answer to the following question.

I would like to clarify for the record the authors' intent with respect to the voice-over option. To my mind, the postage stamp-sized picture that often accompanies disclaimers cannot be considered "clearly identifiable." Is that the gentleman from Massachusetts's view, or could he provide any further sense of the intent of the term "clearly identifiable" with respect to the size of the photograph that would appear on screen?

Mr. MEEHAN. Mr. Chairman, will the gentleman yield?

Mr. PRICE of North Carolina. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, I thank the gentleman from North Carolina (Mr. PRICE) not only for his question but his very important support on this most important issue.

I do think the FEC standard should understand that the language reads not identifiable but clearly identifiable. There will be some photographic images that would not meet the clearly identifiable standard.

So I do think that the FEC should understand that the language reads not identifiable but clearly identifiable; and there would be some photographic images, as I said, that would not meet the clearly identifiable standard, and I thank the gentleman from North Carolina (Mr. PRICE) for his question.

Mr. PRICE of North Carolina. Mr. Chairman, I thank the gentleman from Massachusetts (Mr. MEEHAN) for his clarification. The FEC will no doubt issue regulations that carry out the intent of this language.

I urge my colleagues to pass this vitally important legislation, to restore the faith of the American people in the integrity of our election process, an indispensable keystone of democracy.

Mr. HOYER. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I rise in opposition to this amendment. This amendment is no different than the two amendments like it which we previously defeated. In fact, it is in essence exactly like the last amendment.

I tell my friend from Oklahoma that this is not about whether we are for or against civil rights. I take a backseat to no one in this institution in support of civil rights and human rights, here and around the world.

This is about making some speech more protected than other speech. The first amendment does not say that. In fact, it is the essence of the first amendment that all speech is protected, that no speech is more protected than any other, that there is no State-favored speech. This is about a bill which I suggest to the gentleman from Oklahoma (Mr. WATTS) does not stop any speech, contrary to his representations.

Does it say under the rules that someone has to use hard money that is discloseable to make that speech on television and on radio? Yes, it does, and it treats all speech exactly the same. If it were not so, I suggest to the gentleman it would be unconstitutional.

The gentleman may take the position that, in fact, the bill is unconstitutional, and that will be argued clearly in the Supreme Court; but this is not about undermining civil rights speech, undermining speech about the second amendment, undermining speech, in fact, pursuant to the first amendment.

□ 1900

This is about reforming campaign finances.

And I will say to my friend that this amendment, like the other amendments, clearly is designed, in my opinion, to undermine and defeat campaign finance reform, not to protect civil rights speech, which is, in fact, protected under the first amendment, which is, in fact, protected under the thirteenth, fourteenth and fifteenth amendments.

This amendment, like its predecessors, which were exactly alike, is unnecessary, unneeded, and ought to be opposed.

Mr. WATTS of Oklahoma. Mr. Chairman, I yield myself such time as I may consume to say to my friend from Maryland that he is right, these amendments are offered to show the consequences that this legislation creates is going to be bad for every constituency in America that wants to have a voice the last 60 days of a campaign.

Mr. Chairman, I yield 3 minutes to the gentleman from Mississippi (Mr. PICKERING).

Mr. PICKERING. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oklahoma. The previous amendment dealt with the second amendment. We are trying to make the point, whether it is on civil rights or the second amendment, whether it is a prolife group, religious or secular group, farmers, veterans, those who want to participate in the political process, that we are going to regulate them, restrict their first amendment or free speech rights, their political rights to express themselves.

In my district, the African American community, the Choctaw Tribe, the Mississippi Band of Choctaws, a growing Hispanic community, if they want to engage in a grassroots organization in informing people of the positions and the parties or the candidates, are we going to place the heavy hand of government on them to make it more difficult to participate, to restrict their freedoms?

This is something that should cut across all groups, all parties, in the defense of the very fundamental rights we have as Americans, that we enjoy as Americans, and that is the freedom of speech without government regulating it, restricting it, or making it more difficult for people to participate regardless of their power or their position. This is a long tradition that we have had in American politics. I think in name of reform we are forgetting very foundational, fundamental truths and principles that we want to protect as a country, as a Nation, and as a people.

So I rise in proud support of the amendment. I am disappointed that the previous amendment on the second amendment did not pass, but this is still the fundamental issue before us; the first amendment rights for all groups at any time to participate without the government regulation and restriction upon them.

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds for the purpose of saying that everybody's speech is protected. It is how we fund it that is critical. It is how we fund it so that the American people know who is talking to them, that is the issue here, as well as the freedom to talk. Both are protected under Shays-Meehan.

Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Georgia (Mr. LEWIS), who, as I have said before, has risked life and health to protect the civil rights of not only African Americans, but all Americans.

Mr. LEWIS of Georgia. Mr. Chairman, I want to thank my friend, the gentleman from Maryland (Mr. HOYER), for yielding me this time.

This amendment is another poison pill. It is a phony issue. It has nothing but nothing to do with free speech or with civil rights. I know something about civil rights. I grew up at a time when I saw those signs that said "white men," "colored men," "white women," "colored women," "white waiting," "colored waiting." As a child, I tasted the bitter fruits of integration and racial discrimination, so I know something about civil rights.

In 1960, when we were sitting in; in 1961, when we went on the freedom rides; in 1963, when we marched on Washington; in 1964, when we went to Mississippi during the Mississippi summer project; in 1965, when we marched from Selma to Montgomery, that was about civil rights. We did not have a Web site, a Web page. We did not have a fax machine. We did not have a cellular telephone. But we had our bodies. We had our feet. And we put our bodies on the line for civil rights. We did not have much money of any kind, hard or soft, but we had a dream that we could create an America, a truly interracial democracy, a beloved community.

I say to my colleagues that we should be real. This is not about civil rights. This is not about free speech. This is about cleaning up our political process, opening it up and letting all the people come in. This is about campaign finance reform. That is what it is about. Do not be fooled tonight.

Mr. WATTS of Oklahoma. Mr. Chairman, I yield myself such time as I may consume, and I would submit to my colleagues that I, too, remember the day that I could not swim in the public swimming pool; that I had to sit in the balcony of the movie theater; that I could not sit down below with my white friends.

Now, to say that in the last 60 days of a campaign that a Member of Congress who had voted to keep J.C. WATTS in the balcony of the movie theater, to make J.C. WATTS go to the swimming pool in somebody's backyard and not the public swimming pool, to say that some Member of Congress is protected, to say that I cannot point out that they voted for that in the last 60 days of a campaign, that is straight from the annals of Fidel Castro.

Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I thank the gentleman for yielding me this time, and I want to say respectfully to my very good friend from Georgia, as well as my very good friend from Oklahoma, that civil rights is not a franchise of any one race. True, some in a race may have felt it stronger than others, but having been a white child to integrate a black high school in Athens, Georgia, and my friend from Georgia may well remember Bernie Harris, I was in the civil rights issues, knew them very personally, very many issues, which we have discussed in the past.

I would say that the gentleman from Oklahoma is right. How do we turn around to people and say they have free speech but not in the last 60 days? Sunday night I had the opportunity to go to the Chinese Benevolent Society in Savannah, Georgia, and welcome in the Year of the Horse, which was yesterday. I have a hard time saying to these Chinese American constituents that they can participate in the system, but here is how your free speech is protected. If you are in a certain group, you can give up to $60 million in soft money.

But I do not think they are going to be able to raise that at the Chinese Benevolent Society because they are a small group.

If I go down to Toombs Central High School, in Toombs County, Georgia, and I say to a very strong, growing Hispanic group of people, listen, we are going to clean it up, but there is going to be about $40 million in the bill that can go to the Democrats to build a new building. That is cleaning up America.

I would say very carefully, very guardedly that what the Watts amendment does is make it unequivocal to all minority groups that civil rights will be protected, because the distinguished gentleman from Georgia and so many others from so many other States and so many other races have paid such a high price for full participation in our society today.

As we celebrate February and Black History Month, one of the clear messages that comes to me from my African American constituents is that the struggle continues. It is not over. And I believe that what this amendment says is that we need to protect that and make it abundantly clear, and I think that is what this is about.

I can understand people wanting to vote "no." I can understand for partisan reasons voting one way or the other on any bill. But let us not say this bill protects the interests of minorities or anybody else. It just refunnels the money. It reregulates it. Soft money is not banned under this bill, it just says that certain interest groups get the last whack at it. Certain interest groups are protected just a little bit more than others.

So I would urge my colleagues to vote for the Watts amendment.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. MEEKS).

Mr. MEEKS of New York. Mr. Chairman, I stand here in strong opposition to this amendment.

This is a clear case where we must read the label very carefully, look at the small print, because to say that this is about civil rights, if this House and if we wanted to talk about civil rights, we would be really talking about election reform. This bill has nothing to do with civil rights. It is what I would call mislabeling.

What this bill is about is about allowing people who have been locked out of a process to be in the process. What this bill is about is about not misleading people with ads at the end of a campaign that tells them something that is not true. What this bill is about is really about the first amendment rights of people, having the right to petition when they feel aggrieved, and the American people have felt aggrieved with what we are doing here with campaign financing, and it needs reforming.

This is not a civil rights bill.

Mr. WATTS of Oklahoma. Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Civil rights is extremely personal, it has to do with convictions and commitment. I am reminded of the time Rosa Parks sat down on a Montgomery bus and she called Martin King. There were no special interest dollars there, and a civil rights movement began, and it changed the Nation.

That is the basis for what we do today, and that is how we open the doors now for new voices to be heard, like the NAACP, LULAC, the Mexican American Legal Defense Fund, and the NAACP Legal Defense Fund, and others. None of them who have a need to advocate are prevented by Shays-Meehan from doing so. This amendment does not protect civil rights it only protects special interest large soft dollars.

When the civil rights movement marched to Washington the momentum created the opportunity for the Civil Rights Act of 1964 and the Voter Rights Act of 1965 to pass no special interest dollars were there, only the heart and soul of people who believed in a better nation. It was simply the right decision for America and its people.

I have said before, let us stand alongside the voices of the people today and refute all of these poison pills and vote for real campaign finance reform so that the people's voices can be heard for the new civil rights movement of the 21st century, above the disjangled chords of special interest money.

Mr. WATTS of Oklahoma. Mr. Chairman, I yield myself 30 seconds.

We have heard a lot today about people being locked out. What has this Congress worked on the last 7 years? We have given people more of their money to spend. We have paid down the public debt. We have given our soldiers more money to protect America's interests and protect themselves around the country. We have had a successful welfare reform bill passed that Republicans and Democrats both boast about. Those are the things that we have done.

My constituents have a right to vote against me if they do not like what we have done. How has anyone been locked out of the process?

Mr. Chairman, I yield the balance of my time to the gentleman from Virginia (Mr. CANTOR).

Mr. CANTOR. Mr. Chairman, I would just say that this bill is not about true campaign finance reform. What the amendment of the gentleman from Oklahoma (Mr. WATTS) tries to do is it tries to stop the censorship of free speech having to do with civil rights and protecting and being a proponent of protecting the rights of minorities. Without this amendment, and contrary to what has been said before, there are elevated cases of increased scrutiny on certain classes of speech, on certain attributes of individuals in this country.

What we are trying to do by this amendment is to ensure that free speech having to do with the protection of civil rights will be protected.

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Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, if an argument lacks substance, Members create a straw man, and make that straw man look exceedingly bad. Then they knock that straw man down, and then say how great that is. The problem here is this straw man is hollow and not true. There is no restriction in this bill for any American to raise an issue on either side of the second amendment, to raise any first amendment issue, or to raise any issue of civil rights. There is no Member of this House on this side, and I do not believe there is any Member on that side, who would stand to limit debate or speech on any of those issues. That is a straw man.

Mr. Chairman, this bill is about campaign finance reform. This bill is about letting Americans know who is paying for elections. This bill is trying to give Americans confidence that they are included in the process.

Mr. Chairman, I reject out of hand the straw man, and let us reject out of hand this amendment.

The CHAIRMAN pro tempore (Mr. THORNBERRY). All time has expired.

The question is on the amendment offered by the gentleman from Oklahoma (Mr. WATTS).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HOYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 185, noes 237, not voting 12, as follows:

[Roll No. 25]

AYES—185

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bereuter
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Bono
Boozman
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Flake
Fletcher
Forbes
Fossella
Gallegly
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Otter
Paul
Pence
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiberi
Toomey
Upton
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Young (AK)
Young (FL)

NOES—237

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Foley
Ford
Frank
Frelinghuysen
Frost
Ganske
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kirk
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Petri
Phelps
Platts
Pomeroy
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Shows
Simmons
Skelton
Slaughter
Smith (MI)
Smith (WA)
Snyder
Solis
Spratt
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (PA)
Wexler
Wolf
Woolsey
Wu
Wynn

NOT VOTING—12

Brady (TX)
Cubin
DeFazio
Johnson (CT)
Oxley
Payne
Riley
Roukema
Rush
Stark
Tiahrt
Traficant

☐ 1936

Ms. HOOLEY of Oregon and Messrs. MALONEY of Connecticut, LARSON of Connecticut and WYNN changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Connecticut (Mr. SHAYS) or the gentleman from Massachusetts (Mr. MEEHAN).

AMENDMENT NO. 10 OFFERED BY MRS. CAPITO

Mrs. CAPITO. Mr. Chairman, I offer an amendment as the designee of the gentleman from Connecticut (Mr. SHAYS).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 10 offered by Mrs. CAPITO:

Add at the end of title III the following new section:

SEC. 320. MODIFICATION OF INDIVIDUAL CONTRIBUTION LIMITS FOR HOUSE CANDIDATES IN RESPONSE TO EXPENDITURES FROM PERSONAL FUNDS.

(a) INCREASED LIMITS.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by inserting after section 315 the following new section:

"MODIFICATION OF CERTAIN LIMITS FOR HOUSE CANDIDATES IN RESPONSE TO PERSONAL FUND EXPENDITURES OF OPPONENTS

"SEC. 315A. (a) AVAILABILITY OF INCREASED LIMIT.—

"(1) IN GENERAL.—Subject to paragraph (3), if the opposition personal funds amount with respect to a candidate for election to the office of Representative in, or Delegate or Resident Commissioner to, the Congress exceeds $350,000—

"(A) the limit under subsection (a)(1)(A) with respect to the candidate shall be tripled;

"(B) the limit under subsection (a)(3) shall not apply with respect to any contribution made with respect to the candidate if the contribution is made under the increased limit allowed under subparagraph (A) during a period in which the candidate may accept such a contribution; and

"(C) the limits under subsection (d) with respect to any expenditure by a State or national committee of a political party on behalf of the candidate shall not apply.

"(2) DETERMINATION OF OPPOSITION PERSONAL FUNDS AMOUNT.—

"(A) IN GENERAL.—The opposition personal funds amount is an amount equal to the excess (if any) of—

"(i) the greatest aggregate amount of expenditures from personal funds (as defined in subsection (b)(1)) that an opposing candidate in the same election makes; over "(ii) the aggregate amount of expenditures from personal funds made by the candidate with respect to the election.

"(B) SPECIAL RULE FOR CANDIDATE'S CAMPAIGN FUNDS.—

"(i) IN GENERAL.—For purposes of determining the aggregate amount of expenditures from personal funds under subparagraph (A), such amount shall include the gross receipts advantage of the candidate's authorized committee.

"(ii) GROSS RECEIPTS ADVANTAGE.—For purposes of clause (i), the term 'gross receipts advantage' means the excess, if any, of—

"(I) the aggregate amount of 50 percent of gross receipts of a candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held, over

"(II) the aggregate amount of 50 percent of gross receipts of the opposing candidate's authorized committee during any election cycle (not including contributions from personal funds of the candidate) that may be expended in connection with the election, as determined on June 30 and December 31 of the year preceding the year in which a general election is held.

"(3) TIME TO ACCEPT CONTRIBUTIONS UNDER INCREASED LIMIT.—

"(A) IN GENERAL.—Subject to subparagraph (B), a candidate and the candidate's authorized committee shall not accept any contribution, and a party committee shall not make any expenditure, under the increased limit under paragraph (1)—

"(i) until the candidate has received notification of the opposition personal funds amount under subsection (b)(1); and

"(ii) to the extent that such contribution, when added to the aggregate amount of contributions previously accepted and party expenditures previously made under the increased limits under this subsection for the election cycle, exceeds 100 percent of the opposition personal funds amount.

"(B) EFFECT OF WITHDRAWAL OF AN OPPOSING CANDIDATE.—A candidate and a candidate's authorized committee shall not accept any contribution and a party shall not make any expenditure under the increased limit after the date on which an opposing candidate ceases to be a candidate to the extent that the amount of such increased limit is attributable to such an opposing candidate.

"(4) DISPOSAL OF EXCESS CONTRIBUTIONS.—

"(A) IN GENERAL.—The aggregate amount of contributions accepted by a candidate or a candidate's authorized committee under the increased limit under paragraph (1) and not otherwise expended in connection with the election with respect to which such contributions relate shall, not later than 50 days after the date of such election, be used in the manner described in subparagraph (B).

"(B) RETURN TO CONTRIBUTORS.—A candidate or a candidate's authorized committee shall return the excess contribution to the person who made the contribution.

"(b) NOTIFICATION OF EXPENDITURES FROM PERSONAL FUNDS.—

"(1) IN GENERAL.—

"(A) DEFINITION OF EXPENDITURE FROM PERSONAL FUNDS.—In this paragraph, the term 'expenditure from personal funds' means—

"(i) an expenditure made by a candidate using personal funds; and

"(ii) a contribution or loan made by a candidate using personal funds or a loan secured using such funds to the candidate's authorized committee.

"(B) DECLARATION OF INTENT.—Not later than the date that is 15 days after the date on which an individual becomes a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress, the candidate shall file a declaration stating the total amount of expenditures from personal funds that the candidate intends to make, or to obligate to make, with respect to the election that will exceed $350,000.

"(C) INITIAL NOTIFICATION.—Not later than 24 hours after a candidate described in subparagraph (B) makes or obligates to make an aggregate amount of expenditures from personal funds in excess of $350,000 in connection with any election, the candidate shall file a notification.

"(D) ADDITIONAL NOTIFICATION.—After a candidate files an initial notification under subparagraph (C), the candidate shall file an additional notification each time expenditures from personal funds are made or obligated to be made in an aggregate amount that exceeds $10,000. Such notification shall be filed not later than 24 hours after the expenditure is made.

"(E) CONTENTS.—A notification under subparagraph (C) or (D) shall include—

"(i) the name of the candidate and the office sought by the candidate;

"(ii) the date and amount of each expenditure; and

"(iii) the total amount of expenditures from personal funds that the candidate has made, or obligated to make, with respect to an election as of the date of the expenditure that is the subject of the notification.

"(F) PLACE OF FILING.—Each declaration or notification required to be filed by a candidate under subparagraph (C), (D), or (E) shall be filed with—

"(i) the Commission; and

"(ii) each candidate in the same election and the national party of each such candidate.

"(2) NOTIFICATION OF DISPOSAL OF EXCESS CONTRIBUTIONS.—In the next regularly scheduled report after the date of the election for which a candidate seeks nomination for election to, or election to, Federal office, the candidate or the candidate's authorized committee shall submit to the Commission a report indicating the source and amount of any excess contributions (as determined under subsection (a)) and the manner in which the candidate or the candidate's authorized committee used such funds.

"(3) ENFORCEMENT.—For provisions providing for the enforcement of the reporting requirements under this subsection, see section 309.".

(b) CONFORMING AMENDMENT.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 304(a), is amended by striking "subsection (i)," and inserting "subsection (i) and section 315A,".

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentlewoman from West Virginia (Mrs. CAPITO) and the gentleman from Pennsylvania (Mr. FATTAH) each will control 10 minutes.

The Chair recognizes the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as a strong supporter of campaign finance reform, I am glad to see us debating this issue on the floor this evening. I want to thank the gentleman from Connecticut (Mr. SHAYS) for allowing me to offer this amendment, and I appreciate his willingness to allow me to stand in to offer the amendment.

Mr. Chairman, this amendment was created in cooperation with the most ardent supporters of campaign finance reform in an attempt to devise a way to correct what I believe is one of the most glaring inequities in the current system, the problem of self-financed candidates giving unlimited personal resources to outspend and defeat their opponents. Unfortunately, the bill that we are currently considering tilts the playing field away from average Americans wishing to run for office. My amendment would help return a sense of balance to congressional elections by allowing candidates who are unfairly disadvantaged by their opponent's personal wealth to raise matching funds through higher contribution limits and additional assistance from the national party.

Quite simply, once a candidate spends $350,000, and I think that is quite a bit, or more of their own money on their own campaign, their opponent is eligible to raise matching funds. These matching funds can come in the form of national party assistance and/or additional individual contribution raised at three times the current limits. Once parity is achieved, the regular contribution limits go back into effect.

I want to stress to my colleagues that my intention in offering this amendment is not to add more money to the system. Rather, I want to encourage all candidates, wealthy or not, to play by the same rules. This amendment is not about throwing more money into campaigns. It is about making money less important by correcting the inequities that are created when wealthy candidates use their own resources to sway elections.

There are many candidates, and I am one, who have attempted to run a successful campaign against an opponent who had an unlimited war chest of personal finances. It is unfortunate that the strength and the seemingly bottomless nature of a candidate's pocketbook can present additional obstacles beyond the basic debate over the merits of ideas. Large personal fortunes were not a prerequisite that our Founding Fathers envisioned for being a public servant. The creators of our government never intended for big bank accounts to be the key to ensuring many years in office. That was to be a decision for the voters.

The American public's cry for campaign finance reform is a testimony to the widespread, accepted truth that money can have the ability to distort government and politics. The uneven playing field that is created when candidates throw millions and millions of their own money into an election must be addressed and remedied here and now if we want true and comprehensive campaign finance reform.

The only way a pure American democracy can work is if people have faith in the system and if they participate. That includes running for office. It is time to recognize that the realities of today's elections prevent many from participating.

I urge my colleagues to accept the amendment so that any American running for office can compete on an even playing field.

Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, the gentlewoman makes a persuasive case for her amendment. I yield 4 minutes to the gentleman from New York (Mr. OWENS).

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Mr. OWENS. Mr. Chairman, the gentlewoman makes a persuasive case, and I would not want to argue with the fairness, logic or commonsense arithmetic of what she has to say. It makes sense.

The important thing is that Shays-Meehan makes sense as it is right now, and if this amendment is being offered as another way of tinkering with it in a way which makes it impossible to get a settlement between the two Houses, then that I would be certainly opposed to.

But I cannot argue with the logic. All of us ought to understand that the American public out there, our constituents, are like the little child in Hans Christian Anderson's tale of "The Emperor's New Clothes." They understand what is happening. They understand what makes sense.

If we are tinkering and posturing in order to prevent anything moving forward, they can understand that. In the long run, we will have to be on the side of logic, and this amendment certainly makes a lot of sense. In fact, the campaign finance reform bill law which is in effect in New York City governing municipal elections is a very good law that I would point to as a good model.

Mr. FATTAH. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Pennsylvania.

Mr. FATTAH. Mr. Chairman, if I could ask the author of the amendment, could they clarify whether this language was considered in the Senate. If we could get some clarification, it might be helpful.

Mr. SHAYS. Mr. Chairman, will the gentleman yield?

Mr. OWENS. I yield to the gentleman from Connecticut.

Mr. SHAYS. Mr. Chairman, I appreciate the gentleman yielding.

Mr. Chairman, the Senate has what they refer to as a "millionaire's amendment" or a level playing field amendment. They allow for three times the amount of hard money at a certain level, and then at a certain point they allow 10 times the amount. But each Senate district is different. So they did it for each Senate territory. The States have different populations and so on.

So what was done by the gentlewoman from West Virginia is an amendment that allows House Members to have the same kind of amendment. It would be compatible with the Senate amendment. It works in harmony with it.

We have this as what we refer to as a neutral amendment. The Senate does not care whether we pass it or not. We want to make sure that the House does its will. I support this amendment with all my heart. I think the one weakness in our bill is that when you run against someone wealthy, you cannot get the same resources and you are put at a disadvantage, and especially if we are going to take away soft money.

Mr. OWENS. Mr. Chairman, reclaiming my time, I will say emphatically I support the amendment if it is not part of a process of under the cloak of good government attempting to sabotage the Shays-Meehan bill. I think it makes sense. As I said before, it is in harmony with the New York City municipal election law which has provisions similar to this, and I would certainly support it.

I hope we understand that the people out there understand also when we are posturing. They want to see some real reform. They understand the relationship between Enron's contributions and Global Crossing's contributions and the fact that regulators have not regulated appropriately.

It is just a matter of time before all of this is going to be clearly understood by the whole public, and we might as well move to stay ahead of the people and have real reform here.

I would certainly support this particular amendment in that spirit.

Mrs. CAPITO. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, I think the gentleman from Connecticut has made it clear this is not offered as a gutting amendment. This is in fact harmonious with a similar Senate version, but I think a much better version.

This gets around the Supreme Court decision in Buckley v. Valeo that basically said millionaire candidates can spend as much money as they want on behalf of their own campaigns, while the rest of us are limited in what we can raise by the Federal election law.

This relaxes those laws that will allow parties to come in relaxing their contributory limits to candidates, and also the way we raise money. This evens the playing field for candidates who are challenging millionaires or who are challenged by millionaires; the individual who can go to McDonald's, have breakfast with himself, write himself a $3 million check and have the largest fund-raising breakfast in history. This would allow us the tools to be able to go and compete fairly with them.

So I think I applaud the gentlewoman for her amendment in this case. I think it makes a bad bill better. I think it is a problem that is in existing law. It does not exist because of the Shays-Meehan bill; this is a problem in existing law. And I think this is an appropriate remedy, and I would urge my colleagues to support it.

Mr. FATTAH. Mr. Chairman, I yield such time as he may consume to the gentleman from New Mexico (Mr. UDALL).

Mr. UDALL of New Mexico. Mr. Chairman, I rise to support this amendment because I think it brings fairness to this process.

Mr. Chairman, today, as we debate this critical legislation, it is important to remember how we got here. In the aftermath of the Watergate scandal, our nation began looking for a way to address the major problems facing our political system. Congress led the way to reform by amending the 1971 Federal Election Campaign Act (FECA) in the hope that we could clean up our politics and diminish the influence of big money in campaigns and elections.

After Watergate, we heard stories of bags of cash used to corrupt our politics. Those bags of cash were the Soft Money of their day. Then we had soft money in cash—today we have soft money checks. And the amounts are astronomical.

Almost 30 years later, we are faced with a system that, while certainly better than it was in the early 1970's, remains riddled with loopholes that allow wealthy special interests to exert too much influence. In the resulting flood of cash, the average voter isn't heard. The 1970's campaign finance reforms were intended to clean up our system. Yet the well-intentioned efforts failed to imagine how corporations, unions and individuals would exploit loopholes and find ways to inject their money into the political system.

It is legitimate to ask: why ban soft money. What do political parties and interest groups do with their money other than advocate for the election of their candidates? They do very important party building work such as registering voters and encouraging them to vote, but too much of their money is spent buying attack ads paid for with soft money. Shays-Meehan will still allow these real and important party-building activities, but we can take a step in the right direction today to end sham issues ads.

Campaign finance reform goes even deeper than today's debate. All legislation we debate is affected.

If we are to finally achieve what our predecessors sought over a quarter century ago, we much put an end to the soft money that makes a mockery of our current campaign finance laws. What is at stake is nothing less than our democracy. The principle of one man, one vote is consistently undermined by the ability of wealthy individuals and interests to purchase political power.

I am often asked why Congress has not been able to pass legislation such as a patient's bill of rights or a Medicare prescription drug benefit for the nation's seniors. I have to say that we in Congress must fight against a powerful tide of money as we try to protect the public interest against the interests of a privileged few. The ubiquitous and pernicious influence of money in Washington mocks our best efforts to protect the underprivileged. Campaign finance reform is especially important because it will allow us to serve those who need our help the most, the average citizens who can't afford to give hundreds of thousands in soft money.

The time for change is now.

I traveled all across my district in January conducting town hall meetings at every stop. My constituents were outraged by the Enron scandal and what it really means. My constituents detected the corrupting connection between money and politics and so do yours.

In the aftermath of Enron, many in the halls of government and across the country are taking a new look at the role that soft money plays in politics. The true outrage of Enron is not that they broke the rules, it is that they were able to use their money and influence to make the rules in the first place. Enron got the best regulations money can buy, and their workers and shareholders paid the price.

The case of Enron only proved what most people already know about our campaign finance system. Even before Enron, 75 percent of Americans supported campaign finance reform. But, if the American people so overwhelming support it, why has this government failed to enact meaningful reform? It is because for years, opponents of reform have found a way to kill reform proposals quietly, ensuring that they would never have to take a stand against such popular measures.

This year, opponents of reform will yet again attempt to kill reform through dishonesty and subterfuge. We will see amendment after amendment aimed at sending Shays-Meehan, the most comprehensive reform bill currently on the table, to conference committee, where its opponents predict it will die a slow but silent death. These amendments will no doubt seem reform-oriented on the surface, but beneath their shell they are poison pills, designed to kill our efforts for reform. That's what poison does . . . it kills. We must stand together against these poison pills. If we hold our united front on these tough amendments, we will have a final product that we can send to the other body and to President Bush for his signature.

If the American people are to participate in and respect the electoral process, they must see that the influence of the voter is not outweighed by the purchased influence of wealthy special interests. We must restore dignity to the process by putting people ahead of money. Shays-Meehan, although it is not the end of the road, is a real step towards a political system of, by and for the people, without the corrupting influence of enormous amounts of soft money. I hope you will join me in passing Shays-Meehan, free of poison pill amendments, so that we may take yet another step toward a more representative democracy and a more perfect union.

In closing, I want to congratulate and thank my colleagues, Mr. SHAYS and Mr. MEEHAN, for their leadership on this issue. I am proud to associate myself with their hard work on this important legislation and look forward to its passage.

I urge my colleagues to vote no on these sham poison pill amendments and vote yes on final passage. It's the best option for honest campaign reform we have had in a generation.

Mr. FATTAH. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise in support of this very-well-thought-out amendment. I commend the author for her efforts in crafting what appears to be a very sensible approach to this issue.

I would also say that this amendment rather distinguishes itself in the long line of amendments we are dealing with tonight, as I think it is a serious amendment to improve the legislation and not an attempt to scuttle it.

Again, I think adjusting the hard-money contributions when one runs against a person with great wealth is fair, reasonable and entirely consistent with the underlying scheme, and I urge my colleagues to vote in favor of the amendment.

Mrs. CAPITO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to thank my colleagues for their support and in verbalizing it this evening. My intent, of course, is to improve the legislation and not to bring it down in any form or fashion. I think I made a good point that I have worked with the most ardent supporters of campaign finance reform to improve this bill.

Mr. Chairman, I yield back the balance of my time.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, on reflection from the debate and persuaded by my worthy colleague, I would recede from my opposition. I urge all Members to support the amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The question is on the amendment offered by the gentlewoman from West Virginia (Mrs. CAPITO).

The amendment was agreed to.

The CHAIRMAN pro tempore. Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment offered by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 28 OFFERED BY MR. SAM JOHNSON OF TEXAS

Mr. SAM JOHNSON of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. Is the gentleman from Texas a designee of the gentleman from Texas (Mr. ARMEY)?

Mr. SAM JOHNSON of Texas. Yes, Mr. Chairman.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 28 offered by Mr. SAM JOHNSON of Texas:

Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Veterans, Military Personnel, or Seniors

SEC. 221. FINDINGS.

Congress finds the following:

(1) More than 42,000,000 men and women have served in the United States Armed Forces from the Revolution onward and more than 25 million are still living. Living veterans and their families, plus the living dependents of deceased veterans, constitute a significant part of the present United States population.

(2) American veterans are black and they are white; they are of every race and ethnic heritage. They are men, and they are women. They are Christians, they are Muslims, they are Jews. They are fathers, mothers, sisters, brothers, sons and daughters. They are neighbors, down the street or right next door. They are teachers in our schools, they are factory workers. They are Americans living today who served in the armed services, and they are the more than 1,000,000 who have died in America's wars.

(3) America's veterans are men and women who have fought to protect the United States against foreign aggressors as Soldiers, Sailors, Airmen, Coast Guardsmen and Marines. The members of our elite organization are those who have discharged their very special obligation of citizenship as servicemen and women, and who today continue to expend great time, effort and energy in the service of their fellow veterans and their communities.

(4) There is a bond joining every veteran from every branch of the service. Whether drafted or enlisted, commissioned or noncommissioned, each took an oath, lived by a code, and stood ready to fight and die for their country.

(5) American men and women in uniform risk their lives on a daily basis to defend our freedom and democracy. Americans have always believed that there are values worth fighting for—values and liberties upon which America was founded and which we have carried forward for more than 225 years, that men and women of this great nation gave their lives to preserve.

(6) It is the sacrifice borne by generations of American veterans that has made us strong and has rendered us the beacon of freedom guiding the course of nations throughout the world. American veterans have fought for freedom for Americans, as well as citizens throughout the world. They have helped to defend and preserve the values of freedom of speech, democracy, voting rights, human rights, equal access and the rights of the individual—those values felt and nurtured on every continent in our world.

(7) The freedoms and opportunities we enjoy today were bought and paid for with their devotion to duty and their sacrifices. We can never say it too many times: We are

the benefactors of their sacrifice, and we are grateful.

(8) Of the 25,000,000 veterans currently alive, nearly three of every four served during a war or an official period of hostility. About a quarter of the Nation's population—approximately 70,000,000 people—are potentially eligible for Veterans' Administration benefits and services because they are veterans, family members or survivors of veterans.

(9) The present veteran population is estimated at 25,600,000, as of July 1, 1997. Nearly 80 of every 100 living veterans served during defined periods of armed hostilities. Altogether, almost one-third of the nation's population-approximately 70,000,000 persons who are veterans, dependents and survivors of deceased veterans—are potentially eligible for Veterans' Administration benefits and services.

(10) Care for veterans and dependents spans centuries. The last dependent of a Revolutionary War veteran died in 1911; the War of 1812's last dependent died in 1946; the Mexican War's, in 1962.

(11) The Veterans' Administration health care system has grown from 54 hospitals in 1930, to include 171 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. Veterans' Administration health care facilities provide a broad spectrum of medical, surgical, and rehabilitative care.

(12) World War II resulted in not only a vast increase in the veteran population, but also in large number of new benefits enacted by the Congress for veterans of the war. The World War II GI Bill, signed into law on June 22, 1944, is said to have had more impact on the American way of life than any law since the Homestead Act more than a century ago.

(13) About 2,700,000 veterans receive disability compensation or pensions from VA. Also receiving Veterans' Administration benefits are 592,713 widows, children and parents of deceased veterans. Among them are 133,881 survivors of Vietnam era veterans and 295,679 survivors of World War II veterans. In fiscal year 2001, Veterans' Administration planned to spend $22,000,000,000 yearly in disability compensation, death compensation and pension to 3,200,000 people.

(14) Veterans' Administration manages the largest medical education and health professions training program in the United States. Veterans' Administration facilities are affiliated with 107 medical schools, 55 dental schools and more than 1,200 other schools across the country. Each year, about 85,000 health professionals are trained in Veterans' Administration medical centers. More than half of the physicians practicing in the United States have had part of their professional education in the Veterans' Administration health care system.

(15) 75 percent of Veterans' Administration researchers are practicing physicians. Because of their dual roles, Veterans' Administration research often immediately benefits patients. Functional electrical stimulation, a technology using controlled electrical current to activate paralyzed muscles, is being developed at Veterans' Administration clinical facilities and laboratories throughout the country. Through this technology, paraplegic patients have been able to stand and, in some instances, walk short distances and climb stairs. Patients with quadriplegia are able to use their hands to grasp objects.

(16) There are more than 35,000,000 persons in the United States aged 65 and over.

(17) Seniors are a diverse population, each member having his or her own political and economic issues.

(18) Seniors and their families have many important issues for which they seek congressional action. Some of these issues include, but are not limited to, health care, Social Security, and taxes.

(19) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(20) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(21) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(22) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(23) Citizens who have an interest in issues about or related to veterans, military personnel, seniors, and their families have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(24) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy. Such restrictions also hinder citizens' ability to communicate their support or opposition on issues concerning veterans, military personnel, seniors, and their families to their elected officials and the general public.

(25) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO VETERANS, MILITARY PERSONNEL, OR SENIORS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to veterans, military personnel, or senior citizens, or to the immediate family members of veterans, military personnel, or senior citizens.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Texas (Mr. SAM JOHNSON) and a Member opposed each will control 10 minutes.

Does the gentleman from Pennsylvania (Mr. FATTAH) seek to control the time in opposition?

Mr. FATTAH. Yes, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from Pennsylvania will be recognized for 10 minutes in opposition.

The Chair recognizes the gentleman from Texas (Mr. SAM JOHNSON).

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield myself such time as I may consume.

This amendment, Mr. Chairman, addresses the rights of veterans of this Nation. As a 29-year Air Force veteran and prisoner of war who had my freedom stripped away for many years, nearly 7, I am appalled that anyone would try to take away the rights of any American, especially those who put their lives in harm's way to defend our Constitution and this Nation.

Let us not forget that between 1940 and 1947, over 16 million Americans signed up to stand with their country against the forces of fascism and tyranny. Over 400,000 never returned.

Let us not forget that a decade later, almost 7 million Americans served in the Korean War, and 55,000 ended up giving up their lives.

Throughout the conflicts, from the Revolutionary War to Vietnam, Desert Storm, and now Afghanistan, let us not forget that more than 42 million brave men and women have answered the call to protect our freedom, and today more than 25 million of those brave souls are still alive in this country wanting their freedom.

Veterans understand that freedom is not free, and I think everyone in here knows that. Those men and women fought and defended this Nation for us to be able to stand here on this floor today and talk. It must be defended again. Would anyone disagree with this? I do not think so.

Is there anyone who would deny a veteran's right to be heard or the right to hear what affects them? After all, veterans' issues are not Republican issues. They are not Democrat issues either. Veterans' issues are not liberal; they are not conservative. Veterans' issues are American issues. They have the right to talk about them, and we have an obligation to listen to them.

Veterans' issues are about defending our country, providing quality health care and protecting Social Security. We must not silence the men and women who have fought and died to keep America free. I need a vote for this amendment. We need to vote for veterans.

Let me just tell you that our veterans today are over there in Afghanistan protecting the freedoms of America and the freedom of the world. We are doing everything we can to provide them the sustenance, the equipment, the best training possible; and we have the best-trained men and women in the world. They are going to protect us and our rights, and we need to protect them and their right to free speech.

Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) may control 5 minutes of my time and be permitted to yield said time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN pro tempore. The gentleman from Connecticut (Mr. SHAYS) will control 5 minutes, and the gentleman from Pennsylvania (Mr. FATTAH) will control 5 minutes.

Mr. FATTAH. Mr. Chairman, I yield 1½ minutes to the gentleman from the great State of Texas (Mr. EDWARDS).

Mr. EDWARDS. Mr. Chairman, I cochair the Bipartisan House Army Caucus. I represent the largest Army installation in the United States, Fort Hood. I represent over 65,000 military retirees and veterans. I will match my record in supporting veterans and a strong national defense with any Member of either party in this House.

This amendment is not about fighting for veterans. If we want to fight for veterans, then maybe some Members of this House can vote "no" tomorrow on some tax cuts, that because of those tax cuts we will have less money for veterans' health care.

This amendment would actually allow an anti-veteran, anti-defense group to run a sham ad in the last hours of a campaign under the guise of a Texans for Veterans group.

So let no one be deceived. Despite the good intentions perhaps of this amendment that this is all about pro-veteran, pro-military, pro-senior citizen groups wanting to come in and want ads, most veterans I represent in my district do not have $1 million to put into a soft-money account. They are hard-working, decent Americans like most others, trying to struggle to pay their bills.

Mr. Chairman, if we want to fight for veterans, let us fight for funding for veterans' health care and not try to make this amendment look like it is a litmus test vote of whether you are for or against military might or veterans and our servicemen and women.

This is a bad amendment; it is a Trojan horse; it is a poison pill. We should vote against it.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 1½ minutes to the gentleman from Florida (Mr. BILIRAKIS).

Mr. BILIRAKIS. Mr. Chairman, I appreciate being yielded the time.

Mr. Chairman, this amendment will do what the gentleman from Texas says it will do. It is a good amendment. Veterans come from all walks of life and represent a true cross-section of this country. They took an oath, lived by a code and stood ready to fight and die for their country. Should those who defended our Nation against tyranny and oppression not have a strong voice in our political process? Should they not be heard above all else?

It is not easy to wear the uniform of one's Nation, and too often the needs of these great men and women are overlooked by the great country they proudly served. This amendment guarantees our veterans will have the right to express their views on issues affecting them.

The Constitution grants Americans the right to criticize or praise their elected officials, and we should not punish the very individuals who put their lives on the line to protect our freedom and way of life by depriving them, as this bill would probably do, of their voice in our political process.

As a 4-year veteran myself, I urge my colleagues to support this important amendment. We will never be able to properly thank those veterans who gave up so much for our Nation, but we can honor them.

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We can honor them by passing this amendment. Vote for the Armey-Johnson amendment.

Mr. SHAYS. Mr. Chairman, I yield myself 2 minutes.

I would like to start by saying I have a number of heroes in this House. One of them is the gentleman from Illinois (Mr. HYDE), right over there, the best reason why we should not ever think of having term limits. Another hero is sitting right there.

When I was elected, I wanted to meet the gentleman from Georgia (Mr. LEWIS) more than almost anyone else, but after I was elected, when I heard that the gentleman from Texas (Mr. SAM JOHNSON) won, I wanted to meet him more than anyone else. I went to him and asked him if I could get his book and pay for it, and he did not make me pay for it, but I read that book, and I figuratively bended my knees in gratitude for his service.

So I say that because I think he believes that his amendment is needed, but his amendment is not needed, and his veterans have all the voice they need.

What we are doing in our substitute is we are saying the 1907 law banning corporate treasury money will be enforced, the 1947 law banning union dues money will be enforced, and the 1974 law that says individual contributions can have limits unless it is just one individual who is spending it.

We allow for people to speak out. Sixty days before an election, soft money can be used. Sixty days to an election, it is hard money contributions. All of the money that individual veterans raise can be spent and can be advertised.

So I know he believes in this amendment, but I can tell my colleagues, we have had a lot of groups that have voiced concern, but the veterans are not one of them. They know in this country they have a voice, and they know in this Congress they have a lot of people who listen.

Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, I yield 1 minute to the gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Chairman, I think all of us honor our veterans in this Chamber, but what veterans are really interested in is having adequate health care.

Just a few days ago, this administration changed the $2-per-prescription copay or deductible that veterans have been required to pay for their prescription medications to $7 a prescription, a whopping $250 one-time increase. Many veterans in my district get 10 or more prescriptions per month. We take 7 times 10, that is $70 a month on veterans with a fixed income. I think we ought to all join in supporting my legislation to return that deductible to $2 per prescription and keep it there for the next 5 years.

Why are we imposing a $1,500 deductible, annual deductible, for veterans who get health care at many of our VA facilities? That is a new policy.

If we want to help our veterans, we will make sure they get the kind of health care they need rather than putting an additional burden upon them.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I kind of agree with the gentleman, but if we take away their right to speak, we are not ever going to get that fixed.

Mr. Chairman, I yield 1½ minutes to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, make no mistake about it, this is a vote for veterans, if one supports the Johnson amendment, which I do; if we vote against it, it is a vote against veterans.

The gentleman from Ohio made the case very, very strongly. Their voice. Look at the gentleman from Texas. Look at how he walks. Look at his hand. Do we not want veterans to have free speech at the time of an election when decisions are made?

I represent Fort Bragg. My veterans, my soldiers, men and women in uniform appreciate tax cuts as well, because that gives them the freedom and the flexibility and the financial ability to meet the challenges that they face.

So please join me in voting for the Johnson amendment which will allow veterans the voice that they need, particularly at election time.

Mr. FATTAH. Mr. Chairman, can I have an audit of the time, please?

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Pennsylvania (Mr. FATTAH) has 2½ minutes remaining; the gentleman from Connecticut (Mr. SHAYS) has 3¼ minutes remaining; the gentleman from Texas (Mr. SAM JOHNSON) has 4¼ minutes remaining.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona (Mr. HAYWORTH), a member of the Committee on Ways and Means.

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman from Texas for yielding me this time.

As the former chairman of the Subcommittee on Benefits of the House Committee on Veterans' Affairs, I am pleased and proud to rise in strong support of this amendment offered by the gentleman from Texas (Mr. SAM JOHNSON).

Mr. Chairman, it is a curious process here, because actually, through the amendment process, we are trying to restore first amendment rights. Think about what was done earlier today. It was bad enough that we established a new and, really, the ultimate loophole with this bill, allegedly taking effect or going to take effect the day after Election Day. Curious timing. Congratulations if it helps the fine folks in a partisan manner and allows them to take soft money, use it as collateral, turn it into hard money and presto-chango, the day after the election, pay off the loan. It is very crafty. But the American people see through it.

Now, tonight we are in the ironic position of trying to restore first amendment rights piece by piece, group by group, to American citizens. To the very people who fought to defend the first amendment, we have to say tonight, could we possibly restore those rights?

What should be beyond debate, beyond dispute is now suddenly put in contention. Mr. Chairman, I say to my colleagues, that is the very problem with the legislation, and that leads us to the irony of tonight where we seek to restore the first amendment.

Now, you are going to hear under the misguided label of reform, that oh, no, no, there is no intention to in any way diminish the rights of Americans. Why, this notion of reform, the same misguided notion of reform that leads to a loophole, that is obscene, a loophole that takes something that is illegal today, makes it legal for a certain amount of time. This is what is labeled in this almost Orwellian legislation as reform. And now our friends tell us, oh, no, no, it is not their intent to in any way abridge the first amendment. It is not their intent to in any way stop free debate. Yet here we are tonight trying to thaw the chilling effect of abridging the first amendment, of abridging debate on the part of everyday Americans who, yes, have the right and the franchise to vote, but should not lose their voice in the process.

Curiouser and curiouser, said Alice. It is sad to see this deliberative body put behind the looking glass.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

I have a lot of respect for the gentleman from Arizona, but I totally disagree with his analysis. The reason why we are opposing this amendment is because we do not believe that the amendment is needed because we know that first amendment rights are not threatened. One of the curious things here is that this does not just involve veterans, it involves senior citizens. Senior citizens.

AARP supports and has asked for this amendment, asked for our bill, our substitute, because they think their voice is being drowned out by large corporate interests and large union dues interests, as do some veterans. Some veterans think their voice has been drowned out by the voice of large corporations. My party for some reason has given the impression that this is doomsday if this bill passes. The thing that they are really saying is that they cannot exist unless they have large corporate contributions. I do not believe it, and I do not think it is true.

Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Chairman, the amendment we have before us is smoke and mirrors. Veterans have every right, and, in fact, today I am going to ask every single veteran to contact the Democrats, contact the Republicans and hold them accountable. Hold them accountable on the fact that today we have had a budget in the Committee on Veterans' Affairs that talks about $3.1 billion. Yes, of that $3.1 billion, there is a $1,500 codeductible that our veterans are going to have to pay. I am going to ask them to call and call, call every single Congressman, including the Democratic side.

That bill also calls for the fact that our veterans are going to have to pay $400 million additional monies on prescriptions. I am going to ask them, and they have the right, to call their Congressman, whether Republican or Democrat.

They are also being asked to cut $600 million from VA. That is part of the budget that is calling for a $3.1 billion increase when in reality it is less than $1 billion, which is not even enough to take care of existing costs.

If we want to help veterans, let us make sure we help veterans by giving them the needs that they have and the health care needs that they need now.

Mr. SAM JOHNSON of Texas. Mr. Chairman, may I inquire of the Chair, who has the right to close?

The CHAIRMAN pro tempore. The gentleman from Pennsylvania (Mr. FATTAH) as a member of the committee has the right to close.

The gentleman from Pennsylvania (Mr. FATTAH) has 1½ minutes remaining; the gentleman from Connecticut (Mr. SHAYS) has 2¼ minutes remaining; the gentleman from Texas (Mr. SAM JOHNSON) has 1¼ minutes remaining.

Mr. FATTAH. Mr. Chairman, I reserve the time for my close, and I have no further speakers.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

We are more than halfway through our legislation. We have worked very hard on it. This is one of the last amendments alleging that somehow people's voices are not going to be able to be heard. There is no truth to that at all, but the allegations are made. This is a bill that enforces the 1907 law banning corporate treasury money, the 1947 law banning union dues money, and enforces the 1974 reform laws.

Now, one of the allegations is that because we cannot use soft money, we cannot use that corporate treasury money and the union dues money, that somehow veterans do not have a voice. That is an absurdity. They have a voice as individuals, and they have a voice to pool their resources and to advertise. They just cannot do it with corporate treasury money and union dues money. Most veterans think that makes sense, because they do not have a lot of corporate treasury money and a lot of union dues money. They do not get it. They do not have a lot of wealthy people allowing them to advertise. What they have is a lot of numbers of small contributions, of hard money, that enables them to have quite a voice.

I would just make the point to my colleagues that this amendment is dearly a threat to our legislation because it suggests something that is not true.

Mr. Chairman, I ask unanimous consent to yield the balance of whatever time I have to the gentleman from Pennsylvania (Mr. FATTAH) so that he can close.

Mr. Chairman, do I have any time remaining?

The CHAIRMAN pro tempore. The gentleman has three-quarters of a minute remaining.

Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. FATTAH. Mr. Chairman, before the gentleman from Texas closes, I would like to yield 30 seconds to the gentlewoman from Florida (Ms. BROWN).

Ms. BROWN of Florida. Mr. Chairman, I am on the House Committee on Veterans' Affairs and have been on that committee for the entire 10 years I have been here in this Congress. Let me tell my colleagues I am very upset over the fact that we have a budget before this Congress that talked a great talk for veterans, but does not walk the walk. I cannot believe that we are going from $2 to $7 for copayments. We in this Congress ought to be ashamed of ourselves. If we want to help the veterans, help them financially and not with this phony talk.

Vote down this amendment.

I believe that the Bush Administration budget for veterans is an absolute disgrace. Their proposal is particularly disappointing when one considers the fact that the Bush Administration made various public statements describing how they were going to improve and increase the veterans' budget.

The Administration claims that this year's budget requests a record-setting $25.5 billion for medical programs, but in reality, they are asking Congress to appropriate $22.75 billion for veterans' medical care—$2.75 billion less than the reported record-setting reported total. And of the $25.5 billion the Administration claims the budget will provide for veterans medical care, $794 million will simply shift personnel related costs to VA from the Office of Personnel Management (OPM). Moreover, there is another $1.28 billion to offset cost increases like inflation, higher pharmaceutical prices, and federal pay raises. Taken together, this $2 billion increase doesn't provide a single dime more for medical care for veterans. Not only does this budget make it tougher for the veterans to receive the health care that they deserve, but it actually adds costs to the veterans by increasing their prescription drug copayments.

In addition, the proposed increase in the medical care appropriation for fiscal year 2003 is approximately $100 million more than the $1.3 billion Congress appropriated for fiscal year 2002 which the Administration acknowledges is $400 million short of meeting veterans' needs. Five of VA's 22 networks have already projected shortfalls in funding for veterans medical care by the year's end. The Administration already plans to request a $142 million supplement for funding to continue to treat non-service connected, higher income veterans, and they claim they will "find" another $300 million in "management efficiencies". As proposed by the Administration, the fiscal year 2003 VA medical care budget will require VA to find an additional $316 million in management savings in order to meet veterans' demand for health care.

This is purely shameful. It is preposterous that the Bush Administration, who has requested $48 billion for the military, refuses to request more money to take care of our nation's heroes who have risked their lives to defend our democracy.

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield 30 seconds to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I thank the gentleman from Texas once again.

My good friend from Florida proves the point. She has objections to what has gone on in the Committee on Veterans' Affairs. Why muzzle the veterans 60 days before the election? If they have concerns in a free society, let them bring them forth and make them clear. Do not abridge that. Oh, yes, I guess that is right, that they can advertise on the pages of the New York Times. I know that is of acute interest to at least a few in this Chamber. But why would we abridge their rights to freedom of speech?

This is the essence of the battle of ideas in a free society, and what has gone on here is suppression of that debate, the very thing we should champion.

□ 2015

Mr. SAM JOHNSON of Texas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think the gentleman is absolutely correct, and I happen to agree with the gentlewoman over there. I think we should do something for our veterans. I think that is atrocious that they have doubled or tripled that cost. I think that is the best reason I can think of why we should not subjugate the veterans of the United States of America, past, present, future, to some unconstitutional law that we are trying to pass tonight. This amendment will fix that for our veterans now and in the future.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Pennsylvania (Mr. FATTAH) has 1¾ minutes remaining.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, I rise to speak in opposition to this amendment.

There is not a veteran or person in our armed services who has served this country who desires some special set of rights or some special circumstances. What they desire for themselves is the same that we would provide for any American citizen. And what we are doing here is removing from politics the corruption of unlimited soft-money expenditures.

We will not have the Enrons of this country taking a few of their people and saying this is some kind of veterans committee and dumping millions of dollars into campaigns. What this amendment would do is tear away from the great work of JOHN MCCAIN, who is a well-recognized veteran who has given a great deal of sacrifice to bring our country now to the edge of history in terms of reforming and transforming our politics.

So I would ask the Members not to be swayed and to come to the floor and vote "no" on this amendment so that we can move finally at some hour tonight to finally reforming the campaign election laws of our country in terms of moving away the corruption of money in unlimited sums and allowing the voice of our people, veterans and nonveterans, to be heard so that our democracy can prosper.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Texas (Mr. SAM JOHNSON).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SAM JOHNSON of Texas. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 200, noes 228, not voting 7, as follows:

[Roll No. 26]

AYES—200

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bereuter
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Bono
Boozman
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Flake
Fletcher
Forbes
Fossella
Gallegly
Gekas
Gibbons
Gillmor
Gilman
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon

Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Otter
Paul
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Regula
Rehberg

Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu

Sweeney
Tancredo
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wynn
Young (AK)
Young (FL)

NOES—228

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner

Foley
Ford
Frank
Frelinghuysen
Frost
Ganske
Gephardt
Gilchrest
Gonzalez
Gordon
Graham
Green (TX)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)

Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Platts
Pomeroy
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Shays

Sherman
Simmons
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak

Tauscher
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky

Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Wolf
Woolsey
Wu

NOT VOTING—7

Boyd
Brady (TX)
Cubin

Oxley
Riley
Roukema

Traficant

□ 2036

Mr. WU changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 30 OFFERED BY MR. COMBEST

Mr. COMBEST. Mr. Chairman, I offer an amendment as the designee of the gentleman from Texas (Mr. ARMEY).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 30 offered by Mr. COMBEST:

Add at the end of title II the following new subtitle:

Subtitle C—Exemption of Communications Pertaining to Workers, Farmers, Families, and Individuals

SEC. 221. FINDINGS.

Congress finds the following:

(1) There are approximately 138 million people employed in the United States.

(2) Thousands of organizations and associations represent these employed persons and their employers in numerous forms and forums, not least of which is by participating in our electoral and political system in a number of ways, including informing citizens of key votes that affect their common interests, criticizing and praising elected officials for their position on issues, contributing to candidates and political parties, registering voters, and conducting get-out-the-vote activities.

(3) The rights of American workers to bargain collectively are protected by their First Amendment to the Constitution and by provisions in the National Labor Relations Act. Federal law guarantees the rights of workers to choose whether to bargain collectively through a union.

(4) Fourteen percent of the American workforce has chosen to affiliate with a labor union. Federal law allows workers and unions the opportunity to combine strength and to work together to seek to improve the lives of America's working families, bring fairness and dignity to the workplace and secure social and economic equity in our nation.

(5) Nearly three quarters of all United States business firms have no payroll. Most are self-employed persons operating unincorporated businesses, and may or may not be the owner's principal source of income.

(6) Minorities owned fewer than 7 percent of all United States firms, excluding C corporations, in 1982, but this share soared to about 15 percent by 1997. Minorities owned more than 3 million businesses in 1997, of which 615,222 had paid employees, generated more than $591 billion in revenues, created more than 4.5 million jobs, and provided about $96 billion in payroll to their workers.

(7) In 1999, women made up 46 percent of the labor force. The labor force participation rate of American women was the highest in the world.

(8) Labor/Worker unions represent 16 million working women and men of every race and ethnicity and from every walk of life.

(9) In recent years, union members and their families have mobilized in growing numbers. In the 2000 election, 26 percent of the nation's voters came from union households.

(10) According to the 2000 census, total United States families were totaled at over 105 million.

(11) In 2000, there were 8.7 million African American families.

(12) Asians have larger families than other groups. For example, the average Asian family size is 3.6 persons, as opposed to an average Caucasian family of 3.1 persons.

(13) American farmers, ranchers, and agricultural managers direct the activities of the world's largest and most productive agricultural sectors. They produce enough food and fiber to meet the needs of the United States and produce a surplus for export.

(14) About 17 percent of raw United States agricultural products are exported yearly, including 83 million metric tons of cereal grains, 1.6 billion pounds of poultry, and 1.4 million metric tons of fresh vegetables.

(15) One-fourth of the world's beef and nearly one-fifth of the world's grain, milk, and eggs are produced in the United States.

(16) With 96 percent of the world's population living outside our borders, the world's most productive farmers need access to international markets to compete.

(17) Every State benefits from the income generated from agricultural exports. 19 States have exports of $1 billion or more.

(18) America's total on United States exports is $49.1 billion and the number of imports is $37.5 billion.

(19) By itself, farming-production agriculture-contributed $60.4 billion toward the national GDP (Gross Domestic Product).

(20) Farmers and ranchers provide food and habitat for 75 percent of the Nation's wildlife.

(21) More than 23 million jobs-17 percent of the civilian workforce-are involved in some phase of growing and getting our food and clothing to us. America now has fewer farmers, but they are producing now more than ever before.

(22) Twenty-two million American workers process, sell, and trade the Nation's food and fiber. Farmers and ranchers work with the Department of Agriculture to produce healthy crops while caring for soil and water.

(23) By February 8, the 39th day of 2002, the average American has earned enough to pay for their family's food for the entire year. In 1970 it took 12 more days than it does now to earn a full food pantry for the year. Even in 1980 it took 10 more days—49 total days—of earning to put a year's supply of food on the table.

(24) Farmers are facing the 5th straight year of the lowest real net farm income since the Great Depression. Last October, prices farmers received made their sharpest drop since United States Department of Agriculture began keeping records 91 years ago.

During this same period the cost of production has hit record highs.

(25) The First Amendment to the United States Constitution states that, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or of the right of the people to peaceably assemble, and to petition the Government for a redress of grievances.".

(26) The Supreme Court recognized and emphasized the importance of free speech rights in *Buckley v. Valeo*, where it stated, "A restriction on the amount of money a person or group can spend on political communication during a campaign necessarily reduces the quantity of expression by restricting the number of issues discussed, the depth of their exploration, and the size of the audience reached. This is because virtually every means of communicating ideas in today's mass society requires the expenditure of money. The distribution of the humblest handbill or leaflet entails printing, paper, and circulation costs. Speeches and rallies generally necessitate hiring a hall and publicizing the event. The electorate's increasing dependence on television, radio, and other mass media for news and information has made these expensive modes of communication indispensable instruments of effective political speech.".

(27) In response to the relentlessly repeated claim that campaign spending has skyrocketed and should be legislatively restrained, the *Buckley* Court stated that the First Amendment denied the government the power to make that determination: "In the free society ordained by our Constitution, it is not the government but the people—individually as citizens and candidates and collectively as associations and political committees—who must retain control over the quantity and range of debate on public issues in a political campaign.".

(28) In *Buckley*, the Court also stated, "The concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment, which was designed 'to secure the widest possible dissemination of information from diverse and antagonistic sources,' and 'to assure unfettered exchange of ideas for the bringing about of political and societal changes desired by the people' ".

(29) Citizens who have an interest in issues about or related to their lives have the Constitutional right to criticize or praise their elected officials individually or collectively as a group. Communications in the form of criticism or praise of elected officials is preciously protected as free speech under the First Amendment of the Constitution of the United States.

(30) This title contains restrictions on the rights of citizens, either individually or collectively, to communicate with or about their elected representatives and to the general public. Such restrictions would stifle and suppress individual and group advocacy pertaining to politics and government—the political expression at the core of the electoral process and of First Amendment freedoms—the very engine of democracy.

(31) Candidate campaigns and issue campaigns are the primary vehicles for giving voice to popular grievances, raising issues and proposing solutions. An election, and the time leading up to it, is when political speech should be at its most robust and unfettered.

SEC. 222. EXEMPTION FOR COMMUNICATIONS PERTAINING TO WORKERS, FARMERS, FAMILIES, AND INDIVIDUALS.

None of the restrictions or requirements contained in this title or the amendments made by this title shall apply to any form or mode of communication to the public that consists of information or commentary regarding the statements, actions, positions, or voting records of any individual who holds congressional or other Federal office, or who is a candidate for congressional or other Federal office, on any matter pertaining to any individual.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Texas (Mr. COMBEST) and a Member opposed, the gentleman from Maryland (Mr. HOYER), each will control 10 minutes.

The Chair recognizes the gentleman from Texas (Mr. COMBEST).

Mr. COMBEST. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment which I am offering would ensure that nothing in H.R. 2356 would restrict workers, farmers, or their family members from communicating their views and needs to their elected leaders and the public. I believe that Shays-Meehan contains unfair restrictions on the rights of citizens, either individually or collectively, to communicate with their elected representatives and the general public. Such restrictions would stifle and suppress individual and group activity and advocacy pertaining to the public and government.

My neighbors at home in Texas do not want more restriction on their speech and ability to participate in the political process. They already fear that those in Washington do not hear their wants and needs. I can assure my colleagues that they do not know that this bill would further limit their ability to impact the national debate.

One of the most effective ways for citizens to communicate is to pool their voices and resources with like-minded individuals who many times would not be heard if not for this ability. This is essential for minority populations and those from rural areas. Without these tools to educate those not from rural areas of our unique needs, it would be impossible to positively impact the political debate.

The campaign finance reform debate demonstrates how out of touch Washington, D.C., is with rural America. East Coast editorial writers are the only ones who care about this issue. Before I came over to the floor today, I held a telephone conference with my rural newspaper editors; and not one question was asked about campaign finance reform; and yet if one listened to and read a few Eastern publications, they would think that the world is silently awaiting out there tonight for this House to respond and to act on this bill.

These terrible special interest groups that we hear so much about are made up of workers, farmers and families. These folks are trying to make a living and raise their families, and their personal time is scarce. They rely on their industry representatives to track important issues and to alert them when action is needed.

Most important to them is when the group reports how a particular candidate views their issue of interest. The problem is not interest groups, but the groups that have somehow been deemed politically incorrect by the political and media elites. To them Washington knows best, and if they are from a less-populated rural area of the country, their view and television ad should not count or be heard.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) may each control 4 minutes of time allocated to me and that they may yield time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. MEEHAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan (Mr. STUPAK) for the purpose of a colloquy.

□ 2045

Mr. STUPAK. Mr. Chairman, I wish to engage the sponsor of the legislation in a colloquy concerning election-related advertising that is permitted by the Shays-Meehan substitute.

Would the gentleman from Massachusetts please respond to the following question: Does the Shays-Meehan substitute allow political action committees of labor unions and nonprofit organizations, such as the Sierra Club or the National Rifle Association, to pay for broadcast ads that name a candidate for Federal office during the last 60 days of an election cycle?

Mr. MEEHAN. Mr. Chairman, will the gentleman yield?

Mr. STUPAK. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, I am happy to respond to the gentleman's inquiry, and the answer is yes. Political action committees, commonly known as PACs, raise money from individual donors in amounts that are limited by Federal law. They are subject to the Federal Election Campaign Act, thus they are not affected at all by title II of the Shays-Meehan substitute which relates to electioneering communications. Title II provides that corporations, including nonprofit corporations and unions, cannot use their treasury funds to pay for ads that mention a Federal candidate during the last 2 months of the election cycle. However, PACs, because they are not corporations or unions, can run ads that mention a candidate at any time during the election cycle without any restriction.

Mr. STUPAK. Reclaiming my time, just to clarify, Mr. Chairman, am I correct in saying that the Shays-Meehan substitute does not prohibit an organization, any organization, even like farmers, like the amendment before us now, from running any ad; it simply states that ads that mention candidates within the last 60 days of an election must be paid for with federally regulated hard money?

Mr. MEEHAN. If the gentleman will continue to yield, that is absolutely correct. Organizations may run any ad they wish at any time at all if they use hard money.

Federal PACs, such as those in corporations, labor unions, or groups like the Sierra Club or the NRA have set up, are hard-money entities. All their fund-raising and spending is governed by Federal law. So PACs can run ads that mention candidates during the last 60 days of an election cycle.

Mr. STUPAK. I thank the gentleman for that clarification.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Chairman, I thank the gentleman for yielding me this time.

I want to try to put this in layman's terms on what this means. Especially after that last colloquy, I think it is easy for people to get lost in all the detail. I run these focus groups. I go to a civic club, a good government group, and I say, let me just ask all of you: Give me a show of hands if you see an ad run in the final 60 days before an election and the ad mentions a candidate's name, would you consider that a campaign ad? And it does not matter if the group is Republican, Democrat, nonpartisan, just about everybody, everybody will raise their hand. They think that is a campaign ad if it mentions a candidate's name.

Then I say, okay, do not look at the person next to you, just answer the question: Do you think that if that group that runs that ad mentions the candidate's name, that they should come under the same rules and regulations as the candidates themselves, who also mention each other's names? And everybody raises their hands.

And I say it is sad that that is all that this bill does and everybody talks about it being some infringement on your first amendment rights. It treats the groups exactly like it treats the candidates. Now, if that is unconstitutional, then the way they treat us is unconstitutional, and that is not the case. It has been upheld.

That is the layman's description of what we are doing. We can get into all the technical explanations, but it is just that simple. That is what this bill does. And most people out there cannot understand why they would not come under the same rules. They can run the ads. We are not gagging them. We are not telling them they cannot, we are just saying they have to come under the same system.

Now, I am frustrated with this system, but this system has been in place since 1974, and it has been upheld. It is a regulated system, and I do not think the people are going to let us go back to a totally unregulated, unlimited system.

So why can we not all, if we are going to play in the final 60 days before a campaign, why can we not all play by the same rules?

Mr. COMBEST. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Okay, Mr. Chairman, I got everyone's attention. I do not even know how I did that, but there must be a signal out here.

Let me just say this. In terms of not having different rules and saying everybody's going to be treated differently, that is not bad. That is the way they did it in the Soviet Union. Everybody was treated right. They did not have any first amendment rights. Must have been the message. Nobody can speak the last 60 days.

I hate attack ads. I am the father of four kids. Do my colleagues know how humiliating it is to have an attack ad run when you are trying to bond with your 13-year-old going through middle school and all she hears on the radio is what a creep you are? Of course, she has been telling me that for a long time anyhow, but it is embarrassing.

I do not like attack ads, but doggone it, I cannot think of America without that first amendment right to run an attack ad. I think that would be far worse. Even though I have been a victim of one, I have to say it scares me to think of an America where we cannot run an attack ad. I try to turn them around. I say, well, there goes my opponent saying these bad things again. I am not going to do that. But he has the right to call me a scalawag, if that is what makes him feel good. And I have the right to tell the folks I am not a scalawag and vote for me anyhow.

This bill says to my farming population, to my farmers down in Evans County, in Tattnall County, in Vidalia, where we get all those great Vidalia onions, it says that they cannot participate in the system. Oh, the system lets certain people participate. You can give $60 million up to a political party if you are a big union or a company and you want to contribute. Hey, this bill allows the Democratic National Committee to build a building. Hey, this bill is so good, but we do not want to put it in effect until after the election. And my colleagues expect me to go back and tell my farmers that? My farmers are 2 percent of the population and feed 100 percent of the population and a great percentage of the world.

I had the opportunity to go to Afghanistan recently, and I am glad that American farmers are so doggone productive that we averted a lot of starvation in central Asia this year. Our farmers are up against the wall. They have high labor problems, they have environmental problems, they have problems with NAFTA and GATT, and they have to compete against countries that do not have to play by the same rules that we do. Our farmers' backs are against the wall right now with credit, with import, with falling markets, yet we are going to tell them, hey, just to be on the safe side, you all have to shut up the last 60 days. That is not fair.

It is not fair that all this bill really does in the name of banning soft money is reregulate it and refunnel it into preferred special interest groups. In my little old Georgia farm bureau, and all the 159 counties of Georgia, they are not going to be able to compete against the big boys because they cannot file all these reports. They do not have the big-city lawyers. They do not have the $60 million.

Let us do not say this is banning soft money. Let us say this is banning farmers from full participation. Vote for the Combest amendment.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume to respond to my colleague. He says they do not have the money to respond to all the big guys, and that is the whole point of this amendment.

We do not allow corporate treasury money and union dues money 60 days before an election; we allow individual contributions and PAC contributions to compete. Nobody is shutting up. It is just a level playing field. They can run their ads.

They are not the big guys, but they can do it with a unified effort on the part of a whole number of farmers who are fighting for their cause.

Mr. Chairman, I reserve the balance of my time.

Mr. MEEHAN. Mr. Chairman, how much time do I have remaining?

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Massachusetts has 1½ minutes remaining.

Mr. MEEHAN. Mr. Chairman, I yield myself ½ minute.

This amendment seeks to protect workers, farmers, and families, because we all know that workers, farmers, and families have these big soft money accounts. They raise millions.

As I sit back and think about it, the workers, the farmers, and the families are the reason why we need to pass this bill. The workers, the farmers, and the families, without these big multinational soft money PACs, soft money operations, are the reason why we have to pass campaign finance reform.

This unlimited soft money is the reason why we do not have a patients' bill of rights, the reason why we do not have Medicare prescription drug coverage for seniors, and the reason why workers are getting the shaft day in and day out because of this soft money system.

Mr. COMBEST. Mr. Chairman, could the Chair give us the time accounting?

The CHAIRMAN pro tempore. The gentleman from Texas (Mr. COMBEST) has 4½ minutes remaining, the gentleman from Maryland (Mr. HOYER) has 2 minutes remaining, the gentleman from Connecticut (Mr. SHAYS) has 1½ minutes remaining, and the gentleman from Massachusetts (Mr. MEEHAN) has 1 minute remaining.

Mr. COMBEST. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Chairman, I thank the gentleman for yielding me this time.

The supporters of this legislation wonder why the opponents of the legislation seem to be wanting to single out groups for special protection. I would submit that they ought to know why. It is because the legislation actually singles out corporations for special treatment.

If my colleagues wonder why the media, the big media, are so much in favor of this bill, it is because they are the only ones left standing once it passes. The parent company of MSNBC contributed about $2 million in soft money last year to the political process here. The parent company of CNN contributed $2.5 million last year in soft money. Yet they can speak through their media subsidiary. They are treated differently. They are given a media exemption.

Now, if my colleagues are yelling at the other side for offering amendments which single out individual groups and saying they should be able to speak, and saying that that is wrong, why do my colleagues give a media exemption to corporate-owned media? Why do my colleagues treat corporations, some corporations, differently than others?

This is just one example of the blatant inconsistencies of the bill. I would urge a "yes" vote on the Combest amendment and a "no" vote on Shays-Meehan.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

What our law seeks to do is enforce the 1907 law banning corporate treasury money, the 1947 law that bans union dues money, and enforces the 1974 campaign finance reform law. That is what our bill seeks to do. It allows people to speak out using the hard money 60 days before an election, and, frankly, they can use all that other money 60 days before an election.

That is what your bill seeks to do. We are getting closer and closer to seeing that happen.

Mr. Chairman, I yield the balance of my time to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, how much time did he yield back to me?

The CHAIRMAN pro tempore. One minute.

Mr. HOYER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Chairman, I thank the gentleman for yielding me this time. I oppose the amendment, and I urge all my colleagues to vote against it.

I oppose all these poison pill amendments because they are simply designed to kill the bill. The American people demand campaign finance reform. They will not stand for the killing of this bill. This bill needs to pass as is so the Senate can pass it and we can avoid a conference which will solely be called to kill it.

The American people are outraged at Enron. That is the impetus for many people switching over and supporting the bill. I have been here a good number of years now. It is very rare that we have a discharge petition, with a majority of Members of the House forcing a bill to come to the House floor. I am sorry it had to happen that way, but it happened that way because a majority of Members of this House want to see campaign finance reform and a majority of the American people want to see campaign finance reform.

□ 2100

Mr. Chairman, we know there is too much money involved in these elections, and we know that soft money is probably the most egregious form. We need to pass this bill, and we need to kill all of the poison pill amendments. I urge a "no" vote on the amendment.

Mr. MEEHAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to this poison pill amendment. It would break apart our coalition. It is an amendment designed to destroy the sham "issue ad" provisions of the Shays-Meehan bill by purporting to create a targeted exception, which in fact would exempt any possible advertisement paid for with soft money from these provisions.

It is simply bad public policy offered by opponents of reform, and it would blow a hole in the sham issue advocacy provisions in this bill by allowing unlimited soft money to be spent on any ad that mentions an individual.

Let me be clear. Nothing in the Shays-Meehan bill would ban an outside group or a political party or a wealthy individual from running an advertisement on workers or farmers. Simply put, there is no ban on ads in this bill, and nothing in this bill would apply to written voter guides. This bill simply says if you are a corporation, a 501(c) tax exempt or a union and want to broadcast cable, broadcast satellite ads 60 days before the Federal election, hard money has to be used rather than soft money. That is what this bill does. This means that if the NRA, the Sierra Club, National Right to Life, NARAL, the AFL–CIO wants to fund these ads mentioning Federal candidates proximate to Federal elections, they can fund them through their PACs.

In fact, the sham-issue ad provisions that are now in the bill are much narrower than ever before. And, previous versions of this bill passed the House with 252 votes.

We narrowed the provision to focus only on broadcast, cable and satellite ads proximate to Federal elections to make sure this provision stood on stronger constitutional grounds, and to ensure that the bill would have no impact on voter guides.

The provision now is not only narrower in scope but more likely to pass constitutional muster—because it supplies the bright-line test the Court prefers for distinguishing between campaign advertisements and pure issue advocacy. We have found the right balance—as a matter of policy, and as a matter of Constitutional law. Indeed, 9 former ACLU leaders have said that our approach to sham issue advocacy is constitutional.

We need to put teeth back into laws long on the books preventing corporate treasury money or union dues from being used for campaign ads.

It is time for this sham to end. It is time for those who pay for campaign ads to play by the rules—and for the American people to know exactly who is filling the airwaves with ads attacking candidates every second Fall.

Vote "no" on this poison pill amendment. It's a cynical ploy designed by opponents of this bill. Don't be fooled by this sham amendment.

Mr. COMBEST. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I am going to have to go with the gentleman from Tennessee someday to one of his town hall meetings. I have yet to have the luxury of a town hall meeting or sitting around with a group of people in a coffee shop in Texas and have them unanimously agree to the fact that we ought to bring them under some new Federal regulations.

It seems to me that the last two opponents of the amendment have pretty much brought about the argument that is being brought about tonight, that anybody who is concerned about their farmers or their workers or their families is bringing a poison pill. I have not quite figured out why it is in the legislative process, if Members are trying to protect the group of people that they represent, it is a poison pill. It may have an impact on a piece of legislation that the proponents would love to see put into place without any changes, but I am hopeful that the legislative process does not work that way; but it blows holes in it, and it is a poison pill. I would say that if there is no concern about, as regulations are being changed in regards to campaign financing and campaign law, that we could assure those people in rural America, to those farmers and workers and families, that in fact they would be protected if we adopt this amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. HOYER. Mr. Chairman, I rise in opposition to this amendment. It is an amendment like the four other amendments. It is an interesting proposition that we have before us. We are talking about campaign finance reform.

The gentleman from Tennessee (Mr. WAMP) said that he went and asked his people about whether or not they thought that everybody ought to be covered by the same rules. The gentleman from Tennessee (Mr. WAMP) said yes, all of them agreed that everybody ought to be covered by the same rules and they ought to know who advertises and tells them things so they can figure out for themselves what people are saying.

I suppose there are some on the other side of the aisle who will go home and say yes, I am for campaign finance reform, but I voted to exempt everybody from its coverage. That would be an interesting campaign finance reform. We have it on the books; but by the way, it does not cover anybody. Everybody is exempt.

Now, this amendment exempts workers and families and farmers and individuals. I am trying to figure out who, therefore, would be included if we adopted this amendment, seeing as how most of us sort of consider ourselves individuals?

So this is an extraordinarily interesting amendment, but it is also an extraordinarily bad amendment; and I do not believe any Member who is at all serious about trying to have some meaningful campaign finance reform could in good conscience, with any intellectual honesty, and with all due respect to the gentleman from Texas whom I have a great relationship with and greatly respect, possibly vote for his amendment. Therefore, I enthusiastically urge Members to vote against it.

The CHAIRMAN pro tempore (Mr. THORNBERRY). All time for debate on this amendment has expired.

The question is on the amendment offered by the gentleman from Texas (Mr. COMBEST).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. COMBEST. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 191, noes 237, not voting 6, as follows:

[Roll No. 27]

AYES—191

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Bereuter
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Bono
Boozman
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Flake
Fletcher
Forbes
Fossella
Gallegly
Gekas
Gibbons
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Otter
Paul
Pence
Peterson (MN)
Peterson (PA)
Phelps
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wynn
Young (AK)
Young (FL)

NOES—237

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Foley
Ford
Frank
Frelinghuysen
Frost
Ganske
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Gordon
Green (TX)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kirk
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Petri
Platts
Pomeroy
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (MI)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (PA)
Wexler
Wolf
Woolsey
Wu

NOT VOTING—6

Brady (TX)
Cubin
Oxley
Riley
Roukema
Traficant

☐ 2125

Mr. PASTOR changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Connecticut (Mr. SHAYS) or the gentleman from Massachusetts (Mr. MEEHAN).

AMENDMENT NO. 12 OFFERED BY MR. WAMP

Mr. WAMP. Mr. Chairman, I offer an amendment as the designee of the gentleman from Connecticut (Mr. SHAYS).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. WAMP:

In section 315(a)(1)(A) of the Federal Election Campaign Act of 1971, as proposed to be amended by section 308(a)(1) of the bill, strike "(or, in the case of a candidate for Representative in or Delegate or Resident Commissioner to the Congress, $1,000)".

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Tennessee (Mr. WAMP) and the gentleman from California (Mr. FARR) each will control 10 minutes.

The Chair recognizes the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment simply raises the $1,000 limit for individual contributions to House candidates to $2,000, which is the same as the Senate-passed bill sets for Senators. The Senate-passed bill raised their $1,000 contribution limit for the first time since 1974 to $2,000.

I believe that all 435 Members of the House should pay close attention to what is happening, because I also believe that this legislation will succeed through the legislative process and ultimately be signed into law, and I do not think it is appropriate for the Senate to have a different level on individual contribution limits than House candidates.

I also think we need to look over the last generation at exactly what has happened in individual contribution limits to House candidates. In 1974, this $1,000 was established, and individuals had that much influence in the process at that time. The fact is that the value of $1,000 in 1974 was a lot greater than the value of $1,000 in 2002. As a matter of fact, if it was indexed to inflation, which we index other factors of money and value, if it was indexed to inflation, it would be well over $3,000. I realize raising it from $1,000 to $3,000 would be too much to swallow at one time.

□ 2130

So this amendment is designed to strike a balance, to raise it to $2,000, which was the balance struck that 59 U.S. Senators voted for when this legislation cleared that body, because it is a reasonable approach. And then it prospectively indexes that level to inflation so that you will not have to come back and adjust it later.

The fact is this: individuals have less influence today in the political process than they had then just because the value of their participation has been reduced.

The Senate-passed bill also sets the limit for White House candidates and Senators, but it leaves the House at $1,000. So we are the only one of the considered that is not raised.

I think from a quality standpoint we need to raise it to $2,000. From a value of individual contributions standpoint we need to raise it to $2,000. I think we need to adopt the underlying premise they should be indexed into the future.

I will just say this before I reserve the balance of my time: through my 10 years of passionate involvement for campaign finance reform, I have never wanted and never desired not only to hurt my party, but to hurt the two-party system. I believe we should support the two-party system, and I certainly do not want to in any way hurt my party. But I never have been able to measure whether reform would help one party or hurt the other party, and at different times I felt maybe one had an advantage or not an advantage. I do not know how this will end up in terms of who gains the advantage, but I truly believe that this measure will strengthen the two-party system, and it will strengthen the parties at a time where we are removing the unlimited, unregulated soft money loophole. And when you remove that from the process, you need to increase the hard-dollar, the individual dollar contribution participation, so the parties can continue to thrive without looking to some new loophole. The parties need individual participation, and this will encourage individual participation.

Mr. Chairman, I reserve the balance of my time.

Mr. FARR of California. Mr. Chairman, I yield myself 1 minute to speak in opposition to this bill.

Mr. Chairman, this is a bad amendment; but let me put it first in perspective. Ten years ago President Bush vetoed a campaign finance reform bill, a tougher bill than any of the votes we have taken tonight. That bill that was on the President's desk banned soft money, it limited PAC contributions, it put a limit on individual contributions, it eliminated the issue-advocacy ads, it tightened the coordinated expenses and independent expenditures, it put stricter lowest-unit rate rules on broadcasters, and it allowed some public financing.

That bill was vetoed. We had campaign finance reform in America, and it was vetoed by the President. We hope that this President will not veto this bill, but he should with this amendment in it. I will tell you why. This is a bad amendment. More than 300 Members in this House twice have voted against this amendment. The last two times that this amendment was on the floor, overwhelmingly they defeated it. I urge those Members to do the same tonight.

Mr. Chairman, I reserve the balance of my time.

Mr. WAMP. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri (Mr. HULSHOF).

Mr. HULSHOF. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise to ask support for the Wamp amendment.

Mr. Chairman, I think that we have been viewing this entire debate through the eyes of 435 incumbents. I think we need to take a look at what changes are we making to campaign finance laws through the eyes of a challenger.

I have run as a challenger on two occasions, Mr. Chairman, in 1994 and 1996, and then as a sitting office-holder in 1998 and the year 2000. I can make a case that soft money actually benefits a challenger. Nonetheless, I think we should ban soft money at the Federal level.

But what do we do to assist that challenger in the meantime? I think the gentleman's amendment is right on point. We have to make it easier for someone in our respective districts to take us on. Everybody knows that there are inherent advantages to an incumbency, whether it is the power of the frank, whether it is the ability to stand here and talk and be recognized on C-SPAN. There are these built-in advantages to a sitting office-holder.

What do we do for the 435 candidates who may want to seek to serve in this body? Based on that issue, I think that this amendment is timely. I think it is an issue of parity, as far as this body and the other body; and I think with the corresponding ban on soft money, I think we should look to an increase in hard dollars and really give those challengers the ability to stand for public office.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Chairman, in response to the gentleman before me, hard money was outraised by incumbents 3.2 to 1. That is a totally BS argument, to say, hey, this is going to help challengers. It is going to help incumbents.

Lobbyists give 92 percent of their money in hard contributions. They say oh, this limit is too low, $1,000. Yes, less than 1 percent of the people in America contribute $1,000, so for 99 percent of the people, this a moot argument. Yes, but for those fat cats, those people who can afford the $1,000, this is an argument.

Come on, guys, let us get real. You say oh, the Senate, the Senate is doing $2,000; $2,000 every 6 years. You are talking about $2,000 every 2 years. That means every 6-year Senate cycle they raise $2,000, you raise $6,000.

So the arguments that are being drug before us are false arguments. Many reformers back in 1974 argued for $100. Apply the inflation rate to $100. It would be far less than the $1,000 of today. True reform, get the money out, stick with the lower limits.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from Texas (Mr. DOGGETT).

Mr. DOGGETT. Mr. Chairman, if this important bipartisan Shays-Meehan proposal has any defect, it is that it does too little, not too much, as its detractors have claimed tonight.

With the Shays-Meehan proposal, we take a very important step to reform, but it certainly is not the last step that we need to take. Only one-ninth of 1 percent of Americans gave $1,000 to a federal candidate during the last election cycle. The sole purpose of this amendment is to allow that elite group to give even more.

If we succeed in banning soft money on the one hand, but we increase the amount of hard money on the other hand, we will have simply taken from one and given to another. We have merely traded Tweedle-Dee for Tweedle-Dum.

The purported inequity that this amendment allegedly corrects is that candidates for the Senate can receive $2,000 during a 6 year term. But without this amendment, Members of the House can already receive $1,000 every 2 years or $3,000 during the same 6 year period. There is no inequity to correct.

Mr. Chairman, this amendment should be rejected.

Mr. WAMP. Mr. Chairman, I yield myself 15 seconds to respond.

Mr. Chairman, in response to the gentleman from Oregon who said that hard money in the last election was outraised 3.2 to 1, incumbents to challengers, ask him what the ratio is of PAC money incumbents to challengers. It is a lot higher, because PACs do not give to challengers, and at least they can get individual contributions.

Mr. Chairman, I yield 1½ minutes to the gentleman from California (Mr. HORN).

Mr. HORN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, 3 years ago I was against raising the amount we could have in our coffers for running for Congress. At that time the two Democratic and Republican chairmen came to the Committee on Rules and they said, well, we need $3,500. I thought that was too much.

I have changed my mind. We have had inflation and we need to index it, and we ought to move from $1,000 to $2,000.

Those of us, and there are a number of them here in the Chamber, that do not take political action committee money, who can give $5,000 to a candidate, the way those of the rest of us look to our constituency and our friends and the people that elected us, and those are the ones that want to back us, we do not have to then be with the interests that too often are in Washington and even in our States. So I hope we would move from $1,000 to $2,000.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentlewoman from California (Ms. LEE).

Ms. LEE. Mr. Chairman, I rise today to oppose this amendment which doubles the amount of money an individual can donate to a candidate, known as hard money, from $1,000 to $2,000. This amendment really is a complete step backwards in trying to get money out of our political system.

As Public Campaign states in its report called "The Color of Money," it is an indisputable fact of our political system that those candidates and laws favored by wealthy contributors usually prevail over those would-be backers who cannot afford to give such large sums of money.

Now, because of wage disparities and lower incomes in minority and poor communities, these constituencies just do not have large amounts of money to contribute to campaigns. We only further disenfranchise them if we raise the amount of hard money that an individual can contribute.

Also this hard-money system makes it much harder for women, people of color, and low-income people to run for office. It is really undemocratic. Allowing that amount to be doubled will only give wealthy people even more influence in our political system.

Mr. Chairman, I urge my colleagues to vote no on this very discriminatory amendment. We should be reducing the hard-money limits, rather than increasing them.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts (Mr. TIERNEY).

Mr. TIERNEY. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I have great respect for the gentleman from Tennessee and believe that he is not bringing this amendment for any ill purposes and may genuinely believe that he is doing a good thing here. But I think logic, if we can talk for a second, argues otherwise.

The fact of the matter is, as others have mentioned here, the underlying bill is trying to get money out of politics. We take target on the soft money and move that along.

The fact of the matter, it seems incongruous and contradictory to take a look and say now, on the hard money, we are going to increase the amount on that. If you can get access, if you can play in this political game at $1,000, you can certainly play at $2,000. For those in our American system who have not been able to play at the $1,000 level, you will be even further excluded and feel even more remote from the process.

There are already too many people participating in this system, too few people registering and too few a percentage of those registered people voting; and a great part of it is because they think people that have money in the system have access. And that does not matter whether it is soft money or hard money. If you double the hard-money limits, then people that do not have $1,000 to throw in a pie and do not have $2,000 think you are just making it more and more difficult for them to have a voice.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from New Mexico (Mr. UDALL).

Mr. UDALL of New Mexico. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, I rise to oppose the Wamp amendment. Putting more big money into the system is not the solution. We should be trying to encourage candidates to raise dollars in smaller amounts, not increasing the contribution amount to $2,000.

This debate reminds me of the discussion between the candidate and the contributor. The contributor asked the candidate, what do I get if I contribute $500 to your campaign? The candidate says, you get good government.

The contributor says, well, what do I get if I contribute $1,000 to your campaign? The candidate says, you get good government.

Well, how about $2,000? The answer is, you get any kind of government you want.

We do not want to go down that road. Keep the $1,000 maximum contribution limit. Vote no on the Wamp amendment.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Michigan (Ms. RIVERS).

Ms. RIVERS. Mr. Chairman, I rise in opposition to this amendment. To limit the availability of soft money while simultaneously raising individual contribution levels will not be seen as campaign finance reform by our constituents.

☐ 2145

It will simply look like the old bait and switch, like the old Washington where one hand washes the other, where lots of dollars flow to officeholders, and where the public interest is not the first priority in lawmaking.

Senator Ev Dirksen once joked, a billion here, a billion there, and pretty soon you are talking about some real money. Well, Mr. Chairman, to many of our constituents, $1,000 might as well be $1 billion, and a thousand here and a thousand there, and pretty soon we are talking about the flood of money that saturates this place.

Our vote on the broadcasting industry tonight demonstrates the last thing that we need in this town is more money. Please vote against this amendment.

Mr. WAMP. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Texas (Mr. BARTON).

Mr. BARTON of Texas. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I want to give my colleagues a real world example under today's rules. Now, this is a Republican primary example; it is not Republican versus Democrat. There is a new seat down in Texas that my son is running in. He is running among six other primary Republicans, one of which spent $4 million to run in a primary in Houston 2 years ago, $4 million, and got beat by a gentleman who is sitting on this floor.

Now, under today's campaign finance rules, if my son is able to get somebody on the telephone, I mean that is pretty good, just get them on the phone and talk to them for 15 minutes, he might be able to get them to send him a check for $1,000 in a race that he really needs to raise $1 million, and that is a thousand phone calls that he is just not going to get made.

Now, the gentleman from Tennessee (Mr. WAMP) says, let us at least raise this thing for inflation so that if my son can get somebody on the phone, he may be able to get $2,000. He is still not going to match the $4 million that was spent 2 years ago, but he may be able to double the efficiency.

If we were talking about raising this to $100,000, some of my friends might have an argument against it, but going from $1,000 to $2,000, there is a real-world example, admittedly in a Republican primary, where this, if it were law today, would give a challenger candidate who is not a millionaire an opportunity to have a chance to get enough funding to at least be competitive.

So I rise in strong support of the Wamp amendment, and I ask for its adoption.

Mr. FARR of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have been down this road before. In 1998, the gentleman from Kentucky (Mr. WHITFIELD) had this amendment. It was debated in the same sense it was debated tonight, and it was soundly rejected. Mr. Chairman, 315 Members of this body voted no. We are on the recorded record on that.

In 1999 the gentleman from Kentucky (Mr. WHITFIELD) again offered this amendment, the same debate, and 300 of us voted against it. Why? Because there is no reform in campaign reform if we are doubling the amount of money that we are putting into the bill.

This is not reform. We are trying to do history tonight. We are trying to pass campaign finance reform. We cannot have reform out there with a message that says, well, we did reform, but we just doubled the amount of money that we can get from individual rich contributors. There is only one way to have campaign finance reform, and that is to defeat this amendment with the same 300 votes that voted against it in 1998 and 1999. You are on the record, do not flip flop.

Mr. FARR of California. Mr. Chairman, I yield 1 minute to the gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Chairman, I thank the gentleman for that exciting rendition. The points the gentleman made were very succinct, and I appreciate the gentleman raising those issues, including the number of Members who had voted on this measure the last time, the over 300 Members that voted against this amendment.

I want to thank the gentleman on the other side for the hard work that he has put forward in bringing about true campaign finance reform, but I do disagree with him on this amendment.

I agree with the premise that we do not need to add more money into the process; we should be looking at reducing it. The other thing that we need to remember is nobody is forcing anybody to run for office. People choose to run for office, and they should have that opportunity, and it should not be all about money, and it should be about their ideas.

I think this sends a totally wrong message. I would encourage the body to vote down this amendment, as they did vote down this amendment before, and say no to this kind of politics and yes to campaign finance reform.

Mr. FARR of California. Mr. Chairman, I yield myself the remaining time.

Everybody here has been elected under the law that allows a $1,000 limit. We had no problem getting elected. Many of us have been elected many, many times. There is nothing broke out there that needs fixing. The law is a good law, and let us keep that good law so that we can have good, meaningful campaign finance reform tonight. Do not do it by throwing away the message by doubling the amount of contributions that one can take if this amendment is passed. This is a bad amendment. Defeat it.

Mr. Chairman, I yield back the balance of my time.

Mr. WAMP. Mr. Chairman, in trying to change that law, I yield the balance of our time to the distinguished gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, I thank the gentleman for yielding.

This has been a spirited debate. We did not put it in our substitute so we would, in fact, have this debate. We are going to live with whatever the decision is afterwards, whether this amendment fails or succeeds. I hope this amendment succeeds with all that I can urge. It is not a question of going from the $1,000 to $2,000, it is a question of going from $2 million to $2,000, or a half a million to $2,000, or $200,000 to $2,000.

We have gotten elected in part because of all of this soft money which we are going to see disappear. We are going to return it back to individual Americans.

Mr. Chairman, $2,000 is more than $1,000, but it should be $3,500 if we were looking at 1974. I urge my colleagues as Democrats and Republicans to support this amendment.

This bill may become law. We are going to have to live with it for the next many, many years, and I think my colleagues will agree that $2,000 will be better in the years to come than $1,000 and will make it equal to the Senate.

Ms. LEE. Mr. Chairman, I rise today to oppose the Wamp amendment, which doubles the amount of money an individual can donate to a candidate, known as hard money, from $1000 to $2000. I personally believe that we should decrease this maximum amount by 50% to $500 if we are really serious about campaign finance reform. The Wamp amendment is a complete step backwards in trying to get the money out of our political system.

As Public Campaign states in its report, The Color of Money, "It is an indisputable fact of our political system that those candidates and laws favored by wealthy contributors usually prevail over those whose backers, or would-be backers, cannot afford to give large sums. As American University law professor Jamin Raskin has stated, this system is 'every bit as exclusionary to poorer candidates and voters as the regime of the high filing fee and the poll tax' was in discriminating against African Americans and poor people in the South."

Because of wage disparities and lower incomes in minority and poor communities, these constituencies don't have the resources to contribute to campaigns. We only further disenfranchise them if we raise the amount of hard money that an individual can contribute. Additionally, this hard money system makes it much harder for women, people of color, and low-income people to run for office. This is undemocratic. Allowing that amount to be doubled will only give wealthy people even more influence in our political system.

We see that influence every day. For example, wealthy Enron and Arthur Andersen executives gave almost $800,000 in $1000 contributions since the 1990 election cycle according to U.S. Public Interest Research Group. Do we want to give these executives even more influence over Congress?

A 2000 poll by the Mellman group found that 81 percent of voters either support lowering the $1000 hard money limit or keeping it the same. The American people oppose the Wamp amendment and we should, too. I urge my colleagues to vote no on this very discriminatory amendment.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The question is on the amendment offered by the gentleman from Tennessee (Mr. WAMP).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FARR of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 218, noes 211, not voting 6, as follows:

[Roll No. 28]

AYES—218

Abercrombie
Aderholt
Akin
Armey
Bachus
Baker
Barr
Bartlett
Barton
Bass
Biggert
Bilirakis
Bishop
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Chabot
Chambliss
Clement
Collins
Combest
Cooksey
Cox
Cramer
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Ford
Fossella

Frelinghuysen
Frost
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hill
Hilleary
Hobson
Hoeffel
Hoekstra
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Larson (CT)
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Norwood
Osborne
Otter
Oxley
Paul
Pence
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Towns
Upton
Visclosky
Vitter
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Wynn
Young (AK)
Young (FL)

NOES—211

Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clyburn
Coble
Condit
Conyers
Costello
Coyne
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Frank
Gallegly
Gephardt
Gonzalez
Goode
Goodlatte
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hefley
Hilliard
Hinchey
Hinojosa
Holden
Holt
Honda
Hooley
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Platts
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Scott
Serrano
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Turner
Udall (CO)
Udall (NM)
Velázquez
Walden
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey

NOT VOTING—6

Ballenger
Brady (TX)
Cubin
Riley
Roukema
Traficant

☐ 2212

Mrs. KELLY, Mrs. EMERSON, and Messrs. HYDE, LoBIONDO, LUCAS of Kentucky, COLLINS and FORD changed their vote from "no" to "aye".

So the amendment was agreed to.

The result of the vote was announced as above recorded.

☐ 2215

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 33 OFFERED BY MRS. EMERSON

Mrs. EMERSON. Mr. Chairman, I offer an amendment as the designee of the gentleman from Texas (Mr. ARMEY).

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 33 offered by Mrs. EMERSON:

Amend section 323(b) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—An amount that is expended or disbursed for Federal election activity by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity), or by an association or similar group of candidates for State or local office or individuals holding State or local office, shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

Amend section 323(e)(3) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate or an individual holding Federal office may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.

Amend section 304(e)(2) of the Federal Election Campaign Act of 1971, as proposed to be added by section 103(a) of the bill, to read as follows:

"(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b) applies shall report all receipts and disbursements made for activities described in section 301(20)(A), unless the aggregate amount of such receipts and disbursements during the calendar year is less than $5,000.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentlewoman from Missouri (Mrs. EMERSON) and a Member opposed, the gentleman from Michigan (Mr. LEVIN), each will control 10 minutes.

The Chair recognizes the gentlewoman from Missouri (Mrs. EMERSON).

Mrs. EMERSON. Mr. Chairman, I yield myself such time as I may consume.

In November of 2000, on the night of my reelection, I told my constituents that I firmly supported meaningful campaign finance reform. That position has not changed and it will not change.

I know how hard the sponsors of this bill have worked, and I want to commend them for it; but if our goal is to reduce the influence of soft money, this bill does not go far enough. This bill is not true campaign finance reform. This bill is campaign finance hide and seek.

The fact of the matter is soft money will seek a place to hide, and there is a place to hide in this bill, dark enough and big enough to provide cover for mountains of soft money. This bill provides that cover for obscene amounts of money without Federal disclosure, without Federal reporting and in total darkness. This is hide and seek at its best or its worst.

In my home State of Missouri, it means for example that 10 corporations and 10 unions could give over $10 million of soft money to each party each year. If creating that loophole were not bad enough, Shays-Meehan creates an even bigger loophole by allowing Members of Congress, us, to raise unlimited soft money from 501(c) tax-exempt organizations. That is an outrage and even Senator MCCAIN did not support that loophole.

Labor unions worry that corporate soft money is killing our political system, and business interests worry that unions and union soft money is killing our political system. In fact, the fact of the matter is that the flood of soft money from both sides, from both sides drowns out the only voices which are important. Those are the voices of the American people.

The only way to allow the voices of the American people to be heard is to totally ban all soft money. Let us support true campaign finance reform, reform that closes all the loopholes. Let us get rid of the Levin loophole. Let us get rid of the midnight loophole to solicit 501(c) organizations, and let us ban all soft money.

Mr. Chairman, I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield myself 3 minutes.

Anyone who believes in grassroots activities must vote no on this amendment. It has been subject, as it has been true of other provisions, of grotesque mischaracterization.

What this does is not open the flood gates. It is make sure there is no flood gate. Instead, there is a channel for grassroots activity indeed for the people to be heard. The Senate adopted this provision on a bipartisan basis to preserve for the States and for the local parties an important role in traditional grassroots activities: registration, get out the vote, voter identification. Everybody should understand these restrictions.

The non-Federal of the State portion must be raised in accordance with State law, and many States prohibit corporate or labor union money. There is a limit by any entity of $10,000. There can be no mention, and I emphasize this, of a Federal candidate. There can be no expenditure of these moneys for broadcast television or for radio ads; and the State portion, the non-Federal portion, cannot be raised by a Federal office-holder or candidate. They cannot be transferred among committees. They cannot be raised in coordination with other political parties, and there has to be an allocation according to the FEC rules. There has to be a Federal hard-dollar match for these moneys.

There is no way this opens a flood gate. Instead, what this does is create an opportunity for the people to be heard, for grassroots activities to continue, for there to be voter identification, registration without a single reference to any Federal candidate. That is why Senator MCCAIN and Senator FEINGOLD supported this, and it was adopted by voice vote in the Senate.

This amendment is a poison pill, not only for this bill. It is a poison pill if adopted for grassroots activities. I have heard so much on that side of the aisle about the importance of grassroots activities of democratic, with a small D, participation. This amendment runs counter to that rhetoric.

I suggest that in a resounding way we vote no on this terribly misguided amendment.

Mr. Chairman, I reserve the balance of my time.

Mrs. EMERSON. Mr. Chairman, I yield 2½ minutes to the gentleman from North Carolina (Mr. HAYES).

Mr. HAYES. Mr. Chairman, I thank the gentlewoman from Missouri (Mrs. EMERSON) for yielding me the time.

Folks have been here a long time. The real moment of truth has arrived. Are my colleagues going to fish or are they going to cut bait? I strongly, enthusiastically, heartily support the gentlewoman's amendment.

This is campaign finance reform. It takes care of the problem on page 79 of the so-called latest and greatest Shays-Meehan bill, that page that allows soft money to borrow hard money and pay it back after the election. This fixes the problem now. In some precincts in Missouri I heard there was over 110 percent turnout. That is the kind of soft-money results that the other bill that is before us provides. Is that campaign finance reform? I do not think so.

Let us be serious. Here is the real thing. Here is our chance, our real chance to reform, to fix; and I submit to my colleagues that it is not money that is the problem. It is people who are the problem; but if we believe that it is money, fix it, take it out, take it now, let us do it. Let us reform campaign finance and support the gentlewoman from Missouri's (Mrs. EMERSON) amendment.

Mr. LEVIN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE), a very distinguished Member.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman from Michigan (Mr. LEVIN) very much for yielding me the time.

I would ask my colleagues, are we afraid of the committeemen and women, the precinct judges, the party Chairs, the people who are really on the ground exercising their democratic principles, their principles of belief in their parties, be it Republican or Democrat? This language has nothing to do with special interest dollars influencing the votes of Members of the House or Senate.

All it has to do is providing resources so that people who live in our communities, who work every day in political activities can, in fact, exercise the democratic process. These are resources to build party structures. These are resources to enable the grassroots, to get people involved, to do voter registration, to help young people become involved, not in terms of special interest dollars, but providing them the resources, maybe the stamps, maybe the literature, that helps encourage people to be part of this process. The Levin provision only allows what States already do themselves, there is no federal intervention.

I believe this is an asset. This is something that contributes to what we are trying to do, get more people involved, say yes you can be involved and your voice is very important.

This deals with a myriad of groups. It does not isolate groups. It does not distinguish or suggest that people cannot be involved. These are resources that will be given to allow us to organize in our communities. I cannot imagine any of us that go home to any of our respective communities would ever say to the committeemen who work long hard hours, to precinct judges that work with us, to the activists that work with us, that their work in encouraging people to vote is not important.

I would ask my colleagues to look at these resources as it is. These are not dollars that come to any one of us. These are not dollars that, in fact, have direct influence and direct us in any way in making decisions on policy. These are dollars that have to do with bringing in a whole group of individuals who will have the opportunity to exercise their view and viewpoints. This is not a good amendment, and I would ask my colleagues to defeat it.

Mrs. EMERSON. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio (Mr. NEY), the tremendous chairman of the Committee on House Administration.

Mr. NEY. Mr. Chairman, I thank my colleague for yielding me the time.

This, of course, what my colleague is trying to correct, this is the Enron limousine part of Shays-Meehan, $60 million-some with the Levin amendment. We call it the Enron limousine. They could have spread around $60 million-some.

I think we have heard it all tonight. I do not know if it is because it is getting late or because we have just got to create more on the floor of the House. We have heard it all. Now eliminating soft money, which is what this amendment does, is a poison pill. We have really evolved.

Somebody said this bill has barely changed. It is not the same species. I cannot believe that we are talking about doing something good with the elimination of the soft money, it now becomes a poison pill; but back-room deals can be cut all the time to evolve this bill. We bring up good amendments and all of the sudden they are just not good enough.

In defense, somebody said tonight it can only be used for good purposes. It is still influence-peddling when someone is going to throw that money around. From our point of view, this is what my colleagues have said hundreds of times about this type of soft money. 501(c)(3) too is also in here, the 501(c)(3)s, and there is a building fund. This is so full of soft money, and my colleagues know it.

This is a good amendment, makes a good correction. I urge support of the amendment.

Mr. LEVIN. Mr. Chairman, how much time is there, please?

The CHAIRMAN pro tempore. The gentlewoman from Missouri (Mrs. EMERSON) has 4½ minutes remaining. The gentleman from Michigan (Mr. LEVIN) has 5 minutes remaining.

Mr. LEVIN. Mr. Chairman, I yield myself 15 seconds.

The $50 million figure comes out of thin air, made of whole cloth; and the gentleman who just spoke wants to have unlimited soft money while this is money under State law, carefully, carefully confined to grassroots activity.

No one should vote for the Emerson amendment.

Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut (Mr. SHAYS), one of the chief cosponsors of this bill.

Mr. SHAYS. Mr. Chairman, I thank the gentleman from Michigan (Mr. LEVIN) for yielding me the time.

This is a very interesting debate. We are on different sides. The gentleman from Ohio (Mr. NEY) has a bill that will be coming up that has no limits to soft money on the State level and some limits in soft money on the Federal level; but on the State level he will allow Federal employees to raise that money on the State level.

The gentleman from Michigan (Mr. LEVIN) has an amendment that he is trying to keep in the bill that was put in by the Senate. The Senate wants this amendment. They believe it is fair because they believe it does not involve any Federal employees, any Federal office-holders, any Federal party people.

□ 2230

It is soft money raised by a State, and a State chooses to do it. Any State that does not allow soft money, there is no soft money. We are allowing States to do what they want to do for their elections, for local and State elections.

Now, I confess to my colleagues that there was an amendment that did this before. The gentleman from Arkansas had an amendment where he wanted the States to raise soft money, and I opposed it because I knew we would eventually send it to the Senate. I wish this amendment were not here, as a purest, but I think it is fair. My concern is that it is a good amendment now, that it could be changed over time, but it is fair now. It works now. And it is absolutely essential if we are to pass this bill that this amendment stay in and that the amendment being offered not be allowed to pass. I cannot emphasize it enough.

We have had some easy votes, maybe my colleagues think. They are going to be really, really close now. After all this, we are going to defeat this bill by accepting an amendment that frankly is pretty amazing given that the gentleman from Ohio (Mr. NEY), in a few moments, is going to offer an amendment to allow unlimited soft money at the State level.

So is this a perfect bill? No. It is 85 percent of what I would like it to be. The gentleman from Michigan (Mr. LEVIN) and I have had debates about this, because I think this is something that could be turned into something later on. But as it is constructed, as it is used, it is fair. It makes sense. No Federal employees can raise it, it cannot be used by Federal employees, it has limited use, and it cannot be used for any advertising.

Mrs. EMERSON. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. FLAKE).

Mr. FLAKE. Mr. Chairman, I thank the gentlewoman for yielding me this time.

We have come full circle. It is 10:30 on a Wednesday night, and I think we have heard just about everything. We have heard that soft money is evil, yet now it is okay. We have heard from the other side that we have to do without it, but now we cannot do without it. We have heard that we have to get rid of it, but now we need it to collateralize loans for hard money and then to pay off hard money loans through an amendment in the middle of the night that nobody seems to want to own up to.

We have heard it all. Let us call this what it is. It is a blatant attempt to buy the last couple of votes needed for this bill, and it keeps getting worse and worse and worse. I wonder at what point people will stand up and say, enough. This is not the bill we started out with. It keeps getting worse.

We have come full circle. Soft money is bad; now it is not only good, it is necessary to promote grassroots activity. Which is it? Please tell us.

I urge support of the Emerson amendment.

Mr. LEVIN. Mr. Chairman, how much time is remaining?

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentlewoman from Missouri (Mrs. EMERSON) has 3½ minutes remaining, the gentleman from Michigan (Mr. LEVIN) has 2¾ minutes remaining. The gentlewoman from Missouri has the right to close.

Mrs. EMERSON. Mr. Chairman, I reserve the balance of my time.

Mr. LEVIN. Mr. Chairman, I yield myself 15 seconds. To the gentleman from Arizona, if he wants to defame the Members of the Senate, Mr. MCCAIN, Mr. FEINGOLD, and all others who voted in favor of this, it was by voice vote, go ahead and do so. Go ahead and do so. The gentleman is making a mistake.

This is to preserve grassroots activity and nothing else.

Mr. Chairman, I reserve the balance of my time.

Mrs. EMERSON. Mr. Chairman, I yield 1 minute to the gentleman from California (Mr. OSE).

Mr. OSE. Mr. Chairman, I thank the gentlewoman from Missouri for yielding me this time.

Let me just say that I do not serve in the Senate. I serve in the House. My district goes up and down the center part of California. And while I am very respectful of what the fine Senators in the other body might have to do or say, maybe two of California's Senators might visit my district sometime in the next few months and find out what they are saying, with all due respect to the gentleman. They do not speak for my district, I speak for my district. And if they want to come to my district and visit with my people, I will be happy to have a town hall meeting with them.

Mr. LEVIN. Mr. Chairman, I yield myself such time as I may consume to respond to the gentleman from California that I think his Senators will take up his invitation.

Mr. Chairman, I yield the balance of my time to the gentleman from Massachusetts (Mr. MEEHAN), who has worked so hard on this bill and who very much opposes this poison pill amendment.

The CHAIRMAN pro tempore. The gentleman from Massachusetts is recognized for 2½ minutes.

Mr. MEEHAN. Mr. Chairman, I thank the gentleman from Michigan for yielding me this time.

It is about 10:35 at night, and the amendments continue. This is an amendment, another attempt to destroy the coalition that we have held together over a period of the last several years. There have been negotiations that have taken place that have been bipartisan and bicameral. We have a historic opportunity here in this House to pass a bill that will fundamentally change the way elections are held in this country. A historic opportunity.

The only way we are not going to have this opportunity is if the opponents of reform are able to pass an amendment that is designed to kill the bill. We have faced a series of those amendments, all taken in last night at about 12 o'clock and all designed to break up the coalition. Sometimes they try to break off Democrats, sometimes they try to break off Republicans, sometimes they have amendments that the Senate will never go along with. Sometimes it is Senate Republicans they are trying to offend. Anything and everything that can be proposed to try to defeat McCain-Feingold/Shays-Meehan has been proposed this evening. This is nothing more than the latest attempt.

But I want to tell my colleagues something. The American people get it. The American people are watching this debate tonight waiting to see who is for real reform, who is trying to break up the coalitions, who wants to pass a bill, and who wants to kill a bill, because every person in this House knows that if we pass a bill designed to go to the conference committee, it is going to die in conference, just where a patient's bill of rights is dying. Just where campaign finance reform in the past has died. That is why we have preconferenced this bill with the Senate, to design a bill that is balanced and fair to both political parties.

Now, if my colleagues want to defeat campaign finance reform, they will have yet another possibility to do that. That is this amendment. And after this amendment, we will have other amendments designed to kill this bill. But I believe a majority of the Members of this House are ready to stand in a bipartisan way, whether it takes until 11 o'clock, 12 o'clock, 1 a.m., 2 a.m., 3 a.m., or 4 a.m. we are going to stand tall, opposed to any amendment that will break up our coalition.

I ask all Members on both sides of the aisle to defeat this amendment and pass campaign finance reform.

Mrs. EMERSON. Mr. Chairman, I yield myself such time as I may consume, and I would like to ask my good friend, the gentleman from Massachusetts (Mr. MEEHAN), one question, please.

If soft money is so corrupting, why then does the gentleman allow any soft money to be legal in this bill?

Mr. MEEHAN. Mr. Chairman, will the gentlewoman yield?

Mrs. EMERSON. I yield to the gentleman from Massachusetts.

Mr. MEEHAN. Mr. Chairman, if the gentlewoman thinks soft money is okay, why does she oppose the $10,000 limit?

Mrs. EMERSON. I hate soft money.

Mr. MEEHAN. Can I answer the question?

Mrs. EMERSON. Yes.

Mr. MEEHAN. This is a limited amount, $10,000. It cannot go for television ads, it cannot go for radio ads.

Mrs. EMERSON. Wait, stop, everyone.

Mr. MEEHAN. It cannot go for radio ads.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The CHAIRMAN pro tempore. The gentleman will suspend.

The Chair again requests that Members use the proper procedure in yielding back and forth to each other. The gentlewoman from Missouri (Mrs. EMERSON) controls the time. If the gentlewoman chooses to yield further to the gentleman from Massachusetts, she may do so.

Mrs. EMERSON. Mr. Chairman, I would like to just have a very short answer from the gentleman.

Mr. MEEHAN. If the gentlewoman will continue to yield, my brief answer is we believe that the million-dollar contributions, like the $4 million to Enron over a period of 10 years, the $2 million in the last election cycle, that is what we are fighting; the $2 million ends up in television ads.

This is $10,000 that cannot go on television. It cannot do anything but build both parties.

Mrs. EMERSON. Mr. Chairman, reclaiming my time, how much time do I have remaining?

The CHAIRMAN pro tempore. The gentlewoman has 1½ minutes remaining.

Mrs. EMERSON. Mr. Chairman, I yield 15 seconds to the gentleman from Ohio (Mr. NEY).

Mr. NEY. Mr. Chairman, I just want to point out that Shays-Meehan has been passed around and changed more than a baby at an all-day baptism party in the last 2 weeks and last night.

And the other thing is, my friends from Michigan and Connecticut do not get the point. We have a good bill, the gentleman from Maryland (Mr. WYNN) and I. We did not claim it was from the outset completely pure. My colleagues all claim to ban soft money, but they do not.

Mrs. EMERSON. Mr. Chairman, I yield myself the remaining time.

Back a couple of amendments ago, I heard the gentleman from Massachusetts (Mr. MEEHAN) talk about the corruption of soft money and how we do not have a prescription drug bill for senior citizens because of soft money, and his bill does not ban it. In the gentleman's bill there are big huge loopholes for obscene amounts of money from pharmaceutical companies, from unions, from whomever to keep us from doing good legislation.

If we are really serious about this, we will ban all soft money now and forever.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from Missouri (Mrs. EMERSON).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LEVIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 185, noes 244, not voting 6, as follows:

[Roll No. 29]

AYES—185

Aderholt
Akin
Armey
Baker
Bartlett
Barton
Bereuter
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Bono
Boozman
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Chabot
Chambliss
Coble
Collins
Combest
Conyers
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Pence
Peterson (MN)
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Upton
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Young (AK)
Young (FL)

NOES—244

Abercrombie
Ackerman
Allen
Andrews
Baca
Bachus
Baird
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Dunn
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Ganske
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kirk
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella

Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Petri
Phelps
Platts
Pomeroy
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schaffer
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Shows
Simmons
Skelton
Slaughter
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Toomey
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Wolf
Woolsey
Wu
Wynn

NOT VOTING—6

Brady (TX)
Cubin
Pelosi
Riley
Roukema
Traficant

□ 2300

Mr. TOOMEY and Mr. KERNS changed their vote from "aye" to "no."

Mr. BURTON of Indiana changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 34 OFFERED BY MR. WICKER

Mr. WICKER. Mr. Chairman, as the designee of the majority leader, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 34 offered by Mr. WICKER:

Add at the end of title III the following new section:

SEC. 320. BANNING POLITICAL CONTRIBUTIONS IN FEDERAL ELECTIONS BY ALL INDIVIDUALS NOT CITIZENS OR NATIONALS OF THE UNITED STATES.

Section 319(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by striking the period at the end and inserting the following: ", or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act).".

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Mississippi (Mr. WICKER) and the gentleman from Maryland (Mr. HOYER) each will control 10 minutes.

The Chair recognizes the gentleman from Mississippi (Mr. WICKER).

Mr. WICKER. Mr. Chairman, I yield myself 3½ minutes.

Mr. Chairman, this is a simple amendment. It closes a loophole in our current campaign finance system which allows foreign interests to influence United States elections. It requires that contributions to Federal candidates be made by either United States citizens or American nationals.

When discussing this amendment with many of my colleagues, Mr. Chairman, they have asked me, "Isn't that already the current law?" Unfortunately, Mr. Chairman, it is not the current law. And so this amendment is being offered and designed to combat foreign influence in our elections and in our Federal Government.

The Shays-Meehan campaign regulations bill permits contributions from permanent resident aliens. The problem is this, Mr. Chairman: The Federal Election Commission has interpreted this exemption to the point where all a foreign citizen, a foreign citizen, needs is an address in the United States to be permitted to make a contribution. This alien loophole makes it easier for foreign interests to funnel money to United States political campaigns.

Hours ago on this floor of the House, my friend the gentleman from Massachusetts (Mr. MEEHAN) mentioned that it might take more than one scandal to bring a bill to the floor. He mentioned several, but one of the scandals he mentioned was the contribution of foreign nationals to our Federal election in 1996. He mentioned that as one of the scandals that we had had in the United States of America, and indeed it was. The American people witnessed in the Clinton-Gore campaign a breathtaking willingness to solicit campaign money from noncitizens. It is this abuse which my amendment is designed to address. The video of Al Gore soliciting money from Buddhist monks who had taken a vow of poverty is an example of the type of campaign finance abuses this amendment addresses.

This is a serious matter. The fact that it is simple in nature does not take away from the seriousness of it. We are talking about protecting our process from campaign contributions from China, Indonesia, Saudi Arabia, wherever, into our system.

This amendment, has already passed this House of Representatives on three occasions: once under suspension as a freestanding bill and twice as amendments to the Shays-Meehan legislation. In the 105th Congress, it received a vote of 282–126; in the 106th Congress, a margin of 242–181.

On both of those occasions, the amendment was adopted, the Shays-Meehan bill came to final passage, and the Shays-Meehan bill was adopted overwhelmingly in the House of Representatives. So I challenge those of my colleagues who have been saying throughout the afternoon that this amendment is a poison pill amendment. We have adopted three amendments already today which I think have improved this legislation.

This amendment is one that has widespread bipartisan support. I urge my colleagues to adopt it as they have the other three amendments.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I yield myself 5 seconds. This amendment takes away rights that currently exist.

Mr. Chairman, I yield 1 minute to the gentlewoman from Hawaii (Mrs. MINK).

Mrs. MINK of Hawaii. I thank the gentleman for yielding me this time.

Mr. Chairman, I represent well over 100,000 individuals in my State who are legal residents who have come here to make a life for their families.

The Constitution was written by some very, very wonderful people who made no distinction whatsoever in guaranteeing the rights and privileges of this country when they wrote the word "persons." They did not say "citizens." They said "persons." And the courts time and time again have protected the rights of persons within the United States. They have not made any discriminations, neither should we, in terms of dealing with these people who are legally here.

Twenty thousand legal residents currently serve in the military. More than 20 percent of Americans who have received the Congressional Medal of Honor were legal residents. How can we deny legal residents the right to care about what is happening in this country? We need to keep them in the political process. Do not write them off. They are our friends. They are part of our community. We should respect the work that they do.

Mr. WICKER. Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Chairman, I thank my friend from Mississippi for yielding me this time, and I thank my friend from Hawaii for her impassioned statement.

You know, the whole purpose of the amendment process is to offer perfecting amendments, and indeed, if we followed the gentlewoman's logic, then we would allow noncitizens to vote. After all, should they not have a voice? Indeed, we have seen evidence of that in recent election campaigns, just as we saw in 1996, Bernard Schwartz, the leading contributor to the Democratic Party, and his Loral Missile Systems give the Communist Chinese guidance systems, and our Commander in Chief at that time did absolutely nothing. And that was an outrage. But we understand the pop psychology of the left: "Oh, gee, it's just this horrible system. I didn't really mean it. It's just a horrible system."

Now, my friends, here is your chance to change the system, to say lawful citizens can contribute. No more financiers of Red Pagoda Communist Chinese cigarettes, no more daughters of the head of the Chinese equivalent of the CIA who showed up in the Oval Office, no more sham corporations, Chinese shell corporations operated by the Red Army of China doing their dirty work through soft money to a Clinton-Gore reelection campaign.

If you are serious about reform, stand up for national security, stand up for this perfecting amendment, but I know the Orwellian phrase will be, somehow this is a poison pill. Yes, I guess it is poisonous to disallow enemies of this state access to our political system. That is so bizarre.

Shame on those who advocate this. Support this amendment. Stand up for America. Improve the system.

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds.

The CHAIRMAN pro tempore. The Committee will be in order.

Mr. HOYER. The House is not in order, and particularly the gentleman from Arizona is not in order.

The CHAIRMAN pro tempore. More than one Member is not in order.

PARLIAMENTARY INQUIRY

Mr. HAYWORTH. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman will state his inquiry.

Mr. HAYWORTH. Mr. Chairman, is it appropriate for a Member of the House to impugn the motives or the conduct of another Member of the House?

The CHAIRMAN pro tempore. The Chair would respond that all Members should refrain from impugning the personal motives of other Members or engaging in personalities.

The Chair would also respond that the Chair is simply attempting to maintain order so that we can work our way through the amendments. If the Members would cooperate, that would be helpful.

The Chair recognizes the gentleman from Maryland (Mr. HOYER).

□ 2315

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, tarring with a broad brush is not worthy of this House. It has happened before, and it has demeaned the Constitution and the generosity of the Statue of Liberty that stands at her door.

Mr. Chairman, I yield 1 minute to the distinguished gentleman from New Jersey (Mr. MENENDEZ).

Mr. MENENDEZ. Mr. Chairman, it is obvious that xenophobia is alive and well in some quarters of this Chamber.

This is not about foreign influence. Legal permanent residents are the sons and daughters, brothers and sisters, mothers and fathers of United States citizens who obeyed the rules, followed the laws, and now are in this country and live a lawful life. They fight for the country, they die for the country, they contribute to the Nation's economy, and they pay taxes.

Today there are 20,000 legal permanent residents enlisted in the Armed Forces of the United States. They are protecting our airports, our seaports, our borders. They risk their lives daily in Afghanistan and other places around the world to protect us here at home. And they have the right to make contributions to causes and to candidates they support now under the law, a right that should not be taken away from them.

If they can die for this country, sir, they certainly have the right to choose who is going to send them there by the political process. But they can participate by giving contributions, and that should never, ever, be taken away.

Mr. WICKER. Mr. Chairman, I yield myself 25 seconds.

Mr. Chairman, I am a veteran of the United States Air Force. I have worn the uniform of my country, and I still serve in the United States Air Force Reserve. And I would tell my friend from New Jersey that every member of the United States military is prohibited by law from making political contributions.

When I was on active duty, I could not make political contributions. I was just as good a citizen then as I am now; but because of the very nature of my activity, I could not make such contributions, and I was no less of a citizen.

Mr. HOYER. Mr. Chairman, I am proud to yield 1 minute to the gentleman from Texas (Mr. REYES), the chairman of the Hispanic Caucus.

Mr. REYES. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, this evening it is a simple situation that we are facing here in the House. Each one of you is going to get one of these handouts this evening, and let me just read it to you.

It says, "He saved the lives of our American soldiers under fire in Vietnam. He received the Congressional Medal of Honor. He now heads the United States Selective Service System. Now we want to make him, and others like him, guilty of an unlawful act if they contribute to your campaign.

"Alfred Rascon, now director of the United States Selective Service, was a legal permanent resident when he served our country in Vietnam and earned the Congressional Medal of Honor."

That is what it gets down to. It gets down to fairness. It gets down to recognizing that legal permanent residents live here, work here, pay taxes; they serve in the military, they earn Medals of Honor, and we should be ashamed of ourselves if we pass this tonight.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to the distinguished gentleman from Texas (Mr. GONZALEZ), whose father was a giant in this institution on the rights of all people.

Mr. GONZALEZ. Mr. Chairman, I rise in strong opposition. We really thought this was going to be the last amendment, because we thought they would save the worst for last; but it is not, and we are here at this moment, and I have about 30 seconds.

Who are you talking about? Who are these legal permanent residents that you refer to? Are they faceless members of a crowd? I will tell you who they are. They are people that are in this country by choice; who have a greater appreciation for the freedoms of our democracy than most people that are here today simply by accident of birth. They contribute the blood, sweat and tears to this country. They have as great a love as anyone that was ever born here.

If you come to San Antonio, Texas, you will know exactly what I am talking about. Do you want to know what we are talking about tonight? I will tell you. Look in the mirror. You will see the faces of your grandparents and your parents, your brothers and your sisters and your neighbors. That is who we are talking about tonight.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Chairman, I rise in opposition to this amendment, which would threaten the rights of minorities to participate in our Nation's political process.

Just as citizens do, legal permanent residents are required to register for the draft. Many are veterans. It has already been mentioned there are 20,000 legal immigrants serving voluntarily in the military, and that 20 percent of the Congressional Medal of Honor recipients in U.S. wars have been legal immigrants or naturalized Americans.

Mr. Chairman, in addition to this being a poison pill amendment, it is also clearly unconstitutional. Federal courts have held that immigrants have the same first amendment rights as citizens. Let us not deny them that.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to the distinguished gentleman from California (Mr. BECERRA).

Mr. BECERRA. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, "Hundreds of thousands of immigrants take the oath of citizenship every year. Each has come not only to take, but to give. They come asking for a chance to work hard, support their families, and rise in the world. And together they make our Nation more, not less, American."

Those are not my words. Those are the words of George W. Bush, the President of the United States. He said that while he was flanked by two individuals who happened to have been former lawful permanent residents, his Secretary of Labor, Elaine Chao, and his Secretary of Housing and Urban Development, Mel Martinez, who are now U.S. citizens.

You seek to deprive people like Secretary Martinez and Secretary Chao, and my mother, the opportunity to participate in this process. Today we can argue on the floor of this House about the freedoms of this country, while people stand in Afghanistan to secure our freedom and stand at our airports to secure our freedom. Let us stand with them as they stand with us.

Mr. HOYER. Mr. Chairman, I yield 45 seconds to the distinguished gentlewoman from California (Ms. SOLIS).

Ms. SOLIS. Mr. Chairman, I rise also to convey my anger and disgust with what I have seen occur here tonight on this floor. Twenty percent of the constituents in my district are legal residents. Twenty-five percent of them have just become U.S. citizens.

The message that they hear every single day on the news is that the Republican Party, our friends from the other aisle, want them to be a part of America. But tonight you are sending them the wrong signal. You are driving a spear through their hearts, through their families, because they have worked hard, they have worked lawfully.

My parents came here as legal immigrants to see their daughter rise to become a Member of this House. So many people are waiting for the American dream. They pay taxes, they have given their sons and daughters, they fight our wars. And they will continue to do that because they have a strong belief in our Constitution and the freedom that this country represents.

We cannot allow this amendment to go forward. I hope that Members on the other side of the aisle will agree with me.

Mr. WICKER. Mr. Chairman, I yield 1½ minutes to the gentleman from Georgia (Mr. BARR).

Mr. BARR of Georgia. I thank the gentleman for yielding me time.

Mr. Chairman, what is wrong with the Shays-Meehan picture? If a U.S. citizen wishes to contribute voluntarily money for party building, for grassroots activity, to get out the vote, to educate voters, they are prohibited from seeing their money used for those lawful legitimate laudable purposes by a political party at any time during a campaign and by a grassroots organization during the final stages of a campaign. Yet a noncitizen, somebody not allowed to vote in this country, can, under Shays-Meehan, vote and influence political events in this country by making a contribution.

Something is wrong with this picture, when we are taking rights away from United States citizens in Shays-Meehan and allowing the right to vote to influence the political process to noncitizens. That is what is wrong with the picture.

It is a loophole that must be plugged. Vote for the Wicker amendment. The Wicker amendment simply stands for the proposition, very simply, that if you cannot vote, you should not be able to contribute and influence directly the political process through money, when you do not have the right to vote.

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds.

Mr. Chairman, The gentleman is wrong on both points. It does not take rights away from American citizens, and this bill neither gives nor takes away from rights of people who legally live in this country. That is the law today. You seek to take it away.

Mr. Chairman, I yield 30 seconds to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Chairman, I just want to give two faces to the people that you would deny this right. I had one woman come into my office from the former Soviet Union. She was in a country, it was a dictatorship at the time, she was Jewish, she could not even exercise her right to go to synagogue. She was so proud of the fact she could come in my office, she could make phone calls, she could do mailings and make a little contribution, I think it was $25.

She was so proud of that fact. She could not vote yet because she was applying to be a citizen, but she wanted to participate in the process.

I had another woman who was a doctor at the local emergency room, an Indian physician. She wanted to do the same thing.

What is wrong with letting these people exercise their rights? Nothing.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the gentlewoman from California (Ms. PELOSI), the Democratic whip.

Ms. PELOSI. Mr. Chairman, I thank the distinguished gentleman for yielding me time and for his leadership on this important issue.

Mr. Chairman, I represent a district that is so beautiful because it is so diverse. Our country is every day invigorated by the arrival of newcomers on our shore. They bring with them their courage, their commitment to family values, a commitment to the academic ethic, the religious ethic, a sense of community, and a strong love of freedom and patriotism, yes, to America.

I urge my colleagues to oppose this unfortunately mean-spirited amendment because it is a poison pill and because it will deprive minorities in our country of a right to participate in the freedom that they have so courageously sought.

Mr. HOYER. Mr. Chairman, I yield 30 seconds to the distinguished gentleman from Washington State (Mr. INSLEE).

Mr. INSLEE. Mr. Chairman, where are the smartest people in the world going? They are going to America.

□ 2330

Physicists from Ireland, computer specialists from India, folks from all over the world are coming to this country as the mecca of democracy, and they are making our economy stronger. If my colleagues want to know what it means, come to my district to see what it means for Microsoft and real networks to make this economy boom. I will just say one thing: The fellow who said Patrick Buchanan says that this is hurting America, he is dead wrong, and we ought to reject it to put a stake in the heart of that attitude in this country tonight.

Mr. HOYER. Mr. Chairman, I yield 15 seconds to the very distinguished gentleman from the State of Oregon (Mr. WU), the only Member of this House born in Taiwan.

Mr. WU. Mr. Chairman, enemy of the State. Enemy of the State. I have not heard much of this debate since hearing those words. I think that the gentleman from Arizona, by labeling legal permanent residents of America enemies of the State, by so doing has perpetrated a great evil and consigned that perspective, I hope, to the dust heap of history.

Mr. WICKER. Mr. Chairman, I yield 1 minute and 10 seconds to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I thank the gentleman for yielding.

I want to say that I am conflicted by this. I want to say to my friends on the Democrat side, they have made a lot of good points. I think there are a lot of good points that have been made by the Republican side, too. I also want to remind my colleagues, because there are a lot of new people here who have been speaking with lots of righteous indignation about this, and I think their indignation is sincere, but veterans over there and veterans over here may remember September 14, 1999, when we had this exact same vote on a bipartisan basis. It passed 242 to 181. I have the voting list in my hand. I will be glad to share it with anybody. I do not choose to embarrass anybody by reading names, but I can tell my colleagues that every third name on here is a Democrat. I will say this to my Republican colleagues: Plenty of them voted no last time.

This is not a bipartisan issue. This is not a finger-pointing issue, and this is not a racist issue. If it is, we are indicting a lot more than the author of this amendment, because plenty of folks voted yes last time, and plenty of folks voted no last time in each party. I have it right here in my hand.

So I am just saying this: As many of my colleagues know, I can be just as partisan as some of the rest of us, but I am saying in this case, this is not a partisan issue, this is not a mean-spirited amendment. We have been down this path before. I think we had a much better debate last time, but here is a copy of the results of that debate, and I will share it with anybody.

Mr. WICKER. Mr. Chairman, how much time remains on each side?

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Mississippi (Mr. WICKER) has 1½ minutes remaining; the gentleman from Maryland (Mr. HOYER) has 1¾ minutes remaining.

Mr. WICKER. Mr. Chairman, I would inquire of the gentleman from Maryland as to the amount of speakers he has remaining.

Mr. HOYER. Mr. Chairman, I have two, but I will take 15 seconds, and I will yield the balance of the time to the gentleman from Connecticut (Mr. SHAYS).

Mr. WICKER. Mr. Chairman, if the gentleman would go ahead with his one speaker, then I will conclude our portion of the debate.

Mr. HOYER. Mr. Chairman, I yield myself 15 seconds. First of all, let me say that the information we currently have is that military personnel can, in fact, contribute. They cannot solicit, but they can contribute.

Second, I would say that when we say that I left my lamp beside the golden door, it means that you are welcome. And when we say to somebody, you are a legal permanent resident and you can pay taxes and serve in the service, it means not only are you welcome, but you can participate. Let us not shut that golden door tonight.

Mr. Chairman, I retain the balance of my time.

Mr. WICKER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the gentleman from Maryland, who is my friend, for the tone of his remarks, and I would assure him that when I was a member of the United States Air Force, it may have been by statute, it may have been by regulation, but members of the service were prohibited from making contributions, and we were still good citizens.

Mr. Chairman, I regret the tone that this debate has taken tonight. I am looking out at the faces of my colleagues. I know them, they know me. I would hope they would not impugn a racist motive to an amendment that I have offered on several occasions in this body and has been adopted overwhelmingly on a bipartisan basis.

This is an issue of foreign campaign influence, and I regret that tonight there have been attempts to turn it into a minority issue or a racial issue, or an immigration issue, because it most certainly is not. It is about the fact that really and truly, abuses have occurred, and this legislation has been adopted by this body three times already to address those abuses. It simply makes the statement and would make the statement in the form of the Shays-Meehan bill that the election of Federal officials is the duty of United States citizens, and that is all the amendment does.

I urge the adoption of the amendment.

Mr. HOYER. Mr. Chairman, for the purposes of closing debate on this important amendment, I yield the remaining time to the cosponsor of this legislation, the distinguished gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Chairman, I thank the gentleman for yielding me this time.

I had fainted unless I believed to see the goodness of the Lord in the land of the living, and I see this goodness in this House, and I see a little anger, and I see little charges. My wife and I got to serve in the Peace Corps. It was the best 2 years of our lives, serving in another country and learning another culture.

George Bush gets it. He would oppose this amendment. He knows we live in a pluralistic society, and he knows our party is not pluralistic. Look at us. We are good people, but we do not look like that, and some day my hope, some day my hope is that we will look like that, but amendments like this make it very difficult for people of other cultures to want to be a part of our party.

This amendment passed in the past because we confused foreign nationals and the soft money they gave to legal permanent residents who were giving legal contributions, and we got caught up in all of that soft money given by foreign nationals. This is not about foreign nationals. It is about legal permanent residents being allowed to participate in our government.

Mr. WU. Mr. Chairman, this amendment is more than a poison pill to campaign finance reform; it is a poison pill to our Constitution—to our civil rights.

There is nothing in this Constitution that says that the protections of the Bill of Rights extend only to United States citizens. Throughout it there is reference to people, not just citizens. There have been court decisions time and time again that have extended the protections of the Constitution to all persons living within the United States.

We have had a great problem in the Congress making a distinction between illegal residents and legal permanent residents. Legal permanent residents have gone through all the processes. They have spent years to even come to the United States. They have come here with the purpose of being lawful, participating people in this great democracy. They play important civic roles and pay federal, state and local taxes. They serve in the military and are deeply affected by political decisions.

Nearly 20,000 legal permanent residents are now serving voluntarily in the military and playing key roles in our nation's defense against terrorism. Moreover, more than 20 percent of the Congressional Medal of Honor recipients in our nation's wars have been legal immigrants, many of whom later became citizens of this country.

Why are we afraid of these legal residents? We should not be. We should be welcoming them as participants in this democracy.

Let us not make a mockery of our Bill of Rights, of our Constitution, and adopt an amendment that says we will let you live in our country, but we will not allow you to participate.

Do not disgrace the Constitution by supporting this kind of amendment.

The CHAIRMAN pro tempore. All time for debate has expired.

The question is on the amendment offered by the gentleman from Mississippi (Mr. WICKER).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. WICKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 160, noes 268, not voting 6, as follows:

[Roll No. 30]

AYES—160

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bereuter
Biggert
Bilirakis
Blunt
Boehner
Bono
Boozman
Brown (SC)
Burr
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Deal
DeLay
DeMint
Doolittle
Duncan
Dunn
Ehrlich
Everett
Flake
Forbes
Fossella
Gallegly
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goss
Graham
Graves
Green (WI)
Grucci
Gutknecht
Hansen
Hart
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hilleary
Hobson
Hoekstra
Holden
Hostettler
Hulshof
Hunter
Hyde
Isakson
Istook
Jenkins
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kingston
Knollenberg
Largent
Latham
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Otter
Oxley
Pence
Peterson (PA)
Petri
Pickering
Pitts
Pryce (OH)
Putnam
Radanovich
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Royce
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Stearns
Stump
Sununu
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Whitfield
Wicker
Wilson (SC)
Young (AK)

NOES—268

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonilla
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Bryant

Burton
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Tom
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doyle
Dreier
Edwards
Ehlers
Emerson
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Fletcher
Foley
Ford
Frank
Frelinghuysen
Frost
Ganske
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Granger
Green (TX)
Greenwood
Gutierrez,
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kirk
Kleczka
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Osborne
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Phelps
Platts
Pombo
Pomeroy
Portman
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Regula
Reyes
Rivers
Rodriguez
Roemer
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Rush
Ryan (WI)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Shows
Simmons
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stenholm
Strickland
Stupak
Sweeney
Tanner
Tauscher
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (PA)
Weller
Wexler
Wilson (NM)
Wolf
Woolsey
Wu
Wynn

NOT VOTING—6

Brady (TX)
Cubin
Riley
Roukema
Traficant
Young (FL)

☐ 2355

Mr. BALLENGER and Mr. CUNNINGHAM changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 29 OFFERED BY MR. REYNOLDS

Mr. REYNOLDS. Mr. Chairman, I offer an amendment as the designee of the gentleman from Texas (Mr. ARMEY).

THE CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 29 offered by Mr. REYNOLDS:

Amend section 402 to read as follows:

SEC. 402. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect February 14, 2002.

(b) TRANSITION RULE FOR SPENDING OF FUNDS BY NATIONAL PARTIES.—If a national committee of a political party described in section 323(a)(1) of the Federal Election Campaign Act of 1971 (as added by section 101(a)), including any person who is subject to such section, has received funds described in such section prior to the effective date described in subsection (a) which remain unexpended as of such date, the committee shall return the funds on a pro rata basis to the persons who provided the funds to the committee.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 334, the gentleman from New York (Mr. REYNOLDS) and the gentleman from Florida (Mr. DAVIS) each will control 10 minutes.

The Chair recognizes the gentleman from New York (Mr. REYNOLDS).

Mr. REYNOLDS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, throughout this day I have listened to many of my colleagues rail on the evils of soft money. That is why it is time to ensure the rhetoric matches the reality. And I am doing just that by introducing an amendment that reverses a slick attempt to manipulate existing law and which will end soft money now rather than election day. By enacting this amendment, soft money will be banned tomorrow, Valentine's Day; and that is fitting because it would put an end to sweetheart deals being advanced by many of the supporters of Shays-Meehan.

☐ 0000

I can certainly see why my colleagues on the other side of the aisle do not want to end soft money now. They want a grace period that will allow them to spend tens of millions of dollars in soft money this year.

Just take a look at last year, where nearly 54 percent of all contributions to Democrat committees were soft money contributions, compared to only 35 percent for Republican committees; and I can see why they may not want to close the loophole that would allow them to use a $40 million soft money building fund as collateral for hard-money dollars they could use in this year's campaigns.

If we do not approve this amendment, not only will it fail to do what Shays-Meehan originally intended to accomplish, we would allow a perversion of current law restricting the use of soft money.

Without this amendment, we would actually weaken current law, think about that, weaken current law by allowing national political parties to borrow hard money and repay it with soft money.

That is right, according to the commissioners of the Federal Election Commission, and I am reading verbatim, the transition rule allowing national party committees to spend soft money between November 6, 2002, and January 1, 2003, does not prohibit the use of soft money to pay debts related to Federal elections.

It is clear that this Congress would weaken existing law because, and I am again citing FEC officials, the proposed bill effectively invalidates the Federal Election Commission's soft-money allocation regulations.

That is just one opinion. So let us hear another.

According to Common Cause lawyer Trevor Potter, former counsel to Senator JOHN MCCAIN, the national parties may spend excess soft money to pay off any outstanding debts, noting that the tax provides that soft money could be used to retire outstanding debts, incurred solely in an election occurring by November 5, 2002. It does not make reference to contributions or expenditures or non-Federal, joint or allocated activities.

Yet another opinion from election law expert Benjamin Ginsberg of Patton Boggs: The lack of specificity in the language means that a portion of hard dollar debt or obligations could be paid with soft money. As a practical matter, the plain wording of the proposed language would allow national party or committee to borrow hard dollars, spend those dollars in the upcoming election, and then use the remaining soft dollars to repay that debt.

With this kind of creative bookkeeping on the part of the Shays-Meehan supporters, I cannot help but wonder if Arthur Andersen helped draft it.

Mr. Chairman, Webster's defines reform as to amend or improve by change of form or removal of faults or abuses. Without this amendment, there will not be reform because we do not remove faults or abuses. In fact, this bill allows manipulation and subversion and gives preferential treatment and sweetheart deals to many of those who claim today that the system was fraught with those very vices.

Frankly, I do not see how making an exception to allow the Democratic National Committee to manipulate a $40 million soft-money account to help fund campaigns this year is reform by any definition, especially when they would be prevented from doing so under the current law that we stand under today.

I do not see how allowing parties to pay back hard-money campaign expenditures with millions of dollars in soft money represents a ban by any stretch of anyone's imagination.

A few months ago, the chief sponsor of this measure said, and I quote, "There is no reason to delay the demise of this indefensible soft money system," end quote. CHRISTOPHER SHAYS, May 1, 2001.

If soft money donations to national parties are as evil and corrosive as Shays-Meehan proponents proclaim, then they should be stopped immediately. I realize that Shays-Meehan today, in its fourth incarnation, is not the Shays-Meehan that was first introduced. In fact, these two bills have about as much in common as a Ford Escort and a Ford Explorer. It is the same manufacturer, the same brand name, but completely different vehicles. Worse, it weakens existing laws that Shays-Meehan supporters claim are already too lax.

To my colleagues on the other side of the aisle who support Shays-Meehan, I ask only that they demonstrate that they believe in what they told the American people today, by really, truly banning soft money and banning it now.

To my colleagues on this side of the aisle who support Shays-Meehan, I ask only for fairness and that they level the playing field by making this an honest soft-money ban rather than creating special exemptions and special deals for the other party.

Mr. Chairman, if we are going to end soft money, then let us end it once and for all. Let us end it now, not months from now, when it is more politically convenient. If we are going to stop using soft money in campaigns, then let us make sure it is stopped in every campaign.

Without this amendment, the supporters of Shays-Meehan are saying that while soft money may be bad, it is not bad enough to ban right here, right now. There is a word for that, Mr. Chairman, and it is hypocrisy.

I urge approval of the amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. DAVIS of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. HOYER), the distinguished ranking member.

Mr. HOYER. Mr. Chairman, I was not going to speak on this amendment, but the gentleman from New York (Mr. REYNOLDS), my good friend, mentioned hypocrisy. It is an interesting word.

We stand here with an amendment that says we ought to have a ban on soft money tomorrow, today. Today is tomorrow, my friend from Massachusetts tells me. What a wonderful proposition, from the party whose President George Bush, the first, in 1991 vetoed campaign finance reform, an amendment that says let us do it today from the party that for 10 years has delayed the adoption of campaign finance reform.

My, my, my. Now with the practicality of implementing an entire new program, that cannot possibly be done in the time frame set forth, designed, therefore, to kill this bill, is put forward. My, my, my. I say yes, hypocrisy is an interesting word.

Mr. REYNOLDS. Mr. Chairman, I yield myself such time as I may consume.

It gets down to the bottom line we are not going to hide from this vote anymore. We are going to have a vote tonight. The Democratic majority had 40 years to bring about true campaign reform. It is going to be passed by Republican votes tonight. I only can ask for a level playing field. I ask that we ban it right now, right here, February 14, reform.

Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me the time, and I rise in strong support of this amendment, the reason being that this amendment would simply correct what is probably the most egregious, perhaps even the most cynical flaw in this badly flawed bill. And the flaw is simply this: the Shays-Meehan bill allows a party to go out and borrow money now, spend it in the upcoming election as though it were hard money, and then repay the loan with the soft money that the bill is supposed to ban. The fact is the Shays-Meehan bill has a money laundering provision, a provision that allows them to convert from soft to hard money.

Soft money is supposed to be this egregious evil. The bill allows the parties to go out and raise it and then convert it and use it for a broader purpose, basically enhance its value, spend it as though it were hard money; and how convenient this is that the party that overwhelmingly supports this bill just happens to be the party that is relatively low on hard money these days, has an ample reserve of soft money. This is a very cynical feature of this bill, and I commend the gentleman from New York (Mr. REYNOLDS) for offering the amendment that would correct it.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from New York (Mr. REYNOLDS) has 2½ minutes remaining. The gentleman from Florida (Mr. DAVIS) has 8½ minutes remaining.

Mr. DAVIS of Florida. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) control 3 minutes of the time allocated to me and have the ability to yield time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. DAVIS of Florida. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK. Mr. Chairman, first let us talk about the time. Yes, if this bill had come up in a timely fashion last year, it would have been effective for this cycle. The amendment purports to say let us put it into effect right away.

Seventy House seats will be decided in primary in 3 weeks. The States of California and Illinois between them have more than 70 House seats. The primaries are in 3 weeks. Members can differ about a lot of this bill, but it is simply not logically possible to argue that they are for this bill and are going to have it go into effect 3 weeks before primary which have been conducted heretofore under the old rule. That is just not arguable, and to have someone say I am for the bill but I want to make it take effect right away and then call me a hypocrite is like being called silly by the Three Stooges. It simply does not make any sense.

One cannot purport to be for this bill and say that they are now going to put it into effect 3 weeks before 70-some-odd primaries.

The other point that the gentleman raised has some validity. There is some ambiguity in the bill; and as Members know, it will be corrected in a recommit. To the extent that there is an unintentional ambiguity that would allow a hard-money, soft-money transfer, the recommit will ban that. I understand that there is no worse news to give people who have found a flaw in something they hate than to plan to correct a flaw. I apologize. Maybe they should have held that they tortured the language or did not torture the language, they came up with an ambiguity.

The two sponsors of the bill are going to put an end to that ambiguity. I understand why they want to talk about it now. It is about to disappear, and they will miss it, I understand, because it will take away from them that argument. So the fact is very simple. If my colleagues voted for Shays-Meehan, how can they possibly now go to the people and say yes I voted for this and I then voted to make it take effect immediately 3 weeks before the primaries in which the rules have already been under the other way? Then it has got to go to the Senate and be signed by the President.

I hope this amendment is defeated and we will correct that error in the recommit.

Mr. REYNOLDS. Mr. Chairman, I yield myself such time as I may consume.

My colleagues keep getting confused between hard and soft money. Last I knew a primary was won on hard money, not using soft money. I also recollect that basically on some of the ambitions of some of the Members of the other side of the aisle they killed the bill the last time we had it in July, when we did not pass the rule, which I managed on this very floor.

Mr. Chairman, I yield 2 minutes to the gentleman from Arizona (Mr. SHADEGG).

Mr. SHADEGG. Mr. Chairman, I thank the gentleman from New York (Mr. REYNOLDS) for yielding me the time.

I spent almost a decade of my life doing campaign finance law before being elected to the United States Congress, and in that tenure I never advised a Republican Secretary of State, but I did advise two different Democrat Secretaries of State, and I want to focus on this language because I think it does matter.

I am glad that the gentleman from Massachusetts (Mr. FRANK), my colleague, has acknowledged that we are going to correct or they claim they are going to correct this flaw, but all day long they have been saying it was not a flaw. Indeed, this morning, the heat of debate, oh no, this language is perfect, we would never do such a thing.

I want to walk us through the language. I began today by calling the lawyer who replaced me as the adviser of the Arizona Secretary of State, and I faxed her the language and said does this language allow soft money to be used to repay a debt for dollars that were spent as hard dollars? She reviewed the language and in a phone conversation said to me, clearly, it does, there is no question about that.

Tonight we hear that in a last minute motion to recommit we are going to correct an error that they denied all day. I guess my question is, how many other errors are there?

It is interesting to me. I guess the gentleman from Massachusetts (Mr. FRANK) now says that the two letters that were produced today saying this defect is not here, in fact, are wrong themselves. I am glad he concedes that. As a matter of fact, the first of those two letters says it is clear that under current Federal election law only hard money can be used to pay off a loan where the money was used as hard money. Well, yes, that is the law now but we changed the law, and he says under section 402(b), language that I guess the gentleman from Massachusetts (Mr. FRANK) now disagrees with, that soft money can only be used to pay off soft-money expenditures.

Except that is clearly not true, if my colleagues read the language; and interestingly, neither of the letters of those who propose this language offers a single citation to a single case making the point, nor do they point to any sentence in the bill itself; but my colleagues do not have to be a lawyer. All they have to do is read the bill. It is plain language.

☐ 0015

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

We have three amendments, and that is it, and I cannot predict the outcome of any of the three. But we have really two issues that are in play right now. One of them is the issue of the delay to the start of the next campaign season, November 6, and the other is soft money.

In regards to the issue of delay, we thought that after 16 months already into this, whether we can blame one side or the other, we are here now and not in July or January of last year. We are 16 months into a 24-month election cycle, and by the time this bill becomes law, if it does become law, it is 2 or 3 or 4 months from now, and then we only have 4 months.

So I was asked, and others, does it make sense to have this bill take effect now, and the answer was it really does not. And I have spoken to some Members here who say the same thing. They know it. People on my own side of the aisle know it does not make sense to have it take effect today unless we want to kill the bill.

Now, on the issue of the soft money, I have been in pain all day, because the one thing that I do not want is there to be any ambiguity for any Member about any question of this bill. And the gentleman from Arizona (Mr. SHADEGG) was the final straw. He was the final straw. I believe he believes so strongly about this, and I believe he has influence over other Members, and so the motion to recommit is going to make it clear that there cannot be any soft money used for hard money expenses.

Now, the question my side of the aisle will have to answer is are they going to vote for a motion on the other side to take care of a problem they want to take care of? And that is going to be real curious. Are my colleagues going to do it, or is it all rhetoric? We are going to solve the problem about this issue in a motion to recommit, and I hope my colleagues will support it because it will take care of the problem of the feeling of ambiguity.

In my sense there is not a problem with it, but we want to make sure there is no doubt. And the other reason we want to make sure there is no doubt is the President has expressed concern about this, and we need to make sure there is no doubt in the mind of the President.

Mr. Chairman, I reserve the balance of my time.

Mr. DAVIS of Florida. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. SHERMAN).

Mr. SHERMAN. Mr. Chairman, last week there was discussion as to what the effective date should be, and the gentleman from Connecticut describes his thought process. It might have been reasonable to have an effective date as early as the date of enactment, the date the President signs the bill. Maybe it would have been reasonable to have it 30 days or 60 days thereafter. The most reasonable outcome is to make it effective for the next election. But all of those alternatives would be reasonable approaches.

What is clearly unreasonable is to make this bill effective today, before the Senate acts, before the President acts. Not only is that impractical, it is clearly unconstitutional. Article 1, section 9, clause 3 tells this House not to pass an ex post facto law. Yet this bill imposes criminal penalties on acts taken tomorrow, which are legal tomorrow, but which would become retroactively illegal when the President signs this bill.

Tomorrow soft money will be used for issue ads naming candidates on the March 5 ballot in the primary in California and other early March primaries around this country. These ads were legal yesterday. They will be legal tomorrow. They will become illegal when the President signs this bill. And if they become retroactively illegal, then people can be put in jail for doing things which were legal at the time they did them. Our Founding Fathers made it clear that this Congress should never pass such a criminal statute. We have passed retroactive tax laws providing benefits, but never have we Constitutionally passed a retroactive bill imposing new criminal penalties. We cannot adopt an ex post facto bill, nor should we.

This amendment is not a good faith effort to insulate the 2002 elections from soft money. It is, instead, an act designed to kill the bill, and in doing so it violates the Constitution. Let us vote "no" on this amendment.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from New York (Mr. REYNOLDS) has 15 seconds remaining, the gentleman from Connecticut (Mr. SHAYS) has 30 seconds remaining, and the gentleman from Florida (Mr. DAVIS) has 1½ minutes remaining and the right to close.

Mr. REYNOLDS. Mr. Chairman, I reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, I yield the balance of my time to the gentleman from Florida (Mr. DAVIS).

The CHAIRMAN pro tempore. The gentleman from Florida (Mr. DAVIS) has 2 minutes remaining.

Mr. DAVIS of Florida. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey (Mr. HOLT).

Mr. HOLT. Mr. Chairman, I thank the gentleman for yielding me this time.

There has been a steady stream of amendments today intended to kill campaign finance reform. This is the latest one, and I am sure voters will look at how Members vote on final passage to see if they really want this to take effect, those who say they want it to take effect immediately.

I want to make sure that we do not lose perspective, as my colleagues talk about everything that is wrong with this. This is a bill that creates possibilities. This is a first and necessary step to restore a sense of the possibility of self-government to workers, to families, to college students, to farmers.

When I arrived here in Washington, the first day I took the oath of office, I sat down with the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) to enlist in this effort because it was apparent it is necessary to restore trust in government.

If the people of America do not have the trust in their ability to run their government, not special interests, but ordinary people, then America's gift to the world, this idea of self-government, will start to disintegrate.

Mr. REYNOLDS. Mr. Chairman, I yield myself the balance of my time.

I have listened to whether this has constitutional questions. This bill is riddled with constitutional questions. Even the sponsors have said some of it will be thrown out by the courts.

But I do know this: Without this amendment the supporters of Shays-Meehan are saying that while soft money may be bad, it is not bad enough to ban right here right now. There is a word for that, Mr. Chairman. It is hypocrisy.

I urge approval of the amendment, and I will ask for a recorded vote.

Mr. DAVIS of Florida. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, this is a very important amendment. It has the potential to derail the bill. We have seen through that masquerade all night. I think the House deserves a substantive debate on the merits, and we have had it, except we have not even had an attempt by the sponsor of the amendment to respond to two of the most important points made here.

We all understand when we are passing blatant unconstitutional bills. Nobody needs a law degree to recognize that. There was not even an attempt to respond to the argument by the gentleman from California (Mr. SHERMAN) that we are criminalizing behavior that is currently legal. There has been no attempt to respond to the point that it is terribly impractical for us to even be thinking about passing a bill that is supposed to take effect today when we all know rules have to be developed and that the President has not even weighed in on this bill.

This has been a very good debate. It has exposed this amendment for what it is. It is a thinly veiled attempt to sabotage a bill that is demonstrating a lot of courage on the Republican side of the aisle for true reform, matching the efforts of the Democrats have been leading for years. Let us defeat this amendment and pass this bill tonight.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York (Mr. REYNOLDS).

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. REYNOLDS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 190, noes 238, not voting 7, as follows:

[Roll No. 31]

AYES—190

Aderholt
Akin
Armey
Baker
Ballenger
Barr
Bartlett
Barton
Bereuter
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Bono
Boozman
Brown (SC)
Bryant
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Grucci
Gutknecht
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hilleary
Hobson
Hoekstra
Hostettler
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lucas (OK)
Manzullo
McCrery
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Pence
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Toomey
Vitter
Walden
Wamp
Watkins (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—238

Abercrombie
Ackerman
Allen
Andrews
Baca
Bachus
Baird
Baldacci
Baldwin
Barcia
Barrett
Bass
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Hulshof
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kirk
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Petri
Phelps
Platts
Pomeroy
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Shows
Simmons
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walsh
Waters
Watson (CA)
Watt (NC)
Watts (OK)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—7

Brady (TX)
Burr
Cubin
Hefley
Riley
Roukema
Traficant

□ 0042

Ms. WOOLSEY changed her vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT NO. 25 OFFERED BY MR. KINGSTON

Mr. KINGSTON. Mr. Chairman, I offer an amendment as the designee of the majority leader.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 25 offered by Mr. KINGSTON:

Amend section 301(20) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

"(20) FEDERAL ELECTION ACTIVITY.—

"(A) IN GENERAL.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

"(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot);

"(iii) a public communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

"(iv) services provided during any month by an employee of a State, district, or local committee of a political party who spends more than 25 percent of that individual's compensated time during that month on activities in connection with a Federal election.

"(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

"(i) a public communication that refers solely to a clearly identified candidate for State or local office, if the communication is not a Federal election activity described in subparagraph (A)(i) or (ii);

"(ii) a contribution to a candidate for State or local office, provided the contribution is not designated to pay for a Federal election activity described in subparagraph (A);

"(iii) the costs of a State, district, or local political convention; and

"(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office.

In section 402(b), strike "At any time after such effective date, the committee may spend such funds for activities which are solely to defray the costs of the construction or purchase of any office building or facility." and insert the following: "At no time after such effective date may the committee spend any such funds for activities to defray the costs of the construction or purchase of any office building or facility.".

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Georgia (Mr. KINGSTON) and a Member opposed each will control 10 minutes.

Mr. FATTAH. Mr. Chairman, I assert my right to claim the time in opposition.

The CHAIRMAN pro tempore. The gentleman from Pennsylvania will be recognized for 10 minutes.

The Chair recognizes the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is a real easy amendment. This is a fun amendment at this time of night. Not much brain power is required on this one. Just a fair amendment.

If you think about it for a minute, if you listen to the rhetorical montage we have had today, you get real confused on who are the good guys and who are the bad guys, a lot of finger pointing. But one thing you conclude is soft money is bad; whether it is effective this election or after it or before, today or tomorrow, soft money is bad.

Therefore, my good friends, I would not want to see anybody build a building with this bad soft money. It would mean the building would be bad. It would mean the building would be corrupted. It would mean from the very beginning all the phone calls that were made from that building would be tainted.

Let me just say this: I want to say there are a lot of folks over there on that side of the aisle that think we do not like Democrats; and I want you to know, I like Democrats. I admire Democrats. I love the audacity of some of the Democrat Party.

There was a story of a young man who graduated from the University of Georgia, went to work for Sun Trust Bank, one of the great Georgia institutions. At the end of the first day of 8 hours, he went to the boss and said, Boss, there is an opening over at the Coca-Cola Company. I would like you to write me a letter of recommendation.

The boss looked at him and said, You are out of your mind. You just started here. This is your first day. You have barely completed 8 hours. You want me to write you a letter of recommendation?

He said, Yes. Coca-Cola doesn't have opportunities that often, and I want to go work for them. Can't you think of something good to say about me?

And the boss got a piece of paper and said, To whom it may concern: I like his nerve.

I want to say this, I like your nerve.

Let me tell my friends what is in this bill. This says you have got to get rid of all your soft money 30 days after the ban is completed or the new regulations are completed, so you have until December, except any time after the effective date the committee may spend such funds for activities which are solely to defray the cost of construction or purchase any office building.

Well, I am sure most of you do not know that is in there. As much nerve as you have, I am sure that would embarrass some of you, so we are going to take that out with this amendment. And that is all it does, Mr. Chairman.

Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, I ask unanimous consent to yield 3 minutes to the gentleman from Connecticut (Mr. SHAYS) and have him have the ability to yield that time.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me rise in opposition to this amendment. For I guess 10 times tonight or today we have been confronted with any manner of amendment seeking to derail the opportunity for this House to join our colleagues in the Senate and to give this President, who committed himself to be a reformer with results, an opportunity to put his signature on a campaign finance reform bill.

□ 0050

We have had people come at this issue from every different conceivable direction. Now we have this final attempt. I am sure my colleague and my friend would not be willing to amend his amendment to have both parties accede ownership of any properties ever built with soft money, any television stations, any other facilities. This notion that somehow during this transition period the majority would prefer that this money be spent on campaigns attacking its members rather than to be put towards refurbishing a party headquarters; this bill allows either party to take the extra soft money, not spend it on campaigns, but to invest it in infrastructure as we move to ban it completely. It is not dissimilar to other transitions and other reform measures that we have dealt with in the past. So, Mr. Chairman, let us enjoy another what will be failed attempt to derail this House from meeting its date with destiny, and that is we will pass Shays-Meehan, and we will do it tonight.

Mr. Chairman, I reserve the balance of my time.

Mr. KINGSTON. Mr. Chairman, I yield 2½ minutes to the gentleman from Missouri (Mr. BLUNT), the distinguished deputy whip.

Mr. BLUNT. Mr. Chairman, of course I rise in support of the amendment. I do not know why this amendment would derail the bill. The Senate I do not think had it in their bill; it was not in the original Shays-Meehan bill. In fact, under the original bill, the parties had to get rid of all soft money in their accounts beginning 30 days after enactment. This was added, I think, at a later time to really put a big loophole in this bill so that the parties could retain soft money.

Now, this does not really affect both parties the same way, because only one party has the money in the account right now to build a building. It has already been pointed out that if this money is, in fact, corrupting, it would seem it would be corrupting for all purposes. Money that was bad to use for voter registration, money that was bad to use for party-building, money that was bad to use to turn out the vote, one would think that same money would be bad to use to build a building for one of the parties.

Now, I hope that the plan, and we have talked about this a lot today, but I hope the plan is not to take this building fund and use it to pay off hard money that might be borrowed during the campaign, the campaign we are in right now. Certainly it would be nice collateral for a loan that then one could turn around and pay off that loan. That is what at least two Commissioners of the FEC say that could be done with this building fund. Why not eliminate this building fund controversy?

This is an area where if the parties are not going to be negatively impacted by soft money, let us be aboveboard on that; let us do the same thing for all party-building, including the parties building an actual building. Let us ban soft money, let us take this out of the bill. It was not in the Senate bill. It was not in the Senate bill, and we have talked so much today about how we need to have things that are compatible. We cannot amend the bill, we cannot go to conference, we cannot do anything with this bill because the Senate needs to accept it. This is a wholly grown idea on this side of the building.

I think it ought to be eliminated from the bill. I encourage my colleagues on both sides of the aisle to vote for this amendment and get rid of this soft money to be used only for this one purpose, only to benefit one party.

Mr. FATTAH. Mr. Chairman, I yield 1 minute to the gentleman from the Commonwealth of Massachusetts (Mr. MEEHAN), one of the prime sponsors.

Mr. MEEHAN. Mr. Chairman, here we have another amendment, it is about 10 minutes of 1:00, another attempt to try to break the fragile coalition, but let us be clear. Soft money has always been available for party-building. It has always been available for physical buildings.

Now, would not the Republicans be so lucky if we are going to enact this bill the day after the next election. Does anyone really think the parties are going to commit soft money not for television ads, but to build parties? The reality is this was put into the bill in July so that either party who had expenses relative to buildings could pay them.

Now, if this bill does not go into effect until after this election, I hardly think that it will be an advantage to either party if one of the parties keeps soft money and, rather than put them into 30-second spots, pays off a building with it.

The reality is the soft money influence has ballooned by 100 percent every 4 years because of television ads. The reason why soft money is an issue is because of television ads, 30-second spots. That is what we attempt to eliminate, and we do.

Mr. FATTAH. Mr. Chairman, I reserve the balance of my time.

Mr. KINGSTON. Mr. Chairman, I yield 30 seconds to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, I think there is a misunderstanding on this side of the aisle over how this money could be used if it were not utilized for building money. The bulk of this money in both parties' campaign funds come from contributions from Freddie Mac and Fannie Mae. These are federally chartered organizations, and the only contributions they give parties has to be used for building funds. It could never be used under existing law for campaign ads.

So when we say it could be or better be used, I do not think we understand the nature of this money and the nature of the limitations that it has under the law. I just wanted to clarify that. This money has to be used for building under current law. Unless we change this on motion to recommit, we would be allowing it to pay off a soft dollar debt.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume.

I am glad that the gentleman seeks to clarify, because much of what has happened by those who are opponents to this bill today has been an attempt to misinform; all the way from the White House press room to the floor of the House, an attempt to misinform people about the intent of this bill.

But a bipartisan majority has found its way through every single one of these amendments, and we are going to continue to do so.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Georgia (Mr. KINGSTON) has 4½ minutes remaining; the gentleman from Connecticut (Mr. SHAYS) has 3 minutes remaining; the gentleman from Pennsylvania (Mr. FATTAH) has 4 minutes remaining.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

I am getting a little concerned because some people are getting a little cocky here, and we have two amendments to go, and I cannot tell my colleagues the outcome. But I can tell my colleagues this: In 1974, the Federal Elections Campaign Act of 1974 provided an exemption to allow political parties to raise soft money to purchase or construct a building. It has existed since 1974. In fact, that was the way soft money kind of entered its way in. It was to build buildings; it was not really for campaigns, it was ultimately to get out the vote. It was not for races.

What this provision does in our bill is say that if a party has any soft money left on November 6, they can only use it to build or purchase a building.

Our bill makes it very clear that they cannot raise any more soft money for this or any purpose after November 6.

Now, my logic was, if Terry McAuliffe and the Democratic side of the aisle wants to use soft money to build a building and not use it to run against candidates, I am happy to have them do it. That was my simple logic. I am curious as to why our side of the aisle wants him to use this money only to run against us.

So that is the way my simple mind is working, I guess, at 1 o'clock in the morning. I am hoping this amendment is defeated. I hope Terry McAuliffe and anybody else he can convince will build buildings instead of running races.

Mr. TOM DAVIS of Virginia. Mr. Chairman, will the gentleman yield?

Mr. SHAYS. I yield to the gentleman from Virginia.

Mr. TOM DAVIS of Virginia. Mr. Chairman, just to understand, building fund dollars are dollars that come for the most part from two organizations. Those monies cannot be used for ads. They can only be used for buildings. If this money does not fail, before November 5, both party committees would have to use that money to buy buildings or equipment. That is the way it would work. But they could not be used in ads; I just wanted to clarify that.

□ 0100

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

I have looked at the latest FEC report and what we have down in the building fund for the RNC is $1.8 million and the DNC is $3.2 million.

Now, I will acknowledge to my colleague, again, the gentleman from Arizona, he has asked, well, there is this talk of $40 million. I am trying to nail down where $40 million comes from, but I look at the FEC report and this is what I see. So then what they would have to be doing is they would have to be raising money right now for soft money for a building instead of spending it on a campaign.

Now, I do not know if there is some $40 million that does not show up in the FEC. I stand ready to comment on it, but that is what we have got.

Mr. Chairman, I reserve the balance of my time.

Mr. FATTAH. Mr. Chairman, I yield 1 minute and 15 seconds to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding me time.

Mr. Chairman, when the gentleman from Virginia (Mr. TOM DAVIS), the chairman of the Republican Campaign Committee, raised the issue, I went to find out because I do not know much about this issue.

First of all, let me tell him that most of the funds, at least on our side, I do not know what is in your accounts, are non-Freddie Mac, Fannie Mae funds, soft dollars. The overwhelming majority of them, number one. Number two, clearly what this is is under the present system we have, I presume from time to time my colleagues have, they may not be doing so now, raised money for the purposes of either rehabing or constructing headquarters. My colleagues have a major headquarters. We have a headquarters. What the provision obviously says, if my colleagues have done that, as we have and I presume my colleagues have, and we have that money in the account for the purposes of building a building, we will be allowed to do that. We cannot raise more soft money, but you will be allowed to spend that money for the purposes of completing that project. It seems to me that we do that in almost all legislation that we pass. It is fair for both sides; and while it may seem to be a politically advantageous argument to make, as if it is some special deal, in fact, it is a transition provision that not only applies to our parties when we change the rules, but applies to almost every facet of business, and we do it in Ways and Means tax bills all the time.

So I suggest that we defeat this amendment and move on with the substance of this legislation.

Mr. KINGSTON. Mr. Chairman, how much time is remaining?

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Georgia (Mr. KINGSTON) has 4½ minutes remaining. The gentleman from Pennsylvania (Mr. FATTAH) has 2¾ minutes remaining. The gentleman from Connecticut (Mr. SHAYS) has 15 seconds remaining.

Mr. KINGSTON. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania (Mr. WELDON).

Mr. WELDON of Pennsylvania. Mr. Chairman, I thank my colleague for yielding me time.

I am confused and I am troubled. I have supported Shays-Meehan, and I have opposed almost all of the amendments because I have been told this is a very carefully crafted compromise. Now I find out late last night we have put this provision in at somebody's request that was not in the Senate bill. Unless somebody can tell me that is wrong, I would ask my colleagues to say. My side says it was added in and it was not in the Senate bill.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I do not know a whole lot about this, but the gentleman from Massachusetts (Mr. MEEHAN) and maybe the gentleman from Connecticut (Mr. SHAYS), this was added in July.

Mr. WELDON of Pennsylvania. The gentleman from Connecticut (Mr. SHAYS) told me last night.

Mr. SHAYS. Mr. Chairman, if the gentleman will yield, this amendment was part of our July amendment and it is a part of the record.

Mr. WELDON of Pennsylvania. But it was not in the Senate bill?

Mr. SHAYS. It was not in the Senate bill; that is correct.

Mr. WELDON of Pennsylvania. Mr. Chairman, I can tell you what I am going to do, I will vote in favor of it and I encourage other people who have been supportive of Shays-Meehan to do the same thing because this is not what we were led to believe. I am voting "yes."

Mr. FATTAH. Mr. Chairman, do I have the right to close?

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. FATTAH. Mr. Chairman, I reserve the balance of my time.

Mr. KINGSTON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Chairman, I thank the gentleman for yielding me time.

Let me point out two factors about this provision that I think require us to pass this amendment. The first is that the provision allows not only the keeping of this soft money for the building of a building, but the keeping of it so long as you never build that building. There is no time limits on how long this money can be kept. So if one decides just not to use it, one can simply put it in a CD and just keep it around.

Now, why would one do that? Well, there are no provisions against using this money as collateral for other loans. So, therefore, this money could be kept in a CD, this soft money, this money that is supposed to be bad and corrupting, in a CD, collateralize loans. And then because the loans are made to the committee, the committee can use that loan money as hard money and spend it on ads or whatever other purposes for campaign money you want in effect. Because soft money like all money is fungible, it can be cleverly, and there are some accountants around to help you, and I assure you from the hearings we conducted, there are accountants around that can help one do it if one wants to do it, keep this soft money indefinitely. Use it as collateral. Every time one runs into trouble, just borrow against it, spend it for campaigns, spend it for ads. Do all the things my colleagues say they want to make outlawed.

If Members believe soft money is so corrupting, why would they want to keep it around and perhaps use it for that purpose, simply not build the building, constantly borrow against it? Pay off the loan when one could, but constantly borrow against it as collateral whenever extra money was needed for a campaign? In effect, converting soft money into hard money through the process of using as collateral.

That is what this bill currently allows to be done. Now, why would either party want to allow that to happen if, in fact, Members want to get rid of soft money as a corrupting feature in future campaigns? This amendment is necessary to correct this defect in the bill that the Senate was clever enough not to include in their legislation, and we ought to adopt the amendment.

Mr. FATTAH. Mr. Chairman, I yield myself such time as I may consume.

First of all, I know at least for myself I would rather be home with my wife on Valentine's Day, but we are here and in order to clean out the creek, we have to get the hogs out of the water first. What we need to focus in on here, we have heard from the gentleman from Connecticut (Mr. SHAYS). He is against this amendment. We have heard from the gentleman from Massachusetts (Mr. MEEHAN). He is against it.

The people who are the promoters of campaign finance here in the House are against this amendment and those people who have spent every amount of energy and intellect on trying to stop and derail this bill, they are for this amendment. So, now we should not need, as the gentleman from Georgia (Mr. KINGSTON) said when he opened this debate, to bring a great deal of intellectual curiosity of this. The cosponsors of the bill are against the amendment. They said it did not show up last night. It was in in July. Either when that information was offered, the gentleman from Pennsylvania (Mr. WELDON) who was arguing that point, still said, well, I am going to vote for it anyway. Do not let the facts get in your way. Let us try nonetheless if we can to honor our two colleagues who have worked so hard to bring us to this moment, and let us take their word for what it is they are trying to accomplish. Those of us who support Shays-Meehan, let us vote against this amendment.

Mr. KINGSTON. Mr. Chairman, how much time remains?

The CHAIRMAN pro tempore. The gentleman from Georgia (Mr. KINGSTON) has 1½ minutes remaining. The gentleman from Pennsylvania (Mr. FATTAH) has 1½ minutes remaining. The gentleman from Connecticut (Mr. SHAYS) has 15 seconds remaining.

Mr. KINGSTON. Mr. Chairman, I yield myself such time as I may consume.

I just want to say if we are going to clean out the water, we cannot just get the hogs out. We have to get the little piglets out as well. I think this amendment helps get one of the piglets out, a defect that may have been overlooked by my good friend from Pennsylvania.

Mr. Chairman, I yield 30 seconds to the gentleman from Pennsylvania (Mr. WELDON).

Mr. WELDON of Pennsylvania. Mr. Chairman, my colleague and friend mentioned me but mischaracterized what I said. I did not say that this was added in last night. I said this was not in the Senate bill. That is what I said. And that has, in fact, been said by both sides.

I was told that this bill was identical to what the Senate passed and that is in fact not the case. So I have been misled. But I do not like the fact that the gentleman misrepresented what I said. I urge my colleagues who voted for Shays-Meehan to support this amendment because this was stuck in because obviously someone sees a financial advantage that the Senate did not see. It is wrong and it is not in the spirit of what campaign finance reform is all about.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

I just want to say honestly to this Chamber that I believe that the comments made by the gentleman from Virginia (Mr. TOM DAVIS) were correct. I am going to be voting against this amendment, but I do believe his point that my colleagues can raise them from the FHA and others is an accurate point and makes it easier to raise that soft money for those purposes.

☐ 0110

Mr. KINGSTON. Mr. Chairman, I yield 30 seconds to the gentleman from Virginia (Mr. TOM DAVIS).

Mr. TOM DAVIS of Virginia. Mr. Chairman, let me understand the accounting. I know this as chairman of our committee, and my colleague's committee operates separately. We have several different funds that we keep at both committees. There are hard-dollar funds, Federal-dollar funds. Then there are three soft-money accounts. There is a corporate soft-dollar account, a personal soft-dollar account that could be spent differently in different States.

Then there is a building-fund soft-dollar account. Those moneys are, for the most part, I mean, 90-plus percent, moneys that are earmarked from corporations, particularly Freddie Mac and Fanny Mae, who have restrictions on the dollars they can give. They have given millions of dollars through the years, and I think we ought to just get to spend it.

This is not a poison pill amendment. This amendment I think is a free vote for Members, but it is a special carve out; and I just call that to Members' attention.

Mr. KINGSTON. Mr. Chairman, I yield myself the remaining time.

Let me just urge Members to support this amendment. The situation with this entire bill is we hear soft money is bad but not this soft money, not that soft money. It is a confusing bill. That is why it is a long bill, and what this amendment simply says is that the money cannot be used for any time to set in an account to build a building after soft money is banned by it.

Mr. Chairman, I yield back the time remaining.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Pennsylvania (Mr. FATTAH) has 1½ minutes remaining.

Mr. FATTAH. Mr. Chairman, I yield 45 seconds to the gentleman from Texas (Mr. BENTSEN).

Mr. BENTSEN. Mr. Chairman, I am not sure why we are debating this amendment in the first place; but the fact that we are, I think there is one flawed argument that has been made. If one cannot use the money for hard purposes in the first place, I do not think one can pledge it as a collateral for hard purposes because if they had a default, the money would be illegal at that point. I think the argument that was made was wrong in the first place, but I think it is sort of a meaningless amendment as it is.

Mr. FATTAH. Mr. Chairman, I yield myself the remainder of my time.

I feel almost in the role of Joshua, but I want to choose to be with SHAYS and MEEHAN this day, and I would hope that my colleagues would follow.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Georgia (Mr. KINGSTON).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FATTAH. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 232, noes 196, not voting 7, as follows:

[Roll No. 32]

AYES—232

Abercrombie
Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bereuter
Berkley
Biggert
Bilirakis
Blunt
Boehlert
Boehner
Bonilla
Bono
Boozman
Brown (SC)
Bryant
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Castle
Chabot
Chambliss
Coble
Collins
Combest
Condit
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeFazio
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goss
Graham
Granger
Graves
Green (WI)
Greenwood
Grucci
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jackson-Lee (TX)
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
Kind (WI)
King (NY)
Kingston
Kirk
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (OK)
Manzullo
Matheson
McCrery
McHugh
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, George
Miller, Jeff
Moore
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Osborne
Ose
Otter
Oxley
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Reynolds
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Sanders
Saxton
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Tiberi
Tierney
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins (OK)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—196

Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barcia
Barrett
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Hoyer
Inslee
Israel
Jackson (IL)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre

McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Mink
Mollohan
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Phelps
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sandlin
Sawyer
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Shows
Skelton
Slaughter
Smith (WA)
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—7

Brady (TX)
Burr
Cubin
Hefley
Riley
Roukema
Traficant

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Messrs. MATHESON, MOORE, SANDERS, ABERCROMBIE, GEORGE MILLER of California, DEFAZIO, Mrs. JOHNSON of Connecticut, Messrs. SNYDER, ROEMER, KIND, Ms. JACKSON-LEE of Texas, and Mr. CONDIT changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Pursuant to the order of the House of Tuesday, February 12, 2002, it is now in order to consider an amendment by the gentleman from Texas (Mr. ARMEY).

AMENDMENT IN THE NATURE OF A SUBSTITUTE NO. 26 OFFERED BY MR. NEY

Mr. NEY. Mr. Chairman, as the designee of the gentleman from Texas (Mr. ARMEY), I offer an amendment in the nature of a substitute.

The CHAIRMAN pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Amendment in the nature of a substitute No. 26 offered by Mr. NEY:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Campaign Reform and Citizen Participation Act of 2002".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—SOFT MONEY OF NATIONAL PARTIES

Sec. 101. Restrictions on soft money of national political parties.

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

Sec. 201. Increase in limits on certain contributions.
Sec. 202. Increase in limits on contributions to State parties.
Sec. 203. Treatment of contributions to national party under aggregate annual limit on individual contributions.
Sec. 204. Exemption of costs of volunteer campaign materials produced and distributed by parties from treatment as contributions and expenditures.
Sec. 205. Indexing.
Sec. 206. Permitting national parties to establish accounts for making expenditures in excess of limits on behalf of candidates facing wealthy opponents.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

Sec. 301. Disclosure of information on communications broadcast prior to election.
Sec. 302. Disclosure of information on targeted mass communications.

TITLE IV—EFFECTIVE DATE

Sec. 401. Effective date.

TITLE I—SOFT MONEY OF NATIONAL PARTIES

SEC. 101. RESTRICTIONS ON SOFT MONEY OF NATIONAL POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

"SOFT MONEY OF NATIONAL POLITICAL PARTIES

"SEC. 323. (a) PROHIBITING USE OF SOFT MONEY FOR FEDERAL ELECTION ACTIVITY.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value for Federal election activity, or spend any funds for Federal election activity, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(b) LIMIT ON AMOUNT OF NONFEDERAL FUNDS PROVIDED TO PARTY BY ANY PERSON FOR ANY PURPOSE.—

"(1) LIMIT ON AMOUNT.—No person shall make contributions, donations, or transfers of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party in any calendar year in an aggregate amount equal to or greater than $20,000.

"(2) PROHIBITING PROVISION OF NONFEDERAL FUNDS BY INDIVIDUALS.—No individual may make any contribution, donation, or transfer of funds which are not subject to the limitations, prohibitions, and reporting requirements of this Act to a political committee established and maintained by a national political party.

"(c) APPLICABILITY.— This subsection shall apply to any political committee established and maintained by a national political party, any officer or agent of such a committee acting on behalf of the committee, and any entity that is directly or indirectly established, maintained, or controlled by such a national committee.

"(d) DEFINITIONS.—

"(1) FEDERAL ELECTION ACTIVITY.—

"(A) IN GENERAL.—The term 'Federal election activity' means—

"(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election, unless the activity constitutes generic campaign activity;

"(ii) voter identification or get-out-the-vote activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot), unless the activity constitutes generic campaign activity;

"(iii) any public communication that refers to or depicts a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

"(iv) any public communication made by means of any broadcast, cable, or satellite communication.

"(B) EXCEPTION FOR CERTAIN ADMINISTRATIVE ACTIVITIES.—The term 'Federal election activity' does not include any activity relating to establishment, administration, or solicitation costs of a political committee established and maintained by a national political party, so long as the funds used to carry out the activity are derived from funds or payments made to the committee which are segregated and used exclusively to defray the costs of such activities.

"(2) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means any activity that does not mention, depict, or otherwise promote a clearly identified Federal candidate.

"(3) PUBLIC COMMUNICATION.—The term 'public communication' means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, or direct mail.

"(4) DIRECT MAIL.—The term 'direct mail' means a mailing by a commercial vendor or any mailing made from a commercial list.".

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

SEC. 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS.

(a) CONTRIBUTIONS BY COMMITTEES TO NATIONAL PARTIES.—Section 315(a)(2)(B) of such Act (2 U.S.C. 441a(a)(2)(B)) is amended by striking "$15,000" and inserting "$30,000".

(b) AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking "$25,000" and inserting "$37,500".

SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS TO STATE PARTIES.

(a) CONTRIBUTIONS BY INDIVIDUALS.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting "(other than a committee described in subparagraph (D))" after "committee"; and

(B) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.".

(b) CONTRIBUTIONS BY COMMITTEES.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C)—

(A) by inserting “(other than a committee described in subparagraph (D))” after “committee”; and

(B) by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following:

“(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.”.

SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONAL PARTY UNDER AGGREGATE ANNUAL LIMIT ON INDIVIDUAL CONTRIBUTIONS.

Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441(a)(3)) is amended—

(1) by striking “(3)” and inserting “(3)(A)”; and

(2) by adding at the end the following new subparagraph:

“(B) Subparagraph (A) shall not apply with respect to any contribution made to any political committee established and maintained by a national political party which is not the authorized political committee of any candidate.”.

SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER CAMPAIGN MATERIALS PRODUCED AND DISTRIBUTED BY PARTIES FROM TREATMENT AS CONTRIBUTIONS AND EXPENDITURES.

(a) TREATMENT AS CONTRIBUTIONS.—Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking “a State or local committee of a political party of the costs of” and inserting “a national, State, or local committee of a political party of the costs of producing and distributing”.

(b) TREATMENT AS EXPENDITURES.—Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking “a State or local committee of a political party of the costs of” and inserting “a national, State, or local committee of a political party of the costs of producing and distributing”.

SEC. 205. INDEXING.

Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting “(A)” before “At the beginning”; and

(C) by adding at the end the following:

“(B) Except as provided in subparagraph (C), in any calendar year after 2002—

“(i) a limitation established by subsections (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);

“(ii) each amount so increased shall remain in effect for the calendar year; and

“(iii) if any amount after adjustment under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

“(C) In the case of limitations under subsections (a) and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.”; and

(2) in paragraph (2)(B), by striking “means the calendar year 1974” and inserting “means—

“(i) for purposes of subsections (b) and (d), calendar year 1974; and

“(ii) for purposes of subsections (a) and (h), calendar year 2001”.

SEC. 206. PERMITTING NATIONAL PARTIES TO ESTABLISH ACCOUNTS FOR MAKING EXPENDITURES IN EXCESS OF LIMITS ON BEHALF OF CANDIDATES FACING WEALTHY OPPONENTS.

(a) ESTABLISHMENT OF ACCOUNTS.—Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) is amended by adding at the end the following new paragraph:

“(4)(A) Subject to subparagraph (B), the national committee of a political party may make expenditures in connection with the general election campaign of a candidate for Federal office (other than a candidate for President) who is affiliated with such party in an amount in excess of the limit established under paragraph (3) if—

“(i) the candidate's opponent in the general election campaign makes expenditures of personal funds in connection with the campaign in an amount in excess of $100,000 (as provided in the notifications submitted under section 304(a)(6)(B)); and

“(ii) the expenditures are made from a separate account of the party used exclusively for making expenditures pursuant to this paragraph.

“(B) The amount of expenditures made in accordance with subparagraph (A) by the national committee of a political party in connection with the general election campaign of a candidate may not exceed the amount of expenditures of personal funds made by the candidate's opponent in connection with the campaign (as provided in the notifications submitted under section 304(a)(6)(B)).”.

(b) WAIVER OF LIMITS ON CONTRIBUTIONS TO ACCOUNTS.—Section 315(a) of such Act (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

“(9) The limitations imposed by paragraphs (1)(B), (2)(B), and (3) shall not apply with respect to contributions made to the national committee of a political party which are designated by the donor to be deposited solely into the account established by the party under subsection (d)(4).”.

(c) NOTIFICATION OF EXPENDITURES OF PERSONAL FUNDS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended—

(1) by redesignating subparagraph (B) as subparagraph (C); and

(2) by inserting after subparagraph (A) the following new subparagraph:

“(B)(i) The principal campaign committee of a candidate (other than a candidate for President) shall submit the following notifications relating to expenditures of personal funds by such candidate (including contributions by the candidate or the candidate's spouse to such committee and funds derived from loans made by the candidate or the candidate's spouse to such committee):

“(I) A notification of the first such expenditure (or contribution) by which the aggregate amount of personal funds expended (or contributed) with respect to an election exceeds $100,000.

“(II) After the notification is made under subclause (I), a notification of each such subsequent expenditure (or contribution) which, taken together with all such subsequent expenditures (and contributions) in any amount not included in the most recent report under this subparagraph, totals $5,000 or more.

“(ii) Each of the notifications submitted under clause (i)—

“(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made;

“(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved; and

“(III) shall include the total amount of all such expenditures and contributions made with respect to the same election as of the date of expenditure or contribution which is the subject of the notification.”.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

SEC. 301. DISCLOSURE OF INFORMATION ON COMMUNICATIONS BROADCAST PRIOR TO ELECTION.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following new subsection:

“(e) DISCLOSURE OF INFORMATION ON CERTAIN COMMUNICATIONS BROADCAST PRIOR TO ELECTIONS.—

“(1) IN GENERAL.—Any person who makes a disbursement for a communication described in paragraph (3) shall, not later than 24 hours after making the disbursement, file with the Commission a statement containing the information required under paragraph (2).

“(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

“(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

“(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

“(C) The amount of the disbursement.

“(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

“(E) The text of the communication involved.

“(3) COMMUNICATIONS DESCRIBED.—

“(A) IN GENERAL.—A communication described in this paragraph is any communication—

“(i) which is disseminated to the public by means of any broadcast, cable, or satellite communication during the 120-day period ending on the date of a Federal election; and

“(ii) which mentions a clearly identified candidate for such election (by name, image, or likeness).

“(B) EXCEPTION.—A communication is not described in this paragraph if—

“(i) the communication appears in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

“(ii) the communication constitutes an expenditure under this Act.

“(4) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to file a statement under this subsection shall be in addition to any other reporting requirement under this Act.

“(5) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.”.

SEC. 302. DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 301, is further amended by adding at the end the following new subsection:

"(f) Disclosure of Information on Targeted Mass Communications.—

"(1) In general.—Any person who makes a disbursement for targeted mass communications in an aggregate amount in excess of $50,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

"(2) Contents of statement.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

"(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

"(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

"(C) The amount of each such disbursement of more than $200 made by the person during the period covered by the statement and the identification of the person to whom the disbursement was made.

"(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

"(E) The text of the communication involved.

"(3) Targeted mass communication defined.—

"(A) In general.—In this subsection, the term 'targeted mass communication' means any communication—

"(i) which is disseminated during the 120-day period ending on the date of a Federal election;

"(ii) which refers to or depicts a clearly identified candidate for such election (by name, image, or likeness); and

"(iii) which is targeted to the relevant electorate.

"(B) Targeting to relevant electorate.—

"(i) Broadcast communications.—For purposes of this paragraph, a communication disseminated to the public by means of any broadcast, cable, or satellite communication which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if the communication is disseminated by a broadcaster whose audience includes—

"(I) a substantial number of residents of the district the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

"(II) a substantial number of residents of the State the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Senator.

"(ii) Other communications.—For purposes of this paragraph, a communication which is not described in clause (i) which refers to or depicts a clearly identified candidate for Federal office is 'targeted to the relevant electorate' if—

"(I) more than 10 percent of the total number of intended recipients of the communication are members of the electorate involved with respect to such Federal office; or

"(II) more than 10 percent of the total number of members of the electorate involved with respect to such Federal office receive the communication.

"(C) Exceptions.—The term 'targeted mass communication' does not include—

"(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

"(ii) a communication made by any membership organization (including a labor organization) or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office; or

"(iii) a communication which constitutes an expenditure under this Act.

"(4) Disclosure date.—For purposes of this subsection, the term 'disclosure date' means—

"(A) the first date during any calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000; and

"(B) any other date during such calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of $50,000 since the most recent disclosure date for such calendar year.

"(5) Coordination with other requirements.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

"(6) Clarification of treatment of vendors.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.".

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall take effect on the date of the enactment of this Act.

The CHAIRMAN pro tempore. Pursuant to section 3 of House Resolution 344, the gentleman from Ohio (Mr. Ney) and the gentleman from Maryland (Mr. Hoyer) each will control 10 minutes.

The Chair recognizes the gentleman from Ohio (Mr. Ney).

Mr. NEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this is the Ney-Wynn amendment, and this will be the last chance tonight, and this is not a poison pill. This amendment embodies campaign finance reform principles that respect our Constitution. It does not seek to punish or discourage those citizens who exercise their constitutional rights to participate in the political process.

This amendment bans the national parties from raising or using soft money for Federal election activities, including broadcast issue advertising. However, it would permit the national parties to continue to raise and use soft money for generic voter registration, which I believe we all know is important, and get-out-the-vote activities. The parties would also preserve the right to use such funds for fundraising and overhead expenses.

The principal complaint leveled against so-called soft money is that it is unlimited and unregulated. This amendment addresses that complaint by limiting it and regulating it. With the passage of this amendment, no donor could contribute an amount over $20,000 to any political committee. As I previously indicated, the use of the funds would be restricted to certain activities.

Shays-Meehan does absolutely nothing to restrict how unions and corporations spend soft money. Under current law, unions and corporations can spend unlimited amounts of soft money communicating with their members, soliciting those members for contributions and engaging in such political activities as registering voters and getting out the vote. Shays-Meehan would not stop these groups from using their soft dollars in this way. What Shays-Meehan would do is prevent the national parties from using so-called soft dollars in a similar fashion.

I really do not think we should restrict the ability of our parties, the existing parties and any parties that want to rise up and blossom in our country, from registering and getting voters to the polls while leaving unions and corporations free to do so without restriction. Hamstringing our parties, and thereby enhancing the power of unions and corporations, does not accomplish the stated goal of some to reduce the power of the special interests. I think we should be making our parties stronger, not weaker.

There is no rationale for denying our national parties access to funds that we are willing to allow States to receive. The principal difference between this amendment and the bill before us is that this amendment would allow the national parties to raise some soft dollars, while the Shays bill would allow only the State and local parties to do so. The choice is not between one bill that allows soft money and a second bill that bans it. I think that is perfectly clear tonight. Shays-Meehan, as we know, has soft money. Both the Shays bill and this amendment permit limited amounts of soft money. This amendment simply says if we are going to allow the State parties to accept soft dollars, we ought to allow the national parties to do the same.

Members need to be aware that the contribution limits in this amendment have been significantly reduced in comparison to the previous amendment we had in the summer. Inflated claims about the usual amounts of money that could be donated under this amendment do not apply to this amendment as it is drafted.

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It has to be pointed out there are thousands of State and local parties, and there are six national parties to which the contributions can be given. So if you support the underlying bill, but oppose this amendment, you are basically saying it is perfectly acceptable for a corporation to give millions of dollars to a multitude of State and local parties, but it is somehow corrupt for them to give a limited amount to six national party interests. There is no logical reason that I can find for this distinction.

This amendment also provides for increased disclosure, which we all want, for targeted mass communications. The person who pays for the communication would have to disclose their identity within 24 hours of the purchase. That I believe is what the American people want. I would note that this disclosure provision is broader than that contained in the underlying bill, which applies only to broadcast communications. Disclosure provisions in this amendment would apply to all forms of communication, including newspaper ads, phone banks, et cetera.

Having described what is in the amendment, I take a moment to describe what is not in it and why. Most importantly, this amendment does not seek to ban issue advocacy. Twenty-five years of court decisions, from the Supreme Court on down, have made it perfectly clear that our Constitution does not permit the Federal Government to regulate issue advertisements.

Our first amendment protects the right of every American to speak out on issues of public concern, and it has been that way since the creation of this Nation. Politicians may want to use the power of government to attempt to silence their critics, which is what Shays-Meehan does, but I do not believe we should participate in that endeavor.

Real campaign finance reform encourages citizen participation. Real campaign finance reform protects our cherished rights to freely speak and associate. Real campaign finance reform preserves the important role our political parties play in our democracy. This amendment accomplishes these goals.

I want to thank the gentleman from Maryland (Mr. WYNN) for drafting this and supporting it. I urge support of the amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. HOYER. Mr. Chairman, I ask unanimous consent that the gentleman from Connecticut (Mr. SHAYS) may control 5 minutes of the time allocated to me, and that he may yield such time as he determines.

The CHAIRMAN pro tempore (Mr. THORNBERRY). Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. HOYER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to this amendment. The chairman of this committee, as I have said in the past, has been, in my opinion, as good a chairman as I could possibly work with on the Committee on House Administration. He is open, he is fair, he is a pleasure to work with. We have worked very closely on election reform.

This House overwhelmingly passed election reform. It is now in the Senate. Hopefully, they will pass it soon, we will have a conference, and we will have a bill that we can all be very proud of. We agreed on that legislation. The gentleman made compromises; I made compromises.

On campaign finance reform, however, we have differed. Essentially it has been his position to oppose the Shays-Meehan alternative. In fact, the Shays-Meehan alternative could not be favorably reported out of committee. In my view, the Ney-Wynn amendment, which was changed last night, as I understand it, to reduce the limits, but, nevertheless, still has soft-money payments to the national committees, is in effect Shays-Meehan extraordinarily light, and in fact does not cover most of what Shays-Meehan covers. Furthermore, notwithstanding the reduction in the $75,000 to $20,000, it still provides for very, very, very substantial payments of soft money to various party committees, substantially more than does Shays-Meehan.

So if you want real campaign finance reform, you need to defeat this amendment, pass a motion to recommit, and pass Shays-Meehan finally and send that bill to the Senate, and then hopefully soon thereafter to the President of the United States for signature.

Mr. Chairman, I would say to my colleagues, we are coming to the end of the evening. We have defeated almost all of the amendments that were designed to undermine and defeat Shays-Meehan. We have one more step to take. I urge my colleagues to take it.

Mr. Chairman, I reserve the balance of my time.

Mr. NEY. Mr. Chairman, I yield 3 minutes to my distinguished colleague, the gentleman from Maryland (Mr. WYNN).

Mr. WYNN. Mr. Chairman, I thank the gentleman for yielding me time. Let me initially say it has been a pleasure working with him. He has been very responsive to a wide variety of points of view, and he has tried to craft a compromise.

I have to say tonight that I am always very disturbed when I hear people say our way is the only way, whether it comes from some sort of fanatic or whether it comes from a so-called reformer. The fact of the matter is that politics is the art of compromise, and we, in working with the Ney-Wynn amendment, have tried to fashion a serious compromise.

Let us talk first about soft money. Under the current law it is reported in today's paper the top 10 contributors have given between $1.3 million and $3.6 million. Under Ney-Wynn, we first said $75,000 per contributor to the national party. In the spirit of compromise, we reduced that significantly down to $20,000 per contributor to the national party. I do not think anyone can say that this is not a significant reduction in soft money or a legitimate attempt to address the concerns, nor a legitimate attempt at compromise.

In addition to that, we limited the use of the money. People said we are concerned about national party attack ads. We prohibit national party attack ads. But we do say the soft dollars, this limited amount of soft dollars, can be used for legitimate party-building activities, that political parties ought to be able to do voter registration, voter registration and get-out-the-vote activities. Those are the only uses for the limited amount of soft money used in this bill, legitimate party-building.

I note particularly that minorities, African Americans, Hispanics and others, are increasing their voter participation; and as members of the two national parties, we feel it is very important that there be funds available for these get-out-the-vote activities, voter outreach activities. So, again, we believe the Ney-Wynn approach is a better compromise.

On the subject of the first amendment, we do not restrict advocacy groups in terms of broadcast ads during the final 60 days of a election. That is when the voters should be paying the most attention, should be needing the most information. We want people to be able to provide that information. We do not want to infringe upon their first amendment rights.

Now, you will probably hear someone say they can have ads through PAC money. Well, what if you do not have a PAC? What if your PAC does not have any money? The point is, you should not have to have a PAC in order to express your first amendment rights; and we, under Ney-Wynn, do not interfere with those rights.

Finally, we do not interfere with State parties. There has been no hearings, no evidence, to suggest that State parties are not competent to regulate their own campaign financing. Ney-Wynn says let State parties regulate State party activities. There is no reason to federalize campaign fund-raising at the State level.

We believe this is a fair compromise addressing soft money, party building, first amendment rights and protecting the interests of the States. We do not feel we have to be stampeded into voting for my-way-or-the-highway legislation just to avoid a conference committee. Every other piece of legislation that comes through this body goes through a conference committee. This House has the right to work its will and send it through a thoughtful compromise. I believe that is Ney-Wynn, and I urge its adoption.

Mr. SHAYS. Mr. Chairman, I yield myself such time as I may consume.

Let me first say, Mr. Chairman, you have been an extraordinary person at the helm, and I thank you for the graciousness you have shown to both sides.

I would also like to extend my gratitude to the gentleman from Illinois (Mr. LAHOOD) for the way he did it previous to you. It has been a long, long, long, long day.

Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. HOUGHTON).

Mr. HOUGHTON. Mr. Chairman, I will make this brief. I am opposed to this amendment. I am for the Shays-Meehan approach, and I will tell you for three reasons.

First of all, we have a financial crisis in this country augmented by Enron and Arthur Andersen. Somehow we have got to get the credibility in the system back again. Frankly, I think the Shays-Meehan approach will help us in a political way, not just in an economic way.

Secondly, I remember when I first got interested in Republican politics, when Ronald Reagan came in. There was no soft money. We did not use that then. There was no necessity for it. It worked perfectly under the old rules. I think we ought to go back to those rules.

□ 0150

The third reason is this: When I was in business, we never, never, never used soft money, and I know that a lot of people came to us and said we were unpatriotic, we were not supporting the different parties. Crazy. Wrong.

What we did is we marshaled our plants and our sales offices and our laboratories and got people out, raised the money, got them involved.

I am for Shays-Meehan.

The CHAIRMAN pro tempore (Mr. THORNBERRY). The gentleman from Ohio (Mr. NEY) has 1½ minutes remaining; the gentleman from Maryland (Mr. HOYER) has 2½ minutes remaining; the gentleman from Connecticut (Mr. SHAYS) has 3½ minutes remaining.

Mr. SHAYS. Mr. Chairman, I yield the balance of the time to the gentleman from Tennessee (Mr. WAMP), an extraordinary leader and a very courageous person.

Mr. WAMP. Mr. Chairman, I thank all of the Members of the House for their patience and their tolerance. I think throughout history the House of Representatives is really no better than its Speaker. I think our House today has the highest approval rating in modern history, in large part because of the dignity, the humility, and the genuine leadership of our Speaker, and I thank him for everything he does for the people of the House.

This issue of soft money is central to this entire debate. Fifteen years ago, I was elected as a local Republican Party chairman in Chattanooga, Tennessee. I think that the three best national chairmen that our party has had in the modern era were Lee Atwater, Haley Barbour, and a guy named Bill Brock, who served in the House seat that I serve in now, went on to the United States Senate and serve our party extremely well when Ronald Reagan was elected President.

Here is what he says now about soft money. Quote: "In truth, parties were stronger and closer to their roots before the advent of the soft money loophole than they are today. Far from invigorating the parties themselves, soft money has simply strengthened certain specific candidates and the few donors who can make huge contributions, while distracting parties from traditional grassroots work."

Both of our political parties will be better served by weaning ourselves from soft money and returning to the people, returning to the foot power, returning to the grassroots. Writing big checks is actually the easy way out for people that want to participate in this process. The harder way is to involve people. We rarely see ads saying, this is what our party stands for. Join our party. Be a part of our platform. Get involved. We mostly see ads that are degrading and divisive.

Mr. Chairman, I believe our parties will be better off with this most important step, and I believe there are a lot of people of goodwill in this House that agree. We are going to come together tonight. I believe we are going to finish this business. I believe the President will sign this bill, and I think this will be an important step to restoring the public trust. To my friends over here, I may be wrong, but I think we will be better off because we will all be better off and our country will be better off.

The CHAIRMAN pro tempore. The gentleman from Ohio (Mr. NEY) has 1½ minutes remaining; the gentleman from Maryland (Mr. HOYER) has 2½ minutes remaining and the right to close.

Mr. NEY. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, we have heard all day about "sham issue ads" that are really just attack ads designed to influence the election. It is said that these ads have "undermined the intent" of the 1974 Federal Election Campaign Act which was supposed to regulate campaign-related expenditures. I will tell my colleagues something. I am not too concerned about what the Democrats who controlled this Congress in 1974 intended when they wrote the Federal Election Campaign Act. I am concerned about what the founders of this country intended when they wrote the Bill of Rights in 1791.

I want my colleagues to consider something. Imagine if King of England had written to James Madison and said, "James, this whole revolution thing has been a big misunderstanding. I have seen a draft of your proposed Bill of Rights and I think we can resolve our differences. I do not have any problem with freedom of speech, and I am willing to let you criticize me and my policies any way you want. All I ask is that you report to me the names of all people who share your opinions. Also, while I am willing to let you say anything you want about me, I would ask that you not disseminate your criticism too widely. One hundred critical pamphlets is enough; 1,000 is just piling on. If you have to send 1,000 I just ask that you raise the money to finance the printing costs in small chunks from a broad group of donors. I know this may be inconvenient and could hinder your ability to get your message out, but I really do not think it is an unreasonable request. Please, let us be reasonable and work together on this issue."

We all know what Madison's reaction would have been: No thank you, Your Highness.

That is why the first amendment to our Constitution begins, "Congress shall make no law abridging the freedom of speech." The freedom of our citizens to criticize their elected leaders makes us the greatest democracy in the world, and that is what makes us different from dictators. Yet, now today in the name of "reform," we are asked to turn our back on that great legacy.

Well, I am not going to do it. Like every Member of this body, I took an oath to preserve, protect, and defend the Constitution of the United States of America. I do not intend to break the oath to satisfy the editorial board of the New York Times, and neither should you. Support Ney-Wynn.

Mr. HOYER. Mr. Chairman, I yield myself the balance of the time to close.

Mr. Chairman, this has been a long day, a long night, and an early morning. I think the quality of debate, for the most part, has been very good. I think there has been respect on not only both sides of the aisle, but there has been a bipartisanship of action. On behalf, I think, of all of us, I want to congratulate the gentleman from Massachusetts (Mr. MEEHAN) and the gentleman from Connecticut (Mr. SHAYS). Whether we agree or disagree with either one of them, they have fought a long and good fight. They have kept the faith with their principles and their premises, and I think that they have acted in the highest traditions of legislators seeking to put forward policies to make their country better. I, on behalf of all of us, want to thank both the gentleman from Connecticut (Mr. SHAYS) and the gentleman from Massachusetts (Mr. MEEHAN) for their work.

We now end this debate. As I said at the beginning, if we adopt this amendment, we essentially start over. At least eight times we have made a determination not to do this. This is the ninth time. Let us once again say that we are prepared to move. We are prepared to act. We are prepared to take a step in reforming campaign finance reform. We are prepared to take a step to raise the confidence of Americans that their representatives, their government, their policies that are adopted by all of us are theirs.

This is an historic night. Rarely do we have the opportunity to vote on such significant historical change. I ask my colleagues to vote "no" on Ney-Wynn and to vote "yes" for final passage of Shays-Meehan.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Ohio (Mr. NEY).

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HOYER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 181, noes 248, not voting 6, as follows:

[Roll No. 33]

AYES—181

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Bartlett
Barton
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Bono
Boozman
Boucher
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Capito
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
English
Everett
Ferguson
Flake
Fletcher
Forbes
Fossella
Frost
Gekas
Gibbons
Gillmor
Goode
Goodlatte
Goss
Granger
Graves
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hilleary
Hobson
Hoekstra
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
John
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Knollenberg
Kolbe
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Lucas (OK)
Manzullo
McCrery
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Otter
Oxley
Paul
Pence
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Schaffer
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Upton
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wynn
Young (AK)
Young (FL)

NOES—248

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barr
Barrett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Emerson
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Foley
Ford
Frank
Frelinghuysen
Gallegly
Ganske
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hart
Hastings (FL)
Hill
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kirk
Kleczka
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Largent
Larsen (WA)
Larson (CT)
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Mollohan
Moore
Moran (VA)
Morella
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Petri
Phelps
Platts
Pomeroy
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schakowsky
Schiff
Scott
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (TX)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velázquez
Visclosky
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (PA)
Wexler
Wolf
Woolsey
Wu

NOT VOTING—6

Brady (TX)
Cubin
Hefley
Riley
Roukema
Traficant

□ 0218

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. THORNBERRY). There being no further amendments, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HASTINGS of Washington) having assumed the chair, Mr. THORNBERRY, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2356) to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform, pursuant to House Resolution 344, he reported the bill, as amended by the final adoption of the amendment in the nature of a substitute numbered 9 pursuant to that rule, back to the House with sundry further amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

□ 0220

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MEEHAN

Mr. MEEHAN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. MEEHAN. In its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MEEHAN moves to recommit the bill H.R. 2356 to the Committee on House Administration with instructions to report the same back to the House forthwith with the following amendment:

Amend section 402(b)(1) to read as follows:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from an election in 2002) and so long as such debts or obligations were not incurred for any expenditures (activities required to be paid for with "hard money")

under such Act. Nothing in this paragraph may allow such funds (commonly known as "soft money") to be used to pay for any debts or obligations incurred for any Federal election expenditures under such Act ("hard money" activities).

The SPEAKER pro tempore. The gentleman from Massachusetts (Mr. MEEHAN) is recognized for 5 minutes.

Mr. MEEHAN. Mr. Speaker, I have a motion to recommit the bill to the Committee on House Administration forthwith with instructions to clarify language related to the effective date, specifically how national parties may spend soft money on hand after November 6.

It was clearly our intent that such soft money could not be used to pay off hard money debt. In fact, I continue to believe our language accomplishes that. However, others have argued that the language was ambiguous on this issue. Accordingly, this motion to recommit would make it crystal clear that the national parties could not use any leftover soft money to pay off hard debts. I ask that the Members who so kindly pointed this out to us join me in voting for this motion.

In addition to that, as we end this debate, I want to thank all the Members for their cooperation, including the gentleman from Ohio (Mr. NEY), last night and also this morning. I want to thank all the courageous members of our bipartisan coalition. I want to thank the minority leader and the minority whip. I want to thank all the Members who signed the discharge petition. And, lastly, I want to thank my partner in this effort, the leader of our effort on the Republican side, the gentleman from Connecticut (Mr. SHAYS).

In addition to that, I want to thank the gentleman from Maryland (Mr. HOYER) and the others who were so gracious in giving people time tonight, and thank all the Members for their cooperation in this most difficult but historic occasion.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Who seeks time in opposition?

Mr. NEY. Mr. Speaker, I rise to agree with the gentleman.

The SPEAKER pro tempore. Without objection, the gentleman is recognized for 5 minutes.

There was no objection.

Mr. NEY. Mr. Speaker, again, I stand to advise my side that I agree with this motion to recommit.

Let me just say that this has been an energetic give and take of public debate for quite a long time through the committee process, and we have many people that we can thank for giving of their spirit and their energy and their time, whichever side of the issue they were on. We all will move on, but I just want to thank everybody involved with this on the floor today.

Our democracy works through debate, and that is what makes us great.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was agreed to.

Mr. NEY. Mr. Speaker, pursuant to the instructions of the House on the motion to recommit, and on behalf of the Committee on House Administration, I report the bill, H.R. 2356, back to the House with an amendment.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment:

Amend section 402(b)(1) to read as follows:

(1) Prior to January 1, 2003, the committee may spend such funds to retire outstanding debts or obligations incurred prior to such effective date, so long as such debts or obligations were incurred solely in connection with an election held on or before November 5, 2002 (or any runoff election or recount resulting from an election in 2002) and so long as such debts or obligations were not incurred for any expenditures (activities required to be paid for with "hard money") under such Act. Nothing in this paragraph may allow such funds (commonly known as "soft money") to be used to pay for any debts or obligations incurred for any Federal election expenditures under such Act ("hard money" activities).

Mr. HOYER (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HOYER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 240, noes 189, not voting 6, as follows:

[Roll No. 34]

AYES—240

Abercrombie
Ackerman
Allen
Andrews
Baca
Baird
Baldacci
Baldwin
Barrett
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Borski
Boswell
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Ferguson
Filner
Foley
Ford
Frank
Frelinghuysen
Frost
Ganske
Gephardt
Gilchrest
Gilman
Gonzalez
Gordon
Graham
Green (TX)
Greenwood
Grucci
Gutierrez
Hall (OH)
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Houghton
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kirk
Kleczka
Kucinich
LaFalce
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
LaTourette
Leach
Lee
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Lucas (KY)
Luther
Lynch
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Petri
Phelps
Platts
Pomeroy
Price (NC)
Quinn
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Schiff
Serrano
Shays
Sherman
Simmons
Skelton
Slaughter
Smith (MI)
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thune
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Walsh
Wamp
Waters
Watson (CA)
Watt (NC)
Waxman
Weiner
Weldon (PA)
Wexler
Wolf
Woolsey
Wu
Wynn

NOES—189

Aderholt
Akin
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Bartlett
Barton
Biggert
Bilirakis
Blunt
Boehner
Bonilla
Boozman
Boucher
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cannon
Cantor
Chabot
Chambliss
Coble
Collins
Combest
Cooksey
Cox
Crane
Crenshaw
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal
DeLay
DeMint
Diaz-Balart
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Flake
Fletcher
Forbes
Fossella
Gallegly
Gekas
Gibbons

Gillmor
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Herger
Hilleary
Hilliard
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Jenkins
Johnson, Sam
Jones (NC)
Keller
Kelly
Kennedy (MN)
Kerns
King (NY)
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Lucas (OK)
Manzullo
McCrery
McInnis
McKeon
Mica
Miller, Dan
Miller, Gary
Miller, Jeff
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Otter
Oxley
Paul
Pence
Peterson (MN)
Peterson (PA)
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Putnam
Radanovich
Rahall
Regula
Rehberg
Reynolds
Rogers (KY)
Rogers (MI)
Rohrabacher
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schaffer
Schrock
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Smith (NJ)
Smith (TX)
Souder
Stearns
Stump
Sununu
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Toomey
Vitter
Walden
Watkins (OK)
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Young (AK)
Young (FL)

NOT VOTING—6

Brady (TX)
Cubin
Hefley
Riley
Roukema
Traficant

☐ 0242

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2356, BIPARTISAN CAMPAIGN REFORM ACT OF 2001

Mr. REYNOLDS. Mr. Speaker, it is great at 2:45 a.m. to see a Committee on Rules member at the rostrum, because it is usually you and I and the distinguished staff around you; but tonight we are joined by the entire House as I ask unanimous consent that, in the engrossment of the bill, H.R. 2356, the Clerk be authorized to correct section numbers, punctuation, and cross-references and to make such other technical and conforming changes as may be necessary to reflect the actions of the House.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from New York?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF SENATE AMENDMENTS TO H.R. 622, HOPE FOR CHILDREN ACT

Mr. REYNOLDS, from the Committee on Rules, submitted a privileged report (Rept. No. 107–359) on the resolution (H. Res. 347) providing for consideration of the Senate amendments to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes, which was referred to the House Calendar and ordered to be printed.

COMMUNICATION FROM DISTRICT AIDE TO HON. JOHN SHIMKUS, MEMBER OF CONGRESS

The Speaker pro tempore laid before the House the following communication from Angie Merriman, District Aide to the Honorable JOHN SHIMKUS, Member of Congress:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 8, 2002.

Hon. J. DENNIS HASTERT,
Speaker, House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: This is to formally notify you, pursuant to Rule VIII of the Rules of the House of Representatives, that I have been served with a subpoena for testimony issued by the United States District Court for the Central District of Illinois in a criminal case pending there.

After consultation with the Office of General Counsel, I have determined that it is consistent with the precedents and privileges of the House to comply with the subpoena.

Sincerely,

ANGIE MERRIMAN,
District Aide to
Congressman John Shimkus.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Member (at the request of Mr. MCNULTY) to revise and extend her remarks and include extraneous material:

Mrs. MINK of Hawaii, for 5 minutes, today.

The following Member (at the request of Mr. REYNOLDS) to revise and extend his remarks and include extraneous material:

Mr. SHIMKUS, for 5 minutes, February 14.

ENROLLED BILL SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which were thereupon signed by the Speaker:

H.R. 2998. An act to authorize the establishment of Radio Free Afghanistan.

BILL PRESENTED TO THE PRESIDENT

Jeff Trandahl, Clerk of the House reports that on February 13, 2002 he presented to the President of the United States, for his approval, the following bill: H.J. Res. 82. Recognizing the 91st birthday of Ronald Reagan.

ADJOURNMENT

Mr. MCNULTY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 45 minutes a.m.), the House adjourned until today, Thursday, February 14, 2002, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

5504. A communication from the President of the United States, transmitting notification to reallocate funds previously transferred from the Emergency Response Fund; (H. Doc. No. 107—181); to the Committee on Appropriations and ordered to be printed.

5505. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule—Type Certification Procedures for Changed Products [Docket No. FAA–2001–8994; Amdt. Nos. 11–45, 21–77, 25–99] (RIN: 2120–AF68) received February 8, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5506. A letter from the Chief Scout Executive and President, Boy Scouts of America, transmitting the Boy Scouts of America 2001 report to the Nation, pursuant to 36 U.S.C. 28; to the Committee on the Judiciary.

5507. A letter from the Director, Policy Directives and Instructions Branch, Department of Justice, transmitting the Department's final rule—New Classification for Victims of Severe Forms of Trafficking in Persons; Eligibility for "T" Nonimmigrant Status (RIN: 1115–AG19) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5508. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB SF340A and SAAB 340B Series Airplanes [Docket No. 2001–NM–91–AD; Amendment 39–12576; AD 2001–23–12R1] (RIN: 2120–AA64) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5509. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Revision of Legal Descriptions of Multiple Federal Airways in the Vicinity of Salt Lake City, UT [Docket No. FAA–2001–10877; Airspace Docket No. 01–ANM–13] (RIN: 2120–AA66) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5510. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Removal of the Prohibition Against Certain Flights Within the Territory and Airspace of Afghanistan [Docket No. FAA–2001–10664; SFAR No. 90–1] (RIN: 2120–AH64) received February 4, 2002, pursuant to 5 U.S.C.

801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5511. A letter from the Senior Regulations Analyst, Department of Transportation, transmitting the Department's final rule—Procedures for Compensation of Air Carriers [Docket OST-2001-10885] (RIN: 2105-AD06) received January 31, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5512. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC-90-30 Series Airplanes [Docket No. 2001-NM-131-AD; Amendment 39-12468; AD 2001-20-19] (RIN: 2120-AA64) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5513. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC-9-10, -20, -30, -40, and -50 Series Airplanes; C-9 Airplanes; and Model DC-9-81, -82, and -83 Series Airplanes [Docket No. 99-NM-295-AD; Amendment 39-12534; AD 2001-24-17] (RIN: 2120-AA64) received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5514. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Service Difficulty Reports [Docket No. FAA-2000-7952] received February 4, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5515. A letter from the Secretary, Department of Transportation, transmitting the Department's report entitled, "Buckle Up America: The Presidential Initiative for Increasing Seat Belt Use Nationwide, Fourth Report To Congress and Second Report to the President"; to the Committee on Transportation and Infrastructure.

5516. A letter from the Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting the Administration's final rule—NASA Grant and Cooperative Agreement Handbook—Miscellaneous Changes—received February 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

5517. A letter from the Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting the Administrator's final rule—Miscellaneous Administrative Revisions to the NASA FAR Supplement— received February 11, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

5518. A letter from the Chief Counsel, Bureau of the Public Debt, Department of the Treasury, transmitting the Department's final rule—Regulations Governing Book-Entry Treasury Bonds, Notes, and Bills [Department of the Treasury Circular, Public Debt Series, No. 2-86] received November 16, 2002, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[February 14 (legislative day of February 13), 2002]

Mr. HASTINGS of Washington: Committee on Rules. House Resolution 347. Resolution providing for consideration of the Senate amendments to the bill (H.R. 622) to amend the Internal Revenue Code of 1986 to expand the adoption credit, and for other purposes (Rept. 107-359). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. SMITH of New Jersey (for himself, Mr. EVANS, Mr. SIMPSON, Mr. REYES, Mr. FILNER, Mr. BAKER, Mr. PICKERING, Mr. SHOWS, Mr. KING, Mr. SANDERS, Mr. BALDACCI, Ms. CARSON of Indiana, Mr. REYNOLDS, and Mr. MOORE):

H.R. 3731. A bill to amend title 38, United States Code, to increase amounts available to State approving agencies to ascertain the qualifications of educational institutions for furnishing courses of education to veterans and eligible persons under the Montgomery GI Bill and under other programs of education administered by the Department of Veterans Affairs; to the Committee on Veterans' Affairs.

By Mr. PAUL:

H.R. 3732. A bill to amend title 31, United States Code, to limit the use by the President and the Secretary of the Treasury of the Exchange Stabilization Fund to buy or sell gold without congressional approval, and for other purposes; to the Committee on Financial Services, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. EVANS (for himself and Mr. REYES):

H.R. 3733. A bill to amend title 38, United States Code, to allow for substitution of parties in the case of a claim for benefits provided by the Department of Veterans Affairs when the applicant for such benefits dies while the claim is pending, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. REYES (for himself, Mr. EVANS, and Ms. BROWN of Florida):

H.R. 3734. A bill to amend title 38, United States Code, to provide full service-connected disability benefits for persons disabled by treatment or vocational rehabilitation provided by the Department of Veterans Affairs and for survivors of persons dying from such treatment; to the Committee on Veterans' Affairs.

By Mr. REYES (for himself, Mr. EVANS, and Ms. BROWN of Florida):

H.R. 3735. A bill to amend title 38, United States Code, to extend the time for application for a waiver of recovery of claims of overpayments of veterans benefits and to otherwise improve the administration of overpayments of veterans benefits; to the Committee on Veterans' Affairs.

By Mr. ACKERMAN:

H.R. 3736. A bill to amend the Securities Exchange Act of 1934 to require the Securities and Exchange Commission to strengthen the Commission's auditor independence standards; to the Committee on Financial Services.

By Mr. ANDREWS (for himself, Mr. BALDACCI, and Mr. ALLEN):

H.R. 3737. A bill to provide for renewal of project-based assisted housing contracts at reimbursement levels that are sufficient to sustain operations, and for other purposes; to the Committee on Financial Services.

By Mr. BRADY of Pennsylvania (for himself, Mr. FATTAH, Mr. BORSKI, Ms. HART, Mr. PETERSON of Pennsylvania, Mr. HOLDEN, Mr. WELDON of Pennsylvania, Mr. GREENWOOD, Mr. SHUSTER, Mr. SHERWOOD, Mr. KANJORSKI, Mr. MURTHA, Mr. HOEFFEL, Mr. TOOMEY, Mr. PITTS, Mr. GEKAS, Mr. DOYLE, Mr. PLATTS, Mr. MASCARA, and Mr. ENGLISH):

H.R. 3738. A bill to designate the facility of the United States Postal Service located at 1299 North 7th Street in Philadelphia, Pennsylvania, as the "Herbert Arlene Post Office Building"; to the Committee on Government Reform.

By Mr. BRADY of Pennsylvania (for himself, Mr. FATTAH, Mr. BORSKI, Ms. HART, Mr. PETERSON of Pennsylvania, Mr. HOLDEN, Mr. WELDON of Pennsylvania, Mr. GREENWOOD, Mr. SHUSTER, Mr. SHERWOOD, Mr. KANJORSKI, Mr. MURTHA, Mr. HOEFFEL, Mr. TOOMEY, Mr. PITTS, Mr. GEKAS, Mr. DOYLE, Mr. PLATTS, Mr. MASCARA, and Mr. ENGLISH):

H.R. 3739. A bill to designate the facility of the United States Postal Service located at 6150 North Broad Street in Philadelphia, Pennsylvania, as the "Rev. Leon Sullivan Post Office Building"; to the Committee on Government Reform.

By Mr. BRADY of Pennsylvania (for himself, Mr. FATTAH, Mr. BORSKI, Ms. HART, Mr. PETERSON of Pennsylvania, Mr. HOLDEN, Mr. WELDON of Pennsylvania, Mr. GREENWOOD, Mr. SHUSTER, Mr. SHERWOOD, Mr. KANJORSKI, Mr. MURTHA, Mr. HOEFFEL, Mr. TOOMEY, Mr. PITTS, Mr. GEKAS, Mr. DOYLE, Mr. PLATTS, Mr. MASCARA, and Mr. ENGLISH):

H.R. 3740. A bill to designate the facility of the United States Postal Service located at 925 Dickinson Street in Philadelphia, Pennsylvania, as the "William V. Cibotti Post Office Building"; to the Committee on Government Reform.

By Mr. BURTON of Indiana (for himself, Mr. WAXMAN, Mr. WELDON of Florida, Mr. NADLER, Mr. GILMAN, Mr. HORN, Mr. DUNCAN, Mr. FROST, Mrs. MORELLA, Mr. KUCINICH, Mrs. JO ANN DAVIS of Virginia, and Mr. TOM DAVIS of Virginia):

H.R. 3741. A bill to amend the Public Health Service Act with respect to the National Vaccine Injury Compensation Program; to the Committee on Energy and Commerce.

By Mr. DAVIS of Illinois:

H.R. 3742. A bill to amend the Internal Revenue Code of 1986 to expand the earned income tax credit for individuals with no qualifying children; to the Committee on Ways and Means.

By Mr. ENGEL (for himself and Mr. SAXTON):

H.R. 3743. A bill to provide for restrictions on travel by diplomatic representatives of the Palestine Liberation Organization while in the United States, and for other purposes; to the Committee on International Relations.

By Mr. GEKAS:

H.R. 3744. A bill to amend title 31, United States Code, to provide for continuing appropriations in the absence of regular appropriations; to the Committee on Appropriations.

By Mr. GILLMOR (for himself, Mr. TIBERI, Mr. SHADEGG, Mr. COX, and Mr. ROYCE):

H.R. 3745. A bill to amend the Securities and Exchange Act of 1934 to require improved disclosure of corporate charitable contributions, and for other purposes; to the Committee on Financial Services.

By Mr. HOUGHTON:

H.R. 3746. A bill to amend title XVIII to establish a comprehensive centers for medical excellence demonstration program; to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. INSLEE (for himself, Mr. DICKS, Mr. UNDERWOOD, Mr. WU, Mr. SMITH of Washington, Mr. MCDERMOTT, Mr. MATSUI, Mr. ABERCROMBIE, Mr. BAIRD, and Mr. LARSEN of Washington):

H.R. 3747. A bill to direct the Secretary of the Interior to conduct a study of the site commonly known as Eagledale Ferry Dock at Taylor Avenue in the State of Washington for potential inclusion in the National Park System; to the Committee on Resources.

By Mr. JOHNSON of Illinois:

H.R. 3748. A bill to designate the facility of the United States Postal Service located at 107 South Oak Street in Arcola, Illinois, as the "James E. Case IV Post Office"; to the Committee on Government Reform.

By Mr. LOBIONDO (for himself, Mr. LAMPSON, Mr. SAXTON, Mr. GRUCCI, Mr. JONES of North Carolina, Mrs. MINK of Hawaii, Mr. FERGUSON, Mr. KING, Mr. PALLONE, Mr. SHAW, Mr. MCINTYRE, Mr. HORN, Mrs. ROUKEMA, Ms. HARMAN, Mr. FILNER, Mr. STUPAK, and Mr. BOYD):

H.R. 3749. A bill to amend the Water Resources Development Act of 1986 to limit the non-Federal share of the cost of shore protection projects; to the Committee on Transportation and Infrastructure.

By Mrs. MINK of Hawaii:

H.R. 3750. A bill to direct the Secretary of the Interior to conduct a study regarding the suitability and feasibility of establishing the East Maui National Heritage Area in the Hana district of East Maui in the State of Hawaii, and for other purposes; to the Committee on Resources.

By Mr. NADLER:

H.R. 3751. A bill to prohibit the importation of dangerous firearms that have been modified to avoid the ban on semiautomatic assault weapons; to the Committee on the Judiciary.

By Ms. SCHAKOWSKY (for herself, Ms. MILLENDER-MCDONALD, Mr. CONYERS, Mr. FRANK, Ms. JACKSON-LEE of Texas, Mrs. MINK of Hawaii, Mr. MCGOVERN, Mrs. MALONEY of New York, Mr. HOUGHTON, Mr. HONDA, Mr. JACKSON of Illinois, Mr. SMITH of New Jersey, Mr. WAXMAN, Ms. SLAUGHTER, Mr. LANTOS, Mr. RANGEL, Mr. KUCINICH, Mr. GEORGE MILLER of California, Ms. PELOSI, Mrs. LOWEY, Ms. SOLIS, Mr. THOMPSON of Mississippi, Mr. FROST, Mr. BROWN of Ohio, Mr. BALDACCI, Mr. SANDLIN, Mr. MCHUGH, Mr. ABERCROMBIE, Mr. GILLMOR, Mr. SKELTON, Ms. CARSON of Indiana, Mr. DAVIS of Illinois, Mr. OWENS, Mrs. JONES of Ohio, Ms. NORTON, Mr. FILNER, Mr. SANDERS, Mrs. THURMAN, Mr. CUMMINGS, Mr. NADLER, Mr. EVANS, Mr. ALLEN, Mr. ROTHMAN, Ms. MCCOLLUM, Mr. GREEN of Texas, Ms. HOOLEY of Oregon, Ms. BALDWIN, Mr. CLEMENT, Ms. LEE, Mr. JEFFERSON, Mrs. CHRISTENSEN, Mrs. CLAYTON, Mr. BOSWELL, Ms. WATERS, Ms. BERKLEY, Mr. BLAGOJEVICH, Mrs. CAPPS, Mr. REYES, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. HOLT, Mr. HINCHEY, Mr. OLVER, Ms. MCKINNEY, Ms. SANCHEZ, Ms. HART, Mr. PASCRELL, Ms. BROWN of Florida, Ms. DELAURO, Mr. UNDERWOOD, Mr. LIPINSKI, Mr. BONIOR, Mr. ENGEL, Mr. STARK, Mr. CAPUANO, Mr. BORSKI, Mr. HASTINGS of Florida, Ms. KILPATRICK, Mr. MCNULTY, Mr. PALLONE, Mr. ISRAEL, Mr. MATSUI, Mr. LARSEN of Washington, Mr. MORAN of Virginia, Ms. MCCARTHY of Missouri, Mr. MCDERMOTT, Mr. FATTAH, Mr. BAIRD, Mr. WU, Mr. OBERSTAR, Mr. RUSH, Ms. ROYBAL-ALLARD, Mr. KILDEE, Mr. SPRATT, Mr. UDALL of New Mexico, Mr. HOYER, Ms. WOOLSEY, Mr. FALEOMAVAEGA, Mr. WEXLER, Mrs. MEEK of Florida, Ms. KAPTUR, Ms. LOFGREN, Ms. VELÁZQUEZ, Mr. LANGEVIN, Mr. FORD, and Mr. CLAY):

H.R. 3752. A bill to provide housing assistance to domestic violence victims; to the Committee on Financial Services.

By Mr. SWEENEY:

H.R. 3753. A bill to reinstate and transfer a hydroelectric license under the Federal Power Act to permit the redevelopment of a hydroelectric project located in the State of New York, and for other purposes; to the Committee on Energy and Commerce.

By Mr. SWEENEY:

H.R. 3754. A bill to extend the deadlines under part I of the Federal Power Act for commencement of construction of two hydroelectric projects in the State of New York; to the Committee on Energy and Commerce.

By Mr. VITTER:

H.R. 3755. A bill to amend the Higher Education Act of 1965 to require institutions of higher education to preserve the educational status and financial resources of military personnel called to active duty; to the Committee on Education and the Workforce.

By Mr. VITTER:

H.R. 3756. A bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes; to the Committee on Ways and Means.

By Mr. WEXLER:

H.R. 3757. A bill to freeze and repeal portions of the tax cut enacted in the Economic Growth and Tax Relief Reconciliation Act of 2001 and to apply savings there from to a comprehensive Medicare outpatient prescription drug benefit; to the Committee on Ways and Means.

By Ms. KILPATRICK (for herself, Mr. CONYERS, Ms. NORTON, Mrs. JONES of Ohio, Mr. BONIOR, Mr. PAYNE, Ms. KAPTUR, and Ms. BROWN of Florida):

H. Con. Res. 328. Concurrent resolution expressing the sense of the Congress with respect to coverage of outpatient prescription drugs under the Medicare Program and with respect to providing for appropriate new budget authority for such coverage; to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. THURMAN (for herself, Mr. CANTOR, Mr. HANSEN, Mr. LANGEVIN, Mr. DAN MILLER of Florida, Mr. MOORE, Mr. SHERMAN, Mr. STARK, Mr. TRAFICANT, Mr. WAXMAN, and Mr. WYNN):

H. Con. Res. 329. Concurrent resolution expressing the sense of the Congress regarding the importance of organ, tissue, bone marrow, and blood donation and supporting National Donor Day; to the Committee on Energy and Commerce.

By Mr. VITTER:

H. Con. Res. 330. Concurrent resolution honoring the State of Louisiana's oil and gas industry on the occasion of its 101st anniversary; to the Committee on Government Reform.

PRIVATE BILLS AND RESOLUTIONS

Under clause 3 of rule XII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. MCCRERY:

H.R. 3758. A bill for the relief of So Hyun Jun; to the Committee on the Judiciary.

By Mrs. THURMAN:

H.R. 3759. A bill to provide for the reliquidation of a certain drawback claim relating to juices; to the Committee on Ways and Means.

By Mrs. THURMAN:

H.R. 3760. A bill to provide for the reliquidation of a certain drawback claim relating to juices; to the Committee on Ways and Means.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 80: Mrs. CAPITO.

H.R. 97: Mr. RODRIGUEZ.

H.R. 103: Mr. KOLBE.

H.R. 257: Mr. GRAVES and Mrs. WILSON of New Mexico.

H.R. 299: Mr. CROWLEY, Mr. HOEFFEL, Ms. MCKINNEY, Mr. MENENDEZ, Mr. CAPUANO, Mr. PALLONE, and Mr. WEINER.

H.R. 397: Mr. OXLEY and Mr. MASCARA.

H.R. 440: Mr. HALL of Ohio.

H.R. 491: Ms. HARMAN and Mr. PETERSON of Minnesota.

H.R. 556: Mr. OXLEY and Mr. LAFALCE.

H.R. 598: Ms. PRYCE of Ohio.

H.R. 602: Mr. UNDERWOOD and Mr. MATHESON.

H.R. 671: Mr. WEXLER.

H.R. 739: Mr. KILDEE and Mr. MORAN of Virginia.

H.R. 747: Mr. SCHIFF.

H.R. 804: Mr. WILSON of South Carolina.

H.R. 817: Mr. HALL of Ohio.

H.R. 830: Mr. WILSON of South Carolina.

H.R. 914: Mr. HALL of Texas.

H.R. 951: Mr. WELDON of Pennsylvania.

H.R. 959: Mr. ISSA.

H.R. 969: Mr. REHBERG and Mr. BOOZMAN.

H.R. 978: Ms. PRYCE of Ohio.

H.R. 1070: Ms. CARSON of Indiana.

H.R. 1143: Ms. HARMAN, Mrs. DAVIS of California, and Mr. SCHIFF.

H.R. 1184: Mr. OWENS, Mr. FORBES, Ms. LEE, and Mr. BOSWELL.

H.R. 1198: Mr. BARR of Georgia.

H.R. 1213: Mr. DEFAZIO and Mr. PITTS.

H.R. 1214: Mr. DEFAZIO and Mr. PITTS.

H.R. 1273: Mr. WILSON of South Carolina.

H.R. 1296: Mr. WAMP, Mr. BOEHNER, and Mr. TANCREDO.

H.R. 1305: Mr. SOUDER.

H.R. 1322: Mr. LIPINSKI, Mr. CRAMER, Ms. SOLIS, and Ms. CARSON of Indiana.

H.R. 1466: Mr. WILSON of South Carolina and Mr. ENGLISH.

H.R. 1470: Mr. BRADY of Pennsylvania and Mr. COSTELLO.

H.R. 1600: Mr. FALEOMAVAEGA.

H.R. 1609: Mr. MANZULLO.

H.R. 1667: Ms. NORTON and Mr. SMITH of Washington.

H.R. 1673: Mr. KNOLLENBERG.

H.R. 1703: Mr. PRICE of North Carolina.

H.R. 1744: Mr. ABERCROMBIE.

H.R. 1754: Mr. BONIOR AND Mr. KILDEE.

H.R. 1769: Mr. SMITH of Washington

H.R. 1779: Mrs. DAVIS of California and Mr. MCNULTY.

H.R. 1795: Mr. PUTNAM, Mr. SMITH of Washington, Mr. KENNEDY of Rhode Island, Mr. TERRY, and Mr. HOYER.

H.R. 1808: Mr. TIERNEY.

H.R. 1839: Ms. DELAURO.

H.R. 1862: Mr. NADLER, Ms. RIVERS, and Ms. CARSON of Indiana.

H.R. 1904: Mr. BLUMENAUER.

H.R. 1917; Mr. BOEHLERT and Mr. EHRLICH.

H.R. 1919: Mr. REHBERG.

H.R. 1983: Mr. SOUDER, Mr. WILSON of South Carolina, and Mrs. CHRISTENSEN.

H.R. 2036: Mr. BROWN of Ohio, Mr. FORBES, Mr. SCHIFF, Mr. HINCHEY, Mr. COSTELLO, Mr. DUNCAN, Mr. GILMAN, Mr. SAXTON, Mr. LEVIN, Mr. EVANS, and Mr. COOKSEY.

H.R. 2037: Mr. DREIER and Mr. HILLIARD.

H.R. 2074: Mrs. MCCARTHY of New York.

H.R. 2088: Mr. SERRANO.

H.R. 2229: Mrs. THURMAN.

H.R. 2254: Mr. SHIMKUS.

H.R. 2332: Ms. KAPTUR.

H.R. 2484: Ms. SLAUGHTER, Mr. FATTAH, Ms. LOFGREN, and Ms. CARSON of Indiana.

H.R. 2527: Mr. COBLE, Mrs. MINK of Hawaii, and Mr. BOUCHER.

H.R. 2674: Mr. DIAZ-BALART, Mr. TERRY, Mr. CLYBURN, Ms. MCKINNEY, Mr. BONIOR, Mr. SKELTON, Mr. KUCINICH, Mrs. MALONEY of New York, Mr. EVANS, Ms. MCCARTHY of Missouri, Mr, SPRATT, Mr. COSTELLO, Ms. ROS-LEHTINEN, Mr. PETERSON of Minnesota, and Ms. WOOLSEY.

H.R. 2695: Mr. SCHAFFER, Mr. DOOLEY of California, Mr. CALVERT, and Mr. ENGLISH.

H.R. 2807: Mr. POMEROY.

H.R. 2817: Mr. GORDON and Ms. CARSON of Indiana.

H.R. 2820: Mr. FILNER.

H.R. 2908: Mr. BAIRD.

H.R. 2942: Mr. MCINNIS.

H.R. 2974: Mr. BEREUTER and Mr. MCINNIS.

H.R. 3037: Mr. PAYNE.

H.R. 3039: Mr. KERNS.

H.R. 3062: Mr. WILSON of South Carolina.

H.R. 3131: Ms. CARSON of Indiana and Mrs. MYRICK.

H.R. 3236: Ms. JACKSON-LEE of Texas and Mr. BORSKI.

H.R. 3238: Mr. OLVER and Mr. HINCHEY.

H.R. 3278: Mr. LIPINSKI.

H.R. 3324: Mrs. DAVIS of California, Mr. BECERRA, and Mr. BERMAN.

H.R. 3332: Mr. ACKERMAN, Mr. KUCINICH, Mr. CALLAHAN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. WELLER, Mr. FILNER, Mr. SCHAFFER, Mr. BENTSEN, Mr. WICKER, Mr. COBLE, Mr. GOODLATTE, Mr. FOLEY, Mr. GRUCCI, Mrs. CAPITO, Mrs. JONES of Ohio, Mr. STRICKLAND, Mr. PLATTS, Mr. WELDON of Florida, and Mr. KIND.

H.R. 3337: Mr. HOLT, Mr. CUMMINGS, Mr. KUCINICH, and Mr. GILMAN.

H.R. 3351: Mr. CULBERSON, Mr. FORBES, Mr. AKIN, and Mr. EHRLICH.

H.R. 3360: Mr. STUPAK and Mr. MCINTYRE.

H.R. 3375: Mr. KING, Mr. WEXLER, Mr. SKELTON, Mr. MCGOVERN, Mr. LAMPSON, Mr. SESSIONS, Mr. ENGLISH, Mr. CRANE, Mr. MCCRERY, Mrs. MALONEY of New York, Mr. BEREUTER, Mr. KIRK, and Mr. SMITH of New Jersey.

H.R. 3389: Mr. MCNULTY and Mr. EHRLICH.

H.R. 3412: Mr. LAHOOD, Mr. HOBSON, Mr. ROGERS of Michigan, Mr. KERNS, Mr. BOYD, Mr. WICHER, and Mr. FLETCHER.

H.R. 3414: Mr. MANZULLO and Mr. LIPINSKI.

H.R. 3424: Mr. COBLE, Ms. SOLIS, Mr. WEINER, Ms. BROWN of Florida, and Ms. WOOLSEY.

H.R. 3430: Mr. EVANS.

H.R. 3443: Mr. COMBEST.

H.R. 3450: Mr. HERGER, Mr. ISAKSON, Mr. COSTELLO, Mr. GIBBONS, Mr. BOSWELL, Mr. SHAYS, Mr. SANDERS, Mr. MASCARA, Mr. NADLER, Mr. DOOLEY of California, Mr. LARSON of Connecticut, Mr. ANDREWS, Mr. OSBORNE, Mr. SNYDER, Mr. ROGERS of Kentucky, and Mrs. EMERSON.

H.R. 3478: Mrs. JO ANN DAVIS of Virginia.

H.R. 3481: Mr. BEREUTER.

H.R. 3482: Mr. GREEN of Wisconsin, Mr. ISSA, and Mr. CUNNINGHAM.

H.R. 3486: Mr. SOUDER.

H.R. 3509: Mr. GONZALEZ.

H.R. 3561: Mr. MCGOVERN and Mr. ISSA.

H.R. 3569: Mr. NETHERCUTT and Mr. LUCAS of Oklahoma.

H.R. 3596: Mr. PETRI and Mr. SENSENBRENNER.

H.R. 3607: Ms. SCHAKOWSKY.

H.R. 3612: Mr. HOEFFEL, Mr. UNDERWOOD, Ms. LEE, and Mr. RUSH.

H.R. 3618: Mr. SPRATT, Mr. PRICE of North Carolina, Ms. PELOSI, Mr. HAYES, and Mr. TAYLOR of Mississippi.

H.R. 3623: Mr. GONZALEZ, Mr. STENHOLM, and Mr. BROWN of Ohio.

H.R. 3624: Mrs. MCCARTHY of New York, Mr. PITTS, Mr. NADLER, and Mr. TIAHRT.

H.R. 3625: Ms. WATSON, Mrs. THURMAN, Ms. SOLIS, Ms. BROWN of Florida, Mr. CUMMINGS, Ms. SCHAKOWSKY, Mr. GEORGE MILLER of California, Mr. FROST, Mr. LEWIS of Georgia, Mr. NEAL of Massachusetts, Mr. MATSUI, Mr. WYNN, Ms. NORTON, Mr. BROWN of Ohio, Mr. BECERRA, Mr. MCNULTY, Mr. RODRIGUEZ, Mrs. MEEK of Florida, Mr. EVANS, Mr. WAXMAN, and Mrs. CLAYTON.

H.R. 3634: Mr. LAFALCE, Mr. FRANK, Mr. WATT of North Carolina, Mr. CLAY, Mr. SANDERS, Mr. HINCHEY, Mr. FILNER, Mr. BROWN of Ohio, Mr. BLAGOJEVICH, and Ms. NORTON.

H.R. 3645: Mr. KILDEE.

H.R. 3669: Mr. BLUNT, Mr. POMEROY, Mr. BRADY of Texas, Mr. FROST, Mr. BEREUTER, Mr. LUCAS of Kentucky, Mr. FORBES, and Mr. FRELINGHUYSEN.

H.R. 3670: Mr. STARK and Mr. DAVIS of Florida.

H.R. 3684: Mr. REHBERG.

H.R. 3686: Mr. MANZULLO and Mr. TIAHRT.

H.R. 3687: Mr. KING.

H.R. 3688: Mr. PLATTS.

H.R. 3694: Mr. TAUZIN, Mr. DINGELL, Mr. MCKEON, Mr. GEORGE MILLER of California, Mr. GARY G. MILLER of California, Mr. MCINTRYE, Mr. CALVERT, Mr. BLAGOJEVICH, Mr. ISSA, Mr. STRICKLAND, Mr. SHAYS, Ms. LOFGREN, Mr. MANZULLO, Mr. TRAFICANT, Mr. BARR of Georgia, Mr. GORDON, Mr. DEAL of Georgia, Ms. RIVERS, Mr. NORWOOD, Mr. PETERSON of Minnesota, Mr. LINDER, Mr. BROWN of Ohio, Mr. BURTON of Indiana, Mr. MATSUI, Mr. LEACH, Mr. BRADY of Pennsylvania, Mr. GALLEGLY, Mr. FATTAH, Mr. EHRLICH, Mr. ROSS, Mr. GIBBONS, Mr. EVANS, Mr. GILMAN, Mr. KANJORSKI, Mr. MCHUGH, Mr. MURTHA, Mr. WATTS of Oklahoma, Mr. HOEFFEL, Mr. LUCAS of Oklahoma, Mr. COYNE, Ms. HART, Mr. DOYLE, Mr. PETERSON of Pennsylvania, Mr. GONZALEZ, Mr. WELDON of Pennsylvania, Mr. MCNULTY, Mr. GREENWOOD, Mr. HASTINGS of Florida, Mr. SHERWOOD, Mr. WU, Mr. GEKAS, Ms. HOOLEY of Oregon, Mr. ENGLISH, Mr. MEEKS of New York, Mr. WILSON of South Carolina, Mr. RUSH, Mr. JENKINS, Mr. LYNCH, Mr. BRYANT, Mr. KILDEE, Mr. FORBES, Ms. SOLIS, Mr. TERRY, Mr. FROST, Mr. OSBORNE, Mr. SMITH of Washington, Mr. JEFF MILLER of Florida, Mr. CROWLEY, Mr. CUNNINGHAM, Mr. DELAHUNT, Mr. WALDEN of Oregon, Mr. MARKEY, Mr. CHAMBLISS, Mr. DAVIS of Illinois, Mr. PENCE, Mr. THOMPSON of California, Mr. BASS, Ms. ESHOO, Ms. DUNN, Ms. LEE, Mr. FARR of California, Mr. SCHIFF, Ms. WATSON, Mr. BACA, Mr. TIERNEY, Mr. BISHOP, Mr. LEWIS of Georgia, Mr. JOHN, Mr. PAYNE, Mr. INSLEE, Mr. TOWNS, Mr. FRANK, Mr. NEAL of Massachusetts, Ms. MCCOLLUM, Mr. CAPUANO, Mr. SHOWS, Ms. WOOLSEY, Mr. TIBERI, Mr. MEEHAN, Mr. BONIOR, Mr. STUPAK, Mr. LAHOOD, Mr. HANSEN, Mr. UPTON, Mr. BLUNT, Mr. CRENSHAW, Mr. KELLER, Mr. STEARNS, Mr. TOM DAVIS of Virginia, Mr. PICKERING, Mr. MCCRERY, Mr. WELLER, Mr. GRUCCI, Mr. SHIMKUS, Mr. AKIN, and Mr. SMITH of New Jersey.

H.R. 3713: Mr. GREEN of Wisconsin and Mr. COOKSEY.

H.J. Res. 23: Mr. GEKAS.

H. Con. Res. 177: Mr. THOMPSON of California.

H. Con. Res. 304: Mr. FRANK.

H. Con. Res. 311: Mr. PETERSON of Minnesota and Mr. RANGEL.

H. Con. Res. 317: Mr. OSE and Mr. CARSON of Oklahoma.

H. Con. Res. 318: Mr. KLECZKA, Mr. PETRI, and Mr. HOLDEN.

H. Con. Res. 320: Mr. LYNCH.

H. Con. Res. 327: Mr. LANTOS, Mr. ENGEL, and Mr. WHITFIELD.

H. Res. 144: Mr. SCHROCK and Mr. PAUL.

H. Res. 225: Mrs. JONES of Ohio, Mr. TANNER, and Ms. LOFGREN.

H. Res. 325: Mr. ETHERIDGE.

H. Res. 339: Mr. HINCHEY and Mr. CARDIN.

H. Res. 346: Mr. STEARNS, Mr. WELDON of Florida, Mr. BROWN of South Carolina, Mr. TERRY, Mr. VITTER, Mr. PITTS, Mr. DOOLITTLE, Mr. CHABOT, Mr. WILSON of South Carolina, Mr. HOSTETTLER, Mr. ADERHOLT, and Mr. GUTKNECHT.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, February 14, 2002 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

FEBRUARY 26

10 a.m.

Indian Affairs

To hold hearings on rulings of the United States Supreme Court affecting tribal government powers and authorities.

SD–106

Banking, Housing, and Urban Affairs

To resume oversight hearings to examine accounting and investor protection issues, focusing on proposals for change relating to financial reporting by public companies, accounting standards, and oversight of the accounting profession.

SD–538

FEBRUARY 27

9:30 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Disabled American Veterans and the Veterans of Foreign Wars.

345 Cannon Building

10 a.m.

Armed Services

Readiness and Management Support Subcommittee

To hold hearings to examine acquisition policy issues of the Department of Defense.

SR–222

2 p.m.

Indian Affairs

To hold oversight hearings on the management of Indian Trust Funds.

SD–106

MARCH 5

10 a.m.

Indian Affairs

To hold hearings on the President's proposed budget request for fiscal year 2003 for Indian programs.

SR–485

2:30 p.m.

Veterans' Affairs

To hold hearings on the nomination of Robert H. Roswell, of Florida, to be Under Secretary for Health, and Daniel L. Cooper, of Pennsylvania, to be Under Secretary for Benefits, both of the Department of Veterans Affairs.

SR–418

MARCH 6

10 a.m.

Armed Services

Readiness and Management Support Subcommittee

To hold hearings to examine financial management issues of the Department of Defense.

SR–222

MARCH 7

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Paralyzed Veterans of America, Jewish War Veterans, Blinded Veterans Association, the Non-Commissioned Officers Association, and the Military Order of the Purple Heart.

345 Cannon Building

Indian Affairs

To resume hearings on the President's proposed budget request for fiscal year 2003 for Indian programs.

SR–485

2:30 p.m.

Energy and Natural Resources

National Parks Subcommittee

To hold hearings on S. 213 and H.R. 37, to amend the National Trails System Act to update the feasibility and suitability studies of 4 national historic trails and provide for possible additions to such trails; S. 1069 and H.R. 834, to amend the National Trails System Act to clarify Federal authority relating to land acquisition from willing sellers from the majority of the trails in the System; and H.R. 1384, to amend the National Trails System Act to designate the route in Arizona and New Mexico which the Navajo and Mescalero Apache Indian tribes were forced to walk in 1863 and 1864, for study for potential addition to the National Trails System.

SD–366

MARCH 14

10 a.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of the Gold Star Wives of America, the Fleet Reserve Association, the Air Force Sergeants Association, and the Retired Enlisted Association.

345 Cannon Building

MARCH 20

2 p.m.

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to examine the legislative presentations of American Ex-Prisoners of War, the Vietnam Veterans of America, the Retired Officers Association, the National Association of State Directors of Veterans Affairs, and AMVETS.

345 Cannon Building

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.